Annual Report

of the

Secretary of the Treasury

on the

State of the Finances

For the Fiscal Year Ended June 30, 1964

TREASURY DEPARTMENT

DOCUMENT NO. 3233

Secretary

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THE SECRETARY OF THE TREASURY
WASHINGTON

March 9, 1965.

DEAR SIRS:

Pursuant to the requirements of Section 262 of Title 5 of the United States Code, I have the honor to submit to you herewith my Annual Report on the State of the Finances for the Fiscal Year Ended June 30, 1964.

Douglas Dillon

DOUGLAS DILLON.

PRESIDENT OF THE SENATE.
SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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SECRETARY, UNDER SECRETARIES, GENERAL COUNSELS, ASSISTANT SECRETARIES, AND DEPUTY UNDER SECRETARIES FOR MONETARY AFFAIRS SERVING IN THE TREASURY DEPARTMENT FROM JANUARY 21, 1961, THROUGH DECEMBER 31, 1964 [1]

Term of service		Official
From	To	
		Secretary of the Treasury
Jan. 21, 1961	--------------	Douglas Dillon, New Jersey.
		Under Secretary
Feb. 3, 1961	Apr. 27, 1964	Henry H. Fowler, Virginia.
		Under Secretary of the Treasury for Monetary Affairs
Jan. 31, 1961	Dec. 31, 1964	Robert V. Roosa, New York.
		General Counsel
Apr. 5, 1961	Oct. 6, 1962	Robert H. Knight, Virginia.
Nov. 16, 1962	--------------	G. d'Andelot Belin, Massachusetts.
		Assistant Secretaries
Dec. 20, 1957	Dec. 19, 1961	A. Gilmore Flues, Ohio.
Apr. 5, 1961	Oct. 31, 1962	John M. Leddy, Virginia.
Apr. 24, 1961	--------------	Stanley S. Surrey, Massachusetts
Dec. 20, 1961	--------------	James A. Reed, Massachusetts.
Dec. 18, 1962	Oct. 15, 1964	John C. Bullitt, New Jersey.
Sept. 18, 1963	--------------	Robert A. Wallace, Illinois.
		Deputy Under Secretary of the Treasury for Monetary Affairs
Dec. 21, 1961	Nov. 28, 1963	J. Dewey Daane, District of Columbia.
Dec. 3, 1963	--------------	Paul A. Volcker, New Jersey.
		Fiscal Assistant Secretary
June 19, 1955	Mar. 31, 1962	William T. Heffelfinger, District of Columbia.
June 15, 1962	--------------	John K. Carlock, Arizona.
		Assistant Secretary for Administration [2]
Sept. 14, 1959	--------------	A. E. Weatherbee, Maine.

[1] For officials from September 11, 1789, through January 20, 1961, see the 1961 annual report exhibit 32, pp. 389–392.
[2] The title of "Administrative Assistant Secretary" was changed to "Assistant Secretary for Administration" under the provisions of Public Law 88–426, approved Aug. 14, 1964.

PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE TREASURY DEPARTMENT AS OF DECEMBER 31, 1964

Secretary of the Treasury	Douglas Dillon
Special Assistant to the Secretary	Robert Carswell
Under Secretary of the Treasury	Vacancy
Special Assistant to the Under Secretary	Douglass Hunt
Under Secretary for Monetary Affairs	Robert V. Roosa
Deputy Under Secretary for Monetary Affairs	Paul A. Volcker
Director, Office of Domestic Gold and Silver Operations	Leland Howard
Deputy Director, Office of Financial Analysis	John H. Auten
Director, Office of Debt Analysis	R. Duane Saunders
Assistant to the Secretary (Debt Management)	Daniel S. Ahearn
General Counsel	G. d'Andelot Belin
Deputy General Counsel	Fred B. Smith
Assistant General Counsel	Roy T. Englert
Assistant General Counsel	Edwin F. Rains
Assistant General Counsel	Hugo A. Ranta
Assistant General Counsel	George F. Reeves
Chief Counsel, Foreign Assets Control	Stanley L. Sommerfield
Director of Practice	Thomas J. Reilly
Assistant Secretary	Stanley S. Surrey
Deputy Assistant Secretary and Director, Office of Tax Analysis	Jacob A. Stockfisch
Tax Legislative Counsel	Lawrence M. Stone
Special Assistant for International Tax Affairs	Richard O. Loengard, Jr.
Assistant Secretary	James A. Reed
Deputy Assistant Secretary	James P. Hendrick
Aide to the Assistant Secretary	Commander G. H. Patrick Bursley, USCG
Director, Office of Law Enforcement Coordination	Arnold Sagalyn
Assistant Secretary	Merlyn N. Trued (Acting)
Deputy Assistant Secretary	Merlyn N. Trued
Deputy to Assistant Secretary, for International Monetary Affairs	George H. Willis
Deputy to Assistant Secretary, for International, Financial, and Economic Affairs	Ralph Hirschtritt
Assistant Secretary	Robert A. Wallace
Special Assistant to Assistant Secretary	Thomas W. Wolfe
Director, Employment Policy Program	Mrs. Mary F. Nolan
Fiscal Assistant Secretary	John K. Carlock
Deputy Fiscal Assistant Secretary	George F. Stickney
Assistant Fiscal Assistant Secretary	Hampton A. Rabon, Jr.
Assistant to Fiscal Assistant Secretary	Boyd A. Evans
Assistant to Fiscal Assistant Secretary	Frank F. Dietrich
Assistant Secretary for Administration	A. E. Weatherbee
Deputy Assistant Secretary for Administration and Director, Office of Budget and Finance	Ernest C. Betts, Jr.
Director, Office of Personnel	Amos N. Latham, Jr.
Director, Office of Management and Organization	James H. Stover
Director, Office of Administrative Services	Paul McDonald
Director, Office of Security	Thomas M. Hughes

Assistant to the Secretary (Congressional Relations)	Joseph M. Bowman, Jr.
Deputy Assistant to the Secretary (Congressional Relations)	(Vacancy)
Assistant to the Secretary (Public Affairs)	Dixon Donnelley
Deputy Assistant to the Secretary (Public Affairs)	Stephen C. Manning, Jr.
Assistant to the Secretary (National Security Affairs)	Charles A. Sullivan
National Security Affairs Adviser	Bradley H. Patterson, Jr.
Director, Office of Foreign Assets Control	Mrs. Margaret W. Schwartz
Senior Consultant	Seymour E. Harris
Special Assistant to the Secretary and Director, Executive Secretariat	Donald I. Lamont

BUREAU OF ACCOUNTS

Commissioner of Accounts	Harold R. Gearhart
Assistant Commissioner	Sidney S. Sokol
Special Assistant to Commissioner	Lyle D. Mosso
Staff Assistant to the Commissioner	George Friedman
Assistant Commissioner for Administration	John H. Henriksen
Chief Disbursing Officer	Charles O. Bryant
Chief Auditor	Steve L. Comings
Deputy Commissioner for Systems	Ray T. Bath
Deputy Commissioner for Central Accounts and Reports	Howard A. Turner
Deputy Commissioner for Deposits and Investments	Sidney Cox
Director, Defense Lending	Robert M. Seabury

BUREAU OF CUSTOMS

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Assistant Commissioner of Customs	Lester D. Johnson
Deputy Commissioner, Office of Administration	N. G. Strub
Deputy Commissioner, Office of Investigations	Lawrence Fleishman
Acting Deputy Commissioner, Office of Operations	David C. Ellis
Deputy Commissioner, Appraisement	Walter G. Roy
Deputy Commissioner, Technical	George Vlases, Jr.
Acting Deputy Commissioner, Collectors Operations	Thomas J. Gorman, Jr.
Acting Deputy Commissioner, Office of Regulations and Rulings	Donald L. E. Ritger
Deputy Commissioner, Classification and Drawbacks	William E. Higman
Deputy Commissioner, Entry, Value, and Penalties	Burke H. Flinn
Deputy Commissioner, Marine Administration	R. V. McIntyre
Acting Chief Counsel	Fred M. Ivey

BUREAU OF ENGRAVING AND PRINTING

Director, Bureau of Engraving and Printing	Henry J. Holtzclaw
Assistant Director, Bureau of Engraving and Printing	Frank G. Uhler

BUREAU OF THE MINT

Director of the Mint	Miss Eva Adams
Assistant Director of the Mint	Frederick W. Tate

BUREAU OF NARCOTICS

Commissioner of Narcotics	Henry L. Giordano
Deputy Commissioner of Narcotics	George H. Gaffney
Assistant to the Commissioner of Narcotics	John R. Enright

BUREAU OF THE PUBLIC DEBT

Commissioner of the Public Debt	Donald M. Merritt
Assistant Commissioner	Ross A. Heffelfinger, Jr.
Deputy Commissioner	Michael E. McGeoghegan
Deputy Commissioner in Charge, Chicago Office	Jack P. Thompson

INTERNAL REVENUE SERVICE

Commissioner of Internal Revenue	Bertrand M. Harding (Acting)
Deputy Commissioner	Bertrand M. Harding
Assistant Commissioner (Administration)	Edward F. Preston
Assistant Commissioner (Inspection)	Vernon D. Acree
Assistant Commissioner (Compliance)	Donald W. Bacon
Assistant Commissioner (Data Processing)	Robert L. Jack
Assistant Commissioner (Planning and Research)	William H. Smith
Assistant Commissioner (Technical)	Harold T. Swartz
Chief Counsel	Sheldon S. Cohen

OFFICE OF THE COMPTROLLER OF THE CURRENCY

Comptroller of the Currency	James J. Saxon
Administrative Assistant to the Comptroller	Albert J. Faulstich
First Deputy Comptroller	William B. Camp
Deputy Comptroller	Justin T. Watson
Deputy Comptroller	Thomas G. DeShazo
Deputy Comptroller	R. C. Egertson
Deputy Comptroller (Trusts)	Dean E. Miller
Chief National Bank Examiner	Daniel D. Moore
Chief Counsel	Robert Bloom

OFFICE OF THE TREASURER OF THE UNITED STATES

Treasurer of the United States	Mrs. Kathryn O'Hay Granahan
Deputy Treasurer	William T. Howell
Assistant Deputy Treasurer	Willard E. Scott

UNITED STATES COAST GUARD

Commandant, U.S. Coast Guard	Admiral Edwin J. Roland
Assistant Commandant	Vice Admiral W. D. Shields
Chief of Staff	Rear Admiral Paul E. Trimble

UNITED STATES SAVINGS BONDS DIVISION

National Director	William H. Neal
Assistant National Director	Bill McDonald

UNITED STATES SECRET SERVICE

Chief, U.S. Secret Service	James J. Rowley
Deputy Chief	Paul J. Paterni
Assistant Chief	E. A. Wildy

COMMITTEES AND BOARD

Chairman, Treasury Management Committee	A. E. Weatherbee
Chairman, Treasury Awards Committee	Amos N. Latham, Jr.
Chairman, Treasury Wage Board	Amos N. Latham, Jr.
Employment Policy Officer	Robert A. Wallace
Principal Compliance Officer	Robert A. Wallace

·ORGANIZATION OF THE DEPARTMENT OF THE TREASURY·

December 11, 1964

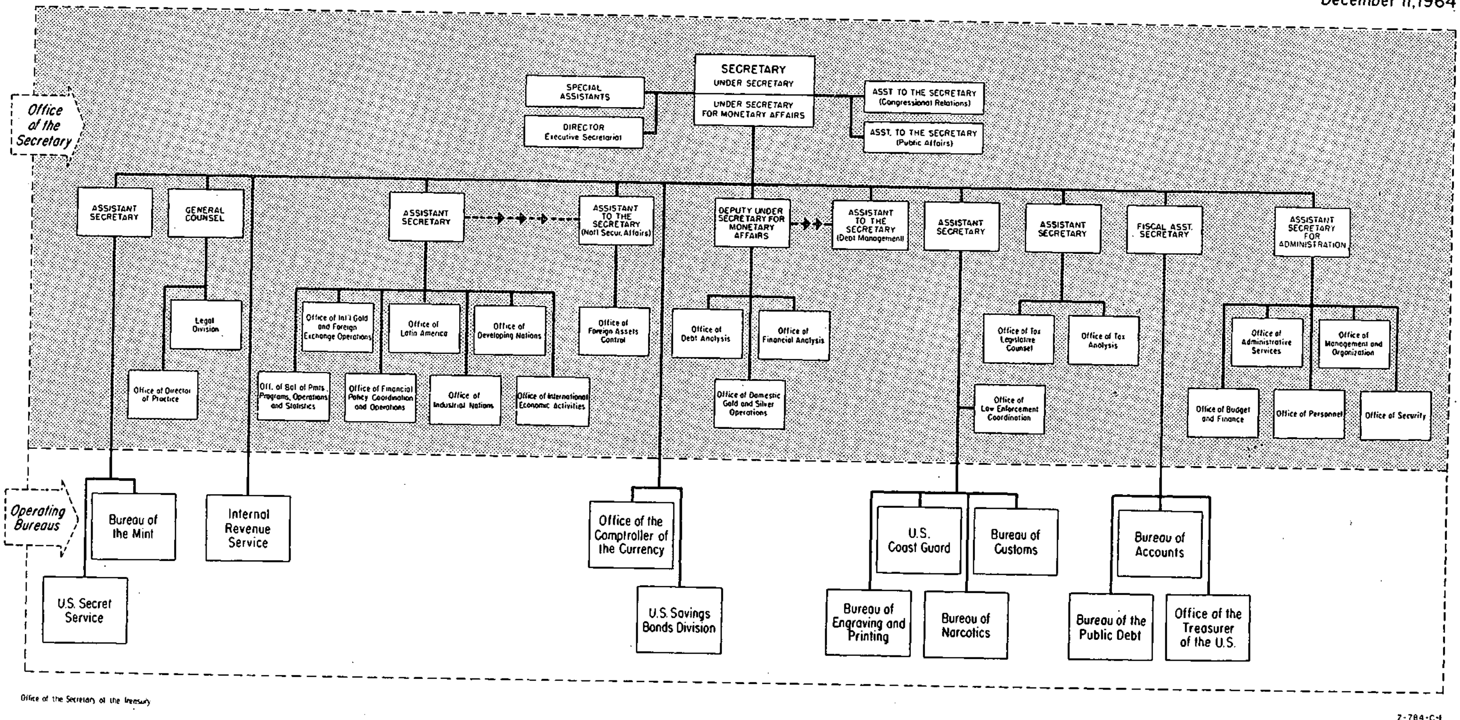


CHART 1

REVIEW OF FISCAL OPERATIONS

Summary of Financial Operations

Net administrative budget receipts for the fiscal year 1964 totaled $89.5 billion, an increase of $3.1 billion over the preceding year, due principally to accelerated collections of corporate taxes and increased collections of individual income taxes. Net administrative budget expenditures for the year amounted to $97.7 billion, an increase of about $5.0 billion over fiscal 1963. The administrative budget deficit for fiscal 1964 was $8.2 billion.

Net trust receipts during the year increased to $30.3 billion; net expenditures rose to $28.9 billion, resulting in an excess of receipts amounting to approximately $1.4 billion.

On the basis of the consolidated cash statement, fiscal 1964 Federal receipts from the public totaled $115.5 billion, and Federal payments to the public were $120.3 billion, resulting in an excess of payments amounting to $4.8 billion.

Public debt outstanding at the end of the fiscal year was $311.7 billion, an increase of about $5.9 billion over that of a year ago. The Government's fiscal operations in 1963–64, and their effect on the public debt are summarized as follows:

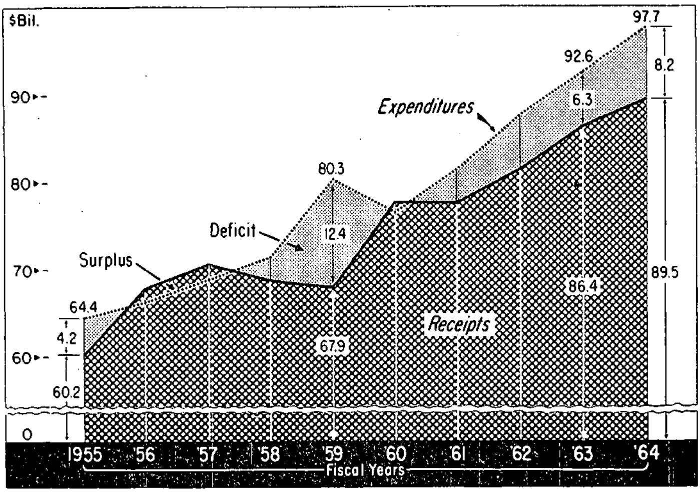
	In billions of dollars			
	1963		1964	
Administrative budget receipts and expenditures:				
Net receipts (−)	−86.4		−89.5	
Net expenditures	92.6		97.7	
Administrative budget deficit		6.3		8.2
Trust receipts and expenditures:				
Net receipts (−)	−27.7		−30.3	
Net expenditures	26.5		28.9	
Excess of receipts (−), or expenditures		−1.1		−1.4
Net investments in public debt and agency securities		2.1		2.8
Net sales (−), or redemptions of Government agency securities in the market		−1.0		−1.9
Increase (−), or decrease in checks outstanding, deposits in transit (net), etc		.1		−.9
Increase (−), or decrease in public debt interest accrued		−.2		(*)
Change in cash balances, increase, or decrease (−):				
Treasurer's account	1.7		−1.1	
Held outside Treasury	−.1		.2	
Net increase in cash balances		1.6		−.9
Increase in public debt		7.7		5.9

*Less than $50 million.

Administrative Budget Receipts and Expenditures

CHART 2

The Administrative Budget



Receipts

The increase of $3.1 billion in net administrative budget receipts during fiscal 1964 brought the total to $89.5 billion, a new alltime record. This overall rise occurred despite a decrease of $0.5 billion in miscellaneous receipts, which are primarily from nontax sources and despite the initial impact of reduced individual income tax rates under the Revenue Act of 1964. The withholding rate against individual salaries and wages was dropped from 18 percent to 14 percent early in March 1964.

Economic activity continued to expand through the fiscal year 1964 and tax receipts accompanied this general rise.

A comparison of net administrative budget receipts by major sources for fiscal years 1963 and 1964 is shown below. Additional data for 1964 on a gross basis are presented in table 18.

Source	1963	1964	Increase, or decrease (—)
	In millions of dollars		
Internal revenue:			
Individual income taxes	47,588	48,697	1,109
Corporation income taxes	21,579	23,493	1,914
Excise taxes	9,915	10,211	296
Estate and gift taxes	2,167	2,394	226
Total internal revenue	81,249	84,794	3,545
Customs duties	1,205	1,252	47
Miscellaneous receipts	3,922	3,412	—509
Net administrative budget receipts	86,376	89,459	3,082

Individual income taxes.—Receipts from individual income taxes amounted to $48.7 billion in fiscal 1964, accounting for 54 percent of total budget revenues but only 36 percent of the increase in total net budget receipts. A net gain of $1.1 billion over fiscal 1963 occurred despite an estimated $2.4 billion reduction attributable to the Revenue Act of 1964.

Corporation income taxes.—Receipts from corporation income taxes primarily depend on the amount of corporation profits for the calendar year which ends in the fiscal year.

Corporation profits rose substantially from calendar year 1962 to 1963. Tax receipts in fiscal 1964 were further bolstered by the speedup in estimated payments required under the Revenue Act of 1964. Over a seven-year period, tax payments previously made in the following year will be gradually shifted into the current year.

Excise taxes.—Receipts from excise taxes are shown in the following table.

Source	1963	1964	Increase, or decrease (−)
	In millions of dollars		
Alcohol taxes	3,442	3,577	136
Tobacco taxes	2,079	2,053	−27
Taxes on documents, other instruments, and playing cards	149	172	23
Manufacturers excise taxes	5,610	6,021	410
Retailers excise taxes	444	475	31
Miscellaneous excise taxes	1,620	1,547	−73
Undistributed depositary receipts and unapplied collections	66	106	40
Gross excise taxes	13,410	13,950	540
Less:			
Refunds of receipts	216	220	4
Transfers to highway trust fund	3,279	3,519	240
Net excise taxes	9,915	10,211	296

Net excise tax receipts, after deduction of refunds and transfers to the highway trust fund, rose almost $300 million bringing the total to $10.2 billion for the fiscal year. Increases were general, again reflecting the continued rise in economic activity. Exceptions were the tobacco taxes which declined slightly because of the Surgeon General's medical report and the miscellaneous excise taxes category. Miscellaneous excise taxes show a decrease because of the phasing out of the reduction of the tax on air transportation from 10 percent to 5 percent and the repeal of the tax on other forms of transportation, both actions effective November 15, 1962.

Estate and gift taxes.—Estate and gift tax collections reached $2.4 billion in the fiscal year 1964, over 10 percent larger than in the previous fiscal year. Since estate taxes are not payable until 15 months after death and the valuation of the estate is the lesser of the value at time of death or one year later, the rise reflected the strong upsurge in stock prices which began late in calender year 1962.

Customs.—Customs duties increased 3.9 percent during the year, reaching a net total of $1,252 million. This rise reflected increased taxable imports accompanying the general rise in economic activity.

Miscellaneous receipts.—Miscellaneous receipts are a nontax revenue source. The total of $3.9 billion received in fiscal year 1963 included substantial foreign loan repayments as well as large rent receipts and repayments to the unemployment trust fund by States. Each of these categories was significantly lower in fiscal year 1964.

Estimates of receipts

The Secretary of the Treasury is required each year to prepare and submit in his annual report to Congress estimates of public revenue for the current fiscal year and for the fiscal year next ensuing (act of February 26, 1907 (5 U.S.C. 265)).

The estimates of receipts from taxes and customs for the current and ensuing fiscal years are prepared by the Treasury Department. In general, the estimates of miscellaneous receipts are prepared by the agencies depositing these receipts in the Treasury.

The estimates of receipts and the legislative and economic assumptions upon which they are based are the same as those presented in the Budget message of the President of January 25, 1965. The message recommended that some excise taxes be repealed and others reduced. The other major revenue proposals involve important activities financed through trust funds and so do not affect net administrative budget receipts. These consist of a hospital insurance program for elderly persons and is self-financing. Combined employer-employee payroll contributions are recommended at 0.6 percent on the first $5,600 of income to start in calendar year 1966. Also recommended is an increase from $4,800 to $5,600 in the wage base on which social security taxes are paid. This will take effect on January 1, 1966, and will be coupled with changes in the payroll taxes to be allocated to the Federal old-age and survivors insurance trust fund and Federal disability insurance trust fund.

While the President recommended reductions in certain excise taxes he proposed increases in certain others which are in the nature of user charges. Increased or new taxes on general aviation gasoline and jet fuels, both commercial and general, and a new tax on air freight for commercial aviation are proposed. Receipts from the existing two-cent tax on aviation gasoline will be kept in the general fund rather than transferred to the highway trust fund, and the 5-percent ticket tax on air passengers will be made permanent. Also proposed is a fuel tax for inland waterway users. Revenue estimates for the fiscal years 1965 and 1966 assume that these recommendations will be accepted by the Congress.

Under present law, the excise tax rates on distilled spirits, beer, wines, cigarettes, passenger automobiles, and automobile parts and accessories will be reduced on July 1, 1965, and the tax on general telephone service will expire on that same date. The revenue estimates are based on proposed legislation which would make these taxes permanent but the detailed estimates do not include the effect of possible reduction or repeal which is shown only in total.

The Revenue Act of 1964 reduced individual and corporation income tax rates and made various changes in the income tax structure. The bulk of the tax reduction went into effect early in calendar year 1964 and the remainder on January 1, 1965. In 1965 the individual tax rates are in a range from 14 percent to 70 percent. The taxable income up to $2,000 for single persons and $4,000 for married couples which, prior to 1964, was taxed at 20 percent in one bracket, has been divided into 4 equal brackets which in 1965 will be taxed at rates of 14, 15, 16, and 17 percent.

The combined normal and surtax rates on corporation incomes above $25,000 dropped from 52 percent to 50 percent for 1964 and became 48 percent in 1965. Incorporated small businesses received an even larger tax rate reduction since the normal tax on corporation income below $25,000 was reduced from 30 percent to 22 percent in 1964.

Corporations with annual income tax liabilities in excess of $100,000 are having their tax payments moved closer in time to the accrual of tax liabilities. The Revenue Act of 1964 provided for a speedup of payments starting in the calendar year 1964 and to be completed in 1970, when payments of estimated tax liabilities will be made quarterly as the liability develops. This speedup in payments adds to Government receipts in the fiscal years involved but does not affect the tax liabilities computed under the new lower rates.

Enactment of the 1964 tax act has accelerated the growth of the economy toward full employment. The nation's output of goods and services is expected to reach $660 billion in the calendar year 1965, an increase of $38 billion over calendar 1964. Substantial gains in personal income and corporate profits will accompany the growth in output. Specifically, the fiscal year revenue estimates are based on the following economic assumptions:

	Calendar years		
	1963 actual	1964 preliminary	1965 estimate
	In billions of dollars		
Gross national product	583.9	622.3	660
Personal income	464.1	491.4	520
Corporation profits before taxes	51.3	57.2	61

Estimates of tax revenues cannot be derived directly and simply from the assumed levels of aggregate economic performance. The definitions of taxable income in the tax statutes, which determine tax liabilities, differ from the economic or statistical definitions of income which are used to measure economic performance. In addition, tax payments are received by the Treasury after the period in which tax liabilities are incurred. For example, corporation income tax collections now lag 6 months behind the period when the taxable income was earned; there is also some lag between the time when individual income and social security taxes are deducted from earnings and the time employers transfer these sums to the Treasury.

The 1964 income tax legislation has decreased budget receipts by successively greater amounts for the fiscal years 1964, 1965, and 1966. Despite the losses from income tax reduction and, in 1966, from proposed excise tax cuts, revenues rose in fiscal 1964 and are expected to continue rising in the fiscal years 1965 and 1966. Receipts for fiscal 1965 are estimated to increase $1.7 billion over actual receipts in 1964 to reach a total of $91.2 billion. A further rise of $3.2 billion to a total of $94.4 billion is estimated for 1966. Receipts will have risen for 5 consecutive years by fiscal year 1966, reaching a level $16.7 billion above 1961. This revenue gain reflects an increase of $157 billion in gross national product from calendar year 1960 to calendar year 1965.

Actual administrative budget receipts for fiscal year 1964 and estimated receipts for 1965 and 1966 are compared by major sources in the accompanying table. Amounts shown for each revenue source are the net amounts after deduction of refunds, transfers to trust funds, and interfund transactions.

	Fiscal years			
	1964 actual	1965 estimate	1966 estimate	Increase, or decrease (—), 1965 to 1966
	In millions of dollars			
Individual income taxes	48,697	47,000	48,200	1,200
Corporation income taxes	23,493	25,600	27,600	2,000
Excise taxes	10,211	10,733	9,770	—963
Estate and gift taxes	2,394	2,800	3,200	400
Customs	1,252	1,415	1,500	85
Miscellaneous receipts	3,412	3,652	4,130	478
Net administrative budget receipts	89,459	91,200	94,400	3,200

Individual income taxes.—Collections of individual income taxes amounted to $48,697 million in the fiscal year 1964. They are estimated to fall $1,697 million in fiscal 1965 but then rise to $48,200 million in fiscal 1966, an increase of $1,200 million. The drop in 1965 was, of course, occasioned by the initial large impact of the reduced tax rates despite rising incomes during the period. The increase to 1966 reflects a substantial increase in the individual income tax base offset in part by the second stage reduction of tax rates which went into effect on January 1, 1965. The total effect on 1966 revenues of the individual income tax reduction is estimated at over $11 billion at the presently assumed higher level of personal income, but this higher level would not have been possible without the stimulus of the tax reduction.

Corporation income taxes.—Corporation income tax receipts are expected to rise $2,107 million from the fiscal year 1964 to 1965. A further increase of $2 billion is expected in fiscal 1966, bringing the total to $27,600 million for that year. The two-stage reductions in corporation tax rates in the calendar years 1964 and 1965 were more than offset by increased corporate profits and the third of seven steps in the acceleration of corporate payments on estimated income tax liabilities.

Excise taxes.—Net excise tax revenues, excluding transfers to the highway trust fund, are estimated to rise from $10,211 million in fiscal 1964 to an estimated $10,733 million in 1965 and to fall to $9,770 million in fiscal year 1966. Proposed legislation to repeal or reduce certain excise taxes at the beginning of fiscal 1966 will have reduced collections by $1.5 billion.

There is some offset from several new and increased taxes on users of the Federal airways and inland waterways systems. All receipts from these sources will be deposited in the general fund. Collections will also be increased from excises which remain unchanged reflecting increased sales of the products and services involved.

Estate and gift taxes.—Estate and gift tax receipts are estimated to increase from $2,394 million in fiscal 1964 to $2,800 million in 1965, and to $3,200 million in 1966. Receipts from this source arise mostly from collections of estate taxes which are payable 15 months after death. The estimated increases in the fiscal years 1965 and 1966 therefore reflect rises in stock market prices and other asset valuations occurring sometime earlier.

Customs.—Customs receipts are estimated to increase from $1,252 million in the fiscal year 1964 to an estimated $1,415 million in fiscal 1965, and to $1,500 million in 1966. These increases reflect enlarging imports as a result of the anticipated continued expansion of economic activity.

Miscellaneous receipts.—Miscellaneous receipts, which are all those received by the general fund of the Treasury except for taxes and customs duties and are measured after deduction of interfund transactions, are expected to be increased in both fiscal year 1965 and 1966. Such receipts will rise from $3,412 million in 1964 to $3,652 million in 1965, and then advance to $4,130 million in 1966. The major sources of increased receipts are higher payments of earnings by the Federal Reserve System and of rents on Outer Continental Shelf lands. In 1966 proposed legislation to accelerate sales from the strategic and critical materials stockpile will add to the increase.

Expenditures

Administrative budget expenditures, which in fiscal 1964 totaled $97.7 billion, are set forth by certain major functions in the table below. More detailed information is shown in table 15.

Program	1963	1964	Increase, or decrease (—)
	In millions of dollars		
National defense	52,755	54,181	1,426
International affairs and finance [1]	r 4,151	3,687	—464
Space research and technology	2,552	4,171	1,619
Interest payments	9,980	10,765	785
Veterans' benefits and services	5,186	5,492	306
Agriculture and agricultural resources [1]	r 5,390	5,560	170
Health, labor, and welfare	4,789	5,475	686
Commerce and transportation	2,843	3,002	159
Other [2]	5,507	6,017	510
Less interfund transactions	513	664	151
Total	92,642	97,684	5,042

r Revised.
[1] Expenditures for the Food for Peace Program were reclassified from "Agriculture and agricultural resources" to "International affairs and finance."
[2] Includes programs relating to natural resources, housing and community development, education, and general government.

National defense expenditures accounted for 55.5 percent of total administrative budget expenditures during fiscal 1964; interest payments accounted for 11 percent; agricultural programs 5.7 percent; and health, labor, and welfare programs 5.6 percent.

Estimates of expenditures

In fiscal years 1965 and 1966, it is estimated that administrative budget expenditures will be $97.5 billion and $99.7 billion, respectively. The following table shows these estimated expenditures by major program with comparative figures for the preceding year. Table 18 shows estimated administrative budget expenditures for these years by agencies.

Program	1964 actual	1965 estimate	Increase, or decrease (−), 1965 from 1964	1966 estimate	Increase, or decrease (−), 1966 from 1965
	In millions of dollars				
National defense	54,181	52,160	−2,021	51,578	−582
International affairs and finance [1]	3,687	4,043	356	3,984	−59
Space research and technology	4,171	4,900	729	5,100	200
Interest payments	10,765	11,286	521	11,594	308
Veterans' benefits and services	5,492	5,383	−109	4,623	−760
Agriculture and agricultural resources [1]	5,560	4,477	−1,083	3,944	−533
Health, labor, and welfare	5,475	6,208	733	8,328	2,120
Commerce and transportation	3,002	3,372	370	2,804	−568
Other [2]	6,017	6,484	467	8,333	1,849
Less interfund transactions	664	833	169	600	−233
Total	97,684	97,481	−203	99,687	2,206

[1] Expenditures for the Food for Peace Program were reclassified from "Agriculture and agricultural resources" to "International affairs and finance."
[2] Includes programs relating to natural resources, housing and community development, education, and general government.

Trust Receipts and Expenditures

Receipts

Trust receipts rose to $30.3 billion in the fiscal year 1964, approximately $2.6 billion above the preceding year, due primarily to fiscal 1964 being the first full fiscal year under the increased social security tax rates which became effective January 1, 1963.

Net trust receipts for fiscal 1964, compared with 1963, are shown by certain major sources in the following table. More detailed information is contained in table 5.

Source	1963	1964	Increase, or decrease (−)
	In millions of dollars		
Employment taxes	14,862	16,832	1,970
Unemployment tax deposits by States	3,009	3,042	33
Excise taxes	3,279	3,519	240
Interest on trust funds	1,477	1,613	136
Other trust receipts [1]	5,567	5,845	278
Less interfund transactions	505	521	16
Net trust receipts	27,689	30,331	2,642

[1] Includes Federal employee and agency payments to retirement funds, veterans' life insurance premiums, and other miscellaneous trust receipts.

Estimates of receipts

In fiscal years 1965 and 1966, trust receipts are expected to continue to rise, to $30.5 billion and $33.6 billion, respectively, reflecting higher levels of employment and earnings. Estimated trust receipts by certain major sources for these two years are compared with the preceding fiscal year in the summary table below. Considerably more detail regarding trust transactions in fiscal 1964 and estimates for 1965-66 is shown in table 19.

Source	1964 actual	1965 estimate	Increase, or decrease (−), 1965 from 1964	1966 estimate	Increase, or decrease (−), 1966 from 1965
	In millions of dollars				
Employment taxes	16,832	16,685	−147	18,731	2,046
Unemployment tax deposits by States	3,042	2,950	−92	2,900	−50
Excise taxes	3,519	3,639	120	3,959	320
Interest on trust funds	1,613	1,747	134	1,867	120
Other trust receipts [1]	5,848	6,072	224	6,758	686
Less interfund transactions	521	579	58	599	20
Net trust receipts	30,331	30,515	184	33,616	3,101

[1] Includes Federal employee and agency payments to retirement funds, veterans' life insurance premiums, and other miscellaneous trust receipts.

Expenditures

Trust expenditures during the year amounted to $28.9 billion, about $1.4 billion less than trust receipts, and $2.3 billion greater than trust expenditures in fiscal 1963. The summary table, which follows, compares trust expenditures during fiscal 1964 by major function with those of 1963. Health, labor, and welfare programs accounted for 78.8 percent of the year's total trust expenditures; commerce and transportation programs (principally the highway trust fund) made up 12.1 percent of the total. Details of trust expenditures are shown in table 5.

Program	1963	1964	Increase, or decrease (−)
	In millions of dollars		
National defense	679	487	−192
International affairs and finance	44	62	18
Veterans' benefits and services	835	666	−169
Agriculture and agricultural resources	507	496	−11
Health, labor, and welfare	21,855	22,733	878
Commerce and transportation	2,877	3,482	605
Other [1]	253	1,479	1,226
Less interfund transactions	505	521	16
Total trust expenditures	26,545	28,885	2,340

[1] Includes programs relating to natural resources, housing and community development, education, and general government; also includes net transactions in deposit fund accounts. The major portion of the increase is for housing and community development programs.

Estimates of expenditures

Trust expenditures in the fiscal years 1965 and 1966 are estimated at $29.0 billion and $32.9 billion, respectively. The following summary table shows by major functions the estimated trust expenditures for 1965 and 1966, compared with the preceding year. More detail regarding estimated trust expenditures for these years is contained in table 19.

Program	1964 actual	1965 estimate	Increase, or decrease (−), 1965 from 1964	1966 estimate	Increase, or decrease (−), 1966 from 1965
	In millions of dollars				
National defense	487	811	324	982	171
International affairs and finance	62	−106	−168	258	364
Veterans' benefits and services	666	641	−25	514	−127
Agriculture and agricultural resources	496	615	119	495	−120
Health, labor, and welfare	22,733	23,386	653	26,549	3,163
Commerce and transportation	3,482	3,932	450	3,690	−242
Other [1]	1,479	344	−1,135	1,010	666
Less interfund transactions	521	579	58	599	20
Total trust expenditures	28,885	29,045	160	32,898	3,853

[1] Includes natural resources, housing and community development, education, and general government, and net transactions in deposit funds.

Receipts From and Payments to the Public

To assess the effect of the Government's financial transactions on the private economy, it is helpful to consider total receipts from and payments to the public as presented in a consolidated cash statement showing the flow of these transactions between the Federal Government and the public. These totals are determined by adding administrative budget receipts and expenditures to trust fund receipts and expenditures with appropriate deductions for intragovernmental transactions, along with an adjustment to expenditures for debt issuances in lieu of checks, and adjustments for certain other transactions not involving exchanges of cash with the public. A detailed explanation of this procedure was contained in the 1962 annual report, page 31.

During fiscal 1964 total receipts from the public amounted to $115.5 billion, while total payments were $120.3 billion, an excess of payments totaling $4.8 billion. The following summary shows Federal cash transactions with the public for the fiscal years 1963–64 and estimates for the two ensuing years. Additional detail is available in table 17.

Receipts from and payments to the public	Actual		Estimated	
	1963	1964	1965	1966
	In millions of dollars			
Receipts from the public:				
Administrative budget (net)	86,376	89,459	91,200	94,400
Trust and other (net)	27,689	30,331	30,515	33,616
Intragovernmental and other noncash transactions (−)	−4,326	−4,259	−4,331	−4,526
Total receipts from the public	109,739	115,530	117,384	123,490
Payments to the public:				
Administrative budget (net)	92,642	97,684	97,481	99,687
Trust and other (net)	26,545	28,885	29,045	32,898
Intragovernmental and other noncash transactions (−)	−5,436	−6,237	−5,133	−5,187
Total payments to the public	113,751	120,332	121,393	127,398
Excess of cash receipts from, or payments to (−), the public	−4,012	−4,802	−4,009	−3,908

Corporations and Other Business-Type Activities of the Federal Government

Various business-type programs administered by Government corporations and other agencies are financed by appropriations, subscriptions to capital stock, borrowings from the U.S. Treasury or the public, or revenues derived from their own operations.

Agencies having legislative authority to borrow from the Treasury issue their formal securities to the Secretary of the Treasury, and the amounts borrowed are reported in the agencies' financial statements as part of the Government's net investment in the enterprise. Advances in fiscal 1964 by the Treasury, exclusive of refinancing transactions, totaled $7,198 million, and repayments during the year amounted to $7,113 million. Outstanding loans on June 30, 1964, totaled $29,256 million.

Agencies having legislative authority to borrow from the public either must have the terms of the securities to be offered approved by the Secretary of the Treasury or must consult with the Secretary on the proposed offering.

In fiscal 1964, the Congress granted agencies new authority to borrow from the Treasury in the amount of $1,016 million, and reduced such authority by $749 million, resulting in a net increase of $267 million. Available unused borrowing authority totaled $21,111 million on June 30, 1964, compared with $20,928 million a year earlier. The status of corporation and agency borrowing authority is shown in table 110.

The interest rates on borrowings from the Treasury, unless fixed by law, are determined each month by the Treasury taking into consideration the Government's cost for its borrowings in the current market, as reflected by prevailing market yields on Government securities having maturities approximately equal to Treasury loans to the agencies. Table 111 gives a description of the securities of Government corporations and agencies held by the Treasury on June 30, 1964.

Interest payments, dividends, and distribution of earnings are made either on the basis of operating results or in compliance with statutory requirements. During fiscal 1964, $708 million was received in the Treasury as interest on advances to agencies and $201 million as other payments; details are contained in table 114.

Financial statements submitted to Treasury

Quarterly statements of financial condition, income and expense, and source and application of funds are submitted to the Treasury by Government corporations and agencies. Semiannual statements of long-range commitments and contingencies are also required. These reports are the basis for the combined financial statements compiled by the Treasury which, together with the individual statements, are published periodically in the *Treasury Bulletin*.

Public enterprise and intragovernmental revolving funds, and revenue producing activities financed by general and special funds, are business-type activities included in the administrative budget category. The total combined assets of these administrative budget funds, including interagency items, amounted to $89,487 million on June 30, 1964. The combined liabilities, including interagency items and consisting principally of accounts payable and borrowings from the public, amounted to $9,510 million. Borrowings from the Treasury are considered part of the Government's investment and are not included in liabilities. Comparable totals for business-type activities which are included in the trust fund category as of June 30, 1964, were $15,819 million of assets and $10,393 million of liabilities.

Operations of public enterprise funds resulted in a combined net loss of $3,571 million; operations of intragovernmental revolving funds and business-type activities financed from general and special funds resulted in a combined net income of $416 million; thus, the overall net loss of the Government's business-type activities amounted to $3,155 million. Most of the operating loss of public enterprise funds was accounted for by the Commodity Credit Corporation's net loss of $2,710 million, and the net loss of the Post Office Department (postal fund) which was $652 million.

Summary statements of the financial condition of Government corporations and other business-type activities, as of June 30, 1964, are shown in table 112.

Account of the Treasurer of the United States

The account of the Treasurer of the United States is printed in the *Daily Statement of the United States Treasury* in summary balance sheet form. A more detailed balance sheet presentation is shown in table 59.

The three major categories of the account are gold, silver, and the general account. The gold held on June 30, 1964, principally at the Fort Knox Depository with lesser amounts at mints and assay offices, was valued at $15,461 million. Gold liabilities totaled $15,341 million and included gold certificates issued (series 1934), the reservation for the gold certificate fund of the Board of Governors, Federal Reserve System, and reserves against Federal Reserve notes and U.S. notes. The free gold balance in the Treasurer's account was $120 million at the end of the fiscal year.

The assets of the silver account at the fiscal yearend, consisting of silver bullion and silver dollars, had a total value of $1,850 million, against which liabilities (currency issued against free silver, etc.) totaled a little less than $1,811 million, leaving a silver balance totaling $39 million.

Assets of the general account of the Treasurer, $11,036 million on June 30, 1964, included gold and silver balances against which there were no specific liabilties or reserves, cash in the form of currency and coin, unclassified collections, and funds on deposit with Federal Reserve banks and other depositories. During the year there was a decrease of $1,080 million in the balance of the account. The net change is accounted for as follows:

Transactions affecting the account of the Treasurer of the United States, fiscal year 1964

[In million of dollars]

Balance June 30, 1963			12, 116
Excess of deposits, or withdrawals (−), budget, trust, and other accounts:			
Deposits		121, 581	
Withdrawals		124, 066	−2, 485
Excess of deposits, or withdrawals (−), public debt accounts:			
Increase in gross public debt		5, 853	
Deduct:			
Excess of Government agencies' investments in public debt issues	2, 745		
Accrual of discount on savings bonds and bills (included in increase in gross public debt above)	3, 372		
Less certain public debt redemptions (included above in withdrawals, budget, trust, and other accounts)	−2, 273		
Total deductions		−3, 844	2, 009
Excess of sales of Government agency securities in the market			886
Net transactions in clearing accounts (documents not received or classified by the Treasurer of the United States)			−1, 490
Balance June 30, 1964			11, 036

Public Debt Management and Ownership

The Treasury's primary task in managing the public debt is to secure in a timely and economical fashion the funds needed to cover Government expenditures in excess of receipts and to refinance maturing securities as they come due. However, these borrowing operations can have widely different impacts on the financial markets and the economy depending on the manner in which they are carried out. Debt management, accordingly, entails choices among the range of possible securities and maturities, in the timing of debt operations in terms of achieving an appropriate influence on the financial environment, and, through the financial markets, on the economy as a whole.

A major economic policy objective in recent years has been to correct the serious deficit in the U.S. balance of payments. Debt management has been used to help maintain U.S. short-term interest rates at levels reasonably competitive with rates available in major foreign money markets, thus minimizing interest rate incentives to the transfer of investment funds abroad. However, persistent high levels of unemployment and unused industrial capacity have made it inappropriate to constrict the availability of funds to business, homebuyers, and State and local governments or to bring similar upward pressures on the structure of long-term interest rates. Accordingly, debt management policy has avoided drawing funds from the mortgage market or from the corporate and municipal markets in order not to interfere with a steady rise in investment and economic activity, both important goals of domestic economic policy. At the same time, with the volume of private liquidity instruments, such as negotiable time certificates of deposit issued by commercial banks, rising rapidly, it was important that Treasury debt operations not contribute to an excess of total liquidity, with potential inflationary implications. In addition to avoiding the inflationary potential of an excessive buildup in short-term debt, the Treasury has continuously before it the objective of maintaining a sound, well-balanced maturity structure so that it will have at all times flexibility in its financing decisions.

In fiscal 1964 a number of developments importantly affected the environment in which these objectives were pursued. The U.S. balance-of-payments deficit increased substantially in the last half of fiscal 1963. This deterioration led to an increase from 3 percent to 3½ percent in the Federal Reserve's discount rate in July 1963. The President on July 18, 1963, announced a number of other measures, including the recommendation for an interest equalization tax [1] (see pages 47–48, and exhibit 26 for details) to bring the deficit back down. One objective was to achieve a rise in yields for short-dated paper; rates for three-month Treasury bills rose from about 3 percent in June 1963 to about 3½ percent by December 1963, and remained close to that level through June 1964. At the same time, however, it was important to avoid bringing unnecessary upward pressure on the long-term interest rates important for business investment decisions.

An additional complication, later in the fiscal year, was the sensitivity of market expectations to the concern of some observers that the $11.5 billion tax reduction program might lead to a potential inflationary surge in both spending and credit demands. This concern, which later dissipated, for a time contributed to a cautious bond market atmosphere, as did apprehension that interest rate increases abroad might require a further rise in the Federal Reserve discount rate to protect the U.S. balance of payments.

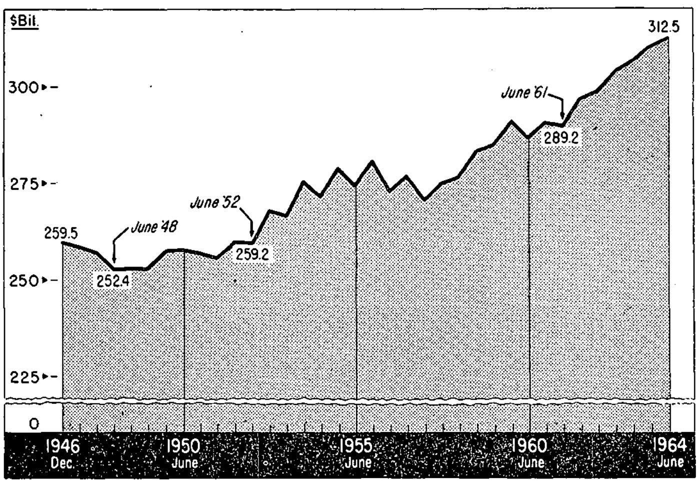
This difficult background for debt extension efforts was ameliorated by the fact that the increase in the Federal debt was the lowest in three years. The total Federal debt (the public debt and guaranteed debt

[1] Legislation imposing this tax was enacted on Sept. 2, 1964 (Public Law 88–563).

not owned by the Treasury) rose $6.1 billion to $312.5 billion on June 30, 1964, compared with a $7.8 billion increase in fiscal 1963, and a $9.4 billion rise in fiscal 1962. Thus, while the debt continued the irregular upward movement in progress since 1946, the rate of increase slowed. Moreover, the large increase in holdings by Government investment accounts and the Federal Reserve banks ($5.5 billion) meant that only a limited amount of the increase in the debt was placed with the general public.

CHART 3

The Federal Debt[1] – Semiannually since 1946



[1] Including public debt and guaranteed debt.

Changes in the Federal debt on a net basis reflect primarily, but not entirely, the relationship between Federal Government receipts and expenditures. In fiscal 1964 the administrative budget deficit amounted to $8.2 billion, but $2.2 billion of this was covered by reducing the Treasury's cash balance, by using net trust account receipts, and by drawing on funds generated in other miscellaneous accounts of the Federal Government. The cash balance of the Treasurer of the United States, though reduced by $1.1 billion in the course of the year, stood at $11.0 billion on June 30, 1964.

However, with borrowing needs still substantial and investor attitudes and psychology frequently clouded by uncertainties, Treasury debt management operations often had to be conducted with great care. Nevertheless, appreciable progress was made toward major debt management objectives. Increases in the supply of Treasury bills, supporting the Federal Reserve's policy actions, succeeded in helping to raise the 3-month Treasury bill rate to around 3½ percent and in maintaining it around that level. At the same time the Treasury prevented these increased bill issues from adding unduly to the economy's liquidity, and creating an inflationary potential, by cutting back the volume of short-term debt other than bills. Moreover, in fiscal 1964, as in the preceding fiscal year, the Treasury's borrowing was done on balance without recourse to the commercial banking system and bank holdings of Treasury securities actually declined during the year.

Debt extension efforts were continued in order to maintain a sound, well-balanced debt structure, but were tailored carefully to the absorptive capacity of the market and scheduled only at clearly favorable junctures in order to avoid any danger of congestion. Despite the shortening effect of the passage of time, the average maturity of the marketable debt was held at 5 years, practically unchanged from the end of fiscal 1963 when it was 5 years 1 month. By July 1964, following a large advance refunding, the average maturity was increased to 5 years 4 months.

Despite the rise in short-term interest rates and the large volume of long-term bond issues by the Treasury, yields on long-term bonds and mortgages remained quite steady. Long-term Treasury bond yields, on average, rose a little from June 1963 to June 1964, but yields on new corporate bonds, State and local government bonds, and mortgages were all unchanged or lower. This rate stability, in the face of a continuing rise in business activity and credit demands and the cautious attitude of many long-term investors, reflected the continuation of a large savings flow and substantial availability of funds for investment in interest-bearing securities.

More detail on the results achieved is summarized in the following pages.

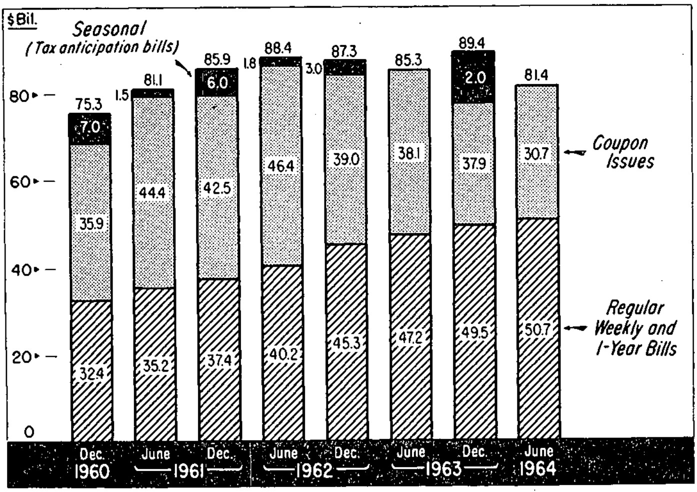
Short-term debt

The Treasury increased regular bill maturities by $3.5 billion during fiscal 1964. While this mainly reflected the desirability of supporting the structure of money market interest rates for balance-of-payments reasons, it also had the effect of putting more of the short-term debt in a form which is routinely handled in regular weekly or monthly auctions, minimizing the task of the market in absorbing and distributing the additional supply and easing the problem of the Federal Reserve in relating its operations to Treasury financings. The volume of regular weekly bills was increased by $1.0 billion. One-year bills outstanding rose by $2.5 billion, a result of the introduction in September 1963 of a new monthly cycle of one-year bills, in the amount of $1 billion per month, to replace the previous quarterly cycle of one-year bills.

These increased bill issues helped maintain money market yields at levels competitive with returns available from investments in foreign money markets. In order to keep the rise in bills outstanding from adding to the economy's liquidity, Treasury issues maturing within one year other than bills were reduced by $7.4 billion, resulting in a net decline during the year in the total of marketable debt due within one year. This was the second successive decline in the under-one-year marketable debt and, as chart 4 shows, brought the outstanding volume back close to the fiscal 1961 level.

CHART 4

Structure of the Under 1-Year Marketable Debt



NOTE.—Coupon issues include all certificates, notes, and bonds maturing within one year.

A significant element in achieving the reduction in under-one-year coupon debt was the continued use of the prerefunding technique in connection with advance refundings. In prerefundings, holders of outstanding debt approaching maturity within a year or less are offered new and longer issues in exchange for their current holdings. In the September 1963 and January 1964 advance refundings, holders of $5.9 billion issues due within a year accepted a prerefunding offer and extended into securities ranging from 5 years 2 months to 30 years 8 months in maturity.

As part of the program for placing more of the one-year debt in bills on a regular rollover basis, no one-year coupon issues were offered by the Treasury in the four operations to replace maturing debt during fiscal 1964. Instead, 15-month notes were included as the "anchor" short-term issue in the August 1963 refunding, while 18-month notes were included in the refundings of November 1963 and

February and May 1964 maturities. In all, $6.4 billion of 15-month notes and $22.7 billion of 18-month notes were issued on these occasions. Market response to these issues was favorable, indicating that maturities longer than one year provided an appropriate and acceptable vehicle for exchange offers to holders of maturing securities interested in maintaining their investment in short-dated paper. The replacement of one-year certificates by 18-month notes also had a moderately helpful effect on the average maturity of the marketable debt, increasing it by about two-thirds of a month in fiscal 1964.

Debt extension efforts

The Treasury must constantly be alert to the need to place new intermediate and longer term securities in the market, in order to offset the effect of the passage of time, which is continually reducing the term to maturity of outstanding issues. Otherwise, an unduly large portion of the debt would soon pile up in short-term form, straining the capacity of the market, using up some or all of the short-term borrowing capacity which it is prudent to hold in reserve for emergencies, and, in some circumstances, adding so much to the economy's liquidity as to be an inflationary influence.

As noted earlier, debt lengthening operations during fiscal 1964 had to be conducted carefully in view of recurrent market expectations of a substantial rise in yields on bonds which made many investors reluctant to enter into long-term commitments. This change in environment from fiscal 1963 resulted from the continued strong uptrend in the economy, from a belief in some circles that the Administration's tax reduction program (enacted in late February 1964) would stimulate an inflationary upsurge in buying with corresponding effects on borrowing costs, from expectations that rising short-term rates would spread to long-term rates, and from concern that interest rate increases abroad might require a tighter credit policy here.

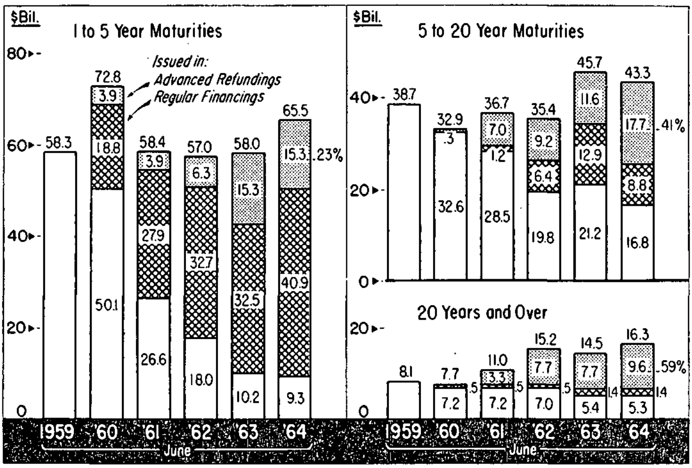
Favorable opportunities nevertheless did arise for debt lengthening operations. In advance refunding offers made in September 1963 and January 1964 to holders of selected issues maturing in 1964–67, investors exchanged existing holdings for $2.0 billion of bonds maturing in 20 years or more, $3.9 billion of bonds maturing in close to 10 years, and $3.8 billion of bonds maturing in 5–7 years.

During the period from late January to late April 1964, when expectations of rising yields were dominant because of the large income tax cut and interest rate increases abroad, both the regular quarterly refunding and new cash offerings were confined to short- and near-term maturities. However, an additional $1.5 billion of 10-year bonds was issued in the regular refunding of Treasury issues maturing in May

1964, as earlier concern of rising rate levels was dissipated by the evidence of continuing orderly business advance and improvement in the balance of payments. The restructuring of the over-one-year debt that occurred as a result of these operations is shown in chart 5.

CHART 5

Restructuring the Over 1-Year Marketable Debt Since June 1959



The somewhat more cautious approach to debt lengthening necessitated by periodic spells of market uneasiness, combined with the new 18-month anchors on regular refundings, led to an increase of $7.4 billion in 1–5 year maturities during the fiscal year, in contrast with a much smaller increase of $1.0 billion in that sector in fiscal 1963. While issues in the 5–20 year range declined $2.5 billion, issues due in 20 years or more were up $1.9 billion.

The net effect of Treasury financing operations on the debt structure in fiscal 1964 was to hold the average length of the marketable debt at five years. While this was a decline of one month from the average maturity of 5 years 1 month a year earlier, an advance refunding operation in July 1964, shortly after the end of the fiscal year, succeeded in replacing over $9 billion of issues maturing within the next three years with issues maturing in 1969, 1973, and 19 2. Primarily, as a result of this operation, the average length of the marketable debt was increased by 4 months, to 5 years 4 months on July 31, 1964. Further details on the maturity structure of the debt on June 30, 1964, in comparison with prior years, will be found in table 34.

The longer run usefulness of the advance refunding technique in restructuring the over-one-year marketable debt is also illustrated in chart 5. Covering the period beginning with June 1959, just before legislation facilitating the refunding of Treasury issues in advance of maturity was enacted, the chart shows that approximately \$17½ billion, or more than two-fifths of the \$43½ billion of 5–20 year marketable debt outstanding on June 30, 1964, was the result of advance refunding operations. Of the debt outstanding having 20 years or more to maturity, almost \$10 billion, or close to three-fifths was attributable to advance refunding, as against less than \$1½ billion attributable to regular financing during the same period.

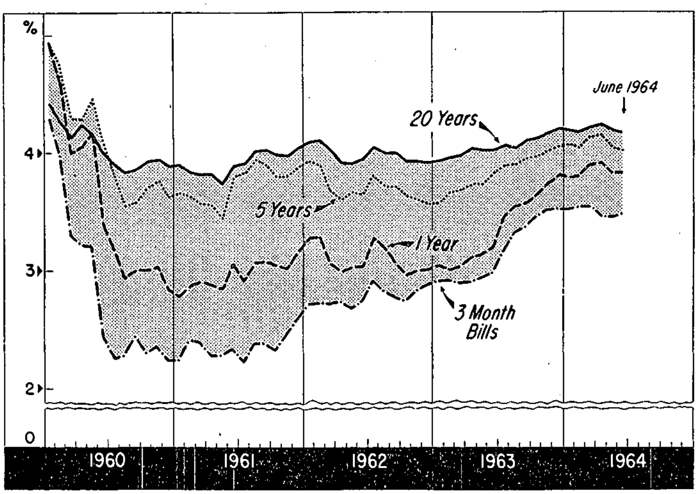
Market yields

The Treasury's debt extension operations were conducted without appreciable upward pressure on market yields. Indeed, the January advance refunding and the May offering of 10-year 4¼ percent bonds were followed by yield declines in all sectors (Government, municipal, and corporate) of the bond market, reflecting in considerable part the favorable effect of these successful operations in stimulating market confidence in the existing yield structure.

Chart 6, below, shows the developments in the rate structure of the Government securities market in fiscal 1964, in comparison with rate movements in earlier years. Yields on U.S. Government securities in all maturity sectors moved upward during the first half of the fiscal year to a peak in early January. A decline to mid-February

CHART 6

Market Yields At Constant Maturities[1] 1960-'64



[1] Estimated yields of U.S. Government securities at 1, 5, and 20 years; bank discount rates on bills; monthly averages of end of week figures.

was followed by a new rise to a late March and early April peak. Yields then declined again through June 1964. Offering rates on new three-month Treasury bills, which had begun the fiscal year at just under 3 percent, reached a little over 3½ percent by mid-November 1963 and fluctuated around that level for the rest of the fiscal year. Yields on one-year maturities followed much the same pattern, but rose to a relatively higher peak, 3.92 percent, on a monthly average basis, in the final quarter of the fiscal year.

Yields on maturities of five years and more also advanced, but more gradually. The 5-year rate which had averaged 3.82 percent in June 1963, reached a peak of 4.16 percent on a monthly average basis in April 1964, but then dropped back to 4.02 percent in June. Yields on 20-year maturities, which had averaged 4.02 percent in both May and June 1963 averaged 4.24 percent in April 1964, before declining to an average of 4.17 percent in June.

Commercial bank ownership

In addition to maintaining a balanced debt structure in terms of maturities, the Treasury seeks to maintain a debt ownership pattern which will give the least possible encouragement to the growth of inflationary forces. While recognizing that commercial banks are in part savings institutions, the Treasury has not wished to rely on commercial bank holding of highly liquid short-term Federal debt in excess of amounts that these banks feel necessary to support a growth in other assets and in deposits in accord with the basic needs of the economy.

During fiscal 1964, commercial bank ownership of U.S. Government securities declined by $4 billion, following a decline of a little less than $1 billion in the previous year. For the entire banking system, including the Federal Reserve banks, there was a decline of $1.3 billion in holdings of U.S. Government securities during fiscal 1964, since the large decline in commercial bank ownership was offset in part by an increase of almost $3 billion in Federal Reserve holdings. Thus, the increase of $6.1 billion in the Federal debt over the year was financed entirely outside the banking system, in accordance with the Treasury's objective of financing budget deficits in a noninflationary manner. Further details on changes in ownership during fiscal 1964 on the part of both bank and nonbank investors are found on pages 31–36.

DEBT OPERATIONS

The primary area in which the Treasury works toward its debt management objectives is the marketable debt. On June 30, 1964, $206.5 billion, or approximately two-thirds of the Federal debt of $312.5 billion, was in marketable issues. Of the total increase of $6.1

billion in the debt during the year, $3.0 billion was accounted for by marketable issues and $1.8 billion represented increases in special issues to Government investment accounts. A summary of changes in the debt during the year is shown in the table below.

Class of debt	June 30, 1963	June 30, 1964	Increase, or decrease (−)
	In billions of dollars		
Public debt:			
Interest bearing:			
Public issues:			
Marketable	203.5	206.5	3.0
Nonmarketable	53.6	54.2	.6
Total public issues	257.2	260.7	3.6
Special issues to Government investment accounts	44.8	46.6	1.8
Total interest-bearing public debt	302.0	307.4	5.4
Matured debt on which interest has ceased	.3	.3	(−*)
Debt bearing no interest	3.6	4.1	.5
Total public debt	305.9	311.7	5.9
Guaranteed debt not owned by Treasury	.6	.8	.2
Total gross public debt and guaranteed debt	306.5	312.5	6.1

*Less than $50 million.

The accompanying table summarizes the Treasury's major financing operations during the fiscal year. The Treasury issued $51.6 billion of new marketable securities during fiscal 1964, exclusive of the refinancing of regular bills (three-month, six-month, and one-year). Some $9.5 billion of this total represented issues to raise new cash, $4.5 billion of which was seasonal borrowing and was retired before the end of the fiscal year. The remaining cash borrowing reflected financing of the budget deficit and retirement of unexchanged maturing securities in the refundings of maturing coupon issues. In addition to new cash operations, $9.7 billion of longer term securities were placed with investors in the advance refunding operations of September 1963 and January 1964. The remaining $32.4 billion of new securities other than bills issued in fiscal 1964 represented the refunding of existing holdings at maturity, either through exchange offers or through payment in cash and the simultaneous offering of new issues.

Public offerings of marketable Treasury securities excluding refinancing of regular bills (three-month, six-month, and one-year) fiscal year 1964

[In millions of dollars]

Date	Description	Issued for cash: For new money	Issued for cash: For refunding	Issued in exchange: For maturing issue	Issued in exchange: In advance refunding	Total
	BONDS AND NOTES					
1963						
Apr. 1	1½% exchange note–Apr. 1, 1968 [1]			[2] 168		168
Aug. 15	3¾% note–Nov. 15, 1964			6,398		6,398
Sept. 15	3⅞% bond–Nov. 15, 1968				1,591	1,591
Sept. 15	4% bond–Aug. 15, 1973				3,894	3,894
Sept. 15	4⅛% bond–May 15, 1989–94 additional				1,260	1,260
Oct. 1	1½% exchange note–Oct. 1, 1968 [1]			115		115
Nov. 15	3⅞% note–May 15, 1965 [3]	411	3,201	4,365		7,977
1964						
Jan. 22	4% bond–Aug. 15, 1970 additional				2,223	2,223
Jan. 22	4¼% bond–May 15, 1975–85 additional				748	748
Feb. 15	3⅞% note–Aug. 13, 1965 at 99.875			6,202		6,202
Feb. 15	4% note–Aug. 15, 1966 additional			1,810		1,810
Apr. 8	3⅞% note–Aug. 13, 1965 additional at 99.70	1,066				1,066
Apr. 1	1½% exchange note–Apr. 1, 1969 [1]			12		12
May 15	4% note–Nov. 15, 1965 at 99.875			8,560		8,560
May 15	4¼% bond–May 15, 1974			1,532		1,532
	Total bonds and notes	1,477	3,201	29,162	9,716	43,556
	BILLS [4] (MATURITY VALUE)					
	Increase in one-year bill offerings:					
1963	July through September	996				996
	October through December	507				507
1964	January through March	505				505
	April through June	502				502
	Total increase	2,510				2,510
	Other bill offerings:					
1963						
Oct. 15	3.537% 160-day (tax anticipation) Mar. 23, 1964	2,001				2,001
Oct. 28	2.866% 132.5-day average for strip [5]	1,001				1,001
1964						
Jan. 15	3.650% 159-day (tax anticipation) June 22, 1964	2,501				2,501
	Total bills	8,013				8,013
	Total public offerings	9,490	3,201	29,162	9,716	51,569

[1] Issued only on demand in exchange for 2¾% Treasury Bonds, Investment Series B-1975–80.
[2] Issued subsequent to June 30, 1963.
[3] A cash offering (all subscriptions subject to allotment) was made for the purpose of paying off the maturing securities in cash. Holders of the maturing securities were permitted to present them in payment in lieu of cash to the extent subscriptions were allotted. For further detail see exhibit 1.
[4] Treasury bills are sold on a discount basis with competitive bids for each issue. The average price for auctioned issues gives an approximate yield on a bank discount basis as indicated for each series.
[5] Consists of additional amounts of 10 series of outstanding regular weekly Treasury bills, $100 million maturing each week from Feb. 6 through Apr. 9, 1964.

The two succeeding tables give further details on the handling of marketable Treasury maturities in fiscal 1964 (excluding the refinancing of regular bills). Table 45 provides additional data on allotments by investor classes. The exhibits on public debt operations provide further information on public offerings and allotments by issues in tables and representative circulars.

Disposition of marketable Treasury securities excluding regular bills (three-month, six-month, and one-year) fiscal year 1964

[In millions of dollars]

Date of refunding or retirement	Securities		Redeemed for cash or carried to matured debt	Exchanged for new issue		Total
	Description and maturity date	Issue date		At maturity	In advance refunding	
	BONDS, NOTES, AND CERTIFICATES OF INDEBTEDNESS					
1963						
Aug. 15	3½% certificate-Aug. 15, 1963	Aug. 15, 1962	50	5,131	--------	5,181
Aug. 15	2½% bond-Aug. 15, 1963	Dec. 15, 1954	193	1,267	--------	1,461
Sept. 15	3¼% certificate-May 15, 1964	May 15, 1963	--------	--------	1,495	1,495
Sept. 15	4¾% note-May 15, 1964	July 20, 1959	--------	--------	533	533
Sept. 15	3¾% note-May 15, 1964	June 23, 1960	--------	--------	1,877	1,877
Sept. 15	3¾% bond-May 15, 1966	Nov. 15, 1960	--------	--------	735	735
Sept. 15	4% note-Aug. 15, 1966	Feb. 15, 1962	--------	--------	445	445
Sept. 15	3⅝% note-Feb. 15, 1967	Mar. 15, 1963	--------	--------	812	812
Sept. 15	3¾% note-Aug. 15, 1967	Sept. 15, 1962	--------	--------	848	848
Oct. 1	1½% note-Oct. 1, 1963	Oct. 1, 1958	506	--------	--------	506
Nov. 15	3⅛% certificate-Nov. 15, 1963	Nov. 15, 1962	731	[1] 3,823	--------	4,554
Nov. 15	4⅞% note-Nov. 15, 1963	Nov. 15, 1959	2,470	[1] 542	--------	3,011
1964						
Jan. 22	3¾% note-Aug. 15, 1964	Aug. 1, 1961	--------	--------	933	933
Jan. 22	5% note-Aug. 15, 1964	Oct. 15, 1959	--------	--------	270	270
Jan. 22	3¾% note-Nov. 15, 1964	Aug. 15, 1963	--------	--------	437	437
Jan. 22	4⅞% note-Nov. 15, 1964	Feb. 15, 1960	--------	--------	328	328
Jan. 22	2⅝% bond-Feb. 15, 1965	June 15, 1958	--------	--------	706	706
Jan. 22	4⅝% note-May 15, 1965	May 15, 1960	--------	--------	297	297
Feb. 15	3¼% certificate-Feb. 15, 1964	Feb. 15, 1963	124	6,618	--------	6,741
Feb. 15	3% bond-Feb. 15, 1964	Feb. 14, 1958	240	1,395	--------	1,634
Apr. 1	1½% note-Apr. 1, 1964	Apr. 1, 1959	457	--------	--------	457
May 15	3¼% certificate-May 15, 1964	May 15, 1963	60	4,138	--------	4,198
May 15	4¾% note-May 15, 1964	July 20, 1959	327	4,073	--------	4,400
May 15	3¾% note-May 15, 1964	June 23, 1960	134	1,882	--------	2,016
	Total bonds, notes, and certificates		5,292	28,869	9,716	43,875
	BILLS					
1964						
Mar. 23	3.537% (tax anticipation) Mar. 23, 1964	Oct. 15, 1963	[2] 2,001	--------	--------	2,001
June 22	3.560% (tax anticipation) June 22, 1964	Jan. 15, 1964	[2] 2,501	--------	--------	2,501
	Total bills		4,502	--------	--------	4,502
	Total securities		9,794	28,869	9,716	48,377

[1] Accepted in payment in lieu of cash.
[2] Including tax anticipation issues redeemed for taxes.

Allotments of marketable Treasury securities excluding regular bills (three-month, six-month, and one-year) fiscal year 1964 [1]

[In millions of dollars]

Date of financing	Description	Amount issued	Allotments by investor classes: U.S. Government investment accounts and Federal Reserve banks	Commercial banks [2]	All others
	BONDS AND NOTES				
1963					
Aug. 15	3¾% note-Nov. 15, 1964-F	6,398	4,149	1,241	1,008
Sept. 15	3⅞% bond-Nov. 15, 1968	1,591	23	989	579
Sept. 15	4% bond-Aug. 15, 1973	3,894	171	1,998	1,725
Sept. 15	4⅛% bond-May 15, 1989-94 additional	1,260	(*)	378	882
Nov. 15	3⅞% note-May 15, 1965-C	7,977	4,005	1,864	2,108
1964					
Jan. 22	4% bond-Aug. 15, 1970 additional	2,223	188	1,230	805
Jan. 22	4¼% bond-May 15, 1975-85 additional	748	125	212	411
Feb. 15	3⅞% note-Aug. 13, 1965-D	6,202	4,014	1,177	1,011
Feb. 15	4% note-Aug. 15, 1966-A additional	1,810	(*)	1,237	573
Apr. 8	3⅞% note-Aug. 13, 1965-D additional	1,066		862	204
May 15	4% note-Nov. 15, 1965-E	8,560	6,383	1,290	887
May 15	4¼% bond-May 15, 1974	1,532	29	688	815
	BILLS				
1963					
Oct. 15	3.537% (tax anticipation) Mar. 23, 1964	2,001		841	1,160
Oct. 28	3.601% strip [3]	1,001		269	732
1964					
Jan. 15	3.650% (tax anticipation) June 22, 1964	2,501	200	862	1,439

*Less than $500,000.

[1] Excludes 1½% Treasury EA and EO notes issued in exchange for nonmarketable 2¾% Treasury Bonds, Investment Series B-1975-80.

[2] Includes trust companies and stock savings banks.

[3] Consists of an additional $100 million each of 10 series of outstanding weekly bills issued in a strip on Oct. 28, 1963, maturing Feb. 6 to Apr. 9, 1964, inclusive.

Public nonmarketable debt increased by $0.6 billion during the year, reaching $54.2 billion on June 30, 1964. As shown in the table below, the change during the year was largely a result of $1.0 billion increase in savings bonds offset by a $0.4 billion decline in investment series bonds. Nonmarketable securities issued to foreign official agencies declined by less than $50 million during the year.

During fiscal year 1964, the Treasury continued the foreign borrowing operations begun two years earlier, when for the first time since 1918 the Treasury borrowed directly from foreign official agencies. Nonmarketable securities denominated in foreign currencies increased by $0.2 billion during fiscal 1964, reaching a level of $0.8 billion on June 30. Foreign nonmarketable securities payable in dollars declined by $0.3 billion during the year, to $0.4 billion on June 30. These operations are explained more fully on page 34 and exhibits 40 and 41.

Class of issue	June 30, 1963	June 30, 1964	Increase, or decrease (−)
	In millions of dollars		
U.S. savings bonds:			
Series E	39,166	40,190	1,024
Series H	7,193	7,546	354
Subtotal E and H	46,359	47,737	1,378
Series F and G	246		−246
Series J and K	1,709	1,563	−146
Subtotal savings bonds	48,314	49,299	986
Certificates of indebtedness:			
Foreign series	465	240	−225
Foreign currency series	25	30	5
Treasury notes–Foreign series	183	152	−31
Treasury bonds–Foreign currency series	604	802	197
Treasury certificates	2	18	15
Treasury bonds		20	20
U.S. retirement plan bonds	(*)	5	5
Treasury bonds:			
REA series	27	25	−2
Investment series	3,921	3,546	−375
Depositary bonds	103	103	(*)
Total interest-bearing public nonmarketable issues	53,645	54,240	595

*Less than $500,000.

U.S. savings bonds, which the holder may redeem on demand at guaranteed redemption values, account for the largest portion of the nonmarketable public debt. Series E and Series H, the only savings bonds currently being sold, increased by $1.4 billion during the year, reaching a total of $47.7 billion on June 30, 1964. These two series purchased principally by individuals, represented almost 16 percent of the total interest-bearing debt at the end of fiscal year 1964. Outstanding interest-bearing savings bonds of Series F, G, J, and K, which mature 12 years from issue date, declined by $0.4 billion during the year. The last issues of Series F and G savings bonds, which were sold during the 11 year period May 1941–April 1952, matured on April 1, 1964. Series J and K savings bonds, which were sold during the five year period May 1952–April 1957, began to mature on May 1, 1964. At the close of fiscal 1964, $1.6 billion of unmatured J and K bonds remained outstanding.

Debt limit legislation

Under legislation enacted on May 29, 1963, a ceiling of $309 billion was established on the outstanding Federal debt subject to limitation, to be effective during July and August 1963. The decision to provide only temporary leeway for borrowing reflected a feeling that a clearer view of the probable effects of tax changes as well as appropriations for fiscal 1964 would be possible by the end of August. Uncertainties remained, however, and on August 27 the $309 billion ceiling was extended for another three months, through November 1963.

Legislation enacted on November 26, 1963, raised the statutory limit to $315 billion for the period December 1, 1963, through June 29, 1964. Congress further provided that on June 30, 1964, the limit would drop for that one day to $309 billion, after which it would revert to the permanent level of $285 billion.

Well before the end of June 1964, it became apparent that the scheduled reductions were unrealistic in view of the Treasury's current financing requirements and, furthermore, that an additional increase would be necessary for the sound management of the Federal debt in fiscal 1965. On the recommendation of the Secretary of the Treasury, legislation (78 Stat. 225) was enacted on June 29, 1964, raising the temporary ceiling to $324 billion for the period June 29, 1964 through June 30, 1965. This action by the Congress recognized the President's view, expressed in the fiscal 1965 budget message transmitted in January 1964, that:

> "Debt limitations which are so restrictive or so temporary in application as to necessitate several legislative revisions in a single year—as last year—conflict with economical operation of the Government and effective financial management, and involve both the Congress and the Executive in unnecessarily repetitive discussions of the same issues. . . ."

Statements of the Secretary of the Treasury to congressional Committees requesting increases in the debt limit will be found in exhibits 18, 19, and 20. The legislative history of the statutory limit on the debt is shown in table 40.

OWNERSHIP OF FEDERAL SECURITIES

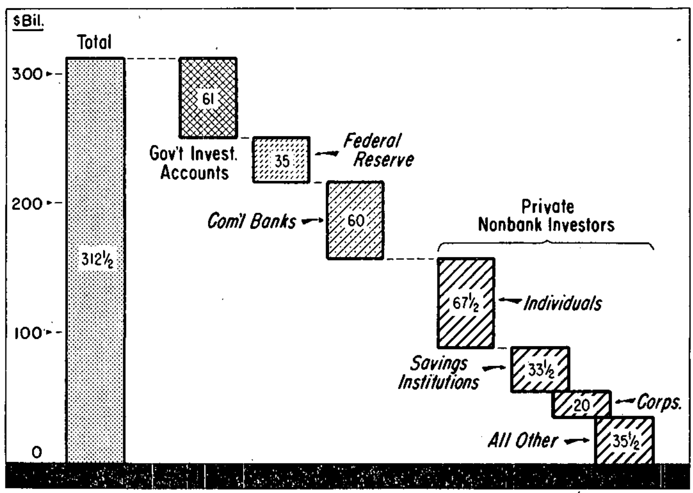
Of the $312.5 billion Federal debt outstanding on June 30, 1964, $156.4 billion, or one-half, was in the hands of private nonbank investors. This group of investors comprises individuals (including partnerships and personal trust accounts), insurance companies, mutual savings banks, savings and loan associations, nonfinancial corporations, pension funds, foreign and international accounts, State and local governments, nonbank dealers, and nonprofit associations. Commercial banks held $60.2 billion, representing less than one-fifth of the debt. Federal Reserve banks held $34.8 billion and the remaining $61.1 billion was held in Government investment accounts, primarily social security and unemployment trust funds, veterans' insurance funds, and Government employees' retirement funds. These figures are graphically presented in chart 7 on page 32.

Individuals, the largest single investor group in the Federal debt ownership structure, increased their ownership of Federal securities during the fiscal year 1964 by $3.0 billion. Continued growth in holdings of Series E and H savings bonds accounted for $1.4 billion of the increase; and enlarged holdings of marketable issues for $1.9 billion. Holdings of the discontinued Series F, G, J, and K savings bonds fell $0.3 billion.

Sales of small denomination E bonds—bought mainly by payroll savers—reached a post World War II peak, and total dollar sales of E and H bonds were higher than in any of the previous five fiscal years. Thus, savings bonds participated in the general rise in all forms of individuals savings during the period, with much of the increase due to sales of small denomination Series E bonds, reflecting the effective savings bonds campaigns conducted throughout the year.

CHART 7

Ownership of the Federal Debt, June 30, 1964



Private nonbank investors acquired $4.7 billion of the total $6.1 billion increase in the Federal debt during fiscal 1964. In addition, Government investment accounts and Federal Reserve banks each absorbed a total of $2.8 billion, and commercial banks liquidated a net $4.1 billion. Investor class ownership of Federal securities on selected dates is presented in the table on the opposite page.

Holdings of Federal securities by insurance companies on June 30, 1964, amounted to $10.9 billion, $0.1 billion less than a year earlier. A little over one-half of this total ($5.6 billion) was held by life insurance companies which continued to reduce their holdings of shorter term and nonmarketable governments, and accounted for the bulk of the liquidation by insurance companies during the fiscal year.

Ownership of Federal securities [1] by investor classes on selected dates, 1941–64

[Dollar amounts in billions]

	June 30, 1941	Feb. 28, 1946 [2]	June 30, 1963	June 30, 1964	Change during fiscal year 1964
Estimated ownership by:					
Private nonbank investors:					
Individuals [3]	$11.2	$64.1	r $64.4	$67.5	$3.0
Insurance companies	7.1	24.4	r 11.0	10.9	−.1
Mutual savings banks	3.4	11.1	6.1	6.0	−.2
Corporations [4]	2.0	19.9	r 20.3	20.2	−.1
State and local governments	.6	6.7	r 21.5	22.5	1.0
Foreign and international [5]	.2	2.4	15.8	15.6	−.2
Miscellaneous investors [6]	.5	6.6	12.5	13.7	1.2
Total private nonbank investors	25.0	135.1	151.7	156.4	4.7
Commercial banks	19.7	93.8	64.4	60.2	−4.1
Federal Reserve banks	2.2	22.9	32.0	34.8	2.8
Federal Government investment accounts	8.5	28.0	58.4	61.1	2.8
Total gross debt outstanding	55.3	279.8	306.5	312.5	6.1
	Percent of total				
Percent owned by:					
Private nonbank investors:					
Individuals	20	23	21	22	
Other	25	25	28	28	
Total	45	48	50	50	
Commercial banks	36	34	21	19	
Federal Reserve banks	4	8	10	11	
Federal Government investment accounts	15	10	19	20	
Total gross debt outstanding	100	100	100	100	

r Revised.
[1] Gross public debt, and guaranteed debt of the Federal Government held outside the Treasury.
[2] Immediate postwar peak of debt.
[3] Includes partnerships and personal trust accounts. Nonprofit institutions and corporate pension trust funds are included under "Miscellaneous investors."
[4] Exclusive of banks and insurance companies.
[5] Includes the investments of foreign balances and international accounts in the United States.
[6] Includes savings and loan associations, nonprofit institutions, corporate pension trust funds, and dealers and brokers.

The remaining companies in the insurance group, fire, casualty, and marine insurance companies, showed only a small net reduction in their holdings of Federal securities during fiscal 1964. In contrast to life insurance companies, the fire, casualty, and marine group hold predominantly short-term securities. Almost 90 percent of their marketable Federal holdings on June 30, 1964, had maturities of less than 10 years, resulting in an average maturity length for these holdings of less than 6 years.

Mutual savings banks held $6.0 billion of Federal securities on June 30, 1964, $0.2 billion less than a year earlier.

Corporations (other than banks and insurance companies) continue to maintain holdings of governments in the $20 billion to $21 billion range and at the end of fiscal 1964 held $20.2 billion, $0.1 billion less than a year earlier. There has been very little year-to-year fluctuation in this level since June 1960 although peak and low holdings during each year have generally ranged from $23 billion to $19 billion.

State and local governments showed an increase of $1.0 billion in their holdings of Federal securities during the fiscal year, partly as the result of market conditions which still favored capital borrowing by municipalities. Federal securities are used as an investment outlet for that portion of the capital borrowing which is temporarily idle before being utilized. Well over one-half of the $15.6 billion Federal securities held by general purpose municipal funds on June 30, 1964, mature in the 12 months of fiscal 1965. However, there remains a sizeable investment in longer term securities, primarily in endowment and sinking funds. State and local employee retirement funds held $7.0 billion of Federal securities on June 30, 1964, $0.5 billion more than a year earlier. The investments of these funds are concentrated in the longest term Treasury securities and the average maturity of their marketable U.S. Government issues at the end of fiscal 1964 exceeded 20 years.

Foreign balances invested in Federal securities declined by $0.5 billion during the year, to a level of $9.9 billion on June 30, 1964. Of this total, $1.3 billion was in the form of special nonmarketable securities (denominated either in dollars or in certain foreign currencies) which were issued directly to foreign monetary authorities. International and regional institutions increased their holdings by $0.3 billion, to $5.7 billion at the close of the fiscal year. Major changes were a $0.4 billion increase in the special noninterest-bearing notes issued to the International Monetary Fund and a decrease of $0.2 billion in the marketable securities held by the International Bank for Reconstruction and Development.

Miscellaneous investors held approximately $13.7 billion of Federal securities on June 30, 1964. Almost one-half of this total represented the $6.7 billion holdings of savings and loan associations which showed a $0.5 billion increase during fiscal 1964. Activity of the remaining investor groups (nonprofit associations, nonbank dealers, corporate pension funds, and certain smaller institutions) resulted in a $0.7 billion net increase during the fiscal year.

Commercial banks, on balance, added to the supply of Government securities in fiscal year 1964 as their holdings declined by $4.1 billion in the 12-month period. Steadily increasing operating costs associated with the January 1, 1962, and July 17, 1963, supplements to the Federal Reserve's Regulation Q which authorized increases in rates payable by member banks on their time and savings deposits, impelled commercial banks to seek higher yielding outlets for some of the funds that had previously been invested in Federal securities. This trend towards lower holdings of governments has been intensified by the loan demands associated with an expanding economy. Commercial banks participated actively in the two advance refundings of fiscal year 1964 and accounted for $4.8 billion, or over 50 percent, of public exchanges. However, banks were in the process of reducing their investment in governments and holdings of 5-year-and-over maturities actually declined by over 20 percent from June 30, 1963, levels.

The decline in total commercial bank holdings was centered in the reserve city banks, as New York and Chicago institutions liquidated $1.0 billion and other reserve city banks dropped $1.9 billion. The smaller country member and nonmember banks showed a net reduction of $1.3 billion in holdings of Federal securities during the year.

The Federal Reserve System continued to promote firm short-term interest rates in order to reduce incentives for capital outflows, while encouraging growth in bank credit needed by an expanding economy during fiscal 1964, and acquired a net $2.8 billion of Federal securities during the period. Acquisitions of Treasury bills accounted for $1.8 billion of this increase and net purchases of coupon securities for the remaining $1.0 billion. The average maturity of the $34.8 billion Federal securities held in the System Open Market Account on June 30, 1964, was 17¼ months, one-half month lower than a year earlier.

During fiscal 1964 Government investment accounts' holdings of Federal securities increased by $2.8 billion, the largest fiscal year increase since 1956. Of the $61.1 billion held on June 30, 1964, $46.6 billion, or over three-fourths of the total, was in the form of special issues held only by these accounts. Of the remaining $14.5 billion, a little over $12 billion was invested in marketable securities, primarily intermediate and longer term issues. The largest increases in total holdings during the year were registered by the Government employee retirement funds ($1.1 billion), the Federal old-age and survivors insurance trust fund ($0.7 billion), the unemployment trust fund ($0.6 billion), and the Federal savings and loan insurance corporation ($0.2 billion). Details on the ownership by Government investment accounts are shown in tables 67–84.

A breakdown of the estimated ownership changes during fiscal 1964 is given by type of issue in the following table. A summary of the Treasury survey of ownership of the interest-bearing public debt and guaranteed debt for fiscal 1964 is shown in table 57.

Estimated changes in ownership of Federal securities [1] *by type of issue, fiscal year 1964*

[In billions of dollars]

	Total changes	Change accounted for by—			
		Private nonbank investors	Commercial banks	Federal Reserve banks	Government investment accounts
Marketable securities:					
Treasury bills:					
Weekly—maturing within 3 months	−0.3	−1.3	−0.1	1.2	(*)
Weekly—maturing in 3-6 months	1.3	.7	−.2	.6	0.2
Annual	2.5	2.0	.3	(*)	.2
Tax anticipation	----------	----------	----------	----------	----------
Total bills	3.5	1.4	(*)	1.8	.3
Treasury certificates of indebtedness	−22.2	−4.1	−3.2	−14.5	−.4
Treasury notes	15.1	1.1	−.8	15.2	−.3
Treasury bonds, etc	6.7	5.2	−.1	.3	1.4
Total marketable	3.2	3.5	−4.1	2.8	1.0
Nonmarketable securities, etc.:					
U.S. savings bonds	1.0	1.0	(*)	----------	(*)
Special issues to Government investment accounts	1.8	----------	----------	----------	1.8
Treasury bonds, investment series	−.4	−.3	(*)	----------	−.1
Other	.4	.4	----------	----------	----------
Total nonmarketable, etc	2.9	1.1	(*)	----------	1.8
Total change	6.1	4.7	−4.1	2.8	2.8

*Less than $50 million.

[1] Gross public debt, and guaranteed debt of the Federal Government held outside the Treasury.

Taxation Developments

During fiscal year 1964 three significant developments took place in the field of taxation. The Revenue Act of 1964 was approved which provides the largest tax cut ever enacted. The result of the economic stimulus of reducing individual and corporate income taxes by a net total of $11.5 billion will be to raise our level of economic activity by providing more jobs, more wages, more profits, and more tax revenues. Thus, the 1964 revenue act will help to bring us closer to our national economic goals of full employment, accelerated growth, and continued price stability.

The interest equalization tax is designed as a temporary measure to strengthen our international economic position. The proposal for this tax was included in the President's special message to the Congress on July 18, 1963, on the balance of payments.

The House Committee on Ways and Means began a study of the Federal excise tax structure. This study was a direct result of the congressional interest generated during the debates on the Revenue Act of 1964.

The hearings were to be conducted in two phases. The first phase, which began on June 15, 1964, consisted of witnesses invited from among those who have done research in the field of excise taxes over an extended period of time. This phase was intended as a useful preface to the data to be presented by industry and other representatives concerning specific excise taxes during the second phase of the hearings.

The committee requested all witnesses appearing in the second phase of the hearings, which was scheduled to begin on July 21, 1964, and last about two weeks, to evaluate the specific excise taxes with respect to the following criteria:

1. Distribution of the tax among consumers by income levels.
2. Effect of the tax on sales of the industry.
3. Extent to which taxed items represent a business cost of other products or services.
4. Sensitivity of excise tax revenue to changes of income.
5. Administrative and compliance problems with respect to specific excise taxes.

Revenue Act of 1964

The Revenue Act of 1964, Public Law 88–272, was signed by President Johnson on February 26, 1964. (See exhibit 25.) It provides $11.5 billion of tax reduction scheduled over the calendar years 1964 and 1965 for individual and corporate income taxpayers. This act is the most important domestic economic legislation since World War II. The objective is to stimulate consumption and investment, to accelerate the growth of the economy, and to achieve full employment.

The legislation was enacted more than one year after President Kennedy presented recommendations to the Congress for major tax reductions and structural revisions. For a discussion of the Presidential tax recommendations, see the 1963 annual report, pages 41–43 and pages 293–332. After extensive public hearings and lengthy executive sessions the House Ways and Means Committee prepared H.R. 8363 and reported it to the House of Representatives on September 13, 1963. The bill passed the House on September 25, 1963. The Senate Finance Committee also held extensive hearings [1] and lengthy executive sessions and reported the bill on January 28, 1964. The Senate passed the bill on February 7, 1964. The Conference Report was finally agreed to by both Houses on February 26, 1964.

When fully effective in 1965 the act will reduce tax liabilities of individuals by $9.2 billion and of corporations by $2.4 billion. In addition to rate reduction the act revises the Federal income tax structure to make it more equitable by removing or restricting special preferences based on sources and uses of income, and by preventing certain hardships under prior rules.

[1] See exhibit 24, statement by Secretary Dillon, Oct. 15, 1963, before Senate Finance Committee.

The most distinctive feature of the act is a top-to-bottom reduction in individual income tax rates. The rate scale which ranged from a minimum of 20 percent to a maximum of 91 percent is replaced by one rate ranging from 14 percent to 70 percent. The previous first taxable income bracket is split into four brackets of $500 each on which the rates will be 14, 15, 16, and 17 percent, respectively. Taxpayers with adjusted gross incomes (largely wage and salary income) up to $3,000 receive the greatest cut, 39 percent of their Federal income tax bills. Fifty-nine percent of the individual tax reduction goes to taxpayers with incomes below $10,000, who account for close to 85 percent of all taxable returns.

A number of provisions included in the act are designed to lighten the tax burden on low-income taxpayers and others with certain extraordinary expenses. Every taxpayer is granted a minimum standard deduction of $300 from his adjusted gross income, plus $100 for each additional exemption he claims up to a ceiling of $1,000. The deduction for child and other dependent care is liberalized by raising the age limit of eligible children to 13, extending it to men whose wives are institutionalized or incapable of self-care, increasing the maximum deduction to $900 for two or more children or dependents, and raising the income limitation for married women to $6,000. The one-percent floor under deductible medicine and drug expenses of taxpayers and dependent parents aged 65 and over is eliminated. A moving expense deduction is provided for persons who move in order to accept or to seek new employment. A taxpayer 65 or over is allowed to exclude from his taxable income any capital gain up to $20,000 of the sales price received for his personal residence. The retirement income credit is liberalized by allowing an aged couple to elect to combine their retirement incomes and compute their credit on an increased maximum base of $2,286. The dividend exclusion is increased to $100 in the case of single taxpayers and to $200 in the case of married couples filing jointly and each having dividend income.

For the first time a general averaging rule is provided to deal with the higher tax burden on fluctuating income. This rule will replace a number of complicated provisions that permit certain kinds of income to be spread back.

A number of provisions reduce or eliminate special tax advantages available only to certain taxpayers. The dividend credit is eliminated in two stages. The rules defining a personal holding company are tightened so that this device cannot be used to shelter dividend and other investment income of high bracket individuals at lower corporate rates. The tax avoidance device of selling property for deferred payments without specifying the interest being charged is eliminated. The value of group term life insurance provided by an employer in excess of $50,000 must be included in the employee's taxable income. An interest deduction is no longer allowed for indebtedness in connection with what is popularly called "minimum deposit" or "bank loan" insurance. The waiting period before sick pay becomes excludable from income is extended to 30 days if the employee receives more than 75 percent of his weekly wages, otherwise the waiting period is unchanged from previous law. Deductions for casualty or theft losses from nonbusiness property are limited to the amount of each loss in excess of $100. The amount which Americans residing abroad for more than three years may exclude from income subject to U.S. tax is reduced from $35,000 to their first $25,000 of earnings.

The act also includes a number of other provisions which will contribute more fairness to the tax structure. Minor State and local taxes—such as those on cigarettes, alcohol, tobacco, automobile license tags, and drivers' permits—will no longer be deductible for Federal income tax purposes, except where they are deductible as a business expense. Taxpayers are now allowed deductions up to 30 percent of income for charitable contributions to any publicly supported organization, previously the 20-percent limitation applied. The provisions relating to the unlimited charitable deduction and gifts of future interest are tightened. Individuals and corporations are allowed to "carryover" excess charitable contributions for the five succeeding years. The limitation on deducting travel expenses for that part of a business trip within the United States which is devoted to pleasure is repealed. A purchaser of a motor vehicle will not be subject to a Federal tax lien against the motor vehicle, where full and adequate consideration was given, unless at the time of purchase he had actual knowledge of the existence of the lien. A refund or credit of overpaid self-employment tax caused by the operation of retroactive social security coverages agreements may be obtained. Nonresident aliens who have U.S. income but are not engaged in a U.S. trade or business are taxed at a flat rate of 30 percent where gross U.S. income is not more than $19,000 in 1964 and $21,200 in 1965 and thereafter. The regular tax rates apply to nonresident aliens who have income in excess of the above limitations. A taxpayer is allowed a deduction for the taxable year in which he pays a tax or other liability, even though he contests the liability.

The 1964 revenue act also contains substantial tax reduction and revision for corporations. This stimulus to investment complements the stimulus to consumer demand and together will produce a far greater total addition to incomes and gross national product than if the new tax law had concentrated on only one sector.

The combined corporate normal and surtax rate is reduced from 52 percent to 48 percent. The tax rate on the first $25,000 of corporate net income is reduced from 30 percent to 22 percent in 1964. At the same time the surtax rate is increased in 1964 from 22 percent to 28 percent. In 1965 and thereafter the surtax rate will be 26 percent. Other changes in the corporate tax system are designed to increase the profitability of new business investment and put large and small businesses on a more equal footing. Corporations will gradually accelerate their estimated tax payments to bring them on a current basis. The shift occurs in such a way that payments for a corporation with regular income will never be more in any calendar year than they would have been before the rate reduction.

Large corporate enterprises availing themselves of multiple surtax exemptions through forming chains of corporations will have to pay an additional penalty tax to retain this advantage. The 2-percent penalty tax on consolidated corporate returns is repealed; this will permit those chain organizations which have been using multiple surtax exemptions to make the transition to tax treatment as a single unit without incurring a tax burden. Affiliated groups eligible to file a consolidated return, but not doing so, may take under certain conditions a 100-percent deduction for intercorporate dividends received from other members of the group, provided they forego multiple surtax exemptions.

The 7-percent investment credit provided in the Revenue Act of 1962 is simplified and broadened by repealing the requirement that the depreciable base of the asset be reduced by the amount of the credit and by extending the credit to elevators and escalators. U.S. companies whose property has been seized in Cuba and other foreign lands since the end of 1958 are allowed to use their expropriation losses to offset annual income over a 10-year period. A tax-free status is provided to a stock-for-stock reorganization, where the corporation acquiring the stock exchanges either its voting stock or the voting stock of a corporation which is in control of the acquiring corporation. Retroactive qualification for certain pension plans under multiemployer collective bargaining agreements is permitted. A U.S. corporation is allowed to extend coverage under its qualified pension, profit-sharing, etc., plan to certain U.S. citizens employed by subsidiaries operating outside of the United States. The practice of grouping oil and gas properties for tax purposes into so-called "operating units" is eliminated.

The act also contains provisions which relate to specific types of corporations. A "face amount certificate company" may deduct the interest on face amount certificates issued to investors, even though the payments received from these investors are partially reinvested by these financial institutions in tax-exempt bonds. But the deduction is available only to the extent that tax-exempt securities do not constitute more than 15 percent of its average total assets held during the taxable year. Three changes are made with respect to the income tax of life insurance companies: The market discount on bonds received by life insurance companies and small mutual companies may be treated as capital gain when the bonds are sold or redeemed, rather than as ordinary income ratably accrued; the special deduction for certain distributions by a company which changed from a stock to a mutual company is extended to 1962; and, the deduction of contributions to qualified pension and profit-sharing plans by certain casualty companies is clarified. The regulated investment company provisions are amended by: Extending the period from 30 to 45 days during which notice must be given to stockholders that a dividend, or part of it, is a capital gain dividend, and providing that distributions by a unit investment trust liquidating an individual's interest are not to be considered as giving rise to capital gains tax with respect to interests of other investors still in the trust. The Code provisions for subchapter S corporations are amended to provide that certain distributions of money made after the close of a taxable year may be treated as made at the close of that year in order to prevent double inclusion of income, and that a corporate member of an affiliated group may elect subchapter S treatment where the only other members of the group are inactive subsidiary corporations.

Other provisions in the act relate to the tax treatment of capital gains. The rules governing tax treatment of real estate other than land are tightened so that within specified limits the portion of capital gain resulting from excessive depreciation will be taxed at ordinary tax rates rather than at much lower capital gains tax rates. The rules governing stock options are tightened with the purpose of eliminating tax abuses that had developed in connection with such options. Royalties on iron ore mined within the United States will be taxed at capital gains rates rather than ordinary tax rates, just as coal royalties are. Capital losses incurred in a given year may be used to offset as much as $1,000 of ordinary income subject to tax for an indefinite number of years until the capital loss is exhausted.

Other legislation enacted

Legislation approved October 5, 1963 (45 U.S.C. 228c note) raised the maximum monthly wage base for purposes of the taxes imposed by the Railroad Retirement Act from $400 to $450. The new tax base became effective for compensation paid for services rendered in November 1963.

Legislation approved October 17, 1963 (26 U.S.C. 162 note) permits employees who have consistently accrued vacation pay for income tax purposes to continue to do so for taxable years ending before January 1, 1965. Prior law limited this privilege to years ending before January 1, 1963.

Legislation approved November 7, 1963 (26 U.S.C. 3302) revises the formulas for repayment to the Treasury of advances made to the States for the payment of unemployment compensation pursuant to the Temporary Unemployment Compensation Act of 1958 and advances made prior to September 13, 1960, under title XII of the Social Security Act. Previously if such advances were not repaid by a State within a specified time, the law provided for reduction of the employer's credit against the Federal tax for the State unemployment tax. Each year that advances were not repaid by the State the employer's credit was reduced further. The act limits the reduction in the credit. Where advances were made before September 13, 1960, under title XII of the Social Security Act, the new law limits the additional tax payable by employers to the Federal Government to 0.15 percent of wages for the years 1963–67. Thereafter, the regular year-by-year reduction in the credit will apply. In the case of unpaid advances under the Temporary Unemployment Compensation Act of 1958, the additional tax is limited to 0.15 percent of wages for 1963 and 0.30 percent for any succeeding year. This legislation further provides that a State can prevent the credit reduction in any year by paying to the Treasury on or before November 10 of the year an amount approximately equal, as determined by a formula specified in the law, to the amount which employers would have to pay through the credit reduction.

Public Law 88–348, approved June 30, 1964, provides a one-year extension of certain excise tax rates. The act also revises and clarifies the casualty loss deduction on property expropriated by the Government of Cuba by limiting the deduction to individuals who were citizens or residents of the United States on December 31, 1958, by extending its application to intangible as well as tangible property and by providing that the deduction shall apply only to losses sustained in the period before January 1, 1964, and the taxable years ending after December 31, 1958.

Public Law 88–342, approved June 30, 1964, provides that domestically manufactured tobacco products be subject to only one payment of the internal revenue tax when they are exported and returned unchanged to the United States for delivery to a manufacturer's bonded factory, provided that such products otherwise conform to the Customs and Internal Revenue Service regulations.

Legislation pending as of June 30, 1964

Income taxation.—H.R. 394, passed by the House on July 8, 1963, and reported to the Senate on June 30, 1964, would establish the priority of liens in bankruptcy.

H.R. 3438, passed by the House on July 8, 1963, and reported to the Senate on June 30, 1964, would make dischargeable unsecured tax claims due and owing more than three years prior to bankruptcy and would limit the priority accorded to taxes in the distribution of bankrupt estates to those taxes which became legally due and owing within three years preceding bankruptcy.

H.R. 4844, passed by the House on June 29, 1964, provides that gain from installment obligations which were transferred to a taxpayer from a decedent in taxable years before 1954, but on which payments are still being made, may be reported by the recipient on a pro rata basis as he receives installment payments without the necessity of maintaining a bond with the Internal Revenue Service to assure this reporting of income. From the standpoint of the taxpayer, this is desirable because he saves the premiums which he presently must pay to maintain these bonds. Nor does the bonding appear necessary as a means of protecting revenues since the recipient of the payments pays taxes on the income involved.

H.R. 5739, passed by the House on June 29, 1964, makes three modifications in the present tax treatment of life insurance companies. First, it extends the 8-year loss carryover to new companies regardless of whether they are affiliated with other companies. Second, the bill corrects an imperfection in present law which permits a double inclusion in the "shareholders surplus account" with respect to the excess of net long-term capital gains over net short-term capital losses. This double inclusion, which is removed by the bill, permits the distribution to shareholders of an amount equal to twice this capital gain without the payment of tax at the time of distribution (with certain other adjustments) under what is called "phase 3." Third, the bill corrects an imperfection in the additions which are required to be made to the "policyholders surplus account." The bill provides that if any amount added to the policyholders surplus account for any year increases or creates a loss from operations, and part or all of that loss cannot be used in any other year to reduce the company's taxable income, then the policyholders surplus account for the last year to which this loss may be carried is to be reduced by the amount of the unused loss or, if less, the amount in the policyholders account (before making any subtractions for that year).

H.R. 6455, passed by the House on April 30, 1964, and by the Senate on June 26, 1964, provides an exemption from the tax on unrelated business income in the case of labor unions and agricultural or horticultural organizations where three conditions are met. First, the income must be used to establish, maintain, or operate a retirement home, hospital, or similar facility operated for the exclusive use of aged and infirm members of such organizations. Second, the income must be derived from agricultural pursuits on ground contiguous to the home, hospital, etc. Third, this income may not represent more than 75 percent of the cost of maintaining and operating the facilities.

H.R. 7301, passed by the House on June 29, 1964, would amend the "collapsible corporation" provisions of the tax laws so that they will not apply to the sale of stock in a corporation which consents to a special tax treatment on any later disposition by it of its assets.

H.R. 7307, passed by the House on June 29, 1964, provides that a contracting party in the case of the extraction of minerals other than gas or oil is not to share in the percentage depletion deduction if he is neither an owner nor lessee of the property, he is required by the contract to deliver the minerals extracted to another party, and he is paid under the contract a fixed sum per unit delivered which does not vary in accordance with the amount received by the other party upon the disposition of these mineral units.

H.R. 10467, passed by the House on June 29, 1964, extends for two more years certain temporary rules with respect to the deductibility of accrued vacation pay.

Excise taxes.—H.R. 7267, passed by the House on June 29, 1964, provides a refund of the 4-cents-a-gallon tax for gasoline used in farming in an aircraft by an aerial applicator if the purchaser of the gasoline and the farm owner, tenant, or operator waives his right to obtain this refund. Presently this 4-cents-a-gallon tax refund is available only to the farm owner, tenant, or operator.

H.R. 98, passed by the House on June 29, 1964, provides for a credit or refund of internal revenue taxes paid or determined on imported alcoholic beverages which have been found to be unmerchantable or not to conform to sample or specifications, and which, under certain conditions, are exported or destroyed.

Social security.—H.R. 9393, passed by the House on June 29, 1964, contains provisions affecting the old-age, survivors, and disability insurance program in three ways: First, it permits a disabled worker to establish the beginning of his disability, for purposes of social security protection, as of the date he actually became disabled regardless of when he files his application; second, it extends through April 15, 1965, the time within which certain ministers can elect to be covered under social security; and, third, it validates certain earnings reported under social security of engineering aides working for soil and water conservation districts in Oklahoma.

Administration, interpretation, and clarification of tax laws

During the fiscal year the Treasury Department published 72 Treasury decisions and 33 notices of proposed rulemaking relating to tax matters. Many of these decisions and notices implemented the Revenue Act of 1962 (Public Law 87–834). In the latter part of the year the Department began the publication of proposed regulations under the Revenue Act of 1964 (Public Law 88–272) signed by the President on February 26, 1964.

Treasury decisions published included among other issues: The computation of the investment credit authorized in the Revenue Act of 1962; the election to deduct casualty losses in the taxable year prior to that in which the loss occurred; rules relating to the Self-Employed Individuals Tax Retirement Act of 1962; carryover of earnings and profits in certain corporate acquisitions; revolving credit sales; rules relating to mutual fire and casualty insurance companies; and earned income from sources without the United States.

Notices of proposed rulemaking still pending at the end of the fiscal year included those relating to: The classification of professional services corporations, associations, trusts, and other organizations; the consolidation of a group of export trade corporations; carryback and carryover of unused foreign tax credit; gains from sales or exchanges of patents; the furnishing of additional information establishing the deductibility of charitable contributions; receipt of minimum distribution by domestic corporations; and the determination of the earnings and profits of a foreign corporation.

International tax matters

The interest equalization tax, first proposed by President Kennedy in a special message to Congress on July 18, 1963, and referred to the House Ways and Means Committee, was reported out by that committee on December 16, 1963. It was passed by the House on March 5, 1964, and sent to the Senate. The Senate Finance Committee began hearings on the act, with a statement from Secretary Dillon, on June 29, 1964 (see exhibit 26). For a description of the major provisions of the act, see the 1963 annual report, page 52 and pages 335–46.[1]

In his Foreign Assistance Message of March 19, 1964, President Johnson, repeating a 1963 proposal by President Kennedy, recommended "legislation to provide a special tax credit for private investment by U.S. businessmen in less-developed countries." The proposed legislation provides for a credit against U.S. tax equal to 30 percent of new contributions of money or property to the capital of an eligible enterprise conducted in a less-developed country and the investor's pro rata share of accumulated earnings of the enterprise which are reinvested in the enterprise, to the extent that they exceed 50 percent of the increase in accumulated earnings. The bill has been referred to the Ways and Means Committee.

[1] The act was approved on Sept. 2, 1964 (Public Law 88–563).

A provision of the Revenue Act of 1964 reduces the annual exemption for earned income from sources outside the United States of U.S. citizens who are bona fide residents of a foreign country from $35,000 to $25,000.

A protocol to the Swedish income tax convention dealing primarily with the tax treatment of interest and dividends, was signed in October 1963. A protocol modifying the tax convention with the Netherlands as it applies to the Netherlands Antilles was also signed in October. The provisions of the protocol are described in the 1963 annual report, page 53. In February 1964, a protocol was signed to the Greek estate tax treaty, which brings the treaty into conformity with domestic law by including in the estate tax base real property situated abroad.

On May 27, 1964, the Senate Committee on Foreign Relations held hearings on the 1962 income tax convention with Luxembourg, on the 1960 and 1962 protocols supplementing the Japanese treaty, and on the three protocols signed earlier in the year. Acting on the recommendation of the committee, the Senate ratified the Greek protocol on June 23, 1964.

On June 8, 1964, the President notified the Senate of the withdrawal of the income tax conventions with Israel, India, and the United Arab Republic which were pending before the Foreign Relations Committee. These three treaties contained tax sparing provisions under which the United States would grant a credit for taxes spared by the other country.

During the year, Treasury representatives met with representatives of a number of countries to negotiate new tax treaties or amend existing ones. Discussions of a protocol to the Belgian treaty were occasioned by a major revision in the Belgian income tax law. Negotiations with Germany to amend the present convention were continued during 1964. Similar meetings were held with Honduras. Discussions were entered into with the Philippines, Thailand, Malaysia, and China for the purpose of negotiating new tax treaties. No formal agreements had resulted from any of these discussions by the end of the fiscal year.

Treasury officials represent the United States on the Fiscal Committee of the Organization for Economic Cooperation and Development (OECD). The Committee proceeded, during the year, in the preparation of a model estate tax convention, and of a report on tax incentives to promote investment in less-developed countries.

International Financial Affairs

The U.S. balance of payments and gold and dollar movements

The U.S. balance of payments.—There was a substantial improvement in the U.S. balance of payments in fiscal 1964. The deficit on regular transactions, which excludes receipts from special intergovernmental transactions, amounted to $1.7 billion in the fiscal year 1964, down sharply from the $4.6 billion deficit the year before and substantially below the $3.6 billion–$3.2 billion range for the 3 preceding fiscal years. The overall deficit after including all special intergovernmental receipts, both from prepayments on U.S. Government loans and military exports and from net sales to foreign official holders of all special nonmarketable U.S. Government medium-term securities, amounted to about $800 million in fiscal 1964, compared to $2.8 billion for fiscal 1963, and a $3.3 billion–$2.6 billion range in the previous 3 years.

This sharp decline in the deficit in fiscal 1964 reflected in considerable part the new or intensified steps in the Administration's overall program to eliminate the payments deficit which were announced in July 1963. Against the background of a deterioration in the balance of payments which had developed during the latter part of calendar year 1962 and early 1963, and on the basis of a thorough and comprehensive review of the entire payments situation and outlook by the Cabinet Committee on Balance of Payments, under the chairmanship of the Secretary of the Treasury, a special Presidential message on the balance of payments was transmitted to the Congress on July 18, 1963. That message set forth a variety of further measures, some of which were calculated to reinforce the general long-term program to strengthen the payments position while a number of others were designed to produce a more immediate impact.

To achieve additional savings in the Government's foreign payments, President Kennedy's July 18 message set specific goals for further reducing the impact on the balance of payments of expenditures abroad for economic assistance. It also announced new measures, scheduled to become fully effective by the end of calendar 1964, which were calculated to assure further substantial reductions in military expenditures abroad, including payments for the acquisition of strategic materials. Programs to increase the foreign earnings of the private sector of the U.S. economy, particularly through expansion of exports, were also intensified.

In addition to various measures of a more general or longer term character designed to make both long- and short-term investments in the United States more attractive compared to investment opportunities abroad, the President requested in that message that the

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Congress enact a temporary excise tax, to be effective as of the following day, July 19, 1963, on acquisitions by Americans from foreigners of foreign debt and equity securities, both new and outstanding, maturing in three years or more.[1] Legislation imposing this interest equalization tax, in substantially the form proposed by the President, was passed by the Congress and became law on September 2, 1964 (Public Law 88–563).

In 1963 President Kennedy established the Task Force on Promoting Increased Foreign Investment in U.S. Corporate Securities and Increased Foreign Financing for U.S. Corporations Operating Abroad. It was charged with developing programs designed to promote increased foreign investment in the securities of U.S. private companies and guide U.S. based international corporations into making increased use of the pools of savings now accumulating in nations in which they do business. Its mandate was reaffirmed by President Johnson and its report to the President was issued April 27, 1964. The Task Force was chaired by Under Secretary Fowler.

The most encouraging development in the balance of payments in fiscal 1964 was the large increase in the trade surplus, to a level $1.4 billion higher than fiscal 1963. Exports increased almost $3 billion, most of which represented commercially financed exports, which rose more than 16 percent from the preceding year while the increase in Government-financed exports was about $50 million. Imports—as a natural result of, and generally in line with, the continuing improvement in domestic business activity—increased by $1.5 billion, or about 9 percent. The basic factors contributing to this growth in the trade surplus were the continued price stability in the United States plus expanding business activity and import demand in other free world countries. A smaller gain during the year was due to the fact that U.S. Government economic assistance expenditures in the form of dollar payments abroad showed a further decline, by more than $300 million, to about $730 million.

One of the largest elements in the improvement of our foreign payments balance during the fiscal year 1964 was the sharply curtailed outflow of U.S. private capital into foreign securities, as the announcement and expected enactment of the interest equalization tax brought immediate and substantial declines both in flotations of new foreign issues here and in American purchases of outstanding foreign issues. Net purchases of all foreign securities by Americans were reduced from $1.7 billion in fiscal 1963 to about $400 million in 1964.

On private capital movements other than foreign security transactions, developments during the year were mixed. Direct investment

[1] See exhibit 26. See also 1963 annual report, pages 52 and 335–46.

outflows showed a decline of about $200 million from the preceding year, while outflows of other types of long-term U.S. capital increased by about $650 million. There was also an increase of about $650 million in the recorded outflow of U.S. short-term capital, reflecting in part the rapid rise in U.S. exports. Unrecorded transactions, which are believed to be to some extent a reflection of unrecorded capital movements, showed an improvement of almost $600 million.

More than $900 million of the $1.7 billion deficit on regular transactions in fiscal 1964 was covered by receipts from special Government transactions. These consisted of about $350 million of debt payments to the U.S. Government in advance of maturity, $390 million received as advance payments on U.S. military exports, and over $160 million in receipts from net sales to foreign official institutions of special nonmarketable medium-term U.S. Treasury securities.

The remaining $831 million, which represents the overall deficit, was to a very large extent financed through the growth in the dollar holdings of foreign private banks and individuals, which increased by $638 million. Another $250 million was obtained through drawings from the International Monetary Fund; and the IMF also provided, in effect, an additional $73 million of financing by its net absorption of dollars in transactions with other member countries.

Offsetting these items, there was a decline of $43 million during the year in holdings of U.S. dollars by foreign official institutions, plus a decrease of $238 million in dollar holdings by international institutions other than the IMF, and an addition of $56 million to official U.S. reserve holdings of convertible foreign currencies.

The total decrease in the U.S. gold stock was $207 million.

Gold and dollar holdings.—Total gold and dollar holdings of foreign countries (excluding gold held by the USSR, other Eastern European countries, and China Mainland) amounted to an estimated $47.9 billion as of June 30, 1964. Of this total, official gold holdings were $24.9 billion, official and private short-term dollar assets held with banks in the United States were $21.4 billion, and estimated official and private holdings of U.S. Government bonds and notes amounted to $1.6 billion. (See table 97.)

During fiscal 1964 total foreign gold and dollar holdings increased by $1.9 billion. Total gold holdings of foreign countries, derived from all sources, increased by $1.3 billion, while total dollar holdings increased by about $590 million. Foreign official dollar holdings declined by $36 million, while foreign private dollar holdings increased by $627 million.

Western European countries increased their total gold and official and private dollar assets by $1,059 million, substantially more than the gain of $854 million by these countries during fiscal 1963. France and Switzerland recorded the largest gains, $463 million and $319 million, respectively. Italian holdings declined by $383 million, while those of the Netherlands and the United Kingdom declined by $73 million and $63 million, respectively. Most other European countries increased their gold and dollar assets. Gains were made by most other areas, except Canada and Africa. Canadian gold and dollar assets declined by $214 million, while African holdings decreased by $64 million. Latin American holdings rose by $494 million. The total gain of Asiatic countries was $565 million, of which $131 million was made by Japan. The rest of the world gained $20 million.

During fiscal 1964, international and regional organizations increased their gold and dollar holdings by $206 million. The holdings of the International Monetary Fund increased by $438 million, while the holdings of other international and regional organizations declined by $232 million.

The estimated official gold holdings of the world (excluding the USSR, other Eastern European countries, and China Mainland) rose from $41.7 billion on June 30, 1963, to $42.9 billion on June 30, 1964. Of this total, the United States held $15.6 billion and international and regional institutions $2.4 billion.

Treasury foreign exchange reporting system.—Data relating to capital movements between the United States and foreign countries have been collected by the Treasury Department since 1935. The data are obtained from reports by banks, brokers, and nonbanking concerns to the Treasury Department through the Federal Reserve banks. The reports provide information on liabilities to foreigners, claims on foreigners, and securities transactions with foreigners, and constitute the basis for statistics on the dollar holdings of foreign countries and international institutions and other statistics on capital movements which enter into the U.S. balance of payments.

Under the continuing program designed to insure the adequacy of the Treasury statistics for analysis and policy formulation, a comprehensive revision of the reporting forms filed by banks and brokers was introduced at the end of fiscal 1963, and the first data derived from the revised forms were published in the July 1963 issue of the *Treasury Bulletin.* Subsequently, the Treasury continued its examination of the problems and needs in the reporting of capital movements data, including matters raised by the Committee for Balance-of-Payments Statistics review in connection with its examination of all U.S. balance-of-payments statistics. A new benchmark survey of holdings of U.S. Government bonds and notes for foreign accounts was taken as of July 31, 1963, to provide a currently valid basis for this statistical series. A survey was also taken of the types of money market paper and other assets held for foreign account by reporting banks.

As a means of reducing the reporting burden on U.S. firms to the minimum necessary to obtain reliable statistics, a study was undertaken of the reports filed by relatively small nonbanking firms. As a result of this study, it was decided to raise the exemption level for reporting by such firms in order to relieve several hundred smaller firms of the burden of reporting without significantly affecting the validity of the statistics. In addition, an investigation was undertaken of means for improving the reporting of assets held abroad by nonbanking corporations, and for obtaining reports from various types of financial intermediaries which may not have been reporting adequately. A portion of the program for improvement of reporting by nonbanking firms was put into effect early in fiscal 1965.

Treasury exchange and stabilization agreements

At the end of fiscal year 1964, Treasury exchange agreements were in effect with Argentina, Chile, and Mexico.

A two-year Treasury exchange agreement with Brazil, in the amount of $70 million, which expired on May 15, 1963, was amended several times during fiscal 1964 to grant extensions of time for Brazil's required repurchase of cruzeiros. The amendment signed on July 30, 1964, provided for a postponement of $25.3 million in principal repayments due to the Treasury, under the terms of the agreement, during the remainder of 1964. According to this amendment, repayment was to be effected by Brazil in monthly installments beginning in January 1965 with full repayment to be achieved in December 1966. The rescheduling of Brazil's obligation to the Treasury supplemented the multilateral rescheduling and refinancing of certain debt obligations agreed between Brazil and nine "Hague Club" countries, including the United States, which was announced in Paris on July 1, 1964.

Under the one-year Treasury exchange agreement with Argentina, which became effective on June 7, 1962, and which was extended for an additional 4 months on March 27, 1963, Argentina drew the full amount of the funds provided, $50 million, by the expiration date, October 6, 1963.

A one-year $10 million Treasury exchange agreement negotiated with the Government of Chile was fully drawn when it expired on January 30, 1964. Subsequently, on March 13, 1964, the United States announced a $70 million program of further assistance to Chile under the Alliance for Progress. The assistance included a one-year $15 million Treasury exchange agreement, a $40 million loan from the Agency for International Development, and a $15 million loan from the Export-Import Bank. The program conformed to the recommendations of the panel of experts of the Organization of American States in its review of Chile's ten-year development plan in that it provided new support for Chile's continuing self-help program to promote the growth of per capita income. The Treasury Department entered into the exchange agreement to support monetary stabilization in Chile in conjunction with a $25 million standby arrangement which the International Monetary Fund had authorized on February 14, 1964. As of June 30, 1964, Chile had drawn $9 million against the Treasury exchange agreement.

Another Treasury exchange agreement with Mexico, the third in a series of two-year agreements, was renewed effective on January 1, 1964, to enable Mexico to draw $75 million. As of June 30, 1964, no drawing had been made by the Government of Mexico.

Foreign exchange operations

Although the balance-of-payments deficit for the fiscal year was greatly reduced from that of preceding years there were other influences on the dollar which made it necessary and desirable for the United States, through the Treasury and Federal Reserve, to undertake exchange operations to deal effectively with a variety of market pressures.

The assassination of President Kennedy in November 1963 gave rise to some speculative pressure directly on the dollar which was quickly met through coordinated Central Bank operations.

Most pressures arose indirectly, however, as a result of the key role played by the dollar in international trade and finance. As a reserve currency held by private traders and commercial banks the world over as well as by foreign central banks, movements of funds between other countries and from private to official hands affect the dollar in the exchange market and may bring pressure on our gold reserves even when our balance of payments is unaffected by such movements.

One such movement during the fiscal year was occasioned by the large balance-of-payments deficit which Italy ran in its international accounts both because of an adverse trade balance and an outflow of capital. Much of the outflow from Italy went to Germany and Switzerland with the result that the dollar, the currency in which the transfers were made, while growing stronger against the Italian lira was weakening in terms of the Deutsche Mark and the Swiss franc.

An example of pressure on the dollar arising from the transfer of dollars abroad from private to official hands is found each year in the practice of yearend "window-dressing" by foreign banks and businesses. This practice arises from the desire of the foreign concern to show in its yearend statement the greatest possible liquidity in its own currency. As a result a foreign bank which normally holds large amounts of dollars to meet the needs of its customers and for investment will in December offer these dollars for sale against its own currency. The increased supply of dollars placed in the market for this reason will frequently drive the exchange rate to the point where the central bank of the country concerned must intervene in the market by buying the dollars and adding them to its own holdings.

A further type of transaction which influences the exchange markets and central bank holdings of dollars without necessarily affecting the U.S. balance of payments arises from the tightening of domestic credit by a foreign country. During this period many of the continental European countries felt that such a tightening of credit was desirable to combat potential or actual inflationary pressures. The result of such action is for the commercial banks of the country and other holders of dollars to repatriate them in order to obtain their own currency to meet their local credit needs. In such circumstances money may of course also be attracted from other countries including the United States and in the latter case our balance of payments as well as exchange markets are affected.

The details of the operations undertaken to meet the pressures generated by various sources are described in detail in articles published semiannually by the Federal Reserve Bank of New York which, as agent or manager, carries out the operations of both the Treasury and the Federal Reserve. See exhibits 40 and 41.

The International Monetary Fund

During the fiscal year 1964, the Fund provided assistance through the sales of various currencies, amounting to $726.3 million to 19 member countries. During this period, drawings of the United States, $250 million, and of Italy, $225 million, accounted for 65 percent of the total. The Fund sold the equivalent of $58.5 million to 2 other European countries (Turkey and Yugoslavia), $97.4 million to 7 countries in Asia and Africa (Indonesia, Liberia, Morocco, Somalia, Sudan, Syria, and the United Arab Republic), and $95.4 million to 8 Latin American countries (Argentina, Bolivia, Chile, Colombia, Costa Rica, Haiti, Honduras, and Nicaragua).

Most of the drawings during fiscal 1964 were made under existing standby arrangements. The majority, in addition, required a waiver of the provision of Article V, Section 3 of the Fund Agreement, which places a limit of 25 percent of a member's quota on drawings by that member within any 12-month period. The drawing of the United Arab Republic for $16 million brought the Fund's holdings of Egyptian pounds to 215 percent of its quota. Accordingly, the United Arab Republic was granted the first waiver of the Fund's requirement that limits the Fund's holdings of a member's currency to 200 percent of its quota. This UAR drawing was the second to be authorized under the Fund decision of March 1963, which is designed to provide additional balance-of-payments support to those member countries, exporting primary products, which experience temporary declines in their export earnings due to circumstances largely beyond their control.

The Italian purchase, in March 1964, represented that country's first use of Fund resources. The drawing was within Italy's gold tranche and was designed to assist Italy in financing her recent balance-of-payments disequilibrium. The United States made its first use of Fund resources in February,[1] purchasing nondollar currencies for sale to other countries which had repurchase obligations to the Fund. This became necessary early in February 1964, when the Fund's holdings of U.S. dollars, together with the undischarged repurchase obligations incurred in U.S. dollars by members under Article V, Section 7(b) of the Fund Agreement, reached 75 percent of the U.S. quota. At this point, the Fund under Article V, Section 7(c)(iii) is precluded from accepting U.S. dollars in repurchase transactions with members. Another drawing for the same purpose was made in June.[2]

Of the total drawings during this period only 6.6 percent, as compared with 71.4 percent for the previous year, were in U.S. dollars. The increasing proportion of nondollar drawings is in accord with the Fund's decision that drawings should be made predominantly in the currencies of those countries in a strong balance-of-payments position. As of June 30, 1964, the equivalent of $7,660.4 million in various currencies had been purchased from the Fund by 51 member countries.

Currency repurchases in fiscal 1964 by 25 member countries and Cuba totaled the equivalent of $355.3 million. Approximately 39 percent of this was accounted for by Canadian repurchases of $138.5 million equivalent during the period. The equivalent of $37.3 million was repurchased by 4 European countries, $77.4 million by 8 countries in Asia and Africa, and $102.1 million by 13 Latin American countries. Although Cuba withdrew from membership in the Fund on April 2, 1964, the equivalent of $12.5 million was repurchased by Cuba in partial repayment of its net obligations to the Fund. Currency repurchases have increasingly been made with a wider variety of currencies. Of the total repurchases during fiscal 1964, only $102.9 million, or 29.0 percent, was made in U.S. dollars. As of June 30, 1964, cumulative repurchases by 43 countries totaled the equivalent of $5,369.2 million.

[1] See exhibit 46.
[2] See exhibit 47.

In fiscal 1964, new and extended standby arrangements amounted to the equivalent of $2,193.2 million, as compared with $1.4 billion in fiscal 1963. The three largest standby transactions during fiscal 1964 accounted for nearly 50 percent of the total. The British standby of $1 billion with the Fund succeeds a similar arrangement which expired in August 1963. It is designed to supplement British reserves, to protect against any temporary pressures which might arise against sterling. The Japanese standby, agreed to in March 1964 in conjunction with Japan's acceptance of Article VIII obligations, was designed to provide additional resources in support of Japan's reserve position in the event of temporary balance-of-payments difficulties. As of June 30, 1964, $1,825.6 million was still available under the 19 agreements in effect.

During the past year, 8 countries increased their quotas, 17 countries became members, and one country, Cuba, withdrew from the Fund, thereby raising total membership to 102 with quotas aggregating $15,616.85 million on June 30, 1964.

The third annual consultation between the Fund and the United States was held in May 1964, in accordance with arrangements under which members of the Fund which have accepted the convertibility obligations of Article VIII of the Fund's Articles of Agreement consult with the Fund on a voluntary basis.

As agreed among the Ministers and Governors of the Group of Ten (the members of the Fund which are parties to the December 1961 "General Arrangements to Borrow") at the Eighteenth Annual IMF Meeting in September 1963, "a thorough examination of the outlook for the functioning of the international monetary system and of its probable future needs for liquidity" was carried out during the year. This study was carried on by Deputies of the Ministers and Governors. During the period under reference Under Secretary Robert V. Roosa, as Deputy of Secretary Dillon, chaired the deliberations of the Deputies.

On August 10, 1964, the Ministers and Governors issued a "Ministerial Statement of the Group of Ten and Annex Prepared by Deputies" (see exhibit 49). In this Statement the Ministers and Governors reaffirmed their conviction that the present international monetary structure based on fixed exchange rates and the established price of gold has proved its value as a foundation on which to build for the future. They further agreed that increasingly close cooperation among monetary authorities was essential and that, in regard to liquidity, supplies of gold and reserve currencies are fully adequate for the present and immediate future needs of the world monetary system, although continuing growth of world trade and payments is likely to entail a need for larger international liquidity which may be met by an expansion of credit facilities supplemented perhaps over the longer run by the use of some new form of reserve asset.

The Ministers and Governors noted the central position of the International Monetary Fund in the international credit structure. In order to further the Fund's capabilities, the Ministers and Governors agreed to support a moderate and general increase in member quotas in the Fund and to support relative adjustments in those individual quotas which are clearly out of line. In reaching this agreement among themselves, the Ministers and Governors recognized that the responsibility for decisions concerning an increase in quotas rests with the Fund itself and cannot be determined by the Group of Ten alone.

In its Annual Report released at the same time as the statement of the Ministers and Governors of the Group of Ten, the Fund management discussed the matter of international liquidity from the Fund's standpoint. Regarding quota increases, the Report concluded that "there is a case for an increase in Fund quotas," and suggested that the question should be examined in detail at an early date, preferably immediately after the 19th Annual Meeting. (The normal quinquennial review of quotas would occur in 1965 in accordance with the Articles.) Thus both the Fund management and the governments of the Fund's major members have suggested early action on the matter of Fund quota increases.

Programs for financing economic development

The International Bank—During the past fiscal year, the International Bank (IBRD) authorized 37 loans in 27 different countries and territories totaling $810 million, a substantial increase from the 1963 total of $449 million. Of the development projects assisted by the Bank, electric power loans accounted for nearly half, $375 million, of the year's total, while transportation loans accounted for $314 million; industrial loans, primarily to development finance corporations, totaled $73 million; agricultural loans amounted to $27 million; and telecommunications and water supply projects accounted for $19 million and $2 million, respectively. Disbursements of loan funds during the past fiscal year amounted to $559 million.

The Bank has continued to sell participations in Bank loans without its guarantee. Sales for fiscal 1964 totaled $173 million, of which $126 million was in sales from portfolio and $47 million in participations by investors who agreed to take up parts of Bank loans at the time of the signing of the loan agreements. As of June 30, 1964, cumulative sales totaled $1,788.6 million, of which all except $69 million was sold without the Bank's guarantee. For the second consecutive year, the funded debt declined. An increase of $4.5 million, arising from issuance to investors of bonds which were sold on a delayed delivery basis in previous years, was more than offset by the repayment of \$7.8 million of maturing obligations and by the Bank's purchase and redemption of \$24.1 million of bonds to meet purchase fund and sinking fund requirements. In addition, one refunding issue—consisting of \$100 million of two-year, 4 percent U.S. dollar bonds—was placed, entirely outside the United States, during the year. As of June 30, 1964, total funded debt outstanding was \$2,491.8 million.

Through June 30, 1964, the Bank had extended a total of 386 loans in 73 countries and territories amounting to \$7,754.1 million net of cancellations, refundings, and terminations; of this amount, a cumulative total of \$5,984.4 million had been disbursed. Total principal repayments amounted to \$1,586.2 million, of which \$772.7 million had been repaid to the Bank and \$813.5 million repaid to purchasers of borrowers' obligations sold by the Bank. At the end of fiscal 1964, the total reserves of the Bank totaled \$846,234,457, consisting of the \$288,119,454 Special Reserve and Supplemental Reserve of \$558,115,003. During the past year, 4 members increased their subscriptions while 17 countries accepted membership in the Bank, thus raising total membership to 102 with capital subscriptions totaling \$21,186 million.

An increase of \$1 billion in the authorized capital stock of the Bank became effective on December 31, 1963, thereby raising the total authorized capital of the Bank from \$21 billion to \$22 billion. This increase was designed to provide for the admission of new members and for special increases in existing members' quotas. Under the authority of Public Law 88–178 of November 13, 1963 (22 U.S.C. 286e–1a), the U.S. Governor voted in favor of the proposal. No appropriation was required, since none of the increase will be subscribed by the United States.[1] See exhibit 37.

In September 1963, the Executive Directors of the Bank adopted a resolution discontinuing the automatic allocation of the Bank's net income into the Supplemental Reserve against losses on loans and guarantees. In light of this decision, only \$47.5 million of the year's net income of \$97.5 million was transferred to the Supplemental Reserve. Since the financial position of the Bank has made it unnecessary to transfer the balance of the year's net income to reserves or otherwise retain it, the Executive Directors have recommended that this balance of \$50.0 million be transferred to the International Development Association as a grant. The Executive Directors have also recommended to the Board of Governors an amendment to the Bank's Articles of Agreement giving the Bank

[1] In May 1963, the National Advisory Council recommended this proposal in a *Special Report* (House Document No. 154, 88th Congress, 1st session).

authority to make, participate in, or guarantee loans to the International Finance Corporation (IFC), within a proposed limit of four times the unimpaired subscribed capital and surplus of the Corporation. Such loans would augment the moderate resources of the IFC and provide greater flexibility to the Corporation's operations.

Aside from financing development projects, the Bank has during the past year assisted the less-developed areas of the world in a variety of other ways. It has continued to furnish technical, advisory, and planning assistance to member countries, to develop the local institutions required for the mobilization and channeling of capital into productive uses, and to form international consultative groups designed to coordinate the provision of external aid. During fiscal 1964, such groups for Colombia, Nigeria, and Tunisia met under the chairmanship of the IBRD to hear proposals under the development plans of the respective countries. The consortia for aid to India and Pakistan have also continued to meet and discuss the development plans of the two countries and to make additional financial commitments for the current requirement of each nation under their respective plan.

The International Development Association.—The International Development Association was established as an affiliate of the International Bank in September 1960 to promote economic development in the less-developed areas of the world. By providing assistance on very liberal financial terms, it has been able to minimize the borrower's debt service requirements and the resulting balance-of-payments burden. During the past fiscal year, the IDA approved a total of 18 credits in 8 countries amounting to $283.2 million. The total commitments authorized by the IDA have thereby increased during the period by 57 percent to a cumulative total, as of June 30, 1964, of 57 development credits in 22 countries or territories amounting to $778.3 million. Disbursements also increased during the fiscal year from $68.4 million on June 30, 1963, to a total of $192.5 million as of June 30, 1964.

With the admission of 17 new members during the past year, the IDA had, as of June 30, 1964, 93 members, 17 Part I members (economically advanced) and 76 Part II members, with total initial subscriptions of $987,445,000. In addition to these initial subscriptions, Sweden has made two special supplementary contributions totaling $10,090,000 to IDA resources.[1]

On June 29, 1964, with the formal notification of the required number of countries, a $750 million increase in the freely usable resources of the IDA became effective. This increase was designed to permit

[1] In July 1964, Sweden paid to the Association its third special supplementary contribution amounting to the equivalent of $5,045,000 in convertible kronor.

the Association to continue its assistance in the promotion of economic development in member countries on terms which bear less heavily on the balance of payments than conventional loans. It was recommended to the Board of Governors by the Executive Directors in September 1963, and strongly endorsed by the National Advisory Council.[1] Under the authority of the International Development Association Act, as amended on May 26, 1964 (Public Law 88–310), the U.S. Governor voted in favor of the proposal.

This $750 million increase will be provided by 15 Part I countries together with Luxembourg, a new Part I country, and Belgium, which became the 94th member of the IDA on July 2, 1964, thereby raising the number of Part I countries to 18.[2] Payment of this increase in capital resources will be made in three equal installments of $250 million each, the first being due in November 1965, one year after the final payment on the subscriptions to IDA's initial resources. Except in the case of Belgium and Luxembourg, the new resources will take the form of additional contributions, rather than subscriptions, and will therefore not carry voting rights. One-half of the contributions of Belgium and Luxembourg, on the other hand, are considered to be initial subscriptions with voting rights, while the balance has been deemed additional contributions. Of the $750 million increase, the United States will provide 41.6 percent, or $312 million.

Taking account of all additional contributions and new members, IDA's total subscriptions and supplemental resources combined amounted to $1,666,172,000, as of June 30, 1964, of which $1,446,257,000 was in convertible funds.[3]

The International Finance Corporation.—The International Finance Corporation (IFC) is an affiliate of the International Bank designed to supplement the development activities of the Bank by encouraging the growth of productive private enterprises in member countries. The IFC provides financing by investing in the debt or equity issues of the private sector, in conjunction with larger commitments from local and foreign investors, without governmental guaranty of repayment. During the past fiscal year, the IFC approved a total of 18 investments, including 2 supplementary investments, in 13 countries amounting to $20,789,005, including $2,920,000 in the form of standby and underwriting commitments. All but two of these investments included or consisted entirely of subscriptions to shares; $12,093,433 of the year's total operations was in the form of equity investments.

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[1] See Special Report to the President and to Congress on Increase in Resources of the International Development Association (House Document No. 156, 88th Congress, 1st session).

[2] In July 1964, the Government of Kuwait, a Part I member, also decided to participate in the replenishment of IDA resources, with a contribution of $3.36 million.

[3] As of Aug. 19, 1964, formal notification had not yet been received from 3 countries, with contributions totaling $47,988,000, participating in the $750 million increase of IDA resources.

Eleven of the 18 commitments approved during the past year were for the establishment or expansion of private companies engaged in manufacturing or processing. The remainder were for the purpose of establishing or strengthening industrial development finance companies in seven different countries. As of June 30, 1964, the IFC had extended a cumulative total of 76 commitments to enterprises in 29 different countries amounting to $95.7 million net of cancellations, terminations, and $7,351,546 worth of securities under standby and underwriting commitments acquired by others; $76.5 million had been disbursed and $20.5 million of IFC investments had been sold.

During the fiscal 1964, 5 countries accepted membership in the IFC, increasing the number of members to 78 and total subscribed capital by $766,000 to a total, payable in gold or dollars, of $98,964,000. On September 5, 1963, an increase in the authorized capital stock of the IFC from $100 million to $110 million became effective. This increase had been provided for, up to a maximum of $10 million, in Section 2 of Article II of the Corporation's Articles of Agreement, and is designed solely to accommodate the initial subscriptions of new members. Under the authority of Section 5 of the International Finance Corporation Act (Public Law 350, 84th Congress), the U.S. Governor, Secretary Dillon, voted in favor of the proposal.

The Inter-American Development Bank.—The Inter-American Development Bank (IDB) was established in 1959 to help accelerate the economic and social development of Latin America. The United States and all Latin American countries except Cuba are members of the Bank.

The resources administered by the Bank have been made available for economic and social development through three separate loan funds: The Ordinary Capital resources of the Bank are available to member countries on conventional terms similar to those of the World Bank; the resources of the Fund for Special Operations are available to finance economic and social assistance on repayment terms easier than those applying to Ordinary Capital loans; the Social Progress Trust Fund is available for projects in the social development fields for long periods at low interest rates, and are generally repayable in the currencies of the borrowers. Through June 30, 1964, the Bank had authorized a total of 89 loans totaling $413,509,000 from its Ordinary Capital, 39 loans totaling $126,522,000 from the Fund for Special Operations, and 81 loans amounting to $386,347,000 from the Social Progress Trust Fund. Total disbursements from all three funds amounted to $304.0 million by June 30, 1964.

To obtain additional external resources for the economic and social development of Latin America, the Bank placed its third bond issue, a 20 year, 4½ percent, $50 million issue, in the United States in April 1964. This was the Bank's second bond issue in the United States, and raised the Bank's total borrowings to $149.2 million.

While the initial resources of the Bank totaled $959 million, $813 million Ordinary Capital and $146 million in the Fund for Special Operations, an overall increase in the resources of the IDB became necessary to continue the Bank's operations as a major force in the Alliance for Progress. This increase, which became effective in January 1964, consists of: (1) a $1 billion increase in the authorized callable capital stock of the Bank; (2) a 50-percent increase ($73.2 million) in existing members' quotas in the Fund for Special Operations; and (3) an additional increase of $300 million in the Bank's authorized capital (both paid-in and callable) to provide for the admission of new members. The U.S. participation in the increase in Ordinary Capital amounted to $411,760,000, and in the Fund for Special Operations to $50.0 million.

During fiscal 1964 the resources of the Social Progress Trust Fund were increased by $131 million to permit the Bank to continue its social development activities. The U.S. contribution to the Social Progress Trust Fund now totals $525 million.

At the Fifth Annual Meeting of the Board of Governors of the IDB held in April 1964, the Governors recommended that member governments approve a major expansion in the Bank's Fund for Special Operations. The recommendation provides for an increase of $900 million in the resources of the Fund for Special Operations through additional contributions payable in each member's national currency. As a concomitant of this expansion, it is understood that the United States would make no further contributions to the Social Progress Trust Fund, and that the expanded Fund for Special Operations would assume responsibility for financing the social development projects previously handled by the Trust Fund. The U.S. contribution to this proposed expansion would be $750 million, payable in 3 equal annual installments, on or before December 31, 1964, 1965, and 1966.[1]

The Export-Import Bank.—During the fiscal year ending June 30, 1964, the Export-Import Bank authorized over $1.7 billion in loans, guaranties, and export credit insurance. Credits for development projects totaled $570.2 million. Exporter credits and guaranties totaling $216.8 million were extended by the Bank, and $445.8 million was committed through the Foreign Credit Insurance Association (FCIA).

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[1] On July 2, 1964, the National Advisory Council sent to the President and the Congress its own report on the subject, strongly recommending legislation to permit the United States to join the proposed increase (House Document No. 316, 88th Congress, 2d session).

The Export-Import Bank disbursed $398.4 million during fiscal 1964. During the year private participations in Eximbank loans totaled $476 million of which $372 million represented sales of portfolio participation certificates to private financial institutions. The Bank earned $181.7 million from interest and fees and paid $34.4 million in interest on funds borrowed from the Treasury. A dividend of $50 million was declared on the stock of the Bank held by the Secretary of the Treasury. At the end of the fiscal year the Bank's retained income reserve for contingencies amounted to $880 million and its uncommitted lending authority was $3,459 million. Receipts of principal and interest on the Bank's outstanding credits during fiscal 1964 contributed over $845 million to the U.S. balance of payments.

The Agency for International Development.—The Agency for International Development (AID) is responsible for the economic assistance activities of the United States which includes development lending, development grants and technical cooperation, supporting assistance, contributions to international organizations and programs, investment guaranties, surveys of investment opportunities and for negotiating loans involving U.S.-owned local currencies including those acquired under section 104(e) and 104(g) of Public Law 480, as amended. AID is also responsible for administering funds appropriated under the Inter-American Program for Social Progress (Public Law 86–735) as well as the Alliance for Progress established under a separate title of the Foreign Assistance Act of 1962 (Public Law 87–565) which includes a separate provision for development loans and grants for Latin America.

Total dollar commitments by AID in fiscal 1964 amounted to $2.3 billion of which $1.4 billion, or 61 percent, was on a loan basis. The Near East and South Asia received $843 million, Latin America $631 million, the Far East $352 million, and Africa $201 million. The remainder ($247 million) comprised nonregional programs such as U.N. Technical Assistance and the U.N. Children's Fund plus general program support and administrative expenses. AID continues to follow a policy of minimizing balance-of-payments impact of expenditures of foreign assistance funds by directing procurement toward the United States. Under present procedures approximately 80 percent of all foreign assistance funds are utilized for the procurement of U.S. produced goods and services.

Annual meetings of international financial institutions

International Monetary Fund and International Bank.—The 1964 annual meetings of the boards of governors of the International Monetary Fund and the International Bank for Reconstruction and

Development and its affiliates was held in September in Tokyo, Japan. The U.S. delegation was headed by Secretary Dillon as U.S. Governor. Under Secretary of the Treasury for Monetary Affairs Roosa, Assistant Secretary Bullitt (U.S. Executive Director of the IBRD), and Mr. William B. Dale (U.S. Executive Director of the Fund) acted as temporary Alternate Governors. The delegation included members of the agencies constituting the National Advisory Council on International Monetary and Financial Problems, members of congressional committees, and other officials of the Government concerned with the affairs of the international financial organizations.

At the meeting of the Fund Governors, Secretary Dillon reviewed domestic developments in the United States and the steps taken to improve the balance-of-payments position of this country. (See exhibit 32.) He commented on the studies of the international monetary system by the International Monetary Fund and by the Group of Ten. The Secretary supported the proposal for general and selected quota increases and for exchange of information and consultation among industralized countries subject to volatile flows of capital, coupled with expanded use of bilateral credit arrangements. He also stressed the need for measures in handling Fund quota subscriptions "to mitigate the repercussions of gold payments on the gold reserves of the contributing members and of the reserve centers that may be affected." He endorsed the continuance of studies designed to assure that the international monetary system would be prepared to meet any need for enlarged supplies of unconditional liquidity that may develop over the coming years.

Secretary Dillon also addressed the Governors of the International Bank and its affiliated institutions, the International Development Association (IDA) and the International Finance Corporation (IFC). (See exhibit 33.) He commended the innovations in operations and policies which had resulted from intensive internal review, and supported the proposals to transfer a portion of the Bank's fiscal 1964 earnings to IDA; to permit the Bank to lend to the IFC; and to request the Executive Directors of the Bank to draft a convention establishing voluntary institutional facilities for the arbitration and conciliation of investment disputes. The Secretary also emphasized, in connection with the Bank's plans to borrow substantial amounts for an expansion of its lending operations, the need for broadening its access to private financial markets in industrialized countries that are accumulating international reserves. The Governors approved the transfer, as a grant, of $50 million of the Bank's earnings to IDA, recommended that the Articles of Agreement of both the Bank and IFC be amended to enable the Bank to make loans to IFC for relending to private companies, and authorized the Executive Directors to prepare a final text of a convention on investment arbitration and conciliation for submission to governments.

Inter-American Development Bank.—Secretary Dillon, as U.S. Governor of the Bank, led the U.S. delegation to the Fifth Annual Meeting of the Bank held in Panama in April 1964. Assistant Secretary of the Treasury for International Affairs Bullitt acted as temporary Alternate Governor. The delegation also included Mr. Tom Killefer, U.S. Executive Director of the Bank, representatives of the agencies constituting the National Advisory Council on International Monetary and Financial Problems and Members of Congress concerned with inter-American affairs. In his statement to the Governors (see exhibit 30), Secretary Dillon noted the success of the Bank in mobilizing private capital for the economic development of Latin America. In this connection he commented that the recent increase in the authorized capital stock of the Bank would result in an accelerated rate of lending activities. The Secretary also indicated support for the proposed increase in the resources of the Fund for Special Operations, mentioned earlier in this report.

Organization for Economic Cooperation and Development.—The third Ministerial Council meeting of the Organization for Economic Cooperation and Development (OECD) met in Paris on November 19–20, 1963. It was attended by Deputy Assistant Secretary Merlyn N. Trued. The Council of Ministers found that the prospects in member countries were on the whole better than in 1962. Progress in the United States, the United Kingdom, and Canada, was particularly noted. In the expectation that economic growth will be supported by suitable measures, the Ministers indicated that gross national product of the OECD area as a whole for the years 1960–64 will probably correspond to the growth target of 50 percent set for the decade of the 1960's by the first Ministerial Council in 1961. The importance of internal stability for balanced economic growth was stressed.

The Economic Policy Committee of the OECD held regular meetings throughout the year to discuss the overall economic situation of the member countries. Under Secretary for Monetary Affairs Roosa was a member of the U.S. delegation at these meetings.

The Treasury has participated in the activities of two working parties of the Economic Policy Committee. The Working Party on Policies for the Promotion of Better Payments Equilibrium (Working Party 3) met at intervals of four to six weeks with Under Secretary Roosa as Chairman of the U.S. delegation. This group reviews the payments situation of both surplus and deficit countries and tries to achieve coordinated action towards the goal of international monetary stability. The Working Party on Policies for the Promotion of

Economic Growth (Working Party 2), is concerned with implementing the 50 percent collective growth target set in 1961. A high-ranking Treasury official serves on the U.S. delegation.

During the year significant improvements in the Code of Liberalization of Capital Movements were proposed and subsequently adopted by the Council of the Organization. These changes were developed by the Committee for Invisible Transactions, which is primarily responsible within the OECD for the progressive removal of restrictions on the international movement of services and capital, including implementation in the framework of the Code of Liberalization of Current Invisible Operations and of Capital Movements.

As part of the Trade Committee's continuing efforts to expand trade among nations, several meetings were held to discuss the possibility of bringing the antidumping laws and procedures of member nations into closer harmony. The Trade Committee also discussed the nature of and problems arising from the procurement practices of member countries and undertook a study of the effects of excise tax rebates and import equalization taxes on competitive positions in international trade. The Treasury Department provided assistance in the discussion on these topics, supplying detailed information on pertinent aspects of the U.S. tax system in connection with the border tax study.

The Development Assistance Committee (DAC) of the OECD continued to coordinate development aid programs of member countries to achieve a greater degree of harmonization of the policies of donor countries and more effective use of such aid. In July 1963 representatives of the Treasury participated in a meeting of DAC which adopted resolutions relating to policies designed to improve the common aid effort of DAC members in providing assistance to developing countries. DAC membership includes Belgium, Canada, Denmark, France, Germany, Italy, Japan, Norway, the Netherlands, Portugal, the United Kingdom, the United States, and the Commission of the European Economic Community.

The Annual Aid Review of the DAC provides for careful study and examination of each member's program and enables a comparison of relative aid burdens and general aid policies. The U.S. review was held on May 26, 1964.

The Economic Development and Review Committee of the OECD reviews annually the economies of the member countries and issues a public report; the Treasury participated in the Committee's formal examination of the U.S. economy. The Treasury also participates in the work of other committees of the OECD. A Treasury observer regularly attended meetings of the Managing Board of the European Monetary Agreement.

The General Agreement on Tariffs and Trade.—The Treasury continues to participate in the work of the Trade Expansion Act Advisory Committee, the Trade Executive Committee, the Trade Staff Committee, and the Trade Information Committee. Preparations for the Kennedy round negotiations moved into the public phase with the issuance by President Kennedy on October 22, 1963, of the public list of products to be considered for possible reductions in rates of duty under the Trade Expansion Act. Hearings before the Trade Information Committee extended over 64 working days; 674 briefs were received and 578 individuals presented testimony before the Committee.

The Kennedy round of trade negotiations was officially opened at a meeting of Ministers on May 4, 1964, at Geneva and it has been agreed that negotiations are to be based on an across-the-board (linear) reduction of tariffs.

Discussions were being held on substantive, technical, and procedural issues at the end of fiscal 1964.

During the year a Treasury representative participated in the regular meetings of the GATT committee on balance-of-payments restrictions, with particular reference to trade impediments to U.S. exports.

The United Nations Conference on Trade and Development.—The initial session of the Conference (convened in accordance with Resolution 1785 (XVII) adopted by the General Assembly of the United Nations on December 8, 1962) was held in Geneva March 23–June 16, 1964. The Conference produced 60 individual recommendations relating to primary commodities, manufactured goods, financing of international trade, invisibles, and new institutional arrangements.

The Treasury participated in the activities of the U.N. Economic Committee in preparation for the Conference and a representative of the Treasury served as a member of the U.S. delegation during the meeting at Geneva.

Lend-lease silver

Repayments continued during fiscal 1964 of those obligations which still remained outstanding at the beginning of the year on account of Treasury silver transferred to certain countries during World War II under the authority of the Lend-Lease Act of March 11, 1941. Liquidation of these obligations is nearly completed. The Lend-Lease Silver Liability account of the Government of Saudi Arabia was settled and closed on the books of the Treasury Department upon receipt from that Government of a final cash repayment in the amount of $122,287.42. This is equivalent to 95,091.31 fine troy ounces of silver converted on the basis of the market price for silver on the date of the receipt of the payment.

A cash repayment of $1,977,184.97, equivalent to 1,529,229 fine troy ounces of silver converted on the basis of the monetary value, was received from Pakistan and taken into the account of the Treasurer of the United States during the fiscal year.

Lend-lease silver transactions as of June 30, 1964

[In millions of fine ounces except where otherwise specifically indicated]

	Silver transferred from the Treasury to lend-lease for account of foreign governments	Silver returned and taken into the account of the Treasurer of the United States	Silver being returned	Dollar repayments (millions)	Silver to be returned
Australia	11.8	11.8			
Belgium	.3	.3			
Ethiopia	5.4	5.4			
Fiji	.2	.2			
India	172.5	172.2	0.3		
Netherlands	56.7	56.7			
Pakistan	53.5	48.8		[1] $5.5	0.1
Saudi Arabia	[2] 22.3	1.4		[3] 20.4	
United Kingdom	88.1	88.1			
Total	410.8	384.9	0.3	25.9	.1

[1] Equivalent to 4.6 million fine troy ounces of silver converted on the basis of the market price on dates of receipts, or the monetary value.
[2] Includes 1,031,250 ounces lost at sea while in transit.
[3] Equivalent to 19.9 million fine troy ounces of silver converted on basis of the market price on dates of receipts.

ADMINISTRATIVE REPORTS

Management Improvement Program

The Treasury Department's management improvement program seeks to insure maximum effectiveness in reducing costs, increasing productivity, and improving efficiency at all operating and staff levels throughout the Department.

Reported savings from improved administration and program management in fiscal 1964 amounted to more than $29.5 million, including nearly $3.5 million produced through the Incentive Awards Program. This figure, the highest reported in the 18 years since the program began, significantly exceeds the previous high of $20 million achieved in the fiscal year 1954. In addition, there were many accomplishments which cannot be measured in terms of manpower or dollars.

The more significant management improvements of Treasury bureaus are treated in this annual report in the succeeding administrative reports of the separate offices and bureaus.

Special studies and projects

The comprehensive evaluation of the Bureau of Customs missions, organization, and management begun in fiscal 1963 was completed. A draft report of the survey, conducted by staff from Treasury's Office of Management and Organization, Office of Budget and Finance, Office of Personnel, and the Bureau of Customs was under review at the end of fiscal 1964. Some of the recommendations and suggestions made during the survey have been implemented; and several ad hoc committees have been established to evaluate the budgetary impact of the recommendations and to plan implementation schedules.

Other management projects were conducted jointly by bureau personnel and staff from the Office of the Administrative Assistant Secretary. A study was made with IRS to determine ways and means of coordinating the work of the Chief Counsel's office with that of the Office of the Assistant Commissioner (Technical) of the Internal Revenue Service to minimize duplication and achieve the best manpower utilization. Recommendations have been implemented with annual savings of about $814,000 or 86 man-years. Assistance was rendered the Bureau of the Mint in developing a long-range coinage forecast, evaluating existing production facilities, planning to increase coin production pending completion of the new mint, and assisting in the search for additional short-term production facilities and equipment. Staff participated in a study of Bureau of Narcotic's field personnel to bring about better manpower utilization by freeing agents of clerical work. The study recommended augmenting clerical staffs to make more agent time available for law enforcement.

The experience of Treasury with its field liaison representatives to the twelve Federal Executive Boards (FEB) has led the Department to extend the FEB liaison principle to the Washington, D.C. level; and all bureaus with field organizations have designated a representative to work with Office of the Secretary staff members on FEB matters.

Financial management

The Treasury Department's central fiscal role led to important developments in financial reporting practices. These included, among other things, the withdrawal of cash from the Treasury and a reduction of Government-wide administrative costs and workloads. These developments are discussed more fully in the Bureau of Accounts section of this annual report.

Two new Internal Revenue ADP service centers at Austin, Tex., and Cincinnati, Ohio, began processing business tax returns under the ADP master file concept in January 1964. Systems specifications and ADP handbook instructions were revised to improve the system operation based on a continuing analysis of the system and to incorporate legislative changes. The ADP equipment in other service centers and the National Computer Center was updated to process more efficiently the volume of returns and documents.

Specifications have been prepared for the application of ADP to the accounting and reporting of Customs revenues and other collections, appropriations, trust and deposit funds, and seized property.

Marked progress was made during the year in converting certain payroll activities to a centralized computer system utilizing Internal Revenue Service facilities. On July 1, 1963, the Bureau of Accounts installed an improved administrative accounting system, which conforms to principles of the General Accounting Office relating to the application of accrual accounting and provides data for internal cost-based budgets, including depreciation of capitalized personal property and annual leave accruals.

During fiscal 1964 the development of audit and appraisal plans was emphasized by: The appraisal of the systems of internal audit in two bureaus; the audit of administrative accounts and certain related procedures and practices in the Office of the Secretary; and close liaison with the General Accounting Office audit staff.

Personnel management

Among the new personnel programs introduced by the President, the one on the status of women received particular emphasis. On March 10, 1964, the Secretary of the Treasury appointed nine career women to form the Department's Advisory Committee on the Status of Women. This Committee was specifically enjoined to: Suggest measures for making the program for equal employment opportunity for women more effective within the Treasury; serve as a focal point for progress on the program; and, stimulate positive action to encourage the employment of women wherever appropriate and provide information to the Department on the value of full utilization of skills of women.

Action was taken to strengthen other programs including employee-management cooperation, employee training and development, and recruitment.

The Department's Office of Personnel concentrated on the following activities during the year:

A revised performance rating plan was issued to promote better evaluation of employee performance.

Improved qualification standards applicable to all Treasury criminal investigators were developed as well as a master training program for Treasury-wide use for criminal investigators.

A chapter on nondiscrimination was added to the Treasury Personnel Manual and the manual's format was revised to conform with the codification of the Federal Personnel Manual.

It assumed leadership in the new program to place mentally retarded persons in positions for which they are fully qualified.

The placement of handicapped persons in all categories was substantially increased.

The placement of a larger number of juveniles for 1964 summer employment in cooperation with the Washington Action for Youth program.

The drastic reduction of employee appeals to the department level as a result of a new policy of resolving appeals at lower management levels.

The extensive utilization of ADP equipment in the preparation of many personnel reports previously prepared manually.

An increase in the number of employee organizations granted formal recognition on a nationwide basis from four to five. Exclusive recognition has now been granted in 109 Treasury units representing more than half of the Treasury bureaus.

The Equal Employment Opportunity Program.

Treasury bureaus continued technical training to develop specific skills and career development to insure maximum utilization of employee potential. Treasury employees participated in many short courses for middle managers and executives sponsored by the Civil Service Commission, the Bureau of the Budget, the Department of Defense, the Brookings Institution, and universities and colleges. Long-term development programs included the ten-month resident courses of the National War College, the Industrial College of the Armed Forces, the U.S. Naval War College, and Princeton University's "Educational Program for Federal Officials at Mid-Career."

The Department participated in the first National Institute of Public Affairs Awards Program and three Internal Revenue Service employees were selected in nationwide competition for these awards. They attended Harvard University, Stanford University, and the University of Virginia, for a year of graduate study related to their career plans.

Resources both within and outside the Treasury Department were used to meet training needs. An agreement was reached with the Civil Service Commission and the General Services Administration Institute for those agencies to deal directly with Treasury bureaus on interagency training matters. This decentralization of administration and the streamlining of nominating procedures resulted in a savings of hundreds of man-hours and much paperwork in the Office of Personnel and in the Treasury bureaus.

Incentive awards program

Estimated first-year savings from employee suggestions and services recognized under the Treasury Incentive Awards Program reached $3,477,064 in the fiscal year 1964, an increase of over 61 percent from 1963.

The number of suggestions from employees increased by 59 percent and those adopted increased by 37.9 percent. The estimated first-year savings from adopted suggestions amounted to $604,855 or a 71 percent increase over fiscal 1963. The most outstanding suggestion of the year was made by an Internal Revenue Service employee who invented a new mail opening table, with a first-year estimated savings of $57,000.

Although the number of Superior Performance Awards decreased by 196, the estimated savings on which the awards were based increased $1,103,290, or 171 percent, over fiscal year 1963. The amount of awards increased by 4 percent. The Department has many positions for which there are established quantitative and qualitative standards and performance awards give particularly effective recognition to employees who have exceeded those standards and thereby contributed to the improvement of operations.

The number of Special Act or Service Awards increased by 50 percent and the amount paid by 20 percent in fiscal 1964, as compared with 1963. Estimated first-year savings from these amounted to $1,125,511. The largest award in this category was earned by five employees of the Internal Revenue Service for a study made of the Informal Conference Function. Implementation of the recommendations in that study resulted in estimated savings to the Service of $924,450 annually.

Safety program

The Treasury's disabling injury frequency rate (the number of lost-time injuries per million man-hours) for calendar 1963 compares favorably with the lowest rates ever recorded by the Department. The Treasury Safety Council reorganized its working structure to establish six new committees to handle specific safety problem areas and improve accident prevention techniques, thereby reducing the Department's accident toll.

Property and facilities management

During fiscal 1964 the Treasury declared as excess personal property having an original acquisition cost of about $14 million and reassigned within Department installations on a nationwide basis about $1 million worth of property. The Treasury Department transferred to other Federal agencies excess personal property having an original acquisition cost of about $3 million. About $5 million of excess personal property was received without reimbursement from other Federal agencies. About $10 million worth of property was deemed to be surplus, and over $5 million worth was released. Representative of the items acquired from other Federal agencies were aircraft parts, electronic equipment, military equipment, and anchor chain that the U.S. Coast Guard acquired from the Department of Defense.

Title and descriptive data on 24 excess real properties, comprising 60 acres of land, were reviewed and transmitted to appropriate GSA regional offices. In addition, six public domain properties involving approximately 200 acres of land were declared excess to Coast Guard needs and were referred to the Department of Interior.

Of the six new Federal office buildings completed by the GSA during fiscal 1964, Treasury received space in four. In all instances this involved the release of commercial space and in Memphis, Tenn., resulted in the placement in one building of seven previously scattered Treasury offices.

Treasury participated in GSA plans to establish interagency motor pool systems in 7 locations, and 41 Treasury vehicles were scheduled for transfer to such motor pools.

Office of the Comptroller of the Currency

The Office of the Comptroller of the Currency has largely completed the essential outlines of a long-needed program to equip the National Banking System with the tools necessary to perform its functions of directing the flow of the Nation's capital resources to their best and most productive uses. The Comptroller of the Currency, as the Administrator of the National Banking System, is charged with the responsibility of maintaining the public's confidence in the System by sustaining the banks' solvency and liquidity. An equally important public objective is to fashion the controls over banking so that banks may have the discretionary power to adapt their operations sensitively and efficiently to the needs of a growing economy.

To reform the structure of banking regulations and procedure, the policies and practices of the first 100 years of the National Banking System have been put to the fundamental test of whether they were needed in order to maintain the solvency and liquidity of banks. Wherever a restrictive control did not meet this test, the Office has endeavored to broaden the discretionary powers of the national banks, insofar as this appeared desirable and was permissible under existing law. Wherever existing law appeared unduly restrictive, legislative change has been advocated.

Among banking policies and practices which have been rethought and modernized, the following are illustrative of the hundreds of new actions: Liberalization of the use of preferred stock; authorization to use capital debentures; permission to use stock option and employee stock purchase plans; clarification of the authority to underwrite public securities; simplification of the rules relating to investment securities; complete revamping of the trust regulations; authorization for the collective investment of managing agency accounts; broadening of the authority to make improvement and development loans, business and commercial loans, and construction, residential, and condominium loans; recognition of the authority to engage in lease financing, factoring, and export transactions; broadening of the applicability of the exceptions to the lending limit; recognition of the authority to engage in mortgage servicing and other services ancillary to banking; broadening of the authority to participate in community development projects by contributions or loans; recognition of the authority to extend computer, accounting, payroll, and other similar services to bank customers, and recognition of the authority to accept corporate savings accounts.

In continuance of a program to strengthen administration in the field organization, as well as in the Washington office, the scope of activities and responsibilities discharged in the field was broadened. The titles of the heads of the 14 national bank regions were changed from regional chief national bank examiners to regional comptrollers of the currency. Regional comptrollers were authorized to recruit and train national bank examiners and to deal directly with national bank officials on matters requiring attention as the result of bank examinations. Strengthening the role of the regional comptrollers has resulted in faster notifications to national banks, facilitated more effective relationships with national bank officials, and made possible the resolving of issues and the making of decisions at the regional level as far as compatible with applicable laws, policies, and views of the Comptroller. The regional comptrollers also were authorized to approve contemplated cash dividends and certain banking house investments; to grant preliminary approvals for the payment of stock dividends and the sale of additional common stock, and to issue certificates of final approval of capital increases by stock dividends and sales of additional common stock for cash.

In a reorganization of the Washington administrative staff, the duties of deputy comptrollers of the currency have been recast on a functional, rather than geographic, basis. Whereas deputy comptrollers formerly were responsible for supervision of a group of national bank regions, now each of these deputies is responsible for a functional area that permits more expeditious formulation and execution of overall policy. The First Deputy Comptroller is Acting Comptroller in the absence of the Comptroller of the Currency. Other deputies have responsibility for bank supervision and examination, for new charters, and for domestic banking operations. In addition, there are: A Deputy Comptroller for Trusts who supervises the fiduciary activities of national banks under a complete reorganization of the Trust Division undertaken a year earlier; a Deputy Comptroller for mergers and branches; and a Deputy Comptroller for international banking and finance. An international operations group to supervise the overseas activities of national banks was established and recruitment and training procedures were undertaken to provide a corps of examiners for the foreign areas.

The year marked the increasing acceptance by bankers and others interested in banking of the *National Banking Review*, a quarterly journal of policy and practice published by the Comptroller's Department of Banking and Economic Research. It is available on a subscription basis. The third and fourth in a series of Comptroller's manuals were issued in a continuance of the policy of keeping national banks and examiners informed. These are the *Comptroller's Policy Guidelines for National Bank Directors* and *Instructions, Procedures, and Forms for National Bank Examiners*.

The *101st Annual Report of the Comptroller of the Currency* contains an analysis of the state of the National Banking System and the texts of merger decisions, changes in the administration of this office, as well as a detailed review of the program of reform in policy and procedure. Other innovations in the Comptroller's annual report are the publication of his principal addresses, testimony on legislative matters, selected congressional correspondence, and selected communications to the national banks.

Status of national banks

Under the stimulus of new authority granted national banks, banking performance has reached a new high level in growth of deposits, loans, investments, and earnings. The table below, the number of national banks and banking offices, by States, June 30, 1964, presents the structure of the National Banking System on that date.

Number of national banks and banking offices, by States, June 30, 1964

State	National banks			Number of branches of national banks	Number of national banking offices [1]
	Total	Unit	With branches		
United States [2]	4,702	3,514	1,188	7,553	12,255
Alabama	78	56	22	99	177
Alaska	5	0	5	38	43
Arizona	3	0	3	158	161
Arkansas	62	40	22	39	101
California	71	45	26	1,591	1,662
Colorado	110	110	0	0	110
Connecticut	24	9	15	139	163
Delaware	5	4	1	3	8
District of Columbia	7	0	7	42	49
Florida	177	177	0	0	177
Georgia	54	31	23	100	154
Hawaii	2	0	2	39	41
Idaho	10	4	6	86	96
Illinois	407	407	0	0	407
Indiana	123	67	56	229	352
Iowa	101	83	18	20	121
Kansas	169	145	24	24	193
Kentucky	83	44	39	104	187
Louisiana	47	18	29	119	166
Maine	22	8	14	61	83
Maryland	48	25	23	162	210
Massachusetts	92	36	56	287	379
Michigan	90	44	46	321	411
Minnesota	192	190	2	6	198
Mississippi	30	9	21	37	67
Missouri	88	75	13	13	101
Montana	47	47	0	0	47
Nebraska	122	106	16	16	138
Nevada	3	1	2	29	32
New Hampshire	50	40	10	10	60
New Jersey	144	53	91	367	511
New Mexico	33	15	18	44	77
New York	207	112	95	723	930
North Carolina	31	9	22	237	268
North Dakota	40	36	4	4	44
Ohio	218	102	116	437	655
Oklahoma	216	193	23	23	239
Oregon	11	6	5	195	206
Pennsylvania	401	256	145	669	1,070
Rhode Island	4	0	4	52	56
South Carolina	26	7	19	154	180
South Dakota	33	28	5	34	67
Tennessee	74	33	41	168	242
Texas	534	534	0	0	534
Utah	11	7	4	50	61
Vermont	28	18	10	25	53
Virginia	124	67	57	260	384
Washington	27	11	16	314	341
West Virginia	76	76	0	0	76
Wisconsin	106	95	11	23	129
Wyoming	35	35	0	0	35
Virgin Islands	1	0	1	2	3
D.C.—all [3]	14	1	13	74	88

[1] Number of banking offices is the sum of total national banks and number of branches of national banks.
[2] Includes Virgin Islands.
[3] Includes national and nonnational banks in the District of Columbia, all of which are supervised by the Comptroller of the Currency.

The assets, liabilities, and capital accounts of national banks at the beginning, middle, and end of the fiscal year 1964 are indicated in the table below.

Assets, liabilities, and capital accounts of national banks on June 29, 1963, December 20, 1963, and June 30, 1964

[In millions of dollars]

Item	June 29, 1963 (4,537 banks)	Dec. 20, 1963 (4,615 banks)	June 30, 1964 (4,702 banks)
ASSETS			
Loans and discounts	78,383	83,388	88,519
U.S. Government obligations, direct and guaranteed	34,012	33,384	31,551
Obligations of States and political subdivisions	15,174	16,380	17,591
Other bonds, notes, and debentures	2,164	2,408	2,191
Total loans and securities	129,733	135,560	139,852
Cash, balances with other banks, and cash items in process of collection	28,641	28,635	29,513
Federal funds sold	n.a.	1,457	761
Direct lease financing	n.a.	24	47
Fixed assets	2,417	2,591	2,683
Customers' liability on acceptances outstanding	518	575	609
Other assets	1,436	1,388	1,642
Total assets	162,745	170,230	175,107
LIABILITIES			
Demand deposits of individuals, partnerships, and corporations	63,256	67,740	66,030
Time and savings deposits of individuals, partnerships, and corporations	54,055	56,606	61,000
Deposits of U.S. Government	6,212	3,874	5,999
Deposits of States and political subdivisions	11,429	11,523	12,228
Deposits of banks	8,627	9,009	8,648
Certified and officer's checks	1,934	2,072	2,075
Total deposits	145,513	150,824	155,980
Demand deposits	86,893	89,390	89,681
Time and savings deposits	58,620	61,434	66,299
Rediscounts and other liabilities for borrowed money	600	395	79
Federal funds purchased	n.a.	1,309	787
Acceptances executed by or for account of banks and outstanding	531	584	620
Other liabilities	3,093	3,570	3,344
Total liabilities	149,737	156,682	160,810
CAPITAL ACCOUNTS			
Debentures	(1)	45	304
Capital stock, total	3,871	3,984	4,190
Common stock	3,846	3,959	4,162
Preferred stock	25	25	28
Surplus	6,526	6,700	6,950
Undivided profits	2,331	2,529	2,491
Reserves	280	290	362
Total capital accounts	13,008	13,548	14,297
Total liabilities and capital accounts	162,745	170,230	175,107

n.a. Not available.
[1] Less than $500,000.

Bureau of Customs

The major responsibility of the Bureau of Customs is to administer the Tariff Act of 1930, as amended. Primary duties include the assessment and collection of all duties, taxes, and fees on imported merchandise, the enforcement of customs and related laws, and the administration of certain navigation laws and treaties. As an enforcement organization, it engages in combating smuggling and frauds on the revenue and enforces the regulations of numerous other Federal agencies.

Management improvement program

Special search for economies.—The intensive program to reduce operating costs through better utilization of manpower, which was renewed in November 1962, was responsible for the initiation of several major improvement projects and the completion of others in fiscal 1964. The actual savings and the elimination of need for funds which otherwise would have had to be requested, realized during the year and anticipated as annual recurring savings when the improvements are fully effective, are estimated to be over $730,000, an increase of approximately $400,000 over 1963. This saving is the largest achieved in over ten years.

Management surveys.—More than half of the total estimated savings, $444,000, resulted from the management surveys of 60 collection, appraisement, agency, comptroller, and laboratory districts. The reallocation of manpower, simplification of procedures, and elimination of surplus positions produced these savings.

Reduction of entry verification costs.—Plans were implemented during fiscal 1964 for procedures to go into effect on August 1, 1964, to reduce verification of liquidated formal entries in the comptrollers' offices and to increase the review of liquidated entries under the internal check system in the collectors' offices. These changes are expected to effect a savings of approximately $100,000 in the comptrollers' offices when fully implemented, while continuing to ensure the accuracy and reliability of liquidating work.

Liquidation of entries.—During fiscal year 1964, for the third consecutive year, a substantial reduction in the backlog of formal entries ready for tentative liquidation was accomplished. The number of entries decreased to 292,000 on June 30, 1964, a reduction of more than 15 percent from 1963. This was achieved primarily by maintaining a close check of any available manpower for liquidating entries so that entries could be transferred from overloaded districts to other districts where there was an excess liquidating capacity.

Simplification of customs requirements affecting international travel.—Air passengers arriving at U.S. ports of entry may now orally declare their effects in lieu of preparing a detailed written declaration. Passengers not exceeding their exemption and not having articles shipped are cleared following an oral declaration, accompanied by a simple 3⅞″ x 8″ card containing certain identifying information.

Passengers departing the United States who take and intend to bring back valuable effects of foreign origin now may register them for a duration of three years. Formerly, these effects had to be registered before every departure.

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A simplified procedure for handling the baggage of other than precleared commercial aircraft passengers transiting the United States who have checked their baggage at a foreign port of departure for shipment through the United States to a foreign destination was initiated in fiscal 1964 on a test basis. This procedure, to be used at the airlines' option, was devised to provide a more efficient customs control of in-transit baggage.

Facilitation of international trade.—Following tests initiated in fiscal 1963 (see 1963 annual report, page 97) special procedures were established at 22 ports for export air cargo laden on domestic flights for transfer to international flights at ports of exportation. The requirement of cording, sealing, or labeling individual packages of air cargo shipped in bond has been waived for cargo securely fastened on bulk handling devices. The placement of a single in-bond warning stamp on each such device has been ascertained to be sufficient customs control.

Commercial aircraft kits containing duty-free and tax-free liquor and tobacco are now supervised and controlled by new procedures which provide uniform protection of the revenue. These kits must be sealed with serially-numbered U.S. Customs seals by aircrew personnel prior to landing at a U.S. port and must remain sealed while on the ground unless inside an authorized airline in-bond liquor storeroom.

The period for making timely entry for merchandise released under an immediate delivery permit has been extended from two days, excluding the day of release, Saturdays, Sundays, and holidays, to at least four days. This assists importers by eliminating the necessity for written requests to obtain extensions of the 2-day period.

Entry of articles under a temporary importation bond is now permitted without formal appraisement and liquidation and with only such examination as the collector deems necessary; and exportation is now permitted without examination and authentication, except under special circumstances. However, in order to cover any liquidated damages if the conditions of the entry are violated, the temporary importation bond has been raised from one and one-quarter to double the estimated duties. Reduction in man-hours formerly required for handling temporary importations has resulted in annual recurring savings of $15,000.

When an entry has not been filed within the prescribed period for merchandise released under an immediate delivery permit and there are mitigating circumstances, the collector has been authorized to cancel a claim for liquidated damages upon the receipt of $25. This was increased from $10 to $25 in order to adequately reimburse the Government for the expense of processing the claim and to provide a sufficient deterrent to prevent the recurrence of the violations.

The intercoastal residue cargo procedure has been modified to provide greater convenience to shippers and more flexibility and speed in the handling of this type of manifest. A listing of all optional ports of discharge on the cargo manifest of vessels arriving at one coast and proceeding to the other coast or the Great Lakes area will no longer be required if the intended ports of discharge are not definitely known. As a result, the forwarding of reports of actual ports of discharge to the first port of arrival on the first coast will be discontinued and the control of discharge of residue cargo will be shifted to the first port of arrival on the second coast.

Delegations of authority.—The Customs Regulations were amended to grant authority to collectors to: Settle cases in which the amount of the penalty, forfeiture, or forfeiture value is $2,000 or less (authority formerly limited to cases of $500 or less); and cancel liquidated damages of $500 or less in those bond cases in which the collectors' authority had been limited to $200.

Guidelines have been established in the Customs Regulations for action on penalties in cases of failure to report arrival of carriers and failure to declare merchandise.

Collectors were also authorized to waive registration requirements before the exportation of certain articles for repairs, etc., if the duty on the exported article would be less than $25, and if, upon return to the United States, it will be cleared on a mail or other informal entry.

Fees and charges.—Seven customs and navigation fees have been increased to assure that services rendered are as self-sustaining as possible. In addition, the procedure for furnishing the names and addresses of importers of merchandise appearing to infringe a registered patent has been revised and a related fee structure established. The charge for this information for a 2-month period is $1,000; for a 4-month period, $1,500; and a 6-month period, $2,000.

Training and orientation.—During fiscal 1964 training and instruction was provided for employees of other inspectional agencies who perform customs functions, foreign customs officials, and customs inspectors.

The development of a servicewide training course for new customs inspectors was completed in April 1964, when a 6-week pilot course at Fort Slocum, N.Y., was concluded.

A customs inspectors' manual containing detailed instructions in layman's language for the performance of inspectional duties was completed during fiscal 1964, for distribution to field offices in July 1964.

Basic customs instructions for employees of other inspection agencies who perform customs functions in a dual or multiple screening operation have been prepared and will be combined in a booklet with instructions from the Public Health Service, the Immigration and Naturalization Service, and the Agriculture Department.

In cooperation with the Agency for International Development, 60 foreign customs officials from 22 countries were given orientation training in U.S. Customs Service operations.

Public relations developments.—Celebration of the Bureau of Customs 175th anniversary year featured the following: An anniversary proclamation by the President; an anniversary slogan cancellation stamp on mail in 28 U.S. cities; the sale of 40,000,000 commemorative postal cards; an anniversary slogan on franked envelopes and an anniversary seal on stationery; three dimensional customs plaques for display in customs offices and public reception areas; and numerous ceremonies and celebrations throughout the country.

Measures to welcome travelers and people transacting business with customs more pleasantly as well as to improve employee efficiency and morale were: Major decorative improvements; the display of three new Customs Service posters and U.S. Travel Service posters; and the redesign of the customs inspectress uniform.

Improvements of forms and reporting requirements.—The master copy of forms printed at the Government Printing Office will now be prepared at the Bureau of Customs on a varityper. The resultant savings for fiscal 1964 were $16,000 and recurrent savings are estimated at approximately $20,000.

During fiscal 1964, 50 forms were revised, 11 new ones established, 2 consolidated, and 18 forms were abolished.

The reporting procedures of the Customs Agency Service were simplified by abolishing six monthly reports, one record form, and several reports and forms devised and used in field offices. One form was established for the uniform monthly reporting of seizures, recoveries, arrests, and dispositions.

The use of serially-numbered baggage stamps has been reduced for the identification of baggage which has been inspected by customs. Through the use of other means of identification, printing costs will be reduced by an estimated $20,000.

Safety.—Special instructions were issued concerning the use of firearms and for protecting the hearing of employees who work in close proximity to jet aircraft. Four safety bulletins have been distributed to field offices and headquarters.

A program is in progress to provide all border interceptor vehicles of the Customs Agency Service with combined electronic sirens and public address systems. This equipment is intended to minimize the danger for all concerned on the public highways.

Other improvements to reduce operation costs.—The results of efforts to encourage and increase participation in the management improvement program included estimated annual recurring savings of approximately $59,800 from improvements by principal field officers and $19,700 saved from the 583 approved employee suggestions.

Pursuant to the revised Treasury Department Incentive Awards Regulations, the Bureau made the following improvements: Established incentive awards committees in every customs collection district; authorized principal field officers to approve Special Act or Service Awards up to $1,000 if based on tangible savings; authorized local awards up to $1,000 and Certificates of Award, Special Act of Service, and Adopted Suggestion Award seals and action on appeals when a suggestion involves a local matter only; and established eligibility requirements for distinguished service awards to citizens not employed by the Treasury Department.

A highly successful regional conference at which collectors, appraisers, and comptrollers met with Bureau headquarters representatives was conducted at Laredo, Tex. By discussing various phases of customs activity, these principal field officers acquired a better understanding of policies and programs which will result in greater uniformity and efficiency of administration and management of the Customs Service. Similar regional conferences are planned at 6-month intervals in the other regions.

A special summary of recurring departures from prescribed procedures found in management inspection reports of collection districts was issued to all collectors. This summary provided an item-by-item guide for use by field officers in conducting independent surveys and for taking corrective action.

Projected planning for future savings.—A comprehensive management survey of the Customs Service was completed in fiscal 1964. A study of the missions, organization, and activities of both field and headquarters offices will be completed and it is expected that action will be taken to implement its recommendations.

A committee is studying the application of automatic data processing equipment to appropriation and revenue accounting. This is a long-range project requiring the reorganization of fiscal activities and the development of new forms and procedures compatible with automatic data processing.

On May 8, 1964, the Secretary of the Treasury authorized the establishment of a joint customs-airline working group on air cargo. This group of customs and industry representatives will review present customs and airline procedures for handling international cargo in order to find ways to expedite cargo movement and meet the problems resulting from expansion of air cargo operations, introduction of cargo jet aircraft, and development of automated cargo handling systems.

Work related to cotton textiles.—Upon receipt of directives issued by the President's Cabinet Textile Advisory Committee under the Long-Term Cotton Textile Arrangement, Customs implemented and administered a total of 187 import quotas on cotton textiles and cotton textile products manufactured or produced in various countries; in addition, 15 prohibitions were imposed on the entry or withdrawal for consumption of merchandise in specific categories. Weekly status reports on all of the quotas and weekly cumulative import statistics on merchandise in 11 categories under observation were furnished the Interagency Textile Administrative Committee for its use.

Collections

Revenue collected by the Customs Service during the fiscal year 1964 reached a record high of $1,813 million, or 5.3 percent more than the $1,722 million collected in 1963. This total includes customs duty collections, excise taxes on imported merchandise collected for the Internal Revenue Service, and certain miscellaneous collections. Customs duties alone amounted to more than $1,284 million. Larger customs collections than in 1963 were reported by 37 out of the 45 customs districts. Collections and payments by customs districts are shown in table 24. The major classes of all collections by the Customs Bureau are shown in table 25.

Almost 38 percent of all imports into the United States during fiscal 1964 were duty free. These included commodities imported free for Government stockpile purposes or authorized by special acts of Congress for free entry. The 62 percent which was dutiable constituted the basis of customs duties on imports.

Bureau operations

Carriers and persons entering.—More than 174 million persons were subject to customs inspection in fiscal 1964, a 6.4 percent increase in carriers and a 6.2 percent increase in persons entering the United States, as shown in tables 88 and 89.

Entries of merchandise.—The volume and value of imports into the United States continued their rise in fiscal 1964, with total value reaching $17.8 billion. The volume and type of entries handled during the past two years are shown in table 86.

Drawback transactions.—Drawback allowance on the exportation of merchandise manufactured from imported materials and for certain other export transactions usually amounts to 99 percent of the customs duties paid at the time the goods are entered. The total drawback paid in fiscal 1964 as reflected in table 87 by principal commodities was $15,266,354, 14.3 percent less than in fiscal 1963.

Appraisement of merchandise (including Customs Information Exchange).—Invoices filed during fiscal 1964 increased 6.3 percent, to 2,649,412. The number of packages examined by appraisers' personnel totaled 1,748,728, an increase of 13.1 percent over fiscal 1963.

The backlog of unappraised invoices more than 30 days old rose to 550,495, an increase of 23.9 percent over fiscal 1963. During the year, 3,078,367 individual line items were verified, each requiring 4 verifications. Of these, changes were made in roughly 60 percent of the verified elements. A substantial portion of these changes were of an editorial nature. It is estimated that substantive changes were made in approximately 25 percent of our reports.

Under the Antidumping Act of 1921, as amended (19 U.S.C.160–171), 25 complaints were received, compared with 42[r] in 1963. The disposal of 28 cases left 27 under investigation at the end of fiscal 1964. Ten cases were referred to the U.S. Tariff Commission for a determination as to possible injury to American industry. Two findings of dumping were made. Five new cases on countervailing duty were received, three of which were closed.

No new cases involving convict labor were received during this year, but one[r] received during the previous year was closed.

The activities of the Customs Information Exchange in New York, N. Y., continued at approximately the same high level as that of 1963. Appraisers' reports of classification and value, covering a cross section of imported merchandise received at each port, totaled 79,000.

There were 6,091 reports of value differences during fiscal 1964 and 6,947 differences in classification, both increased from 1963. A portion of this increase may have resulted from new commodities received, but the larger portion resulted from the introduction as of August 31, 1963, of the new Tariff Schedules of the United States (19 U.S.C. 1202).

Detailed investigations abroad to obtain information for appraisement decreased to 216 in 1964.

Technical services.—The 9 district laboratories and 1 branch laboratory of the Division of Technical Services analyzed over 126,000 samples in fiscal 1964. This decrease of about 12,000 samples was accounted for mostly by the transition under the new Tariff Schedules from simple to more difficult and time-consuming samples. Most of the samples were submitted to the laboratories to assist in appraisement and tariff classification. Other classes analyzed were: Seizures, mainly narcotics and other prohibited merchandise; samples tested for other Government agencies; and preshipment samples, submitted

[r] Revised.

by importers when requesting the rate of duty on a prospective import. In addition to actual analyses, the field laboratories and the Division's headquarters office provided consultation services for appraising, for classifying, and to other customs officers.

The Division of Technical Services also analyzed cargo sample weighing data to assure accuracy and precision within statistical control limits.

Approval of several bulk weighing and sampling equipment installations was recommended. Installation of a truck scale in Brooklyn, N.Y., was completed. Construction of similar scales in Manhattan, N.Y., and in Boston, Mass., are in progress.

The program in cooperation with the Immigration and Naturalization Service to improve U.S. border stations was continued. Construction was completed on eight such facilities, two are in progress, and contracts were awarded for five others. Construction plans for 14 major projects, involving space for Customs, prepared by General Services Administration were reviewed and appropriate changes recommended. Such facilities were completed at two locations.

Export control.—The following table compares export control activities in fiscal 1963 and 1964.

Activity	1963	1964	Percentage increase, or decrease (−)
Export declarations authenticated	4,856,637	5,065,217	4.3
Shipments examined	398,183	359,097	−9.8
Number of seizures	345	403	16.8
Value of seizures	$683,984	$421,778	−38.3
Export control employees	217	218	.5

Protests and appeals.—Protests filed by importers against the rate and amount of duty assessed and appeals for reappraisement filed by importers who did not agree with appraisers as to the value of merchandise are shown in the following table.

Protests and appeals	1963	1964	Percentage increase
Protests:			
Filed with collectors by importers (formal)	34,271	37,050	8.1
Filed with collectors by importers (informal)	50,416	57,586	14.2
Appeals for reappraisement filed with collectors	13,694	25,700	87.7

Marine activities.—During fiscal 1964 four meetings of the Subcommittee on Tonnage Measurement of the Intergovernmental Maritime Consultative Organization (IMCO) and its working group were held in London to discuss matters affecting the international tonnage measurement of ships. Each meeting was attended by a U.S. delegation headed by a Customs representative. Certain recommendations formulated by the Subcommittee were approved at meetings of the Maritime Safety Committee and the Council. The Recommendations of the Subcommittee on Tonnage Measurement were presented to the Assembly of IMCO and adopted, with a direction to the Maritime Safety Committee to prepare and approve certain additional recommendations in matters of detail to be incorporated in and made a part of the previous material. The further recommendations on details, formulated by the Subcommittee, were considered by the Maritime Safety Committee at a meeting in April 1964 and were communicated to governments by the Secretary-General of IMCO in May 1964.

The recommendations, which are proposed for incorporation into national tonnage measurement regulations, would permit the permanent closing of certain shelter-deck and other "open" spaces on ships while retaining present tonnage advantages when the ship's draft is less than the permissible maximum. When the ship's draft is sufficiently shallow so that a prescribed mark on the ship's sides is not submerged, the shelter-deck and other "open" spaces are to be exempted from inclusion in tonnage; when that line is submerged, the tonnage is to be determined without allowing exemption of those spaces.

A customs representative again participated in the work of the Group of Experts established by IMCO to study measures to facilitate maritime travel and the transport of goods by sea. The group was directed to consider the regulations of governments or public authorities in regard to ships entering or leaving port and the documents, varying both in number and character, which are required to be presented at various ports. The group attached to its report to the IMCO Council a draft Convention on Facilitation of International Maritime Traffic and an annex of standards and recommended practices in governmental requirements for arriving and departing vessels on international voyages by sea.

The Convention is proposed as the legal foundation for the annex, which contains provisions to facilitate maritime traffic and prevent unnecessary delays to ships, passengers, crews, cargoes, and baggage. The IMCO Council authorized distribution of the attachments to governments for consideration, with the understanding that they would constitute the basic documents for the consideration of a diplomatic conference to be convened in March 1965 for the purpose of negotiating, concluding, and signing such a Convention.

A customs representative led the U.S. delegation to the meeting of the Group of Experts on Facilitation of International Waterborne Transportation under the auspices of the Organization of American States (OAS) at the Pan American Union in Washington in June. This group is preparing an annex of standards and recommended practices similar to that drafted under the auspices of IMCO. The OAS annex is to be attached to the Convention of Mar del Plata signed by a number of countries, including the United States on June 7, 1963. This annex follows that adopted at IMCO, pursuant to a U.S. recommendation to avoid unnecessary confusion resulting from small differences between the provisions. It is believed that this annex will also prove helpful in reducing paperwork in connection with arrivals and departures of vessels on international voyages.

Admeasurement.—During the fiscal year 4,174 admeasurements of vessels of all sizes and types for all ports were completed. There were also 370 readmeasurements and adjustments of tonnages of vessels. The total admeasurements for the fiscal years 1964 and 1963 were thus 4,544 and 4,027, respectively.

At the end of the fiscal year there were 266 pending applications for measurement of commercial vessels and 162 for yachts.

Documentation.—Vessels in the American merchant marine documented for commercial use increased to 45,493 in fiscal 1964 while those documented as yachts rose to 11,056. The following table compares the volume of marine documentation during fiscal years 1963 and 1964.

Activity	1963	1964	Percentage increase, or decrease (−)
Total vessels documented at end of year	54,423	56,549	3.9
Documents issued (registers, enrollments, and licenses)	17,344	18,984	9.5
Licenses renewed and changes of master endorsed	50,433	52,324	3.7
Mortgages, satisfactions, notices of lien, bills of sale, abstracts of title, and other instruments of title recorded	15,666	16,503	5.3
Abstracts of title and certificates of ownership issued	7,360	7,311	−.7
Certificates and permits	1,476	1,550	5.0
Name changes	1,095	1,515	8.4

Yacht privileges and tonnage taxes.—Bermuda was added to the list of countries whose yachts may be issued cruising licenses exempting them from entry and clearance requirements at ports in the United States. The Republic of the Ivory Coast and the Republic of Guinea were added to the list of nations which are exempt from the payment of special tonnage tax and light money.

Waivers.—Several waivers of the coastwise shipping and other navigation laws were issued in the interest of national defense, upon request of the Secretary of the Interior, the Secretary of the Army, and the Assistant Secretary of Defense, for the use of foreign-flag vessels in trades and activities usually reserved for U.S. vessels. In one instance, vessels engaged in dredging in the Detroit River were permitted to transport the dredged material to disposal areas in Canadian waters without reporting arrival, entering, or clearing.

Entry, clearance, and use of vessels.—The requirements for clearances from American ports of passenger-carrying vessels of foreign nations signatory to the International Convention for the Safety of Life at Sea, 1948, were amended to permit the acceptance of certificates issued by the U.S. Coast Guard as evidence of compliance with Convention requirements.

Appropriate instructions were issued: To permit the filing of manifests and shippers' export declarations in the trade with Puerto Rico and possessions of the United States on or before the seventh business day after departure, instead of the fourth business day as previously, subject to the posting of a bond; to permit vessels arriving to take bunkers or ship's stores to be boarded by repairmen and others checking vessel equipment without loss of the exemption from entry requirements to which the vessel would otherwise be entitled; to inform collectors of customs of an opinion of the Attorney General of the United States that the provisions of law which prohibit dredging in domestic waters by foreign-built vessels do not extend to the Virgin Islands; and to provide that a crew list shall not be required on the foreign clearance of an unmanned barge under American registry.

The following table compares entrances and clearances of vessels in fiscal years 1963 and 1964.

Vessel movements	1963	1964	Percentage increase
Entrances:			
Direct from foreign ports	46,674	48,651	4.2
Via other domestic ports	38,699	40,172	3.8
Total	85,373	88,823	4.0
Clearances:			
Direct to foreign ports	44,576	47,386	6.3
Via other domestic ports	38,253	40,091	4.8
Total	82,829	87,477	5.6

Law enforcement and investigative activities

Throughout the fiscal year the reorganization recommendations of the 1963 task force (see 1963 annual report, page 91) continued to be implemented. Seven new regions of the Customs Agency Service were established which resulted in increased efficiency and effectiveness at all levels.

Investigations completed.—The Customs Agency Service completed 20,937 investigations during the fiscal year 1964, compared with 22,077 last year. While the statistics reflect a decrease, there was actually a marked increase in investigative activity which is accounted for by the new reporting procedures which became effective on July 1, 1963. The new concept, while reducing the numerical total of cases opened and closed, actually caused an acceleration of activity, as shown in the accompanying table. It includes a comparison of the arrests and disposition thereof during the fiscal years 1963 and 1964.

Activity	1963	1964	Percentage increase, or decrease (−)
Arrests	1,587	1,801	13.5
Convictions	681	780	14.5
Dismissals and acquittals	[1] 369	115	−68.8
Nolle prossed	54	19	−64.8
Not indicted	26	14	−46.2
Under, or awaiting indictment	625	769	23.0
Turned over to State and other Federal authorities for prosecution	279	386	38.4

[1] Shown as two separate items in 1963.

The number and types of cases investigated during the fiscal years 1963 and 1964 under customs, navigation, and related laws administered and enforced by Customs are shown in table 91.

The most active enforcement regions were: Western (headquarters at Los Angeles, Calif.), with 894 arrests and 466 convictions; Southwestern (headquarters at Houston, Tex.), with 556 arrests and 228 convictions; and Northeastern (headquarters at New York, N.Y.), with 246 arrests and 49 convictions.

Cooperation with other officers.—Officers of the Customs Agency Service cooperated with Federal, State, and local law enforcement agencies and with officials of foreign governments in 5,553 cases. Although this represents a numerical decrease from fiscal 1963, the actual increase in amount of cooperation was obscured by the 1964 change in case accountability.

Seizures, general.—A total of 6,299 seizures were made by the Customs Agency Service in fiscal 1964, having an appraised value of $16,469,387, while fines and penalties associated with the seizures amounted to $12,848,664.

Seizures, narcotic and other drug.—On October 10, 1963, customs officers at Laredo, Tex., seized 76 pounds, 5½ ounces (34,629.53 grams) of French heroin, the largest ever recorded on the Mexican border. Intensive investigation in the United States, Mexico, and Canada, implicated members of one of the most important gangs of narcotic traffickers in the world.

Approximately 81 pounds (36,741.60 grams) of smoking opium were seized in 6 separate cases involving merchant seamen. Twelve pounds, 14 ounces (5,840.06 grams), of cocaine were seized in Miami from persons arriving by air from South America.

The huge increase in marihuana seizures occurred principally in the San Diego, Calif., area, with other large seizures across the Texas border and around Los Angeles.

The following table compares narcotic and drug seizures during 1963 and 1964.

Drug seizures	Fiscal years		Percentage increase, or decrease (−)
	1963	1964	
Narcotic drugs (weight in grams):			
Heroin	15,721.00	41,765.73	165.7
Number of seizures	142	220	54.9
Raw opium	r 23,864.98	13,021.71	−45.4
Number of seizures	12	8	−33.3
Smoking opium	2,760.13	32,734.33	1,086.0
Number of seizures	10	17	70.0
Others	4,383.52	12,919.87	194.7
Number of seizures	187	323	72.7
Marihuana:			
Bulk (weight in kilograms)	876.703	3,194.228	264.3
Number of seizures	470	594	26.4
Cigarettes (number)	1,230	944	−23.3
Number of seizures	119	143	20.2

r Revised.

Work of foreign offices.—Original information developed by our representatives in Hong Kong was directly responsible for the execution of a criminal case in San Francisco which resulted in seizure of 44 pounds, 11.57 ounces (20,286.41 grams) of prepared opium and the arrest, conviction, and deportation of 14 Chinese seamen.

Other activities of our representatives in the Far East included development of information that resulted in assessment of approximately $395,000 in fines, penalties, and additional duties in the United States, plus seizures of fraudulently entered jade jewelry, watches, etc., valued at more than $20,000. Approximately 23 arrests were made in the United States as a result of information obtained by our representatives in the Far East.

In the Orient a number of investigations disclosed fraud in documentation of shipments destined for the United States where nonexistent "ex-factory" prices, charges, and commissions were claimed with a view to decreasing U.S. duty. Having such information available, U.S. appraisers were better able to protect customs revenues at home.

Customs seizures of merchandise throughout the country during fiscal 1964 for violation of laws enforced by the Customs Service showed an increase of 18 percent in the number of seizures and a decrease of 8.9 percent in the appraised value, as compared with fiscal 1963. Details of these seizures by number and value are shown in table 90.

Cuban surveillance program.—Customs agency manpower and resources continue to be taxed to the limit in enforcing the Neutrality Act and in the Cuban surveillance program in Florida and other lower east coast areas.

Foreign trade zones

During fiscal 1964 the number of entries received in Foreign Trade Zone No. 1 at New York, N.Y., were 2.1 percent less than in fiscal 1963. All other activities in the zone showed substantial increases over last year. Large quantities of radios, wool and cotton piece goods, bulk liquors, cameras, Brazil nuts, bottled liquors, chemicals, alligator skins, machinery, caviar, talc, zinc and lead ingots, and tungsten ore were stored and approximately 6,700 manipulations operations were performed. A new activity in the zone this year involved the transfer of barrels of overproof whiskey from the port of New York to the zone where the contents were dumped into stainless steel storage tanks. When a duty-paid permit was received, the whiskey was pumped into a tank truck for delivery to the importers' bottling plant.

The number of entries received in Foreign Trade Zone No. 2 at New Orleans, La., increased 38.7 percent over last year, while duties and internal revenue taxes increased 27.6 percent. Various manipulations operations were completed at the zone during the year.

There were 590 manipulations operations performed in Foreign Trade Zone No. 3 at San Francisco, Calif., during fiscal 1964. The number of entries received in the zone increased 18.7 percent over fiscal year 1963. Long tons received in the zone increased 26.8 percent and their value 35.6 percent.

Foreign Trade Zone No. 3–A began operations at San Francisco, Calif., on July 9, 1963.

There were substantial increases in the following activities at Foreign Trade Zone No. 5, Seattle, Wash.: Entries received, 7 percent; long tons received, 8.9 percent; value of goods entering the zone, 35.5 percent; value of goods delivered from the zone, 3.3 percent; and duties and internal revenue taxes collected, 1.4 percent. Manipulations operations performed in the zone were the converting of trucks into campers (for subsequent entry as passenger vehicles), the cutting to lengths of woolen fabrics; removing liquors from cases and repacking separately, repacking of marine compasses, fishing nets, tonometers, microscope parts, woolen sweaters and suits, jewelry, brocade wearing apparel, and electrical instruments.

Activities at Foreign Trade Zone No. 7, at Mayaguez, P.R., consisted of repacking of dental instruments, repacking and remarking of toys, and assembling window opener parts into complete operators.

During the fiscal year 1964 the number of entries received at subzone No. 7–A, Penuelas, P.R., increased 50 percent over 1963. Raw chemicals valued at $3,733,105 were received and $8,211,195 worth of finished products were shipped out.

The number of entries received at Foreign Trade Zone No. 8, Toledo, Ohio, increased 89.4 percent from 1963. Merchandise received and shipped consisted of 32 different commodities from 18 countries. The main operation consisted of public warehousing. Other operations were the conversion of panel trucks to campers by the addition of domestic conversion kits, the sorting and repacking of twist drills, combining and readdressing cartons of alcoholic beverages, and the cutting of aluminum ingots into smaller lengths.

The following table summarizes foreign trade zone operations during fiscal 1964.

Trade zone	Number of entries	Received in zone		Delivered from zone		Duties and internal revenue taxes collected
		Long tons	Value	Long tons	Value	
New York	5,286	44,561	$39,327,634	47,065	$47,091,256	$6,819,654
New Orleans	3,002	19,308	10,682,471	20,309	11,154,442	2,203,127
San Francisco	6,504	1,394	2,991,799	2,241	3,084,188	704,274
Seattle	1,121	463	1,183,394	443	1,037,863	164,916
Mayaguez	22	15	32,559	13	43,328	7,414
Penuelas (subzone)	12	203,152	3,733,105	138,261	8,211,195	105,137
Toledo	1,775	40,122	94,072,594	36,238	38,286,856	1,055,221

Customs ports of entry, stations, and airports

The limits of the ports of San Francisco-Oakland, Calif.; Niagara Falls, N.Y.; Minneapolis, Minn.; and St. Paul, Minn., were extended and redescribed to include areas not heretofore covered.

Grand Portage, Minn.; Trout River, N.Y.; Charlotte, N.C.; and Port Lavaca-Point Comfort, Tex., were designated as customs ports of entry. Tucson, Ariz., was designated as a customs station.

The designations of Crosby, N. Dak.; Pigeon River Bridge, Minn.; and Malone, N.Y., as customs ports of entry were revoked.

The names of the following previously designated airports of entry were changed as indicated: Broward County Airport, Fort Lauderdale, Fla., to Fort Lauderdale-Hollywood International Airport; C.A.A. Field, Juneau, Alaska, to Juneau Municipal Airport; International Falls Municipal Airport, International Falls, Minn., to Falls International Airport.

Cost of administration

Customs operating expenses amounted to $75,583,145, including export control expenses and the cost of additional inspection reimbursed by the Department of Agriculture.

The following table shows man-year employment data in the fiscal years 1963 and 1964.

Operation	Man-years 1963	Man-years 1964	Percentage increase
Regular customs operations:			
Nonreimbursable	7,768	7,792	0.3
Reimbursable [1]	324	351	8.3
Total regular customs employment	8,092	8,143	.6
Export control	217	218	.5
Additional inspection for Department of Agriculture	221	228	3.2
Total employment	8,530	8,589	.7

[1] Salaries reimbursed to the Government by the private firms who received the exclusive services of these employees.

Office of Defense Lending

The Office of Defense Lending is responsible for the following functions which had been transferred to the Secretary of the Treasury.

Activities under the Defense Production Act

The making and administering of loans to private business enterprises under the authority of section 302 of the Defense Production Act of 1950, as amended (50 App. U.S.C. 2153), were assigned to the Secretary of the Treasury by Executive Order No. 10489, dated September 26, 1953. Under this authority consideration may be given only to applications for loans which are certified as essential for national defense purposes by the Office of Emergency Planning of the Executive Office of the President.

No new loans were authorized during the fiscal year 1964. Loans outstanding were reduced from $53 million to $17.9 million during the year. Notes payable to the Treasury amounting to $21.1 million as of June 30, 1963, were paid in full and interest payments of $0.6 million were made. Out of net earnings accumulated since the inception of this program transfers amounting to $14.75 million were made to the account of General Services Administration, Revolving Fund, Defense Production Act, during the year.

Activities under the Federal Civil Defense Act

The lending functions under section 409 of the Federal Civil Defense Act were transferred to the Secretary of the Treasury on September 28, 1953, pursuant to section 104 of the Reconstruction Finance Corporation Liquidation Act (50 App. U.S.C. 2261). Since the close of fiscal 1955 no administrative expense allowance has been authorized for this program, and no applications for new loans have been accepted. Outstanding loans and deferred participation commitments amounted to $547,135 and $31,149, respectively, as of June 30, 1964. Notes payable to the Treasury were reduced $60,000 to a total of $105,000 and interest payments of $6,339 were made during the year.

Liquidation of Reconstruction Finance Corporation assets

The Reconstruction Finance Corporation was abolished effective at the close of June 30, 1957, pursuant to the provisions of Reorganization Plan No. 1 of 1957. Its remaining assets, liabilities, and securities were transferred to the Secretary of the Treasury, the

Administrator of the Small Business Administration, the Housing and Home Finance Administrator, and the Administrator of General Services. The Secretary of the Treasury is responsible for completing the liquidation of business loans and securities with individual balances of $250,000 or more as of June 30, 1957, securities of and loans to railroads, securities of financial institutions, and the windup of corporate affairs.

Net income and proceeds of liquidation amounting to $2.5 million were paid into the Treasury as miscellaneous receipts in fiscal 1964, thus making a total of $53.1 million paid since July 1, 1957. The portfolio of RFC loans and securities amounted to $4.9 million on June 30, 1964, a reduction of $2.3 million from the $7.2 million outstanding a year earlier. Total reductions in loans, securities, and commitments have amounted to $50.5 million, approximately 91 percent of the portfolio of $55.5 million transferred to the Secretary of the Treasury on July 1, 1957.

Office of the Director of Practice

Treasury Department Order No. 175-1, effective July 1, 1963 (see exhibit 54), transferred the Office of the Director of Practice from the Internal Revenue Service to the Office of the Secretary of the Treasury, to be under the immediate supervision of the General Counsel. The power of attorney functions previously administered by the Office of the Director of Practice were retained by the National Office of the Internal Revenue Service at the time of this organizational change.

The Director of Practice receives and acts upon applications for enrollment to practice as attorneys or agents before the Internal Revenue Service; institutes and provides for the conduct of disciplinary proceedings relating to enrolled attorneys and agents; makes inquiries with respect to matters under his jurisdiction; and performs such other duties as are necessary or appropriate, or as are prescribed by the Secretary of the Treasury.

Amendments to Treasury Department Circular 230 were issued during the fiscal year to reflect the new status of the Office of the Director of Practice and the conflict of interest statutes.

To conform to the amendments to Circular 230 the procedure was revised, whereby a declaration, rather than an application for consent, is filed by a former officer or employee of the Internal Revenue Service with respect to his participation in a specific tax matter before the Service.

The Application for Enrollment to Practice was also revised during the year. The new form consolidates three separate forms previously used relating to attorneys and certified public accountants, examinees, and former Internal Revenue Service employees. It also simplifies the filing requirements.

A reduction in time for processing applications for enrollment and for renewal of enrollment cards was effected by coordinated efforts with the Internal Revenue Service in the issuance of a Manual Supplement directing district offices of IRS to complete the processing of all applications within a minimum period of time and, if possible, within

30 days. Before-and-after studies have indicated appreciable success as the result of this coordinated effort.

Applications for enrollment approved this year totaled 7,626 (4,241 attorneys and 3,385 agents, consisting of certified public accountants, successful Special Enrollment Examination candidates, and former Internal Revenue Service employees). Approximately 77,000 attorneys and agents were enrolled to practice before the Service at the end of fiscal 1964. Renewal cards issued during the year totaled 6,475, consisting of 3,444 to attorneys and 3,031 to agents.

The Special Enrollment Examination held in Internal Revenue Service district offices in September 1963 was taken by 752 persons. Of the 451 who were notified in January 1964 that they had passed, 279 had been enrolled to practice by the end of the fiscal year. Examinees have a period of three years in which to file for enrollment after notification of their successful completion of the examination.

The Office processed and closed 388 derogatory information cases during the fiscal year and had 198 cases under review on June 30, 1964, 76 relating to attorneys and 122 relating to agents. There were also 158 cases under investigation (58 relating to attorneys and 100 relating to agents).

During the year there were 74 disciplines imposed (reprimands, resignations, suspensions, denials, abandonments, or withdrawals). One case was heard by a hearing examiner and was awaiting his decision at the end of the fiscal year.

Each district director has authority to determine that a tax return preparer is not eligible for limited practice before the Service without enrollment, if the preparer is not of good character or reputation, or if the preparer conducts his practice in an unethical manner. The district director's decision is appealable by the preparer, to the Director of Practice. During the fiscal year, 23 appeals were filed by preparers with the Director of Practice and 21 appeals were resolved.

Office of Domestic Gold and Silver Operations

The Office of Domestic Gold and Silver Operations, in the Office of the Under Secretary for Monetary Affairs, assists the Under Secretary in the formulation, execution, and coordination of policies and programs relating to gold and silver in both their monetary and commercial aspects. The Office administers the Treasury Department Gold Regulations relating to the purchase, sale, and control of industrial gold, gold coin, and gold certificates; issues licenses and other authorizations for the use, import and export of gold, and for the importation and exportation of gold coin; receives and examines reports of operations; and investigates and supervises the activities of users of gold. Investigations into possible violations of the Gold Regulations are coordinated with those of the U.S. Secret Service, the Bureau of Customs, and other enforcement agencies.

Gold controls

The comprehensive examination of gold reports, verification of records, and field inspections have been continued.

Purchases of gold for industrial use from the Treasury.—The gross sales of gold for industrial use by the Treasury increased in the calendar year 1963 to 3,068,345 fine ounces, as compared with 2,746,046 ounces in calendar 1962. Examinations of the books and reports of the gold users, however, show no indication of hoarding or excessive inventories. The use of gold in jewelry rose because of continued economic prosperity, and its use in electronics and other related industries also increased.

Gold coin licensing.—The volume of applications for the importation of gold coin and the number of cases involving coins acquired abroad without a license and attempts to import such coins continued at a high rate. Report forms have been prepared for the use of Customs authorities in order to expedite the settlement of such cases and to reduce the amount of paperwork involved; and the Bureau of Customs has inserted information concerning gold controls into their circulars.

End uses of gold.—The compilation of statistics concerning the end uses of gold was continued. During the first half of the calendar year 1963, the end-use certificates provided data for only a few broad categories. However, during a part of the second half of 1963 a new form which called for more detailed information went into effect. Since the information for the two halves of the calendar year were not collected on the same basis, the estimated allocations by use for the first and second halves of the year are shown in separate tables below.

Estimated allocation of gold by use, January–June 1963

End use	Fine ounces	Dollars, based on $35 per ounce	Percent
Jewelry and arts	1,104,594	$38,660,790	62.36
Dental	197,148	6,900,180	11.13
Space and defense	144,717	5,065,095	8.17
Other industry	324,859	11,370,065	18.34
Total	1,771,318	61,996,130	100.00

Estimated allocation of gold by use, July–December 1963

End use	Fine ounces	Dollars, based on $35 per ounce	Percent
Jewelry and arts	1,330,943	$46,583,005	70.64
Dental	172,020	6,020,700	9.13
Space and defense, electrical and electronics	136,976	4,794,160	7.27
Space and defense, other	7,537	263,795	.40
Industrial, electrical and electronics	169,571	5,934,985	9.00
Industrial, other	67,075	2,347,625	3.56
Total	1,884,122	65,944,270	100.00

Gold certificates.—An amendment to the Gold Regulations was issued on April 24, 1964. This amendment constitutes a general license for the holding of all gold certificates issued prior to January 30, 1934. (See exhibit 51.) It will ease the problems presented by collectors of paper money who wish to hold these historic pieces. The repeal of the requirement that gold certificates be delivered to the Treasury Department means, in effect, that they will no longer be presented for redemption.

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Gold and silver legislation

Bills relating to gold.—Various proposed measures relating to the stimulation of gold production were introduced in the Congress during the fiscal year. Treasury policy with respect to these proposals was indicated in statements and information supplied to congressional committees. (See exhibit 53.)

Bills relating to silver.—A number of bills were introduced to change the silver content of the coinage, to prohibit the sale of silver by the Treasury, and to prohibit the redemption of silver certificates in bullion. All of these bills had implication for United States coinage and for planning to assure an ample volume of coins in circulation to meet the needs of the country. The Treasury Department opposed action on all these proposals, pending completion of a comprehensive Treasury study of these questions early in 1965.

Numerous bills were introduced in Congress during the fiscal year 1964, dealing with the price of silver, U.S. silver policy, and related matters, which were referred to the respective committees on Banking and Currency for further consideration. As of June 30, 1964, no definite action had been taken by either committee on any of the bills. (See exhibit 53.)

Bureau of Engraving and Printing

The Bureau of Engraving and Printing designs, engraves, and prints U.S. currency, Federal Reserve notes, securities, postage and revenue stamps, and various commissions, certificates, and other forms of engraved work for U.S. Government agencies, as well as bonds and postage and revenue stamps for the governments of insular possessions of the United States.

Management attainments

During fiscal 1964 the Bureau extended recognition to 19 employee organizations pursuant to Executive Order 10988 on employee-management cooperation. Some organizations representing different classes of employees received more than one kind of recognition, as follows: 8 on an informal basis, 1 on a formal basis, and 15 on an exclusive basis. Union negotiations by top management resulted in a signed basic agreement with one union. The Bureau's Employment Policy Review Board pursued its studies of administrative practices at all management levels to assure continued compliance with the Treasury Department's nondiscrimination policy.

In planning to meet the Bureau's production program, maximum utilization of manpower was a primary consideration. Manpower requirements were reviewed throughout the year and each vacancy was evaluated in terms of need and efficiency before a request was made for a replacement. The number of employees at the beginning and end of the year were the same, 2,938. To hold employment to a minimum while providing for a projected 13-percent increase in currency requirements, the Bureau contracted for the purchase of additional high-speed intaglio currency presses to be operational in the fiscal year 1965. The new equipment will expand the printing of currency from 18 to 32 notes to the sheet. Major recurring savings in manpower and costs associated with further expansion of the

32-subject program are anticipated, in addition to approximately $22,000,000 accumulated savings already realized.

The Bureau conducted engineering studies, analyses of production processes, and quality control surveys to improve methods, operations, and efficiency, and to further insure development and practice of sound quality control systems. Improvements were made in equipment and processes in the manufacture of currency and postage stamps. To facilitate operations, further modifications were made on sheet-fed rotary currency presses and web-fed rotary stamp presses. Other Bureau research activities to improve the quality of its products related to inks and ink components, paper, tape, film, adhesives, presses, and equipment.

Close liaison was maintained with the Department of Agriculture concerning the food stamp program; the Post Office Department to plan for postage stamps; the Canal Zone Government to plan for commemorative air mail stamps; the Internal Revenue Service for its requirements for revenue stamps; and the Office of the Treasurer and the Federal Reserve System for their requirements for U.S. currency and Federal Reserve notes.

During fiscal 1964, the Bureau's Internal Audit Staff released 79 financial and management type audits containing 42 recommendations. Forty-four audit recommendations, some of which were applicable to prior fiscal years, were cleared and only 25 were still under consideration at the close of the year.

Through the excess property program the Bureau received $12,497 from the sale of obsolete equipment and excess material. Equipment valued at $18,926 was obtained at no charge through the Federal utilization program.

Annual recurring savings of $25,065 are estimated to accrue from adopted employee suggestions. There were 289 cubic feet of noncurrent records transferred from office space to the records storage area and 666 cubic feet of obsolete records destroyed. In response to 968 requests, 53 new forms were prepared, 43 eliminated, 4 consolidated, and 301 improved and revised.

Continued emphasis on the Treasury Department's safety program resulted in a steady improvement of the Bureau's safety record.

Eighty-five Bureau training classes were attended by 2,017 Bureau employees and 6 from other agencies; 158 employees attended 29 programs conducted by other agencies; and 31 employees attended programs conducted by nongovernment organizations.

Management improvements during fiscal 1964 resulted in annual recurring savings of 152 man-years and approximately $1,677,705. All realized savings were applied against production costs and were reflected either in billing rates or in inventory valuations.

New issues of postage stamps and deliveries of finished work

New issues of postage stamps delivered by the Bureau in fiscal 1964 are shown in table 92. A comparative statement of deliveries of finished work for the fiscal years 1963 and 1964 appears in table 93.

Finances

Bureau operations are financed by reimbursements to the Bureau of Engraving and Printing fund, as authorized by law. Comparative financial statements follow.

Statement of financial condition June 30, 1964 and 1963

Assets	June 30, 1964	June 30, 1963
Current assets:		
Cash:		
On hand	$12	$746,727
With the Treasury	5,333,878	5,586,571
Accounts receivable	2,564,730	2,031,021
Inventories:[1]		
Finished goods	1,940,984	1,356,059
Work in process	3,649,869	3,743,900
Raw materials	969,258	1,036,858
Stores	1,044,655	1,064,567
Prepaid expenses	57,176	73,134
Total current assets	15,560,562	15,638,837
Fixed assets:[2]		
Plant machinery and equipment	20,116,698	18,457,911
Motor vehicles	146,665	97,785
Office machines	251,174	242,381
Furniture and fixtures	468,778	444,492
Dies, rolls, and plates	3,955,961	3,955,961
Building appurtenances	2,676,807	2,558,323
Fixed assets under construction	295,267	68,204
	27,911,350	25,825,057
Less accumulated depreciation	13,730,821	12,335,541
	14,180,529	13,489,516
Excess fixed assets (written down to 10% of book value)	455	4,132
Total fixed assets	14,180,984	13,493,648
Deferred charges	147,119	132,498
Total assets	29,888,665	29,264,983
Liabilities and investment of the United States		
Liabilities:[3]		
Accounts payable	$1,116,028	$312,109
Accrued liabilities:		
Payroll	1,142,553	1,174,878
Accrued leave	1,685,726	1,743,658
Other	136,905	166,197
Trust and deposit liabilities	624,930	651,571
Other liabilities	307	1,760
Total liabilities	4,706,449	4,050,173
Investment of the U.S. Government:		
Appropriation from U.S. Treasury	3,250,000	3,250,000
Donated assets, net[2]	22,000,930	22,000,930
	25,250,930	25,250,930
Accumulated earnings, or deficit (—)[4]	—68,714	—36,120
Total investment of the U.S. Government	25,182,216	25,214,810
Total liabilities and investment of the U.S. Government	29,888,665	29,264,983

[1] Finished goods and work in process inventories are valued at cost, including administrative and service overhead. Except for the distinctive paper which is valued at the acquisition cost, raw materials and stores inventories are valued at the average cost of the materials and supplies on hand.

[2] Plant machinery and equipment, furniture and fixtures, office machines and motor vehicles acquired on or before June 30, 1950, are stated at appraised values. Additions since June 30, 1950, and all building appurtenances are valued at acquisition cost. The act of Aug. 4, 1950 (31 U.S.C. 181a) which established the Bureau of Engraving and Printing fund specifically excluded land and buildings valued at about $9,000,000 from the assets of the fund. Also excluded are appropriated funds of about $1,100,000 expended or transferred to GSA for extraordinary expenses in connection with uncapitalized building repairs and plans for air conditioning. Dies, rolls, and plates were capitalized at July 1, 1951, on the basis of average unit costs of manufacture, reduced to recognize their estimated useful life. Since July 1, 1951, all costs of dies, rolls, and plates have been charged to operations in the year acquired.

[3] The outstanding commitment of $7,906,174 as of June 30, 1964, as compared with $6,991,069 at June 30, 1963, includes $2,177,087, representing the balance due for a prototype multicolor postage stamp web-fed intaglio printing press to be delivered in fiscal year 1966. It also includes $1,400,200 for the acquisition of 5 sheet-fed intaglio printing presses for currency production. Most of the balance represents annual term contracts for materials and supplies for delivery in the ensuing fiscal year.

[4] The act of Aug. 4, 1950, provided that customer agencies make payment to the Bureau at prices deemed adequate to recover all costs incidental to performing work or services requisitioned. Any surplus accruing to the fund in any fiscal year is to be paid into the general fund of the Treasury as miscellaneous receipts except that any surplus is applied first to restore any impairment of capital by reason of variations between prices charged and actual costs.

Statement of income and expense, fiscal years 1964 and 1963

Income and expense	1964	1963
Operating revenue: Sales of printing	$26,424,992	$28,464,977
Operating costs:		
Cost of sales:		
Direct labor [1]	10,099,336	10,004,372
Direct materials used	4,242,064	4,043,554
Prime cost	14,341,400	14,047,926
Overhead costs:		
Salaries and indirect labor [1]	8,165,638	7,718,968
Factory supplies	1,191,023	1,216,557
Repair parts and supplies	310,949	287,993
Employer's share personnel benefits	1,386,242	1,322,479
Rents, communications, and utilities	503,736	505,507
Other services	253,081	296,860
Depreciation and amortization	1,601,022	1,612,843
Gains (−), or losses on disposal or retirement of fixed assets	−2,634	49,484
Sundry expense (net)	46,531	93,777
Total overhead	13,455,588	13,104,468
Total costs [2]	27,796,988	27,152,394
Less:		
Nonproduction costs:		
Shop costs capitalized	369,331	200,556
Cost of miscellaneous services rendered other agencies	479,177	508,080
	848,508	708,636
Cost of production	26,948,480	26,443,758
Net increase (−), or decrease in finished goods and work in process inventories	−490,894	1,993,398
Cost of sales	26,457,586	28,437,156
Operating profit, or loss (−)	−32,594	27,821
Nonoperating revenue:		
Operation and maintenance of incinerator and space utilized by other Treasury activities	421,323	398,468
Other services	57,854	109,612
	479,177	508,080
Nonoperating costs:		
Cost of miscellaneous services rendered other agencies	479,177	508,080
Net profit, or loss (−) for the year [3]	−32,594	27,821

[1] In June 1964 a procedural change was made to adjust the amount recorded in the accrued leave liability account to insure agreement with the actual value of annual leave to the credit of employees as at the close of the biweekly pay period immediately preceding the end of the fiscal year. Heretofore differences between actual and recorded leave liability were absorbed by adjusting the percentages used in determining the accrued leave costs to be charged into operations in subsequent periods.

[2] No amounts are included in the accounts of the fund for (1) interest on the investment of the Government in the Bureau of Engraving and Printing fund, (2) depreciation on the Bureau's buildings excluded from the assets of the fund by the act of Aug. 4, 1950, and (3) certain costs of services performed by other agencies on behalf of the Bureau.

[3] See table on previous page, footnote 4.

Statement of source and application of funds, fiscal years 1964 and 1963

Funds provided and applied	1964	1963
Funds provided:		
Sales of printing	$26,424,992	$28,464,977
Operation and maintenance of incinerator and space utilized by other Treasury activities	421,323	398,468
Other services	57,854	109,612
	26,904,169	28,973,057
Less cost of sales and services (excluding depreciation and other charges not requiring expenditure of funds: Fiscal year 1964, $1,598,388; fiscal year 1963, $1,662,327)	25,338,375	27,282,908
	1,565,794	1,690,149
Sale of surplus equipment	17,810	10,153
Decrease in working capital	734,551	
Total funds provided	2,318,155	1,700,302
Funds applied:		
Acquisition of fixed assets	2,245,012	619,930
Acquisition of experimental equipment; and plant repairs and alterations to be charged to future operations	73,143	110,742
Increase in working capital		969,630
Total funds applied	2,318,155	1,700,302

Fiscal Service

BUREAU OF ACCOUNTS

The major functions of the Bureau are Government-wide in scope: Central accounting and reporting; disbursing for virtually all civilian Federal agencies; supervising the Government's depositary system; determining qualifications and underwriting limitations of companies to write fidelity and other surety bonds covering Government activities; investing Government trust funds and other funds; administering Treasury loans and advances to Government corporations and agencies; and staff participation in the joint financial management improvement program.

Pursuant to Treasury Department Order 185-2, dated June 24, 1964 (see exhibit 54), the Office of Defense Lending was abolished and its functions transferred to the Commissioner of Accounts effective at the close of June 30, 1964.

Management improvement

Annual recurring savings of $710,635 were realized in fiscal 1964 as a result of the Bureau's continuing search for operating economies. The major portion, $684,000, occurred in the disbursing area primarily from the increased use of electronic data processing equipment. Significant benefits were also realized from management surveys, application of a job analysis program at the first-line supervisory level, and added emphasis at all levels to improve the quality of suggestions submitted under the Treasury Department Incentive Awards Program.

During the year the Bureau's middle management executive development program, formulated in conjunction with and conducted by staff of American University, was offered on 3 separate occasions to a total of 52 Treasury employees, including 17 from outside the Bureau of Accounts.

Systems improvements

As a result of a joint study under the Joint Financial Management Improvement Program, Department Circular No. 1075 was issued on May 28, 1964. The circular is designed to improve the timing of large advance payments made by agencies to States, educational institutions, and others under Federal grants and other programs. The deferment of these payments to coincide more closely to the actual cash requirements of the recipients in carrying out the programs involved has a substantial potential for saving public debt interest. Another joint project resulted in legislation to permit use of statistical sampling procedures in voucher examination, which also has a considerable Government-wide potential for savings in administrative costs.

Improvements in fiscal operations to bring about a more favorable effect on the balance of payments included letter-of-credit arrangements for better timing of cash withdrawals from the Treasury to finance local cost projects of the Agency for International Development. In the case of contributions to the United Nations, the same objective was achieved through the issuance of noninterest-bearing nonnegotiable bonds, rather than the advance of Treasury cash prior to the time funds were actually needed by the U.N. agencies. Other methods included the reserving of foreign currencies on an unfunded basis, thereby releasing for current use currencies which had previously been set aside for future use by certain special programs; and the issuance of local currency checks, rather than U.S. dollar checks, for making payments in certain excess currency countries (where the United States owns more local currency than needed for regular operations) to beneficiaries of the Veterans' Administration, Social Security Administration, Railroad Retirement Board, and the Civil Service Commission.

As a result of collaboration between the Bureau and the Department of Defense, proposed legislation was submitted to Congress to permit single (or composite) checks supported by a list of individual recipients, to be drawn in favor of banking institutions for credit to recipients' personal bank accounts for salary and other periodic payments.

Action initiated in fiscal 1963 for a voluntary system of withholding State and D.C. income taxes from the salaries of Federal employees whose place of employment is outside the State of residence was completed with the issuance of Department Circular No. 1074, on September 19, 1963. Bureau staff worked with the Civil Service Commission and other agencies on this procedure which assists the States in the administration of their tax laws and the employees by simplifying their tax payments.

Central accounting and reporting

In April 1964 the Division of Central Accounts and the Division of Central Reports were consolidated. The new Division of Central Accounts and Reports provides the organizational integration compatible with the operational integration that will result from the electronic computer system being installed for central accounting and reporting.

The maintenance of the Government's unified system of central accounts is one of the principal responsibilities of the newly created

Division, as is the compilation of the Government's major financial reports. The central accounts, in addition to serving as an accounting basis for compiling receipt and expenditure data for Government financial statements, serve to interlock the accounting results of the Government's disbursing, collecting, and administrative offices and the Treasurer of the United States.

During fiscal 1964 a total of 3,486,521 accounting items were processed by the central and regional offices, a slight reduction from the previous year due to continued paperwork simplification.

Considerable progress was made in applying the computer system to the central accounting and reporting function. By June 30, 1964, master files were established on magnetic tape with all codings and classifications necessary to produce the large variety of output data required from the system.

Further refinements were made during the year to the monthly reports being submitted by Federal agencies on obligations incurred by object of expenditure. The consolidated Government-wide reports are still in an experimental stage, and are being evaluated for possible future publication.

The more significant changes relating to accounting and reporting for foreign currencies include procedures for the reservation of foreign currencies for program purposes on an unfunded basis, pursuant to section 508 of Public Law 88–257, approved December 31, 1963 (77 Stat. 856), and a complete revision of the foreign currency account structure. For details regarding total receipts, withdrawals, and balances of foreign currencies, see tables 102 and 103.

Internal auditing

Twenty audit reports were made during the year of Bureau and nonbureau activities, two of which were operational audits of certain Bureau functions. Comprehensive surveys were also made of the Denver, New York, and Washington regional disbursing offices. Six audits of Bureau activities and one nonbureau activity were in process at fiscal yearend.

Staff assistance was furnished the Fiscal Management Division, Office of the Administrative Assistant Secretary, by the Bureau's Internal Audit Staff in designing and installing a complete accrual accounting system for the Office of the Comptroller of the Currency.

Disbursing operations

Again in fiscal 1964 the average cost of processing checks and bonds was reduced, this year to 3.11 cents. These costs include amortization of owned (capitalized) EDP equipment, but exclude postage.

During most of the fiscal year 1964 the Division of Disbursement operated 11 regional disbursing offices servicing over 1,500 offices of agencies located throughout the United States, its possessions, and the Philippines. The Division assumed the disbursing operations of the Department of State in 14 countries, and is now rendering disbursing service for 24 embassies located in certain foreign countries in Central and South America and the Far East.

Due to the centralization of high volume payments in EDP-equipped offices, the regional disbursing offices in Dallas, Tex., and Portland, Oreg., were closed in July and August 1963, respectively. In July

1963 the computer system installed in the Washington Regional Office became operative. Six of the eight regional disbursing offices located in the contiguous United States now utilize EDP systems to prepare social security benefits, veterans' benefits, and other types of recurring payments. More than 88 percent of the Bureau's checks were issued by the electronic method.

There follows a comparison of the fiscal year 1963 and 1964 workloads:

Classification	Volume [1]	
	1963	1964
Payments:		
Social security benefits	177,966,489	189,431,084
Veterans' benefits	63,011,104	62,721,888
Income tax refunds	40,704,667	42,358,609
Veterans' national service life insurance dividend program	6,076,295	4,406,015
Other	44,768,616	45,932,888
Adjustments and transfers	127,112	111,758
Savings bonds issued	4,529,171	5,087,062
Total	337,183,454	350,049,304

[1] Excludes reimbursable items numbering 3,481,807 in 1963 and 13,427,282 in 1964. The increase was accounted for chiefly by check volume associated with the Railroad Retirement Board.

Deposits, investments, and related activities

The types of depositary services and the number of commercial banking institutions authorized to provide each service, as of June 30, 1964, are shown in the following table:

Type of service provided by depositaries	Number of banking institutions
Receive proceeds of deposits by taxpayers and sale of public debt securities for credit in Treasury tax and loan accounts	11,946
Receive deposits from district directors of internal revenue, military finance officers, and other Government officers	995
Maintain official checking accounts of postmasters, clerks of U.S. courts, and other Government officers	4,637
Furnish bank drafts to Government officers in exchange for collections	2,250
Service State unemployment compensation benefit payment and clearing accounts	56
Operate limited banking facilities at military installations:	
In the United States and its outlying areas	278
Foreign	158

Investments.—Government trust funds are invested in marketable U.S. securities and in special securities issued for purchase by the major trust funds as specifically authorized by law.

The Railroad Retirement Act, as amended by the act of October 5, 1963 (45 U.S.C. 228o(b)), changed the applicable interest rates on special securities issued to the railroad retirement account. These interest rates are now equal to the average market yield, at the end of the month preceding the date of issue, borne by all marketable public debt securities not due or callable until three years from the end of that month, adjusted to the nearest one-eighth of one percent, but in no case less than three percent per annum. With this change, interest rates on the special public debt securities issued to all major trust funds, except the unemployment trust fund and the highway trust fund, are related to the average market yield on marketable public debt securities. By law the two exceptions continue to be related to the average coupon interest rate on public debt securities. The annual reports for 1960 (pages 22–4) and 1961 (pages 74–5) contain additional information on special public debt securities issued to trust funds. See table 67 for holdings of public debt and agency securities by Government agencies and accounts.

Loans by the Treasury.—The loan agreements with those Government corporations and agencies having authority to borrow from the Treasury to finance certain programs are administered by the Bureau of Accounts. During fiscal 1964 the initial loan was made to the Department of the Interior under the Helium Act, as amended (50 U.S.C. 167j). At the close of the fiscal year, the Department of the Interior under this authority had borrowed $2 million, leaving an unused borrowing authorization of $20 million. Tables 109,110, and 111 show the status of Treasury loans to Government corporations and agencies as of June 30, 1964.

Surety bonds.—The Secretary of the Treasury issues certificates of authority to qualified corporate sureties to execute bonds in favor of the United States (6 U.S.C. 8). These certificates are renewable each June 1 and a list of the qualified corporate sureties is published as of that date in the *Federal Register* (Department Circular No. 570, Revised). On June 30, 1964, a total of 249 companies held certificates.

Agencies of the executive branch are required to obtain blanket, position schedule, or other types of surety bonds covering employees who must be bonded. Though not required, the legislative and judicial branches are permitted to follow this procedure. A summary of the agencies' bonding activities follows:

	June 30, 1963	June 30, 1964
Number of officers and employees covered:		
Executive branch	958,622	977,383
Legislative and judicial branches	1,688	1,653
Total	960,310	979,036
Aggregate penal sums of bonds procured:		
Executive branch	$3,424,001,530	$3,309,998,940
Legislative and judicial branches	12,085,500	11,921,000
Total	3,436,087,030	3,321,919,940
Total premiums paid by Government (annual basis):		
Executive branch	282,596	230,362
Legislative and judicial branches	1,980	1,776
Total	284,576	232,138
Administrative expenses:		
Executive branch	42,968	43,708
Legislative and judicial branches	764	580
Total	43,732	44,288

Foreign indebtedness

World War I.—On May 28, 1964, an agreement was reached with the Government of Greece providing for the refinancing of the $12,167,000 loan granted that Government in 1929 as postwar financial aid. The principal sum of $13,155,921 will be repaid with interest at 2 percent per annum, the payments to be used to finance a cultural and educational exchange program between Greece and the United States.

The Government of Finland made payments during the year totaling $396,484 which were used to finance certain educational exchange programs with Finland (20 U.S.C. 222). For status of all World War I indebtedness to the United States see tables 104 and 105.

World War II.—Under lend-lease and surplus property agreements, debtor governments made U.S. dollar payments of $68.9 million (including the dollar value of silver repaid) and the equivalent of $7.2 million in foreign currencies. See table 107 for status of the lend-lease and surplus property accounts administered by the Treasury.

Credit to the United Kingdom.—Payments during the year by the United Kingdom under the financial aid agreement of December 6, 1945, as amended March 6, 1957, totaled $123.1 million, of which $66.9 million was interest. Through June 30, 1964, cumulative payments totaled $1,385.8 million of which $784.9 million was interest. An unmatured principal balance remains of $3,149.1 million; there also remains to be paid interest installments totaling $139.8 million which were deferred by agreement.

Japan, postwar economic assistance.—The Government of Japan made payments in fiscal 1964 of $19.8 million principal and $11.6 million interest on its indebtedness arising from postwar economic assistance. Cumulative payments through June 30 totaled $48.1 million as principal and $17.7 million as interest, leaving an unpaid principal balance of $441.9 million.

Germany, postwar economic assistance.—The Federal Republic of Germany made interest payments of $5.0 million on its indebtedness arising from postwar economic assistance. Cumulative payments through June 30 totaled $799.6 million as principal and $210.9 million as interest, leaving an unpaid principal balance of $200.4 million. Principal installments have been prepaid through July 1, 1965.

Claims against foreign governments

Awards of Mixed Claims Commission, United States and Germany.—Under the agreement of February 27, 1953, the Federal Republic of Germany paid $4 million to the Treasury on April 1, 1964. These funds were used to make an additional distribution to holders of awards certified by the Mixed Claims Commission as a result of claims arising from World War I. See table 94 for the status of the fund.

Awards of Foreign Claims Settlement Commission.—The Government of Poland paid the fourth installment of $2 million under the agreement of July 16, 1960. These funds are for payment of claims of American nationals against Poland. The Foreign Claims Settlement Commission expects to complete adjudication of these claims by March 31, 1966. See table 95 for status of all active claims funds.

Depositary receipts

The following table shows the volume of depositary receipts for the fiscal years 1958–64. (See the 1962 annual report, page 141 for further details.)

Fiscal year	Income and social security	Railroad retirement taxes	Federal excise taxes	Total
1958	8,481,465	10,947	681,210	9,173,622
1959	8,961,762	10,751	604,933	9,577,446
1960	9,469,057	10,625	598,881	10,078,563
1961	9,908,068	10,724	618,971	10,537,763
1962	10,477,119	10,262	610,026	11,097,407
1963	11,161,897	9,937	619,519	11,791,353
1964	11,729,243	9,911	633,437	12,372,591

NOTE.—Comparable data for 1944–57 will be found in the 1962 annual report, p. 141.

Government losses in shipment

Claims totaling $343,716 were paid from the revolving fund established by the Government Losses in Shipment Act, as amended. Table 115 shows the status of the fund and details of operations under the act.

Other operations

Recovery of proceeds of credit instruments.—During fiscal 1964 inquiries were sent to all insured banks in the country concerning funds held for payment of credit instruments outstanding for one year or more, payable to Government departments, agencies, or officers. As a result, $644,941.01 was recovered by the Treasury.

Donations and contributions.—Bureau receipts deposited into the Treasury during the year as "conscience fund" contributions amounted to $30,872.81. Other unconditional donations totaled $496,528.84. Such receipts by other Government agencies amounted to $15,886.70 and $34,985.58, respectively. Conditional gifts to further the defense effort amounted to $4,711.98. Gifts of money and the proceeds of real or personal property donated in fiscal 1964 for the purpose of reducing the public debt amounted to $3,296.33, of which $3,000.00 was used to purchase and retire public debt securities.

The Secretary of the Treasury is authorized by Public Law 88–260 approved January 23, 1964 (78 Stat. 5) to accept gifts in honor of or in memory of the late President John F. Kennedy. Gifts credited to this account amounted to $1,215.81.

Withheld foreign checks.—On August 1, 1963, Department Circular No. 655 was amended to permit delivery of U.S. Government checks to payees residing in Bulgaria.

BUREAU OF THE PUBLIC DEBT

The Bureau of the Public Debt, in support of the management of the public debt, has responsibility for the preparation of Treasury Department circulars offering public debt securities, the direction of the handling of subscriptions and making allotments, the formulation of instructions and regulations pertaining to each security issue, the issuance of the securities, and the conduct or direction of transactions in those outstanding. The Bureau is responsible for the final audit and custody of retired securities, the maintenance of the control accounts covering all public debt issues, the keeping of individual accounts with owners of registered securities and authorizing the issue of checks in payment of interest thereon, and the handling of claims on account of lost, stolen, destroyed, or mutilated securities.

The Bureau maintains its principal office and headquarters in Washington, D.C. In addition, offices are maintained in Chicago, Ill., and Parkersburg, W. Va., where most Bureau operations related to U.S. savings bonds are handled. Under Bureau supervision many transactions in public debt securities are conducted by the Federal Reserve banks and their branches as fiscal agents of the United States. Selected post offices, private financial institutions, industrial organizations, and others (approximately 19,150 in all) cooperate in the issuance of savings bonds.

Management improvement

A pilot study conducted in cooperation with the Army Finance Center established the feasibility of obtaining issue data on magnetic tape and microfilm, rather than on individual registration stubs, from issuing agents who use electronic computers to inscribe a large volume of Series E savings bonds. The system, adopted in June 1964 for issues by the Army Finance Center, will result in savings both for the Bureau and the Department of the Army. Discussions are underway with other large issuing agents who have expressed an interest in the new procedures.

Authority was granted in June 1964 to issue Series H savings bonds in punch card form. The bond will be placed in use early in the fiscal year 1965. Its use will reduce security printing costs substantially.

A continuing review of the EDP system in the Parkersburg office established the feasibility of augmenting the equipment configuration to increase the efficiency of the system, enable it to absorb workload increases, and provide for some future expansion. Accordingly, provision was made for the acquisition of two additional system components which will be delivered early in fiscal 1965.

A number of refinements were introduced into the EDP system to take advantage of new programming techniques, utilize new item designs, and reduce program running time. Among the programs and routines rewritten were those covering the stub and retired bond audits, balancing, and caveat entry and removal.

Procedures under which the Chicago office initiates and the Parkersburg office handles Series E alphabetic and numeric inquiries were revised to eliminate various clerical and manual key punch operations and reduce overall processing time.

The project of microfilming the numerical registers in which retirements of Series E paper savings bonds were manually posted was completed. Prints of the film were made for use in a high speed information retrieval system utilizing rotary mechanical files. This resulted in a substantial reduction in personnel and space requirements in the Chicago office.

Search activities in the Chicago office relating to appreciation type savings bonds were consolidated in the Division of Retired Savings Bonds, and there was a related reorganization of the units in that Division and the Division of Loans and Currency Branch resulting in more effective utilization of personnel and equipment and the elimination of certain supervisory positions.

In the Washington office retroactive interest payment operations on Federal Housing Administration debentures were mechanized. Changes in the shipping forms and procedures eliminated the need for preparing individual shipping advices covering registered securities issued by the Division of Loans and Currency.

The Federal Reserve banks were generally authorized to process redemption and redemption-exchange transactions of registered marketable and investment series securities without submitting such items to the Bureau for review of assignments and supporting evidence prior to payment. This change, effective January 2, 1964, provided for prompter payment of registered securities.

One of the issuing agents which operates an employee savings plan has been authorized to reissue Series E bonds registered in the name of the trustee of the plan, in order to make distribution of the bonds to participants in the plan. The agent will transmit the retired bonds and reissue stubs direct to the Parkersburg office. This procedure will save processing costs in the Federal Reserve bank to which the issuing agent reports its transactions.

Bureau operations

One measure of the work of the Bureau is the change in the composition of the public debt. The debt falls into two broad categories: public issues and special issues. Public issues consist of marketable Treasury bills, certificates of indebtedness, notes, and bonds; and nonmarketable securities, chiefly U.S. savings bonds and Treasury bonds of the investment series. Special issues of certificates, notes, and bonds are made by the Treasury directly to various Government trust and certain other accounts and are payable only for these accounts.

During the year, 30,263 individual accounts covering publicly held registered securities other than U.S. savings bonds were opened and 49,214 were closed. This reduced the number of open accounts on June 30, 1964, to 223,233 covering registered securities in the principal amount of $12,867 million. There were 421,509 interest checks with a value of $405,926,189 issued to owners of record during the year.

Redeemed and canceled securities other than savings bonds received for audit included 5,235,550 bearer securities and 471,792 registered securities, a total of 5,707,342. Coupons totaling 18,151,514 were received.

A summary of public debt operations handled by the Bureau appears on pages 17 to 36 of this report, and in tables 29 to 58.

U.S. savings bonds.—The issuance and redemption of savings bonds results in a heavy administrative burden for the Bureau of the Public Debt, involving: Maintenance of alphabetical and numerical ownership records for the 2.6 billion bonds issued during the past 29 years; adjudication of claims for lost, stolen, and destroyed bonds (which totaled 1.9 million pieces on June 30, 1964); and the handling and recording of retired bonds.

Detailed information on sales, accrued discount, and redemption of savings bonds will be found in tables 48 to 50, inclusive.

There were 100.1 million stubs representing the issuance of Series E bonds received for registration, making a grand total of 2,551.2 million, including reissues, received through June 30, 1964.

All registration stubs of Series E savings bonds and all retired Series E savings bonds are now microfilmed, audited, and destroyed, after required permanent record data are prepared by an EDP system. The following table shows the status of processing operations in the Parkersburg office.

Fiscal year	Received	Microfilmed	Keypunched	Converted to magnetic tape	Audited and classified	Destroyed	Balance: Unfilmed	Balance: Not keypunched	Balance: Not converted to magnetic tape	Balance: Unaudited
	Stubs of issued card type Series E savings bonds [in millions of pieces]									
1958-59	147.0	146.0	144.8	124.7	141.6	--------	1.0	2.2	22.3	5.4
1960	87.2	84.7	82.6	102.5	83.6	58.3	3.5	6.8	7.0	9.0
1961	88.7	90.7	92.4	92.2	92.9	154.4	1.5	3.1	3.5	4.8
1962	91.0	90.2	88.7	89.1	88.9	154.1	2.3	5.4	5.4	6.9
1963	94.3	93.9	95.0	95.0	93.0	69.6	2.7	4.7	4.7	8.2
1964	100.1	98.2	97.6	97.6	98.4	96.2	4.6	7.2	7.2	9.9
Total	608.3	603.7	601.1	601.1	598.4	532.6	--------	--------	--------	--------
	Retired card type Series E savings bonds [in millions of pieces]									
1958-59	62.7	62.2	61.9	53.3	60.1	--------	0.5	0.8	9.4	2.6
1960	55.2	54.3	52.5	60.0	52.4	20.6	1.4	3.5	4.6	5.4
1961	59.7	60.6	61.5	62.4	62.8	93.0	.5	1.7	1.9	2.3
1962	62.4	61.3	61.1	61.1	60.3	95.0	1.6	3.0	3.2	4.4
1963	64.9	64.3	64.1	64.3	63.5	48.3	2.2	3.8	3.8	5.8
1964	70.1	70.0	68.9	68.9	69.1	83.4	--------	--------	--------	--------
Total	375.0	372.7	370.0	370.0	368.2	340.3	--------	--------	--------	--------
	Retired paper type Series E savings bonds [in millions of pieces]									
1962	0.8	0.8	0.7	0.7	0.7	--------	--------	0.1	0.1	0.1
1963	21.8	21.2	20.8	20.8	19.9	5.1	0.6	1.1	1.1	2.0
1964	22.4	22.4	22.1	22.1	22.3	23.4	.6	1.4	1.4	2.1
Total	45.0	44.4	43.6	43.6	42.9	28.5	--------	--------	--------	--------

Of the 87.5 million Series A-E saving bonds redeemed prior to release of registration and received by the Bureau during the year, 85.2 million, or 97.4 percent, was redeemed by approximately 16,000 authorized paying agents. These agents were reimbursed quarterly at the rate of 15 cents each for the first 1,000 bonds paid and 10 cents each for all over the first 1,000. During the year a total of $11,036,074, an average of 12.95 cents per bond, was paid to the agents.

The following table shows the number of savings bonds outstanding as of June 30, 1964, by series and denomination.

Series [1]	Total	Denomination (in thousands of pieces)										
		$10	$25	$50	$75	$100	$200	$500	$1,000	$5,000	$10,000	$100,000
E	457,331	768	242,866	102,998	131	77,850	7,789	12,028	12,855	------	44	2
H	6,731	----	--------	--------	----	--------	------	2,566	3,756	318	91	--------
A	2	----	1	(*)	----	1	------	(*)	(*)	------	--------	--------
B	3	----	1	1	----	1	------	(*)	(*)	------	--------	--------
C	11	----	4	2	----	3	------	1	1	------	--------	--------
D	52	----	19	10	----	15	------	3	5	------	--------	--------
F	62	----	25	--------	----	20	------	5	11	1	(*)	--------
G	163	----	--------	--------	----	76	------	32	51	3	1	--------
J	387	----	67	--------	----	131	------	40	107	16	25	1
K	470	----	--------	--------	----	--------	------	125	262	40	42	1
Total	465,212	768	242,983	103,011	131	78,097	7,789	14,800	17,048	378	203	4

* Less than 500 pieces.
[1] Currently only bonds of Series E and H are on sale.

The following table shows the number of issuing and paying agents for Series A–E savings bonds by classes.

June 30	Post offices [1]	Banks	Building and savings and loan associations	Credit unions	Companies operating payroll plans	All others	Total
	Issuing agents						
1945	24,038	15,232	3,477	2,081	[2] 9,605	(2)	54,433
1950	25,060	15,225	1,557	522	3,052	550	45,966
1955	2,476	15,692	1,555	428	2,942	588	23,681
1960	1,093	16,436	1,851	320	2,352	643	22,695
1961	1,061	13,505	1,617	285	2,045	590	[3] 19,103
1962	1,046	13,559	1,670	281	1,978	573	19,107
1963	1,011	13,644	1,679	269	1,857	560	19,020
1964	977	13,908	1,702	252	1,783	528	19,150
	Paying agents						
1945	----------	13,466	----------	----------	------------	----------	13,466
1950	----------	15,623	874	137	------------	57	16,691
1955	----------	16,269	1,188	139	------------	56	17,652
1960	----------	17,127	1,797	169	------------	60	19,153
1961	----------	13,670	1,605	158	------------	16	[3] 15,449
1962	----------	13,687	1,690	160	------------	16	15,553
1963	----------	13,826	1,739	155	------------	15	15,735
1964	----------	14,039	1,779	158	------------	15	15,991

[1] Estimated by the Post Office Department for 1955 and thereafter. Sale of Series E savings bonds was discontinued at post offices at the close of business on Dec. 31, 1953, except in those localities where no other public facilities for their sale were available.
[2] "All others" included with companies operating payroll plans.
[3] Substantial reduction due to reclassification by Federal Reserve banks effective Dec. 31, 1960, to include only the actual number of entities currently qualified.

Interest checks issued on current income type savings bonds (Series G, H, and K) during the year totaled 5,184,764 with a value of $312,765,375. New accounts established for Series H bonds, the only current income type savings bond presently on sale, totaled 155,310, while accounts closed for Series H bonds totaled 117,685, an increase of 37,625 accounts.

Applications received during the year for the issue of duplicates of savings bonds lost, stolen, or destroyed after receipt by the registered owner or his agent totaled 34,652. In 14,854 of these cases the issuance of duplicate bonds was authorized. In addition, 12,101 applications for relief were received in cases where the original bonds were reported as not being received after having been mailed to the registered owner or his agent.

OFFICE OF THE TREASURER OF THE UNITED STATES

The Treasurer of the United States is responsible for the receipt, custody, and disbursement, upon proper order, of the public moneys and for maintaining records of the source, location, and disposition of these funds. The Office of the Treasurer uses the facilities of the Federal Reserve banks as fiscal agents of the United States to perform many of its functions. These include: The verification and destruction of U.S. paper currency; the redemption of public debt securities; the keeping of cash accounts in the name of the Treasurer; the acceptance of deposits made by Government officers for credit; and the custody of bonds held to secure public deposits in commercial banks.

Commercial banks qualifying as depositaries provide banking facilities for the Government in the United States and in foreign countries. Data on the transactions handled for the Treasurer by Federal Reserve banks and commercial banks are reported daily to the Treasurer and are entered in the Treasurer's general accounts.

The Treasurer maintains current summary accounts of all receipts and expenditures; pays the principal and interest on the public debt; provides checking account facilities for Government disbursing officers, corporations, and agencies; pays checks drawn on the Treasurer of the United States and reconciles the checking accounts of the disbursing officers; procures, stores, issues, and redeems U.S. currency; audits redeemed Federal Reserve currency; examines and determines the value of mutilated currency; and acts as special agent for the payment of principal and interest on certain securities of U.S. Government corporations and on certain securities issued by Puerto Rico on or before January 1, 1940.

The Office maintains facilities at the Treasury to: Accept deposits of public moneys by Government officers; cash U.S. savings bonds and checks drawn on the Treasurer; receive excess and unfit currency and coins; and to conduct transactions in both marketable and nonmarketable public debt securities. The Office also prepares the *Daily Statement of the United States Treasury* and the monthly *Circulation Statement of United States Money*.

Under the authority delegated by the Comptroller General of the United States, the Treasurer processes claims arising from forged endorsements and other irregularities involving checks paid by the Treasurer and passes upon claims for substitute checks to replace lost or destroyed unpaid checks.

The Treasurer of the United States is Treasurer of the Board of Trustees of the Postal Savings System. She is also custodian of bonds held to secure public deposits in commercial banks, bonds held to secure postal savings on deposit in such banks, and miscellaneous securities and trust funds.

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Management improvement

The program started in fiscal 1963 for purchasing rather than renting EDP equipment, where it was in the interest of the Government to do so, was completed in fiscal 1964. The purchase program will result in total savings in the form of reduced appropriations requirements estimated at $4.6 million for the fiscal years 1963-71. An analysis of the projected costs of purchasing and maintaining other leased equipment resulted in the purchase of 6 pieces of electric accounting equipment from which annual savings of over $5,000 will be realized after recovery of the capital investment in 1967.

Plans were completed during fiscal 1964 to have all checks adaptable to machine processing recorded on tape during the first card-to-tape conversion operation, thus reducing the number of checks requiring handling as exceptions. The greater reading efficiency of the card-to-tape converters acquired in fiscal 1963 has greatly reduced the number of checks rejected as not adaptable to machine processing.

Government disbursing officers issue either green checks (with the amounts punched thereon) or buff checks (amounts not punched at time of issue). Some progress has been made as a result of intensified efforts to encourage disbursing officers to issue only green checks where feasible. This lowers costs at the Federal Reserve banks where the amounts are punched into buff checks upon receipt.

Assets and liabilities in the Treasurer's account

A summary of the assets and liabilities in the Treasurer's account at the close of the fiscal years 1963 and 1964 is shown in table 59.

Gold.—Fiscal 1964 was the seventh consecutive year that the Treasurer's gold assets have declined. However, the net reduction of $272.0 million shown in table 59, representing disbursements of $1,113.6 million offset by receipts of $841.6 million, on the basis of daily Treasury statement, was appreciably less than the decline in any of the 6 preceding fiscal years.

Silver.—The Treasurer's Office continued a policy of reducing the amount of silver certificates outstanding so silver bullion securing such certificates could be released to the Bureau of the Mint for coinage. The results achieved for the fiscal year are summarized in the following table on the basis of the *Daily Statement of the United States Treasury.*

	Silver at $1.29+ per oz. [In millions]	
Silver bullion available for release at beginning of fiscal year 1964:		
Silver balance [1]	$17.8	
Less silver certificates in Treasury cash	−12.1	$5.7
Availability of bullion:		
Increased by:		
Reduction in silver certificates outstanding	------	315.9
Reduced by:		
Decline in Treasury holdings of standard silver dollars	62.8	
Bullion exchanged for certificates	62.2	−125.0
Total bullion available for release during the fiscal year	------	196.6
Actual releases at request of Bureau of the Mint	------	−169.4
Silver bullion available for release at end of fiscal year 1964:		
Silver balance [1]	39.3	
Less silver certificates in Treasury cash	−12.1	27.2

[1] See table 59.

The issue of Federal Reserve notes in the $1 denomination was begun in November 1963, pursuant to legislation enacted June 4, 1963 (Public Law 88-36 which amended 12 U.S.C. 418). These notes are being issued to replace retired $1 silver certificates and thus free silver to meet coinage needs.

To prevent the market price of silver from exceeding its monetary value the Secretary issued instructions on July 22, 1963 (28 F.R. 7530) offering to exchange silver bullion at the New York and San Francisco assay offices, the exchanges to be accompanied by an equivalent reduction in the amount of outstanding silver certificates.

By March 1964 the supply of silver dollars had been reduced to approximately 3 million, and since these could not be distributed equitably because of their numismatic value, the Secretary of the Treasury on March 25, 1964, exercised the option given him by the act of June 4, 1963, and announced that silver certificates would thereafter be redeemed in silver bullion at the New York and San Francisco assay offices.[1]

The following table summarizes silver bullion transactions of all types during 1964:

Fiscal year 1964	Silver bullion			
	Held to secure silver certificates	Held for coinage, etc.		
	Monetary value	Monetary value	Cost value	Recoinage value
	(In millions)			
On hand July 1, 1963	$2,078.4	$4.3	$22.5	
Received(+), or disbursed(−), net		−8.5	−.9	+$2.2
Exchanged for silver certificates	−62.2			
Released for coinage	−169.4	+169.4		
Used in coinage		−163.8	−11.4	−2.0
On hand June 30, 1964	1,846.8	1.4	10.2	.2

Balances with depositaries.—The following table shows the number of each class of depositaries and balances on June 30, 1964.

Class	Number of accounts with depositaries [1]	Deposits to the credit of the Treasurer of the United States June 30, 1964
Federal Reserve banks and branches	36	[2] $1,172,833,841
Other depositaries reporting directly to the Treasurer	45	38,821,526
Depositaries reporting through Federal Reserve banks:		
General depositaries, etc	1,887	267,124,514
Special depositaries, Treasury tax and loan accounts	11,946	9,179,608,425
Foreign depositaries [3]	63	53,959,759
Total	13,977	10,712,348,065

[1] Includes only depositaries having balances with the Treasurer of the United States on June 30, 1964. Excludes depositaries duly designated for this purpose but having no balances on that date and those designated to furnish official checking account facilities or other services to Government officers, but which are not authorized to maintain accounts with the Treasurer. Banking institutions designated as general depositaries are frequently also designated as special depositaries, hence the total number of accounts exceeds the number of institutions involved.

[2] Includes checks for $233,819,839 in process of collection.

[3] Principally branches of U.S. banks and of the American Express Co., Inc.

[1] See exhibit 52.

Bureau operations

Receiving and disbursing public moneys.—Moneys collected by Government officers are credited to the account of the Treasurer of the United States either by deposits with the Treasurer at Washington, with Federal Reserve banks, or with designated Government depositaries. All payments are withdrawn from this account. Moneys deposited and withdrawn in the fiscal years 1963 and 1964, exclusive of certain intragovernmental transactions, are shown in the following table on the daily Treasury statement basis.

Deposits, withdrawals, and balances in the Treasurer's account	1963	1964
Balance at beginning of fiscal year	$10,430,393,549	$12,116,176,163
Cash deposits:		
Internal revenue, customs, trust fund, and other collections	114,453,793,551	121,581,066,544
Public debt receipts [1]	227,000,711,290	230,012,138,001
Less:		
Accrued discount on savings bonds and Treasury bills	−2,857,938,673	−3,372,296,050
Purchases by Government agencies	r −42,209,870,586	−51,118,494,823
Sales of securities of Government agencies in market	r 7,190,401,724	8,917,936,633
Total deposits	r 303,577,097,306	306,020,350,305
Cash withdrawals:		
Budget and trust accounts, etc	118,476,596,149	124,065,882,136
Public debt redemptions [1]	219,341,901,015	224,158,871,740
Less:		
Redemptions included in budget and trust accounts	−1,824,574,500	−2,273,223,086
Redemptions by Government agencies	r −40,228,780,832	−48,373,355,385
Redemptions of securities of Government agencies in market	r 7,164,727,225	8,031,959,150
Total withdrawals	r 302,929,869,057	305,610,134,555
Change in clearing accounts (checks outstanding, deposits in transit, unclassified transactions, etc.), net deposits, or withdrawals (−)	1,038,554,365	−1,490,660,704
Balance at close of fiscal year	12,116,176,163	11,035,731,209

r Revised.
[1] For details see table 41.

Issuing and redeeming paper currency.—By law the Treasurer is the agent for the issue and redemption of U.S. paper currency. The Treasurer's Office procures all U.S. paper currency from the Bureau of Engraving and Printing and places it in circulation as needed, chiefly through the facilities of the Federal Reserve banks and their branches.

The Federal Reserve banks and branches, as agents of the Treasury, redeem and destroy the major portion of the U.S. currency as it becomes unfit for circulation. A small amount is handled directly by the Treasurer's Office.

Federal Reserve banks issue Federal Reserve notes; they also redeem these notes, cut them in half, and forward the halves separately to Washington where the Currency Redemption Division of the Treasurer's Office verifies the lower halves and the Office of the Comptroller of the Currency verifies the upper halves. Both halves are then destroyed under the direction of a special committee.

The Currency Redemption Division redeems unfit paper currency of all types received from local sources in Washington and from Government officers abroad; and examines and identifies for lawful redemption all burned and mutilated currency received from any source. During fiscal 1964 such currency was examined for 44,781 claimants and payments made totaling $14,807,717.

A comparison of the paper currency of all classes, including Federal Reserve notes, issued, redeemed, and outstanding during the fiscal years 1963 and 1964 follows.

	Fiscal year 1963		Fiscal year 1964	
	Pieces	Amount	Pieces	Amount
Outstanding July 1	3, 783, 776, 539	$35, 848, 273, 859	3, 920, 084, 726	$37, 484, 776, 160
Issues during year	1, 818, 874, 687	9, 685, 107, 640	1, 866, 174, 623	10, 239, 966, 528
Redemptions during year	1, 682, 566, 500	8, 048, 605, 339	1, 669, 350, 864	8, 165, 614, 017
Outstanding June 30	3, 920, 084, 726	37, 484, 776, 160	4, 116, 908, 485	39, 559, 128, 671

Table 66 shows by class and denomination the value of paper currency issued and redeemed during the fiscal year 1964 and the amounts outstanding at the end of the year. Tables 61 through 65 give details on the stock and circulation of money in the United States.

Checking accounts of disbursing officers and agencies.—As of June 30, 1964, the Treasurer maintained 2,174 checking accounts, compared with 2,310 the year before. The number of checks paid by categories of disbursing officers during fiscal 1963 and 1964 follows.

Disbursing officers	Number of checks paid	
	1963	1964
Treasury	337, 475, 327	355, 813, 618
Army	29, 123, 250	27, 813, 399
Navy	32, 107, 033	33, 034, 809
Air Force	33, 688, 542	33, 340, 716
Other	34, 417, 927	24, 244, 516
Total	466, 812, 079	474, 247, 058

Settling check claims.—During the fiscal year the Treasurer processed 398,000 requests to stop payment on Government checks, and 41,600 requests for information and for photostatic copies of paid checks. Fifty-five thousand requests for removal of stop payments were processed.

The Treasurer acted upon 223,000 paid check claims during the year, including those referred to the U.S. Secret Service for investigation which involved the forgery, alteration, counterfeiting, or fraudulent issuance and negotiation of Government checks. Reclamation was requested from those having liability to the United States on 35,962 claims, and $3,586,000 was recovered. Settlements and adjustments were made on 27,600 forgery cases totaling $3,598,000. Payments from the check forgery insurance fund, established to enable the Treasurer to expedite settlement of check claims, totaled $552,000. As recoveries are made, these moneys are restored to the fund. Settlements totaling $3,859,000 have been made from the check forgery insurance fund since its establishment on November 21, 1941 (31 U.S.C. 561–564).

Claims by payees and others involving 92,000 outstanding checks were acted upon. Of these, 79,000 were certified for issuance of substitute checks valued at $47,830,000 to replace checks not received, i.e., lost, stolen, or destroyed.

Collecting checks deposited.—Government officers during the year deposited more than 7,123,000 commercial checks, drafts, money orders, etc., with the Cash Division in Washington for collection.

Custody of securities.—The face value of securities held in the custody of the Treasurer as of June 30, 1963, and June 30, 1964, is shown in the following table.

Purpose for which held	June 30	
	1963	1964
As collateral:		
To secure deposits of public moneys in depositary banks	$117,903,100	$118,313,100
To secure postal savings funds	16,953,500	16,927,000
In lieu of sureties	4,637,400	6,591,000
In custody for Government officers and others:		
For the Secretary of the Treasury [1]	35,796,249,444	35,609,163,447
For Board of Trustees, Postal Savings System	190,737,000	432,079,000
For the Comptroller of the Currency	13,960,000	14,790,000
For the Federal Deposit Insurance Corporation	1,132,228,100	1,142,077,900
For the Rural Electrification Administration	119,931,043	125,639,626
For the District of Columbia	121,196,078	130,646,529
For the Commissioner of Indian Affairs	36,438,425	35,800,800
Foreign securities [2]	12,060,226,132	12,056,059,132
Other [3]	86,256,956	79,604,970
For Government security transactions:		
Unissued bearer securities	1,710,531,950	1,630,409,950
Total	51,407,249,128	51,398,102,454

[1] Includes those securities listed in table 109 as in custody of the Treasury.
[2] Issued by foreign governments to the United States for indebtedness arising from World War I.
[3] Includes U.S. savings bonds in safekeeping for individuals.

Servicing securities for Federal agencies and for certain other governments.—In accordance with agreements between the Secretary of the Treasury and various Government corporations and agencies and Puerto Rico, the Treasurer of the United States acts as special agent for the payment of principal of and interest on their securities. These payments during the fiscal year 1964, on the basis of the *Daily Statement of the United States Treasury* were as follows.

Payment made for	Principal	Interest paid with principal	Registered interest [1]	Coupon interest
Banks for cooperatives	$1,066,000,000	$18,567,494		
District of Columbia Armory Board				$842,520
Federal home loan banks	3,090,675,000	77,282,031		23,689,512
Federal Housing Administration	293,304,450	2,979,438	$29,967,735	
Federal intermediate credit banks	2,781,865,000	68,520,840		
Federal land banks	426,638,300	120,683	9,098,009	107,864,142
Federal National Mortgage Association	173,392,000			78,002,093
Puerto Rico	192,500			65,728
Others	43,400	5		2,243
Total	7,832,110,650	167,470,491	39,065,744	210,466,238

[1] On the basis of checks issued.

Office of Foreign Assets Control

The Office of Foreign Assets Control is responsible for administering the Treasury Department's freezing controls under section 5(b) of the Trading with the Enemy Act. The controls under the Foreign Assets Control Regulations over assets in the United States of Communist China and North Korea and over all trade and financial transactions with those areas and their nationals were continued during the fiscal year 1964. The prohibitions under the regulations relating to the purchase and importation of Communist Chinese and North Korean merchandise and the procedures for specified commodities of types principally imported from mainland China prior to the regulations also remained relatively unchanged. The enforcement measures taken by the Control during fiscal 1964 included, in addition to $35,000 in fines and forfeitures collected, one successful criminal prosecution and five indictments. On May 5, 1964, the Foreign Assets Control Regulations were extended to North Vietnam.

On July 8, 1963, the Cuban Assets Control Regulations were issued under section 5(b) of the Trading with the Enemy Act and also under section 620(a) of the Mutual Defense Assistance Act of 1951. These regulations replaced the previously existing Cuban Import Regulations. The Cuban Assets Control Regulations apply to Cuba and nationals thereof and are essentially the same controls as are applied to China, North Korea, and North Vietnam under the Foreign Assets Control Regulations. That is, they prohibit all unlicensed financial and commercial transactions by Americans with Cuba or nationals thereof.

Following the issuance of the Cuban Assets Control Regulations, a census was conducted of blocked Cuban assets in the United States. The following tables summarize the value of U.S. assets owned by Cuba and Cuban nationals as disclosed by the census.

Value of U.S. assets owned by Cuba and Cuban nationals, by type of asset and location of owner, July 8, 1963

[In U.S. dollars]

Type of asset	Cuba	Not Cuba	Unknown
Bullion, currency, and coin	3,386	3,673	----------
Deposits	14,573,714	2,879,927	79,985
Notes, drafts, and debts maturing within one year	33,507,048	2,205	168,475
Other notes, drafts, and debts to nationals	2,436,624	11,157	----------
Financial securities payable in dollars	3,727,570	226,671	----------
Financial securities not payable in dollars	71,291,649	52,950	----------
Interest of associated foreign persons	----------	407,020	----------
Miscellaneous personal property and liens	128,819	6,221	----------
Real property, mortgages, and other rights	477,909	----------	----------
Interest in estates and trusts	544,577	----------	----------
Insurance policies and annuities	5,305,426	8,536	8,262
All other property	12,807,455	----------	175,250
Total	144,804,177	3,598,360	431,972

Value of U.S. assets owned by Cuba and Cuban nationals, by type of asset and type of owner, July 8, 1963

[In U.S. dollars]

Type of asset	Individual	Corporation	Partnership	Unincorporated association	Other	Unknown
Bullion, currency, and coin	3,386	3,673		54,193		
Deposits	10,814,796	5,324,708	177,763		1,161,094	1,072
Notes, drafts, and debts maturing within one year	33,051	33,289,724	144,097		42,381	168,475
Other notes, drafts, and debts to nationals	1,363,889	798,076	274,957		10,859	
Financial securities payable in dollars	2,667,838	1,019,124	4,840		262,439	
Financial securities not payable in dollars	17,516,747	49,249,439			4,578,413	
Interest of associated foreign persons		407,020				
Miscellaneous personal property and liens		135,040				
Real property, mortgages, and other rights	79,176	1,054			397,679	
Interest in estates and trusts	542,159				2,418	
Insurance policies and annuities	5,314,194		8,030			
All other property	107,940	370,013			12,504,752	
Total	38,443,176	90,597,871	609,687	54,193	18,960,035	169,547

The Office of Foreign Assets Control also administers the Transaction Control Regulations which supplement the export controls exercised by the Department of Commerce over direct exports from the United States to the Soviet bloc. The Transaction Control Regulations prohibit, unless licensed, any person within the United States from purchasing or selling or arranging the purchase or sale of internationally controlled strategic commodities located outside the United States for ultimate delivery to the Soviet bloc. As in the case of the Foreign Assets Control Regulations, the prohibitions apply not only to domestic American companies but also to foreign firms owned or controlled by persons within the United States. The jurisdiction previously exercised under the Foreign Assets Control Regulations and the Transaction Control Regulations with respect to patent and technical data licensing agreements was transferred from the Office of Foreign Assets Control to the Office of Export Control, Department of Commerce, effective April 1, 1964.

Internal Revenue Service [1]

The Internal Revenue Service is responsible for collecting internal revenue and for administering the internal revenue laws. Fundamental objectives of the Service are sustaining public confidence in the revenue system and encouraging voluntary compliance with the tax laws. The Service is also responsible for administering certain other statutes including the Federal Alcohol Administration Act (27 U.S.C. 201–212), the Liquor Enforcement Act of 1963 (18 U.S.C. 1261, 1262, 3615), and the Federal Firearms Act (15 U.S.C. 901–909).

[1] Additional information will be found in the separate *Annual Report of the Commissioner of Internal Revenue.*

Major management improvements

Benefits from management improvements.—On June 30, 1964, there were approximately 100 improvement projects scheduled or in process which were of sufficient scope, depth, and potential impact to warrant control by and periodic reporting to top management. Eleven individual management improvement actions were completed, each of which resulted, or will result, in annual savings in excess of $100,000. Improvements in the management of operations, approved or implemented, will eventually result in recurring annual benefits of approximately $9.8 million. In addition, nonrecurring benefits exceeded $1 million, and savings to other agencies totaled $5.1 million. Thus, the total of savings in all categories exceeded $15.8 million.

Committee on Resources Utilization.—Several of the more significant accomplishments made during the year had been recommended by the Commissioner's Committee on Resources Utilization. These recommendations were designed to achieve optimum resources utilization through improvements in organization structure and systems and procedures, as well as through development and implementation of adequate machinery (methods, techniques, criteria) by which the Service is assured that manpower is advantageously utilized. Sixty of the 72 recommendations of the Committee have been approved, many of which had been fully implemented and the others partially implemented or under active study at the end of the year.

Two Committee studies completed during the year are especially noteworthy. One dealt with ways and means of minimizing duplication of work on regulations, legislation, and rulings performed by the Office of the Assistant Commissioner (Technical) and the Office of the Chief Counsel. Principal changes stemming from recommendations, which are estimated at $814,000, are:

(a) Responsibility for developing regulations is to be centered in the Legislation and Regulations Division of the Chief Counsel's Office. The change will give this Division the basic responsibility for representing the Commissioner in the Administration's tax legislative program, and for drafting legislation and developing regulations.

(b) Basic responsibility for rulings continues with the Tax Rulings Division in the Office of the Assistant Commissioner (Technical).

The second study was concerned with major improvements in informal conferences with taxpayers. The comprehensive revision of conference procedures recommended will result in annual recurring savings estimated at $924,450. Implementation of the new procedures is scheduled for 1965.

Reports program.—The reports program provides a systematic approach to determine the data required by all levels of management and to develop integrated reporting systems to supply the necessary information at the least cost. Emphasis is placed on maximum utilization of the Service's ADP system. Annual reporting costs have steadily declined from $15.8 million in fiscal 1961 to $13.3 million in fiscal 1964, while at the same time providing managers with better and more timely information for planning, controlling, and evaluating operations.

The program was expanded in 1964 to permit the National Office Reports Division to render independent analyses of current operating programs. Such analyses reflect the interrelationship of programs and provide top management with a basis for appraising operations in terms of the Service's overall goals and objectives.

Reorganizations

Realignment of field offices.—The redesignation of certain Internal Revenue Service regions and districts as ordered by the Secretary of the Treasury (see 1963 annual report, pages 142 and 407–9) became effective on January 1, 1964. This realignment reduced the number of regions from 9 to 8, the number of districts from 62 to 58, and the number of proposed service centers from 9 to 7. Implementation of this reorganization was substantially complete by the end of fiscal 1964. Annual recurring savings, originally estimated at $3.5 million, are now expected to yield approximately $3.8 million.

Reorganization of National Office of Chief Counsel.—On March 24, 1964, the IRS Chief Counsel, announced a reorganization of the National Office of the Chief Counsel, effective April 1, 1964, to provide a more efficient organization for maximum utilization of top legal and executive talent.

Personnel

During fiscal year 1964 new measures were instituted to control grade structure and insure better control of work assignments and their relation to superior qualifications as a prerequisite for promotion. Personnel technicians participated in financial planning at all levels to provide manpower and position classification advice relating to proposed changes. Within the personnel organization, advances were made in streamlining the organization and providing for more automation of personnel processes and reports in the interests of reducing costs and improving operations.

Nondiscrimination program.—The nondiscrimination program, which calls for special emphasis on the employment of women in high level professional and management positions, the physically and mentally handicapped, and minority group members, received increased support and action. All phases of this program were featured in a series of top management issuances directed toward more active participation and policy promotion throughout the Service. As a result, a greater awareness of the importance of the program has been created at all levels of management.

Training

Service officials met with State tax representatives under the auspices of the National Association of Tax Administrators in June 1964 to discuss legislation enacted on October 23, 1962 (26 U.S.C. 7516) which permits the Internal Revenue Service to provide training assistance to the States. It was decided that a survey of State training needs was required. The survey, to be conducted by the National Association, is expected to provide a firm basis for rendering assistance in a practical, economical manner.

The first experimental regional training center was set up in the Western Region. A director has been selected and operations planning has begun for the National training center which is to be opened in the fall of 1964. Detailed planning was also undertaken for the second field training center to be located in the Central Region.

Space

Over the past few years, the Service has made excellent progress in improving the quality of its offices while maintaining one of the best rates of utilization (average square feet per employee) in Government. Additional space was acquired for 138 offices in fiscal 1964, relieving crowded conditions and accommodating staff expansion. The following offices were moved into new or modernized buildings: Brooklyn, Cincinnati, Miami, San Francisco, Seattle, and Manhattan.

Interpretation and communication of tax law to taxpayers

Reasonable and effective administration of the tax laws depends in large measure upon sound interpretation and widespread communication of the laws to taxpayers. The Service strives to assist taxpayers in understanding their rights and obligations through several programs which include: Direct personal assistance in district and local offices; publication of guides covering specific tax problems as well as general situations; dissemination of information through various news media; promotion of high school level courses in returns filing; and the preparation and distribution of regulations, rulings, and tax forms with instructions.

Taxpayer publications program.—In fiscal 1964 the Service issued approximately 60 publications in plain everyday language, as a means for self-help, information, and guidance to taxpayers on most aspects of Federal taxation. In addition, detailed instructions are furnished with most tax return forms. One of the most important publications, *Your Federal Income Tax*, is used in the taxpayer assistance and teaching taxes programs.

Public information program.—The Internal Revenue Service's accelerated public information program, initiated in fiscal 1963, continued to provide, through mass information media, maximum information for the taxpaying public.

These information efforts contributed to public understanding of the new regulations on travel and entertainment expenses. Throughout the year the expanding automatic data processing system was widely publicized to help insure more complete and accurate preparation of returns.

Following the enactment of the Revenue Act of 1964 on February 26, 1964 (78 Stat. 19) special information campaigns were conducted to: Advise employers of new withholding rates; provide information on preparation of 1964 estimated tax returns on the basis of new tax rates and other provisions of the law; and provide instructions to help taxpayers avoid underwithholding.

The interest and cooperation of the press and other mass media throughout the country helped insure a continuing flow of important tax information to the public.

Taxpayer assistance program.—The taxpayer assistance program is a basic component of the Service's program for fostering voluntary compliance. On July 1, 1963, the Service instituted a new and broadened year-round taxpayer assistance program. Since this is the first year under the new system, the data gathered cannot be compared with information provided in this report in prior years. However, as the statistics below indicate, the demand for assistance is great.

Almost 23 million taxpayers throughout the United States received help with their tax returns or tax problems during fiscal 1964. Of these, more than 14.4 million received help through telephone inquiries, the method stressed as the type of assistance taxpayers should normally seek. The other 8.6 million taxpayers visited Internal Revenue Service offices. Of these, 7.0 million were furnished self-help assistance in preparation of their returns and answers to their specific tax inquiries. The major portion of the tax return, schedule, or form was completed by Service employees for the remaining 1.6 million taxpayers. The Service used less than 310,000 man-days in furnishing the various types of assistance.

Tax return forms program.—The administrative work in the return forms area was increased during fiscal 1964 by recent legislation, improvements, and changes in operations which required the revision of existing forms and the creation of new ones. The Revenue Act of 1964 necessitated the preparation of new rate tables for income and withholding taxes. The Revenue Act of 1962 required revision of the schedule used to report capital gains on individual income tax returns. Section 401 of the Internal Revenue Code as amended on October 10, 1962, by the Self-Employed Individuals Tax Retirement Act (26 U.S.C. 37), necessitated a new form and corresponding revisions of income tax returns to reflect the self-employed retirement deduction. An operational improvement requiring two new forms was the adoption of a meter for the sale of documentary stamps. The Service also consolidated three forms and a separate schedule into a single form to improve the Employer's Annual Federal Unemployment Tax Return.

Regulations program.—Seventy-four final regulations, 2 Executive orders, and 33 notices of proposed rulemaking, relating to matters other than alcohol and tobacco taxes, were published in the *Federal Register.* These regulations were issued under provisions of the Internal Revenue Code of 1954, subsequent public laws, or on the basis of an administrative determination.

Twelve public hearings on the provisions of the proposed regulations, which were published this year, were held in accordance with the provisions of the Administrative Procedure Act. Approximately 800 taxpayers or their representatives participated.

Internal revenue collections and refunds

Gross collections.—Internal revenue collections reached $112.3 billion in fiscal year 1964, an increase of $6.3 billion over 1963. Collections of individual income taxes increased $1.6 billion, or 3.0 percent, in spite of a decline in collections during the last half of the fiscal year due to the reduced withholding rates established by the Revenue Act of 1964. Although the act reduced corporation income tax rates, it accelerated payment dates for certain corporations. Those corporations which estimate that their liability will exceed $100,000 are now required to make payments of such excess in the fourth and sixth months of their tax year as well as the ninth and twelfth months. Consequently, receipts from this source rose $2.0 billion, or 8.8 percent, over 1963 during the latter half of the fiscal year.

Employment taxes increased $2.0 billion, or 13.3 percent, over 1963. Gains in these taxes reflected the rising number of employed people and increases in the tax rates. The Federal insurance contributions tax rate, effective January 1, 1963, rose from 3⅛ percent to 3⅝ percent on the first $4,800 of taxable wages. Since the tax is paid in equal amounts by employee and employer, the combined rate rose from 6¼ to 7¼ percent, a 16-percent increase for the first half of fiscal year 1964 over the comparable six-month period in fiscal 1963. The self-employment insurance contributions tax rate rose also, from 4.7 percent to 5.4 percent beginning with the calendar year 1963. In contrast with the other employment taxes but in line with the high level of employment were the decreased rates and resulting decreased collections from the Federal unemployment insurance tax. This tax is paid by employers of 4 or more people on the first $3,000 of each employee's wages. The rate, applicable to returns due January 31, 1964, decreased from 3.50 percent to 3.35 percent. Since only 5.0 percent of employment tax collections were from the Federal unemployment insurance tax, the impact of the 10.3 percent decrease in collections from that source was slight.

Excise tax collections increased $540.5 million, or 4.0 percent, in 1964. The three largest sources, distilled spirits, gasoline, and cigarettes, accounted for 52.3 percent of total excise tax collections in 1963 and for 51.4 percent in 1964. Gains were recorded in distilled spirits and gasoline collections in 1964, but since the January 1964 *Report of the Surgeon General's Advisory Committee on Smoking and Health* fiscal year figures on cigarette taxes paid have shown losses culminating in a $33.8 million, or 1.7 percent drop.

A comparison of collections in the fiscal years 1963 and 1964 by principal types of tax is shown below. Collections from 1936–64 by detailed categories are given in table 21.

Source	In thousands of dollars	
	1963	1964
Income taxes:		
Corporation	22,336,134	24,300,863
Individual:		
Withheld by employers	38,718,702	39,258,881
Other	14,268,878	15,331,473
Total individual income taxes	52,987,581	54,590,354
Total income taxes	75,323,714	78,891,218
Employment taxes:		
Old-age and disability insurance	13,484,379	15,557,783
Unemployment insurance	948,464	850,858
Railroad retirement	571,644	593,864
Total employment taxes	15,004,486	17,002,504
Estate and gift taxes	2,187,457	2,416,303
Excise taxes:		
Alcohol	3,441,656	3,577,499
Tobacco	2,079,237	2,052,545
Other excise	7,888,844	8,320,188
Total excise taxes	13,409,737	13,950,232
Total collections	105,925,395	112,260,257

Refunds.—Refunds of internal revenue, comprising both principal and interest, totaled $7.2 billion in fiscal 1964, compared with $6.6 billion in 1963. Gross collections, less refunds, amounted to $105.1 billion in fiscal 1964. This amount differs from administrative budget receipts which include gross collections of internal revenue, receipts from miscellaneous sources, and customs duties reduced by transfers to trust fund accounts and interfund transfers as well as refunds of receipts.

Receipt and processing of returns

Number of returns filed.—In the fiscal year 1964, taxpayers filed 100.1 million tax returns, 2.2 million more than in 1963. Individual income tax returns increased 1.4 million to 64,201,000. Declarations of estimated income tax increased slightly, halting a downward trend of the past few years. Employment tax returns increased 0.6 million. Information returns totaled more than 330 million, compared with 327 million in 1963.

Automatic data processing.—New service centers, one at Austin, Texas, serving the Southwest Region and one at Cincinnati, Ohio, serving the Central Region, began processing business returns under the ADP master file concept, effective January 1, 1964, as planned. The Kansas City, Lawrence, and Ogden service centers plan to process business returns under the master file concept beginning January 1965, for the Midwest, Northeast and New York, and Western regions, respectively. At the end of fiscal 1964, the Business Master File contained over 2.3 million taxpayer entities, or accounts, an increase of 95 percent since July 1, 1963. The establishment of a nationwide Business Master File is in process and will be completed in 1965 when all seven IRS service centers will participate in the program.

During fiscal 1964, the Chamblee Service Center (formerly called the Atlanta Regional Center) was in its third year of processing business returns for the Southeast Region and in its second year of processing individual returns. At the end of the year the Individual Master File contained 8.4 million taxpayer accounts. The Philadelphia Service Center was in its second year of processing business returns, and will begin processing individual returns for the Mid-Atlantic Region on January 1, 1965. This is in keeping with the modified implementation schedule which provides for two years' experience with business returns before a region starts on individual returns.

The establishment of an IRS data center in Detroit to perform all of the Service's data processing functions not directly related to the processing of returns and related documents has been approved. Work programs are being defined and operating plans developed. Negotiations with the General Services Administration are under way for acquiring a specific site for this center which is scheduled to be operational January 1, 1966.

Service center functions.—The service centers at Chamblee, Ga., Lawrence, Mass., Kansas City, Mo., and Ogden, Utah, processed 63.9 million individual income tax returns, an increase of 6.4 million, or 11.2 percent, over fiscal year 1963. Of these returns, 53.8 million were 1963 tax year returns filed during the 1964 filing period, and 10.1 million were 1962 tax year returns filed during the 1963 filing period but processed after June 30. The returns processed during January–June 1964 represent 84.5 percent of the 1963 tax year returns filed. The increase in 1964 resulted from: (1) increased efficiency in the Chamblee Service Center; (2) the accelerated returns processing program in the other service centers during the last half of the fiscal year which permitted them to process an additional 3.5 million returns normally processed after June 30; and (3) the delay in the returns processing program during the last half of fiscal year 1963, which resulted in carrying over 10.1 million returns for processing in the first half of fiscal 1964, compared with 8.4 million carried over into the first half of fiscal 1963. In addition, the service centers processed approximately 5.0 million declarations of estimated income tax.

The four service centers now operating under the nationwide ADP system (Chamblee, Philadelphia, Austin, and Cincinnati) processed 6.0 million business returns, or 29.9 percent of those filed, compared with approximately 3.0 million, or 15.3 percent of the total filed in fiscal 1963. In conjunction with the business returns operations, the centers processed 2.2 million additional documents to record such actions as payments on accounts, name and address changes, and audit and collection adjustments. The above data includes full fiscal year 1964 figures for the Chamblee and Philadelphia service centers, and for the last half of the fiscal year for the Austin and Cincinnati centers.

Enforcement activities

The Service expends a substantial portion of its resources on enforcement activities to preserve and strengthen the self-assessment system and promote the voluntary compliance essential to that system.

Examination of returns.—During the fiscal year returns audited by field audit techniques increased 1,262, while office audit examinations decreased 230,359. The decline in office audit examinations is consistent with the cutback planned in 1963 to provide a more balanced program by shifting emphasis from the examination of small nonbusiness returns to the audit of small business returns and of nonbusiness returns with adjusted gross income over $10,000. Despite the decrease in the number of returns examined, the amount of additional tax and penalties recommended rose significantly.

The following table compares the number of returns examined during the last two fiscal years:

Type of return	In thousands of returns	
	1963	1964
Income tax:		
Corporation	r 141	163
Individual and fiduciary	3,495	3,236
Exempt organizations	7	10
Total income tax	3,644	3,409
Estate and gift taxes	30	31
Excise and employment taxes	175	180
Grand total	3,849	3,620

r Revised. Formerly included exempt organizations.

The yield in additional tax and penalty recommendations as a result of the 3.6 million examinations was $2.55 billion, the largest amount ever achieved in a single year. An increase was realized in every tax area. Corporation examinations produced 27 percent more additional tax and penalties, and individual and fiduciary deficiencies rose 9 percent over the preceding year.

Mathematical verification.—Over 63.4 million of the 63.9 million individual income tax returns reported above under *Service center functions*, as processed in fiscal 1964, were mathematically verified. This increase of 5.9 million, or 10.3 percent, over fiscal 1963 was attributed to most of the same causes responsible for the increase in returns processed detailed in the above section. The number of errors disclosed rose by 6.1 percent to 2.6 million, 64.4 percent of which represent errors resulting in additional revenue, while the remainder represent errors resulting in decreased revenue.

The net yield to the Government was $92.9 million, compared with $78.7 million in fiscal 1963. This rise in net yield is attributed in addition to the reasons reported earlier for increases in returns processed and examined to an increase of more than $4, or 4.9 percent, in the average increase error, while the average decrease error remained almost constant.

National identity file.—With the establishment of the nationwide master file of individual income taxpayers proceeding according to a schedule of gradual extension on a regional basis to best assure its success, an interim computer procedure has been installed to identify filers of more than one individual income tax return for the same tax period. The magnetic tape files are computer-searched to identify multiple filers and all cases of duplication are extracted for followup by the appropriate enforcement personnel. This eliminates the time-consuming procedure under which district office index files are manually searched to identify multiple refund cases.

The majority of the duplicates resulting from the search of returns for the tax year 1962 did not represent duplicate filing but involved incorrect identification by the taxpayer. Followup on the selected potential yield cases resulted in a total of over $2 million in additional assessments and refunds canceled. Aside from the additional revenue yield, the national identity file will be of substantial assistance in the reduction of processing costs through the purification of taxpayer accounts.

Delinquent returns and delinquency investigations.—During fiscal 1964 the Service secured 1.1 million delinquent returns representing $275.5 million in unreported tax, interest, and penalties. Approximately 66,000 of these returns, representing $57.6 million, were secured by district audit divisions incidental to the examination of returns. The remainder of more than 1.0 million delinquent returns, representing $217.9 million was secured through the established delinquent returns program. This was an increase of 4.0 percent, or 39,000 delinquent returns, and $31.3 million, or 16.8 percent, over 1963. More manpower was utilized in the program in 1964 which is one of the major means by which the Service strives to ensure that all taxpaying entities satisfy the filing and payment requirements under the internal revenue laws.

In addition, 1.77 million delinquency investigations were conducted, an increase of 3.4 percent over the record of 1.7 million in 1963. These delinquency investigations result primarily from a check of records of previously filed returns and constitute one of the major methods of detecting nonfilers.

A nationwide compliance survey in selected geographical areas of special tax stamp requirements for coin-operated amusement and gaming devices was completed during 1964 in coordination with the Department of Justice drive on organized crime. The survey resulted in $511,500 in tax and penalties on 9,095 unreported devices.

Summary of additional tax from direct enforcement.—A detailed comparison of additional tax from direct enforcement during the last two fiscal years is shown in the following table:

Sources	In thousands of dollars	
	1963	1964
Additional tax, interest, and penalties resulting from examination	1,859,975	2,062,008
Increases in individual income tax resulting from mathematical verification	148,113	165,501
National Identity File		2,260
Tax, interest, and penalties on delinquent returns	235,267	275,480
Total additional tax, interest, and penalties	2,243,356	2,505,249
Claims disallowed	1,080,794	445,556

Tax fraud investigations, indictments, and convictions.—During fiscal year 1964 a significant increase in full-scale investigation completions and prosecution recommendations was coupled with a decline in the number of preliminary investigations completed. Full-scale investigations totaled 3,797. Prosecution was recommended in 2,392 cases, an increase of 184 cases, or 8.3 percent, from 1963. Preliminary investigations declined from 10,873 to 9,846. This reduction resulted from closer evaluation of allegations of fraud. The streamlining of training programs and the greater use of technical investigative aids increased the effectiveness of special agents, resulting in the completion of more full-scale investigations with prosecution recommendations.

Indictments were returned against 1,577 defendants. In cases reaching the courts, 1,314 pleaded guilty or *nolo contendere*, 224 were convicted, 81 acquitted, and 188 cases dismissed. These compare with 1,117 pleas of guilty or *nolo contendere*, 176 convictions, 73 acquittals, and 230 dismissals in the preceding year. There were 1,538 convictions in fiscal 1964, while the average for the last ten fiscal years (excluding those for alcohol, tobacco, and firearms tax violations) was 1,251.

The Service continued to participate in the Department of Justice drive on organized crime through the investigation of the tax affairs of major racketeers and by conducting nationally coordinated and independent raids on wagering tax law violator establishments. Raids were made in 284 cities, and resulted in the arrest of 988 persons, the seizure of 193 automobiles, $665,000 in currency, and considerable gambling equipment.

Alcohol and tobacco tax and firearms administration.—The attack on the illicit liquor traffic initiated in 1958, applied through concentration on the apprehension of major violators, disruption of the flow

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of raw materials necessary for the production of illicit spirits, and the arrest of violators at the time of distillery seizures, has proven to be a sound enforcement approach and was continued in fiscal 1964. Syndicate operations in the New York and Mid-Atlantic Regions involving large continuous process stills have been virtually eliminated. In fiscal 1964, violators were identified and listed as defendants in 87.1 percent of the 6,646 cases made for violation of the liquor laws. A total of 416 major violators were convicted, with lengthy prison sentences imposed in most cases.

Violations in 14 Southern States accounted for 91.3 percent of the distilleries seized, 95.5 percent of the mash seized, 79.8 percent of the vehicles seized, and 85.0 percent of the arrests during 1964. Seizures of mash and nontaxpaid distilled spirits were about the same as last year while the number of distilleries seized increased 8.4 percent. The number of arrests was down 3.6 percent and vehicles seized declined 5.5 percent from the previous year. Principal data on seizures are shown in the following table:

Fiscal year	Number of stills seized	Gallons of mash seized	Number of arrests made [1]
1955	12,509	7,375,300	10,545
1956	14,499	8,643,200	11,380
1957	11,820	6,756,600	11,513
1958	9,272	5,140,800	11,631
1959	9,225	4,655,600	10,912
1960	8,290	4,274,400	10,376
1961	6,826	3,669,500	9,503
1962	6,886	3,424,500	9,126
1963	6,213	3,092,600	8,507
1964	6,837	3,123,800	8,198

[1] Includes arrests for firearms violations and tobacco tax violations, which numbered 300 and 1, respectively, during 1964.

In the supervision of distilled spirits plants the Service continued to place emphasis on attaining more effective manpower utilization. A long-range plan was prepared in which a staffing goal of 421 positions was proposed for inspectors (on-premises) which compares with an on-rolls figure of 484 on July 1, 1963. With a decrease of five in the number of plants requiring supervision during the year the plan was based on a continuing program of analysis and modernization.

During fiscal 1964 a total of 31,538 on-site inspections of plants and permittees was completed, an increase due largely to the phasing of advanced inspector trainees into an independent productive capacity. Efforts to strengthen self-assessment and to facilitate the measurement of taxpayer compliance were continued through the audit approach to on-site inspection. Procedures under this approach make greater use of modern audit methods and techniques and substitute a system of spot checks and selective sampling for routine inspection accounting. These procedures also require evaluation of the records system established by plant proprietors in order that full advantage may be taken of such internal controls.

Concern on the part of the public over firearms, their use in crimes, and their control culminated in the decisions of United States Attorneys to take a closer look at violations of the Federal and National

Firearms Acts in terms of prosecutive action. This has resulted in an increase in firearms investigations throughout the nation.

Collection of past-due accounts.—Almost 3.1 million accounts became past due in fiscal 1964, 6.5 percent more than in 1963. A large part of this increase was due to increased activity at the service centers (where past-due accounts are established) in June 1964, compared with June 1963. However, the amount of delinquent tax involved, $1,463 million, was $12 million less than last year.

In fiscal 1964 special efforts were made to reduce the inventory. Despite the large number of new accounts issued in June, which offset much of the inroads made in inventory levels through the first 11 months, the 1964 inventory totaled 956,000 accounts, an actual reduction of 1.2 percent from fiscal 1963. Moreover, this represents the second lowest June inventory since 1954. The amount of delinquent taxes involved in accounts pending at the close of fiscal 1964 was $1,098 million, $57 million over the preceding year.

The Service continued to emphasize and expand the trust fund tax collection program under which immediate contacts are made to collect withholding and similar trust fund taxes from employers and excise taxpayers who have failed to pay the tax when due. A total of 114,000 trust fund accounts, 27,000 more than in 1963, was collected while still in notice status, before past-due accounts were established. In addition, over 10,000 dishonored checks, submitted in payment of trust fund taxes, amounting to $8 million, were collected.

Appeals and civil litigation.—District audit divisions referred 21,494 prestatutory notice income, estate, and gift tax cases to regional appellate divisions at the request of taxpayers, a 20.9 percent increase over those referred in fiscal 1963. The appellate divisions disposed of 18,794 prestatutory and poststatutory notice cases during 1964, while on June 30, 1964, the inventory of these cases in appellate divisions was 16,921. Petitions filed with the Tax Court of the United States numbered 5,614. The Supreme Court decided seven tax cases, sustaining the Government's position in five and rejecting it in two. The circuit courts of appeals decided 520 cases (exclusive of collection litigation and alcohol and tobacco tax matters). The Government won 344 of these cases, lost 139, and the remaining 37 cases were decided partly for the Government and partly for the taxpayer.

Many taxpayers choose to contest their liabilities by suing for refund in the U.S. district courts or the Court of Claims rather than the Tax Court. The district courts decided 227 cases for the Government, 180 for the taxpayer, and 45 partly for each in fiscal 1964. The Court of Claims decided 14 cases for the Government, 15 for the taxpayer, and rendered 7 split decisions.

International activities

The Internal Revenue Service performs three broad but distinct functions abroad: Furnishing technical assistance to other countries in the process of strengthening and modernizing their tax administration; participating in the negotiation of tax conventions with foreign governments and preparing regulations under these pacts; and administering Federal tax laws affecting mainly U.S. citizens and businesses abroad.

Foreign tax assistance program.—Responsibility for this program is vested in the Foreign Tax Assistance Staff, which was activated during fiscal year 1963 and enlarged in fiscal 1964 to meet requests from an increasing number of countries. To ensure effective coordination both within the Service and among other agencies and organizations such as the Agency for International Development, the Department of State, and the Alliance for Progress, the Staff operates as an integral part of the Commissioner's office.

Overseas assistance usually covers the full range of tax administration. The Service representatives assigned abroad under this program function in an advisory capacity to the tax officials of the host countries. In this manner the tax administration experience and knowhow, not only of the United States but of other countries as well, are made available to the participating countries on an organized and systematic basis.

The Service received more than 150 foreign officials from 41 countries, most of whom received specialized training for periods ranging from a few days to several months. These visits are coordinated with the Internal Revenue Service tax assistance teams in the visiting officials' country to promote maximum application of the concepts of tax administration acquired in this country.

Tax conventions.—Discussions took place in Washington with representatives of one country and abroad with six countries in an effort to conclude four new income tax conventions and three tax conventions supplementing those already in existence. The texts of such agreements were in various stages of development at the close of the fiscal year.

Supplementary protocols to tax conventions with the Swedish, Dutch, and Greek governments were signed during the fiscal year.

The Senate Foreign Relations Committee opened hearings on May 27, 1964, on an income tax convention with the Grand Duchy of Luxembourg, two supplementary protocols to the income tax convention with Japan, the supplementary protocol to the Swedish income tax convention, and the protocol supplementing the income tax convention with the Netherlands as it relates to the Netherlands Antilles.

On June 8, 1964, the President withdrew from Senate consideration the income tax conventions with India, Israel, and the United Arab Republic.

International operations.—Through the Office of International Operations, which administers Federal tax laws outside the United States, the Service conducted a taxpayer compliance and education program abroad during fiscal 1964. Twenty-three agents traveled in excess of 120,000 miles to visit 100 cities in more than 50 countries, where they prepared returns for 4,958 U.S. taxpayers reporting a total tax liability of $1.8 million. A total of 15,052 persons were assisted. Agents also conducted 14 schools attended by 613 military tax instructors, who assist Armed Forces personnel abroad.

Service officials consulted with foreign authorities on the disposition of seven cases involving double taxation. Also, the Director of International Operations, with other personnel of the National Office, met with Canadian tax officials to assure continuing mutually satisfactory arrangements for the exchange of information between the two countries.

Under the provisions of section 6046(a) of the Internal Revenue Code of 1954, as amended by the Revenue Act of 1962, U.S. citizens who were officers or directors of foreign corporations in which U.S. shareholders held 5 percent or more interest, and each U.S. shareholder, were required to file an information return as of January 1, 1963. Approximately 24,500 of these returns were received during fiscal 1964. They provided data concerning the extent of U.S. interest with respect to unrepatriated earnings of foreign companies and other financial data. When these data are tabulated, the Service will have for the first time, an inventory of U.S. shareholders with 5 percent or more interest in a foreign corporation together with an inventory of foreign corporations in which they have an interest.

Planning activities

The IRS planning activities, their objectives, capabilities, and annual updating procedures, are discussed in detail in the 1963 annual report, pages 140–2.

Short-range operational planning.—Since the long-range goals can be attained only over a period of several years, an important aspect of the Service's planning activity is to define with maximum precision that portion of the plan which can be achieved in the next budget year and to estimate the funds necessary to support these activities. Revisions to short-range guidelines and priorities are made after appropriation of funds so that the final work plans conform with available resources.

Detailed work-planning and control systems are used for analyzing and appraising workload and determining short-range manpower requirements in the Service's accounting, returns processing, delinquent accounts, and delinquent returns activities. These systems provide for identification and evaluation of operational steps, assignment of appropriate priorities to the various work phases, and the allocation of manpower in accordance with the predetermined priorities.

The allocation of resources to carry out approved work plans is reflected in the financial plan where annual appropriations are allotted for the Service's various offices and activities. The financial plan provides National and regional program managers with a "blueprint" as to the kinds and amounts of work they are expected to complete and the manpower and resources that will be given them to do it. This is the final step in the Service's budget cycle and represents the culmination of planning which begins with the long-range plan and preparation of annual budget request. The financial plan is subject to modification throughout the year as needs arise and to the extent that compensating or supplementary resource changes are possible.

Long-range planning.—The importance of the growth factor in determining long-term Service needs is demonstrated by the constantly increasing volume of tax returns filed. Between 1930 and 1939 the tax returns workload tripled, from 6 to 18 million. By 1960 the number had increased to 94 million, more than 5 times the 1939 total. Approximately 98 million were filed during the 1963 calendar year. On the basis of projections recently prepared by the Statistics

Division the volume of returns filed will reach 112 million in 1970 and will exceed 120 million by 1975.

The taxpayer compliance measurement program (TCMP), initiated in fiscal 1963, is now in process. The delinquent accounts phase was installed on a nationwide basis on January 1, 1963; a revised continuation of this phase was installed on January 1, 1964. The delinquent returns phase, an initial nonfarm-business survey, conducted only in the Southeast Region, was installed and completed during May 6–August 31, 1963. A limited test survey of "farm business" on which field work in six regions will be done will begin in September 1964. It is planned to extend delinquent returns surveys to other regions, as returns processing is undertaken under ADP. The returns filed phase was inaugurated on January 1, 1964, and provides for the analysis of a nationwide sample of 100,000, 1963 individual income tax returns filed in 1964.

Organizational planning.—The Service conducts continuing studies and projects to increase the effectiveness, productivity, and economy of the various organizational elements. In the last year, these included:

(1) A series of tests at selected locations of the need for providing additional clerical assistance to technical personnel, and of the relationship of the additional costs of such clerks to the productivity of such offices.

(2) The requirements of various divisions of the National Office were examined in terms of the most effective organization to be established in the IRS Data Center, to be built in Detroit.

Systems development.—Several projects to modernize tax administration through systems development and improvement were completed or made marked headway during fiscal 1964. Some of these projects involved the improvement of the Service's Master File ADP system. Investigations of optical character recognition equipment and magnetic tape reporting, as devices for reducing input costs, were accelerated. A project to improve the efficiency of output printing operations was completed with the installation and operation of a microfilm printer at the National Computer Center. A pilot project was developed to determine the feasibility of transmitting data between the service centers and the National Computer Center through the General Services Administration Federal Telecommunications System (voice network).

The development of a plan defining objectives and blocking out project areas as a basis for proceeding with the establishment of a Service-wide information storage and retrieval system was also undertaken. Some segments of the system relating to the reporting of legal issues have already been installed. Another 1964 project concerned plans to establish a master file of exempt organizations to enable the Service to improve IRS administration in this area and to have information more readily available for other parts of the Treasury Department and the Congress.

Current research program.—Research activities in fiscal 1964 continued on a broad front with analysis of administrative means to implement the provisions of the Revenue Act of 1964 accounting for much of the research output. Of the studies to facilitate the administration of the Revenue Act of 1964, the more significant were:

Changes in individual deductions, especially the impact of the new minimum standard deductions; optional tax tables; withholding tax tables; and the timing of the reduced rate of withholding under the act.

To provide information for meeting operating and compliance problems, surveys were made of: Taxpayer compliance in reporting capital gains on selected real estate transactions; the manner and extent to which taxpayer identification numbers were reported on information returns by taxpayers for the calendar year 1963; and taxpayer compliance in reporting interest income from redeemed Series E bonds. Work continued on two ways of more effectively using information documents. First, the initial phase of an experimental program begun last year to furnish a comprehensive system of compliance followup on apparent discrepancies resulting from computer comparisons of income shown on information documents with that reported on tax returns was completed. Second, plans were developed for the improvement of information documents to permit their more effective utilization by the automatic data processing system and by reporting entities.

Inspection activities

Internal audit.—An independent review and appraisal of all Service operations is conducted through the internal audit program. This is a protective and constructive service to the Commissioner and all other levels of management. The program covers all organizations and activities of the Service and includes a determination as to whether policies, procedures, and controls at all levels of management adequately protect the revenue and are being carried out efficiently and effectively. Emphasis is placed on the examination of those organizational segments which are most closely connected with the collection of taxes and the enforcement of the tax laws. The continuing goal is to bring into proper focus those conditions that require corrective action, as well as those activities that have been conducted efficiently.

Internal security.—Successful administration of the voluntary self-assessment system of taxation depends to a large extent on the integrity and good faith of the American people, which in turn is based on their confidence in the integrity and impartiality of the officers and employees of the Service. To aid management in maintaining this public confidence, the Internal Security Division provides management with timely, factual, objective information on any matter that represents a potential threat to the integrity standards of the Service.

Sixty-seven cases of actual or suspected attempts by taxpayers or their representatives to bribe employees of the Service to influence their actions in tax examinations, tax collections, or other tax matters pending before the Service occurred during the fiscal year. There were eight indictments of taxpayers or their representatives during the year for bribe attempts, and additional prosecutions are expected in a number of pending cases. This makes a total of 28 persons indicted for such bribe attempts during the past 3 years. To date 20 persons have been convicted.

Investigations completed during the fiscal year totaled 8,221. In addition, police checks were made on 5,075 employees considered for short-term temporary appointments.

Bureau of the Mint [1]

The major functions of the Bureau of the Mint are the manufacture, distribution, and redemption of domestic coins; the receipt, processing, custody, disbursement, and movement of gold and silver bullion; the manufacture of medals of a national character and special medals for other U.S. Government agencies; the manufacture of foreign coins; and other technical services.

The Director of the Mint, with offices in Washington, D.C., administers and supervises all activities of the Bureau. In fiscal 1964 six field institutions were in operation: The Philadelphia and Denver mints; the New York and San Francisco assay offices; the silver bullion depository in West Point, N.Y., which is an adjunct of the New York Assay Office; and the gold bullion depository in Fort Knox, Ky. Electrolytic refineries for refining precious metals are located in New York and Denver, and the latter also performs assays for the public. The engraving, the proof coin, and medal production divisions are in Philadelphia. Uncirculated coin sets are packaged in San Francisco.

Management improvement

In all areas of business an intensified demand for coins during the entire fiscal year 1964 continued to accompany the general economic advancement of the United States. The collective efforts of Mint management officials were directed accordingly to more immediate buildup of the domestic coinage program. The actions taken resulted in a new production record for the fourth successive year. The increase for the period 1959–64 was over 174 percent. The annual output for these years was as follows:

Fiscal year	Number of coins produced (in billions)	Percent increase over previous year	Fiscal year	Number of coins produced (in billions)	Percent increase over previous year
1959	1.6		1962	3.5	13.1
1960	2.6	63.4	1963	3.6	4.8
1961	3.1	19.2	1964	4.3	18.7

The maximum use of existing manufacturing facilities and available funds was effected in fiscal 1964 by innovations with respect to minor coinage metals, improvements in plant and equipment, and multiple shifts of personnel working 24 hours a day, six and seven days a week.

Coinage metals.—Large quantities of copper and nickel were purchased from the U.S. Government stockpile of metals through the General Services Administration. In September 1963, the Mint adopted the policy of purchasing from private industry rolled nickel strip, ready for blanking, for use in the 5-cent cupronickel coinage. This procedure permitted all of the rolling and melting capacity of the

[1] Additional information is contained in the separate *Annual Report of the Director of the Mint.*

two mints to be utilized in the production of the bronze cents and the silver denominations. One-cent coinage at Philadelphia was further implemented by the purchase of zinc in weight-controlled slabs, cast in a size appropriate for adding directly to a bronze melt, thus eliminating the shearing of the zinc. Later in the year contracts for bronze strip were awarded to private industry. This, in turn, eliminated melting and rolling of the bronze alloy in the two mints, a measure of particular significance because the 1-cent is the denomination required in greatest volume for circulation.

Plant and equipment.—At the Philadelphia Mint, a large vault was converted into greatly needed storage space for coin blanks, and the proof coin blank annealing and burnishing area was remodeled. Also, die production facilities were improved. An automatic cone machine acquired for use in the production of coinage die blanks requires a minimum of attention from the operator who is freed to perform other duties in the area. The production of die blanks was thereby increased by 333 percent. A new slab-coil annealing furnace was also installed and placed in operation.

Construction of a basement and one-story addition to the Denver Mint was begun in fiscal 1964. The extension will provide more space for annealing and cleaning equipment; rolling capacity; storage of coinage ingots; receiving copper in palletized form, eliminating hazardous makeup operations; and increased storage space for raw materials.

In Denver's melting and refining division two additional electrical furnaces were converted from 125 to 175 kilowatts, similar modifications to other furnaces previously having proven economical.

Improvements from new installations in the New York Assay Office included: An incinerator in the refinery for processing silver; a ventilating system for the fifth floor laboratory; and an acid fume removal system in the assay division. Working conditions were not only improved, but many health hazards were eliminated.

Other actions.—During a peak workload period at the Philadelphia Mint, additional employees were obtained on a reimbursable basis from the Internal Revenue Service. The form used in processing proof coin orders was revised and designed to replace the envelope then used, with savings in postage and the cost of envelopes and labor. Close liaison was maintained with the Post Office Department at both Philadelphia and San Francisco in order to assure efficiency in the mailing of proof coins and uncirculated coins. The latter are packaged into sets at the San Francisco plant. The Philadelphia Mint cooperated closely with the Treasury's Division of Disbursement to determine the most effective way of handling refunds for proof coin orders which could not be filled in their entirety. Over 15,000 punched cards were furnished the disbursing office for this purpose. The transportation and communications service of the General Services Administration has been very helpful in arranging for shipments of coins, blanks, and bullion. Surplus property acquired at Philadelphia and Denver was valued at approximately $50,000.

Under the Bureau of the Mint's records management program, records were disposed of or transferred to Federal records centers according to previously established schedules. Safety, always an extremely important program in the Mint institutions because of manufacturing and other types of operations, received regular and special attention at every level of the organization by all available means.

Legislation.—Legislation approved August 20, 1963 (31 U.S.C. 291) provided the Bureau of the Mint with the much-needed authorization to construct and equip buildings for required Mint operations. Plans for the initial construction project, a new Mint building in Philadelphia, progressed during the fiscal year. The city of Philadelphia, upon the formal request of the Treasury Department, set aside a tract of land for this purpose. Preparations were made to clear the 5.3 acre site which is located in the Independence Mall urban renewal area.

Domestic coinage

During fiscal 1964 the Philadelphia and Denver mints produced 4.3 billion U.S. coins, the greatest number coined in any year. The unprecedented rate of coinage is 2.7 times as large as the 1.6 billion annual production five years ago, and represents an increase of 19 percent over the previous record of 3.6 billion pieces in fiscal 1963. Finished coins were shipped from the mints as rapidly as possible in order to relieve the nationwide coin shortage which became progressively more acute.

Before the end of fiscal 1964, plans were developed to double the rate of coin production by the end of fiscal 1965. These plans were based on the purchase of both bronze and nickel strip from private industry, converting the San Francisco Assay Office to accommodate facilities for the blanking, annealing, and cleaning of planchets, acquiring presses from the Department of Defense, purchasing of new presses, and converting proof coin operations to the production of coins for circulation.

Production of U.S. coins, fiscal 1964

Denomination	Number [1]	Face value	Standard gross weight	Distribution (based on pieces)	Metallic composition
	In millions		Short tons	Percent	
1-cent pieces	2,678.3	$26.8	9,182	62	95% copper, 5% zinc.
5-cent pieces	629.7	31.5	3,471	15	75% copper, 25% nickel.
Dimes	614.6	61.5	1,694	14	900 parts silver, 100 parts copper.
Quarter dollars	254.9	63.7	1,756	6	Do.
Half dollars	147.6	73.8	2,033	3	Do.
Total	4,325.0	257.2	[2] 18,136	100	

[1] Includes 3,536,230 sets of proof coins manufactured at Philadelphia. A set consists of one coin of each denomination currently minted.
[2] Consists of 4,935 tons of silver, 11,874 tons of copper, 868 tons of nickel, and 459 tons of zinc.

Foreign coinage

The Philadelphia Mint manufactured coins for two foreign governments during fiscal 1964, as shown in the following table.

Foreign coinage by the Philadelphia Mint, fiscal 1964

Government	Denomination	Number produced (in millions)	Metallic composition
Ethiopia [1]	10 cents	30	95% copper, 5% zinc.
Philippines [2]	5 centavos	50	80% copper, 20% zinc.
Total		80	

[1] Coined in October 1963.
[2] Coined in July and August 1963.

Issue and stock of coins

The mints issue coins for general circulation through the facilities of the 12 Federal Reserve banks and their 24 branches and the Office of the Treasurer of the United States in Washington, D.C. These 37 facilities deliver the coins to commercial banks which place them in actual circulation. Proof coins and uncirculated coins are packaged in sets and sold directly to the public by the mint offices. All of the subsidiary silver and minor coins produced in fiscal 1964 were issued during the year, as were 18.3 million standard silver dollars from earlier mintings.

Denomination	Issue of U.S. coins			
	Number [1]	Face value	Standard gross weight	Distribution (based on pieces)
	In millions		Short tons	Percent
1-cent pieces	2,678.3	$26.8	9,182	62
5-cent pieces	629.7	31.5	3,471	15
Dimes	614.6	61.5	1,694	14
Quarter dollars	254.9	63.7	1,756	6
Half dollars	147.6	73.8	2,033	3
Silver dollars	18.3	18.3	540	(*)
Total	4,343.3	275.6	18,676	100

* Less than one-half of 1 percent.
[1] Includes 3,534,173 sets of proof coins sold by the mint.

The total stock of domestic coins in the United States, both within and outside the Treasury, estimated monthly by the Office of the Director of the Mint, is divided into three classes: Minor coins (1 and 5 cent pieces); subsidiary silver (dimes, quarter dollars, and half dollars); and standard silver dollars. The stock at the close of the fiscal years 1963 and 1964 is compared below.

Stock of U.S. coins	Face value (in millions)		
	June 30, 1963	June 30, 1964	Increase, or decrease (−)
Minor coins	$681.8	$737.7	$55.9
Subsidiary silver coins	1,824.9	1,999.5	174.6
Silver dollars	486.0	484.7	−1.3
Total	2,992.7	3,221.9	229.2

Gold transactions

The Treasury's monetary reserve of gold bullion in custody of the mint institutions is located at the Philadelphia and Denver mints, the New York and San Francisco assay offices, and the Fort Knox Depository. The amount held at Fort Knox, 0.3 billion ounces valued at $11.5 billion, remained unchanged throughout fiscal 1964. Total gold holdings of the five institutions, the receipts, and issues for the year are summarized in the following table.

Gold holdings and transactions (excluding intermint transfers [1])	Quantity		Value at $35 per ounce
	Short tons	Fine ounces	
		In millions	
Holdings on June 30, 1963	15,073	439.6	$15,387.4
Receipts in fiscal year 1964:			
Newly mined domestic gold	24	.7	24.7
Scrap gold from domestic sources	16	.5	16.2
Foreign and other miscellaneous deposits	42	1.2	42.4
Total receipts	82	2.4	83.3
Issues in fiscal year 1964:			
Sales for domestic industrial, professional, and artistic use	115	3.3	117.1
Exchanges for scrap gold	2	.1	2.3
Exchanges for other than scrap gold	18	.5	18.3
Other monetary issues	196	5.7	200.1
Total issues	331	9.7	337.8
Holdings on June 30, 1964	14,824	432.4	15,132.9
Net decrease in holdings	249	7.3	254.5

[1] Intermint transfers amounted to 27,842 ounces (1 ton) valued at $974,460 in fiscal 1964.

Silver transactions

The mints and assay offices received approximately 5 million fine ounces of silver bullion in fiscal 1964. Deposits from domestic sources, including silver in newly mined gold deposits, and in various forms of scrap, amounted to more than 3 million ounces. Recoinage bullion resulting from melting uncurrent silver coins withdrawn from circulation provided 1.6 million ounces of silver. Other miscellaneous receipts, such as operative recoveries, sweeps, settlement surplus, etc. were 0.3 million ounces.

The Philadelphia and Denver mints processed 144 million ounces of silver into subsidiary coins from the following classes of silver:

Source of silver bullion for coinage	In millions of ounces
1. Made available from the retirement of silver certificates	126. 7
2. Bullion ordinary	15. 4
3. Newly mined domestic, act of July 31, 1946	. 4
4. Recoinage bullion from uncurrent U.S. silver coin melted	1. 5
Total	144. 0

Sales of Treasury silver from stocks of bullion ordinary amounted to 1.5 million ounces, and from silver at monetary value of $1.29+ per ounce, 6.6 million ounces. In addition, 2.9 million ounces in bars were issued in exchange for deposits of silver; and 48.1 million ounces in bars were issued in exchange for silver certificates. The latter transactions were made under authority of section 2 of the act of June 4, 1963 (31 U.S.C. 405a–1) which provides that the Secretary of the Treasury may exercise this option.

Silver in the West Point Depository amounted to 897.8 million ounces and 792.2 million ounces, respectively, at the beginning and close of the year. Transactions for the five institutions were as follows:

Silver bullion holdings and transactions (excluding intermint transfers)	Quantity [1]	
	Fine ounces (in millions)	Short tons
Holdings on June 30, 1963	1, 576. 8	54, 063. 5
Receipts in fiscal year 1964:		
Newly mined domestic silver	(*)	. 6
Recoinage bullion from uncurrent U.S. silver coins	1. 6	55. 3
Deposits in exchange for fine bars	2. 9	100. 9
Other miscellaneous receipts	. 3	11. 6
Total receipts	4. 9	168. 5
Issues in fiscal year 1964:		
Manufactured into U.S. subsidiary silver coins	144. 0	4, 936. 4
Sales for domestic industrial use	8. 1	277. 5
Bars issued in exchange for silver deposits	2. 9	100. 9
Bars issued in exchange for silver certificates [2]	48. 1	1, 650. 6
Other miscellaneous issues	. 1	3. 2
Total issues	203. 3	6, 968. 7
Holdings on June 30, 1964	1, 378. 5	47, 263 3

* Less than 50,000 ounces.

[1] Does not include 64.7 million fine ounces (2,220 tons) of Treasury silver held by other agencies of the U.S. Government.

[2] Issued pursuant to Instructions of Secretary of the Treasury, July 22, 1963, as provided under section 2 of the act of June 4, 1963 (31 U.S.C. 405a–1).

Revenue deposited into the general fund of the Treasury

The Bureau of the Mint deposited $70.8 million into the general fund of the Treasury in fiscal 1964, exceeding the previous year's revenue by more than $23 million. Ninety-seven percent of the total represented seigniorage derived from the manufacture of coins. Seigniorage on the 3.3 billion minor coins and 1.0 billion subsidiary silver coins amounted to $68.7 million, a 53 percent increase over

1963. Other revenue, including handling charges on gold bullion and other bullion charges; the sale of medals, proof and uncirculated coin sets; and miscellaneous items totaled over $2 million. The latter included $2,024.78 in increment resulting from reduction in the weight of the gold dollar and $47.05 in seigniorage from the revaluation of 121.30 fine ounces of silver previously received under the act of July 31, 1946. A comparison of deposits during fiscal 1963 and 1964 is shown, as follows.

Revenue deposited into the general fund of the Treasury	In millions	
	1963	1964
Seigniorage on subsidiary silver coinage	$6.8	$21.0
Seigniorage on minor coinage	38.1	47.8
	44.9	68.7
All other	2.8	2.1
Total	47.7	70.8

Monetary assets and liabilities

Monetary assets and liabilities of the mint institutions on June 30, 1963, and June 30, 1964, are compared in the following statement.

Item	In millions	
	June 30, 1963	June 30, 1964
Assets		
Gold bullion	$15,387.4	$15,132.9
Silver bullion	2,021.5	1,774.8
Silver coin	20.4	2.7
Minor coin	.2	.2
Minor coinage metal, etc.	.9	.7
Total assets	17,430.3	16,911.4
Liabilities		
Bullion fund	17,429.4	16,910.5
Minor coinage metal fund	.4	(*)
Pther miscellaneous	.6	.9
Total liabilities	17,430.3	16,911.4

* Less than $50,000.

Gold and silver production and consumption in the United States

Statistics on the domestic refinery production and industrial consumption of gold and silver are compiled on a calendar year basis by the Office of the Director of the Mint.

Production data are based on the deposits of newly mined material received by U.S. mints and assay offices and privately owned refineries. The deposits are traced back through the various refining processes to determine the States where the ores were mined. In 1963, the major gold producing State was South Dakota which accounted for 39 percent of the total output; Utah ranked second, followed by Arizona, Nevada, and Alaska. The major silver producing State was Idaho, accounting for 47 percent of the total. Following next in order were Arizona, Utah, Montana, and Colorado. Total production for the calendar years 1962 and 1963 is compared as follows:

Calendar year	U.S. gold production (16 States)		U.S. silver production (23 States)	
	Fine ounces	Value at $35 per ounce	Fine ounces	Value[1]
	In millions			
1962	1.6	$54.5	36.3	$39.5
1963	1.5	51.4	35.0	44.8

[1] The annual average market price of silver per fine ounce was $1.0863 in 1962 and $1.2804 in 1963.

Consumption data represent the net amount of gold and silver issued for industrial, professional, and artistic use by mint institutions, private refiners, and dealers. Net issues are obtained by deducting from gross issues, the amount of gold and silver contained in secondary material (scrap) received by the same concerns during the year. Data for 1962 and 1963, as described above, are summarized in the following table:

Item	U.S. gold consumption		U.S. silver consumption[1]	
	1962	1963	1962	1963
	Fine ounces in millions			
Total issues of bullion in various forms	4.5	4.3	180.8	204.5
Returns of secondary materials (scrap)	.9	1.3	70.4	94.5
Net issues[2]	3.6	2.9	110.4	110.0

[1] Does not include silver used in coinage.
[2] The equivalent of domestic industrial consumption.

Bureau of Narcotics[1]

The Bureau of Narcotics administers the Federal laws controlling narcotic drugs and marihuana and carries out the responsibilities of the Government under the international conventions and protocols relating to these drugs.

Bureau responsibility for regulating the legitimate supplies of narcotic drugs for medical and scientific purposes involves supervision of U.S. imports and exports of these drugs, and control of the manufacture and domestic trade in them to prevent diversion into illicit channels. Enforcement duties include apprehension of interstate and international violators of narcotic laws and cooperation with State and local law enforcement agencies. On request of foreign police authorities, Bureau agents assist in mutually beneficial investigations of international narcotic traffickers. The recently expanded program in cooperation with foreign countries has greatly curtailed smuggling of narcotic drugs into the United States.

[1] For further information see the separate Bureau of Narcotics report, *Traffic in Opium and Other Dangerous Drugs for the Year Ended December 31, 1963.*

Management improvement

Information obtained from the Bureau of Narcotics field offices established in Bangkok, Thailand, and Mexico City, Mexico, in fiscal 1963 indicated the need for additional field offices. Accordingly, an office was established in Singapore in September 1963 and another in Hong Kong in December 1963.

A complete and detailed manual of instructions for conducting field security investigations was prepared. This manual is estimated to have accomplished a saving of $4,000, or half of 1 man-year in 1964.

Control of manufacture and medical distribution

The Bureau issues permits for imports of the crude materials, for exports of finished drugs, and for the intransit movement of narcotic drugs and preparations passing through the United States from one foreign country to another. It supervises the manufacture and distribution of narcotic medicines within the United States and has authority to license the growing of opium poppies to meet the medicinal needs of the country if and when their production might become necessary in the public interest.

The operational authority of the Bureau is largely derived from the Narcotics Manufacturing Act of 1960 (21 U.S.C. 501–517; 26 U.S.C. 4702, 4731). For details concerning the Bureau's operations under this legislation, see the 1963 annual report, page 155.

During fiscal 1964, 67,111 kilograms of raw opium were imported from India and 415,857 kilograms of coca leaves were imported from Bolivia and Peru to meet medical requirements for opium derivatives and cocaine and to supply nonnarcotic coca flavoring extracts. The latter were obtained as a byproduct from the same leaves from which the cocaine was simultaneously extracted.

The quantity of narcotic drugs exported during 1964 increased to 836 kilograms 94 grams from 472 kilograms 594 grams exported during the previous year.

There were 1,580 thefts of narcotics, amounting to 74,348 grams, reported during 1964 from persons authorized to handle the drugs, compared with 1,608 thefts amounting to 71,260 grams in 1963.

Practically all of the approximately 359,195 persons registered to engage in lawful narcotic and marihuana activities were employed in the manufacture, wholesale or retail distribution, or dispensing or prescribing of narcotic drugs for legitimate medical uses.

Enforcement activities

Some noteworthy results of the accelerated Bureau enforcement program abroad are indicated by several seizures of large quantities of narcotic drugs by foreign police authorities, assisted by Bureau of Narcotics agents: In Mexico City, Mexico, 20 kilograms of pure heroin, the largest single seizure of heroin in that country; 112 kilograms of morphine base at Marseille, France, concealed among 15,000 sheep pelts shipped from Turkey; more than a half ton of opium and the arrest of two flagrant narcotic traffickers near Afyon, Turkey; 718 kilograms of prepared opium concealed in 1,032 cans of pineapple ready for shipment from Bangkok, Thailand, to Hong Kong, and the arrest of the owner of a newly formed pineapple packing company; more than 2 kilograms of cocaine seized in Guayaquil, Ecuador, and

2 kilograms of cocaine seized in Mexico City, Mexico; 60 kilograms of heroin seized at Montreal, Canada, in addition to nearly 1 kilogram of heroin seized at New York City from the same group, which included a Mexican ambassador and a Uruguayan ambassador-designate, who were arrested and convicted on charges of conspiracy to smuggle the heroin from France to the United States via Canada. This investigation, linked to the Rosal-Tarditti case of 1960, was a coordinated attack by the French Surete Nationale, the Royal Canadian Mounted Police, and Bureau of Narcotics agents in Europe, Mexico, and the United States.

During fiscal 1964 the Bureau seized a total of 48,676 grams of narcotics, principally heroin, in the illicit traffic, while seizures of marihuana amounted to 10,311,492 grams bulk.

The number of violaters of the narcotic laws reported by Federal narcotic enforcement officers is shown in the accompanying table.

Number of violators of the narcotic and marihuana laws prosecuted during the fiscal year 1964 with their dispositions and penalties

	Narcotic laws								Marihuana laws			
	Registered persons				Nonregistered persons				Nonregistered persons			
	Federal court		State court		Federal court		State court		Federal court		State court	
Convicted	6		------		717		329		87		105	
Acquitted	------		------		43		15		6		8	
Total [1]	6				1,104				206			
	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.
Sentences imposed	25	4	------	------	3,987	7	1,325	4	380	4	371	3
Fines imposed	$750		------		$96,640		$19,525		$9,515		$5,400	
	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.	Yrs.	Mos.
Average sentence per conviction												
1964	4	2	------	------	5	6	4	------	4	3	3	6
1963	------	------	3	------	6	------	4	8	4	4	5	------
Average fine per conviction												
1964	$125		------		$135		$59		$109		$51	
1963	------		$250		166		91		5		206	

[1] Some cases tried in Federal courts and some cases tried in State courts are made by Federal and State officers working in cooperation.

International control and cooperation

Opium, coca leaves, marihuana, and their more important derivatives have been internationally controlled by the terms of the Opium Conventions of 1912, 1925, and 1931. Under Article II of the 1931 Convention and the international Protocol of November 19, 1948, 12 secondary derivatives of opium and 59 synthetic drugs have been found by the World Health Organization to have addicting qualities similar to morphine or cocaine and have been brought under the controls provided by the treaties. For further details concerning international control and cooperation, see the 1963 annual report, page 156.

The International Opium Protocol of 1953 limits world production of opium to that quantity needed only to provide world requirements for medical and scientific purposes. As of June 30, 1964, this Protocol, which came into force March 8, 1963, had been ratified by 49 countries.

Cooperation with States, counties, and local authorities

Excellent cooperation among Federal, State, and local narcotic law enforcement agencies continued in free exchange of information and in coordinating the investigation and prosecution of steadily increasing numbers of minor violations and routine inspections by State and local authorities.

Drug addiction

As of June 30, 1964, the Bureau recorded 53,559 active addicts, compiled from reports by Federal, State, local, and private agencies.

The Advisory Commission on Narcotic and Drug Abuse presented its final report to the President during fiscal 1964. Recommendations of the Commission were under consideration by the Executive Branch of the U.S. Government at the end of fiscal 1964.

The Use of Narcotic Drugs in Medical Practice and the Medical Management of Narcotic Addicts, prepared jointly by the American Medical Association Council on Mental Health and the National Academy of Sciences—National Research Council Committee on Drug Addiction and Narcotics, further clarifying the joint statement on narcotic addiction in the United States issued by these two bodies in May 1962, was published in the *Journal of the American Medical Association,* September 21, 1963.

Training schools

The Bureau of Narcotics Training School was created primarily to provide special training in methods and techniques of narcotic law enforcement for State and local law enforcement officers. During the fiscal year 1964 the school held eight 2-week sessions and graduated 234 students: 150 State and local police officers; 8 inspectors of the Food and Drug Administration; 30 military investigative personnel; 9 foreign police officials; and 37 Bureau of Narcotics agents.

In November 1963 the Director participated in a seminar on narcotic problems in developing countries of Africa, sponsored by the United Nations, at Addis Ababa, Ethiopia.

The Bureau planned and organized on-the-job training programs for 23 police officials from 12 foreign countries. Short seminars and conferences were arranged for some 50 visiting officials. District supervisors discussed the training program at numerous meetings of State, local, and international law enforcement agencies.

A program of weekly refresher sessions is conducted in the districts. Each district supervisor plans these sessions to provide professional instruction and guidance in conducting narcotic investigations. The program includes discussions of current court decisions, policy directives, and improved techniques in narcotic investigations. U.S.

attorneys and others conversant with narcotic enforcement procedures participate as instructors. Programs are tailored to meet the needs of each district. The Bureau provides training materials, directives, publications, films, and other communications media for this program.

During the fiscal year 1964, 30 narcotic agents were trained at the Treasury Law Enforcement School.

The Technical Investigative Aids School provides 3 weeks of training in all types of scientific investigative aids applicable to all law enforcement agencies of the Treasury Department. Basic electricity and its extension into the field of electronics; the latest security systems; practice in use of equipment; and general training in principles and techniques of using investigative aids are included. Eight narcotic agents attended this school during the fiscal year 1964.

The Bureau conducted its third District Supervisors' conference in Washington on March 16-18, 1964, with 14 district supervisors, 3 inspectors, and 1 agent-in-charge in attendance. Guest speakers included the Superintendent of St. Elizabeths Hospital, who discussed the American Medical Association-National Research Council joint statement on use of narcotic drugs in medical practice and medical management of narcotic addicts; and the Assistant Chief, Research Method Evaluation, National Office Laboratory, Internal Revenue Service, who discussed neutron activation analysis.

United States Coast Guard

The U.S. Coast Guard is responsible for enforcing or assisting in the enforcement of Federal laws on the high seas and waters subject to the jurisdiction of the United States. These laws govern navigation, shipping and other maritime operations, and the related protection of life and property. The Service also coordinates and provides maritime search and rescue facilities for marine and air commerce and the Armed Forces. Other functions include promoting the safety of merchant vessels, furnishing ice breaking services, and developing, installing, maintaining, and operating aids to maritime navigation. The Coast Guard has a further responsibility for maintaining a state of readiness to function as a specialized service of the Navy in time of war or national emergency.

Management improvement

During the fiscal year, documented recurrent and one-time monetary savings estimated at $7,252,500 were realized through the management improvement efforts of Coast Guard personnel, including some $333,000 resulting from the military and civilian incentive awards programs. Not included in the above figure was a $4.5 million saving gained by the U.S. Navy from adoption of a Coast Guard management improvement, which substantially improved the performance of AN/ARC-38 radio equipment widely used by naval facilities. The major Coast Guard cost reduction during the fiscal year, estimated at $1,626,000, resulted from the closing of numerous shore stations and the conversion of light stations from manned to automatic operation.

Search and rescue

A long-range plan to develop more effective search and rescue techniques and equipment was underway at the close of fiscal 1964. One result of such a research program was the development of the air droppable pump, which has been responsible for saving many lives by keeping sinking vessels afloat.

The Atlantic Merchant Vessel Reporting System (AMVER) continued to coordinate the services of merchant ships in search and rescue cases, plotting the movements of some 1,000 vessels in the North Atlantic Ocean daily.

Some typical examples of Coast Guard assistance rendered during fiscal 1964 are summarized below.

Search for missing Air Force tankers.—On August 28, 1963, the Coast Guard Eastern Area Commander began an air search for two U.S. Air Force KC–135 tanker aircraft reported overdue at their destination, Homestead Air Force Base, Fla. The intensive search, carried out by as many as 25 Coast Guard, Air Force, and Navy planes, was continued through September 2. Wreckage located during the search indicated that there had been a midair collision with the loss of the 11 occupants of the 2 aircraft.

Ship collision.—A collision involving the freighter *Fernview* and the tanker *Dynafuel* in Buzzards Bay on November 14, 1963, brought an immediate response from Coast Guard air and surface rescue craft. The injured aboard the stricken vessels were removed by helicopters, while surface vessels extinguished fires. The evacuation of all aboard the disabled ships had been completed, before the *Dynafuel* capsized and sank.

Thirty rescued from ice floes.—A Coast Guard ice skiff rescued 25 persons from an ice floe which had broken loose from the shore near Camp Perry, Ohio, on February 24, 1964. Almost simultaneously a similar rescue took place at St. Clair Shores, Ohio, when five more were removed from an ice floe by a skiff and police helicopter.

AMVER assistance in medical case.—A message received by the Coast Guard's Ocean Station *Charlie* from the motor ship *Margarita* on April 22, 1964, reported the death of one crewmember and the illness of several others, with the same symptoms. The Atlantic Merchant Vessel Reporting System (AMVER) computer in New York City provided the names of vessels having doctors in the area of the *Margarita*. The SS *France* rendezvoused with the *Margarita* and placed a doctor aboard, who diagnosed the illness as typhoid.

Disabled fishing vessel located.—A search was undertaken by the Coast Guard Western Area Commander to locate the disabled fishing vessel *Miss Florida*, last sighted on August 15, 1963, southeast of Salina Cruz, Mexico. Coast Guard aircraft were permitted by the Mexican Government to use Acapulco as a base of operations and were assisted in the search by other Central American countries. The *Miss Florida* was located with merchant vessel assistance; a Coast Guard amphibian arranged a rendezvous of the lost vessel with the USS *Vancouver* which towed her into Acapulco.

A tabulation of search and rescue assistance for fiscal year 1964 follows. (A comparison with fiscal 1963 is not given because of a revision in reporting format.)

Operations	Response by: Aviation units	Ships	Shore units	Total
ASSISTANCE CALLS RESPONDED TO FOR:				
Private vessels	1,789	2,678	17,107	21,574
Commercial fishing vessels	522	1,393	2,600	4,515
Other commercial vessels	253	501	1,491	2,245
Government vessels	41	108	224	373
Vessel (type not identified)	113	92	425	630
Private aircraft	199	161	201	561
Commercial aircraft	59	20	30	109
Military aircraft	354	119	69	542
Other aircraft	9	4	7	20
Aircraft (type not identified)	18			18
Personnel only	1,101	436	1,757	3,294
Miscellaneous	221	231	980	1,432
Total	4,679	5,743	24,891	[1] 35,313
MAJOR TYPE OF ASSISTANCE RENDERED:				
Located	1,002	263	738	2,003
Refloated	25	177	2,192	2,394
Towed	256	2,462	13,435	16,153
Aircraft escorted	216			216
Fueled or repaired	18	104	153	275
Personnel rescued	145	63	325	533
Medical	675	305	1,108	2,088
Searches	960	615	1,678	3,253
Attempts to assist	1,034	1,039	3,490	5,563
Other assistance	920	1,061	3,773	5,754
Type of assistance not indicated	1,735	1,148	410	3,293
Total	6,986	7,237	27,302	41,525
ASSISTANCE CASES, PERSONS INVOLVED				
Lives saved				2,932
Medical assistance rendered				2,367
Otherwise assisted				79,484
Total assisted				84,783
PROPERTY INVOLVED INCLUDING CARGO (VALUE)				
Vessels				$863,520,000
Aircraft				757,844,400
Miscellaneous				517,899,700
Total				2,139,264,100

[1] Excludes 6,212 attempts.

Marine inspection and allied safety measures

During the fiscal year 1964, 4,656 marine casualties were reported, 6 of which were major and required marine boards of investigation. These inquiries revealed that 191 lives were lost from vessel casualties, 182 from personal accidents, and 255 deaths were from miscellaneous causes. (These figures exclude pleasure craft covered by the Federal Boating Act of 1958 (46 U.S.C. 527).)

Of the six casualties investigated by marine boards, four were caused by explosions. These mishaps, resulting in 25 fatalities, involved the tankships SS *Bunker Hill* in Puget Sound and SS *San Jacinto* off Cape Hatteras, the drill barge *C. P. Baker* in the Gulf of Mexico, and the unmanned railway barge *Palmer* at Alameda, Calif. Five other lives were lost as a result of the capsizing of a small passenger vessel, the *Two Georges*, at Boynton Beach, Fla. The sixth accident was the collision of the M/V *Dynafuel* and the M/V *Fernview*, described in an earlier part of this report.

Recreational boating.—Forty-five States now number undocumented vessels under procedures approved by the Coast Guard. On December 31, 1963, there were 3,483,754 boats numbered in the United States: 3,260,963 by State systems and the remainder by the Coast Guard. During 1963, 4,388 pleasure craft accidents were reported, leading to 1,104 deaths, 1,164 injuries, and property damage estimated at $4,797,000. Collisions with other vessels were the principal cause of accidents, most of the fatalities resulted from capsizings, while explosions were the primary cause of property damage. Coast Guard units boarded 203,721 motorboats during the year, finding safety violations and numbering discrepancies in about 28 percent of the cases.

Tabulated below are certain of the marine inspection functions of the Coast Guard, comparing the workload for fiscal years 1963 and 1964:

Inspection activities	Number		Gross tonnage	
	1963	1964	1963	1964
Inspections for certification	[1] 4,741	[1] 5,644	11,261,185	9,604,360
Drydockings	5,725	5,882	13,417,295	13,757,828
Reinspections	5,529	6,134	9,638,154	12,584,433
Factory inspections [2]	1,396,549	1,251,350		
Miscellaneous inspections	24,131	27,886		
Merchant vessel plans reviewed	31,013	36,605		
Violations of navigation and inspection laws (administrative penalty action completed)	56,294	54,759		

[1] Includes initial inspections to obtain first certificates.
[2] Includes such items as liferafts, lifejackets, flares, etc.

Merchant marine technical activities.—A study of past marine casualties involving open hopper barges led to the issuance of regulations, effective June 1, 1964, prescribing construction standards for all new barges carrying dangerous cargoes.

The Coast Guard continued to study the problems of hazards associated with the water transportation of chemicals. Pending the development of a system for rating the various hazards, tentative evaluations are being made on a case-by-case basis.

Approximately 20 hydrofoil vessels are now operating in U.S. waters, 18 of which are similar to the 34-foot surface piercing *Albatross*, the first American hydrofoil. The Coast Guard was reviewing plans for two larger hydrofoils, 62-feet and 70-feet in length, of the submerged foil design, at the end of fiscal 1964.

Merchant Marine Council meetings, conferences, and publications.—The Merchant Marine Council held five regular committee meetings and one public hearing to consider proposed amendments to regulations.

To promote maritime safety the Coast Guard participated in 30 meetings in this country, and was actively or indirectly concerned with 21 meetings held in London by the Intergovernmental Maritime Consultative Organization (IMCO).

The Coast Guard continued to distribute the publications *Pleasure Craft*, the *Recreational Boating Guide*, and the *Proceedings of the*

Merchant Marine Council, aimed at promoting recreational boating safety and safety of life at sea.

Merchant marine personnel.—Merchant marine personnel were issued 73,065 documents during fiscal 1964. Coast Guard shipping commissioners processed 7,742 sets of shipping articles involving 482,706 individual transactions relating to the shipment and discharge of seamen.

Merchant marine investigating sections in major U.S. ports and merchant marine details in foreign ports investigated 16,573 cases of alleged negligence, incompetence, and misconduct. In 897 of these cases charges were preferred and hearings held before civilian examiners. Security checks were made of 19,792 persons desiring employment on merchant ships.

Law enforcement

The special Coast Guard patrols of the Florida Straits and Bahama Islands area were continued because of the unstable Cuban situation. The expanded patrol required the transfer of additional personnel and air and surface units to the 7th Coast Guard District. The enforcement of international fishery conservation treaties in the Bering Sea and Gulf of Alaska required the special assignment of four large cutters and two seagoing tugs to that area during fiscal 1964. These special patrols in the south Florida and Alaska areas appear to be a continuing requirement.

The following table compares the Coast Guard workload in the major enforcement areas for fiscal years 1963 and 1964.

Enforcement work	Number	
	1963	1964
Vessels boarded	196,481	203,255
Waterfront facilities inspected	37,251	28,072
Reported violations of:		
Motorboat Act	72,412	76,237
Port security regulations	1,131	2,800
Oil Pollution Act	302	519
Other laws	770	943
Explosives:		
Loading permits issued	731	827
Loadings supervised	883	783
Tons covered by issued permits	202,098	238,507
Other hazardous cargoes inspected	5,782	6,953

Military readiness

As part of the military readiness program, 26 Coast Guard ships participated in Navy refresher training during the fiscal year. Torpedo tubes were installed on 7 vessels, with 29 more to be so equipped. The Coast Guard continues to make extensive use of shore based Navy educational facilities for specialized training of technicians.

Cooperation with other Federal agencies

The extent of Coast Guard assistance to other Federal agencies, including the Alcohol Tax Unit (Internal Revenue Service), the Coast and Geodetic Survey, the Fish and Wildlife Service, and the Weather Bureau for fiscal 1964 is indicated by the following:

Type of unit rendering assistance to other agencies (operating hours):	
Larger vessels	22, 251
Aircraft	2, 877
Small boats	7, 557
Assistance to the Weather Bureau (number):	
Reports furnished	133, 235
Warnings disseminated	2, 039

Aids to navigation

On October 15, 1963, the *Stonehorse* lightship was replaced by a shore-based light and a lighted buoy as part of a continuing program to replace overage lightships and employ more economical aids to navigation. Also contributing to the cost reduction effort was the conversion of 11 formerly manned light stations to automatic operation. Two other light stations were disestablished.

A major revision of the radiobeacon system was completed on the Atlantic and Pacific Coasts of the United States. The Coast Guard has reached an agreement with the Canadian Government to adopt the new system on the Great Lakes during fiscal 1965.

A statistical comparison of the volume of aids to navigation maintained by the Coast Guard as of March 31, 1964, follows:

Navigational aids	Number 1964	Navigational aids	Number 1964
Loran transmitters	69	Buoys—Continued	
Radiobeacons	190	Unlighted sound	342
Fog signals (except sound buoys)	582	Unlighted	11, 445
Lights (including lightships)	10, 982	River type	8, 298
Daybeacons	7, 113		
Buoys:		Total	42, 668
Lighted (including sound)	3, 647		

Ocean stations

The Coast Guard continued its operation of four ocean stations in the North Atlantic and two in the North Pacific. These ships, spending 74,557 operating hours on patrol, provided meteorological, navigational, communications, and rescue services for air and marine commerce and collected various scientific data.

Oceanography

Fifteen Coast Guard vessels were equipped for comprehensive oceanographic surveys and plans are being developed to use this capability on ocean station patrols. During the fiscal year, the icebreaker *Northwind* conducted an oceanographic survey of the Arctic area north of Siberia, and the cutter *Casco* participated in an international cooperative investigation of the tropical Atlantic.

Coast Guard intelligence

During the fiscal year 2,737 internal security and criminal investigations were made as well as 12,255 national agency checks. In addition 22,357 merchant mariners and 12,977 applicants for port security cards were screened before their documents were issued.

Operational facilities

Floating units.—As part of the Coast Guard program to replace overage and obsolete ships, the first of the newly designed 210-foot WPC-class medium patrol cutters was completed in fiscal 1964, and construction began on a 378-foot WPG-class high endurance cutter. Three 82-foot patrol boats were built and assigned to permanent stations. On June 30, 1964, the Service had in active commission 324 ships, which spent 535,744 operating hours afloat.

Shore units.—The Shore Units Plan for the Coast Guard was approved by the Secretary of the Treasury, and implementation began in the fiscal year 1964 with the closing of 17 lifeboat stations. Thirty-one of the new 44-foot motor lifeboats are now in operation at shore stations. One such craft proved its worth when rough weather rolled it under 360 degrees while on a rescue mission off the Umpqua River Bar (Oregon). The vessel righted itself without injury to its crew or engine failure, and completed its mission.

Aviation and aircraft.—The Coast Guard operated 146 aircraft including 50 helicopters which spent 78,926 hours in the air during the fiscal year. In addition 13 turbine-powered amphibious helicopters were procured to replace overage models, and new helicopter detachments were commissioned at Savannah, Ga., and Houston, Tex.

Communications.—Two modern communications systems have been installed throughout the Service: Radio equipment with single sideband capability now provides improved reliability and range for voice communications between air and surface units; and VHF/FM equipment offers better short range search and rescue communications as well as increased coverage of the Maritime Mobile Safety and Calling frequency.

Engineering developments

Civil engineering.—To expand search and rescue capabilities, two new major stations are being constructed at Mayport, Fla., and Opa Locka, Fla., near Miami. At Juneau and Ketchikan, Alaska, Sand Island, Hawaii, and Guam in the Marianas Islands, the rebuilding and consolidation of industrial facilities was undertaken. A new loran station was completed at Angissoq, Greenland, and major additions were made at the loran stations at Ejde, in the Faeroes Islands and Sandur, Iceland. A major fire at the Coast Guard's St. Louis Base and the earthquake in Alaska required substantial rehabilitation and replacement of buildings.

Electronics engineering.—Specially developed procedures are being used to salvage aircraft electronics equipment submerged in salt water as the result of aircraft accidents. Substantial savings are attributed to the system through the reclamation of expensive avionics material previously considered not salvageable. A radar altimeter warning system has been developed and installed on HH–52A turbine-powered helicopters to warn pilots when their aircraft is in close proximity to land or water. The Coast Guard is developing both low and high speed teletype systems to be operated in conjunction with the existing chain of loran-C stations. The use of strategically located loran-C facilities would permit teletype coverage of much of the world at a relatively low cost.

Naval engineering.—The shipbuilding program continued to progress and by the end of the fiscal year, a 157-foot coastal buoy tender, another 210-foot medium endurance cutter, and a 100-foot inland buoy tender had been launched. The first of the tender and barge combinations for handling aids to navigation on the Missouri River was placed in service. Contracts have been awarded for construction of several other vessels in the replacement program, including the first of the 378-foot high endurance cutters. The construction of small boats, such as the 44-foot steel motor lifeboat, also continued at a rapid pace.

Aeronautical engineering.—The engines of HU–16E Grumman Albatross amphibians, used throughout the Coast Guard, are being modified to increase their reliability. The project was 70 percent complete by June 30, 1964.

Testing and development.—Fog detection equipment is being developed by the Coast Guard with the aim of converting isolated fog signal stations from manned to automatic operation. Two prototype remote control systems for controlling aids to navigation are being tested. One, which controls and monitors 16 functions, has been used successfully for several months to control a light station from a lifeboat station 15 miles away. The second system controls and monitors a light and fog signal from a remote point over two miles away.

Coast Guard Reserve

The Coast Guard's program to acquire adequate training vessels for reservists with seagoing mobilization billets was advanced when the *CGC Tanager*, a former Navy minesweeper, was refitted and placed in service. Another vessel, the *USS Lamar*, is to be transferred from the Navy to the Coast Guard to augment afloat training of reservists on a combatant-type ship. The *CGC Courier*, a cargo-type vessel formerly used as a floating transmitter for the Voice of America, was released for reserve training purposes, and is expected to prove valuable for instruction in dangerous cargo handling and other shipboard operations.

The aviation training program was also broadened to allow certain reservists to gain experience aboard operational aircraft, and to permit others to receive effective ground training through use of surplus aircraft.

Personnel

Public Law 88–130, approved in September 1963 (14 U.S.C. 211 *et seq.*) made major changes in the system for appointment, promotion, separation, and retirement of Coast Guard officers. The new law will alleviate the "hump" problem, which slowed down promotions, and improve career management for officers. Under the new competitive promotion system the best qualified officers are selected for advancement, while those passed over twice are separated or retired.

The personnel strength of the Coast Guard as of June 30, 1963 and 1964 is shown in the following table:

Personnel	Number	
	1963	1964
Military personnel:		
Commissioned officers	3,185	3,293
Chief warrant officers	862	867
Warrant officers	170	207
Cadets	414	385
Enlisted men	27,385	27,553
Total	32,016	32,305
Civilian personnel:		
Salaried (General Service)	2,595	2,757
Wageboard	2,237	2,292
Lamplighters	203	180
Total	5,035	5,229
Ready reservists:		
Officers	3,569	3,620
Enlisted men	22,673	24,286
Total	26,242	27,906

The table below reflects the changes in the number of officers on active duty as of June 30, 1963 and 1964:

Officers	Number	
	1963	1964
Additions of commissioned officers:		
Coast Guard Academy graduates	94	109
Reserve officers called to active duty	14	24
Former merchant marine officers appointed	5	0
Officer Candidate School graduates	157	221
Total	270	354
Losses of commissioned officers:		
Regular [1]	107	143
Reserve on completion of obligated service	122	103
Total	229	246
Net gain	41	108

[1] Through retirements, resignations, revocations, and deaths.

Recruiting and training.—Fifty-nine main recruiting stations and 50 substations were manned by 252 recruiters. During the fiscal year there were 13,857 applicants for enlistment in the regular Coast Guard and 4,854 were enlisted. The Reserve received 5,368 applications and enlisted 2,763.

Training for foreign visitors.—Under the sponsorship of other Government agencies, about 91 visitors from 30 foreign countries received various types of training through Coast Guard facilities.

Coast Guard education program.—The education and training programs sponsored by and participated in by the Service are summarized for fiscal years 1963 and 1964 as follows:

Education and training programs	Number	
	1963	1964
Coast Guard Academy:		
Applications	5,050	[1] 3,941
Applications approved	4,963	2,761
Appointments	228	280
Cadets	562	548
Graduates (Bachelor of Science degrees)	94	109
Officer training completed:		
Officer Candidate School graduates	158	221
Postgraduate	54	63
Flight training	30	31
Helicopter pilot training	22	22
C-130B aircraft training	13	23
Short term specialized courses	363	588
Off-duty courses at civilian schools	409	594
Enlisted training completed:		
Coast Guard basic petty officer schools	1,197	1,447
Navy basic petty officer schools	460	385
Advanced schools (Coast Guard and Navy)	931	76
Specialized courses (Service and civilian schools)	627	1,687
Off-duty education (Civilian schools)	216	238
Correspondence courses completed:		
Coast Guard Institute courses completed	10,044	9,858
U.S. Armed Forces Institute courses completed	311	249
Naval correspondence schools courses completed	6,000	11,480

[1] College Board Entrance Examinations introduced this year.

Public Health Service support.—On June 30, 1964, there were 92 Public Health Service personnel on duty with the Coast Guard, serving at 22 shore stations and aboard ships assigned to ocean stations and Arctic and Antarctic operations.

Coast Guard Auxiliary

The Auxiliary, a voluntary nonmilitary organization functioning in 648 communities, conducted public instruction courses in safe boating which were attended by 139,410 persons in fiscal 1964. Courtesy examinations of the safety equipment of some 169,800 motorboats were made by specially qualified Auxiliarists. The Auxiliary also cooperated with the regular Coast Guard in making 2,850 regatta patrols, and participated in 6,095 assistance missions which were instrumental in saving 261 lives. As of June 30, 1964, this organization had 23,137 members, including 5,006 instructors and 7,932 inspector-examiners. The membership operated 15,104 facilities, consisting of boats, aircraft, and radio stations.

Fiscal and supply management

The Coast Guard now has support agreements with the Defense Supply Agency, which permit it to requisition directly from DSA most items common to all of the Armed Forces and to dispose of excess materials through Defense Department holding activities. In another cooperative effort the Coast Guard began participation in the Department of Defense Military Standard Transportation and Movement Procedures (MILSTAMP).

During the fiscal year two new computers were purchased to replace older models and update the data processing systems used in Headquarters and for the Merchant Vessel Reporting Program.

Funds available, obligations, and balances

The following table shows the amount of funds available for the Coast Guard during fiscal 1964 and the amounts of obligations and unobligated balances.

	Funds available [1]	Net total obligations	Unobligated balance [2]
Appropriated funds:			
Operating expenses	$259,793,461	$259,696,394	$97,067
Reserve training	19,500,000	19,481,690	18,310
Retired pay	34,400,000	34,284,812	115,188
Acquisition, construction, and improvement	60,222,525	53,036,079	7,186,446
Total appropriated funds	373,915,986	366,498,975	7,417,011
Reimbursements:			
Operating expenses	15,945,537	15,945,537	----
Acquisition, construction, and improvement	25,845,923	11,777,366	14,068,557
Total reimbursements	41,791,460	27,722,903	14,068,557
Trust fund, U.S. Coast Guard gift fund	50,951	35,536	15,415
Grand total	415,758,397	394,257,414	21,500,983

[1] Funds available include unobligated balances brought forward from prior year appropriations as follows:

Acquisition, construction, and improvements:	
Appropriated funds	$9,222,525
Reimbursements	4,838,178
U.S. Coast Guard gift fund	15,223

[2] Unobligated balance of $21,255,003 under the acquisition, construction, and improvements appropriation remains available for obligation in fiscal 1965. These funds are programmed for obligation in fiscal 1965 for the following general purposes:

	Coast Guard projects	*Department of Defense projects*
For projects deferred in fiscal 1964 to be subsequently accomplished	$2,103,000	----
For completion of projects started in fiscal 1964	5,083,446	$14,068,557
Total	7,186,446	14,068,557

United States Savings Bonds Division

The primary responsibility of the U.S. Savings Bonds Division is to promote the sale and retention of savings bonds and the sale of savings stamps. The savings bonds program makes a vital contribution to Government financing and debt management policy as one of the most significant means through which the Treasury achieves the broadest possible ownership of the public debt.

Management improvement

The Savings Bonds Division is headed by a National Director and Assistant National Director and consists of two principal branches: Sales, and Advertising and Promotion. The Division's Management Committee is composed of the two branch chiefs, together with the National Director and Assistant National Director. The main purpose of the Committee is the continuing improvement of the Division's services.

The Division has 6 regional offices and offices in the 50 States and the District of Columbia through which sales materials are disseminated. A relatively small sales and service staff recruits, trains, and services a large volunteer savings bonds sales corps. Liaison is maintained with all types of banking and finance, business, labor, agricultural, and educational institutions, as well as with other civic organizations. Their volunteer services are enlisted to sell savings bonds at banks, savings and loan associations, credit unions, certain post offices (those in communities where there is no other sales outlet), and business establishments operating the payroll savings plan.

In October 1963 a survey was made of 105,000 savings bonds purchasers to determine the purposes for which bond buyers save, the reason they selected savings bonds as the medium, and the ways in which they hear about the savings bonds program. Information obtained from the survey is being used in planning program activities for 1965, in designing advertising material to incorporate the most popular appeals, and in determining the effectiveness of various advertising media. The principal findings of the survey have been published for the use of financial writers, magazines and newspapers, and other interested parties.

A new centralized system of collecting and publishing monthly savings bonds sales statistics from the Federal Reserve banks was adopted by using the automatic data processing equipment of the Bureau of the Public Debt. This new system will eliminate 75–80 percent of the manual work performed by the 52 State offices and will result in a saving of some three and one-third man-years. These savings, varying from a few man-days to a man-month in State offices, will be applied to direct promotional activities.

The Forms Improvement Program was marked by the simplification of the field reporting system for payroll savings campaigns. The number of forms used was reduced from seven to four, with two of the revised forms bearing the greatest reporting volume. Several other sales forms were revised to conform with new facets of the 1964 sales program.

Examples of the Division's continuing efforts to improve services in the procurement and distribution of consumer and advertising materials include: Setting up an "offset" service for all newspapers, magazines, and other publications using the offset method of reproduction where glossy proofs only are required rather than the more expensive mats and electros; adding a new editorial media service for the two monthly question-and-answer columns on savings bonds, utilizing existing manpower and inexpensive production; and further centralization of mailing lists along with mailing list surveys to accomplish the most economical and effective use of publication, radio, and TV materials.

Promotional activities

The focal point of the Division's promotional activities during the fiscal year 1964 was the "Operation Security" drive conducted from May 1 through July 4, 1964. Its theme: "The security of the Nation and the security of the individual," highlighted the various campaigns, reaching all Americans during the year, including the largest, the payroll savings campaign.

On May 1, 1964, a new $75 denomination bond was added to the Series E bonds. President Johnson opened the 1964 "Operation Security" bond campaign with the purchase of the first of these new denomination bonds which bear the portrait of the late President Kennedy. This new denomination bond, which serves to fill out the smaller denomination line of E bonds, has a maturity value of $75 and an issue price of $56.25.

To launch "Operation Security" within industry, the U.S. Industrial Payroll Savings Committee, a volunteer committee formed by the Treasury Department the previous fiscal year under the successful chairmanship of Harold S. Geneen, President of International Telephone and Telegraph, met in Washington on November 5, 1963. Secretary Dillon, the principal speaker, outlined the goals of the campaign to the 34 business and industrial leaders present and announced that Frank R. Millikin, President of the Kennecott Copper Corporation and chairman for the copper industry in the 1963 campaign, had agreed to serve as chairman for the calendar year 1964. Under the leadership of this Committee, more than 9,000 business firms completed person-to-person campaigns during January–September 1964 and obtained nearly 750,000 new enrollments in the payroll savings plan. The results for nine months of the calendar year indicate that the number of new enrollments in industry during 1964 is keeping pace with the peacetime record of new participants attained during 1963. In addition to the new enrollments, many thousands of employees already participating in the payroll savings plan increased the amount of their systematic savings.

The full cooperation of organized labor contributed to the success of the campaign within industry. Through the National Labor Advisory Committee for Savings Bonds, the sales program was widely publicized by the national unions who distributed leaflets to their members explaining the benefits of savings bonds ownership.

Another important part of the 1964 "Operation Security" drive was the successful campaign within the Federal Government for greater employee participation in the payroll savings plan. This campaign, under the leadership of the Interdepartmental Savings Bond Committee, chaired by John W. Macy, Jr., Chairman of the Civil Service Commission, increased the number of Government employees (civilian and military) enrolled in the program to over two and one-third million participants at the end of fiscal 1964, an increase of 7.3 percent from the previous year.

In addition to these concerted drives, the Division coordinated many individual drives to promote the sale of Series E and H bonds which enlisted the aid of national organizations and community institutions. "Community Bond Campaigns" were held in many of the Nation's cities and towns during fiscal 1964 under the direction of State and regional field representatives of the Division, with the assistance of a large volunteer corps. Executives of the Nation's major national organizations, representing more than 60 million members, met in Washington in December 1963 to organize and direct the national organizations campaigns under the chairmanship of Bernard B. Burford, Secretary-Treasurer of Optimist International. The goal of the 1964 drive was to encourage each family to buy a bond during the year.

Sales promotion of savings stamps, with the women's organizations acting as volunteer leaders, was accomplished primarily through the Nation's schools. The "Junior Astronaut" program, initiated during the 1962–63 academic year, was continued in the fiscal year 1964 with more than 5 million students receiving a certificate signed by the 7 Mercury astronauts designating each one as a "Junior Astronaut" for his stamp purchases. The sales of 110 million savings stamps was the largest number sold in any of the past four fiscal years.

Of major importance to all campaign and promotion activities, undertaken by the U.S. Savings Bonds Division, is the voluntary assistance provided by the Advertising Council and its task force agencies who prepare and donate advertising and promotional material. In addition, the contributions and cooperation of industrial, banking, and community volunteers are of immeasurable value to the sales program. The donated advertising time and space alone is conservatively valued at more than $50 million annually. Because of this support, the costs to the Government of promoting the sale of E and H bonds are held to a minimum and average approximately one-tenth of one percent of annual sales.

Sales of Series E and H savings bonds during fiscal year1964 totaled $4.7 billion. Details of sales, redemptions, and amount outstanding will be found in tables 48–50.

United States Secret Service

Principal functions of the U.S. Secret Service are the protection of the President of the United States, the members of his immediate family, the President-elect, the Vice President or other officer next in order of succession to the office of President, and the Vice-President-elect; the protection of a former President, at his request, for a reasonable period after he leaves office; the detection and arrest of persons committing any offenses against the laws of the United States relating to obligations and securities of the United States and of foreign governments; and the detection and arrest of persons violating certain laws relating to the Federal Deposit Insurance Corporation, Federal land banks, and Federal land bank associations. The duties of the Service are defined by section 3056, title 18, United States Code.

Management improvement

During fiscal 1964 the management program of the Service continued to emphasize activities for better manpower utilization, economy of operations, and increased productivity. The Inspection Staff continued to analyze procedures and methods at the time of each field office and headquarters section inspection.

The program to equip field offices with dictating/transcribing equipment to better utilize the time of trained investigators and increase their production potential moved ahead.

The study of the classification of the handwriting of suspects in check and bond forgery cases by data processing equipment was continued. It was demonstrated that while it is possible to make comparisons mechanically, the necessity for the independent judgment of skilled technicians remains. This indicates that EDP techniques are not sufficiently advanced at this time to make their utilization practicable for this purpose. Studies are being conducted regarding the adaptation of ADP to the huge volume of correspondence received in connection with the Service's protective responsibilities.

Continuing studies were made regarding the adoption of techniques and standards which would expedite the handling of criminal investigations. The method of handling investigations relating to the redemption of Government securities bearing duplicate numbers was changed in order that they could be processed more rapidly.

The Service is working with the Atomic Energy Commission and other Treasury bureaus on the Neutron Activation Analysis in an effort to determine the possibility of the application of atomic energy to the suppression of counterfeiting.

The deletion of obsolete cards from the master index files in all offices was nearly completed and the project extended to the removal of other obsolete material.

Plans were developed to provide for the relocation to the NEAR site of members of the Treasury Guard Force to protect Treasury property and to assist in managing the site.

Other improvements included the development of a simplified voice radio code for two-way radio communications; a nationwide survey of telephone costs connected with the Federal Telecommunications System (FTS) and Centrex exchanges, and the conversion to machine preparation of a counterfeit note index which is a necessity in each field office.

Protective and security activities

The most important responsibility of the Secret Service continued to be the protection of the First Family and the Vice President, and the widow of the late President Kennedy and her minor children. The protection of Mrs. Kennedy was provided by Public Law 88-195, December 11, 1963, and is effective for two years from that date.

Investigations concerning protective activities increased from 753 in 1963 to 2,020 in 1964, or 168.3 percent. There were 252 cases pending at the close of the fiscal year, which was 384.6 percent more than at the close of the previous year. Arrests resulting from investigations of these cases increased from 81 in 1963, to 105 in 1964, or 29.6 percent.

Enforcement activities

Sustained efforts to suppress counterfeiting continued as the amount of counterfeit money printed reached a new high. The public was protected from heavy losses through seizure of the plants and most of the counterfeited product before it could be passed. Counterfeiting operations again included organized gangs as well as printing firms and the surreptitious use of equipment by employees, or owners of small printing establishments.

During the fiscal year 44 plants for the manufacture of counterfeit money were seized and 737 persons arrested for counterfeiting offenses. Counterfeit money received amounted to $7,752,450, an increase of 127.2 percent from 1963, but only $530,434 reflected loss to the public because Secret Service agents seized $7,222,015 before it could be passed.

The seizure of $2,163,000 in counterfeit $20 and $50 notes on the Federal Reserve Bank of San Francisco in July 1963, at San Francisco, Calif., was the largest in Secret Service history. At the same time negatives for counterfeit $1, $2, $5, $20, and $50 bills were confiscated and a number of persons arrested. The notes were a new issue of good quality. Only a few were passed before the seizure.

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A passer of counterfeit notes was arrested in Memphis, Tenn., when he attempted to sell $6,300 in counterfeit $10 notes on the Federal Reserve Bank of St. Louis to a Secret Service undercover agent. The plant was seized in Little Rock, Ark., and four other men were arrested. Two young men were arrested in Louisiana for passing $20 counterfeit notes on the Federal Reserve Bank of Kansas City in Tulsa, Okla. At the time of their arrest in July they admitted the manufacture of the $9,500 in these notes in their possession. The plant was subsequently seized in Tulsa. A man arrested in Milwaukee, Wis., when he attempted to pass a counterfeit $10 note on the Federal Reserve Bank of Chicago, admitted manufacturing a large amount of the notes in his print shop at Oak Creek, Wis. On July 22, 1963, a Chicago plant where counterfeit $5 notes on the Federal Reserve Bank of Chicago were manufactured was seized and the owner of the printing firm arrested. This note, of excellent quality, had been passed in 17 States from Massachusetts to Utah. Approximately $1,750,000 in excellent quality counterfeit $10 and $20 notes on the Federal Reserve Bank of Chicago were seized from the trunk of an ex-convict's car on July 30, in Indianapolis, Ind. The manufacturer of the notes had been under surveillance since April 1963. None of the notes had been passed.

During August 1963 new counterfeit $20 notes on the Federal Reserve Bank of San Francisco appeared in Burbank, Calif. An undercover agent infiltrated a gang and caused the arrest of three men in North Hollywood, seizing $35,000 in counterfeits and the plates used to manufacture them.

During September 1963 the owner of a small print shop in Ohio was arrested for manufacturing $278,000 in counterfeit $20 notes on the Federal Reserve Bank of Cleveland. Two other plant seizures, one in White Plains, N.Y., and the other in Oakdale, La., resulted in six arrests and the seizure of $60,000 in counterfeit $5 notes on the Federal Reserve Bank of New York and $20 notes on the Federal Reserve Bank of Atlanta. In the last two cases less than $100 worth had been passed on the public.

During October 1963 in California, a British subject was arrested for counterfeiting $20 notes on the Federal Reserve Bank of San Francisco. Approximately $500,000 in uncut counterfeits were seized with the equipment on which they were printed. None of these notes were passed. Partners in a newly-purchased printing business in Texas were arrested for manufacturing $15,000 in counterfeit $20 notes on the Federal Reserve Bank of Dallas. They succeeded in passing only two notes before their arrest.

A suspicious purchase of 100 percent rag bond paper in San Diego, Calif., during October 1963 led to the arrest of 3 men who admitted manufacturing approximately $126,000 in counterfeit $20 notes on the Federal Reserve Bank of San Francisco.

Information received through the Denver, Colo., office in March 1963 led to the arrest a year later of two Canadians, in Toronto, by the Royal Canadian Mounted Police. Their plant and $202,000 in counterfeit $10 and $20 notes on the Federal Reserve Bank of San Francisco were seized.

After months of investigation, two men were arrested in Detroit, Mich., during April 1964 for selling to an undercover agent approximately $120,000 in counterfeit $20 notes, drawn on the Federal Reserve Bank of Chicago. While in custody one defendant directed special agents to an additional cache of $153,000. In June an agent, who was introduced to a Detroit hoodlum, completed another purchase of $54,000 in these notes and arranged for a later transaction which lead to the seizure of an additional $812,000. More than $1,496,000 in these notes were seized before they could be placed in circulation and 90 persons were arrested for selling, passing, and possessing them.

In April 1964 in Seattle, Wash., a counterfeit note passer, who had $17,000 in counterfeits in his car, was arrested. From a hidden mountainside "grave" near San Gabriel, Calif., numerous plates, negatives, and other paraphernalia were recovered. This issue was one of the most deceptive issues of $20 Federal Reserve notes ever seized. The counterfeiter made his notes on 11 of the 12 Federal Reserve banks, excluding only the Federal Reserve Bank of Philadelphia. He combined more than 250 variations of series, check letters, face plate and back plate numbers, and serial numbers. He had been taught the trade of counterfeiting by his uncle, who served three prison terms within 30 years for counterfeiting.

Service representatives in Cleveland, Ohio, believed that a man had been attempting to engage in counterfeiting for several years. Investigations failed to produce enough evidence to cause an arrest until he was located in Buffalo, N.Y., using an alias and producing a plate for counterfeit $5 Federal Reserve notes.

In February 1964 a man on three years probation for a previous counterfeiting offense was arrested for manufacturing $5 and $10 notes on the Federal Reserve Bank of San Francisco. In the same month a new counterfeit $10 note on the Federal Reserve Bank of New York appeared in Newark, N.J. It was apparent that the note was being distributed by an organization because it was at once available to criminal informants in New York and New Jersey. Undercover agents infiltrated the organization and, when completing a deal for $100,000 in the notes, three of the principals were arrested and the enterprise smashed.

In May 1964 a notorious Cleveland hoodlum delivered $20,000 in counterfeit notes on the Federal Reserve Bank of New York to one of his New York City contacts. The Service confiscated these notes and later arrested him with two accomplices in New York and seized $200,000 in new counterfeit $100 notes on the Federal Reserve Bank of Atlanta. None of these deceptive notes was passed on the public. The principal is considered the head of a criminal organization which has been a source of trouble to local and Federal enforcement authorities in the East for many years.

During fiscal 1964, $157,740 in U.S. currency was received in foreign countries. This amount represents only a part of that manufactured and circulated because much of it does not come to the attention of this Service. The Secret Service works closely with Interpol as well as with police officials throughout the world. Many foreign police officials receive instructions on detection of counterfeits from the Service, both in Washington and from Service employees who travel abroad on other assignments. Close liaison is maintained with finance officers and employees of the Defense Department throughout the world and data on U.S. counterfeits in circulation is furnished to them. Instructions on disposition of counterfeit notes which come to the attention of State Department representatives abroad are also provided. Our offices in Hawaii and Paris maintain close cooperation with foreign authorities in their respective areas.

The counterfeiting in the United States of the money of other countries is another phase of our activities in the suppression of counterfeiting. During fiscal 1964, the Service seized 171,390 counterfeit Cuban pesos. During October 1963 a Cuban was arrested in New York when he delivered 14 counterfeit plates bearing impressions of a 50 peso Cuban note to an undercover agent. Other arrests in this case were made in Arlington, Va., and in Baltimore, Md., where the notes were manufactured. Sixteen hundred notes worth 80,000 pesos were seized.

In December 1963 two men were arrested in Florida for counterfeiting Cuban pesos and quantities of them were seized.

During the fiscal year the Service seized 74,580 counterfeit Dominican pesos oro and arrested six men in Florida.

The following table summarizes receipts of counterfeit money during the fiscal years 1963 and 1964:

Counterfeit money received, fiscal years 1963 and 1964

Receipts of counterfeit currency and coins	1963	1964	Percentage increase, or decrease (−)
Counterfeit money received in the United States:			
Loss to the public	$564,321.91	$530,434.45	−6.0
Seized before circulation	2,848,005.31	7,222,015.78	153.6
Total	3,412,327.22	7,752,450.23	127.2
Counterfeit U.S. currency received in foreign countries	n.a.	$157,740	
Counterfeit Cuban pesos received in the United States	n.a.	171,390	
Counterfeit Dominican Republic pesos oro received in the United States	n.a.	74,580	

n.a. Not available.

During December 1963 a criminal group in Chicago began distributing counterfeit $100 Series E savings bonds. Intensive investigation resulted in a conspiracy case and the arrest of twelve of the criminal elite of Chicago. Of the 319 bonds seized, 271 had been passed to financial institutions.

During the past fiscal year, the Service investigated 41,236 cases of the forgery of Government checks involving a face amount of $4,121,346.02, and the arrest of 3,192 persons.

The Service investigated 5,795 cases involving the forgery of U.S. savings bonds, with a face amount of $730,457.62. Seventy-four persons were arrested for bond forgery offenses in 1964.

During July 1963 two narcotic addicts were arrested in New York for the theft, forgery, and negotiation of approximately 131 U.S. Treasurer's checks, amounting to $17,472.82.

A husband and wife were arrested in July 1963 for the forgery and negotiation of more than 100 U.S. Treasurer's checks in 11 States from 1961–63.

A joint investigation with postal inspectors resulted in the arrest early in 1964 of three defendants who had stolen three mail pouches in Minnesota, which contained approximately 150 U.S. Treasurer's checks. Thirty-two of the checks had been forged and cashed in various cities in the Midwest and the rest burned.

In May 1964 special agents in Cleveland went to a place to arrest a man for check forgery. The suspect opened fire, wounding one of the special agents, and was shot by the other. The suspect has a history of narcotics and burglary arrests.

The "fencing" of stolen Government bonds to underworld organizations and the cashing of some of these bonds years after they have been stolen has been increasing. Nearly $13,000,000 worth of stolen bonds in denominations of $1,000 or more is outstanding.

A lifelong criminal, known as "Funeral Ben", was sentenced for forging 24 U.S. savings bonds and altering the names of the registered owners on other bonds which he had stolen.

The cooperative efforts of the Secret Service and the FBI resulted in the recovery of more than $200,000 in unforged bonds, stolen in December 1963 from a bank in Arkansas. The bonds were traced through three receivers of stolen property.

U.S. savings bonds with maturity value of $7,500 and one $500 2½ percent U.S. Treasury note were stolen from a residence in Michigan in October 1953. Early in 1964, the Treasury note was received in the normal course of business by the Treasury from an individual who purchased it at a pawnbroker's sale in 1956. The burglar, who was located in Philadelphia, Pa., admitted the theft and said he had pawned the note and burned the bonds.

The first full year of enforcement of the September 1962 legislation (18 U.S.C. 491), which prohibits certain acts involving the use of tokens, slugs, disks, devices, papers, or other things similar in size and shape to lawful coins or other currency of the United States, clearly shows the deterrent effect of the law. During fiscal 1964, arrests dropped to 35, from 59 in the last 9 months of fiscal 1963, as the risk of Federal investigation and prosecution became more widely known.

The alteration of dates or mint marks on coins for the purpose of enhancing their numismatic value had previously not been held to be a violation of the law (18 U.S.C. 331). However, during the year, the Department of Justice and the Treasury General Counsel reversed this position. The reversal caused an immediate increase in this type of case.

Violations of the Gold Reserve Act continued to require a considerable amount of investigative time during the year. An amendment to the gold regulations issued on April 24, 1964 (see exhibit 51), which removed all restrictions on the acquisition and holding of U.S. gold certificates of certain types was an aid in reducing the workload in this type of violation. Close coordination is maintained with the Treasury Department's Office of Domestic Gold and Silver Operations.

In September 1963 three men were arrested in Philadelphia for the theft of approximately 600 ounces of gold from the Western Electric Company, where the metal is used to plate parts of transistors used for radar and component parts of space satellites.

The following tables show the number of criminal and noncriminal investigations completed by the Secret Service in fiscal years 1963 and 1964:

Criminal and noncriminal cases investigated, fiscal years 1963 and 1964

Cases investigated	1963	1964	Percentage increase, or decrease (−)
Counterfeiting	10,378	12,166	17.2
Forged Government checks	47,505	41,236	−13.2
Forged Government bonds	7,169	5,795	−19.2
Miscellaneous criminal	1,080	2,217	105.3
Miscellaneous noncriminal	5,837	10,601	81.6
Total	71,969	72,015	.1

Number of arrests, fiscal years 1963 and 1964

Offenses	1963	1964	Percentage increase, or decrease (−)
Counterfeiting	662	737	11.3
Forged Government checks	3,343	3,192	−4.5
Forged or stolen bonds	81	74	−8.7
Miscellaneous	121	171	41.3
Total	4,207	4,174	−.8

Secret Service personnel participated in training activities of other agencies by lecturing to military enforcement organizations, employees of the Peace Corps and the Agency for International Development, as well as to the FBI National Academy, and to all levels of enforcement agencies throughout the United States on the detection of counterfeits and the problems relating to forgery of Government checks and bonds.

Cooperation with State, county, and local authorities

The Secret Service has always recognized that close cooperation and coordination of effort with local authorities is imperative to the successful enforcement of its responsibilities and has always sought to improve those ties. Such efforts were given increased attention during the year, especially with regard to our protective responsibilities.

A total of 171 persons was arrested for crimes other than counterfeiting and forgery, making a total of 4,174 persons arrested during the fiscal year 1964. Cases of all types investigated by the Service totaled 72,015.

Offenses investigated by the Secret Service resulted during the year in the conviction of 3,609 persons. Of all Secret Service cases brought to trial in fiscal 1964, 98.0 percent resulted in convictions.

The trends in crimes over which this Service has jurisdiction remain generally consistent with nationwide trends in other crimes.

Training schools

Since adequate training continued to be recognized as a vital part of the Secret Service program to increase the productivity of employees, training activities were increased during the year. In addition to regular participation in Treasury basic enforcement schools, the Service conducted Secret Service training schools, questioned document schools, and trained employees at polygraph schools, electronic schools, marksmanship training courses, Defense Department foreign language school, swimming courses, chemical-bacteriological-radiological schools, and at outside courses in management. Members of the Treasury Guard Force received training at a small arms manufacturing plant, in connection with the use, care, and repair of weapons. An expanded internal training program is being developed for the White House Police Force with some of its members attending the FBI National Academy and the International Association of Chiefs of Police Supervisory School.

EXHIBITS

Public Debt Operations, Calls of Guaranteed Securities, Regulations, and Legislation

Treasury Notes and Treasury Bonds Offered and Allotted

Exhibit 1.—Treasury notes

Two Treasury circulars, one containing a cash offering and the other an exchange offering, are reproduced in this exhibit. The circulars pertaining to the other note offerings during 1964 are similar in form and therefore are not reproduced in this report. However, the essential details for each issue are summarized in the first table following the circulars and the final allotments of the new notes issued for cash or in exchange are shown in the second table.

DEPARTMENT CIRCULAR NO. 17-63. PUBLIC DEBT

Treasury Department,
Washington, October 24, 1963.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, subject to allotment, at par and accrued interest, from the people of the United States for notes of the United States, designated 3⅞ percent Treasury notes of Series C—1965. The amount of the offering under this circular is $7,600,000,000, or thereabouts. The following securities maturing November 15, 1963, will be accepted at par in payment or exchange, in whole or in part, for the notes subscribed for, to the extent such subscriptions are allotted by the Treasury:

3⅛ percent Treasury certificates of indebtedness of Series D—1963; or
4⅞ percent Treasury notes of Series C—1963.

The books will be open only on October 28, 1963, for the receipt of subscriptions for this issue.

II. DESCRIPTION OF NOTES

1. The notes will be dated November 15, 1963, and will bear interest from that date at the rate of 3⅞ percent per annum, payable semiannually on May 15 and November 15, 1964, and on May 15, 1965. They will mature May 15, 1965, and will not be subject to call for redemption prior to maturity.
2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.
3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.
4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $1,000,000, $100,000,000, and $500,000,000. Provision will be made for the interchange of notes of different denominations and of coupon and registered notes, and for the transfer of registered notes, under rules and regulations prescribed by the Secretary of the Treasury.
5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Office of the Treasurer of the United States, Washington, D.C., 20220. Only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers provided the names of the customers are set forth in such subscriptions. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be restricted in each case to an amount not exceeding 50 percent of the combined capital, surplus, and undivided profits of the subscribing bank. Subscriptions will be received without deposit from banking institutions for their own account, Federally-insured savings and loan associations, States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, Federal Reserve banks and Government investment accounts. Subscriptions from all others must be accompanied by payment (in cash or in securities of the two issues enumerated in paragraph 1 of section I hereof, which will be accepted at par) of 2 percent of the amount of notes applied for, not subject to withdrawal until after allotment. Registered notes submitted as deposits should be assigned as provided in section V hereof. Following allotment, any portion of the 2 percent payment in excess of 2 percent of the amount of notes allotted may be released upon the request of the subscribers.

2. All subscribers requesting registered notes will be required to furnish appropriate identifying numbers as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security number or an employer identification number.

3. All subscribers are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue, until after midnight October 28, 1963.

4. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.

5. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to allot less than the amount of notes applied for, and to make different percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. Subject to these reservations, and the submission of a written certification by the subscriber that the amount of the subscription does not exceed the amount of the two eligible securities (listed in paragraph 1 of section I) owned or contracted for purchase for value, at 4 p.m., eastern daylight saving time, October 23, 1963, all subscriptions from States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, Federal Reserve banks and Government investment accounts will be allotted in full. In the absence of such certification the total amount of subscriptions entered by any subscriber will be allotted on the basis of the allotment to be publicly announced. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before November 15, 1963, or on later allotment. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number, as required by paragraph 2 of section III hereof, has not been furnished; provided, however, if a subscriber has applied for but is unable to furnish the identifying number by the payment date only because it has not been issued, he may elect to receive, pending the furnishing

of the identifying number, interim receipts and in this case payment will be deemed to have been completed. In every case where full payment is not completed, the payment with application up to 2 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Payment may be made for any notes allotted hereunder in cash or by exchange of securities of the two issues enumerated in paragraph 1 of section I hereof, which will be accepted at par. Where payment is made with certificates or notes in bearer form, coupons dated November 15, 1963, should be detached and cashed when due. In the case of registered notes, the final interest due on November 15, 1963, will be paid by check drawn in accordance with the assignments on the notes surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve bank of its district.

V. ASSIGNMENT OF REGISTERED NOTES

1. Treasury notes of Series C—1963 in registered form tendered as deposits and in payment for notes allotted hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department, in one of the forms hereafter set forth. Notes tendered in payment should be surrendered to a Federal Reserve bank or branch or to the Office of the Treasurer of the United States, Washington, D.C., 20220. The maturing notes must be delivered at the expense and risk of the holder. If the new notes are desired registered in the same name as the notes surrendered, the assignment should be to "The Secretary of the Treasury for 3⅞ percent Treasury Notes of Series C—1965"; if the new notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for 3⅞ percent Treasury Notes of Series C—1965 in the name of ----------------"; if new notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for 3⅞ percent Treasury Notes of Series C—1965 in coupon form to be delivered to ----------------".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

DOUGLAS DILLON,
Secretary of the Treasury.

DEPARTMENT CIRCULAR NO. 3-64. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, January 31, 1964.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at 99.875 percent of their face value, from the people of the United States for notes of the United States, designated 3⅞ percent Treasury notes of Series D—1965, in exchange for the following securities maturing February 15, 1964, singly or in combinations aggregating $1,000 or multiples thereof:

3¼ percent Treasury certificates of indebtedness of Series A—1964; or
3 percent Treasury bonds of 1964.

The cash payment due subscribers on account of the issue price of the notes will be made as set forth in section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open only on February 3 through February 5, 1964, for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the securities enumerated in paragraph 1 of this section are offered the privilege of exchanging all or any part of such securities for 4 percent Treasury notes of Series A—1966 (additional issue), which offering is set forth in Department Circular, Public Debt Series—No. 4—64, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated February 15, 1964, and will bear interest from that date at the rate of 3⅞ percent per annum, payable on a semiannual basis on August 15, 1964, and February 15 and August 13, 1965. They will mature August 13, 1965, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $1,000,000, $100,000,000, and $500,000,000. Provision will be made for the interchange of notes of different denominations and of coupon and registered notes, and for the transfer of registered notes, under rules and regulations prescribed by the Secretary of the Treasury.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Office of the Treasurer of the United States, Washington, D.C., 20220. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

2. All subscribers requesting registered notes will be required to furnish appropriate identifying numbers as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security number or an employer identification number.

3. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment for the face amount of notes allotted hereunder must be made on or before February 17, 1964, or on later allotment, and may be made only in securities of the two issues enumerated in paragraph 1 of section I hereof, which will be accepted at par, and should accompany the subscription. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number, as required by paragraph 2 of section III hereof, has not been furnished; provided, however, if a subscriber has applied for but is unable to furnish the identifying number by the payment date only because it has not been issued, he may elect to receive, pending the furnishing of the identifying number, interim receipts and in this case payment will be deemed to have been completed. Coupons dated February 15, 1964, should be detached from the certificates and bonds in bearer form and cashed when due. The cash payment of $1.25 per $1,000 on account of the issue price of the notes will be

made to subscribers, in the case of bearer securities following acceptance of the securities, and in the case of registered bonds following discharge of registration. In the case of registered bonds, the final interest due on February 15, 1964, together with the cash payment of $1.25 per $1,000 due subscribers, will be paid by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve bank of its district.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury bonds of 1964 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve bank or branch or to the Office of the Treasurer of the United States, Washington, D.C., 20220. The maturing bonds must be delivered at the expense and risk of the holder. If the notes are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Notes of Series D—1965"; if the notes are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Notes of Series D—1965 in the name of ----------------"; if notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 3⅞ percent Treasury Notes of Series D—1965 in coupon form to be delivered to ----------------".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

Douglas Dillon,
Secretary of the Treasury.

Summary of information pertaining to Treasury notes issued during the fiscal year 1964

Date of preliminary announcement	Department circular		Concurrent offering circular number	Treasury notes issued for exchange or for cash	Date of issue	Date of maturity	Date subscription books closed	Allotment payment date on or before (or on later allotment)
	Number	Date						
1963 July 24	13–63	*1963* July 25		3¾ percent Series F–1964 issued at par in exchange for— 3½ percent Series C–1963 certificates maturing Aug. 15, 1963; 2½ percent Treasury bonds of 1963.	*1963* Aug. 15	*1964* Nov. 15	*1963* July 31	*1963* [1]Aug. 15
Oct. 23	17–63	Oct. 24		3⅞ percent Series C–1965 issued at par for cash [2]	Nov. 15	*1965* May 15	Oct. 28	[3]Nov. 15
1964 Jan. 30	3–64	*1964* Jan. 31	4–64	3⅞ percent Series D–1965 issued at 99.875 in exchange for— 3¼ percent Series A–1964 certificates maturing Feb. 15, 1964; 3 percent Treasury bonds of 1964.	*1964* Feb. 15	Aug. 13	*1964* Feb. 5	*1964* [4]Feb. 17
Jan. 30	4–64	Jan. 31	3–64	4 percent Series A–1966 (additional issue) issued at par in exchange for— 3¼ percent Series A–1964 certificates maturing Feb. 15, 1964; 3 percent Treasury bonds of 1964.	*1962* Feb. 15[5]	*1966* Aug. 15	Feb. 5	[6]Feb. 17
Mar. 26	5–64	Mar. 27		3⅞ percent Series D–1965 (additional issue) issued at 99.70 for cash—	*1964* Feb. 15[7]	*1965* Aug. 13	Mar. 31	[8]Apr. 8
Apr. 29	6–64	Apr. 30	7–64	4 percent Series E–1965 issued at 99.875 in exchange for— 3¼ percent Series B–1964 certificates maturing May 15, 1964; 4¾ percent Series A–1964 notes maturing May 15, 1964; 3¾ percent Series D–1964 notes maturing May 15, 1964.	May 15	Nov. 15	May 6	[9]May 15

[1] Coupons dated Aug. 15, 1963, were detached from the certificates and bonds in bearer form and cashed when due.

[2] Holders of 3⅛ percent Treasury certificates of Series D–1963 and 4⅞ percent Treasury notes of Series C–1963, both of which matured Nov. 15, 1963, were not offered preemptive rights to exchange their holdings for the new notes.

[3] See Department Circular No. 17–63 in this exhibit for provisions for subscription and payment.

[4] See Department Circular No. 3–64 in this exhibit for provisions for subscription and payment.

[5] Interest payable from Feb. 15, 1964.

[6] Coupons dated Feb. 15, 1964, were detached from the certificates and bonds in bearer form and cashed when due.

[7] Interest payable from Apr. 8, 1964.

[8] Payment was permitted by credit in Treasury tax and loan accounts.

[9] Coupons dated May 15, 1964, were detached from the certificates and notes in bearer form and cashed when due. A cash payment of $1.25 per $1,000 (on account of the issue price of the notes) was made to subscribers in the case of bearer securities following their acceptance and in the case of registered notes following discharge of registration.

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Allotments of Treasury notes issued during the fiscal year 1964, by Federal Reserve districts

[In thousands]

Federal Reserve district	3¾ percent Series F-1964 notes issued in exchange for—[1]			3⅞ percent Series C-1965 notes [2]	3⅞ percent Series D-1965 notes issued in exchange for—[1]		
	3½ percent Series C-1963 certificates maturing Aug. 15, 1963	2½ percent Treasury bonds of 1963 maturing Aug. 15, 1963	Total issued		3¼ percent Series A-1964 certificates maturing Feb. 15, 1964 [3]	3 percent Treasury bonds of 1964 maturing Feb. 15, 1964 [3]	Total issued
Boston	$41,861	$26,756	$68,617	$164,709	$79,947	$14,462	$94,409
New York	4,363,609	683,327	5,046,936	5,761,921	4,636,247	340,226	4,976,473
Philadelphia	53,241	45,437	98,678	88,009	44,585	20,397	64,982
Cleveland	111,509	63,584	175,093	232,465	45,635	45,418	91,053
Richmond	21,005	15,922	36,927	133,697	28,546	5,045	33,591
Atlanta	43,075	34,992	78,067	144,598	47,648	26,450	74,098
Chicago	161,541	147,636	309,177	536,357	212,351	89,362	301,713
St. Louis	76,037	68,999	145,036	138,810	54,563	15,213	69,776
Minneapolis	39,404	17,247	56,651	92,266	26,200	10,986	37,186
Kansas City	54,560	76,077	130,637	126,722	44,217	17,892	62,109
Dallas	23,463	25,067	48,530	95,909	62,853	18,612	81,465
San Francisco	137,004	60,829	197,833	430,329	234,023	60,689	294,712
Treasury	4,614	1,338	5,952	31,024	18,716	1,746	20,462
Total note allotments	5,130,923	1,267,211	6,398,134	7,976,816	5,535,531	666,498	6,202,029
Securities eligible for exchange:							
Exchanged in concurrent offerings					1,082,105	728,274	1,810,379
Total exchanged	5,130,923	1,267,211	6,398,134		6,617,636	1,394,772	8,012,408
Not submitted for exchange	49,712	193,498	243,210		123,578	239,529	363,107
Total securities eligible for exchange	5,180,635	1,460,709	6,641,344		6,741,214	1,634,301	8,375,515

Footnotes at end of table.

Allotments of Treasury notes issued during the fiscal year 1964, by Federal Reserve districts—Continued

[In thousands]

Federal Reserve district	4 percent Series A-1966 notes issued in exchange for—[1]			3⅞ percent Series D-1965 notes [5]	4 percent Series E-1965 notes issued in exchange for—[1]			
	3¼ percent Series A-1964 certificates maturing Feb. 15, 1964 [4]	3 percent Treasury bonds of 1964 maturing Feb. 15, 1964 [4]	Total issued		3¼ percent Series B-1964 certificates maturing May 15, 1964 [6]	4¾ percent Series A-1964 Treasury notes maturing May 15, 1964 [6]	3¾ percent Series D-1964 Treasury notes maturing May 15, 1964 [6]	Total issued
Boston	$60, 865	$10, 331	$71, 196	$48, 584	$26, 683	$43, 419	$24, 183	$94, 285
New York	482, 319	219, 387	701, 706	325, 086	3, 460, 906	3, 038, 604	603, 061	7, 102, 571
Philadelphia	11, 764	20, 093	31, 857	42, 685	14, 263	48, 613	48, 722	111, 598
Cleveland	78, 262	41, 251	119, 513	70, 127	44, 525	26, 917	75, 837	147, 279
Richmond	22, 302	16, 082	38, 384	45, 196	17, 731	19, 347	35, 378	72, 456
Atlanta	63, 253	33, 381	96, 634	61, 479	34, 763	27, 855	62, 150	124, 768
Chicago	194, 285	170, 722	365, 007	141, 135	88, 878	100, 805	205, 057	394, 740
St. Louis	53, 360	37, 048	90, 408	45, 866	32, 611	34, 575	64, 449	131, 635
Minneapolis	27, 351	26, 161	53, 512	36, 623	14, 182	34, 364	27, 790	76, 336
Kansas City	38, 505	36, 217	74, 722	52, 335	35, 964	43, 234	63, 682	142, 880
Dallas	12, 745	24, 142	36, 887	57, 349	32, 698	16, 068	46, 974	95, 740
San Francisco	35, 430	92, 425	127, 855	139, 745	24, 827	13, 804	20, 817	59, 448
Treasury	1, 664	1, 034	2, 698	60	1, 215	4, 018	1, 030	6, 263
Total note allotments	1, 082, 105	728, 274	1, 810, 379	1, 066, 270	3, 829, 246	3, 451, 623	1, 279, 130	8, 559, 999
Securities eligible for exchange:								
Exchanged in concurrent offerings	5, 535, 531	666, 498	6, 202, 029		308, 513	619, 551	603, 835	1, 531, 899
Total exchanged	6, 617, 636	1, 394, 772	8, 012, 408		4, 137, 759	4, 071, 174	1, 882, 965	10, 091, 898
Not submitted for exchange	123, 578	239, 529	363, 107		60, 487	328, 526	133, 124	522, 137
Total securities eligible for exchange	6, 741, 214	1, 634, 301	8, 375, 515		4, 198, 246	4, 399, 700	2, 016, 089	10, 614, 035

[1] Subscriptions were allotted in full.

[2] Subscriptions from States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, Government investment accounts, and the Federal Reserve banks were allotted in full if the subscriber certified that it owned a like or greater amount of securities that could be used in payment for the notes. Subscriptions from all others in amounts up to $100,000 were allotted in full; amounts over $100,000 were allotted 21 percent, but not less than $100,000 to any one subscriber.

[3] 4 percent Treasury notes of Series A-1966 were also offered in exchange for this security.

[4] 3⅞ percent Treasury notes of Series D-1965 were also offered in exchange for this security.

[5] Subscriptions in amounts up to $50,000 were allotted in full; amounts over $50,000 were allotted 9 percent, but not less than $50,000 to any one subscriber.

[6] 4¼ percent Treasury bonds of 1974 were also offered in exchange fort his security.

EXHIBIT 2.—Treasury bonds

Two Treasury circulars representative of the six bond offerings during the fiscal year 1964 are reproduced in this exhibit; an exchange offering for maturing issues and an advance refunding exchange offering. Circulars pertaining to the other bond offerings are similar in form and therefore are not reproduced in this report. However, the essential details for each issue are summarized in the first table following the circulars and the final allotments of the new bonds are shown in the second table.

DEPARTMENT CIRCULAR NO. 16-63. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, September 5, 1963.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for bonds of the United States, designated 4⅛ percent Treasury bonds of 1989-94:

(1) at 98.65 percent of their face value in exchange for 3¼ percent Treasury certificates of indebtedness of Series B-1964, dated May 15, 1963, due May 15, 1964;

(2) at 97.70 percent of their face value in exchange for 4¾ percent Treasury notes of Series A-1964, dated July 20, 1959, due May 15, 1964;

(3) at 98.35 percent of their face value in exchange for 3¾ percent Treasury notes of Series D-1964, dated June 23, 1960, due May 15, 1964;

(4) at 98.65 percent of their face value in exchange for 3¾ percent Treasury bonds of 1966, dated November 15, 1960, due May 15, 1966;

(5) at 98.00 percent of their face value in exchange for 4 percent Treasury notes of Series A-1966, dated February 15, 1962, due August 15, 1966;

(6) at 99.40 percent of their face value in exchange for 3⅝ percent Treasury notes of Series B-1967, dated March 15, 1963, due February 15, 1967; or

(7) at 99.10 percent of their face value in exchange for 3¾ percent Treasury notes of Series A-1967, dated September 15, 1962, due August 15, 1967.

Interest adjustments as of September 15, 1963, and the cash payments due to the subscriber on account of the issue prices of the new bonds will be made as set forth in section IV hereof. The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. Delivery of the new bonds will be made on September 18, 1963. The books will be open only on September 9 through September 13, 1963, for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of all of the eligible securities are offered the privilege of exchanging all or any part of such securities for 4 percent Treasury bonds of 1973, and the holders of the certificates and notes maturing on May 15, 1964, are also offered the privilege of exchanging them for 3⅞ percent Treasury bonds of 1968, which offerings are set forth in Department Circulars, Public Debt Series—Nos. 15-63 and 14-63, respectively, issued simultaneously with this circular.

3. *Nonrecognition of gain or loss for Federal income tax purposes.*—Pursuant to the provisions of section 1037(a) of the Internal Revenue Code of 1954 as added by Public Law 86-346 (approved September 22, 1959), the Secretary of the Treasury hereby declares that no gain or loss shall be recognized for Federal income tax purposes upon the exchange with the United States of the eligible securities enumerated in paragraph one of this section solely for the 4⅛ percent Treasury bonds of 1989-94. Section 1031(b) of the Code, however, requires recognition of any gain realized on the exchange to the extent that money is received by the security holder in connection with the exchange. To the extent not recognized at the time of the exchange, gain or loss, if any, upon the obligations surrendered in exchange will be taken into account upon the disposition or redemption of the new obligations.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 4⅛ percent Treasury bonds of 1989-94 which are described in Department Circular, Public Debt Series—No. 11-63, dated May 16, 1963, will be freely interchangeable therewith, and are identical in all respects therewith except that

interest on the bonds to be issued under this circular will accrue from September 15, 1963. Subject to the provision for the accrual of interest from September 15, 1963, on the bonds now offered, the bonds are described in the following quotation from Department Circular No. 11–63:

"1. The bonds, dated April 18, 1963, bear interest from that date at the rate of 4⅛ percent per annum, payable on a semiannual basis on November 15, 1963, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature May 15, 1994, but may be redeemed at the option of the United States on and after May 15, 1989, at par and accrued interest, on any interest day, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

"2. The income derived from the bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

"3. The bonds are acceptable to secure deposits of public moneys.

"4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, are available in denominations of $500, $1,000, $5,000, $10,000, $100,000, and $1,000,000. Provision has been made for the interchange of bonds of different denominations and of bearer and registered bonds, and for the transfer of registered bonds.

"5. If the bonds are owned by a decedent at the time of his death and thereupon constitute a part of his estate, they will be redeemed at par and accrued interest at the option of the representative of the estate, provided the Secretary of the Treasury is authorized by the decedent's estate to apply the entire proceeds of redemption to payment of the Federal estate taxes on such decedent's estate.

"6. The bonds are subject to the general rules and regulations of the Treasury Department, now or hereafter prescribed, governing United States securities."

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Office of the Treasurer of the United States, Washington, D.C., 20220. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

2. All subscribers requesting registered bonds will be required to furnish appropriate identifying numbers as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security number or an employer identification number.

3. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of bonds applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment for the face amount of bonds allotted hereunder must be made on or before September 18, 1963, or on later allotment, and may be made only in a like face amount of securities of the seven issues enumerated in paragraph 1 of section I hereof, which should accompany the subscription. Payment will not be deemed to have been completed where registered bonds are requested if the appropriate identifying number, as required by paragraph 2 of section III hereof, has not been furnished; provided, however, if a subscriber has applied for but is unable to furnish the identifying number by the payment date only because it has not been issued, he may elect to receive, pending the furnishing of the identifying number, interim receipts and in this case payment will be deemed to have been completed. Cash payments due from subscribers (paragraphs 7 and 8 below) should accompany the subscription. Cash payments due to subscribers (paragraphs 2 through 6 below) will be made in the case of bearer securities following their acceptance and in the case of registered securities following discharge of registration. In the case of registered securities, the payment will be made by check drawn in accordance with the assignments on the securities

surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve bank of its district.

2. *3¼ percent certificates of indebtedness of Series B–1964.*—Coupons dated November 15, 1963, and May 15, 1964, must be attached to the certificates when surrendered. Accrued interest from May 15 to September 15, 1963 ($10.86277 per $1,000) plus the payment ($13.50 per $1,000) due to the subscriber on account of the issue price of the bonds will be credited, accrued interest from April 18 to September 15, 1963 ($16.86402 per $1,000) on the bonds to be issued will be charged, and the difference ($7.49875 per $1,000) will be paid to subscribers.

3. *4¾ percent notes of Series A–1964.*—Coupons dated November 15, 1963, and May 15, 1964, must be attached to the notes in bearer form when surrendered. Accrued interest from May 15 to September 15, 1963 ($15.87636 per $1,000) plus the payment ($23.00 per $1,000) due to the subscriber on account of the issue price of the bonds will be credited, accrued interest from April 18 to September 15, 1963 ($16.86402 per $1,000) on the bonds to be issued will be charged, and the difference ($22.01234 per $1,000) will be paid to subscribers.

4. *3¾ percent notes of Series D–1964.*—Coupons dated November 15, 1963, and May 15, 1964, must be attached to the notes in bearer form when surrendered. Accrued interest from May 15 to September 15, 1963 ($12.53397 per $1,000) plus the payment ($16.50 per $1,000) due to the subscriber on account of the issue price of the bonds will be credited, accrued interest from April 18 to September 15, 1963 ($16.86402 per $1,000) on the bonds to be issued will be charged, and the difference ($12.16995 per $1,000) will be paid to subscribers.

5. *3¾ percent bonds of 1966.*—Coupons dated November 15, 1963, and all subsequent coupons, must be attached to the bonds in bearer form when surrendered. Accrued interest from May 15 to September 15, 1963 ($12.53397 per $1,000) plus the payment ($13.50 per $1,000) due to the subscriber on account of the issue price of the new bonds will be credited, accrued interest from April 18 to September 15, 1963 ($16.86402 per $1,000) on the bonds to be issued will be charged, and the difference ($9.16995 per $1,000) will be paid to subscribers.

6. *4 percent notes of Series A–1966.*—Coupons dated February 15, 1964, and all subsequent coupons, must be attached to the notes in bearer form when surrendered. Accrued interest from August 15 to September 15, 1963 ($3.36957 per $1,000) plus the payment ($20.00 per $1,000) due to the subscriber on account of the issue price of the bonds will be credited, accrued interest from April 18 to September 15, 1963 ($16.86402 per $1,000) on the bonds to be issued will be charged, and the difference ($9.16995 per $1,000) will be paid to subscribers.

7. *3⅝ percent notes of Series B–1967.*—Coupons dated February 15, 1964, and all subsequent coupons, must be attached to the notes in bearer form when surrendered. Accrued interest from August 15 to September 15, 1963 ($3.05367 per $1,000) plus the payment ($6.00 per $1,000) due to the subscriber on account of the issue price of the bonds will be credited, accrued interest from April 18 to September 15, 1963 ($16.86402 per $1,000) on the bonds to be issued will be charged, and the difference ($7.81035 per $1,000) must be paid by subscribers.

8. *3¾ percent notes of Series A–1967.*—Coupons dated February 15, 1964, and all subsequent coupons, must be attached to the notes in bearer form when surrendered. Accrued interest from August 15 to September 15, 1963 ($3.15897 per $1,000) plus the payment ($9.00 per $1,000) due to the subscriber on account of the issue price of the bonds will be credited, accrued interest from April 18 to September 15, 1963 ($16.86402 per $1,000) on the bonds to be issued will be charged, and the difference ($4.70505 per $1,000) must be paid by subscribers.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Treasury notes and bonds in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve bank or branch or to the Office of the Treasurer of the United States, Washington, D.C., 20220. The securities must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the securities surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 4⅛ percent Treasury Bonds of 1989–94"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 4⅛ percent Treasury Bonds of 1989–94 in the

name of ---------------"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 4⅛ percent Treasury Bonds of 1989–94 in coupon form to be delivered to ---------------".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

DOUGLAS DILLON,
Secretary of the Treasury.

DEPARTMENT CIRCULAR NO. 7–64. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, April 30, 1964.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for bonds of the United States, designated 4¼ percent Treasury bonds of 1974, in exchange for the following securities maturing May 15, 1964:

3¼ percent Treasury certificates of indebtedness of Series B–1964;
4¾ percent Treasury notes of Series A–1964; or
3¾ percent Treasury notes of Series D–1964.

The amount of the offering under this circular will be limited to the amount of eligible securities tendered in exchange and accepted. The books will be open only on May 4 through May 6, 1964, for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the securities enumerated in paragraph 1 of this section are offered the privilege of exchanging all or any part of such securities for 4 percent Treasury notes of Series E–1965, which offering is set forth in Department Circular, Public Debt Series—No. 6–64, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds will be dated May 15, 1964, and will bear interest from that date at the rate of 4¼ percent per annum, payable semiannually on November 15, 1964, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature May 15, 1974, and will not be subject to call for redemption prior to maturity.

2. The income derived from the bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000, and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. Any bonds issued hereunder which are owned by a decedent at the time of his death and thereupon constitute a part of his estate will be redeemed at par and accrued interest prior to maturity, provided the Secretary of the Treasury is authorized by the representative of the estate to apply the entire proceeds of redemption to payment of the decedent's Federal estate taxes.

6. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Office of the Treasurer of the United States, Washington, D.C. 20220. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

2. All subscribers requesting registered bonds will be required to furnish appropriate identifying numbers as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security number or an employer identification number.

3. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of bonds applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment for the face amount of bonds allotted hereunder must be made on or before May 15, 1964, or on later allotment, and may be made only in securities of the three issues enumerated in paragraph 1 of section I hereof, which will be accepted at par, and should accompany the subscription. Payment will not be deemed to have been completed where registered bonds are requested if the appropriate identifying number, as required by paragraph 2 of section III hereof, has not been furnished; provided, however, if a subscriber has applied for but is unable to furnish the identifying number by the payment date only because it has not been issued, he may elect to receive, pending the furnishing of the identifying number, interim receipts and in this case payment will be deemed to have been completed. Coupons dated May 15, 1964, should be detached from the certificates and notes in bearer form and cashed when due. In the case of registered notes, the final interest due on May 15, 1964, will be paid by check drawn in accordance with the assignments on the notes surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve bank of its district.

V. ASSIGNMENT OF REGISTERED NOTES

1. Treasury notes of Series A–1964 and Series D–1964 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be surrendered with the subscription to a Federal Reserve bank or branch or to the Office of the Treasurer of the United States, Washington, D.C., 20220. The notes must be delivered at the expense and risk of the holder. If the bonds are desired registered in the same name as the notes surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 4¼ percent Treasury Bonds of 1974"; if the bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 4¼ percent Treasury Bonds of 1974 in the name of ----------------"; if bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 4¼ percent Treasury Bonds of 1974 in coupon form to be delivered to ----------------".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

ROBERT V. ROOSA,
Acting Secretary of the Treasury.

Summary of information pertaining to Treasury bonds issued during the fiscal year 1964

Date of preliminary announcement	Department circular		Concurrent offering circular number	Treasury bonds issued for exchange	Date of issue	Date of maturity	Date subscription books closed	Allotment payment date on or before (or on later allotment)
	Number	Date						
1963 Sept. 4	14-63	*1963* Sept. 5	15-63, 16-63	3⅞ percent of 1968 issued at prices indicated below in exchange for— 3¼ percent Series B-1964 certificates maturing May 15, 1964 (99.35); 4¾ percent Series A-1964 notes maturing May 15, 1964 (98.40); 3¾ percent Series D-1964 notes maturing May 15, 1964 (99.05).	*1963* Sept. 15	*1968* Nov. 15	*1963* Sept. 13	*1963* [1] Sept. 18
Sept. 4	15-63	Sept. 5	14-63, 16-63	4 percent of 1973 issued at prices indicated below in exchange for— 3¼ percent Series B-1964 certificates maturing May 15, 1964 (98.85); 4¾ percent Series A-1964 notes maturing May 15, 1964 (97.90); 3¾ percent Series D-1964 notes maturing May 15, 1964 (98.55); 3¾ percent Treasury bonds of 1966 maturing May 15, 1966 (98.85); 4 percent Series A-1966 notes maturing Aug. 15, 1966 (98.20); 3⅝ percent Series B-1967 notes maturing Feb. 15, 1967 (99.60); 3¾ percent Series A-1967 notes maturing Aug. 15, 1967 (99.30).	Sept. 15	*1973* Aug. 15	Sept. 13	[2] Sept. 18
Sept. 4	16-63	Sept. 5	14-63, 15-63	4⅛ percent of 1989-94 (additional issue) issued at prices indicated below in exchange for— 3¼ percent Series B-1964 certificates maturing May 15, 1964 (98.65); 4¾ percent Series A-1964 notes maturing May 15, 1964 (97.70); 3¾ percent Series D-1964 notes maturing May 15, 1964 (98.35); 3¾ percent Treasury bonds of 1966 maturing May 15, 1966 (98.65); 4 percent Series A-1966 notes maturing Aug. 15, 1966 (98.00); 3⅝ percent Series B-1967 notes maturing Feb. 15, 1967 (99.40); 3¾ percent Series A-1967 notes maturing Aug. 15, 1967 (99.10).	[3] Apr. 18	*1994* May 15	Sept. 13	[4] Sept. 18
1964 Jan. 8	1-64	*1964* Jan. 9	2-64	4 percent of 1970 (additional issue) issued at prices indicated below in exchange for— 3¾ percent Series E-1964 notes maturing Aug. 15, 1964 (99.05); 5 percent Series B-1964 notes maturing Aug. 15, 1964 (98.35); 3¾ percent Series F-1964 notes maturing Nov. 15, 1964 (99.05); 4⅞ percent Series C-1964 notes maturing Nov. 15, 1964 (98.15); 2⅝ percent Treasury bonds of 1965 maturing Feb. 15, 1965 (100.25) 4⅝ percent Series A-1965 notes maturing May 15, 1965 (98.20).	June 20 [5]	*1970* Aug. 15	*1964* Jan. 17	*1964* [6,7] Jan. 29
Jan. 8	2-64	Jan. 9	1-64	4¼ percent of 1975-85 (additional issue) issued at prices indicated below in exchange for— 3¾ percent Series E-1964 notes maturing Aug. 15, 1964 (99.95); 5 percent Series B-1964 notes maturing Aug. 15, 1964 (99.25); 3¾ percent Series F-1964 notes maturing Nov. 15, 1964 (99.95); 4⅞ percent Series C-1964 notes maturing Nov. 15, 1964 (99.05); 2⅝ percent Treasury bonds of 1965 maturing Feb. 15, 1965 (101.15); 4⅝ percent Series A-1965 notes maturing May 15, 1965 (99.10).	*1960* Apr. 5 [5]	*1985* May 15	Jan. 17	[6,8] Jan. 29

Apr. 29	7-64	Apr. 30	6-64	4¼ percent of 1974 issued at par in exchange for— 3¼ percent Series B-1964 certificates maturing May 15, 1964; 4¾ percent Series A-1964 notes maturing May 15, 1964; 3¾ percent Series D-1964 notes maturing May 15, 1964.	*1964* May 15	*1974* May 15	May 6	[9] May 15

[1] Coupons dated Nov. 15, 1963, and May 15, 1964, were required to be attached to bearer securities submitted in exchange and payments were made to subscribers for accrued interest from May 15 to Sept. 15, 1963, and on account of the issue prices of the bonds as follows (per $1,000): certificates, $10.86277 plus $6.50; 4¾ percent notes, $15.87636 plus $16.00; and 3¾ percent notes, $12.53397 plus $9.50.

[2] Coupons as indicated below and all subsequent coupons were required to be attached to bearer securities submitted in exchange and payments were made to all subscribers as follows (per $1,000):

Security	*Earliest coupon attached*	*Accrued interest paid* — *For period*	*Accrued interest paid* — *Amount*	*Paid on account of issue price of bond*
3¼% Ctf. B-64	Nov. 15, 1963	May 15-Sept. 15	$10.86277	$11.50
4¾% Note A-64	Nov. 15, 1963	May 15-Sept. 15	15.87636	21.00
3¾% Note D-64	Nov. 15, 1963	May 15-Sept. 15	12.53397	14.50
3¾% Bond 1966	Nov. 15, 1963	May 15-Sept. 15	12.53397	11.50
4% Note A-66	Feb. 15, 1964	Aug. 15-Sept. 15	3.36957	18.00
3⅝% Note B-67	Feb. 15, 1964	Aug. 15-Sept. 15	3.05367	4.00
3¾% Note A-67	Feb. 15, 1964	Aug. 15-Sept. 15	3.15897	7.00

[3] Interest payable from Sept. 15, 1963.

[4] See Department Circular No. 16-63 in this exhibit for provisions for subscription and payment.

[5] Interest payable from Jan. 22, 1964.

[6] Coupons dated as shown below and all subsequent coupons were required to be attached to bearer securities submitted in exchange and accrued interest from the date shown below until Jan. 22, 1964, was paid to all subscribers.

Security	*Coupon attached*	*Accrued interest from*
3¾% Note E-64, 5% Note, 2⅝% Bond	Feb. 15. 1964	Aug. 15, 1963
3¾% Note F-64, 4⅞% Note, 4⅝% Note	May 15, 1964	Nov. 15, 1963

[7] Accrued interest on old security (Col. 2) and amount due subscriber on account of issue price of new bond (Col. 3) were credited to subscriber, accrued interest on new bond (Col. 4) and amount due from the subscriber on account of the issue price of new bond (Col. 5) were charged to subscriber, and difference paid to subscriber (Col. 6) or collected from subscriber (Col. 7) as follows (per $1,000):

Security	*Col. 2*	*Col. 3*	*Col. 4*	*Col. 5*	*Col. 6*	*Col. 7*
3¾% Note E-64	$16.30435	$9.50	$23.57915	-----	$2.22520	--------
5% Note B-64	21.73913	16.50	23.57915	-----	14.65998	--------
3¾% Note F-64	7.00549	9.50	23.57915	-----	--------	$7.07366
4⅞% Note C-64	9.10714	18.50	23.57915	-----	4.02799	--------
2⅝% Bond 1965	11.41304	-----	23.57915	$2.50	--------	14.66611
4⅝% Note A-65	8.64011	18.00	23.57915	-----	3.06096	--------

[8] Accrued interest on old security (Col. 2) and amount due subscriber on account of issue price of new bond (Col. 3) were credited to subscriber, accrued interest on new bond (Col. 4) and amount due from subscriber on account of issue price of new bond (Col. 5) were charged to subscriber, and difference paid to subscriber (Col. 6) or collected from subscriber (Col. 7) as follows (per $1,000):

Security	*Col. 2*	*Col. 3*	*Col. 4*	*Col. 5*	*Col. 6*	*Col. 7*
3¾% Note E-64	$16.30435	$0.50	$7.93956	------	$8.86479	--------
5% Note B-64	21.73913	7.50	7.93956	------	21.29957	--------
3¾% Note F-64	7.00549	0.50	7.93956	------	--------	$0.43407
4⅞% Note C-64	9.10714	9.50	7.93956	------	10.66758	--------
2⅝% Bond 1965	11.41304	-----	7.93956	$11.50	--------	8.02652
4⅝% Note A-65	8.64011	9.00	7.93956	------	9.70055	--------

[9] See Department Circular No. 7-64 in this exhibit for provisions for subscription and payment.

Allotments of Treasury bonds issued during the fiscal year 1964, by Federal Reserve districts

[In thousands]

Federal Reserve district	3⅞ percent Treasury bonds of 1968 issued in exchange for—[1]			
	3¼ percent Series B-1964 certificates maturing May 15, 1964 [2]	4¾ percent Series A-1964 Treasury notes maturing May 15, 1964 [2]	3¾ percent Series D-1964 Treasury notes maturing May 15, 1964 [2]	Total issued
Boston	$33,751	$9,128	$35,023	$77,902
New York	366,683	101,857	300,086	768,626
Philadelphia	5,007	1,236	27,008	33,251
Cleveland	8,733	19,562	67,896	96,191
Richmond	19,152	7,364	15,866	42,382
Atlanta	14,200	8,496	16,386	39,082
Chicago	75,069	28,448	154,161	257,678
St. Louis	16,370	2,411	16,115	34,896
Minneapolis	12,375	4,164	24,781	41,320
Kansas City	10,499	4,452	24,069	39,020
Dallas	7,511	1,384	13,165	22,060
San Francisco	47,650	5,373	81,150	134,173
Treasury	2,595	495	1,763	4,853
Total bond allotments	619,595	194,370	777,469	1,591,434
Securities eligible for exchange:				
Exchanged in concurrent offerings	875,319	338,925	1,099,783	2,314,027
Total exchanged	1,494,914	533,295	1,877,252	3,905,461
Not submitted for exchange	4,198,246	4,399,700	2,016,089	10,614,035
Total securities eligible for exchange	5,693,160	4,932,995	3,893,341	14,519,496

Allotments of Treasury bonds issued during the fiscal year 1964, by Federal Reserve districts—Continued

[In thousands]

Federal Reserve district	4 percent Treasury bonds of 1973 issued in exchange for—[1]							
	3¼ percent Series B-1964 certificates maturing May 15, 1964 [3]	4¾ percent Series A-1964 Treasury notes maturing May 15, 1964 [3]	3¾ percent Series D-1964 Treasury notes maturing May 15, 1964 [3]	3¾ percent Treasury bonds of 1966 maturing May 15, 1966 [4]	4 percent Series A-1966 Treasury notes maturing Aug. 15, 1966 [4]	3⅝ percent Series B-1967 Treasury notes maturing Feb. 15, 1967 [4]	3¾ percent Series A-1967 Treasury notes maturing Aug. 15, 1967 [4]	Total issued
Boston	$15,683	$19,595	$16,821	$35,416	$41,376	$30,804	$45,682	$205,377
New York	309,188	84,616	532,307	283,977	186,236	301,687	387,784	2,085,795
Philadelphia	715	7,987	6,081	14,782	1,865	10,236	8,612	50,278
Cleveland	1,181	4,448	40,580	18,885	6,015	26,822	9,379	107,310
Richmond	989	7,092	4,445	8,896	1,359	12,198	9,563	44,542
Atlanta	2,933	6,309	11,431	9,567	10,061	11,195	14,478	65,974
Chicago	103,974	38,463	47,537	127,798	28,831	73,092	76,366	496,061
St. Louis	4,128	8,052	10,705	17,720	23,690	11,187	29,177	104,659
Minneapolis	2,153	7,407	15,585	17,993	6,671	35,250	18,660	103,719
Kansas City	10,433	9,437	19,447	22,948	9,770	11,137	14,605	97,777
Dallas	317	4,682	27,040	20,828	4,398	20,417	17,354	95,036
San Francisco	48,189	14,397	50,143	39,743	19,139	174,127	84,051	429,789
Treasury	15	1,037	234	2,448	668	2,389	726	7,517
Total bond allotments	499,898	213,522	782,356	621,001	340,079	720,541	716,437	3,893,834
Securities eligible for exchange:								
Exchanged in concurrent offerings	995,016	319,773	1,094,896	114,450	104,739	91,149	131,877	2,851,900
Total exchanged	1,494,914	533,295	1,877,252	735,451	444,818	811,690	848,314	6,745,734
Not submitted for exchange	4,198,246	4,399,700	2,016,089	2,862,023	4,009,592	3,474,845	4,433,214	25,393,709
Total securities eligible for exchange	5,693,160	4,932,995	3,893,341	3,597,474	4,454,410	4,286,535	5,281,528	32,139,443

Footnotes at end of table.

Allotments of Treasury bonds issued during the fiscal year 1964, by Federal Reserve districts—Continued

[In thousands]

Federal Reserve district	4⅛ percent Treasury bonds of 1989–94 (additional issue) issued in exchange for—[1]							
	3¼ percent Series B–1964 certificates maturing May 15, 1964 [5]	4¾ percent Series A–1964 Treasury notes maturing May 15, 1964 [5]	3¾ percent Series D–1964 Treasury notes maturing May 15, 1964 [5]	3¾ percent Treasury bonds of 1966 maturing May 15, 1966 [6]	4 percent Series A–1966 Treasury notes maturing Aug. 15, 1966 [6]	3⅝ percent Series B–1967 Treasury notes maturing Feb. 15, 1967 [6]	3¾ percent Series A–1967 Treasury notes maturing Aug. 15, 1967 [6]	Total issued
Boston	$7,606	$3,423	$962	$318	$58	$320	$3,380	$16,067
New York	321,935	82,610	235,297	98,193	54,588	80,873	110,627	984,123
Philadelphia		7,595	3,190	743	47,233	99	4	58,864
Cleveland	75	248	203	242	82	1,010	75	1,935
Richmond	200	1,821	28	140	300	50		2,539
Atlanta		3,379	85	259	195		325	4,243
Chicago	32,711	5,637	43,322	2,461	1,275	1,790	3,657	90,853
St. Louis	1,575	461	199	289	463	529	621	4,137
Minneapolis	156	399	875	209	156	57	130	1,982
Kansas City	260	477	455	19	130	125	655	2,121
Dallas	99	979	11,659	280	113	239	26	13,395
San Francisco	10,804	17,651	21,044	11,177	46	5,957	12,176	78,855
Treasury		723	108	120	100	100	201	1,352
Total bond allotments	375,421	125,403	317,427	114,450	104,739	91,149	131,877	1,260,466
Securities eligible for exchange:								
Exchanged in concurrent offerings	1,119,493	407,892	1,559,825	621,001	340,079	720,541	716,437	5,485,268
Total exchanged	1,494,914	533,295	1,877,252	735,451	444,818	811,690	848,314	6,745,734
Not submitted for exchange	4,198,246	4,399,700	2,016,089	2,862,023	4,009,592	3,474,845	4,433,214	25,393,709
Total securities eligible for exchange	5,693,160	4,932,995	3,893,341	3,597,474	4,454,410	4,286,535	5,281,528	32,139,443

Allotments of Treasury bonds issued during the fiscal year 1964, by Federal Reserve districts—Continued

[In thousands]

Federal Reserve district	4 percent Treasury bonds of 1970 issued in exchange for—[1]						
	3¾ percent Series E-1964 Treasury notes maturing Aug. 15, 1964 [7]	5 percent Series B-1964 Treasury notes maturing Aug. 15, 1964 [7]	3¾ percent Series F-1964 Treasury notes maturing Nov. 15, 1964 [7]	4⅞ percent Series C-1964 Treasury notes maturing Nov. 15, 1964 [7]	2⅝ percent Treasury bonds of 1965 maturing Feb. 15, 1965 [7]	4⅝ percent Series A-1965 Treasury notes maturing May 15, 1965 [7]	Total issued
Boston	$21,826	$12,126	$8,452	$4,665	$18,687	$6,968	$72,724
New York	414,188	52,410	203,543	160,564	244,922	143,469	1,219,096
Philadelphia	9,750	1,484	4,882	5,799	12,922	2,158	36,995
Cleveland	23,269	4,649	8,253	14,623	42,089	31,412	124,295
Richmond	6,369	1,957	1,372	1,612	32,665	723	44,698
Atlanta	12,871	2,067	5,341	2,330	22,883	1,953	47,445
Chicago	61,725	9,009	25,054	10,386	100,167	18,723	225,064
St. Louis	15,239	7,747	4,191	3,999	32,490	4,077	67,743
Minneapolis	13,515	1,805	3,280	347	42,222	1,721	62,890
Kansas City	18,794	3,446	5,196	1,268	31,350	2,791	62,845
Dallas	28,332	7,564	3,492	2,081	43,849	2,266	87,584
San Francisco	65,848	5,264	5,016	3,687	28,857	4,868	113,540
Treasury	2,220	55,151	364	30	485	260	58,510
Total bond allotments	693,946	164,679	278,436	211,391	653,588	221,389	2,223,429
Securities eligible for exchange:							
Exchanged in concurrent offerings	238,582	105,792	158,475	116,733	52,854	75,642	748,078
Total exchanged	932,528	270,471	436,911	328,124	706,442	297,031	2,971,507
Not submitted for exchange	4,086,154	2,045,253	5,961,223	3,867,196	3,975,768	1,815,710	21,751,304
Total securities eligible for exchange	5,018,682	2,315,724	6,398,134	4,195,320	4,682,210	2,112,741	24,722,811

Footnotes at end of table.

Allotments of Treasury bonds issued during the fiscal year 1964, by Federal Reserve districts—Continued

[In thousands]

Federal Reserve district	4¼ percent Treasury bonds of 1975–85 issued in exchange for—[1]						
	3¾ percent Series E–1964 Treasury notes maturing Aug. 15, 1964 [8]	5 percent Series B–1964 Treasury notes maturing Aug. 15, 1964 [8]	3¾ percent Series F–1964 Treasury notes maturing Nov. 15, 1964 [8]	4⅞ percent Series C–1964 Treasury notes maturing Nov. 15, 1964 [8]	2⅝ percent Treasury bonds of 1965 maturing Feb. 15, 1965 [8]	4⅝ percent Series A–1965 Treasury notes maturing May 15, 1965 [8]	Total issued
Boston	$608	$1,677	$4,431	$3,968	$136	$2,400	$13,220
New York	185,731	61,669	89,499	104,926	42,085	60,951	544,861
Philadelphia	224	2,559	38,561	428	315	488	42,575
Cleveland	325	540	302	238	1,148	1,089	3,642
Richmond	140	569	5	1,035	952	218	2,919
Atlanta	441	394	511	217	401	330	2,294
Chicago	28,925	812	17,707	2,463	1,833	4,210	55,950
St. Louis	385	1,009	1,171	223	420	1,052	4,260
Minneapolis	138	296	----------	66	703	336	1,539
Kansas City	442	790	285	1,903	1,528	1,623	6,571
Dallas	390	710	5,846	493	83	2,235	9,757
San Francisco	20,458	1,081	142	726	3,229	597	26,233
Treasury	375	33,686	15	47	21	113	34,257
Total bond allotments	238,582	105,792	158,475	116,733	52,854	75,642	748,078
Securities eligible for exchange:							
Exchanged in concurrent offerings	693,946	164,679	278,436	211,391	653,588	221,389	2,223,429
Total exchanged	932,528	270,471	436,911	328,124	706,442	297,031	2,971,507
Not submitted for exchange	4,086,154	2,045,253	5,961,223	3,867,196	3,975,768	1,815,710	21,751,304
Total securities eligible for exchange	5,018,682	2,315,724	6,398,134	4,195,320	4,682,210	2,112,741	24,722,811

Allotments of Treasury bonds issued during the fiscal year 1964, by Federal Reserve districts—Continued

[In thousands]

Federal Reserve district	4¼ percent Treasury bonds of 1974 issued in exchange for —[9]			
	3¼ percent Series B-1964 certificates maturing May 15, 1964[10]	4¾ percent Series A-1964 Treasury notes maturing May 15, 1964[10]	3¾ percent Series D-1964 Treasury notes maturing May 15, 1964[10]	Total issued
Boston	$4,883	$56,639	$43,278	$104,800
New York	173,341	306,056	294,028	773,425
Philadelphia	23,971	19,136	15,063	58,170
Cleveland	8,653	26,935	33,779	69,367
Richmond	1,620	10,483	5,152	17,255
Atlanta	4,035	13,855	17,384	35,274
Chicago	44,197	82,017	88,481	214,695
St. Louis	16,345	18,421	18,344	53,110
Minneapolis	7,447	17,301	27,233	51,981
Kansas City	11,181	24,810	24,377	60,368
Dallas	1,580	13,129	11,843	26,552
San Francisco	10,760	25,238	23,974	59,972
Treasury	500	5,531	899	6,930
Total bond allotments	308,513	619,551	603,835	1,531,899
Securities eligible for exchange:				
Exchanged in concurrent offerings	3,829,246	3,451,623	1,279,130	8,559,999
Total exchanged	4,137,759	4,071,174	1,882,965	10,091,898
Not submitted for exchange	60,487	328,526	133,124	522,137
Total securities eligible for exchange	4,198,246	4,399,700	2,016,089	10,614,035

[1] Advance refunding; all subscriptions were allotted in full.
[2] 4 percent Treasury bonds of 1973 and 4⅛ percent Treasury bonds of 1989–94 were also offered in exchange for this security.
[3] 3⅞ percent Treasury bonds of 1968 and 4⅛ percent Treasury bonds of 1989–94 were also offered in exchange for this security.
[4] 4⅛ percent Treasury bonds of 1989–94 were also offered in exchange for this security.
[5] 3⅞ percent Treasury bonds of 1968 and 4 percent Treasury bonds of 1973 were also offered in exchange for this security.
[6] 4 percent Treasury bonds of 1973 were also offered in exchange for this security.
[7] 4¼ percent Treasury bonds of 1975–85 were also offered in exchange for this security.
[8] 4 percent Treasury bonds of 1970 were also offered in exchange for this security.
[9] Subscriptions were allotted in full.
[10] 4 percent Treasury notes of Series E-1965 were also offered in exchange for this security.

Treasury Bills Offered and Accepted

EXHIBIT 3.—Treasury bills

During the fiscal year 1964 there were 52 weekly issues each of 13-week and 26-week Treasury bills (the 13-week bills represent additional issues of bills with an original maturity of 26 weeks), 2 issues of tax anticipation series, 11 one-year issues, and one issue of a strip of weekly bills representing additional amounts of 10 series of outstanding bills. Four press releases inviting tenders, which are representative of the releases for the four types of bill issues, are reproduced in this exhibit as follows: strip of issues, October 16, 1963; tax anticipation series, January 2, 1964; one-year issues, April 24, 1964; and weekly issues, April 29, 1964. Also reproduced is the press release of May 4, 1964, which is representative of the releases announcing the acceptance of tenders for all types of issues.

PRESS RELEASE OF OCTOBER 16, 1963

The Treasury Department, by this public notice, invites tenders for additional amounts of 10 series of Treasury bills to an aggregate amount of $1,000,000,000, or thereabouts, for cash. The additional bills will be issued October 28, 1963, will be in the amounts, and will be in addition to the bills originally issued and maturing, as follows:

Amount of additional issue	Original issue dates 1963	Maturity dates 1964	Days from Oct. 28, 1963, to maturity	Amount outstanding (in millions)
$100,000,000	August 8	February 6	101	$801
100,000,000	August 15	February 13	108	800
100,000,000	August 22	February 20	115	801
100,000,000	August 29	February 27	122	800
100,000,000	September 5	March 5	129	802
100,000,000	September 12	March 12	136	800
100,000,000	September 19	March 19	143	801
100,000,000	September 26	March 26	150	800
100,000,000	October 3	April 2	157	798
100,000,000	October 10	April 9	164	800
1,000,000,000				

The additional and original bills will be freely interchangeable.

Each tender submitted must be in the amount of $10,000, or an even multiple thereof, and the amount tendered will be applied to each of the above series of bills on the basis of the ratio of each series to the total of all series. (For example, an accepted tender for $50,000 will be applied $5,000 to the issue with original date of August 8, 1963, and $5,000 to each of the additional weekly issues through the issue with original date of October 10, 1963.)

The bills offered hereunder will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $50,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve banks and branches up to the closing hour, one-thirty p.m., eastern daylight saving time, Tuesday, October 22, 1963. Tenders will not be received at the Treasury Department, Washington. In the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. A single price must be submitted for each unit of $10,000, or even multiple thereof. A unit represents $1,000 face amount of each issue of bills offered hereunder, as previously described. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve banks and branches on application therefor.

Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Noncompetitive tenders for $100,000 or less (in even multiples of $10,000) without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids, provided, however, that if the total of noncompetitive tenders exceeds $200,000,000, the Secretary of the Treasury reserves the right to allot less than the amount applied for on a straight percentage basis with adjustments where necessary to the next higher multiple of $10,000. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve bank or branch in cash or other immediately available funds on October 28, 1963.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest.

Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss. Purchasers of a strip of the bills offered hereunder should, for tax purposes, take such bills on to their books on the basis of their purchase price prorated to each of the ten outstanding issues using as a basis for proration the closing market prices for each of the issues on October 28, 1963. (Federal Reserve banks will have available a list of these market prices, based on the mean between the bid and asked quotations furnished by the Federal Reserve Bank of New York.)

Treasury Department Circular No. 418, Revised, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve bank or branch.

PRESS RELEASE OF JANUARY 2, 1964

The Treasury Department, by this public notice, invites tenders for $2,500,000,000, or thereabouts, of 159-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be designated Tax Anticipation Series, they will be dated January 15, 1964, and they will mature June 22, 1964. They will be accepted at face value in payment of income taxes due on June 15, 1964, and to the extent they are not presented for this purpose the face amount of these bills will be payable without interest at maturity. Taxpayers desiring to apply these bills in payment of June 15, 1964, income taxes have the privilege of surrendering them to any Federal Reserve bank or branch or to the Office of the Treasurer of the United States, Washington, not more than fifteen days before June 15, 1964,

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and receiving receipts therefor showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before June 15, 1964, to the District Director of Internal Revenue for the district in which such taxes are payable. The bills will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $50,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve banks and branches up to the closing hour, one-thirty p.m., eastern standard time, Thursday, January 9, 1964. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve banks or branches on application therefor.

Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $400,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve bank in cash or other immediately available funds on January 15, 1964.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418 (current revision) and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve bank or branch.

PRESS RELEASE OF APRIL 24, 1964

The Treasury Department, by this public notice, invites tenders for $1,000,000,000, or thereabouts, of 359-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated May 6, 1964, and will mature April 30, 1965, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $50,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve banks and branches up to the closing hour, one-thirty p.m., eastern daylight saving time, Thursday, April 30, 1964. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve banks or branches on application therefor.

Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompained by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve bank in cash or other immediately available funds on May 6, 1964.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418 (current revision) and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve bank or branch.

PRESS RELEASE OF APRIL 29, 1964

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of $2,100,000,000, or thereabouts, for cash and in exchange for Treasury bills maturing May 7, 1964, in the amount of $2,100,427,000, as follows:

91-day bills (to maturity date) to be issued May 7, 1964, in the amount of $1,200,000,000, or thereabouts, representing an additional amount of bills dated February 6, 1964, and to mature August 6, 1964, originally issued in the amount of $900,431,000, the additional and original bills to be freely interchangeable.

182-day bills, for $900,000,000, or thereabouts, to be dated May 7, 1964, and to mature November 5, 1964.

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $50,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve banks and branches up to the closing hour, one-thirty p.m., eastern daylight saving time, Monday, May 4, 1964. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve banks or branches on application therefor.

Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $200,000 or less for the additional bills dated February 6, 1964 (91 days remaining until maturity date on August 6, 1964) and noncompetitive tenders for $100,000 or less for the 182-day bills without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids for the respective issues. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve banks on May 7, 1964, in cash or other immediately available funds or in a like face amount of Treasury bills maturing May 7, 1964. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418 (current revision) and this notice prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve bank or branch.

PRESS RELEASE OF MAY 4, 1964

The Treasury Department announced last evening that the tenders for two series of Treasury bills, one series to be an additional issue of the bills dated February 6, 1964, and the other series to be dated May 7, 1964, which were offered on April 29, were opened at the Federal Reserve banks on May 4. Tenders were invited for $1,200,000,000, or thereabouts, of 91-day bills and for $900,000,000, or thereabouts, of 182-day bills. The details of the two series are as follows:

Range of accepted competitive bids	91-day Treasury bills maturing Aug. 6, 1964		182-day Treasury bills maturing Nov. 5, 1964	
	Price	Approximate equivalent annual rate	Price	Approximate equivalent annual rate
High	[1] 99.125	3.462%	98.176	3.608%
Low	99.115	3.501%	98.159	3.642%
Average	99.120	[2] 3.482%	98.165	[2] 3.629%

[1] Excepting 3 tenders totaling $1,665,000. 96% of the amount of 91-day bills bid for at the low price was accepted. 45% of the amount of 182-day bills bid for at the low price was accepted.
[2] On a coupon issue of the same length and for the same amount invested, the return on these bills would provide yields of 3.56%, for the 91-day bills, and 3.75%, for the 182-day bills. Interest rates on bills are quoted in terms of bank discount with the return related to the face amount of the bills payable at maturity rather than the amount invested and their length in actual number of days related to a 360-day year. In contrast, yields on certificates, notes, and bonds are computed in terms of interest on the amount invested, and relate the number of days remaining in an interest payment period to the actual number of days in the period, with semiannual compounding if more than one coupon period is involved.

Total tenders applied for and accepted by Federal Reserve districts

District	Applied for	Accepted	Applied for	Accepted
Boston	$23,945,000	$13,945,000	$1,559,000	$1,559,000
New York	1,312,391,000	796,591,000	1,071,851,000	728,101,000
Philadelphia	27,584,000	12,584,000	8,529,000	3,529,000
Cleveland	20,498,000	20,498,000	6,293,000	6,293,000
Richmond	11,007,000	11,007,000	3,468,000	3,468,000
Atlanta	38,744,000	36,704,000	9,543,000	8,543,000
Chicago	190,698,000	141,298,000	118,637,000	61,637,000
St. Louis	31,235,000	25,235,000	9,100,000	7,600,000
Minneapolis	19,498,000	19,458,000	6,501,000	4,726,000
Kansas City	28,102,000	28,102,000	6,702,000	6,702,000
Dallas	32,602,000	24,602,000	9,674,000	7,674,000
San Francisco	80,327,000	70,127,000	73,911,000	60,361,000
Total	1,816,631,000	[1] 1,200,151,000	1,325,768,000	[2] 900,193,000

[1] Includes $213,008,000 noncompetitive tenders accepted at the average price of 99.120.
[2] Includes $58,931,000 noncompetitive tenders accepted at the average price of 98.165.

Summary of information pertaining to Treasury bills issued during the fiscal year 1964

[Dollar amounts in thousands]

Date of issue	Date of maturity	Days to maturity [1]	Maturity value						Prices and rates						Amount maturing on issue date of new offering
			Total applied for	Tenders accepted					Total bids accepted		Competitive bids accepted				
											High		Low		
				Total accepted	On competitive basis	On noncompetitive basis	For cash	In exchange	Average price per hundred	Equivalent average rate (percent)	Price per hundred	Equivalent rate (percent)	Price per hundred	Equivalent rate (percent)	
Regular Weekly															
1963															
July 5	Oct. 3, 1963	90	$2,039,711	$1,300,551	$1,086,695	$213,856	$1,110,991	$189,560	99.247	3.011	[2] 99.255	2.980	99.244	3.024	$1,300,470
5	Jan. 2, 1964	181	1,257,300	800,050	754,324	45,726	722,674	77,376	98.445	3.093	[2] 98.452	3.079	98.437	3.109	800,502
11	Oct. 10, 1963	91	2,147,103	1,300,303	1,046,285	254,018	1,285,238	15,065	99.200	3.164	[2] 99.211	3.121	99.184	3.228	1,302,008
11	Jan. 9, 1964	182	1,258,101	800,351	749,223	51,128	797,556	2,795	98.346	3.272	[2] 98.361	3.242	98.315	3.333	800,450
18	Oct. 17, 1963	91	2,098,939	1,300,289	979,059	321,230	1,285,469	14,820	99.193	3.192	99.203	3.153	99,183	3.232	1,300,736
18	Jan. 16, 1964	182	1,272,923	800,123	732,067	68,056	796,618	3,505	98.304	3.355	98.318	3.327	98.288	3.386	800,045
25	Oct. 24, 1963	91	1,848,476	1,300,056	1,052,345	247,711	1,162,729	137,327	99.190	3.206	99.195	3.185	99.183	3.232	1,300,237
25	Jan. 23, 1964	182	1,463,841	800,497	741,134	59,363	737,689	62,808	98.297	3.369	98.306	3.351	98.291	3.380	800,263
Aug. 1	Oct. 31, 1963	91	1,987,155	1,300,655	1,054,753	245,902	1,146,249	154,406	99.175	3.263	[2] 99.183	3.232	99.170	3.284	1,301,685
1	Jan. 30, 1964	182	1,457,845	799,911	742,994	56,917	738,371	61,540	98.282	3.398	[2] 98.290	3.382	98.277	3.408	799,994
8	Nov. 7, 1963	91	1,979,824	1,301,271	1,053,821	247,450	1,104,719	196,552	99.178	3.253	99.183	3.232	99.173	3.272	1,300,975
8	Feb. 6, 1964	182	1,577,966	800,503	740,401	60,102	737,861	62,642	98.287	3.389	98.292	3.378	98.284	3.394	799,156
15	Nov. 14, 1963	91	2,342,495	1,300,845	1,036,538	264,307	1,194,495	106,350	99.157	3.335	99.163	3.311	99.156	3.339	1,301,508
15	Feb. 13, 1964	182	1,372,566	800,116	734,834	65,282	766,984	33,132	98.261	3.441	[2] 98.267	3.428	98.254	3.454	800,035
22	Nov. 21, 1963	91	2,235,925	1,300,913	1,049,331	251,582	1,106,792	194,121	99.152	3.355	[2] 99.154	3.347	99.150	3.363	1,301,692
22	Feb. 20, 1964	182	1,560,966	800,672	740,227	60,445	722,895	77,777	98.250	3.462	[2] 98.257	3.448	98.246	3.469	800,397
29	Nov. 29, 1963	92	2,173,895	1,300,180	1,080,250	219,930	1,165,091	135,089	99.132	3.396	[2] 99.134	3.389	99.130	3.404	1,302,377
29	Feb. 27, 1964	182	1,697,968	800,493	752,385	48,108	747,382	53,111	98.234	3.494	[2] 98.236	3.489	98.231	3.499	800,153
Sept. 5	Dec. 5, 1963	91	2,441,035	1,300,875	1,087,731	213,144	1,028,993	271,882	99.145	3.384	[2] 99.146	3.378	99.143	3.390	1,302,566
5	Mar. 5, 1964	182	1,557,671	801,671	752,010	49,661	729,469	72,202	98.237	3.487	[2] 98.242	3.477	98.235	3.491	800,547
12	Dec. 12, 1963	91	1,957,952	1,300,112	1,033,001	267,111	1,163,800	136,312	99.155	3.343	99.161	3.319	99.150	3.363	1,300,264
12	Mar. 12, 1964	182	1,133,854	799,974	734,745	65,229	746,034	53,940	98.251	3.460	98.262	3.438	98.238	3.485	800,265
19	Dec. 19, 1963	91	2,118,633	1,300,797	1,017,792	283,005	1,122,813	177,984	99.138	3.409	[2] 99.146	3.378	99.136	3.418	1,301,702
19	Mar. 19, 1964	182	1,257,530	800,730	736,816	63,914	727,214	73,516	98.220	3.522	98.230	3.501	98.216	3.529	800,595
26	Dec. 26, 1963	91	2,280,430	1,301,052	1,028,921	272,131	1,164,552	136,500	99.146	3.379	99.150	3.363	99.144	3.386	1,301,835
26	Mar. 26, 1964	182	1,272,938	799,927	746,090	53,837	741,559	58,368	98.227	3.507	[2] 98.234	3.493	98.222	3.517	800,046

	1964													
Oct. 3	Jan. 2	91	2,046,047	1,300,835	1,079,898	220,937	1,128,382	172,453	99.139	3.407	99.148	3.371	99.136	3.418	1,300,551
3	Apr. 2	182	1,203,144	798,154	740,158	57,996	745,649	52,505	98.223	3.515	[2] 98.234	3.493	98.218	3.525	800,033
10	Jan. 9	91	2,274,600	1,301,297	1,037,450	263,847	1,155,540	145,757	99.126	3.459	[2] 99.129	3.446	99.124	3.465	1,300,303
10	Apr. 9	182	1,260,238	800,296	728,562	71,734	756,409	43,887	98.196	3.569	98.204	3.553	98.190	3.580	801,369
17	Jan. 16	91	2,178,885	1,300,409	969,740	330,669	1,214,772	85,637	99.126	3.458	99.131	3.438	99.123	3.469	1,300,289
17	Apr. 16	182	1,306,062	800,355	715,353	85,002	775,642	24,713	98.196	3.568	[2] 98.205	3.551	98.190	3.580	800,442
24	Jan. 23	91	2,264,587	1,302,268	1,043,216	259,152	1,162,403	139,965	99.118	3.489	[2] 99.126	3.458	99.117	3.493	1,300,056
24	Apr. 23	182	1,277,779	799,739	729,016	70,723	746,366	53,373	98.167	3.626	[2] 98.174	3.612	98.158	3.644	801,100
	Feb. 6	101													
	Feb. 13	108													
	Feb. 20	115													
	Feb. 27	122													
[3] 28	Mar. 5	129	2,107,670	1,000,920	996,600	4,320	1,000,920	----------	98.675	3.601	98.687	3.567	98.672	3.608	----------
	Mar. 12	136													
	Mar. 19	143													
	Mar. 26	150													
	Apr. 2	157													
	Apr. 9	164													
31	Jan. 30	91	1,866,663	1,300,313	1,050,124	250,189	1,234,932	65,381	99.127	3.452	99.132	3.434	99.123	3.469	1,300,655
31	Apr. 30	182	1,545,452	800,313	729,945	70,368	776,870	23,443	98.187	3.586	98.195	3.570	98.185	3.590	800,950
Nov. 7	Feb. 6	91	2,051,149	1,300,519	1,052,302	248,217	1,164,284	136,235	99.111	3.517	[2] 99.116	3.497	99.108	3.529	1,301,271
7	May 7	182	1,219,011	799,976	737,628	62,348	746,868	53,108	98.169	3.621	98.190	3.580	98.154	3.651	801,786
14	Feb. 13	91	2,201,396	1,302,060	1,054,293	247,767	1,286,712	15,348	99.099	3.564	[2] 99.103	3.549	99.097	3.572	1,300,845
14	May 14	182	1,431,394	800,631	734,220	66,411	796,572	4,059	98.141	3.678	98.150	3.659	98.135	3.689	800,667
21	Feb. 20	91	2,320,731	1,201,626	922,710	278,916	1,012,407	189,219	99.109	3.524	99.111	3.517	99.108	3.529	1,300,913
21	May 21	182	1,431,394	800,300	724,332	75,968	725,153	75,147	98.150	3.660	98.156	3.647	98.146	3.667	800,428
29	Feb. 27	90	1,986,979	1,201,292	981,559	219,733	1,080,464	120,828	99.130	3.480	99.134	3.464	99.128	3.488	1,300,180
29	May 28	181	1,614,308	801,679	744,251	57,428	759,138	42,541	98.175	3.630	98.180	3.620	98.173	3.634	801,296
Dec. 5	Mar. 5	91	1,909,856	1,300,546	1,079,876	220,670	1,031,485	269,061	99.107	3.532	[2] 99.113	3.509	99.103	3.549	1,300,875
5	June 4	182	1,312,887	799,967	745,219	54,748	697,266	102,701	98.145	3.670	[2] 98.154	3.651	98.138	3.683	800,219
12	Mar. 12	91	2,176,058	1,300,311	1,035,683	264,628	1,164,379	135,932	99.115	3.501	99.118	3.489	99.114	3.505	1,300,112
12	June 11	182	1,769,225	800,981	726,940	74,041	736,150	64,831	98.149	3.662	98.154	3.651	98.147	3.665	800,929
19	Mar. 19	91	2,009,947	1,301,337	1,025,005	276,332	1,080,099	221,238	99.106	3.537	99.115	3.501	99.104	3.545	1,300,797
19	June 18	182	1,576,424	800,163	729,857	70,306	713,965	86,198	98.140	3.679	[2] 98.149	3.661	98.136	3.687	800,700
26	Mar. 26	91	2,048,076	1,309,053	1,089,303	219,750	1,180,934	128,119	99.110	3.522	[2] 99.115	3.501	99.108	3.529	1,301,052
26	June 25	182	1,724,443	804,309	743,997	60,312	741,020	63,289	98.151	3.657	98.154	3.651	98.150	3.659	798,837
1964															
Jan. 2	Apr. 2	91	2,085,380	1,301,323	1,088,764	212,559	1,127,476	173,847	99.109	3.524	99.114	3.505	99.107	3.533	1,300,835
2	July 2	182	1,446,848	800,466	755,331	45,135	717,896	82,570	98.154	3.651	98.164	3.632	98.151	3.657	800,050
9	Apr. 9	91	2,050,888	1,300,845	1,021,770	279,075	1,155,580	145,265	99.107	3.534	[2] 99.110	3.521	99.105	3.541	1,301,297
9	July 9	182	1,388,187	800,403	734,443	65,960	737,788	62,615	98.145	3.669	98.154	3.651	98.140	3.679	800,351
16	Apr. 16	91	2,349,066	1,301,055	973,780	327,275	1,283,078	17,977	99.103	3.549	99.109	3.525	99.100	3.560	1,300,409
16	July 16	182	1,741,144	800,444	708,290	92,154	797,161	3,283	98.140	3.679	98.154	3.651	98.136	3.687	800,123
23	Apr. 23	91	2,634,917	1,303,384	1,037,481	265,903	1,146,958	156,426	99.106	3.538	99.108	3.529	99.105	3.541	1,302,368
23	July 23	182	1,733,383	800,615	732,164	68,451	738,183	62,432	98.156	3.648	98.161	3.638	98.154	3.651	800,497
30	Apr. 30	91	2,167,079	1,300,475	1,061,298	239,177	1,220,444	80,031	99.115	3.501	99.118	3.489	99.113	3.509	1,300,313
30	July 30	182	1,571,979	800,267	739,501	60,766	768,003	32,264	98.174	3.613	98.180	3.600	98.170	3.620	799,911

Footnotes at end of table.

Summary of information pertaining to Treasury bills issued during the fiscal year 1964—Continued

[Dollar amounts in thousands]

Date of issue	Date of maturity	Days to maturity [1]	Maturity value: Total applied for	Tenders accepted: Total accepted	Tenders accepted: On competitive basis	Tenders accepted: On noncompetitive basis	Tenders accepted: For cash	Tenders accepted: In exchange	Total bids accepted: Average price per hundred	Total bids accepted: Equivalent average rate (percent)	Competitive bids accepted, High: Price per hundred	Competitive bids accepted, High: Equivalent rate (percent)	Competitive bids accepted, Low: Price per hundred	Competitive bids accepted, Low: Equivalent rate (percent)	Amount maturing on issue date of new offering
Regular Weekly—Continued															
1964	*1964*														
Feb. 6	May 7	91	$2, 084, 117	$1, 300, 451	$1, 057, 706	$242, 745	$1, 195, 009	$105, 442	99. 114	3. 505	99. 120	3. 481	99. 112	3. 513	$1, 300, 519
6	Aug. 6	182	1, 658, 627	900, 431	839, 863	60, 568	837, 338	63, 093	98. 173	3. 615	98. 180	3. 600	98. 168	3. 624	[4] 800, 503
13	May 14	91	2, 464, 605	1, 302, 577	1, 036, 061	266, 516	1, 288, 784	13, 793	99. 105	3. 540	99. 115	3. 501	99. 104	3. 545	1, 302, 060
13	Aug. 13	182	1, 726, 906	900, 881	834, 746	66, 135	897, 469	3, 412	98. 150	3. 660	98. 166	3. 628	98. 146	3. 667	[4] 800, 116
20	May 21	91	2, 195, 140	1, 201, 148	950, 773	250, 375	1, 022, 171	178, 977	99. 107	3. 534	99. 110	3. 521	99. 105	3. 541	1, 201, 626
20	Aug. 20	182	1, 901, 187	900, 955	836, 782	64, 173	817, 461	83, 494	98. 140	3. 679	[2] 98. 146	3. 667	98. 138	3. 683	[4] 800, 672
27	May 28	91	2, 137, 792	1, 201, 700	996, 275	205, 425	1, 084, 755	116, 945	99. 103	3. 547	[2] 99. 107	3. 533	99. 102	3. 553	1, 201, 292
27	Aug. 27	182	1, 677, 676	901, 802	846, 561	55, 241	838, 199	63, 603	98. 128	3. 703	[2] 98. 132	3. 695	98. 127	3. 705	[4] 800, 493
Mar. 5	June 4	91	2, 245, 729	1, 301, 805	1, 081, 295	220, 510	1, 110, 068	191, 737	99. 093	3. 589	[2] 99. 096	3. 576	99. 092	3. 592	1, 300, 546
5	Sept. 3	182	2, 097, 935	902, 448	845, 770	56, 678	820, 098	82, 350	98. 090	3. 777	[2] 98. 093	3. 772	98. 086	3. 786	[4] 801, 671
12	June 11	91	2, 199, 322	1, 300, 052	1, 048, 615	251, 437	1, 287, 198	12, 854	99. 107	3. 533	[2] 99. 111	3. 517	99. 104	3. 545	1, 300, 311
12	Sept. 10	182	1, 657, 467	900, 265	835, 709	64, 556	896, 447	3, 818	98. 122	3. 715	98. 130	3. 699	98. 116	3. 727	[4] 799, 974
19	June 18	91	2, 254, 134	1, 301, 985	1, 052, 752	249, 233	1, 068, 948	233, 037	99. 106	3. 538	[2] 99. 108	3. 529	99. 104	3. 545	1, 301, 337
19	Sept. 17	182	1, 909. 846	898, 804	831, 646	67, 158	814, 720	84, 084	98. 116	3. 726	98. 120	3. 719	98. 115	3. 729	[4] 800, 730
26	June 25	91	2, 661, 783	1, 307, 567	1, 069, 864	237, 703	1, 158, 699	148, 868	99. 103	3. 550	99. 107	3. 533	99. 102	3. 553	1, 309, 053
26	Sept. 24	182	1, 782, 183	900, 202	839, 092	61, 110	827, 815	72, 387	98. 109	3. 740	98. 111	3. 736	98. 108	3. 742	[4] 799, 927
Apr. 2	July 2	91	1, 962, 077	1, 300, 560	1, 089, 245	211, 315	1, 126, 174	174, 386	99. 109	3. 525	99. 114	3. 505	99. 106	3. 537	1, 301, 323
2	Oct. 1	182	1, 632, 369	901, 457	845, 665	55, 792	807, 737	93, 720	98. 124	3. 710	98. 131	3. 697	98. 120	3. 719	[4] 798, 154
9	July 9	91	2, 343, 607	1, 300, 592	1, 050, 736	249, 856	1, 040, 003	260, 589	99. 114	3. 504	99. 118	3. 489	99. 113	3. 509	1, 300, 845
9	Oct. 8	182	1, 574, 275	900, 029	836, 617	63, 412	805, 884	94, 145	98. 128	3. 703	98. 132	3. 695	98. 124	3. 711	[4] 800, 296
16	July 16	91	2, 187, 898	1, 200, 506	887, 406	313, 100	1, 183, 566	16, 940	99. 119	3. 485	99. 125	3. 462	99. 116	3. 497	1, 301, 055
16	Oct. 15	182	1, 747. 482	900, 050	806, 149	93, 901	896, 918	3, 132	98. 136	3. 687	98. 146	3. 667	98. 132	3. 695	800, 355
23	July 23	91	2, 159, 519	1, 200, 078	964, 772	235, 306	1, 001, 368	198, 710	99. 125	3. 463	99. 128	3. 450	99. 123	3. 469	1, 303, 384
23	Oct. 22	182	1, 862, 172	900, 793	831, 882	68, 911	807, 664	93, 129	98. 149	3. 662	98. 154	3. 651	98. 147	3. 665	799, 739
30	July 30	91	1, 855, 315	1, 201, 283	989, 935	211, 348	1, 123, 090	78, 193	99. 129	3. 446	99. 132	3. 434	99. 126	3. 458	1, 300, 475
30	Oct. 29	182	1, 688, 013	900, 482	837, 178	63, 304	837, 882	62, 600	98. 172	3. 616	98. 176	3. 608	98. 170	3. 620	800, 313
May 7	Aug. 6	91	1, 816, 751	1, 200, 271	987, 143	213, 128	1, 045, 461	154, 810	99. 120	3. 482	[2] 99. 125	3. 462	99. 115	3. 501	1, 300, 451
7	Nov. 5	182	1, 321, 468	900, 393	841, 262	59, 131	817, 684	82, 709	98. 165	3. 629	98. 176	3. 608	98. 159	3. 642	799, 976
14	Aug. 13	91	2, 172, 633	1, 200, 553	963, 268	237, 285	1, 188, 790	11, 763	99. 118	3. 491	99. 121	3. 477	99. 115	3. 501	1, 302, 577
14	Nov. 12	182	1, 837, 378	900, 452	824, 177	76, 275	896, 705	3, 747	98. 168	3. 625	98. 174	3. 612	98. 166	3. 628	800, 631
21	Aug. 20	91	2, 258, 276	1, 202, 081	974, 769	227, 312	930, 266	271, 815	99. 120	3. 482	[2] 99. 122	3. 473	99. 118	3. 489	1, 201, 148
21	Nov. 19	182	1, 633, 350	900, 490	834, 709	65, 781	816, 680	83, 810	98. 181	3. 598	98. 188	3. 584	98. 177	3. 606	800, 300
28	Aug. 27	91	2, 072, 927	1, 199, 984	1, 002, 938	197, 046	996, 851	203, 133	99. 121	3. 475	99. 124	3. 465	99. 120	3. 481	1, 201, 700
28	Nov. 27	183	1, 709, 200	900, 091	848, 198	51, 893	827, 606	72, 485	98. 172	3. 595	[2] 98. 176	3. 588	98. 170	3. 600	801, 679

June 4	Sept. 3	91	2,131,961	1,201,964	996,105	205,859	999,425	202,539	99.121	3.478	99.124	3.465	99.119	3.485	1,301,805
4	Dec. 3	182	1,916,745	904,729	850,681	54,048	822,628	82,101	98.185	3.589	98.190	3.580	98.185	3.590	799,967
11	Sept. 10	91	2,265,340	1,201,130	966,251	234,879	1,189,792	11,338	99.125	3.462	99.128	3.450	99.123	3.469	1,300,052
11	Dec. 10	182	1,634,832	900,518	836,172	64,346	897,600	2,918	98.204	3.553	98.209	3.543	98.199	3.562	800,981
18	Sept. 17	91	2,154,154	1,200,661	965,684	234,977	1,186,940	13,721	99.116	3.496	99.123	3.469	99.114	3.505	1,301,985
18	Dec. 17	182	1,559,794	901,049	836,047	65,002	898,228	2,821	98.185	3.590	98.192	3.576	98.181	3.598	800,163
25	Sept. 24	91	2,022,015	1,201,309	989,011	212,298	1,099,494	101,815	99.121	3.478	99.125	3.462	99.119	3.485	1,307,567
25	Dec. 24	182	1,903,706	900,065	831,927	68,138	857,131	42,934	98.202	3.556	98.205	3.551	98.201	3.558	804,309
							Tax Anticipation								
1963	*1964*														
Oct. 15	Mar. 23	160	$2,958,086	$2,001,249	$1,869,063	$132,186	$1,994,614	$6,635	98.428	3.537	98.437	3.517	98.421	3.553	$2,500,103
1964															
Jan. 15	June 22	159	2,780,322	2,500,812	2,394,540	106,272	2,500,812	----------	98.388	3.650	98.400	3.623	98.370	3.691	----------
							One-Year								
1963	*1964*														
July 15	July 15	366	$4,495,219	$1,997,942	$1,783,048	$214,894	$1,988,945	$8,997	96.358	3.582	[2] 96.412	3.529	96.342	3.598	$2,003,591
Sept 3	Aug. 31	363	2,631,674	1,001,143	936,890	64,253	1,001,143	----------	96.395	3.575	96.410	3.560	96.391	3.579	----------
Oct. 1	Sept. 30	365	2,395,445	1,001,960	954,944	47,016	1,001,960	----------	96.364	3.586	96.380	3.570	96.358	3.592	----------
Nov. 4	Oct. 31	362	1,890,885	1,000,273	966,328	33,945	1,000,273	----------	96.347	3.633	[2] 96.365	3.615	96.340	3.640	----------
Dec. 3	Nov. 30	363	2,794,550	1,004,801	844,496	160,305	1,004,801	----------	96.380	3.590	[2] 96.400	3.570	96.371	3.599	----------
1964															
Jan. 3	Dec. 31	363	2,113,284	1,000,309	972,632	27,677	1,000,309	----------	96.262	3.707	[2] 96.275	3.694	96.255	3.714	----------
	1965														
Feb. 6	Jan. 31	360	2,211,893	1,000,393	969,833	30,560	1,000,393	----------	96.320	3.680	96.335	3.665	96.312	3.688	----------
Mar. 3	Feb. 28	362	3,412,300	1,000,520	981,093	19,427	1,000,520	----------	96.214	3.765	[2] 96.225	3.754	96.207	3.772	----------
Apr. 8	Mar. 31	357	2,568,234	1,001,464	882,970	118,494	1,001,464	----------	96.312	3.719	96.334	3.697	96.306	3.725	----------
May 6	Apr. 30	359	1,883,834	1,001,439	984,405	17,034	1,001,439	----------	96.305	3.705	96.316	3.694	96.296	3.714	----------
June 2	May 31	363	2,207,571	1,000,141	982,014	18,127	1,000,141	----------	96.250	3.719	96.259	3.710	96.246	3.723	----------

[1] The 13-week bills represent additional issues of bills with an original maturity of 26 weeks.

[2] Relatively small amounts of bids were accepted at a price somewhat above the high shown. However, the higher price is not shown in order to prevent an appreciable discontinuity in the range (covered by the high to low prices shown) which would make it misrepresentative.

[3] An additional $100 million each of 10 series of weekly bills issued in a strip for cash (see press release dated Oct. 16, 1963, in this exhibit).

[4] In addition, $100,092,000 of the strip of bills issued on Oct. 28, 1963, matured.

NOTE.—The usual timing with respect to issues of Treasury bills is: Press release inviting tenders, 8 days before date of issue; closing date on which tenders are accepted 3 days before date of issue; and press release announcing acceptance of tenders, 2 days before date of issue. Figures are final and may differ from those shown in the press release announcing preliminary results of an offering.

Noncompetitive tenders (without stated price) from any one bidder were accepted in full at the average price for accepted competitive bids for each issue up to the following amounts: 13-week issues, $200,000; 26-week issues, $100,000; strip of bills, $100,000 (in even multiples of $10,000); tax anticipation series, $400,000; and 1-year issue of July 15, 1963, $400,000, and remaining 1-year issues, $200,000.

All equivalent rates of discount shown are on a bank-discount basis.

Qualified depositaries were permitted to make payment by credit in Treasury tax and loan accounts for not more than 50 percent of the amount of the 1-year issues of Dec. 3, 1963, and Apr. 8, 1964, allotted to them for themselves and their customers up to any amount for which they were qualified in excess of existing deposits when so notified by the Federal Reserve bank of their district.

Guaranteed Debentures Called

EXHIBIT 4.—Calls for partial redemption, before maturity, of insurance fund debentures

During the fiscal year 1964, there were 19 calls for partial redemption, before maturity, of insurance fund debentures, 8 dated September 19, 1963, and the others dated March 25, 1964. The notices of call were published in the *Federal Register* of September 26, 1963, and March 31, 1964. The notice covering the 16th call of the 4⅛ percent Series AA mutual mortgage insurance fund debentures is shown in this exhibit. Since the other notices of call are similar to this exhibit, they have been omitted but the essential details are summarized in the table following the notice of call.

NOTICE OF CALL. FEDERAL REGISTER OF MARCH 31, 1964

To Holders of 4⅛ Percent Mutual Mortgage Insurance Fund Debentures, Series AA:

NOTICE OF CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 4⅛ PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES AA

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U.S.C., title 12, sec. 1701 *et seq.*) as amended, public notice is hereby given that mutual mortgage insurance fund debentures, Series AA, bearing interest at 4⅛ percent included in the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1964, on which date interest on such debentures shall cease:

4⅛ Percent Mutual Mortgage Insurance Fund Debentures, Series AA

Denomination	*Range of inclusive serial numbers within which called debentures fall*
$50	16, 869 to 25, 396
100	84, 267 to 148, 307 and 148, 576
500	22, 435 to 38, 874
1,000	72, 162 to 127, 549
5,000	18, 980 to 27, 588
10,000	12, 067 to 18, 467

IMPORTANT

Although the above inclusive serial numbers include Series AA debentures with other than 4⅛ percent interest, only those Series AA debentures bearing interest at the rate of 4⅛ percent are included in this call.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1964. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1964, and provision will be made for the payment of final interest due on July 1, 1964, with principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1964, to June 30, 1964, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1964, or for purchase prior to that date will be given by the Secretary of the Treasury

P. N. BROWNSTEIN,
Federal Housing Commissioner.

APPROVED: *March 25, 1964.*
JOHN K. CARLOCK,
Fiscal Assistant Secretary of the Treasury.

Final six months' interest will be paid with principal at the rate of $20.625 per $1,000 on debentures redeemed on July 1, 1964.

Final interest will be paid with principal at the rate of $0.113324 per $1,000 per day from January 1, 1964, to date of purchase on debentures purchased between April 1 and June 30, 1964, inclusive.

Summary of information contained in the notices of call for partial redemption of insurance fund debentures during the fiscal year 1964

	4⅛ percent mutual mortgage insurance fund debentures, Series AA, fifteenth call	4⅛ percent mutual mortgage insurance fund debentures, Series AA, sixteenth call	4⅛ percent housing insurance fund debentures, Series BB, tenth call	4⅛ percent housing insurance fund debentures, Series BB, eleventh call
Notice of call	Sept. 19, 1963	Mar. 25, 1964	Sept. 19, 1963	Mar. 25, 1964.
Redemption date	Jan. 1, 1964	July 1, 1964	Jan. 1, 1964	July 1, 1964.
Serial numbers called by denominations:				
$50	13,925–16,855	16,869–25,396	229–887	894–984.
100	63,556–63,849, 63,854–64,043, 64,158–84,266.	84,267–148,307, 148,576	1,929–6,733	6,772–7,714.
500	16,890, 16,892–22,412	22,435–38,874	659–1,798	1,807–2,026.
1,000	52,260–53,324, 53,326–72,087	72,162–127,549	1,604–6,781	6,805–7,485.
5,000	15,045–15,285, 15,290–18,978	18,980–27,588	573–631	649–1,046.
10,000	9,971–12,063	12,067–18,467	4,393–9,588	9,595–10,968.
Final date for transfers or denominational exchanges (but not for sale or assignment).	Sept. 30, 1963	Mar. 31, 1964	Sept. 30, 1963	Mar. 31, 1964.
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$20.625	$20.625	$20.625	$20.625.
Presentation for purchase prior to call date:				
Period	Oct. 1–Dec. 31, 1963	Apr. 1–June 30, 1964	Oct. 1–Dec. 31, 1963	Apr. 1–June 30, 1964.
Amount of accrued interest per $1,000 per day paid with principal.	$0.112092 from July 1, 1963, to date of purchase.	$0.113324 from Jan. 1, 1964, to date of purchase.	$0.112092 from July 1, 1963, to date of purchase.	$0.113324 from Jan. 1, 1964, to date of purchase.

	4⅛ percent section 220, housing insurance fund debentures, Series CC, fifth call	4⅛ percent section 220, housing insurance fund debentures, Series CC, sixth call	4⅛ percent section 221, housing insurance fund debentures, Series DD, third call	4⅛ percent servicemen's mortgage insurance fund debentures, Series EE, twelfth call
Notice of call	Sept. 19, 1963	Mar. 25, 1964	Mar. 25, 1964	Sept. 19, 1963.
Redemption date	Jan. 1, 1964	July 1, 1964	July 1, 1964	Jan. 1, 1964.
Serial numbers called by denominations:				
$50	15–26	32–46	93–1,827	590–1,071.
100	92–130	148–201	380–12,600	4,103–7,721.
500	28–38	41–62	58–3,351	1,071–1,998.
1,000	86–113	134–177	470–12,394	3,862–3,870, 3,890–7,275
5,000	28–35	37–49	165–3,983	867–1,341.
10,000	3,007–3,310	5,058–6,748	667–2,985	693–1,114.
Final date for transfers or denominational exchanges (but not for sale or assignment).	Sept. 30, 1963	Mar. 31, 1964	Mar. 31, 1964	Sept. 30, 1963.
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$20.625	$20.625	$20.625	$20.625.
Presentation for purchase prior to call date:				
Period	Oct. 1–Dec. 31, 1963	Apr. 1–June 30, 1964	Apr. 1–June 30, 1964	Oct. 1–Dec. 31, 1963.
Amount of accrued interest per $1,000 per day paid with principal.	$0.112092 from July 1, 1963, to date of purchase.	$0.113324 from Jan. 1, 1964, to date of purchase.	$0.113324 from Jan. 1, 1964, to date of purchase.	$0.112092 from July 1, 1963, to date of purchase.

Summary of information contained in the notices of call for partial redemption of insurance fund debentures during the fiscal year 1964—Con.

	4⅛ percent servicemen's mortgage insurance fund debentures, Series EE, thirteenth call	4⅛ percent armed services housing mortgage insurance fund debentures, Series FF, seventh call	4⅛ percent armed services housing mortgage insurance fund debentures, Series FF, eighth call	2½ percent war housing insurance fund debentures, Series H, twenty-ninth call
Notice of call	Mar. 25, 1964	Sept. 19, 1963	Mar. 25, 1964	Sept. 19, 1963.
Redemption date	July 1, 1964	Jan. 1, 1964	July 1, 1964	Jan. 1, 1964.
Serial numbers called by denominations:				
$50	1,072–2,726	62–114		4,859–4,978.
100	7,725–20,168	794–1,440		18,497–19,022.
500	2,002–4,893	220–301		5,364–5,488.
1,000	7,276–16,058	1,042–1,786		22,298–22,675.
5,000	1,342–2,785	256–330		5,159–5,203.
10,000	1,120–2,841	7,851–9,175	9,176–9,407	50,989–50,999, 51,001–52,089.
Final date for transfers of denominational exchanges (but not for sale or assignment).	Mar. 31, 1964	Sept. 30, 1963	Mar. 31, 1964	Sept. 30, 1963.
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$20.625	$20.625	$20.625	$12.50.
Presentation for purchase prior to call date:				
Period	Apr. 1–June 30, 1964	Oct. 1–Dec. 31, 1963	Apr. 1–June 30, 1964	Oct. 1–Dec. 31, 1963.
Amount of accrued interest per $1,000 per day paid with principal.	$0.113324 from Jan. 1, 1964, to date of purchase.	$0.112092 from July 1, 1963, to date of purchase.	$0.113324 from Jan. 1, 1964, to date of purchase.	$0.067935 from July 1, 1963, to date of purchase.

	2½ percent war housing insurance fund debentures, Series H, thirtieth call	3¾ percent section 203, home improvement account debentures, Series HH, first call	4 percent section 203, home improvement account debentures, Series HH, second call	2½ percent Title I housing insurance fund debentures, Series L, eighteenth call
Notice of call	Mar. 25, 1964	Sept. 19, 1963	Mar. 25, 1964	Mar. 25, 1964.
Redemption date	July 1, 1964	Jan. 1, 1964	July 1, 1964	July 1, 1964.
Serial numbers called by denominations:				
$50	4,979–4,995		1	201–211.
100	19,023–19,230	1–5	6–13	483–563.
500	5,489–5,530		1–2	186–203.
1,000	22,676–22,860	1–2	3–6	663–692.
5,000	5,204–5,240			84–92.
10,000	52,090–53,128			
Final date for transfers or denominational exchanges (but not for sale or assignment).	Mar. 31, 1964	Sept. 30, 1963	Mar. 31, 1964	Mar. 31, 1964.
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$12.50	$18.75	$20.00	$12.50.
Presentation for purchase prior to call date:				
Period	Apr. 1–June 30, 1964	Oct. 1–Dec. 31, 1963	Apr. 1–June 30, 1964	Apr. 1–June 30, 1964.
Amount of accrued interest per $1,000 per day paid with principal.	$0.068681 from Jan. 1, 1964, to date of purchase.	$0.101902 from July 1, 1963, to date of purchase.	$0.109890 from Jan. 1, 1964, to date of purchase.	$0.068681 from Jan. 1, 1964, to date of purchase.

	2¾ percent Title I housing insurance fund debentures, Series R, sixteenth call	3 percent Title I housing insurance fund debentures, Series T, fifteenth call	3 percent Title I housing insurance fund debentures, Series T, sixteenth call
Notice of call	Mar. 25, 1964	Sept. 19, 1963	Mar. 25, 1964.
Redemption date	July 1, 1964	Jan. 1, 1964	July 1, 1964.
Serial numbers called by denominations:			
$50	546–558	541–583	584–623.
100	1,329–1,563	1,957–2,228	2,229–2,532.
500	329–383	621–691	692–772.
1,000	688–857	1,393–1,609	1,610–1,903.
5,000		396	
10,000			
Final date for transfers or denominational exchanges (but not for sale or assignment).	Mar. 31, 1964	Sept. 30, 1963	Mar. 31, 1964.
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$13.75	$15.00	$15.00.
Presentation for purchase prior to call date:			
Period	Apr. 1–June 30, 1964	Oct. 1–Dec. 31, 1963	Apr. 1–June 30, 1964.
Amount of accrued interest per $1,000 per day paid with principal.	$0.075549 from Jan. 1, 1964, to date of purchase.	$0.081522 from July 1, 1963, to date of purchase.	$0.082418 from Jan. 1, 1964, to date of purchase.

Regulations

EXHIBIT 5.—Fifth amendment, October 14, 1963, to Department Circular No. 530, Eighth Revision, regulations governing United States savings bonds

TREASURY DEPARTMENT,
Washington, October 14, 1963.

Section 315.11(c) of Department Circular No. 530, Eighth Revision, as amended (31 CFR, Part 315) is hereby amended by the addition of the following:

(c) *Bonds that may be excluded from computation.* * * *

(9) bonds of Series E or Series H purchased with the proceeds of bonds of Series J or Series K, at or after maturity, where such matured bonds are presented for that purpose in accordance with the provisions of Department Circular No. 653, Fifth Revision, as amended, offering bonds of Series E, and Department Circular No. 905, Second Revision, as amended, offering bonds of Series H.

JOHN K. CARLOCK,
Fiscal Assistant Secretary of the Treasury.

EXHIBIT 6.—Second amendment, October 14, 1963, to Department Circular No. 653, Fifth Revision, United States savings bonds, Series E

TREASURY DEPARTMENT,
Washington, October 14, 1963.

Section 316.7(b) of Department Circular No. 653, Fifth Revision, dated September 23, 1959, as amended (31 CFR, Part 316, Supp. 1963), is hereby amended as follows:

Sec. 316.7. *Limitation on holdings.* * * *

(b) *Special limitation for owners of maturing savings bonds of Series F, G, J, and K.* Owners of outstanding bonds of Series F, Series G, Series J, and Series K are hereby granted the privilege of applying the proceeds of the bonds, at or after maturity, to the purchase of Series E bonds without regard to the general limitation on holdings, under the following restrictions and conditions:

(1) This privilege extends to all owners of matured and maturing bonds of Series F, Series G, Series J, and Series K, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in section 315.6 of the savings bond regulations.[1]

(3) The matured bonds must be presented to a Federal Reserve bank or branch for the specified purpose of taking advantage of this privilege.

(4) Series E bonds may be purchased with the proceeds of the matured bonds only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of Series E bonds will be paid to the owner.

(5) The Series E bonds will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve bank or branch.

(7) This privilege will continue until terminated by the Secretary of the Treasury.

JOHN K. CARLOCK,
Fiscal Assistant Secretary of the Treasury.

[1] Department Circular No. 530, current revision.

EXHIBIT 7.—Fourth amendment, October 14, 1963, to Department Circular No. 905, Second Revision, United States savings bonds, Series H

TREASURY DEPARTMENT,
Washington, October 14, 1963.

Section 332.7(b) of Department Circular No. 905, Second Revision, dated September 23, 1959, as amended (31 CFR, Part 332, Supp. 1963) is hereby amended as follows:

Sec. 332.7. *Limitation on holdings.* * * *

(b) *Special limitation for owners of maturing savings bonds of Series F, G, J, and K.* Owners of outstanding savings bonds of Series F, Series G, Series J, and Series K are hereby granted the privilege of applying the proceeds of the bonds, at or after maturity, to the purchase of Series H bonds without regard to the general limitation on holdings, under the following restrictions and conditions:

(1) This privilege extends to all owners of matured and maturing bonds of Series F, Series G, Series J, and Series K, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in sec. 315.6 of the savings bond regulations.[1]

(3) The matured bonds must be presented to a Federal Reserve bank or branch for the specified purpose of taking advantage of this privilege.

(4) Series H bonds may be purchased with the proceeds of the matured bonds only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of Series H bonds will be paid to the owner.

(5) The Series H bonds will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve bank or branch.

(7) This privilege will continue until terminated by the Secretary of the Treasury.

JOHN K. CARLOCK,
Fiscal Assistant Secretary of the Treasury.

EXHIBIT 8.—Third amendment, January 27, 1964, to Department Circular No. 653, Fifth Revision, United States savings bonds, Series E

TREASURY DEPARTMENT,
Washington, January 27, 1964.

Sections 316.5, 316.9, and 316.18 of Department Circular No. 653, Fifth Revision dated September 23, 1959, as amended (31 CFR, Part 316, Supp. 1963), are hereby amended effective May 1, 1964, to read as follows:

Sec. 316.5 *Description (registered form only—denominations—issue date, etc.).*—Series E bonds are issued only in registered form and in denominations of $25, $50, $75, $100, $200, $500, $1,000, $10,000, and $100,000 (which is provided for trustees of employees' savings plans). Each bond will bear the facsimile signature of the Secretary of the Treasury and an imprint of the Seal of the Treasury Department. At the time of issue, the issuing agent will inscribe on the face of each bond the name and address of the owner and the name of the coowner or beneficiary, if any; will enter in the upper right-hand portion of the bond the issue date (which shall be the first day of the month and year in which payment of the issue price is received by an authorized issuing agent); and will imprint the agent's dating stamp in the lower right-hand portion to show the date the bond is actually inscribed. As indicated in section 316.3(b), the issue date is important in determining the date on which the bond becomes redeemable, its maturity date and yield thereto as well as its intermediate yields. Accordingly,

[1] Department Circular No. 530, current revision.

it should not be confused with the date on the agent's dating stamp. A Series E bond shall be valid only if an authorized issuing agent receives payment therefor, duly inscribes, dates, stamps, and delivers it. See section 316.6 for forms of registration and section 316.9 for issue prices of bonds.

Sec. 316.9. *Issue prices of bonds.*—The issue prices of the various denominations of Series E bonds follow:

Denomination (face value)	*Issue (purchase) price*
$25.00	$18.75
50.00	37.50
75.00	56.25
100.00	75.00
200.00	150.00
500.00	375.00
1,000.00	750.00
10,000.00	7,500.00
100,000.00 [1]	75,000.00

Sec. 316.18. *Payment or redemption (in general).*—A Series E bond may be redeemed at the option of the owner at any time after two months from the issue date at the appropriate redemption value as shown in the tables at the end of this circular, which apply to bonds bearing various issue dates back to May 1, 1941. The redemption values of bonds in the denomination of $100,000 [1] (which was authorized as of January 1, 1954) are not shown in those tables. However, the redemption values of bonds in that denomination will be equal to the total redemption values of ten $10,000 bonds bearing the same issue dates. The redemption values before maturity of bonds of Series E in the denominations of $75 are set forth in the appended table. A Series E bond in a denomination higher than $25 (face value) may be redeemed in part but only in the amount of an authorized denomination or multiple thereof. Payment of a Series E bond will be made upon presentation and surrender of the bond by the owner to authorized paying agencies as follows:

John K. Carlock,
Fiscal Assistant Secretary of the Treasury.

[1] The $100,000.00 denomination is available for purchase only by trustees of employees' savings plans described in section 316.7(c).

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR $75 DENOMINATION BONDS

Table showing: (1) How bonds of Series E, $75 denomination, increase in redemption value during successive half-year periods following issue; (2) the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (3) the approximate investment yield on the current redemption value from the beginning of each half-year period to maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	$75.00	Approximate investment yield	
Issue price	56.25		
Period after issue date	(1) Redemption values during each half-year period [1] (values increase on first day of period shown)	(2) On purchase price from issue date to beginning of each half-year period [1]	(3) On current redemption value from beginning of each half-year period [1] to maturity
		Percent	*Percent*
First ½ year	$56.25	0.00	[2] 3.75
½ to 1 year	56.73	1.71	3.89
1 to 1½ years	57.57	2.33	3.96
1½ to 2 years	58.53	2.67	4.01
2 to 2½ years	59.70	3.00	4.01
2½ to 3 years	60.84	3.16	4.03
3 to 3½ years	61.98	3.26	4.05
3½ to 4 years	63.21	3.36	4.06
4 to 4½ years	64.50	3.45	4.06
4½ to 5 years	65.85	3.53	4.04
5 to 5½ years	67.20	3.59	4.03
5½ to 6 years	68.58	3.64	4.02
6 to 6½ years	69.96	3.67	4.01
6½ to 7 years	71.37	3.70	4.01
7 to 7½ years	72.81	3.72	3.99
7½ years to 7 years and 9 months	74.25	3.74	4.06
FACE VALUE (7 years and 9 months from issue date)	75.00	3.75	

[1] 3-month period in the case of the 7½-year to 7-year and 9-month period.
[2] Approximate investment yield for entire period from issuance to maturity.

EXHIBIT 9.—Second Revision, April 7, 1964, of Department Circular No. 888, regulations governing the special endorsement of United States savings bonds of any series and the payment of matured Series F, G, J, and K bonds by eligible paying agents

TREASURY DEPARTMENT,
Washington, April 7, 1964.

Department Circular No. 888, Revised, dated April 8, 1953, as supplemented (31 CFR, 1963 Supp., 330), is hereby further amended and issued as a Second Revision.

AUTHORITY: Secs. 330.1 to 330.12 issued under sec. 22, 49 Stat. 21, as amended; 31 U.S.C. 757c.

Sec. 330.1. *Purpose of regulations.*—These regulations prescribe a procedure whereby qualified paying agents may specially endorse United States savings bonds of certain classes, with or without the owners' signatures to the requests for payment, and make provisions for such agents either to pay certain of the bonds so endorsed or to forward them to the Federal Reserve bank or branch servicing their accounts for payment or for any authorized exchange. Section 330.3 describes the eligibility of various classes of bonds for processing under the procedure provided in this circular, and sec. 330.8 sets out which of these classes may be paid by such agents and which should be forwarded to a Federal Reserve bank or branch. UNDER NO CIRCUMSTANCES SHALL THE PROVISIONS OF THIS CIRCULAR BE USED TO GIVE EFFECT TO A TRANSFER, HYPOTHECATION, OR PLEDGE OF A BOND OR TO PERMIT PAYMENT TO ANY PERSON OTHER THAN THE OWNER OR COOWNER. VIOLATION OF THESE PROHIBITIONS WILL BE CAUSE FOR THE WITHDRAWAL OF AN AGENT'S PRIVILEGE TO PROCESS ANY BONDS UNDER THIS CIRCULAR.

Sec. 330.2. *Agents eligible to process bonds.*—Any institution qualified as a paying agent of United States savings bonds under the provisions of Department Circular No. 750, as revised, may establish its eligibility to employ the procedure authorized by this circular upon application on Treasury Department Form PD 2291 to the Federal Reserve bank of the district in which it is located. This form provides a certification that by duly executed resolution of its governing board or committee the institution has been authorized to apply for the privilege of processing and paying bonds in accordance with the provisions and conditions of Department Circular No. 888, including all supplements, amendments, and revisions thereof, and any instructions issued in connection therewith. If the application is approved, the Federal Reserve bank will so notify the institution on Treasury Department Form PD 2292. The Secretary of the Treasury reserves the right to withdraw from any institution at any time the authority granted thereto under these regulations.

Sec. 330.3. *Bonds eligible for processing.*—The procedure provided in these regulations may be employed in connection with the redemption or exchange of any savings bond upon the request of its registered owner or either coowner. The term "owner" is defined to include individuals, incorporated and unincorporated bodies, executors, administrators, and other fiduciaries named on a bond. This procedure does not apply, however, to cases where payment or exchange is requested by a parent in behalf of a minor named on a bond as owner. Also, it does not apply to requests made be surviving beneficiaries, or to any cases requiring a death certificate or other documentary evidence.

Sec. 330.4. *Guaranty given to the United States.*—A paying agent by the act of paying or presenting to the Federal Reserve bank or branch either for payment or for exchange a bond bearing the special endorsement prescribed in this circular shall be deemed thereby (a) to have unconditionally guaranteed to the United States the validity of the transaction, including the identification of the owner and the disposition of the proceeds or the new bonds, as the case may be, in accordance with his instructions, (b) to have assumed complete and unconditional liability to the United States for any loss which may be incurred by the United States as a result of the transaction, and (c) to have unconditionally agreed to make prompt reimbursement for the amount of the loss upon request of the Treasury Department.

Sec. 330.5. *Evidence of owner's authorization to agent.*—By the act of paying or presenting to the Federal Reserve bank or branch for payment or for exchange a bond bearing the special endorsement described in sec. 330.6, the paying agent represents to the United States that it has obtained adequate instructions from the owner with respect to payment or exchange of the bond and disposition of its proceeds or the new bond, as the case may be. To support this representation, agents should maintain such records as may be necessary to establish the receipt of such instructions as well as records establishing compliance therewith.

Sec. 330.6. *Endorsement of bonds.*—Each bond processed under these regulations shall bear the following endorsement:

"Request by owner and validity of transaction guaranteed in accordance with T.D. Circular No. 888, Revised.

(Name and location of agent)"

This endorsement must be placed on the back of the bond in the space provided for the owner to request payment. (See sec. 330.7 for additional instructions covering bonds inscribed in coownership form.) The endorsement stamp must be legibly impressed in black or other dark-colored ink. The Federal Reserve bank of the district will furnish rubber stamps for impressing the above endorsement or, in lieu thereof, will approve designs for suitable stamps to be obtained by paying agents. Requests for endorsement stamps to be furnished or approved by the Federal Reserve bank shall be made in writing by an officer of the institution.

Sec. 330.7. *Bonds in coownership form.*—In addition to the endorsement prescribed in sec. 330.6, the paying agent shall, in the case of bonds registered in coownership form, indicate which coowner requested payment or exchange. This should be done by encircling in black or other dark-colored ink the name of such coowner (or both coowners if a joint request for payment or exchange is made) as it appears in the inscription on the face of the bond.

Sec. 330.8. *Payment or exchange of bonds.*

(a) *By paying agents.*

(1) *Payment of Series A–E bonds, inclusive, for cash.*—Bonds of Series A to E, inclusive, bearing the special endorsement may be paid by a paying agent pursuant to the authority and subject, in all other respects, to the provisions and conditions of Department Circular No. 750, as revised, and the instructions issued pursuant thereto. Bonds so paid will be combined with other Series A to E bonds paid under that circular and forwarded to the Federal Reserve bank or branch servicing the agent's account.

(2) *Payment of MATURED Series F, G, J, and K bonds.*—Matured savings bonds of Series F, G, J, and K may be paid by paying agents whose eligibility has been duly established pursuant to sec. 330.2. No fees will be paid to the agents for making these payments. Such matured bonds may be paid only under the provisions and conditions of this subsection and such instructions as may be issued pursuant thereto. It will be required that (i) the bonds be of a class which may be processed by special endorsement (see sec. 330.3), (ii) the owner has requested the payment (see sec. 330.3), (iii) the bonds bear no material alteration, irregularity, mutilation, or other defect that may be a basis for questioning payment thereof, and (iv) the bonds bear the special endorsement (see sec. 330.6). The payment of matured bonds of Series F, G, J, and K shall be made in accordance with the following provisions:

(*a*) A Series F or J bond shall be paid at its face value.

(*b*) A Series G or K bond shall be paid at its face value, together with the final interest due thereon, as shown below:

Authorized denominations	*Amount payable (face value plus final interest)* Series G	Series K
$100 (Series G only)	$101. 25	------------
500	506. 25	$506. 90
1,000	1, 012. 50	1, 013. 80
5,000	5, 062. 50	5, 069. 00
10,000	10, 125. 00	10, 138. 00
100,000 (Series K only)	----------	101, 380. 00

(*c*) Each bond shall bear on its face, in the upper right portion, a payment stamp setting forth the word "PAID" and the amount of the payment (including the final interest on Series G and K bonds), the date of payment (month, day, year), and the name and location of the paying agent including the ABA transit number or other identifying code approved or assigned by the Federal Reserve bank of the district (the payment stamp prescribed for use under Department Circular No. 750, as revised, may be used).

(*d*) The proceeds of each bond shall be disposed of pursuant to the owner's instructions.

(*e*) Each payment shall be subject to the guaranty and liability provisions of sec. 330.4 hereof.

(*f*) Paying agents shall be subject to such other instructions governing these payments as may be issued by the Federal Reserve bank of the district. Immediate settlement, subject to adjustment, will be made with the paying agent by the Federal Reserve bank or branch servicing its account for the total amount due on the paid bonds submitted hereunder at any one time.

(3) *Payment of Series E, F, and J bonds on redemption-exchange for Series H bonds.*—All outstanding Series E bonds, and all Series F and J bonds received not later than six months from the month of maturity, presented for redemption-exchange under the provisions of Department Circular No. 1036, which bear the special endorsement, may be paid by a paying agent pursuant to the authority and subject, in all other respects, to the provisions and conditions of Department Circular No. 750, as revised, and the instructions issued pursuant thereto.

(b) *By Federal Reserve banks.*

(1) *General.*—All bonds forwarded to a Federal Reserve bank or branch for payment or exchange under this circular must be accompanied by appropriate instructions governing the transaction and the disposition of the redemption checks or the new bonds, as the case may be. The bonds must be kept separate from any bonds the agent has paid, and they must be presented in accordance with such instructions as may be issued by the Federal Reserve bank of the district.

(2) *Payment.*—Savings bonds presented to an eligible paying agent for payment which it elects to process by special endorsement under the provisions and conditions of this circular must be forwarded to the Federal Reserve bank or branch servicing the agent's account for payment (i) if the bonds are not payable under (a) of this section, or (ii) if being payable thereunder, the agent does not elect to make the payment.

(3) *Exchange.*—Series E, F, and J bonds presented for redemption-exchange which the agent elects to process but not to pay under (a)(3) of this section, as well as any savings bonds submitted for exchange, in whole or in part, pursuant to an authorized exchange offering and processed by special endorsement under this circular, must be forwarded to the Federal Reserve bank or branch.

Sec. 330.9. *Functions of Federal Reserve banks.*—The Federal Reserve banks, as fiscal agents of the United States, are authorized and directed to perform such duties, and prepare and issue such instructions, as may be necesssry to the fulfillment of the purpose and requirements of this circular. The Federal Reserve banks may utilize any or all of their branches in the performance of these duties.

Sec. 330.10. *Modification of other circulars.*—The provisions of these regulations shall be considered as amendatory of and supplementary to Department Circulars Nos. 530, 653, 654, 750, 751, 885, 905, and 906 and any revisions thereof, and those circulars are hereby modified where necessary to accord with the provisions hereof.

Sec. 330.11. *Other circulars generally applicable.*—Except as provided in these regulations, the circulars referred to in the preceding section will continue to be generally applicable.

Sec. 330.12. *Supplements, amendments, or revisions.*—The Secretary of the Treasury may at any time, or from time to time supplement, amend or revise the terms of these regulations.

JOHN K. CARLOCK,
Fiscal Assistant Secretary of the Treasury.

EXHIBIT 10.—First amendment, April 7, 1964, to Department Circular No. 1036, exchange offering of United States savings bonds, Series H

TREASURY DEPARTMENT,
Washington, April 7, 1964.

Section 339.1 of Department Circular No. 1036, dated December 31, 1959 (31 CFR, 1963 Supp., 339) is hereby amended as follows:

Sec. 339.1. *Exchange of certain Series E, F, and J bonds with the privilege of deferral of Federal income tax.*

* * * * * * *

(c) *Description of bonds and definitions.*—
(1) *Description of bonds.*—This section shall apply to:
(i) All outstanding Series E bonds; and
(ii) All Series F and J bonds, provided such bonds are received not later than six months from the month of maturity by an agency authorized to accept subscriptions for exchange.[1]

JOHN K. CARLOCK,
Fiscal Assistant Secretary of the Treasury.

EXHIBIT 11.—Press release, December 9, 1963, instructions for obtaining taxpayer identifying numbers of owners of redeemed savings bonds

PRESS RELEASE OF DECEMBER 9, 1963

The Treasury announced today that instructions are being issued to banks and other financial institutions to request owners of Series E, F, and G savings bonds on which any amount of interest is earned to insert their taxpayer identifying numbers (social security account numbers or employer identification numbers) on the bonds when they are presented for payment beginning January 1, 1964.

This action is in furtherance of the Treasury's program to obtain taxpayer identifying numbers from all recipients of interest paid on registered public debt securities.

The Treasury is not making it a mandatory requirement at this time that owners of savings bonds of the three above-mentioned series furnish their taxpayer identifying numbers when redeeming their bonds. Consideration is being given, however, to the issuance of regulations which would make the furnishing of the numbers mandatory at time of redemption with respect to E bonds issued on and after a specified date in the future. (Series F and G savings bonds are no longer on sale.) Applicants for Series H savings bonds, the current income companion bond to the E bond, are now required to furnish their taxpayer identifying numbers before the bonds are issued.

The Treasury is also giving consideration to a long-range program under which taxpayer identifying numbers will eventually appear on all E bonds when they are issued. The Treasury is at present giving thought to means by which, under a long-term program, the processes of changeover to the new method will be gradual and thereby lessen its impact upon the 19,000 bond issuing agents who perform the issuing job without cost to the Treasury. The first phase of the program will cover bonds issued for Federal civilian and military personnel. The Treasury will also at this time approve the placement of taxpayer identifying numbers on E bonds upon application submitted to it by those issuing agents desiring to do so who operate a payroll savings plan.

The Treasury requests that the owners of Series E, F, and G savings bonds, and also Series J savings bonds, on which any amount of interest is earned, who mail their bonds to the Office of the Treasurer of the United States, Washington, D.C., 20220, or to a Federal Reserve bank or branch for payment, write their taxpayer identifying numbers on the bonds, below and to the left of the seal, avoiding any printed matter wherever possible.

The Treasury will not furnish an annual statement to bond owners showing the total amount of interest they received on their E, F, G, and J bonds. They should, therefore, plan to post interest as received in a record of their choice, in order that it may be correctly reported in their tax returns. A form for computing E bond interest earned each time bonds are redeemed may be obtained from the agent paying the bonds.

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[1] Series J bonds which become ineligible for exchange under this circular because of failure to present them for that purpose not later than six months from the month of maturity may be exchanged under the provisions of section 332.7(b) of Department Circular No. 905, Second Revision, as amended.

Legislation

EXHIBIT 12.—An act to continue the existing temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act

[Public Law 88-106, 88th Congress, H.R. 7824, August 27, 1963]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, during the period beginning on September 1, 1963, and ending on November 30, 1963, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C. 757b), shall be temporarily increased to $309,000,000,000.

Debt limit. Temporary increase. *Ante*, p. 50.

Approved August 27, 1963.

EXHIBIT 13.—An act to increase temporarily the public debt limit set forth in section 21 of the Second Liberty Bond Act

[Public Law 88-187, 88th Congress, H.R. 8969, November 26, 1963]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, during the period beginning on December 1, 1963, and ending on June 30, 1964, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C. 757b), shall be temporarily increased to $309,000,000,000. Because of variations in the timing of revenue receipts, the public debt limit as increased by the preceding sentence is further increased through June 29, 1964, by $6,000,000,000.

Public debt limit. Temporary increases. *Ante*, pp. 50, 131.

Approved November 26, 1963.

EXHIBIT 14.—An act to increase temporarily the public debt limit set forth in section 21 of the Second Liberty Bond Act

[Public Law 88-327, 88th Congress, H.R. 11375, June 29, 1964]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, during the period beginning on the date of the enactment of this Act and ending on June 30, 1965, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C. 757b), shall be temporarily increased to $324,000,000,000.

Public debt limit. Temporary increase. 72 Stat. 1758.

Approved June 29, 1964.

EXHIBIT 15.—An act to extend for two years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury set forth in section 14(b) of the Federal Reserve Act

[Public Law 88-344, 88th Congress, H.R. 11499, June 30, 1964]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out "July 1, 1964" and inserting in lieu thereof "July 1, 1966" and by striking out "June 30, 1964" and inserting in lieu thereof "June 30, 1966".

Federal Reserve Act, amendment. 61 Stat. 56; 76 Stat. 112.

Approved June 30, 1964.

Financial Policy

EXHIBIT 16.—Statement by Secretary of the Treasury Dillon, January 28, 1964, before the Joint Economic Committee

The performance of the American economy during 1963 has already been reviewed in detail in the Economic Report. Consequently, I shall not dwell upon this past record today. Instead, I should like to explore with you some of the implications of recent and prospective developments for the broad range of financial and economic policies, both domestic and international, with which I am directly concerned.

Unfilled needs at home

The current advance in business activity—now extending over three full years—has remained remarkably well balanced. But I think it is now abundantly clear to all that we cannot be satisfied simply to head off a new recession, or to continue with the current gradual expansion in output. For, despite the growth in the economy last year more of our citizens were unemployed during December than was the case a year earlier. We can and must do better.

The true measure of our task is not simply the 5½ percent of our labor force that is currently unemployed. In addition, we must provide jobs for the rapidly increasing number of younger workers who will be entering the labor force over the remaining years of this decade, and for those further millions who will be displaced from existing jobs by mechanization and automation.

A broad consensus has been reached among leaders in all sectors of our economy, and I believe within the Congress too, that thoroughgoing tax reduction, lifting from the private economy the shackles of wartime tax rates, is the greatest single step that can be taken to speed the creation of new job opportunities.

Tax reduction is not a cure-all. To overcome stubborn pockets of poverty, lack of adequate training for too many workers, and remaining barriers to equal employment opportunity will require the kind of coordinated and many-sided effort—by business and labor as well as by the Federal Government, by States, and by local communities—that the President has outlined for us. But tax reduction, with its stimulating effects permeating into every sector of the economy, must be the centerpiece of any effective attack on unemployment and poverty, for the more specific remedies for these problems can be fully effective only in a more buoyant economic environment, an environment in which a trained man can find employment for his skills and in which there are strong economic incentives for upgrading workers and overcoming barriers of race and color.

The tax bill as passed by the House and approved by a bipartisan 12-5 vote in the Senate Finance Committee provides particularly large reductions for those at the bottom end of the scale. Although most low income families pay little if any income tax, those that do will obtain substantial relief. For families with total personal income of $3,000 or less and for individuals with personal income of $1,500 or less—including not only sources of income reported on tax returns but also social security and other transfer payments—taxes would be cut by an average of more than 60 percent. And many of the 1.5 million taxpayers who, under the bill, will no longer pay any income tax whatsoever are in this group.

Overall, the bill, as reported by the Senate Finance Committee, provides a net reduction in personal tax liabilities of nearly $9.5 billion, or about 80 percent of the total tax reduction provided. The great bulk of this money will move directly into consumer markets. Over $5.5 billion of the net reduction in personal tax goes to taxpayers with incomes of $10,000 or less. These people—85 percent of all taxpayers—now carry 50 percent of the individual tax load. Under both House and Senate versions of the bill, they will receive 60 percent of the individual tax reduction. Consequently, the combination of rate reduction and structural reform will shift to the higher income brackets a somewhat larger share of the tax load. Taxpayers in the bottom income group—reporting earnings of $3,000 or less—will get three times the percentage tax reduction of those earning $50,000 and up.

Those who have suggested that the individual tax reductions favor the upper income groups forget that, by the very nature of our steeply progressive tax rate structure, any across-the-board rate reductions must inevitably mean greater increases in the aftertax incomes of those in the higher brackets. To achieve equal percentage increases in aftertax income would require maintenance of a rate schedule much as at present, running up to a top rate of 90 or 91 percent.

It would mean total abandonment of any thought of across-the-board reductions in our current excessively high rates. But this would be to abandon one of the chief objectives of the bill: a decisive shift away from the excessively high marginal rates that inhibit incentives and serve as a source or excuse for many of the distortions in our tax structure.

While drastically cutting these excessively high, war-born rate schedules, the tax bill gives its greatest proportional benefits to low income individuals. It imposes a smaller proportion of the total tax liability on lower income taxpayers. And, in the Senate Finance Committee version, which in this respect is much to be preferred, the bill gives no further benefits to capital gains. For all those reasons, there can be no question but that the tax bill will mean a marked and healthy improvement in our income tax structure. It will not by any means remove all the inequities in our present tax law. I wish it had been possible to do more. But, even so, there can be no doubt that the present bill will mark a significant step in the direction of greater equity in our tax law.

Expectations that the tax program will be enacted have already helped to account for the strength of business activity in recent months. But expectations of tax reduction cannot alone provide the needed stimulus. Not until the bill is actually passed by the Congress and signed by the President can withholding rates be reduced and the new spending power generated for consumers, at a rate of close to $800 million per month, work its way through the market into expanded employment. And not until then can our citizens plan ahead in the sure knowledge of greater aftertax returns for new investment and productive effort. That is why the President has been so insistent that congressional action on the bill be completed just as rapidly as possible.

Tax reduction, the Budget, and financing the deficit

The tax reduction program reflects a deliberate decision to rely upon the private sector of the economy to provide the motive force for the more rapid economic progress that our situation demands. The essential corollary of that decision—firm restraint on the total of Federal spending—is unambiguously stated in the President's budget. With expenditures in check, all the added revenues that will be generated by economic expansion during fiscal 1965 can be devoted to reducing the deficit and putting us securely on the path toward early restoration of budgetary balance. When joined with continued sound financing of our transitional deficits, this budgetary outlook offers assurance that neither inflationary excesses nor capital market congestion will impede our progress toward the achievement of full employment.

The events of the past year have clearly illustrated that we can soundly finance our budgetary deficit during an orderly advance in business activity without bringing heavy pressures on the capital market. Over $14¾ billion of new marketable Treasury securities maturing in more than 5 years, including $3¾ billion maturing in more than 10 years, were placed with individuals and institutional investors during calendar year 1963. On two occasions long-term bonds were sold through competitive bidding. And the further development and refinement of the advance refunding technique, which provides a means of encouraging investors to extend their commitments in Government securities with a minimum impact on the capital markets, greatly facilitated our accomplishment. The net result was a reduction of $3 billion in the outstanding 1-5 year debt despite the effects of the passage of time in bringing more issues into that category. Overall there was a further increase in the average maturity of our marketable debt to five years and one month, the longest for any December since 1955.

Debt maturing within one year was increased by $2 billion, reflecting the decision to concentrate much of our new cash financing in the bill market to help keep short-term interest rates in line with those abroad. This enlargement of the short-term debt was easily absorbed without creating excessive liquidity.

The entire increase in the debt was placed outside the commercial banking system. Commercial bank holdings of Government securities actually declined during calendar year 1963 by $3½ billion and their total holding of Government securities today are only one percent higher than when the current expansion got under way.

Last year also saw a record volume of long-term credit flowing into the private sector of the economy and to State and local governments. This accelerated flow provided ample evidence that our progress in restructuring the Federal debt has not inhibited economic activity. Mortgage rates—perhaps the most significant of all interest rates in terms of their potential impact on private spending—

actually declined, even while almost $30 billion of additional mortgage credit, by far the largest amount in any single year, was being made available on liberal terms to builders and homebuyers. Today, mortgage rates are as low as at any time since the recession year of 1958 and building activity is at new peaks, a sharp contrast to the pattern of tightening markets and declining volume characteristic of earlier postwar expansion.

Market yields on State and local government securities, while tending to rise moderately during the latter part of the year, averaged lower than during all but one of the past 7 years, while the volume of financing reached a new record of $11 billion. Rates charged by banks for business loans remained stable at the lower levels reached in the last recession, and new corporate bond financing remained available at rates very close to, and in the case of medium quality credits somewhat below, the levels prevailing when the current expansion began.

It is against this background that we intend to continue to finance our future deficits in a manner that will avoid contributing either to a buildup of excessive liquidity in the economy or to unnecessary pressures on key market interest rates. In doing so, we are of course conscious of the fact that an expanding economy, benefiting from the stimulus of tax reduction, should generate still higher demands for credit from business and individuals, just as these demands have risen over the past three years. But, unlike the situation a year ago we can now look forward to a sharp reduction in the fiscal 1965 budget deficit, a fact that should help relieve the concern that has been expressed in some quarters that financing requirements will outpace our savings potential. With a surplus in trust accounts and the normal purchases of the Federal Reserve, foreigners, and others that regularly absorb Treasury securities, the residue to be financed in the market should be quite manageable. While we will face the usual large seasonal needs for cash during the first half of the coming fiscal year, a large portion will be offset by a substantial surplus during the second half of the fiscal year. Moreover, the volume of savings seeking long-term investment outlets has remained very large throughout the expansion period, and it should not be forgotten that the higher incomes generated by reduced taxes and rising levels of business activity will further enlarge this flow.

Interest rates and the problem of international capital flows

These market developments and appropriate debt management and monetary policies cannot, of course, be fully appraised without considering their relationship to our pressing balance-of-payments problem. In a world of convertible currencies and increasingly free capital movements among countries, no industrialized nation can expect to keep its own money markets entirely insulated from developments in the principal markets abroad. Certainly, developments during 1963, when swelling outflows of long- and short-term capital for a time threatened to undermine the dollar and bring unbearable strains on the international financial system, have pointed unambiguously to the need to achieve a reasonable balance between the costs and returns on capital in our market and those abroad.

The recorded outflow of U.S. capital in the second quarter of 1963 reached an annual rate of nearly $7.0 billion. As a result, the gradual, but steady, progress we had been making in other directions to restore balance in our international payments was overwhelmed. Prompt and effective action to staunch this capital outflow could not be deferred. Therefore, use was made of the traditional tools of monetary policy—including a rise in the Federal Reserve discount rate from 3 to 3½ percent in July—to bring our structure of short-term money market rates into better alignment with those prevailing abroad.

But the enormous volume of our savings seeking long-term investment outlets clearly indicated that any attempt to bring about the sharply higher levels of long-term interest rates required to restrain the outflow of long-term capital to more sustainable amounts would not have been practicable, and, in addition, would have necessitated a degree of credit contraction entirely out of keeping with our domestic economic situation. It was in these circumstances that President Kennedy on July 18 announced the proposed interest equalization tax. By increasing the cost of capital to foreigners borrowing in our market by the equivalent of about one percent per year, the effects of this excise tax in diverting foreign borrowers to other markets are closely analogous to an increase in the entire structure of domestic interest rates.

No one can be happy with the necessity of taking action of this type to restrain the outward flow of capital. But the need was clear; flotations of new foreign securities in our market had reached an annual rate of over $2 billion a year during the first half of 1963, almost double the already high rate of 1962 and more than triple the more normal volume of the years from 1959 to 1961. Moreover, there were no indications that the flow would fall back to earlier levels of its own accord. Quite the contrary; it gave indications of growing even larger.

The interest equalization tax is a transitional measure. The fundamental solution to the problem of long-term capital outflows must be found in other efforts at home and abroad. One essential is to strengthen our own economy, so that investment in the United States is more attractive for our own citizens and foreigners alike. More specifically, one of the important benefits of the tax reduction program will be to increase the profitability of domestic investment and to generate more outlets at home for our savings.

At the same time, the danger of massive demands from abroad converging on our market can be gradually relieved by improvement in the capital markets of other industrialized countries as they become more fully capable of meeting the financial needs generated by their own growth. In this connection, the Treasury has recently completed an intensive survey of European capital markets and provided it to your committee for publication. I am hopeful that this review of those markets will be useful in developing greater understanding of both the problems and the potential for progress.

Balance-of-payments improvement

The effectiveness of the moderate upward pressures on the short-term rate structure and the proposed interest equalization tax in curtailing the outward flow of capital was strikingly demonstrated during the second half of the year, when reductions in the outflow of private capital were largely responsible for the dramatic improvement in our payments position. The deficit on regular transactions, after reaching the clearly unsustainable seasonally adjusted annual rate of over $5.0 billion during the second quarter, dropped to a rate of $1.6 billion during the third quarter. While final data for the full year are still lacking, this third quarter rate appears to have been maintained or even slightly improved upon during the fourth quarter. The deficit on regular transactions during the entire second half of 1963 was the smallest for any equivalent period since 1957. For the year as a whole, despite the sharp deterioration over the first six months, it appears to have been reduced to about $3 billion, roughly $600 million below the figure for 1962.

Special intragovernmental transactions, which are excluded from calculation of the regular deficit, have had the effect of absorbing a portion of the dollars flowing into foreign hands. These transactions were in somewhat smaller volume than in 1962, because of smaller debt prepayments and smaller advance payments on military exports. Nevertheless, our overall deficit—measuring the increase in our liquid liabilities to foreigners and the decline in our reserves—fully reflected the sharp improvement in the second half of toe year. If the special, nonmarketable, medium-term, convertible Treasury securities sold to foreign official institutions are considered a balance-of-payments receipt rahter than a liquid liability, preliminary reports indicate that the overall deficit for 1963 should be about $1.9 billion, as compared to $2.2 billion last year and $2.4 billion in 1961. If the $700 million of these issues sold during the year are disregarded, the overall deficit would be about $2.6 billion. Thus, despite the sharp deterioration in the early months of the year, we were able in 1963 to maintain tne pattern of improvement from the average deficits of $3.7 billion that characterized the 1958 to 1960 period.

These encouraging developments deserve mention. But at the same time, we must all recognize that the gains are still far too limited, and that temporary improvement is not enough. The need for resolute action on the balance-of-payments problem is no less a matter of national concern than it was six months ago. Action on the interest equalization tax must be completed without changes that would impair the effectiveness of the bill reported by the House Ways and Means Committee. The comprehensive program announced last July to reduce the balance-of-payments cost of our military and foreign aid programs must be pressed forward with undiminished vigor and resolution to realize the anticipated $1 billion of savings on Government payments abroad by the end of this year. And imaginative and energetic efforts by business and Government to capitalize on our fine record of price stability and to expand export markets are particularly necessary if we are to move into early payments balance.

1963 also saw a marked decline in the drain on our gold stocks. To some degree, this reflected the added supply of gold reaching world markets from the Soviet Union, as well as the continued usefulness of the informal cooperation among leading countries in dealings on the London gold market. But in addition, foreigners, and particularly private foreigners, chose to build their dollar balances at a more rapid rate. For the 12 months as a whole, our loss of gold came to $461 million, well below the average of $873 million in 1961 and 1962 and the much larger outflows, averaging nearly $1.7 billion, of the years 1958 to 1960. This in itself is a sign of sustained confidence in the stability of the dollar and in the strength of existing monetary arrangements. But this strength can be preserved only if there is continuing evidence that our balance of payments is indeed under firm control.

The international payments mechanism

The prospect of the elimination of our deficit has, in turn, helped to focus attention on the potential problems that may arise over the years ahead in assuring an adequate supply of international liquidity once the United States is no longer supplying dollars on balance to the rest of the world. In order that these problems may be anticipated and the further evolution of the international monetary system guided along constructive and agreed lines, the same Group of Ten nations that in 1962 agreed to supplement the ordinary resources of the IMF with the Special Borrowing Arrangements took an important decision last October. They agreed to examine thoroughly the outlook for the functioning of the system and its probable future needs for liquidity, and to appraise and evaluate means for meeting these needs.

To this end, a working group of deputy finance ministers from each country has been established under the chairmanship of Under Secretary Roosa, and has been meeting periodically since October. These senior officials, each accompanied by representatives of their central banks, have been assigned the task of systematically examining the present system as it has heretofore evolved, assessing the possible magnitude and nature of the needs of the future, and developing possible approaches toward meeting these needs.

At present, this working group is still in the process of isolating the major issues in this vast and complicated area through the process of frank and full discussion, with each representative setting aside the details of his daily work so that he can participate intensively in this review. The group is also drawing upon the resources of the International Monetary Fund, the Bank for International Settlements, and the Organization for Economic Cooperation and Development, each of which is represented in the discussions by a senior official, providing further assurance of a thoroughgoing, realistic appraisal. It is expected that the stage of more active negotiation, preliminary to the formulation of any specific recommendations which the deputies may decide to submit for review by the finance ministers themselves, will be reached during the spring.

Meanwhile, a parallel study of these problems is also going forward within the IMF, focusing particularly on those aspects related to the functions of the Fund itself.

In closing, I should emphasize again that, valuable as these studies of international liquidity will doubtless prove to be, their relevance for the present U.S. balance-of-payments situation is very limited. There is no prospect of somehow obtaining relief from the urgent necessity of eliminating our balance-of-payments deficit. The evaluation now underway is based on the prospect that our balance-of-payments deficit will in fact be ended. The responsibility inescapably rests upon us to make that assumption an accomplished fact.

EXHIBIT 17.—Remarks by Secretary of the Treasury Dillon, June 6, 1964, before the Thirty-Fourth National Business Conference of the Harvard Business School, on fiscal policy and economic growth

When the Kennedy Administration took office, one of the most urgent tasks confronting it was the need to rethink the role of fiscal policy in relation to all other elements of overall economic policy.

That need was imperative both because of the persistently sluggish performance of our domestic economy, and because of the mounting deficits in our balance of payments, which had seriously eroded confidence in the dollar and had caused a rapidly accelerating outflow of gold. We were then in the midst of our fourth postwar recession, and each of the three previous recessions had been marked by successively shorter and weaker recoveries. Unemployment was far too high.

Business investment was wholly inadequate to stimulate needed growth or to maintain the competitive posture of American industry in a rapidly changing world.

The great challenge was to find a new way to promote more rapid and steadier economic growth at home, and at the same time restore confidence in the dollar by whittling down and eventually eliminating our balance-of-payments deficit. There were many gloomy prophets who insisted this couldn't be done and conjured up an irreconcilable conflict between encouraging domestic growth and eliminating balance-of-payments deficits. More rapid growth, they argued, means more demand for everything, including imports. Also, they claimed, the pressures it puts on the labor markets and on plant capacity lead inevitably to higher prices, which both hinder exports and further inflate imports.

The fact, however, is that a strong, healthy, and vigorously expanding domestic economy is essential to sustained confidence in the dollar and to balance-of-payments equilibrium. For in any overall long-run appraisal of our balance of payments, the imperatives are that our industry remain in the forefront of technology, that our productivity rise fast enough to satisfy the pressures for higher real wages and income while maintaining stable prices, and that our economy crackle with investment opportunities fully comparable, or superior, to those abroad. All of these are the fruits of domestic growth, fruits now well on their way toward ripening under the policies of the past three and one-half years.

The situation that confronted us in 1961, and still continues, ruled out the use of extremely low interest rates. We simply could not permit short-term interest rates to drop to the levels of earlier postwar recessions without courting a massive outflow of short-term capital. On the contrary, with interest rates already substantially higher in nearly all other countries, even maintaining the January 1961 level of short-term rates entailed grave risks. Ways had to be devised, and promptly, to shore up our short-term interest rates, while assuring a ready availability of longer term credit at reasonable rates to bolster lagging domestic investment. In short, the very real dangers in our balance-of-payments situation necessarily limited the freedom of monetary policy and gave it a new challenge: To facilitate investment at home without provoking an outflow of capital abroad.

This meant that fiscal policy had to assume a larger share of the task of encouraging and sustaining domestic growth. That is why, from the day President Kennedy took office, we looked to fiscal policy to move us once again, as we are now moving, toward full employment, and assigned it a more active role than perhaps ever before in our history.

But that basic determination promptly raised questions involving tax and expenditure policy. The big question was whether to increase Government expenditures or to reduce taxes, or, to come to the heart of the matter: Whether to rely upon the latent energies of the private sector or to expand Government activity.

Our fundamental problem in early 1961 was sluggish growth and inadequate incentives for investment. Postwar expansionary forces had been dissipated. Tax rates were siphoning off too much income to allow the private economy to reach full employment. The result was inadequate demand, with increased unemployment and evermore frequent recessions.

Larger Government expenditures, if well timed, could, of course, have boosted demand and thereby cut unemployment. But, unless such expenditures could be clearly justified on their own merits, their long-run contribution to productivity and investment would be uncertain at best. Thus, they seemed to offer less benefit to the balance of payments than the path we chose: tax reduction.

We were convinced that tax reduction could achieve the necessary expansion of purchasing power by freeing the private economy from high and restrictive wartime tax rates, originally designed to restrain strong and inflationary pressures that no longer existed. Lower tax rates, we felt, would also offer the much needed long-run stimulus to growth that comes from added incentives to invest and to produce. These, in turn, would lead to cost-cutting improvements in technology, thus strengthening our international competitive position and enhancing our trade balance. And greater profitability in the domestic economy would also encourage the employment of funds here, instead of abroad. Both of these results would directly help our balance of payments.

In the early days of the Administration, therefore, and without hesitation, we decided to employ fiscal policy—and, more specifically, tax policy—to expand the role of the private sector of our economy as the primary force in achieving our national economic goals. We also felt that, having made this decision, we should not lose the opportunity it presented of making long-needed reforms in our tax system. Thus, an already large task became even greater. And, while the basic blueprint—tax reduction to expand the private sector of our economy, accompanied by long overdue tax reform—was set forth by President Kennedy at the very beginning of his Administration, concrete results were necessarily piecemeal, and took years, rather than months.

Our choice of tax reduction called for expenditure restraint, since there would necessarily be a temporary lag in Federal revenues. Yet, in 1961, there were overriding national priorities, all of which cost money: the need to bring our military defenses to a higher plateau of readiness, the special requirements of the Berlin crisis, the rapidly expanding space program. And, of course, the interest on the national debt. We could not cut down in those areas, but we could, and did, hold down sharply the rate of spending in other areas.

That record of expenditure restraint comes through clearly when you compare expenditures, incurred and planned, in the four fiscal years from 1961 through 1965 with those of the preceding four years, a period in which considerable stress was placed on prudent budgeting. It is true that we find overall budget expenditures in the 1961–65 period increasing at an average of about $4 billion a year compared to just over $3 billion a year during the earlier period. But the breakdown of the increases during the two periods is very revealing. For the fiscal 1957–61 period we find budget expenditures for defense, space, and interest on the debt increasing by $6.5 billion, with expenditures in all other areas going up by a nearly equivalent $6 billion. In the fiscal 1961–65 period, on the other hand, expenditure increases for defense, space, and interest will almost double, amounting to about $12 billion, but the policy of expenditure restraint is evident in the sharp decline in the increases for all other expenditures, which will total only about $4 billion, one-third less than the comparable increase during the earlier 4-year period.

As we had planned and expected, the need for increasing outlays in defense and space has now leveled off. That fact, joined with the thorough-going economy drive which President Johnson is so forcefully spearheading, means that funds are now being freed both to meet vital domestic needs such as the proverty program and to speed the achievement of a balanced budget.

It was necessary to get the major increases in defense and space spending behind us before we could safely implement our full program of tax reduction. But rather than wait, we promptly undertook two major moves to improve the climate for business investment, moves that could be instituted without any excessive loss of revenue. They were the Revenue Act of 1962, with its central provision of a 7-percent investment tax credit, and the administrative liberalization of depreciation, both landmarks of progress in our drive to spur the modernization of our capital equipment. Together, they increased the profitability of investment in new equipment by more than 20 percent. This was equivalent in terms of incentives to invest to a reduction in the corporate profits tax from 52 percent to about 40 percent.

These measures brought the tax treatment of investment in the United States more closely in line with that provided by other industrial countries—thus removing an unwarranted inducement to invest overseas—while at the same time working toward a more efficient, competitive, and profitable home economy. They were also accompanied by significant improvements in the equity of our tax structure, as well as by limitations on the use of tax havens abroad.

Although these were major achievements, they were merely first steps in our integrated, long-range program to stimulate the private sector of the economy. The biggest impediment to a more robust private sector still remained: The high individual and corporate income tax rates, born out of wartime inflation, that continually prevented the economy from reaching and maintaining its full potential. In so doing, they reduced taxable income, held revenues at inadequate levels, and thus were self-defeating in any effort to restore budgetary balance.

The Revenue Act of 1964 substantially embodies the tax program we proposed to break the grip of these high tax rates upon our economy. Since we desired, at the same time, to improve tax equity, that act also substantially reduces the tax burden on those citizens whose incomes are inadequate by any standard. I think it can truly be said that the Revenue Act of 1964 is not only a giant stride forward in our drive to secure self-generating, long-run economic growth, but is also a milestone in improving the equity of our tax system. The fact is that revenue raising reforms in the 1964 and 1962 acts, taken together, totaled $1.7

billion, almost three times the $600 million in new revenues produced by all other revenue acts since 1940.

While the prime purpose of our overall tax program is, and always has been, the long-range stimulation of our economy to permanently higher levels, the timing of the program has been important in sustaining the present expansion, and deliberately so. We must not, however, let this question of timing obscure the underlying objectives of the tax program. The fact that the Revenue Act of 1964 is having some beneficial counter-cyclical effects should not be taken to mean that we have succeeded in developing a new and effective counter-cyclical tool.

There remain, in my opinion, great obstacles to the use of tax policy for purely counter-cyclical purposes. The chief of these obstacles is the fact that, within our constitutional system, a long lag typically intervenes between a request for a change in tax rates and legislative approval. Unless and until some method is worked out—acceptable to the Congress and consistent with its prerogatives—whereby tax rates can be varied without undue delay, the purely counter-cyclical function of tax policy will remain outside our arsenal of economic tools.

This does not mean that cyclical changes in tax policy would not be useful. Nor, fortunately, does it mean that tax policy is entirely impotent in moderating cyclical fluctuations today. By promoting sustained growth and a stronger economy, tax policy can be and, as it has been developed over the past three and one-half years, now is an important counter force both to recessions and to inadequate growth. But we clearly have a major piece of unfinished business to resolve before we can claim that tax policy is fully equipped to do for us the job that any modern economy requires of it.

It is, of course, far too early to reach any final judgment on the results of this year's $11.5 billion reduction in personal and corporate taxes. Some observers have expressed surprise that its effects upon consumer spending so far appear to be moderate; others are relieved that the tax cut has not overheated the economy. I have always expected, and have so stated repeatedly, that the tax cut would not create a sudden spurt of consumer spending, but would gather momentum gradually, with the full stimulus not being felt until next year.

We can, however, take a reading of the cumulative effects of our earlier actions, including the 1962 investment credit and depreciation reform. So far as our domestic economy is concerned, the current expansion is now in its 40th month, the longest peacetime expansion in this century except for the half-hearted recovery from the depths of the great depression of the thirties. Gross national product in real terms has already increased by 17 percent since the beginning of recovery in March 1961. This far exceeds the record of the two previous recoveries. And prospects are favorable for continued expansion for many more recordbreaking months to come.

While still too high, the unemployment rate has begun to diminish perceptibly, moving down to 5.1 percent in May, compared with the 5.7 percent average of 1963. More striking has been the decline in the jobless rate for married men, which at 2.6 percent in May is now lower than at any time since July 1957, seven years ago. The comparatively large number of teenagers entering the labor force in recent years presents a special and very difficult problem, but even here, the jobless rate of 15.0 percent thus far in 1964 is nearly a full percentage point below the 1963 rate.

Recent gains in total employment have been impressive: In the year ending last month, jobs rose by about 2 million to 70.8 million, more than twice as much as the 800 million gain during the preceding 12-month period. Increased employment and better use of our productive facilities have been accompanied by better-than-average productivity gains, reflected both in higher personal incomes and higher profits. Indeed, the performance of profits has provided the best possible answer to talk of a long-term profits squeeze and lack of investment incentives. Corporate earnings before tax have risen sharply, reaching an annual rate of $56 billion in the first quarter of this year, $1.7 billion higher than the last quarter of 1963 and $7.7 billion, or 16 percent, higher than during the first quarter of 1963. With tax liabilities in the first quarter already reflecting the new reduced corporate tax rates, corporate profits after taxes ran at the rate of $31.1 billion, more than 20 percent higher than in the same quarter of last year and more than 60 percent higher than in the first quarter of 1961.

At the same time, the recovery has witnessed a large and steady rise in real take-home pay for labor, as evidenced by the fact that, after taxes and adjustment for price increases, the average weekly take-home pay for a wage earner with three dependents is today ten percent larger than it was in early 1961.

It is highly significant that all of these economic gains have been accomplished in an environment of price stability. Average wholesale prices are no higher today than they were six years ago. This price stability has been of critical importance to our balance of payments, and is now beginning to pay off in terms of increased competitiveness in our export industries. Our trade balance has recently improved, instead of deteriorating, as many had feared, in response to the sustained gains in domestic production. For the past nine months, our trade surplus has been running at an annual rate of $6 billion, compared to a rate of less than $4½ billion in the previous 18 months. While some of this improvement results from special and temporary factors, it also undoubtedly reflects real gains in American competitiveness.

Overall, our balance-of-payments deficit has declined sharply since the middle of last year. Since then, the annual rate of deficit on regular transactions, which averaged more than $3½ billion for the past six years, and last year amounted to $3.3 billion, has been cut in half. This has enabled us to staunch the heavy drains on our gold stock. The latest figures of our overall gold stock show that as of May 31st our holdings of gold were slightly above those at the end of last July: Ten months with no net loss at all, compared with a loss of $1.7 billion in the single year 1960.

Much of this improvement in our balance of payments stems from specific measures: The proposed interest equalization tax on purchases of foreign securities; the tying of larger proportions of our aid; and economies in our military spending abroad. Part of it is due to temporary factors. It is clear that we have no cause for complacency, for, while we expect our payments deficit to be significantly reduced this year, we cannot relax until it is ended entirely. But happily, evidence is accumulating that we have "turned the corner" in our balance of payments, which, like the domestic economy, is beginning to show the favorable effects of the more active fiscal and tax policies, complemented by appropriate monetary policies, that have characterized the past three years.

These effects are quite apparent in investment spending, the key area in terms of both our domestic growth and our balance of payments. Plant and equipment outlays, you will recall, leveled off and even declined after mid-1962, following the break in stock prices and reflecting widespread business uncertainty. But, by the second quarter of last year, less than a year after the new depreciation rules and the tax credit became effective, they were rising strongly and are now running almost one-sixth higher than in the first quarter of 1963. Further sizeable increases are in sight through the rest of this year. It seems clear that these successive increases in planned expenditures largely reflect the widening recognition of the new incentives implicit in the recent tax measures, including not only the 1962 measures, but this year's two-stage reduction in corporate tax rates to 48 percent.

For example, steel companies are planning a 1964 increase of 25 percent in their capital spending programs, as are the railroads; motor vehicle makers outlays will be 20 percent higher, and so on across the whole range of American industry.

For manufacturing as a whole, according to the latest Commerce–SEC Survey, 1964 planned plant and equipment expenditures are expected to rise 13 percent above 1963 outlays, and the average rise for all industries will be a tenth higher than last year.

I should point out here that the 1964 act also restores the investment credit to the form originally recommended by the Administration. The earlier requirement that the depreciation basis of new investment benefiting from the credit be reduced by the amount of that credit has now been eliminated. This change has almost doubled the value of the credit, while at the same time greatly simplifying the accounting problems raised by the 1962 provision.

A recent study by George Terborgh of the Machinery and Allied Products Institute emphasizes the importance of the investment credit and goes on to illustrate the extent to which the 1962 and 1964 acts, taken together, raise prospective aftertax returns and accelerate the recovery of capital investment. His study estimates that, in order to have achieved effects upon aftertax returns of capital comparable to those of the 1962 and 1964 measures, it would have been necessary to either:

Cut corporate tax rates from 52 percent to 34 or 29 percent, depending upon the assumed proportion of equity to total capital, or to have allowed an initial depreciation of from 53 to 57 percent of asset cost, or to have reduced the cost of new capital equipment by 16 percent.

It is hardly surprising that investment activity is responding to incentives of this magnitude—even though it will be some time before the cumulative impact is fully realized—and that investment spending is now spearheading the recovery. The proportion of capital spending to real GNP—GNP in terms of constant 1954 prices—after dropping for so long, has at last been turned around and is once again rising, reaching 8.8 percent during the past six months, up from 8.4 percent in 1961 and 8.6 percent in 1962. We expect to continue at this higher level, thus helping our long-run growth and productivity and improving our payments balance by absorbing more of our savings here at home.

The ready availability of credit has also had a favorable influence on the growing strength of domestic investment, but we have found ways of making this credit available without driving short-term interest rates sharply lower. Instead, with the economy expanding vigorously at home, monetary policy has been able to discharge its full share of the task of defending the dollar. Our short-term rate structure has been brought into better alignment with those prevailing overseas, and our monetary authorities are now in a flexible position, prepared to meet whatever further contingencies may arise in the balance of payments.

In the relatively short span, therefore, of less than three and one-half years, both American economic policy and practice have taken new and dramatic turns for the better. Our economy is no longer on the wane, but surely and strongly on the rise. And we can now look forward, in all sober confidence, to the continuation of a peacetime economic recovery of greater durability and strength than in any comparable period in this century.

Equally important, the past three and one-half years constitute a significant watershed in the development of American economic policy. For they have borne witness to the emergence, first of all, of a new national determination to use fiscal policy as a dynamic and affirmative agent in fostering economic growth. Those years have also demonstrated, not in theory, but in actual practice, how our different instruments of economic policy—expenditure, tax, debt management, and monetary policies—can be tuned in concert toward achieving different, even disparate, economic goals. In short, those years have encompassed perhaps our most significant advance in decades in the task of forging flexible economic policy techniques capable of meeting the needs of our rapidly changing economic scene.

Even so, much remains to be done. We dare not relax our efforts. Of all the challenges looming ahead, the major one, I believe, is to insure the continuation of cost-price stability. Our price record to date is a good one; but we must now sustain it, as more rapid growth absorbs the slack in our unused human and physical resources.

In a competitive world economy, linked by fixed rates of exchange, domestic costs and prices must be kept in reasonable alignment with those abroad. This is not a problem unique to the United States, for it is being faced, in one form or another, by virtually every free industrialized country. But, in our own case, with our payments in deficit, the range of tolerance is even narrower.

New ways of meeting this challenge are being developed, here and abroad, through so-called incomes policies. In practice, the methods vary widely. In basic concept, however, they all entail some expression of the public interest in the results of the wage-bargaining and price-making process, when large unions and large firms have a considerable degree of market power. In our own case, this approach is a purely voluntary one. It is embodied in the wage-price guideposts developed by the President's Council of Economic Advisers for appraising the consistency of pattern-setting wage and price decisions with overall price stability.

We have placed much emphasis on this approach because it seems to us to represent a natural and needed complement to the mixture of fiscal, tax, and monetary policies that we have fashioned. Certainly, appropriate use of the traditional policy instruments remains essential if we are to be successful in maintaining price stability. But unless prices remain stable and wages are kept within the bounds of productivity increases, conflicts in goals will inevitably arise. If that happens, monetary and fiscal policies, at times, will, in the quest for price stability, need to be more restrictive than is consistent with rapid and sustained growth.

The same general point can be put another way: Government has at its disposal a range of policy instruments that, used wisely and flexibly, can help immensely in steering our economy toward more rapid growth, toward balance-of-payments equilibrium, and toward price stability. But without the cooperative efforts of business and labor in maintaining price stability our policies will be rendered incomplete and inadequate. With that cooperation I am confident that this Nation can fully capitalize on its enormous economic potential, and continue to lead the free world to greater prosperity for all.

Public Debt Management

Exhibit 18.—Statement by Secretary of the Treasury Dillon, July 29, 1963, before the House Ways and Means Committee, on the debt limit

When the Congress last considered the debt limit in May, it took the rather unusual step of enacting a new temporary debt limit to extend only through the first two months of fiscal 1964. The reason for this action was, of course, the exceptional degree of uncertainty attached to any projections of our budgetary position for the entire fiscal year. In referring to the $309 billion temporary debt limit for the months of July and August 1963, your committee report stated:

"* * * This is designed to give your committee and the Congress more time to consider the appropriate limitation for the balance of the fiscal year 1964. By the end of August, congressional action on appropriations can be expected to have progressed to the point where it will be possible to obtain a much clearer picture of probable expenditures for the fiscal year 1964. By this time also it is hoped that the consideration of the President's tax proposals will have reached the point where it is possible to more accurately forecast the impact of any congressional action on revenues for the fiscal year 1964."

Furthermore, the Senate Finance Committee, at the time of its action on the previous extension, felt that increasing the debt limit only until August 31, 1963, might not allow it sufficient time to evaluate the budget situation for the fiscal year 1964. It urged that more time may be needed to determine the level of expenditures resulting from the appropriations enacted, and "more time may be required to consider the tax measures now pending in the Committee on Ways and Means."

In deference to this position of both committees, and the continued absence of sufficient hard, factual information on which to base the debt limit requirement for the full fiscal year 1964, I am here today only to request an extension of the present $309 billion temporary debt limit through November 30, 1963.

The progress of the Congress on both appropriations and the tax bill in the intervening months has not measured up to the pace hoped for by this committee. Only two appropriations bills, covering about seven percent of the budget, have been enacted, and the tax bill has not yet been reported out by this committee. In this situation any estimate of the debt limit required for the full 1964 fiscal year would involve a considerably larger element of guesswork than has usually been the case.

Fortunately, however, our budgetary position has substantially improved since I last discussed the debt limit with you on May 1. Therefore, it seems wise to extend the present temporary debt limit for an additional three months, that is to November 30th, by which time we are certain to have a much sounder basis upon which to determine the debt limit requirements for the remainder of the fiscal year.

Unless new debt limit legislation is enacted, the temporary ceiling will expire on August 31st and the debt ceiling will revert to its permanent level of $285 billion. Current estimates indicate that the debt will be about $307 billion on August 31st, $22 billion above its permanent level. It is obvious that action must be taken.

I would now like to review with the committee the unexpectedly favorable developments during May and June which have given us this extra leeway under the debt ceiling. A table attached to this statement lists the various changes in our actual cash position on June 30, as compared to the estimates given the committee at the beginning of May.

On May 1, we were estimating a budget deficit of $8.4 billion. As you know, the deficit actually turned out to be $2.2 billion less than this, $6.2 billion. The smaller budget deficit was produced by a combination of receipts almost $900 million greater than we had expected and budget expenditures more than $1.3 billion lower than we had anticipated on May 1. Normally, the differences between estimates and final results are reasonably well balanced between those on the down side and those on the up side; but in recent months we have had the unusual and most gratifying experience of finding almost all of the changes from our estimates moving in the same direction, toward a lower budget deficit and an improved cash position.

Of the almost $900 million improvement in our revenue position, about $400 million was accounted for by receipts from individual income taxes, an increase largely attributable to the fact that the economy expanded at a faster rate than we had anticipated. Receipts from corporation income taxes were also about $300 million higher than had been estimated. The remainder of the increase in receipts, about $200 million, came from increased estate and gift taxes and miscellaneous items.

Practically the entire $1.3 billion reduction in budget expenditures from the level estimated on May 1 was due to decreases in outpayments. The volume of asset sales during fiscal 1963 turned out to be very close to the estimate furnished this committee by the Budget Bureau in May. The major expenditure reductions were in the Defense Department, the Veterans' Administration, and the Housing and Home Finance Agency. Although Defense expenditures (including military assistance) turned out to be very close to the January estimate, they were about $300 million below the level estimated on May 1. Veterans' Administration outlays were $200 million lower, and expenditures by the Housing and Home Finance Agency were $300 million below the May 1 estimate. The Director of the Budget, Mr. Gordon, will provide further details on the expenditure reductions and the sales of assets in his statement.

Looking to fiscal 1964, we find that thus far in July expenditures are running very close to the levels estimated last May. There is no indication of any increase in expenditures, such as might have been expected had any part of the improvement represented only a temporary postponement in spending.

In addition to higher budget receipts and lower budget expenditures, trust funds and other nonbudget items added more to the Treasury's cash balance than had been anticipated. Net receipts from the unemployment trust fund were $300 million higher than projected, and net receipts from the highway trust fund were $100 million higher. As a result of a number of other offsetting factors, trust funds and other nonbudget items added a net amount of $200 million to the Treasury's cash balance over what had been anticipated in May.

To round out the picture, I would like to discuss recent developments affecting the debt and our borrowing requirements in the near-term future. The public debt on June 30 was $800 million higher than we had anticipated on May 1. $400 million of this unplanned increase in the debt came from sales of savings bonds and special foreign issues, neither of which is subject to close control in response to shifts in our cash balance.

Normally, redemptions of savings bonds exceed sales during the April–June period. Since savings bonds sales had done better than usual during the first quarter, we assumed a break even on savings bonds during the second quarter. However, when the final figures were in, they showed that second quarter sales had done even better than expected, and, contrary to the usual seasonal pattern, the net addition to savings bonds outstanding was about $300 million. This gratifying second quarter performance of Series E and H savings bonds was the best since 1955.

During May and June, we sold $100 million more of special security issues to foreign central banks than we had anticipated on May 1. The proceeds of these issues provide us with funds which we can use in the same manner as any other borrowings; however, the timing of these issues is determined solely by balance-of-payments needs rather than by ordinary debt management criteria.

The remaining $400 million unplanned increase in our debt occurred in connection with the sale of 4 percent bonds of 1970 which were offered to the public on June 11. Even at that late date, we were projecting a budget deficit of $7.2 billion, $1 billion higher than actually occurred, and the market situation appeared to be exceptionally favorably for an issue of intermediate maturity. Our intention was to raise $1.5 billion with this bond issue. However, the issue proved to be even more popular than we or the market had expected. In order to prevent a serious speculative situation from developing in the Government securities market, we felt obliged to make a special overallotment on subscriptions. Including this special overallotment, $1.9 billion of the bonds were sold, $400 million more than originally planned.

The improvement in our overall cash position, in which this very successful June bond offering played a minor role, has permitted us, contrary to our earlier expectations, to go through the entire month of July without any cash borrowing operations. In fact, our entire third quarter borrowing program has been scaled down. On May 1, we were contemplating a cash borrowing need of $6 billion during the third quarter, including any cash borrowings in June. It now appears that our cash requirements can be met with a borrowing program of only $4 billion, half of which has already been accomplished by the June issue to which I have referred.

The substantial deviation of the actual budget deficit from the best estimate that we could make only two months before the end of the fiscal year clearly demonstrates the need for a substantial margin for contingencies in establishing a debt limit to cover any considerable span of time. In this particular instance, all of the differences worked in our favor. On other occasions, particularly in those instances where the economy is growing at a slower rate than anticipated, the variations from our estimates are likely to be just as large in the other direction.

I have a very keen appreciation of this fact of life, because of the 1961 experience. When I appeared before this committee on June 15, 1961, the latest and best information available to us pointed to a budget deficit of $2.5 billion for the fiscal year that was to end only fifteen days later. Twelve days later, when I appeared before the Senate Finance Committee, the continuing inflow of information made it evident that our projection had been too optimistic, and we revised our estimate of the budget deficit for fiscal 1961 up to $3.0 billion. As it turned out, we were still far from the mark, because the actual deficit turned out to be $3.9 billion.

When, despite the Government's best efforts, it is possible to miss the mark by as much as $1.4 billion only two weeks before the end of the fiscal year and by as much as $900 million only four days before the end of the fiscal year, it leads one to an acute awareness of both the limitations of budget estimating in an organization as large and complex as the U.S. Government and of the need for substantial operating leeway to deal with contingencies.

Another point which the recent experience demonstrates is that this Administration can and will keep expenditures at the lowest possible level, irrespective of the size of the debt limit. The fact that we found ourselves in an unexpectedly improved budgetary position did not lead us to cut back on the program of asset sales which we had set out to accomplish, a program which we know is strongly supported by this committee and the Congress. The fact that we found ourselves with somewhat more room under the debt limit than we had contemplated did not lead us to increase expenditures. Although the improvement in our revenue position would have permitted a rise in expenditures under the debt limit established by the Congress, expenditures actually declined. This experience should provide substantial assurance that an adequate allowance for contingencies under the debt limit will not be abused.

At the last hearing, the committee found it useful to have daily cash and debt projections available when it sought to establish a debt limit covering only a relatively short period into the future. For this reason, we have attached our latest daily projections covering the period through November 30.

You will note that the present $309 billion debt limit will provide us with a leeway of about $1 billion during September and early October. From October 15 through November 14, however, the margin under the debt limit will fluctuate between $200 million and $700 million.

The projections indicate that on November 15 the debt will rise to $309.3 billion with a cash balance of only $4.3 billion. During the latter part of November, prudent debt management requires a rise in the debt to $310.1 billion on November 30, in order to build up the larger cash balances needed to meet the large outflows that are characteristic of early December.

It is apparent from these figures that we cannot assure the committee that we will be able to operate throughout the entire month of November under the present $309 billion debt ceiling. We would hope that new debt limit legislation could be enacted by mid-November. The narrow margins under which we will be operating can only be accepted because of the shortness of the period for which this debt limit extension is requested.

In summary, we are not yet in a position to formulate with reasonable accuracy a debt limit request designed to cover the entire fiscal year 1964. Since our improved budgetary and cash position will allow us to operate under a $309 billion debt ceiling for 2½ to 3 months longer than we had expected, I recommend a simple 3 months' extension of the temporary debt ceiling at its current level of $309 billion.

Finally, in view of the fact that I am not asking for any extension of the debt ceiling beyond November 30 or any increase in the present $309 billion temporary debt limit, I have not included any conjectures concerning the limit that will be necessary beyond November 30 to cover the remainder of the fiscal year to June 30, 1964. Such an estimate is not necessary to action by the Congress on this request. To inquiries concerning that figure, I can only reply that it will be substantially below the $320 billion figure so frequently mentioned as a minimum at the time of the previous action.

Actual Treasury cash position as of June 30, 1963, compared with estimate prepared for debt hearings before House Ways and Means Committee, April 26, and May 1, 1963

[In billions of dollars]

	Estimated in April	Actual	Increase
Cash balance (excluding gold)	8.0	11.1	3.1
Debt subject to limit	305.3	306.1	.8
Reconcilation:			
Actual cash balance March 31, 1963 .... 7.4			
Items affecting cash balance (April 1-June 30):			
Net budget receipts	+23.9	+24.7	.9
Budget expenditures	−24.0	−22.7	1.3
Trust funds, etc. (net)	−1.4	−1.2	.2
Change in public debt	+2.1	+2.9	.8
Total	+.6	+3.7	3.1
Cash balance June 30, 1963	8.0	11.1	
Actual debt subject to limit March 31, 1963 .... 303.2			
Net changes (April 1-June 30):			
Attrition	−1.0	−1.0	----------
Bills	+1.2	+1.2	----------
Bonds	+.3	+.3	----------
June tax bills	−2.5	−2.5	----------
June borrowing	+1.5	+1.9	.4
Savings bonds	----------	+.3	.3
Foreign securities	----------	+.1	.1
Special issues	+2.6	+2.6	----------
Total	+2.1	+2.9	.8
Debt subject to limit June 30, 1963	305.3	306.1	

Major reasons for cash improvement from April 1—June 30, 1963

[In billions of dollars]

Budget receipts		
Individual income taxes	+0.4	
Mostly in the withheld area–income levels higher than anticipated.		
Corporation income taxes	+.3	
Reflecting a higher level of taxable corporate profits for the calendar year 1962 than had been estimated in January.		
All other (net)	+.2	
Total increase in Budget receipts		0.9
Budget expenditures		
Defense Department (including military assistance)	−.3	
Atomic Energy Commission	−.1	
Veterans' Administration	−.2	
Commodity Credit Corporation	−.1	
Housing and Home Finance Agency	−.3	
All other (net)	−.3	
Total decrease in Budget expenditures		1.3
Trust funds, etc. (net)		
Unemployment trust fund	+.3	
Quarterly deposits by States were much heavier than expected in May; withdrawals by States were lower than anticipated.		
Highway trust fund	+.1	
Payments to States in May and June were lower than anticipated in view of commitments expected.		
Other	−.2	
Due to a combination of miscellaneous factors, such as an increase in investment transactions of Government sponsored enterprises, a decrease in deposit fund accounts, and a decrease in checks outstanding.		
Total increase on account of trust funds, etc. (net)		.2
Public debt		
June borrowing	+.4	
$1.5 billion assumed in April; actually $1.9 billion.		
Savings bonds	+.3	
A break even of sales (including accrued discount) and redemptions was assumed for the April–June period. Actually, sales exceeded redemptions.		
Foreign securities	+.1	
Unexpected sales.		
Total increase in public debt	-----	.8
Total cash increase	-----	3.1

Estimated cash balance and debt subject to limit day-by-day for period July—November 1963

[In billions of dollars]

Day	July 1963		August 1963		September 1963		October 1963		November 1963	
	Cash balance (excluding gold)	Debt subject to limit	Cash balance (excluding gold)	Debt subject to limit	Cash balance (excluding gold)	Debt subject to limit	Cash balance (excluding gold)	Debt subject to limit	Cash balance (excluding gold)	Debt subject to limit
June 30	[1] 11.1	[1] 306.1								
1	[1] 11.0	[1] 306.0	5.6	305.1	Sunday		9.8	307.9	5.5	308.8
2	[1] 10.7	[1] 305.9	5.7	305.1	HOLIDAY		9.5	307.9	Saturday	
3	[1] 10.6	[1] 306.0	Saturday		6.7	308.0	9.2	307.9	Sunday	
4	HOLIDAY		Sunday		6.3	308.0	8.8	307.9	5.5	308.7
5	[1] 10.0	[1] 306.0	5.7	305.0	6.0	308.0	Saturday		5.3	308.7
6	Saturday		5.3	305.0	5.5	308.0	Sunday		5.1	308.7
7	Sunday		4.9	305.0	Saturday		8.0	307.8	4.9	308.7
8	[1] 9.2	[1] 305.8	4.9	305.0	Sunday		7.4	307.8	4.7	308.7
9	[1] 8.8	[1] 305.8	4.9	305.0	4.9	307.9	7.0	307.8	Saturday	
10	[1] 8.5	[1] 305.8	Saturday		4.5	308.0	6.6	307.8	Sunday	
11	[1] 8.3	[1] 305.8	Sunday		4.4	308.0	6.4	307.8	4.7	308.7
12	[1] 8.1	[1] 306.1	5.0	305.0	4.5	308.0	Saturday		4.5	308.7
13	Saturday		5.0	305.0	4.6	307.9	Sunday		4.4	308.7
14	Sunday		5.2	305.0	Saturday		6.2	307.8	4.3	308.7
15	[1] 7.7	[1] 306.0	5.1	305.3	Sunday		6.6	308.4	4.3	309.3
16	[1] 7.5	[1] 306.0	5.5	305.3	4.6	307.9	6.4	308.4	Saturday	
17	[1] 7.4	[1] 306.1	Saturday		4.9	307.9	6.2	308.4	Sunday	
18	[1] 7.2	[1] 306.1	Sunday		6.1	307.9	6.1	308.4	4.5	309.3
19	[1] 7.0	[1] 306.0	5.7	305.3	7.3	307.9	Saturday		4.7	309.3
20	Saturday		6.1	305.3	8.4	307.9	Sunday		5.1	309.3
21	Sunday		6.4	305.2	Saturday		5.8	308.4	5.4	310.0
22	[1] 6.9	[1] 306.2	6.6	305.2	Sunday		5.5	308.3	5.6	310.0
23	[1] 6.7	[1] 306.1	6.8	305.2	8.9	307.8	5.3	308.3	Saturday	
24	[1] 6.6	[1] 306.1	Saturday		9.3	307.8	5.1	308.3	Sunday	
25	6.7	306.1	Sunday		9.7	307.8	4.9	308.8	5.7	310.0
26	6.4	306.0	6.7	306.2	9.7	307.8	Saturday		5.7	309.9
27	Saturday		6.5	306.2	9.7	307.7	Sunday		5.6	309.9
28	Sunday		6.3	307.2	Saturday		4.6	308.7	HOLIDAY	
29	6.2	305.9	6.1	308.0	Sunday		4.5	308.7	5.5	310.1
30	6.1	306.1	6.0	307.1	9.5	307.4	4.5	308.7	Saturday	
31	6.1	305.1	Saturday				4.5	307.8		

[1] Actual.

EXHIBIT 19.—Statement by Secretary of the Treasury Dillon, November 18, 1963, before the Senate Finance Committee, on the debt limit

At the end of this month, the second temporary extension in the debt limit since late May of this year will expire. In the absence of new legislation, the ceiling will revert from $309 billion to its permanent level of $285 billion. This would be more than $23 billion below our latest estimates of the actual amount of outstanding debt subject to the limit on November 30.

Consequently, the need to extend the temporary limit promptly is imperative. Moreover, the limit must also be increased to enable us to meet our financial obligations during the remainder of the fiscal year. These obligations will require new debt financing within the first few days of next month, financing which will have to be announced before the end of this month.

Our projected borrowing needs over the remainder of the fiscal year are illustrated on the attached table. The second column shows the estimated size of the debt at semimonthly intervals, assuming at each date a cash balance of only $4.0 billion, well below the amount we normally maintain, and equivalent to less than half of our average monthly expenditures. Actually, we know that our debt cannot be adjusted abruptly in response to short-lived, but frequently very large, swings in receipts and expenditures from one day to the next, or from week to week, as these estimates assume. Even with the most careful planning, we must frequently carry a substantially larger cash balance. But without any allowance for that contingency, or for other unforeseen developments, our debt will reach successively higher peaks of more than $310 billion in mid-December, nearly $313 billion in March, and more than $314 billion by June 15.

These figures are consistent with our latest review of the outlook for both receipts and expenditures. This review indicates that our deficit for the current fiscal year should approximate $9.0 billion, substantially less than the $11.9 billion estimated last January in the President's budget. That decided improvement reflects both higher receipts and smaller expenditures than originally foreseen.

Our current estimates of fiscal year receipts take into account the impact of the tax program passed by the House of Representatives in September and now being considered by your committee. We estimate that this program, with the rate reductions becoming effective on January 1 of next year, would entail a net revenue loss of $1.8 billion during fiscal 1964 after allowing for the stimulus to the economy and the larger base of taxable incomes that would result. That revenue loss from the tax program is $900 million smaller than the $2.7 billion estimated in January, when the program was proposed, because the rate reductions in the House bill are scheduled to take effect six months later than originally anticipated.

I should point out that the tax program, because it affects revenues only with a lag, has very little bearing upon the amount of our cash needs through mid-March when borrowing needs are seasonally high. It would add approximately $1.6 billion to our needs by June 15, when the debt will reach its peak for the year. The primary effect of the tax bill on fiscal year 1964 revenues would come through the proposed reduction in withholding rates.

The revenue outlook has also been improved because economic activity, profits, and personal income will clearly be significantly higher in calendar 1963 than we anticipated at the time of the President's budget message. These factors are the principal determinants of fiscal 1964 revenues, and we expect the result will be an additional $1 billion in receipts. Consequently, total receipts are now projected at $88.8 billion, $1.9 billion higher than estimated in January.

Meanwhile, the reductions in appropriations by the Congress, together with the continuing, intense efforts of the Administration to achieve every practicable economy within the framework of congressional authorizations, are being reflected in a significantly lower rate of spending than originally estimated. Sizable savings are spread through a number of programs. These savings will more than offset increased costs in two areas—for interest on the public debt and for farm price support programs—which are expected to exceed earlier estimates. As the Director of the Budget will outline in greater detail, our expenditure estimates in some respects must still be considered tentative, largely because the Congress has not yet taken final action on some appropriation bills. But, there is a clear prospect that total spending in fiscal 1964 can be held to $97.8 billion, or approximately $1 billion below the figure estimated in January.

The resulting budgetary deficit of $9.0 billion would actually be less than the $9.2 billion estimated last January in the absence of any tax reduction.

The debt limit legislation passed by the House on November 7 and now before your committee provides for an increase in the temporary ceiling to $315 billion through June 29, 1964. The bill then provides that the limit would return to $309 billion for one day, June 30, before expiring. As indicated by the table, this authorization to issue additional debt will meet our calculated needs through the remainder of the fiscal year only on the assumption that the cash balance can be maintained at $4 billion, and only by cutting deeply into the customary and highly desirable margin for contingencies and flexibility during our period of peak needs in March and June.

I must point out that, over the past 10 years, the final estimates of both revenues and expenditures contained in the January budget document for the fiscal year which is then more than half completed have each had an average error of $1½ billion. The comparable error in the estimates of the net deficit or surplus has averaged $1.3 billion. Therefore, I believe that the $315 billion limit provided by the House bill is the very minimum that can be accepted.

It must be recognized that a ceiling so close to our projected needs entails definite risks, particularly at the time of our peak requirements next June. Those risks can be prudently accepted only because experience during the first quarter of next year—particularly in connection with the usual heavy March corporate profits tax payments—will provide a basis for reappraising our needs in ample time to enact appropriate new legislation, if that should become necessary. Of course, if the tax program were not to be enacted by January 1st and its impact on revenues delayed, the allowance for contingencies would then be somewhat larger. However, during the middle of June, the period of peak need, the allowance would still be below what has always been considered normal in the past.

I must also point out that, because of the extremely large receipts that flow into the Treasury during the latter half of June, it will be impracticable to reduce the cash balance on June 30 to less than $5 billion, which would be necessary to stay within a $309 billion debt ceiling on that day assuming a budgetary deficit of $9 billion, as presently estimated. Including allowance for the usual retirement of tax anticipation bills during that period, income substantially exceeds current cash needs. These surplus funds are, however, quickly required to meet our obligations in early July, when receipts are seasonally very low. This recurrent pattern means that the cash balance must temporarily rise over the end of the fiscal year, to something like $7 billion, if we are to avoid changes in the outstanding debt so large and abrupt as to be seriously disturbing to the market. Under these circumstances, the debt limit of $309 billion provided in the House bill for June 30 will not be adequate unless the budgetary deficit is reduced substantially below the $9 billion figure now foreseen.

With this caveat, I believe that the House bill provides an acceptable debt ceiling for the remainder of the fiscal year. It is certainly fully expressive of the compelling need and desire, shared by the Congress and the Administration, to maintain restraints on expenditures. In so doing, it does entail risks in impairing the usual margin for unforeseen contingencies and flexibility.

Experience has shown us the extra and highly undesirable costs and difficulties of managing a debt when it is pressing closely against the ceiling. It is essential that we maintain a margin for financing flexibility, not only to make it possible to take advantage of favorable financing opportunities when they present themselves, but also to permit us to allow for a normal range of uncertainty in gauging the response of the market to our necessarily huge financing operations. In recent years, the necessity to maintain a reasonable equilibrium between the level of short-term rates in our market and markets abroad to minimize disturbing capital flows between countries has sometimes required a substantial increase in our sales of short-term securities on short notice, adding to the need for operating flexibility. And, whenever the debt rises very close to the ceiling, and our financing flexibility is thus exhausted, the danger arises that planning and executing acquisitions of Treasury debt for the Federal trust funds, as required by our trustee function, will be adversely affected by our inability to issue additional debt to them.

For these reasons, I could not contemplate discharging my responsibilities for managing the finances of our Government prudently and economically within a debt ceiling any lower than that provided in the House bill. With the understanding that present estimates indicate the likelihood that it will be necessary to make the fiscal year 1965 legislation effective next June 30th rather than July 1st, I recommend enactment of this bill in its existing form. You may be assured that the executive branch will strive in every practicable way to realize a budgetary outcome that will enable us to maintain our debt within this tight ceiling.

Public debt subject to limitation, fiscal year 1964

[In billions of dollars. Assumes tax cut (effective January 1964—as passed by House)]

	Operating cash balance (excluding free gold)	Public debt subject to limitation	Normal allowance to provide flexibility in financing and for contingencies	Total public debt limitation required to provide normal allowance
Actual				
June 12, 1963 (low balance for June)	4.2	305.3		
June 30	11.1	306.1		
July 15	7.7	306.0		
July 31	6.2	305.1		
August 15	5.1	305.0		
August 31	6.1	306.8		
September 15	4.4	307.5		
September 30	8.9	307.0		
October 15	5.1	306.8		
October 31	3.7	306.8		
Estimates (based on projected actual cash balance)				
November 15	3.3	307.9		
November 30	4.2	308.5		
Estimates (based on constant minimum operating cash balance of $4.0 billion)				
December 15	4.0	310.7	3.0	313.7
December 31	4.0	307.6	3.0	310.6
January 15, 1964	4.0	310.4	3.0	313.4
January 31	4.0	309.5	3.0	312.5
February 15	4.0	310.6	3.0	313.6
February 28	4.0	310.1	3.0	313.1
March 15	4.0	312.9	3.0	315.9
March 31	4.0	307.9	3.0	310.9
April 15	4.0	311.5	3.0	314.5
April 30	4.0	310.7	3.0	313.7
May 15	4.0	310.8	3.0	313.8
May 31	4.0	311.4	3.0	314.4
June 15	4.0	314.2	3.0	317.2
June 30	4.0	308.1	3.0	311.1

EXHIBIT 20.—Statement by Secretary of the Treasury Dillon, June 23, 1964, before the Senate Finance Committee, on the debt limit

In the absence of new legislation, the $315 billion temporary debt limit, under which we are currently operating, is scheduled to drop for the one day of June 30 to $309 billion and on July 1 the limit will revert to its permanent level of $285 billion.

The latest published figure we have for the public debt subject to the limit is $311.9 billion as of June 18. While there are many cross currents in the last two weeks of June, our best estimate is that the debt will still approximate $312 billion on June 30. This means that if the debt limit is not raised before then, the outstanding debt will exceed the limit by about $3 billion on June 30 and by more than $26 billion on July 1 when the ceiling drops to its $285 billion permanent level.

It is clearly imperative that these scheduled reductions in the debt limit not be allowed to occur. We simply cannot put the U.S. Government in the impossible posture of being unable to refinance maturing securities or to pay legal obligations as they come due. We can do grave damage to the credit of the United States if we permit the debt limit to be inadequate for even one day. The issue goes well beyond the question of sound domestic financial housekeeping to the far greater issue of the financial responsibility or irresponsibility of our Government. In a world which recognizes economic and financial strength as the essential foundation for military and political power, we cannot permit the slightest doubt to arise in any quarter regarding the ability of the United States at all times to meet all of its obligations instantly and fully.

The outlook for the public debt in fiscal 1965 is shown in the attached table which is the same as that presented to the House Ways and Means Committee on May 25. The table gives projected levels of the debt for midmonth and month-end dates through June 30, 1965. It reflects the usual temporary seasonal borrowing requirements as well as the need to finance the deficit anticipated for the year as a whole.

The debt projections shown in the table are, of course, based on the same mechanical assumption that has been used in past debt limit hearings: Namely, that the Treasury's operating cash balance holds unchanged at $4.0 billion. On this basis, the table shows that the debt is expected to swing up to temporary peaks of $320.5 billion on December 15 and $321.0 billion on March 15 before the usual yearend decline brought on by the heavy June tax receipts.

The assumption of a constant $4.0 billion operating cash balance focuses attention on the impact of the projected pattern of receipts and expenditures on the debt and this is appropriate in a debt limit hearing. However, in actual practice it is not feasible to hold the cash balance unchanged, as I am sure the members of this committee are fully aware. The actual operating cash balance necessarily fluctuates over a wide range. Moreover, the $4 billion figure assumed is a very conservative estimate of the average amount needed to permit the day-to-day operations of the Treasury to be conducted in an efficient manner. The Treasury's operating balance has, in fact, averaged substantially higher than $4 billion during each of the past five years.

During the past six months, for example, a period in which we have made a vigorous effort to hold down the operating cash balance, it has averaged $5.1 billion. With cash expenditures averaging $10 billion per month over the same period, it has not been easy to operate on so tight a rein. It has been safe only because, as an emergency support, we could count on obtaining funds overnight if necessary through the authorization to borrow temporarily from the Federal Reserve banks.

The table also shows the customary $3 billion leeway required for flexibility and contingencies. This provision, regularly requested by both democratic and republican administrations, represents the minimum margin of safety needed to cover circumstances which cannot be foreseen, including the inescapable uncertainties in our month-to-month projections of revenues and expenditures. Hardly less important, this margin of flexibility also is needed because of the impossibility, indeed the undesirability, of precisely matching the timing of our borrowing operations to our changing cash needs. Treasury borrowing is necessarily done in relatively large amounts and in an orderly sequence. These sizable financings should be and are timed in such a way as to avoid unnecessary market disturbance and, where possible, to take advantage of favorable market conditions whenever they appear. Our borrowing operations cannot be adjusted to passing changes in our net inflow or outflow of cash, but rather must anticipate needs over a period of time.

The final column in the table shows the debt limit required when we add this $3 billion safety margin to each of the semimonthly projections of the public debt. It is clear from these figures that a $324 billion debt limit is necessary to provide adequate room for maneuver in managing our finances responsibly and economically.

I should emphasize that our peak debt requirements are primarily a reflection of the recurrent seasonal pattern in our receipts and expenditures. And it is this peak requirement which determines the appropriate level for the debt ceiling. As I have pointed out to your committee before, the debt rises substantially during the first half of every fiscal year, in years of budget surplus as well as in years of budget deficit. This is so because we receive only about 44 percent of our annual revenues in the first half of each fiscal year, the July–December period, with the remaining 56 percent flowing in during the second half, which includes the big corporate tax payment months of March and June. As a result, the Treasury always has to borrow heavily in the July–December period but can then, depending on the state of the budget, pay off some or all of this seasonal borrowing out of the heavy receipts which flow in from mid-March to the end of the fiscal year.

This means that the peak of the debt in any given fiscal year is importantly influenced by the previous year's results. Generally speaking, whenever we run a deficit in one year the debt ceiling for the following year must be increased in roughly the same degree. Conversely, a surplus in one year should permit a reduction in the debt ceiling for the following year. Fiscal 1965 is no exception to this general rule. Since we are incurring a substantial deficit in fiscal 1964, a substantial increase in the 1965 debt limit is essential in order to meet the seasonal requirements brought on by reduced receipts prior to the heavy flow of tax payments that begins on March 15. Our need for a $9 billion increase in the debt limit for fiscal 1965 rests largely on this fact and is only influenced in a relatively minor degree by the deficit that is projected for fiscal 1965.

Let me now turn to the fiscal background of our debt limit recommendation. The following table presents the fiscal 1964 and fiscal 1965 estimates of receipts by the Treasury and of expenditures by the Budget Bureau that were released by the President May 22 and presented to the Ways and Means Committee on May 25.

Administrative budget receipts and expenditures, fiscal years 1964 and 1965

[In billions of dollars]

	January budget estimates		Current estimates	
	1964	1965	1964	1965
Expenditures	98.4	97.9	98.3	97.3
Receipts	88.4	93.0	89.5	91.5
Deficit (−)	−10.0	−4.9	−8.8	−5.8

The table shows that the deficit for fiscal 1964 is lower than was estimated in January and that the deficit for fiscal 1965 is higher. But the significant point is that these new estimates for fiscal 1964 and fiscal 1965 indicate that the overall two-year deficit will be $300 million less than was originally estimated in January.

The estimate of $5.8 billion for the fiscal 1965 deficit is some $900 million more than the $4.9 billion deficit projected in the President's January budget message, even though the Budget Bureau's spending estimate for fiscal 1965 has been reduced by $600 million from the earlier estimate. This increase in the 1965 deficit is due almost entirely to changes made by the Congress in the tax bill as compared to the assumptions that were used by the President in his budget message.

Most important is the fact that the tax bill went into effect about one month later than had been assumed in the President's budget message. This meant that the 18-percent withholding rate continued for one month longer than had been projected with a consequent benefit of some $800 million to fiscal 1964 revenues (the monthly dollar difference between the 18-percent withholding rate and the current 14-percent withholding rate). But it also meant that estimated fiscal 1965 revenues will be reduced correspondingly since final net payments on 1964 liabilities by individual taxpayers next spring will be lowered by the same amount.

The second factor is that the Revenue Act of 1964, as finally enacted, will result in about $500 million less revenue in fiscal 1965 than had been provided in the tax bill as it passed the House, which was necessarily used as the basis for the revenue estimates in the budget document.

These two changes in the tax program—together with minor refinements in the projections of economic activity and taxable incomes—have reduced projected revenues for fiscal 1965 to $91.5 billion, $1.5 billion lower than the January estimate. But, as noted earlier, the impact of these lower revenues on the size of the deficit has been partially offset by the $600 million reduction in expenditures now foreseen by the Budget Bureau.

Finally, I should like to note that the experience of recent weeks has been somewhat more favorable than these May 22d projections would suggest. Expenditures are running well below expectations. Should this more favorable experience persist, we can expect to finish up fiscal 1964 with better overall results than the table indicates. This would leave us with a somewhat larger cash balance on June 30th than we had earlier expected which, in turn, would reduce our needs for new cash financing over the next few months.

I would now like to mention briefly some broader and longer run considerations which form the background to this debt limit hearing. We are in the early stages of the biggest tax cut our Congress has ever approved or this Nation has ever enjoyed. We expect this to provide a major long-term stimulus to the economy, to put new strength into our private business system, and to strengthen our ability to compete in international markets. However, I think everyone recognized, when this approach was proposed by the Administration and approved by the Congress, that there would be transitional deficits that would have to be financed and that an appropriate debt limit adjustment would be required. In order to hold these deficits to the minimum, both in size and time, and to minimize the requisite increase in the debt limit President Johnson is making a maximum effort to hold down Federal expenditures.

We, in the Treasury Department, for our part, always have before us, as a primary purpose, the protection of the financial integrity of the United States. No one is more dedicated to responsible finance and strict expenditure control than I am. But effective control of Federal spending cannot be achieved by restriction at the tag end of the expenditure process when the bills come due. Our bills must be paid promptly and in full if the credit of the United States is to be maintained.

The proper place to control expenditures is in the appropriations process and in the Federal agencies which spend the money. President Johnson is continuing to press for economy in Government, so you can be confident that a reasonable debt ceiling will not be abused. Of course, Congress has not yet completed action on fiscal 1965 appropriations, and expenditure estimates at this time are necessarily tentative. However, there is a basis for confidence, I think, in the fact that the May 22d estimates show expenditures for fiscal 1964 and fiscal 1965 combined to be $700 million less than was estimated in January.

If we continue to hold Federal expenditures under control, the outlook for decreasing the burden of our public debt is good. Indeed, by the end of this fiscal year, the Federal debt is expected to amount to about 50 percent of our current gross national product as compared to 52½ percent last year. This is a smaller percentage than at any time since World War II financing added so greatly to the public debt. At the close of fiscal 1946, as you may recall, the debt was about 127 percent of the gross national product. With the continued growth in the economy that is generally expected, the ratio of the debt to GNP should fall still further during fiscal 1965, dropping below the prewar levels of fiscal 1939 and 1940.

I think we are well started on an orderly and constructive program that will stimulate our economic growth, protect our financial stability at home and the key role of the dollar abroad, and also express the fiscal responsibility of the American people. Under these circumstances, I strongly urge that you approve the $324 billion temporary public debt limit which we are requesting for fiscal year 1965 as the minimum consistent with meeting our financial obligations and handling the public debt in an economical and responsible fashion.

Estimated public debt subject to limitation, fiscal year 1965

[In billions of dollars. Based on constant minimum operating cash balance of $4.0 billion]

Date	Operating cash balance (excluding free gold)	Public debt subject to limitation	Allowance to provide flexibility in financing and for contingencies	Total public debt limitation required
1964				
June 30	4.0	307.9	3.0	310.9
July 15	4.0	311.0	3.0	314.0
July 31	4.0	311.8	3.0	314.8
August 15	4.0	313.5	3.0	316.5
August 31	4.0	314.2	3.0	317.2
September 15	4.0	316.9	3.0	319.9
September 30	4.0	311.2	3.0	314.2
October 15	4.0	315.0	3.0	318.0
October 31	4.0	316.3	3.0	319.3
November 15	4.0	318.1	3.0	321.1
November 30	4.0	317.7	3.0	320.7
December 15	4.0	320.5	3.0	323.5
December 31	4.0	316.0	3.0	319.0
1965				
January 15	4.0	318.9	3.0	321.9
January 31	4.0	318.0	3.0	321.0
February 15	4.0	319.1	3.0	322.1
February 28	4.0	318.2	3.0	321.2
March 15	4.0	321.0	3.0	324.0
March 31	4.0	315.4	3.0	318.4
April 15	4.0	319.2	3.0	322.2
April 30	4.0	315.6	3.0	318.6
May 15	4.0	316.7	3.0	319.7
May 31	4.0	317.1	3.0	320.1
June 15	4.0	319.9	3.0	322.9
June 30	4.0	313.9	3.0	316.9

EXHIBIT 21.—Statement by Secretary of the Treasury Dillon, June 11, 1964, before the House Banking and Currency Committee on H.R. 11499, to extend existing authority of the Federal Reserve banks to purchase public debt obligations directly from the Treasury

I am happy to appear before you this morning in support of H.R. 11499.[1] This bill would extend until June 30, 1966, the existing authority of the Federal Reserve banks to purchase directly from the Treasury public debt obligations up to a limit of $5 billion outstanding at any one time.

This authority, which would otherwise expire at the end of this month, was first granted in its present form in 1942 for a temporary period. It has been renewed on eleven separate occasions since that time. While used only very sparingly during these past 22 years, and not at all since 1958, I strongly share the conviction of my predecessors that maintenance of this authority is essential to the proper and economical management of the finances of the Government.

The value of the direct purchase authority does not rest on its frequent or extensive use. Rather it is designed to provide protection against the inevitable uncertainties in estimates of receipts and expenditures and in our borrowing operations and the unforeseen contingencies that can arise from time to time. At no time in our financial planning do we look upon this authority as a substitute for market financing or a cheap source of funds. But its continuing availability as a backstop for all our Treasury cash and debt management operations both permits more economical management of our cash position over the years and assures our ability to provide needed funds almost instantaneously in the event of a national emergency.

[1] See exhibit 15.

The reasons we feel that maintenance of this authority is essential can be summarized under three points. First, year in and year out it provides us with the margin of safety that is necessary if we are to permit our cash balance to fall to exceptionally low levels during periods of seasonally lean revenues. This, in turn, allows the public debt to be kept to a minimum and saves interest costs to the Government.

During the past six months, for instance, we have succeeded in holding the Treasury's operating cash balance down to an average of $5.1 billion, or only about half of an average month's cash expenditures. That average has implied, of course, much lower balances during some periods, as we awaited heavy receipts or the proceeds of cash borrowings. With budgetary and trust fund payments running at a rate of over $10 billion per month, these low balances could be maintained, even for brief periods, only because as an emergency support we could count on obtaining funds overnight, if necessary, through the authorization to borrow temporarily from the Federal Reserve banks. As recently as this past April, it appeared possible that use of the authority might be necessary to tide us over a short period before sizable individual tax collections began to flow in. In the end, that did not prove necessary. But without the potential ability to borrow directly from the Federal Reserve, it is clear that prudence would have compelled us to enlarge our cash balance by borrowing additional amounts in the market at a time when market conditions were unfavorable and interest costs had temporarily risen.

In the second place, there is always the possibility that erratic swings in money market conditions and sentiment may produce disturbances of a character that would warrant postponement of a planned Treasury borrowing. In such instances, it is the availability of direct access to Federal Reserve credit that would permit us the flexibility required in such a situation to draw on our cash and to await more propitious market circumstances.

Finally, and perhaps most crucial in an uncertain world, the direct purchase authority is available to provide an immediate source of funds for temporary financing should this be required by a national emergency. It is, unfortunately, possible to visualize the kind of situation in which our financial markets would be disrupted and even paralyzed at a time when large amounts of cash had to be raised to maintain governmental functions and meet the emergency. Consequently, the direct purchase authority is a key element in all our financial planning for a national emergency or a nuclear attack. And this is the reason why this authority is required for as much as $5 billion, even though in the past little more than a quarter of that amount has ever been used.

Consistent with these three points, I want to emphasize that the direct purchase authority is viewed by us as a temporary accommodation to be used only under unusual circumstances. The Treasury fully agrees with the general principle that its new securities should meet the test of the market and that purchases of Treasury obligations by the central bank should normally be made through that same public market. Moreover, this direct purchase authority should not be considered a means by which the Treasury may independently attempt to influence credit conditions by circumventing the authority of the Federal Reserve to engage in open market operations in Government securities. In that connection, it is important to emphasize that any direct recourse by the Treasury to Federal Reserve credit under this authority is subject to the discretion and control of the Federal Reserve itself.

This borrowing authority has not been abused in the past. The accompanying table, providing details on the instances of actual use, shows clearly that it has been used only rarely and for limited periods. The borrowings are promptly shown on both the weekly Federal Reserve and end-of-month Treasury statements, assuring the widespread publicity that is the best possible deterrent to abuse. In addition, the Federal Reserve must include such information in its annual report to the Congress. And, of course, this borrowing, like any other Treasury borrowing, is subject to the debt limit.

It is a happy circumstance that we have not had to use this authority for more than six years. But, as an insurance policy against financial emergency and an essential backstop to our cash management, it must be kept available in case of need.

Direct borrowing from Federal Reserve banks, 1942 to date

Calendar year	Days used	Maximum amount at any time (millions)	Number of separate times used	Maximum number of days used at any one time
1942	19	$422	4	6
1943	48	1,320	4	28
1944	none			
1945	9	484	2	7
1946	none			
1947	none			
1948	none			
1949	2	220	1	2
1950	2	108	2	1
1951	4	320	2	3
1952	30	811	4	9
1953	29	1,172	2	20
1954	15	424	2	13
1955	none			
1956	none			
1957	none			
1958	2	207	1	2
1959	none			
1960	none			
1961	none			
1962	none			
1963	none			
1964 through June 9	none			

EXHIBIT 22.—Remarks by Deputy Under Secretary of the Treasury for Monetary Affairs Volcker, May 7, 1964, before the Money and Capital Market Outlook Session of the Boston College Banking and Finance Conference, Boston, Massachusetts

In representing the Treasury in this session today, I do have a special responsibility to set out with some care the magnitude of our own cash needs and the factors currently influencing our own approach to the market. And, I would also like to take a little time to review some of the developments of the past few years, as a prologue for any judgments of the future.

First, with respect to our own borrowing needs, we find ourselves in a quite different—and on the whole much more satisfactory—position than for some time. This change stems in good part from the prospect for a substantial decline in the budgetary deficit during fiscal 1965. In terms of the cash budget, which (apart from any change in our cash balance) measures the net call of the Government on the market for funds, the President in January projected a decline in the deficit from $8.3 billion during the current fiscal year to $2.9 billion during fiscal 1965. These figures will of course need to be reviewed and updated as the Congress completes its work and as we assess further the prospective levels of profits and income that will determine our tax receipts.

While that review process has not yet proceeded far enough to permit me to give you any later figures today, we can at least make a mental adjustment for the consequences of the Revenue Act of 1964 becoming effective about a month later, and in somewhat different form, than assumed in the budget document. The result of maintaining withholding rates at the old level for an extra month is to raise revenues by $800 million or so in the current fiscal year, to be offset by an equivalent reduction in fiscal 1965. In addition, the reform elements in the bill as enacted will cost a little more revenue next year than had been anticipated. But, after these adjustments, we can still look forward to a significant year-to-year decline in the deficit, with implications for not only our own borrowing needs but also, I believe, for both the general market environment and for monetary policy.

The smaller deficit anticipated in fiscal 1965 does not mean that our cash needs over the remainder of the current calendar year will be appreciably smaller than has been typical of other recent years. In fact, we now expect that, including some allowance for normal attrition of maturing issues, we may need to sell some

$9 billion of new marketable debt from June through December, the usual period of heavy seasonal needs. That would be larger than borrowing needs over the same period last year—when we could draw upon the exceptionally high cash balances that had been built up at the end of June—but closely in line with 1961 and 1962 experience. However, it is worth pointing out that these projected requirements are substantially below those of the latter part of 1958 and 1959, when, you will recall, the market was under heavy pressure.

Moreover, there is a very significant difference in the financing outlook at this time as compared to developments during any of the past three fiscal years. Our projected cash needs for the fiscal year as a whole make it possible to look forward to a sharp reduction in our outstanding marketable debt during the latter part of that period. In sharp contrast to experience since 1961, when the marketable debt has failed to decline appreciably during the first half of a calendar year, we should be able to retire perhaps $6 billion of marketable debt between December and June of 1965, mostly in March and June following the receipt of corporate income taxes. Consequently, the residue of more lasting debt to be placed outside Treasury investment accounts should be on the order of $3 billion or less, not so much more, I would think, than a reasonable projection of possible Federal Reserve and foreign purchases over the course of the fiscal year.

The clear implication is that we can, within a framework of prudently financing the net cash deficit, accept the logic of meeting the bulk of our seasonal needs through temporary financing in the short-term market, perhaps chiefly by the use of tax anticipation instruments.

The fact that very considerable progress has been made in recent years in not only ending, but reversing, the shortening of the debt structure characteristic of earlier postwar years also adds to our flexibility in meeting our further needs. It is well known that, with the help of a series of advance refundings, a sizable chunk of our outstanding debt has been moved from the 1–5 year maturity category into longer-term issues. But few observers have fully appreciated the result: from the end of 1960 through 1963, the debt maturing in more than 5 years rose by almost as much as the total increase of $18.6 billion in marketable Treasury securities over that period. In that sense, almost all of our cumulative deficit over that period was financed long-term.

I do not mean to imply that, with the average maturity of the marketable debt again at five years, we have lost interest in further sales of longer securities. We know we must run hard as time passes even to maintain the current maturity distribution, and in a period of continuing business expansion, we do not want to loose opportunities to place more of our "permanent" debt in "permanent" hands. This was, of course, one of the objectives of including a ten-year 4¼ percent bond in the refunding for which the books closed only yesterday. But, I do think it fair to say that, while we cannot afford to be relaxed about the debt structure, we do not face the kind of pressing problem that dictates we try to force further extension in an unreceptive market—that we can, in this phase of our operations, afford to await opportunities that should arise to place longer securities at times when the market is clearly "beckoning", and the additional securities can be fitted into the debt structure without taxing the market's capacity or compromising the objective of maintaining a free flow of credit to other uses.

Put another way, the improved budgetary outlook, combined with the progress that has been made in restructuring the debt, makes it possible for us, with some confidence, to foresee placing our own debt into the market rather unobtrusively, instead of our operations becoming a major independent influence on interest rate levels.

So much for our own part in the market. For the rest, I would only like to suggest a little perspective on the kinds of projections of credit demands that we all have, upon occasion, been hearing represent a threat to the current rate structure. You will recall—notably in the spring of 1961 and again last December—forebodings that the business advance would soon bring sharply higher credit demands and strong interest rate pressures, and at times the bond market has clearly reflected these anticipations by precautionary markdowns in price. It is a fact that credit demands have increased through this period, as would be expected in a growing economy. The net increases in corporate, Government, foreign, consumer and mortgage debt, and in bank loans, which amounted to about $32 billion in 1960, reached nearly $56 billion in 1962, and perhaps $62 billion last year—almost double the 1960 figure. But it is equally true that mortgage, municipal bond, and second-grade corporate bond rates are today significantly lower than at the bottom of the 1960–61 recession, that bank loan rates are unchanged, and that high grade corporates are only very slightly higher.

Without trying to be too sophisticated or detailed about it, but without being inaccurate either, this rate stability can be explained by the fact that a growing economy generates more savings as it develops more credit demands. The recent willingness of savers to accumulate large amounts of funds in liquid form at institutions which in turn channel those funds into long-term markets—a process which has been aided and abetted by the higher rates paid by savings institutions—has been especially helpful in maintaining a balance in the supplies and demands for longer-term credit. The other side of the coin is that increases in the money supply itself have been of moderate dimensions, considerably less than the growth in GNP itself.

As I myself appraise this experience—and without trying to read the future precisely either in terms of the influences bearing on policy or the prospective volume of credit demands—one lesson seems to me quite clear. An orderly and well-balanced business advance—an advance, by the way, still well below the point at which limitations on capacity or manpower become evident—is quite capable of generating the new savings necessary to balance rising credit demands. Nor do I see persuasive evidence that tax reduction necessarily introduces a wholly new element into this picture. It is implicit in the budgetary outlook that the reduced tax rates already enacted are consistent with smaller credit demands from the Federal Government, and confident as I am of the ultimate effectiveness of the tax program in stimulating the economy, nothing that has happened so far suggests that the coming rise in business activity, or in private credit demands, will be out of keeping with the kinds of increases we saw during much of 1961, and again toward the latter part of 1963.

In fact, looking at the categories of credit demand one by one, and considering particularly the probability that mortgage demands will not continue to rise so rapidly from year to year—and looking, too, at the prospects for a larger corporate cash flow and at least temporary increases in the rate of individual savings—it seems to me the burden of proof lies quite on those who anticipate strong upward pressures growing out of domestic credit flows on the current structure of interest rate.

EXHIBIT 23.—Other Treasury testimony published in hearings before congressional committees, July 1, 1963–June 30, 1964.

Secretary of the Treasury Dillon

Statement on the debt limit, published in hearings before the Committee on Ways and Means, House of Representatives, 88th Congress, 1st session, October 29, 1963, pp. 2–5.

Statement on the debt limit, published in executive hearings before the Committee on Ways and Means, House of Representatives, 88th Congress, 2d session, May 25, 1964, pp. 1–6.

Statement on proposed changes in the Federal Reserve System embodied in H.R. 3783, H.R. 9631, H.R. 9685, H.R. 9686, H.R. 9687, and H.R. 9749, published in hearings before the Subcommittee on Domestic Finance of the Committee on Banking and Currency, House of Representatives, 88th Congress, 2d session, Vol. 2, March 5, 1964, pp. 1230–1236.

Taxation Developments

EXHIBIT 24.—Statement by Secretary of the Treasury Dillon, October 15, 1963, before the Senate Finance Committee, on H.R. 8363, an act to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes.

Last January, the President sent to the Congress a broad program of tax reduction and structural reform designed to meet the Nation's most pressing economic problems: chronic unemployment, underutilization of industrial capacity, and continuing deficits, both in our international balance of payments and in our Federal budget.

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The President recommended significant cuts in individual and corporate tax rates. He also recommended structural revisions that would broaden the tax base and remove certain inequities to permit larger reductions in tax rates than would otherwise have been possible.

The bill before you was drafted in the House after full consideration of the President's program. It is generally in accord with the President's program, although it differs in certain specific respects. It reduces tax revenues in scale, form, and with a timing pattern that meets the urgent needs of our economy—and the reduction is within the limits of fiscal prudence. With one important exception—in the treatment of capital gains—the bill fairly distributes the benefits of tax reduction among all income groups. It also contains important provisions that relieve hardship and lessen favoritism.

The need for a major program of tax reduction and revision is pressing. I firmly believe that to delay its passage would incur serious economic risks. Therefore, I appear before you today to urge your committee to give favorable consideration to H.R. 8363 as passed by the House with one principal exception. Because of the urgency of prompt action, I recommend that the committee eliminate the provisions in the bill dealing with capital gains, specifically those that relate to the new 40-percent inclusion factor and the new 21-percent ceiling rate for so-called Class A capital gains. The Administration's position has always been that these controversial and complex features should only be dealt with in connection with the related and inseparable problem of the treatment of unrealized capital gains at death.

The tax reductions contained in this bill have been strongly endorsed by both business and labor, by financial leaders at home and abroad, and by a large cross section of the most distinguished economists in our universities. After months of public debate in the press and other media, the bill was approved by a very substantial majority of the House of Representatives. In sum, there is a national consensus that the bill is a necessary and proper measure that is vital to our economic progress.

I. The Importance of Tax Reduction

A. ECONOMIC EFFECTS

The President's tax program addresses the basic problem of chronic underemployment of manpower, plant, and equipment that has plagued us for more than five years. For the past 6 years unemployment has averaged 6 percent, and it has not fallen below 5 percent during that period. The rate of capacity utilization for plant and equipment has remained well below preferred operating rates. Recessions have occurred all too frequently, and recoveries have fallen progressively shorter of full employment. Finally, corporate profits and the ratio of expenditures on plant and equipment to gross national product have been below previous postwar levels.

Despite the encouraging 1963 performance in certain sectors of the economy, I wish to emphasize that the underlying situation has not changed since the President presented his program last January. Although retail sales, personal income, civilian employment, and gross national product have all reached record levels during the present recovery, which has been under way since February 1961, our more pressing economic problems remain with us. Unemployment this year has averaged 5.7 percent and in September 5.6 percent of the labor force was still unemployed. Capacity utilization remains well below preferred operating levels. A serious deficit in the balance of payments persists. Moreover, there is reason to believe that the expectation of major tax reduction has contributed to the 1963 advance. Businessmen and individuals have based their spending plans, to some extent, upon their anticipation of significant across-the-board tax reductions. A substantial cutback of the proposed tax reductions, or a further delay in their implementation, might seriously affect the economy's vitality.

The present business cycle expansion is now in its 32d month. It is already seven months longer than the expansion which ended in the recession of 1960 and now equals the average duration of our postwar peacetime recoveries. But in the 32d month of continued expansion, the unemployment rate is only slightly less than it was in the depths of the 1954 recession. Although the economy is growing, it is doing so in a cyclical fashion in which the cycles mirror the economy's underlying inability to sustain, over any extended period, the rate of growth required to provide employment for our rapidly growing labor force.

When the President said in January that the "largest single barrier to full employment of our manpower and resources and to a higher rate of economic growth is the unrealistically heavy drag of Federal income taxes on private purchasing power, initiative, and incentive", he voiced a widely held view. Without the basic reduction in tax burdens proposed in H.R. 8363, we increase the likelihood of repeating the disappointing record of recent business cycles. When recession occurs, the economy will fall from a plateau well below full employment and the subsequent recovery will again fall short of that goal. This is not to say that unless tax reduction is enacted, and enacted soon, recession will necessarily follow. It is only to suggest that without the thrust that significant tax reductions can provide, there is no basis in recent experience to predict or expect that the economy will break out of the disappointing pattern of recent years. On the other hand, a substantial across-the-board reduction in taxes should give our economy the impetus it needs to put an end to this pattern of recession. While I recognize that a sustained period of rapid economic expansion such as we envisage with enactment of H.R. 8363 would be a new experience for the American economy, it would only parallel what is now being regularly achieved by the countries of Western Europe.

Our persisting problem has been insufficient demand. The Federal Government has the capacity to meet this problem and since the enactment of the Employment Act of 1946 it has had a clear responsibility to do so. Two entirely different courses are open. Either additional Government expenditures, which mean bigger central Government, or an increase in the growth of the private sector can stimulate our economy. The choice is whether the Government or private consumers and investors will control how our increased output is to be used. The Administration, in supporting H.R. 8363, has chosen the free enterprise, private economy course. It prefers that course. This is the course that leaves to private individual and corporate spenders the decision as to which particular goods and services shall be purchased with the increase in demand that will flow from the substantial reductions we are recommending in our harsh tax rates. I feel certain that the great majority of Americans agree with the Administration's preference for the tax reduction, private economy route to full production and full employment. The enactment of H.R. 8363 will carry out their desires.

H.R. 8363 is fully adequate to set us on a new path of growth. Tax reduction will augment both individual incomes and corporate earnings. Individual income tax liabilities will be lowered by $9 billion. This will enhance consumer purchasing power, to be spent and respent, circulating through the economy, in a way that will increase overall consumer spending by several times the amount of the intitial tax cut.

This sustained increase in the demand for consumer goods and services will in turn stimulate greater investment in plant and equipment. At the same time, tax reductions for corporations and businessmen will provide new investment incentives by raising the net return on capital. Taken together with last year's depreciation reform and investment credit, the profitability of new investment will be increased by nearly 35 percent, and corporate tax liabilities will be reduced by more than $4.5 billion. This increased profitability will bring enlarged investment spending, which in turn will generate still higher incomes and expanded consumption outlays.

Finally, the rise in our national output will expand the revenues of State and local governments and mitigate their mounting financial problems. State and local governments will be better able to support badly needed public facilities and services, and the pressure they are now under to raise tax rates or find new sources of tax revenue will be substantially reduced.

Thus the tax program envisaged in H.R. 8363 will have a balanced impact upon the economy, stimulating both consumption and investment. The forward thrust provided for the economy will be greater than if the tax reduction were concentrated on either sector alone.

The higher level of business investment under a more favorable tax environment will greatly increase the productivity of our economy. This improved productivity will facilitate the development of new and better products, thus enabling us to compete more effectively in international trade. A higher rate of return on investment will make investment at home more attractive relative to investment abroad, and will also attract more foreign capital to our shores. Substantial improvement of the investment environment in the United States is essential if we are to achieve a stable balance in our international payments. This is why the President, in his recent statement on the balance of payments, urged the tax reduction program as the single most important step that could be taken to achieve balance abroad as well as growth at home.

B. BUDGETARY IMPACT

While we strongly advocate tax reduction as the best means of achieving a desirable, full employment growth rate, we also believe that it must be accompanied by a most prudent management of the Government's fiscal affairs. Our repressive tax structure prevents our economy from operating at reasonably full capacity. This failure to reach capacity operations in turn reduces profits and incomes and so reduces our revenues. Therefore, paradoxical though it may seem, tax reduction today provides the best and quickest route to a balanced budget. This comes about simply from the fact that the tax base rises and falls with economic activity. The economic expansion we can expect from passage of H.R. 8363 will thus "feed back" increased tax revenues sufficient to achieve a balanced budget at substantially reduced tax rates, provided expenditures are restrained.

With prompt enactment of this bill, we now expect the deficit for fiscal year 1964 to be less than $9.2 billion, which was the deficit originally forecast by the President last January before any allowance for the effects of tax reduction. This improved budgetary outlook reflects the economy's expansion and resulting higher tax revenues, the delay in the effective date of the tax cuts, and also a reduction in prospective expenditure levels.

As for fiscal year 1965 and following years, the President has assured the Congress that he intends to maintain a tight rein on expenditures and that a substantial part of the tax revenues from economic expansion will be used to reduce the budgetary deficit until balance is reached. On this basis—and barring an unforeseen slowdown of the economy or international contingency—the President expects to submit a budget for fiscal 1965 with a deficit less than presently forecast for fiscal 1964, despite the fact that the second stage of the tax reduction will have gone into effect and that the revenue loss from tax reduction in 1965 (before feedback) will be $5 billion greater than in 1964.

The House in turn has emphasized these factors by specifically referring to them in section 1 of the bill. The bill states:

> It is the sense of Congress that the tax reduction provided by this Act through stimulation of the economy, will, after a brief transitional period, raise (rather than lower) revenues and that such revenue increases should first be used to eliminate the deficits in the administrative budgets and then to reduce the public debt.

Thus, our real choice regarding budget deficits is whether we shall have a small and temporary increase in our deficit as a byproduct of much needed tax revision designed to stimulate the economy and lead to budgetary balance, or whether we shall continue to live with the deficits that have characterized recent years and which, in the absence of tax reduction, will stay with us no matter how much we attempt to limit expenditures. This is so because our present repressive tax structure guarantees recurring recessions and underemployment of our human and material resources, which inevitably bring deficits in their wake.

During the recent debate on H.R. 8363 in the House of Representatives, virtually the only element of controversy was over the way in which to ensure the expenditure control needed to reach balance in the next few years. There was little disagreement on the necessity for prompt and broad scale tax reduction.

There was no disagreement at all over the fact that such tax reduction should be accompanied by firm expenditure control.

It was the view of a substantial minority that the necessary expenditure control could best be achieved by setting limits on the estimates of expenditures for the fiscal years 1964 and 1965 which are to be submitted by the President next January. A fundamental weakness in this particular approach is the fact that actual expenditures for these two years could vary significantly from the January estimates for many reasons, a good number of which are not subject to Presidential control. Past experience has shown this to be the case. On the other hand, expenditures can never exceed the amounts actually appropriated by the Congress. Effective expenditure control thus requires a joint effort by the President and the Congress. Recognizing this fact the majority of the House felt that the generally desired expenditure control would be more likely of achievement during the years ahead by the acceptance of joint Presidential and congressional responsibility as outlined in section 1 of the bill. The President on numerous occasions has clearly indicated his sympathy for this approach and his recognition of the need for expenditure control. With the cooperation of the Congress, I am certain that it can be achieved. There is thus no reason to delay the long needed reduction in our repressive tax rates.

Some people have criticized tax reduction on the ground that the temporary increase in the budgetary deficit that would flow from enactment of H.R. 8363 would pose an unacceptable danger of inflation. This criticism is based upon an erroneous view of the cause of inflation. Whether inflation occurs depends on the state of the whole economy, not just on the Federal budget. It can be due either to an excess of demand over supply or to a situation where costs of production rise more rapidly than productivity. For the past five years neither type of inflation has been present in our economy. Wholesale prices have stayed level since 1958 and wage increases remain within the bounds of the improvement in productivity.

At present our economy is marked, not by inflationary pressures, but by unused plant capacity and unemployed workers. Our idle resources are fully capable of producing an additional $30 billion to $40 billion of goods and services which would match the increased private spending that we can expect from this bill. Under such conditions additional private spending, stimulated by a tax cut, will increase output and employment rather than prices.

II. Size, Timing, and Distributional Effects

Let me now discuss this bill in greater detail.

A. GENERAL OUTLINE

The bill provides across-the-board individual and corporate rate reductions, which, when combined with the various structural changes, will reduce revenues by $7.08 billion in the calendar year 1964, and by $11.08 billion in calendar year 1965.

On January 1, 1964, individual income tax rates are to be reduced by two-thirds of the full reduction planned for 1965. The calendar year 1964 rates will range from 16 percent to 77 percent, instead of the present range of 20 percent to 91 percent. The withholding rate will drop on January 1, 1964, from 18 percent to 15 percent. On January 1, 1965, tax rates ranging from 14 percent to 70 percent will become effective and the withholding rate will drop to 14 percent. (See attached table I for greater detail.)

On January 1, 1964, the corporate normal tax rate, which is applicable to all taxable corporate income, will be reduced from 30 percent to 22 percent, a reduction of 26.7 percent. Simultaneously the surtax rate, which applies to corporate taxable income in excess of $25,000, will be raised from 22 percent to 28 percent. These changes will reduce the combined normal and surtax rate from its present 52 percent to 50 percent. On January 1, 1965, the surtax rate will be reduced by 2 percentage points to 26 percent. For 1965 and subsequent years, the combined normal and surtax rate will thus be 48 percent.

The principal revenue effects, based on 1963 levels of income, before any feedback in revenue from economic stimulation may be summarized as follows:

	Calendar year liabilities	
	1964	1965
	In millions of dollars	
Rate changes:		
Individuals	−6,310	−9,470
Corporations	−1,320	−2,190
Total	−7,630	−11,660
Structural changes, capital gains revision, and revision of 1962 legislation:		
Revenue raising:		
Individuals	+1,165	+1,220
Corporations	+ 75	+ 90
Total	+1,240	+1,310
Revenue reducing:		
Individuals	− 495	− 500
Corporations	− 190	− 225
Total	− 685	− 725
Total structural:		
Individuals	+ 670	+ 720
Corporations	− 115	− 135
Total	+ 555	+ 585
Total:		
Individuals	−5,640	−8,750
Corporations	−1,435	−2,325
Total	−7,075	−11,075

NOTE.—See attached Table II for greater detail. The capital gain revisions will create revenue gains during the first 2 years they are in effect due to their "unlocking" effect; but a revenue reduction will occur after 1965. See Table VI for detail.

The effect on budget receipts is estimated to be:

	Fiscal year receipts	
	1964	1965
	In millions of dollars	
Rate changes:		
Individuals	−2,430	−7,530
Corporations:		
Before acceleration of payments		−1,320
Acceleration of payments	+ 260	+ 900
Total corporations	+ 260	− 420
Total rate changes	−2,170	−7,950
Structural changes and capital gains revision:	− 20	+ 555
Total	−2,190	−7,395

Structural changes and capital gains revision affect corporation income tax payments only in the fiscal year 1964; the effect of such changes in the fiscal year 1965 is the same as on calendar year 1964 liabilities.

These estimated reductions in budget receipts are based on calendar year 1963 estimated income levels and are computed before any account is taken of the stimulating effect on the economy, over and above current rates of economic growth, of the tax reductions. The net revenue cost after taking account of economic stimulus, is estimated to be $1.8 billion in the fiscal year 1964 and $3.5 billion in the fiscal year 1965.

B. INDIVIDUALS AND CORPORATIONS

H.R. 8363, when taken in conjunction with the 1962 tax action, distributes the benefits of tax reduction between individuals and corporations in proportion to their relative contributions to Federal revenues from the income tax.

The bill, when fully effective, would reduce individual liabilities by $8.75 billion, which nearly equals 80 percent of the total tax reduction. Such emphasis on the individual income tax is entirely appropriate, however, in the light of the significant reductions in corporate taxes effected last year through revision of depreciation guidelines and enactment of the investment tax credit. These two provisions reduced corporate tax liabilities by about $2.25 billion in 1962. They also reduced individual taxes payable on the profits of unincorporated business by about another $250 million. When these tax actions are included, the reductions made in 1962 and proposed for 1965 total $13.6 billion for both individuals and corporations. Of this total just over $4.5 billion, or one-third, will go to corporations and the remaining two-thirds will go to individuals, an allocation which is roughly in proportion to the current division of income tax revenues between corporations and individuals.

Viewed from another standpoint, the net individual tax reduction, excluding capital gains provisions, will reduce present tax liabilities for individuals by just under 19 percent. The combined effects of this bill, depreciation reform, and last year's investment tax credit, will reduce corporate tax liabilities by something more than 17 percent.

C. EQUITABLE DISTRIBUTION AMONG INDIVIDUALS

The bill distributes the tax reduction equitably. Taxpayers at all income levels will receive significant tax reductions, averaging 18.8 percent even after taking account of structural changes. Those at the lowest income levels, however, will receive the largest percentage tax reductions while those at higher income levels will receive smaller percentage reductions. Those persons with incomes of less than $3,000 will be given tax reductions averaging about 38 percent. On the other hand, persons with incomes of $50,000 or more will receive reductions averaging approximately 13 percent. These differentials (presented in more detail in the attached tables III and IV) are equitable since even minimal tax burdens impose hardship on those at very low income levels and since even small percentage reductions applied to higher brackets represent large amounts of aftertax incomes.

The equitable distribution of tax reductions this bill contains would be seriously distorted if the structural revisions accompanying the rate reductions were significantly altered. These revisions reduce liabilities for those with incomes of less than $5,000 and partially offset the rate reduction impact among those with higher incomes. Without the structural revisions, tax reduction would be much less favorable to the needy persons at low income levels and much more favorable to persons with higher incomes.

III. Tax Rates

A. INDIVIDUAL TAX RATES

The most important part of H.R. 8363 is a top-to-bottom reduction in individual income tax rates. These rates, which now range from 20 percent to 91 percent, are reduced in two steps to a new level of 14 to 70 percent. The 14- to 70-percent rates would take effect in 1965. For the 1964 interim year, the rates would be two-thirds of the full reduction, to range from 16 to 77 percent.

With the exception of adjustments at the bottom end of the tax scale favoring single taxpayers with $1,500 or less of taxable income and married persons with less than $3,000 of taxable income, and adjustments in the upper levels where the rate scale has long been recognized as unrealistically high, the rate reductions are geared to the present tax scale with reductions varying from 14 to 17 percent in various brackets. These variations are necessary because of the desirability of rounding in the interest of avoiding fractional rates.

A distinctive feature of this rate scale is the manner in which it would treat the present first taxable income bracket. This bracket, which includes the first $2,000 of a single person's taxable income—income after deductions and exemptions—and the first $4,000 of a married couple's taxable income, is currently taxed at the rate of 20 percent. Over 50 percent of all taxpayers have taxable incomes that fall wholly within this bracket and pay tax at only the 20-percent rate. H.R. 8363 would split the bracket into four equal segments, $500 segments for single persons and $1,000 segments for married couples. Tax rates of 14, 15, 16, and 17 percent would apply to these four brackets. These rates average 22.5 percent less than the existing rate. This average does not, however, fully describe the effect of this provision. About 10 percent of all taxpayers would pay tax only at the 14-percent tax rate. For them the passage of H.R. 8363 would represent a 30-percent tax reduction. Another 10 percent would pay tax at only the 14- and 15-percent rates. They would receive an average percentage reduction in tax of between 25 and 30 percent. Still another 15 percent of all taxpayers would be subject to a rate no higher than 16 percent, or an average reduction of 25 percent.

The new tax rates on income in brackets above the present first taxable income bracket up to a taxable income of $100,000 for a married couple will be 14 to 17 percent below present rates. But since these taxpayers also share in the reductions in lower brackets, the average tax reduction even for these levels is about 16 percent to 18 percent. The new rates on taxable incomes in excess of $100,000 will show reductions of 17 percent to 23 percent below present rates. The top rate will be 21 percentage points less than the current maximum of 91 percent, a reduction of 23 percent.

The present top bracket rates were originally enacted to ensure an equitable distribution of the sacrifices required by an all-out war effort. They are unrealistic today. Although individuals expend their best efforts and take investment risks for many reasons, the financial reward is an extremely important, if not critical, one. Reduction of the highest tax rates should, therefore, stimulate risk taking and effort, to the benefit not only of the taxpayers involved but to the entire economy as well. Moreover, a reduction in the highest rates will make it less rewarding for some of our most productive citizens to expend their energies in activities and planning designed to avoid the consequences of the present high tax rates. Finally, cuts in these high brackets will lose little revenue since few people actually pay these rates.

B. CORPORATE TAX RATES

The House bill reduces combined corporate normal and surtax rates from 52 percent to 50 percent in 1964 and 48 percent in 1965. Reversal of the historic trend toward high taxes will greatly improve business expectations and create more favorable conditions for new investment. When the rate reductions are fully effective, corporate income tax liabilities will be reduced by $2.2 billion a year.

The reduction of corporate rates is an essential step in the continuing objective of stimulating economic growth. By raising profitability rates, greater incentives are provided for modernization of facilities and expansion of productive capacity. At the same time additional funds are supplied internally to finance expansion plans. To these reductions must be added the annual tax savings of $2.25 billion resulting from the recent reduction in useful lives for depreciation purposes and the enactment last year of the investment credit. As a result of these measures American business will be in an unusually favorable position to expand.

1. *Benefits to Small Business*

The proposed corporate rate structure is designed to give important tax benefits to small businesses. The House bill reduces the normal rate from 30 percent to 22 percent on the first $25,000 of taxable income. In effect, the taxes of a business with income under $25,000—a group that includes 467,500 out of 576,000 taxpaying corporations—will be reduced by 26.7 percent, against a reduction of 7.7 percent for very large companies. (See table V.) The tax structure will thereby strengthen the internal financing of small businesses that have less ready access to the capital markets and are more dependent on internal funds for new investment. The vitality of small business that is so essential to our competitive economy will thus be better assured. The over nine million small individual proprietorships will of course benefit from comparable reductions in individual income tax rates.

2. *Current Payment of Corporate Income Tax*

The House bill will ultimately place large corporations on a current payment basis as in the case of individuals. It proposes a shift toward quarterly payments of tax in the corporation's taxable year. Corporations with tax liabilities in excess of $100,000 will be required to make first and second quarterly current payments of 1 percent each in 1964, the quarterly percentages increasing to 4 percent in 1965, 9 percent in 1966, 14 percent in 1967, 19 percent in 1968, 22 percent in 1969, and finally 25 percent in 1970. Through this plan, by 1970 tax payments of all large corporations would be fully current, with 25 percent of their year's tax liabilities in excess of $100,000 paid in each quarter. Payment requirements would be subject to the relief provisions of present law.

The corporations involved should experience no difficulty in adjusting to the current payments schedule. Because no payments would be required on the first $100,000 of tax liabilities, its effects would be limited to 15,000 or so large corporations and only a small proportion of those companies would have substantial accelerated payments to make. The 15,000 large corporations account for about 2½ percent of the total number of corporations with taxable income.

Many of the larger companies that will be subject to the full effect of accelerated payments conventionally fund their tax liabilities by investment in Treasury tax notes and other short-term securities. In general, then, the accelerated payments would not disturb their net working capital. Current payments would liquidate accrued income taxes payable and, therefore, reduce short-term liabilities by an equivalent amount.

The payment system of the bill is so designed that no corporation would make greater payments in any one year than under present law since the reduced tax liabilities resulting from lower tax rates would offset acceleration of tax payments.

IV. Structural Revisions

A. INDIVIDUAL INCOME TAX

1. *Measures to Relieve Hardships and Inequities*

H.R. 8363 contains a number of provisions in the individual income tax area that provide relief for individuals and families at the lowest income levels, including many older persons. It would also remove inequities the existing tax system imposes on persons whose incomes fluctuate widely from year to year. The revenue cost of these provisions is $435 million. Unless otherwise noted, these revisions would go into effect on January 1, 1964. They are designed to meet tax hardships which cannot be alleviated by rate reductions alone.

(a) *The minimum standard deduction.*—The bill provides each taxpayer with a minimum standard deduction of at least $300 plus an additional $100 for each exemption after the first. A married couple with no dependents would thus have a $400 minimum standard deduction, or $200 each if they filed separately. The standard deduction would still be optional, of course, and the taxpayer will still be free to itemize his deductions. The maximum limit to the standard deduction of $1,000 will continue to apply regardless of the number of exemptions.

The minimum standard deduction is a far less costly and much more effective method of providing relief for those with low incomes than an increase in the personal exemption. Moreover, since it involves an adaptation of the familiar standard deduction, it is a recommendation readily effected and understood.

The minimum standard deduction would relieve many persons whose incomes are near subsistence levels of the tax liabilities they may incur under present law. A single person under 65 would not be subject to income tax until his income exceeds $900, whereas at present he may be taxed on income in excess of $667. For a single person with an income of $900, the minimum standard deduction is equivalent to an increase in the personal exemption of over $233. A married couple with income of $1,600 would not be taxed whereas they now may be taxed on income in excess of $1,333, for them the standard deduction is equivalent to an increase of $133 per exemption. A married couple with two children would remain free of tax until their income exceeded $3,000, as compared to their present nontaxable level of $2,667. Such a married couple with two children would be granted the equivalent of an increase of $83 per exemption.

Since the minimum standard deduction bases relief upon the number of exemptions, it grants additional relief to the very poor aged or blind. For example, a widow, aged 65 or more is not under this provision taxable on an income, not counting her nontaxable social security benefits, of less than $1,600 a year. An older married couple would be exempt from tax on an income, again excluding social security benefits, of $3,000 a year or less. The minimum standard deduction will, therefore, greatly help those of our Nation's older taxpayers who must live on low incomes.

The revenue cost of this provision is estimated to be $320 million a year. Almost all of the tax saving would be granted to taxpayers with incomes of less than $5,000.

(b) *Liberalization of the deduction for the care of children and disabled dependents.*—The bill will modify the present deduction for the expenses of child care and the care of dependents unable to look after themselves so as to make it more equitable and more meaningful. The bill raises from $600 to $900 the maximum deduction in the case of widows, widowers, and persons with disabled spouses when such people have two or more children or other eligible dependents to support. It also raises the age limit from eleven to twelve for children of the taxpayer for whom the deduction may be claimed. The bill grants the deduction to a man whose wife is incapacitated or institutionalized.

The annual revenue cost of these changes would be $5 million a year.

(c) *Income averaging.*—H.R. 8363 provides a practical and uniform solution to the long-standing problem of the inequitable treatment that a progressive tax system can impose on individuals with receipts of income bunched in one year. Present law contains a variety of complex schemes applicable to limited situations.

Under this bill, taxpayers could average the amount of current income in excess of 133⅓ percent of average income for the immediately preceding four years, provided the excess is over $3,000. The tax on the income subject to averaging would be five times the tax payable on one-fifth of the amount. Capital gains, already subject to special tax provisions, are not eligible for the averaging provision. Neither may the provision be used to reduce the tax which would otherwise be due on wagering gains.

The provision would reduce revenues by $40 million.

(d) *More liberal treatment of employee moving expenses.*—Under existing law a transferred employee may generally exclude from his gross income sums reimbursed by his employer for the basic expenses of moving to a new permanent duty station. Similar allowances received by a newly hired employee may not be so excluded, nor is any deduction allowed to any employee for nonreimbursed expenses.

The House bill provides a new moving expense deduction which will be available under certain conditions to all employees, whether newly hired or transferred, whose expenses are not excluded from income under present law. The deduction is allowable in computing adjusted gross income, so that employees who elect the standard deduction may also claim this new deduction. The deduction includes the reasonable expenses of moving household goods and personal effects and of family travel between the old and the new residence. (The deduction would not be allowed to a transferred employee who excludes reimbursements for moving expenses under present law.) By allowing this new deduction for moving expense, the bill removes the discrimination in present law in favor of reimbursed transferred employees. It would also promote the mobility of labor and thus enhance employment.

The estimated annual revenue cost is $60 million.

(e) *Liberalization of the medical expense deduction for the aged.*—Under present law a taxpayer over 65 may deduct all of the medical expenses of himself or his spouse except in the case of the cost of medicines and drugs where his deduction is limited to the amount in excess of 1 percent of adjusted gross income. The bill eliminates this 1-percent floor for a taxpayer aged 65 or over for the expenses of medicines and drugs for himself or his spouse. The medical expenses of our senior citizens are much heavier on the average than similar expenses for younger persons and they may often include large amounts for medicines and drugs. The present 1-percent floor on the deduction would also be removed in the case of taxpayers who pay expenses for medicines and drugs on behalf of aged dependent parents.

The revenue cost of this provision is $10 million.

(f) *Liberalization of the deduction for charitable contributions.*—Under present law, individuals are permitted to deduct the amount of their contributions to charitable organizations up to a limit of 20 percent of their adjusted gross income. Deductions amounting to an additional 10 percent of adjusted gross income are permitted for contributions to churches, educational institutions, and medical and research facilities.

The bill would also make the present limitation more uniform and more liberal, extending the 10-percent additional deduction to donations to nonprofit organizations which are publicly supported and controlled. Such organizations would include community chests, health organizations such as the Cancer Society, the Red Cross, museums, symphony orchestras, etc. It would not include contributions to private foundations and trust funds.

Although very important to many philanthropic organizations, the revenue cost of this provision is expected to be nominal.

2. *Base Broadening and Equity*

The remaining provisions affecting the individual income tax are ones which would raise revenue. The measures are vital to the bill, for without the $1 billion they would raise, rate reductions of the magnitude proposed would not be possible within the limits of fiscal prudence. Furthermore, these provisions improve tax equity, so vital to our system of voluntary compliance, by removing unwarranted special provisions and unncessary complexities and inequities.

(a) *Restriction of the deduction for State and local taxes paid.*—Under the single largest base broadening measure contained in H.R. 8363 the deduction for nonbusiness taxes paid would be limited to State, local, and foreign income and real property taxes, and State and local personal property and general sales taxes including compensating use taxes. The provision would not affect taxes incurred in carrying on a business or producing income, which would remain fully deductible.

The bill, in effect, prohibits the deduction of State and local taxes on cigarettes, liquor and gasoline, license fees on motor vehicles and operators' permits, and miscellaneous taxes such as admissions or occupancy taxes. Although eliminating the deduction for these items will produce a relatively large amount of revenue, it will have a minor impact on the average taxpayer because the burden is widely dispersed.

Limiting the deduction for taxes as provided would be an important step forward in tax equity. Under present law the deductibility of special taxes often depends on the form rather than the substance of the tax. Cigarette taxes, for example, are only deductible if they are levied directly on the consumer, or separately stated and passed on to him at the retail level. As a result, cigarette taxes are currently deductible for residents of 26 States and are not deductible in 21 States. Three States have no cigarette taxes.

This provision would simplify preparation of returns because the taxes in question are typically estimated on the basis of incomplete records or no records at all. It would eliminate present confusion over the relation between the legal form of the tax and its deductibility. The unprecise nature of the deductions claimed for these taxes not only makes it difficult for taxpayers to derive fair benefits from the deduction, it also makes it difficult for the Internal Revenue Service to audit claims.

Certain excise taxes now deductible are, in effect, payments for special benefits provided the users of special facilities. For example, in 1961, 96 percent of the $3.5 billion collected from State motor fuel taxes was allocated to highway construction and maintenance. Like the Federal gasoline tax, which is nondeductible, these State motor fuel taxes form part of the price for the use of the highways. In the same manner that toll charges on highways and fees paid for the use of State parks are not now deductible, gasoline taxes paid for the personal use of highways should not be deductible.

This provision of the bill would provide $520 million in additional revenues, which makes it the largest single base broadening provision in H.R. 8363.

(b) *Repeal of dividend credit and increase of dividend exclusion.*—Present law provides an exclusion from taxable income of the first $50 of dividend income ($100 for a married couple where each has $50 or more of dividend income) and a credit against tax liability of 4 percent of dividends which exceed $50. The House bill would reduce the tax credit to 2 percent, effective in 1964, and eliminate it in 1965. The bill would increase the amount of exclusion to the first $100 of dividend income ($200 for a married couple), effective in 1964.

The House action is necessary to justify the rates adopted for middle and upper income brackets. The net revenue gain from the House action is estimated at $120 million in 1964 and $300 million in 1965. The repeal of the credit would gain $370 million but would be offset somewhat by the higher exclusion which would cost $70 million.

The $50 exclusion was enacted in 1954 primarily for the benefit of very small shareholders. It presently eliminates completely the taxation of dividends for two million filers. The House-adopted $100 exclusion would remove from taxation the dividends of another one million taxpayers. Under the bill, a married couple would have to have more than $6,000 of stockholdings before their dividends ($200) would be at all taxable, on the basis of the current average dividend yield of 3.2 percent. For the vast majority of our citizens such an investment represents a sizeable amount.

In addition to the one million taxpayers whose dividends will become completely tax-free under the House bill, a further one million taxpayers will receive more tax relief from the additional $50 exclusion (or $100 for a married couple) than they do from the present 4-percent credit. At a tax rate of 20 percent, for example, dividends would have to exceed $300 before a single taxpayer would no longer benefit more from the additional exclusion than the credit, and his stockholdings would generally be in excess of $9,375. In the case of a married couple filing jointly the comparable figures would be dividends of $600 on holdings valued at $18,750.

Even for taxpayers with all of their income from dividends, the loss of the dividend credit is offset in practically all cases by the reduction in personal income tax rates. In the very few cases where this does not occur the increased dividend payments which corporate income tax reduction will produce, will still ensure an increase in aftertax income. Thus all dividend recipients will be better off under the bill than they are today.

The 4-percent credit, enacted in 1954, sought to provide relief from so-called "double taxation" and to stimulate equity financing relative to debt financing, and thus promote economic growth. There is no clear evidence to indicate that the dividend credit increased equity financing and investment. Indeed, the ratio of equity to long-term debt financing fell from 77. 3 percent in 1950 to 72.7 percent in 1960. Since 1954, the economy's growth rate has not been impressive.

As for the double taxation relief the dividend credit provides, its benefits accrue to taxpayers in a very inequitable fashion. For example, as shown in table III of the attached Exhibit 3[1] (under proposed rates), the lowest income bracket obtains relief from 4.3 percent of the extra burden the corporate tax allegedly imposes; the highest bracket enjoys a 12.2-percent relief. The existing dividend credit therefore provides the greatest benefits to high income individuals. The 4-point reduction in the corporate tax, however, would remove 7.7 percent of the corporate tax burden from all stockholders, rich and poor. It is a much more straightforward and fair way of providing investors some measure of tax relief.

The revenue gain from the House provision is $300 million.

(c) *The sick pay exclusion.*—Employees who are absent from work because of illness or injury and who continue to receive wages or salaries under employer-financed wage or salary continuation plans (commonly known as "sick pay") under present law may exclude from income subject to tax up to $100 a week of amounts so received. The wage exclusion is unrelated to hospital or medical costs which are excluded from income anyway if employer financed or subject to the medical expense deduction if paid by the employee. The wage exclusion applies from the first day the employee is injured or hospitalized; otherwise there is only a seven-day waiting period.

As the law now operates, wage continuation payments are very often excluded from income because of minor illness or injury. This means an employee who stays at home because of a slight injury which requires little or no medical care and still gets his salary or wages may exclude from income up to $100 a week of his pay. His coworker, similarly injured, but who stays on the job, enjoys no such exclusion.

The House bill restricts the exclusion to cases of absences due to more prolonged and, hence more serious, illness or injury. The present $100 a week exclusion would continue to apply but only after an employee has been absent from work for 30 calendar days, whether or not he is injured or hospitalized.

The revenue gain from the House provision would be $110 million.

(d) *Minor casualty losses.*—The justification of the nonbusiness casualty loss deduction is similar to that for the medical expense deduction. The two adjust ability to pay for tax purposes to take into account extraordinary, nonrecurring losses of a type likely to be so large and unexpected that they inflict unusual hardship on the taxpayer. A certain amount of minor loss or damage is common to everyone's experience and should be treated as a part of ordinary living expenses. The fact that most individuals are prepared financially to meet these minor losses is well attested by the popularity of deductible clauses in automobile insurance policies.

It is estimated that enactment of this provision will increase revenues by $50 million a year.

(e) *Group term life insurance and bank loan insurance.*—Present law does not require employees to include in their taxable income compensation received in the form of protection provided by employer-financed group term life insurance. Employers, however, may deduct such premiums as a business expense. This is the only kind of employer-financed life insurance which is not included in em-

[1] Omitted from this exhibit; for document reference see note at end of this statement.

ployee income. Within recent years, widespread use of this exclusion privilege has developed beyond its original purpose. The provision of jumbo group term insurance coverage for high income executives has become a rather common method of providing substantial tax-free compensation for services. In some cases executives have enjoyed, without paying any tax on the premiums, the benefit of life insurance coverage of close to $1,000,000, which protects their families and may substantially augment their estate.

H.R. 8363 would place a dollar limit on the amount of group term life insurance which can be enjoyed free of tax. An employee would be required to include in income for tax purposes the cost of group term life insurance protection provided by his employer to the extent the protection exceeds $30,000. If the employee makes contributions toward the insurance, such contributions will be attributed to the amount of insurance protection which exceeds $30,000. The amount to be included in income may be computed from simple tables constructed on a very favorable basis.

The bill exempts retired employees from this provision. It will affect less than one percent of those employees now receiving group term life insurance protection from their employers.

Abuses have also developed in connection with arrangements which permit a taxpayer to purchase a life insurance, annuity, or endowment contract almost wholly with borrowed funds. Under such an arrangement the policy holder begins immediately to borrow substantial amounts against the cash value of the policy to pay the premiums, and claims a tax deduction for the interest paid on such loans. The device takes advantage of interest deductibility, while the corresponding buildup on the reserves in the policy is not currently taxed and can escape all income tax.

The bill contains a provision which will effectively control these abuses. The provision is consistent with section 264 of present law, which disallows a deduction for interest on indebtedness incurred or continued to purchase or carry a single premium life insurance, annuity, or endowment policy. The bill would not affect the normal use of life insurance policies as collateral for loans.

It is estimated that the two provisions described here will increase revenues by $15 million a year.

(f) *Personal holding companies.*—The House bill would curb the use of personal holding companies to shelter passive investment income and certain personal service income from tax at individual income tax rates.

Present law permits a taxpayer to shelter such passive income (which in the case of dividends would be taxed under the House bill at corporate rates as low as 3.3 percent and not more than 7.2 percent) in a closely held corporation which has as little as just over 20 percent of its gross income from an active business. Since the active business need have no net income, a small investment in a business where expenses wash out income can save today as much as 82.5 percentage points of individual tax on sheltered portfolio investments. The House bill increases to just over 40 percent the proportion of gross income required to be derived from an active business to avoid personal holding company status. It also tightens the definition of personal holding company income in the areas of rentals, royalties, and capital gains to outlaw devices that have been frequently used to shelter portfolio investment income.

The House bill affords generous relief provisions to permit companies adversely affected by the changes to adjust their affairs.

The revenue gain from the changes in taxation of personal holding companies is estimated at $15 million.

(g) *Gifts of future interests.*—The bill denies the charitable contribution deduction in the case of certain gifts of future interests which involve tangible personal property. This provision, for example, would prevent a taxpayer from claiming a charitable deduction in the year in which he donates some item of tangible personal property, most frequently paintings or other art objects, to a charitable institution such as a museum, if he continues to retain possession and enjoyment of the property for a period other than that of his life or the life of his spouse. In these cases the deduction will only be permitted when the property is actually transferred to the receiving institution.

The revenue gain from this provision is nominal.

B. THE CORPORATE INCOME TAX

1. *Multiple Surtax Exemption*

Certain structural changes are essential to limit the benefits of lower normal tax rates to their intended purpose of aiding small businesses. Many large enterprises are exploiting the competitive advantage designed for small business by operating through multiple corporate units and obtaining numerous surtax exemptions of $25,000. Exhibit 13[1] illustrates cases where several hundred outlets of the same business were separately incorporated, thereby often substantially reducing the effective rate of tax for the business. As a result of this practice the Federal income taxes of these businesses are appreciably below those paid by competitive enterprises of a comparable size which operate through a single corporation. They are at the same time endangering the continued existence of the small, independent firm by this tax advantage. Since the proposed change in corporate rates would provide even greater relative tax advantages, effective measures are urgently needed to restrict the use of the surtax exemption by multiple corporate groups under the same ownership and control.

Continuation of tax benefits to multicorporate enterprises cannot be condoned simply because in some cases they were formed for valid business and legal reasons rather than for tax avoidance. That tax benefits may not have been the main or only purpose in these cases should not be allowed to obscure the fact that the tax benefits of multiple surtax exemptions are very substantial and are not warranted by the underlying purpose of the surtax exemption. These multicorporate groups do not experience financial impediments similar to those experienced by the small corporations which the surtax exemption is designed to aid. Even where for legal reasons separate incorporation of the units may be required, the economic and financial resources of multicorporate groups are equal to those of its combined members or a comparable large single corporation. Hence it is paradoxical that a feature of the tax law designed to aid small firms serves to enhance the financial well-being and strength of their large multicorporate competitors.

The bill meets this problem by imposing additional taxes on the taxable income of affiliated corporations that do not file consolidated returns and elect to retain multiple surtax exemptions. The additional tax rates would be 6 percent on the first $25,000 of income.

Although the provision does not fully eliminate the unwarranted tax advantages of multicorporate organizations, it generally precludes increasing those advantages through the proposed reduction in the normal tax rate designed to assist independent small business.

Enactment of these proposals would add an estimated $35 million to tax receipts.

2. *Two-Percent Tax on Consolidated Returns*

Affiliated corporations filing consolidated returns are now subject to an additional 2-percent tax on their consolidated net income. The House bill provides for the repeal of this additional tax.

Repeal of the 2-percent tax is consistent with the treatment of affiliated corporations as an economic unit. Its repeal, therefore, should be contingent upon the adoption of the proposals concerning multiple surtax exemptions for commonly controlled corporations. Elimination of the 2-percent tax on consolidated returns will then facilitate the transition of multicorporate structures to more rational taxation and permit the lower rates on small business.

Enactment of this provision would reduce Federal revenues by $50 million.

3. *The Aggregation of Oil and Gas Properties*

Prior to 1954, taxpayers were permitted to combine certain mineral deposits in a tract or parcel of land for the purpose of computing the net income limitation on the deduction for percentage depletion. This practice did not work satisfactorily in the case of some hard minerals, such as coal, and the law was amended in 1954 to permit other forms of property grouping if the properties were in one "operating unit." While the change was brought about by the problems of the hard minerals industry, it was also made applicable to the oil and gas industry although that industry did not request any change. The grouping practices that have evolved in the oil and gas industry as a consequence of the 1954 legislation have been used to minimize taxes in a way that does not seem to have been contemplated by the 1954 legislation and does not accord with sound and ordinary business practices in the industry. It is these undesirable grouping practices induced by the 1954 legislation that should be curbed. A company able to select and combine high cost with low cost properties located over wide geographical areas, including some properties and excluding others as best suits its tax picture, can readily circumvent the application of the 50-percent net income

[1] Omitted from this exhibit; for Document reference see note at end of this statement.

limitation. The excess net income from profitable properties is used to increase the lower net income or losses on other properties with the result that none of the properties is affected by the 50-percent limitation. As a result larger percentage depletion allowances may be taken.

In general, H.R. 8363 restores the pre-1954 rules governing the grouping of operating mineral interests in the case of oil and gas properties for taxable years beginning after December 31, 1963. It provides that oil and gas operators may elect to maintain separate deposits as separate properties or may combine some or all deposits falling within a single tract or parcel of land. It also provides that interests participating under a unitization agreement will be treated as one property even though included in different tracts of land.

Primarily larger operators with widely scattered holdings will be affected by the aggregation proposal. The information available to the Treasury indicates that most small operators in the oil and gas industry have not used the broad aggregation rule and thus would not be affected by its elimination. For instance 90 percent of this provision's estimated revenue gain (of $40 million) is attributable to the 32 largest producers. The aggregation proposal does not affect producers of minerals other than oil and gas.

V. Capital Gains

A. BASIC PROVISIONS

Under present law 50 percent of the net capital gains of individuals on assets held more than six months are includable in income subject to tax at the regular rates, except that the tax may not exceed 25 percent on such net gains in any event. Thus the general rate reduction of the House bill automatically reduces the tax on long-term capital gains for all those below a 50-percent marginal tax rate, at which point the 25-percent ceiling takes hold. Under the House bill this marginal rate starts at $44,000 of taxable income for a married taxpayer instead of $32,000 under present law.

The House bill provides a further reduction for assets sold after a two-year holding period. Only 40 percent of the gain on such assets would be included in income instead of 50 percent and the maximum tax would be 21 percent instead of 25 percent. Capital gains on assets held more than six months but not more than two years would continue to be includable at 50 percent with a maximum tax of 25 percent. The so-called statutory capital gains—income not truly derived from the sale of capital assets, such as lump-sum distributions from pension plans, gain on cutting of timber inventories and the like—would remain in the 50-percent inclusion—25-percent maximum rate category. For those taxpayers not using the alternative rate—97 percent of all tax returns with capital gains—the combination of the reduction in the inclusion factor and the lower ordinary income rates affords a 35-percent reduction in tax on capital gains as opposed to a 19-percent reduction on ordinary income.

These capital gain provisions of the House bill are unacceptable. They provide a rate reduction which will largely benefit our wealthier citizens without treating a concomitant problem of equity in capital gains taxation, namely that gains which are unrealized at the time of death are never subject to income taxes. A man who accumulates an estate from salary or dividends, or business profit, pays income tax on the accumulation during his lifetime and then if the estate is large enough, his estate may be liable for estate tax when he dies. The same is true of a man who builds up a valuable business and sells it before he dies.

However, the individual who holds appreciated assets until death, as well as his heirs, escape all income and capital gains tax applicable to their gains, since the tax cost or basis to the heir is stepped up to the value of the property in the gross estate of the decedent. This situation is not only a special benefit to owners of capital assets, but it seriously "locks-in" capital holdings. Indeed, it may be a principal cause of the "lock-in" problem for which other remedies are suggested. Older taxpayers frequently feel they can't afford to sell appreciated capital assets when they know that the capital gains tax can be completely avoided by keeping the asset in their hands and then passing it to their heirs.

The President specifically stated in his Tax Message last January that no reduction in the capital gains rate of taxation is justified unless a tax is imposed "at capital gains rates on all net gains accrued on capital assets at the time of transfer at death or by gift." The Ways and Means Committee had substituted a tentative provision for carryover of a decedent's basis at death which was reasonably satisfactory, since it meant that the capital gains tax on the before-death appreciation would be paid when the property was sold by the heir. At the last moment, however, the Ways and Means Committee decided to delete the provision because it was dissatisfied with the language presented to it and wanted more time to work out technical details. Without a provision either for carryover of basis or for taxation at the time of transfer at death, the capital gains rate changes should be deleted from the House bill and the entire matter put over until the problem can be solved as a whole. Without closing the escape hatch by which our wealthier taxpayers can avoid all taxation on substantial amounts of capital gains, there is no justification for a reduction in rates of primary benefit to such taxpayers. The present 50-percent inclusion factor and 25-percent ceiling provide enough of an advantage for those whose income is derived from profits on the sale of capital assets. Moreover, since the House provisions involve a three-step arrangement of capital gain inclusions and two maximum rates, they seriously complicate the capital gain portion of the tax return and of the Code.

The deletion of this feature would lower the long-run annual revenue loss by about $140 million. We would, however, have to forego a temporary two-year increase in revenues during fiscal 1965 and 1966, which had been foreseen because of the initial one-time "unlocking effects" of the reductions in capital gain tax rates. These revenue effects are shown in detail in table VI.

B. OTHER CAPITAL GAINS PROVISIONS

1. *Gains on the Sale of Depreciable Real Estate*

The House bill deals with the sale of real estate at a gain after the taxpayer has taken advantage of the accelerated methods of depreciation allowed under present law. The provision is necessary to curb the single most serious abuse that has arisen in the sale of real property, the conversion of ordinary income to capital gain by early sale after use of fast depreciation. Under the bill, if a building is sold within one year after its acquisition, any gain up to the amount of post-1963 depreciation taken on the building is to be treated as ordinary income. If the building is sold during the first eight months of the second year, gain is to be treated as ordinary income to the extent of the excess of depreciation taken over straight-line depreciation. Beginning with the twenty-first month after acquisition, the excess of actual depreciation taken over straight-line depreciation which is to be treated as ordinary income will be diminished by one percent per month. After ten years, any gain will be treated as long-term capital gain except that major improvements are to be treated as having a separate holding period.

It is estimated that this provision would increase revenues by $15 million a year.

2. *Stock Options*

The House bill imposes certain new limitations on the capital gains tax treatment of benefits arising from executive stock option plans. First, the bill provides that stock purchased pursuant to option must be held for a period of three years following the exercise of the option, if the spread between the market value at the time of exercise and the option price is to be treated as a capital gain. Under present law, the stock need be held only six months after exercise or two years from grant. This has encouraged quick sales and speculative profits, contrary to the incentive purpose of the stock option provisions.

Next, the bill provides that an option may be outstanding for no more than five years (instead of ten as under present law) to qualify for special treatment, and if the price of the stock declines in this period, the option price may not be reduced. These provisions will encourage the early acquisition of a proprietary interest by the employee and will ensure that the employee will only profit at times when the price of the stock is higher than at the time of the original grant.

The bill also provides that the option must be issued at 100 percent of market value, not at some level below market value as under present law. Also, with the exception of corporations whose net worth is less than $2 million, no employee who owns 5 percent or more of the stock in a corporation will be eligible for capital gains treatment on stock option benefits. There is no need to provide an ownership incentive for employees who are already substantial stockholders. Other provisions are set forth in the report accompanying the House bill.

The bill continues the treatment of present law in the case of nondiscriminatory employee stock purchase plans. The revenue effect of the stock option provisions will be nominal.

3. *Interest on Deferred Payments*

The bill contains a provision which will curb abuses in cases in which assets are sold by means of deferred, or installment, payments. At present, when the interest in installment payments is shown separately, it is taxed as ordinary income to the seller and is deductible by the buyer. However, the seller may convert the interest payments to capital gains by simply failing to specify the interest as a separate component of each installment and calling the payments noninterest bearing. Frequently the designation of interest is immaterial to the buyer, who may deduct the whole purchase price anyway as depreciation, or may be tax exempt.

The bill provides that if the sales contract does not specify an adequate amount of interest, a part of the proceeds will nevertheless be treated as interest and will be taxed as ordinary income. The provision will not apply to annuities or to patent royalties.

The revision will not have any appreciable revenue effect.

4. *Gain on the Sale of a Residence by an Older Taxpayer*

H.R. 8363 exempts from income subject to tax certain gains arising from the sale or exchange of a residence by an individual who has attained the age of 65. Aged persons could exclude completely any gain from the sale of their prinicpal residence if the sales price of the house is less than $20,000. If the sales price is higher than $20,000 a percentage of the gain can be excluded from the income equal to the ratio of $20,000 to the actual sales price. The taxpayer must have used the property as his principal residence for five out of the preceding eight years and may not have used the provision previously.

This provision would reduce revenues by $10 million a year.

5. *Iron Ore Royalties*

The bill would include iron ore royalties in the class of items which, though involving ordinary income receipts, are however to be taxed at lower capital gains tax rates.

This provision will reduce revenues by $5 million a year.

6. *Indefinite Loss Carryover*

Present law permits an individual to deduct up to $1,000 of net capital loss from ordinary income in a given year, and to carry a larger capital loss over for a period of five years. As part of our proposed capital gains revisions, we proposed that the $1,000 annual carryover be indefinite in duration. The House bill accepted this proposal. Although I have indicated our objections to the capital gains tax reduction features of this bill, I believe this indefinite loss carryover should be retained. This benefits mainly small investors and property holders who do not have capital gains against which they can fully offset major losses. It would reduce revenue by $30 million a year.

VI. Amendments to the Revenue Act of 1962

This bill also contains several provisions designed to improve or clarify the application of the investment credit adopted in 1962.

A. DEPRECIATION ADJUSTMENTS FOR THE INVESTMENT TAX CREDIT

As a result of legislation approved by the Congress last year, tax liabilities of business firms in general are reduced by an amount equal to 7 percent of their outlays for new equipment. Annual tax savings for each firm may amount to as much as the first $25,000 of tax liabilities plus 25 percent of the excess. However, the business must reduce the depreciation basis of the assets acquired by the amount of the credit. This requirement has led to a number of unforeseen accounting and administrative difficulties for both taxpayers and the Internal Revenue Service. The effectiveness of the credit has also been substantially reduced by the basis adjustment requirement.

H.R. 8363 eliminates the reduction in basis so that the benefits of the investment credit would not be reduced in the future, and so that the impairment already encountered would be recouped. The bill repeals the reduction in basis requirement for assets placed in use after June 30, 1963. It also provides that the amounts deducted from basis before July 1, 1963, may be added back to basis as of the beginning of the first taxable year of the taxpayer which begins after June 30, 1963.

This provision is appropriately included in this bill, which is directed at improving the performance of the economy. The investment credit stimulates investment by reducing the net cost of acquiring depreciable assets, thereby increasing the all-important rate of profitability on a given investment outlay. The requirement that the basis for depreciation of assets be reduced by the amount

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of the credit taken cuts the inducement to new investment provided by the credit almost in half. When an investor appraises the profit potential of a new investment, he views taxes on income as a cost which reduces the net return. Whereas the tax credit reduces this tax cost and increases profitability, the resulting reduction in the depreciation base partially offsets the effect of the credit by by reducing the amount of the depreciation which may be taken and thereby increasing the taxable income from the investment.

At corporate tax rates of 48 percent, repeal of the basis reduction provision will almost double the incentive provided by the present tax credit. By reducing business taxes it will increase the profitability of new investment and encourage the more rapid expansion and modernization of existing facilities. It will thereby give an important stimulus to economic growth.

Repeal of the reduction-in-basis provision will also eliminate a number of administrative problems and bookkeeping details which have burdened so many taxpayers, especially small businesses. For example, in most States taxpayers are not required to reduce their depreciation basis to reflect the investment tax credit when computing income for State tax purposes. Consequently, taxpayers in these States are now required to keep two different sets of accounts in which their various assets have different bases. In addition, the basis reduction complicates the computation of earnings and profits, the pricing of defense contracts, and the bookkeeping requirements of regulated companies. Finally, the fact that the basis reduction immediately reduces depreciation even in those cases where the taxpayer is not able to use the credit can result in a net detriment to the taxpayer until he can use the credit.

It is estimated that this provision will result in decreased tax liabilities of $145 million in calendar year 1964 and $185 million in calendar year 1965. Estimated reductions in fiscal year receipts are $15 million in 1964 and $145 million in 1965.

B. OTHER TECHNICAL CHANGES

The bill also makes three other changes in the investment credit.

(1) It extends the credit to new escalators and elevators installed after July 1, 1963. At the same time, escalators and elevators disposed of after December 31, 1963, are made subject to the depreciation recapture provision adopted in the Revenue Act of 1962. These provisions will reduce revenues by $10 million.

(2) It provides that a lessee from a distributor may base his investment credit on the fair market value of the leased property rather than the lessor's cost. A lessee from a manufacturer may use fair market value under the present law.

(3) It expresses the intent of the Congress in enacting the investment credit as to its treatment by Federal regulatory agencies in setting rates for consumers.

Conclusion

In conclusion, Mr. Chairman, I wish to emphasize the urgent need for prompt action along the lines suggested by this bill to reduce taxes and strengthen the economy. We can no longer delay decisive action to restore the full measure of economic vigor, both because of the seriousness of the unemployment problem at home and because of our balance-of-payments problems. Reduced tax rates and the structural revisions adopted for equity purposes will increase the reward for effort, enterprise, and risk taking and will thus enhance individual initiative and stimulate investment. These factors will provide the needed spur to full employment and a faster rate of economic growth.

The revenue loss incurred in the first few years because of this bill will be only temporary. In combination with the program of strict expenditure control announced by the President, the stimulating effects of tax reduction on the economy should produce sufficient revenue gains in the future to enable us to balance the budget.

It is essential to the well-being of the Nation that every effort be made to complete action on this bill before the end of the current year. The encouraging expansion of economic activity which has occurred thus far during the year is no doubt in part the result of favorable speculation regarding tax reduction. Failure to act on this bill might produce adverse psychological reactions throughout the country which would check the growth of our economy. The Nation has waited too long for relief from the stifling burden of excess taxes. Although the problems placed upon Congress and this committee are many and pressing, nothing is more important to the health of the Nation than decisive and prompt action along the lines provided by this bill.

NOTE.—The exhibits omitted from this exhibit are published in Hearings before the Senate Finance Committee, 88th Congress, 1st session, on H.R. 8363, an act to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes, transmitted to the Congress October 15, 1963.

TABLE I.—*Comparison of individual income tax rates under present law and under the Revenue Bill of 1963*

Taxable income bracket		Present rates	Revenue Bill of 1963	
Single person	Married (joint)		1964 rates	1965 rates
In thousands of dollars		Percent	Percent	Percent
0.0-0.5	0-1	20	16.0	14
0.5-1.0	1-2	20	16.5	15
1.0-1.5	2-3	20	17.5	16
1.5-2.0	3-4	20	18.0	17
2-4	4-8	22	20.0	19
4-6	8-12	26	23.5	22
6-8	12-16	30	27.0	25
8-10	16-20	34	30.5	28
10-12	20-24	38	34.0	32
12-14	24-28	43	37.5	36
14-16	28-32	47	41.0	39
16-18	32-36	50	44.5	42
18-20	36-40	53	47.5	45
20-22	40-44	56	50.5	48
22-26	44-52	59	53.5	50
26-32	52-64	62	56.0	53
32-38	64-76	65	58.5	55
38-44	76-88	69	61.0	58
44-50	88-100	72	63.5	60
50-60	100-120	75	66.0	62
60-70	120-140	78	68.5	64
70-80	140-160	81	71.0	66
80-90	160-180	84	73.5	68
90-100	180-200	87	75.0	69
100-150	200-300	89	76.5	70
150-200	300-400	90	76.5	70
200 and over	400 and over	91	77.0	70

TABLE IA.—*Comparison of schedules under present law and under the Revenue Bill of 1963*

Taxable income bracket		Present law, rate	Revenue Bill of 1963	
Single person	Married (joint)		Rate	Percent of present rate
In thousands of dollars		Percent	Percent	
0.0-0.5	0-1	20	14	70 } 77.5
0.5-1.0	1-2	20	15	75
1.0-1.5	2-3	20	16	80
1.5-2.0	3-4	20	17	85
2-4	4-8	22	19	86
4-6	8-12	26	22	85
6-8	12-16	30	25	83
8-10	16-20	34	28	83
10-12	20-24	38	32	84
12-14	24-28	43	36	84
14-16	28-32	47	39	83
16-18	32-36	50	42	84
18-20	36-40	53	45	85
20-22	40-44	56	48	86
22-26	44-52	59	50	85
26-32	52-64	62	53	85
32-38	64-76	65	55	85
38-44	76-88	69	58	84
44-50	88-100	72	60	83
50-60	100-120	75	62	83
60-70	120-140	78	64	82
70-80	140-160	81	66	81
80-90	160-180	84	68	81
90-100	180-200	87	69	79
100-150	200-300	89	70	79
150-200	300-400	90	70	78
200 and over	400 and over	91	70	77

TABLE II.—*Revenue Bill of 1963—H.R. 8363: Estimated decrease (−) in revenue*[1] *and increase (+) (before feedback) on provisions*[2] *of bill*

[In millions of dollars]

	Calendar year 1964 liabilities			Calendar year 1965 liabilities[3]		
	Individual	Corporation	Total	Individual	Corporation	Total
A. 1963 Tax Program:						
Rate changes	−6,310	−1,320	−7,630	−9,470	−2,190	−11,660
Structural changes:						
(a) Revenue raising:						
1. Group term insurance	+5		+5	+5		+5
2. Bank loan insurance	+5		+5	+10		[3] +10
3. Sick pay exclusion	+110		+110	+110		+110
4. Deduction of personal taxes	+520		+520	+520		+520
5. Casualty loss deduction	+50		+50	+50		+50
6. Aggregation of mineral properties		+40	+40		+40	+40
7. Personal holding companies	+15		+15	+15		+15
8. Repeal of dividend credit and increase in exclusion	+120		+120	+300		+300
9. Multiple corporation penalty tax		+35	+35		+35	+35
10. Gifts of future interest	(*)		(*)	(*)		(*)
Total revenue raising	+825	+75	+900	+1,010	+75	+1,085
(b) Revenue reducing:						
11. Medical expense deduction	−10		−10	−10		−10
12. Child care allowance	−5		−5	−5		−5
13. Moving expenses	−60		−60	−60		−60
14. Income averaging	−40		−40	−40		−40
15. Minimum standard deduction	−320		−320	−320		−320
16. Repeal 2-percent tax on consolidated returns		−50	−50		−50	−50
17. Charitable deductions	(*)		(*)	(*)		(*)
Total revenue reducing	−435	−50	−485	−435	−50	−485
Total structural changes	+390	+25	+415	+575	+25	+600
Total rate and structural changes, 1963 tax program	−5,920	−1,295	−7,215	−8,895	−2,165	−11,060
Capital gains revision (including induced effects):						
1. Unlocking of capital gains from general rate reduction	+130		+130	+130		+130
2. 50-40 percent inclusion and 21-percent maximum rate	+210		+210	+80		+80
3. Sale or exchange of real estate		(*)	(*)		+15	[3] +15
4. Carryover of losses	−30		−30	−30		−30
5. Sales of residences by taxpayers aged 65 or over	−10		−10	−10		−10
6. Capital gains treatment of iron ore royalties		−5	−5		−5	−5
7. Stock options	(*)		(*)	(*)		(*)
Total capital gains revision	+300	−5	+295	+170	+10	+180
Total 1963 tax program	−5,620	−1,300	−6,920	−8,725	−2,155	−10,880
B. Revision of 1962 legislation:						
1. Repeal of requirement to reduce basis by investment credit	−20	−125	−145	−25	−160	−185
2. Allow investment credit for elevators and escalators		−10	−10		−10	−10
Total revision of 1962 legislation	−20	−135	−155	−25	−170	−195
C. Total Revenue Bill of 1963	−5,640	−1,435	−7,075	−8,750	−2,325	−11,075

* Less than $500,000.

[1] At levels of income estimated for the calendar year 1963.

[2] As reported by the Ways and Means Committee.

[3] Long-term effect except for capital gains. Certain provisions would be different for actual 1965. Bank loan insurance would be +$5 million and sale or exchange of real estate +$5 million.

TABLE III.—*Revenue Bill of 1963: Change in tax liability resulting from rate and structural changes for individuals* [1]

Adjusted gross income class	Rate change	Structural changes: Group term and other insurance	Sick pay exclusion	Limitation of deductions	Casualty loss deduction	Personal holding companies	Dividend credit and exclusion	Medical care deduction (aged)	Child care allowance	Moving expenses	Income averaging	Minimum standard deduction	Total	Total
In thousands of dollars	In millions of dollars													
0- 3	−400	(*)	5	10	(*)	(*)	(*)	(*)	(*)	(*)	----------	−170	−155	−555
3- 5	−1,020	(*)	20	50	5	(*)	10	(*)	−5	−15	----------	−100	−35	−1,055
5-10	−3,905	(*)	55	220	25	(*)	30	(*)	(*)	−25	(*)	−50	+255	−3,650
10-20	−2,285	(*)	25	130	15	(*)	50	(*)	(*)	−15	−10	----------	+195	−2,090
20-50	−1,150	5	5	60	5	(*)	85	−5	(*)	−5	−20	----------	+130	−1,020
50 and over	−710	10	(*)	50	(*)	15	125	−5	(*)	(*)	−10	----------	+185	−525
Total	−9,470	15	110	520	50	15	300	−10	−5	−60	−40	−320	+575	−8,895
	Change as a percent of present tax													
0- 3	−27.6	(*)	0.3	0.7	(*)	(*)	(*)	(*)	(*)	(*)	----------	−11.7	−10.7	−38.3
3- 5	−25.3	(*)	.5	1.2	0.1	(*)	0.2	(*)	−0.1	−0.4	----------	−2.5	−.9	−26.2
5-10	−21.3	(*)	.3	1.2	.1	(*)	.2	(*)	(*)	−.1	(*)	−.3	+1.4	−19.9
10-20	−18.0	(*)	.2	1.0	.1	(*)	.4	(*)	(*)	−.1	−0.1	----------	+1.5	−16.4
20-50	−17.0	0.1	.1	.9	.1	(*)	1.3	−0.1	(*)	−.1	−.3	----------	+1.9	−15.1
50 and over	−17.0	.2	(*)	1.2	(*)	0.4	3.0	−.1	(*)	(*)	−.2	----------	+4.4	−12.6
Total	−20.0	(*)	.2	1.1	.1	(*)	.6	(*)	(*)	−.1	−.1	−.7	+1.2	−18.8

*Less than $2.5 million or 0.05 percent.

[1] Excluding capital gains.

TABLE IV.—*Revenue Bill of 1963: Distribution by adjusted gross income class of the full year effect of all tax changes directly affecting individuals* [1]

Adjusted gross income class	Number of taxable returns	Tax liability under present law	Effect of Revenue Bill of 1963: Rate change	Effect of Revenue Bill of 1963: Structural changes	Effect of Revenue Bill of 1963: Total	Total tax under Revenue Bill of 1963
In thousands of dollars	In millions	In millions of dollars				
0-3	9.7	1,450	−400	−155	−555	895
3-5	10.5	4,030	−1,020	−35	−1,055	2,975
5-10	22.9	18,300	−3,905	+255	−3,650	14,650
10-20	6.7	12,710	−2,285	+195	−2,090	10,620
20-50	1.0	6,760	−1,150	+130	−1,020	5,740
50 and over	.2	4,170	−710	+185	−525	3,645
Total	51.0	47,420	−9,470	+575	−8,895	38,525
	Percent distribution by income class					
0-3	19.0	3.1	4.2	−27.0	6.2	2.3
3-5	20.6	8.5	10.8	−6.1	11.9	7.7
5-10	44.9	38.6	41.2	44.3	41.0	38.0
10-20	13.1	26.8	24.1	33.9	23.5	27.6
20-50	2.0	14.3	12.1	22.6	11.5	14.9
50 and over	.4	8.8	7.5	32.2	5.9	9.5
Total	100.0	100.0	100.0	100.0	100.0	100.0
	Percent of tax liability under present law					
0-3	----------	100.0	−27.6	−10.7	−38.3	61.7
3-5	----------	100.0	−25.3	−.9	−26.2	73.8
5-10	----------	100.0	−21.3	+1.4	−19.9	80.1
10-20	----------	100.0	−18.0	+1.5	−16.4	83.6
20-50	----------	100.0	−17.0	+1.9	−15.1	84.9
50 and over	----------	100.0	−17.0	+4.4	−12.6	87.4
Total	----------	100.0	−20.0	+1.2	−18.8	81.2

[1] Excluding capital gains.

TABLE V.—*Revenue effect* [1] *of reducing corporate normal tax to 22 percent and combined rate to 48 percent*

Surtax net income class (dollars)	Number of taxable corporations	Computed tax liability, present rates [2] (millions of dollars)	Normal tax to 22 percent and combined rate to 48 percent: Amount of reduction (millions of dollars	Normal tax to 22 percent and combined rate to 48 percent: Percent reduction
0-25,000	467,500	874	233	26.7
25,000-50,000	54,000	636	126	19.8
50,000-100,000	25,000	759	94	12.4
100,000-1,000,000	25,500	3,427	299	8.7
1,000,000 and over	4,000	18,664	1,438	7.7
Total	576,000	24,360	2,190	9.0

[1] At 1963 levels of income.
[2] Excluding capital gains presently taxed at the alternative rate.

TABLE VI.—*Effect of the House Bill 50–40-percent inclusion, 21-percent alternative rate provision for calendar years[1] 1964, 1965, 1966, 1967, and long-run tax liabilities*

[In millions of dollars]

	1964	1965	1966	1967	1968 and long run
Direct effects of reduced inclusion percentage and lower maximum rate	−230	−230	−230	−230	−230
Induced effects:					
1. Unlocking of capital gains from reduced inclusion percentage and lower alternative rate	+520	+320	+195	+150	+100
2. Deferral effect on gains between 6 months and 2 years	−80	−10	−10	−10	−10
3. Total induced effects	+440	+310	+185	+140	+90
Total effects	+210	+80	−45	−90	−140

[1] Since the table shows tax liabilities incurred in calendar years, the numbers shown also constitute good estimates of receipts for the following fiscal years—e.g., the −$45 million total effect figure for calendar year 1966 equals the fiscal year 1967 revenue.

TABLE VII.—*Effective rates of tax applicable to capital gains*

Taxable income brackets: Single person	Taxable income brackets: Married (joint)	Present law: Gains on sale of assets held: Less than 6 months	Present law: 6 months or more	Revenue Bill of 1963: Less than 6 months	Revenue Bill of 1963: 6 months to 2 years[1]	Revenue Bill of 1963: 2 years or more[2]
In thousands of dollars		Percent				
0.0–0.5	0–1	20.0	10.0	14.0	7.0	5.6
0.5–1.0	1–2	20.0	10.0	15.0	7.5	6.0
1.0–1.5	2–3	20.0	10.0	16.0	8.0	6.4
1.5–2.0	3–4	20.0	10.0	17.0	8.5	6.8
2–4	4–8	22.0	11.0	19.0	9.5	7.6
4–6	8–12	26.0	13.0	22.0	11.0	8.8
6–8	12–16	30.0	15.0	25.0	12.5	10.0
8–10	16–20	34.0	17.0	28.0	14.0	11.2
10–12	20–24	38.0	19.0	32.0	16.0	12.8
12–14	24–28	43.0	21.5	36.0	18.0	14.4
14–16	28–32	47.0	23.5	39.0	19.5	15.6
16–18	32–36	50.0	25.0	42.0	21.0	16.8
18–20	36–40	53.0	25.0	45.0	22.5	18.0
20–22	40–44	56.0	25.0	48.0	24.0	19.2
22–26	44–52	59.0	25.0	50.0	25.0	20.0
26–32	52–64	62.0	25.0	53.0	25.0	21.0
32–38	64–76	65.0	25.0	55.0	25.0	21.0
38–44	76–88	69.0	25.0	58.0	25.0	21.0
44–50	88–100	72.0	25.0	60.0	25.0	21.0
50–60	100–120	75.0	25.0	62.0	25.0	21.0
60–70	120–140	78.0	25.0	64.0	25.0	21.0
70–80	140–160	81.0	25.0	66.0	25.0	21.0
80–90	160–180	84.0	25.0	68.0	25.0	21.0
90–100	180–200	87.0	25.0	69.0	25.0	21.0
100–150	200–300	89.0	25.0	70.0	25.0	21.0
150–200	300–400	90.0	25.0	70.0	25.0	21.0
200 and over	400 and over	91.0	25.0	70.0	25.0	21.0

[1] 50-percent inclusion. This column also reflects the effective rate on capital gains beyond a 2-year period if the 50-percent inclusion and the maximum 25-percent tax rate of the present law is retained in lieu of the capital gains features of the House bill.
[2] 40-percent inclusion.

Exhibit 25.—Remarks of the President at the signing of the tax bill, February 26, 1964

Mr. Speaker, Members of the Leadership, Members of Congress, Ladies and Gentlemen: Today I have signed into law an $11.5 billion reduction in Federal income taxes, the largest in the history of the United States.

It is the single most important step that we have taken to strengthen our economy since World War II.

This legislation was inspired and proposed by our late, beloved President John F. Kennedy and passed this week with support of both Republicans and Democrats in the Congress.

I want to congratulate Secretary Dillon and all the members of the Treasury staff for their diligence and work on this measure through the thirteen months that it was pending in the Congress. I especially want to congratulate Congressman Wilbur Mills from the great State of Arkansas for his leadership in the House Ways and Means Committee in piloting the bill through the House of Representatives. I want to especially congratulate Senator Russell Long of Louisiana for his able leadership in the Senate. I also want to thank Senator Harry Byrd of Virginia who though he was very much against the bill he cooperated to the fullest extent and he saw to it that the majority was allowed to work its will and this bill got a fair hearing and a prompt hearing in his committee.

I would like to explain tonight what this tax cut means to you and why we believe that it will strengthen our economy and why we believe it will bring a better way of life for all of our citizens.

The tax cut will have two far-reaching effects:

First, it will immediately increase the income of millions of our citizens and most of our businesses by reducing the amount of taxes that you must pay.

Secondly, by releasing millions of dollars into the private economy it will encourage the growth and the prosperity of this land that we love.

The new act will cut personal income taxes by nearly 20 percent, or 9.2 billion dollars a year. Nearly $8 billion of that will flow directly into pay envelopes this year. This will begin immediately. The amount to be withheld from your pay will be reduced beginning eight days from today.

If you are a family of four, here are examples of how this new tax cut will affect you when it is fully effective.

If you earn less than $3,000 a year, you will no longer pay Federal income taxes.

If you receive wages of $5,200 a year, your taxes will be reduced by $135 a year, nearly one-third of what you are now paying. Your take-home pay will go up around $10 a month.

If you and your wife both should be working and your combined earnings are $10,000 a year, your taxes will be reduced by $258 a year or a 20-percent cut.

If your income is $20,000 a year, you are paying approximately $4,100 in Federal income taxes today. Your taxes will be reduced now to about $3,400.

Business, as well as individuals, benefit by this tax cut. And small business benefits the most. For example, if you own a small incorporated business, your tax will drop to 27 percent. Your machine shop or your printing plant with profits of $20,000 a year will pay $4,400 instead of the $6,000 that you would pay under the old bill. On larger corporations the rate will drop from 52 percent to 48 percent. Companies can now pay more of their earnings to those who own their stock and they can increase their investment, which in turn will benefit the whole economy.

These are only a few examples. The real important point is that this bill that we have just signed means increasing income for almost every taxpayer and business in America; and those earning the least, I am glad to say, will receive the most.

These are the direct, immediate results of this bill. But our long-term objective is to raise the entire level of out American economy. The dollars that you no longer pay in taxes will do this.

The first effect of the cut will be to put more than $25 million per day into the hands of the American consumer. This money at the grocers or in the department store, the store owners in turn will spend it for their own needs and, in this fashion, the money will circulate through the economy raising the demand for goods several times the amount of the tax cut.

The same is true of the more than $2 billion which businesses will no longer pay in taxes. They will use much of this money to buy new machinery, for new construction, for goods of all kinds and, most importantly, for the creation of new jobs.

This afternoon in New York a leading industrialist economist, Mr. Pierre Renfrett, estimated that the tax reduction will materially stimulate a boom of capital goods expenditures in the years 1964 and 1965. Mr. Renfrett predicts that capital expenditures in 1964 alone will be 20 percent higher than last year. And one of New York's leading corporation executives told me by phone about four o'clock that his company that now invests about $100 million a year in new capital investment, plan to increase their capital investments when this bill is signed by an additional 15 percent.

One of the largest employers in America was in the White House last week and he told me that when this bill went into effect that they would make capital expenditures in their company that would provide 18,000 new jobs for new employees. So this response and this responsibility is what makes the American system work. This is a bold approach to the problems of the American economy. We could have chosen to stimulate the economy through a higher level of Government spending. We doubted the wisdom of following that course. Instead we chose tax reduction and at the same time we made conscientious and earnest attempts to reduce Government expenditures and we are constantly looking at those expenditures.

I am requesting reports from each independent agency and each Cabinet officer each quarter of the year on how they can reduce employees under the number provided in their budget. I am glad to say to the Congress that within the next few days we will send supplemental estimates that will provide for a reduction, not many jobs but 7,500 under those that we estimated we would need in January when we sent the budget to the Congress and it will provide reduction in the appropriations that we have requested of $30 million.

From time to time we are going to carefully study each department and agency and try to bring those expenditures down further. We have been encouraged in that move by the Chairman of the Ways and Means Committee and the Chairman of the Finance Committee; they have proven their faith in us by passing this tax bill, and we are trying to keep faith with them by cutting expenditures. By taking this course we have made this bill an expression of faith in our system of free enterprise.

The ability of this tax bill greatly to improve the vigor of our economy rests in your hands as individual consumers and as businessmen. If America responds to this new opportunity with increased investment and expansion with new production and new products, with the creation of new jobs which we anticipate, then the tax cut will bring greater abundance to all America, then the Federal Government will not have to do for the economy what the economy should do for itself.

But abundance is only the visible evidence of the benefits of a healthy economy, more important is what a strong United States economy means to the preservation of freedom in this world in which we live. There is no asset more precious to freedom, there is no guarantee more vital to liberty than a robust American economy. No one can bury us or bluff us or beat us so long as our economy remains strong.

No economic system anywhere has ever had the success of the American economy. By placing maximum reliance on the initiative and the creative energies of individual businessmen and workers, we have created here in our land the most prosperous nation in the history of the world.

With your help and the help of this legislation let us unite, let us close ranks, and let us continue to build a nation whose strength lies in our program for prosperity and our passion for peace. This is the kind of a country, the kind of a land, the kind of a nation that offers a better life for you and your family. And it is the kind of a land that we want to preserve and protect.

Again to those of you who served on the tax committees, from the business community to the members of the Congress present here tonight, I want to say on behalf of the American people, thank you.

God bless you.

Exhibit 26.—Statement by Secretary of the Treasury Dillon, June 29, 1964, before the Senate Finance Committee, on H.R. 8000, the interest equalization tax

I am appearing before you in support of H.R. 8000, the interest equalization tax, which passed the House of Representatives with a large majority on March 5 of this year. This tax was originally proposed by President Kennedy last July in his Special Message on the Balance of Payments. It has since been fully supported by President Johnson. I also favor adoption of the technical amendments suggested in my letter to the Chairman of June 12, which have been reprinted by your committee.

A year ago, our balance of payments was deteriorating sharply. That deterioration was due almost entirely to accelerating capital outflows, and particularly to an unprecedented outflow of portfolio capital. The rate at which new issues of foreign securities were being purchased had more than tripled in the previous 18 months, and the volume during the first six months of 1963 reached a total of $1 billion.

As a result, the deficit in our international accounts—apart from all special intergovernmental transactions—jumped from the already high 1962 level of $3.6 billion to an annual rate of $5.3 billion in the second quarter of 1963. If allowed to continue, that deficit would have undermined the international stability of the dollar.

Today our balance-of-payments situation is much improved, and the dollar is strong. Judging from data at hand, the deficit for the fiscal year ending tomorrow, calculated on the same basis, will be well under half that of the preceding fiscal year.

Paralleling this improvement, confidence has been restored in our ability to achieve a balance in our payments within a reasonable time. This, in turn, has staunched the drain on our gold stock. After declining by an average of $1.7 billion a year over the 1958–60 period, and by roughly half that rate during 1961 and 1962, our total gold stock today is virtually unchanged from ten months ago, by far the longest period of stability during the past six years.

However, we must not succumb to any illusion that the progress of the past year means the end of our long standing balance-of-payments problem or allows us in any way to relax our drive toward equilibrium. The hard fact is that after six consecutive years of large deficits—adding up to a total of $21½ billion on the basis of regular transactions—we face once again this year the unhappy task of financing a sizable, even though substantially reduced, imbalance in our payments.

Roughly half of our payments improvement for the past twelve months can be traced directly to diminished outflows of capital into foreign securities. But the basic problems giving rise to the enormous capital outflow in 1962 and early 1963 have not yet been solved. Were we not now to proceed with enactment of the proposed interest equalization tax, demands from abroad for portfolio capital would once again quickly converge on our market in a volume far larger than we could sustain. We simply cannot afford to pay the price such an event would exact in terms of dangers for the dollar and losses of gold and confidence, thus undercutting our whole international financial position.

The need for the tax

The need for the interest equalization tax has arisen out of a combination of circumstances here and abroad that led to a rapid acceleration in foreign demands on our capital market. In the short space of the first six months of 1963, purchases of new foreign issues—the overwhelming bulk from other industrialized countries—reached a seasonally adjusted annual rate of $1.9 billion. That was $800 million higher than the already swollen 1962 total and three and one-half times the 1961 level. In addition, the indications were that potential borrowers in Europe and Japan, who had already increased their demands on our market dramatically, were scheduling still larger borrowings in this country.

This surging flow of foreign borrowings simply swamped the real progress in other areas of our balance of payments. As a result, our overall deficit on regular transactions rose to an annual rate of $5 billion during the first half of 1963, sharply above the totals of $3.1 billion and $3.6 billion in 1961 and 1962, respectively. These increases, as shown by tables I and II, paralleled the swelling outflow of portfolio capital into new foreign securities.

This rise in the outflow of portfolio capital reflected neither financing of U.S. exports nor the more general balance-of-payments needs of the borrowing countries. On the contrary, more and more of the new flotations in our market were designed to finance local projects of businesses or governments in countries already enjoying relatively strong or improving external positions. Many of the new borrowers did not require foreign exchange, but only desired greater amounts of fresh capital to support their own internal growth. Because their own capital markets were both narrow and costly, those borrowers desiring funds were naturally attracted by our relatively low long-term interest rates and by the ease with which large amounts of funds could be obtained in our well-developed market. As a result, a large portion of the outflow of portfolio capital, by providing more dollars to those who simply wished to exchange those dollars for their own currencies, was adding roughly equivalent amounts to our deficit. The dollars in turn were flowing into central banks and becoming a claim on our gold.

Appraising the same facts from a European vantage point, the most recent Annual Report of the Bank for International Settlements reached the same conclusion. That report, which is representative of responsible and official European opinion, noted, in speaking of 1963, that ". . . instead of being a net exporter of capital, which would seem the appropriate structural position, Europe was a large net importer of capital—which in the main has been flowing into reserves."

Purchases of foreign portfolio securities by Americans do in time lead to a return flow of interest and dividend income. But this potential return is spread over many future years, while the entire outflow of principal is immediate. For instance, during both 1962 and 1963, years when the outflow of U.S. portfolio capital into foreign securities averaged about $1¼ billion, the increase in our income from such securities amounted to only about $50 million a year. Clearly, calculations of earnings possibilities many years in the future cannot, in the situation we face, substitute for the urgent need to protect the dollar by bringing the current portfolio capital outflow within the limits of our immediate capacity to lend.

The nature of the interest equalization tax

In the light of these circumstances, prompt and effective action to reduce the outflow of portfolio capital was essential. The proposal before this committee is designed to achieve that result by means of an excise tax levied on the American acquiring directly from a nonresident foreigner a foreign stock or debt issue maturing in more than three years. While the tax is payable by the American purchaser, the impact will be effectively passed on to the foreign issuer in reduced prices for his securities.

The rate of tax is graduated so that its net effect is to increase by about one percent the annual cost of capital to a foreigner raising money in our market, thus bringing this cost to a level more comparable to the costs he would face abroad. The result for foreigners would thus be similar to an increase of one percent in our entire structure of long-term interest rates.

Finding our market more costly, many potential foreign borrowers will seek the funds they require at home, or in other foreign markets, instead of aggravating the strains on our own position. Similarly, American investors will find the net yield on American securities relatively more favorable than yields provided on outstanding foreign securities purchased from foreigners, and will tend correspondingly to reduce their purchases of such securities.

We view the proposed tax purely as a transitional measure. As our own payments come into equilibrium, as the expansion in our own economy reduces incentives to export our capital, and as the capital markets of other advanced countries develop the capability of more adequately meeting their internal needs, this special tax can and should be removed. H.R. 8000 contains a termination date of December 31, 1965, to assure that it will not be prolonged beyond the time of need. At the same time, because of the urgency of dealing with the problem, President Kennedy proposed that this tax become generally effective July 19, 1963, the day following its announcement in his Special Message on the Balance of Payments. Any other course would simply have been an open invitation for potential borrowers and lenders to accelerate their plans and crowd into our market before the effective date of the tax. Our balance of payments most certainly could not have borne such a strain.

On the other hand, making that proposed effective date known to the market has permitted careful congressional consideration of this important piece of legislation without the atmosphere of haste and urgency which would inevitably have developed in the face of accelerating capital outflows. The House, in approving this proposed date, recognized that any other course would only have rewarded those few who have been willing to gamble on the possibility that a later effective date would be enacted, at the expense of the great majority who have already adjusted their transactions in the light of the proposed July 1963 effective date.

Transactions in foreign securities between residents of the United States would not be subject to tax, and Americans would, of course, be able to sell foreign securities free of tax to foreigners in markets both here and abroad. Thus, active trading markets in the more than $12 billion of foreign securities already held by Americans will be maintained, and these securities will fully maintain their value. The passage of time since last summer has clearly proved that the provisions of the tax regarding outstanding securities are workable, and that they contribute substantially towards improving our payments position.

The proposed bill would exempt a variety of acquisitions from foreigners where this is possible without undermining the effectiveness of the tax and where imposition of the tax would work at cross purposes with other objectives. The exclusion from the tax of obligations maturing within three years assures that the great bulk of our export financing and normal recurring international business will not be impeded. Further to assure unimpeded export financing, longer term export paper is specifically exempted, as are bank loans made in the ordinary course of business.

Other important exemptions would be provided for the governments and businesses of less-developed countries and for direct investment. In addition, the President would be provided discretionary authority to exempt in whole or in part new issues from a particular country in those instances in which he determines that application of the tax would imperil, or threaten to imperil, the stability of the international financial system. This exemption is designed as a kind of safety valve for use only when it can be clearly established that, as a direct consequence of the tax, a foreign country would be forced to take such drastic measures that international financial stability would be imperiled. Any such showing would be dependent upon a highly unusual set of circumstances, and in my opinion the necessary conditions are today met only by Canada.

An annex to this statement describes the provisions of the bill more fully, while a detailed summary and a technical explanation of the bill are contained in the Report of the Ways and Means Committee of the House.

Balance-of-payments impact

The effectiveness of the proposed tax in reducing the outflow of portfolio capital, and the key importance of this in terms of the entire balance of payments, is clearly revealed by the results since last July. After running at a rate of $5 billion during the six months prior to the President's Message in July 1963, the deficit on regular transactions dropped sharply to a rate of $1.6 billion during the second half of 1963 and to $700 million during the first quarter of 1964. The first quarter results reflect a number of special factors which had the effect of substantially but temporarily reducing the deficit. Among these was an unusual and temporary short-term capital inflow during March that was fully reversed early in April, thus adding to the deficit being incurred during the current quarter.

A number of factors, including a sizable rise in exports, have contributed to the improvement in our balance of payments since last July. However, the single, largest element in this improvement is the sharp decline in net purchases of foreign securities. Comparing the nine months before the tax was proposed with the nine months since that time for which full data are available, the outflow into foreign securities dropped from $1,985 million to $290 million at seasonally adjusted annual rates, a reduction of $1.7 billion in the annual rate of outflow.

To some extent, these gains were exaggerated by the initial uncertainties regarding the precise provisions of the tax. These uncertainties could not be expected to last, nor would this be desirable. Our market will not be closed. Some foreigners will borrow in this country and absorb the tax; others will enter our market in the knowledge that their issues will be exempted. There are clear signs that activity resumed on this basis during recent months, and the outflow into foreign securities is therefore expected to increase moderately. However, the experience of the past nine months confirms our belief that the proposed tax will be effective in confining this outflow to substantially lower levels than those of late 1962 and early 1963.

During the hearings before the Ways and Means Committee last fall, the Treasury estimated that imposition of the tax would result in an overall reduction in the net purchase of foreign securities of $1¼ billion to $1½ billion a year. These savings were calculated from the high levels of outflow during the six to nine months preceding the tax. The validity of these estimates is now strongly supported by the figures at hand, a saving at an annual rate of $1.7 billion in the nine months following announcement of the proposed tax as compared to the preceding nine months.

Such estimated savings are fully consistent with purchases of new foreign issues at a rate of perhaps $600–$800 million a year, close to, but still somewhat above, the rate that would have been considered "normal" prior to 1962. Furthermore, such a total would be consistent with needed progress toward equilibrium in our balance of payments, without putting undue strain on the international financial system.

Already a sizable number of new issues have been diverted to European markets, where they have been absorbed by countries in a strong balance-of-payments position. Under the stimulus of the tax, European markets have shown that they are capable both of handling their own internal needs in more adequate fashion and of meeting a larger portion of foreign needs.

I want to emphasize that an exemption for new Canadian issues should not impair the effectiveness of the tax. Canadian authorities have assured us that it is their intention that Canadian borrowing in our market will not exceed amounts necessary to maintain reasonable equilibrium in Canada's international reserve position. This should mean a substantial reduction in Canadian borrowing in this country from the exceptionally high levels of late 1962 and early 1963 to the more normal levels that were characteristic of earlier years. Certainly, over the period since the tax has been proposed, the Canadian reserve position has not deteriorated despite a sharply lower level of borrowings in our market.

We have, of course, also been closely following trends in bank lending, in view of the possibility that foreign borrowers might seek to shift to that kind of financing. While analysis of detailed information supplied by the banks on their commitments for the first five months of 1964 does not suggest any significant direct substitution for market financing, the total volume of short- and long-term loans outstanding rose sharply in 1963 and during the first quarter of 1964. The rise started early in the spring of 1963 and became particularly noticeable during the fourth quarter.

A good part of this increase is clearly related to the surge in American exports over the same period. But, in addition, it is possible that, in adjusting to the tax, borrowers in a few countries under balance-of-payments pressure, notably Japan, have made greater use of bank loans. While some initial reactions of this kind are not surprising, and there are now some indications of a leveling off of the loan volume, future trends will clearly require continuing surveillance. We will promptly recommend to the Congress appropriate changes in the bank loan exemption should it appear that such loans are in fact being utilized to any significant degree as substitutes for market financing.

The tax and our overall balance-of-payments program

This tax is only part, although a crucial part, of a comprehensive balance-of-payments program. A satisfactory long-run solution for our payments problem depends on a more vigorous and efficient domestic economy, capable of sustained productive expansion with stable costs and prices. Major steps to support this objective were taken in 1962 with the investment tax credit and the liberalization of depreciation allowances. They were followed this year by the $11.5 billion reduction in individual and corporate tax rates.

Together with responsible wage bargaining and pricing policies, these fiscal measures are now strengthening our basic competitive position at home and abroad, and our basic trade outlook is favorable. Greater prosperity at home, with greater profitability of investment here relative to the returns available from foreign investment, will reduce the incentive for direct investment abroad and encourage the retention of funds at home where their investment in domestic projects will create more jobs for Americans.

We have also placed great emphasis upon reducing the net flow of dollars abroad as a result of Government programs. For example, between 1960 and mid-1963, our annual rate of net military expenditures abroad was reduced by more than $500 million. That portion of our economic assistance provided by AID in the form of U.S. goods and services rather than dollars has been raised from less than one-third in 1960 to over 80 percent for current commitments.

President Kennedy last July scheduled an additional reduction of $1 billion in the annual rate of overseas governmental expenditures by the end of this year. President Johnson is determined to achieve that target.

As you can see, visible gains are being made towards solving our basic payments problem. But we must not permit them to be drained away in a renewed outflow of portfolio capital.

Alternatives to the tax

While appreciating the need to restrain the outflow of portfolio capital, some have suggested that there are preferable alternatives to the tax. One would be an attempt to drive up our entire structure of long-term interest rates by about one percent. Such a drastic tightening of credit, if possible at all, would clearly work against all that we are trying to achieve to reduce excessive unemployment and encourage the investment that creates jobs and promotes efficiency. The interest equalization tax increases the cost of our money to foreigners, just as would a sharp increase in our own rates. But it will do so without the disrupting effects on the entire domestic economy of an attempt to artificially force our long-term rates to unrealistically high levels.

Another suggested alternative would abandon the market system altogether by rationing credit to foreigners through a capital issues committee. Proponents of that approach have failed to suggest what kind of criteria could be used to cut back the heavy foreign demands for capital, or whether any rational criteria could be consistently applied amid the conflicting pressures from at home and abroad that would descend upon those administering the system.

TABLE I.—*U.S. balance of payments*[1], *1960—March 1964*

[In millions of dollars]

	Calendar years			Seasonally adjusted annual rates			
	1960 [r]	1961 [r]	1962 [r]	1963 [r]			1964 [p]
				Jan.-June	July-Dec.	Total	Jan.-Mar.
Commercial merchandise exports	17,545	17,693	18,213	18,098	20,338	19,218	21,880
Commercial merchandise imports	−14,723	−14,497	−16,134	−16,428	−17,434	−16,931	−17,388
Commercial trade balance	2,822	3,196	2,079	1,670	2,904	2,287	4,492
Commercial services, remittances and pensions	856	1,583	1,739	1,200	1,484	1,342	2,460
Commercial balance [2]	3,678	4,779	3,818	2,870	4,388	3,629	6,952
Military expenditure (net) [3]	−2,712	−2,560	−2,375	−2,188	−2,360	−2,274	−1,988
Government grants and capital dollar payments	−1,110	−1,139	−1,077	−1,010	−762	−886	−560
Government capital receipts, excluding prepayments, borrowings, and fundings	543	516	501	388	502	445	540
Private capital:							
Transactions in foreign securities	−864	−910	−1,172	−2,112	−438	−1,275	8
Other long-term [4]	−1,243	−1,267	−1,437	−1,784	−2,042	−1,913	−2,716
Short-term	−1,438	−1,492	−752	−998	−454	−726	−2,528
Unrecorded transactions	−772	−998	−1,111	−164	−408	−286	−432
Balance on regular transactions	−3,918	−3,071	−3,605	−4,998	−1,574	−3,286	−724
Special Government transactions [5]	37	701	1,402	1,258	1,430	1,344	556
Overall balance	−3,881	−2,370	−2,203	−3,740	−144	−1,942	−168
Memorandum: Gold sales (not seasonally adjusted)	1,702	857	890	[6] 227	[6] 234	461	[6] 46

[r] Revised.
[p] Preliminary.
[1] Excludes military transfers under grants.
[2] Excluding exports and services financed by Government grants and capital.
[3] Excludes advances on military exports.
[4] Including direct investment.
[5] Includes nonscheduled receipts on Government loans, advances on military exports, and sales of nonmarketable medium-term securities, including convertible securities of $502 million, Jan.-June 1963; and $200 million, July-Dec. 1963.
[6] Not at annual rates.

SOURCE.—*Survey of Current Business.*

To be successful, a capital issues committee would have to be Government controlled. This would mean that Government—substituting case by case decisions by the Executive for the market effects of the proposed tax—would have to intrude itself directly into the process of individual decision-making in a way that this country has never found acceptable save in wartime. Moreover, selective rationing would clearly not be workable in the case of outstanding securities. There are simply too many transactions in this area, through too many channels, to make policing practicable on a case by case basis. Substantial balance-of-payments savings would be sacrificed and, if equal overall savings were to be achieved, the volume of new issues would have to be held to a considerably lower figure than is expected under the interest equalization tax.

Conclusion

The Administration has proposed this temporary tax with reluctance, but the need for action to restrain the outflow of portfolio capital is clear. The workability and effectiveness of our approach have been demonstrated. It is far preferable to any alternative that has been suggested.

Our international competitive position is strengthening, and other measures to achieve lasting improvement in our payments are bearing fruit. But these measures take time, and meanwhile our deficit remains sizable. Failure to enact this tax would stimulate a resurgence of capital outflows with dire effects on our balance of payments. Also, such failure could only be interpreted throughout the world as an unwillingness on the part of the United States to face up to the hard decisions that are required to protect the dollar, and so the financial health of the entire free world. I, therefore, strongly urge your early approval of this vitally important legislation.

TABLE II.—*Long-term capital flows in the U.S. balance of payments, 1960—March 1964*

[In millions of dollars]

	Calendar years			Seasonally adjusted annual rates			
	1960 r	1961 r	1962 r	1963 r			1964 p
				Jan.-June	July-Dec.	Total	Jan.-Mar.
Direct investment:							
U.S. direct investment abroad	−1,674	−1,599	−1,654	−2,064	−1,660	−1,862	−1,852
Foreign direct investment in United States	141	73	132	88	−54	17	96
Net direct investment	−1,533	−1,526	−1,522	−1,976	−1,714	−1,845	−1,756
Portfolio investment:							
U.S. purchases of new issues of foreign securities	−555	−523	−1,076	−1,858	−680	−1,269	−388
U.S. net purchases of outstanding foreign securities	−309	−387	−96	−254	242	−6	396
Total purchases foreign securities	−864	−910	−1,172	−2,112	−438	−1,275	8
Redemption of U.S.-held foreign securities	201	148	203	186	204	195	176
Other U.S. long term, net [1]	−200	−263	−258	−312	−816	−564	−1,088
Foreign long-term portfolio investments in the United States	289	374	140	318	284	301	−48
Net portfolio investment	−574	−651	−1,087	−1,920	−766	−1,343	−952
Net long-term capital	−2,107	−2,177	−2,609	−3,896	−2,480	−3,188	−2,708

r Revised.
p Preliminary.
[1] Mainly long-term bank loans.

SOURCE.—*Survey of Current Business* and Department of Commerce.

TABLE III.—*New issues of foreign securities purchased by U.S. residents by area, calendar year 1960–March 1964*

[In millions of dollars]

	1960	1961	1962	1963			1964 Jan.-Mar.
				Jan.-June	July-Dec.	Total	
Canada	221	237	457	632	105	737	91
Western Europe	24	57	195	219	53	272	
Japan	15	61	101	83	57	140	
Other developed [1]	27	43	60	17		17	
Latin American Republics	107	18	[2] 102	13	23	36	13
Other less developed	64	95	77	35	32	67	24
International institutions	97	12	84				4
Total new issues	555	523	1,076	999	270	1,269	132

[1] Australia, New Zealand, South Africa.
[2] Includes $75 million issue by Inter-American Development Bank.

SOURCE.—*Survey of Current Business* and Department of Commerce.

TABLE IV.—*U.S. transactions in foreign securities nine months before and after interest equalization tax*

[In millions of dollars]

	Seasonally adjusted annual rates		Improvement
	Oct. 1962 to June 1963	July 1963 to Mar. 1964	
U.S. net purchases of foreign securities:			
New issues	−1,853	−583	+1,270
Outstandings	−132	+293	+425
Total	−1,985	−290	+1,695

SOURCE.—Department of Commerce.

Annex.—General description of the interest equalization tax

NATURE OF TAX

The interest equalization tax is a temporary excise tax imposed on acquisitions by Americans of foreign securities from foreigners regardless of where the acquisition occurs. The tax applies to foreign stock and debt obligations, both new and outstanding. It does not apply to purchases of foreign securities by Americans from other Americans.

By bringing the costs to foreigners of raising capital in the U.S. market more closely into line with costs prevailing in foreign capital markets, the tax will substantially reduce the incentives to foreigners to raise capital in the U.S. market because of lower interest rates in this country. The higher cost to foreigners resulting from the tax, however, is not intended to eliminate all outflows of portfolio capital; long-term U.S. capital will remain available to those foreigners whose urgent need for such funds cannot be met on reasonable terms in foreign capital markets.

Rate.—The rate of the tax in the case of foreign debt obligations is graduated from 2.75 percent for obligations maturing in three years to 15 percent for those maturing in 28½ years or more. The schedule of rates is determined so as to increase by roughly one percent the cost of borrowing to the foreigner. In the case of foreign stocks, the rate of the tax is 15 percent, the same as for bonds of the longest maturity.

New and outstanding securities.—The tax applies broadly to both new stocks and debt obligations and outstanding stocks and debt obligations. Coverage of transactions with foreigners in all of these categories is consistent with the intent that the tax operate in a manner analogous to a general rise in U.S. long-term interest rates, and assures that strong incentives and opportunities will not arise for funds to flow out through tax-free channels, undermining the effectiveness of the tax.

Short-term obligations.—No tax is imposed on the acquisition of debt obligations if the period remaining to maturity is less than three years. This exemption will permit the wide variety of short-term credit transactions related to international trade generally and U.S. exports in particular to continue unaffected. Transactions in short-term instruments occur in enormous volume and take a wide variety of forms, but most of them relate to trade financing and to normal, reversible shifts of funds between markets in response to temporary needs and short-term interest rate differentials. Since interest rates for short-term loans in the United States can more readily be influenced by monetary policy, without adverse effect on the economy in general, it has been possible to bring these rates more closely into line with those prevailing in other important industrialized nations.

Exclusions

In addition to the basic exemptions from the tax of acquisitions of short-term obligations and acquisitions from other Americans, the bill provides various exclusions so as not to interfere with certain vital national objectives, such as the encouragement of U.S. exports, the avoidance of threats to the stability of the international monetary system, and the growth of less-developed countries. The major categories of exclusions are described below.

Export financing.—One of the best methods of reducing the deficit in the U.S. balance of payments is to increase exports from this country. Accordingly, the bill provides for a series of specific exclusions for stock and debt obligations acquired in connection with various export transactions. These exclusions will assure that American business firms have the ability to offer credit facilities to their foreign customers, whether for short- or long-term loans.

The acquisition of debt obligations is excluded from tax if they are guaranteed or insured by the Export-Import Bank or other U.S. Government agencies or instrumentalities. In addition, debt obligations acquired by Americans in connection with the sale of U.S. goods (tangible or intangible) abroad are free of the tax, as is the acquisition of stock or debt obligations in connection with a foreign project in which American firms participate to a substantial degree. The bill also excludes from the tax debt obligations acquired by an American firm from foreign customers when the proceeds are used for the installation or maintenance of facilities to service goods sold by the American firm which were produced, grown, or extracted in the United States. A similar exclusion has also been provided where the U.S. firm is engaged in selling ores or minerals in which it has a substantial economic interest, whether or not extracted in the United States.

Commercial bank loans.—Commercial banks making loans in the ordinary course of their commercial banking business would not be subject to tax. Most of these loans would ordinarily be excluded because of their short maturities, and much of short-term bank financing of foreigners involves exports. The exclusion, besides permitting banks to continue freely their role in financing U.S. exports, enables them to maintain their flexibility in meeting normal, recurring needs for financing international business.

Experience under this exclusion will be closely observed. In order to provide detailed information as to whether the exclusion for commercial bank loans should be continued and, if not, the ways in which the exclusion should be changed, the bill provides for authority to require banks to furnish relevant data on their loans to foreigners.

International monetary stability.—The bill gives the President authority to exempt all or a portion of new security issues of a foreign country from tax where he determines that application of tax to such securities imperils, or threatens to imperil, the stability of the international monetary system. This is consistent with our treaty obligations to the International Monetary Fund.

Use of this exclusion would be justified only in highly unusual circumstances. New issues of Canadian securities are the only ones which, under present circumstances, it is contemplated would be excluded under this provision.

Less-developed countries.—The tax is not applicable to the acquisition of securities issued or guaranteed by less-developed countries nor to the acquisition of securities issued by less-developed country corporations. At the present time, it is expected that this exclusion would apply to the securities of all Latin American countries, African countries with the exception of South Africa, Asian countries except for Japan and Hong Kong, and to a few other nations outside the Sino-Soviet bloc. This exclusion is designed to help those countries with chronic capital shortages, urgent development needs, and limited ability to borrow on normal commercial terms. The United States has long recognized a responsibility for assisting these nations in their struggle to achieve improved standards of living, and application of the tax to issues of these countries would work against these objectives.

Direct investments.—The tax is not applicable to direct investments in overseas subsidiaries and affiliates. Direct investment means the acquisition of stock or a debt obligation in a foreign corporation or partnership by an American owning at least 10 percent voting control after the transaction is completed. The exclusion of these transactions is based on the fact that the decision to make such investments is usually grounded in such factors as market position and long-range profitability rather than interest-rate differentials.

Foreign corporations controlled by Americans and traded here.—The bill treats as domestic a foreign corporation traded on an American stock exchange, if trading on U.S. exchanges provides the principal market for the stock and if more than 50 percent of the stockholders were Americans on July 18, 1963. Close association of these companies with the United States justifies their treatment as domestic companies.

Insurance companies with foreign business.—The bill permits insurance companies to acquire stock and debt obligations of foreign issuers and obligors tax free in an amount equal to 110 percent of their reserves against foreign risks in connection with their operations in foreign countries. This exemption is based on the fact that U.S. insurance companies often engage in business in foreign countries through branch operations, and in conducting this business, they receive premiums in a foreign currency, invest the proceeds in that currency, and are required to pay liabilities on policies in that currency. Since the absence of an exclusion of this character would expose the insurance companies to a foreign exchange risk, it was believed desirable to provide this exclusion.

Labor unions, etc.—The bill exempts acquisitions by labor unions and certain other tax-exempt organizations which hold dues or membership fees in foreign currency for the benefit of local members located in foreign countries. This exclusion, as with insurance companies, avoids exposing these organizations in the ordinary conduct of their operations to a foreign exchange risk.

Underwriters and dealers.—To facilitate and encourage the placement of new foreign issues abroad, American underwriters participating in the distribution of new foreign issues would receive a credit or refund of the tax on any sales to foreigners. Similarly, dealers maintaining markets in foreign bonds will be given a credit or refund on such securities purchased from foreigners and resold to foreigners within 90 days after their purchase. A similar provision has been proposed to apply to arbitrage transactions by dealers in foreign stocks as long as the dealer sells to a foreign person on the same day the stock is purchased. The shorter time provision for stocks, as compared with bonds, is a recognition of the fact that stocks could become a tax free vehicle for speculation under any wider exclusion.

The credit or refund provision for underwriters and dealers will provide incentives to place a maximum portion of new flotations of foreign securities in foreign hands, and will assure potential foreign buyers that an active secondary market will be available in this country for such new foreign bonds as they may purchase.

Acquisitions required by foreign law.—The bill provides an exclusion from tax in the case of securities acquired by an American firm doing business in a foreign country to the extent the acquisitions are reasonably necessary to satisfy minimum requirements relating to holdings of foreign securities imposed by the laws of the foreign country. This exemption is provided because some foreign countries require foreign businesses engaged in business locally to invest a portion of their assets in securities of that country as a condition to doing business there.

Other Provisions

Liability for tax.—The tax is imposed on the U.S. person acquiring a foreign security from a foreigner. The purchaser who is liable for the tax must file a quarterly interest equalization tax return listing taxable purchases and enclosing payment.

Administrative procedure.—A simple administrative procedure has been established for determining when the tax is owed. If the U.S. purchaser is buying through a U.S. broker and his purchase confirmation does not indicate that his purchase is subject to the tax, the confirmation is proof of his exemption and no return is required. If the purchase is not made through a U.S. broker, the purchaser should receive a certificate of American ownership from the seller if the seller is a U.S. person. The certificate is proof of the purchaser's exemption Stock exchanges and over-the-counter markets have developed procedures which readily permit the operation of these provisions.

Effective date and expiration date.—The bill generally is effective with respect to acquisitions by Americans of foreign securities from foreigners made on or after July 19, 1963. This is one day after the date Congress received the President's special message on the balance of payments and the public announcement of the principal features proposed by the Administration for this bill. A special effective date of August 17, 1963, is provided for foreign securities traded on an exchange so as to permit uninterrupted trading in foreign securities on the exchanges, while they were adjusting their trading rules and procedures to the requirements of the proposed bill. The bill also exempts certain transactions which were in an advanced stage of negotiation on July 18, 1963, since application of the tax to these transactions might have created substantial hardships.

The tax would expire December 31, 1965.

Revenue Effect

It is estimated that this bill will result in a revenue gain of up to $30 million on an annual basis.

International Financial and Monetary Developments

Exhibit 27.—Remarks by Secretary of the Treasury Dillon, September 17, 1963, at the White House Conference on Export Expansion

I do not need to speak to you today about the importance of achieving balance in our international accounts. You well know that the dollar is at the base of the free world's payments system, which in turn finances the flow of international trade. The dollar must and will stay firm, but this requires that we balance our international accounts in the near future even though it may call for heroic measures.

We have been working at this job for the past 2½ years, but progress has been slow and difficult. In the first place, we are faced with a unique situation in which balance-of-payments deficits exist side by side with an underemployed economy. The classic situation—for which the remedy is well known—is one in which inflation and over consumption create a balance-of-payments deficit. The remedy is to restrict domestic consumption and restrain inflation by tightening credit, thereby diverting into the export market production that the home market can no longer absorb. But this would be exactly the wrong remedy in our present state of excessive unemployment, underutilized manufacturing capacity, and stable price levels. To sharply restrict credit in these circumstances would only lead to increased unemployment, lower profits, and less investment, when we need more of all three. It would produce hardship at home and would not help our balance of payments.

So we have had to try and find a different solution, a solution that can at one and the same time bring prosperity at home and balance abroad. This has involved a many-sided attack which has resulted in significant improvement in many areas. But new problems have arisen as old ones have moved toward solution, and even greater efforts are now necessary.

Let us see first of all what has been done. In 1960, the overall balance-of-payments deficit was $3.9 billion. This fell to $2.4 billion in 1961 and $2.2 billion last year. In the first half of 1963, however, our deficit once again increased. The biggest adverse factor was the sharp increase in recorded outflows of U.S. capital—outflows amounting to over $2.5 billion, as compared with $1.7 billion in the first half of 1962 and $3.3 billion for all of 1962. The largest share of that increase resulted from American purchases of new foreign securities. At $1 billion, they were more than double the rate of the first half of 1962 and almost equal to the $1.1 billion recorded for all of 1962.

Other items changed but little and, as a result, during the first half of 1963 our deficit on an annual basis ran at a rate of either $3.2 or $4.2 billion, depending on how one prefers to account for the medium-term convertible bonds which, this year, we have sold to foreign central banks for the first time.

We have good grounds for hope that, when the results are in for all of 1963, the actual deficit will be less than the annual rate indicated by the first half figures. While many of the additional measures announced in the President's July 18th Balance-of-Payments Message will not be fully effective until next year, we nevertheless expect that the exceptionally large private capital outflows in the first half of this year will fall markedly in the second half. The increase in short-term interest rates resulting from the higher rediscount rate and the proposed interest equalization tax should help to reduce these outflows.

Thus, the record shows that, while we have made progress, we have a great deal yet to accomplish. But before I consider what we can do for the future, let me touch very quickly upon some of the efforts we have already made, efforts we will continue to augment.

We have worked vigorously to cut overseas cash dollar expenditures for defense and aid, and as much as possible to tie the expenditures we do make to procurement in this country. In our foreign economic assistance, the Agency for International Development during the last fiscal year tied fully 80 percent of its commitments to the export of U.S. goods and services, and that percentage is scheduled to rise still further in this fiscal year. This means lower dollar outflows as expenditures begin to reflect these new commitments. By fiscal 1965 the annual dollar outflow for the AID agency will be cut in half from the billion dollar level of 1960 and 1961 to not more than $500 million.

And in our military programs, the Defense Department has held its gross dollar expenditures abroad below 1960 levels, despite the buildup in overseas force levels due to the Berlin crisis of 1961. At the same time, net military expenditures abroad have been reduced by nearly $850 million between 1960 and 1962, largely because of our success in negotiating agreements with some of our allies for sharply increased purchases of American military equipment.

It is, in fact, in the area of net U.S. defense expenditures overseas that our efforts to improve our balance-of-payments position have brought some of the most encouraging results to date. The Department of Defense is seeking all possible means to cut expenditures without impairing our capabilities to carry out our military commitments. It has made particularly good progress in its efforts to expand the sales of U.S. military equipment abroad. We have increased our receipts from those sales from under $400 million in calendar 1961 to well over $1 billion in 1962, and we are striving to maintain a similarly high level in the future. It is worth noting as well that our success thus far in this area has stemmed, in large measure, from constant and close cooperation between Government and industry.

We are going to continue this progress in the military area. As the President announced last July, we intend to reduce the annual dollar outlay of our military forces overseas by a further $300 million a year while at the same time reducing our purchases of foreign strategic materials by another $200 million. Thus, by January 1, 1965, reductions in defense expenditures abroad will be contributing another $500 million a year to the improvement in our balance of payments.

Special intergovernmental arrangements—such as debt prepayments and medium-term borrowings—with some of our friends overseas have also helped reduce our gold outflow and narrow the gap in our payments. These "special transactions" amounted to $1.4 billion in 1962—including substantial advance military payments—and to about $600 million in the first half of 1963.

We have acted to stem the outflow of short-term capital by a series of carefully managed increases in short-term money rates, while at the same time we have maintained ample credit availability, and long-term rates and bank loan rates have remained low or even declining due to the flood of liquid savings accumulated by the American people. The recent increase in short-term interest rates should serve—not only to stem the outflow of short-term capital—but also to make it much more attractive for foreigners to hold their assets in dollars, thus helping to reduce our gold outflow.

We have proposed the interest equalization tax as a temporary measure to help turn the tide of foreign security sales in our markets while slower acting but more basic measures are taking effect.

We have adopted these measures and many others to keep our payments imbalance and the resulting gold flow to a minimum and to hasten our progress toward achieving lasting balance in our payments. We will continue to implement these measures. But helpful as they are, these measures only deal with part of the problem. By and large, they help reduce our payments rather than increase our receipts. We must also and increasingly concentrate our efforts upon expanding our international receipts. More than anything else, that means expanding our exports.

I do not need to detail before this audience how vital exports are to our balance of payments, indeed, to our entire economy. I do not need to describe the many steps we have already taken to help increase our exports.

In 1962, our commercial exports—those not financed by Government capital—ran at about $18 billion. If these exports had been 12 percent greater they would have offset our overall $2.2 billion payments deficit, and if they had been 20 percent greater they would have offset our $3.6 billion deficit in regular transactions (those excluding special Government transactions).

A word of explanation may be in order here. I am talking about commercial exports, the exports you sell on a commercial basis. These are not the same thing as the figures for merchandise exports released on a monthly basis by the Department of Commerce. These monthly figures include agricultural exports financed under PL 480 as well as exports financed by the AID agency. These tied exports financed by American taxpayers have been growing rapidly during the past two years as tied aid policies have taken effect. Thus, the monthly figures have not been a true indication of our competitive performance.

The true figure is the total of commercial exports which omits AID and PL 480 shipments. This figure is published quarterly by the Department of Commerce. The figures for the first half of 1963, which will soon be available, show that our commercial trade surplus has actually declined from last year's total. This is why we must redouble our efforts to increase commercial exports and not be satisfied with merely increasing our Government financed exports.

These comparisons should help define the large task ahead of us, particularly when we consider that, since 1960, our commercial exports have been increasing at an annual rate of about one percent. Our task is to boost this rate dramatically over a fairly short period of time.

This is not an easy task. But I am convinced we can do it, if we set our minds to it. The markets are there. For in the five years from 1957–62, our share of the major industrial nations' exports of manufactured goods—excluding exports to the United States—decreased steadily from almost 29 percent to less than 23 percent. This means we have been losing markets that we need.

If we are to regain these markets and more, if we are to increase our exports to the levels we need—if we are in fact to achieve long-range solutions to our major economic problems—then we must enact into law this year a substantial tax reduction program.

Tax reduction is absolutely essential if we are to attain the two main long-term goals of our balance-of-payments efforts: First, to expand our trade surplus; and second, to make the United States a more attractive place to invest long-term capital, both foreign and domestic.

Already the two tax measures adopted last year, the investment credit and depreciation reform, have given a strong boost to the international competitive position of American industry. They reduced business taxes by almost $2.5 billion a year, and, as one recent survey showed, businessmen credit their tax savings from these measures for 43 percent of their planned increase in capital spending for this year. The proposed corporate tax reduction would provide a comparable spur to investment and, together with the 1962 measures, would increase the profitability of new investment by almost 30 percent.

The direct stimulus of these measures—and the overall stimulus of more rapid and sustained economic growth—would greatly intensify the incentives for increased investment in new tools, new techniques, and for exploration and development of new markets and new products. This would sharpen the competitive edge of American business, not only in foreign markets, but also in our own home market.

Equally important, as our economy expands in response to the tax cut and employment and productive efficiency climb, the United States will become continually more attractive to investment capital, both foreign and domestic. It is also likely that a more rapidly growing economy would soak up current savings and bring with it a natural increase in longer term interest rates that would in turn help to slow the outflow of capital. For all these reasons, the American Bankers Association last July stated that substantial tax reduction was a vital element in any program to achieve balance in our payments.

In no sense, however, does this mean that the tax bill will automatically solve our payments imbalance or allow any of us to relax our efforts. While the tax bill will provide the climate and the extra leverage to spur us on to greater efforts and to help make those efforts continually more productive, it will still be imperative that we step-up our drive to expand our exports and widen our access to foreign markets, and that we maintain the kind of wage and price stability we have enjoyed over recent years. Above all, you in private industry must work ever harder to seek out, explore, and develop export opportunities. For the tax bill will give us the more dynamic and growing economy in which any measures that you adopt can have maximum impact, and in which you will have the heightened incentives you must have if you are to mount an export drive of the scope and intensity we need.

EXHIBIT 28.—Statement issued on October 2, 1963, by Secretary of the Treasury Dillon, on behalf of the "Group of Ten"

The following statement was issued today on behalf of the "Group of 10" members of the International Monetary Fund by Douglas Dillon, Secretary of the Treasury of the United States:

"1. In the course of the annual meeting of the International Monetary Fund, the Ministers and Central Bank Governors of the 10 countries (Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, the United Kingdom, and the United States) participating in the agreement of December 1961 to supplement the resources of the International Monetary Fund met in Washington, together with Mr. Pierre-Paul Schweitzer, Managing Director of the Fund. In this meeting, they discussed the international payments situation and reviewed the functioning of the international monetary system now and in the future in the light of their common aims as reflected in the Fund's Charter.

"2. They agreed that the removal of the imbalances still existing in the external accounts of some major countries was the most important objective to be pursued over the near future. For this reason they welcomed the recent efforts of certain deficit countries to improve their balances of payments, as well as actions by a number of countries designed to reduce or remove surpluses, as evidence of progress toward a better basic international equilibrium. The Ministers and Governors reaffirmed the objective of reaching such balance at high levels of economic activity with a sustainable rate of economic growth and in a climate of price stability.

"3. In examining the functioning of the international monetary system, the Ministers and Governors noted that the present national reserves of member countries, supplemented as they are by the resources of the IMF, as well as by a network of bilateral facilities, seemed fully adequate in present circumstances to cope with possible threats to the stability of the international payments system. In this connection, the Ministers reviewed the 'General Arrangements to Borrow' in the International Monetary Fund and reiterated their determination that these resources would be available for decisive and prompt action.

"4. In reviewing the longer run prospects, the Ministers and Governors agreed that the underlying structure of the present monetary system—based on fixed exchange rates and the established price of gold—has proven its value as the foundation for present and future arrangements. It appeared to them, however, to be useful to undertake a thorough examination of the outlook for the functioning of the international monetary system and of its probable future needs for liquidity. This examination should be made with particular emphasis on the possible magnitude and nature of the future needs for reserves and for supplementary credit facilities which may arise within the framework of national economic policies effectively aiming at the objectives mentioned in paragraph 2. The studies should also appraise and evaluate various possibilities for covering such needs.

"5. The Ministers and Governors have noted with approval the statement by the Managing Director that the International Monetary Fund will develop and intensify its studies of these long-run questions. They, for their part, have now instructed their Deputies to examine these questions, and to report to them on the progress of their studies and discussions over the course of the coming year. They requested the Deputies in carrying out these studies to maintain close working relations with the International Monetary Fund and with other international bodies concerned with monetary matters. Any specific suggestions resulting from the studies by the Deputies will be submitted to the Ministers and Governors for consideration.

"6. The Ministers and Governors believe that such an examination of the international monetary system will further strengthen international financial cooperation, which is the essential basis for the continued sucessful functioning of the system."

Exhibit 29.—Remarks by Secretary of the Treasury Dillon, February 19, 1964, before the Economic Club of Chicago, on the international balance of payments

It is a pleasure to be here tonight, not only because of the importance of this distinguished audience, but because it gives me the opportunity to acknowledge the outstanding work of Chicago's representatives on the U.S. Industrial Payroll Savings Committee, who help our debt management program by promoting U.S. savings bonds sales. I am sure the Committee will be calling upon many of you to support the 1964 campaign, which begins tomorrow. I know you will respond in any way you can.

Tonight, I want to examine with you one of our most persistent economic problems—the deficits in our international balance of payments:

Last year was critical for our balance of payments, a year of initial relapse, followed by vigorous recovery. Our deficit on regular transactions reached an annual rate of $4½ billion in the first half of the year, but fell to little more than $1½ billion in the last half, the best six-month record since our payments were bolstered by the Suez crisis in 1957.

Regular transactions, as you know, include everything except special intergovernmental transactions such as advance repayments of debts owed to us, advances on military purchases from us, and sales of special nonmarketable U.S. obligations. Thus, regular transactions provide the best measure of the year-to-year changes in the basic elements that shape our balance of payments. However, the overall balance—which represents the total change in our liquid assets and liabilities—is the best measure of the results in any given year, because it includes all transactions which affect our international liquidity position.

For all of 1963, our deficit on regular transactions amounted to $3 billion, a $600 million improvement over 1962, just a hair better than the 1961 record, when imports were depressed in the aftermath of our last recession, but a substantial improvement over the 1958–60 average of $3.9 billion.

On an overall basis, the 1963 figures are complicated by our sale to foreign central banks for the first time of nonmarketable, medium-term convertible securities. These sales, which are highly important in protecting our gold stock, amounted to $700 million. There is no clear consensus on how those securities should be treated in our statistics, so the Commerce Department presents two totals: one making allowances for their sale, and the other disregarding them by treating them as fully liquid liabilities equivalent to cash. On the first basis, our overall deficit for 1963 was just under $1.9 billion, and on the second, just under $2.6 billion. These figures compare to $2.4 billion in 1961, $2.2 billion in 1962, and an average of $3.7 billion in the 1958–60 period.

These different statistical approaches make the balance of payments more difficult to comprehend than it actually is. In addition, our statistics, since they are derived differently, cannot be compared with those of the International Monetary Fund and most other countries. To remedy that situation, the Administration appointed a committee of experts from private life to study our balance-of-payments statistics. That Committee has been at work for almost a year, and plans to make its report some time this spring. Its report, we hope, will result in a simplification or standardization of our balance-of-payments statistics that will make them both more readily understandable and more comparable with the statistics of other countries.

One statistic that, for good or for ill, is always easily understood, records our gold stock. Last year it showed substantial improvement. Total gold outflow was held to $461 million as compared to $890 million in 1962, $857 million in 1961, and an average of $1.7 billion in the 1958–60 period.

To understand what happened last year, and what it portends for the future, we must go back to 1961, when we began to forge a comprehensive program to move our international accounts back into balance:

Without vigorous and appropriate corrective measures, the situation at the beginning of 1961 could easily have degenerated into a major crisis of confidence in the dollar, and thus for the entire free world payments system. You will recall that there were many at that time who expected exactly that to happen. We had to take action promptly and firmly, and we did.

First, we had to make clear—and keep clear beyond any doubt—our firm determination to maintain the value of the dollar. Soon after taking office, President Kennedy called attention to the very large gold and other resources at our disposal, and pledged that we would, if necessary, mobilize all of these resources to maintain the value of the dollar. President Johnson has emphatically reaffirmed our unchanging determination on this score.

To support the position of the dollar in world markets, we set up a series of new international financial arrangements to offset the effects of potential currency speculation and to avoid unnecessary and unsettling movements of gold. These actions included the revival of U.S. official activity in both forward and spot markets for foreign exchange, informal arrangements to discourage private speculation in the London gold market, and development of a broad network of bilateral agreements for mutual extension of swap credits. The Treasury late in 1962 also began to sell to foreign central banks special Treasury securities denominated in foreign currencies.

Measures such as these continue to be vital to the defense of the dollar, although they must not be confused with measures to reduce the deficit itself. With the return to convertibility of all the major currencies of the free world, and the ease with which large sums of money can now move from country to country, the types of defense I have been talking about will be of substantial value even when the United States has returned to payments equilibrium.

As for the actual deficit, this Administration launched a broad and continuing program, of both general and specific measures, designed to eliminate it within a reasonable period of time.

The general measures are, of course, fundamental for they affect our domestic economic condition and climate upon which any final resolution of our payments difficulty must depend. The first and most important of those measures is, of course, tax incentives to encourage greater growth in our domestic economy and greater investment in product improvement and plant modernization.

We took the first significant step in that direction in 1962 with the depreciation reform measures and the enactment of the investment credit. We will take a second and far-reaching stride in that direction when we adopt the tax reduction bill which has just been agreed upon by a joint House-Senate conference committee. This bill not only reduces rates, but also almost doubles the effectiveness of the investment credit by restoring the full benefits of the Administration's original proposal, which was substantially watered down in the final version of the 1962 bill. Thus it should be instrumental in generating the more rapid advances in productivity that are crucial to our continued and growing competitiveness in markets both at home and abroad. Equally important, as our economy expands in response to the tax cut, and employment and productive efficiency climb, investment in the United States will become increasingly more attractive to both foreign and domestic capital.

A second general measure has been to use monetary policy to move short-term interest rates closer to rates abroad, thus reducing the outflow of short-term capital, while at the same time continuing an ample availability of domestic credit.

The third, and final, overall factor has been the maintenance of price stability. In early 1962, the President's Council of Economic Advisers set up noninflationary guideposts for wage and price decisions calling for voluntary action by both business and labor. The Council pointed out in its most recent annual report that responsible and voluntary adherence to those guideposts has been an important factor in maintaining the impressive price stability of recent years. The absence of inflationary price increases in this country—at a time when our competitors in Western Europe and elsewhere have generally experienced a rising price level—may well prove in the long run to be the most important single factor favoring a gradual return to balance in the international accounts of the United States. It is essential that price and wage decisions be made with this in mind.

It is these general policies, which affect our whole economy and its ability to compete, that are decisive over the long run. But more direct and quick-acting measures have been required as well.

The Administration has spared no effort to help our private economy exploit and expand its opportunities for increased sales to foreign countries. In every way possible, principally through the Department of Commerce, we have exhorted, encouraged, and above all, helped American business to expand exports. The Export-Import Bank, in cooperation with private insurers, has improved the credit facilities available to American exporters to the point where they are now as good as any in the world.

We have also dramatically reduced the net impact on our payments of overseas outlays by the Government itself. We have done so by limiting, and wherever possible cutting, our gross expenditures abroad for military purposes, and by offsetting as much as possible of such spending through arrangements for the sale of U.S.-produced military equipment to major allied countries. We have also had excellent success in making sure that as much as possible of our economic assistance overseas goes to finance additional exports of U.S. goods and services, thus avoiding or minimizing any adverse impact on our balance of payments. As a result, by the end of this year we will have made a one billion dollar reduction in our 1962 rate of overseas Government expenditures, and, in addition, from 1961 through 1963 our receipts from sales of military equipment overseas have more than doubled, improving our payments position by another $500 million to $600 million a year.

Finally, with the full cooperation of many of the leading industrial countries, we have carried out a series of transactions to give us added time for our long-term corrective measures to take effect. These include prepayments by foreign countries on debts owed to the U.S. Government, advance payments made by allied governments toward purchases of U.S. military equipment and our issuance, beginning in the last quarter of 1962, of special nonmarketable medium-term U.S. Government securities to foreign monetary authorities.

Last year we adopted other interim, short-term measures as well. It was imperative that we do so. In the first half of 1963, as we all know, a surge of capital outflow swamped the improvement in other areas and swelled the deficit on regular transactions to an annual rate of $4½ billion. New issues of foreign securities, in particular, soared to an annual rate of nearly $2 billion, nearly twice the 1962 rate and more than three times the average for the years 1959–61. As a result, last July President Kennedy announced an intensified program of action to deal with our balance-of-payments problem. In terms of immediate results, the two key steps taken at that time were the proposal for an interest equalization tax, and the half-percent increase in the Federal Reserve rediscount rate.

The sharp recovery in our payments during the last half of 1963—with the improvement in our long and short-term capital accounts amounting to $2 billion at an annual rate—bears dramatic witness to the effectiveness of these measures, particularly the interest equalization tax. This, then, is the background. What can it tell us about our payments outlook for the years immediately ahead?

First of all, it is clear that the interest equalization tax proposal has thus far operated somewhat as a tourniquet, shutting off the flow of American portfolio capital into foreign securities rather completely, except for some issues that had been arranged prior to announcement of the tax. We can hardly expect this situation to continue, nor, in the long run, would it be either sound or desirable. Market activity will undoubtedly increase once the tax is enacted and the market grows familiar with its workings. During the course of this year, therefore, we expect a resumption of portfolio capital outflows, but only at about the level considered normal before the abrupt increases of 1962 and early 1963.

Second, we must expect a considerable expansion in imports during 1964 to keep pace with the rising level of domestic activity. Normally, we import at a rate approximating three percent of our gross national product. Because of the size of our GNP, this small percentage amounts to a substantial sum in terms of our balance of payments. We must, therefore, intensify our efforts to ensure that our exports of merchandise will grow at least as rapidly as our imports. Otherwise, our foreign trade could become a source of weakness in our balance of payments, rather than, as in the past, a source of strength.

Third, we can expect continuing reductions in our overseas governmental expenditures as the programs announced last summer take effect. The full force of those programs will be felt in 1965. After that, it will become increasingly difficult to squeeze additional reductions out of these accounts.

A very favorable portent for the future is the growing realization on the part of responsible officials in all major countries that the large imbalances in the free world's accounts of recent years should not, indeed, cannot, be permitted to continue. From the European point of view, surpluses aggravate what is already a serious problem of internal inflation. And the United States has made absolutely clear its resolute determination to eliminate its international deficit. Thus, we all have strong incentives to join together in improving payments positions wherever they are thrown out of kilter. There are, of course, many difficulties to be overcome, both in surplus and in deficit countries, before deeds will match the desire for mutual improvement. But mutual understanding and determination are growing, and international cooperation is a real and potent force for mutual adjustment.

Much has been accomplished already. We have greatly strengthened confidence in the foreign exchange markets. Through cooperation with other monetary authorities and the rising pattern of short-term interest rates in the United States, we have substantially narrowed the incentives for the export of short-term capital. Every effort must be made both here and abroad to see that this cooperation continues and intensifies. We must, and will, continue to seek a better adjustment of long-term capital flows through the development of more effective capital markets in other countries in order to reduce undue concentration upon our own. The proposed interest equalization tax has already stimulated much greater European efforts in this area.

On the whole, and barring unexpected developments, I anticipate that 1964 will see a continuation of the progress we have seen since last July. This would mean a substantial improvement over 1963 in our deficit on regular transactions.

Beyond 1964, we might better speak of requirements rather than forecasts. We must continue, difficult though it may be, to seek out ways to further reduce direct Government spending overseas over and beyond the improvement we can now foresee for 1965. We must remain prepared to make such use of monetary policy as may prove necessary to prevent unacceptable outflows of short-term funds. Most important of all, we must improve our balance on commercial trade and service accounts, and we must do this by selling more. We will, I believe, be assisted in this effort by the growing demands of markets in Europe and elsewhere. To take advantage of those markets, we must continue to work for stable costs and prices even as we seek more rapid growth in employment opportunities and in the gross national product. I do not look for any sudden or dramatic easing in the competitive pressure which will confront us from now on, but our competitive position has improved slowly but steadily over recent years. We will therefore need—and I am confident we will see—redoubled efforts on the part of the individual businessmen, farmers, and industrialists of this nation.

Our country has set as its aim the difficult task of eliminating its balance-of-payments deficit without disrupting the trade of other countries and without sacrificing American leadership in the defense of the West, the economic growth of the less-developed countries, or the support of forward looking economic policies. There must be no relaxation in governmental or private efforts until that goal has been reached. I am confident there will be none.

Exhibit 30.—Statement by Secretary of the Treasury Dillon as Governor for the United States, April 14, 1964, at the fifth annual meeting of the Board of Governors of the Inter-American Development Bank, Panama City, Panama

It is particularly fitting that we are holding our Fifth Annual Meeting of the Bank's Governors today, which is being observed in my country as Pan American Day. There could be no more fitting place for today's meeting than this honored and historic city, which Bolivar chose for the first Inter-American Conference, The Congress of Panama.

This is the 140th year since Bolivar prophesied proudly and boldly that "a hundred centuries hence, posterity, searching for the origin of our public law and recalling the compacts that solidified its destiny, will touch with respect the protocols of the Isthmus. In them will be found the plan of our first alliances that will have marked the beginning of our relation with the universe."

The Bank, then could not be more at home than here in Panama, where Inter-

American meetings first were launched, for the Bank in the best Inter-American tradition is a strong and progressive force in the social and economic development of the hemisphere.

In 1963, the Inter-American Development Bank completed its third full year of operations and once again compiled an impressive record of achievement.

To support the economic and social development of its Latin American members, the Bank last year authorized 56 new loans, for a total of $259 million. Its lifetime loan approvals at the end of the year had reached the impressive figure of $875 million, and activity under these loans is proceeding at a sharply accelerated pace. Total disbursements at the end of 1963 were $206 million, more than three times larger than disbursements at the end of 1962.

Impressive as they are, these statistics can give us only a limited appreciation of the truly remarkable work which the Bank's dedicated management and staff have accomplished in the past three years. Each loan, for example, reflects weeks and months of careful scrutiny and planning. Behind each loan, moreover, lie several additional applications for projects found wanting or not yet ready for execution, but which nonetheless required, and merited, time and effort to review.

The Bank has also continued its efforts to mobilize private capital for Latin American development in the highly industrialized free countries. Last year the Bank was able to sell a total of $7.4 million in additional participation, without any guarantee, in the United States, Canada, and Western Europe. As you know, the Bank has just floated its third successful bond issue, the second in the United States, in the amount of $50 million. In addition, the Bank is actively negotiating for further flotations in various Western European countries. I am confident that these efforts will soon bear fruit. Additional external capital has also been mobilized by the Bank through arrangements for the joint financing of projects. As stated in the Annual Report, five of the Bank's ordinary capital loans last year were made in association with other external sources of capital.

Equally important—although perhaps less immediately evident in our usual review of the Bank's activities—is the fact that the Bank's lending policies have stimulated the mobilization of very large amounts of domestic capital in its member countries. The total cost of projects financed by the $875 million of the Bank's loans amounts to nearly $2.5 billion most of the additional cost, some $1.5 billion of it, represents the direct participation of local interests, governments, firms, and individuals, and their provision of the domestic capital required.

In directing the Bank's lending policies, President Herrera has increasingly emphasized the encouragement of regional integration. It seems to me all to the good that the Bank should give priority to loans having a "regional integration component," for regional integration is essential if an adequate rate of economic growth is to be achieved in Latin America. I note that in the pursuit of these policies the Bank has extended a $6 million line of credit to the Central American Bank For Economic Integration and has made a $3 million loan to the national universities of the five Central American countries in order to insure technical progress within the framework of that area's vigorous movement towards regional integration.

During the past year, the Bank moved to implement the export credits program which the Governors approved in Caracas. The Bank has given specific form to the general directive laid down by the Governors and has completed the detailed regulations to govern this new activity. The $30 million of ordinary capital resources allocated to this program has now been put to work by the grant of lines of credit to several member countries. I am sure we will all watch with great interest and expectation the important role this export financing program can play in the development of capital goods production, export diversification, reduced trade barriers, and regional integration.

The pace of the Bank's activities required some time ago that the Governors consider an increase in the Bank's lendable resources. The process begun two years ago in Buenos Aires has now been completed and the authorized ordinary capital of the Bank now stands at the equivalent of an imposing $2.15 billion, of which $475 million is the authorized paid-in capital stock and $1,675 million is callable capital. Our Congress in January authorized U.S. participation in this increase to the extent of $411.8 million in callable capital, which will be subscribed in two installments, this year and next, along with the subscription of the Bank's other members. With the Bank's demonstrated success in raising funds in private capital markets, the increased authorized capital provides ample assurance of adequate resources for projects on standard "bankable" terms for several years to come.

We have at the moment no such assurance on the availability of Bank funds for so-called "soft" loans, loans designed to supplement those made on ordinary banking terms. Agreement was reached earlier this year on an increase of $73.2 million in the Fund For Special Operations, of which $50 million will be paid in by my Government on April 28. This will bring the total capital of the Fund For Special Operations to the equivalent of $219.5 million, of which $150 million will have been paid in by the United States. In addition, our Congress last year appropriated an additional $131 million to increase the Social Progress Trust Fund administered by the Bank. These additional funds for loans on easy repayment terms will suffice for less than one year of lending operations at an adequate rate. It is urgent, therefore, that the Governors address themselves once again to the future of the Bank's lending activities on soft terms and begin action to obtain the requisite funds.

At our last meeting in Caracas, and again in the Report on this matter which is now before you, my Government has expressed its view that the Bank would be strengthened if at this point in its life—and at this juncture of the Alliance For Progress—the lending windows to which the United States and other member countries provide funds were reduced from the existing three to two. We have, therefore, proposed that there be no further replenishment of the Social Progress Trust Fund and that, instead, there be a substantial enlargement of the Fund for Special Operations.

The Social Progress Trust Fund, as you know, grew directly from the Act of Bogota and the emphasis which at that time we all agreed to place on social development in Latin America. It was unfortunately all too true that social progress in the hemisphere had been sadly neglected, and therefore it was both essential and proper that the Act of Bogota call attention to the priority needs of the social sector.

The Act of Bogota, as we all know, was soon succeeded by the great milestone of hemispheric dedication and cooperation, the Charter of Punta Del Este. That Charter gave formal recognition to the fact that social and economic progress are mutually-reinforcing objectives. It also called for comprehensive planning of the path to progress, planning that would make it necessary to reduce or remove any sharp distinction between economic and social projects. The mark of well-prepared plans—which, happily, are now well-advanced in a number of countries—is the rational allocation of available resources between the economic and social sectors, taking full account of their interdependence. We can expect, therefore, that the Bank, in deciding upon particular projects for financing, will increasingly take into account both economic and social considerations and not just one or the other. With this approach, only two sources of financing, one hard, one soft, seem necessary, the choice between them to be determined, not necessarily just by the nature of the project, but also by the situation of the borrower, or other special circumstances.

In the context of these considerations, I hope that we can agree at this meeting to seek the commitment of our governments to a three-year program to enlarge the Fund For Special Operations by an amount equal to $300 million per annum, of which the United States would contribute $250 million, and the other members of the Bank, $50 million, all in our own national currencies.

This enlargement, which would enable the Fund to make loans on special terms for the purposes currently being financed by both the Fund and the Social Progress Trust Fund, can be accomplished without any change in the agreement establishing the Inter-American Development Bank. This would simplify the legislative problems of the member governments. This is particularly desirable as far as the United States is concerned. In view of our forthcoming national election, the U.S. Congress can be expected to adjourn somewhat earlier in the year than has recently been the case. Delay in reaching agreement on this matter or the introduction of complexities involving basic changes in the Bank's Charter would greatly increase our difficulty in obtaining congressional approval this year, as can be attested by the members of the U.S. Congress who have come here from Washington to attend this meeting as members of our Delegation.

We look for the Bank to continue and expand its role as the "Bank Of The Alliance." During the past year, the Bank has assumed new duties as financial agent in the mobilization of external resources for national development programs, in filling a special advisory role with various entities concerned with the provision of external development financing and, finally, as technical advisor to the newly established Inter-American Alliance For Progress Committee (known as CIAP). In connection especially with the latter body, it seems appropriate for the Bank to assume a more active role in the programing of development assistance and in directing its activities toward the support of well-designed national and regional programs.

Turning to the Alliance For Progress, in which the Bank plays such an important role, I think we must, in honesty, acknowledge that the present moment is one characterized by skepticism and doubt, both in Latin America and in the United States. Unquestionably, we still have a long way to go before we achieve the objectives envisioned in the Charter of Punta Del Este. But while we face that fact, let it not obscure the equally important fact that, by every realistic measure, we have come a long way.

First, in the recent creation of the Inter-American Alliance For Progress Committee, CIAP, we have established a sound mechanism for hemispheric coordination and guidance within the framework of the Alliance. Our appointment of Ambassador Teodoro Moscoso as U.S. representative has made clear that the United States wishes to play an active role in this Committee, to which President Johnson has pledged "our full support."

Second, we should not lose sight of the fact that 11 of the 19 Latin American member countries have been achieving the minimum 2½ percent per capita growth target set at Punta Del Este. Equally important, perhaps, is the fact that throughout the hemisphere we have witnessed in the past 2 years the creation of new institutions vital to the pace of future growth. The Bank itself has participated in the establishment or reform of a variety of intermediate credit institutions, development banks, agricultural credit banks, savings and loan, and housing finance institutions, all critical in the process of domestic resource mobilization. Intense efforts are being devoted to the reform of tax structures, improved tax collection, a more equitable and productive distribution of land, and improved facilities in the fields of health and education.

These are the very sinews of growth, and the attention and activity focused in these areas in the past 2 years has far surpassed anything ever before witnessed in the hemisphere. The fruits of endeavors such as these will not miraculously ripen overnight, on the contrary, progress will be difficult and even hazardous. But without these efforts, progress simply will not occur. We therefore have a clear choice before us:

—Shall we hold timorously back, afraid to move because we might stir up waters that could become troubled?

—Or shall we venture forth on new paths—but always within a framework of free and democratic institutions—that will offer all of our peoples a fair share in the gradually ripening fruit of our mutual endeavors?

On behalf of my country, I urge that we move without timidity and with confidence.

So far as external funds are concerned, taking into full account the self-help measures of the various countries of Latin America in connection with their commitments under the Charter of Punta Del Este, the United States continues to be prepared to provide public assistance in the order of magnitude suggested by the Charter. As our AID Administrator, Mr. David Bell, emphasized in his address to the Governors last year, the pace at which aid can be provided must depend upon a series of preparatory and correlated actions. Careful advance planning and sound project implementation takes time, and there will be inevitable lags between commitment and disbursement of funds. I have pointed out the close attention the Bank has given to the problem of project execution and loan disbursements during the past year, and wish to assure you that our own financing institutions have also made every effort—consistent with the overriding requirements of sound project implementation—to expedite disbursement.

Among the disappointments of the past 2 years, I might note that the commitment of external funds from Europe has thus far been less than had been hoped. Recently there has been new evidence of Eurpoean interest in Latin America symbolized by the recent visits of President De Gaulle and President Luebke. The United States wholeheartedly welcomes these renewed signs of European interest and hopes that the interest will be clearly manifested in an increase in the kinds of low-interest, long-term development loans so badly needed by Latin America. In addition to liberal terms, we would hope that European assistance to Latin America would be carefully related to the overall planning effort and to the system of priorities established within the context of the Alliance For Progress. The proposal of the Governor for Argentina raises interesting possibilities in this respect, and I can state that my delegation is in full accord with the objectives underlying his proposasl.

I should like once again to emphasize in the strongest terms the need for the Latin American countries themselves to be on guard against terms of assistance from any source which would create an unacceptable burden for the future. The indiscriminate and unrestrained acceptance of short- and medium-term suppliers credits—in cases where longer term development loans are the real need—all too often simply creates an unwieldly and unmanageable problem which can very quickly assume crisis proportions, leading to a slowdown in the pace of development.

The field of private investment is another area where flows of external capital have proved disappointing. In this connection, we must constantly bear in mind the fact that the foreign investor always has alternative possibilities for investment of his capital. Given the high levels of current economic activity in the United States and Europe, the opportunities for profitable investment at home in both areas are relatively great. In order to attract private funds from the United States or Europe, or to induce the investment of local private capital, a country, whether already industrialized or developing, must maintain an investment climate which offers a reasonable prospect that a sound project will yield a return commensurate with the risk involved. The choice is for each country to make. The results will depend, to a very great extent, upon that choice.

In the United States over the past 3 years we have adopted a series of tax measures to increase the relative attractiveness of investment at home as compared with investment in other free industrialized countries. Countries that deliberately hamper the investment of private capital or fail to provide a hospitable climate, should be aware of the fact that they are foregoing sources of financing and technical knowledge of great importance to their future growth, and to the strength of their international position, sources which cannot possibly be replaced by public funds.

An important corollary of a favorable "investment climate" is a country's ability to raise capital abroad. In this connection the recent experience of Mexico comes to mind: Mexico has been able to float two highly successful bond issues in the capital markets of the United States, one last year, and a second just 2 weeks ago, for a total of $65 million. It goes without saying that these Mexican issues were very welcome, and we hope that other Latin American countries will be able to follow this example in mobilizing private external funds for their development. I should mention here that the interest equalization tax on foreign securities which has been proposed to the U.S. Congress by my Government is not designed to apply to the securities of the Latin American countries.

Finally, I cannot let this occasion pass without mention of the World Trade and Development Conference now under way in Geneva. I am aware of the intense interest which your governments have in this Conference, and in its purpose of helping to ease the problem facing the developing world. That endeavor is, of course, one in which the United States has long taken the lead, and I would simply like to emphasize my country's determination to continue its efforts, in every feasible way, to serve that purpose.

Mr. Chairman, the tangible evidence of the Bank's progress placed before us at this meeting symbolizes the activity, movement, and forward progress being accomplished throughout Latin America under the guidance of the Charter of Punta Del Este. I am confident that at our meeting next year, and in the years ahead, we will find ourselves increasingly able to meet the needs of Latin America and of Western Hemisphere solidarity.

Exhibit 31.—Remarks by Secretary of the Treasury Dillon, May 21, 1964, at the eleventh annual international monetary conference of the American Bankers Association, Vienna, Austria

I am very pleased to be with you at another of your Annual International Monetary Conferences, which offer such a unique and valuable opportunity to confer with one another and with our European friends.

All of us recognize the need to improve the process of balance-of-payments adjustment among the free industrial nations. We have found that the old rules of the game, whatever their values in the past, are no longer adequate. For instance, the classical presumption that balance-of-payments deficits call for the restriction of domestic economic activity has had little relevance to the situation facing the United States in recent years. Nor has the other side of the classical coin—easy monetary policies designed to stimulate demand—been any more appropriate as an antidote for recent European payments surpluses.

The selection of suitable international payments policies has also become more difficult because domestic economic policies now encompass so many more objectives than they once did. For example, the promotion of full employment has come to be accepted as a high priority responsibility of governments throughout the free world. Price stability, the promotion of international trade, and the stimulation of overall economic growth, all now occupy prominent places in national policy objectives.

All of this means that we have had to seek new techniques, and new combinations of old techniques, to deal with payments deficits and surpluses. We have also learned that our search for effective policies cannot proceed in isolation. In moving to solve their own balance-of-payments problems, major countries must find ways to achieve their objectives without creating serious difficulties for others. The success of balance-of-payments adjustments increasingly depends upon the coordination of national efforts. We have learned the lesson, particularly in the short-term capital area, that close international cooperation can contribute in very specific ways to the improvement of the adjustment mechanism.

Although we have made substantial progress, many unresolved questions remain. Nowhere is this more evident than in the area of long-term portfolio capital flows. The importance of some of these unresolved questions was becoming apparent at the time of your Conference in Rome two years ago. I spoke then of the dangers inherent in the growing pressure of foreign borrowers upon the U.S. capital market. Within 6 months, those pressures began to mount rapidly and, by mid-1963, the volume of new issues in the New York market was running at more than three times its previous level. That, unfortunately, left us no recourse but direct governmental action. Accordingly, last July, we launched an intensified program to improve our balance of payments, in which the proposed interest equalization tax is a key element.

We look upon that proposed tax solely as a transitional measure. It must not be allowed to obscure the desirability of working out measures that can permanently strengthen the international adjustment mechanism, nor our own need vigorously to pursue other elements of our balance-of-payments program, such as the reduction of Government expenditures overseas and the pursuit of appropriate fiscal and monetary policies. But the necessity for the interest equalization tax highlights the serious problems that have arisen in attempting to reconcile freedom of capital movements with the harsh necessities of balance-of-payments adjustment.

If long-term portfolio capital flows are to make their maximum contribution to our mutual growth and welfare, they should be permitted to respond freely to shifting patterns of trade, to differentials in profit opportunities, and to the basic capacity of various nations to save. But if they are not to undermine the adjustment mechanism, long-term portfolio capital movements must also be responsive to the balance-of-payments position of borrowers and lenders alike.

The difficulties inherent in accomplishing both of these goals simultaneously become clear when we consider the kinds of problems that have recently plagued us in the area of international flows of portfolio capital. Countless borrowers and lenders are constantly making decisions to buy or sell foreign securities on the basis of price and yield differentials and availabilities of funds, as these factors are reflected in the market place. But we have no assurance that these decisions will, at any given time, reflect basic differences in the underlying capacity of various countries to provide capital for domestic uses, much less their capacities to transfer that capital abroad. Instead, in the case of more than one country, flows of portfolio capital have recently shown a disturbing tendency to seriously aggravate imbalances in payments, rather than to assist in their adjustment. The greatest difficulties on this score have arisen for countries which do not have controls on their capital markets—Germany and the United States.

In our case, it was necessary to reduce an excessive net outflow of portfolio capital, while the German problem has been the reverse one of discouraging an excessive net inflow. Our approach was the proposed interest equalization tax to increase the effective cost of foreign borrowing in our markets. The German approach, in some ways complementary, was to propose a withholding tax on nonresident purchasers of German interest-bearing securities, thereby lowering the aftertax yield to some foreign investors and thus tending to discourage capital inflows. Perhaps even more significant in terms of progress toward more efficient capital markets, the German authorities coupled this with an important structural reform, in the proposal to remove the 2½ percent tax on the purchase of newly issued securities, a step designed to offer encouragement to new capital issues, both foreign and domestic.

The fact that a country as basically committed to the free flow of funds as is the United States found it necessary to propose the interest equalization tax, underscores the importance of achieving a better balance in the structure and efficiency of world capital markets. Until that better balance is achieved, it will be difficult, or even impossible, to influence the direction and amount of long-term portfolio capital flows through the normal action of monetary policy, without the help of special measures aimed at encouraging or discouraging such movements. Consequently, progress in improving the free world's capital markets has become essential if the uninhibited flow of long-term international portfolio capital is not to be a disturbing element in the quest for payments equilibrium.

In seeking the reasons why portfolio capital flows have become disturbing to payments equilibrium, one is immediately struck by the current wide disparity between European long-term interest rates and our own. Long-term interest rates in Europe have been very high throughout the postwar period. Although conditions vary from country to country, Europe can generally be characterized as having been on something close to a "6 percent basis" since World War II. Certainly, in the light of past experience, 6 percent is an unusually high level of long-term interest rates for Europe. Throughout the 19th century, the annual average of prime long-term bond yields in continental Europe was only slightly above 4¼ percent. In England, it was just under 3½ percent. And, during the early decades of this century, the overall averages, with the sole exception of Germany, were little, if any, higher.

Because of the vast needs of postwar reconstruction and, more recently, of rapid economic growth, reasons can be found to justify the current high level of European long-term interest rates. In addition, relatively recent experience with inflation has discouraged postwar European investors from the purchase of bonds. But these transitory conditions do not suggest that 6 percent is desirable as a permanent level, or that it is likely to be maintained over any very long period of time. History would seem clearly to indicate otherwise.

While the prevention of inflation remains vitally necessary, in Europe as well as elsewhere, current inflationary threats appear to be different from those of the immediate postwar period. There now seems to be much greater ground for the use of income policies to restrain upward pushes on the cost-price structure, and much less reason to place primary reliance on high and inflexible levels of long-term interest rates. I do not suggest that the necessity for interest rate variation is at all diminished. I only question whether it is desirable, as a long run proposition, that European interest rates should continue to fluctuate around levels so much higher than their historic averages. While the immediate and visible threat of such high rates is to international payments balance, one can reasonably expect that the maintenance of sustained growth in Europe itself will, in time, require appreciably lower long-term rates of interest.

Even with due allowance for the special factors that I have mentioned, the question arises as to the extent to which institutional frictions and government restrictions are to be held accountable both for the current high level of long-term interest rates in Europe and for other impediments to the availability of funds. Throughout history, efficient capital markets have tended to produce lower rate structures and, conversely, inadequate capital markets have generally bred high interest rates. European capital markets once led the world, but in the postwar period they have fallen far behind the needs of the times, particularly in the access they offer to foreign borrowers. This is partly because government intervention and controls have impeded the development of broad and integrated capital markets in Europe, and partly because private financial institutions have sometimes been slow to adapt imaginatively to changing situations.

A broad and responsive capital market helps to insure that temporary influences can be readily and rapidly absorbed within an acceptably narrow range of changes in security prices and yields. However, where governments follow the practice of pre-empting and channeling large proportions of the funds potentially available, it becomes difficult to provide sufficient breadth in the private sector of the market. Unless security prices and yields are free to react to changing patterns of supply and demand, and to respond to broad and vigorous competition among private financial institutions, the prospects for the development of truly efficient capital markets cannot be bright.

The failure of European capital markets to keep pace with the expanding capital requirements of the industrialized world has been a major factor in stimulating pressures upon the New York capital market. The imbalance has been so large that the greater availability of funds to potential borrowers in New York has often seemed more important than interest rate considerations.

With such wide disparities in market capacity and accessibility, there is no use looking to relatively minor international variations in long-term interest rates to guide the flow of capital and to encourage balance-of-payments adjustment. And the major variations in interest rates that would be required to bring long-term portfolio capital flows into better balance do not seem possible for either Europe or the United States. The heavy accumulations of savings in the United States make it doubtful that even an extremely restrictive monetary policy could cause our long-term interest rates to approach the European level, and any such extreme monetary policy would clearly run counter to our current domestic need for fuller employment and higher utilization of our industrial capacity. In Europe, on the other hand, efforts to reduce long-term interest rates cannot hope to achieve really significant sucess until broader and more active capital market facilities come into being.

It is encouraging that this need is now recognized on all sides. During recent years, Europe has taken significant steps toward improving her capital markets. The increasing economic intergration of Europe offers an opportunity for much greater progress in the future, and it is imperative that the opportunity be seized. Recent experimentation in achieving a broad European market for security flotations deserves to be carried further despite the difficulties that have been encountered. The increase in dollar-denominated loans under the stimulus of the proposal for the interest equalization tax, the use of unit of account loans, and the proposal by Dr. Hermann Abs for separate national shares in large European security flotations, are all developments of considerable significance.

I recognize that institutional changes of the required scope cannot be achieved easily or quickly. However, there are promising signs of progress. The task now is to push ahead vigorously in a concerted effort to enlarge and improve European capital markets as a necessary prerequisite to our common effort, within a framework of free markets, to harness long-term portfolio capital flows to the stark realities of balance-of-payments imperatives. Until this has been successfully accomplished, it must be recognized that portfolio capital calls on the New York market from abroad will, in some fashion or another, have to be contained within the limits set by our own overall balance-of-payments situation.

This is, for us, a new and unpleasant fact of life, but it is one with which our European friends have long learned to live. And it is only one of many ways in which we must accommodate our policies to the exigencies of our international payments situation. We must continue to reduce our military expenditures overseas, as well as the dollar cost of our foreign aid programs. We must continue vigorously to press the sale of advanced military equipment to help offset the cost of maintaining our forces abroad. We must continue to increase the attractiveness of direct investment in the United States. And, above all, we must continue to seek out ways of enlarging our exports while maintaining price stability at home.

Until our payments deficit is entirely removed, and our gold losses halted, our work will be unfinished. The past ten months have seen a dramatic improvement in our payments situation, stemming in good part from the intensified action program introduced last July, but also from a noticeable longer term improvement in our underlying competitive position. The seasonally adjusted annual rate of deficit on regular transactions during the second quarter of 1963 was swollen by massive foreign borrowing in our markets and exceeded $5 billion. This rate of deficit was cut sharply to a little under $2 billion in the third quarter of 1963, and to a little over $2 billion in the fourth quarter. Preliminary data for the first quarter of this year indicate that after seasonal adjustment our deficit on regular transactions has declined even further to an annual rate of about $550 million.

But it must be recognized that these first quarter results overstate the actual improvement. There is evidence of a substantial temporary inflow of short-term funds from Canada during March, an inflow that was completely reversed early in April. Even so, after taking this into account, the first quarter still weighed in as our best quarter since 1957. On an overall basis and without allowance for favorable seasonal influences, our international payments so far

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this year have been in approximate balance. This cannot be expected to continue as seasonal effects will soon shift against us. But although 1964, as a whole, is expected to record another sizeable deficit on regular transactions, there are excellent reasons to hope that it will be sharply reduced from the levels of the past six years. We have, therefore, every right to be encouraged.

But we must remember that a good part of our recent progress is due to the proposal for the interest equalization tax. By the end of 1965, when this tax is scheduled to expire, a secure payments equilibrium will require a much better balanced international flow of long-term portfolio capital than characterized late 1962 and the early months of 1963. Specifically, this means that U.S. portfolio capital in large amounts should not be asked to support the expansion of developed areas with strong balance-of-payments positions. Increasingly flexible and efficient capital markets in Europe—capable of supplying funds at reasonable rates of interest—will remove one major source of difficulty. It is then that opportunities should emerge for long-term capital movements to contribute more actively to the process of balance-of-payments adjustment among nations.

We do not by any means have all the answers in the long-term capital area. But as international capital markets achieve a better balance, both in terms of interest rates and of lending capacity, it should prove possible to apply in the long-term capital area some of the lessons we have learned in the short-term area.

A narrowing of existing differences in long-term interest rates among industrialized countries, together with wider access of borrowers and lenders to a variety of national markets, implies a growing sensitivity of long-term portfolio capital flows to relatively minor interest rate variations. This sensitivity can be turned to our mutual advantage, for it will provide opportunities for governments to make greater use of acceptable variations in monetary policy to influence these flows in the interest of balance-of-payments adjustment, without violating their own domestic needs. It suggests another way in which we can all work together to strengthen the adjustment process, while continuing our progress toward a world of free capital movements and ever freer trade and payments.

EXHIBIT 32.—Remarks by Secretary of the Treasury Dillon as Governor for the United States, September 8, 1964, at the annual meeting of the International Monetary Fund, Tokyo, Japan

My colleagues and I are delighted to be in this fascinating city, where tradition and courtesy combine so charmingly with modernity and progress. This meeting follows shortly after Japan's achievement of Article VIII status in the Fund, another major achievement in Japan's almost incredible record of rapid economic growth over the twelve years since she joined the International Monetary Fund.

The past year has witnessed a gratifying movement by most countries toward the financial equilibrium for which we have been striving. Continued leadership by the International Monetary Fund under the skillful guidance of its Managing Director and effective cooperation in the foreign exchange markets have contained the new pressures that have occurred and reinforced the strength which has been developing.

As for my own country, during fiscal year 1964, the United States set in operation the latest elements of a new and many-sided economic program begun in 1961, a program designed to promote internal expansion, enlarge employment opportunities, and, at the same time, facilitate orderly and steady progress toward balance in our external accounts. Our program places major emphasis upon improved productivity and greater competitiveness, upon incentives, rather than upon restrictions and controls, and, perhaps most important, upon the healthy functioning of a dynamic system of free enterprise.

Significant—and, I believe, sustained—results are now clearly apparent.

The U.S. economy continues to expand in what is now the longest, strongest, and best balanced advance of any peacetime period in this century. During the past fiscal year, the rate of growth in industrial production, and in our economy as a whole, was better than 5 percent in real terms. Our gross national product increased by more than $40 billion. Job opportunities began to overtake the rapid growth in our adult labor force and, in July of this year, unemployment dropped below 5 percent for the first time since 1957, despite the accelerating automation of farms and factories.

Meanwhile, our prices have remained virtually stable. The indices of wholesale prices are still at the levels of six years ago. Consumer price indices have edged upward but very slowly, only a little more than 1 percent per year. At the same time almost alone among the leading industrial countries, we are now for the third straight year experiencing a decline in unit labor costs for manufacturing industries as a whole.

Monetary policy and debt management have struck a noninflationary balance between supply and demand for liquidity instruments. Commercial bank holdings of Federal Government debt continued to decline over the past fiscal year by more than $4 billion, even though the administrative budget deficit exceeded $8 billion. What is more, less than a month after the end of the fiscal year, the full amount of that budget deficit was, in effect, financed out of real savings as we added nearly $9 billion to our longer term Government securities.

It was within this domestic framework that the United States continued its efforts to restore balance in its international accounts. In discussing those efforts, it should always be borne in mind that the United States has the ability to achieve balance in its international payments at any time through the use of drastic measures of a restrictive nature. But, as we have consistently pointed out, we have neither the desire nor the intention of utilizing such measures, since they could bring harsh repercussions throughout the world. Instead, we are working to achieve balance gradually through normal market processes, without injury to our friends in other nations.

Improved productivity, in agriculture and in manufacturing alike, have made possible substantial gains in our trade position over this past fiscal year, gains that were, as we well know, in some part fortuitous, but gains nevertheless, that we expect to sustain, and, eventually enlarge.

We are also persisting in our efforts to reduce dollar outlays abroad for defense and development assistance, without impairing essential elements in the defense of the free world or in our vital assistance programs. The balance-of-payments costs of those programs will have shrunk by an annual rate of $1 billion by the end of this calendar year.

When we last met, it was our capital accounts that posed the greatest threat to our balance of payments. A cascading outflow of portfolio capital had forced us to propose the interest equalization tax in the summer of 1963. That tax is now law. It has worked out as planned and can be expected to hold portfolio capital outflows to a reasonable figure while leaving our markets open to foreign borrowers willing to assume interest costs considered normal, and even low, in most other industrial countries.

With our trade position improving, Government expenditures overseas continuing to decline, capital outflows restrained—and with our earnings on services expanding at roughly the same rate as our rising net outpayments on tourists account—we have been moving back toward external balance.

For example, our gross deficit on regular transactions in fiscal 1964 was $1.750 billion. This was a heartening gain over the results of the past six calendar years, when comparable deficits ranged from $3.1 billion to $4.2 billion. And it was a vast improvement over the first half of calendar year 1963, when accelerating demands from abroad for long-term funds led to a dollar outflow at an annual rate of $5 billion, a rate we simply could not sustain and that far surpassed any legitimate world wide requirements for dollars. But, despite this improvement, we are only halfway back to external balance. We cannot relax, nor do we intend to.

In seeking to improve our payments position, we readily recognize that we must carefully weigh—and, wherever practicable and appropriate, minimize—the impact of our gross deficits upon the liquidity of the rest of the world. With the cooperation of other monetary authorities we have, therefore, in large part absorbed dollar balances wherever they have tended to outrun requirements. Last year, for example, through sales of gold, use of foreign currency balances, drawings on the International Monetary Fund, and a variety of other special transactions, we absorbed more than $1.250 billion that had flowed to some European countries. At the same time, demands by certain monetary authorities outside Europe—and, to some extent, the demands of private banks and traders everywhere—called for more dollars than could be supplied out of our deficit. Those demands, amounting to several hundred million dollars, were met by transfers from European dollar monetary reserves.

It was within the environment of a shrinking U.S. payments deficit that the International Monetary Fund conducted its study of the international monetary system over the past year. Concurrently, another study was being carried forward by the group of ten countries, which had, in 1961, accepted special responsibility for providing supplemental resources to the Fund in the event that unusual strains were to develop in the international monetary system. It is highly significant that both studies concluded that the present system is functioning well and that any changes should be designed, in the words of the Fund report, to "supplement and improve the system where changes are indicated, rather than to look for a replacement of the system by a totally different one."

The two studies also agreed on the advisability of expanding the resources of the Fund through a combination of general and selective quota increases. Such increases seem clearly appropriate in view of the conclusion in Chapter 3 of the Fund report that the next decade is likely to see a steady rise in the demand for international liquidity, coupled with a slower annual rate of growth in the types of liquidity on which chief reliance has been placed during recent years.

The United States hopes that the Governors at this meeting will request the Executive Directors to study the need for such increases and the ways in which they might best be carried out. It is our hope that the Executive Directors could, as they did in 1958, complete their work and make such recommendations as they find appropriate to the Governors of the Fund by the end of this year, thus allowing time for member countries to complete necessary legislative action during 1965.

An increase in Fund quotas seems to us the right move as member countries enter the next phase in the evolutionary development of the international monetary system, a phase in which the greater needs are likely to center, at least for a time, on the enlargement and elaboration of credit facilities for transferring reserves among countries, rather than upon increases in the overall supply of reserves. In this regard, our thinking once again parallels the findings in the Fund's annual report regarding the need for increases in what the report labels "conditional liquidity."

Today, even in the free industrialized countries, there is no common economic pattern, but a mix, varying from nation to nation, of productivity, prices, trade restrictions, and capital market facilities. As a result, the bulk of the increases in reserves have, for the past several years, flowed to a few of the industrialized countries, and particularly to Western Europe. Further substantial increases in reserves would, for the most part, only increase that flow, unless and until those countries reduce their chronic surpluses through a relative rise in imports, an increase in their capital exports, or any other acceptable combination of actions that would overcome their propensity to absorb whatever new liquidity may be added to the system in the form of owned reserves.

Economic disparities between countries are no doubt inevitable in a dynamic world. In time, so long as all countries actively pursue the objectives of liberal, multilateral trade policies, the needed adjustments will surely be accomplished. Meanwhile, we must be as careful in developing our international financial arrangements as we are in designing monetary measures for our domestic needs. And we must constantly guard against the oversimplified conclusion that a simple addition to the international money supply, or an agreed limitation upon it, or a contraction of it, will provide an adequate solution.

As the free world's financial officials, we must be as concerned with credit as we are with money. Liquidity consists not only of owned reserves, but of credit facilities. And it seems to me to be as important today to shift the emphasis toward credit as it was in the first years after World War II. Then, total reserves were ample by any absolute standard, but most of them were in the United States. During that period, while the processes of readjustment were getting underway, little would have been gained by further increases in owned reserves, for those, too, would have flowed to the United States. Instead, a redistribution was needed. It was largely accomplished through the massive credits and grants which the U.S. Government extended, not only bilaterally and multilaterally, but through dollars used in the drawings which other countries requested of the Monetary Fund.

Some seven years ago, the international monetary system entered a second phase in which a succession of large U.S. payments deficits became the principal source of additions to the primary reserves of other countries. And now, with overall international reserves at an adequate level and with the United States moving toward balance in its payments, this second phase is also coming to an end. Once again, the need is for additional credit facilities.

That is why it has been both appropriate and necessary to set up bilateral credit arrangements to handle the volatile movements of funds which now occur among industrialized countries with convertible currencies. There is no impairment of the Fund's role when those facilities are used instead of, or sometimes in advance of, recourse to the Fund itself. Rather, there is an economy of resources and a minimizing of strains. The risk is that a country might drift into heavy and continuous reliance upon such essentially short-term credit facilities, delaying too long the necessary corrective action that should be taken to adjust its balance of payments.

As in any banking operation, that type of risk must be averted. The way to do it is to provide for a full, though initially largely confidential, exchange of information among the countries directly affected, and to assure frequent opportunities for discussion among their monetary authorities. It is essential to review and appraise together the actions each is taking to finance its deficit or to carry its surplus, including the degree of direct impingement of one upon the other.

That is what I understand to be the meaning of the "multilateral surveillance" which the countries in the Group of Ten have undertaken to pursue jointly, and in close liaison with the Bank for International Settlements, the Organization of Economic Cooperation and Development, and, of course, the International Monetary Fund itself. It fulfills, more systematically, the objectives which the United States has long pursued in its full reporting of its own activities. In our view, this pattern of information and consultation, systematically extended among industrialized countries subject to volatile flows of capital, can add an important dimension to the prudent use of such credit facilities.

The scope for greater reliance upon purely bilateral credit facilities, under the aegis of "multilateral surveillance," may even be wider. We support the suggestion made in the Group of Ten Report [1] that countries with large and growing reserves should actively explore the possibility of long-term lending to other industrialized countries in need of additional reserves, but whose prospects for reserve growth, though promising, may only be for relatively small annual increments stretched out over many years.

Such lending would not only be of value to the stability of the currencies of the industrialized countries, it would also facilitate an adequate and uninterrupted flow of development assistance from advanced nations to developing countries. In addition, countries with large and persistent surpluses should, in their own interests and in the interests of accelerated economic development, carefully reexamine the possibility of increasing the level and quality of their assistance programs.

But, aside from continuing programs of economic assistance, the credit facilities that will be of most direct use to the nonindustrialized members of the Fund are those of the Fund itself. That is why the United States believes that prompt consideration should be given to a general enlargement of quotas. In addition, special increases would seem appropriate in a number of cases, particularly for those members whose currencies have become stronger and more widely used over the 6 years since questions of this kind were last discussed in New Delhi. We welcome the attainment by other countries of situations where they can now provide a greater proportion of the Fund's resources, with a corresponding reduction in our share of the Fund's responsibility. We have been hopeful that the members of the European Economic Community, in particular, will assume a larger share, and are gratified that some readiness to do so has been indicated.

We also believe it inevitable that a growing international monetary system must find new ways to economize the supply of gold, just as individual nations have done for so long in their internal monetary systems. The fixed price of gold is, of course, the anchor of price stability for the world. But world trade and capital movements seem certain to expand and at a faster pace than the stock of gold, thus imposing the most careful economy in its use. That is why the United States, as the only country which maintains the essential link with gold on which the entire IMF system rests, welcomes the reference in the Fund Report, and in that of the Group of Ten, to measures for so handling Fund quota subscriptions as "to mitigate the repercussions of gold payments on the gold reserves of the contributing members and of the reserve centers that may be affected."

While an increase in Fund quotas will meet the current requirements of the international monetary system, we cannot rest on our oars. Both the Group of Ten and the Fund reports recognize the possibility that new and additional measures may become necessary. We particularly appreciate the concluding

[1] See exhibit 49.

statement in the liquidity section of the Fund's Report indicating that the Executive Directors intend to carry forward the Fund's studies of new approaches, including easier access to a portion of the credit tranches, the possible use of gold certificates in place of the presently required gold subscription, and the possibility of Fund investments. Meanwhile, the Group of Ten will be carrying on parallel studies of these and other possibilities, including the use of composite reserves. The results of these studies should put us in a position to meet any need for enlarged supplies of unconditional liquidity that may develop over the coming years.

In conclusion, let me say that it is within our capacity to achieve both adequate monetary support and continuing monetary stability. Let us do so as our proper contribution toward the steady expansion of free and unrestricted world trade and the steady and rapid growth of all of our national economies.

Exhibit 33.—Statement by Secretary of the Treasury Dillon as Governor for the United States, September 9, 1964, at the IBRD, IFC, and IDA annual discussion, Tokyo, Japan

We meet here in common purpose: to advance international cooperation in speeding the economic growth of the free world's less-developed nations. The World Bank, under the dedicated and imaginative leadership of its President, has been lighting our way in this task.

For more than a year, the Executive Directors and the management and staff have been engaged in a penetrating review of the policies and operations of the Bank, the International Development Association, and the International Finance Corporation. With the variety of tasks referred to the Bank by the United Nations Conference on Trade and Development, these studies will take on new importance in the coming year.

This review has already produced results of great importance to an increased contribution by the Bank family to our common task. Equally significant for the future, however, is the evidence these results provide of the readiness and ability of the Bank family to seek out new and improved techniques for meeting the development problem. It is this spirit which enables us to rely on the Bank for leadership in meeting the challenges that lie ahead.

One of the Bank's primary concerns is the growing debt burden of the developing nations. This arises, on the one hand, out of the necessity for developing countries to grow more rapidly than their meager foreign exchange earnings will permit. On the other hand, countries exporting capital goods are often reluctant to offer credit on sufficiently easy terms to permit the borrowing country time to develop an economy capable of financing imports on a current basis.

Too often in the past, the remedy has been periodic debt consolidation, resulting in uncertainty, delays in development, and needless friction between creditor and debtor. Such a remedy is actually no remedy at all.

At each annual meeting it becomes clearer that the solution to the debt burden problem has two aspects: First is the long-recognized need for credit on very easy repayment terms. Second, and equally important, is the less well-recognized need for restraint by both creditor and debtor countries in financing sales on inappropriately short terms.

As to the first, the Bank has consistently urged the need for credits on very easy repayment terms. In my own country's assistance programs, we have long recognized that need and we expect that other economically advanced countries will do the same, although progress to date leaves much to be desired.

It was to help meet the need for easy credit that IDA was created. Although the Bank itself has, where appropriate, recently lengthened grace periods and maturities, IDA must continue to be the principal instrument for reconciling the capital requirements of the developing countries with the need to preserve and expand a stable international credit structure. It was in recognition of this need that Part I countries have agreed to increase their contributions to IDA over the next three years.

I heartily welcome the recommendation of the Executive Directors that the Bank contribute directly to alleviating the debt burden problem by transferring $50 million of last year's earnings to IDA. With the action of the Executive Directors in removing the Bank's one-percent commission, the previous practice of allocating these amounts to the Special Reserve will end. This will significantly increase the earnings available for future transfers to IDA.

However, as the resolutions adopted at the United Nations Conference on Trade and Development in Geneva emphasize, these amounts alone are not sufficient, and there is widespread interest, among developed and developing countries alike, in further increasing resources which can be administered by the Bank family on IDA terms. I am hopeful that the results of the Bank's studies will provide useful guides as to the sources and magnitude of those funds.

The second aspect of the problem lies in the recurrent buildup in many countries of obligations on too short terms, obligations that should be on terms much more closely related to the economic life of the project or equipment involved, as well as to the debt-servicing capacity of the purchaser's country.

We simply must find methods of restraining the extension and acceptance of credit on such inappropriate terms. We must push beyond traditional arrangements, usually worked out on an ad hoc basis from crisis to crisis. The Bank, working in close cooperation with the Fund, can make a major contribution in this area.

I also look forward to further improvements in the Bank's ability to offer constructive advice to its members regarding appropriate policies for the overall development of a member's economy. Here again, close cooperation with the Fund will yield the best results.

To a considerable extent, the limitation on Bank activity in many developing countries today, particularly in the newly emerging ones, is the absence of clearly defined priority projects suitably drawn up for Bank or IDA financing. The Bank has now moved to fill this need by inviting the technical experts of other specialized agencies in the United Nations family to join with the Bank in searching for and developing needed information on suitable priority projects.

Turning to another area, I welcome the proposal to permit the Bank to lend to the International Finance Corporation. In carrying out its mission of encouraging the growth of productive private enterprise in developing member countries this Bank affiliate has been active in a variety of ways. It has helped to mobilize local and foreign private capital. While the full extent of the demand for further resources cannot be forecast, the proposal would endow the IFC with the necessary flexibility to meet probable future needs.

Finally, there is another proposal on which we are asked to take further steps at this meeting that could bear importantly on the growth of investment around the world and on the pace of development. I refer to the suggestion for a Bank-sponsored facility for arbitration and conciliation of investment disputes. Such disputes can often poison the whole climate for foreign private investment in a country. Worse still, neighboring countries may be the innocent victims of investor reluctance induced by a well-publicized dispute in the same region. The United States, therefore, supports the proposal that the Executive Directors be requested to draft a convention establishing voluntary institutional facilities to help cope with such situations.

Over the past year, while the Bank has been conducting careful reviews and charting new courses, it has also compiled a record of solid lending accomplishment. The Bank, IDA, and IFC have together committed more than $1.1 billion for new power projects, new industries, new roads, ports, and railroads, each designed to inject fresh, productive potential into the economic mainstream of the borrowing country. The major part of this activity has been conducted by the World Bank, which resumed its high rate of lending with a total of $810 million in loans for 1964.

This renewed high level of activity underlines the importance of broadening the Bank's support from private financial markets which is now greater than ever. Funds raised by sales of the Bank's bonds and by sales from its portfolio have been the backbone of the Bank's operations. If its lending cannot be adequately financed in this manner, many of the new policy initiatives we are considering are not likely to be fully effective. They would be branches without a trunk on which to grow. The level of Bank funds available for disbursement has been declining. The Bank will soon, as President Woods stated, have to reenter the capital markets on a substantial scale. And the higher level of operations currently forecast for the Bank will bring still larger needs for capital.

In resuming substantial net new borrowings after a period of several years, the Bank should, in my view, intensify its efforts to assure that another kind of development is fostered, namely, the development of more effective facilities for mobilizing private savings in the capital markets of industrialized countries that are accumulating international reserves. Unless such facilities are developed, the Bank will run the risk of having to limit its operations because of excessive reliance on the markets of the United States.

In some countries, the critical barrier is the high cost of borrowing. It is important that more imagination and effort be devoted to mitigating the impact of these high costs of money on the Bank's operations. It is essential that the Bank find ways to make good use of available private funds even though the interest cost of some of these funds may be somewhat higher than would otherwise be desirable. Enlarged borrowing facilities in other markets would not only assure the Bank and the developing countries of a broader base on which to rely for financial support, but would be consistent with our common objective of promoting international balance and the effective functioning of the international monetary system, thus meshing with the efforts of the Fund.

Although our immediate concern is with actions to be taken now, our outlook is long range, for the problems of economic development and its financing will extend far into the future. We can take well-deserved satisfaction from the fact that our group of institutions is today more closely knit than ever before. If we give them the support they so richly deserve, we can be sure that the mutually reinforcing operations of the Bank, the International Development Association, and the International Finance Corporation will move us steadily toward our common goal of a better life for all peoples in peace and freedom.

EXHIBIT 34.—Remarks by Under Secretary of the Treasury for Monetary Affairs Roosa, December 28, 1963, before the American Economic Association and the American Finance Association, on balance-of-payments adjustment and international liquidity

This seems to be the time for studies of international liquidity. As one already deep in such efforts, I have no wish to detract from their importance. But while that useful work is in progress, it is crucially important to keep our vision focused on other, even more basic questions, questions concerning the processes of balance-of-payments adjustment among countries, in the world in which we are now living, processes that any arrangements for liquidity, however designed, may at best only be able to facilitate, but never displace.

The enduring questions, with which economists and statesmen have struggled at least since the time of Hume, center on the causes and the correctives for deficits or surpluses in the external accounts of major trading and reserve-holding countries. To be sure, external liquidity, readily available to a deficit country, can if wisely used enable that country to move to restore balance between its earnings and its expenditures abroad in an orderly manner. Without adequate resources either in the form of liquid assets in being or credit facilities, a deficit country might be forced harshly to disrupt its trade with other countries and gravely to dislocate the performance of its home economy, in order to get its external books into balance. But it is well to remind ourselves that no form nor volume of liquidity can relieve that country from the inescapable necessity of ultimately reaching a satisfactory balance. And the other side of the coin is that countries cannot expect to maintain large overall surpluses, year after year, without moving back into equilibrium.

This is why, before fastening too many hopes on the outcome of our studies of future liquidity, we should try to think through the implications of this underlying premise: that a stable system of international economic relations among sovereign nations can be sustained only if tendencies and pressures exist toward equilibrium in the external accounts of each. The final balancing item may under some conditions appropriately be a voluntary movement of capital, evening out for any one year, or two, or three, the deficits in other transactions of some countries against the surpluses of others. But each country must, through all the intermingled movements of goods and capital that follow each disturbing cyclical or structural impulse, reassert and encourage a return toward the kind of balance in its external accounts as a whole that can be sustained over time, including, of course, a normal flow of capital and aid from the developed to the developing nations.

I

Because the processes of adjustment for any particular country always proceed beneath a monetary veil, there have understandably been frequent formulations that seek to fit all of the essentials of adjustment into the mechanics of monetary arrangements, or to explain all the deficiencies of the adjustment process in terms of existing monetary arrangements. Three different and somewhat conflicting approaches of this kind have been injected into recent discussions. Each has some useful insights, but each has tended to deflect attention from other elements of the adjustment process. The natural but unfortunate result has been to raise unrealistic hopes for the ready solution of difficult problems through a simple monetary formula.

(1) One of these formulations attributes the continued imbalance in accounts between Europe and the United States during recent years exclusively to the presumed ease with which the United States could finance its deficit through a buildup in dollar holdings abroad. This process, it has been said, has generated excessive international liquidity, with inflationary repercussions on the domestic economies of the surplus countries in Europe. Those offering this analysis find a solution in abandoning the "gold-exchange standard," by which they mean eliminating dollars, or at least further growth in dollars, from the reserve balances of other countries. Instead, the supposedly sterner disciplines of the textbook version of a pure gold standard would be reimposed, forcing prompt elimination of both the U.S. deficit and the European surpluses.

(2) Another version, concentrating more directly on the internal position of the United States, finds no necessary fault with the so-called gold-exchange standard, but asserts that the United States has generated more liquidity internally than our economy can absorb domestically, and that this excess liquidity seeping abroad has prevented the United States from balancing its external accounts, whether or not inflationary pressures are currently visible. This version finds the solution simply in a tight domestic monetary policy. It presumably accepts the internal costs of deflation in an effort to promote exports and reduce imports, while encouraging much higher interest rates in order to attract funds from abroad and induce American funds to remain at home.

(3) A third formulation identifying monetary liquidity and real adjustment moves in quite the opposite direction, arguing that the liquidity provided today, both internally and externally, is seriously inadequate. This version holds that international liquidity and credit arrangements should be made available on a much larger scale in order to finance any deficits incurred while adjustments are taking place, and that this additional liquidity will in fact tend to encourage orderly adjustments. At the same time, monetary action would be sought to evoke much greater economic activity at home, with any repercussions of this on the external position cushioned by automatic drawings on ample supplies of liquidity from abroad.

Each of these formulas offers an important element of warning and caution to those considering rearrangements in the international monetary system. The nature of the facilities for generating liquidity, both internationally and domestically, as well as the volume of liquidity actually in being, must necessarily play an important part in easing or aggravating the real problems and processes of adjustment. The regrettable element of all three approaches, however, is that of broadening considerations of some relevance and significance into a supposedly full formulation of both the causes for unbalance and the correctives for achieving equilibrium.

As for the first version, surely few would deny that present arrangements or any arrangements for economizing on the use of gold through provision of supplementary reserve assets, whether in the form of key currencies or otherwise, could potentially create possibilities of abuse. There is no question that a world hungry for additional reserves, and industrial countries anxious to restore the freer trading conditions of currency convertibility, actually needed and depended for much more than a decade on the liquidity provided by continuing modest deficits in the U.S. balance of payments. But those deficits, instead of being reduced as these needs passed, did eventually become too large, aggravating the problems of adjustment.

To concede this, however, is not to say, as some would have it, that the added liquidity generated by U.S. deficits was or is the culpable cause of those internal problems which have emerged recently as serious inflationary distortions within some European countries. Surely there is exaggeration in the theme, now popular in some circles, that Europe is experiencing inflation solely because the United States is creating too much international liquidity; or in the idea that reform of the international monetary system, aimed at preventing this creation of additional liquidity, will automatically stop the problems now plaguing Europe. This view is appealing, to be sure, to any who might be tempted to shrink from the task of confronting and controlling inflation at home through appropriate, but sometimes unpalatable, national policies. How simple, how fortunate, to find outside one's borders a *diabolus ex machina* to bear the responsibility for domestic inflation. How comforting to be told that there are no internal problems in the behavior of wage rates, prices, or demand which would not disappear if countries could only agree on some sort of change in the international monetary system, and that the hard changes in taxes or public expenditures, in capital markets, in agriculture and housing policies, in international trading practices, and in incomes policies that seem to be called for are not necessary after all.

The appeal of the second approach that sees the problem wholly in terms of U.S. monetary policy may not, even to observers outside the United States, be quite as attractive, for the possible unpleasant implications of a drastically tighter monetary policy in the United States are much clearer than those implied by a vague call for international monetary reform. Of course, there are times when more restrictive monetary policies, both for domestic and external reasons, can be entirely appropriate, and the resulting check upon excessive investment or consumer spending quite necessary to assure balanced and sustainable expansion. But a shrinkage of domestic liquidity when home unemployment continues widespread, with a resulting check to investing and spending for goods and services produced not only in the United States, but also abroad, has an entirely different meaning. If only because of the strategic role of the immense U.S. economy in the markets of the world, an imposed deflation would under modern conditions disrupt the orderly evolution of the world economy. Nor do those advocating this approach of tight money always recognize that it is the differentials in rates and in the availability of funds among international markets that count and that nothing is to be gained by attempts to pass on our deficit through charges here so extreme that others would have no recourse, or may feel they have no recourse, but to respond in kind.

There is no more satisfying wisdom in veering to the other extreme of analysis, to the version which attributes the problems of balance-of-payments adjustment among the leading countries of the world to inadequate liquidity, both at home and abroad. There are indeed Americans who have, perhaps wishfully, argued that a fresh breakthrough in liquidity arrangements, giving the United States automatic financing of its deficits, could somehow spirit away the disciplines which have exerted such a commanding influence upon public policy for more than three years, the need to maintain stable prices and spur exports; the needs for tying aid and for offsetting military spending; the need to raise internationally sensitive interest rates and increase the cost of foreign borrowing in our market in whatever practicable way could be found to check the outflow of our capital; and the need to cut taxes in a way that promises to cut costs and spur productivity. But those who would adopt this approach have too often neglected to specify just what substitute methods they have in mind for ultimately restoring international balance before strains to the system, however liberally supplied with liquidity, become unbearable. Instead, the siren song of "cheap money" too often lures those who pursue it into the distortions of speculation and the hardships of inflation.

Let me make clear, however, that in stressing these defects, I am not denying the essential place of appropriate liquidity arrangements in the satisfactory functioning of the adjustment processes. My concern is with the tendency to transform an element into the whole. While it would be premature to comment now on various possibilities for strengthening the world's arrangements for liquidity, it is never out of place to stress the importance of many other elements in the process by which the countries of the world can maintain a reasonable balance in their external accounts while moving together toward their goal of sustained and rapid growth.

II

In turning to look at some of these other elements in the adjustment process, I need not belabor the point that many of the classical models and prescriptions are very nearly irrelevant today, rendered obsolete by downward rigidities in costs and prices, by the new importance in the postwar world of Government transfers for aid and defense, and by the insulation of domestic financial markets in varying degrees from a direct response to international flows of reserves. Nor have the problems faced by policymakers conformed to the classical diagnosis of external deficits accompanied by excess internal demand, and vice versa. And most significant of all, nearly all countries today have placed new conditions on policies designed to bring the flows of goods and services and capital, inward and outward, into balance.

Most countries consider it imperative to work toward processes of international adjustment which are consistent to the fullest practicable degree with their domestic goals for the maximizing of employment, the minimizing of economic fluctuations, and the encouragement of growth, within that environment of price stability which best promotes these other aims. These determined objectives of national economic policy are paralleled by others, almost as widely accepted, in the international sphere: maximizing trade as a means of raising standards of living; minimizing barriers that obstruct the movements of goods and capital toward their optimum allocation; and encouraging the progress of developing countries, all within the framework of generally stable exchange rates which best promotes these objectives.

It is inevitable in the nature of the world we live in that actions directed toward any one of these objectives, either the domestic or the international, will not necessarily harmonize with all of the other objectives all the time. Each country consequently confronts its tasks of achieving external balance—of maintaining a viable relation with the rest of the world—without a fixed or unvarying formula. In practice, there must be a continually evolving mix of policies, some fiscal, some monetary, some affecting market structure, some affecting private incentives. Some can be carried out alone, others are dependent upon consultation and complementary action among a number of countries. But there is no escaping the need for deliberate action, and at times for making unwelcome choices, if the main line of advance is to continue toward this full array of objectives that most countries now accept for modern economic society.

It is neither my intention, nor certainly would it be my capability, to try today to elaborate a general theory of adjustment reflecting the conditioning influence of all the aims that I have mentioned. I can, though, through a brief review of some of our own recent developments, try to illustrate some of the emerging characteristics of the adjustment processes in today's world. It should be apparent in these remaining remarks that monetary factors, or liquidity, do indeed play a large part in any well-functioning system. I trust it will be equally clear that the adjustment process necessarily consists of many other elements as well, elements that could not be suitably influenced through monetary forces alone.

III

By 1960, it began to be widely recognized that the large American balance-of-payments deficits of 1958 and 1959 were not mere aberrations; that the United States was trying to spend more abroad than its foreign earnings would allow, and that firm and sustained counter action would be needed, both from the public and the private sectors of the economy, to restore equilibrium. From that time onward, as new programs were developed to promote domestic growth, every major step in public economic policy has been importantly conditioned, if not actually prompted, by the effort to regain balance. Each measure has also been shaped with full regard to the fact that even modest improvements in one or another of the U.S. accounts might, from the other side, loom calamitously large to any particular countries on which their impact might converge.

The need for supplementing or replacing the classical prescription by reaching out and utilizing effective means of international adjustment attuned to the new facts and objectives of modern economies has been recognized on both sides of the Atlantic. For it was clear that the deficit of the United States did not reflect overfull employment or strain on our capacity at home, and relief for the balance of payments simply could not be sought at the expense of dampening demand and adding to unemployment. Indeed, within an overall deficit much too large, the United States continued to have a surplus on goods and services second to that of no nation. But at the same time it was also carrying responsibilities for aid and defense that fit into no classical theory of the adjustment process.

As recognition of these facts developed, it also became apparent that successful adjustment policies could be achieved only in a context of consultation and cooperation with other leading industrial countries. To this end, the United States seized the opportunity afforded by an incoming Administration early in 1961 to propose a new initiative within the Organization for European Economic Cooperation (which was then about to transpose itself into the Organization for Economic Cooperation and Development). One of the results was the creation of a Working Party on the Balance of Payments which has now for nearly 3 years proved its unique value as a clearinghouse for mutual appraisal, not only of the forces affecting balance-of-payments flows among most of the world's leading industrial countries, but also of the broad outlines of policy and action that appear most appropriate, taking into account the interests of all concerned.

Against this background, complemented by consultations within the International Monetary Fund and at the Bank for International Settlements, and further supplemented by a variety of bilateral relationships with various countries, the United States has evolved a complex of measures aimed at working simultaneously toward all of the longer range aims for both domestic and international economic policy, while restoring external balance. In efforts as complex and detailed and interrelated as these have necessarily been, there was no room for broadside simple answers; nor has reliance been placed on any single formula. But through these complexities, some promising approaches for meeting the new adjustment problems that are sure to arise in the future—after equilibrium has been restored to our own accounts—can be discerned.

The pattern overlaying all of our effort has been that of liberalism, of dependence on markets, prices, and incentives rather than upon authoritarian direction. In relating specific actions to the need, there have, inescapably, had to be some compromises. Nonetheless, the broad outline has been that of a flexibly changing mix among fiscal and monetary policies, accompanied by specific measures to promote export credits and exports, to limit Government spending of dollars overseas, to make aid available in kind, and to neutralize the attractions of investment abroad as against the United States. And beyond these measures, ways of financing any remaining overall deficit have been developed that would, while retaining the necessary pressures for adjustment, buttress rather than weaken the dollar as a reserve currency. Preservation of the strength of the dollar has been vital during a transition toward balance that would necessarily be of considerable duration if massive changes were to be accomplished without disrupting the general expansion of world trade and payments.

The U.S. adjustment effort has, throughout, placed a particularly heavy emphasis on fiscal measures that would both spur the performance of the internal economy and encourage balance abroad. The investment credit and depreciation reform provide a stimulus to business investment that in some ways substitutes for an easier money policy that would aggravate the capital outflow. These measures were also aimed specifically at raising productivity and helping to maintain stable costs and prices. The proposed tax reduction aims further to broaden the incentive stimulus of larger retained income. Wage and price guidelines have been in turn proposed as aids to maintaining the conditions of stability that would promote internal expansion and strengthen this country's competitive position around the world. To the same end, the continuing Government deficits that have reflected the inadequacies of our domestic growth have been financed in a way that will minimize any potential for future inflationary pressures.

While eventually powerful, these kinds of influences work themselves out in the gradual adaptation of trade and payments patterns, necessarily exerting their impact in a roundabout manner. Consequently, much reliance from the start had also to be placed upon the early beginning of substantial savings in the spending of dollars abroad by the Government itself. And, of course, it has been important from the beginning, as well, to influence favorably, in ways consistent with our philosophy and objectives, the flow of capital funds into and out of the United States.

The variety and diversity of the specific measures taken in these areas have mirrored the complexity of the causes for these continuing U.S. deficits. While the overall nature of the problem was simple enough—that of a nation whose private citizens and Government were trying to transfer more resources abroad than the actual current account surplus permitted—the complexities became apparent whenever a single course of resolute action was proposed.

It has been true, for example, that a very sizeable part of the balance-of-payments problem could have been eliminated at any time by drastic reductions in overseas spending for military programs. But the demands of national security and the commitments inherent in Western leadership made that impossible. The costs of some activities could be pared; the performance of some could be rearranged; but needed military strength could not be impaired. There could be dollar savings on military accounts and offsetting sales of our military goods to foreign countries, together making a major contibution toward the balance. But there was no simple and conclusive answer to be found here.

In the same way, proposals have repeatedly been made to reduce drastically or eliminate foreign aid, although total elimination of actual dollar outflows for the aid programs would not in recent years have produced anywhere near enough saving to balance our external accounts. It was clear, in any event, that too much of the longer range future of peaceful development around the world hinged upon this aid effort to permit its elimination or emasculation. There could be savings in the spending of dollars abroad through sending mainly goods produced here, but these represent only a partial contribution toward external balance in the U.S. accounts.

Similarly, it could be argued that capital outflows accounted for the entire deficit, and that comprehensive measures to reduce these flows could restore balance. But the free flow of American capital, both in producing plant and in portfolio form, represented the base for much of the stimulus and expansion upon which hopes depended for the prosperous world which could sustain peace and afford freedom. Influence might be exerted toward reducing these outflows while the balance-of-payments position of the United States was so clearly overextended, but the measures taken must be a coherent part of the continuing effort to widen the areas of freedom for the movement of capital in response to the competitive forces of the market place. This effort will necessarily take time, for it must encompass the development of more effective capital markets in other industrialized countries so that the growing savings potential and resources of those countries can contribute more fully to the task of meeting the financing needs generated by their own growth. And, it must also entail the patient removal of impediments at home or abroad to foreign investment in the United States, a matter now under intensive study by a Presidential Task Force.

It might have been suggested that the answer could be found in a sudden vast enlargement of American exports, such as might be thought possible through a currency devaluation. That course of action could not be considered by the United States, not merely because our immense size would assure retaliatory action that would wipe out any apparent competitive trading advantage, but more emphatically because the U.S. dollar—firmly tied to a fixed price for gold—plays a key role in the world payments system, supplementing gold as a source and store of liquidity and as a trading currency. The fixed dollar price of gold has been a center of stability in the world monetary system for nearly 30 years, while the Italian lire, for example, has fallen to 2 percent of its 1934 gold value; the French franc to 3 percent; the German mark to 4 percent; the Belgian franc to 9 percent; the Dutch guilder to 41 percent; the British pound to 57 percent; and the Swiss franc to 71 percent.

But given the impossibility of devaluation, others could argue, the United States should directly subsidize its exports or impose drastic restrictions on its imports. Yet the United States understandably resisted taking such action, even to the extent permitted to countries with prolonged deficits under existing international agreements, because it would in spirit seem to contradict the principles of the General Agreement on Tariffs and Trade which the United States has done so much to help establish as a Magna Carta for trade freedom in the developing postwar world. Moreover, to anyone not persuaded by adherence to principle alone, there was the further consideration that the United States would have to face the likelihood that any such action on its part would invite retaliatory offsetting action that would undermine the real progress that has already been made in encouraging greater freedom of trade among all nations.

Thus, the United States faced the inevitable logic of undertaking a comprehensive program of action aimed at incremental improvement in all segments of the balance of payments, not at dramatic solutions through a few bold strokes. And as I have mentioned earlier, it was important to design measures that would maintain the world's momentum toward freer trade, payments, and capital movements, while also reestablishing levels of employment and a base of economic expansion consistent with our domestic potentials.

IV

What have been the results, thus far? Leaving aside the varieties of special measures of a financial nature which have helped to reduce the burden of excessive dollars on the international monetary system, the pattern of developments can best be observed by looking at what might be called the "gross deficit" or the "deficit on regular transactions." Using very rounded numbers to indicate directions and relative magnitudes, without any pretense of precision, this figure was very roughly about $4 billion a year during the 1958–60 period. Inside this total there was an average annual surplus on commercial goods and services—that is, after eliminating military expenditures and aid-financed shipments—of about $2 billion. Against this surplus there was an outflow of "free dollars" averaging about $4 billion a year for military programs and the cash outlays for economic aid, taken together. And there were net private capital outflows exceeding $2½ billion more, taking into account both foreign and U.S. capital, long and short term.

Over the 2½ succeeding years, to the second quarter of 1963, the program of gradual but persistent effort had borne promising results. The combination of export promotion and price stability had resulted in exports more than keeping pace with the increase in imports generated by rising levels of business activity. Services earnings advanced sharply, largely reflecting the greater earnings on American investment overseas. The overall improvement in the commercial balance was about $1 billion.

Economizing efforts by the defense establishment had completely offset the impact of rapidly rising prices in most of the countries where American forces were stationed. In addition, substantial reductions in some dollar outlays had been achieved and first Germany and then Italy began, as part of a general program of enlarging military sales, to return to the United States in supplemental military purchases the full amount of any dollars actually disbursed in those countries. The overall reduction in net military outlays abroad thus approached $1 billion. There had not yet been sizeable absolute reductions in the flow of dollars at the end of the growing aid pipeline, but for some time the practice of tying aid had been reducing commitments for future dollar spending. Since aid materials were to supplement and not displace commercial transactions, it was quite appropriate for a country undergoing sustained balance-of-payments deficits to make its aid available in kind.

Overall, the commercial balance improvement and the decline of governmental disbursements had, by mid-1963, reduced by about half the gross annual deficit of approximately $4 billion for 1958–60. But instead of showing a resulting figure under $2 billion, the gross deficit for the second quarter of 1963 exceeded $5 billion, at an annual rate. All of the improvements shown through the determined efforts on these fronts had been washed away in an outpouring of American capital, both short-term and long. Purchases of foreign bonds and shares reached an annual rate of $2 billion; the outflow of short-term funds $2¼ billion. The impact of the balance-of-payments program thus far had not reached these capital flows in any satisfactory manner. Over the entire period a gradual edging up in short-term money rates had indeed deterred potentially larger outflows of money market funds, but more action obviously was needed.

To this end, President Kennedy, on July 18, requested Congress to enact, effective the next day, an interest equalization tax to be temporarily applicable to all forms of portfolio investment by Americans in foreign obligations. He also announced that the United States had made arrangements to buttress its position over the difficult period ahead, as its balance of payments was being brought back under control, through a standby arrangement for borrowing at the International Monetary Fund. The Federal Reserve meanwhile had announced an increase in discount rates and the market promptly reflected this change.

While the immediate results of these measures were dramatic, they did, of course, also embody a certain amount of capital inflow stimulated by the President's renewed indication of this country's determination to bring its external accounts into balance. While this and other special factors will not provide continuing assistance to the balance of payments comparable to that enjoyed during the third quarter, it is nonetheless impressive evidence of the potency of this action that portfolio outflows in the third quarter dropped back almost to the annual rates of the 1958-60 period, reflecting mainly commitments that had already been made before July 18, and recorded short-term capital flows reversed themselves to show an inflow, in good part in reflection of a better alignment of short-term rates internationally. The gross deficit for this quarter fell back to a rate well below $2 billion a year.

Clearly, a measure such as the interest equalization tax, however necessary to achieve prompt results, can be properly viewed only as a transitional measure until the other policies already underway succeed in encouraging more balanced flows of capital, and until the pressing strains on our balance-of-payments position are otherwise relieved. To that end, in his Message to Congress on July 18, President Kennedy indicated that the rate of governmental outflows of dollars would be reduced a further billion dollars by the end of 1964. With that further improvement now on its way, the outlook for the U.S. balance of payments is somewhat more reassuring, provided every part of the program is carried through with perseverance. There is no scope for relaxation, only for intensified effort. But the implications of this experience for my theme today are not centered on the further rationale of the American program, nor on forecasting its future results, but rather on the implications of this experience for an understanding of the interrelations between balance-of-payments adjustment and liquidity.

V

To what extent has our adjustment process been a function of the liquidity mechanism, either that of the international monetary system or the domestic monetary arrangements inside the United States?

Clearly, one great advantage which the United States had was the accustomed use of dollars by many other countries on their own monetary reserves. This meant there was, up to very substantial amounts, ready financing of deficits incurred as the transition toward balance was taking place. But how little different would the pressures for adjustment have been, how little different could the measures undertaken have been, if we could imagine a world in which the dollar were not serving as a reserve currency for others.

For while the United States was obtaining financing for its deficits through additions of some $4½ billion to foreign monetary reserves over the past six years, it was also paying out more than $7 billion of its monetary gold. Moreover, the bulk of the gold outflow occurred in the 1958–60 period before the United States had developed a comprehensive and determined balance-of-payments program. Clearly this early and highly visible impact on the U.S. gold stocks was a dominant influence in ultimately awakening American recognition of the fundamental nature of these balance-of-payments deficits and the fundamental need for correction. It would seem doubtful indeed that any system of liquidity arrangements, no matter how restrictive, would have been any more effective in alerting everyone to the need for balance-of-payments discipline. Nor would it seem possible that balance-of-payments deficits of a size that imposed such drains could, under any system of liquidity arrangements, no matter how loose, have averted the need for corrective action.

To be sure, the U.S. position as a reserve currency gave impetus to its efforts to negotiate other kinds of financing arrangements to minimize the strains being created by the deficits. But on the other hand, the very characteristics of the United States that make the dollar a reserve currency—notably the ability of foreigners readily to obtain financing here—have helped to create the deficit.

The United States did in considerable part replace the bank reserves that would otherwise have been consumed through the gold outflow. To have done otherwise would have been to follow the almost incredible course of actually contracting the supply of money and credit in an economy which was increasing its gross national product by nearly $150 billion, or by about one-third, over these same 6 years, and an economy that is still underemployed after that advance.

Over the last several years, the United States has maintained a remarkable, indeed enviable, record of comparative stability in costs and prices. Surely domestic monetary policy, to the extent that it may influence prices, had not conspicuously erred on the side of expansion. Nor need it necessarily be the case that other countries, experiencing balance-of-payments surpluses, must allow excessive internal monetary expansion, or accept internal price inflation. For fiscal and monetary measures, flexibly applied in combination with other influences of government, could potentially exert a restraining influence, where reserves were rising rapidly, comparable to the offsetting action that has appropriately been taken by the United States. Or alternatively, if the additional reserves themselves were not neutralized, they might be used for additional purchases from abroad, perhaps stimulated by further action along the road of tariff reduction. These are the kinds of measures that in today's world can enable the surplus countries to discharge their own share of the responsibility for facilitating international adjustments.

Whatever may be found appropriate for the machinery of international liquidity in the future—whether more, or less, might be made available to a deficit country—there is little in the record of the U.S. position over these past 6 years to suggest that the need or nature of the adjustment processes would have been materially altered by a different liquidity system. Indeed, an increase by one-half in the commercial surplus on goods and services over a 2½ year period would seem to be good progress for a country whose trade and payments bulk so large in the transactions of other countries, particularly during a period of steadily rising business activity and higher imports. Moreover, a reduction in dollar spending on Government account by about one-fourth over 2½ years, with a scheduled reduction to one-half in 4 years, might be considered impressive against the background of heavy dependence upon these flows by so many countries over the preceding 15 years or more.

And some slowing down of additional foreign investment has clearly become as necessary for the United States as it would be for any overextended enterprise in any economic system. But the causes of the unusual outflow, just as the correctives, are rooted in the contrasting conditions of the money and capital markets here and abroad. While most European capital markets remain severely restricted or institutionally inhibited, calls on the American markets by countries in Europe and elsewhere may be expected to be felt whenever demand is expanding rapidly in those other countries. That will be true so long as American markets remain freely open to all, with the allocation of capital and credit dependent upon price and credit risk. And we are determined to maintain that freedom and to persuade or induce others to duplicate it, in the interest of the flourishing expansion of Western capitalism over the years and decades ahead.

To the extent that the dollar's function as a reserve currency has played a causative role in our balance-of-payments problems, it has probably not been because it has disguised the problem, but because it has made capital flows more sensitive to changes in our position real or imagined. For it has been recurrent episodes of misplaced concern over the dollar's continued ability to fulfill the needs of the world for a stable reserve currency that have generated much of the "flight movement" of dollars that has built up the deficit on short-term capital account from time to time. And it has been the sensitivity of short-term American capital—free to move where it will as befits a reserve center—to differentials in interest rates that has made necessary the intricate money market operations which have, over the past 3 years, produced a rise of about one percent in short-term market rates of interest, despite an unprecedented massive accumulation of liquid savings which has held the general level of all other interest rates relatively stable over this same period.

So in conclusion I come back to my opening remarks. There is a significant element of truth in the assertion that too many dollars, if not too much liquidity, have been created for some countries to absorb without difficulty during the transitional adjustment of the U.S. deficits and European surpluses. The discipline of gold has served an important purpose in helping to set things right. There is also weight in the expression of concern that the United States might, if it generated internal liquidity without regard for its balance of payments, both worsen its external position and jeopardize the orderly evolution of internal expansion. And there is little room for doubt that the entire adjustment process could disrupt rather than strengthen the longer range performance of the international economy if there were not adequate liquidity to finance the deficits of transition while the necessary disciplines were exerting their effect.

But it does seem to me mistaken to assert that international monetary reform is needed in order to eliminate the dollar as a reserve currency; or that changes in internal liquidity alone could correct balance-of-payments deficits on the scale experienced by a leading industrial country, such as the United States; or that much larger and more automatic availabilities of liquidity could have significantly modified the elements that have been found essential for the American balance-of-payments program in the conditions of these past few years. The search for an alchemy will certainly always go on. But that should not deter us from trying to think through an analysis of the adjustment process among industrial nations that are dedicated to full employment, steady growth, and price stability, an adjustment process that fits the conditions of a convertible world approaching freedom of trade and capital movements.

EXHIBIT 35.—Remarks by Under Secretary of the Treasury for Monetary Affairs Roosa, April 28, 1964, at the annual meeting of the U.S. Chamber of Commerce, on foreign investment and the balance of payments

When Mr. Neilan asked me to talk tonight I responded with an alacrity that may have surprised him. For I found irresistible the opportunity to compare views with you on at least some aspects of what seems to me to be one of the most stirring challenges of our time: the challenge to business and government to find ways of assuring that our own free enterprise capitalism will provide a badly needed flow of capital funds throughout a developing world, while maintaining, at the same time, our own stability and solvency. In order to meet that challenge we must be able to learn from the past, and yet to recognize that our own past history in international lending is short, and that its lessons may not always be applicable without modification in a rapidly changing world.

Investment Experience in the Inter-War Period

Emerging as an international creditor only at the close of World War I, our national experience in net foreign lending has been relatively brief but it has been intense. Much has been compressed within those years. They began with a burst of U.S. foreign lending in the post-Versailles decade which culminated in default and disillusionment by the early 1930's. The excesses of that period are still within memory, and perhaps it is well that they are.

They should remind us that private foreign investment, no less than domestic, must rest ultimately upon the ability of the borrower to employ funds productively and to discharge obligations responsibly. They should remind us that careful investors examine closely the uses to which their funds are to be put, and are not attracted by the extravagant claim or the high pressure marketing technique. Finally, they should remind us that no amount of individual discretion can protect against the consequences of a collapse in international payments arrangements, and that private foreign investment will flourish only so long as our international financial system is secure.

The autarkic decade of the 1930's also stands as an object lesson we are determined not to repeat. The progressive strangulation of trade was accompanied by short-term international capital movements that were frequently perverse in direction and upsetting in effect, while the flow of long-term foreign investment from capital-abundant to capital-scarce regions practically disappeared. Indeed, after 1930, there was a steady net inflow of U.S. long-term private capital and this repatriation was supplemented late in the decade by massive inflows of foreign short-term capital and gold, as coming events cast their ominous shadow over the continent of Europe.

The Postwar Revival of U.S. Private Foreign Investment

With the overexuberant foreign lending of the 1920's and the financial dislocations of the 1930's as a background, there was, understandably, widespread doubt in the period immediately following World War II as to whether there would be any substantial revival of private long-term capital flows from this country.

The immediate problems of postwar reconstruction did in fact require large outflows of public funds which substituted for a time for many of the traditional functions of private capital movements. Aside from direct investment by U.S. concerns actually operating abroad, the revival of U.S. private long-term capital outflows was gradual. Direct investment reached substantial proportions by 1947 but U.S. purchases of new portfolio security issues, stocks, bonds, mortgages, and the like, did not even begin consistently to exceed the return flow from redemptions until after 1950.

But, once underway, the recovery of our foreign investment was vigorous. In the last half of the 1950's there was a large and continuing outflow of U.S. long-term private capital, responsive in composition and destination to changing economic conditions here and abroad, but remarkably stable in its overall amounts. By the beginning of the 1960's, and indeed well before, it was apparent that the recovery of U.S. long-term private foreign investment was far-reaching in significance. No longer constrained by the speculative excesses of the 1920's nor the financial paralysis of the 1930's, the outflow of U.S. capital was becoming an integral part of a growing and spontaneous internationalization of U.S. business, reflecting at the same time the developing ascendancy of New York as an international financial center.

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These were developments growing out of the basic strength of the American economy and reflecting the urgent demand for capital in the rest of the world. Unquestionably the implications were beneficial in the long run, both for the United States and for the countries toward which our investment flowed. However, the further acceleration of outflows in the early sixties came at a time when, as a nation, we were also realizing that we had to grapple with a difficult balance-of-payments adjustment, an adjustment which, in the short run, was greatly complicated by the outpouring of capital. The need has consequently been forced upon us to reexamine in a searching and dispassionate way the complex of relationships between foreign investment, the balance of payments, and our international economic objectives.

While the urgency of that reexamination has certainly been increased by our balance-of-payments situation, the relevant questions will endure beyond the time, hopefully not now too far distant, when our deficit is removed. It is appropriate then, before discussing some of the interim measures that we have taken since 1960 in the foreign investment area, to look ahead to questions, as yet unanswered, that seem sure to require our collective attention in the future.

How Much Foreign Investment Can We Afford?

The first of these questions is simply: How much foreign investment can we afford? Such a question has inevitably been faced in some form by every capital-exporting nation, although only recently have events forced us to think it through again as it applies to our own situation.

From a national point of view, net capital exports over any substantial period of time have to be matched by an export surplus of goods and services. The real counterpart to the financial flow of capital is ordinarily a transfer of goods and services, otherwise available for use at home, to the use of recipient countries. But problems arise because this transfer of goods and services does not automatically flow from the act of investment itself.

If it did, we might not have had our sustained deficits. To be sure, in the case of some foreign investment transactions, the connection between the financial flow and the corresponding flow of goods is close, the investment is, in effect, tied to the export, which would not otherwise have taken place.

But, in other cases, particularly where portfolio investment is involved, the connection between the investor's decision to purchase foreign securities and our own export sales is anything but close, often it is at best roundabout and delayed, and more often, totally unrelated. Even this would not necessarily be of great concern to a nation such as the United States with a large trade surplus. We should expect, in a flourishing world, to see dollars flow out to finance purchases and sales among other countries. Trouble arises, however, when our purchases of foreign securities increase very rapidly and the balance of payments is already under pressure. As we know from recent experience, the effects of excessive lending abroad can then be extremely disruptive.

But, it will be argued, even if there are no exports to match the outflow of funds, every foreign investment is an asset; it will yield a return that will help our balance of payments in the future. That fact is incontrovertible, so long as the investments are soundly conceived. And it is another part of our growing economic strength as a nation that American holdings of earning assets abroad have risen by more, much more, than our total balance-of-payments deficit during these recent years of grave concern over our international financial position. Yet, the fact that foreign investment leads ultimately to a return flow of earnings does not alter the necessity of holding the current export of capital to amounts that the nation can afford currently.

The balance-of-payments impact of an increase in foreign lending is immediate. The benefits are only realized gradually. When the balance of payments is already weak, there are limits to the extent to which a current outlay can be justified by the promise of future returns. In this respect, the nation is subject to the same constraints that every business concern itself experiences from time to time. To take advantage of more and more opportunities for profit tomorrow, the temptation is to borrow more and more today. But too much debt today can mean bankruptcy before the future profit is realized.

There is no possible value we might assign to future income that could compensate for undermining the stability of the dollar today. This side of our situation does not always seem to have received enough emphasis, even from those who have, at least in principle, recognized the need to remove the balance-of-payments deficit and halt gold losses. It seems particularly surprising to find this form of myopia, as we sometimes do, among bankers who are themselves so often impelled to hold the financial commitments of their own clients within limits of expansion that can be sustained.

One of the important determinants of our capacity to lend abroad over the years ahead will be our ability as a nation to attract funds from some to offset a part of what we lend to others. That is one of the reasons why, when he was intensifying our national balance-of-payments effort last year, President Kennedy appointed a special task force of thirteen distinguished governmental, business, and financial leaders to develop new methods for promoting increased foreign investment in American securities, and for increasing the foreign financing of American corporations operating abroad. That task force met yesterday with President Johnson to present its impressive report. I commend it for close study to all of you, and can assure you that its various recommendations are going to be given active and sympathetic study by the Administration.

The Balance Between Aid and Investment

A question closely related to the amount of foreign investment we can afford is that of foreign aid, for we also have to find a balance between what we can afford for aid and the urgent needs of countries whose more rapid development is essential for future peace and prosperity, both their own and ours. This is another baffling calculus; but it is certainly clear that when this country is in balance-of-payments deficit, and the deficit has continued large for several years, we cannot afford very much that does not come from our production. That is why more than four-fifths of all our aid is now "tied", in a present-day form of "lend-lease."

Granting that necessity, I see no reason to believe that our present balance of effort between foreign aid and foreign investment is seriously misplaced. However, as one looks to the future, the possibility of a gradual shift away from aid programs toward private foreign investment does not seem unrealistic. We all have been impressed with the way in which the massive flow of reconstruction aid to Europe was gradually phased out, to be succeeded by continuing amounts of U.S. private investment in Europe. There is in that experience the suggestion that as publicly supplied capital meets the most urgent needs of developing countries, their capacity to absorb and to service private capital inflows is enhanced. In a roughly comparable way we can certainly hope that the transition from public aid to private investment may also occur in many less-developed countries and eventually, perhaps, even in areas which are now as yet quite literally undeveloped.

There is no precise analogy, of course, between the postwar reconstruction of Europe where goals were immediate and realizable, and the long, slow task of assisting the world's capital-scarce regions to self-sustaining growth. Certainly private foreign investment cannot be expected to replace the systematic effort of the multilateral international agencies whose contribution is critical and which as they prosper may, in time, provide the organizational nucleus for a truly comprehensive international attack upon poverty. The increasing reliance of such agencies upon the private capital markets, not only here but abroad, is also a most encouraging sign. It also does seem to me that progressively over time—even though the time horizons may be distant ones—private foreign investment should and will play a steadily enlarging role in meeting the capital requirements of most of the developing countries.

The Growing Demands on the New York Capital Market

The vigorous revival in U.S. long-term lending abroad that commenced in the mid-1950's was accompanied by a growing interest of American investors in foreign portfolio securities and by the rapid development of the New York market both as financial entrepôt and net capital exporter. With the return of currency convertibility in Western Europe by the end of the decade, the opportunity presented itself for a parallel expansion of European capital markets and their active contribution in international lending. However, expansion on the needed scale did not develop, and by the early 1960's there was in effect only one market where foreign borrowers could be sure of ready accommodation, that in New York. A more inappropriate time for the appearance of such a pronounced imbalance between the capacities of our own and foreign capital markets is difficult to imagine.

In the 3-year period, 1958–60, our balance-of-payments deficits had increased steadily and averaged $3.7 billion per year. The decline in our gold stocks averaged more than $1.6 billion per year, and reached almost $1 billion in the last quarter of 1960 alone, when the price of gold temporarily rose to $40 an ounce in London. While it was possible in early 1961, in view of the real and fundamental strength of the dollar, to restore confidence and to proceed to set in motion longer run correctives to remove the imbalance, the danger was all too apparent even at that time that overuse of New York capital market facilities by foreign borrowers could imperil the transition to equilibrium, a transition that had necessarily to be slow if we were not to cause irreparable damage to others on the way, and perhaps reverse the great momentum that had been developed toward freedom in the international trade and payments system.

The danger had become real by 1962, when the volume of new foreign security issues sold to U.S. residents suddenly doubled over the 1961 level and exceeded $1 billion for the year. Our interest rates were comparatively low by worldwide standards, reflecting our high volume of liquid savings, our friction-free markets and the very small part that foreign borrowing could play in the overall balance between the total demand and total supply of funds in this country. Even with foreign borrowing amounting to less than one-fiftieth of our domestic markets, however, further increases in these outflows could, as some repeatedly warned, overrun the limits on the amounts of long-term capital we could safely send abroad while our own balance of payments remained in deficit. But warnings were futile; the rate of foreign borrowing accelerated even further in early 1963. In the first six months of 1963, foreign securities were sold to American residents at an annual rate of $2 billion, and during the second quarter of 1963 our seasonally adjusted annual rate of deficit on "regular transactions" in the balance of payments exceeded $5 billion, a rate which, if continued, would unquestionably have undermined the stability of the dollar and the entire international financial system.

There were no signs that foreign borrowing would fall back to more normal levels. On the contrary there were clear indications that it would increase even further, with foreign municipalities and corporations, particularly from Japan and Europe, becoming heavier and heavier borrowers. Already, the sharply increasing outflow of portfolio capital had eroded all of the steady improvement that our overall balance-of-payments program had been achieving in other sectors of our international accounts, and at mid-1963 the prospect was for an even greater scale of new foreign security sales. In such a situation, there was no prudent alternative to some action to moderate the growing volume of capital outflow. As one part of the intensified action program described in his Special Message on the Balance of Payments of July 18, 1963, President Kennedy proposed the interest equalization tax on purchases of foreign securities.

The Interest Equalization Tax

That proposed tax has been approved by the House of Representatives and now awaits consideration by the Senate Finance Committee. I want to discuss with you briefly some aspects of this proposal, without being a partisan advocate and without dwelling on technical details, but as one convinced, as I feel sure you are, of the efficiency of market processes and the undesirability of controls.

The proposal is for a temporary excise tax on American purchases from foreigners of the securities of other developed countries. Securities with a remaining period to maturity of less than 3 years are exempted altogether from tax, as are loans of all maturity by commerial banks, in order to avoid any interference with ordinary trade financing; above 3 years the rate of tax on debt obligations is graduated according to maturity so as to be equivalent to approximately 1 percent per year in interest cost. The tax also applies to purchases of stocks as well as bonds. When passed on to foreigners, the applicable rates will bring the cost of borrowing in our markets more nearly into correspondence with similar costs abroad. As a consequence, it is expected that many borrowers will be diverted to other markets. During a transitional period, while the proposed tax remains in effect, all other efforts must be pushed even more vigorously to bring our external accounts closer and closer toward balance.

The proposed tax is intended as a substitute for an increase in our entire structure of long-term interest rates, a substitute which brings into play, insofar as borrowing here by the developed countries is concerned, exactly the same forces as would prevail through the marketplace if we could in fact raise all of our long-term rates of interest. In the face of our large flow of savings, such an actual increase in interest rates could only be brought about by drastic monetary restriction. The steps required to force rates upward suddenly and decisively here would also disrupt the expansion in business investment that increases our competitiveness, at home and abroad. Because the proposed tax does substitute for the external effects of an increase in our long-term interest rates, it logically applies to foreign stocks and to foreign bonds, to new issues and to outstanding securities. Any attempt artificially to limit this coverage—for example, to apply the tax only to new security issues—would lead to market distortions and a significant reduction in the effectiveness of the tax.

Alternative proposals have been made to achieve the necessary temporary reduction in capital outflow by resort to outright controls, or the halfway house of a capital issues committee. The latter technique, on the basis of all previous experience everywhere, would inevitably, and quickly, end up in Government-made decisions as to permissible amounts, types, and conditions of security issue, in fact, ultimately, to choosing among particular borrowers and among the various developed countries. A capital issues committee becomes, necessarily, a government control whenever the volume of issues to be turned down becomes very large in relation to the total volume of issues to be screened or reviewed.

Any such course in this country would intrude government into individual decision making in a way we have never found tolerable except in situations of wartime emergency. It is an overwhelming advantage of this proposed tax, in my opinion, that it does leave the market mechanism intact. Prices alone, and the readiness of competing borrowers to pay the price, will remain the important consideration and exercise the decisive influence. Rejection will be by the decision of the borrower himself, not by the decision of any remote Treasury official.

The legislative proposal contains a carefully stated set of exemptions designed to insure that the tax will only reduce the outflow of long-term portfolio capital to other developed countries; it is expected that Canada, because of her unique and historically close ties to our markets, will receive a partial exemption. Under the House Bill the proposed tax would become effective as of last July 19th—August 17th in the case of transactions on the stock exchanges—and it will expire December 31, 1965. Because the proposed tax has been provisionally effective in this sense for almost a full year, it has been possible to observe the nature of its operation and to assess the effects of the proposal. Security markets have continued to function smoothly. Americans trade with each other on a tax-free basis for the more than $12 billion of foreign securities held in this country, and American owners can also sell any foreign securities they hold to foreigners free of tax. It is only when Americans buy from foreigners that the tax becomes applicable.

The effects of the proposal of the tax have been decisive in producing a dramatic turnaround in our balance-of-payments position since last June. During the second half of last year, purchases by Americans of new foreign security issues dropped by an annual rate of $1.3 billion. Having been at a rate of $2 billion in the first half year, they were at a rate of about $700 million in the second half. In addition there was a further gain to the United States of some $1/2 billion, at an annual rate, due to trading in outstanding foreign stocks and bonds. The latter saving indicates the gains from applying the tax to outstanding securities.

Total balance-of-payments savings between the first and second half of the year on new issues and outstanding securities were at an annual rate of $1.8 billion. The various exemptions have not been used to offset these balance-of-payments gains in other directions, with the possible exception of a few commercial banks which may have abused their unique responsibility and opportunity by looking to legalisms rather than the intent of the national interest. Broadly speaking, however, the self-enforcing nature of the effort to reduce capital outflows to a scale we could afford, while assuring adequate finance for all our trade, seems to have worked well. Along with the strengthening of our trade balance, further economies in Government spending abroad, and the effects of last year's increases by the Federal Reserve in discount rates and time deposit rates, the combined result was a drop in our balance-of-payments deficit to less than $2 billion (at an annual rate) for the second half of 1963, much less than half the runaway rate that was mounting upward during the first half.

That improvement has continued further during the first quarter of this year. But our data are still preliminary and incomplete and are being revised as each new report comes in, so that any detailed analysis would be premature. Whatever the eventual complete record may show, we do know that some of the recent gains were temporary. There can be no relaxation of effort on any front until the balance-of-payments deficit is entirely removed, gold losses are stopped, and our external accounts are securely in equilibrium.

The proposal for an interest equalization tax continues to play a temporary but crucial role in our overall balance-of-payments program. Private foreign investment, the long-term capital account, was the last major sector of our balance of payments to be subjected to special governmental influence in the effort to achieve balance-of-payments saving. Even then, the necessary step was taken with reluctance. But once we had found a way to treat the problem that would not constitute exchange control, we had to act. For inaction would only have led to far more serious conquences for capital markets here and abroad. That fact has been recognized, and our proposal of the tax accepted with understanding and support, by every leading government in Europe. The need for this action, though sometimes with reservations as to its applicability to themselves, has been affirmed by every leading country in the free world.

Since the proposal for the tax was announced last July, there has been an encouraging expansion of foreign lending activity in European capital markets; an expansion which, if securely based upon the growing savings of Europe, could help to lessen the potential pressure on our own markets when the tax does expire. In the interim period, American underwriters are broadening their activities by participating in the sale of foreign dollar bond issues in European markets.

Conclusion

Our recent efforts have been directed to the early correction of our own balance-of-payments deficit and to exploratory discussions with other countries as to the appropriate lines along which the future evolution of international financial arrangements might proceed. Along with the development of better balance in the long-term capital markets of the world, the achievement of these objectives should help to establish an environment within which international flows of long-term capital, including a continuing large flow of investment to and from the United States, can raise productivity and assist development on a ever-enlarging scale.

Beyond the transition period in which we now find ourselves, there will be a continuing opportunity for this country to demonstrate internationally the capacities and benefits of individual enterprise working through free markets. Private foreign investment, joined in close association with a realistic foreign aid program, can insure that this country's unrivaled productive efficiency will make its maximum contribution to international economic development.

Exhibit 36.—Remarks by Under Secretary of the Treasury for Monetary Affairs Roosa, May 21, 1964, at the eleventh annual international monetary conference of the American Bankers Association, on the potentialities of our international payments system, Vienna, Austria

In the rising crescendo of calls for reform of the international monetary system, the continuing themes of present experience seem sometimes to be barely audible. But I scarcely need remind this audience that they are still important, and indeed are likely for a long time to come to provide the structure on which all of us in the world of finance will continue to depend.

It has been one of the remarkable and reassuring aspects of the close and intensive studies which have been under way for some months now within the so-called Group of Ten, that the participants have never lost sight of the essence of what we already have. While it would be inappropriate for me, or for any of us, as yet, to venture in public any views on specific possibilities for the future evolution of the international monetary system, I believe I may be permitted to reflect for a few minutes, in purely personal terms, on some of the features of the arrangements that are already in being. Even here, there is room for wide differences of view, but each of us must attempt some sorting out of this kind as a prerequisite to taking any part in the process of testing out and appraising the full range of thoughts, aspirations, or proposals that have been suggested for the future.

There are a number of avenues of approach that one might take toward a broad view of our international payments system and its ability to meet the world's need for liquidity. One is that of constructing various theoretical models of an ideal system and then, somewhat disappointedly as a rule, measuring the performance of our present arrangements against this standard. A second line of approach traces historically the steps along which the world has evolved toward the present liquidity system, concluding all too often that we are already living in the best of all possible worlds, or if not, that the only answer lies in turning back to an earlier stage of monetary evolution. Still a third kind of approach has come to appeal to me. Somewhat more eclectic in its point of view, it draws from our past experience while recognizing that the chief lesson of history is that payments systems and liquidity arrangements, like most things in a dynamic world, are constantly evolving in response to current experience.

Such an approach asks the historical question "Where have we been and how did we get where we are?", but it asks this question for the purpose ultimately of answering another: "Where do we want to go and how do we get there?" It recognizes that our ability to foresee the future and its needs is gravely limited; that perhaps our surest course is to develop a cooperative and flexible approach, both toward finding the direction in which we may wish to move, from one period to another, and in selecting the processes that will take us forward in an orderly manner.

The work of the Group of Ten will have been fully successful, I believe, if it helps to assure and confirm the commitment of all the participating countries toward such an approach. For as we look to the future with an eye to the past, we cannot escape the evidence that the evolution of our payments system has too often been scarred by disruptive convulsions set off at an unexpected moment by the force of change itself. The system, too often, was not readily flexible in meeting and adapting to underlying changes that were already in motion. In looking toward the changes that an uncertain future always brings, the Group of Ten is building with a new spirit of international financial cooperation that has been developed in recent years and strengthened during the current discussions. To me, this spirit and its perpetuation represents a stride forward that is at least as important as any more concrete recommendations that may in the end emerge from our studies.

A glance backward, in the history of our international liquidity system, suggests a number of intriguing parallels, as well as contrasts, with the liquidity systems that have been developed within individual nations. The financial history of national economies, in the main, reflects a progressive development in the effective use of the liquidity-creating process to meet national economic purposes and goals. This development has generally taken place through the market place of private credit, where, in a never-ending attempt to economize on money, an almost infinite variety of near-money substitutes has been developed. But it has been accompanied by the emergence of central banking, and paralleled by a growing reliance upon debt management and fiscal policy. This continuous perfecting of the liquidity-creating process within nations has rested on the establishment and perpetuation of secure political institutions for the areas served. And it has been buttressed by an integrated system of financial markets and institutions—in various stages of development in different countries—as well as by the existence of only minimal barriers within national boundaries to the free flow of men and goods, and money and capital.

In the international area, the money-creating element of the liquidity process cannot rest upon the political sovereignty that has been its essential foundation in the individual nation. Nor can it rest on a unity of essential economic and financial policies among nations. National monetary, fiscal, trade, employment, and growth policies can and do differ in both philosophy and practice. Nor can the creation of international money rest on a unified system of financial or commercial institutions or on a single money and capital market. To be sure, great strides have been made in recent years in bringing the countries of the Western World closer together in all these areas, but we would only be deluding ourselves if we were to think that we have reproduced internationally, or are likely to do so in the near future, the things that we can safely take for granted within national boundaries. We must be mindful, therefore, when we draw on analogies with national systems, as we try to visualize the potentialities for the creation of monetary assets, as well as all other forms of international liquidity, that a cautious and selective approach will be required.

In the international area we are still in the comparatively early stages of learning how to economize on the primary element of international liquidity, the monetary reserves themselves. This effort to economize is not new, but its adaptation from the internal usage of nation-states to the external needs of the international community has necessarily been slow. As recently as the twenties, the dominant theme among those concerned over the adequacy of the international liquidity system was that of economizing on gold, although an historian today might describe the aim more broadly as that of enlarging the capabilities for trade and finance of a system that rested ultimately upon a slowly growing base of monetary gold. It was generally recognized then, too, that frequent changes in the price of gold offered no useful alternative. For monetary stability was hinged upon the certainty of a generally acceptable fixed-value base, and in turn was itself seen, then as now, to be essential for sustained economic progress.

At that stage, of course, the economizing on gold was accomplished, almost unconsciously, by increases that had been occurring for some years in the supply of a reserve currency, particularly the pound sterling, which formed the most important part of the increase taking place in the basic reserves of most other countries. Later, as a concomitant of the vast resources and productive capacity of the United States, emphasis shifted to the dollar. Growth in the dollar component of reserve assets over the past two decades has provided the major source of additions to international liquidity as a whole, while an impressive redistribution of the world's monetary gold reserves from the United States to other countries has also been taking place.

I do not have to remind this audience, however, that the creation of international money through the deficits of a reserve currency country can also involve problems. The overriding necessity that has for some time been apparent to restore equilibrium in the U.S. balance of payments, and our recent progress toward that end, make it quite unlikely that the dollar would be able to add to international liquidity over the next decade as it has over the two preceding decades. This may to some imply, of course, a possible need to find additional substitutes for gold, perhaps through finding ways for other currencies to serve as convertible monetary reserves. But the need might also point in a different direction—toward economizing on the foreign exchange component of international reserve assets—just as in the past the reserve currencies themselves were the means of economizing on the use of the limited supplies of gold.

There are, to be sure, a number of different ways of looking at the most recent phase of developments in international liquidity. Some observers, particularly in the academic fraternity, would stress the evidence they see of a shortage of international reserves. Others would consider that any evidence points instead to a shortfall in long-term capital flows, and would regard liquidity as superabundant. And there are, of course, many other variants. For myself, I have begun to wonder whether the international economy may not presently be completing a phase of concentration on the buildup of primary reserve assets and whether perhaps it is now entering a phase in which this supply of primary reserves can, without further substantial increases, at least for a time, serve as a reasonably adequate basis for the gradual erection of a somewhat larger credit structure.

Perhaps, if some of the developed countries are coming to consider their present reserves of gold and dollars as reasonably sufficient, they might wish instead, with proper safeguards, to use some part of any additional surpluses for extending credit to others. On the part of the less-developed countries, while some may have additional scope for holding reserves, there are not many which can afford further sizeable accumulations to be held idle in reserves for very much of the time. They need only the minimum that will serve for working capital purposes and as a base to support borrowing. In other words, the problem lying directly ahead of us may not necessarily involve a need for more dollars, nor for the immediate creation of another international money to supplement them, but it may instead call for greater use of credit facilities and the international money substitutes that are created as such credit facilities are utilized.

This interpretation does not imply any fundamental change in the role of gold and the reserve currencies in our international monetary system, either as a means of international settlement or as international stores of value. It does not imply changes in the customary uses of currencies in private transactions. Nor does it imply that there are necessarily any natural limits upon the use of these familiar arrangements. There would be ample room in official reserves for, hopefully, an increased volume of newly available gold at the continuing fixed price of $35 an ounce and for additional holdings of acceptable currencies, depending on the free choice of each of the individual countries concerned.

If this should be the phase of development that our international monetary system has reached, countries would increasingly come to regard their primary reserve assets as a base upon which credit, in many different possible forms, might be granted or received. In effect, for example, a country's reserves might decline somewhat less at times of strain than in the past because more of the customary drains upon reserves would be met by credits, credits made credit worthy, in part, by the reserve assets still being held by the affected country. And conversely, surplus countries, instead of piling up more and more reserves, might accept in some form the credits needed by the deficit countries.

In many respects, under conditions of this kind, we would have reached a stage in the international area that was reached in several of the national financial systems 75–100 or more years ago, when the transition began from exclusive reliance on hand-to-hand currencies to a system which involved the use of a credit expansion process and the creation of money substitutes by financial intermediaries. As now developed, greater reliance on facilities for creating money substitutes and supplements within individual nations has made possible a much more intensive use of the money supply itself. To an important degree, credit arrangements that increase, in effect, the velocity of money do reduce the scale of needed increases in the money supply.

It is essential in such an appraisal, too, to distinguish carefully between the needs of the private sector and the underlying needs for official reserves. Much, if not most, of the discussion of international liquidity is carried on in terms of the public sector. But it is proper to remind ourselves that the ultimate aim of all that we do is to ensure that the liquidity needs of the private sector can be met. This, of course, involves most of the same questions which the monetary authorities in each country must face in determining domestic financial policy, questions as to the relationships between domestic liquidity, growth, employment, price stability, and the balance of payments. In part the problem is one of assuring adequate facilities for the working balances needed to carry on trade and payments abroad. In part, too, the problem is one of access to international credit and, particularly for countries where money markets are not well developed, it includes a need for holding secondary reserve assets abroad. But above all, there is the need for assuring ready convertibility at a stable price among the various currencies used to finance the flow of current payments for trade and services, to cover new investments abroad, and to service old ones.

The actual operating needs of the private sector are serviced by an efficient complex of private banking and credit institutions, many of them national in origin but international in the scope of their operations. As representatives of such institutions, you are confident, I am sure, as you should be, that existing facilities for private credit, at least at short term, are adequate to meet the challenge of a growing world economy. And wherever they may tend to lag behind, competition will, within the open environment of free convertibility, set in motion forces to widen appropriately the scope of such facilities.

But underneath all of the structure and processes of private credit lies the capacity of the monetary authorities of the individual countries to meet, at their posted exchange rates, the composite of drains arising from all of the private transactions that affect them. If inflows do not balance outflows, national policy changes may be needed to bring adjustment, but meanwhile any adverse flow must be financed. Adjustment and financing are sometimes contrasted in ways which make them seem antithetical. But I am sure that the monetary authorities—and particularly those of the leading financial countries that have made such pioneering efforts in the area of cooperative action in past years—are alert to the need to respond to the disciplinary warnings that are sounded when an individual country's payments position leads to inroads on official liquidity.

We are, however, still in the process, and it will certainly be a continuing one, of developing arrangements to ensure that when the clustering of payments shifts heavily for or against an individual country, the necessary means of payment can be made available in ways that will set in motion forces that will assist in the return to balance while avoiding abrupt interruption of domestic stability and growth. We must stress the importance of arrangements which encourage and facilitate the adjustment process. There would be serious risks for an individual country, or for an international liquidity system, that concentrated solely on ways and means of piling up primary reserves, in order to meet all possible contingencies. In those circumstances, the world might well be subjected again to the dangers of a competitive race for reserves as neighbor beggared neighbor in order to acquire and hold a mercantilist hoard of primary reserves. And as more and more reserves were created, there would be less and less assurance that the self-restraint and discipline inherent in any system that relies on credit would be brought into play. This would be true irrespective of the form of primary reserve involved. It would be true even under a full gold standard system, for an individual country and for the system as a whole, if the additions to holdings were large relative to internal monetary needs.

We need not, therefore, view the possible emergence of greater reliance upon a credit element in international liquidity as a weakness in our system. Instead, it may be a positive advantage, a flexible means of creating liquidity at the time and at the points where it is needed, but a means also of preventing maladjustments from going too far and of encouraging the timely adoption of necessary policies to restore equilibrium.

The challenge to which we must respond in the international liquidity area is thus similar in many respects to the challenge faced by central banks and monetary authorities throughout the world in their respective monetary and credit spheres. It is the challenge of assuring an ample expansion of liquidity for the real economic growth that is the object of all our actions while maintaining the control necessary to keep expansion from resulting in inflation. To be sure, the more successful individual countries are in maintaining relative price stability along with achieving their desired growth and employment levels, the fewer the problems there are likely to be for international liquidity. For liquidity needs cannot be separated from the amplitude and magnitude of payment imbalances and these in turn depend on the internal circumstances of individual countries. This only means, however, that any consideration of liquidity must proceed hand-in-hand with consideration of ways and means of improving the balance-of-payments adjustment process and making it more efficient.

If it should be true that the present phase of international financial development involves a shift of emphasis away from primary reserves and toward more use of credit facilities, as well as toward greater reliance by creditor countries upon the supplementary reserve assets which the use of these credit facilities implies, we are left with another crucial question: What form shall these arrangements take in order to achieve our twin goals of (1) the ample financing of temporary balance-of-payments swings and (2) the exertion of pressure for an orderly correction of any underlying imbalances that may occur? It cannot be emphasized often enough that the function of international liquidity is not to permit countries to avoid the need to make what may sometimes be painful adjustments in domestic policies and practices. It is rather to permit those adjustments to be made in an orderly fashion and in ways that minimize the possibility of cumulative pressure on other countries and on the international system as a whole. We need liquidity so that economic ills can be cured without the use of shock treatment. We do not need, and cannot successfully use, liquidity to avoid the necessity of a cure.

I suspect that the only thing that can safely be said now about the credit facilities that will be needed to meet these ends is that they will be composed of many elements. Our own American experience of the past few years has witnessed the establishment of new facilities—including most notably the Federal Reserve swap network and Treasury foreign currency bonds—along with the adaptation of older arrangements to meet new needs in unexpected ways. Who, for example, could have foreseen even five years ago that the long-term loans that we extended to Europe during the period of its reconstruction would be convertible into liquidity instruments for our own use through advance debt prepayments by a number of our European partners? These have been among the fruits of international financial cooperation in the past few years, and I am sure that we will see many more.

As we look to future liquidity arrangements, and in the process take a searching look at the past and the present, I believe that we are also making healthy rediscoveries of what we already have and what we can do with our present arrangements.

Part of this process of rediscovery has been to realize the potential of the International Monetary Fund as the major international agency where credit financing and financial discipline naturally come together. Our American view of the International Monetary Fund had, in the past, been colored by the assumption, shared with us by many others, that the prime function of the Fund would be to serve as a distributor to other countries of the dollars paid in by the United States under its quota. To be sure this was expected to be a revolving fund rotating among countries with the greatest present need, but the potential usefulness of the Fund to the United States was not always fully appreciated. Many of us, at least, thought of the various quotas as drawing rights, to be used as "borrowing facilities" in case of need, something to be considered, so to speak, as a sort of asset "below the line." We did not also think of our quotas as creating an equal opportunity for acquiring an asset "above the line"—as our own currency was drawn from the Fund by others—an asset that would be readily available, in turn, for us to draw upon at will if we needed to use reserves.

It did not occur to many of us in the United States that, as dollars were paid out by the International Monetary Fund over the early postwar years, we were gaining a valuable asset in the parallel increase in our "supergold tranche" position, or, more properly, our "net creditor position" in the Fund. Then more recently, as dollar shortage gave way to dollar plenty, in some countries, debtor countries to the Fund were able to pay back the dollars they had drawn earlier. The Fund itself was thereby absorbing a significant fraction of the dollars that our payments deficit was pumping into the world, amounting, in fact, to about $1.3 billion in the period from 1958–63. Or, to put it another way, without receiving very much attention, the United States was making use of its creditor claims on the Fund, acquired in years of balance-of-payments strength, to meet a significant part of its reserve drain as our deficit accumulated, consisting largely of some $304 million in 1959, $442 million in 1960, and $626 million in 1962.

At the present time, as you know, the United States is a small net user of the Fund's resources. In effect, dollars drawn by others in earlier years have been wholly repaid out of the dollars created by our more recent deficits. And now, in order to facilitate additional dollar payments to the International Monetary Fund out of the accumulated reserves of Fund debtors, the United States has itself drawn modest amounts of foreign currencies under the standby arrangement made in July 1963.

Beginning in 1960, but increasingly in 1961 and thereafter, the Fund has filled the drawing requests of member countries by using the national currencies of those countries on the Continent that have run sizable balance-of-payments surpluses. And as these currencies have been paid out, a form of reserve assets has been created for the countries supplying them, assets that can be used as needed in other times and other circumstances. The value of these assets is becoming more and more fully recognized. Some of the Group of Ten countries already include their "supergold tranche" claims, as well as their normal gold tranches in the Fund, among their primary reserve assets, while others consider them as a useful second line supplement. Most recently, Italy, following the pattern of the United States, has been able to use during a period of deficit the added reserves acquired a few years earlier when other countries were actively drawing lire from the Fund.

I expect that the months and years ahead will see more of a reappraisal and rediscovery of the dimensions and potentials of the International Monetary Fund for our payments system and as a center of international liquidity. The Fund's own study of liquidity will itself, I am sure, be a stimulant to our thinking and to our planning. I personally cannot visualize arrangements for the future that will not include a leading role for the Fund. For in the Fund we have an established institution that provides, through its normal operations, an accepted way of using national currencies to bolster international liquidity in a limited and systematic way.

I spoke to you in Rome 2 years ago of the problem of multilateralizing a part of the role performed by the key currencies. It seems to me that the International Monetary Fund has developed more and more as a mechanism where the nonreserve currency countries can share in a multilateral way the responsibilities for the financing of payments swings and thereby make a contribution to longer run liquidity needs.

In addition, room has been found outside the Fund for other bilateral and multilateral facilities as well, supplementing and reinforcing, but in no way supplanting, the central role of the Fund itself. We have come a long way in these past 10 years, and building on our past experience we can look to the future with confidence. Over the period, as seen from the U.S. point of view, one of the major achievements has been the development of the Federal Reserve swap network. While originally designed mainly as a defense for the dollar, the reciprocal nature of the arrangements has become progressively apparent. They have proved their usefulness in economizing on primary reserves by combating speculation and avoiding disruptive swings in reserve positions, and have already served more importantly for other currencies at periods of great stress than for the dollar itself. Together with other mutual central bank arrangements, these swap facilities will clearly play an integral role in any liquidity system in the future.

Treasury foreign currency bonds have similarly demonstrated their usefulness, not only in absorbing the temporarily large dollar accruals of some individual countries, but also in providing supplementary reserve assets for the original creditor, which he may later use in case of need, as Italy has already done.

But these are only examples of the credit forms that make up an essential part of our present-day liquidity system. I am sure that new forms will emerge as needs appear. The emphasis I would like to place is not upon the specific instruments themselves, but on the process that has created them, the process of evolutionary change shaped by common appraisal and cooperative action. All countries, and particularly the leading industrial countries, have not only a mutual interest but also a shared responsibility in the maintenance of an adequate and stable international monetary system. The fortunate fact is that they recognize and understand this imperative. They are, I believe, determined to find those approaches which will, while adapting to the shifting needs of the world economy, most nearly fulfill the potentialities of our international payments system.

EXHIBIT 37.—Statement by Assistant Secretary of the Treasury Bullitt, October 29, 1963, before the Senate Foreign Relations Committee, on increase in capital of the IBRD

I am glad to have the opportunity of appearing before you today in support of legislation relating to the International Bank for Reconstruction and Development (IBRD).

The bill under consideration would authorize the U.S. Governor of the IBRD, Secretary Dillon, to vote in favor of a resolution before the Board of Governors to authorize an increase in the capital of the Bank. The National Advisory Council (NAC) on International Monetary and Financial Problems, established by the Congress in the Bretton Woods Agreements Act of 1945, strongly urges the Congress to act favorably on the requested authorization. The Council has submitted a report relating to this problem which covers in detail the reasons for the requested legislation.

On August 19, 1963, the House of Representatives passed H.R. 7405 by a voice vote. That bill is identical to the one before you, so that favorable action by you and by the full Senate would permit speedy U.S. assent to this proposal which, although largely technical from the viewpoint of the United States, is nevertheless important to the International Bank and its members.

The committee members are, I am sure, quite familiar with the work of the International Bank, so that I shall discuss its operations only very briefly to bring the record up to date. Through September 30, 1963, the World Bank had made 361 loans in 67 countries for a total of almost $7.5 billion in the course of its 17 years of activity. On these loans it has disbursed $5.6 billion, and it now has outstanding almost $5 billion in loans to its member countries and enterprises in these countries. Over $2.3 billion loaned by the IBRD has been repaid to it or sold to other investors. Its loans have been prudently made and the payments due have been made regularly, with no defaults to date. Its loans have financed the cost of important projects in the fields of power, transportation, and agricultural and industrial development.

The World Bank finances its activities principally from borrowings in the financial markets of the world. Private investors by buying the World Bank's bonds thus participate importantly in economic development abroad. On June 30, 1963, the date of the last published balance sheet, the IBRD had outstanding $2.5 billion in bonds and notes. Of this amount, $1.9 billion was payable in U.S. dollars and $620 million in Deutsche Marks, Swiss francs, sterling, Netherlands guilders, Italian lire, Canadian dollars, and Belgian francs. It is estimated that about $800 million of the dollar-denominated securities of the World Bank are held by foreigners, in addition to those bonds and notes which are denominated in foreign currencies, so that the total of Bank obligations held by foreigners amounts to $1.4 billion, or 56.5 percent of its outstanding indebtedness.

In addition to its direct lending operations, the International Bank has provided important services to its members in advising them on their development programs, sending special missions to assist them in formulating their projects, and advising them on policies and administrative techniques to put these projects on a sound basis. The World Bank has also had programs in training of personnel from its less developed member countries in dealing with their long-range economic programs.

The authorized capital of the International Bank is $21 billion and this capital has been almost completely subscribed by the members since the increase in capital authorized in 1959. The purpose of the proposed increase of $1 billion in the capital of the World Bank is to permit the admission of new members and to permit special increases in the capital subscription of the present members when they so request. The United States would not subscribe any portion of this billion dollars in new capital; no authorization or appropriation of funds would be required.

At the beginning of last fiscal year, the IBRD had 75 members. By June 30, this figure had become 85, and today it stands at 101. Of the $21 billion of authorized capital stock, $20,987 million is already subscribed and outstanding. In addition, in September 1963, four countries, whose membership had been authorized by the Board of Governors and whose subscriptions aggregate $110 million, completed all required formalities for membership, including the deposit of the necessary funds on account of their subscriptions. However, the Bank is not able to regard their subscriptions as complete unless and until the additional capital is authorized, since the remaining margin of $13 million of presently authorized capital stock is insufficient to meet any one of these subscriptions. An additional membership application, involving a subscription of $33 million, which has been approved by the Board of Governors, will pose similar problems when the applicant is ready to complete the formalities of joining.

A major new factor has emerged since the House action on this bill which adds importance to the requirement for additional capital. As the NAC report indicated, existing members had requested increases in their subscriptions amounting to more than $65 million as of the time this proposal was put before the Governors. These requests are still outstanding. Now, however, the Government of Italy has requested slightly more than a doubling of its quota in the International Monetary Fund. In accordance with established practice, this move would be accompanied by a corresponding increase in Italy's subscription to the Bank, and the Italian increase alone would require about $373 million in new shares.

From these figures, it is clear that what was a looming problem in November 1962 when the IBRD first put the capital increase before its Governors, has now become an actual and critical problem, with almost $600 million in urgent demands for capital stock above and beyond the existing authorization.

The Bretton Woods Agreements Act specifies that the U.S. Governor for the Bank may not vote for any increase in its capital without the specific authorization of the Congress, even though no authorization or appropriation of funds is required. It is this authorization to vote which is now being requested.

As of this week, nearly 80 of the World Bank's member countries, representing about two-thirds of total voting power, have voted in favor of the proposed capital increase. No negative votes have been cast. The Bank's articles of agreement require favorable action by members having 75 percent of total votes for the increase to become effective. Since the voting power of the United States is approximately 27 percent of the total, U.S. action is now all that is required to make the increase effective.

I strongly urge favorable congressional action on this legislation, so that Secretary Dillon, as U.S. Governor, can cast his vote in favor of this action which will facilitate the proper expansion of the Bank's membership and capital structure. I repeat that this involves no increase in the U.S. subscription nor any increase in its present liability to the Bank.

Exhibit 38.—Statement by Assistant Secretary of the Treasury Bullitt, November 18, 1963, before the Foreign Operations and Government Information Subcommittee of the Committee on Government Operations, on local currency holdings

I am happy to appear before this committee to discuss the operations and the policy of the Treasury Department in dealing with foreign currencies held by the United States and available for U.S. uses.

The interest of the Treasury Department in this question is twofold:

First, Treasury has responsibility for central accounting, financial reporting, and other fiscal operations in connection with all local currencies received by the U.S. Government.

Second, Treasury is interested in the maximum feasible use of foreign currency receipts to avoid dollar expenditures abroad. This interest is in line with the vigorous efforts which the Administration is making to improve the balance-of-payments position of the United States.

I shall devote part of my statement to the balance-of-payments aspects of the use of our local currency holdings. It will be helpful, however, to describe first the way in which our foreign currency holdings arise, Treasury's specific functions relating to their handling, and the nature of the limitations affecting their use.

The largest single source of foreign currencies currently being received for U.S. uses is the sale of agricultural commodities under Public Law 480, Title I. "U.S. uses" include ordinary Government operating expenditures; special programs such as agricultural market development, educational exchange, and scientific research; and sales to American tourists. Fiscal year 1963 receipts from P.L. 480, Title I, amounted to $213 million out of a total of $484 million generated during that year for U.S. uses from all sources. Of the balance, $163 million represented receipt of principal payments and interest on economic development loans, repayable in local currencies, and $108 million represented interest on deposits held abroad, proceeds from the sale of surplus property and other receipts. Table I (attached) provides a more detailed breakdown of fiscal year 1963 receipts of local currencies by source.

Under present regulations, the Treasury initially takes custody of practically all foreign currency receipts. It issues transfer authorizations to move foreign currencies from holding accounts to operating accounts in accord with relevant legislation and, where appropriate, the terms of country agreements. If a problem should arise about the priority of assignment of local currency receipts to various U.S. uses, the problem would be resolved by the Bureau of the Budget in consultation with the agencies concerned.

The Treasury Department consolidates agency estimates of local currency requirements. On the basis of these estimates and supplementary information about possible changes in requirements and availabilities, the Treasury annually prepares a list of the countries in which U.S. holdings are in excess.

For most of the 60 or so currencies held by the U.S. Government, holdings are much smaller than estimated requirements for a reasonable period in the future. But in the case of some countries, between seven and nine in recent years, Treasury has found that holdings exceed 2 years' prospective requirements. In such a case, the currency is likely to be designated by Treasury as an excess currency unless prospective changes in U.S. receipts of the currency or the trend of U.S. requirements or a rise in prices in the countries involved suggest that a somewhat larger number of years' requirements should be allowed for before the currency is considered "excess."

This determination of excess currencies is made by the Treasury in cooperation with other agencies, particularly with the Bureau of the Budget. Once the list of countries in which excess currencies are held has been established, it is used by the Director of the Bureau of the Budget as a guide for inviting agencies to request special foreign currency program appropriations. Such appropriations, when approved by the Congress, are for expenditures that can be financed only out of U.S. Government holding of excess currencies.

The exchange rates at which U.S. holdings of local currencies are sold to Government agencies, personnel, or other authorized purchasers are specified by the Treasury Department. This involves no problem in a country with a unitary exchange rate. In some countries, however, multiple exchange rate systems exist, and in these cases the general policy has been to use the rate at which the currency could be acquired in the market for the purpose involved.

The Treasury Department designates the depositories abroad for U.S. Government-owned local currencies and makes it a practice to utilize branches or subsidiaries of American banks wherever possible. It is the policy of the Treasury to obtain the maximum amount of interest possible on such deposits consistent with their safety. The protection of U.S.-owned foreign currencies is a prime concern of the Treasury. The risks that would be involved in some countries in depositing funds with foreign commercial banks would more than outweigh any interest that might be collected on the funds. In these cases we have followed the practice of depositing the funds with foreign central banks which we feel provides the maximum security for the funds since by doing so we are creating what is tantamount to a Government-to-Government claim.

In some foreign countries the payment of interest by banks on demand deposit balances is prohibited and, therefore, unless a portion of the funds can be placed on a time basis it is not possible to collect interest. If the Government agency for which the funds are being held expects to disburse them within a short period of time, the placing of such funds on a time deposit would not be practicable.

Some foreign governments take the position in negotiating P.L. 480, Title I, sales agreements that the proceeds shall be deposited with their central banks even though the majority of the central banks do not pay interest on deposits. In such cases, a decision must be made as to how much it is worth to us to resist this position in view of other objectives we are seeking in the sales agreements.

We are constantly reviewing the arrangements under which balances are maintained with banks abroad with a view to increasing the amount of interest earned.

U.S. disbursing officers of the State Department are authorized by the Treasury to operate the local accounts in which the bulk of our local currency is held, and are under the technical supervision of the Treasury Department. They disburse under delegation of authority from the Chief Disbursing Officer of the Treasury Department. Central summary accounts of our local currency holdings are maintained by Treasury, and periodic financial reports are prepared. The latest of these is the *Preliminary Report on Foreign Currencies in the Custody of the United States, Fiscal Year 1963*, a copy of which has been provided to the committee.

Finally, I should mention that Treasury participates with other agencies in the interagency committee which formulates U.S. negotiating positions for prospective Title I sales agreements with foreign countries.

With this brief survey of Treasury's functions completed, I should like to turn to our balance-of-payments position and the way in which our local currency operations help that position. The United States has experienced substantial balance-of-payments deficits in each of the past five years. From a peak of $3.9 billion in 1960, the overall deficit, measured by our gold sales plus the increase in short-term liquid liabilities to foreigners, fell to $2.4 billion in 1961 and to $2.2 billion in 1962. While the commercial trade balance and Government expenditures abroad showed modest improvement, a significant portion of the progress has been due to special receipts from intergovernmental transactions, including receipts from the sale of nonmarketable medium-term securities, from advance payments for military equipment, and from debt prepayments. Moreover, capital outflows remained large.

In the first half of this year, the balance-of-payments deficit showed a tendency to expand once again, a deterioration attributable in large part to an increase in long-term capital outflows from the United States. Specifically, new issues of foreign securities in the United States, which had averaged less than $600 million per year in the period 1959–61, rose to an annual rate of nearly $2 billion in the first 6 months of this year. On July 18, the President, in a special message to the Congress, reviewed the Administration's program for improving the balance-of-payments position and announced several new measures for this purpose, including an interest equalization tax, designed to increase the cost to foreigners of obtaining capital in the U.S. market.

Our balance-of-payments position showed a marked improvement in the third quarter of this year, reflecting the measures announced by the President. Particularly sharp was the decline in the outflow of long-term private portfolio capital as a result of the interest equalization tax proposal. Purchases of new foreign issues in the third quarter amounted to about $175 million, as compared with over $500 million in each of the first two quarters of this year. Net purchases of outstanding foreign securities from foreigners declined almost to zero in the third quarter compared to about $50 million in each of the first two quarters. There was also a substantial reduction in recorded net short-term capital outflow at least in part attributable to the rise in the Federal Reserve discount rate in July. The rise in the maximum rate which banks may pay on time deposits of under one year was also a factor.

Primarily as a result of these improvements, our deficit on regular transactions, that is, excluding debt prepayments, sales of special Government securities, and other special transactions, fell from a seasonally adjusted rate of $1.3 billion in the second quarter to somewhat less than $400 million in the third quarter. Despite the improvement in the third quarter, the rate of the deficit for the first three quarters of the year on an annual basis remained at about the level for all of last year.

In view of this situation, the need to press ahead in our efforts to correct our deficit situation is evident. We are doing this over a broad field.

Our efforts include the maintenance of domestic price stability and passage of the pending tax bill.

They include export expansion: through negotiation of tariff reductions; through broad facilities for export credit financing; through greater promotion of American products abroad and active probing for new markets; through active stimulation of present and potential American exporters, most recently by the White House Conference on Export Expansion; through increased sale abroad of Government commodity stocks; and through remedying a situation of ocean freight rate discrimination against U.S. exports.

They include improving our balance on tourism: through continuing to limit the duty-free Customs exemption to $100 per person; through a strengthened program by the U.S. Travel Service to increase foreign travel here; and through a "See America Now" program.

They include a reduction of Federal expenditures of dollars abroad, recently strengthened through a procedure for special review and control by the Bureau of the Budget.

For example, net military expenditures of dollars abroad, which had already declined from $2.7 billion in 1960 to $1.9 billion in 1962, will be reduced further by more than $300 million by actions to be put into effect before the end of calendar year 1964. In addition, the Defense Department will continue arranging offsets through military procurement by allies in the United States. Also, programs for acquisition of strategic materials from foreign sources will be reduced by over $200 million from the 1962 level within the next 2 years. The total planned reduction of military dollar expenditures is well over $500 million.

As for the Agency for International Development, a continuation of tying more than 80 percent of all commitments to U.S. goods and services will reduce dollar outflows in fiscal year 1965 to not over $500 million. This represents a reduction of $300 million from the level achieved in fiscal year 1963.

Other departments' and agencies' overseas expenditures will be reduced within the next year by at least $100 million.

As steps for improving our balance on capital account, I have already mentioned the Federal Reserve increase in the rediscount rate from 3 to 3½ percent, the higher ceiling for interest rates payable on time deposits of short maturities and the proposed interest equalization tax. The pending tax reduction bill will increase the attractiveness of direct investment in the U.S. for both domestic and foreign firms. A joint program by the Government and financial community is under way for promoting increased foreign purchases of U.S. securities and increased borrowing facilities for U.S. companies abroad.

Prepayments of debt by foreign countries, advance payments on military purchases here, and the issuance by the Treasury of medium-term securities to foreign holders of dollars will continue to give support to our balance-of-payments position.

Finally, the $500 million standby credit with the International Monetary Fund, the access to supplementary credits from other industrial countries via the Fund, the reciprocal credit arrangements with foreign central banks, and the informal but effective joint action with regard to the London gold market, have helped to eliminate speculative factors that might disturb the dollar and stimulate gold outflows.

The program, which I have summarized, has been effective in improving our balance-of-payments position, and it has not interfered with other important policy objectives of the United States. The use of our local currency holdings to help our balance of payments should follow the same pattern. Such use can be effective when it reduces the level of our dollar expenditures abroad below what they would otherwise have been. It cannot be expanded indiscriminately, however, without adversely affecting other of our objectives abroad.

Insofar as our holdings of nonexcess local currencies are authorized for special U.S. programs abroad that would not be undertaken if we had to finance them with dollars, their availability for financing normal and essential U.S. operating expenditures abroad is reduced. Hence, the potential balance-of-payments benefit is lost. This situation can be aggravated by the procedure of segregating local currencies for the financing of special programs abroad. As a result of such funding, the U.S. Government sometimes finds itself in a position of buying currencies abroad with dollars in order to meet regular operating expenditures when it holds the same currencies in reserve accounts in anticipation of special program expenditures some time in the future.

An Administration proposal is now under consideration by the Congress to correct this situation. It would provide that any foreign currencies reserved for specified programs may be carried by the Treasury in unfunded accounts. Passage of this bill will mean that at least $75 million of local currencies now held in reserved accounts in nonexcess currency countries will become available for meeting current U.S. Government requirements and will thus postpone, or even avoid, our need for buying these currencies with dollars in foreign countries.

The governments of developing countries are generally interested in restricting the loss of real resources which is involved when we use our local currencies to acquire goods and services from them. Their efforts in this regard reduce the potential balance-of-payments benefit which we might otherwise achieve in the short run; but there may be a compensating balance-of-payments advantage for us over a longer period. If the retention of a larger amount of real resources for their economic development enables them to achieve a faster rate of growth, they may sooner become viable economies which can purchase from us on a fully commercial basis.

We continually review the possibilities of increasing the balance-of-payments advantage from the use of our local currency holdings. Agencies with personnel overseas endeavor to assure that personnel requirements for local currencies are met out of U.S. Government holdings in cases where we have more than enough to cover agency operating requirements.

We have transferred from a dollar to a local currency basis the payment of many U.S. Government beneficiaries living abroad. This has been the case with beneficiaries living in India, for example, where our payments amount to $100,000 annually. Annual savings in various countries from this source amount to about $1.2 million.

Increased sales to American tourists seem feasible in certain countries and we have been increasing our efforts in this direction. Unfortunately, the countries in which we hold excess currencies are not those which attract a large amount of American tourist dollars, under $50 million in 1962. Sales to tourists benefit our balance of payments, of course, only insofar as they are made from holdings above those needed for our regular Government operating expenditures abroad. It would obviously not benefit the U.S. balance of payments if we were to sell to American tourists local currencies which we need for current operations of our embassies and military bases abroad because we would then have to use dollars to buy these same currencies in foreign countries to cover our regular Government operating needs.

We have explored the legal possibilities of selling local currencies to private nonprofit organizations such as the Ford Foundation for its program in India. We do not believe such sales are authorized under present legislation, but we would certainly take advantage of any opportunity to sell local currencies in excess of our regular operating needs for this purpose if we had the legal authority.

In these and other ways, which the representatives of other agencies appearing before you will discuss, we can and will continue to obtain benefit for the U.S. balance of payments from use of our local currency holdings.

Finally, Mr. Chairman, I would like to provide for the record certain information which your committee requested, namely:

Table II, attached, which shows as of June 30 (and as of September 30, on a preliminary basis) the total of Indian rupees held by the U.S. Government for U.S. use. A note in the table indicates the estimated number of years' requirements represented by this balance.

Table III, attached, which lists the purposes for which U.S.-owned rupees may be used under the P.L. 480 agreements with India.

743-160—65——22

TABLE I.—*Receipts of foreign currencies for U.S. use by major sources, fiscal year 1963*

[Millions of dollars equivalent]

	Preliminary data		
	Total	Total currencies in countries declared "excess"	Total currencies in countries not declared "excess"
Sale of agricultural commodities under Title I of P.L. 480	213	136	77
Principal repayments on loans	51	33	18
Interest on loans	112	73	39
Interest on bank deposits	25	18	7
Recoveries, Government operations in occupied areas	25		25
Lend-lease and surplus property, drawdowns	14		14
U.S. portion of counterpart deposits	18	3	15
Recoveries, military assistance to foreign nations	10	3	7
Informational media guaranties	3	2	1
Other	13		13
Total	484	268	216

TABLE II.—*U.S.-owned Indian rupees available for U.S. use, as of June 30, 1963* [1]

[Millions of dollars equivalent]

Unrestricted use	[2] 227
Restricted use	[3] 63
Total	290

[1] Preliminary figures for September 30, 1963, show a total of $309 million.

[2] The balance of $227 million (rupee equivalent) as of June 30, 1963, represented approximately 28 years' estimated requirements for unrestricted uses. (In addition to the $227 million, there is $15 million which could be transferred from Cooley loan use to unrestricted U.S. use because of not being utilized within the 3-year period stipulated in the P.L. 480 sales agreement with India.)

[3] The balance of $63 million for restricted use as of June 30, 1963, represented an estimated 6 years' requirements. In addition, $15 million was held in AID accounts to help finance the U.S. AID program in Nepal.

TABLE III.—*India P.L. 480, Title I, U.S. program uses*

Section 104	Program title	Administering agency
(a)	Agricultural market development	Agriculture
(d)	For AID program in Nepal	AID
(f)	Payment of U.S. obligations abroad	Various
(h)	International educational exchange	State
(i)	Translation of books and periodicals	USIA
(j)	American-sponsored schools and centers	USIA
(k)	Scientific, medical, cultural, and educational activities	Various
(l)	Buildings for U.S. Government use	State
(m)	Trade	Commerce
(n)	Acquisition, indexing, and dissemination of foreign publications	Library of Congress
(o)	Assistance to foreign countries of established schools, colleges, and universities	No active programs in India
(p)	Supporting workshops and chairs in American studies	No active programs in India
(q)	Assistance to meet emergency relief requirements	No active programs in India
(r)	Financing of audio-visual informational and education materials	No active programs in India

Exhibit 39.—Statement by Deputy Assistant Secretary of the Treasury Trued, November 14, 1963, before Subcommittee 4 of the House Judiciary Committee, on H.J. Resolution 658

I am happy to be here and to support, on behalf of the Treasury Department, H.J. Resolution 658, authorizing and requesting the President to proclaim 1964 as "See America Year." Adoption of this resolution would be desirable for several reasons, but most importantly, in our view, it would give further impetus to the "See America Now" program which the President announced last July 18 along with other measures to eliminate the balance-of-payments deficit. It will enhance our efforts to make travel at home a more appealing alternative to travel abroad, and thereby reduce the large drain on our balance of payments resulting from the ever increasing flow of American tourists abroad.

As the President pointed out, the dollar outflow from the United States resulting from travel abroad by Americans is substantial. In 1962 Americans spent almost $2.5 billion for such travel. This included $1.9 billion for expenditures in foreign countries and about $560 million in payments to foreign carriers for transocean transportation. These expenditures were only partially offset by expenditures of foreigners in this country, which in 1962 amounted to about $1 billion, including about $120 million for transoceanic fares paid to U.S. carriers. Thus, the net deficit in our balance of payments on account of travel was $1.4 billion, which was, of course, an important part of our overall balance-of-payments deficit of $2.2 billion. The figures available for 1963 indicate that the deficit on travel account will be even larger.

The table[1] I have distributed shows the rapid growth in travel expenditures abroad by Americans since 1951. That table shows that our total travel expenditures increased almost threefold from 1951–62. Our receipts also increased substantially during this period but, although they doubled, our net deficit increased from $366 million to $1,430 million.

The rise in expenditures by Americans for foreign travel is, like other consumer expenditures, related to the increase in our national income during the period. But a recent study by the Commerce Department shows that Americans have been spending an increasing share of their income on foreign travel. This study shows that during the 1951–62 period an increase of 10 percent in disposable personal income has been associated on the average with a nearly 20 percent increase in foreign travel expenditures. Obviously, continuation of this relationship would have an increasingly heavier impact on our balance of payments. Insofar as we can, by positive steps, make travel in the U.S. more and more attractive, we will tend to redress somewhat these balance-of-payments results.

As you are aware, the Administration has an extensive program to eliminate our balance-of-payments deficit and a major part of that program is to make the United States more competitive in attracting the investments and expenditures of Americans as well as foreigners. The promotion of tourism in the United States is also appropriate in this regard. The success of the "See America Now" program will primarily depend on the extent to which the American people are made aware of the desirability and importance of their looking to the United States for their vacation and travel opportunities. The lure of foreign lands is glamorous and well advertised. For our part, we should not only become more competitive in this area but also bring to the attention of Americans the infinite variety of beautiful and historic places in the United States which are readily at hand for vacation and other nonbusiness travels.

Adoption by the Congress of this resolution would indicate its strong support for the objective of the "See America Now" program and would thus make a most useful contribution in this respect. Consequently, the Treasury Department welcomes the initiative of Congressman Ullman in introducing this resolution and strongly urges its adoption.

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[1] Printed at the conclusion of this statement.

U.S. travel account 1951–first half 1963
[In millions of dollars]

Year	Receipts			Expenditures			
	Transocean fare receipts from foreigners	Travel by foreigners in United States	Total travel receipts	Transocean fare payments to foreign carriers	Travel by Americans abroad [1]	Total travel payments	Net travel balance
1951	+50	+473	+523	−132	−757	−889	−366
1952	+62	+550	+612	−172	−840	−1,012	−400
1953	+58	+574	+632	−179	−929	−1,108	−476
1954	+61	+595	+656	−183	−1,009	−1,192	−536
1955	+64	+654	+718	−201	−1,153	−1,354	−636
1956	+63	+705	+768	−238	−1,275	−1,513	−745
1957	+84	+785	+869	−261	−1,372	−1,633	−764
1958	+89	+825	+914	−320	−1,460	−1,780	−866
1959	+90	+902	+992	−380	−1,610	−1,990	−998
1960	+110	+887	+997	[2] −513	−1,745	−2,258	−1,261
1961	+112	+900	+1,012	−515	−1,747	−2,262	−1,250
1962	+117	+921	+1,038	−563	−1,905	−2,468	−1,430
FIRST HALF [3]							
1962	+53	+447	+500	−287	−790	−1,077	−577
1963	p +57	+479	+536	p −325	−857	−1,182	−646

p Preliminary.
[1] Roughly 80 percent pleasure, family, etc., and 20 percent business.
[2] Begins new series.
[3] Not seasonally adjusted.

NOTE.—In published balance-of-payments statistics transocean fares are included in transportation account.

EXHIBIT 40.—Treasury and Federal Reserve foreign exchange operations, March–August 1963

This third joint interim report reflects the Treasury-Federal Reserve policy of making available additional information on foreign exchange operations from time to time. The Federal Reserve Bank of New York acts as agent for both the Treasury and the Federal Open Market Committee of the Federal Reserve System in the conduct of foreign exchange operations.

This report was prepared by Charles A. Coombs, Vice President in charge of the Foreign Department of the New York Reserve Bank, and Special Manager, System Open Market Account.[1]

As of early March 1963 the Federal Reserve reciprocal credit, or swap, network covered 10 foreign central banks, plus the Bank for International Settlements, and involved a total amount of $1,100 million. In May 1963 the reciprocal currency agreement with the Bank of England was increased from $50 million to $500 million, thereby raising the total of these short-term swap lines to $1,550 million.

From the first use of the Federal Reserve swap program in March 1962 through the end of August 1963, total drawings on these swap lines by the Federal Reserve and other central banks amounted to $978 million. Over the same period, total repayments of $876 million were made, each generally within 6 months from the date of the drawing. The net debtor position of the Federal Reserve under all these agreements combined was $92 million as of the end of August 1963, compared with $65 million at the end of February 1963. During the first week of September, the net debtor position of the Federal Reserve was reduced to $73 million.

[1] For the report on operations from March 1961–August 1962, see 1962 annual report pp. 469–80; for the report covering September 1962–February 1963, see 1963 annual report, pp. 386–93.

TABLE I.—*Federal Reserve reciprocal currency agreements, end of August 1963*

Other party to agreement	Amount of facility (millions of dollars)	Date (of original agreement)	Term (months)
		1962	
Bank of France [1]	100	Mar. 1	3
Bank of England [2]	500	May 31	12
Netherlands Bank	50	June 13	3
National Bank of Belgium	50	June 20	6
Bank of Canada	250	June 26	3
Bank for International Settlements [3]	100	July 16	3
Swiss National Bank	100	July 16	3
German Federal Bank [4]	150	Aug. 2	3
Bank of Italy [5]	150	Oct. 18	3
Austrian National Bank	50	Oct. 25	3
		1963	
Bank of Sweden	50	Jan. 17	3
Total for all banks	1,550		

[1] Increased from $50 million to $100 million on Mar. 4, 1963.
[2] Increased from $50 million to $500 million on May 29, 1963.
[3] In Swiss francs.
[4] Increased from $50 million to $150 million on Jan. 17, 1963.
[5] Increased from $50 million to $150 million on Dec. 6, 1962.

At the end of February 1963, there were outstanding U.S. Treasury issues of $481 million in foreign currency bonds and of $48 million in foreign currency certificates. During the next 6 months, all of the foreign currency certificate issues were converted into foreign currency bonds, while additional bonds were issued in the amount of $177 million. Of this total of $705 million of foreign currency bonds outstanding at the end of August 1963, $50 million has in one instance been employed to refund Federal Reserve swap drawings into medium-term obligations of the Treasury.

TABLE II.—*U.S. Treasury foreign currency bonds outstanding, end of August 1963*

Investor	Amount (millions of U.S. dollar equivalents)	Original maturity (months)	Currency
German Federal Bank	275	15–24	German mark
Bank of Italy	200	15–24	Italian lira
Swiss Confederation	127	15–18	Swiss franc
Swiss National Bank	48	15–18	Swiss franc
National Bank of Belgium	30	24	Belgian franc
Austrian National Bank	25	18	Austrian schilling
Total	705		

Belgian francs

Unlike the other swap arrangements, which are now on a standby basis, the Federal Reserve–National Bank of Belgium swap remains fully drawn, as it has been from the beginning. The swap thus provides the National Bank of Belgium with a supplementary dollar balance of $50 million and the Federal Reserve with an equivalent balance of 2.5 billion Belgian francs.

During the period under review, disbursements of the reciprocal balances created by the swap were made by both parties for a combined total of $25 million equivalent. These exchange operations were quickly reversed, as the payments balance of Belgium oscillated around equilibrium.

In May 1963 the U.S. Treasury issued to the National Bank of Belgium 24-month bonds denominated in Belgian francs in the amount of $30 million equivalent. These bond issues were timed to coincide with Belgian Government borrowings of dollars in London and New York, which would otherwise have resulted in an accrual of surplus dollars on the books of the National Bank of Belgium. These dollars were immediately absorbed, however, by the Treasury with the Belgian franc proceeds of the bond issues.

Over the past year, payments swings in the Belgian dollar position totaling $175 million have been financed through the Federal Reserve swap facility and the U.S. Treasury issue of Belgian franc bonds, thereby dispensing with the use of existing reserves by an equivalent amount. Although limited in scale, these coordinated exchange operations by the U.S. and Belgian exchange authorities provide a clear illustration of the technical feasibility of readily financing, through the flexible use of the international financial machinery that has recently been developed, the payments swings that inevitably accompany even a balanced growth of trade and payments.

TABLE III.—*Federal Reserve and National Bank of Belgium reciprocal currency agreement through August 1963*

Date	Disbursement	Repurchase	Closing balance
	Federal Reserve operations in Belgian francs [1] (millions of U.S. dollar equivalents)		
1962			
June 20			50.0
Aug. 7	10.5		39.5
Sept. 17-21		10.5	50.0
Oct. 11	10.0		40.0
Nov. 19	10.0		30.0
Dec. 19		5.0	35.0
1963			
Jan. 2-4		14.4	50.0
Jan. 31	5.0		45.0
Feb. 11		5.0	50.0
Apr. 2	5.0		45.0
June 11		5.0	50.0
	National Bank of Belgium operations in U.S. dollars (millions)		
1963			
Jan. 16	5.0		45.0
Jan. 31		5.0	50.0
Feb. 21	10.0		40.0
Mar. 11	10.0		30.0
Mar. 27-Apr. 2		20.0	50.0
June 27	10.0		40.0
Aug. 2		5.0	45.0

[1] Closing balance includes interest earnings.

Netherlands guilders

From mid-November 1962 through February 1963 the dollar-guilder market remained quiet with no need for intervention by the Federal Reserve Bank of New York for either the Federal Reserve System or the U.S. Treasury. Renewed buying pressure on the guilder developed, however, in mid-March 1963 and continued for over 2 months thereafter. Part of the dollar influx into the Netherlands apparently originated in foreign direct investment. But a more important cause appeared to be a gradual tightening of money market conditions in the Netherlands.

As Dutch commercial banks began to be squeezed for liquidity, the call money rate in the Netherlands rose sharply from 1 percent to 3 percent, and rates on Treasury paper also advanced. To ease the pressure on the banks, the Netherlands Bank in March agreed to accept certain Netherlands Treasury paper under repurchase agreements and, for the monthly reserve period ended April 21, reduced the banks' cash reserve requirements by 1 percentage point to 4 percent. Nevertheless, the tightness continued, and Dutch commercial banks repatriated short-term investments from abroad in order to bolster their strained domestic liquidity positions. The return flow of short-term funds was reflected both in a strengthening of the spot guilder rate and in a narrowing of the forward guilder premium.

In these circumstances it seemed appropriate to prevent through central bank swap operations the potential unloading of such repatriations on the Netherlands Bank. Accordingly, from April 10 through May 28, the Federal Reserve gradually disbursed a total of $44 million equivalent in guilders acquired through drawings upon the $50 million swap line with the Netherlands Bank. The great bulk of these disbursements were effected through exchange market operations with the dual purpose of preventing the spot rate for the dollar from declining to the floor and of simultaneously absorbing dollars that would otherwise have flowed to the Netherlands Bank.

By early June the tide began to turn as the Netherlands Bank again reduced the commercial banks' cash reserve requirements by 1 percentage point to 3 percent and money market conditions eased in the Netherlands. With the decline in Dutch money rates and with the strengthening of their liquidity positions, Dutch commercial banks resumed placements of short-term funds abroad, thereby pushing up the spot rate for the dollar and widening the forward premium on the guilder. Between July 1 and July 3 the Federal Reserve was able to acquire $5 million of guilders through market operations conducted by the Netherlands Bank, and the dollar rate continued to strengthen gradually throughout the summer months.

Although such favorable market conditions would probably have permitted further gradual liquidation of most of the swap drawing, the Netherlands Bank and the Federal Reserve both deemed it preferable to take advantage of a $70 million debt prepayment by the Netherlands Government to the U.S. Government on July 22. This debt prepayment, which resulted in an equivalent draft upon the dollar reserves of the Netherlands Bank, enabled the Federal Reserve to buy directly from the Netherlands Bank a sufficient amount of guilders to liquidate its remaining commitment under the swap drawing.

Sterling

Sterling strengthened in early January 1963, and there were numerous indications at that time that seasonal inflows of dollars might considerably augment British official reserves during the first half of 1963. Accordingly, the Federal Reserve drew £9 million, or $25 million equivalent, of its $50 million swap facility with the Bank of England and subsequently used £2 million, or $5.6 million equivalent, of this drawing to support the dollar rate.

Late in January, however, the exchange market situation was abruptly transformed when the British bid for Common Market membership was rejected. The Federal Reserve reversed gear and on February 1 purchased sufficient sterling to replenish its sterling balance to £9 million, or $25 million equivalent. Simultaneously, as speculative pressure on sterling gathered force, the Bank of England disbursed the $25 million credited to its account at the Federal Reserve under the initial swap drawing. Despite sizable intervention by the Bank of England, the sterling rate gradually declined during February and March and slipped below par. On March 29 the Federal Reserve Bank of New York purchased in the market for U.S. Treasury account £3 million, equivalent to $8.4 million, thereby reinforcing the support operations of the Bank of England.

The Bank of England might have readily drawn on the remaining $25 million of the $50 million swap line, which the Federal Reserve was prepared to increase, but the nature of the speculative selling of sterling suggested to the Bank of England that recourse to other short-term facilities would be more appropriate. As far as could be ascertained, the speculative outflow from London was directed largely to continental financial centers rather than to New York. The Bank of England accordingly negotiated short-term credits of $250 million equivalent with several continental European central banks in order to reinforce British official reserves. These short-term credits, which cushioned the decline in British reserves during February and March, were reported early in April by Chancellor Maudling. This announcement immediately strengthened sterling, as the markets realized that cooperative action by central banks to defend sterling was under way, and the sterling rate stabilized slightly above par.

Between May 6 and 20 during temporary declines in the sterling rate to slightly below par, the Federal Reserve Bank of New York, on behalf of both the System and the Treasury, accumulated £6.5 million, equivalent to $18.2 million, in order to build up U.S. official holdings. No immediate need to employ these balances for intervention in the dollar–sterling market was anticipated, however, and several weeks later it appeared advantageous to swap £9.3 million, or $26.0 million, of the combined Treasury and Federal Reserve holdings into Swiss francs. This was done to accelerate repayment of earlier Federal Reserve drawings upon its swap line with the Swiss National Bank. In August, as sterling weakened again, the Federal Reserve Bank of New York acquired in the market additional sterling balances of £2.7 million, or $7.5 million, for the account of the Federal Reserve and the Treasury.

Perhaps the most important single development during the period under review, however, was the announcement on May 29 that the swap line between the Federal Reserve and the Bank of England had been increased from $50 million to $500 million. The magnitude of this increase in the reciprocal credit arrangement between the Federal Reserve and the Bank of England has greatly reinforced market confidence in the stability of the sterling–dollar parity relationship and may well mark a milestone in the development of international financial cooperation. The $25 million swap operation initiated in January was fully liquidated on July 16, and the $500 million swap arrangement is consequently on a standby basis immediately available in its entirety to either party in case of need.

German marks

From early March through late July there was almost continuous buying pressure on the German mark, which strengthened from a quotation of $0.2500¼ on March 1 to a peak rate of $0.2515⅛ on June 20. Although some improvement in the German foreign trading position seemed to be involved, there were numerous indications of sizable inflows of capital. Throughout the period relatively tight money market conditions prevailed in Germany. In June in particular, the German banks found their reserve positions squeezed, owing to the coincidence of the quarterly tax date and the customary midyear "window-dressing" needs. Reflecting this tightness, the rate for call money traded among the banks remained above the central bank discount rate of 3 percent, and on occasion rose to over 4 percent. These relatively high short-term rates appeared to be pulling in funds from other European financial centers and from New York. In addition, there was evidence of quite substantial foreign investment in German bonds, on which yields were also relatively high, as well as in German equities. Subsequent statistical reports have confirmed these early impressions.

The pressures on the mark–dollar exchange market were resisted by closely coordinated action by the German Federal Bank and the Federal Reserve Bank of New York. From early March through August, the German Federal Bank took in a substantial amount of dollars at rates well below the ceiling on the mark and thus helped to maintain a calm and orderly atmosphere in the market. On the U.S. side, the Federal Reserve Bank of New York intervened heavily for both Treasury and Federal Reserve account. It used mark balances available at the beginning of the period and, in addition, drew on the Federal Reserve–German Federal Bank swap line and placed with the German Federal Bank additional issues of U.S. Treasury mark bonds.

In April, combined Treasury and Federal Reserve disbursements of previously accumulated mark balances amounted to $16.5 million equivalent. A further mark supply of $13.2 million equivalent became available and was disbursed in June and July, as a weakening of the Swiss franc facilitated a partial reversal of the $30 million Treasury swap of marks for Swiss francs that had been arranged in December 1962 following the Cuban crisis. Most of the intervention operations by the New York Reserve Bank for both the System and the Treasury, however, were financed by bilateral credit arrangements. In May and June the Federal Reserve drew the entire $150 million equivalent of marks available under its swap line with the German Federal Bank, and by July 5 it had disbursed $143 million of such drawings. At this point, in the face of continuing pressure, it appeared advisable to shift to medium-term U.S. Treasury financing through a $25 million issue on July 11 of a 2-year mark bond, which provided funds for further intervention during the remainder of July.

Early in August, buying pressure on the mark tapered off considerably, partly because of an easing of the German money market, and over the next few weeks the Federal Reserve System was able to purchase a total of $25 million equivalent of marks, which were immediately employed to reduce the swap by that amount. The German Federal Bank would have been agreeable to an extension of the Federal Reserve Bank swap drawings pending the expected reversal of the flow of funds. As this appeared likely to take some time, however, the Federal Reserve and the Treasury, in line with the general policy of reserving swap facilities for countering flows that give evidence of being quickly reversible, felt it desirable at this point to substitute for a portion of short-term obligations of the Federal Reserve to the German Federal Bank a medium-term U.S. Treasury borrowing in the form of a further issue of 2-year mark bonds. Accordingly, on August 28 the Treasury issued to the German Federal Bank a $50 million 2-year mark bond, the proceeds of which were immediately sold by the Treasury to the Federal Reserve System and were used to reduce the Federal Reserve swap drawing to $75 million equivalent. This is the first instance of a refunding of a Federal Reserve swap drawing through medium-term Treasury borrowing.

Swiss francs

On March 1, the short-term commitments of the United States in Swiss francs amounted to $153 million equivalent. These comprised Federal Reserve swap drawings of $100 million on the Swiss National Bank and the Bank for International Settlements, and Treasury forward contracts of $53 million. By June 20, these short-term commitments had been fully liquidated.

As pointed out in previous reports in this series, as well as by Swiss official spokesmen, the strength of the Swiss franc in recent years has been mainly attributable to recurrent inflows of short-term capital funds associated with international political tensions. Whenever these short-term inflows have tapered off, the underlying deficit in the Swiss balance of payments has emerged and generated sizable demands for dollars to finance imports and other payments. During the spring and early summer of 1963 such a demand for dollars reappeared and brought about a strengthening of both the spot and forward dollar rates against the Swiss franc. Under these conditions, the Federal Reserve and Treasury made more or less simultaneous progress in rapidly reducing their short-term debt in Swiss francs.

The Treasury accelerated the liquidation of the $53 million of forward contracts outstanding on March 1 by issuing to the Swiss Confederation an additional $46 million of Swiss franc bonds. By providing the Swiss Confederation with franc-denominated assets, these bonds correspondingly reduced the need for the Confederation to invest in dollar assets abroad and, consequently, its need to have recourse to the forward market to acquire Swiss franc cover for such investments.

The Federal Reserve System, for its part, liquidated $75 million of the $100 million of swap drawings outstanding in early March by buying Swiss francs, both from the market and directly from the Swiss National Bank, and by drawing down existing U.S. official balances in Swiss francs. To speed up liquidation of the final $25 million of the swap drawing, the Federal Reserve, in cooperation with the Treasury, made use of the technique of swapping outright holdings of one currency for another. As mentioned above, the System and the Treasury swapped with the Bank for International Settlements $26 million of previously acquired sterling for Swiss francs. This swap technique, discussed in the preceding report, was first employed in December 1962 to enable the U.S. Treasury to swap $30 million of marks for Swiss francs to deal with buying pressure on the Swiss franc resulting from the Cuban crisis. In such transactions involving third currencies, the Federal Reserve has worked out its operations in consultation also with the central bank responsible for that currency.

In late July, the Swiss franc strengthened once more as the Swiss money market became somewhat tighter. To counter the liquidity squeeze, Swiss commercial banks repatriated funds placed abroad, and this inflow—combined with some renewed speculative pressures—created a heavy demand for Swiss francs. In closely coordinated operations in New York and Zurich, the Swiss and U.S. authorities tempered these market pressures and prevented unduly sharp rate movements. Intervention took the form mainly of renewed U.S. Treasury placements of forward Swiss franc contracts and market purchases of dollars by the Swiss National Bank, both on a moderate scale. With some easing of the Swiss money market, the exchange market returned to a more balanced position in August, and the dollar rate held slightly above the floor.

French francs

Between July 19 and July 23, in an effort to test the market, the Federal Reserve System drew and disbursed for the first time a total of $12.5 million equivalent of French francs under the $100 million swap line with the Bank of France. This intervention lifted the dollar slightly off the floor, but it quickly became apparent that very sizable disbursements would be required to bring about any appreciable improvement of the dollar rate. Intervention was accordingly suspended to await a more favorable opportunity. Since then, the French franc obligation incurred by the Federal Reserve through the swap drawing in July has been fully covered by purchases of French francs in the forward market.

Italian lire

During the period under review, no spot operations in lire were conducted by the Federal Reserve Bank of New York for either the Federal Reserve or the Treasury. Forward operations in lire for Treasury account were continued with satisfactory results and will be reported in detail in due course.

In March and June a total of $100 million equivalent of 15-month lira bonds issued to the Bank of Italy by the U.S. Treasury in 1962 were converted into 24-month obligations carrying the privilege of conversion into shorter maturities in case of need.

Canadian dollars, Swedish kronor, and Austrian schillings

No exchange stabilization operations in Canadian dollars, Swedish kronor, or Austrian schillings were conducted during the period by the Federal Reserve Bank of New York for either the Federal Reserve or the Treasury. In April, however, the Treasury issued a $25 million equivalent 18-month bond denominated in Austrian schillings to the Austrian National Bank and used the schilling proceeds to absorb dollar holdings of the Austrian National Bank, which had been increasing owing to Austria's balance-of-payments surplus.

EXHIBIT 41.—Treasury and Federal Reserve foreign exchange operations (September 1963–February 1964) and the gold pool

This fourth joint interim report reflects the Treasury-Federal Reserve policy of making available additional information on foreign exchange operations from time to time.[1]

This report was prepared by Charles A. Coombs, Vice President in charge of the Foreign Department of the Federal Reserve Bank of New York, and Special Manager, System Open Market Account.

During the 6-month period September 1963 through February 1964, the volume of foreign exchange operations conducted by the Federal Reserve Bank of New York, as agent both for the Federal Reserve and for the U.S. Treasury, expanded still further. Coming against the background of a sharp improvement in the U.S. balance of payments, this increase in exchange operations reflected both the ebb and flow of international payments—marked in recent months by sharp swings in the net dollar position of foreign countries—and greater use of the available facilities by foreign central banks.

The bulk of the transactions executed for Federal Reserve account were financed through the network of central bank reciprocal currency agreements, the so-called "swap network." From the first use of the Federal Reserve swap program in March 1962 through the end of February 1964, total drawings on these swap lines by the Federal Reserve and other central banks amounted to $1,608 million. Over the same period, total repayments of $1,263 million were made, each generally within 6 months from the date of the drawing. As of the end of February 1964, the net debtor position of the Federal Reserve under all these agreements combined was $145 million, compared with a 1963 peak of $342 million on December 13. Further substantial progress in reducing this net debtor position is expected during the next few months.

Supplementing their cooperation in foreign exchange markets, the monetary authorities on both sides of the Atlantic have in recent years developed informal

[1] See also exhibit 40.

arrangements for coordinated action in the London gold market. The markets for gold and foreign exchange are closely linked, and orderly conditions in both are essential for a smooth functioning of the world monetary system. The history and nature of official operations in the London gold market are described in the second part of this report.

Foreign exchange operations since August 1963

Since the end of August, the Federal Reserve swap network has been broadened to include a $150 million swap arrangement with the Bank of Japan, while the swap facilities with the central banks of Italy and Germany have each been increased from $150 million to $250 million, and those with the Swiss National Bank and the Bank for International Settlements have each been enlarged from $100 million to $150 million. The very existence of this central bank network, now embracing 12 national currencies and providing mutual credit facilities of $2,050 million, exerted a strongly stabilizing influence on the gold and foreign exchange markets, which remained calm in the face of a number of potentially dangerous developments.

TABLE I.—*Federal Reserve reciprocal currency arrangements, Feb. 29, 1964*

Institution	Amount of facility (in millions of dollars)	Term (in months)
Bank of France	100	3
Bank of England	500	12
Netherlands Bank	100	3
National Bank of Belgium	50	6
Bank of Canada	250	12
Bank for International Settlements	150	3
Swiss National Bank	150	3
German Federal Bank	250	3
Bank of Italy	250	6
Austrian National Bank	50	3
Bank of Sweden	50	3
Bank of Japan	150	3
Total	2,050	

During the period under review, drawings by the Federal Reserve on the swap lines were made primarily for the purpose of absorbing, through direct transactions, temporary accumulations of dollars on the books of certain foreign central banks, mainly those of Germany, Switzerland, and the Netherlands. There were also occasions, however, when the Federal Reserve intervened directly in the New York foreign exchange market, as well as through foreign central banks in their markets, in order to cushion the potentially disturbing effects of short-term capital movements arising out of seasonal fluctuations, changing money market conditions abroad, and speculative pressures.

The most striking operation of the latter type occurred at the time of the assassination of President Kennedy on Friday, November 22. The initial shock of the news from Dallas temporarily paralyzed the New York exchange market, and as ominous rumors concerning the condition of both the President and the Vice President began to flood the financial markets, there was a clear risk that the panic selling which had hit the stock market might spread to the gold and foreign exchange markets as well.

To provide firm assurance of the continuity of U.S. international financial policy, the Federal Reserve immediately placed in the New York market sizable offers of most of the major foreign currencies at the rates prevailing just prior to the tragedy. The Bank of Canada simultaneously and on its own initiative took similar steps, which were then reinforced by Federal Reserve actions in New York, to stabilize the Canadian dollar–U.S. dollar rate.

As the market realized that the Federal Reserve, with the cooperation of foreign central banks, was fully prepared to defend the existing rate levels, speculative reactions subsided and the market closed with a firm tone. By the end of the day, total Federal Reserve intervention in the New York market had amounted to no more than $23 million in all currencies. Intervention by the

Bank of Canada to support the U.S. dollar on November 22 amounted to $24 million; half of these acquisitions were subsequently taken over by the Federal Reserve.

Although the European markets were already closed at the time of the assassination, telephone contacts were swiftly made with officials of the major European central banks, and well before the close of Friday afternoon arrangements had been completed for a joint program of official intervention on both sides of the Atlantic to deal with any speculative developments either in New York or abroad. As this coordinated intervention became clear to the European markets, trading remained quiet and orderly at stable rates on the following Saturday morning as well as on Monday (when the New York market remained closed on the national day of mourning). No further Federal Reserve intervention, and only limited intervention by foreign central banks, was required.

The Federal Reserve Bank of New York also continued to intervene in the foreign exchange markets here and abroad on behalf of the U.S. Treasury. Treasury operations were concentrated in the forward markets in an effort to influence the timing and direction of short-term capital flows between money market centers. In addition to such market transactions, the Treasury expanded its issues of foreign currency securities from $705 million to $760 million equivalent. On March 9 the Treasury repaid at maturity a $50 million equivalent lira bond issued to the Bank of Italy. This was the first such repayment of a Treasury medium-term foreign currency bond and points up the reversibility of such Treasury medium-term credit operations.

One other development during the period under review that deserves particular mention was the U.S. drawing on the International Monetary Fund on February 13. This drawing in the amount of $125 million equivalent—mainly in German marks and French francs—was made under the $500 million standby agreement with the IMF announced by President Kennedy on July 18. The foreign currency proceeds of this drawing are being sold to other member countries for their use in making repayments to the IMF, since with the IMF's holdings of dollars now equal to the dollar portion of the U.S. subscription, the IMF cannot at this time accept further dollars in repayment.

While this first drawing upon the IMF by the United States was essentially of a technical nature, it nevertheless demonstrated that the resources of the IMF can be called upon by both large and small countries, not only in times of emergency but also in a more or less routine way. Use of the IMF by other countries in such a manner would help to integrate further its large resources into the usable foreign assets of member countries.

There is thus emerging in even sharper focus a spectrum of more or less formalized international credit facilities, ranging from the central bank swap network at the short end to foreign currency bonds and IMF credit facilities in the intermediate area. Each of these credit facilities is complementary to the others. Each may be selectively employed, depending on whether the operational problem calls for immediate action to deal with a temporary situation or a more studied resort to medium-term credit, either from one government to another or from the international pool of credit provided by the IMF. Further development and refinement of such mutual credit facilities to deal with problems that may lie ahead affords a most useful means for strengthening the world's payments system.

German marks

Since January 1963 there has been almost continuous buying pressure on the German mark, reflecting mainly a substantial improvement in the German foreign trading position, large inflows of long-term capital, and occasional inflows of short-term funds in response to tight money market conditions or hedging operations.

In May and June 1963, as noted in the preceding report in this series, the Federal Reserve drew the entire $150 million equivalent of marks available under its mark swap line with the German Federal Bank. In the face of continuing pressure, it then appeared advisable to shift to medium-term U.S. Treasury financing through a $25 million issue on July 11 of a 2-year mark bond, which provided funds for further intervention during the remainder of July. This issue brought Treasury issues of bonds denominated in marks to a total of $225 million equivalent.

Despite this shift in the financing of U.S. operations in marks, the Federal Reserve still was faced with the problem of early liquidation of its commitments under the fully drawn $150 million swap arrangement. As this appeared likely to take some time, however, the Federal Reserve and the Treasury—in line with the general policy of reserving swap facilities for countering flows that give evidence of being quickly reversible—felt it desirable at this point to substitute, for a portion of the short-term obligations of the Federal Reserve to the German Federal Bank, a medium-term U.S. Treasury borrowing in the form of a further $50 million issue of 2-year mark bonds. The mark proceeds of this issue were immediately sold by the Treasury to the Federal Reserve and were used to reduce the Federal Reserve swap drawing to $100 million. This was the first instance of a refunding of a Federal Reserve swap drawing through medium-term Treasury borrowing.

During August and early September, when buying pressure on the mark tapered off, the Federal Reserve purchased $25 million of marks, which were employed to reduce the swap drawing to $75 million. The remainder was fully liquidated by October 28, mainly with marks acquired from the German Federal Bank in conjunction with the German Defense Ministry's need for dollars to purchase U.S. military equipment.

In November the German Federal Bank once again took in substantial amounts of dollars, as German banks began repatriating funds for the yearend. Consequently, the Federal Reserve made new drawings on the swap line—which had been expanded to $250 million on October 10—both to mop up dollars from the German Federal Bank and to acquire marks to sell in the New York market. Marks were also sold in the New York market for U.S. Treasury account.

The inflow of funds to Germany persisted through mid-December, by which time Federal Reserve drawings on the swap line had risen to $136 million (including $10 million drawn to cover spot sales made in New York on November 22, following the assassination of President Kennedy). Once again, however, the German Defense Ministry's need for dollars enabled the Federal Reserve to acquire marks, in this case totaling $70 million equivalent, during the remainder of December. These marks, supplemented by market acquisitions through the German Federal Bank, were used to reduce the net commitments under the swap to $59 million at the close of the year. A further reversal of the yearend window dressing early in January enabled the System Account Management to acquire through the German Federal Bank sufficient additional marks to liquidate the remainder of the mark swap drawings by January 9, 1964.

Once the postyearend outflow of short-term capital ended, the mark strengthened again as the growing German trade surplus and a continuing inflow of capital for investment in German securities created a heavy demand for marks. Late in February, this demand became further swollen by speculative money movements, mainly within Europe. In order to counter these pressures, the German Federal Bank took in dollars at rates just below the ceiling for the mark, and the Federal Reserve Bank of New York intervened in the New York spot market as well as the forward market.

Swiss francs

As has been pointed out by both U.S. and Swiss officials, the strength of the Swiss franc in recent years has been attributable mainly to recurrent inflows of short-term capital funds associated with international tensions. Whenever these short-term inflows have tapered off, the underlying deficit in the Swiss balance of payments has emerged and generated a sizable demand for dollars to finance imports and other payments. During the spring and early summer of 1963, such a demand for dollars reappeared and brought about a strengthening of both the spot and the forward dollar rates against the Swiss franc. Under these conditions, the Federal Reserve and Treasury made rapid progress in reducing their short-term debt in Swiss francs, which had totaled $188 million at the beginning of the year. By June 20, the debt had been fully liquidated.

In late July, however, the Swiss franc strengthed once more, as the Swiss money market became somewhat tighter. To counter the liquidity squeeze, Swiss commercial banks repatriated funds placed abroad, and this inflow—combined, with some renewed speculative pressures—created a heavy demand for Swiss francs. In closely coordinated operations in New York and Zurich, the Swiss and U.S. authorities tempered these market pressures and prevented unduly sharp rate movements. Intervention took the form mainly of U.S. Treasury sales of Swiss francs for forward delivery and market purchases of spot dollars by the Swiss National Bank, both on a moderate scale.

In September the Swiss franc strengthened still further as a result of inflows of funds associated with the usual market gossip surrounding the annual IMF meeting and also because of a flow of funds from Italy. To help counter these pressures and reduce Swiss official reserve gains, the forward sale of Swiss francs for Treasury account in the Swiss market was resumed, and during September some $72 million equivalent was committed, raising to $105 million equivalent the Treasury's forward Swiss franc commitments. Nevertheless, the Swiss National Bank had to absorb substantial amounts of dollars. In order to acquire Swiss francs to mop up these excess Swiss National Bank dollar holdings, the Federal Reserve reactivated the swap arrangement with the Bank for International Settlements, drawing $50 million on September 30 and $30 million on October 7.

Although there was a temporary easing of the influx when the IMF meeting came to a close, further heavy flows of funds from Italy occurred. To cope with these pressures, the Treasury sold during the first half of October $44 million additional of forward Swiss francs, and the Federal Reserve on October 22 drew the remaining $20 million of Swiss francs available under the $100 million swap arrangement with the BIS. Later in the month the Federal Reserve activated its swap arrangement with the Swiss National Bank by drawing $60 million equivalent, while the Treasury funded $30 million of its maturing forward contracts through the sale of a Swiss franc-denominated certificate of indebtedness to the Swiss Confederation. In early November, the Swiss franc came off its ceiling as a result both of a slowing down in the influx of funds from Italy and of an easing in the Swiss money market, and the Federal Reserve was able to acquire sufficient francs to reduce its drawings on the Swiss National Bank and BIS by $5 million each, to $55 million and $95 million, respectively.

In the later part of November the Swiss franc again advanced toward the ceiling as Swiss banks began to repatriate funds for yearend needs. By November 22 the rate was just below the ceiling, and after the assassination of President Kennedy, it moved to the ceiling, at which level the Federal Reserve sold some $2 million of francs. On the same day, the swap lines between the Federal Reserve and the BIS and Swiss National Bank were each increased by $50 million to $150 million. The franc then remained at, or just below, its ceiling through the end of the year.

During December, the Swiss National Bank engaged in a large volume of swap transaction with the Swiss commercial banks (buying U.S. dollars spot and selling them forward) in order to provide accommodation for the yearend repatriation of funds. In addition, the Swiss National Bank had to absorb a substantial volume of dollars in the spot market on an outright basis. Most of these excess dollars holdings were mopped up on December 31 by a Federal Reserve drawing of $70 million of Swiss francs under the swap arrangements with the BIS and the Swiss National Bank. Thus, at the yearend the Federal Reserve's swap commitments in Swiss francs totaled $220 million while the Treasury's forward contracts totaled $120 million.

In February 1964 the Swiss franc rate eased as the heavy net capital inflows of earlier months began to taper off, thus exposing the underlying Swiss current-account payments deficit. Later in the month it was possible for the Federal Reserve Bank of New York to acquire Swiss francs against dollars from the Swiss National Bank. The latter required the dollars so purchased to cover current needs. It is anticipated that sizable reductions will be made over the next few months in the outstanding Federal Reserve and Treasury short-term commitments in Swiss francs.

Netherlands guilders

Buying pressure on the guilder developed in mid-March 1963 and continued for more than 2 months thereafter. Part of the dollar influx into the Netherlands apparently originated in foreign direct investment. But a more important cause was a gradual tightening of money market conditions in the Netherlands. To bolster their strained domestic liquidity positions, Dutch commercial banks repatriated short-term investments from abroad. In these circumstances, it seemed appropriate to prevent through central bank swap operations the potential unloading of such repatriations on the Netherlands Bank. Accordingly, from April 10 through May 28 the Federal Reserve gradually disbursed a total of $44 million equivalent in guilders acquired through drawings on the $50 million swap line with the Netherlands Bank.

By early June the tide began to turn, as the Netherlands Bank again reduced the commercial banks' cash reserve requirements and money market conditions eased. With the decline in Dutch money rates and the strengthening of the Dutch commercial banks' liquidity positions, the banks resumed placements of short-term funds abroad. Throughout the summer months the guilder market was quiet, and by July 28 the Federal Reserve was able to acquire sufficient guilders—both from the market, and directly from the Netherlands Bank in connection with a prepayment of Netherlands Government debt to the United States—to liquidate all outstanding swap drawings on the Netherlands Bank.

In September the guilder rate again turned upward, as a general debate in the Netherlands over credit and wage policy gave rise to widespread rumors that the guilder might be revalued. This in turn set off a brief but heavy speculative demand for guilders, and the guilder rate rose sharply until early October when the revaluation rumors died down. During this period the Federal Reserve drew $100 million of guilders under the swap line with the Netherlands Bank (the arrangement was increased from $50 million to $100 million on October 2 as the heavy movement of funds to the Netherlands persisted) and sold $15 million of guilders in the New York market while also absorbing $80 million of surplus dollars on the books of the Netherlands Bank. In addition, the Federal Reserve Bank of New York sold for U.S. Treasury account through the Netherlands Bank $38.7 million of guilders foward for 1-month delivery in order to encourage an outflow of funds from the Netherlands.

The guilder eased somewhat in October and November, as funds previously repatriated were reinvested abroad. The Federal Reserve Bank of New York was thereby enabled to acquire sufficent guilders to reduce the Federal Reserve's swap commitment by $20 million to $80 million and to liquidate $21.7 million of the Treasury's forward contracts. The remainder of the guilders needed to meet the Treasury's commitment were acquired through a swap with the BIS of $17 million of the Treasury's holdings of marks for guilders. (These marks had been acquired for possible market intervention in October through the reversal of an outstanding Treasury swap with the BIS of marks against Swiss francs. The Swiss francs needed for this latter operation were in turn acquired by swapping into Swiss francs part of the lira balances that the Treasury was building up in anticipation of future maturities of lira bonds issued to the Bank of Italy in 1962.)

In the latter part of November, the guilder strengthened again, reflecting the tightening effects in the money market of a bond issue by the Netherlands Government. Then on November 22, following the assassination of President Kennedy, the Federal Reserve sold in the New York market $3.2 million equivalent of guilders out of existing balances.

As the guilder again eased at the turn of the year, the Federal Reserve was able to resume sizable purchases of guilders, and by the end of February the Federal Reserve's swap commitment had been reduced by $55 million to $25 million. In addition, the Federal Reserve Bank of New York acquired from the Netherlands Bank $17 million of guilders for the account of the U.S. Treasury and used the guilders to repay the Treasury's outstanding German mark–guilder swap with the BIS when a need for marks arose in early March. This transaction once again demonstrated the flexibility of the third-currency swaps in enabling the United States to shift from one foreign currency to another. Thus, of the $138.7 million of short-term guilder debt incurred by the Federal Reserve and the Treasury in September and October 1963, all but $25 million had been repaid in less than 6 months.

Sterling

Perhaps the most important single development in the sterling–dollar relationship during the past year was the increase in the swap line between the Federal Reserve and the Bank of England from $50 million to $500 million, announced on May 29. The magnitude of this increase in the reciprocal currency arrangement has greatly reinforced market confidence in the stability of the sterling–dollar parity.

In July the Federal Reserve Bank of New York acquired for Treasury account $10 million equivalent of sterling, which was immediately swapped into Swiss francs to cope with buying pressure on the Swiss franc. In August the Bank purchased in the market additional sterling balances of £2.7 million, or $7.5 million equivalent, for the System Open Market Account and the Treasury. There were no further Federal Reserve or Treasury operations in sterling until November 22, when the Federal Reserve sold $8 million equivalent of sterling in the New York market following the assassination of President Kennedy. These sales were covered by a Federal Reserve drawing of $10 million equivalent of sterling on the swap line with the Bank of England. An easing of sterling in December, as continental commercial banks repatriated funds from the United Kingdom for yearend positioning, enabled the Federal Reserve to purchase sufficient sterling to repay the swap drawing in advance of maturity.

The sterling market was quiet at the beginning of 1964, but in late February sterling came under some speculative selling. On February 27 the Bank of England's discount rate was increased from 4 to 5 percent. Prior to the increase, some support for sterling had been provided by the Bank of England through intervention in the exchange markets and, in a minor way, by Federal Reserve purchases of sterling in New York. Following the bank rate action, these pressures subsided quickly.

Canadian dollars

Throughout 1963 both the Canadian and the U.S. authorities kept a close watch on potentially disturbing flows of short-term capital between the two countries. The desire to minimize such flows appears to have been reflected in part in adjustments in the Bank of Canada's discount rate in May, when it was reduced to 3½ percent, and again in August, when it was raised to 4 percent following the increase in the Federal Reserve discount rate and the change in Regulation Q ceilings. With Canadian short-term rates thus running only slightly above U.S. rates and the forward Canadian dollar at a small discount, the incentive to move funds on a covered basis was relatively minor.

The completion in September of a $500 million Canadian wheat sale to the Soviet Union introduced a new technical problem, which was quickly resolved. The wheat sale naturally created heavy demands for Canadian dollars for future delivery against U.S. dollars since the sales contracts between the Soviet Union and the international grain companies (which were acting as intermediaries) called for settlement in U.S. dollars, whereas the grain companies had to purchase the wheat from the Canadian Grain Board with Canadian dollars. Consequently, the forward Canadian dollar moved to a premium vis-a-vis the U.S. dollar. Such a premium on the forward Canadian dollar, coupled with the existing interest differential in favor of Canadian money market instruments, might well have generated a sizable flow of arbitrage funds from the United States to Canada. In these circumstances, acting in close cooperation, the U.S. and Canadian authorities intervened to eliminate the forward premium on the Canadian dollar and thus reduced the covered interest arbitrage incentive in favor of Canada. In this connection, the Federal Reserve Bank of New York engaged in swap transactions for U.S. Treasury account, buying Canadian dollars spot and selling them forward against U.S. dollars. Such operations helped to meet market demands for forward Canadian dollars and reduced to a minimum the flow of interest arbitrage funds during this period.

On Friday, November 22, the Federal Reserve sold $2.3 million of Canadian dollars in the New York market following the assassination of President Kennedy. Early in the following week, the System Open Market Account sold $14 million equivalent of Canadian dollars to the Bank of Canada to mop up some of the latter's U.S. dollar acquisitions during the crisis period. The Canadian dollar resources for these operations were acquired through a $20 million equivalent drawing on the Federal Reserve swap line with the Bank of Canada. In mid-December, when the Canadian dollar weakened as a result of the usual yearend pressures arising from heavy interest and dividend payments abroad, the Federal Reserve was able to purchase from the Bank of Canada the Canadian dollars necessary to cover these swap commitments, and it repaid the $20 million drawing in advance of maturity.

Belgian francs

As previous reports in this series have pointed out, the Federal Reserve-National Bank of Belgium swap has been fully drawn at all times, and the mutual balances thereby created have been employed regularly to finance swings in Belgium's dollar position. In July and August the Belgian franc market was quiet, and there was no need for either party to employ the swap balances. In September, however, the National Bank of Belgium disbursed $10 million of the swap proceeds, as there was some downward pressure on the franc rate. Subsequently, the Belgian money market tightened (on October 31 the National Bank of Belgium raised its discount rate from 4 to 4¼ percent) and the franc strengthened, thus permitting the bank to reconstitute the $10 million disbursed in September plus $5 million disbursed earlier in the year.

As Belgian accumulations of dollars continued through December, the Federal Reserve used $15 million of the francs drawn under the swap to mop up excess dollars from the National Bank of Belgium, but in February 1964 it was able to reconstitute its Belgian franc balances when the bank needed dollars. Thus, during the period the continuing mutual use of the swap facility made it possible for the Federal Reserve and the National Bank of Belgium to smooth out fluctuations totaling $55 million in Belgium's dollar balances. These operations brought to $200 million the total swings in the Belgian position financed in this manner, rather than through purchases and sales of gold, since the inception of this arrangement. As previously pointed out, these operations demonstrate how flexibly the recently developed international financial machinery can help finance the payments swings that inevitably accompany even a balanced growth of trade and payments.

French francs

The French franc remained firmly at its ceiling throughout the first half of 1963 as the French balance of payments continued in substantial surplus, and there was no occasion for Federal Reserve intervention in the market. The French surplus moderated during the second half of the year, however, and the Federal Reserve was able for the first time to engage in some exploratory operations in French francs. Between July 19 and 23, in an effort to test the market, the Federal Reserve drew and disbursed a total of $12.5 million equivalent of French francs under the swap line with the Bank of France, which had been increased to $100 million on March 4. This intervention lifted the dollar slightly off its floor, but it quickly became apparent that very sizable disbursements would be required to bring about any appreciable improvement of the dollar rate, and intervention was accordingly suspended. Later in the month the Federal Reserve readily acquired in the forward market through the Bank of France sufficient francs to cover the outstanding swap drawings.

No further opportunity for operations in French francs presented itself until October, when an active two-way market developed in Paris. In order to induce further improvement in the dollar rate, the Federal Reserve asked the Bank of France to sell at its discretion spot francs for Federal Reserve account, any sales to be covered by simultaneous drawings on the swap arrangements. A total of $9 million equivalent of francs was sold in this manner. These small-scale commitments were quickly covered through forward purchases of francs. Since the turn of the year, French international payments have moved closer to equilibrium and the dollar has moved off its floor without official assistance.

Italian lire

On January 21, 1963, the Federal Reserve repaid $50 million drawn in December 1962 under the swap arrangement with the Bank of Italy. Thereafter, there were no operations in lire until the fall when the lira came under pressure as a result of the Italian cabinet crisis and the continued deterioration in Italy's balance of payments. In October the Bank of Italy, in order to bolster its reserves, which were being depleted by operations needed to support the lira rate, drew $50 million on the swap line with the System Open Market Account. This standby swap facility had been increased meanwhile to $250 million.

In order to provide further support for the Italian reserve position and in anticipation of the U.S. Treasury's future need for lire to meet obligations arising out of the issuance to the Bank of Italy of $200 million in lira-denominated bonds, the U.S. Treasury in September and October purchased a total of $67 million equivalent of lire from the Bank of Italy. As described earlier in this report, the Federal Reserve Bank of New York for Treasury account then swapped $17 million of these lire against Swiss francs with the BIS in order to reverse an equivalent swap of German marks against Swiss francs.

In December, as the Italian deficit persisted, the Federal Reserve bought an additional $50 million of lire from the Bank of Italy, simultaneously selling the lire forward to the U.S. Treasury, which thereby further reduced its uncovered lira bond liabilities. Then in January the Bank of Italy drew a second $50 million under the swap arrangement with the Federal Reserve, which at the same time purchased a further $50 million of lire from the Bank of Italy and again simultaneously sold the lire forward to the U.S. Treasury. Part of the Treasury's lira acquisitions were used on March 9 to pay off a maturing $50 million equivalent lira bond issued to the Bank of Italy on December 7, 1962.

Austrian schillings

The Austrian balance of payments has remained in surplus, and there has been no occasion for Federal Reserve operations in Austrian schillings since January 1963 when an earlier $50 million equivalent swap drawing from the Austrian National Bank was repaid. However, in order to absorb some of the Austrian National Bank's growing dollar holdings, the U.S. Treasury in April and December issued to the Austrian National Bank two $25 million equivalent 18-month bonds denominated in Austrian schillings.

Swedish kronor and Japanese yen

A standby swap line of $50 million equivalent was negotiated with the Bank of Sweden in January 1963, and one for $150 million was negotiated in October with the Bank of Japan. There have been no Federal Reserve or Treasury operations in either currency.

The Gold Pool

Since its reopening in 1954, the free market for gold in London has reemerged as the largest and most important center in the world for free-market gold transactions.[1] The annual flow of gold to the London market, from new production and Russian sales, generally exceeds by a substantial margin both industrial and speculative demand. This residual supply of gold has been regularly absorbed by central bank purchases at prices ranging fairly closely around the fixed U.S. parity of $35 per ounce. The lower limit of the free-market price range is approximately $34.83, which derives from the U.S. parity of $35 per ounce, less the Treasury charge of $0.0875 and shipping costs from London to New York ranging around $0.08. Conversely, the upper price limit at which central banks would be prepared to buy gold in London is set by the cost of buying gold in New York plus shipping charges from New York to London.

Over the long run, the London market price of gold is thus heavily dependent on the support of central bank demand and, ultimately, on the U.S. Treasury as the buyer of last resort. Since the reopening of the market in 1954, official demand for London gold has varied considerably, reflecting mainly changes in the dollar reserve position of foreign central banks. In each of the years 1954–58, the London gold price fell below $35, and it dropped as low as $34.85 in 1957 as the U.S. balance of payments moved into surplus.

TABLE I.—*London gold market "fixing" prices*

[In U.S. dollars per fine ounce]

Year	Highest	Lowest	Range
1954	35.1129	34.9606	0.1523
1955	35.0673	34.9569	0.1104
1956	35.0830	34.8726	0.2104
1957	35.0317	34.8522	0.1795
1958	35.1405	34.9835	0.1570
1959	35.1451	35.0429	0.1022
1960	37.9863	35.0629	2.9234
1961	35.7788	35.0561	0.7227
1962	35.1867	35.0670	0.1197
1963	35.1204	35.0512	0.0692

In the short run, nevertheless, sudden surges of speculative demand for gold may substantially exceed the current flow of new gold from South Africa and other sources. Such a temporary shortfall of gold supplies occurred in October 1960, when an outburst of speculative demand was generated by a succession of

[1] For a description of the London gold market, see "The London Gold Market," Bank of England *Quarterly Bulletin*, March 1964.

heavy gold losses by the United States and aggravated by market uncertainty brought on by the approaching Presidential election. This explosive situation culminated in an abrupt rise in the market price for gold in London to around $40 per ounce on October 20 and aroused worldwide panicky apprehension of a general breakdown in the exchange rate structure of the Western World. In these circumstances the Bank of England, with the full support of the U.S. monetary authorities, intervened in the market on a substantial scale in order to bring the price down to more appropriate levels.

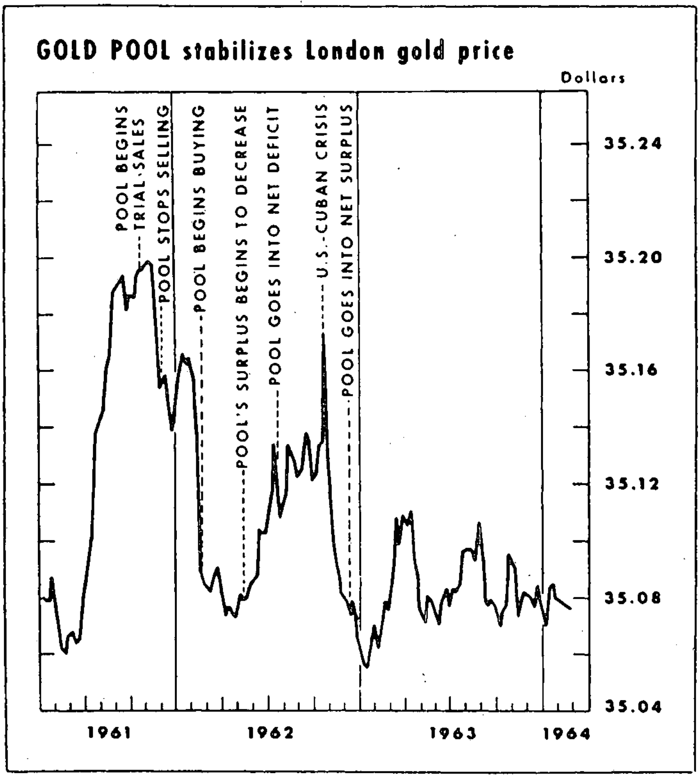
Following the pledge by President Kennedy in January 1961 to maintain the official U.S. gold parity, earlier speculation on a breakdown in international currency parities faded away and the London gold price declined rapidly, stabilizing in March 1961 at about $35.08. During the second quarter of 1961, market supplies were increased by Russian sales, by offerings from private U.S. holders required under President Eisenhower's Executive Order to dispose of gold stocks held overseas, and by very large sales out of the British gold reserves during the sterling crisis touched off by the German and Dutch revaluations.

But these temporary additions to the flow of gold reaching the market tapered off during the summer months at about the same time that the main Western producer, South Africa, began to build up its official gold reserves from domestic production. Simultaneously, the gold and exchange markets became increasingly apprehensive, as the U.S. payments deficit worsened and the Berlin crisis began to build up toward its climax later in the year.

By the end of August 1961 the London market price had risen once more to nearly $35.20, and it held close to this level until the middle of November. As the price approached $35.20, European central banks refrained from market purchases since London gold at these prices exceeded the shipping parity from New York. While this withdrawal of central bank demand brought the market into better balance, there remained the risk that a sudden upsurge of speculative demand might confront the British and U.S. financial authorities with an unpleasant dilemma: If, on the one hand, the free market price were allowed to rise, there was a clear risk that speculation might feed upon itself and result in a new wave of apprehension such as occurred in October 1960. If, on the other hand, the full brunt of a speculative attack were to be absorbed by drafts upon the U.S. gold reserves, the subsequent weekly publication of such U.S. gold losses might also have unsettling consequences.

In view of the mutuality of interest among the central banks and treasuries on both sides of the Atlantic in maintaining orderly conditions in the gold and exchange markets, the U.S. financial authorities approached the BIS group of central banks in October 1961 with a proposal to establish on an informal basis a central bank selling arrangement that would share the burden of intervention on the London gold market to keep the price within bounds. Under the informal arrangements subsequently approved by the central banks of Belgium, France, Germany, Italy, the Netherlands, Switzerland, and the United Kingdom, and by the United States, each member of the group undertook to supply an agreed proportion (the United States share being 50 percent) of such net gold sales to stabilize the market as the Bank of England, as agent for the group, determined to be appropriate. This selling arrangement was given a trial run in November 1961 and was then deactivated in early December when an easing of market conditions brought the London gold market price down to $35.15. By the end of February 1962, the relatively small net sales effected during this trial run in late 1961 had been fully recovered through purchases in the market.

Early in 1962, as it began to appear that a surplus of gold might soon develop in the market, the United States again approached the BIS group of central banks with a second proposal, this time for a gold-buying arrangement. Under this arrangement, which was adopted experimentally in February 1962 and renewed in April 1962, the participants agreed to coordinate their purchases in the London market. Individual purchases by the central banks participating in this gold pool have thus been replaced by Bank of England buying for the joint account of the entire group, with such purchases by the Bank of England being subsequently distributed among the members in agreed proportions.



NOTE.—Weekly average "fixing" price in U.S. dollars per fine ounce.

By late May 1962 the Bank of England, as agent for the pool, had bought somewhat more than $80 million of gold. But before any of these acquisitions by the pool had been distributed to the participating central banks, gold market conditions were abruptly reversed through speculation engendered by the sharp fall of security prices in the New York market and elsewhere and by the flight from the Canadian dollar. By mid-July, when quotations reached $35.12 the pool's surplus had all been used to stabilize the market.

The selling arrangement was then reactivated effective July 20, 1962. Although President Kennedy's Telstar broadcast on July 23 temporarily relieved nervousness about the dollar, by the time of the IMF annual meeting in September the pool had put a net amount of nearly $50 million in the market. After a lull in the first part of October, the Cuban crisis erupted and produced a record turnover in the market. For a very short period the pool intervened on a substantial scale, but the tension ended quickly as the international crisis receded, and the pool began to recoup its sales through market purchases. In November the selling arrangement was deactivated and has not been put into operation since. By the end of 1962, the pool's market acquisitions more than matched its earlier heavy disbursements.

Throughout 1963 the gold market was relatively stable, prices never exceeding $35.12, and the pool continued to acquire gold. Private demand for gold, it is true, persisted with little evidence of dishoarding, and for brief periods was felt quite strongly in the market. On balance, however, private absorption of gold appears to have fallen off considerably from the very high 1962 levels. At the same time, the 1963 volume of newly produced gold coming on the market increased over 1962, particularly in the second half, and Russian gold sales were substantial, especially after early September when the Soviet Union became a heavy buyer of grain in the West. Over the last 4 months of 1963, prices rarely exceeded $35.09, and the gold pool's market acquisitions accelerated. During the entire year the pool bought in the market and distributed among the participants well over $600 million of gold.

In essence, therefore, the gold pool consists of two kinds of arrangements, each subject to informal revision and renewal from month to month as agreed upon by the participating representatives. First, there is a selling arrangement designed to share the burden of stabilizing the market. This arrangement is not in operation all the time but may be quickly activated in case of need. Second, there is a buying arrangement which has unified the market purchases of the major monetary authorities and which moves in and out on both sides of the market, as needed, to help maintain orderly conditions and to encourage the flow of gold into official hands. The gold pool originated pragmatically and developed in response to the behavior of the market and in accordance with the spirit of cooperation existing among a group of central banks whose interests lie close together. The entire operation is carried out in an extremely flexible and informal manner, so as best to achieve the gold pool's objectives.

As table I above shows, the gold pool has stabilized prices within the range that had been customary before the October 1960 flareup. Such price stability and the maintenance of orderly market conditions have brought substantial benefits to the entire international financial system. Speculative demand has diminished and more gold has gone into official reserves than would otherwise have been the case. The main point, however, is simply this: The very fact that the central banks are working together in the gold market, as well as in the foreign exchange markets, has strongly reinforced confidence in the existing international financial structure.

EXHIBIT 42.—Press Release, July 17, 1963, on the U.S. standby arrangement with the International Monetary Fund

The United States has just obtained agreement of the International Monetary Fund (IMF) to a standby arrangement in the amount of $500 million for a period of one year, beginning July 22, 1963. Since the amount requested is well within the U.S. gold tranche (of $1,031.25 million) at the IMF, the proposed arrangement does not raise any problems in relation to IMF policies on drawings.

The principal use of the standby arrangement foreseen by the United States is for operations to facilitate solution of a technical problem jointly faced by the Fund, many of its members with drawings outstanding, and the United States. This is the problem of repurchases at the Fund by countries which hold their official foreign exchange balances largely or exclusively in U.S. dollars.

The Articles of Agreement of the Fund prevent the Fund from accepting holdings of any currency above 75 percent of that country's quota except through the initiative of that country to make a drawing of other currencies. From the time the IMF first began operations until quite recently, the U.S. dollar holdings of the Fund were well below 75 percent of the U.S. quota, because most drawings (as well as repurchases) at the Fund were in U.S. dollars and cumulative repurchases did not reach the level of cumulative drawings. In the past four years, the previous situation for Fund holdings of U.S. dollars has been substantially changed, especially since the IMF drawing of the equivalent of $1.5 billion by the United Kingdom in August–September 1961. First, the volume of repurchases at the Fund, while never reaching the cumulative amount of drawings, has been much higher since 1958 than at any time before; a relatively large proportion of these higher repurchases has continued to be made with U.S. dollars. Second, with the achievement of convertibility by the main European currencies, a significant portion of new drawings from the Fund have utilized these currencies. As a result, the Fund's holdings of U.S. dollars have been fairly close to 75 percent of the U.S. quota since July 1962 and since the end of April 1963 those holdings have been practically at 75 percent.

For countries holding official reserves in U.S. dollars, this situation presents a difficulty when they wish to make repurchases at the Fund. The Fund's ability to accept U.S. dollars in repurchase is practically nil owing to the 75 percent of quota constraint. Countries wishing to repay the Fund can offer other convertible currencies or gold to discharge their repurchase obligations. It is very doubtful that a net transfer of gold to the fund is desirable at present from the viewpoint of the international payments mechanism as a whole. Also, in order to offer other convertible currencies in repurchase, the countries concerned often need to undertake administrative arrangements that are unusual and unfamiliar to them, and such currencies must usually be purchased (against dollars) at prices above par.

Under the standby arrangement, the United States will be able to make available to countries wishing to make repurchases from the Fund, using dollars, a simple and effective facility for obtaining other convertible currencies which the Fund can accept in repurchase. In outline, the mechanism will be as follows:

1. Upon learning that a given Fund member wishes to make a repurchase, would otherwise use U.S. dollars for the purpose, and would like to avail itself of this facility, the Fund staff will contact the U.S. authorities.

2. For value on the date of the repurchase transaction, the U.S. will draw other convertible currencies (pursuant to appropriate consultations through the Fund) equivalent to the value of the repurchase.

3. The U.S. will sell for U.S. dollars, the currencies drawn from the Fund to the repurchasing member, which will execute the repurchase by transferring them to the Fund and taking back the appropriate amount of its own currency. The sale of other convertible currencies by the U.S. to the repurchasing member is envisaged as being at par.

4. The net result of the transaction will be that the Fund's holdings of the other convertible currencies drawn by the U.S. will be the same as before, since they will leave the Fund and immediately be returned by the repurchasing member. The Fund's holdings of the repurchasing member's currency will be reduced and those holdings of U.S. dollars will be increased by the amount of the transaction.

The standby amount of $500 million is calculated to be sufficient to cover presently foreseeable repurchases, using U.S. dollars as the starting point, over the coming year. At the same time, the mechanism described above is to be only a facility to be available to interested Fund members at their option. Countries will, of course, continue to have the option, if they choose to purchase gold from the United States for making repurchases from the Fund or for any other monetary purpose. Countries will also continue to have the option of obtaining other convertible currencies for making repurchases from the Fund by purchasing those currencies in the market against dollars or through arrangements with the central banks concerned, with or without the assistance of the Federal Reserve Bank of New York.

Exhibit 43.—Excerpt from International Monetary Fund Press Release, July 18, 1963, on the U.S. standby arrangement

"The International Monetary Fund has entered into a standby arrangement that authorizes the United States to draw the currencies of other members of the Fund up to an amount equal to $500 million during the next 12 months. The quota of the United States in the Fund is $4,125 million, of which $1,031 million has been paid in gold. The amount of the standby arrangement represents a little less than half the amount the United States could draw on a virtually automatic basis under Fund practice.

"The United States has not previously made use of the Fund's resources. Drawings of U.S. dollars from the Fund by other members have amounted to approximately $4.2 billion since the Fund's operations began in 1947. In recent years, Fund policy has encouraged drawings in nondollar currencies and repayments to the Fund in U.S. dollars. This policy has provided assistance in financing the U.S. balance-of-payments deficit. As a result of repayments, the Fund's dollar holdings are now almost at the subscription level, which is 75 percent of quota or about $3 billion, and the Articles of Agreement prevent repayment to the Fund with U.S. dollars beyond that level. In these circumstances the standby arrangement, which is available for general balance-of-payments needs, is intended to facilitate repayments by other members. This would be accomplished through U.S. drawings of other convertible currencies, which would be sold to Fund members for dollars and used by then to make repayments to the Fund."

EXHIBIT 44.—Press Release, July 21, 1963, joint Canadian-U.S. statement on the interest equalization tax

Representatives of Canada and the United States met in Washington during the weekend to appraise the impact on the Canadian financial markets of the proposed United States "interest equalization tax."

The two governments recognize the need for effective action to improve the balance-of-payments positions of both countries and both are equally determined that such action shall not impair the intimate economic relationships between the two countries, nor impede the growth essential for both economies.

For many years the capital markets of the two countries have been closely interconnected, and U.S. exports of capital to Canada have financed a substantial portion of the Canadian current account deficit with the United States. This need continues. A portion of these flows must be supplied through the sale of new issues of Canadian securities in American markets. U.S. officials had considered that ample flows for these needs would continue under the proposed "interest equalization tax." However, Canadian representatives stated that this would require a very substantial rise in the entire Canadian interest rate structure. It was recognized by both governments that such a development would be undesirable in the present economic circumstances.

In the light of this situation U.S. officials agreed that the draft legislation to be submitted to the Congress would include a provision authorizing a procedure under which the President could modify the application of the tax by the establishment from time to time of exemptions, which he could make either unlimited or limited in amount. The President would thus have the flexibility to permit tax-free purchases of new issues needed to maintain the unimpeded flow of trade and payments between the two countries, and to take care of exceptional situations that might arise in the case of other countries. U.S. officials made clear that this did not modify their proposals regarding the taxation of transactions in outstanding securities; over the past year such transactions between Canada and the United States have not been a major factor.

The Canadian authorities stated that it would not be the desire or intention of Canada to increase her foreign exchange reserves through the proceeds of borrowings in the United States, and it is the hope and expectation of both governments that by maintaining close consultation it will prove possible in practice to have an unlimited exemption for Canada without adverse effects on the United States.

It was agreed that active consultations would continue to strengthen the close economic relations between the two countries and at the same time facilitate measures for making the maximum practicable contribution to economic expansion and the strength and stability of both currencies.

EXHIBIT 45.—Press Release, December 19, 1963, announcing the renewal of an exchange agreement between the United States and Mexico

Secretary of the Treasury Douglas Dillon, Mexican Ambassador Antonio Carrillo Flores, and Julian Saenz Hinojosa, Minister of the Embassy of Mexico, today signed a $75 million exchange agreement between the U.S. Treasury and the Government and Central Bank of Mexico. The agreement replaces, and in effect renews, one for a similar amount which will expire at the end of 1963.

The new agreement represents an extension of stabilization arrangements designed to assist Mexico in its continuing efforts to promote economic stability and freedom in its trade and exchange system. Such arrangements between the United States and Mexico have been in effect since 1941, and have proved beneficial to the financial relationship between the two countries.

The new agreement covers a 2-year period until December 31, 1965. It will, as in the past, be operated in close coordination with the activities of the International Monetary Fund.

EXHIBIT 46.—Press Release, February 13, 1964, announcing the first U.S. drawing from the International Monetary Fund

Secretary of the Treasury Douglas Dillon announced today that the United States has made its first drawing of foreign currencies from the International Monetary Fund. The drawing is being made under the standby agreement for

$500 million which was announced by President Kennedy in his Balance-of-Payments Message last July 18. The value of the currencies drawn is equivalent to $125 million.

The Secretary said that the drawing was designed to meet a special situation in the Fund's operations anticipated last July, and is intended to facilitate repayments by other nations to the Fund. The Secretary explained that foreign countries over the past several years have been repaying more dollars to the International Monetary Fund than the Fund has been paying out in new drawings. As a result, the Fund's holdings of dollars now equal the amount which the United States has paid into the Fund in dollars as part of its quota. At this point, the Fund under its rules can no longer accept dollars in repayment. Repayment must instead be either in gold or in other convertible currencies of which the Fund holds less than the normal quota. The United States will draw such currencies from the Fund and sell them for dollars to other members for their use in making repayments to the Fund. In this way, other members will be able to continue, in effect, to use their dollar holdings to settle their obligations to the Fund.

The U.S. drawing will be made primarily in Deutsche Marks and French francs, in equal amounts. A small portion, equivalent to $5.5 million, will, however, be in Italian lire to replace lire sold from existing Treasury stocks in January to enable Fund members to make several small repayments to the Fund in lire at that time. The present drawing does not relate to any single repayment by another country but is designed to cover a number of transactions which are expected to take place in the coming weeks.

EXHIBIT 47.—Press Release, May 29, 1964, announcing the second U.S. drawing from the International Monetary Fund

Secretary of the Treasury Douglas Dillon announced today a second drawing of foreign currencies equivalent to $125 million by the United States from the International Monetary Fund. This drawing, like the first drawing on February 13, 1964, is being made under the standby arrangement for $500 million which was announced July 18, 1963. After this drawing, $250 million will still remain available under the one year standby arrangement.

The U.S. drawing is being made in Deutsche Marks and French francs in amounts equivalent to $70 million and $55 million, respectively. The drawing will replenish currencies previously used out of Treasury stocks to facilitate repayments by members to the Fund and will cover contemplated requirements for this purpose over the next few months. By this drawing the United States obtains currencies from the Fund which it can sell for dollars to other members for their use in making repayments to the Fund. Other members can therefore continue, in effect, to use their dollar holdings to settle their obligations to the Fund.

EXHIBIT 48.—Press Release, June 16, 1964, containing the text of the communique of the Ministers of the "Group of Ten"

The representatives of the ten countries participating in the General Arrangements to Borrow met at the Ministry of Finance on 15th and 16th June 1964, under the chairmanship of Monsieur Valéry Giscard d'Estaing. The Managing Director of the International Monetary Fund took part in the meeting which was also attended by the Secretary General of the Organization for Economic Cooperation and Development, the Director General of the Bank for International Settlements, and an observer from the Swiss National Bank.

The members and Governors examined the studies and analysis of the outlook for the functioning of the international monetary system and of the probable future needs for liquidity which they had directed the deputies to make during the course of the year, in accordance with the decision taken in Washington last October. After useful discussion, which indicated a broad range of agreement, they instructed their deputies to draft a joint statement for their consideration. This statement [1] will be made public during the summer and will thus be available at the same time as the Annual Report of the International Monetary Fund.

[1] See exhibit 49.

EXHIBIT 49.—Ministerial Statement of the Group of Ten and Annex prepared by Deputies, August 10, 1964

M. Valéry Giscard d'Estaing, Ministre des Finances et des Affaires Economiques of France, acting as Chairman of the Ministers and Governors of the Group of Ten countries participating in the General Arrangements to Borrow, today issued the following Statement. There is included with this Statement an Annex prepared by Deputies of the Group of Ten.

Ministerial Statement

1. The Ministers and Governors of the ten countries participating in the General Arrangements to Borrow have, over the past year, examined, with a long-range perspective, the wider implications of the obligations which they have accepted for helping to assure the stability and adequacy of the international payments system. They have reviewed the functioning of the international monetary system and its probable future needs for liquidity. The necessary studies were entrusted to a Group of Deputies, to be carried out in cooperation with the International Monetary Fund and with the participation of representatives of the staffs of the International Monetary Fund, the Organization for Economic Cooperation and Development, and the Bank for International Settlements, as well as of an observer of the Swiss National Bank. The conclusions and decisions of the Ministers and Governors were greatly assisted by these studies, the results of which are described in the accompanying Annex.

2. In reviewing the functioning of the international monetary system, the Ministers and Governors reaffirmed their conviction that a structure based, as the present is, on fixed exchange rates and the established price of gold, has proved its value as a foundation on which to build for the future. They further agreed that increasingly close cooperation among monetary authorities was an essential element supporting the system. As concerns liquidity, the Ministers and Governors are agreed that, for the international monetary system as a whole, supplies of gold and reserve currencies are fully adequate for the present and are likely to be for the immediate future. These reserves are supplemented by a broad range of credit facilities. The continuing growth of world trade and payments is likely to entail a need for larger international liquidity. This need may be met by an expansion of credit facilities and, in the longer run, may possibly call for some new form of reserve asset.

3. The smooth functioning of the international monetary system depends on the avoidance of major and persistent international imbalances and on the effective use of appropriate policies by national governments to correct them when they occur. The Ministers and Governors have therefore decided to initiate a thorough study of the measures and instruments best suited for achieving this purpose compatibly with the pursuit of essential internal objectives. In view of the experience it has already acquired in this field, Working Party 3 of the OECD is being invited to take charge of this study.

4. A significant development in the evolution and strengthening of the system has been the emergence of a wide range of bilateral and multilateral credit facilities, notably to cope with speculative movements and sudden pressures. There has at the same time been increasing recognition of the fact that the way in which balance-of-payments deficits and surpluses are financed has implications for countries other than those directly concerned. The Ministers and Governors have consequently agreed on the usefulness of participating, through the international institutions which are already concerned with these problems, in a "multilateral surveillance" of the ways and means of financing balance-of-payments disequilibria. To this end, they have approved arrangements which will give the monetary authorities of countries participating in them a more comprehensive and up-to-date view of major trends and will afford them a better basis for strengthening their policy cooperation in the international monetary sphere. This should help them to avoid excesses or shortages in the means of financing surpluses or deficits in the balance of payments, as well as to discuss measures appropriate for each country in accordance with the general economic outlook. The Ministers and Governors of the Group will meet from time to time to survey current developments in this field.

Annex Prepared by Deputies

This document presents the main results of the studies of the Deputies which led to the report presented by them to the Ministers and Governors at their meeting in Paris on June 15–16, 1964.

Introduction

1. Our Group was established by Ministers and Governors, as recorded in their communiqué of 2d October 1963, in the following terms:

In reviewing the longer run prospects, the Ministers and Governors agreed that the underlying structure of the present monetary system—based on fixed exchange rates and the established price of gold—has proven its value as the foundation for present and future arrangements. It appeared to them, however, to be useful to undertake a thorough examination of the outlook for the functioning of the international monetary system and of its probable future needs for liquidity. This examination should be made with particular emphasis on the possible magnitude and nature of the future needs for reserves and for supplementary credit facilities which may arise within the framework of national economic policies effectively aiming at the objectives mentioned in paragraph 2. The studies should also appraise and evaluate various possibilities for covering such needs.

The objectives mentioned in paragraph 2 of the communiqué were as follows:

The Ministers and Governors reaffirmed the objective of reaching such balance at high levels of economic activity with a sustainable rate of economic growth and in a climate of price stability.

We have also regarded certain passages in the same communiqué as relevant to our studies:

The Ministers and Governors noted that the present national reserves of member countries, supplemented as they are by the resources of the IMF, as well as by a network of bilateral facilities, seemed fully adequate in present circumstances to cope with possible threats to the stability of the international payments system.

The Ministers reviewed the "General Arrangements to Borrow" in the International Monetary Fund and reiterated their determination that these resources would be available for decisive and prompt action.

The Ministers and Governors believe that such an examination of the international monetary system will further strengthen international financial cooperation, which is the essential basis for the continued successful functioning of the system.

Our instructions were that:

Any specific suggestions resulting from the studies by the Deputies will be submitted to the Ministers and Governors for consideration.

2. In accordance with these instructions a number of meetings were held during the past year and close relations were maintained with the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD), and the Bank for International Settlements (BIS). The staffs of these institutions have been represented in our discussions and have made valuable contributions to the work of the Group. The discussions also benefited from the presence of representatives of the Swiss National Bank, as decided by Ministers following completion of the legislation looking to Swiss cooperation with the General Arrangements to Borrow.

3. A review was made of the major proposals put forward in recent years for reform of the existing international payments system, ranging from a restoration of the former gold standard to the setting up of an international central bank with supranational authority. While no single plan appeared to meet the requirements in a way fully consistent with the general political, economic, and social environment in which international payments and arrangements must operate, we have found much in the analysis underlying these various approaches that has been useful and stimulating for our discussions and appraisal.

4. Our report, after examining the broader economic and financial structure within which the international monetary system must operate, surveys briefly the major aspects of the system as it has evolved in the postwar world, makes an appraisal of the present system, explores lines of future development and, finally, sets forth and explains our major conclusions and recommendations.

I. The Importance of International Balance and the Process of Adjustment

5. The smooth functioning of the international monetary system depends on the avoidance of major and persistent imbalances and on the effective use of appropriate policies by national governments to correct them when they occur. The process of adjustment and the need for international liquidity are closely interrelated. If there is not enough liquidity, countries may not have time to make adjustments in an orderly fashion, and may be forced into measures that are disruptive both to their domestic economies and to international economic relationships. If, on the other hand, there is too much liquidity, the adjustment mechanism may function too slowly, and a delay in taking measures necessary to restore balance will in the end be harmful at home as well as abroad. In view of this close interdependence, we have thought it right, before proceeding to examine the international monetary system itself, to look into the processes and procedures for maintaining balance-of-payments equilibrium, and for correcting imbalances when they occur.

6. The objectives of economic policy in a free society are broad and complex. They include healthy and sustainable economic growth, full and efficient employment, together with goals in the fields of social development, defense policy, and foreign aid. But continuing success in the pursuit of these objectives demands reasonable price stability and equilibrium in the overall balance of international payments. Countries will nevertheless from time to time find themselves showing a tendency toward a sustained deficit or a sustained surplus on their overall balance of payments, and in order to counteract this tendency they will find it necessary to make use of an appropriate combination of the following instruments of economic policy:

—Budgetary and fiscal policies;
—Incomes policies;
—Monetary policies;
—Other measures relating to international capital transactions (e.g., measures designed to affect capital movements, advance repayments of intergovernmental debts, etc.);
—Commercial policies (e.g., temporary unilateral tariff reductions and similar measures);
—Selective policies directed to particular sectors of the economy (e.g., housing or hire purchase, governmental transactions affecting the balance of payments, etc.).

7. Such instruments must be employed with proper regard for obligations in the field of international trade and for the IMF obligation to maintain stable exchange parities which are subject to change only in cases of fundamental disequilibrium. A "mix" of policies appropriate to both internal and external objectives has to be found and applied by national governments. It falls to each government to ensure that it is fully equipped with the various policy instruments necessary to its task, to be alert to the dangers of delay in making use of these instruments, and to put appropriate weight on the maintenance of external equilibrium without neglecting internal objectives. It is thus for each government individually to find means of reconciling its own social priorities, institutional practices, and general economic performance with the ever-present need for external equilibrium. It is for governments collectively to consider how the actions of each may affect others and whether additional standards for improving external balance and new forms of consultation and cooperation to that end may be called for.

8. The growing recognition of common interest in the smooth flow of international trade and payments has already greatly promoted the practice of international consultation in the field of finance and trade, which at first tended to be mainly concerned with the fulfillment of, or occasional derogation from, specific obligations, but has more recently developed into a broader cooperation, to ensure so far as possible, that adjustment measures adopted by national authorities take adequate account of the interest of other countries.

9. Much, however, remains to be done in clarifying the measures and instruments which are best adapted to avoiding imbalance and to correcting it as early and as smoothly as possible when it occurs. This is so relevant to the functioning and liquidity needs of the international monetary system that,

subject to the review and approval of the Ministers and Governors, we have suggested that Working Party 3 of OECD, which already has gained experience in this field, might be invited to study how member countries, individually and collectively, and compatibly with the pursuit of their essential internal objectives, could in the future preserve a better balance-of-payments equilibrium and achieve a faster and more effective adjustment of imbalance.

10. Working Party 3 would conduct studies of the interrelationship between internal liquidity and the balance of payments as well as how measures in the field of fiscal, trade, incomes, and other policies can be used by both surplus and deficit countries, in combination with monetary policy, to achieve internal and external objectives, particularly when there is some possibility of conflict between the two. These studies would explore whether standards could be formulated on the contribution of monetary and related policies to balance-of-payments equilibrium, against which the performance of countries could be appraised. The studies would also cover the relationship of different types of liquidity to the adjustment process, the role of capital movements and capital markets in the adjustment process under conditions of widespread convertibility, and means of improving the process of continuing international consultation and cooperation.

II. Functioning of the Present System

11. The international monetary system is, and doubtless will always be, in a state of evolution, with elements both old and new. Rather than attempt a summary of the whole working of the system as it now is, we set out below the elements which have proved most relevant to the questions referred to us.

12. Gold remains the basic reserve asset of the system and the common measure of par values. But other elements have been added. Much use is made of foreign currencies (particularly the dollar) for intervention by monetary authorities in the exchange markets, as a reserve holding, and in the greatly enlarged international credit facilities now available.

13. The enlargement of the currency element was not the result of any deliberate plan but a gradual process growing out of the spontaneous practices, first of individual traders and bankers, and later of central bankers and national monetary authorities. Under the former gold standard, the maintenance of exchange parities involved passive purchases or sales of gold by central banks in response to initiatives by traders in the markets. But, even under the gold standard, central banks had, on occasion, bought or sold foreign currency to keep the exchange rate away from the gold points. Official intervention in the foreign exchange markets has now become the general practice for keeping the exchange rate within the agreed parity limits. If only for obvious reasons of convenience, intervention is conducted in a currency widely dealt in by traders and bankers throughout the world. Many monetary authorities have seen advantage in accumulating, as a reserve asset, balances of the operating currency which accrue to them in time of surplus.

14. In this way an important supplement to gold has developed in the form of reserve currency holdings (see appendices I and II).[1] In the decade 1954–63, nearly $6 billion of new gold found its way into official reserves and about $6.5 billion was transferred from the gold holdings of the United States to the reserves of other countries. These additions and transfers were accompanied by an increase of nearly $8 billion in foreign exchange holdings, principally in dollars, during the decade. The practices of individual monetary authorities vary as to the proportion of gold and foreign exchange held in their reserves, but dollars and other foreign exchange accounted for nearly 40 percent of the total reserves of the nonreserve members of our Group (including Switzerland), while the rest of the world held nearly 70 percent of their reserves in the form of foreign exchange.

15. A further distinctive and important feature of the present system lies in the development, since the war, of international monetary cooperation, not only in international organizations, such as the IMF, the OECD, the BIS, and the European Economic Community, but also in smaller or less formal groups. A central role in this cooperation is played by the International Monetary Fund, not only through its large fund of credit but also through its code of obligations. To preserve a framework within which mutual trade and investment can grow freely, member countries undertake to maintain convertibility and stable exchange rates, which does not, however, preclude adjustment to a new stable rate in case

[1] Printed at conclusion of this exhibit.

of fundamental disequilibrium. The credit element is designed to allow these obligations to be observed, while a country is in deficit, "without resorting to measures destructive of national or international prosperity" (IMF Article I).

16. In view of the importance of the International Monetary Fund in the functioning of the system, it may be useful at this point to recall, in broad outline, its purposes, operating principles, and procedures:

(a) As mentioned above, the Fund, under its Articles of Agreement, combines (i) a code of international good behaviour in the field of exchange rates and exchange arrangements and (ii) a central pool of resources available to members, in the form of short- or medium-term loans, in order to help them to observe this code and to shorten the duration and lessen the degree of disequilibrium in international payments.

(b) Each of the 102 member countries has a "quota" determined by reference to such factors as his trade, national income, and international payments. Quotas serve three purposes: (i) they determine the amount of the member's subscription; (ii) they measure his borrowing possibilities; (iii) they provide the basis for calculating his voting rights.

(c) Of the quota, 25 percent is normally subscribed in gold and 75 percent in the member's currency. Members "draw" from the Fund by purchasing other currencies from it against further payments of their own currency into the Fund. Up to the equivalent of the 25 percent subscribed in gold (the "gold tranche"), the Fund permits a member to purchase other currencies virtually at will. When transactions flow in the opposite direction and a member's currency is drawn by other members, his position in the Fund improves. If the drawing reduces the Fund's holding of his currency below the original 75 percent of his quota subscription, his rights to draw virtually at will are *pro tanto* enlarged by what is sometimes called a "super gold tranche" or a "net creditor position in the Fund." Rights to draw from the Fund virtually at will have many of the qualities of a reserve asset; and they are, in fact, so recorded by the Fund itself in its statistics on members' total reserves, as well as by some individual members in their own reserve statements.

(d) A member's drawing rights in his "credit tranches" are normally equal to his quota and can be exercised only in accordance with the Fund's policies. While drawings in the "credit tranches" are subject to stricter requirements as the amount drawn rises, a member may undertake in advance to meet certain conditions laid down by the Fund and so obtain a "standby arrangement" assuring access to the Fund over a limited period of time and for a specified amount. It is the Fund's rule that all drawings be repaid as soon as the drawer's position allows, and, in any event, within a 3- to 5-year period at most.

(e) At any given time, only some of the currencies held by the Fund will be suitable to be drawn. Other currencies will be relatively unsuitable, because the level of reserves of the country concerned is low or because its balance of payments is weak, either temporarily or, as is often the case with less-developed countries, for prolonged periods.

(f) Under the General Arrangements to Borrow of 1961–62, our 10 countries have entered into an undertaking to lend the Fund amounts of their currencies up to a total of $6 billion, so as to reinforce the Fund's ability to grant drawings to participants in the Arrangements in order to forestall or cope with an impairment of the international monetary system.

(g) All members' claims on, or liabilities to, the Fund are expressed in terms of a constant gold value as provided by the maintenance-of-value provisions of the Articles of Agreement or of the General Arrangements to Borrow.

17. Since the Fund's creation, its members have drawn a total of $7.5 billion, of which $5.8 billion has been repaid. Drawings have been made by many countries, including among them eight of the members of the Group, three of which have standby arrangements outstanding. In the first 10 years, drawings were made almost exclusively in U.S. dollars with a consequent increase of the super gold tranche rights of the United States. In recent years, however, the balance of payments of the United States being in deficit, drawings have been mainly directed toward other currencies, those of the European countries, Japan, and Canada. But repurchases have continued to be made primarily in U.S. dollars, and thus have served to finance part of the U.S. deficit. As a result of these two developments, the U.S. net creditor position ("super gold tranche") of about $1.3 billion which exsisted at the end of 1958 has largely been replaced by net creditor positions of about $1.1 billion of other members of the Ten. The increased number of countries whose Fund positions have moved into credit during recent years

has drawn attention to the fact that, as explained above, countries' gold tranche and creditor positions in the Fund may be regarded as part of their international reserve assets. There are indeed recent examples, besides the United States, in which such a previously accumulated asset in the Fund has been utilized to assist in financing newly-incurred deficits.

18. The sources of credit are not limited to the facilities of the IMF. After the termination of the European Payments Union (and the transition to the European Monetary Agreement), central bank support operations played a more important part, e.g., the Basle arrangements of 1961 and 1963 and the swap and other arrangements established between the United States and other members of the Ten. The Fund's own resources have been enlarged by the 50 percent general increase in quotas in 1959 and reinforced by the General Arrangements to Borrow of 1961–62 which were the origin of the Group of Ten.

19. While our report focuses on official liquidity, private liquidity is also of importance to the international monetary system and to official liquidity. Traders' credits and working balances in foreign exchange are an indispensable part of the day-to-day transactions of private traders and investors; and foreign exchange held by commercial banks as working balances plays a role as a secondary reserve asset alongside official reserves in many national banking systems. Temporary shifts between private and official liquidity can be either equilibrating or disequilibrating but, over time, the probable need for growth of private liquidity should be taken into consideration along with the needs for official resources.

20. Statistical appendix II [1] shows that, during the decade 1954–63, gold reserves of the Group of Ten and Switzerland rose by about $4¾ billion and their foreign exchange holdings by over $5 billion, while other forms of reserve assets, resulting from transactions with the IMF or from the extension of credits, increased by approximately $2½ billion. These countries as a group also had substantial unused short-term credit facilities in the form of swaps and IMF standbys (about $3½ billion), as well as other short- or medium-term facilities in the IMF.

21. In this connection, it should be noted that credits which monetary authorities extend to one another to finance balance-of-payments fluctuations normally produce an increase in total gross reserve assets.

22. In sum, a country's liquidity is no longer measured solely by the level of its reserves in the form of gold and reserve currency balances (primary reserves). There is now a variety of ways in which monetary authorities can, at need, replenish their balances of the currencies used for operations. Primary reserves are thus supplemented by a broad spectrum of other resources and facilities (see statistical appendix II).[1] At one end of this range come "other reserves" of only slightly less liquidity but of unquestioned availability; at the other end of the range are negotiated credits, including those which will only be available when an international institution is satisfied that the borrower will employ effective adjustment process to correct his deficit.

III. Appraisal of the Present System and Lines of Future Development

23. The system, as it has evolved up to this point, has shown a great capacity for adapting itself to growth and change, has facilitated the remarkable economic progress achieved since the war, and has withstood with success periods of political and other strain, although many countries are still faced with inflationary pressures and others still have unemployed resources. In these circumstances, it appears to us prudent, 20 years after Bretton Woods, to inquire whether the amount and the character of future liquidity may call for any significant further changes.

24. We find no new considerations which would qualify the view expressed by the Ministers and Governors in their communiqué of 2d October 1963 that "the overall liquidity of the system seemed fully adequate in present circumstances to cope with possible threats to the stability of the international payments system." Although we know of no satisfactory quantitative formula for the measurement of liquidity needs, we believe that some comments are possible. On the one hand, the fact that some individual countries find themselves short of external liquidity is not *prima facie* evidence of a general shortage of international liquidity. On the other hand, the existence of a general shortage, in its extreme form, might be accompanied by widespread deflationary developments or restrictions on trade and payments resulting from the efforts of governments to defend or restore their reserves. The aggregate needs for liquidity

[1] Printed at conclusion of this exhibit.

are presumably in some way related to such factors as the growth of world trade and capital movements, and the amplitude and duration of imbalances in international payments, taking into account the efficacy of adjustment policies in correcting such imbalances; they are also affected by psychological attitudes toward minimum or desired levels of national reserves, toward reserve movements, and toward the use of available credit facilities. While there appears to be no convincing evidence that imbalances will be longer lasting or more intractable than hitherto in the postwar period, a rising turnover of current and capital payments is likely to entail some increase in the size of fluctuations. Moreover, we have noted that a concern for domestic objectives such as growth, employment, and price stability, or for international political, monetary, and economic responsibilities, may sometimes lead to wider swings in the balance of payments.

25. With regard to the provision of liquidity in the future, the Group has established broad agreement on the following points:

(a) Gold will continue to be the ultimate international reserve asset and common denominator of par values. But, while recent developments lead us to anticipate some continuing increase in world gold production and to expect that the continued success of the gold pool arrangements and other measures will channel a substantial proportion of it into official reserves, we cannot prudently expect new gold production to meet all liquidity needs in the future.

(b) The rise in dollar holdings has contributed somewhat more than monetary gold to the growth of international liquidity in the last decade. The deficit in the U.S. balance of payments now appears to be shrinking and the contribution of dollar holdings to the growth in international liquidity seems unlikely to continue as in the past.

(c) There is no immediate prospect of any other currency assuming the function of an international reserve currency. Indeed, at the present juncture such a development could raise problems without substantially strengthening the system.

(d) The need may in time be felt for some additional kind of international reserve asset. We think it would be timely to investigate the problems raised by the creation and use of such an asset, the possible forms it might take and the institutional aspects associated with it.

(e) Credit facilities—both through the IMF and of a bilateral character—will continue to play an essential part in financing imbalances. Particularly for medium-term credit, the IMF fulfills a valuable and unique function and should continue in its central role.

(f) The recently developed bilateral facilities for swaps and *ad hoc* support operations have already, in periods of stress, been effective in maintaining orderly conditions for international payments in the exchange markets. They should, within a suitable framework for "multilateral surveillance" (see pars. 35–37) continue to play an essential role for short-term purposes.

(g) There is no single, unique manner in which the growing requirements for liquidity have to be met. Past experience shows that, at different times, countries have relied on gold, reserve currencies, and credit facilities in different amounts and proportions. Their relative importance may vary from period to period in the evolution of the monetary system, as in the past, but a combination of primary reserves, other reserves, and credit facilities should provide for a needed growth in world liquidity in the future. Viewed from the point of view of the holder, these components of liquidity are, depending on the circumstances, substitutable for one another over a more or less wide margin. In any case, when credits provided by monetary authorities are availed of by the debtor, a form of reserve asset is created in the process.

(h) In view of our increased economic and financial interdependence, the present consultative machinery, whether provided under the IMF, the various bodies of OECD, the BIS, or under other auspices, should be fully utilized by their members and, wherever necessary, provision should be made for closer coordination between the international organizations concerned. The need being to supply sufficient liquidity to finance temporary payments imbalances without frustrating the required processes of international adjustment in individual countries, it is desirable to bring under multilateral review and appraisal the various means of financing surpluses or deficits. Such a "multilateral surveillance," exercised through existing international consultative bodies, would represent a strengthening of the arrangements for international monetary cooperation that have been developed in recent years. This development of a common approach to international monetary matters may well be the main distinguishing feature of the present phase of evolution of the international monetary system.

26. Given the complexity of the problem referred to us, it is not suprising that a number of views were expressed as to the areas which most deserve further study or action for the longer run improvement and strengthening of the international monetary system. Some Deputies considered that it was mainly in the field of the provision of owned reserves under the gold exchange standard that changes and improvements were desirable. They noted that the present system might imply a reliance on a continuing accumulation of reserve currency holdings, and they stressed the disadvantage of depending for the creation of reserves on the balance-of-payments deficits of a reserve currency country rather than on the needs of the international monetary system as a whole. Other Deputies stressed the primary desirability of building upon the accomplishments and flexibility of the present system. They noted that reserve currencies were unlikely to make the same contribution as in the past to the growth of international liquidity and believed that principal reliance should be placed on strengthening the international credit component of the present system, and on the increase in reserve assets created when official credits are extended either through the Fund or in some other form.

27. In spite of these differences regarding the best means of meeting adequately the world's future requirements for liquidity, we agreed on the issues of immediate practical concern, and also on the areas in which the development of the international monetary system calls for further study.

28. We have agreed on three main lines of advance: (1) strengthening the international monetary system through the multilateral surveillance of the means of financing both deficits and surpluses; (2) giving support, during the forthcoming quinquennial review of IMF quotas, to an enlargement, by means of a general quota increase, of the credit facilities provided through the International Monetary Fund, and to a relative adjustment of those individual quotas which are clearly out of line; and (3) investigating whether, how, and under what conditions it might be advantageous in the longer run to supplement the existing system by a new type of reserve asset.

29. The practical recommendations on these and other agreed matters, as well as the arrangements for further elaboration on certain questions, are set forth in the remainder of our report.

IV. Conclusions and Recommendations

30. Our recommendations concern:

A—The monetary use of gold
B—Multilateral surveillance of bilateral financing and liquidity creation
C—Further needs for reserve assets
D—International short-term credit facilities
E—Long-term lending
F—The International Monetary Fund

A. The monetary use of gold

31. We have reviewed the world situation with respect to gold production and the monetary uses of gold in the light of the statement of the Ministers and Governors quoted at the outset of our report.[1] While any projection of the future supplies of monetary gold would be hazardous, we do not believe that the flow of new gold into official reserves can be relied on in fact to meet fully the liquidity needs of the future.

32. In connection with the use of gold for monetary purposes, we have noted with satisfaction the successful coordination, through London, among a number of central banks, of their purchases and sales of gold in the international market. Partly as a result of this there was, during 1963, a marked increase in the flow of gold into official reserves.

33. We consider that leading countries should, according to circumstances, make every practicable effort to discourage speculation in gold and to ensure that as much as possible of the world's new gold supply not required for industrial uses be available to augment official reserves. Full account of this principle should be taken in considering any internal arrangements with respect to gold uses and gold transactions.

34. Moreover, the gold held by monetary authorities should be readily available for use in international settlements, and it is important in this respect that statu-

[1] Paragraph 1, "Introduction" of this Annex.

tory or conventional relationships of gold to the domestic money supply should not prevent gold from playing its proper role in the international monetary system.

B. Multilateral surveillance of bilateral financing and liquidity creation

35. We have noted that the development in recent years of new techniques, discussed more fully later in our report, for providing countries with various forms of credit facilities to supplement reserves has brought with it a considerable increase in international monetary cooperation and better knowledge of the workings of the international payments mechanism. Thus, the central banks participating in reciprocal support operations for meeting short-term payments strains have evolved, through the Bank for International Settlements, facilities for the regular confidential exchange of information and views on such operations. Likewise, various groups within OECD, notably Working Party 3, have provided a forum wherein officials directly concerned with formulation of national policies can review from time to time the balance-of-payments positions of the various participating countries, the measures taken to adjust imbalances, and the means of financing them. The arrangements put into effect by the International Monetary Fund for consultations with the "Article VIII countries"—that is, those countries with convertible currencies—have also reinforced the fabric of international cooperation.

36. In the course of developing these techniques of consultation and cooperation, the participating countries have been made aware not only of the great gains to be drawn from such an exercise but also of the still remaining shortcomings in their endeavors. Their exchanges of information and the mutually reinforcing actions they have taken have led them to the conclusion that these processes should be continued and intensified. They feel, in particular, that the initiative already taken toward strengthening the multilateral character of the international monetary system should be further developed by bringing within the review and appraisal processes of multilateral surveillance the various elements in international liquidity, whether of a private or official character, available or created for the financing of surpluses and deficits. The object would be to give the monetary authorities of countries participating in the Arrangements a more comprehensive and up-to-date view of major trends and afford them a better basis for strengthening their policy cooperation in the international monetary sphere.

37. We therefore propose that all countries in our Group should provide to the Bank for International Settlements statistical data bearing on the means utilized to finance surpluses or deficits on their external account. These statistical data, combined by the BIS, would be supplied confidentially to all participants and to Working Party 3 of OECD. Any supplementary data would be reported in such detail and form as the Central Bank Governors may advise. Information would also be exchanged among Central Bank Governors of the Group at the earliest practicable stage on undertakings between members of the Group for new or enlarged credit facilities, with due regard to the recognized need for flexibility in such arrangements. The data and other information would give an indication of trends, leading to a full exchange of views in Working Party 3 of the OECD. This would provide a basis for multilateral surveillance of the various elements of liquidity creation, with a view to avoiding excesses or shortages in the means of financing existing or anticipated surpluses and deficits in the balance of payments, and to discussing measures appropriate for each country in accordance with the general economic outlook.

C. Further needs for reserve assets

38. Taking a longer view, we have discussed various methods of meeting possible future needs for an expansion of reserve assets, apart from new accruals to existing gold and currency balances. A suggestion was made, but not extensively discussed, that the composition of reserves might also be considered in this context, with a view to a gradual harmonization of members' practices.

39. Our discussions mainly concerned two types of proposal: one for the introduction, through an agreement among the member countries of the Group, of a new reserve asset, which would be created according to appraised overall needs for reserves; and the other based on the acceptance of gold tranche or similar claims on the Fund as a form of international asset, the volume of which could, if necessary, be enlarged to meet an agreed need.

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40. Proposals of this kind, which imply a common approach to the process of reserve creation, involve complex questions as to their compatibility with the evolution of the existing system, their merits as a contribution to a greater stability of the international monetary system, their ability to direct liquidity to the point of greatest legitimate need at any given time, their ability to adapt the volume of reserves to global needs as opposed to individual shortages, the acceptability and soundness of the claims they offer as a reserve asset, their effect on relations of the Group with the rest of the world, the machinery required for controlling the volume and distribution of reserves created, and the desirability of a group approach as opposed to a worldwide approach.

41. These questions could not be covered in detail in the course of our meetings and no judgment could be reached on the proposals until their details had been fully spelled out and their implications had been further clarified. We have, therefore, established a Study Group on the Creation of Reserve Assets. This Study Group would, in appropriate consultation with the IMF and other international bodies, assemble the elements necessary for evaluation of the various proposals, and report to us as Deputies. It should be clear that a long-run view is involved and that the decision to embark upon the study implies no commitment on the part of the participating countries as to its findings.

42. In view of the adequacy of the supplies of gold and reserve currencies in the present and in the near future, there is no immediate need to reach a decision as to the introduction of a new type of reserve asset. The studies can therefore be pursued without undue haste. But, having recognized the uncertainties concerning the future supplies of monetary reserves, we agreed that such studies are timely and should be put in hand without delay.

D. International short-term credit facilities

43. Official short-term bilateral credit facilities have proved their value in the working of the international monetary and credit system:

—Swaps and networks of standby swap arrangements are primarily designed to compensate short-term swings, and, being reciprocal by nature, are capable of providing mutual benefits.

—*Ad hoc* support operations, such as have been arranged from time to time in Basle, have similarly been effective in arresting heavy movements of funds in special circumstances.

These demonstrations of close central bank cooperation are themselves an effective deterrent to speculative movements. Their informality, speed, and flexibility make them especially suitable as a first line, and short-term, defense against sudden balance-of-payments pressures. Over the past several years, they have mobilized massive resources in a short time to combat and limit speculative and crisis situations. Their success has greatly reduced the threat to official reserves from disequilibrating movements of private short-term capital. Such central bank support operations appear to be particularly appropriate to deal with speculative and other movements of funds which are not the outcome of, and do not significantly influence, demand and prices in the countries concerned, and are therefore inherently reversible. While we agreed that the facilities must be sufficiently flexible to supply the funds without delay when needed, we recognize the need for arrangements for exchange of information and review of such operations, as proposed under B, above.

44. We also reviewed the special bonds developed by the United States which are often denominated in the creditor's currency and are redeemable in case of need. Within the consultative framework proposed under B, above, opportunities might be found for discussion on the relationship of this method of financing to other types of credit availabilities, the role of medium-term bonds as a supplementary reserve asset in the portfolio of the lender, and the appropriate maturity for bonds of this nature, as well as possibilities for adapting this type of bond to wider uses among holders.

45. Although we were mainly concerned with credit facilities derived from official sources, we did not overlook certain recent tendencies in the field of private credit. Since the restoration of external convertibility, there has been a general increase in the volume and volatility of private and banking funds. We have no doubt that a growing volume of private credit is indispensable to a further

growth in international trade and payments and that action to foster national and international money and capital markets is desirable. Movements of private funds, however, have often been of a disequilibrating kind, requiring policy instruments to be developed and special defenses to be built by international monetary cooperation, to prevent such flows from straining the international monetary system and, if possible, to direct them in an equilibrating direction. A particularly striking development has been the so-called Euro-Currency market, which has helped to channel liquid funds internationally from lenders to borrowers and may at times have had a compensating effect on reserves. On the other hand, too large borrowing of such funds in a situation of basic external deficit may, in taking the strain from the monetary reserves, camouflage the seriousness of a development, offset the self-correcting forces of adjustment, and delay deliberate action toward reestablishing external equilibrium.

46. Recourse to foreign short-term credit by commercial banks that takes place under the influence of official action may in certain cases be valuable, but it should not be relied upon generally to reduce the needs for international liquidity available to monetary authorities. In any event, it would be desirable that the members of the Group inform each other, to the extent practicable and within the consultative framework proposed in B, above, as to the scope and character of relevant private movements, especially as they may be influenced by official actions.

E. Long-term lending for monetary purposes

47. While very effective facilities have been developed for short- and medium-term credit between the larger countries, both bilaterally and through the Fund, there has so far been little provision for long-term lending between them for monetary purposes. This reflects the fact that a country that needs credit facilities for overcoming balance-of-payments difficulties is ordinarily expected—in the interest of international equilibrium and stability—to overcome its difficulties within a reasonably short period of time. It has, however, been suggested by some Deputies that there may be exceptional cases where longer term lending for monetary purposes between members of the Group might be in the general interest, for example, where a temporary transfer of reserves to the low-reserve country can strengthen it in anticipation of a permanent increase in its reserves to be achieved over a longer period by moderate balance-of-payments surpluses.

48. There was agreement that no general arrangements for such longer term lending should be laid down, since this might unjustifiably lessen the pressure for adjustment of existing imbalances. Exceptional cases could therefore be treated on an *ad hoc* basis, after Group appraisal of the concrete case. Some Deputies suggested that, in such cases, it might be useful for a number of countries of the Group to act together on the lending side and, if approved by the Group, there might be some collective understanding that, should a lender subsequently suffer serious reserve losses, others whose reserves were then strong would be prepared to take his holding over, with or without the IMF being associated with the transaction. The consultation and common appraisal within the Group might both lessen the risks and enhance the liquidity of any such lending; at the same time, it might ensure that the adjustment process between deficit and surplus countries of the Group would not be weakened by such lending.

F. International Monetary Fund

49. The quinquennial review of IMF quotas by the Executive Directors of the Fund is due to take place in 1965. The Fund's resources could be enlarged either by a general increase of quotas, in uniform proportions for all members, or by selective increases for some members only, or by some combination of the two, with or without an increase in the General Arrangements to Borrow (GAB). While decisions in this field rest with the competent authorities of the Fund itself, we thought it appropriate, because of the important position of the IMF in the monetary system and because of the special obligations of our countries under the GAB, to explore thoroughly the possible attitude of the members of our Group

on the questions regarding the size, timing, and manner of providing, if necessary, additional resources to the Fund.

50. The following points were raised during our discussions:

—Adequacy of the Fund's quotas in present and foreseeable circumstances.
—The actual use of Fund facilities by members of the Ten and other Fund members in recent years.
—Disparities in size of quota among members.
—Payment in gold of 25 percent of new subscriptions.
—Comparative merits of a general increase in quotas, of selective increases, or of enlargement of the GAB.
—Effect of the above on the liquidity of the Fund.

51. We are all agreed that appropriate credit facilities, particularly through the IMF, provide an element of strength to the international monetary system through financing imbalances while assisting in the process of adjustment. In order, therefore, to provide resources for the Fund in the years ahead, which will no doubt bring a futher growth of the world economy, we suggest that the Ministers and Governors of the Group may wish to give their support to an appropriate general increase in quotas during the quinquennial review of the adequacy of Fund resources. We also suggest that there may be some cases in which the quotas of individual members may need to be adjusted on a selective basis.

52. We considered the place of gold in the IMF. Over its whole history, the Fund has had gold receipts of $4.2 billion from subscription payments, repurchases, and charges. The Fund has used $1.1 billion of gold to replenish its holdings of currencies, of which $500 million was used for this purpose in 1961, leaving $3.1 billion. Of this, the Fund has invested $800 million, the remainder of $2.3 billion being the Fund's present gold holdings.

53. Various functions have been attributed to quota subscriptions in gold:

(a) to provide the Fund with a liquid resource available, if needed, to acquire appropriate currencies necessary for its operations;

(b) to measure the initial amount of drawing rights to which it is the Fund's policy to allow members access virtually at will; and

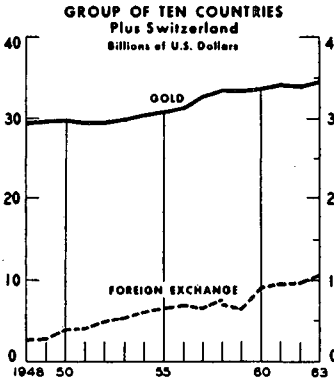
(c) in some cases, to help moderate any propensity to ask for larger quotas than might be justified.

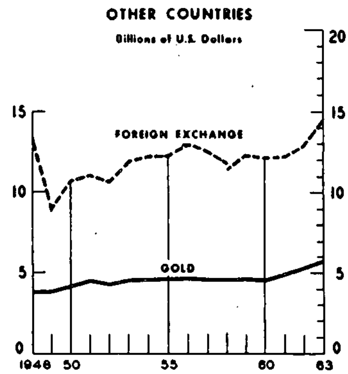
54. While payments of gold subscriptions to the Fund can reduce a country's gold reserves, its overall reserve position may be said to remain unchanged if it counts the gold tranche drawing rights which it acquires as part of its reserves. But contributions of gold to the IMF made by nonreserve countries who acquire gold from a reserve currency country can reduce the gold holdings of the reserve center and, in that way, can actually diminish world reserves in the aggregate. In view of these considerations, although we are agreed on maintaining the established principle of payment in gold, attention should be given during the quinquennial review to methods of minimizing the impact, particularly on reserve currency countries, of transfers to the Fund of gold from national reserves.

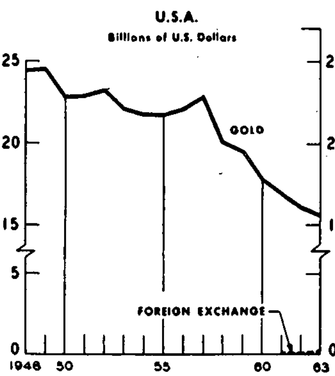
55. The General Arrangements to Borrow, to which reference has already been made, expire in October 1966. Any decision on renewal or modification must be taken not later than October 1965, and will no doubt be related to any increases in IMF quotas, general or selective, that may be agreed. We therefore suggest that a study of this subject should be made over the coming months, in the light of possible action concerning quotas in the Fund, and that a report be made to the Ministers and Governors well in advance of October 1965.

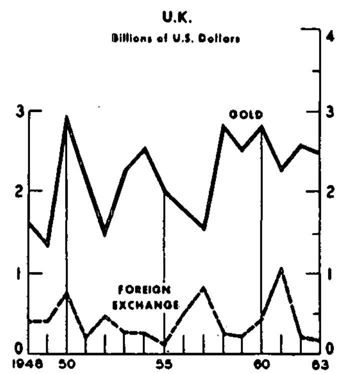
APPENDIX I

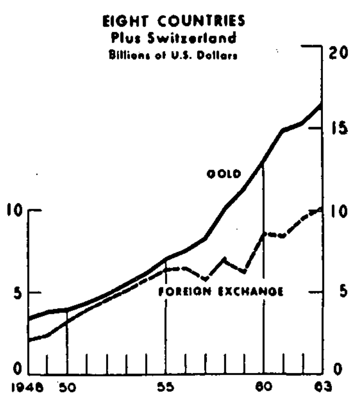
GOLD AND FOREIGN EXCHANGE HOLDINGS



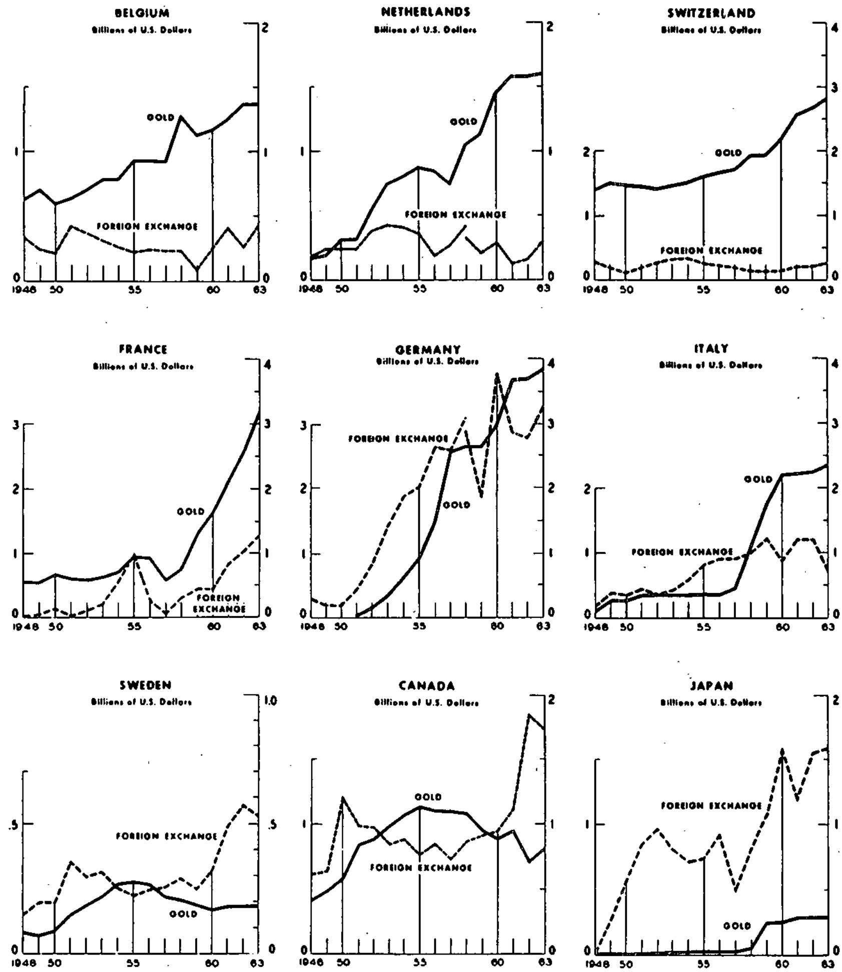








APPENDIX I—Continued



APPENDIX II

TABLE I.—*Official reserves and credit facilities,*[1] *Dec. 31, 1953 and Dec. 31, 1963*

[In billions of U.S. dollars equivalent]

	Reserves									Credit facilities								Total (8)+(17)	Grand total (9)+(17)
	Gold and foreign exchange			Other					Total reserves (3)+(8)	Assured				Subject to negotiation			Total credit facilities (13)+(16)		
	Gold	Foreign exchange	Subtotal (1)+(2)	Gold[2] tranche	Special U.S. bonds	Swaps used by other party	Miscellaneous	Subtotal (4) to (7)		Swaps unactivated	IMF standbys[3]	Other credit lines	Subtotal (10, 11, 12)	Other IMF[4] tranches	Potential credit lines	Subtotal (14)+(15)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
The Eight and Switzerland:																			
1953	5.49	5.05	10.54	0.26	0	0	n.a.	0.26	10.80	0	0	-------	0	1.48	-------	1.48	1.48	1.74	12.28
1963	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27	1.03	0	-------	1.03	3.74	-------	3.74	4.77	7.47	34.04
Change	+10.95	+5.08	+16.03	+1.54	+.66	+.24	n.a.	+2.44	+18.47	+1.03	0	-------	+1.03	+2.26	-------	+2.26	+3.29	+5.73	+21.76
Group of Ten and Switzerland:																			
1953	29.85	5.33	35.18	1.75	0	0	n.a.	1.75	36.93	0	0	-------	0	5.53	-------	5.53	5.53	7.28	42.46
1963	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31	3.11	.51	-------	3.62	9.30	-------	9.30	12.92	17.20	62.23
Change	+4.67	+5.18	+9.85	+1.58	+.66	+.29	n.a.	+2.53	+12.38	+3.11	+.51	-------	+3.62	+3.77	-------	+3.77	+7.39	+9.92	+19.77
Rest of world:																			
1953	4.47	11.78	16.25	.14	0	0	n.a.	.14	16.39	0	0	-------	0	1.61	-------	1.61	1.61	1.75	18.00
1963	5.68	14.56	20.24	.61	.05	0	n.a.	.66	20.90	.05	0	-------	.05	4.18	-------	4.18	4.23	4.89	25.13
Change	+1.21	+2.78	+3.99	+.47	+.05	0	n.a.	+.52	+4.51	+.05	0	-------	+.05	+2.57	-------	+2.57	+2.62	+3.14	+7.13
All countries:																			
1953	34.32	17.11	51.43	1.89	0	0	n.a.	1.89	53.32	0	0	-------	0	7.14	-------	7.14	7.14	9.03	60.46
1963	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21	3.16	.51	-------	3.67	13.48	-------	13.48	17.15	22.09	87.36
Change	+5.88	+7.96	+13.84	+2.05	+.71	+.29	n.a.	+3.05	+16.89	+3.16	+.51	-------	+3.67	+6.34	-------	+6.34	+10.01	+13.06	+26.90

[1] Data for other reserves and credit facilities are incomplete and partly estimated.
[2] Including super gold tranche.
[3] Beyond the gold tranche.
[4] Including standbys subject to policy performance.

n.a. Not available.
NOTE.—See "Notes" following table IV for sources and composition of various columns.

APPENDIX II—Continued

TABLE II.—*Official reserves and credit facilities,*[1] *Dec. 31, 1959 and Dec. 31, 1963*

[In billions of U.S. dollars equivalent]

	Reserves									Credit facilities								Total (8)+(17)	Grand total (9)+(17)
	Gold and foreign exchange			Other					Total reserves (3)+(8)	Assured				Subject to negotiation			Total credit facilities (13)+(16)		
	Gold	Foreign exchange	Subtotal (1)+(2)	Gold [2] tranche	Special U.S. bonds	Swaps used by other party	Miscellaneous	Subtotal (4) to (7)		Swaps unactivated	IMF standbys [3]	Other credit lines	Subtotal (10, 11, 12)	Other IMF [4] tranches	Potential credit lines	Subtotal (14)+(15)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
The Eight and Switzerland:																			
1959	11.27	6.20	17.47	0.86	0	0	n.a.	0.86	18.33	0	0	-------	0	3.80	-------	3.80	3.80	4.66	22.13
1963	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27	1.03	0	-------	1.03	3.74	-------	3.74	4.77	7.47	34.04
Change	+5.17	+3.93	+9.10	+.94	+.66	+.24	n.a.	+1.84	+10.94	+1.03	0	-------	+1.03	−.06	-------	−.06	+.97	+2.81	+11.91

Group of Ten and Switzerland:																			
1959	33.29	6.44	39.73	2.93	0	0	n.a.	2.93	42.66	0	0	-------	0	9.87	-------	9.87	9.87	12.80	52.53
1963	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31	3.11	.51	-------	3.62	9.30	-------	9.30	12.92	17.20	62.23
Change	+1.23	+4.07	+5.30	+.40	+.66	+.29	n.a.	+1.35	+6.65	+3.11	+.51	-------	+3.62	−.57	-------	−.57	+3.05	+4.40	+9.70
Rest of world:																			
1959	4.59	12.66	17.25	.32	0	0	n.a.	.32	17.57	0	0	-------	0	3.03	-------	3.03	3.03	3.35	20.60
1963	5.68	14.56	20.24	.61	.05	0	n.a.	.66	20.90	.05	0	-------	.05	4.18	-------	4.18	4.23	4.89	25.13
Change	+1.09	+1.90	+2.99	+.29	+.05	0	n.a.	+.34	+3.33	+.05	0	-------	+.05	+1.15	-------	+1.15	+1.20	+1.54	+4.53
All countries:																			
1959	37.88	19.10	56.98	3.25	0	0	n.a.	3.25	60.23	0	0	-------	0	12.90	-------	12.90	12.90	16.15	73.13
1963	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21	3.16	.51	-------	3.67	13.48	-------	13.48	17.15	22.09	87.36
Change	+2.32	+5.97	+8.29	+.69	+.71	+.29	n.a.	+1.69	+9.98	+3.16	+.51	-------	+3.67	+.58	-------	+.58	+4.25	+5.94	+14.23

[1] Data for other reserves and credit facilities are incomplete and partly estimated.
[2] Including super gold tranche.
[3] Beyond the gold tranche.
[4] Including standbys subject to policy performance.

n.a. Not available.

NOTE.—See "Notes" following table IV for sources and composition of various columns.

APPENDIX

TABLE III.—*Official reserves and credit*

[In billions of U.S.

	Reserves								
	Gold and foreign exchange			Other					
	Gold	Foreign exchange	Subtotal (1)+(2)	Gold [2] tranche	Special U.S. bonds	Swaps used by other party	Miscellaneous	Subtotal (4) to (7)	Total reserves (3)+(8)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
The Eight:									
1953	4.03	4.74	8.77	0.26	0	0	n.a.	0.26	9.03
1963	13.62	9.88	23.50	1.80	.61	.16	n.a.	2.57	26.07
Change	+9.59	+5.14	+14.73	+1.54	+.61	+.16	n.a.	+2.31	+17.04
Switzerland:									
1953	1.46	.31	1.77	0	0	0	n.a.	0	1.77
1963	2.82	.25	3.07	0	.05	.08	n.a.	.13	3.20
Change	+1.36	−.06	+1.30	0	+.05	+.08	n.a.	+.13	+1.43
The Eight and Switzerland:									
1953	5.49	5.05	10.54	.26	0	0	n.a.	.26	10.80
1963	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27
Change	+10.95	+5.08	+16.03	+1.54	+.66	+.24	n.a.	+2.44	+18.47
United Kingdom:									
1953	2.26	.28	2.54	.12	0	0	n.a.	.12	2.66
1963	2.48	.17	2.65	.49	0	0	n.a.	.49	3.14
Change	+.22	−.11	+.11	+.37	0	0	n.a.	+.37	+.48
United States:									
1953	22.10	0	22.10	1.37	0	0	n.a.	1.37	23.47
1963	15.60	.21	15.81	1.04	0	.05	n.a.	1.09	16.90
Change	−6.50	+.21	−6.29	−.33	0	+.05	n.a.	−.28	−6.57
Reserve countries:									
1953	24.36	.28	24.64	1.49	0	0	n.a.	1.49	26.13
1963	18.08	.38	18.46	1.53	0	.05	n.a.	1.58	20.04
Change	−6.28	+.10	−6.18	+.04	0	+.05	n.a.	+.09	−6.09
Group of Ten:									
1953	28.39	5.02	33.41	1.75	0	0	n.a.	1.75	35.16
1963	31.70	10.26	41.96	3.33	.61	.21	n.a.	4.15	46.11
Change	+3.31	+5.24	+8.55	+1.58	+.61	+.21	n.a.	+2.40	+10.95
Group of Ten and Switzerland:									
1953	29.85	5.33	35.18	1.75	0	0	n.a.	1.75	36.93
1963	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31
Change	+4.67	+5.18	+9.85	+1.58	+.66	+.29	n.a.	+2.53	+12.38
Rest of world:									
1953	4.47	11.78	16.25	.14	0	0	n.a.	.14	16.39
1963	5.68	14.56	20.24	.61	.05	0	n.a.	.66	20.90
Change	+1.21	+2.78	+3.99	+.47	+.05	0	n.a.	+.52	+4.51
All countries:									
1953	34.32	17.11	51.43	1.89	0	0	n.a.	1.89	53.32
1963	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21
Change	+5.88	+7.96	+13.84	+2.05	+.71	+.29	n.a.	+3.05	+16.89
BIS:									
1953	.08	0	.08	0	0	0	n.a.	0	.08
1963	−.28	0	−.28	0	0	.15	n.a.	.15	−.13
Change	−.20	0	−.20	0	0	+.15	n.a.	+.15	−.05
Other international organizations:									
1953	1.86	0	1.86	0	0	0	n.a.	0	1.86
1963	2.36	0	2.36	0	0	0	n.a.	0	2.36
Change	+.50	0	+.50	0	0	0	n.a.	0	+.50

[1] Data for other reserves and credit facilities are incomplete and partly estimated.
[2] Including super gold tranche.
[3] Beyond the gold tranche.

II—Continued

facilities [1] *Dec. 31, 1953 and Dec. 31, 1963*

dollars equivalent]

Credit facilities								Total (8)+(17)	Grand total (9)+(17)
Assured				Subject to negotiation			Total credit facilities (13)+(16)		
Swaps unactivated	IMF standbys [3]	Other credit lines	Subtotal (10, 11, 12)	Other IMF [4] tranches	Potential credit lines	Subtotal (14)+(15)			
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
0	0	----------	0	1.48	----------	1.48	1.48	1.74	10.51
.95	0	----------	.95	3.74	----------	3.74	4.69	7.26	30.76
+.95	0	----------	+.95	+2.26	----------	+2.26	+3.21	+5.52	+20.25
0	0	----------	0	0	----------	0	0	0	1.77
.08	0	----------	.08	0	----------	0	.08	.21	3.28
+.08	0	----------	+.08	0	----------	0	+.08	+.21	+1.51
0	0	----------	0	1.48	----------	1.48	1.48	1.74	12.28
1.03	0	----------	1.03	3.74	----------	3.74	4.77	7.47	34.04
+1.03	0	----------	+1.03	+2.26	----------	+2.26	+3.29	+5.73	+21.76
0	0	----------	0	1.30	----------	1.30	1.30	1.42	3.96
.50	.51	----------	1.01	1.44	----------	1.44	2.45	2.94	5.59
+.50	+.51	----------	+1.01	+.14	----------	+.14	+1.15	+1.52	+1.63
0	0	----------	0	2.75	----------	2.75	2.75	4.12	26.22
1.58	0	----------	1.58	4.12	----------	4.12	5.70	6.79	22.60
+1.58	0	----------	+1.58	+1.37	----------	+1.37	+2.95	+2.67	−3.62
0	0	----------	0	4.05	----------	4.05	4.05	5.54	30.18
2.08	.51	----------	2.59	5.56	----------	5.56	8.15	9.73	28.19
+2.08	+.51	----------	+2.59	+1.51	----------	+1.51	+4.10	+4.19	−1.99
0	0	----------	0	5.53	----------	5.53	5.53	7.28	40.69
3.03	.51	----------	3.54	9.30	----------	9.30	12.84	16.99	58.95
+3.03	+.51	----------	+3.54	+3.77	----------	+3.77	+7.31	+9.71	+18.26
0	0	----------	0	5.53	----------	5.53	5.53	7.28	42.46
3.11	.51	----------	3.62	9.30	----------	9.30	12.92	17.20	62.23
+3.11	+.51	----------	+3.62	+3.77	----------	+3.77	+7.39	+9.92	+19.77
0	0	----------	0	1.61	----------	1.61	1.61	1.75	18.00
.05	0	----------	.05	4.18	----------	4.18	4.23	4.89	25.13
+.05	0	----------	+.05	+2.57	----------	+2.57	+2.62	+3.14	+7.13
0	0	----------	0	7.14	----------	7.14	7.14	9.03	60.46
3.16	.51	----------	3.67	13.48	----------	13.48	17.15	22.09	87.36
+3.16	+.51	----------	+3.67	+6.34	----------	+6.34	+10.01	+13.06	+26.90
0	0	----------	0	0	----------	0	0	0	.08
.01	0	----------	.01	0	----------	0	.01	.16	−.12
+.01	0	----------	+.01	0	----------	0	+.01	+.16	−.04
0	0	----------	0	0	----------	0	0	0	1.86
0	0	----------	0	0	----------	0	0	0	2.36
0	0	----------	0	0	----------	0	0	0	+.50

[4] Including standbys subject to policy performances.
n.a. Not available.

NOTE.—See "Notes" following table IV for sources and composition of various columns.

APPENDIX

TABLE IV.—*Official reserves and credit*

[In billions of U.S.

	Reserves								
	Gold and foreign exchange			Other					Total reserves (3)+(8)
	Gold	Foreign exchange	Subtotal (1)+(2)	Gold [2] tranche	Special U.S. bonds	Swaps used by other party	Miscellaneous	Subtotal (4) to (7)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
The Eight:									
1959	9.34	6.07	15.41	0.86	0	0	n.a.	0.86	16.27
1963	13.62	9.88	23.50	1.80	.61	.16	n.a.	2.57	26.07
Change	+4.28	+3.81	+8.09	+.94	+.61	+.16	n.a.	+1.71	+9.80
Switzerland:									
1959	1.93	.13	2.06	0	0	0	n.a.	0	2.06
1963	2.82	.25	3.07	0	.05	.08	n.a.	.13	3.20
Change	+.89	+.12	+1.01	0	+ 05	+.08	n.a.	+.13	+1.14
The Eight and Switzerland:									
1959	11.27	6.20	17.47	.86	0	0	n.a.	.86	18.33
1963	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27
Change	+5.17	+3.93	+9.10	+.94	+.66	+.24	n.a.	+1.84	+10.94
United Kingdom:									
1959	2.51	.24	2.75	.07	0	0	n.a.	.07	2.82
1963	2.48	.17	2.65	.49	0	0	n.a.	.49	3.14
Change	−.03	−.07	−.10	+.42	0	0	n.a.	+.42	+.32
United States:									
1959	19.51	0	19.51	2.00	0	0	n.a.	2.00	21.51
1963	15.60	.21	15.81	1.04	0	.05	n.a.	1.09	16.90
Change	−3.91	+.21	−3.70	−.96	0	+.05	n.a.	−.91	−4.61
Reserve countries:									
1959	22.02	.24	22.26	2.07	0	0	n.a.	2.07	24.33
1963	18.08	.38	18.46	1.53	0	.05	n.a.	1.58	20.04
Change	−3.94	+.14	−3.80	−.54	0	+.05	n.a.	−.49	−4.29
Group of Ten:									
1959	31.36	6.31	37.67	2.93	0	0	n.a.	2.93	40.60
1963	31.70	10.26	41.96	3.33	.61	.21	n.a.	4.15	46.11
Change	+.34	+3.95	+4.29	+.40	+.61	+.21	n.a.	+1.22	+5.51
Group of Ten and Switzerland:									
1959	33.29	6.44	39.73	2.93	0	0	n.a.	2.93	42.66
1963	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31
Change	+1.23	+4.07	+5.30	+.40	+.66	+.29	n.a.	+1.35	+6.65
Rest of world:									
1959	4.59	12.66	17.25	.32	0	0	n.a.	.32	17.57
1963	5.68	14.56	20.24	.61	.05	0	n.a.	.66	20.90
Change	+1.09	+1.90	+2.99	+.29	+.05	0	n.a.	+.34	+3.33
All countries:									
1959	37.88	19.10	56.98	3.25	0	0	n.a.	3.25	60.23
1963	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21
Change	+2.32	+5.97	+8.29	+.69	+.71	+.29	n.a.	+1.69	+9.98
BIS:									
1959	−.13	0	−.13	0	0	0	n.a.	0	−.13
1963	−.28	0	−.28	0	0	.15	n.a.	.15	−.13
Change	−.15	0	−.15	0	0	+.15	n.a.	+.15	0
Other international organizations:									
1959	2.44	0	2.44	0	0	0	n.a.	0	2.44
1963	2.36	0	2.36	0	0	0	n.a.	0	2.36
Change	−.08	0	−.08	0	0	0	n.a.	0	−.08

[1] Data for other reserves and credit facilities are incomplete and partly estimated.
[2] Including super gold tranche.
[3] Beyond the gold tranche.

II—Continued

facilities[1] *Dec. 31, 1959 and Dec. 31, 1963*

dollars equivalent]

Credit facilities									
Assured				Subject to negotiation			Total credit facilities (13)+(16)	Total (8)+(17)	Grand total (9)+(17)
Swaps unactivated	IMF standbys[3]	Other credit lines	Subtotal (10, 11, 12)	Other IMF[4] tranches	Potential credit lines	Subtotal (14)+(15)			
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
0	0	----------	0	3.80	----------	3.80	3.80	4.66	20.07
.95	0	----------	.95	3.74	----------	3.74	4.69	7.26	30.76
+.95	0	----------	+.95	−.06	----------	−.06	+.89	+2.60	+10.69
0	0	----------	0	0	----------	0	0	0	2.06
.08	0	----------	.08	0	----------	0	.08	.21	3.28
+ 08	0	----------	+.08	0	----------	0	+.08	+.21	+1.22
0	0	----------	0	3.80	----------	3.80	3.80	4.66	22.13
1.03	0	----------	1.03	3.74	----------	3.74	4.77	7.47	34.04
+1.03	0	----------	+1.03	−.06	----------	−.06	+.97	+2.81	+11.91
0	0	----------	0	1.95	----------	1.95	1.95	2.02	4.77
.50	.51	----------	1.01	1.44	----------	1.44	2.45	2.94	5.59
+.50	+.51	----------	+1.01	−.51	----------	−.51	+.50	+.92	+.82
0	0	----------	0	4.12	----------	4.12	4.12	6.12	25.63
1.58	0	----------	1.58	4.12	----------	4.12	5.70	6.79	22.60
+1.58	0	----------	+1.58	0	----------	0	+1.58	+.67	−3.03
0	0	----------	0	6.07	----------	6.07	6.07	8.14	30.40
2.08	.51	----------	2.59	5.56	----------	5.56	8.15	9.73	28.19
+2.08	+.51	----------	+2.59	−.51	----------	−.51	+2.08	+1.59	−2.21
0	0	----------	0	9.87	----------	9.87	9.87	12.80	50.47
3.03	.51	----------	3.54	9.30	----------	9.30	12.84	16.99	58.95
+3.03	+.51	----------	+3.54	−.57	----------	−.57	+2.97	+4.19	+8.48
0	0	----------	0	9.87	----------	9.87	9.87	12.80	52.53
3.11	.51	----------	3.62	9.30	----------	9.30	12.92	17.20	62.23
+3.11	+.51	----------	+3.62	−.57	----------	−.57	+3.05	+4.40	+9.70
0	0	----------	0	3.03	----------	3.03	3.03	3.35	20.60
.05	0	----------	.05	4.18	----------	4.18	4.23	4.89	25.13
+.05	0	----------	+.05	+1.15	----------	+1.15	+1.20	+1.54	+4.53
0	0	----------	0	12.90	----------	12.90	12.90	16.15	73.13
3.16	.51	----------	3.67	13.48	----------	13.48	17.15	22.09	87.36
+3.16	+.51	----------	+3.67	+.58	----------	+.58	+4.25	+5.94	+14.23
0	0	----------	0	0	----------	0	0	0	−.13
.01	0	----------	.01	0	----------	0	.01	.16	−.12
+.01	0	----------	+.01	0	----------	0	+.01	+.16	+.01
0	0	----------	0	0	----------	0	0	0	2.44
0	0	----------	0	0	----------	0	0	0	2.36
0	0	----------	0	0	----------	0	0	0	−.08

[4] Including standbys subject to policy performance.
n.a. Not available.

NOTE.—See "Notes" on next page for sources and composition of various columns.

APPENDIX II—Continued

Notes to tables I–IV

Table column numbers

1. *Gold.* Figures are published data from *International Financial Statistics* (*IFS*).
2. *Foreign exchange.* Figures are published in *IFS.*
3. Subtotal of (1) and (2) represents the sum of gold and foreign exchange (primary reserves).
4. *Gold tranche,* including super gold tranche, is published in *IFS.*
5. *Special U.S. bonds* represent U.S. Government nonmarketable obligations payable in foreign currencies or in U.S. dollars, with an original maturity of more than one year, and convertible at the option of the holder into short-term Treasury obligations.
6. *Swaps used by other party* represent that part of a reciprocal swap arrangement that corresponds to a swing credit that has been drawn upon by the other party, and is therefore an asset of the drawee country. Where swaps have been activated and amounts are held in the form of foreign exchange, they appear under "foreign exchange." The total amounts for swaps included in the tables will always add up to twice the original amount available to one party in the case of a group of countries that includes both parties to the swap.
7. *Miscellaneous* includes, but is not limited to, forward or other availabilities, long-term mobilizable securities and other foreign assets that have been acquired by monetary authorities, such as IBRD notes, etc.
9. *Total reserves* represent the sum of primary and other reserves. Total may not be statistically exact since some countries treat special U.S. bonds as part of foreign exchange reserves and therefore there may be some element of double counting. This also applies to Columns 8, 18, and 19.
10. *Swaps unactivated.* This represents the standby facilities that have been established under swap agreements but not activated in the sense of reciprocal acquisition of foreign exchange.
11. *IMF standbys.* This column would include standby facilities that can be drawn upon without further policy review; there was one of these in existence on December 31, 1963.
12. *Other credit lines.* This column would include bilateral or other assured credit lines that may exist now or in the future.
14. *Other IMF tranches.* The amount shown in this column (together with the amount in column 11) represents for each country the undrawn portion of four credit tranches, which if drawn in full would bring the currency holdings of the IMF in that country's currency to 200 percent of quota.
15. *Potential credit lines.* This column registers the potentiality is other credit facilities that may be negotiated, or may be available after negotiation under some kind of policy review.
18. *Total of other reserves and credit facilities.* This is the sum of all the items except gold and foreign exchange reserves.

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Milton Gilbert	BIS staff

EXHIBIT 50.—**Other Treasury testimony published in hearings before congressional committees, July 1, 1963—June 30, 1964**

Secretary of the Treasury Dillon

Statement on the U.S. balance of payments, published in hearings before the Joint Economic Committee, Congress of the United States, 88th Congress, 1st session, Part 1, July 8, 1963, pages 8–30.

Statement in support of legislation relating to the International Bank for Reconstruction and Development and the Inter-American Development Bank, published in hearings before the Committee on Banking and Currency, House of Representatives, 88th Congress, 1st session, on H.R. 7405, a bill to amend the Bretton Woods Agreements Act to authorize the U.S. Governor of the International Bank for Reconstruction and Development to vote for an increase in the Bank's authorized capital stock, and H.R. 7406, a bill to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes, July 11, 1963, pages 2–9.

Statement in connection with participation of the United States in the Inter-American Development Bank and the International Development Association, published in hearings before the Committee on Foreign Relations, U.S. Senate, 88th Congress, 1st session, on H.R. 7406, an act to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes, and S. 2214, a bill to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association, November 15, 1963, pages 2–9.

Statement on proposed grain sales to the Soviet bloc, published in hearings before the Committee on Banking and Currency, U.S. Senate, 88th Congress, 1st session, on S. 2310, a bill to prohibit any guaranty by the Export-Import Bank or any other agency of the Government of payment of obligations of Communist countries, November 20, 1963, pages 74–78.

Statement on interest rates and the problem of international capital flows and on balance-of-payments improvement, published in hearings before the Joint Economic Committee, Congress of the United States, 88th Congress, 2d session, on January 1964 Economic Report of the President, Part 1, January 28, 1964, pages 166–169.

Statement on behalf of S. 2214, published in hearings before the Committee on Banking and Currency, House of Representatives, 88th Congress, 2d session, on S. 2214, an act to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association March 23, 1964, pages 3–25.

Under Secretary of the Treasury for Monetary Affairs Roosa

Statement on U.S. borrowings of foreign currencies, published in hearings before the Joint Economic Committee, Congress of the United States, 88th Congress, 1st session, on the U.S. balance of payments, July 9, 1963, pages 96–101.

Assistant Secretary of the Treasury Bullitt

Statement in support of the proposal to increase the authorized capital of the International Bank for Reconstruction and Development by $1 billion, published in hearings before the Committee on Banking and Currency, House of Representatives, 88th Congress, 1st session, on H.R. 7405, a bill to amend the Bretton Woods Agreements Act to authorize the U.S. Governor of the International Bank for Reconstruction and Development to vote for an increase in the Bank's authorized capital stock, and H.R. 7406, a bill to provide for increased participation by the United States in the Inter-American Development Bank and for other purposes, July 11, 1963, page 146.

Statement on increase in resources of the International Development Association, published in hearings before the Subcommittee on International Finance of the Committee on Banking and Currency, House of Representatives, 88th Congress, 1st session, on H.R. 9022, a bill to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association, December 3, 1963, pages 2–8.

Statement on increase in resources of the International Development Association, published in hearings before the Committee on Banking and Currency, House of Representatives, 88th Congress, 2d session, on H.R. 9022, a bill to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association, January 8, 1964, pages 2–8.

Gold and Silver Operations

Exhibit 51.—Amendment to the gold regulations, April 24, 1964

Title 31—MONEY AND FINANCE: TREASURY

Chapter I—Monetary Offices, Department of the Treasury

PART 53—INSTRUCTIONS OF THE SECRETARY OF THE TREASURY CONCERNING WRONGFULLY WITHHELD GOLD COIN AND GOLD BULLION DELIVERED AFTER JANUARY 17, 1934

PART 54—GOLD REGULATIONS

Removal of Delivery Requirements for Gold Certificates and General License to Hold Gold Certificates

1. The Order of the Secretary of the Treasury of December 28, 1933, as supplemented and amended by Orders of the Secretary of the Treasury of January 15, 1934, and July 14, 1954, which required the delivery to the United States of gold bullion, gold certificates and gold coins situated in the United States, except gold coins made prior to April 5, 1933, is hereby amended to exempt gold certificates from the provisions of such Order, as amended. The amendatory order will read as follows:

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

Delivery of Gold Coin, Gold Bullion and Gold Certificates to the Treasurer of the United States

Change in Requirements

The Order of the Secretary of the Treasury of December 28, 1933, as supplemented and amended by the Orders of the Secretary of the Treasury of January 15, 1934, and July 14, 1954 (19 F.R. 4331), required the delivery to the United States of gold certificates and gold coin situated in the United States, except gold coins made prior to April 5, 1933.

In my judgment the delivery requirements with respect to gold certificates are no longer necessary to protect the currency system of the United States.

Accordingly, by virtue of the authority vested in me by section 11(n) of the Federal Reserve Act, as amended (12 U.S.C. 248(n)), I hereby amend effective upon publication in the *Federal Register*, the Order of the Secretary of the Treasury of December 28, 1933, as supplemented and amended by the Orders of the Secretary of the Treasury of January 15, 1934, and July 14, 1954, by deleting "gold certificates" wherever the same appears therein.

Gold certificates will continue to be exchangeable in other lawful coin or currency as provided in 31 U.S.C. 773(a).

In view of the foregoing amendment to the Order of the Secretary of the Treasury of December 28, 1933, as supplemented and amended, exempting gold certificates from the provisions thereof, the Instructions of the Secretary of the Treasury Concerning Wrongfully Withheld Gold Coin, Gold Bullion and Gold Certificates Delivered after January 17, 1934 (31 CFR 53.1) are hereby amended by deleting therefrom "gold certificates" wherever the same appears therein.

This amendment is effective upon publication in the *Federal Register* and is made without notice and public procedure thereon as such proceedings are deemed to be unnecessary.

The heading of Part 53 is changed to read as set forth above, and § 53.1 is amended to read as follows:

§ 53.1—Wrongfully withheld gold coin and gold bullion delivered after January 17, 1934

The Order of the Secretary of the Treasury dated January 15, 1934, as amended, supplementing the Order of December 28, 1933, requiring the delivery of gold coin and gold bullion to the Treasurer of the United States provides, in part, as follows:

* * * I, Henry Morgenthau, Jr., Secretary of the Treasury, do hereby fix midnight of Wednesday, January 17, 1934, as the expiration of the period within which any gold coin or gold bullion may be paid and delivered to the Treasurer of the United States in compliance with the requirements contained in such Order of December 28, 1933, as amended.

In the event that any gold coin or gold bullion withheld in noncompliance with said Order and of this Order are offered after January 17, 1934, to the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office, or to any fiscal agent of the United States, there shall be paid therefor only such part or none of the amount otherwise payable therefor as the Secretary of the Treasury may from time to time prescribe and the whole or any balance shall be retained and applied to the penalty payable for failure to comply with the requirements of such Order and of this Order. The acceptance of any such coin or bullion after January 17, 1934, whether or not a part or all of the amount otherwise payable therefor is so retained, shall be without prejudice to the right to collect by suit or otherwise the full penalty provided in Section 11(n) of the Federal Reserve Act, as amended, less such portion of the penalty as may have been retained as hereinbefore provided.

Subject to the rights reserved in said Order of January 15, 1934, supplementing the order of December 28, 1933, requiring the delivery of gold coin and gold bullion to the Treasurer of the United States and without prejudice to the right to alter or amend these instructions from time to time by notice to the Treasurer of the United States, the United States mints and assay offices, and the Federal Reserve banks, I do hereby prescribe that in the event that any gold coin or gold bullion held in noncompliance with said order of December 28, 1933, as amended, and said order of January 15, 1934, are offered after January 17, 1934, to the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office or to any fiscal agent of the United States, the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office, and the fiscal agents of the United States shall pay for such gold coin the dollar face amount thereof, and for gold bullion $20.67 an ounce. Member banks of the Federal Reserve System may receive such gold coin and gold bullion for account of the Treasurer of the United States and forthwith forward the same to the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office or any fiscal agent of the United States, whichever is nearest.

(Sec. 3, 48 Stat. 2; 12 U.S.C. 248(n))

2. Section 54.2(b) *Delivery requirements of 1933 gold orders* of the Gold Regulations (31 CFR Part 54) is being amended in order to reflect the removal of the delivery requirements for gold certificates in § 53.1 of this chapter and the addition of § 54.83 licensing the holding of gold certificates. Section 54.2(b) as amended, will read as follows:

§ 54.2—General provisions

* * * * * * *

(b) *Delivery requirements of 1933 gold orders.* Executive Order 6102 of April 5, 1933, Executive Order 6260 of August 28, 1933 (31 CFR 1936 ed. Part 50), and the order of the Secretary of the Treasury of December 28, 1933, as amended and supplemented, required that, with certain exceptions, all persons subject to the jurisdiction of the United States deliver to the United States gold coins, gold bullion and gold certificates situated in the United States and held or owned by such persons on the dates of such orders. Gold coins having a recognized special value to collectors of rare and unusual coin, including all gold coins made prior to April 5, 1933, and gold certificates of the type issued before January 30, 1934, have been exempted from such delivery requirement. The regulations in this part do not alter or affect in any way the requirements under said orders to deliver gold bullion, and gold bullion required to be delivered pursuant to such orders is still required to be delivered and may be received in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934 (§53.1 of this chapter), subject to the rights reserved in such instructions.

3. A new subpart I, consisting of one section, §54.83, is being added to the Gold Regulations (31 CFR Part 54). This new subpart, the text of which is set forth below, grants in §54.83 a general license to all persons subject to the jurisdiction of the United States to acquire, hold, dispose of, export and import United States gold certificates issued before January 30, 1934, which are situated inside or outside the United States. Subpart I will read as follows:

Subpart I—General License To Hold Gold Certificates

§54.83—General license; gold certificates

A general license is hereby granted licensing all persons subject to the jurisdiction of the United States, as defined in §54.4(13), to acquire, hold, dispose of, export and import United States gold certificates issued before January 30, 1934. This general license applies to any such gold certificates whether situated inside or outside of the United States. Such certificates shall not be redeemable in gold, but may be exchanged at the dollar face amount therof in other coins and currencies of the United States which may be lawfully acquired and are legal tender for public and private debts.

The foregoing amendment of §54.2(b) and new subpart I are effective upon publication in the *Federal Register*. They are added to the Gold Regulations without notice and public procedure thereon as such proceedings are deemed to be unnecessary.

(Sec. 54.83 issued under sec. 5(b), 40 Stat. 415, as amended, sec. 3, 48 Stat. 2; 12 U.S.C. 95a, 12 U.S.C. 248(n); E.O. 6260, August 28, 1933, as amended by E.O. 10896, November 29, 1960, E.O. 10905, January 14, 1961, aud E.O. 11037, July 20, 1962; E.O. 9193, as amended, 7 F.R. 5205; 3 CFR 1943 Cum. Supp.)

[SEAL]

DOUGLAS DILLON,
Secretary of the Treasury.

[F.R. Doc. 64-4150; Filed, Apr. 24, 1964; 8:52 a.m.]

EXHIBIT 52.—Press Release, March 25, 1964, announcing that silver certificates will be redeemed only in bullion

Treasury Secretary Douglas Dillon tonight announced that silver certificates will henceforth be redeemed in silver bullion only.

The Secretary explained that Treasury's dwindling stock of silver dollars has been channeled to the greatest extent feasible to certain Western States where some circulation of silver dollars has been traditional. However, heavy drains by coin collectors and dealers have now reduced the Treasury's stock of silver dollars, which was about 28 million on January 1, to approximately 3 million, virtually all of which have special numismatic value. These silver dollars cannot be equitably distributed by redeeming silver certificates. Moreover, their release would not serve any purpose in adding to the suppply of circulating coins, since these silver dollars with special numismatic value would be entirely absorbed by coin dealers and collectors.

In providing that silver certificates will now be redeemed only in silver bullion, the Secretary of the Treasury has exercised on option provided in legislation passed by Congress last June. Holders of silver certificates may redeem them for silver bullion at the monetary value of $1.292929292 an ounce at the New York and San Francisco assay offices, not at the Treasury. Thus, holders of silver certificates may continue to exercise their legal right to demand an amount of silver precisely equal to the silver content of a standard silver dollar.

While silver dollars have not been minted since 1935, nearly one-half billion of these coins have been put into circulation in the last hundred years. These silver dollars will continue to circulate freely alongside their paper money counterparts. The Congress has been considering appropriations that would provide for further coinage of silver dollars. Meanwhile, mint facilities are currently being fully utilized in supplying the subsidiary and minor coins that serve an essential function as a means of payment in all parts of the country, and for which there are no substitutes.

The eventual disposition of the existing small Treasury stocks of silver dollars will be carefully considered in the light of existing circumstances at a later date.

EXHIBIT 53.—Other Treasury testimony published in hearings before congressional committees, July 1, 1963–June 30, 1964

Under Secretary of the Treasury Roosa

Statement on silver legislation relating to the coinage uses of silver published in hearings before the Committee on Banking and Currency, U.S. Senate, 88th Congress, 2d Session, on S. 2671, a bill to reduce the silver content of all U.S. silver coins, and for other purposes, April 1 and 2, 1964, pages 42–62.

General Counsel Belin and Leland Howard, Director, Office of Domestic Gold and Silver Operations

Statements on gold legislation published in hearings before the Committee on Interior and Insular Affairs, U.S. Senate, 88th Congress, 1st Session, on S. 100, S. 1273, and S. 2125, bills designed to stimulate domestic gold production, and for other purposes, July 15–17 and October 23, 1963, pages 34–45.

Leland Howard, Director, Office of Domestic Gold and Silver Operations

Statement on Treasury Department gold policy published in hearings before the Committee on Interior and Insular Affairs, U.S. Senate, 88th Congress, 1st Session, October 23, 1963, pages 214–16.

Organization and Procedure

EXHIBIT 54.—Treasury Department orders relating to organization and procedure

NO. 107, REVISION NO. 10, AUGUST 9, 1963.—AUTHORITY TO AFFIX SEAL OF THE TREASURY DEPARTMENT

By virtue of the authority vested in me as Secretary of the Treasury, including the authority conferred by section 161 of the Revised Statutes, it is hereby ordered that:

1. Except as provided for in paragraph 2, the following officers are authorized to affix the Seal of the Treasury Department in the authentication of originals and copies of books, records, papers, writings, and documents of the Department, for all purposes, including the purposes authorized by 28 U.S.C. 1733(b):

(a) In the Office of Administrative Services:
- (1) Director of Administrative Services
- (2) Chief, General Services Division
- (3) Chief, Printing and Procurement Division
- (4) Chief, Directives Control and Distribution Branch

(b) In the Internal Revenue Service:
- (1) Commissioner of Internal Revenue
- (2) Director, and Assistant Director, Collection Division
- (3) Chief, and Assistant Chief, Disclosure and Liaison Branch, Collection Division

(c) In the Bureau of Customs:
- (1) Commissioner of Customs
- (2) Assistant Commissioner of Customs
- (3) Deputy Commissioner, Division of Management and Controls
- (4) Deputy Commissioner, Division of Investigations and Enforcement
- (5) Deputy Commissioner, Division of Appraisement Administration

(d) In the Bureau of the Public Debt:
- (1) Commissioner of the Public Debt
- (2) Deputy Commissioner in Charge of the Chicago Office
- (3) Assistant Deputy Commissioner in Charge of the Chicago Office

(e) In the U.S. Coast Guard:
(1) Commandant
(2) Assistant Commandant
(3) Administrative Aide to the Commandant

2. Copies of documents which are to be published in the *Federal Register* may be certified only by the officers named in paragraph 1(a) of this Order.

3. The Director of Administrative Services, the Commissioner of Internal Revenue Service, the Commissioner of the Public Debt, and the Commandant of the U.S. Coast Guard are authorized to procure and maintain custody of the dies of the Treasury Seal.

The officers authorized in paragraph 1(c) may make use of such dies.

A. E. WEATHERBEE,
Administrative Assistant Secretary.

No. 150-59, FEBRUARY 11, 1964.—REDESIGNATION OF INTERNAL REVENUE REGIONS AND REGIONAL SERVICE CENTERS

By virtue of the authority vested in mê as Secretary of the Treasury by Reorganization Plan No. 26 of 1950, Reorganization Plan No. 1 of 1952, section 7621 of the Internal Revenue Code of 1954, as amended, and Executive Order 10289, approved September 17, 1951, made applicable to the Internal Revenue Code of 1954 by Executive Order 10574, approved November 5, 1954, it is hereby ordered:

1. Redesignation of regions. The titles of the Internal Revenue regions and the offices of the Regional Commissioners of Internal Revenue, as provided by Treasury Department Order No. 150-58, dated May 17, 1963, are modified as follows:

Previous Title	*New Title*
Atlanta	Southeast
Boston	Northeast
Chicago	Midwest
Cincinnati	Central
Dallas	Southwest
New York City	New York
Philadelphia	Mid-Atlantic
San Francisco	Western

2. Redesignation of regional service centers. Each of the regional service centers established to assist the Internal Revenue regions in the performance of their assigned duties shall be identified by the name of the principal city in or near which the center is located, as determined by the Commissioner of Internal Revenue.

3. Effective date. The provisions of this order shall be effective immediately except that the Commissioner of Internal Revenue is authorized to make provision for the use of existing forms, letterheads, stamps, seals, and other identifying materials until they can be replaced in an economical and orderly fashion.

4. Treasury Department Order No. 150-58 dated May 17, 1963, and Treasury Decision 6698 dated December 20, 1963, are modified to the extent that they are in conflict with this order.

DOUGLAS DILLON,
Secretary of the Treasury.

No. 150-60, JUNE 3, 1964.—DELEGATION TO COMMISSIONER OF INTERNAL REVENUE AND TO CHIEF COUNSEL FOR THE INTERNAL REVENUE SERVICE OF CERTAIN COMPROMISE FUNCTIONS UNDER SECTION 3469 OF THE REVISED STATUTES

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there are hereby transferred to the Commissioner of Internal Revenue the functions of the Secretary of the Treasury, and to the Chief Counsel for the Internal Revenue Service the functions of the General Counsel for the Department of the Treasury, under section 3469 of the Revised Statutes, as amended (31 U.S.C. 194), insofar as claims arising in the administration of the internal revenue laws are concerned.

The Commissioner or the Chief Counsel may, in such manner as he shall from time to time direct, delegate to his subordinates any function transferred to him by this order.

DOUGLAS DILLON,
Secretary of the Treasury.

No. 162-5, JANUARY 29, 1964.—DELEGATION OF AUTHORITY TO THE COMMISSIONER OF ACCOUNTS TO LIQUIDATE THE U.S. STUDY COMMISSION—SOUTHEAST RIVER BASINS

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, the authority conferred upon the Treasury Department by the President of the United States to liquidate the following agency is hereby delegated to the Commissioner of Accounts:

Name of Agency	*Date of Presidential Letter*
The U.S.Study Commission—Southeast River Basins	January 13, 1964

DOUGLAS DILLON,
Secretary of the Treasury.

No. 167-53, JULY 19, 1963.—DELEGATION OF FUNCTIONS TO THE COMMANDANT, U.S. COAST GUARD CONCERNING CERTAIN DETERMINATIONS RELATING TO THE RETIREMENT OF AN OFFICER OR ENLISTED MAN

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, there are transferred to the Commandant, U.S. Coast Guard, the functions vested in the Secretary of the Treasury by 14 U.S.C. 243, 313a and 362, and 10 U.S.C. 1372(2) and 1374(b) concerning the determination, upon retirement of an officer or enlisted man, of the highest grade or rating in which his performance of duty was satisfactory.

The Commandant is authorized to provide for the performance of this function by the Chief, Office of Personnel.

This delegation of authority supersedes that previously granted in subparagraph (34) of Treasury Department Order No. 167-3.

DOUGLAS DILLON,
Secretary of the Treasury.

No. 167-54, AUGUST 21, 1963.—DELEGATION OF FUNCTIONS TO THE COMMANDANT, U.S. COAST GUARD RELATING TO THE SETTLEMENT AND PAYMENT OF CERTAIN CLAIMS

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to the authority delegated to the Assistant Secretary of the Treasury by Treasury Department Order No. 190 (Revision 1), there are transferred to the Commandant, U.S. Coast Guard, the functions of 10 U.S.C. 2736—added by Public Law 87-769, approved October 9, 1962—concerning the settlement and payment of claims arising from property damage, personal injury, or death incident to the use of property of the United States and not cognizable under other law.

With the exception of prescribing applicable regulations, the Commandant may assign these functions for performance by subordinates in the Coast Guard.

To the extent practicable the implementing regulations shall be uniform with those of the other Armed Services.

JAMES A. REED,
Assistant Secretary of the Treasury.

No. 167-55, OCTOBER 2, 1963.—DELEGATION OF FUNCTIONS TO THE COMMANDANT, U.S. COAST GUARD RELATING TO THE USE OF APPROPRIATED FUNDS TO RESTORE, REPLACE, ESTABLISH, OR DEVELOP COAST GUARD FACILITIES

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to the authority delegated to the Assistant Secretary of the Treasury by Treasury Department Order No. 190 (Revision 1), there are transferred to the Commandant, U.S. Coast Guard, the functions of Public Law 88–45, dated June 21, 1963, relating to the use of appropriated funds to restore, replace, establish, or develop Coast Guard facilities.

The Commandant may provide for performance of these functions by subordinates in the Coast Guard.

JAMES A. REED,
Assistant Secretary of the Treasury.

No. 167–56, OCTOBER 23, 1963.—DELEGATION OF FUNCTIONS TO THE COMMANDANT, U.S. COAST GUARD CONCERNING THE APPOINTMENT, PROMOTION, SEPARATION, AND RETIREMENT OF COAST GUARD OFFICERS

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to the authority delegated to me by Treasury Department Order No. 190 (Revision 1), there are transferred to the Commandant, U.S. Coast Guard the following functions set forth in Public Law 88–130 (approved September 24, 1963), concerning the appointment, promotion, separation, and retirement of Coast Guard officers: Title 14, United States Code, Sections 41a (a), (b) and (d), 42(e), 211 (b) and (c), 212 (b) and (c), 213 (b) and (c), 214(f), 258, 271(a), 277, 286(a), 292, 331, 334, and 335.

The Commandant may provide for performance by subordinates in the Coast Guard of the functions delegated herein.

JAMES A. REED,
Assistant Secretary of the Treasury.

No. 167–57, JANUARY 2, 1964.—DELEGATION OF FUNCTIONS TO THE COMMANDANT, U.S. COAST GUARD CONCERNING THE DETERMINATION OF WHETHER BIDS OR PROPOSALS ARE PROPERLY CERTIFIED TO ASSURE NONCOLLUSION

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to the authority delegated to me by Treasury Department Order No. 190 (Revision 2), there is transferred to the Commandant, U.S. Coast Guard the function of section 1–1.317, 41 CFR (Federal Procurement Regulations) concerning the determination of whether bids or proposals are properly certified to assure noncollusion.

The Commandant may assign the performance of this function to the Comptroller of the Coast Guard.

JAMES A. REED,
Assistant Secretary of the Treasury.

No. 167–58, JANUARY 29, 1964.—DELEGATION OF FUNCTIONS TO THE COMMANDANT, U.S. COAST GUARD CONCERNING EXCEPTIONS TO THE RULES OF NAVIGATION FOR VESSELS

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to the authority delegated to me by Treasury Department Order No. 190 (Revision 2), there are transferred to the Commandant, U.S. Coast Guard, the functions of the Secretary of the Treasury under Public Law 88–163, approved October 30, 1963, concerning exceptions to the rules of navigation for vessels.

With the exception of prescribing applicable rules and regulations, the Commandant may assign the functions transferred for performance by subordinates in the Coast Guard.

JAMES A. REED,
Assistant Secretary of the Treasury.

No. 167–59, February 13, 1964.—Delegation of Functions to the Commandant, U.S. Coast Guard Concerning Approval of Military and Civilian Personnel for Occupancy in Housing

The Secretary of Defense, in a memorandum dated December 13th, 1963, delegated his authority under 12 U.S.C. 1748(e) with respect to the Coast Guard—concerning approval of military and civilian personnel for occupancy in housing provided by 12 U.S.C. 1748h–1—to the Secretary of the Treasury.

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 and 14 U.S.C. 631, and pursuant to the authority delegated to me by Treasury Department Order No. 190 (Revision 2), the aforementioned function is hereby redelegated to the Commandant, U.S. Coast Guard.

The Commandant may assign the function transferred for performance by subordinates in the Coast Guard.

James A. Reed,
Assistant Secretary of the Treasury.

No. 167–60, February 17, 1964.—Delegation of Functions to the Commandant, U.S. Coast Guard Concerning the Granting of Easements on Real Property Controlled by the Coast Guard

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to authority delegated to me by Treasury Department Order No. 190 (Revision 2), there are transferred to the Commandant, U.S. Coast Guard, the functions of the Secretary under 40 U.S.C. 319–319c, concerning the granting of easements on real property controlled by the Coast Guard.

The Commandant may assign the performance of these functions to subordinates in the Coast Guard.

James A. Reed,
Assistant Secretary of the Treasury.

No. 167–61, March 19, 1964.—Delegation of Functions to the Commandant, U.S. Coast Guard Concerning Furnishings To Be Provided for Housekeeping Quarters for Government Personnel

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 and 14 U.S.C. 631, and pursuant to the authority delegated to me by Treasury Department Order No. 190 (Revision 2), there are transferred to the Commandant, U.S. Coast Guard the functions of the Secretary contained in Bureau of the Budget Circular A–15 (Revised), dated May 11, 1962, concerning determinations as to the furnishings to be provided for housekeeping quarters for Government personnel.

The Commandant may provide for performance by subordinates in the Coast Guard of the functions delegated herein.

James A. Reed,
Assistant Secretary of the Treasury.

No. 170–10, July 23, 1963.—Transfer of Function Relating to the Typewriter Composition on the *Treasury Bulletin*

By virtue of the authority vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950, and pursuant to the authorization given to me by Treasury Department Order No. 190 (Revision No. 1), there is hereby transferred to the Bureau of Accounts the function of the Office of Administrative Services, Office of the Secretary, for typewriter composition on the *Treasury Bulletin.*

Such personnel, records, and funds as the Commissioner of Accounts and I shall mutually determine to be related to the performance of this function are hereby ordered transferred to the Bureau of Accounts from the Office of Administrative Services, Office of the Secretary.

This order shall become effective immediately.

A. E. Weatherbee,
Administrative Assistant Secretary.

No. 175-1, SEPTEMBER 13, 1963.—TRANSFER OF THE OFFICE OF THE DIRECTOR OF PRACTICE FROM THE INTERNAL REVENUE SERVICE TO THE OFFICE OF THE SECRETARY

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, it is hereby ordered that the Office of the Director of Practice is transferred from the Internal Revenue Service to the Office of the Secretary of the Treasury to be under the immediate supervision of the General Counsel.

Such personnel, funds, records, and equipment as are determined by the Commissioner of Internal Revenue and the General Counsel to be necessary to perform the functions of the Director of Practice shall be transferred to the Office of the Secretary as of July 1, 1963.

DOUGLAS DILLON,
Secretary of the Treasury.

No. 185-2, JUNE 24, 1964.—ABOLISHMENT OF OFFICE OF DEFENSE LENDING AND TRANSFER OF FUNCTIONS TO THE COMMISSIONER OF ACCOUNTS PERTAINING TO LENDING AND LIQUIDATION

By virtue of authority vested in the Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950 and the authority in Reorganization Plan No. 1 of 1957, which authority has been delegated to me as Fiscal Assistant Secretary of the Treasury by Treasury Department Order No. 190, Revision 2, dated October 23, 1963 (28 F.R. 11570) it is ordered as follows:

1. There are transferred to the Commissioner of Accounts all of the functions of the Secretary of the Treasury under Reorganization Plan No. 1 of 1957, and all of the functions under section 409 of the Federal Civil Defense Act of 1950 and section 302 of the Defense Production Act of 1950, as amended, together with the authorizations, allocations, and funds available or to be made available with respect to the transferred functions. The Commissioner of Accounts may make provisions for the performance of any of these functions by subordinates in the Bureau of Accounts.

2. The personnel and records of the Office of Defense Lending established by Treasury Department Order No. 185 are transferred to the Bureau of Accounts and the Office of Defense Lending is abolished.

3. Treasury Department Orders Nos. 181-3 dated December 7, 1954 (19 F.R. 8488), and 185 dated June 28, 1957 (22 F.R. 4730), and Office of Defense Lending Orders Nos. 1 dated July 1, 1957 (22 F.R. 5613), and 1-1 dated July 15, 1958 (22 F.R. 5611), are rescinded.

4. The provisions of this order shall be effective at the close of June 30, 1964.

JOHN K. CARLOCK,
Fiscal Assistant Secretary.

No. 190, REVISION NO. 2, OCTOBER 23, 1963.—SUPERVISION OF BUREAUS AND PERFORMANCE OF FUNCTIONS IN THE TREASURY DEPARTMENT

1. The following bureaus, offices, and staff assistants shall be under the direct supervision of the Secretary and the Under Secretary:

- Internal Revenue Service
- Assistant to the Secretary (Congressional Relations)
- Assistant to the Secretary (National Security Affairs)
- Assistant to the Secretary (Public Affairs)
- Special Assistants to the Secretary
- Director, Executive Secretariat

2. The following bureaus, offices, and other organizational units shall be under the general supervision of the Secretary and the Under Secretary and under the direct supervision of the officials indicated:

A. Under Secretary for Monetary Affairs
  - Deputy Under Secretary for Monetary Affairs
    - Office of Financial Analysis
    - Office of Domestic Gold and Silver Operations
    - Office of Debt Analysis

The Assistant Secretary (International Affairs) and the Fiscal Assistant Secretary to the extent of their responsibilities for international and domestic monetary and fiscal policies.
Assistant to the Secretary (Debt Management)
Office of the Comptroller of the Currency
United States Savings Bonds Division

B. General Counsel
Legal Division
Office of Director of Practice

C. Assistant Secretary
Bureau of Customs
Bureau of Engraving and Printing
Bureau of Narcotics
Office of Law Enforcement Coordination
United States Coast Guard

D. Assistant Secretary (International Affairs)
Office of International Affairs
Office of Foreign Assets Control (through Assistant to the Secretary for National Security Affairs)

E. Assistant Secretary (Tax policy, including international tax affairs)
Office of Tax Legislative Counsel
Office of Tax Analysis

F. Assistant Secretary
Bureau of the Mint
United States Secret Service

G. Fiscal Assistant Secretary
Bureau of Accounts
Bureau of the Public Debt
Office of the Treasurer of the United States
Office of Defense Lending

H. Administrative Assistant Secretary
Office of Administrative Services
Office of Budget and Finance
Office of Management and Organization
Office of Personnel
Office of Security

3. The Under Secretary, the Under Secretary for Monetary Affairs, the General Counsel, and the Assistant Secretaries are authorized to perform any functions the Secretary is authorized to perform. Each of these officials shall perform functions under this authority in his own capacity and under his own title, and shall be responsible for referring to the Secretary any matter on which action should appropriately be taken by the Secretary. Each of these officials will ordinarily perform under this authority only functions which arise out of, relate to, or concern the activities or functions of or the laws administered by or relating to the bureaus, offices, or other organizational units over which he has supervision. Any action heretofore taken by any of these officials in his own capacity and under his own title is hereby affirmed and ratified as the action of the Secretary.

4. The following officers shall, in the order of succession indicated, act as Secretary of the Treasury in case of the death, resignation, absence, or sickness of the Secretary and other officers succeeding him, until a successor is appointed or until the absence or sickness shall cease:

A. Under Secretary
B. Under Secretary for Monetary Affairs
C. General Counsel
D. Presidentially appointed Assistant Secretaries in the order in which they took the oath of office as Assistant Secretary

5. Treasury Department Order No. 190 (Revision 1) is rescinded.

Douglas Dillon,
Secretary of the Treasury.

Advisory Committees

EXHIBIT 55.—Advisory committees utilized by the Treasury Department under Executive Order 11007

During the fiscal year 1964, the Secretary of the Treasury found the formation or use by the Department of the the following advisory committees to be in the public interest in accordance with the requirements of Executive Order 11007, dated February 26, 1962. The information concerning these committees is being published in the annual report in compliance with section 10 of the order.

Office of the Secretary

DEBT MANAGEMENT COMMITTEES

The Treasury Department, in connection with debt management duties, uses in an advisory capacity the services of a number of committees representing organizations which form a cross section of the American financial community. The committees meet periodically, at the invitation of the Treasury, to discuss and advise upon current and future Federal financings. The Treasury finds discussions with these advisory groups to be of great value, primarily in assessing the general market sentiment prior to a major refinancing of maturing obligations. Their recommendations are carefully considered by Treasury officials and serve as a part of the background environment for the final financing decisions. These committees are as follows:

- American Bankers Association, Government Borrowing Committee
- Investment Bankers Association of America, Governmental Securities Committee
- National Association of Mutual Savings Banks, Committee on Government Securities and the Public Debt
- Life Insurance Association of America and American Life Convention, Joint Economic Policy Committee
- U.S. Savings and Loan League, National League of Insured Savings Associations, Advisory Committee on Government Securities
- Independent Bankers Association, Government Fiscal Policy Committee

Five meetings were held with the Government Borrowing Committee of the American Bankers Association in fiscal 1964, on July 23–24, October 22–23, January 29–30, April 19, 28, and June 24.

Membership of the Committee was as follows:

David M. Kennedy (Chairman)	Chairman, Continental Illinois National Bank and Trust Company of Chicago, Chicago, Ill.
Henry C. Alexander	Chairman, Morgan Guaranty Trust Company of New York, New York, N.Y.
Julian B. Baird	Advisory Director, The First National Bank of St. Paul, St. Paul, Minn.
S. Clark Beise	President, Bank of America N.T. & S.A., San Francisco, Calif.
George Champion	Chairman, The Chase Manhattan Bank, New York, N.Y.
Kenton R. Cravens	Chairman and Chief Executive Officer, Mercantile Trust Company, St. Louis, Mo.
Robert V. Fleming	Advisory Chairman of the Board, The Riggs National Bank of Washington, D.C., Washington, D.C.
Sam M. Fleming	President, Third National Bank, Nashville, Tenn.
Charles J. Gable, Jr.	Senior Vice President, The First Pennsylvania Banking and Trust Company, Philadelphia, Pa.
John M. Griffith	President, The City National Bank of Taylor, Taylor, Tex.
William F. Kelley	President, The First Pennsylvania Banking and Trust Company, Philadelphia, Pa.
M. Monroe Kimbrel	Chairman, First National Bank, Thomson, Ga.

Frank L. King	Chairman, United California Bank, Los Angeles, Calif.
S. J. Kryzsko	President, Winona National and Savings Bank, Winona, Minn.
John J. Larkin	Vice President, First National City Bank, New York, N.Y.
Homer J. Livingston	Chairman, The First National Bank of Chicago, Chicago, Ill.
John A. Mayer	President and Chief Executive Officer, Mellon National Bank and Trust Company, Pittsburgh, Pa.
George A. Murphy	Chairman, Irving Trust Company, New York, N.Y.
Reno Odlin	Chairman and Chief Executive Officer, The Puget Sound National Bank, Tacoma, Wash.
F. Raymond Peterson	Chairman and Chief Executive Officer, First National Bank of Passaic County, Paterson, N.J.
R. A. Peterson	President, Bank of America N.T. & S.A., San Francisco, Calif.
James D. Robinson, Jr.	Chairman, The First National Bank of Atlanta, Atlanta, Ga.
James S. Rockefeller	Chairman, First National City Bank, New York, N.Y.
Earl B. Schwulst	Chairman, The Bowery Savings Bank, New York, N.Y.
Norfleet Turner	Chairman, The First National Bank of Memphis, Memphis, Tenn.
Joseph C. Welman	President, Bank of Kennett, Kennett, Mo.
Paul I. Wren	Executive Vice President, Old Colony Trust Company, Boston, Mass.
Charls E. Walker	Executive Vice President and Executive Manager, The American Bankers Association, New York, N.Y.
William T. Heffelfinger	Federal Administrative Adviser, The American Bankers Association, Washington, D.C.
Leslie C. Peacock	Secretary, Economic Policy Committee, The American Bankers Association, New York, N.Y.

Five meetings were held with the Governmental Securities Committee of the Investment Bankers Association in fiscal year 1964, on July 23–24, October 22–23, January 29–30, April 27–28, and June 24.

Membership of the Committee was as follows:

Robert B. Blyth (Chairman)	First Vice President, The National City Bank, Cleveland, Ohio.
Robert H. Bethke	Vice President, Discount Corp. of New York, New York, N.Y.
Milton S. Bosley	Senior Vice President, National Bank of Detroit, Detroit, Mich.
F. Newell Childs	President, C. F. Childs and Co., Inc., Chicago, Ill.
Carl F. Cooke	Vice President, First Boston Corporation, New York, N.Y.
James. A. Cranford	Executive Vice President, The Atlantic National Bank, Jacksonville, Fla.
Stewart A. Dunn	Senior Vice President, C. J. Devine and Company, New York, N. Y.
Lester H. Empey	Senior Vice President, Wells Fargo Bank American Trust Company, San Francisco, Calif.
W. Wayne Glover	Senior Vice President, United California Bank, Los Angeles, Calif.
Alfred H. Hauser	Senior Vice President, Chemical Bank New York Trust Company, New York, N.Y.

Hardin H. Hawes	Senior Vice President, Harris Trust and Savings Bank, Chicago, Ill.
Alger J. Jacobs	Vice President, Crocker-Citizens National Bank, San Francisco, Calif.
Frederick G. Larkin, Jr.	President, Security First National Bank, Los Angeles, Calif.
Ralph E. Leach	Senior Vice President and Treasurer, Morgan Guaranty Trust Company, New York, N.Y.
Eugene S. Lee	Senior Vice President, Valley National Bank of Arizona, Phoenix, Ariz.
Pat G. Morris	Senior Vice President, The Northern Trust Company, Chicago, Ill.
Emil J. Pattberg, Jr.	Chairman, The First Boston Corporation, New York, N.Y.
John H. Perkins	Vice President, Continental Illinois National Bank and Trust Company, Chicago, Ill.
William W. Pevear	Vice President, Irving Trust Company, New York, N.Y.
Delmont K. Pfeffer	Senior Vice President, The First National City Bank of New York, New York, N.Y.
L. Sumner Pruyne	Senior Vice President, The First National Bank of Boston, Boston, Mass.
Herbert N. Repp	President, Discount Corporation of New York, New York, N.Y.
Robert B. Rivel	Vice President, The Chase Manhattan Bank, New York, N.Y.
Arthur W. Schlichting	Vice President, Bankers Trust Company, New York, N.Y.
Charles H. Schmidt	Vice President, National Bank of Detroit, Detroit, Mich.
Lockett Shelton	Vice President, Republic National Bank, Dallas, Tex.
Girard L. Spencer	Partner, Salomon Brothers and Hutzler, New York, N.Y.
Franklin Stockbridge	Vice President, Security First National Bank, Los Angeles, Calif.
Paul E. Uhl	Vice President, United California Bank, Los Angeles, Calif.
William J. Wallace	Vice President, Mellon National Bank and Trust Company, Pittsburgh, Pa.
C. Richard Youngdahl	President, Aubrey G. Lanston and Company, Inc., New York, N.Y.

One meeting was held with the Committee on Government Securities and the Public Debt of the National Association of Mutual Savings Banks in fiscal 1964, on April 22.

Membership of the Committee was as follows:

John W. Kress (Chairman)	Chairman, The Howard Savings Institution, Newark, N.J.
Edward P. Clark	President, Arlington Five Cents Savings Bank, Arlington, Mass.
Morris D. Crawford	Vice President, The Bowery Savings Bank, New York, N.Y.
C. Lane Goss	Chairman of the Board, Worcester County Institution for Savings, Worcester, Mass.
Maynard L. Harris	Chairman of the Board, Suffolk Franklin Savings Bank, Boston, Mass.
Samuel W. Hawley	President, Peoples Savings Bank, Bridgeport, Conn.
William B. Licklider	President, The United States Savings Bank, Newark, N.J.
Charles J. Lyon	President-Treasurer, Society for Savings, Hartford, Conn.
William A. Lyon	President, Dry Dock Savings Bank, New York, N.Y.

Edward F. McGinley, Jr.	President, Beneficial Mutual Savings Bank, Philadelphia, Pa.
Alfred C. Middlebrook	Senior Vice President, East River Savings Bank, New York, N.Y.
Robert M. Morgan	President, Boston Five Cents Savings Bank, Boston, Mass.
Barrett C. Nichols	Executive Vice President, Maine Savings Bank, Portland, Maine.
R. Steward Rauch, Jr.	President, Philadelphia Savings Fund Society, Philadelphia, Pa.
William H. Smith	President, Holyoke Savings Bank, Holyoke, Mass.
Leo F. Stanley	Vice President, The New Haven Savings Bank, New Haven, Conn.
Crawford H. Stocker, Jr.	President, Lynn Five Cents Savings Bank, Lynn, Mass.
Dr. Grover W. Ensley	Executive Vice President, National Association of Mutual Savings Banks, New York, N.Y.
Saul B. Klaman	Staff Member, NAMSB Director of Research, NAMSB
Robert R. Poston	Director-Counsel, Washington Office, NAMSB, Washington, D.C.

One meeting was held with the Joint Economic Policy Committee of the Life Insurance Association of America and the American Life Convention in fiscal 1964, on April 20.

Membership of the Committee was as follows:

Donald C. Slichter, (Chairman)	President, Northwestern Mutual Life Insurance Company, Milwaukee, Wis.
T. S. Burnett	President, Pacific Mutual Life Ins. Co., Los Angeles, Calif.
George T. Conklin, Jr.	Executive Vice President, The Guardian Life Insurance Company of America, New York, N.Y.
George B. Cook	President, Bankers Life Insurance Company of Nebraska, Lincoln, Nebr.
Byron K. Elliott	President and Chairman, John Hancock Mutual Life Ins. Co., Boston, Mass.
Gilbert W. Fitzhugh	President, Metropolitan Life Ins. Co., New York, N.Y.
Howard Holderness	President, Jefferson Standard Life Insurance Company, Greensboro, N.C.
Leland J. Kalmach	Chairman of the Board, Massachusetts Mutual Life Insurance Company, Springfield, Mass.
James F. Oates, Jr.	President and Chairman, Equitable Life Assurance Society, New York, N.Y.
Charles E. Phillips	President, Equitable Life Insurance Company, Washington, D.C.
Olcott D. Smith	Chairman, Aetna Life Ins. Co., Hartford, Conn.
Dan C. Williams	President, Southland Life Ins. Co., Dallas, Tex.

Staff Members of the Associations

American Life Convention:

Arthur Fefferman, Director, Economic Analysis, Washington, D.C.

Life Insurance Association of America:

Bruce E. Shepard, Executive Vice President, New York, N.Y.

Eugene M. Thoré, General Counsel and Vice President, Washington, D.C.

James J. O'Leary, Vice President and Director of Economic Research, New York, N.Y.

Ralph J. McNair, Assistant Vice President, Washington, D.C.

A meeting was held with the Advisory Committee on Government Securities of the Savings and Loan Business in fiscal 1964, on April 23.

Membership of the Committee was as follows:

James Aliber	Vice President, First Federal Savings and Loan Association, Detroit, Mich.
James E. Bent	President, Hartford Federal Savings and Loan Association, Hartford, Conn.
Frederick Bjorklund	President, Minnesota Federal Savings and Loan Association, St. Paul, Minn.
Lacy Boggess	President, Mutual Savings and Loan Association, Fort Worth, Tex.
Walter D. Bradley	Vice President, First Western Savings and Loan Association, Las Vegas, Nev.
C. L. Clements	President, Chase Federal Savings and Loan Association, Miami Beach, Fla.
W. O. DuVall	President, Atlanta Federal Savings and Loan Association, Atlanta, Ga.
E. Stanley Enlund	President, First Federal Savings and Loan Association, Chicago, Ill.
Richard G. Gilbert	Executive Vice President, The Citizens Savings Association, Canton, Ohio.
Roy M. Marr	President, Leader Federal Savings and Loan Association, Memphis, Tenn.
Walter F. Obers	Vice President, California Federal Savings and Loan Association, Los Angeles, Calif.
Allen G. Pflugradt	President, First Federal Savings and Loan Association, Milwaukee, Wis.
A. D. Theobald	President, First Federal Savings and Loan Association, Peoria, Ill.
Gerrit Vander Ende	President, Pacific First Federal Savings and Loan Association, Tacoma, Wash.
W. C. Warman	Staff Vice President, U.S. Savings and Loan League, Chicago, Ill.
William J. Kerwin	Director of Public Affairs, National League of Insured Savings Associations, Washington, D.C.
James A. Hollensteiner	Assistant Vice President, U.S. Savings and Loan League, Chicago, Ill.

A meeting was held with the Government Fiscal Policy Committee of the Independent Bankers Association on April 21–22, 1964.

Membership of the Committee was as follows:

Theo. W. Sette (Chairman)	President, State Bank of Burleigh County, Bismarck, N. Dak.
O. K. Johnson	President, Whitefish Bay State Bank, Milwaukee, Wis.
O. M. Jorgenson	Chairman, Security Trust and Savings Bank, Billings, Mont.
S. E. Babington	President, Brookhaven Bank and Trust Co., Brookhaven, Miss.
Lee M. Stenehjem	Executive Vice President, First International Bank of Watford City, Watford City, N. Dak.
Ralph L. Zaun	Executive Vice President, Grafton State Bank, Grafton, Wis.
Howard Bell	Executive Director, Independent Bankers Association, Washington, D.C.
C. Herschell Schooley	Washington Office, Independent Bankers Association, Washington, D.C.

INFORMAL ADVISORY COMMITTEE ON TAX-EXEMPT FOUNDATIONS

The Secretary of the Treasury established this Committee on August 1, 1963.

The Committee consists of individuals who are associated with foundations on a full-time, professional basis, lawyers, and accountants who have worked in the foundation area, and a law professor who has written on the subject.

The purpose of the Committee is to obtain the views of the members on the practices of taxpayers with respect to foundations; on the management, investment, and disbursement practices of foundations; and on various alleged abuses and proposed remedies which have been discussed in the area.

The Committee met during fiscal 1964 on September 13, October 4 and 28, November 18, and December 16, 1963.

Membership in the fiscal year 1964 was as follows:

F. Emerson Andrews	Director, Foundation Library Center, New York, N.Y.
Leigh Block	President, Inland Steel-Ryerson Foundation, Chicago, Ill.
Morris Hadley	Chairman, Carnegie Corporation, New York, N.Y.
Berklie M. Henry	Vice President, John Hay Whitney Foundation, New York, N.Y.; Vice Chairman, Carnegie Institute of Washington, D.C.
Harry Mansfield	Attorney, Ropes and Gray, Boston, Mass.
Henry A. Moe	President, Guggenheim Memorial Foundation, New York, N.Y.
Robert Mueller	Attorney, Mueller and Criss, Austin, Tex.
James Patton	President, National Farmers Union; President, Farmers Educational Foundation, Washington, D.C.
Harry J. Rudick	Attorney, Lord, Day, and Lord, New York, N.Y.
Albert Sacks	Professor, Harvard University Law School, Cambridge, Mass.
Jack S. Seidman	Seidman and Seidman, New York, N.Y.
Walter M. Upchurch, Jr.	Vice President, Shell Company Foundation, New York, N.Y.
David Watts	Attorney, Dewey, Ballantine, Bushby, Palmer, and Wood, New York, N.Y.
Donald Young	President, Russell Sage Foundation, New York, N.Y.

THE SECRETARY OF THE TREASURY'S COMMITTEE ON TANKER HAZARDS

This Committee was established by letters of the Secretary of the Treasury dated April 10, 1962, addressed to the Commandant of the U.S. Coast Guard and to certain persons requested to serve as members of the Committee.

The chairman is Professor H. L. Seward, who serves as a Treasury consultant on the days when he acts as chairman, and the other members include representatives of the Coast Guard, and of the Navy, Interior, and Commerce departments, the American Bureau of Shipping, and the National Fire Protection Association. A Coast Guard representative acts as secretary and prepares the agenda and calls the meetings.

The function of the Committee is to collect, study, and make recommendations with respect to the operation and navigation of tank vessels with one or more of their cargo tanks in empty condition. The study is to encompass every aspect of gas freeing or inerting of empty cargo tanks, to evaluate proposals for assuring safety on such vessels, and to recommend a national policy with respect to these objectives.

Meetings were held by the Committee on July 9, 16, August 6 and August 14, 1963, when it was disbanded.

Membership of the Committee in fiscal 1964 was as follows:

Prof. H. L. Seward (Chairman)	Professor Emeritus, Department of Maritime Economics, USCG Academy, Old Saybrook, Conn.
Lt. Clyde T. Lusk, Jr., (Secretary)	Merchant Marine Council Staff, U.S.C.G. Headquarters, Washington, D.C.
Arthur R. Gatewood	President, American Bureau of Shipping, New York, N.Y.
Dr. Glen H. Damon	Staff Research Coordinator, Bureau of Mines, Department of Interior, Washington, D.C.
L. C. Hoffman	Chief, Office of Ship Construction, Maritime Administration, Department of Commerce, Washington, D.C.
E. Carroll Creitz	Fire Research Section, National Bureau of Standards, Department of Commerce, Washington, D.C.

Charles Morgan	Assistant General Manager, National Fire Protection Association, Boston, Mass.
Dr. Homer Carhart	Head, Fuels Branch, Naval Research Laboratory, Department of Navy, Washington, D.C.
Richard Parkhurst	Retired Commissioner, U.S. Maritime Commission, Winchester, Mass.
Capt. William S. Vaughn, USCG	Chief, Testing and Development Division, Office of Engineering, U.S. Coast Guard Headquarters, Washington, D.C.

Commissioner of Internal Revenue

ADVISORY GROUP TO THE COMMISSIONER OF INTERNAL REVENUE

This Group was established by the Commissioner of Internal Revenue on June 17, 1959.

This Committee which represents professional and other private groups concerned with Federal taxation provides constructive criticism of Internal Revenue policies and procedures and suggests ways in which the Service can improve its operations.

Meetings with members listed below were held in the fiscal year 1964 on September 5–6, and November 14–15, 1963.

Walter Blum	University of Chicago, Chicago, Ill.
Marvin K. Collie	Vinson, Elkins, Weems & Searls, Houston, Tex.
Louis Eisenstein	Arnold, Fortas & Porter, Washington, D.C.
Richard B. Goode	The Brookings Institution, Washington, D.C.
W. Croft Jennings	Roberts, Jennings, Thomas and Lumpkin, Columbia, S.C.
Hover T. Lentz	Dawson, Nagel, Sherman & Howard, Denver, Colo.
Eugene J. Patton	Peat, Marwick, Mitchell and Co., New York, N.Y.
Mark E. Richardson	Lybrand, Ross Bros. & Montgomery, New York, N.Y.
Wilbur J. Schraner	Van Nuys, Calif.
Louis Schreiber	E. I. du Pont de Nemours & Co., Wilmington, Del.
Henry L. Shepherd	Shepherd, Murtha & Merritt, Hartford, Conn.
James F. Thornburg	Oare, Thornburg, McGill & Deahl, South Bend, Ind.

In keeping with the practice of periodically changing the membership, the Commissioner appointed a new Advisory Group in March 1964.

The members of the new Group which met on March 9–10 and June 18–19 are as follows:

Boris I. Bittker	Yale Law School, New Haven, Conn.
Charles O. Galvin	Southern Methodist University School of Law, Dallas, Tex.
Albert R. Gilman	Albert R. Gilman and Co., Rochester, N.Y.
John P. Goedert	Alexander Grant and Co., Chicago, Ill.
Scott C. Lambert	Standard Oil Co. of California, San Francisco, Calif.
Leonard W. Natthen	Curtis-Wright Corporation, Wood-Ridge, N.J.
Paul E. O'Brien	Coca-Cola Co., Atlanta, Ga.
Louis H. Pilié	Peat, Marwick, Mitchell & Co., New Orleans, La.
Lester M. Ponder	Barnes, Hickam, Pantzer & Boyd, Indianapolis, Ind.
Norman B. Ture	National Bureau of Economic Research, Washington, D.C.
James H. Wilson, Jr.	Sutherland, Asbill, and Brennan, Atlanta, Ga.
Milton Young	Young, Kaplan, and Edelstein, New York, N.Y.

TREASURY-INTERNAL REVENUE SERVICE COMMITTEE ON STATISTICS

The Commissioner of Internal Revenue established this Committee on March 30, 1962. It was reconstituted on July 25, 1963.

The Committee is expected to make suggestions concerning appropriate statistical and economic information to be obtained from income tax returns.

The Committee consists of economists and statisticians, representing private associations and universities; and Government representatives, who are the Assistant Commissioner for Planning and Research, Internal Revenue Service, who acts as chairman, the Director of the Statistics Division, Internal Revenue Service, who acts as executive secretary, two members of the Office of Tax Analysis of the Office of the Secretary of the Treasury, and representatives of the Commerce Department and the Bureau of the Budget; and two representatives from congressional committees, the Joint Economic Committee and the Joint Committee on Internal Revenue Taxation.

A meeting of this Committee was held in fiscal 1964 on November 18, 1963.

Membership in the fiscal year 1964 was as follows:

Harvey E. Brazer	University of Michigan, Ann Arbor, Mich.
Warren N. Cordell	Vice President, A. C. Nielsen Co., Chicago, Ill.
W. R. Currie	Chief Financial Economist, Department of Finance, State of California, Sacramento, Calif.
Sidney Glaser (Alternate)	Assistant to the Director, Division of Taxation, Trenton, N.J.
Robert Eisner	Northwestern University, Evanston, Ill.
Irwin Friend	Wharton School of Finance and Commerce, University of Pennsylvania, Philadelphia, Pa.
George Jaszi	Director, Office of Business Economics, Department of Commerce, Washington, D.C.
James W. Knowles	Joint Economic Committee, Washington, D.C.
Raymond Nassimbene	Office of Statistical Standards, Bureau of the Budget, Washington, D.C.
Alan P. Murray (Alternate)	Joint Economic Committee, Washington, D.C.
Alice M. Rivlin	The Brookings Institution, Washington, D.C.
J. A. Stockfisch	Deputy Assistant Secretary, Treasury Department, Washington, D.C.
Gabriel G. Rudney (Alternate)	Chief, Personal Taxation Staff, Office of Tax Analysis, Treasury Department, Washington, D.C.
James H. Symons	Joint Committee on Internal Revenue Taxation, Washington, D.C.
Norman B. Ture	Director of Tax Studies, National Bureau of Economic Research, Washington, D.C.

U.S. Coast Guard

CHEMICAL TRANSPORTATION ADVISORY PANEL

This Panel, established on May 4, 1949, acts as an advisory body on matters concerned with the bulk transportation of chemicals or hazardous cargo. Such expert advice from industry is mandatory to keep current and effective the dangerous cargo, tank vessel, cargo, and other associated regulations promulgated and enforced by the Coast Guard. It has been estimated that approximately 400 new chemicals are marketed annually in the United States.

Membership of the Panel which met in fiscal 1964 on September 5, and January 5 and 22, follows:

Oliver E. Beutel, Chairman	Manager, Distribution and Traffic, The Dow Chemical Co., Midland, Mich.
G. H. Mayhood, Secretary	Transportation Engineer, Manufacturing Chemists' Association, Inc., Washington, D.C.
George R. Benz	Manager, Chemical Engineering Division, Research and Development Department, Phillips Petroleum Co., Bartlesville, Okla.

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J. C. Clarke	Vice President, Marine Transport Lines, Inc., New York, N.Y.
R. W. Krieger	President, Jeffersonville Boat and Machine Co., Jeffersonville, Ind.
T. J. Lengyel	Supervisor, Technical Operations, Shell Oil Co., New York, N.Y.
R. B. Mitchell	Chemical Carriers, Inc., New York, N.Y.
T. W. Rodes	Plant Superintendent, Union Carbide Chemicals Co., Carteret, N.J.
George P. Jacobson	Assistant Manager, Marine Transportation, Allied Chemical Corp., New York, N.Y.
Albert N. Narter	Principal Surveyor, American Bureau of Shipping, New York, N.Y.
Larry O. Tessier	Supervisor, Development Division, Traffic Department, E. I. du Pont de Nemours and Co., Inc., Wilmington, Del.
R. T. Williams	Project Engineer, Marine Division, Humble Oil and Refining Co., Houston, Tex.
James E. Weaver	Manager of Transportation, Pittsburgh Plate Glass Co., Pittsburgh, Pa.
R. J. Wheeler	Asst. Director, Marine Transportation, Phillips Petroleum Co., Bartlesville, Okla.
	Ex Officio Members:
M. F. Crass, Jr.	Secretary-Treasurer, Manufacturing Chemists' Association, Inc., Washington, D.C.
F. R. Fetherston	Secretary-Treasurer, Compressed Gas Association, Inc., New York, N.Y.
B. H. Lord, Jr.	Director, Division of Transportation, American Petroleum Institute, Washington, D.C.
Robert L. Mitchell, Jr.	Secretary-Treasurer, The Chlorine Institute, Inc., New York, N.Y.

NATIONAL OFFSHORE OPERATIONS PANEL

This Panel was established on December 15, 1959, to advise the U.S. Coast Guard on matters related to the highly specialized construction and operation of geophysical survey vessels, drilling platforms, and associated vessels and barges.

Members of the Panel which met in fiscal 1964 on August 8 and May 5, were:

R. T. Sessums, Chairman	Vice President, Freeport Sulphur Co., New Orleans, La.
A. E. L. Morris, Vice Chairman	Manager, Exploration, Pauley Petroleum, Inc., Los Angeles, Calif.
H. E. Denzler, Jr., Secretary	Assistant to General Superintendent, Transportation, The California Co., New Orleans, La.
E. E. Clark	Superintendent, Production Department, Phillips Petroleum Co., Santa Barbara, Calif.
O. L. Furse	Regional Production Manager, Southeast Esso Region, New Orleans, La.
W. H. LeGrand	District Production Manager, Gulf Oil Corp., New Orleans, La.
J. C. Craig	General Superintendent, Continental Oil Co., Houston, Tex.
R. N. Crews	Vice President and Chief Engineer, J. Ray McDermott and Co., Inc., New Orleans, La.
J. T. Crooker	Manager, Producing Department, Standard Oil Co. of California, Western Operations, Inc., La Habra, Calif.
E. J. DeuPree	Vice President and General Manager Production, The California Co., New Orleans, La.
James W. Greely	Kerr-McGee Oil Industries, Inc., Oklahoma City, Okla.
W. H. Henderson	Chairman, Gulf Offshore Marine Service Association, New Orleans, La.

W. M. House	Division Manager, Signal Oil and Gas Co., Huntington Beach, Calif.
M. E. Lundfelt	Assistant General Manager, Marine Department, Texaco, Inc., New York, N.Y.
J. W. Pittman	Manager Production Department, Shell Oil Co., New Orleans, La.
R. O. Pollard	Manager, Production Department, Richfield Oil Co., Long Beach, Calif.
G. S. Young, Jr.	Producing Superintendent, Lafayette Producing Institute, Lafayette, La.

OIL POLLUTION PANEL

The Oil Pollution Panel, established on August 3, 1954, acts as an advisory body on pollution problems and obtains views as means of eliminating the oil pollution of the seas and seacoast. All members are directly connected with the operation of commercial vessels.

The members of the Panel, who met in fiscal 1964 on June 17, 1964, were:

Captain R. E. Mackey, Chairman	Assistant Operations Manager, Marine Department, Texaco, Inc., New York, N.Y.
Captain R. C. Skinner, Vice Chairman	General Operating Manager, United States Lines Co., New York, N.Y.
Captain A. H. Stephens, Vice Chairman	Assistant Manager, Operating Division, California Shipping Co., San Francisco, Calif.
Mr. G. C. Charlton, Secretary	American Merchant Marine Institute, Inc., New York, N.Y.
Captain Richard J. Anderson	Port Captain, Prudential Lines, Inc., New York, N.Y.
Captain William G. Anderson	Manager, Marine Division, The Atlantic Refining Co., Philadelphia, Pa.
Mr. William G. Bolger	Manager, Administration and Transportation, Ocean Tanker Department, The American Oil Co., New York, N.Y.
Captain M. Breece	Manager, Port of New York Office, Marine Division, Humble Oil and Refining Co., Bayonne, N.J.
Captain Herbert S. Brewster	Director of Operations, Marine Department, Gulf Oil Corp., New York, N.Y.
Captain C. R. Miller	Port Captain, American Export and Isbrandtsen Lines, Inc., Hoboken, N.J.
Captain J. W. Dickover	Vice President, States Steamship Co., San Francisco, Calif.
Mr. William Dignes	Port Engineer, Farrell Lines, Inc., New York, N.Y.
Captain Gordon F. Beal	Marine Superintendent, United Fruit Co., New York, N.Y.
Captain T. Fender	Superintendent, Inland Division, Socony Mobil Oil Co., Inc., New York, N.Y.
Captain George Larimer	Port Captain, Sun Oil Co., Marcus Hook, Pa.
Mr. H. F. Munroe	American President Lines, San Francisco, Calif.
Mr. Joseph W. McDiarmid	Marine Superintendent, Isthmian Lines, Inc., New York, N.Y.
Mr. J. A. Taggart	Assistant Port Engineer, Grace Line, Inc., New York, N.Y.
Captain C. C. Williams	Manager, Operating Department, Keystone Shipping Co., Philadelphia, Pa.

SHIP STRUCTURE COMMITTEE

This Committee was established by memorandum dated July 3, 1962, from the Secretary of the Treasury to the Commandant of the U.S. Coast Guard.

The functions of the Committee are to conduct a research program to improve the hull structures of ships and to integrate and interpret the results to all member agencies. This information is then distributed to all persons interested in the building and operating of ships.

The members of the Ship Structure Committee, which met in fiscal 1964 on October 31 and May 28, were as follows:

Rear Admiral John B. Oren, USCG, Chairman	Chief, Office of Engineering, USCG Headquarters, Washington, D.C.
Rear Admiral J. A. Brown, USN	Assistant Chief, Bureau for Design, Shipbuilding, and Fleet Maintenance, Bureau of Ships, Navy Department, Washington, D.C.
Captain T. N. Davis, USN	Maintenance and Repair Officer, MSTS, Navy Department, Washington, D.C.
E. M. MacCutcheon	Chief, Office of Research and Development Maritime Administration, Department of Commerce, Washington, D.C.
D. B. Bannerman, Jr.	Vice President, American Bureau of Shipping, New York, N.Y.

U.S. LOAD LINES COMMITTEE

The U.S. Load Lines Committee, established on August 20, 1958, is assisting in the preparation of the United States position on load line matters for an international conference on revisions to the International Load Line Convention, 1930. The Committee, appointed by the Commandant, consists of members nominated by groups from the shipping industry as well as representation from allied Government agencies. This advisory group, made up of the members listed below, met in fiscal 1964 on January 23 and June 17, 1964.

Mr. David B. Bannerman, Jr., Chairman	Vice President-Technical, American Bureau of Shipping, New York, N.Y.
LCDR John G. Beebe-Center, USCG, Administrative Secretary	Merchant Marine Technical Branch, Third Coast Guard District, New York, N.Y.
Captain David Baer	Association of American Ship Owners, Assistant Vice President, Maritime Overseas Corp., New York, N.Y.
William A. Baker	Shipbuilders Council of America, Bethlehem Steel Co., Shipbuilding Division, Quincy, Mass.
Captain R. L. Bigler	Pacific American Tankship Association, Operations Manager, California Shipping Co., Perth Amboy, N.J.
A. F. Cooperman	U.S. Weather Bureau, Office of Climatology, Washington, D.C.
D. A. Groh	Lake Carriers' Association, Interlake Steamship Co., Cleveland, Ohio
Ralston Hayden	American Bureau of Shipping, New York, N.Y.
C. E. Hoch	Military Sea Transportation Service, Deputy Head, Maintenance and Repair Office, Department of the Navy, Washington, D.C.
D. L. Butts	American Merchant Marine Institute, Manager, Construction and Repair Division, Marine Department, Texaco, Inc., New York, N.Y.
C. R. Jones	Pacific American Steamship Association, Asst. Operations Manager, Weyerhauser Steamship Co., New York, N.Y.
Hubert Kempel	Military Sea Transportation Service, Head Technical Branch, Department of the Navy, Washington, D.C.
Willey E. Magee	U.S. Coast Guard, Chief, Hull Scientific Branch, USCG Headquarters, Washington, D.C.
R. V. McIntyre	Bureau of Customs, Deputy Commissioner, Div. of Marine Admin., Treasury Department, Washington, D.C.
H. C. Moore	Panel on Small Craft, Vice President, Moran Towing and Transportation Co., New York, N.Y.
B. H. Lord	American Petroleum Institute, Director, Div. of Transportation, Washington, D.C.

Captain H. J. Parker	National Cargo Bureau, Chief Surveyor, New York, N.Y.
J. B. Robertson, Jr.	U.S. Coast Guard, Technical Asst. to Chief, MMT Div., USCG Headquarters, Washington, D.C.
V. L. Russo	Maritime Administration, Deputy Chief, Office of Ship Construction, Department of Commerce, Washington, D.C.
H. J. Saalwachter	American Merchant Marine Institute, Assistant Manager, Naval Architecture, Ore Navigation Corp., New York, N.Y.
C. S. Smith	Lake Carriers' Association, Shenango Furnace Co., Cleveland, Ohio
J. L. Stevens	Shipbuilders Council of America, Chief, Hull Technical Department, Newport News S/B and D/D Co., Newport News, Va.
Edwin L. Stewart	Society of Naval Architects and Marine Engineers, Scarsdale, N.Y.
J. R. Lindgen	American Institute of Marine Underwriters, President, U.S. Salvage Association, New York, N.Y.
H. S. Townsend	U.S. Salvage Association, Inc., New York, N.Y.
W. G. Watt	Navy Hydrographic Office, Director, Maritime Safety Div., Suitland, Md.
M. F. York	American Institute of Marine Underwriters, President, Atlantic Mutual Insurance Co., New York, N.Y.

WESTERN RIVERS PANEL

The Western Rivers Panel, formed on March 12, 1943, advises on the various aspects of shipping on the western river system. The increase in bulk cargo shipments by barge and the technological advances in this method of transportation require the continued advice of this panel to ensure safety of life and property on the inland waterways.

The panel, consisting of the members listed below, held a meeting on September 24, 1963.

Braxton B. Carr, Chairman	President, The American Waterways Operators, Inc., Washington, D.C.
Harry W. Anderson	President, Anderson Petroleum Transportation Co., Houston, Tex.
Munger T. Ball	President, Sabine Towing and Transportation Co., Inc., Port Arthur, Tex.
J. Clarke Berry	Vice President, Canal Barge Co., Inc., New Orleans, La.
Jesse E. Brent	President, Brent Towing Company, Inc., Greenville, Miss.
Ruel E. Bridges	Consultant and Chairman of the Management Committee, Ingram Barge Co., New Orleans, La.
Captain John A. Brown	General Traffic Manager, Intercity Barge Co., Inc., Division of National Marine Service, Inc., Hartford, Ill.
B. O. Caplener	Marine Superintendent, Federal Barge Lines, Inc., St. Louis, Mo.
Captain John L. Cathey	Vice President-Operations, Crounse Corp., Paducah, Ky.
Gale H. Chapman	Vice President, Upper Mississippi Towing Corp., Minneapolis, Minn.
Bailey T. DeBardeleben	Coyle Lines Incorporated, New Orleans, La.
Noble L. Gordon	President, Mid-South Towing Co., St. Louis, Mo.
Robert L. Gray	Manager, River, Operations, Ashland Oil and Refining Co., Inc., Ashland, Ky.

Robert H. Hertzberg	Marine Superintendent, Cargo Carriers, Inc., Minneapolis, Minn.
Gresham Hougland	President, Hougland Barge Line, Inc., Paducah, Ky.
Captain Robert B. McCulloch	Port Captain, The Ohio River Co., Huntington, West Va.
W. L. McElroy	Vice President, Warrior and Gulf Navigation Co., Chickasaw, Ala.
D. L. Mechling	A. L. Mechling Barge Lines, Inc., New Orleans, La.
William K. Westor	Vice President-Operations, Arrow Transportation Co., Sheffield, Ala.
Alvan D. Osbourne	Vice President-Operations, Union Barge Line Corp., Pittsburgh, Pa.
Bert C. Pouncey, Jr.	Anoka Boat and Towing Co., Inc., Hughes, Ark.
C. W. Rushing	Manager, Missouri Barge Line Co., Cape Girardeau, Mo.
Frank P. Silliman	President, Hillman Transportation Co., Pittsburgh, Pa.
Arnold Sobel	Vice President, Material Service Division, General Dynamics Corp., Chicago, Ill.
M. F. Spellacy	Manager, Marine Division, Inland Waterways Department, Humble Oil and Refining Co., Houston, Tex.
Captain Roy Streckfus	President, Streckfus Steamers, Inc., St. Louis, Mo.
Captain L. J. Sullivan	Marine Superintendent, Mississippi Valley Barge Line Co., St. Louis, Mo.
J. W. Weaver	Standard Oil Company (Kentucky), Louisville, Ky.
Captain Jack D. Wofford	American Commercial Barge Line Co., Jeffersonville, Ind.

TABLES

NOTE.—Details of figures may not add to totals because of rounding.

Bases of Tables

The figures in this report are shown on the basis of: (a) The *Daily Statement of the United States Treasury;* (b) the *Monthly Statement of Receipts and Expenditures of the United States Government;* (c) warrants issued; (d) public debt accounts; and (e) administrative accounts and reports. Where no basis is indicated, the figures are derived from administrative reports prepared according to various specifications. Where more than one basis is used in a single table covering a period of years, the date of the change in basis is stated. The term "security," wherever used in the various tables, means any obligation issued pursuant to law for valuable consideration and includes bonds, notes, certificates of indebtedness, debentures, and other evidences of indebtedness.

Following are general explanations of the various bases. For background on the first two bases (the daily and monthly statements) see exhibits 69, 70, and 71 in the 1954 annual report; and for the third (warrants issued) see 1962 annual report, page 502.

Daily Statement of the United States Treasury

The daily Treasury statement was the basis for receipts, expenditures, and the resulting surplus or deficit shown in this report for the fiscal years 1916–52, and from 1916 to present it has been the basis for much of the public debt data and all of the figures on the account of the Treasurer of the United States. Since 1916 the daily statement has been based on bank transcripts (summarizing charges for checks paid and credits for deposits on the books of the banks) cleared and processed through the accounts of the Treasurer's office in Washington. Telegraphic reports are used to provide more timely data for certain major types of information pending receipt of the bank transcripts. For the fiscal years 1946–52, expenditures for agencies using the facilities of the Treasury Department's Division of Disbursement were shown on the basis of reports of checks issued. Total expenditures, however, as well as expenditures for the military departments and other agencies using their own disbursing facilities, were on the basis of bank transcripts cleared.

During the time it served as the basis for the budget results, the daily statement covered certain transactions processed through commercial bank accounts held in the name of Government officers other than the Treasurer of the United States, and included intragovernmental and other noncash transactions. The present daily Treasury statement reports the status of the Treasurer's account and summarizes the various transactions representing deposits and withdrawals in that account, excluding noncash transactions (with minor exceptions) and transactions involving cash held outside the Treasurer's account. Only a limited number of deposit and withdrawal classifications are shown. These data do not purport to represent budget results.

Monthly Statement of Receipts and Expenditures of the United States Government

Beginning with the figures for the fiscal year 1953, this monthly statement replaced the daily statement as the primary source of administrative budget results (surplus or deficit) and other receipt and expenditure data classified by type of account. This statement shows all receipts and expenditures of the Government including those made from cash accounts held outside the Treasurer's account. The information in the monthly statement is based on the central accounts relating to cash operations (see "Description of Accounts Relating to Cash Operations", below).

Warrants issued

Receipt and expenditure data shown for fiscal years before 1916 were taken from reports based on warrants issued.

For receipts, covering warrants were prepared from certificates of deposit mailed to the Treasury, principally by Government depositaries, showing deposits received. The figures thus compiled were on a "warrants-issued" basis. Since these certificates did not reach the Treasury simultaneously, all receipts for a fiscal year could not be covered into the Treasury by warrant of the Secretary immediately upon the close of the fiscal year. Therefore, certain certificates of deposit representing amounts deposited during one fiscal year were reported as the next year's receipts.

Reports of expenditures were based on the amount of accountable and settlement warrants issued and charged to appropriation accounts. Since accountable warrants covered advances to disbursing officers, rather than actual payments, reported expenditures necessarily included the changes in balances of funds remaining unexpended to the credit of disbursing officers at the close of the fiscal year.

Public debt accounts

The figures reported on this basis represent transactions which have been audited by the Bureau of the Public Debt. It is sometimes several months after a financing operation before all the transactions have been reported and audited. Therefore, the public debt figures on this basis differ from those reported in the daily Treasury statement since the latter consist of transactions cleared through the Treasurer's account during the reporting period (see explanation under "Daily Statement of the United States Treasury," above). A reconciliation of figures on the two bases is given in table 35.

Administrative accounts and reports

Certain tables in this report are developed from the accounts, records, and reports of the administrative agencies concerned, which may be on various bases. These tables include internal revenue collections, customs statistics, foreign currency transactions in the accounts of the Secretary of the Treasury, and balance sheets, statements of income and expense, and source and application of funds of public enterprise funds.

Description of Accounts Relating to Cash Operations

The classes of accounts maintained in connection with the cash operations of the Federal Government, exclusive of public debt operations, include: (1) The accounts of fiscal officers or agents, collectively, who receive money for deposit in the U.S. Treasury or for other authorized disposition or who make disbursements by drawing checks on the Treasurer of the United States or by effecting payments in some other manner; (2) the accounts of administrative agencies which classify receipt and expenditure (disbursement) transactions according to the individual receipt, appropriation, or fund account; and (3) the accounts of the Treasurer of the United States whose office, generally speaking, is responsible for the receipt and custody of money deposited by fiscal officers or agents, for the payment of checks drawn on the Treasurer, and the payment of public debt securities redeemed. A set of central accounts is maintained in the Treasury Department for the purpose of consolidating financial data reported periodically from these three sources in order to present the results of cash operations in central financial reports on a unified basis for the Government as a whole, and as a means of internal control.

The central accounts relating to cash operations disclose monthly and fiscal year information on: (1) The Government's receipts by principal sources, and its expenditures according to the different appropriations and other funds involved; and (2) the cash transactions, classified by types, together with certain directly related assets and liabilities which underlie such receipts and expenditures. The accounting for receipts is substantially on the basis of collections (i.e. as of the time cash receipts are placed under accounting control), and that for expenditures is substantially on the basis of checks issued (and cash payments made) except that since June 1955 interest on the public debt has been on an accrual basis. The structure of the accounts provides for a reconciliation, on a firm accounting basis, between the published reports of receipts and expenditures for the Government as a whole and changes in the Treasurer's cash balance by means of such factors as checks outstanding, deposits in transit, and cash held outside the Treasury. Within the central accounts, receipt and expenditure accounts are classified as described in the following paragraphs.

Administrative budget accounts

General fund accounts.—General fund receipt accounts are credited with all receipts which are not earmarked by law for a specific purpose. General fund receipts consist principally of internal revenue collections, which include income taxes, excise taxes, estate, gift, and employment taxes. The remainder consist of customs duties and a large number of miscellaneous receipts, including fees for permits and licenses; fines, penalties, and forfeitures; interest and dividends; rentals; royalties; sale of Government property; and seigniorage. General fund expenditure accounts are established to record amounts appropriated by the Congress to be expended for the general support of the Government.

Special fund accounts.—Special fund accounts are credited with receipts from specific sources which are earmarked by law for a specific purpose, but which are not generated from a cycle of operations.

Revolving fund accounts.—These are funds authorized by specific provisions of law to finance a continuing cycle of operations in which expenditures generate receipts, and the receipts are available for expenditure without further action by Congress. They are classified as (a) public enterprise funds where receipts come primarily from sources outside the Government and (b) intragovernmental funds where receipts come primarily from other appropriations or funds. Treasury reports generally show the net effect of operations (excess of disbursements or collections and reimbursements for the period) on the administrative budget surplus or deficit.

Management fund accounts (including consolidated working funds).—These are working fund accounts authorized by law to facilitate accounting for and administration of intragovernmental activities (other than a continuing cycle of operations) which are financed by two or more appropriations.

Other accounts

Trust fund accounts.—These are accounts maintained to record the receipt and expenditure of moneys held in trust by the Government for use in carrying out specific purposes or programs in accordance with the terms of a trust agreement or statute. The receipts of many trust funds, especially the major ones, to the extent not needed for current payments, are invested in public debt securities and other Government agency securities. Generally, trust fund accounts consist of separate receipt and expenditure accounts, but when the trust corpus is established to perform a business-type operation, the fund entity is called a "trust revolving fund" and a combined receipt and expenditure account is used.

Deposit fund accounts.—Deposit funds are combined receipt and expenditure accounts established to account for receipts that are either (a) held in suspense temporarily and later refunded or paid into some other fund of the Government upon administrative or legal determination as to the proper disposition thereof, or (b) held by the Government as banker or agent for others and paid out at the direction of the depositor.

Summary of

TABLE 1.—*Summary of fiscal operations*

[On basis of daily Treasury statements through 1952; thereafter on basis of "Monthly Statement

Fiscal year or month	Administrative budget receipts and expenditures			Trust and other transactions, net receipts, or expenditures (−) [4]	Clearing account [5]	Public debt, net increase, or decrease (−)
	Net receipts [2]	Expenditures [3]	Surplus, or deficit (−)			
1940	$5, 137, 249, 771	$9, 055, 268, 931	−$3, 918, 019, 161	$442, 538, 143		$2, 527, 998, 627
1941	7, 095, 675, 052	13, 254, 948, 411	−6, 159, 272, 358	907, 790, 781		5, 993, 912, 498
1942	12, 546, 618, 755	34, 036, 861, 487	−21, 490, 242, 732	−1, 612, 785, 695		23, 461, 001, 581
1943	21, 947, 283, 157	79, 367, 713, 522	−57, 420, 430, 365	−337, 796, 138		64, 273, 645, 214
1944	43, 562, 609, 460	94, 986, 002, 002	−51, 423, 392, 541	−2, 221, 918, 654		64, 307, 296, 891
1945	44, 362, 020, 944	98, 302, 937, 069	−53, 940, 916, 126	791, 293, 666		57, 678, 800, 189
1946	39, 649, 870, 986	60, 326, 041, 595	−20, 676, 170, 609	−523, 587, 210		10, 739, 911, 763
1947	39, 677, 167, 024	38, 923, 379, 364	753, 787, 660	−1, 102, 524, 942	$554, 706, 981	−11, 135, 716, 065
1948 [7]	41, 374, 701, 989	32, 955, 232, 145	8, 419, 469, 844	−294, 342, 662	−507, 106, 039	−5, 994, 136, 596
1949 [7]	37, 662, 972, 939	39, 474, 412, 987	−1, 811, 440, 048	−494, 733, 365	366, 441, 900	478, 113, 347
1950	36, 421, 934, 577	39, 544, 036, 935	−3, 122, 102, 357	99, 137, 360	482, 656, 886	4, 586, 992, 491
1951	47, 480, 067, 075	43, 970, 284, 450	3, 509, 782, 624	679, 223, 478	−214, 140, 135	−2, 135, 375, 536
1952	61, 286, 560, 916	65, 303, 201, 294	−4, 016, 640, 378	147, 077, 201	−401, 389, 312	3, 883, 201, 970
1953	64, 670, 584, 424	74, 119, 797, 882	−9, 449, 213, 457	434, 671, 979	−249, 920, 729	6, 965, 882, 853
1954	64, 420, 034, 061	67, 537, 000, 317	−3, 116, 966, 256	327, 762, 083	−303, 126, 484	5, 188, 537, 469
1955	60, 208, 508, 692	64, 388, 737, 614	−4, 180, 228, 921	231, 296, 942	283, 518, 269	3, 114, 623, 694
1956	67, 849, 951, 339	66, 224, 397, 935	1, 625, 553, 403	−193, 580, 583	521, 955, 153	−1, 623, 409, 153
1957	70, 561, 886, 113	68, 966, 314, 562	1, 595, 571, 550	194, 731, 536	−522, 892, 840	−2, 223, 641, 752
1958	68, 549, 720, 044	71, 369, 174, 086	−2, 819, 454, 041	632, 513, 036	530, 045, 771	5, 816, 045, 849
1959	67, 915, 348, 624	80, 342, 335, 375	−12, 426, 986, 751	−328, 663, 331	−5, 750, 464	8, 362, 689, 332
1960	77, 763, 460, 221	76, 539, 412, 799	1, 224, 047, 422	−49, 526, 275	−145, 025, 682	1, 624, 853, 770
1961	77, 659, 424, 906	81, 515, 167, 454	−3, 855, 742, 548	−602, 403, 079	507, 346, 821	2, 640, 177, 762
1962	81, 409, 092, 073	87, 786, 766, 581	−6, 377, 674, 508	435, 641, 579	448, 422, 413	9, 229, 884, 111
1963	86, 376, 210, 348	92, 641, 797, 059	−6, 265, 586, 711	96, 541, 467	196, 017, 584	7, 658, 810, 276
1964	89, 458, 664, 072	97, 684, 374, 795	−8, 225, 710, 723	550, 608, 332	741, 391, 176	5, 853, 266, 261
1963-July	3, 547, 116, 862	7, 862, 893, 626	−4, 315, 776, 763	192, 113, 234	30, 778, 842	−1, 025, 116, 586
Aug	7, 289, 772, 561	8, 304, 969, 513	−1, 015, 196, 952	−7, 415, 687	−829, 879, 039	1, 700, 101, 539
Sept	10, 094, 817, 526	7, 815, 489, 111	2, 279, 328, 415	155, 404, 195	402, 439, 515	100, 421, 401
Oct	3, 399, 785, 242	8, 776, 489, 953	−5, 376, 704, 711	92, 912, 817	203, 698, 673	−192, 895, 361
Nov	7, 131, 491, 518	7, 783, 755, 053	−652, 263, 534	134, 519, 058	−495, 101, 746	1, 772, 567, 879
Dec	8, 802, 539, 268	8, 288, 529, 926	514, 009, 342	75, 695, 068	383, 047, 536	1, 132, 133, 191
1964-Jan	5, 852, 764, 311	8, 492, 113, 197	−2, 639, 348, 886	−129, 985, 323	428, 065, 531	−769, 780, 249
Feb	8, 047, 341, 700	7, 520, 869, 908	526, 471, 793	581, 404, 795	−356, 932, 573	1, 780, 012, 269
Mar	10, 147, 789, 414	7, 871, 003, 096	2, 276, 786, 318	−40, 665, 856	391, 962, 903	−767, 227, 114
Apr	6, 608, 613, 615	7, 930, 342, 268	−1, 321, 728, 652	606, 969, 905	133, 235, 182	−1, 989, 169, 093
May	6, 135, 809, 828	7, 510, 962, 737	−1, 375, 152, 909	−436, 082, 171	95, 189, 253	3, 931, 292, 442
June	12, 400, 822, 226	9, 526, 956, 410	2, 873, 865, 816	−674, 261, 702	354, 887, 099	180, 925, 944

[1] Public debt includes debt incurred to finance expenditures of wholly owned Government corporations and other business-type activities in exchange for which securities of the corporations and activities were issued to the Treasury. (See table 111.)

[2] Total receipts less refunds of receipts and less transfers of tax receipts to certain major trust accounts (as shown in table 3). Excludes certain interfund transactions (also excluded from expenditures). See footnote 3.

[3] Expenditures are net after allowance for reimbursements to appropriations, receipts of revolving fund accounts, and receipts credited to disbursing accounts of corporations and agencies having authority to use collections without formal covering into the Treasury. The figures include transfers to trust accounts. Beginning with 1951, the net investments by wholly owned Government corporations and agencies in public debt securities are excluded from budget expenditures and included in trust and other transactions. The expenditure figures also exclude public debt retirements chargeable to the sinking fund, etc., under special provisions of law. Effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and disposition of earnings are excluded from both receipts and expenditures. Prior year adjustments of such payments are shown in the 1958 annual report, p. 396, table 2, footnote 3. Certain interfund transactions are excluded, as from net receipts. For interfund transactions excluded from both net budget receipts and expenditures, see 1961 annual report pp. 450-457, and table 8, this report.

Fiscal Operations

fiscal years 1940–64 and monthly 1964

of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Balance in account of the Treasurer of the United States, net increase, or decrease (−)	Amount, end of period				
	Balance in account of the Treasurer of the United States	Debt outstanding [1]			
		Public debt	Guaranteed securities held outside the Treasury	Total	Subject to limitation [6]
−$947, 482, 391	$1, 890, 743, 141	$42, 967, 531, 038	$5, 529, 070, 655	$48, 496, 601, 693	$43, 219, 123, 375
742, 430, 921	2, 633, 174, 062	48, 961, 443, 536	6, 370, 252, 580	55, 331, 696, 116	49, 493, 588, 731
357, 973, 154	2, 991, 147, 216	72, 422, 445, 116	4, 568, 259, 630	76, 990, 704, 746	74, 154, 457, 607
6, 515, 418, 710	9, 506, 565, 926	136, 696, 090, 330	4, 099, 943, 046	140, 796, 033, 376	140, 469, 083, 742
10, 661, 985, 696	20, 168, 551, 622	201, 003, 387, 221	1, 623, 069, 301	202, 626, 456, 522	208, 077, 255, 051
4, 529, 177, 729	24, 697, 729, 352	258, 682, 187, 410	433, 158, 392	259, 115, 345, 802	268, 670, 763, 468
−10, 459, 846, 056	14, 237, 883, 295	269, 422, 099, 173	476, 384, 859	269, 898, 484, 033	268, 932, 355, 302
−10, 929, 746, 366	3, 308, 136, 929	258, 286, 383, 109	89, 520, 185	258, 375, 903, 294	257, 491, 416, 060
1, 623, 884, 548	4, 932, 021, 477	252, 292, 246, 513	73, 460, 818	252, 365, 707, 331	251, 541, 571, 385
−1, 461, 618, 165	3, 470, 403, 312	252, 770, 359, 860	27, 275, 408	252, 797, 635, 268	252, 027, 712, 585
2, 046, 684, 380	5, 517, 087, 692	257, 357, 352, 351	19, 503, 034	257, 376, 855, 385	256, 652, 133, 429
1, 839, 490, 432	7, 356, 578, 123	255, 221, 976, 815	29, 227, 169	255, 251, 203, 984	254, 566, 629, 670
−387, 750, 519	6, 968, 827, 604	259, 105, 178, 785	45, 565, 346	259, 150, 744, 131	258, 506, 598, 138
−2, 298, 579, 356	4, 670, 248, 248	266, 071, 061, 639	52, 072, 761	266, 123, 134, 400	265, 521, 736, 381
2, 096, 206, 813	6, 766, 455, 061	271, 259, 599, 108	81, 441, 386	271, 341, 040, 494	270, 790, 304, 616
−550, 790, 014	[8] 6, 215, 665, 047	274, 374, 222, 802	44, 142, 961	274, 418, 365, 763	273, 914, 849, 696
330, 518, 820	6, 546, 183, 868	272, 750, 813, 649	73, 888, 475	272, 824, 702, 124	272, 361, 216, 449
−956, 231, 505	5, 589, 952, 362	270, 527, 171, 896	107, 137, 950	270, 634, 309, 846	270, 188, 322, 086
4, 159, 150, 615	9, 749, 102, 977	276, 343, 217, 745	101, 220, 600	276, 444, 438, 345	276, 013, 439, 621
−4, 398, 711, 214	5, 350, 391, 763	284, 705, 907, 078	111, 019, 150	284, 816, 926, 228	284, 398, 474, 090
2, 654, 349, 235	8, 004, 740, 998	286, 330, 760, 848	139, 841, 775	286, 470, 602, 623	286, 064, 964, 324
−1, 310, 621, 045	6, 694, 119, 954	288, 970, 938, 610	240, 215, 450	289, 211, 154, 060	288, 861, 862, 530
3, 736, 273, 595	10, 430, 393, 549	298, 200, 822, 721	444, 218, 925	298, 645, 041, 646	298, 211, 767, 263
1, 685, 782, 615	12, 116, 176, 163	305, 859, 632, 996	606, 610, 375	306, 466, 243, 371	306, 098, 500, 044
−1, 080, 444, 954	11, 035, 731, 209	311, 712, 899, 257	812, 991, 925	312, 525, 891, 182	312, 164, 173, 634
−5, 118, 001, 272	6, 998, 174, 891	304, 834, 516, 411	647, 394, 400	305, 481, 910, 811	305, 114, 585, 907
−152, 390, 140	6, 845, 784, 752	306, 534, 617, 950	674, 131, 500	307, 208, 749, 450	306, 841, 694, 485
2, 937, 593, 526	9, 783, 378, 277	306, 635, 039, 350	693, 071, 950	307, 328, 111, 300	306, 961, 779, 188
−5, 272, 988, 583	4, 510, 389, 695	306, 442, 143, 989	705, 008, 250	307, 147, 152, 239	306, 781, 332, 935
759, 721, 657	5, 270, 111, 352	308, 214, 711, 868	717, 793, 125	308, 932, 504, 993	308, 567, 018, 757
2, 104, 885, 137	7, 374, 996, 489	309, 346, 845, 059	741, 796, 725	310, 088, 641, 784	309, 723, 857, 420
−3, 111, 048, 927	4, 263, 947, 562	308, 577, 064, 810	761, 936, 475	309, 339, 001, 285	308, 974, 607, 275
2, 530, 956, 284	6, 794, 903, 846	310, 357, 077, 079	792, 852, 025	311, 149, 929, 104	310, 786, 054, 678
1, 860, 856, 251	8, 655, 760, 097	309, 589, 849, 965	817, 943, 875	310, 407, 793, 840	310, 044, 939, 782
−2, 570, 692, 660	6, 085, 067, 437	307, 600, 680, 872	801, 618, 625	308, 402, 299, 497	308, 039, 789, 421
2, 215, 246, 615	8, 300, 314, 052	311, 531, 973, 314	804, 700, 100	312, 336, 673, 414	311, 974, 733, 666
2, 735, 417, 157	11, 035, 731, 209	311, 712, 899, 257	812, 991, 925	312, 525, 891, 182	312, 164, 173, 634

[4] Consists of transactions of trust and deposit fund accounts, net investments by Government agencies in public debt securities, and net redemptions or sales of securities of Government agencies in the market. (See tables 5-7.) Investments by wholly owned Government corporations in public debt securities are included in budget expenditures before 1951.

[5] For checks outstanding and telegraphic reports from Federal Reserve banks; public debt interest accrued and unpaid beginning with June and the fiscal year 1955 (previously included from November 1949 as interest checks and coupons outstanding); also deposits in transit and changes in cash held outside the Treasury and in certain other accounts beginning with the fiscal year 1954. For 1955, includes adjustment of −$207,183,858 for effect on balance in Treasurer's account of Post Office disbursing accounts reclassified in November 1954.

[6] A summary of legislation on debt limitation under the Second Liberty Bond Act, as amended, from Sept. 24, 1917, through June 30, 1964, is shown in table 40. Guaranteed securities held outside the Treasury are included in the limitation beginning Apr. 3, 1945. In computing statutory debt limitation, savings bonds are carried at maturity value from their origin in 1935 until June 26, 1946; from that date, as in the public debt outstanding, they are carried at current redemption value.

[7] Excludes transfer of $3,000,000,000 in 1948 and includes transfer of a like amount in 1949 to the Foreign Economic Cooperation Trust Fund. (See table 2, footnote 9.)

[8] Includes adjustment of −$207,183,858 for reclassification in November 1954 of Post Office Department and postmasters' disbursing accounts (formerly treated as liability accounts of the Treasurer of the United States) to net expenditures on the basis of cash receipts and expenditures as reported by the Post Office Department.

Receipts and

TABLE 2.—*Receipts and expendi-*

[On basis of warrants issued from 1789 to 1915, and on basis of daily Treasury statements for 1916 through of the United States Government." General, special, emergency, and trust accounts combined from see "Bases of Tables"]

Year [1]	Receipts					
	Customs (including tonnage tax)	Internal revenue		Other receipts [2]	Total receipts [3]	Net receipts
		Income and profits taxes	Other			
1789-91	$4,399,473			$19,440	$4,418,913	
1792	3,443,071		$208,943	17,946	3,669,960	
1793	4,255,307		337,706	59,910	4,652,923	
1794	4,801,065		274,090	356,750	5,431,905	
1795	5,588,461		337,755	188,318	6,114,534	
1796	6,567,988		475,290	1,334,252	8,377,530	
1797	7,549,650		575,491	563,640	8,688,781	
1798	7,106,062		644,358	150,076	7,900,496	
1799	6,610,449		779,136	157,228	7,546,813	
1800	9,080,933		809,396	958,420	10,848,749	
1801	10,750,779		1,048,033	1,136,519	12,935,331	
1802	12,438,236		621,899	1,935,659	14,995,794	
1803	10,479,418		215,180	369,500	11,064,098	
1804	11,098,565		50,941	676,801	11,826,307	
1805	12,936,487		21,747	602,459	13,560,693	
1806	14,667,698		20,101	872,132	15,559,931	
1807	15,845,522		13,051	539,446	16,398,019	
1808	16,363,551		8,211	688,900	17,060,662	
1809	7,296,021		4,044	473,408	7,773,473	
1810	8,583,309		7,431	793,475	9,384,215	
1811	13,313,223		2,296	1,108,010	14,423,529	
1812	8,958,778		4,903	837,452	9,801,133	
1813	13,224,623		4,755	1,111,032	14,340,410	
1814	5,998,772		1,662,985	3,519,868	11,181,625	
1815	7,282,942		4,678,059	3,768,023	15,729,024	
1816	36,306,875		5,124,708	6,246,088	47,677,671	
1817	26,283,348		2,678,101	4,137,601	33,099,050	
1818	17,176,385		955,270	3,453,516	21,585,171	
1819	20,283,609		229,594	4,090,172	24,603,375	
1820	15,005,612		106,261	2,768,797	17,880,670	
1821	13,004,447		69,028	1,499,905	14,573,380	
1822	17,589,762		67,666	2,575,000	20,232,428	
1823	19,088,433		34,242	1,417,991	20,540,666	
1824	17,878,326		34,663	1,468,224	19,381,213	
1825	20,098,713		25,771	1,716,374	21,840,858	
1826	23,341,332		21,590	1,897,512	25,260,434	
1827	19,712,283		19,886	3,234,195	22,966,364	
1828	23,205,524		17,452	1,540,654	24,763,630	
1829	22,681,966		14,503	2,131,158	24,827,627	
1830	21,922,391		12,161	2,909,564	24,844,116	
1831	24,224,442		6,934	4,295,445	28,526,821	
1832	28,465,237		11,631	3,388,693	31,865,561	
1833	29,032,509		2,759	4,913,159	33,948,427	
1834	16,214,957		4,196	5,572,783	21,791,936	
1835	19,391,311		10,459	16,028,317	35,430,087	
1836	23,409,941		370	27,416,485	50,826,796	
1837	11,169,290		5,494	13,779,369	24,954,153	
1838	16,158,800		2,467	10,141,295	26,302,562	
1839	23,137,925		2,553	8,342,271	31,482,749	
1840	13,499,502		1,682	5,978,931	19,480,115	
1841	14,487,217		3,261	2,369,682	16,860,160	
1842	18,187,909		495	1,787,794	19,976,198	
1843 [1]	7,046,844		103	1,255,755	8,302,702	
1844	26,183,571		1,777	3,136,026	29,321,374	
1845	27,528,113		3,517	2,438,476	29,970,106	
1846	26,712,668		2,897	2,984,402	29,699,967	
1847	23,747,865		375	2,747,529	26,495,769	
1848	31,757,071		375	3,978,333	35,735,779	
1849	28,346,739			2,861,404	31,208,143	
1850	39,668,686			3,934,753	43,603,439	
1851	49,017,568			3,541,736	52,559,304	
1852	47,339,327			2,507,489	49,846,816	
1853	58,931,866			2,655,188	61,587,054	
1854	64,224,190			9,576,151	73,800,341	
1855	53,025,794			12,324,781	65,350,575	
1856	64,022,863			10,033,836	74,056,699	

Footnotes at end of table.

Expenditures

tures, fiscal years 1789–1964

1952. Beginning with fiscal year 1953 on basis of the "Monthly Statement of Receipts and Expenditures
1789 through 1930. Trust accounts excluded for 1931 and subsequent years. For explanation of accounts

Expenditures					
Department of the Army (formerly War Department) [4]	Department of the Navy [4]	Interest on the public debt	Other [3 5]	Total expenditures [3]	Surplus, or deficit (–) [6]
$632,804	$570	$2,349,437	$1,286,216	$4,269,027	$149,886
1,100,702	53	3,201,628	777,149	5,079,532	–1,409,572
1,130,249	------------	2,772,242	579,822	4,482,313	170,610
2,639,098	61,409	3,490,293	800,039	6,990,839	–1,558,934
2,480,910	410,562	3,189,151	1,459,186	7,539,809	–1,425,275
1,260,264	274,784	3,195,055	996,883	5,726,986	2,650,544
1,039,403	382,632	3,300,043	1,411,556	6,133,634	2,555,147
2,009,522	1,381,348	3,053,281	1,232,353	7,676,504	223,992
2,466,947	2,858,082	3,186,288	1,155,138	9,666,455	–2,119,642
2,560,879	3,448,716	3,374,705	1,401,775	10,786,075	62,674
1,672,944	2,111,424	4,412,913	1,197,301	9,394,582	3,540,749
1,179,148	915,562	4,125,039	1,642,369	7,862,118	7,133,676
822,056	1,215,231	3,848,828	1,965,538	7,851,653	3,212,445
875,424	1,189,833	4,266,583	2,387,602	8,719,442	3,106,865
712,781	1,597,500	4,148,999	4,046,954	10,506,234	3,054,459
1,224,355	1,649,641	3,723,408	3,206,213	9,803,617	5,756,314
1,288,686	1,722,064	3,369,578	1,973,823	8,354,151	8,043,868
2,900,834	1,884,068	3,428,153	1,719,437	9,932,492	7,128,170
3,345,772	2,427,759	2,866,075	1,641,142	10,280,748	–2,507,275
2,294,324	1,654,244	2,845,428	1,362,514	8,156,510	1,227,705
2,032,828	1,965,566	2,465,733	1,594,210	8,058,337	6,365,192
11,817,798	3,959,365	2,451,273	2,052,335	20,280,771	–10,479,638
19,652,013	6,446,600	3,599,455	1,983,784	31,681,852	–17,341,442
20,350,807	7,311,291	4,593,239	2,465,589	34,720,926	–23,539,301
14,794,294	8,660,000	5,754,569	3,499,276	32,708,139	–16,979,115
16,012,097	3,908,278	7,213,259	3,453,057	30,586,691	17,090,980
8,004,237	3,314,598	6,389,210	4,135,775	21,843,820	11,255,230
5,622,715	2,953,695	6,016,447	5,232,264	19,825,121	1,760,050
6,506,300	3,847,640	5,163,538	5,946,332	21,463,810	3,139,565
2,630,392	4,387,990	5,126,097	6,116,148	18,260,627	–379,957
4,461,292	3,319,243	5,087,274	2,942,944	15,810,753	–1,237,373
3,111,981	2,224,459	5,172,578	4,491,202	15,000,220	5,232,208
3,096,924	2,503,766	4,922,685	4,183,465	14,706,840	5,833,826
3,340,940	2,904,582	4,996,562	9,084,624	20,326,708	–945,495
3,659,914	3,049,084	4,366,769	4,781,462	15,857,229	5,983,629
3,943,194	4,218,902	3,973,481	4,900,220	17,035,797	8,224,637
3,938,978	4,263,877	3,486,072	4,450,241	16,139,168	6,827,196
4,145,545	3,918,786	3,098,801	5,231,711	16,394,843	8,368,787
4,724,291	3,308,745	2,542,843	4,627,454	15,203,333	9,624,294
4,767,129	3,239,429	1,913,533	5,222,975	15,143,066	9,701,050
4,841,836	3,856,183	1,383,583	5,166,049	15,247,651	13,279,170
5,446,035	3,956,370	772,562	7,113,983	17,288,950	14,576,611
6,704,019	3,901,357	303,797	12,108,379	23,017,552	10,930,875
5,696,189	3,956,260	202,153	8,772,967	18,627,569	3,164,367
5,759,157	3,864,939	57,863	7,890,854	17,572,813	17,857,274
12,169,227	5,807,718	------------	12,891,219	30,868,164	19,958,632
13,682,734	6,646,915	------------	16,913,847	37,243,496	–12,289,343
12,897,224	6,131,596	14,997	14,821,242	33,865,059	–7,562,497
8,916,996	6,182,294	399,834	11,400,004	26,899,128	4,583,621
7,097,070	6,113,897	174,598	10,932,014	24,317,579	–4,837,464
8,805,565	6,001,077	284,978	11,474,253	26,565,873	–9,705,713
6,611,887	8,397,243	773,550	9,423,081	25,205,761	–5,229,563
2,957,300	3,727,711	523,595	4,649,469	11,858,075	–3,555,373
5,179,220	6,498,199	1,833,867	8,826,285	22,337,571	6,983,803
5,752,644	6,297,245	1,040,032	9,847,487	22,937,408	7,032,698
10,792,867	6,454,947	842,723	9,676,388	27,766,925	1,933,042
38,305,520	7,900,636	1,119,215	9,956,041	57,281,412	–30,785,643
25,501,963	9,408,476	2,390,825	8,075,962	45,377,226	–9,641,447
14,852,966	9,786,706	3,565,578	16,846,407	45,051,657	–13,843,514
9,400,239	7,904,709	3,782,331	18,456,213	39,543,492	4,059,947
11,811,793	9,005,931	3,696,721	23,194,572	47,709,017	4,850,287
8,225,247	8,952,801	4,000,298	23,016,573	44,194,919	5,651,897
9,947,291	10,918,781	3,665,833	23,652,206	48,184,111	13,402,943
11,733,629	10,798,586	3,071,017	32,441,630	58,044,862	15,755,479
14,773,826	13,312,024	2,314,375	29,342,443	59,742,668	5,607,907
16,948,197	14,091,781	1,953,822	36,577,226	69,571,026	4,485,672

TABLE 2.—*Receipts and expenditures,*

Year [1]	Receipts					
	Customs (including tonnage tax)	Internal revenue		Other receipts [2]	Total receipts [3]	Net receipts
		Income and profits taxes	Other			
1857	$63,875,905			$5,089,408	$68,965,313	
1858	41,789,621			4,865,745	46,655,366	
1859	49,565,824			3,920,641	53,486,465	
1860	53,187,512			2,877,096	56,064,608	
1861	39,582,126			1,927,805	41,509,931	
1862	49,056,398			2,931,058	51,987,456	
1863	69,059,642	$2,741,858	$34,898,930	5,996,861	112,697,291	
1864	102,316,153	20,294,732	89,446,402	52,569,484	264,626,771	
1865	84,928,261	60,979,329	148,484,886	39,322,129	333,714,605	
1866	179,046,652	72,982,159	236,244,654	69,759,155	558,032,620	
1867	176,417,811	66,014,429	200,013,108	48,188,662	490,634,010	
1868	164,464,600	41,455,598	149,631,991	50,085,894	405,638,083	
1869	180,048,427	34,791,856	123,564,605	32,538,859	370,943,747	
1870	194,538,374	37,775,874	147,123,882	31,817,347	411,255,477	
1871	206,270,408	19,162,651	123,935,503	33,955,383	383,323,945	
1872	216,370,287	14,436,862	116,205,316	27,094,403	374,106,868	
1873	188,089,523	5,062,312	108,667,002	31,919,368	333,738,205	
1874	163,103,834	139,472	102,270,313	39,465,137	304,978,756	
1875	157,167,722	233	110,007,261	20,824,835	288,000,051	
1876	148,071,985	588	116,700,144	29,323,148	294,095,865	
1877	130,956,493	98	118,630,310	31,819,518	281,406,419	
1878	130,170,680		110,581,625	17,011,574	257,763,879	
1879	137,250,048		113,561,611	23,015,526	273,827,185	
1880	186,522,064		124,009,374	22,995,173	333,526,611	
1881	198,159,676	3,022	135,261,364	27,358,231	360,782,293	
1882	220,410,730		146,497,596	36,616,924	403,525,250	
1883	214,706,497		144,720,369	38,860,716	398,287,582	
1884	195,067,490	55,628	121,530,445	31,866,307	348,519,870	
1885	181,471,939		112,498,726	29,720,041	323,690,706	
1886	192,905,023		116,805,936	26,728,767	336,439,726	
1887	217,286,893		118,823,391	35,292,993	371,403,277	
1888	219,091,174		124,296,872	35,878,029	379,266,075	
1889	223,832,742		130,881,514	32,335,803	387,050,059	
1890	229,668,585		142,606,706	30,805,693	403,080,984	
1891	219,522,205		145,686,250	27,403,992	392,612,447	
1892	177,452,964		153,971,072	23,513,748	354,937,784	
1893	203,355,017		161,027,624	21,436,988	385,819,629	
1894	131,818,531		147,111,233	27,425,552	306,355,316	
1895	152,158,617	77,131	143,344,541	29,149,130	324,729,419	
1896	160,021,752		146,762,865	31,357,830	338,142,447	
1897	176,554,127		146,688,574	24,479,004	347,721,705	
1898	149,575,062		170,900,642	84,845,631	405,321,335	
1899	206,128,482		273,437,162	36,394,977	515,960,621	
1900	233,164,871		295,327,927	38,748,054	567,240,852	
1901	238,585,456		307,180,664	41,919,218	587,685,338	
1902	254,444,708		271,880,122	36,153,403	562,478,233	
1903	284,479,582		230,810,124	46,591,016	561,880,722	
1904	261,274,565		232,904,119	46,908,401	541,087,085	
1905	261,798,857		234,095,741	48,380,087	544,274,685	
1906	300,251,878		249,150,213	45,582,355	594,984,446	
1907	332,233,363		269,666,773	63,960,250	665,860,386	
1908	286,113,130		251,711,127	64,037,650	601,861,907	
1909	300,711,934		246,212,644	57,395,920	604,320,498	
1910	333,683,445	20,951,781	268,981,738	51,894,751	675,511,715	
1911	314,497,071	33,516,977	289,012,224	64,806,639	701,832,911	
1912	311,321,672	28,583,304	293,028,896	59,675,332	692,609,204	
1913	318,891,396	35,006,300	309,410,666	60,802,868	724,111,230	
1914	292,320,014	71,381,275	308,659,733	62,312,145	734,673,167	
1915	209,786,672	80,201,759	335,467,887	72,454,509	697,910,827	
1916	213,185,846	124,937,253	387,764,776	56,646,673	782,534,548	
1917	225,962,393	359,681,228	449,684,980	88,996,194	1,124,324,795	
1918	179,998,385	2,314,006,292	872,028,020	298,550,168	3,664,582,865	
1919	184,457,867	3,018,783,687	1,296,501,292	652,514,290	5,152,257,136	
1920	322,902,650	3,944,949,288	1,460,082,287	966,631,164	6,694,565,389	
1921	308,564,391	3,206,046,158	1,390,379,823	719,942,589	5,624,932,961	
1922	356,443,387	2,068,128,193	1,145,125,064	539,407,507	4,109,104,151	
1923	561,928,867	1,678,607,428	945,865,333	820,733,853	4,007,135,481	
1924	545,637,504	1,842,144,418	953,012,618	671,250,162	4,012,044,702	

Footnotes at end of table.

fiscal years 1789–1964—Continued

Expenditures					
Department of the Army (formerly War Department)[4]	Department of the Navy[4]	Interest on the public debt	Other[2 5]	Total expenditures[3]	Surplus, or deficit (—)[5]
$19,261,774	$12,747,977	$1,678,265	$34,107,692	$67,795,708	$1,169,605
25,485,383	13,984,551	1,567,056	33,148,280	74,185,270	—27,529,904
23,243,823	14,642,990	2,638,464	28,545,700	69,070,977	—15,584,512
16,409,767	11,514,965	3,177,315	32,028,551	63,130,598	—7,065,990
22,981,150	12,420,888	4,000,174	27,144,433	66,546,645	—25,036,714
394,368,407	42,668,277	13,190,325	24,534,810	474,761,819	—422,774,363
599,298,601	63,221,964	24,729,847	27,490,313	714,740,725	—602,043,434
690,791,843	85,725,995	53,685,422	35,119,382	865,322,642	—600,695,871
1,031,323,361	122,612,945	77,397,712	66,221,206	1,297,555,224	—963,840,619
284,449,702	43,324,118	133,067,742	59,967,855	520,809,417	37,223,203
95,224,415	31,034,011	143,781,592	87,502,657	357,542,675	133,091,335
123,246,648	25,775,503	140,424,046	87,894,088	377,340,285	28,297,798
78,501,991	20,000,758	130,694,243	93,668,286	322,865,278	48,078,469
57,655,676	21,780,230	129,235,498	100,982,157	309,653,561	101,601,916
35,799,992	19,431,027	125,576,566	111,369,603	292,177,188	91,146,757
35,372,157	21,249,810	117,357,840	103,538,156	277,517,963	96,588,905
46,323,138	23,526,257	104,750,688	115,745,162	290,345,245	43,392,960
42,313,927	30,932,587	107,119,815	122,267,544	302,633,873	2,344,883
41,120,646	21,497,626	103,093,545	108,911,576	274,623,393	13,376,658
38,070,889	18,963,310	100,243,271	107,823,615	265,101,085	28,994,780
37,082,736	14,959,935	97,124,512	92,167,292	241,334,475	40,071,944
32,154,148	17,365,301	102,500,875	84,944,003	236,964,327	20,799,552
40,425,661	15,125,127	105,327,949	106,069,147	266,947,884	6,879,301
38,116,916	13,536,985	95,757,575	120,231,482	267,642,958	65,883,653
40,466,461	15,686,672	82,508,741	122,051,014	260,712,888	100,069,405
43,570,494	15,032,046	71,077,207	128,301,693	257,981,440	145,543,810
48,911,383	15,283,437	59,160,131	142,053,187	265,408,138	132,879,444
39,429,603	17,292,601	54,578,379	132,825,661	244,126,244	104,393,626
42,670,578	16,021,080	51,386,256	150,149,021	260,226,935	63,463,771
34,324,153	13,907,888	50,580,146	143,670,952	242,483,139	93,956,587
38,561,026	15,141,127	47,741,577	166,488,451	267,932,181	103,471,096
38,522,436	16,926,438	44,715,007	167,760,920	267,924,801	111,341,274
44,435,271	21,378,809	41,001,484	192,473,414	299,288,978	87,761,081
44,582,838	22,006,206	36,099,284	215,352,383	318,040,711	85,040,273
48,720,065	26,113,896	37,547,135	253,392,808	365,773,904	26,838,543
46,895,456	29,174,139	23,378,116	245,575,620	345,023,331	9,914,453
49,641,773	30,136,084	27,264,392	276,435,704	383,477,953	2,341,676
54,567,930	31,701,294	27,841,406	253,414,651	367,525,281	—61,169,965
51,804,759	28,797,796	30,978,030	244,614,713	356,195,298	—31,465,879
50,830,921	27,147,732	35,385,029	238,815,764	352,179,446	—14,036,999
48,950,268	34,561,546	37,791,110	244,471,235	365,774,159	—18,052,454
91,992,000	58,823,985	37,585,056	254,967,542	443,368,583	—38,047,248
229,841,254	63,942,104	39,896,925	271,391,896	605,072,179	—89,111,558
134,774,768	55,953,078	40,160,333	289,972,668	520,860,847	46,380,005
144,615,697	60,506,978	32,342,979	287,151,271	524,616,925	63,068,413
112,272,216	67,803,128	29,108,045	276,050,860	485,234,249	77,243,984
118,629,505	82,618,034	28,556,349	287,202,239	517,006,127	44,874,595
165,199,911	102,956,102	24,646,490	290,857,397	583,659,900	—42,572,815
126,093,894	117,550,308	24,590,944	299,043,768	567,278,914	—23,004,229
137,326,066	110,474,264	24,308,576	298,093,372	570,202,278	24,782,168
149,775,084	97,128,469	24,481,158	307,744,131	579,128,842	86,731,544
175,840,453	118,037,097	21,426,138	343,892,632	659,196,320	—57,334,413
192,486,904	115,546,011	21,803,836	363,907,134	693,743,885	—89,423,387
189,823,379	123,173,717	21,342,979	359,276,990	693,617,065	—18,105,350
197,199,491	119,937,644	21,311,334	352,753,043	691,201,512	10,631,399
184,122,793	135,591,956	22,616,300	347,550,285	689,881,334	2,727,870
202,128,711	133,262,862	22,899,108	366,221,282	724,511,963	—400,733
208,349,746	139,682,186	22,863,957	364,185,542	735,081,431	—408,264
202,160,134	141,835,654	22,902,897	393,688,117	760,586,802	—62,675,975
183,176,439	153,853,567	22,900,869	374,125,327	734,056,202	48,478,346
377,940,870	239,632,757	24,742,702	1,335,365,422	1,977,681,751	—853,356,956
4,869,955,286	1,278,840,487	189,743,277	6,358,163,421	12,696,702,471	—9,032,119,606
9,009,075,789	2,002,310,785	619,215,569	6,884,277,812	18,514,879,955	—13,362,622,819
1,621,953,095	736,021,456	1,020,251,622	3,025,117,668	6,403,343,841	291,221,548
1,118,076,423	650,373,836	999,144,731	2,348,332,700	5,115,927,690	509,005,271
457,756,139	476,775,194	991,000,759	1,447,075,808	3,372,607,900	736,496,251
397,050,596	333,201,362	1,055,923,690	1,508,451,881	3,294,627,529	712,507,952
357,016,878	332,249,137	940,602,913	1,418,809,037	3,048,677,965	963,366,737

TABLE 2.—*Receipts and expenditures, fiscal years 1789–1964*—Continued

Year [1]	Receipts								
	Customs [6]	Internal revenue		Other receipts [2]	Total receipts by major sources [3]	Refunds and transfers [7]	Receipts, less refunds and transfers	Interfund transactions [8] (deduct)	Net receipts
		Income and profits taxes	Other						
1925	$547, 561, 226	$1, 760, 537, 824	$828, 638, 068	$643, 411, 567	$3, 780, 148, 685	----------------	$3, 780, 148, 685	----------------	$3, 780, 148, 685
1926	579, 430, 093	1, 982, 040, 088	855, 599, 289	545, 686, 220	3, 962, 755, 690	----------------	3, 962, 755, 690	----------------	3, 962, 755, 690
1927	605, 499, 983	2, 224, 992, 800	644, 421, 542	654, 480, 116	4, 129, 394, 441	----------------	4, 129, 394, 441	----------------	4, 129. 394, 441
1928	568, 986, 188	2, 173, 952, 557	621, 018, 666	678, 390, 745	4, 042, 348, 156	----------------	4, 042, 348, 156	----------------	4, 042, 348, 156
1929	602, 262, 786	2, 330, 711, 823	607, 307, 549	492, 968, 067	4, 033, 250, 225	----------------	4, 033, 250, 225	----------------	4, 033, 250, 225
1930	587, 000, 903	2, 410, 986. 978	628, 308, 036	551, 645. 785	4, 177, 941, 702	----------------	4, 177, 941, 702	----------------	4, 177, 941, 702
1931	378, 354. 005	1, 860, 394. 295	569, 386, 721	381, 503. 611	3, 189, 638, 632	$74, 081, 709	3, 115, 556, 923	----------------	3, 115, 556, 923
1932	327, 754, 969	1, 057, 335, 853	503, 670, 481	116, 964, 134	2, 005, 725, 437	81, 812, 320	1, 923, 913, 117	$21, 294	1, 923, 891, 824
1933	250, 750, 251	746, 206, 445	858, 217, 512	224, 522. 534	2, 079, 696, 742	58, 483, 799	2, 021. 212, 943	24, 369, 110	1, 996. 843, 833
1934	313, 434, 302	817, 961, 481	1, 822, 642, 347	161, 515, 919	3, 115, 554, 050	51, 286, 138	3, 064, 267, 912	49, 298, 113	3, 014, 969, 799
1935	343, 353, 034	1, 099, 118, 638	2, 178, 571, 390	179, 424. 141	3, 800, 467. 202	70, 553, 357	3, 729, 913, 845	23, 958, 245	3, 705, 955, 600
1936	386. 811, 594	1, 426, 575, 434	2, 086, 276, 174	216, 293, 413	4, 115, 956. 615	47, 019, 926	4, 068, 936, 689	71, 877, 714	3. 997, 058, 975
1937	486, 356, 599	2. 163, 413, 817	2, 433, 726, 286	210, 093, 535	5. 293, 590, 237	314. 989, 542	4, 978. 600, 695	22, 988. 139	4, 955, 612, 556
1938	359, 187, 249	2, 640, 284, 711	3, 034, 033, 726	208, 155, 541	6. 241, 661, 227	626, 440, 065	5, 615, 221, 162	27, 209, 289	5, 588, 011, 873
1939	318, 837, 311	2, 188, 757, 289	2, 972, 463, 558	187, 765, 468	5, 667, 823, 626	671. 524, 096	4, 996, 299, 530	17, 233, 572	4, 979, 065, 958
1940	348, 590, 636	2, 125, 324. 635	3, 177, 809, 353	241, 643, 315	5, 893, 367. 939	749. 354, 895	5, 144, 013, 044	6. 763, 273	5, 137, 249, 771
1941	391, 870, 013	3, 469, 637, 849	3. 892, 037, 133	242, 066, 585	7, 995, 611, 580	892, 680, 197	7, 102, 931, 383	7. 255, 331	7, 095, 676, 052
1942	388, 948, 427	7, 960, 464, 973	5, 032, 652, 915	294, 614, 145	13, 676, 680, 460	1, 121, 244, 376	12. 555, 436, 084	8, 817, 329	12, 546, 618, 755
1943	324, 290, 778	16, 093, 668, 781	6, 050, 300, 218	934, 062, 619	23, 402, 322, 396	1, 415, 621, 609	21, 986, 700. 787	39. 417, 630	21, 947, 283, 157
1944	431, 252, 168	34, 654, 851, 852	7, 030, 135, 478	3, 324, 809, 903	45, 441, 049, 402	1, 805, 734, 046	43, 635, 315, 356	72, 705, 896	43, 562, 609, 460
1945	354, 775, 542	35, 173, 051, 373	8, 728, 950, 555	3, 493, 528, 901	47, 750, 306, 371	3, 275, 002, 706	44, 475, 303, 665	113, 282, 721	44, 362, 020, 944
1946	435, 475, 072	30, 884, 796, 016	9, 425, 537, 282	3, 492, 326, 920	44, 238, 135. 290	4, 466, 731, 580	39, 771, 403, 710	121, 532, 724	39, 649, 870, 986
1947	494. 078, 260	29, 305, 568, 454	10, 073, 840, 241	4, 634, 701, 652	44, 508, 188, 607	4, 722, 007, 571	39, 786, 181, 036	109, 014, 012	39, 677, 167, 024
1948 [9]	421, 723, 028	31, 170, 968, 403	10, 682, 516, 849	3, 823, 599, 033	46, 098, 807, 314	4, 610, 628, 472	41, 488, 178. 842	113, 476, 853	41, 374, 701, 989
1949 [9]	384, 484, 796	29. 482, 283, 759	10, 825, 001, 116	2, 081, 735, 850	42, 773, 505, 520	5, 077, 956, 071	37, 695, 549, 449	32, 576, 510	37, 662, 972, 939
1950	422, 650, 329	28, 262, 671, 097	11, 185, 936, 012	1, 439, 370, 414	41, 310, 627. 852	4, 815, 727, 015	36, 494, 900, 837	72, 966, 260	36, 421, 934, 577
1951	624, 008, 052	37, 752, 553, 688	13, 353, 541, 306	1, 638, 568, 845	53, 368, 671, 892	5. 801, 058, 408	47, 567, 613, 484	87. 546, 409	47, 480, 067, 075
1952	550, 696, 379	51, 346, 525, 736	14. 288, 368, 522	1, 813, 778, 921	67, 099, 369, 558	6, 608, 425, 006	61, 390, 944, 552	104, 383, 636	61, 286, 560, 916
1953	613, 419, 582	54, 362, 967, 793	15, 808, 006, 083	1, 864, 741, 185	72, 649, 134, 647	7, 824, 090, 621	64. 825, 044, 026	154, 459, 602	64, 670, 584, 424
1954	562, 020, 618	53, 905, 570, 964	16, 394, 080, 537	2, 311, 263, 612	73, 172, 935, 738	8, 517, 548, 748	64, 655, 386, 989	235, 352, 928	64, 420, 034, 061

Year [1]	Expenditures								Surplus, or deficit (−)[5]
	Department of the Army (formerly War Department)[4]	Department of the Navy[4]	Department of the Air Force[4]	Interest on the public debt	Other[2 5]	Total expenditures by major purposes[3 5]	Interfund transactions (deduct)[8]	Total expenditures[3 5]	
1925	$370, 980, 708	$346, 142, 001		$881, 806, 662	$1, 464, 175, 961	$3, 063, 105, 332		$3, 063, 105, 332	$717, 043, 353
1926	364, 089, 945	312, 743, 410		831, 937, 700	1, 588, 840, 768	3, 097, 611, 823		3, 097, 611, 823	865, 143, 867
1927	369, 114, 122	318, 909, 096		787, 019, 578	1, 498, 986, 878	2, 974, 029, 674		2, 974, 029, 674	1, 155, 364, 766
1928	400, 989, 683	331, 335, 492		731, 764, 476	1, 639, 175, 204	3, 103, 264, 855		3, 103, 264, 855	939, 083, 301
1929	425, 947, 194	364, 561, 544		678, 330, 400	1, 830, 020, 348	3, 298, 859, 486		3, 298, 859, 486	734, 390, 739
1930	464, 853, 515	374, 165, 639		659, 347, 613	1, 941, 902, 117	3, 440, 268, 884		3, 440, 268, 884	737, 672, 818
1931	486, 141, 754	353, 768, 185		611, 559, 704	2, 125, 964, 360	3, 577, 434, 003		3, 577, 434, 003	−461, 877, 080
1932	476, 305, 311	357, 517, 834		599, 276, 631	3, 226, 103, 049	4, 659, 202, 825	$21, 294	4, 659, 181, 532	−2, 735, 289, 708
1933	434, 620, 860	349, 372, 794		689, 365, 106	3, 149, 506, 267	4, 622, 865, 028	24, 369, 110	4, 598, 495, 918	−2, 601, 652, 085
1934	408, 586, 783	296, 927, 490		756, 617, 127	5, 231, 768, 454	6, 693, 899, 854	49, 298, 113	6, 644, 601, 741	−3, 629, 631, 943
1935	487, 995, 220	436, 265, 532		820, 926, 353	4, 775, 778, 841	6, 520, 965, 945	23, 958, 245	6, 497, 007, 700	−2, 791, 052, 100
1936	618, 587, 184	528, 882, 143		749, 396, 802	6, 596, 619, 790	8, 493, 485, 919	71, 877, 714	8, 421, 608, 205	−4, 424, 549, 230
1937	628, 104, 285	556, 674, 066		866, 384, 331	5, 704, 858, 728	7, 756, 021, 409	22, 988, 139	7, 733, 033, 270	−2, 777, 420, 714
1938	644, 263, 842	596, 129, 739		926, 280, 714	4, 625, 163, 465	6, 791, 837, 760	27, 209, 289	6, 764, 628, 471	−1, 176, 616, 598
1939	695, 256, 481	672, 722, 327		940, 539, 764	6, 549, 938, 998	8, 858, 457, 570	17, 233, 572	8, 841, 223, 998	−3, 862, 158, 040
1940	907, 160, 151	891, 484, 523		1, 040, 935, 697	6, 222, 451, 833	9, 062, 032, 204	6, 763, 273	9, 055, 268, 931	−3, 918, 019, 161
1941	3, 938, 943, 048	2, 313, 057, 956		1, 110, 692, 812	5, 899, 509, 926	13, 262, 203, 742	7, 255, 331	13, 254, 948, 411	−6, 159, 272, 358
1942	14, 325, 508, 098	8, 579, 588, 976		1, 260, 085, 336	9, 880, 496, 406	34, 045, 678, 816	8, 817, 329	34, 036, 861, 487	−21, 490, 242, 732
1943	42, 525, 562, 523	20, 888, 349, 026		1, 808, 160, 396	14, 185, 059, 207	79, 407, 131, 152	39, 417, 630	79, 367, 713, 522	−57, 420, 430, 365
1944	49, 438, 330, 158	26, 537, 633, 877		2, 608, 979, 806	16, 473, 764, 057	95, 058, 707, 898	72, 705, 896	94, 986, 002, 002	−51, 423, 392, 541
1945	50, 490, 101, 935	30, 047, 152, 135		3, 616, 686, 048	14, 262, 279, 670	98, 416, 219, 790	113, 282, 721	98, 302, 937, 069	−53, 940, 916, 126
1946	27, 986, 769, 041	15, 164, 412, 379		4, 721, 957, 683	12, 574, 435, 216	60, 447, 574, 319	121, 532, 724	60, 326, 041, 595	−20, 676, 170, 609
1947	9, 172, 138, 869	5, 597, 203, 036		4, 957, 922, 484	19, 305, 128, 987	39, 032, 393, 376	109, 014, 012	38, 923, 379, 364	753, 787, 660
1948 [9]	7, 698, 556, 403	4, 284, 619, 125		5, 211, 101, 865	15, 874, 431, 605	33, 068, 708, 998	113, 476, 853	32, 955, 232, 145	8, 419, 469, 844
1949 [9]	7, 862, 397, 097	4, 434, 705, 920	$1, 690, 460, 724	5, 339, 396, 336	20, 180, 029, 420	39, 506, 989, 497	32, 576, 510	39, 474, 412, 987	−1, 811, 440, 048
1950	5, 789, 467, 599	4, 129, 545, 653	3, 520, 632, 580	5, 749, 913, 064	20, 427, 444, 299	39, 617, 003, 195	72, 966, 260	39, 544, 036, 935	−3, 122, 102, 357
1951 [10]	8, 635, 938, 754	5, 862, 548, 845	6, 358, 603, 828	5, 612, 654, 812	17, 588, 084, 620	44, 057, 830, 859	87, 546, 409	43, 970, 284, 450	3, 509, 782, 624
1952	17, 452, 710, 349	10, 231, 264, 765	12, 851, 619, 343	5, 859, 263, 437	19, 012, 727, 036	65, 407, 584, 930	104, 383, 636	65, 303, 201, 294	−4, 016, 640, 378
1953	17, 054, 333, 370	11, 874, 830, 152	15, 085, 227, 952	6, 503, 580, 030	23, 756, 285, 980	74, 274, 257, 484	154, 459, 602	74, 119, 797, 882	−9, 449, 213, 457
1954	13, 515, 388, 452	11, 292, 803, 940	15. 668, 473, 393	6, 382, 485, 640	20, 913, 201, 820	67, 772, 353, 245	235, 352, 928	67, 537, 000, 317	−3, 116, 966, 256

Footnotes on following pages.

TABLE 2.—*Receipts and expenditures, fiscal years 1789–1964*—Continued

Year[1]	Receipts								Net receipts
	Customs[6]	Internal revenue		Other receipts[2]	Total receipts by major sources[3]	Refunds and transfers[7]	Receipts, less refunds and transfers	Interfund transactions[8] (deduct)	
		Income and profits taxes	Other						
1955	$606, 396, 634	$49, 914, 825, 888	$16, 373, 865, 694	$2, 559, 107, 420	$69, 454, 195, 640	$9, 064, 451, 745	$60, 389, 743, 895	$181, 235, 203	$60, 208, 508, 692
1956	704, 897, 516	56, 632, 598, 140	18, 476, 485, 054	3, 006, 445, 461	78, 820, 426, 174	10, 655, 096, 592	68, 165, 329, 582	315, 378, 243	67, 849, 951, 339
1957	754, 461, 446	60, 560, 424, 638	19, 611, 546, 168	2, 748, 872, 386	83, 675, 304, 639	12, 646, 654, 662	71, 028, 649, 978	466, 763, 865	70, 561, 886, 113
1958	799, 504, 808	59, 101, 874, 167	20, 876, 602, 316	3, 195, 519, 017	83, 973, 500, 309	14, 856, 782, 998	69, 116, 717, 311	566, 997, 267	68, 549, 720, 044
1959	948, 412, 215	58, 826, 253, 507	20, 971, 719, 301	3, 157, 881, 036	83, 904, 266, 060	15, 634, 013, 346	68, 270, 252, 715	354, 904, 091	67, 915, 348, 624
1960	1, 123, 037, 579	67, 125, 125, 683	24, 649, 677, 141	4, 064, 357, 669	96, 962, 198, 071	18, 504, 765, 198	78, 457, 432, 873	693, 972, 652	77, 763, 460, 221
1961	1, 007, 755, 214	67, 917, 940, 793	26, 483, 145, 605	4, 082, 499, 734	99, 491, 341, 346	21, 177, 963, 732	78, 313, 377, 614	653, 952, 709	77, 659, 424, 906
1962	1, 171, 205, 974	71, 945, 304, 905	27, 495, 534, 340	3, 205, 528, 779	103, 817, 573, 998	21, 775, 825, 509	82, 041, 748, 489	632, 656, 417	81, 409, 092, 073
1963	1, 240, 537, 884	75, 323, 714, 353	30, 601, 680, 928	4, 435, 613, 440	111, 601, 546, 606	24, 711, 939, 419	86, 889, 607, 187	513, 396, 839	86, 376, 210, 348
1964	1, 284, 176, 379	78, 891, 217, 620	33, 369, 039, 495	4, 077, 121, 266	117, 621, 554, 760	27, 499, 269, 069	90, 122, 285, 691	663, 621, 619	89, 458, 664, 072

[1] From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

[2] For postal receipts and expenditures, see table 26.

[3] Effective Jan. 3, 1949, amounts refunded by the Government, principally for overpayment of taxes, are reported as deductions from total receipts rather than as expenditures. Also, effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations for retirement of capital stock and for disposition of earnings, are excluded in reporting both budget receipts and expenditures. Neither change affects the size of the budget surplus or deficit. Prior year figures, beginning with fiscal 1931, have been adjusted accordingly for comparability. For adjustments for refunds of receipts see table 3. For capital transfers for fiscal 1931 through 1948, see 1958 annual report, p. 396, footnote 3.

[4] Includes all military and civil expenditures of the Departments of the Army (including the Panama Canal), the Navy, and beginning with fiscal 1949 the Air Force, except civil expenditures of War and Navy at Washington through fiscal 1915. Department of the Army expenditures include those of the Department of the Air Force (established Sept. 18, 1947) from funds made available before fiscal 1949. Beginning with fiscal 1952 expenditures of the Department of Defense not classified among its three departments are included under "Other." Military assistance expenditures for foreign aid programs are included under "Other."

[5] The practice of including statutory debt retirements in budget expenditures was discontinued effective with fiscal 1948. Such expenditures are not included in this table, nor does the "Surplus or deficit" take into account such expenditures. Table 46 shows details of statutory debt retirements.

Year [1]	Expenditures								Surplus, or deficit (−) [5]
	Department of the Army (formerly War Department) [4]	Department of the Navy [4]	Department of the Air Force [4]	Interest on the public debt	Other [3 5]	Total expenditures by major purposes [3 5]	Interfund transactions (deduct) [8]	Total expenditures [3 5]	
1955	$9, 450, 383, 082	$9, 731, 611, 019	$16, 405, 038, 348	$6, 370, 361, 774	$22, 612, 578, 594	$64, 569, 972, 817	$181, 235, 203	$64, 388, 737, 614	−$4, 180, 228, 921
1956	9, 274, 300, 874	9, 743, 715, 334	16, 749, 647, 622	6, 786, 598, 862	23, 985, 513, 486	66, 539, 776, 178	315, 378, 243	66, 224, 397, 935	1, 625, 553, 403
1957	9, 704, 788, 331	10, 397, 223, 998	18, 360, 926, 051	7, 244, 193, 486	23, 725, 946, 561	69, 433, 078, 427	466, 763, 865	68, 966, 314, 562	1, 595, 571, 550
1958	9, 775, 877, 444	10, 913, 287, 404	18, 436, 830, 585	7, 606, 774, 062	25, 203, 401, 856	71, 936, 171, 353	566, 997, 267	71, 369, 174, 086	−2, 819, 454, 041
1959	10, 284, 059, 445	11, 720, 053, 749	19, 083, 326, 404	7, 592, 769, 102	32, 017, 030, 764	80, 697, 239, 466	354, 904, 091	80, 342, 335, 375	−12, 426, 986, 751
1960	10, 293, 993, 401	11, 642, 486, 702	19, 065, 244, 298	9, 179, 588, 857	27, 052, 072, 193	77, 233, 385, 451	693, 972, 652	76, 539, 412, 799	1, 224, 047, 422
1961	11, 102, 620, 707	12, 214, 297, 075	19, 777, 722, 554	8, 957, 241, 615	30, 117, 238, 211	82, 169, 120, 163	653, 952, 709	81, 515, 167, 454	−3, 855, 742, 548
1962	12, 425, 939. 098	13, 260. 183, 267	20, 839, 825, 719	9, 119, 759, 808	32, 773, 715, 105	88, 419, 422, 997	632, 656, 417	87, 786, 766, 581	−6, 377, 674, 508
1963	12, 782, 038, 071	14, 092, 991, 160	20, 822, 869, 577	9, 895, 303, 949	35, 561, 991, 141	93, 155, 193, 898	513, 396, 839	92, 641, 797, 059	−6, 265, 586, 711
1964	13, 406, 914, 629	14, 652, 424, 948	20, 749, 576. 521	10, 665, 858, 127	38, 873, 222, 190	98, 347, 996, 414	663, 621, 619	97, 684, 374, 795	−8, 225, 710, 723

[6] Includes the tonnage tax through 1931. Beginning with 1932 the tonnage tax has been covered into the general fund as miscellaneous receipts and is included in this table in "Other receipts."

[7] Refunds of receipts and transfers to trust funds. For content see table 3.

[8] For content see 1961 annual report, pp. 450-457, and table 8, this report. See also "Bases of Tables."

[9] Sec. 114(f) of the Economic Cooperation Act of 1948, approved Apr. 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund" and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in fiscal 1948 for expenditures made in fiscal 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of $3,000,000,000 in fiscal 1948 to the Foreign Economic Cooperation trust fund; expenditures of $3,000,000,000 during fiscal 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to sec. 114(f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

	Fiscal year 1948	*Fiscal year 1949*
Budget receipts	$41, 374, 701, 989	$37, 662, 972, 939
Budget expenditures	35, 955, 232, 145	36, 474, 412, 987
Budget surplus	5, 419, 469, 844	1, 188, 559, 952

[10] Beginning with fiscal 1951, investments of wholly owned Government corporations in public debt securities are excluded from budget expenditures and included in "Trust account and other transactions." See tables 6 and 16.

TABLE 3.—*Refunds of receipts and transfers*

[On basis of daily Treasury statements through 1952; thereafter on basis of "Monthly Statement of

Fiscal year	Refunds of receipts [1] [2]				
	Internal revenue applicable to— [3]		Customs	Other	Total refunds of receipts
	Budget accounts	Trust accounts			
1931	$52, 561, 657	----------------	$21, 369, 007	$151, 045	$74, 081, 709
1932	64, 528, 530	----------------	17, 202, 969	80, 813	81, 812, 320
1933	45, 814, 734	----------------	12, 576, 842	92, 224	58, 483, 799
1934	37, 195, 935	----------------	14, 046, 350	43, 853	51, 286, 138
1935	49, 747, 858	----------------	20, 715, 688	89, 811	70, 553, 357
1936	32, 914, 628	----------------	14, 085, 195	20, 103	47, 019, 926
1937	33, 405, 891	----------------	16, 549, 408	34, 242	49, 989, 542
1938	76, 842, 701	----------------	16, 156, 340	38, 437	93, 037, 478
1939	44, 684, 686	----------------	16, 678, 803	63, 194	61, 426, 683
1940	61, 154, 655	----------------	17, 500, 945	49, 295	78, 704, 894
1941	52, 802, 242	----------------	27, 331, 472	55, 755	80, 189, 469
1942	65, 192, 248	----------------	19, 495, 861	87, 429	84, 775, 537
1943	53, 834, 008	----------------	16, 404, 512	86, 888	70, 325, 408
1944	242, 856, 877	----------------	14, 200, 774	196, 617	257, 254, 269
1945	1, 664, 545, 567	----------------	13, 843, 208	389, 150	1, 678, 777, 924
1946	2, 957, 114, 348	----------------	11, 224, 891	4, 688, 639	2, 973, 027, 879
1947	2, 982, 487, 490	----------------	17, 480, 263	6, 122, 643	3, 006, 090, 396
1948	2, 250, 391, 383	----------------	19, 050, 115	2, 433, 279	2, 271, 874, 777
1949	2, 817, 005, 313	----------------	17, 173, 186	3, 363, 506	2, 837, 542, 006
1950	2, 135, 455, 950	----------------	16, 091, 134	7, 959, 405	2, 159, 506, 489
1951	2, 082, 431, 536	----------------	15, 324, 391	8, 774, 689	2, 106, 530, 616
1952	2, 275, 188, 203	----------------	17, 520, 381	9, 497, 810	2, 302, 206, 394
1953	3, 094, 798, 198	$33, 000, 000	16, 949, 065	6, 091, 123	3, 150, 838, 386
1954	3, 345, 495, 593	40, 500, 000	20, 481, 971	11, 259, 809	3, 417, 737, 374
1955	3, 399, 978, 359	51, 000, 000	21, 619, 848	4, 389, 417	3, 476, 987, 625
1956	3, 652, 611, 883	66, 000, 000	23, 176, 262	8, 241, 988	3, 750, 030, 132
1957	3, 894, 119, 614	58, 206, 830	19, 907, 757	3, 315, 117	3, 975, 549, 317
1958	4, 412, 603, 597	165, 378, 009	17, 837, 948	2, 191, 001	4, 598, 010, 555
1959	4, 907, 159, 180	180, 329, 743	23, 220, 638	3, 043, 107	5, 113, 752, 669
1960	5, 024, 470, 807	192, 662, 543	18, 483, 391	1, 897, 066	5, 237, 513, 807
1961	5, 724, 571, 444	223, 737, 682	25, 439, 532	2, 260, 573	5, 976, 009, 231
1962	5, 957, 115, 953	278, 008, 196	29, 319, 402	1, 225, 761	6, 265, 669, 311
1963	6, 266, 560, 113	268, 950, 960	35, 174, 904	700, 987	6, 571, 386, 963
1964	6, 817, 461, 650	297, 114, 145	32, 313, 299	1, 196, 525	7, 148, 085, 619

[1] Refunds of principal only; interest is included in expenditures.
[2] Internal revenue refunds by States for fiscal 1964 are shown in table 22.
[3] Beginning fiscal 1953, the principal amounts for refunds of employment taxes and certain excise taxes

to trust funds, fiscal years 1931–64

Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Transfers to trust funds [3] [4]						Total refunds and transfers
Federal old-age and survivors insurance trust fund	Federal disability insurance trust fund	Highway trust fund	Railroad retirement account	Unemployment trust fund	Total transfers to trust accounts	
----------	----------	----------	----------	----------	----------	$74,081,709
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$265,000,000	----------	----------	----------	----------	$265,000,000	314,989,542
387,000,000	----------	----------	$146,402,587	----------	533,402,587	626,440,065
503,000,000	----------	----------	107,097,413	----------	610,097,413	671,524,096
550,000,000	----------	----------	120,650,000	----------	670,650,000	749,354,895
688,140,728	----------	----------	124,350,000	----------	812,490,728	892,680,197
895,618,839	----------	----------	140,850,000	----------	1,036,468,839	1,121,244,376
1,130,495,201	----------	----------	214,801,000	----------	1,345,296,201	1,415,621,609
1,292,122,434	----------	----------	256,357,343	----------	1,548,479,777	1,805,734,046
1,309,919,400	----------	----------	286,305,382	----------	1,596,224,782	3,275,002,706
1,238,218,447	----------	----------	255,485,254	----------	1,493,703,701	4,466,731,580
1,459,491,921	----------	----------	256,425,254	----------	1,715,917,175	4,722,007,571
1,616,162,044	----------	----------	722,591,651	----------	2,338,753,695	4,610,628,472
1,690,295,705	----------	----------	550,118,361	----------	2,240,414,065	5,077,956,071
2,106,387,806	----------	----------	549,832,720	----------	2,656,220,526	4,815,727,015
3,119,536,744	----------	----------	574,991,049	----------	3,694,527,792	5,801,058,408
3,568,556,584	----------	----------	737,662,028	----------	4,306,218,612	6,608,425,006
4,053,293,392	----------	----------	619,958,843	----------	4,673,252,235	7,824,090,622
4,496,769,800	----------	----------	603,041,575	----------	5,099,811,375	8,517,548,749
4,988,572,594	----------	----------	598,891,526	----------	5,587,464,120	9,064,451,745
6,270,804,603	----------	----------	634,261,857	----------	6,905,066,460	10,655,096,592
6,243,000,673	$333,276,575	$1,478,908,221	615,919,876	----------	8,671,105,345	12,646,654,662
6,794,896,660	862,861,610	2,026,115,202	574,898,971	----------	10,258,772,443	14,856,782,998
7,083,993,756	836,931,036	2,074,116,121	525,219,764	----------	10,520,260,677	15,634,013,346
9,192,428,378	928,931,781	2,539,026,576	606,864,657	----------	13,267,251,392	18,504,765,198
10,537,230,762	953,312,408	2,797,537,781	570,712,994	$343,160,557	15,201,954,501	21,177,963,732
10,600,021,548	944,542,132	2,948,690,128	564,264,483	452,637,906	15,510,156,198	21,775,825,509
12,351,191,003	993,762,625	3,278,697,756	571,534,041	945,367,031	18,140,552,456	24,711,939,419
14,335,126,928	1,056,855,735	3,519,156,643	593,476,801	846,567,343	20,351,183,450	27,499,269,069

(highway) are excluded from the transfers and are included with refunds of internal revenue receipts, applicable to trust accounts.

[4] Tax receipts transferred and appropriated to the respective trust accounts. Details of these trust funds may be found in the table for each fund, beginning with table 68 of this annual report.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*

In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Receipts [1]	1962 [2]	1963 [2]	1964
Internal revenue:			
Individual income taxes:			
Withheld [3]	36,246,109	38,718,702	[4] 39,258,881
Other [3]	14,403,485	14,268,878	[4] 15,331,473
Total individual income taxes	50,649,594	52,987,581	54,590,354
Corporation income taxes	21,295,711	22,336,134	24,300,863
Excise taxes	12,752,175	13,409,737	13,950,232
Employment taxes:			
Federal Insurance Contributions Act and Self-Employment Contributions Act [3]	11,686,231	13,484,379	[4] 15,557,783
Railroad Retirement Tax Act	564,311	571,644	593,864
Federal Unemployment Tax Act	457,629	948,464	850,858
Total employment taxes	12,708,171	15,004,486	17,002,504
Estate and gift taxes	2,035,187	2,187,457	2,416,303
Total internal revenue	99,440,839	105,925,395	112,260,257
Customs duties	1,171,206	1,240,538	1,284,176
Miscellaneous receipts:			
Interest	876,596	764,782	954,625
Dividends and other earnings	743,313	859,655	983,911
Realization upon loans and investments	371,113	1,075,692	752,312
Recoveries and refunds	153,517	199,656	129,711
Royalties	121,132	123,909	130,560
Sales of Government property and products	605,181	633,426	740,516
Seigniorage	57,544	44,896	68,745
Other	277,134	733,597	316,741
Total miscellaneous receipts	3,205,529	4,435,613	4,077,121
Gross receipts	103,817,574	111,601,547	117,621,555
Deduct:			
Refunds of receipts: [5]			
Internal revenue:			
Applicable to budget accounts:			
Individual income taxes	5,078,504	5,399,835	5,893,412
Corporation income taxes	773,053	757,234	808,341
Excise taxes	86,743	89,300	93,004
Estate and gift taxes	18,817	20,192	22,704
Applicable to trust accounts:			
Federal old-age and survivors insurance trust fund	129,760	127,850	152,470
Federal disability insurance trust fund	11,908	11,575	13,330
Highway trust fund	131,303	126,319	126,637
Railroad retirement account	47	109	387
Unemployment trust fund	4,991	3,097	4,291
Subtotal internal revenue refunds	6,235,124	6,535,511	7,114,576
Customs	29,319	35,175	32,313
Other	1,226	701	1,197
Total refunds of receipts	6,265,669	6,571,387	7,148,086
Transfers to trust accounts: [6]			
Federal old-age and survivors insurance trust fund	10,600,022	12,351,191	14,335,127
Federal disability insurance trust fund	944,542	993,763	1,056,856
Highway trust fund	2,948,690	3,278,698	3,519,157
Railroad retirement account	564,264	571,534	593,477
Unemployment trust fund	452,638	945,367	846,567
Total transfers to trust accounts	15,510,156	18,140,552	20,351,183

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Receipts [1] and expenditures	1962 [2]	1963 [2]	1964
Deduct—Continued			
Interfund transactions:			
Interest on loans to Government-owned enterprises	619,789	499,383	648,044
Reimbursements	12,239	13,623	15,108
Fees and other charges	628	390	469
Total interfund transactions [7]	632,656	513,397	663,622
Total deductions	22,408,482	25,225,336	28,162,891
Net administrative budget receipts	81,409,092	86,376,210	89,458,664
EXPENDITURES [8]			
Legislative branch:			
Senate	26,899	29,310	29,921
House of Representatives	50,322	52,983	55,647
Architect of the Capitol	42,265	33,516	23,150
Botanic Garden	450	459	516
Library of Congress	16,587	18,264	21,197
Government Printing Office:			
General fund appropriations	19,401	19,613	22,125
Revolving fund (net)	−2,600	−6,939	−1,044
Total legislative branch	153,325	147,205	151,512
The judiciary:			
Supreme Court of the United States	1,962	2,012	2,108
Court of Customs and Patent Appeals	324	363	389
Customs Court	888	903	917
Court of Claims	933	1,026	1,107
Courts of appeals, district courts, and other judicial services	52,641	57,243	60,606
Total the judiciary	56,747	61,546	65,127
Executive Office of the President:			
Compensation of the President	150	150	150
The White House Office	2,454	2,502	2,705
Special projects	1,403	1,039	1,212
Executive mansion and grounds	717	660	662
Bureau of the Budget	5,304	5,825	6,636
Council of Economic Advisers	506	675	613
National Aeronautics and Space Council	203	394	419
National Security Council	503	485	515
Office of Emergency Planning:			
Civil defense procurement fund (net)	7		
Emergency preparedness functions of Fedearl agencies	4,746	4,792	3,789
Other	13,024	6,150	5,137
Office of Science and Technology		464	823
Special representative for trade negotiations			400
Miscellaneous	−17	−22	−156
Total Executive Office of the President	29,000	23,113	22,904
Funds appropriated to the President:			
Disaster relief	14,592	30,803	21,191
Emergency fund for the President	723	389	509
Expansion of defense production (net)	11,212	−57,069	90,883
Expenses of management improvement	154	127	181
Peace Corps	11,409	42,259	60,397
International financial institutions:			
Investment in Inter-American Development Bank	110,000	60,000	50,000
Subscription to the International Development Association	61,656	61,656	61,656
Public works acceleration		62,460	331,820
Transitional grants to Alaska	5,944	3,110	19,430
Other	595	671	673

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
Funds appropriated to the President—Continued			
Foreign assistance:			
Military:			
Office of Secretary of Defense:			
Repayment of credit sales [9]	−14, 572	−46, 402	−48, 154
Other	39, 172	123, 984	85, 783
Department of the Army	611, 139	806, 322	620, 935
Department of the Navy	182, 480	198, 314	202, 365
Department of the Air Force	561, 453	630, 051	612, 610
Agency for International Development	2, 975	570	2, 576
All other agencies	7, 363	7, 915	9, 162
Total military	1, 390, 011	1, 720, 755	1, 485, 277
Economic:			
Development grants, general	271, 399	244, 877	226, 305
Development grants, Alliance for Progress	70, 555	94, 942	94, 430
Social Progress Trust Fund, Inter-American Development Bank	10, 000	49, 000	65, 000
Supporting assistance	617, 997	493, 692	370, 969
Contributions to international organizations	119, 586	93, 568	178, 890
Contingencies	272, 798	137, 186	121, 804
Other	54, 515	56, 539	63, 600
Public enterprise funds (net):			
Alliance for Progress, development loans	------------	190, 595	112, 580
Development loan funds	421, 096	685, 622	768, 045
Foreign investment guarantee fund	−1, 650	−2, 931	−4, 831
Total economic	1, 836, 297	2, 043, 092	1, 996, 793
Total foreign assistance	3, 226, 309	3, 763, 846	3, 482, 071
Total funds appropriated to the President	3, 442, 593	3, 968, 252	4, 118, 812
Agriculture Department:			
Agricultural Research Service:			
Intragovernmental funds (net)	−117	137	−14
Other	195, 392	175, 618	191, 833
Cooperative State research service	------------	37, 992	41, 614
Extension Service	70, 254	74, 545	79, 402
Farmer Cooperative Service	641	654	1, 213
Soil Conservation Service:			
Conservation operations	89, 008	92, 997	96, 214
Flood prevention, watershed protection, and other	59, 019	79, 608	85, 158
Great Plains conservation program	9, 041	9, 746	11, 882
Economic Research Service	8, 190	9, 742	10, 016
Statistical Reporting Service	7, 681	10, 019	11, 184
Agricultural Marketing Service:			
Marketing research and service	37, 882	40, 615	43, 540
Payments to States and possessions	1, 325	1, 425	1, 500
Special milk program	------------	95, 370	97, 484
School lunch program	169, 112	169, 596	180, 664
Removal of surplus agricultural commodities	214, 833	131, 784	[10] 270, 059
Intragovernmental funds (net)	23	−5	−92
Other	736	773	835
Total Agricultural Marketing Service	423, 911	439, 556	593, 990
Foreign Agricultural Service	14, 998	16, 562	19, 935
Commodity Exchange Authority	1, 006	1, 048	1, 117
Agricultural Stabilization and Conservation Service:			
Expenses, Agricultural Stabilization and Conservation Service	------------	88, 484	116, 845
Acreage allotments and marketing quotas	43, 995	78	------------
Sugar act program	80, 188	76, 929	87, 071
Agricultural conservation program	264, 198	210, 788	213, 563
Cropland conversion program	------------	3, 996	7, 097
Emergency conservation measures	8, 797	2, 701	3, 393
Soil bank program	343, 989	305, 378	289, 933
Intragovernmental funds (net)	−6, 017	11, 010	−109

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
Agriculture Department—Continued			
Foreign assistance and Commodity Credit Corporation:			
Foreign assistance programs	1,594,000	2,091,022	1,889,044
Commodity Credit Corporation:			
Public enterprise funds (net):			
Price support and related programs and special milk [11]	2,143,133	3,115,735	3,175,095
Special activities financed by Commodity Credit Corporation [12]	492,652	−68,672	36,191
Total foreign assistance and Commodity Credit Corporation	4,229,784	5,138,085	5,100,330
Federal Crop Insurance Corporation:			
Administrative expenses	6,120	6,794	7,134
Federal Crop Insurance Corporation fund (net)	1,114	7,713	−819
Rural Electrification Administration:			
Loans	293,044	331,656	330,194
Salaries and expenses	9,920	10,396	11,354
Farmers Home Administration:			
Regular loans	78,066		
Rural housing grants and loans	106,214	184,204	130,578
Rural renewal			143
Salaries and expenses	34,140	35,690	39,127
Public enterprise funds (net):			
Direct loan account	−6,445	55,012	56,129
Emergency credit revolving fund	35,441	7,384	−9,138
Agricultural credit insurance fund	−7,216	13,549	42,461
Rural housing for the elderly, revolving fund			100
Total Farmers Home Administration	240,200	295,838	259,400
Office of Rural Areas Development	−296	−156	187
Office of General Counsel	3,611	3,774	4,032
Office of Information	1,595	1,577	1,644
Centennial observance of Agriculture	41	59	
National Agricultural Library	1,010	1,154	1,460
General administration:			
Intragovernmental funds (net)	−172	241	−330
Other	3,003	3,424	3,902
Forest Service:			
Intragovernmental funds (net)	324	256	−1,183
Other	265,212	286,861	318,223
Total Agriculture Department	6,668,684	7,735,260	7,896,864
Commerce Department:			
General administration:			
Public enterprise funds (net)	−7	−13	−18
Other	9,942	7,669	15,518
Economic development:			
Area Redevelopment Administration:			
Public enterprise funds (net)	−1	−495	−2,389
Other	7,340	39,460	71,600
Office of Business Economics	1,549	1,848	1,908
Bureau of the Census	19,133	19,393	30,274
Business and Defense Services Administration	4,129	3,993	4,964
Office of Field Services	3,099	3,388	3,637
International activities	7,841	10,026	12,002
Office of Trade Adjustment		3	108
U.S. Travel Service	1,481	2,902	2,561
Total economic development	44,572	80,518	124,665
Science and technology:			
Civilian industrial technology		3	139
Coast and Geodetic Survey	21,631	25,077	33,496
Patent Office	24,861	26,504	27,277
National Bureau of Standards:			
Intragovernmental funds (net)	−795	−3,513	−2,391
Other	30,497	44,918	50,229

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
Commerce Department—Continued			
Science and technology—Continued			
Office of Technical Services		1,099	697
Weather Bureau	64,334	85,294	89,400
Total science and technology	140,527	179,382	198,847
Transportation:			
Inland Waterways Corporation (net)	−853	−825	−800
Maritime Administration:			
Public enterprise funds (net)	−2,700	9,131	5,150
Operating-differential subsidies	181,919	220,677	203,037
Other	178,909	134,989	98,662
Bureau of Public Roads [13]	41,701	44,121	40,359
Transportation research		1	922
Total transportation	398,976	408,094	347,332
Total Commerce Department	594,010	675,650	686,344
Defense Department:			
Military:			
Military personnel:			
Department of the Army	4,414,923	4,302,548	4,602,457
Department of the Navy	3,416,856	3,485,621	3,833,389
Department of the Air Force	4,305,915	4,196,666	4,549,838
Defense agencies	894,441	1,014,673	1,209,447
Total military personnel	13,032,135	12,999,509	14,195,131
Operation and maintenance:			
Department of the Army	3,873,028	3,757,264	3,637,623
Department of the Navy	3,180,667	3,058,088	3,071,007
Department of the Air Force	4,654,506	4,682,113	4,718,975
Defense agencies	58,314	351,169	504,435
Subtotal	11,766,516	11,848,634	11,932,040
Classification adjustment [14]	−44,914		
Total operation and maintenance	11,721,602	11,848,634	11,932,040
Procurement:			
Department of the Army	1,815,226	2,370,713	2,314,565
Department of the Navy	5,107,025	6,580,951	6,042,190
Department of the Air Force	8,851,320	7,698,028	6,959,249
Defense agencies		6,774	34,822
Subtotal	15,773,572	16,656,466	15,350,826
Classification adjustment [14]	−1,369,194	−339,100	
Total procurement	14,404,378	16,317,366	15,350,826
Research, development, test, and evaluation:			
Department of the Army	1,249,655	1,354,425	1,338,005
Department of the Navy	1,298,749	1,429,341	1,577,846
Department of the Air Force	2,174,626	3,300,374	3,721,620
Defense agencies	181,457	291,424	383,977
Subtotal	4,904,487	6,375,564	7,021,448
Classification adjustment [14]	1,414,108	339,100	
Total research, development, test, and evaluation	6,318,595	6,714,664	7,021,448
Military construction:			
Department of the Army	206,157	178,352	232,523
Department of the Navy	189,280	195,784	190,275
Department of the Air Force	897,018	741,984	554,361
Defense agencies	54,674	27,468	49,134
Total military construction	1,347,129	1,143,588	1,026,292

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
Defense Department—Continued			
Military—Continued			
Family housing:			
Department of the Army		155,499	204,015
Department of the Navy		87,843	132,386
Department of the Air Force		181,291	240,903
Defense agencies		2,026	2,215
Total family housing		426,658	579,519
Civil defense	90,435	202,614	106,825
Revolving and management funds (net):			
Public enterprise funds:			
Department of the Army:			
Defense housing	−25		
Defense production guarantees	−133	−72	−37
Department of the Navy:			
Defense production guarantees	3,028	−696	1,095
Other	−87	−24	42
Department of the Air Force, defense production guarantees	−3,754	4,436	2,672
Defense agencies, defense production guarantees	28,378		−1
Civil defense procurement fund	17	−41	(*)
Intragovernmental funds:			
Department of the Army	−132,199	−464,729	−75,244
Department of the Navy	64,664	−743,917	−195,808
Department of the Air Force	−39,835	17,949	1,933
Defense agencies	−18,973	−213,519	−187,136
Total revolving and management funds	−98,918	−1,400,613	−452,483
Total military	46,815,355	48,252,421	49,759,598
Civil:			
Army:			
Corps of Engineers:			
Rivers and harbors and flood control	946,164	1,069,380	1,091,869
Intragovernmental funds (net)	890	2,543	839
The Panama Canal:			
Canal Zone Government	23,524	26,720	30,806
Panama Canal Company:			
Public enterprise funds (net)	1,724	8,364	2,074
Thatcher Ferry Bridge	10,806	1,716	−311
Total the Panama Canal	36,054	36,801	32,569
Other	16,201	19,314	27,730
Navy, wildlife conservation, etc			2
Air Force, wildlife conservation, etc	30	28	25
Total civil	999,337	1,128,066	1,153,035
Total Defense Department	47,814,692	49,380,487	50,912,634
Health, Education, and Welfare Department:			
Food and Drug Administration:			
Public enterprise fund (net)			−111
Other	21,487	29,227	38,386
Office of Education:			
Payments to school districts	226,419	276,869	283,688
Assistance for school construction	56,490	66,242	50,601
Defense educational activities	181,359	198,336	239,576
Other	78,502	82,258	86,023
Vocational Rehabilitation Administration	84,713	97,594	119,908
Public Health Service:			
Community health:			
Hospital construction activities	167,200	189,117	194,482
Other	64,378	80,616	119,265

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
Health, Education, and Welfare Department—Continued			
Public Health Service—Continued			
Environmental health	82,785	111,537	141,426
Medical services	117,250	118,799	124,683
National Institutes of Health	580,762	723,596	909,601
Operation of commissaries, narcotic hospitals (net)	2	3	—3
Emergency health activities	3,311	19,998	20,080
Other	12,397	10,939	36,085
Total Public Health Service	1,028,085	1,254,604	1,545,619
Saint Elizabeths Hospital	7,531	7,490	9,348
Social Security Administration:			
Operating fund, Bureau of Federal Credit Unions (net)	—162	—132	116
Other	—32	32	5
Welfare Administration:			
Grants to States for public assistance	2,432,141	2,729,582	2,944,052
Grants for maternal and child welfare	68,251	76,058	89,355
Other	8,604	65,862	61,437
Special institutions:			
American Printing House for the Blind	670	719	775
Freedmen's Hospital	3,493	3,740	4,174
Gallaudet College	3,169	1,983	2,354
Howard University	7,792	11,127	12,088
Office of the Secretary:			
Intragovernmental funds (net)	—350	49	—81
Other	7,291	7,700	10,419
Total Health, Education, and Welfare Department	4,215,450	4,909,340	5,497,732
Interior Department:			
Public land management:			
Bureau of Land Management	97,709	113,568	118,599
Bureau of Indian Affairs:			
Public enterprise funds (not):			
Revolving fund for loans	1,786	4,861	5,094
Other	—3	2	—2
Other	147,859	191,330	199,123
National Park Service	93,472	110,543	127,830
Bureau of Outdoor Recreation	19	969	1,900
Office of Territories:			
Public enterprise funds (net)	6	23	—103
Other	22,977	31,034	40,245
The Alaska Railroad (net)	—1,483	—942	1,809
Mineral resources:			
Geological Survey	49,909	56,491	60,425
Bureau of Mines:			
Public enterprise funds (net)	955	—9,508	9,794
Other	33,824	37,366	38,854
Office of Coal Research	373	1,470	2,627
Office of Minerals Exploration	380	2,060	1,190
Office of Oil and Gas	510	556	613
Fish and Wildlife Service:			
Office of Commissioner of Fish and Wildlife	349	376	380
Bureau of Commercial Fisheries:			
Public enterprise funds (net)	956	—1,402	—537
Other	23,614	27,166	32,725
Bureau of Sports Fisheries and Wildlife	54,514	65,791	70,229
Water and power development:			
Bureau of Reclamation:			
Public enterprise funds (net):			
Continuing fund for emergency expenses, Fort Peck project, Montana	—2,485	—996	—896
Upper Colorado River Basin fund	92,471	106,529	95,123
Other	242,284	238,644	245,156
Total Bureau of Reclamation	332,270	344,177	339,383
Bonneville Power Administration	29,453	29,970	44,991
Southeastern Power Administration	362	457	758
Southwestern Power Administration	5,640	6,216	10,303
Office of Saline Water	4,113	8,674	9,494

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
Interior Department—Continued			
Secretarial offices:			
Office of the Solicitor	3,493	3,677	3,902
Office of the Secretary	3,141	3,322	3,831
Virgin Islands Corporation (net)	1,617	554	326
Total Interior Department	907,816	1,028,800	1,123,784
Justice Department:			
Legal activities and general administration	52,203	58,083	60,893
Federal Bureau of Investigation	126,483	135,527	143,024
Immigration and Naturalization Service	63,216	66,323	67,101
Federal Prison System:			
Federal Prison Industries, Inc. (net)	−4,302	−3,121	−4,610
Other	56,841	60,222	61,586
Total Justice Department	294,441	317,035	327,994
Labor Department:			
Bureau of Labor Statistics	14,329	15,825	17,870
Bureau of International Labor Affairs	217	791	938
Manpower Administration:			
Public enterprise funds (net):			
Advances to employment security administration account, unemployment trust fund	31,440	−85,248	−7,435
Farm labor supply revolving fund	−366	−1,226	−1,200
Manpower development and training activities	------------	51,824	109,970
Bureau of Apprenticeship and Training	4,694	5,291	5,647
Payment to the Federal extended compensation account	332,922	2,392	−19,358
Unemployment compensation for Federal employees and ex-servicemen	129,359	152,859	152,514
Other	9,719	9,998	9,250
Total Manpower Administration	507,768	135,889	249,389
Labor-management relations:			
Bureau of Veterans' Reemployment Rights	606	653	756
Labor-Management Services Administration	5,144	5,929	7,239
Wage and labor standards:			
Bureau of Labor Standards	2,973	4,156	3,709
Women's Bureau	575	914	802
Wage and Hour Division	15,218	17,789	19,926
Employees' compensation:			
Employees' compensation claims and expenses	63,906	65,263	58,812
Other	3,792	3,894	4,369
Office of the Solicitor	3,825	4,306	4,616
Office of the Secretary	1,443	1,870	1,989
Total Labor Department	619,796	257,279	370,415
Post Office Department:			
Payment for public services	62,700	------------	------------
Public enterprise fund (net)—postal fund	734,176	770,335	577,699
Total Post Office Department	796,876	770,335	577,699
State Department:			
Administration of foreign affairs:			
Salaries and expenses	122,114	151,915	[15] 148,852
Acquisition, operation, and maintenance of buildings abroad	17,048	13,427	15,690
Intragovernmental funds (net)	214	−1,450	356
Other	4,021	2,957	3,272
Total administration of foreign affairs	143,398	166,849	168,170
International organizations and conferences:			
Contributions to international organizations	93,820	94,554	99,503
Loans to the United Nations	------------	72,070	4,193
Other	4,338	4,231	4,931

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
State Department—Continued			
International commissions	12,524	15,999	12,556
Educational exchange	48,312	45,580	45,956
Other	4,173	9,211	11,817
Total State Department	306,564	408,493	347,126
Treasury Department:			
Office of the Secretary:			
Public enterprise funds (net):			
Reconstruction Finance Corporation liquidation fund	−1,380	−3,127	−2,436
Federal Farm Mortgage Corporation liquidation fund	−274	−533	−410
Civil defense program fund	−138	−135	−59
Intragovernmental funds (net)		−1	1
Other	4,196	4,625	5,283
Bureau of Accounts:			
Interest on uninvested funds	10,357	10,917	10,719
Claims, judgments, and relief acts	43,141	26,248	31,896
Government losses in shipment fund (net)	67	536	339
Salaries and expenses	28,145	31,935	31,853
Other		(*)	(*)
Bureau of Customs:			
Intragovernmental funds (net)			
Other	62,699	67,268	74,621
Bureau of Engraving and Printing:			
Intragovernmental funds (net)	−20	−2,272	253
Other	645	43	148
Bureau of the Mint	7,311	7,534	9,164
Bureau of Narcotics	4,356	4,659	5,389
Bureau of the Public Debt	47,146	48,787	48,545
U.S. Coast Guard:			
Intragovernmental funds (net)	300	−2,195	−1,630
Other	283,557	298,777	351,436
Internal Revenue Service:			
Interest on refunds of taxes	67,806	73,857	88,409
Payments to Puerto Rico for taxes collected	29,777	44,780	44,962
Salaries and expenses	443,134	497,273	560,196
Office of the Treasurer:			
Check forgery insurance fund (net)		−2	20
Other	15,710	16,111	13,657
U.S. Secret Service	6,710	7,540	9,134
Interest on the public debt: [16]			
Public issues	7,857,633	8,604,272	9,280,107
Special issues	1,262,126	1,291,032	1,385,751
Total interest on the public debt	9,119,760	9,895,304	10,665,858
Total Treasury Department	10,173,006	11,027,931	11,947,349
Atomic Energy Commission	2,805,631	2,757,876	2,764,565
Federal Aviation Agency:			
Grants-in-aid for airports	57,858	51,493	65,248
Other	640,552	674,817	685,302
Total Federal Aviation Agency	698,410	726,311	750,550
General Services Administration:			
Real property activities:			
Construction, public buildings projects	71,336	91,779	160,818
Repair and improvement of public buildings	59,462	62,502	73,365
Intragovernmental funds (net)	−16,233	5,707	−21,162
Other	204,817	232,420	260,128
Personal property activities:			
Intragovernmental funds (net)	32,111	−17,895	28,313
Other	33,242	40,091	46,610
Utilization and disposal activities	8,583	9,699	9,585
Records activities	13,960	14,389	14,546
Transportation and communications activities	3,453	4,652	4,230

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
General Services Administration—Continued			
Defense materials activities:			
Public enterprise funds (net)	−86		
Intragovernmental funds (net)	−1	−859	−114
Strategic and critical materials	33,635	22,671	15,957
General activities:			
Public enterprise funds (net)	−195	−168	−582
Intragovernmental funds (net)	−328	−700	−729
Other	1,503	1,609	1,746
Total General Services Administration	445,259	465,896	592,711
Housing and Home Finance Agency:			
Office of the Administrator:			
Public enterprise funds (net):			
College housing loans	227,341	283,574	219,334
Liquidating programs	−5,651	−2,014	−1,799
Urban renewal fund	226,949	173,208	235,012
Other	30,484	53,608	79,919
Open-space land grants	110	265	5,130
Other	19,400	27,180	31,409
Total Office of the Administrator	498,633	535,821	569,006
Federal National Mortgage Association (net):			
Loans for secondary market operations			4,460
Purchase of preferred stock			−70,820
Management and liquidating functions fund	−176,914	−162,265	−138,359
Special assistance functions fund	53,559	−277,044	−141,925
Total Federal National Mortgage Association	−123,355	−439,309	−346,644
Federal Housing Administration (net)	199,218	134,951	−43,442
Public Housing Administration (net)	164,830	178,867	149,207
Total Housing and Home Finance Agency	739,327	410,330	328,127
National Aeronautics and Space Administration	1,257,048	2,552,347	4,170,997
Veterans' Administration:			
Compensation, pensions, and benefit programs	3,898,002	4,001,326	4,057,282
Public enterprise funds (net):			
Direct loans to veterans and reserves	92,774	−86,187	−32,303
Loan guaranty revolving fund	143,522	−22,922	76,498
Other	14,501	−20,676	−16,820
Other	1,242,794	1,301,282	1,393,444
Total Veterans' Administration	5,391,592	5,172,823	5,478,101
Other independent agencies:			
Advisory Commission on Intergovernmental Relations	277	412	366
Alaska International Rail and Highway Commission	4	−1	
American Battle Monuments Commission	1,833	1,826	1,786
Central Intelligence Agency—construction	7,497	1,722	285
Civil Aeronautics Board:			
Payments to air carriers	82,423	81,857	84,122
Other	8,373	9,374	10,023
Civil Service Commission:			
Payment to civil service retirement and disability fund	44,637	30,000	62,000
Government payment for annuitants, employees health benefits fund	2,877	6,789	9,500
Government contribution, retired employees health benefits fund	13,800	13,200	14,800
Other	24,160	23,694	25,118
Total Civil Service Commission	85,474	73,683	111,418
Commission of Fine Arts	68	82	87
Commission on Civil Rights	744	1,046	817
Commission on International Rules of Judicial Procedure		3	7
Export-Import Bank of Washington (net)	101,087	−391,550	−701,784

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
Other independent agencies—Continued			
Farm Credit Administration (net):			
Federal Farm Mortgage Corporation fund	−693		
Short-term credit investment fund [17]	3,535	13,310	5,490
Banks for cooperatives investment fund	−11,470	−11,980	−13,926
Revolving fund for administrative expenses	2,453	2,567	−161
Total Farm Credit Administration	−6,175	3,898	−8,598
Federal Coal Mine Safety Board of Review	58	59	64
Federal Communications Commission	13,371	14,088	16,717
Federal Home Loan Bank Board (net):			
Federal Savings and Loan Insurance Corporation fund	−236,283	−263,543	−248,096
Other	−505	−118	−322
Federal Maritime Commission	1,163	2,142	2,611
Federal Mediation and Conciliation Service	4,479	5,052	5,702
Federal Power Commission	8,786	10,712	12,324
Federal Reconstruction and Development Planning Commission for Alaska			−30
Federal Trade Commission	9,562	11,515	12,118
Foreign Claims Settlement Commission	613	804	8,924
General Accounting Office	41,039	42,294	45,116
Historical and memorial commissions	108	100	123
Indian Claims Commission	240	269	294
Interstate Commerce Commission	36,646	23,519	24,378
National Capital Housing Authority	41	40	43
National Capital Planning Commission	535	1,882	735
National Capital Transportation Agency	826	2,323	982
National Labor Relations Board	18,623	20,945	22,049
National Mediation Board	1,813	1,812	1,939
National Science Foundation	182,689	206,372	310,072
Outdoor Recreation Resources Review Commission	664	88	(*)
Participation in Interstate Federal Commissions:			
Delaware River Basin Commission		130	153
Interstate Commission on the Potomac River Basin	5	5	5
President's Advisory Committee on Labor-Management Policy	108	120	113
Railroad Retirement Board	7,000	−601	
Renegotiation Board	2,591	2,325	2,509
St. Lawrence Seaway Development Corp. (net)	536	1,437	154
Securities and Exchange Commission	10,988	13,207	14,337
Selective Service System	35,097	34,489	40,936
Small Business Administration:			
Public enterprise fund (net)	222,776	137,408	124,316
Salaries and expenses	6,825	4,850	8,591
Other	343	150	25
Total Small Business Administration	229,944	142,407	132,933
Smithsonian Institution	25,512	20,204	21,791
Subversive Activities Control Board	331	338	348
Tariff Commission	2,641	2,767	2,932
Tax Court of the United States	1,683	1,770	1,928
Tennessee Valley Authority (net)	102,969	53,449	59,291
U.S. Arms Control and Disarmament Agency	1,033	2,333	6,195
U.S. Information Agency:			
Informational media guaranty fund (net)	1,383	1,850	940
Salaries and expenses	119,801	131,564	140,620
Radio construction	16,300	14,756	12,157
Other	10,985	7,294	7,392
Total U.S. Information Agency	148,469	155,463	161,109
U.S. study commissions	1,756	775	170
Total other independent agencies	936,737	293,322	159,177

Footnotes at end of table.

TABLE 4.—*Administrative budget receipts and expenditures, fiscal years 1962, 1963, and 1964*—Continued

[In thousands of dollars]

Expenditures [8]	1962 [2]	1963 [2]	1964
District of Columbia:			
Federal payment to District of Columbia	32,753	33,199	40,368
Advances for general expenses (repayable)	−5,000	7,000	7,000
Loans to District of Columbia for capital outlay	44,250	24,950	9,450
Loans to District of Columbia (stadium fund)	416	416	656
Interfund transactions (−)[7]	−632,656	−513,397	−663,622
Net administrative budget expenditures	87,786,767	92,641,797	97,684,375
Administrative budget surplus, or deficit (−)	−6,377,675	−6,265,587	−8,225,711

*Less than $500.

[1] Internal revenue and customs receipts are stated on a collection basis. Other receipts are reported on a deposits confirmed basis. See "Bases of Tables," annual report 1962, p. 502.

[2] Certain figures for the fiscal years 1962 and 1963 have been adjusted to correspond to classifications for fiscal 1964.

[3] Distribution between income taxes and employment taxes is made in accordance with provisions of section 201 of the Social Security Act, as amended, for transfer to the Federal old-age and survivors and Federal disability insurance trust funds (42 U.S.C. 401(a)).

[4] Includes adjustments of prior estimates as follows: Income taxes withheld, $416,186,544; income taxes—other, −$92,403,881; transfers to Federal old-age and survivors insurance trust fund, $296,596,928; and transfers to Federal disability insurance trust fund, $27,185,734.

[5] Amounts of refunds of principal of overpaid taxes formerly reported net of reimbursements from trust fund accounts are reported herein on a gross basis. These reimbursements to the Internal Revenue Service for refunds are included and netted with amounts of transfers to the respective trust fund accounts.

[6] The principal amount of refunds of employment taxes and excise (highway) taxes are excluded from the transfers and are included in refunds of internal revenue receipts applicable to trust accounts.

[7] Mainly interest payments by Government corporations and agencies that borrow from the Treasury. For details of these interfund transactions, fiscal years 1961–64, see table 8. These interfund transactions deducted from budget receipts and expenditures do not include payments to the Treasury by wholly owned Government corporations for retirement of their capital stock and for disposition of earnings. Those capital transfers have been excluded from budget receipts and expenditures since July 1, 1948.

[8] Expenditures are stated on the basis of checks issued (except interest on the public debt) and certain cash payments. See "Bases of Tables."

[9] Net cash transactions under provisions of section 2(a)(3) of an act, approved Aug. 14, 1957 (22 U.S.C. 1813(c)).

[10] Includes $28,646,374 transferred to trust account, Agriculture Department, food stamp program, pursuant to section 32 of the act of Aug. 24, 1935, as amended (7 U.S.C. 612).

[11] Residual of gross receipts and expenditures after reduction for noncash costs which are included in amounts shown for special activities financed by Commodity Credit Corporation.

[12] Includes certain amounts transferred from price support operations for which expenditures may have been made in prior years.

[13] Most Bureau of Public Roads expenditures are made from the highway trust fund and do not appear in this table.

[14] Estimated adjustments to reclassify expenditures for comparability with the 1964 budget appropriation structure. These adjustments are between the major categories of expenditures and do not affect the total expenditures for military functions. Amounts shown for the respective departments represent the expenditures as recorded in accounts of the departments and do not include any adjustments for comparability.

[15] Gives effect to reimbursements collected for administrative support furnished to other agencies amounting to $94,193,155.

[16] Expenditures are stated on an accrual basis.

[17] In accordance with legislation approved on Oct. 3, 1961 (12 U.S.C. 1131l), the investment funds for Federal intermediate credit banks and production credit associations were combined into a single investment fund.

TABLE 5.—*Trust receipts and expenditures, fiscal years 1962, 1963, and 1964*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Receipts	1962 [1]	1963 [1]	1964
Legislative Branch:			
Payments from general fund	179	179	180
Other	1,263	1,451	1,831
The judiciary:			
Judicial survivors annuity fund:			
Contributions	554	595	645
Interest on investments	60	63	76
Funds appropriated to the President:			
Foreign assistance—military advances	354,944	949,789	719,701
Foreign assistance—economic	1,389	3,624	769
Other	19	128	164
Agriculture Department	46,335	51,035	55,711
Commerce Department:			
Highway trust fund: [2]			
Transfers from general fund receipts	3,079,993	3,405,017	3,645,793
Less refunds of taxes	−131,303	−126,319	−126,637
Interest on investments	6,772	14,268	20,361
Total highway trust fund	2,955,462	3,292,966	3,539,518
Other	11,076	28,499	33,052
Defense Department:			
Military	5,052	5,549	5,178
Civil:			
Payments from general fund	2,849	2,957	3,057
Other	24,441	34,689	42,940
Health, Education, and Welfare Department:			
Federal old-age and survivors insurance trust fund: [3]			
Transfers from general fund receipts:			
Appropriated	10,714,782	12,466,041	14,488,597
Unappropriated	15,000	13,000	−1,000
Less refunds of taxes	−129,760	−127,850	−152,470
Deposits by States	869,621	989,571	1,166,599
Interest and profits on investments	539,049	512,408	539,044
Other	2,275	2,490	2,604
Total Federal old-age and survivors insurance trust fund	12,010,967	13,855,660	16,043,374
Federal disability insurance trust fund: [4]			
Transfers from general fund receipts:			
Appropriated	955,450	1,006,338	1,070,186
Unappropriated	1,000	−1,000	
Less refunds of taxes	−11,907	−11,575	−13,330
Deposits by States	77,324	81,858	86,305
Interest and profits on investments	69,956	69,635	67,660
Total Federal disability insurance trust fund	1,091,822	1,145,256	1,210,821
Other	512	541	867
Interior Department:			
Indian tribal funds	40,200	46,504	70,253
Payments from general fund	40,431	22,654	23,468
Other	14,435	11,455	10,835
Labor Department:			
Unemployment trust fund: [5]			
Employment security administration account:			
Transfers (Federal unemployment taxes):			
Appropriated	457,258	948,339	854,306
Unappropriated	371	126	−3,448
Less refunds of taxes	−4,991	−3,097	−4,291
Advances from general (revolving) fund	320,312	173,500	239,705
Less return of advances to the general fund	−285,400	−255,412	−244,205
State accounts—deposits by States	2,728,617	3,008,934	3,042,408
Railroad unemployment insurance account:			
Deposits by Railroad Retirement Board	147,111	149,798	144,087
Advances from railroad retirement account	101,470	37,699	35,187
Advances from general fund	7,000		
Less return of advances to the general fund		−601	

Footnotes at end of table.

TABLE 5.—*Trust receipts and expenditures, fiscal years 1962, 1963, and 1964*—Con.

[In thousands of dollars]

Receipts	1962 [1]	1963 [1]	1964
Labor Department—Continued			
Unemployment trust fund—Continued [5]			
Railroad unemployment insurance administration fund:			
Deposits by Railroad Retirement Board	8,148	7,884	11,970
Federal extended compensation account:			
Advances from general fund	332,922	2,392	(*)
Interest and profits on investments	172,555	191,107	212,608
Total unemployment trust fund	3,985,372	4,260,668	4,288,328
Other	72	39	89
State Department:			
Foreign service retirement and disability fund:			
Deductions from salaries and other receipts	3,213	3,298	3,440
Employing agency contributions	2,853	3,136	3,308
Receipts from civil service retirement and disability fund	2,836	336	385
Interest on investments	1,369	1,461	1,507
Other	372	110	338
Treasury Department	15,840	16,454	26,054
Atomic Energy Commission	----------	274	629
Federal Aviation Agency	----------	3	----------
General Services Administration	3,715	2,001	283
National Aeronautics and Space Administration	1	1	201
Veterans' Administration:			
Government life insurance fund:			
Premiums and other receipts	18,097	16,926	15,805
Payments from general fund	166	−240	−143
Interest on investments	36,044	35,114	34,464
National service life insurance fund:			
Premiums and other receipts	482,781	476,733	478,300
Payments from general fund	6,885	5,993	5,969
Interest on investments	174,202	175,023	176,471
Other	1,905	1,889	1,870
Total Veterans' Administration	720,081	711,438	712,737
Other independent agencies:			
Civil Service Commission:			
Civil Service retirement and disability fund:			
Deductions from employees' salaries, etc	851,145	920,753	979,886
Payments from other funds:			
Employing agency contributions	851,251	920,853	979,941
Federal contribution	44,637	30,000	62,000
Voluntary contributions, donations, etc	12,375	13,191	14,592
Interest and profits on investments	315,848	362,259	419,838
Total Civil Service Commission	2,075,256	2,247,055	2,456,257
Railroad Retirement Board:			
Railroad retirement account:			
Transfers (Railroad Retirement Act taxes):			
Appropriated	559,704	559,049	608,970
Unappropriated	4,561	12,486	−15,493
Fines and penalties	----------	----------	(*)
Interest and profits on investments	107,413	105,214	130,128
Interest on advances to railroad unemployment insurance account	12,390	8,946	9,508
Repayment of advances to railroad unemployment insurance account	24,825	----------	37,454
Payment from Federal old-age and survivors and Federal disability insurance trust funds	371,818	442,132	421,775
Total Railroad Retirement Board	1,080,710	1,127,826	1,192,341
Other	83	24,325	48,098
District of Columbia:			
Revenues from taxes, etc	221,982	253,836	272,163
Payments from general fund:			
Federal contribution	32,753	33,199	40,368
Advances for general expenses	3,000	10,000	33,000
Less return of advances to general fund	−8,000	−3,000	−26,000
Loans for capital outlay	44,250	24,950	9,450
Other loans and grants	29,825	22,380	26,606

Footnotes at end of table.

TABLE 5.—*Trust receipts and expenditures, fiscal years 1962, 1963, and 1964*—Con.

[In thousands of dollars]

Receipts and expenditures	1962 [1]	1963 [1]	1964
Interfund transactions (−):			
Payments to employees' retirement fund receipts	−12,254	−13,320	−14,563
Payments between funds:			
FOASI trust fund to railroad retirement account	−360,788	−422,523	−402,636
Unemployment trust fund from railroad retirement account	−101,470	−37,699	−35,187
Other	−53,285	−31,305	−68,994
Total interfund transactions (−)[6]	−527,797	−504,847	−521,379
Net trust receipts	24,289,776	27,688,538	30,330,646
EXPENDITURES			
Legislative Branch	1,351	1,723	1,644
The judiciary–judicial survivors annuity fund	392	416	490
Funds appropriated to the President:			
Foreign assistance–military advances	360,909	673,736	480,751
Foreign assistance–economic	1,961	1,015	2,024
Other	15	70	152
Agriculture Department:			
Trust enterprise funds (net)	918	−518	717
Other	41,377	45,776	50,854
Commerce Department:			
Highway trust fund–Federal-aid highways	2,783,864	3,016,701	3,645,013
Other	38,425	26,141	25,303
Defense Department:			
Military	4,947	5,116	5,149
Civil:			
Trust enterprise funds (net)	−4	10	6
Other	24,230	29,162	44,142
Health, Education, and Welfare Department:			
Federal old-age and survivors insurance trust fund:			
Administrative expenses—Bureau of Old-Age and Survivors Insurance	263,499	275,423	312,382
Reimbursement of administrative expenses from Federal disability insurance trust fund	−60,273	−62,935	−63,850
Payments to general fund—administrative expenses	45,252	48,458	51,714
Payments to Railroad Retirement Board	360,788	422,523	402,636
Benefit payments	12,657,835	13,844,584	14,579,166
Construction	3,082	1,657	2,558
Total Federal old-age and survivors insurance trust fund	13,270,183	14,529,710	15,284,607
Federal disability insurance trust fund:			
Administrative expenses—reimbursement to Federal old-age and survivors insurance trust fund	62,477	65,349	66,358
Payments to general fund—administrative expenses	3,654	3,577	3,841
Benefit payments	1,011,376	1,170,678	1,251,207
Payment to Railroad Retirement Board	11,030	19,609	19,139
Total Federal disability insurance trust fund	1,088,537	1,259,214	1,340,545
Other	266	549	833
Interior Department:			
Indian tribal funds	63,973	66,871	66,093
Other	13,447	12,067	10,882
Justice Department (net):			
Alien property activities	5,440	31,689	52,783
Federal Prison System commissary funds	−28	18	11
Labor Department:			
Unemployment trust fund:			
Employment security administration account:			
Salaries and expenses, Bureau of Employment Security	10,029	11,552	12,829
Grants to States for unemployment compensation and employment service administration	467,592	336,420	412,707
Payments to general fund:			
Reimbursements and recoveries	5,067	5,604	54,594
Interest on refunds of taxes	57	73	93
Payment of interest on advances from general (revolving) fund	3,471	3,337	2,935

Footnotes at end of table.

TABLE 5.—*Trust receipts and expenditures, fiscal years 1962, 1963, and 1964*—Con.

[In thousands of dollars]

Expenditures	1962 [1]	1963 [1]	1964
Labor Department—Continued			
Unemployment trust fund—Continued			
Railroad unemployment insurance account:			
Benefit payments	201,622	166,744	133,912
Temporary extended unemployment benefits	9,288	94	
Repayment of advances to railroad retirement account	24,825		37,454
Payment of interest on advances from railroad retirement account	12,390	8,946	9,508
Repayment of advances from general fund	2,455	9,853	7,090
Railroad unemployment insurance administration fund:			
Administrative expenses	9,078	8,840	9,070
State accounts:			
Withdrawals by States	2,856,583	2,812,637	2,703,275
Reimbursements from Federal extended compensation account	−37,786	−2,392	−1
Federal extended compensation account:			
Temporary extended unemployment compensation payments	303,932	−14,967	−2,305
Reimbursements to State accounts	37,786	2,392	1
Repayment of advances from general fund		466,327	325,402
Total unemployment trust fund	3,906,391	3,815,459	3,706,564
Other	57	166	126
State Department:			
Foreign service retirement and disability fund	5,525	7,085	7,486
Other	386	193	300
Treasury Department	17,895	22,677	18,492
Atomic Energy Commission		125	638
Federal Aviation Agency	135	19	36
General Services Administration:			
Trust enterprise funds (net)	−25	4	−18
Other	3,451	2,169	383
Housing and Home Finance Agency:			
Federal National Mortgage Association:			
Loans for secondary market operations (net)			[7] 66,360
Other secondary market operations (net)	316,736	−730,222	−103,752
National Aeronautics and Space Administration			98
Veterans' Administration:			
Government life insurance fund-benefits, refunds, and dividends	96,243	79,131	72,204
National service life insurance fund-benefits, refunds, and dividends	626,351	747,095	585,267
Other	1,709	1,660	1,655
Other independent agencies:			
Civil Service Commission:			
Civil service retirement and disability fund	1,057,644	1,175,887	1,318,296
Employees health benefits fund (net)	−10,815	−12,326	−14,562
Employees' life insurance fund (net)	−70,303	−32,239	−49,383
Retired employees health benefits fund (net)	−91	−143	−115
Total Civil Service Commission	976,436	1,131,179	1,254,235
National Capital Housing Authority (net)	111	−2,437	−436
Railroad Retirement Board:			
Railroad retirement account:			
Administrative expenses	9,222	9,833	11,021
Benefit payments, etc	1,023,948	1,064,001	1,092,451
Advances to railroad unemployment insurance account	101,470	37,699	35,187
Interest on refunds of taxes	5	1	(*)
Total Railroad Retirement Board	1,134,644	1,111,533	1,138,659
Other:			
Trust enterprise funds (net)	−11	10	43
Other	180	289	652
District of Columbia	334,914	333,546	355,247

Footnotes at end of table.

TABLE 5.—*Trust receipts and expenditures, fiscal years 1962, 1963, and 1964*—Con.

[In thousands of dollars]

Expenditures	1962 [1]	1963 [1]	1964
Deposit fund accounts:			
Food stamps issued (receipts):			
Payments from general fund	−13,153	−18,640	−28,646
Receipts from sales	−21,835	−31,051	−44,996
Food stamps redeemed (expenditures)	34,415	48,602	73,663
Other deposit funds (net)	−543,725	146,756	−566,999
Subtotal trust and deposit fund expenditures	24,577,033	26,364,812	27,549,262
Government-sponsored enterprises (net):			
Farm Credit Administration:			
Banks for cooperatives	50,500	29,289	37,092
Federal intermediate credit banks	129,191	276,889	182,203
Federal land banks	194,506	176,418	248,401
Federal Home Loan Bank Board:			
Home loan banks	872,105	363,215	1,571,914
Federal Deposit Insurance Corporation	−154,300	−160,546	−182,866
Total Government-sponsored enterprises	1,092,003	685,265	1,856,744
Interfund transactions (−) [6]	−527,797	−504,847	−521,379
Net trust expenditures	25,141,239	26,545,231	28,884,626
Excess of trust receipts, or expenditures (−)	−851,462	1,143,307	1,446,019

*Less than $500.

[1] Certain figures for the fiscal years 1962 and 1963 have been adjusted to correspond to classifications for fiscal 1964.

[2] Details of this trust fund may be found in table 76.

[3] Details of this trust fund may be found in table 74.

[4] Details of this trust fund may be found in table 73.

[5] Details of this trust fund may be found in table 83.

[6] Mainly financial interchanges between trust funds resulting in receipts and expenditures. For details of these interfund transactions for the fiscal years 1961–64, see table 9.

[7] Includes purchase of preferred stock in amount of $70,820,304 and net borrowings from Treasury for secondary market operations in amount of $4,460,000.

TABLE 6.—*Investments in public debt and agency securities (net), fiscal years 1962, 1963, and 1964*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Investing agency [1]	1962	1963	1964
Public enterprise funds:			
Commerce Department:			
Federal ship mortgage insurance fund	------------	3,543	−2,785
War risk insurance revolving fund	------------	3,153	212
Federal National Mortgage Association:			
Guaranteed securities (FHA debentures)	42,092	−27,336	−63,726
Federal Housing Administration:			
Public debt securities	−32,198	−4,965	62,309
Guaranteed securities (FHA debentures)	------------	41,322	76,053
Public Housing Administration	------------	------------	24,500
Federal Savings and Loan Insurance Corporation	229,000	268,594	244,000
Tennessee Valley Authority	−29,200	−10,000	------------
Other:			
Housing and Home Administration (FHA debentures)	4	−4	------------
Veterans' Administration	−18,324	12,632	22,585
Total public enterprise funds	191,374	286,938	363,147
Trust accounts, etc.:			
Judicial survivors annuity fund	216	241	225
Highway trust fund	201,901	241,808	−68,715
Foreign service retirement and disability fund	4,530	1,181	1,023
Federal disability insurance trust fund [2]	20,562	−128,894	−138,735
Federal old-age and survivors insurance trust fund [2]	−1,088,852	−821,476	691,679
Unemployment trust fund [2]	72,132	456,478	573,223
Federal National Mortgage Association:			
Secondary market operations:			
Public debt securities	------------	91,500	−91,500
Guaranteed securities (FHA debentures)	37,927	−15,423	−18,264
Nonguaranteed securities	------------	59,570	−59,570
Veterans' life insurance funds:			
Government life insurance fund:			
Public debt securities	−43,624	−24,807	−47,162
Nonguaranteed securities	------------	------------	25,000
National service life insurance fund	44,158	−89,614	69,077
Civil Service Commission:			
Civil service retirement and disability fund	1,029,746	1,073,961	1,124,529
Employees health benefits fund	11,175	14,426	15,103
Employees' life insurance fund	50,945	55,836	49,503
Retired employees health benefits fund	1,631	−1,531	------------
Railroad retirement account	−62,549	501	68,963
Government-sponsored enterprises (net):			
Farm Credit Administration:			
Banks for cooperatives	−2,990	51	1,408
Federal intermediate credit banks	2,804	781	−53
Federal land banks	−2,200	−1,933	−79
Federal Home Loan Bank Board:			
Home loan banks	−121,995	611,935	−140,744
Federal Deposit Insurance Corporation	154,300	160,546	182,866
Other [3]	−8,682	96,703	174,299
Total trust accounts, etc	301,134	1,781,840	2,412,077
Net investments, or sales (−)	492,508	2,068,778	2,775,224

[1] Certain figures for the fiscal years 1962 and 1963 as published in previous annual reports have been adjusted to correspond to classifications for the fiscal year 1964.
[2] Takes into account accrued interest, discount, or premium on securities purchased, and net amortization or repayments.
[3] Includes Exchange Stabilization Fund.

TABLE 7.—*Sales and redemptions of Government agency securities in market (net), fiscal years 1962, 1963, and 1964*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Issuing agency [1]	1962	1963	1964
Public enterprise funds:			
Guaranteed by the United States:			
Federal Farm Mortgage Corporation in liquidation	4	9	17
Federal Housing Administration:			
Issues (net) to Government agencies	-80,023	1,441	5,937
Issues (net) to the public	-124,004	-163,854	-212,350
Homes Owners' Loan Corporation	20	12	14
Not guaranteed by the United States:			
Federal National Mortgage Association (management and liquidating functions)	21	5	
Home Owners' Loan Corporation	1	1	(*)
Tennessee Valley Authority	-95,000		-35,000
Trust enterprise funds:			
Not guaranteed by the United States:			
Federal National Mortgage Association (secondary market operations)	-358,710	597,018	261,710
Government-sponsored enterprises (net):			
Not guaranteed by the United States:			
Farm Credit Administration:			
Banks for cooperatives	-47,510	-29,340	-38,500
Federal intermediate credit banks	-131,995	-277,670	-182,150
Federal land banks	-192,306	-174,486	-248,322
Federal Home Loan Bank Board:			
Home loan banks	-750,110	-975,150	-1,431,170
Net redemptions, or sales (-)	-1,779,613	-1,022,013	-1,879,813

*Less than $500.
[1] Certain figures for fiscal years 1962 and 1963 as published in previous annual reports have been adjusted correspond to classifications for fiscal year 1964.

TABLE 8.—*Interfund transactions excluded from both net budget receipts and budget expenditures, fiscal years 1961–64*

[In thousands of dollars]

Interest and other payments	Fiscal year 1961	1962	1963	1964
Interest paid Treasury by revolving funds: [1]				
Funds appropriated to the President, expansion of defense production [2]	6,141	7,860	6,328	154,294
Department of Agriculture:				
Commodity Credit Corporation	409,575	329,584	186,384	199,169
Farmers Home Administration:				
Agricultural credit insurance fund	1,196	923	998	2,296
Direct loan account	-----------	9,000	10,706	12,019
Department of Commerce, Federal ship mortgage insurance fund	54	9	-----------	263
Department of Defense—civil, Panama Canal Company fund	8,781	9,364	10,006	10,894
Department of Health, Education, and Welfare, Bureau of Federal Credit Unions	-----------	-----------	-----------	-----------
Department of the Interior:				
Colorado River Dam fund, Boulder Canyon project	3,114	3,081	3,030	2,946
Virgin Islands Corporation	398	346	364	403
Treasury Department, Civil defense program fund	25	19	13	8
Housing and Home Finance Agency:				
Office of the Administrator:				
College housing loans	20,017	25,314	32,502	41,394
Urban renewal fund	2,914	3,227	4,944	5,344
Public facility loans	1,594	2,006	2,709	3,540
Federal National Mortgage Association	91,915	114,096	118,279	99,410
Public Housing Administration	1,102	1,128	1,441	2,099
Veterans' Administration, direct loans to veterans and reserves	31,990	40,050	47,474	48,795
Export-Import Bank [3]	42,877	56,757	51,134	34,381
St. Lawrence Seaway Development Corporation	2,000	2,165	2,200	2,952
Small Business Administration	15,238	14,249	20,149	26,521
Tennessee Valley Authority	-----------	-----------	148	695
U.S. Information Agency, informational media guaranty fund	1,065	610	571	622
Total interest payments	639,997	619,789	499,383	648,044
Other payments:				
Department of Defense, civil:				
Reimbursements:				
Panama Canal Company:				
Net cost of Canal Zone Government [4]	12,781	11,829	13,193	14,678
Part of treaty payment to Panama for use of Canal Zone	430	410	430	430
Fees and other charges for accounting and auditing services (various agencies)	745	628	390	469
Total other payments	13,956	12,868	14,014	15,577
Total interfund transactions	653,953	632,656	513,397	663,622

[1] On loans and other interest-bearing U.S. investments.
[2] By various agencies for programs under the Defense Production Act.
[3] Excludes transactions under Defense Production Act.
[4] Less tolls paid for U.S. Government vessels.

NOTE.—For figures from 1932-60, see annual report for 1961, pp. 450–456

TABLE 9.—*Interfund transactions excluded from both net trust account receipts and net trust account expenditures, fiscal years 1961–64*

[In thousands of dollars]

Trust fund	1961	1962	1963	1964
Federal old-age and survivors insurance trust fund [1]	331,734	360,788	422,523	402,636
Federal disability insurance trust fund [1 2]	6,025	13,235	22,023	21,647
Railroad retirement account [1 3]	132,345	101,470	37,699	35,187
Unemployment trust fund [4]	32,225	37,215	8,946	46,962
Federal employees' retirement funds [5]	----------	2,836	336	385
District of Columbia [6]	12,409	12,254	13,320	14,563
Total	514,738	527,797	504,847	521,379

[1] Payments are made between the railroad retirement account and the Federal old-age and survivors and Federal disability insurance trust funds so as to place those funds in the position in which they would have been if railroad employment after 1936 had been included under social security coverage.

[2] Includes interest on amounts reimbursed to the Federal old-age and survivors insurance trust fund for administrative expenses.

[3] Includes temporary advances to the railroad unemployment insurance account in the unemployment trust fund when the balance in the account is insufficient to meet payments of benefits and refunds due or to become due.

[4] Repayment of advances with interest to the railroad retirement account. See footnote 3.

[5] Transfers from the civil service retirement and disability fund to the foreign service retirement and disability fund.

[6] Contributions and transfers of deductions from employees' salaries to the civil service retirement and disability fund.

TABLE 10.—*Public enterprise (revolving) funds, receipts and expenditures for fiscal year 1964 and net for 1963 and 1964*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Classification	Fiscal year 1964 Receipts	Fiscal year 1964 Expenditures	Fiscal year 1964 Net receipts (−), or expenditures	Fiscal year 1963 Net receipts (−), or expenditures
Funds appropriated to the President:				
Expansion of defense production	70,993	161,877	90,883	−57,069
Foreign assistance—economic:				
Alliance for Progress, development loans	63,812	176,392	112,580	190,595
Development loan funds	34,712	802,757	768,045	685,622
Foreign investment guarantee fund	4,908	77	−4,831	−2,931
Total funds appropriated to the President	174,425	1,141,103	966,678	816,217
Agriculture Department:				
Commodity Credit Corporation:				
Price support and related programs and special milk [1]	2,205,635	5,380,731	3,175,095	3,115,735
Special activities financed by Commodity Credit Corporation [2]	602,994	639,185	36,191	−68,672
Federal Crop Insurance Corporation	24,987	24,168	−819	7,713
Farmers Home Administration:				
Direct loan account, revolving fund	306,868	362,997	56,129	55,012
Other	244,165	277,588	33,423	20,933
Total Agriculture Department	3,384,649	6,684,668	3,300,019	3,130,721
Commerce Department:				
Area Redevelopment Administration	2,411	23	−2,389	−495
Maritime Administration	12,048	17,198	5,150	9,131
Other	819	2	−817	−838
Total Commerce Department	15,278	17,223	1,945	7,798
Defense Department:				
Military functions:				
Defense production guarantees	14,291	18,021	3,729	3,669
Other	707	749	42	−65
Civil functions, Panama Canal Company	121,291	123,365	2,074	8,364
Total Defense Department	136,290	142,135	5,846	11,968
Health, Education, and Welfare Department	6,985	6,987	3	−129
Interior Department:				
Bureau of Indian Affairs	1,608	6,700	5,093	4,863
Bureau of Mines	25,969	35,763	9,794	−9,508
Bureau of Reclamation	7,760	101,987	94,227	105,533
Other	25,823	27,319	1,495	−1,768
Total Interior Department	61,160	171,769	110,609	99,120
Labor Department:				
Advances to employment security administration account, unemployment trust fund	247,140	239,705	−7,435	−85,248
Farm labor supply revolving fund	3,113	1,913	−1,200	−1,226
Total Labor Department	250,253	241,618	−8,635	−86,474
Post Office Department, postal fund	4,393,517	4,971,216	577,699	770,335
Treasury Department:				
Office of the Secretary	2,935	30	−2,905	−3,795
Bureau of Accounts, Government losses in shipment fund	5	344	339	536
Office of the Treasurer, check forgery insurance fund	532	553	20	−2
Total Treasury Department	3,472	927	−2,546	−3,260
General Services Administration	593	11	−582	−168

Footnotes at end of table.

TABLE 10.—*Public enterprise (revolving) funds, receipts and expenditures for fiscal year 1964 and net for 1963 and 1964*—Continued

[In thousands of dollars.]

Classification	Fiscal year 1964			Fiscal year 1963
	Receipts	Expenditures	Net receipts (−), or expenditures	Net receipts (−), or expenditures
Housing and Home Finance Agency:				
Office of the Administrator:				
College housing loans	119,263	338,597	219,334	283,574
Liquidating programs	2,050	250	−1,799	−2,014
Urban renewal fund	99,582	334,594	235,012	173,208
Other	28,305	108,224	79,919	53,608
Federal National Mortgage Association:				
Loans for secondary market operations	43,270	47,730	4,460	
Management and liquidating functions fund	274,408	136,049	−138,359	−162,265
Special assistance functions fund	298,130	156,204	−141,925	−277,044
Purchase of preferred stock	70,820		−70,820	
Federal Housing Administration	779,136	735,694	−43,442	134,951
Public Housing Administration	510,560	659,767	149,207	178,867
Total Housing and Home Finance Agency	2,225,524	2,517,111	291,587	382,885
Veterans' Administration:				
Direct loans to veterans and reserves	313,231	280,928	−32,303	−86,187
Loan guaranty revolving fund	277,720	354,218	76,498	−22,922
Other	89,697	72,877	−16,820	−20,676
Total Veterans' Administration	680,649	708,024	27,375	−129,785
Other independent agencies:				
Export-Import Bank of Washington	1,229,844	528,060	−701,784	−391,550
Farm Credit Administration	16,866	8,268	−8,598	3,898
Federal Home Loan Bank Board	337,407	88,988	−248,419	−263,661
St. Lawrence Seaway Development Corporation	4,963	5,117	154	1,437
Small Business Administration	238,786	363,102	124,316	137,408
Tennessee Valley Authority	311,647	370,938	59,291	53,449
U.S. Information Agency	2,608	3,548	940	1,850
Total other independent agencies	2,142,120	1,368,022	−774,098	−457,171
Total public enterprise funds	13,474,912	17,970,813	4,495,900	4,542,055

[1] Residual of gross receipts and expenditures after reduction for certain costs which are included in amounts shown for special activities.

[2] Includes certain costs transferred from price support operations for which expenditures may have been made in prior years.

NOTE.—This table supplies receipt and expenditure data for public enterprise funds included in table 4 on a net basis.

TABLE 11.—*Trust enterprise (revolving) funds, receipts and expenditures for fiscal year 1964 and net for 1963 and 1964*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Classification	Fiscal year 1964			Fiscal year 1963
	Receipts	Expenditures	Net receipts (−), or expenditures	Net receipts (−), or expenditures
Department of Agriculture:				
Farmers Home Administration	13,535	14,252	717	−518
Department of Defense, civil:				
U.S. Soldiers' Home	128	134	6	10
Department of Justice:				
Alien property activities	2,607	55,391	52,783	31,689
Federal Prison System, commissary funds	2,473	2,484	11	18
General Services Administration:				
Records activities: National Archives trust fund	518	499	−19	4
Housing and Home Finance Agency:				
Federal National Mortgage Association:				
Loans for secondary market operations	47,730	114,090	[1] 66,360	------------
Other	410,320	306,568	−103,752	−730,222
Other independent agencies:				
Civil Service Commission:				
Employees health benefits fund	398,475	383,913	−14,562	−12,326
Employees' life insurance fund	171,608	122,226	−49,383	−32,239
Retired employees health benefits fund	28,410	28,294	−115	−143
National Capital Housing Authority	18,519	18,083	−436	−2,437
Federal Communications Commission	249	292	43	10
Total trust enterprise funds	1,094,571	1,046,226	−48,346	−746,155

[1] Includes purchase of preferred stock in amount of $70,820 thousand and net borrowings from Treasury for secondary market operations in amount of $4,460 thousand.

NOTE.—This table supplies receipt and expenditure data for trust enterprise funds included in table 5 on a net basis.

TABLE 12.—*Administrative budget receipts and expenditures monthly and total for fiscal year 1964*

[In millions of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Receipts and expenditures	July	August	September	October	November	December	January	February	March	April	May	June	Total 1964
RECEIPTS													
Internal Revenue:													
Individual income taxes withheld	1,295	5,607	3,210	1,404	5,429	3,176	1,432	6,105	3,222	889	4,837	2,654	39,259
Individual income taxes—other	381	179	2,140	247	113	405	2,441	870	770	5,006	561	2,219	15,331
Corporation income taxes	574	386	3,603	557	396	3,726	583	451	6,654	684	491	6,196	24,301
Excise taxes	1,179	1,207	1,165	1,156	1,065	1,271	1,087	1,112	1,121	1,103	1,195	1,290	13,950
Employment taxes	537	2,064	1,098	468	1,440	1,147	404	2,835	1,579	1,106	2,864	1,460	17,003
Estate and gift taxes	221	175	148	158	139	150	180	184	196	422	234	208	2,416
Customs	117	108	104	123	106	103	101	87	108	109	100	117	1,284
Miscellaneous receipts	567	250	254	257	224	400	352	591	313	240	243	387	4,077
Gross receipts	4,871	9,977	11,722	4,371	8,911	10,379	6,580	12,235	13,961	9,559	10,525	14,531	117,622
Deduct:													
Refunds of receipts: [1]													
Applicable to budget accounts [2]	244	225	201	207	−31	103	−41	914	1,959	1,575	1,191	303	6,851
Applicable to trust accounts [3]	(*)	3	(*)	(*)	90	(*)	166	31	1	(*)	4	1	297
Transfers to trust accounts	834	2,406	1,398	753	1,720	1,447	521	3,124	1,842	1,360	3,167	1,779	20,351
Interfund transactions [4]	245	52	28	11	1	26	80	120	12	15	26	47	664
Total deductions	1,323	2,687	1,627	971	1,780	1,576	727	4,188	3,813	2,951	4,389	2,130	28,163
Net receipts	3,547	7,290	10,095	3,400	7,131	8,803	5,853	8,047	10,148	6,609	6,136	12,401	89,459
EXPENDITURES													
Legislative branch	14	10	13	13	10	13	15	16	9	13	12	13	152
The judiciary	5	5	5	6	5	5	5	5	6	6	5	6	65
Executive Office of the President	3	1	1	2	1	1	2	2	2	3	2	2	23
Funds appropriated to the President:													
Foreign assistance—military	125	109	99	75	102	52	85	83	148	106	154	347	1,485
Foreign assistance—economic	173	158	142	204	146	200	157	150	134	141	155	237	1,997
Other	22	28	23	39	94	37	35	131	37	86	54	50	637
Agriculture Department:													
Foreign assistance programs	----------	89	125	358	263	158	168	184	188	169	193	−6	1,889
Commodity Credit Corporation	751	554	135	476	167	364	341	154	192	131	−116	62	3,211
Other	232	227	415	137	207	190	279	230	187	219	175	297	2,797
Commerce Department	75	67	52	76	45	41	65	53	48	76	31	57	686

Defense Department:													
Military:													
Department of the Army	894	997	1,016	1,097	993	1,049	1,055	1,010	910	1,058	935	1,237	12,254
Department of the Navy	1,122	1,127	1,076	1,227	1,092	1,254	1,119	1,098	1,229	1,398	1,342	1,568	14,652
Department of the Air Force	1,631	1,622	1,648	1,832	1,561	1,735	1,670	1,671	1,658	1,600	1,835	2,285	20,750
Defense agencies	162	161	168	132	154	163	191	170	181	155	199	161	1,997
Undistributed stock fund transactions	32	131	−1	19	10	28	−17	−3	8	−6	−54	−147	
Civil defense	7	8	9	9	8	8	13	11	9	8	7	8	107
Total military functions	3,848	4,047	3,916	4,316	3,818	4,237	4,031	3,957	3,995	4,215	4,265	5,114	49,760
Civil	99	106	112	122	94	94	88	70	76	85	75	132	1,153
Health, Education, and Welfare Department	464	441	387	490	389	413	513	496	489	538	210	668	5,498
Interior Department	89	117	117	106	91	91	93	99	72	78	84	87	1,124
Justice Department	26	34	24	24	25	27	35	25	26	26	26	29	328
Labor Department	97	21	71	67	65	68	77	−224	48	31	24	26	370
Post Office Department	−13	85	79	32	22	30	−15	145	28	44	64	77	578
State Department	59	29	41	25	27	34	59	30	3	24	8	10	347
Treasury Department:													
Interest on the public debt	882	850	856	865	863	903	925	880	907	895	899	941	10,666
Interest on refunds, etc	11	11	7	20	4	5	5	11	4	6	7	7	99
Other	106	93	87	96	91	90	130	74	98	87	95	134	1,182
Atomic Energy Commission	254	229	215	242	220	230	228	228	221	233	223	242	2,765
Federal Aviation Agency	55	77	60	69	56	63	73	58	64	55	55	66	751
General Services Administration	39	53	48	45	50	56	59	48	54	50	50	41	593
Housing and Home Finance Agency:													
Federal National Mortgage Association	−49	−40	−32	−28	−12	−69	−3	−24	−29	−35	−2	−24	−347
Other	133	110	19	35	53	92	205	−54	26	124	−58	−9	675
National Aeronautics and Space Administration	270	285	287	342	301	372	355	317	359	452	326	505	4,171
Veterans' Administration	467	465	437	462	453	454	479	450	454	414	448	496	5,478
Other independent agencies:													
Export-Import Bank of Washington	−241	9	−17	−14	42	−28	−34	−5	−53	−382	58	−38	−702
Small Business Administration	7	6	32	11	5	16	3	3	9	7	11	21	133
Tennessee Valley Authority	4	8	3	9	3	5	4	(*)	5	4	4	11	59
Other	76	69	79	66	83	71	95	50	65	58	−1	−43	669
District of Columbia	23	1	3	1	1	(*)	17	1	8	−15	1	18	54
Interfund transactions (−) [4]	−245	−52	−28	−11	−1	−26	−80	−120	−12	−15	−26	−47	−664
Net expenditures	7,863	8,305	7,815	8,778	7,784	8,289	8,492	7,521	7,871	7,930	7,511	9,527	97,684
Surplus, or deficit (−)	−4,316	−1,015	2,279	−5,377	−652	514	−2,639	526	2,277	−1,322	−1,375	2,874	−8,226

*Less than $500,000.
[1] Interest on refunds is included in Expenditures: Treasury Department.
[2] Mainly internal revenue income, excise, and estate and gift taxes; and customs collections.
[3] Employment taxes and highway excise taxes.
[4] Mainly interest payments by Government corporations and agencies that borrow from the Treasury. For details of these transactions for fiscal years, 1961–64, see table 8. These interfund transactions do not include payments to the Treasury by wholly owned Government corporations for retirement of their capital stock and for disposition of earnings.

TABLE 13.—*Trust receipts and expenditures monthly and total for fiscal year 1964*

[In millions of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Receipts and expenditures	July	August	September	October	November	December	January	February	March	April	May	June	Total 1964
RECEIPTS													
Highway trust fund	298	344	303	287	282	302	283	290	265	256	306	325	3,540
Federal old-age and survivors insurance trust fund	493	2,203	974	442	1,534	1,218	112	2,170	1,380	1,042	2,970	1,506	16,043
Federal disability insurance trust fund	36	160	77	35	112	104	7	159	99	81	217	123	1,211
Unemployment trust fund	256	743	108	187	460	162	234	735	114	256	899	134	4,288
Veterans' life insurance funds	47	46	35	48	34	42	56	35	43	41	38	247	711
Civil service retirement and disability fund	167	160	178	159	176	175	203	164	184	176	166	547	2,456
Railroad retirement account	13	88	52	34	84	68	15	92	70	17	90	569	1,192
District of Columbia	39	19	42	41	19	18	43	21	40	13	23	38	356
All other	71	130	62	58	54	157	143	51	151	64	42	73	1,055
Interfund transactions (−) [1]	−1	−6	−1	−1	−6	−16	−8	−12	−16	−4	−7	−443	−521
Net trust receipts	1,419	3,887	1,830	1,289	2,749	2,230	1,088	3,705	2,330	1,942	4,744	3,117	30,331
EXPENDITURES													
Highway trust fund	314	357	390	414	382	345	241	178	226	222	242	333	3,645
Federal old-age and survivors insurance trust fund	1,224	1,221	1,227	1,222	1,217	1,179	1,234	1,253	1,272	1,273	1,273	1,690	15,285
Federal disability insurance trust fund	100	101	101	105	102	170	103	106	107	108	107	130	1,341
Unemployment trust fund	282	195	206	230	256	292	422	572	443	314	227	267	3,707
Veterans' life insurance funds	44	40	37	40	34	36	222	41	44	43	37	37	657
Civil service retirement and disability fund	87	109	102	111	103	83	101	106	111	111	113	118	1,254
Railroad retirement account	91	96	90	92	95	92	99	102	94	96	99	93	1,139
District of Columbia	30	30	24	28	28	36	27	26	29	23	28	45	355
Government-sponsored enterprises (net)	528	332	298	240	−115	358	−189	−247	−67	417	−27	328	1,857
Deposit funds (net)	−85	−104	−16	60	−172	−9	−79	−112	−95	276	−51	−180	−567
All other (net)	37	67	57	51	31	95	84	50	79	56	26	103	734
Interfund transactions (−) [1]	−1	−6	−1	−1	−6	−16	−8	−12	−16	−4	−7	−443	−521
Net trust expenditures	2,651	2,438	2,515	2,592	1,955	2,661	2,257	2,063	2,227	2,935	2,067	2,523	28,885
Excess of trust receipts, or expenditures (−)	−1,232	1,449	−685	−1,304	795	−430	−1,169	1,642	103	−993	2,677	594	1,446
Net investments in, or sales (−), of public debt and agency securities	−1,253	1,784	−575	−1,101	481	260	−1,328	830	167	−1,491	3,230	1,770	2,775
Net redemptions, or sales (−) of Government agency securities in the market	−171	−328	−265	−296	179	−767	289	230	−24	−109	−117	−502	−1,880

[1] Mainly financial interchanges between trust funds resulting in receipts and expenditures. For details of these interfund transactions for fiscal years 1961–64, see table 9.

TABLE 14.—*Trust receipts by sources and expenditures by major functions, fiscal years 1956–64*

[In millions of dollars. On basis of 1966 Budget document]

Receipts and expenditures	1956	1957	1958	1959	1960	1961	1962	1963	1964
RECEIPTS									
Employment taxes:									
Transfers	6,971	7,250	8,308	8,530	10,817	12,502	12,708	15,004	17,003
Less refunds	−66	−58	−75	−83	−89	−98	−147	−143	−170
Unemployment tax deposits by States	1,330	1,542	1,501	1,701	2,167	2,398	2,729	3,009	3,042
Excise taxes:									
Transfers	-----	1,479	2,116	2,171	2,642	2,923	3,080	3,405	3,646
Less refunds	-----	(*)	−90	−97	−103	−126	−131	−126	−127
Federal employee and agency payments for retirement	813	1,175	1,252	1,507	1,504	1,740	1,756	1,878	2,029
Interest:									
Trust fund investments	1,207	1,318	1,342	1,315	1,327	1,404	1,423	1,467	1,602
Uninvested trust funds	5	6	8	9	10	10	10	11	11
Veterans' life insurance premiums:									
Government life	30	28	27	24	22	20	18	17	16
National service life	410	425	459	453	460	484	483	477	478
Miscellaneous	918	1,146	1,317	1,375	2,494	2,840	2,889	3,195	3,322
Subtotal trust receipts	11,619	14,311	16,164	16,904	21,250	24,097	24,818	28,193	30,852
Interfund transactions (−)	−12	−10	−11	−135	−908	−515	−528	−505	−521
Net trust receipts	11,607	14,301	16,153	16,769	20,342	23,583	24,290	27,689	30,331
EXPENDITURES									
National defense	143	93	344	229	256	196	366	679	487
International affairs and finance	−29	13	1	21	48	13	15	44	62
Space research and technology	-----	-----	-----	-----	-----	-----	-----	-----	(*)
Agriculture and agricultural resources	288	426	357	645	458	416	398	507	496
Natural resources	79	85	101	94	116	183	112	122	137
Commerce and transportation	−101	866	1,401	2,493	2,831	2,505	2,662	2,877	3,482
Housing and community development	461	1,044	−295	1,263	1,439	−273	1,524	−36	1,889
Health, labor, and welfare	7,999	9,585	12,775	14,306	16,358	19,236	20,382	21,855	22,733
Education	1	1	1	1	1	1	1	2	2
Veterans' benefits and services	606	608	671	651	673	811	733	835	666
General government	8	8	10	10	17	16	20	19	18
Deposit funds	169	217	−29	−60	−78	203	−544	146	−567
Subtotal	9,623	12,947	15,335	19,655	22,120	23,308	25,669	27,050	29,406
Interfund transactions (−)	−12	−10	−11	−135	−908	−515	−528	−505	−521
Net trust expenditures	9,611	12,938	15,325	19,521	21,212	22,793	25,141	26.545	28,885
Excess of trust receipts, or expenditures (−)	1,996	1,363	829	−2,751	−870	790	−851	1,143	1,446

*Less than $500,000.

TABLE 15.—*Administrative budget receipts by sources and expenditures by major functions, fiscal years 1956–64*

[In millions of dollars. Expenditures classified on basis of 1966 Budget document]

Receipts and expenditures	1956	1957	1958	1959	1960	1961	1962	1963	1964
RECEIPTS									
Individual income taxes	35,334	39,030	38,569	40,735	44,946	46,153	50,650	52,988	54,590
Corporation income taxes	21,299	21,531	20,533	18,092	22,179	21,765	21,296	22,336	24,301
Excise taxes	10,004	10,638	10,814	10,760	11,865	12,064	12,752	13,410	13,950
Employment taxes	7,296	7,581	8,644	8,854	11,159	12,502	12,708	15,004	17,003
Estate and gift taxes	1,171	1,378	1,411	1,353	1,626	1,916	2,035	2,187	2,416
Internal revenue taxes not otherwise classified	5	15	7	5					
Total internal revenue	75,109	80,172	79,978	79,798	91,775	94,401	99,441	105,925	112,260
Customs	705	754	800	948	1,123	1,008	1,171	1,241	1,284
Miscellaneous receipts	3,006	2,749	3,196	3,158	4,064	4,082	3,206	4,436	4,077
Total receipts by major sources	78,820	83,675	83,974	83,904	96,962	99,491	103,818	111,602	117,622
Deductions:									
Refunds of receipts (excluding interest): [1]									
Internal revenue applicable to:									
Budget accounts	3,653	3,894	4,413	4,907	5,024	5,725	5,957	6,267	6,817
Trust accounts	66	58	165	180	193	224	278	35	297
Customs	23	20	18	23	18	25	29	269	32
Other	8	3	2	3	2	2	1	1	1
Total refunds of receipts	3,750	3,976	4,598	5,114	5,238	5,976	6,266	6,571	7,148
Transfers to trust accounts: [1]									
Federal old-age and survivors insurance trust fund	6,271	6,243	6,795	7,084	9,192	10,537	10,600	12,351	14,335
Federal disability insurance trust fund		333	863	837	929	953	945	994	1,057
Highway trust fund		1,479	2,026	2,074	2,539	2,798	2,949	3,279	3,519
Railroad retirement account	634	616	575	525	607	571	564	572	593
Unemployment trust fund						343	453	945	847
Total transfers to trust accounts	6,905	8,671	10,259	10,520	13,267	15,202	15,510	18,141	20,351
Total deductions	10,655	12,647	14,857	15,634	18,505	21,178	21,776	24,712	27,499
Subtotal receipts	68,165	71,029	69,117	68,270	78,457	78,313	82,042	86,890	90,122
Deductions:									
Interfund transactions (included in both receipts and expenditures) [2]	315	467	567	355	694	654	633	513	664
Net administrative budget receipts	67,850	70,562	68,550	67,915	77,763	77,659	81,409	86,376	89,459
EXPENDITURES [3]									
National defense:									
Department of Defense—military:									
Military personnel	11,582	11,409	11,611	11,801	11,738	12,085	13,032	13,000	14,195
Operation and maintenance	8,400	9,487	9,761	10,378	10,223	10,611	11,594	11,874	11,932
Procurement	12,227	13,488	14,083	14,409	13,334	13,095	14,532	16,632	15,351
Research, development, test, and evaluation	2,101	2,406	2,504	2,866	4,710	6,131	6,319	6,376	7,021
Military construction	2,079	1,968	1,753	1,948	1,626	1,605	1,347	1,144	1,026
Family housing								427	580

Civil defense	----------	----------	----------	----------	----------	----------	90	203	107
Revolving and management funds	−598	−323	−643	−179	−416	−300	−99	−1,401	−452
Total Department of Defense—military	35,792	38,436	39,071	41,223	41,215	43,227	46,815	48,252	49,760
Military assistance	2,611	2,352	2,187	2,340	1,609	1,449	1,390	1,721	1,485
Atomic energy	1,651	1,990	2,268	2,541	2,623	2,713	2,806	2,758	2,765
Defense-related activities	669	590	709	379	244	104	92	24	172
Total national defense	40,723	43,368	44,234	46,483	45,691	47,494	51,103	52,755	54,181
International affairs and finance:									
Conduct of foreign affairs	129	157	173	237	217	216	249	346	297
Economic and financial programs [4]	1,519	1,559	1,788	3,305	1,381	1,927	2,130	1,826	1,479
Foreign information and exchange activities	111	133	149	139	137	158	197	201	207
Food for Peace [4]	708	1,463	1,195	1,120	1,327	1,653	1,726	1,779	1,704
Total international affairs and finance	2,467	3,311	3,305	4,802	3,064	3,954	4,301	4,151	3,687
Space research and technology:									
Manned space flight	----------	----------	----------	11	113	279	565	1,516	2,768
Scientific investigations in space	----------	----------	----------	25	125	232	359	483	641
Meteorology, communications, and other space applications	----------	----------	----------	1	8	17	61	92	112
Other research, technology, and supporting operations	----------	----------	----------	109	154	217	272	460	650
Total space research and technology	71	76	89	145	401	744	1,257	2,552	4,171
Agriculture and agricultural resources:									
Farm income stabilization [4 5]	3,286	2,092	2,211	4,275	2,370	2,345	3,093	3,954	4,144
Financing farming and rural housing	232	248	269	311	289	349	234	300	251
Financing rural electrification and rural telephones	217	267	297	315	330	301	303	342	342
Agricultural land and water resources	305	374	315	376	368	397	426	404	410
Research and other agricultural services	215	227	255	291	293	324	341	391	414
Total agriculture and agricultural resources	4,254	3,208	3,346	5,568	3,650	3,717	4,397	5,390	5,560
Natural resources:									
Land and water resources	804	925	1,139	1,184	1,235	1,394	1,564	1,699	1,747
Forest resources	139	163	174	201	220	331	280	303	332
Mineral resources	38	62	59	71	65	61	68	71	91
Fish and wildlife resources	45	51	60	68	68	73	81	94	105
Recreational resources	44	59	69	85	74	91	94	112	130
General resource surveys and administration	36	38	44	61	51	55	60	73	73
Total natural resources	1,105	1,298	1,544	1,670	1,714	2,006	2,147	2,352	2,478
Commerce and transportation:									
Aviation	180	219	315	494	568	716	781	808	835
Water transportation	420	365	392	436	508	569	654	672	658
Highways [6]	783	40	31	30	38	36	33	41	39
Postal service	463	518	674	774	525	914	797	770	578
Advancement of business	5	119	170	234	265	271	427	366	401
Area redevelopment [7]	----------	----------	(*)	----------	----------	----------	7	101	401
Regulation of business	41	45	49	58	59	67	74	84	91
Total commerce and transportation	1,892	1,305	1,632	2,025	1,963	2,573	2,774	2,843	3,002

Footnotes at end of table.

TABLE 15.—*Administrative budget receipts by sources and expenditures by major functions, fiscal years 1956-64*—Continued

[In millions of dollars]

Expenditures	1956	1957	1958	1959	1960	1961	1962	1963	1964
EXPENDITURES [3]—Continued									
Housing and community development:									
Aids to private housing	−67	−254	−126	732	−172	−44	−149	−537	−595
Public housing programs	31	60	51	97	134	150	163	178	149
Urban renewal and community facilities	4	49	78	108	130	162	261	222	306
National Capital region	23	27	26	33	30	51	74	70	59
Total housing and community development	−10	−118	30	970	122	320	349	−67	−80
Health, labor, and welfare:									
Health services and research	342	461	540	700	815	938	1,128	1,354	1,671
Labor and manpower	479	397	488	924	510	809	591	224	345
Public assistance	1,457	1,558	1,797	1,969	2,061	2,170	2,437	2,788	2,994
Other welfare services [5]	184	216	234	284	304	327	382	423	466
Total health, labor, and welfare	2,462	2,632	3,059	3,877	3,690	4,244	4,538	4,789	5,475
Education:									
Assistance for elementary and secondary education	181	174	189	259	327	332	337	392	404
Assistance for higher education	44	110	178	225	261	286	350	428	383
Assistance to science education and basic research	20	46	50	106	120	143	183	206	310
Other aid to education	98	108	124	141	156	181	207	219	241
Total education	343	437	541	732	866	943	1,076	1,244	1,339
Veterans' benefits and services:									
Veterans' service-connected compensation	1,864	1,876	2,024	2,071	2,049	2,034	2,017	2,116	2,158
Veterans' nonservice-connected pensions	884	950	1,037	1,152	1,265	1,532	1,635	1,698	1,743
Veterans' readjustment benefits	943	977	1,025	864	725	559	388	−13	113
Veterans' hospitals and medical care	788	801	856	921	961	1,030	1,084	1,145	1,229
Other veterans' benefits and services	331	266	242	280	266	259	279	240	249
Total veterans' benefits and services	4,810	4,870	5,184	5,287	5,266	5,414	5,403	5,186	5,492
Interest:									
Interest on the public debt	6,787	7,244	7,607	7,593	9,180	8,957	9,120	9,895	10,666
Interest on refunds of receipts	54	57	74	69	76	83	68	74	88
Interest on uninvested funds	6	6	8	9	10	10	10	11	11
Total interest	6,846	7,307	7,689	7,671	9,266	9,050	9,198	9,980	10,765

General government:									
Legislative functions	76	90	89	102	109	118	135	131	126
Judicial functions	38	40	44	47	49	52	57	63	66
Executive direction and management	12	12	19	21	20	22	22	21	22
Central fiscal operations	475	476	502	566	558	607	653	715	791
General property and records management	173	201	245	295	372	372	419	444	576
Central personnel management	304	602	84	95	84	140	153	142	174
Protective services and alien control	220	219	233	255	263	289	300	323	335
Other general government	278	100	69	86	88	109	136	139	189
Total general government	1,576	1,738	1,284	1,466	1,542	1,709	1,875	1,979	2,280
Total expenditures by major functions	66,540	69,433	71,936	80,697	77,233	82,169	88,419	93,155	98,348
Deductions:									
Interfund transactions (included in both receipts and expenditures)[2]	315	467	567	355	694	654	633	513	664
Net administrative budget expenditures	66,224	68,966	71,369	80,342	76,539	81,515	87,787	92,642	97,684
Administrative budget surplus, or deficit (−)	1,626	1,596	−2,819	−12,427	1,224	−3,856	−6,378	−6,266	−8,226

*Less than $500,000.

[1] Amounts representing refunds of principal for overpaid taxes formerly reported net of reimbursements from trust fund accounts are shown herein on a gross basis. These reimbursements to the Internal Revenue Service for refunds are included and netted with amounts for transfers to the respective trust fund accounts.

[2] For details of these transactions for fiscal years 1961–64, see table 8.

[3] Expenditures are net of receipts of public enterprise funds.

[4] The "Food for Peace" category covers transactions previously included under "Farm income stablization" and "Economic and financial programs."

[5] Beginning with 1961 the portion of the appropriation for removal of surplus agricultural commodities, Department of Agriculture, which finances the food stamp program has been reclassified from "Farm income stabilization," to "Other welfare services."

[6] Since 1957 these expenditures for Federal-aid highways have been made through the highway trust fund.

[7] Beginning with 1963 includes the public works acceleration program which supplements expenditures in various other categories.

TABLE 16.—*Trust and other transactions by major classifications, fiscal years 1954–64*

[In millions of dollars. On basis of the "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Classification	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
TRUST ACCOUNTS, ETC.											
RECEIPTS											
Federal old-age and survivors insurance trust fund	5,080	5,586	7,003	7,159	7,900	8,182	10,439	11,910	12,141	13,984	16,196
Less refunds of taxes	−40	−51	−66	−58	−75	−74	−79	−86	−130	−128	−152
Federal disability insurance trust fund				339	943	938	1,071	1,093	1,104	1,157	1,224
Less refunds of taxes						−10	−10	−10	−12	−12	−13
Railroad retirement account	737	700	739	723	695	758	1,403	1,051	1,081	1,128	1,192
Unemployment trust fund	1,492	1,425	1,728	1,912	1,855	1,997	2,703	4,055	4,276	4,519	4,537
Less:											
Refunds of taxes								−2	−5	−3	−4
Return of advances to the general fund								−250	−285	−255	−244
National service life insurance fund	619	590	649	608	640	634	643	668	664	658	661
Government life insurance fund	78	78	73	69	67	63	61	58	54	52	50
Federal employees' retirement funds [1]	691	708	1,025	1,397	1,458	1,741	1,766	2,033	2,086	2,255	2,465
Highway trust fund				1,482	2,134	2,185	3,003	2,985	3,087	3,419	3,666
Less:											
Refunds of taxes				(*)	−90	−97	−103	−126	−131	−126	−127
Return of advances to the general fund							−359	−60			
Other trust funds and accounts [2]	457	449	467	681	638	585	711	778	890	1,546	1,402
Less certain trust receipts which are also expenditures [3]	−18	−16	−12	−10	−11	−135	−908	−515	−528	−505	−521
Net receipts [4]	9,097	9,470	11,607	14,301	16,153	16,769	20,342	23,583	24,290	27,689	30,331
EXPENDITURES											
Federal old-age and survivors insurance trust fund [5]	3,364	4,436	5,485	6,665	8,041	9,380	11,073	11,752	13,270	14,530	15,285
Federal disability insurance trust fund				1	181	361	561	746	1,089	1,259	1,341
Railroad retirement account	502	585	611	682	730	778	1,136	1,124	1,135	1,112	1,139
Unemployment trust fund	1,745	1,965	1,393	1,644	3,148	3,054	2,736	4,734	3,906	3,815	3,707
National service life insurance fund	623	538	512	515	544	562	582	707	626	747	585
Government life insurance fund	147	84	87	86	120	80	83	94	96	79	72
Federal employees' retirement funds [1]	411	430	507	591	699	792	896	955	1,063	1,183	1,326
Highway trust fund				966	1,512	2,613	2,945	2,620	2,784	3,017	3,645
Federal National Mortgage Association		−84	112	971	105	134	988	−89	317	−730	−37
Other trust funds and accounts [6]	495	483	425	565	915	672	711	698	835	1,208	1,055
Deposit fund accounts (net)	−126	56	168	216	−31	−61	−75	205	−544	146	−567
Government-sponsored enterprises (net):											
Farm Credit Administration:											
Banks for cooperatives	−9	(*)	23	44	21	86	46	49	50	29	37
Federal intermediate credit banks						236	142	122	129	277	182
Federal land banks	128	53	241	230	95	241	249	225	195	176	248
Federal Home Loan Bank Board:											
Home loan banks	−450	144	164	−124	−628	854	182	−487	872	363	1,572
Federal Deposit Insurance Corporation	−102	−98	−104	−104	−115	−124	−134	−148	−154	−161	−183
Total Government-sponsored enterprises	−433	99	324	46	−627	1,292	484	−239	1,092	685	1,857

Less certain trust expenditures which are also receipts [3]	-18	-16	-12	-10	-11	-135	-908	-515	-528	-505	-521
Net expenditures [4]	6,711	8,577	9,611	12,938	15,325	19,521	21,212	22,793	25,141	26,545	28,885
Excess of receipts, or expenditures (-)	2,386	892	1,996	1,363	829	-2,751	-870	790	-851	1,143	1,446
INVESTMENTS OF GOVERNMENT AGENCIES IN PUBLIC DEBT AND AGENCY SECURITIES (NET) [7]											
Employees' life insurance fund	-----	-----	1	5	36	58	48	47	51	56	50
Federal old-age and survivors insurance trust fund	1,522	[8] 1,241	1,463	220	-499	-1,290	-726	-225	-1,089	-821	692
Federal disability insurance trust fund	-----	-----	-----	325	729	552	494	285	21	-129	-139
Railroad retirement account	202	141	121	36	-33	-35	264	-78	-63	1	69
Unemployment trust fund	-248	-545	258	274	-1,255	-1,011	-41	-952	72	456	573
National service life insurance fund	23	73	135	89	95	76	62	-44	44	-90	69
Government life insurance fund	-65	-1	-16	-16	-56	-17	-21	-35	-44	-25	-22
Federal employees' retirement funds [1]	252	314	548	803	671	958	871	1,063	1,034	1,075	1,126
Highway trust fund	-----	-----	-----	404	418	-393	-428	233	202	242	-69
Other trust funds and accounts [9]	1	14	77	122	-59	-60	-2	-20	42	245	20
Public enterprise funds	-77	126	101	36	91	102	166	149	191	287	363
Government-sponsored enterprises	443	170	548	39	460	-70	239	434	30	771	43
Net investments, or sales (-)	2,054	1,532	3,235	2,339	597	-1,130	925	855	493	2,069	2,775
SALES AND REDEMPTIONS OF GOVERNMENT AGENCY SECURITIES IN THE MARKET (NET)											
Guaranteed:											
Public enterprise funds	-29	37	-30	-33	6	-10	-28	-81	-204	-162	-206
Trust enterprise funds	-----	-----	-----	-----	-----	-----	(*)	-19	-----	-----	-----
Not guaranteed:											
Public enterprise funds	44	-639	-44	136	-233	6	(*)	747	-95	(*)	-35
Trust enterprise funds	-----	-----	-100	-1,188	-340	-67	-994	86	-359	597	262
Government-sponsored enterprises	-11	-269	-872	-86	167	-1,222	-723	-195	-1,122	-1,457	-1,900
Net redemptions, or sales (-)	4	-871	-1,046	-1,171	-400	-1,293	-1,746	537	-1,780	-1,022	-1,880

[1] Consists of civil service and foreign service retirement and disability funds.

[2] Includes principally: District of Columbia revenues from taxes, etc., and Federal contributions, loans, and grants to the District of Columbia; Indian tribal funds; adjusted certificate fund; increment resulting from reduction in weight of gold dollar; and funds appropriated to the President. The railroad unemployment insurance administration fund is included from 1954 through November 1958.

[3] Totals shown for trust receipts and trust expenditures exclude certain interfund transactions which are included in the detail of both trust receipts and trust expenditures. The transactions deducted consist mainly of financial interchanges between trust funds resulting in receipts and expenditures. For details of these transactions, for the fiscal years 1961-64, see table 9.

[4] Refunds of taxes (principal only) are shown as deductions from receipts.

[5] Includes reimbursement for certain administrative expenses met out of general fund appropriations.

* Less than $500,000.

[6] Includes principally: Adjusted service certificate fund; District of Columbia operating expenses; Indian tribal funds; funds appropriated to the President; payment of melting losses on gold; railroad unemployment insurance administration fund from 1954 through November 1958; beginning with 1955 Federal National Mortgage Association secondary market operations (net); employees health benefits and life insurance funds; and other trust enterprise funds.

[7] Includes investments in agency securities beginning in fiscal 1955.

[8] Includes $300 million redemption for adjustment of excess transfers.

[9] Includes adjusted service certificate fund; employees health benefits and life insurance funds; and investments of other accounts. Beginning with fiscal 1957 includes Federal National Mortgage Association (secondary market operations) and judicial survivors annuity fund. Federal intermediate credit banks are included from Jan. 1, 1957, through Dec. 31, 1958; beginning Jan. 1, 1959, they are classified as Government-sponsored enterprises.

TABLE 17.—*Receipts from and payments to the public, fiscal years 1954–64*

[In millions of dollars. On basis of the "Monthly Statement of Receipts and Expenditures of the United States Government"]

PART I.—SUMMARY OF FEDERAL GOVERNMENT CASH TRANSACTIONS WITH THE PUBLIC

Classification	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
Federal receipts from the public:											
Administrative budget receipts (net) [1]	64,420	60,209	67,850	70,562	68,550	67,915	77,763	77,659	81,409	86,376	89,459
Trust and other receipts (net) [2]	9,097	9,470	11,607	14,301	16,153	16,769	20,342	23,583	24,290	27,689	30,331
Intragovernmental and other noncash transactions (see receipt adjustments Part II)	−1,891	−1,843	−2,370	−2,758	−2,811	−3,025	−3,027	−4,001	−3,834	−4,326	−4,259
Total Federal receipts from the public	71,626	67,836	77,087	82,105	81,892	81,660	95,078	97,242	101,865	109,739	115,530
Federal payments to the public:											
Administrative budget expenditures (net) [1]	67,537	64,389	66,224	68,966	71,369	80,342	76,539	81,515	87,787	92,642	97,684
Trust fund and other expenditures (net) [2]	6,711	8,577	9,611	12,938	15,325	19,521	21,212	22,793	25,141	26,545	28,885
Intragovernmental and other noncash transactions (see payment adjustments Part II)	−2,389	−2,429	−3,290	−1,899	−3,222	−5,111	−3,423	−4,766	−5,266	−5,436	−6,237
Total Federal payments to the public	71,858	70,537	72,546	80,006	83,472	94,752	94,328	99,542	107,662	113,751	120,332
Excess of cash receipts from, or payments to (−) the public	−232	−2,702	4,541	2,099	−1,580	−13,092	750	−2,300	−5,797	−4,012	−4,802
Cash borrowing from the public, or repayment (−):											
Public debt increase, or decrease (−)	5,189	3,115	−1,623	−2,224	5,816	8,363	1,625	2,640	9,230	7,659	5,853
Net sales of Government agency securities in market (net)	−4	871	1,046	1,171	400	1,293	1,746	−537	1,780	1,022	1,880
Net investment (−) in public debt and agency securities	−2,055	−1,532	−3,235	−2,339	−597	1,130	−925	−855	−493	−2,069	−2,775
Other noncash transactions (see borrowing adjustments, Part II)	−618	−644	−623	292	200	−2,160	−597	−536	−923	−1,033	−1,099
Total net cash borrowing from the public, or repayment (−)	2,513	1,809	−4,436	−3,100	5,820	8,626	1,848	712	9,594	5,579	3,859
Seigniorage [3]	73	29	23	49	59	44	53	55	58	45	69
Total cash transactions with the public	2,353	−863	128	−952	4,299	−4,422	2,651	−1,533	3,854	1,611	−874
Cash balances—net increase, or decrease (−):											
Treasurer's account	2,096	−551	331	−956	4,159	−4,399	2,654	−1,311	3,736	1,686	−1,080
Cash held outside Treasury	257	−312	−202	5	140	−23	−4	−222	118	−74	206
Total changes in the cash balances	2,353	−863	128	−952	4,299	−4,422	2,651	−1,533	3,854	1,611	−874

PART II.—INTRAGOVERNMENTAL AND OTHER NONCASH TRANSACTIONS

[Showing details of amounts included as adjustments in Part I]

Classification	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
Adjustments applicable to receipts:											
Intragovernmental transactions:											
Interest on trust fund investments	1,188	1,173	1,207	1,318	1,342	1,315	1,327	1,404	1,423	1,467	1,603
Civil service retirement—payroll deductions for employees [4]	429	436	571	641	660	744	744	838	845	914	973
Civil service retirement—employers' share [4]	31	30	233	525	579	744	744	838	845	914	973
Other	169	175	335	224	170	178	159	866	663	986	642
Subtotal	1,817	1,814	2,346	2,709	2,751	2,980	2,975	3,945	3,776	4,281	4,190
Excess profits tax refund bonds [5]	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Seigniorage [3]	73	29	23	49	59	44	53	55	58	45	69
Total receipt adjustments	1,891	1,843	2,370	2,758	2,811	3,025	3,027	4,001	3,834	4,326	4,259
Adjustments applicable to payments:											
Intragovernmental transactions (see detail under receipt adjustments)	1,817	1,814	2,346	2,709	2,751	2,980	2,975	3,945	3,776	4,281	4,190
Applicable also to net borrowings:											
Savings bonds increment [6]	594	463	393	336	385	383	136	430	496	577	611
Discount on securities	−70	33	62	52	−131	418	205	−209	145	119	268
International Monetary Fund notes	109	156	175	−674	−450	1,361	259	258	171	255	117
Other special security issues [7]	−14	−8	−7	−6	−4	−2	−2	56	111	83	103
Subtotal	618	644	623	−292	−200	2,160	597	536	923	1,033	1,099
Accrued interest on public debt [8]	68	26	82	39	93	76	132	6	18	186	38
Checks outstanding and other accounts [9]	−115	−55	238	−557	576	−105	−281	279	548	−64	910
Total payment adjustments	2,389	2,429	3,290	1,899	3,222	5,111	3,423	4,766	5,266	5,436	6,237
Adjustments applicable to net borrowings:											
Debt issuance representing:											
Receipts—excess profits tax refund bonds [5]	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Payments (see detail under payment adjustments)	618	644	623	−292	−200	2,160	597	536	923	1,033	1,099
Total borrowing adjustments (net)	618	644	623	−292	−200	2,160	597	536	923	1,033	1,099

*Less than $500,000.

1 For details see table 12.

2 For details see table 13.

3 Includes the increment resulting from reduction in the weight of the gold dollar; excluded from receipts from the public but included in cash deposits in the Treasurer's account.

4 Beginning with fiscal 1958 excludes District of Columbia.

5 Treated as noncash refund deductions from receipts when issued and as cash refund deductions when redeemed.

6 Accrued interest on savings bonds, i.e., the difference between the purchase price and the current redemption value less interest paid.

7 Includes adjustments for payments of adjusted service bonds and Armed Forces leave bonds; also, includes the net issue or redemption of special notes to the International Development Association and the Inter-American Development Bank.

8 Net increase or decrease of public debt interest due and accrued beginning June 30, 1955, effective date of the change in accounting and reporting from a due and payable basis to an accrual basis; for 1954, consists only of public debt interest checks and coupons outstanding.

9 Checks outstanding less deposits in transit, and changes in other accounts; net increase, or decrease (−). (See also footnote 6.)

TABLE 18.—*Administrative budget receipts and expenditures based on existing and proposed legislation, actual for the fiscal year 1964 and estimated for 1965 and 1966*

[In millions of dollars. On basis of 1966 Budget document]

Source	1964 actual	1965 estimate	1966 estimate
ADMINISTRATIVE BUDGET RECEIPTS			
Internal revenue:			
Individual income taxes:			
Withheld	39,259	36,200	38,400
Other	15,331	15,300	14,900
Total individual income taxes	54,590	51,500	53,300
Corporation income taxes	24,301	26,400	28,400
Excise taxes:			
Alcohol taxes:			
Distilled spirits (domestic and imported)	2,536	2,650	2,750
Beer	887	915	940
Rectification tax	25	26	28
Wines (domestic and imported)	108	134	140
Special taxes in connection with liquor occupations	21	23	24
Total alcohol taxes	3,577	3,748	3,882
Tobacco taxes:			
Cigarettes (small)	1,977	2,050	2,075
Manufactured tobacco (chewing, smoking, and snuff)	17	18	18
Cigars (large)	56	60	63
Cigarette papers and tubes	1	1	1
All other	2	2	2
Total tobacco taxes	2,053	2,131	2,159
Documents, other instruments, and playing cards taxes:			
Issues of securities, stock and bond transfers, purchases of foreign securities, and deeds of conveyance	163	175	190
Playing cards	9	10	11
Total taxes on documents, other instruments, and playing cards	172	185	201
Manufacturers excise taxes:			
Gasoline	2,618	2,720	2,841
Lubricating oils	76	77	78
Passenger automobiles	1,746	1,775	1,825
Automobile trucks, buses, and trailers	351	376	389
Parts and accessories for automobiles	229	237	242
Tires, inner tubes, and tread rubber	411	425	445
Electric, gas, and oil appliances	78	81	85
Electric light bulbs	42	44	47
Radio and television receiving sets, phonographs, phonograph records, and musical instruments	244	266	287
Mechanical refrigerators, quick-freeze units, and self-contained air-conditioning units	63	68	72
Business and store machines	72	74	77
Photographic equipment	30	35	38
Matches	4	4	4
Sporting goods, including fishing rods, creels, etc	28	31	33
Firearms, shells, and cartridges	17	19	21
Pistols and revolvers	2	2	2
Fountain and ballpoint pens; mechanical pencils	9	10	11
Total manufacturers excise taxes	6,021	6,244	6,497
Retailers excise taxes:			
Jewelry	189	205	215
Furs	30	31	32
Toilet preparations	177	197	215
Luggage, handbags, wallets, etc	79	82	87
Total retailers excise taxes	475	515	549

TABLE 18.—*Administrative budget receipts and expenditures based on existing and proposed legislation, actual for the fiscal year 1964 and estimated for 1965 and 1966*—Continued

[In millions of dollars]

Source	1964 actual	1965 estimate	1966 estimate
Internal revenue—Continued			
Excise taxes—Continued			
Miscellaneous excise taxes:			
Toll telephone service, telegraph and teletype service, wire mileage service, etc	380	440	475
General telephone service	531	600	630
Transportation of persons	106	122	140
Transportation of freight by air			4
Fuel used on inland waterways			7
Jet fuel			72
Diesel fuel used on highways	128	140	150
Use tax on certain vehicles	100	103	105
Admissions, exclusive of cabarets, roof gardens, etc	47	52	57
Cabarets, roof gardens, etc	41	43	45
Wagering taxes, including occupational taxes	6	7	7
Club dues and initiation fees	75	80	85
Lease of safe deposit boxes	7	8	9
Sugar tax	95	95	95
Coin-operated amusement and gaming devices	23	23	24
Bowling alleys and billiard and pool tables	6	6	7
All other miscellaneous excise taxes	2	2	2
Total miscellaneous excise taxes	1,547	1,721	1,914
Undistributed depositary receipts and unapplied collections	106	48	54
Total excise taxes before proposed increase in highway taxes and rate reduction or repeal	13,950	14,592	15,256
Proposed increase in highway taxes			200
Effect of rate reduction or repeal			−1,500
Total excise taxes after proposed increase in highway taxes and rate reduction or repeal	13,950	14,592	13,956
Employment taxes:			
Federal Insurance Contributions Act and Self-Employment Contributions Act	15,558	15,637	17,661
Railroad Retirement Tax Act	594	639	711
Federal Unemployment Tax Act	851	613	571
Total employment taxes	17,003	16,889	18,943
Estate and gift taxes	2,416	2,825	3,225
Total internal revenue	112,260	112,206	117,824
Customs	1,284	1,447	1,532
Miscellaneous receipts:			
Miscellaneous taxes	6	6	6
Seigniorage	69	97	112
Bullion charges	1	1	1
Fees for permits and licenses	70	90	137
Fines, penalties, forfeitures	48	85	12
Gifts and contributions	1	1	(*)
Interest	955	1,065	921
Dividends and other earnings	984	1,390	1,577
Rents	74	168	349
Royalties	131	144	156
Sale of products	409	446	363
Fees and other charges for services and special benefits	118	129	154
Sale of Government property	331	415	497
Realization upon loans and investments	752	319	310
Recoveries and refunds	130	132	135
Total miscellaneous receipts	4,077	4,489	4,731
Gross receipts	117,622	118,142	124,087

Footnotes at end of table.

TABLE 18.—*Administrative budget receipts and expenditures based on existing and proposed legislation, actual for the fiscal year 1964 and estimated for 1965 and 1966*—Continued

[In millions of dollars]

Source	1964 actual	1965 estimate	1966 estimate
Deduct:			
Transfers to:			
Federal old-age and survivors insurance trust fund	14,335	14,370	15,555
Federal disability insurance trust fund	1,057	1,067	1,299
Federal hospital insurance trust fund			600
Railroad retirement account	593	639	711
Unemployment trust fund	847	609	567
Highway trust fund	3,519	3,639	3,959
Refunds of receipts:			
Internal revenue:			
Individual income taxes	5,893	4,500	5,100
Corporation income taxes	808	800	800
Excise taxes	220	220	227
Employment taxes	170	204	211
Estate and gift taxes	23	25	25
Total internal revenue	7,115	5,749	6,363
Customs	32	32	32
Miscellaneous receipts	1	4	1
Total refunds of receipts	7,148	5,785	6,396
Deduct: Interest and other income received by Treasury from Government agencies included in budget expenditures	664	833	600
Net administrative budget receipts	89,459	91,200	94,400
NET ADMINISTRATIVE BUDGET EXPENDITURES			
Legislative branch	152	179	193
The judiciary	66	76	89
Executive Office of the President	23	26	29
Funds appropriated to the President	4,119	4,432	4,869
Agriculture Department	7,897	6,858	6,357
Commerce Department	686	764	810
Defense Department:			
Military	49,760	48,100	47,900
Civil	1,153	1,269	1,337
Health, Education, and Welfare Department	5,498	5,770	7,776
Interior Department	1,124	1,225	1,174
Justice Department	328	367	377
Labor Department	370	495	565
Post Office Department	578	718	714
State Department	347	388	416
Treasury Department	11,947	12,551	12,862
Atomic Energy Commission	2,765	2,700	2,530
Federal Aviation Agency	751	781	750
General Services Administration	592	616	612
Housing and Home Finance Agency	328	176	454
National Aeronautics and Space Administration	4,171	4,900	5,100
Veterans' Administration	5,478	5,376	4,649
Other independent agencies	159	368	113
District of Columbia	57	76	103
Allowances, undistributed		103	507
Subtotal administrative budget expenditures	98,348	98,314	100,287
Deduct: Interfund transactions (included in both receipts and expenditures)	664	833	600
Net administrative budget expenditures	97,684	97,481	99,687
Administrative budget surplus, or deficit (−)	−8,226	−6,281	−5,287

*Less than $500,000.

TABLE 19.—*Trust and other transactions, actual for the fiscal year 1964 and estimated for 1965 and 1966*

[In millions of dollars. On basis of 1966 Budget document]

Source	1964 actual	1965 estimate	1966 estimate
TRUST ACCOUNTS, ETC.			
RECEIPTS			
Federal old-age and survivors insurance trust fund:			
Employment taxes	14,488	14,556	16,080
Less: Refunds of taxes	−152	−186	−193
Deposits by States	1,167	1,223	1,341
Interest on investments	539	566	597
Proposed payment for military service credits			56
Proposed decrease in tax income			−332
Other	3	3	3
Federal disability insurance trust fund:			
Employment taxes	1,070	1,081	1,119
Less: Refunds of taxes	−13	−14	−14
Deposits by States	86	91	95
Interest on investments	68	64	57
Proposed payment for military service credits			4
Proposed increase in tax income			194
Hospital insurance for the aged (proposed)			600
Unemployment trust fund:			
Deposits by States	3,042	2,950	2,900
Federal unemployment taxes	851	613	571
Less: Refunds of taxes	−4	−4	−4
Railroad unemployment insurance account:			
Deposits by Railroad Retirement Board	144	150	150
Other receipts	47	60	60
Advance from revolving fund	−4		
Interest on investments	213	244	266
Advances from general fund for temporary unemployment compensation	(*)		
Proposed advances from general fund			39
Railroad retirement accounts:			
Employment taxes	593	639	707
Interest and profits on investments	130	142	147
Payment from FOASI trust fund	403	399	411
Payment from Federal disability insurance trust fund	19	20	20
Repayment of advances and interest on loans to railroad unemployment insurance account	47	75	82
Proposed legislation-military service credits and other		14	20
Federal employees' retirement funds:			
Deductions from employees' salaries	983	1,047	1,047
Payments from other funds:			
Employing agency contributions	983	1,047	1,047
Federal contributions	62	65	67
Voluntary contributions, donations, etc	15	15	15
Interest and profits on investments	421	496	571
Highway trust fund:			
Excise taxes	3,646	3,760	3,879
Less: Refunds of taxes	−127	−121	−120
Interest on investments	20	10	1
Interest on general fund advance			−6
Proposed legislation			200
Veterans' life insurance fund:			
Premiums and other receipts	494	494	491
Payments from general and special funds	6	6	6
Interest on investments	211	213	214
Foreign assistance-military	720	690	977
Indian tribal funds	94	89	81
District of Columbia	356	400	460
All other trust funds	233	198	306
Subtotal	30,852	31,094	34,215
Less: Interfund transactions [1]	−521	−579	−599
Net receipts	30,331	30,515	33,616
EXPENDITURES			
Federal old-age and survivors insurance trust fund:			
Benefit payments	14,579	15,253	16,030
Administrative expenses and construction	303	314	330
Payment to Railroad Retirement Board	403	399	411
Proposed increase in benefit payments			1,858
Federal disability insurance trust fund:			
Benefit payments	1,251	1,416	1,485
Administrative expenses-reimbursement to Federal old-age and survivors insurance trust fund	66	78	84
Payment to railroad retirement account	19	20	20
Proposed increase in benefit payments and administrative expenses			155
Other	4	4	4

Footnotes at end of table.

TABLE 19.—*Trust and other transactions, actual for the fiscal year 1964 and estimated for 1965 and 1966*—Continued

[In millions of dollars]

Source	1964 actual	1965 estimate	1966 estimate
TRUST ACCOUNTS, ETC.—Continued			
EXPENDITURES—Continued			
Hospital insurance for the aged (proposed)			20
Unemployment trust fund:			
Withdrawals by States	2,703	2,577	2,550
Grants to States for unemployment compensation and employment service administration	413	422	512
Railroad unemployment benefit payments	134	128	121
Temporary extended unemployment compensation:			
Benefits	−2	(*)	
Repayment of general fund advances	332	(*)	
Temporary unemployment compensation (1958 act)—repayment of advances to Treasury	48	103	48
Interest payments [2]	13	16	16
Administrative expenses	28	28	29
Repayment of advances to railroad retirement account	37	63	70
Railroad retirement account:			
Benefit payments	1,092	1,124	1,148
Administrative expenses	11	10	11
Advances to railroad unemployment insurance account	35	50	50
Interest on refund of taxes	(*)		
Proposed increase in benefit payments			42
Federal employees' funds:			
Retirement funds	1,326	1,442	1,625
Employees health benefits fund (net)	−15	−14	−18
Employees' life insurance fund (net)	−49	−48	−50
Retired employees health benefits fund (net)	(*)	(*)	(*)
Highway trust fund:			
Federal-aid highways	3,644	3,850	3,875
Improvement of the Pentagon road network	1	1	
Proposed for separate transmittal		250	
Veterans' life insurance funds	657	632	502
Federal National Mortgage Association trust fund (net)	−37	48	178
Foreign assistance—military	481	805	976
Indian tribal funds	66	68	104
District of Columbia funds	355	432	455
Deposit funds and all other trust funds	−350	8	460
Government-sponsored enterprises (net)	1,857	145	398
Subtotal	29,406	29,624	33,497
Less: Interfund transactions [1]	−521	−579	−599
Net expenditures	28,885	29,045	32,898
Excess of receipts (−), or expenditures	−1,446	−1,469	−717
INVESTMENTS OF GOVERNMENT AGENCIES IN PUBLIC DEBT AND AGENCY SECURITIES (NET)			
Federal disability insurance trust fund	−139	−296	−338
Federal old-age and survivors insurance trust fund	692	267	−1,096
Federal employees' funds	1,190	1,272	1,178
Railroad retirement account	69	101	142
Unemployment trust fund	573	670	617
Veterans' life insurance funds	47	86	209
Highway trust fund	−69	−455	46
Federal National Mortgage Association trust fund	−170	(*)	
District of Columbia municipal Government funds	2	−6	4
Other trust accounts	173	−6	513
Public enterprise funds	362	140	457
Government-sponsored enterprises	43	39	263
Net investments, or sales (−)	2,775	1,812	1,994
SALES AND REDEMPTIONS OF GOVERNMENT AGENCY SECURITIES IN THE MARKET (NET)			
Federal National Mortgage Association: Secondary market operations	262	−48	−178
Housing and Home Finance Agency:			
Federal Housing Administration	−206	316	92
Tennessee Valley Authority	−35	−40	−75
Government-sponsored enterprises	−1,900	−182	−661
Other	(*)	(*)	(*)
Net redemptions, or sales (−)	−1,880	46	−822

*Less than $500,000.

[1] For details of transactions for the fiscal year 1964, see table 9.

[2] Payment of interest on advances from general fund and railroad retirement account and interest on refund of taxes.

TABLE 20.—*Effect of financial operations on the public debt, actual for the fiscal year 1964 and estimated for 1965 and 1966*

[In millions of dollars. On basis of 1966 Budget document]

Source	1964 actual	1965 estimate	1966 estimate
Administrative budget receipts and expenditures:			
Net receipts	89,459	91,200	94,400
Net expenditures	97,684	97,481	99,687
Administrative budget deficit	8,226	6,281	5,287
Trust fund receipts and expenditures:			
Net receipts	30,331	30,515	33,616
Net expenditures	28,885	29,045	32,898
Excess of expenditures, or receipts (−)	−1,446	−1,469	−717
Excess of investments in, or sales (−) of public debt and agency securities	2,775	1,812	1,994
Excess of sales (−), or redemptions of Government agency securities in market (net)	−1,880	46	−822
Increase (−), or decrease in checks outstanding, deposits in transit (net), etc	−948	219	−50
Changes in cash balances:			
Treasurer's account [1]	−1,080	−2,036	----------
Held outside Treasury	206	−162	----------
Net increase, or decrease (−)	−874	−2,197	----------
Increase in public debt	5,853	4,691	5,693
Gross debt beginning of period	305,860	311,713	316,404
Gross debt end of period	311,713	316,404	322,096
Guaranteed securities of Government agencies, not owned by Treasury	813	496	404
Total public debt and guaranteed securities	312,526	316,900	322,500
Less debt not subject to statutory limitation	362	355	349
Total debt subject to statutory limitation	312,164	316,545	322,151

[1] The balance in the Treasurer's account at the end of each year is as follows: $11,036 million for 1964; $9,000 million for 1965; and $9,000 million for 1966.

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TABLE 21.—*Internal revenue collections by tax sources, fiscal years 1936–64* [1]

[In thousands of dollars. As reported by Internal Revenue Service, see "Bases of Tables" and Note]

Fiscal year	Income and profits taxes					Employment taxes				Capital stock tax [4]	Estate tax	Gift tax
	Individual income taxes [2]			Corporation income and profits taxes [3]	Total income and profits taxes [2]	Old-age and disability insurance taxes [2]	Unemployment insurance taxes	Railroad retirement tax	Total employment taxes [2]			
	Withheld by employers	Other	Total individual income taxes									
1936		674,416	674,416	753,032	1,427,448			48	48	94,943	218,781	160,059
1937		1,091,741	1,091,741	1,088,101	2,179,842	207,339	58,119	287	265,745	137,499	281,636	23,912
1938		1,286,312	1,286,312	1,342,718	2,629,030	502,918	90,267	149,476	742,660	139,349	382,175	34,699
1939		1,028,834	1,028,834	1,156,281	2,185,114	529,836	101,167	109,427	740,429	127,203	332,280	28,436
1940		982,017	982,017	1,147,592	2,129,609	605,350	106,123	122,048	833,521	132,739	330,886	29,185
1941		1,417,655	1,417,655	2,053,469	3,471,124	687,328	100,658	137,871	925,856	166,653	355,194	51,864
1942		3,262,800	3,262,800	4,744,083	8,006,884	895,336	119,617	170,409	1,185,362	281,900	340,323	92,217
1943	686,015	5,943,917	6,629,932	9,668,956	16,298,888	1,131,546	156,008	211,151	1,498,705	328,795	414,531	32,965
1944	7,823,435	10,437,570	18,261,005	14,766,796	33,027,802	1,290,025	183,337	265,011	1,738,372	380,702	473,466	37,745
1945	10,264,219	8,770,094	19,034,313	16,027,213	35,061,526	1,307,931	186,489	284,758	1,779,177	371,999	596,137	46,918
1946	9,857,589	8,846,947	18,704,536	12,553,602	31,258,138	1,237,825	178,745	284,258	1,700,828	352,121	629,601	47,232
1947	9,842,282	9,501,015	19,343,297	9,676,459	29,019,756	1,458,934	185,876	379,555	2,024,365	1,597	708,794	70,497
1948	11,533,577	9,464,204	20,997,781	10,174,410	31,172,191	1,612,721	208,508	560,113	2,381,342	1,723	822,380	76,965
1949	10,055,502	7,996,320	18,051,822	11,553,669	29,605,491	1,687,151	226,228	562,734	2,476,113	6,138	735,781	60,757
1950	9,888,976	7,264,332	17,153,308	10,854,351	28,007,659	1,873,401	223,135	548,038	2,644,575	266	657,441	48,785
1951	13,089,770	9,907,539	22,997,308	14,387,569	37,384,878	2,810,749	236,952	579,778	3,627,480	(4)	638,523	91,207
1952	17,929,047	11,345,060	29,274,107	21,466,910	50,741,017	3,584,025	259,616	620,622	4,464,264	(4)	750,591	82,556
1953	21,132,275	11,403,942	32,536,217	21,594,515	54,130,732	3,816,252	273,182	628,969	4,718,403	(4)	784,590	106,694
1954	22,077,113	10,736,578	32,813,691	21,546,322	54,360,014	4,218,520	283,882	605,221	5,107,623	(4)	863,344	71,778
1955	21,253,625	10,396,480	31,650,106	18,264,720	49,914,826	5,339,573	279,986	600,106	6,219,665	(4)	848,492	87,775
1956	24,015,676	11,321,966	35,337,642	21,298,522	56,636,164	6,336,805	324,656	634,323	7,295,784	(4)	1,053,867	117,370
1957	26,727,543	12,302,229	39,029,772	21,530,653	60,560,425	6,634,467	330,034	616,020	7,580,522	(4)	1,253,071	124,928
1958	27,040,911	11,527,648	38,568,559	20,533,316	59,101,874	7,733,223	335,880	575,282	8,644,386	(4)	1,277,052	133,873
1959	29,001,375	11,733,369	40,734,744	18,091,509	58,826,254	8,004,355	324,020	525,369	8,853,744	(4)	1,235,823	117,160
1960	31,674,588	13,271,124	44,945,711	22,179,414	67,125,126	10,210,550	341,108	606,931	11,158,589	(4)	1,439,259	187,089
1961	32,977,654	13,175,346	46,153,001	21,764,940	67,917,941	11,586,283	345,356	570,812	12,502,451	(4)	1,745,480	170,912
1962	36,246,109	14,403,485	50,649,594	21,295,711	71,945,305	11,686,231	457,629	564,311	12,708,171	(4)	1,796,227	238,960
1963	38,718,702	14,268,878	52,987,581	22,336,134	75,323,714	13,484,379	948,464	571,644	15,004,486	(4)	1,971,614	215,843
1964	39,258,881	15,331,473	54,590,354	24,300,863	78,891,218	15,557,783	850,858	593,864	17,002,504	(4)	2,110,992	305,312

Fiscal year	Excise taxes									
	Alcohol taxes [5]					Tobacco taxes [5]				Documents, other instruments, and playing cards [7]
	Distilled spirits [6]	Beer [6]	Wines	Other, including occupational taxes	Total alcohol taxes	Cigarettes	Cigars	Other	Total tobacco taxes, etc.	
1936	222, 431	244, 581	8, 968	29, 484	505, 464	425, 505	12, 361	63, 299	501, 166	68, 990
1937	274, 049	277, 455	5, 991	36, 750	594, 245	476, 046	13, 392	62, 816	552, 254	69, 919
1938	260, 066	269, 348	5, 892	32, 673	567, 979	493, 454	12, 882	61, 846	568, 182	46, 233
1939	283, 575	259, 704	6, 395	38, 126	587, 800	504, 056	12, 913	63, 190	580, 159	41, 083
1940	317, 732	264, 579	8, 060	33, 882	624, 253	533, 059	12, 995	62, 464	608, 518	38, 681
1941	428, 642	316, 741	11, 423	63, 250	820, 056	616, 757	13, 514	67, 805	698, 077	39, 057
1942	574, 598	366, 161	23. 986	83, 772	1, 048, 517	704, 949	14, 482	61, 551	780, 982	41, 702
1943	781, 873	455, 634	33, 663	152, 476	1, 423, 646	835, 260	23, 172	65, 425	923, 857	45, 155
1944	899. 437	559. 152	34, 095	126, 091	1, 618, 775	904, 046	30, 259	54, 178	988, 483	50, 800
1945	1, 484, 306	638, 682	47, 391	139, 487	2, 309, 866	836, 753	36, 678	58, 714	932, 145	65, 528
1946	1, 746. 580	650, 824	60, 844	67, 917	2, 526, 165	1, 072, 971	41, 454	51, 094	1, 165, 519	87, 676
1947	1, 685. 369	661, 418	57, 196	70, 779	2, 474, 762	1, 145, 268	48, 354	44, 146	1, 237, 768	79, 978
1948	1, 436, 233	697, 097	60, 962	61, 035	2, 255, 327	1, 208, 204	46, 752	45, 325	1, 300, 280	79, 466
1949	1, 397, 954	686, 368	65. 782	60. 504	2, 210, 607	1, 232, 735	45, 590	43, 550	1, 321, 875	72, 828
1950	1, 421, 900	667, 411	72, 601	57, 291	2, 219, 202	1, 242, 851	42, 170	43, 443	1, 328, 464	84, 648
1951	1, 746, 834	665, 009	67, 254	67, 711	2, 546, 808	1, 293, 973	44, 275	42, 148	1, 380, 396	93, 107
1952	1, 589, 730	727, 604	72, 374	159, 412	2, 549, 120	1, 474, 072	44, 810	46, 281	1, 565, 162	84, 995
1953	1, 846, 727	762, 983	80, 535	90, 681	2, 780, 925	1, 586, 782	46, 326	21, 803	1, 654, 911	90, 319
1954	1, 873. 630	769, 774	78, 678	60, 928	2, 783, 012	1, 513, 740	45. 618	20, 871	1, 580, 229	90, 000
1955	1, 870, 599	737, 233	81, 824	53, 183	2, 742, 840	1, 504, 197	46, 246	20, 770	1, 571, 213	112, 049
1956	2, 023, 334	765, 441	86, 580	45, 219	2, 920, 574	1, 549, 045	45, 040	19, 412	1, 613, 497	114, 927
1957	2, 080, 104	760, 520	87, 428	45, 143	2, 973, 195	1, 610, 908	44, 858	18, 283	1, 674, 050	107, 546
1958	2, 054, 184	757, 597	90, 303	44, 377	2, 946, 461	1, 668, 208	47, 247	18, 566	1, 734, 021	109, 452
1959	2, 098, 496	767, 205	90, 918	45, 477	3, 002, 096	1, 738, 050	51, 101	17, 665	1, 806, 816	133, 817
1960	2, 255, 761	796, 233	98, 850	42, 870	3, 193, 714	1, 863, 562	50, 117	17, 825	1, 931, 504	139, 231
1961	2, 276, 543	795, 427	96, 073	44, 757	3, 212, 801	1, 923, 540	49, 604	17, 974	1, 991. 117	149. 350
1962	2, 386. 487	813, 482	98, 033	43, 281	3, 341, 282	1, 956. 527	49, 726	19, 483	2, 025, 736	159, 319
1963	2, 467, 521	825. 412	101, 871	46. 853	3, 441, 656	2, 010, 524	50, 232	18, 481	2. 079. 237	149, 069
1964	2, 535, 596	887, 403	107, 779	46, 721	3, 577, 499	1, 976, 675	56, 309	19, 561	2, 052, 545	171, 614

Footnotes at end of table.

TABLE 21.—*Internal revenue collections by tax sources, fiscal years 1936–64* [1]—Continued

[In thousands of dollars]

Fiscal year	Excise taxes—Continued												
	Manufacturers excise taxes [8]												
	Gasoline	Lubricating oils	Passenger automobiles and motorcycles	Automobile trucks and busses	Parts and accessories for automobiles	Tires, tubes, and tread rubber	Business and store machines	Refrigerators, freezers, air-conditioners, etc.	Radio and television receiving sets and phonographs, parts	Electric, gas, and oil appliances	Electrical energy	All other [9]	Total manufacturers excise taxes
1936	177, 340	27, 103	48, 201	7. 000	7. 110	32, 208	----------	7, 939	5, 075	----------	33, 575	37. 165	382, 716
1937	196, 533	31. 463	65, 265	9. 031	10. 086	40. 819	----------	9, 913	6, 754	----------	35, 975	44. 744	450, 581
1938	203. 648	31, 565	43. 365	6. 697	7, 989	31, 567	----------	8, 829	5. 849	----------	38, 455	39. 188	417. 152
1939	207, 019	30, 497	42, 723	6, 008	7, 935	34, 819	----------	6. 958	4, 834	----------	39, 859	16. 323	396, 975
1940	226, 187	31, 233	59, 351	7, 866	10. 630	41. 555	----------	9. 954	6. 080	----------	42, 339	11, 957	447, 152
1941	343, 021	38, 221	81, 403	10. 747	13. 084	51, 054	----------	13. 279	6, 935	----------	47, 021	12, 609	617, 373
1942	369, 587	46, 432	77, 172	18, 361	28. 088	64, 811	6, 972	16, 246	19, 144	17, 702	49, 978	57, 406	771, 898
1943	288, 786	43, 318	1, 424	4, 230	20. 478	18, 345	6, 461	5. 966	5, 561	6, 913	48, 705	54, 559	504, 746
1944	271. 217	52, 473	1, 222	3. 247	31, 551	40. 334	3. 760	2. 406	3, 402	5, 027	51, 239	37, 584	503. 462
1945	405. 563	92. 865	2, 558	20. 847	49. 440	75. 257	10. 120	1, 637	4, 753	12, 060	57. 004	50. 406	782. 511
1946	405. 695	74, 602	25, 893	37. 144	68, 871	118. 092	15, 792	9. 229	13, 385	25. 492	59, 112	69, 365	922, 671
1947	433, 676	82, 015	204, 680	62. 099	99. 932	174, 927	25. 183	37, 352	63, 856	65. 608	63, 014	113, 052	1, 425, 395
1948	478. 638	80, 887	270, 958	91. 963	122, 951	159. 284	32. 707	58, 473	67, 267	87, 858	69. 701	128, 548	1, 649, 234
1949	503. 647	81, 760	332. 812	136. 797	120. 138	150. 899	33. 344	77, 833	49, 160	80, 935	79. 347	124, 860	1, 771. 533
1950	534, 270	70. 072	452. 066	123, 630	88, 733	151. 795	30, 012	64, 316	42, 085	80. 406	85, 704	112, 966	1, 836, 053
1951	588. 647	77, 639	653. 363	121, 285	119. 475	198, 383	44, 491	96, 319	128, 187	121. 996	93. 184	140, 706	2. 383, 677
1952	734. 715	73, 746	578, 149	147. 445	164. 135	161. 328	48, 515	57. 970	118. 244	89, 544	53, 094	122. 059	2. 348, 943
1953	890, 679	73. 321	785, 716	210. 032	177. 924	180. 047	50. 259	87, 424	159. 383	113, 390	(10)	134, 613	2. 862, 788
1954	836, 893	68, 029	867. 482	149. 914	134, 759	152. 567	48. 992	75. 059	135, 535	97, 415	(10)	122, 488	2. 689, 133
1955	954. 678	69. 818	1, 047, 813	134. 805	136. 709	164. 316	57, 281	38. 004	136, 849	50, 859	(10)	93, 883	2. 885. 016
1956	1. 030. 397	74, 584	1, 376, 372	189. 434	145, 797	177. 872	70, 146	49, 078	161, 098	71, 064	(10)	110, 171	3. 456, 013
1957	1. 458, 217	73. 601	1, 144. 233	199. 298	157, 291	251. 454	83. 175	46, 894	149. 192	75, 196	(10)	123, 374	3, 761, 925
1958	1, 636. 629	69, 996	1, 170. 003	206, 104	166, 720	259. 820	90, 658	39. 379	146, 422	61, 400	(10)	127, 004	3. 974, 135
1959	1, 700, 253	73, 685	1. 039, 272	215. 279	166. 234	278. 911	93, 894	40, 593	152, 566	62. 373	(10)	135, 728	3. 958, 789
1960	2, 015, 863	81. 679	1, 331, 292	271. 938	189, 476	304, 466	99. 370	50. 034	169, 451	69. 276	(10)	152, 285	4, 735, 129
1961	2. 370. 303	74, 296	1, 228, 629	236, 659	188, 819	279. 572	98. 305	55, 920	148, 989	64. 483	(10)	150, 826	4. 896, 802
1962	2, 412, 714	73. 012	1, 300. 440	257. 200	198. 077	361. 562	81. 719	54. 638	173. 024	66. 435	(10)	154, 129	5, 132, 949
1963	2, 497. 316	74, 410	1. 559, 510	303, 144	224. 507	398. 860	74, 845	61. 498	184. 220	68, 171	(10)	163, 827	5, 610. 309
1964	2, 618, 370	76, 316	1, 745, 969	350, 945	228, 762	411, 483	71, 867	62, 799	197, 595	77, 576	(10)	178, 861	6, 020. 543

Fiscal year	Excise taxes—Continued										
	Retailers excise taxes					Miscellaneous excise taxes					
										Admissions	
	Jewelry	Furs	Toilet preparations	Luggage, handbags, wallets	Total retailers excise taxes	Toll telephone, telegraph, radio, and cable services	General telephone service	Transportation of persons	Transportation of property (including coal)	General admissions	Cabarets
1936						21,098				15,773	1,339
1937						24,570				18,185	1,555
1938						23,977				19,284	1,517
1939						24,094				18,029	1,442
1940						26,368				20,265	1,623
1941						27,331				68,620	2,343
1942	41,501	19,744	18,922		80,167	48,231	26,791	21,379		107,633	7,400
1943	88,366	44,223	32,677		165,266	91,174	66,987	87,132	82,556	138,054	16,397
1944	113,373	58,726	44,790	8,343	225,232	141,275	90,199	153,683	215,488	178,563	26,726
1945	184,220	79,418	86,615	73,851	424,105	208,018	133,569	234,182	221,088	300,589	56,877
1946	223,342	91,706	95,574	81,423	492,046	234,393	145,689	226,750	220,121	343,191	72,077
1947	236,615	97,481	95,542	84,588	514,227	252,746	164,944	244,003	275,701	392,873	63,350
1948	217,899	79,539	91,852	80,632	469,923	275,255	193,521	246,323	317,203	385,101	53,527
1949	210,688	61,946	93,969	82,607	449,211	311,380	224,531	251,389	337,030	385,844	48,857
1950	190,820	45,781	94,995	77,532	409,128	312,339	247,281	228,738	321,193	371,244	41,453
1951	210,239	57,604	106,339	82,831	457,013	354,660	290,320	237,617	381,342	346,492	42,646
1952	220,339	51,436	112,892	90,799	475,466	395,434	310,337	275,174	388,589	330,816	45,489
1953	234,659	49,923	115,676	95,750	496,009	417,940	357,933	287,408	419,604	312,831	46,691
1954	209,256	39,036	110,149	79,891	438,332	412,508	359,473	247,415	395,554	271,952	38,312
1955	142,366	27,053	71,829	50,896	292,145	230,251	290,198	200,465	398,039	106,086	39,271
1956	152,340	28,261	83,776	57,519	321,896	241,543	315,690	214,903	450,579	104,018	42,255
1957	156,604	29,494	92,868	57,116	336,081	266,186	347,024	222,158	467,978	75,847	43,241
1958	156,134	28,544	98,158	58,785	341,621	279,375	370,810	225,809	462,989	54,683	42,919
1959	156,382	29,909	107,968	61,468	355,728	292,412	398,023	227,044	[11] 143,250	49,977	45,117
1960	165,699	30,207	120,211	62,573	378,690	312,055	426,242	255,459	[11] 3,140	34,494	49,605
1961	168,498	29,226	131,743	68,182	397,649	343,894	483,408	264,262	1,306	36,679	33,603
1962	176,023	31,163	144,594	69,384	421,163	350,566	492,912	262,760	568	39,169	35,606
1963	181,902	29,287	158,351	74,019	443,558	364,618	515,987	233,928	451	42,789	39,794
1964	189,437	30,016	176,857	78,704	475,013	379,608	530,588	106,062	277	47,053	41,026

Footnotes at end of table.

TABLE 21.—*Internal revenue collections by tax sources, fiscal years 1936–64* [1]—Continued

[In thousands of dollars]

Fiscal year	Excise taxes—Continued								Taxes not otherwise classified	Grand total
	Miscellaneous excise taxes—Continued						Unclassified excise taxes [14]	Total excise taxes		
	Club dues and initiation fees	Sugar	Diesel and special motor fuels [12]	Use tax on highway motor vehicles weighing over 26,000 lbs. [12]	All other [13]	Total miscellaneous excise taxes				
1936	6,091				44,656	88,957		1,547,293	[15] 71,637	3,520,208
1937	6,288				46,964	97,561		1,764,561		4,653,195
1938	6,551	30,569			49,410	131,307		1,730,853		5,658,765
1939	6,217	65,414			46,900	162,096		1,768,113		5,181,574
1940	6,335	68,145			43,171	165,907		1,884,512		5,340,452
1941	6,583	74,835			45,143	224,855		2,399,417		7,370,108
1942	6,792	68,230			131,461	417,916		3,141,183		13,047,869
1943	6,520	53,552			192,460	734,831		3,797,503		22,371,386
1944	9,182	68,789			193,017	1,076,921		4,463,674		40,121,760
1945	14,160	73,294			188,700	1,430,476		5,944,630		43,800,388
1946	18,899	56,732			172,249	1,490,101		6,684,178		40,672,097
1947	23,299	59,152			75,176	1,551,245		7,283,376		39,108,386
1948	25,499	71,247			88,035	1,655,711		7,409,941		41,864,542
1949	27,790	76,174			89,799	1,752,792		7,578,846		40,463,125
1950	28,740	71,188			98,732	1,720,908		7,598,405		38,957,132
1951	30,120	80,192			79,210	1,842,598		8,703,599		50,445,686
1952	33,592	78,473	7,138		82,430	1,947,472		8,971,158		65,009,586
1953	36,829	78,130	15,091		88,708	2,061,164		9,946,116		69,686,535
1954	31,978	74,477	17,969		86,889	1,936,527		9,517,233		69,919,991
1955	41,963	78,512	22,692		85,156	1,492,633	114,687	9,210,582	[16] 7,352	66,288,692
1956	47,171	82,894	24,464		84,981	1,608,497	−31,209	10,004,195	[16] 5,269	75,112,649
1957	54,236	86,091	39,454	27,163	89,132	1,718,509	66,237	10,637,544	[16] 15,482	80,171,971
1958	60,338	85,911	46,061	33,117	79,316	1,741,327	−32,749	10,814,268	[16] 7,024	79,978,476
1959	64,813	86,378	52,528	32,532	43,879	1,435,953	66,351	10,759,549	[16] 5,444	79,797,973
1960	67,187	89,856	71,869	38,333	38,588	1,386,829	99,644	11,864,741		91,774,803
1961	64,357	91,818	88,856	45,575	43,767	1,497,526	−80,943	12,064,302		94,401,086
1962	69,452	96,636	105,178	79,761	37,651	1,570,258	101,468	12,752,176		99,440,839
1963	71,097	99,903	113,012	99,481	38,596	1,619,656	66,251	13,409,737		105,925,395
1964	75,120	95,411	128,079	100,199	43,206	1,546,631	106,387	13,950,232		112,260,257

[1] For figures for 1863–1915, see 1929 annual report, p. 419; for 1916–28, see 1947 annual report, p. 310; and for 1929–35, see 1963 report, p. 486.

[2] Beginning with January 1951, withheld income taxes and old-age insurance taxes on employees and employers and, beginning with January 1957, disability insurance taxes on employees and employers are paid into the Treasury in combined amounts without separation as to type of tax. Similarly, for the same periods, the old-age insurance and disability insurance taxes on self-employment income are combined with income tax other than withheld. The distribution of amounts of these taxes by type is based on estimates made by the Secretary of the Treasury in accordance with provisions of section 201(a) of the Social Security Act, as amended (42 U.S.C. 401(a)). Individual income taxes withheld by employers, 1951 through 1956, include amounts subsequently transferred to the Government of Guam, under the provisions of the act approved August 1, 1950 (48 U.S.C. 1421 h). Beginning with 1957 these amounts are excluded.

[3] Beginning with 1952 includes the tax on business income of exempt organizations. Includes income tax on the Alaska Railroad, which was repealed effective for taxable years ending after June 30, 1952.

[4] Repealed for years ending after June 30, 1945. Beginning with 1951 included under "Miscellaneous excise taxes, All other."

[5] Beginning with 1954 includes amounts of tax collected in Puerto Rico upon products of Puerto Rican manufacture coming into the United States; data for earlier years are exclusive of such amounts.

[6] Through 1956 "Distilled spirits" include amounts collected by Customs on imports of both distilled spirits and beer. Beginning with 1957 imported beer is included with "Beer" instead of "Distilled spirits."

[7] Includes stamp taxes on bonds, issues of capital stock, deeds of conveyance, transfers of capital stock and similar interest sales, playing cards, and silver bullion sales or transfers.

[8] Includes taxes on sales under the act of October 22, 1914; manufacturers, consumers, and dealers excise taxes under war revenue and subsequent acts; and for 1936 and subsequent years, manufacturers excise taxes under the act of 1932, as amended. Soft drink taxes are included under "Miscellaneous excise taxes, All other."

[9] Beginning with 1936 includes manufacturers' excise taxes on jewelry, furs, and toilet preparations; beginning 1942 includes manufacturers' excise taxes on phonograph records, musical instruments, and luggage. The tax on phonograph records for 1936 through 1941 was not reported separately and is included in "Radio and television receiving sets and phonographs, parts." See also footnote 13.

[10] Repealed by Revenue Act of 1951. Collections for the years subsequent to 1952 are included under "Miscellaneous excise taxes, All other."

[11] Repealed effective August 1, 1958 (26 U.S.C. 4292 note).

[12] Beginning with fiscal 1957 collections are applied in accordance with provisions of the Highway Revenue Act of 1956, as amended (23 U.S.C. 120 note).

[13] Includes: Certain delinquent taxes collected under repealed laws, capital stock taxes prior to 1951 which are shown under "Capital stock"; and various other taxes not shown separately.

[14] Includes undistributed depositary receipts and unapplied collections of excise taxes.

[15] Consists of agricultural adjustment taxes.

[16] Beginning with 1955, includes unidentified and excess collections, and profits from sale of acquired property. For 1954 and earlier years such amounts are included in "Miscellaneous excise taxes, All other." For 1955 through 1957 also includes depositary receipts outstanding six months or more for which no tax accounts were identified.

NOTE.—These figures are from Internal Revenue Service reports of collections and for years prior to 1955 are not directly comparable to gross budget receipts from internal revenue. The differences in amounts occur because of differences in the time when payments are included in the respective reports. Through 1954 the payments were included in Internal Revenue Service collection reports after the returns to which they applied had been received in internal revenue offices. Beginning with 1955 tax payments are included in budget receipts when reported in the Account of the Treasurer of the United States.

Under arrangements begun in 1950, for withheld income tax and old-age insurance taxes and later extended to railroad retirement taxes and many excises, these taxes are paid currently into Treasury depositaries and the depositary receipts, as evidence of such payment, are attached to quarterly returns to the Internal Revenue Service. Under this procedure, the payments are included in budget receipts in the month in which the depositary receipts are issued to taxpayers.

Revised accounting procedures, effective July 1, 1954, extended this practice to Internal Revenue Service collection reports, so that these reports likewise include depositary receipts in the month in which they are issued instead of the month in which tax returns supported by the receipts are received in directors' offices. It is not possible to make a complete classification of excise taxes paid into depositaries until the returns are received. Accordingly, the item "Unclassified excise taxes" includes the amount of "undistributed depositary receipts," i.e., the amount of depositary receipts issued, less the amount of depositary receipts received with returns and distributed by classes of tax.

TABLE 22.—*Internal revenue collections and refunds by States, fiscal year 1964*

[In thousands of dollars. On basis of Internal Revenue Service reports]

States, etc.	Individual income and employment taxes	Corporation income taxes	Excise taxes	Estate and gift taxes	Total collections	Refunds of taxes
Alabama	582,916	108,998	18,998	15,163	726,075	83,596
Alaska	74,143	4,651	2,352	153	81,299	10,558
Arizona	356,026	46,378	9,220	15,926	427,550	58,132
Arkansas	284,801	42,103	22,125	9,852	358,881	37,307
California	7,796,569	1,522,655	919,125	296,358	10,534,708	967,944
Colorado	1,081,134	128,101	117,534	21,794	1,348,563	75,617
Connecticut	1,342,055	375,593	160,266	66,805	1,944,718	125,110
Delaware	420,747	505,763	3,454	56,068	986,032	16,606
Florida	1,319,887	284,606	94,167	104,342	1,803,001	192,434
Georgia	957,085	286,244	143,285	28,777	1,415,391	109,960
Hawaii	227,280	52,416	9,501	4,255	293,453	32,178
Idaho	168,890	30,238	5,131	2,564	206,824	22,112
Illinois	5,597,807	1,932,066	1,014,923	153,104	8,697,901	408,238
Indiana	1,737,453	412,427	371,305	28,166	2,549,350	147,666
Iowa	642,478	163,297	31,354	19,259	856,388	82,469
Kansas	573,219	120,423	24,322	20,100	738,063	70,827
Kentucky	575,704	179,129	1,068,344	21,363	1,844,540	73,665
Louisiana	663,929	179,137	64,503	20,748	928,317	97,903
Maine	210,009	41,529	6,326	12,679	270,544	29,745
Maryland [1]	1,988,006	300,734	277,962	62,681	2,629,382	168,419
Massachusetts	2,343,627	608,903	187,590	81,493	3,221,613	226,715
Michigan	3,966,432	3,087,805	2,262,982	65,369	9,382,587	325,221
Minnesota	1,226,711	392,119	114,575	31,063	1,764,467	142,786
Mississippi	281,661	39,422	13,762	8,088	342,933	42,976
Missouri	1,728,791	538,307	280,971	48,424	2,596,494	148,661
Montana	151,991	26,440	5,090	3,746	187,267	20,311
Nebraska	487,457	98,205	57,755	21,469	664,886	42,113
Nevada	182,827	37,195	14,450	6,174	240,646	22,380
New Hampshire	193,104	32,370	3,411	7,099	235,984	23,033
New Jersey	2,345,134	747,610	333,087	87,973	3,513,804	275,975
New Mexico	212,183	24,783	9,263	5,507	251,737	31,882
New York	11,908,931	6,323,327	1,531,348	403,905	20,167,510	816.868
North Carolina	954,655	477,003	1,273,286	33,351	2,738,295	118,207
North Dakota	116,817	10,951	4,245	2,022	134,035	17,317
Ohio	4,315,889	1,521,198	742,419	113,867	6,693,373	405,506
Oklahoma	630,816	170,721	260,604	29,332	1,091,472	72,895
Oregon	604,429	105,589	26,534	12,396	748,948	66,377
Pennsylvania	4,863,650	1,231,719	795,573	197,924	7,088,866	416,820
Rhode Island	351,232	79,018	22,313	17,018	469,582	34,627
South Carolina	369,132	91,850	18,628	10,349	489,959	55,455
South Dakota	126,464	17,300	6,486	2,639	152,889	18,303
Tennessee	790,167	179,596	51,114	21,093	1,041,970	95,565
Texas	2,745,342	716,288	670,309	108,270	4,240,209	350,560
Utah	252,495	50,483	18,367	3,231	324,575	38,511
Vermont	94,079	15,917	5,690	4,960	120,646	10,796
Virginia	1,122,850	251,513	414,416	34,785	1,823,564	133,514
Washington	1,077,292	180,477	97,314	27,760	1,382,842	122,284
West Virginia	311,381	58,978	18,101	9,794	398,255	43,787
Wisconsin	1,303,765	428,777	194,637	32,202	1,959,380	132,736
Wyoming	84,796	8,075	10,684	3,472	107,027	11,248
International [2]	275,615	32,439	48,471	21,376	377,900	39,216
Undistributed:						
Depositary receipts [3]	−409,468		92,558		−316,910	
Transferred to Government of Guam	−3,810				−3,810	
Withheld taxes of Federal employees [4]	−13,715				−13,715	
Unclassified						1,447
Total	[5] 71,592,859	24,300,863	[6] 13,950,232	2,416,303	112,260,257	[7] 7,114,576

Footnotes on next page.

Footnotes for table 22

1 Includes the District of Columbia.
2 Collections from and refunds to U.S. taxpayers in Puerto Rico, Canal Zone, etc., and in foreign countries.
3 Consists of all those issued during the fiscal year minus those received with tax returns which are included in the State totals.
4 Net transactions in the clearing account on the central books of the Treasury for withheld income taxes from salaries of Federal employees.
5 Includes $16.8 billion transferred to the Federal old-age and survivors insurance trust fund, the Federal disability insurance trust fund, and the railroad retirement account as provided by the Social Security Act, as amended (42 U.S.C. 401 (a), (b)) and the Railroad Retirement Act (45 U.S.C. 228e(k)) for benefit payments within the States.
6 Includes $3.5 billion gasoline and certain other highway user levies transferred to the highway trust fund for highway construction in the States, in accordance with the Highway Revenue Act of 1956, as amended (23 U.S.C. 120 note). Also includes customs collections.
7 Inclusive of the reimbursement of $297 million to the general fund from the Federal old-age and survivors insurance trust fund, the Federal disability insurance trust fund, the highway trust fund, and the Federal Unemployment Tax Act (42 U.S.C. 1101(b)(3)) which is the estimated aggregate of refunds due on taxes collected and transferred.

NOTE.—Receipts in the various States do not indicate the Federal taxes paid by taxpayers in each since, in many instances, taxes are collected in one State from residents of another State. For example, withholding taxes reported by employers located near State lines may include substantial amounts withheld from salaries of employees who reside in neighboring States. Likewise, payments of refunds within a State may not be applicable to the collections within that State, since refunds are payable in the State of residence or principal place of business of the taxpayer which may not be the point at which collections are made.
Collections in full detail by tax source and region are shown in the *Annual Report of the Commissioner of Internal Revenue* and in lesser detail in the *Combined Statement of Receipts, Expenditures and Balances of the United States Government*.

TABLE 23.—*Deposits by the Federal Reserve banks representing interest on Federal Reserve notes, fiscal years 1947–64* [1]

Federal Reserve banks	1947–61	1962	1963	1964	Cumulative through 1964
Boston	$318, 673, 806. 81	$36, 074, 382. 32	$38, 901, 283. 76	$45, 569, 975. 47	$439, 219, 448. 36
New York	1, 433, 653, 310. 82	188, 290, 233. 02	216, 680, 578. 14	251, 545, 129. 94	2, 090, 169, 251. 92
Philadelphia	352, 211, 076. 56	41, 786, 811. 68	46, 988, 497. 86	51, 235, 869. 29	492, 222, 255. 39
Cleveland	492, 667, 305. 36	59, 065, 526. 95	68, 778, 971. 52	79, 608, 803. 67	700, 120, 607. 50
Richmond	353, 890, 801. 63	45, 516, 092. 75	53, 324, 241. 72	62, 318, 919. 41	515, 050, 055. 51
Atlanta	282, 368, 377. 15	38, 261, 170. 62	39, 412, 461. 36	47, 558, 768. 86	407, 600, 777. 99
Chicago	980, 520, 531. 90	130, 138, 661. 07	146, 169, 908. 00	163, 061, 035. 08	1, 419, 890, 136. 05
St. Louis	239, 774, 744. 14	26, 509, 199. 66	31, 823, 672. 41	34, 848, 808. 20	332, 956, 424. 41
Minneapolis	133, 977, 516. 20	13, 177, 153. 54	14, 250, 491. 80	15, 420, 548. 72	176, 825, 710. 26
Kansas City	240, 691, 102. 99	30, 549, 419. 77	33, 045, 730. 25	35, 151, 829. 02	339, 438, 082. 03
Dallas	204, 102, 213. 82	25, 164, 979. 99	30, 648, 878. 58	33, 093, 813. 70	293, 009, 886. 09
San Francisco	574, 598, 023. 39	83, 816, 857. 01	108, 461, 062. 33	127, 098, 021. 21	893, 973, 963. 94
Total	5, 607, 128, 810. 77	718, 350, 488. 38	828, 485, 777. 73	946, 511, 522. 57	8, 100, 476, 599. 45

1 Pursuant to section 16 of the Federal Reserve Act, as amended (12 U.S.C. 414). Through 1959, consists of approximately 90 percent of earnings of the Federal Reserve banks after payment of necessary expenses and statutory dividends, and after provisions for restoring the surplus of each bank to 100 percent of subscribed capital where it fell below that amount. Beginning in 1960, pursuant to a decision by the Board of Governors of the Federal Reserve System consists of all net earnings after dividends and after provision for building up surplus to 100 percent of subscribed capital at those banks where surplus is below that amount and also of the amounts by which surplus at the other banks exceeds subscribed capital.

TABLE 24.—*Customs collections and payments by districts, fiscal year 1964*

District	Collections: Duties and miscellaneous customs collections	Collections: Internal Revenue Service	Collections: Collections for others	Collections: Total	Payments: Refunds: Excessive duties and similar refunds	Payments: Refunds: Drawback	Payments: Expenses (net obligations)	Cost to collect $100
Alaska	$485,529	$85,340		$570,869	$6,047		$290,245	$50.84
Arizona	7,804,697	8,229		7,812,926	196,105	$375	585,445	7.49
Buffalo	17,632,518	5,431,814	$11	23,064,343	261,873	77,621	1,925,189	8.35
Chicago	42,557,082	35,804,074	237	78,361,393	620,907	370,491	2,105,790	2.69
Colorado	1,206,641	1,953,421		3,160,062	13,584	1,047	114,765	3.63
Connecticut	5,274,047	7,192,487		12,466,534	242,376	69,504	229,490	1.84
Dakota	5,033,147	1,885		5,035,032	28,003	463	702,828	13.96
Duluth and Superior	5,507,133	69,771		5,576,904	19,644	1,551	438,262	7.86
El Paso	4,735,174	5,502		4,740,676	22,799	1,912	865,130	18.25
Florida	25,312,369	16,895,904	425	42,208,698	360,372	218,493	3,262,500	7.73
Galveston	25,464,255	11,356,924	3,469	36,824,648	311,053	143,227	2,397,770	6.51
Georgia	7,453,529	1,741,469	510	9,195,508	139,870	141,530	369,590	4.02
Hawaii	7,115,536	1,588,477		8,704,013	97,376	7,867	935,257	10.75
Indiana	1,486,497	6,195,522		7,682,019	14,139	33,081	130,260	1.70
Kentucky	2,676,128	9,783,510		12,459,638	73,238	266,679	92,339	.74
Laredo	15,910,005	42,655	2,850	15,955,510	304,383	34,542	1,866,159	11.70
Los Angeles	91,311,160	33,314,117	446	124,625,723	945,011	274,727	4,207,269	3.38
Maine and New Hampshire	3,715,666	18,450		3,734,116	203,157	504	1,209,103	32.38
Maryland	32,222,674	18,627,071	329	50,850,074	489,032	111,515	1,884,706	3.71
Massachusetts	61,367,395	19,013,616	319	80,381,330	1,224,843	242,785	2,895,178	3.60
Michigan	43,461,916	85,769,776	174	129,231,866	263,073	1,646,705	2,426,824	1.88
Minnesota	2,539,792	3,496,085		6,035,877	41,779	22,440	301,866	5.00
Mobile	4,211,055	1,009,597	167	5,220,819	80,179	47,710	288,411	5.52
Montana and Idaho	2,600,342	2,348		2,602,690	13,116	512	374,081	14.37
New Mexico	85,909	497		86,406			57,554	66.61
New Orleans	31,672,994	7,244,771	2,548	38,920,313	285,074	280,351	2,013,142	5.17
New York	571,925,489	135,518,255	1,010	707,444,754	6,718,156	6,949,928	24,191,231	3.42
North Carolina	15,873,247	1,292,815		17,166,062	86,996	274,019	275,785	1.61
Ohio	13,254,389	9,354,740		22,600,129	129,733	327,523	829,341	3.67
Oregon	12,926,807	2,280,102	107	15,207,016	86,648	7,584	525,018	3.45
Philadelphia	73,636,270	16,053,250	120	89,689,646	1,534,480	2,688,804	2,284,489	2.55
Pittsburgh	3,309,687	7,807,946		11,117,633	30,101	105,779	171,179	1.54
Rhode Island	2,391,223	1,616,133		4,007,356	172,295	5,857	199,495	4.98
Rochester	5,264,327	3,292,100		8,556,427	14,370	69,280	259,153	3.03
Sabine	1,170,281	54,716	1,789	1,226,786	1,604		162,080	13.21
St. Lawrence	13,100,339	23,030,070		36,130,409	173,840	31,063	1,362,019	3.77
St. Louis	9,293,074	6,938,102		16,231,176	78,551	8,572	357,967	2.21
San Diego	5,840,964	219,538	535	6,061,037	75,655		1,074,283	17.72
San Francisco	48,708,812	23,770,773	402	72,479,987	718,675	282,289	2,386,867	3.29
South Carolina	14,724,968	673,612		15,398,580	280,792	19,219	315,232	2.05
Tennessee	1,559,184	1,029,136		2,588,320	8,307	26,611	111,917	4.32
Vermont	4,460,503	3,971,515		8,432,018	76,662	1,556	1,409,961	16.72
Virginia	21,182,061	1,504,368	130	22,686,559	300,409	44,979	833,673	3.67
Washington	20,732,927	13,071,139	109	33,804,175	244,060	37,888	1,959,123	5.80
Wisconsin	4,190,928	2,426,208		6,617,136	45,881	389,771	266,383	4.03
Puerto Rico [1]	203,220	462		203,691	1,199			
Items not assigned to districts	27,251	2		27,253	1,497		[2] 4,638,796	
Total	1,292,619,150	[3] 520,558,294	15,693	1,813,193,137	17,036,944	15,266,354	75,583,145	4.17

[1] Does not include collections of $15,156,332 deposited to the trust fund: Refunds, transfers, and expenses of operations, Puerto Rico, Bureau of Customs.
[2] Washington headquarters and foreign offices.
[3] Included in Internal Revenue Service excise tax collections reported in table 22.

TABLE 25.—*Summary of customs collections and expenditures, fiscal years 1963 and 1964*

[On basis of Bureau of Customs accounts]

SCHEDULE 1.—COLLECTIONS BY CUSTOMS

Collections	1963	1964	Percentage increase, or decrease (−)
Collections:			
Duties:			
Consumption entries	$1,024,041,616	$1,063,699,694	3.9
Warehouse withdrawals	171,623,505	173,073,954	.8
Mail entries	13,259,489	13,391,738	1.0
Passenger baggage entries	2,625,028	2,684,406	2.2
Crewmember baggage entries	797,966	869,248	8.9
Informal entries	10,155,422	10,906,258	7.4
Appraisement entries	145,180	152,020	4.7
Supplemental duties	17,185,152	18,651,696	8.5
Withheld duties	131,411	190,297	44.8
Other duties	573,116	557,068	−2.8
Total duties	1,240,537,885	1,284,176,379	3.5
Miscellaneous: [1]			
Violations of customs laws	1,981,142	2,109,424	6.5
Marine inspection and navigation services	28,083	33,634	19.8
Testing, inspecting, and grading	535,195	547,032	2.2
Miscellaneous taxes	4,891,714	5,401,280	10.4
Fees	237,538	269,972	13.7
Unclaimed funds	52,592	60,679	15.4
Recoveries	9,475	14,647	54.6
All other customs receipts	37,908	21,796	−42.5
Total miscellaneous	7,773,647	8,458,464	8.8
Internal revenue taxes	473,193,234	520,558,294	10.0
Total collections	1,721,504,766	1,813,193,137	5.3

[1] Includes miscellaneous customs collections of Puerto Rico and the Virgin Islands and those of other Government agencies.

SCHEDULE 2.—APPROPRIATIONS AND EXPENDITURES

Appropriations and expenditures	1963	1964	Percentage increase, or decrease (−)
Appropriations:			
For salaries and expenses, Bureau of Customs	$67,883,000	$72,485,000	6.8
Transferred from Department of Commerce for export control	1,382,600	1,450,000	4.9
Transferred from Department of Agriculture for quarantine purposes	1,539,700	1,661,000	7.9
Total	70,805,300	75,596,000	6.8
Expenditures, obligations incurred by:			
Collectors of customs	45,978,7 7	48,605,996	5.7
Appraisers of merchandise	11,481,110	12,456,970	8.5
Agency Service (investigations)	7,917,980	8,614,622	8.8
Comptrollers of customs	1,075,290	1,102,788	2.6
Chief chemists	1,392,210	1,497,024	7.5
Executive direction	2,941,129	3,305,745	12.4
Total obligations incurred	70,786,426	75,583,145	6.8
Balance of appropriations	18,874	12,855	−31.9
Expenditures (refunds):			
Excessive duties and similar refunds	17,351,410	17,036,944	−1.8
Drawback payments	17,821,222	15,266,354	−14.3
Total	35,172,632	32,303,298	−8.2

TABLE 26.—*Postal receipts and expenditures, fiscal years 1926–64*

Year	Postal revolving fund as reported to the Treasury by the Post Office Department				Surplus revenue paid into the Treasury [2]	Advances from the Treasury to cover postal deficiencies [3]
	Postal revenues	Postal expenditures [1]		Surplus, or deficit (−)		
		Extraordinary expenditures as reported under act of June 9, 1930	Other			
1926	$659, 819, 801		[4] $679, 792, 180	−$19, 972, 379		[4] $39, 506, 490
1927	683, 121, 989		714, 628, 189	−31, 506, 201		27, 263, 191
1928	693, 633, 921		725, 755, 017	−32, 121, 096		32, 080, 202
1929	696, 947, 578		782, 408, 754	−85, 461, 176		94, 699, 744
1930	705, 484, 098	$39, 669, 718	764, 030, 368	−98, 215, 987		91, 714, 451
1931	656, 463, 383	48, 047, 308	754, 482, 265	−146, 066, 190		145, 643, 613
1932	588, 171, 923	53, 304, 423	740, 418, 111	−205, 550, 611		202, 876, 341
1933	587, 631, 364	61, 691, 287	638, 314, 969	−112, 374, 892		117, 380, 192
1934	586, 733, 166	66, 623, 130	564, 143, 871	−44, 033, 835		52, 003, 296
1935	630, 795, 302	69, 537, 252	627, 066, 001	−65, 807, 951		63, 970, 405
1936	665, 343, 356	68, 585, 283	685, 074, 398	−88, 316, 324		86, 038, 862
1937	726, 201, 110	51, 587, 336	721, 228, 506	−46, 614, 732		41, 896, 945
1938	728, 634, 051	42, 799, 687	729, 645, 920	−43, 811, 556		44, 258, 861
1939	745, 955, 075	48, 540, 273	736, 106, 665	−38, 691, 863		41, 237, 263
1940	766, 948, 627	53, 331, 172	754, 401, 694	−40, 784, 239		40, 870, 336
1941	812, 827, 736	58, 837, 470	778, 108, 078	−24, 117, 812		30, 064, 048
1942	859, 817, 491	73, 916, 128	800, 040, 400	−14, 139, 037		18, 308, 869
1943	966, 227, 289	122, 343, 916	830, 191, 463	13, 691, 909		14, 620, 875
1944	1, 112, 877, 174	126, 639, 650	942, 345, 968	43, 891, 556	$1, 000, 000	[5] −28, 999, 995
1945	1, 314, 240, 132	116, 198, 782	1, 028, 902, 402	169, 138, 948	188, 102, 579	649, 769
1946	1, 224, 572, 173	100, 246, 983	1, 253, 406, 696	−129, 081, 506		160, 572, 098
1947	1, 299, 141, 041	92, 198, 225	1, 412, 600, 531	−205, 657, 715	12, 000, 000	241, 787, 174
1948	1, 410, 971, 284	96, 222, 339	1, 591, 583, 096	−276, 834, 152		310, 213, 451
1949	1, 571, 851, 202	120, 118, 663	2, 029, 203, 465	−577, 470, 926		524, 297, 262
1950	1, 677, 486, 967	119, 960, 324	2, 102, 988, 758	−545, 462, 114		592, 514, 046
1951	1, 776, 816, 354	104, 895, 553	2, 236, 503, 513	−564, 582, 711		624, 169, 406
1952	1, 947, 316, 280	107, 209, 837	2, 559, 650, 534	−719, 544, 090		740, 000, 000
1953	2, 091, 714, 112	103, 445, 741	2, 638, 680, 670	−650, 412, 299		660, 121, 483
1954 [6]	2, 263, 389, 229	(7)	2, 575, 386, 760	−311, 997, 531		521, 999, 804
1955 [6]	2, 336, 667, 658	(7)	2, 692, 966, 698	−356, 299, 040		285, 261, 181
1956 [6]	2, 419, 211, 749	(7)	2, 882, 291, 063	−463, 079, 314		382, 311, 040
1957 [6]	2, 547, 589, 618	(7)	3, 065, 126, 065	−517, 536, 447		516, 502, 460
1958 [6]	2, 583, 459, 773	(8)	3, 257, 452, 203	−673, 992, 431		921, 750, 883
1959 [6]	3, 061, 110, 753	(8)	3, 834, 997, 671	−773, 886, 918		605, 184, 335
1960 [6]	3, 334, 343, 038	(8)	3, 821, 959, 408	−487, 616, 370		569, 229, 167
1961 [6]	3, 482, 961, 182	(8)	4, 347, 945, 979	−864, 984, 797		824, 989, 797
1962 [6]	3, 609, 260, 097	(8)	4, 343, 436, 402	−734, 176, 305		773, 739, 374
1963 [6]	3, 869, 713, 783	(8)	4, 640, 048, 550	−770, 334, 767		817, 693, 516
1964 [6]	4, 393, 516, 717	(8)	4, 971, 215, 682	−577, 698, 965		698, 626, 276

[1] From 1927 to date includes salary deductions paid to and deposited for credit to the retirement fund.
[2] On basis of warrants-issued adjusted to basis of daily Treasury statements through 1947.
[3] Advances to the Postmaster General to meet estimated deficiencies in postal revenues, reduced by repayments from prior year advances. Excludes allowances for offsets of extraordinary expenditures or the cost of free mailings. Figures are on basis of warrants-issued adjusted to basis of daily Treasury statements through 1953, and thereafter on basis of the central accounts of the U.S. Government maintained by the Treasury Department.
[4] Excludes $10,472,289 transferred to the civil service retirement and disability fund on account of salary deductions.
[5] Repayment of unexpended portion of prior years' advances.
[6] Transactions for 1954–64 are on the basis of cash receipts and expenditures as reported by the Post Office Department. Reports of the Postmaster General are on a modified accrual basis.
[7] See letter of the Postmaster General in exhibits in annual reports prior to 1958.
[8] Under the act of May 27, 1958 (72 Stat. 143), the Postmaster General is no longer required to certify the estimated amounts of postage that would have been collected on certain free or reduced-rate mailings.

NOTE.—For figures from 1789–1925 see annual report for 1946, p. 419.

TABLE 27.—*Increment resulting from reduction in weight of the gold dollar, as of June 30, 1964*

	Allocation of increment [1]	Charges against increment	Unexpended balance of increment
Exchange Stabilization Fund	$2,000,000,000.00	$2,000,000,000.00	
Payments to Federal Reserve banks for industrial loans [2]	139,299,557.00	139,299,557.00	
Philippine currency reserve	23,862,751.00	23,862,751.00	
Melting losses on gold	2,175,121.93	1,857,771.96	$317,349.97
Retirement of national bank notes	645,387,965.45	645,387,965.45	
Unassigned	8,786,804.89		8,786,804.89
Total	2,819,512,200.27	2,810,408,045.41	9,104,154.86

[1] The authority, purpose, and amount of these allocations through 1940 are summarized in the 1940 annual report, pp. 128–30.
[2] Pursuant to the act of Aug. 21, 1958 (12 U.S.C. 352a notes), the $111,753,246.03 unexpended balance of this allocation was covered into the Treasury as miscellaneous receipts; and the $27,546,310.97 which had been advanced to the Federal Reserve banks under this allocation was repaid to a special fund from which it was appropriated to the Small Business Administration. The unused portion of the appropriation was subsequently rescinded (73 Stat. 209) and the balance, $23,653,582.01, covered into the Treasury.

TABLE 28.—*Seigniorage on coin and silver bullion, January 1, 1935–June 30, 1964*

Fiscal year	Total seigniorage on coin (silver and minor) and on silver bullion revalued	Potential seigniorage on silver bullion at cost in Treasurer's account end of fiscal year [1]
Jan. 1, 1935–June 30, 1959, cumulative	$2,129,673,146.09	[2] $119,899,881.05
1960	52,694,096.85	87,536,030.23
1961	55,378,802.51	45,937,577.49
1962	57,543,750.09	16,693,959.11
1963	44,896,025.48	17,290,212.19
1964	68,745,284.41	7,520,617.15
Jan. 1, 1935–June 30, 1964, cumulative	2,408,931,105.43	

[1] Not cumulative, as the bullion held by the Treasurer of the United States changes, the potential seigniorage changes accordingly.
[2] Represents potential seigniorage as of June 30, 1959.

NOTE.—For calendar year figures 1935–63, see the *Treasury Bulletin* for July 1964, p. 79.

Public Debt, Guaranteed Debt, Etc.

I.—Outstanding

TABLE 29.—*Principal of the public debt, fiscal years 1790–1964*

[On basis of Public Debt accounts from 1790 through 1915, and on basis of daily Treasury statements from 1916 to date, see "Bases of Tables" and Note]

Date	Total gross debt	Date	Total gross debt	Date	Total gross debt
December 31—		December 31—		December 31—	
1790	$75,463,477	1812	$55,962,828	1833	$4,760,082
1791	77,227,925	1813	81,487,846	1834	37,733
1792	80,358,634	1814	99,833,660	1835	37,513
1793	78,427,405	1815	127,334,934	1836	336,958
1794	80,747,587	1816	123,491,965	1837	3,308,124
1795	83,762,172	1817	103,466,634	1838	10,434,221
1796	82,064,479	1818	95,529,648	1839	3,573,344
1797	79,228,529	1819	91,015,566	1840	5,250,876
1798	78,408,670	1820	89,987,428	1841	13,594,481
1799	82,976,294	1821	93,546,677	1842	20,201,226
1800	83,038,051	1822	90,875,877	June 30—	
1801	80,712,632	1823	90,269,778	1843	32,742,922
1802	77,054,686	1824	83,788,433	1844	23,461,653
1803	86,427,121	1825	81,054,060	1845	15,925,303
1804	82,312,151	1826	73,987,357	1846	15,550,203
1805	75,723,271	1827	67,475,044	1847	38,826,535
1806	69,218,399	1828	58,421,414	1848	47,044,862
1807	65,196,318	1829	48,565,407	1849	63,061,859
1808	57,023,192	1830	39,123,192	1850	63,452,774
1809	53,173,218	1831	24,322,235	1851	68,304,796
1810	48,005,588	1832	7,011,699	1852	66,199,342
1811	45,209,738				

June 30	Interest-bearing [1]	Matured debt on which interest has ceased	Debt bearing no interest	Total gross debt	Gross debt per capita [2]
1853	$59,642,412	$162,249		$59,804,661	$2.32
1854	42,044,517	199,248		42,243,765	1.59
1855	35,418,001	170,498		35,588,499	1.30
1856	31,805,180	168,901		31,974,081	1.10
1857	28,503,377	197,998		28,701,375	.93
1858	44,743,256	170,168		44,913,424	1.59
1859	58,333,156	165,225		58,498,381	1.91
1860	64,683,256	160,575		64,843,831	2.06
1861	90,423,292	159,125		90,582,417	2.80
1862	365,356,045	230,520	$158,591,390	524,177,955	15.79
1863	707,834,255	171,970	411,767,456	1,119,773,681	32.91
1864	1,360,026,914	366,629	455,437,271	1,815,830,814	52.08
1865	2,217,709,407	2,129,425	458,090,180	2,677,929,012	75.01
1866	2,322,116,330	4,435,865	429,211,734	2,755,763,929	75.42
1867	2,238,954,794	1,739,108	409,474,321	2,650,168,223	70.91
1868	2,191,326,130	1,246,334	390,873,992	2,583,446,456	67.61
1869	2,151,495,065	5,112,034	388,503,491	2,545,110,590	65.17
1870	2,035,881,095	3,569,664	397,002,510	2,436,453,269	61.06
1871	1,920,696,750	1,948,902	399,406,489	2,322,052,141	56.72
1872	1,800,794,100	7,926,547	401,270,191	2,209,990,838	52.65
1873	1,696,483,950	51,929,460	402,796,935	2,151,210,345	50.02
1874	1,724,930,750	3,216,340	431,785,640	2,159,932,730	49.05
1875	1,708,676,300	11,425,570	436,174,779	2,156,276,649	47.84
1876	1,696,685,450	3,902,170	430,258,158	2,130,845,778	46.22
1877	1,697,888,500	16,648,610	393,222,793	2,107,759,903	44.71
1878	1,780,735,650	5,594,070	373,088,595	2,159,418,315	44.82
1879	1,887,716,110	37,015,380	374,181,153	2,298,912,643	46.72
1880	1,709,993,100	7,621,205	373,294,567	2,090,908,872	41.60
1881	1,625,567,750	6,723,615	386,994,363	2,019,285,728	39.18
1882	1,449,810,400	16,260,555	390,844,689	1,856,915,644	35.16
1883	1,324,229,150	7,831,165	389,898,603	1,721,958,918	31.83
1884	1,212,563,850	19,655,955	393,087,639	1,625,307,444	29.35
1885	1,182,150,950	4,100,745	392,299,474	1,578,551,169	27.86
1886	1,132,014,100	9,704,195	413,941,255	1,555,659,550	26.85
1887	1,007,692,350	6,114,915	451,678,029	1,465,485,294	24.75
1888	936,522,500	2,495,845	445,613,311	1,384,631,656	22.89
1889	815,853,990	1,911,235	431,705,286	1,249,470,511	20.23
1890	711,313,110	1,815,555	409,267,919	1,122,396,584	17.80
1891	610,529,120	1,614,705	393,662,736	1,005,806,561	15.63
1892	585,029,330	2,785,875	380,403,636	968,218,841	14.74
1893	585,037,100	2,094,060	374,300,606	961,431,766	14.36
1894	635,041,890	1,851,240	380,004,687	1,016,897,817	14.89
1895	716,202,060	1,721,590	378,989,470	1,096,913,120	15.76
1896	847,363,890	1,636,890	373,728,570	1,222,729,350	17.25
1897	847,365,130	1,346,880	378,081,703	1,226,793,713	16.99
1898	847,367,470	1,262,680	384,112,913	1,232,743,063	16.77
1899	1,046,048,750	1,218,300	389,433,654	1,436,700,704	19.21
1900	1,023,478,860	1,176,320	238,761,733	1,263,416,913	16.60

Footnotes at end of table.

TABLE 29.—*Principal of the public debt, fiscal years 1790–1964*—Continued

June 30	Interest-bearing [1]	Matured debt on which interest has ceased	Debt bearing no interest	Total gross debt [3]	Gross debt per capita [2]
1901	$987,141,040	$1,415,620	$233,015,585	$1,221,572,245	$15.74
1902	931,070,340	1,280,860	245,680,157	1,178,031,357	14.88
1903	914,541,410	1,205,090	243,659,413	1,159,405,913	14.38
1904	895,157,440	1,970,920	239,130,656	1,136,259,016	13.83
1905	895,158,340	1,370,245	235,828,510	1,132,357,095	13.51
1906	895,159,140	1,128,135	246,235,695	1,142,522,970	13.37
1907	894,834,280	1,086,815	251,257,098	1,147,178,193	13.19
1908	897,503,990	4,130,015	276,056,398	1,177,690,403	13.28
1909	913,317,490	2,883,855	232,114,027	1,148,315,372	12.69
1910	913,317,490	2,124,895	231,497,584	1,146,939,969	12.41
1911	915,353,190	1,879,830	236,751,917	1,153,984,937	12.29
1912	963,776,770	1,760,450	228,301,285	1,193,838,505	12.52
1913	965,706,610	1,659,550	225,681,585	1,193,047,745	12.27
1914	967,953,310	1,552,560	218,729,530	1,188,235,400	11.99
1915	969,759,090	1,507,260	219,997,718	1,191,264,068	11.85
1916	971,562,590	1,473,100	252,109,877	1,225,145,568	12.02
1917	2,712,549,477	14,232,230	248,836,878	2,975,618,585	28.77
1918	12,197,507,642	20,242,550	237,475,173	12,455,225,365	119.13
1919	25,236,947,172	11,176,250	236,382,738	25,484,506,160	242.56
1920	24,062,500,285	6,745,237	230,075,945	24,299,321,467	228.23
1921	23,738,900,085	10,688,160	227,862,308	23,977,450,553	220.91
1922	22,710,338,105	25,250,880	227,792,723	22,963,381,708	208.65
1923	22,007,043,612	98,738,910	243,924,844	22,349,707,365	199.64
1924	20,981,242,042	30,278,200	239,292,747	21,250,812,989	186.23
1925	20,210,906,915	30,258,980	275,027,993	20,516,193,888	177.12
1926	19,383,770,860	13,359,900	246,085,555	19,643,216,315	167.32
1927	18,252,664,666	14,718,585	244,523,681	18,511,906,932	155.51
1928	17,317,694,182	45,335,060	241,263,959	17,604,293,201	146.09
1929	16,638,941,379	50,749,199	241,397,905	16,931,088,484	139.04
1930	15,921,892,350	31,716,870	231,700,611	16,185,309,831	131.51
1931	16,519,588,640	51,819,095	229,873,756	16,801,281,492	135.45
1932	19,161,273,540	60,079,385	265,649,519	19,487,002,444	156.10
1933	22,157,643,120	65,911,170	315,118,270	22,538,672,560	179.48
1934	26,480,487,870	54,266,830	518,386,714	27,053,141,414	214.07
1935	27,645,241,089	230,662,155	824,989,381	28,700,892,625	225.55
1936	32,988,790,135	169,363,395	620,389,964	33,778,543,494	263.79
1937	35,800,109,418	118,529,815	505,974,499	36,424,613,732	282.75
1938	36,575,925,880	141,362,460	447,451,975	37,164,740,315	286.27
1939	39,885,969,732	142,283,140	411,279,539	40,439,532,411	308.98
1940	42,376,495,928	204,591,190	386,443,919	42,967,531,038	325.23
1941	48,387,399,539	204,999,860	369,044,137	48,961,443,536	367.09
1942	71,968,418,098	98,299,730	355,727,288	72,422,445,116	537.13
1943	135,380,305,795	140,500,090	1,175,284,445	136,696,090,330	999.83
1944	199,543,355,301	200,851,160	1,259,180,760	201,003,387,221	1,452.44
1945	256,356,615,818	268,667,135	2,056,904,457	258,682,187,410	1,848.60
1946	268,110,872,218	376,406,860	934,820,095	269,422,099,173	1,905.42
1947	255,113,412,039	230,913,536	2,942,057,534	258,286,383,109	1,792.05
1948	250,063,348,379	279,751,730	1,949,146,403	252,292,246,513	1,720.71
1949	250,761,636,723	244,757,458	1,763,965,680	252,770,359,860	1,694.75
1950	255,209,353,372	264,770,705	1,883,228,274	257,357,352,351	1,696.61
1951	252,851,765,497	512,046,600	1,858,164,718	255,221,976,815	1,654.25
1952	256,862,861,128	418,692,165	1,823,625,492	259,105,178,785	1,650.91
1953	263,946,017,740	298,420,570	1,826,623,328	266,071,061,639	1,667.54
1954	268,909,766,654	437,184,655	1,912,647,799	271,259,599,108	1,670.44
1955	271,741,267,507	588,601,480	2,044,353,816	274,374,222,803	1,660.10
1956	269,883,068,041	666,051,697	2,201,693,911	272,750,813,649	1,621.35
1957	268,485,562,677	529,241,585	1,512,367,635	270,527,171,896	1,579.46
1958	274,697,560,009	597,324,889	1,048,332,847	276,343,217,746	1,586.78
1959	281,833,362,429	476,455,003	2,396,089,647	284,705,907,078	1,606.10
1960	283,241,182,755	444,608,630	2,644,969,463	286,330,760,848	[r] 1,584.70
1961	285,671,608,619	349,355,209	2,949,974,782	288,970,938,610	[r] 1,572.58
1962	294,442,000,790	437,627,514	3,321,194,417	298,200,822,721	[r] 1,597.60
1963	301,953,730,701	310,415,540	3,595,486,755	305,859,632,996	[r] 1,615.10
1964	307,356,561,535	295,293,165	4,061,044,557	311,712,899,257	[p] 1,622.90

[r] Revised.
[p] Preliminary.

[1] Exclusive of bonds issued to the Pacific railroads (acts of 1862, 1864, and 1878), since statutory provision was made to secure the Treasury against both principal and interest, and the Navy pension fund, which was not a debt as principal and interest were the property of the United States. The Statement of the Public Debt included the railroad bonds from issuance and the Navy fund from September 1, 1866, through June 30, 1890.

[2] See table 30, footnote 3.

[3] Includes certain securities not subject to statutory limitation; see table 1, notes 6 and 7. Public debt includes debt incurred to finance expenditures of certain wholly owned Government corporations and other business-type activities in exchange for which securities of the corporations and activities were issued to the Treasury (see table 111).

NOTE.—From 1790–1842, the fiscal year ended December 31. Detailed figures for 1790–1852 are not available on a basis comparable with those of later years. For bases prior to 1916, see the 1963 annual report p. 497, Note.

TABLE 30.—*Public debt and guaranteed debt outstanding June 30, 1934–64*

[Gross public debt on basis of daily Treasury statements. Guaranteed debt from 1934 through 1939 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements]

June 30	Gross public debt [1]	Guaranteed debt of U.S. Government agencies held outside the Treasury			Gross public debt and guaranteed debt [1]	
		Interest-bearing	Matured [2]	Total	Total	Per capita [3]
1934	$27,053,141,414	$680,767,817		$680,767,817	$27,733,909,231	$219.46
1935	28,700,892,625	4,122,684,692		4,122,684,692	32,823,577,316	257.95
1936	33,778,543,494	4,718,033,242		4,718,033,242	38,496,576,735	300.63
1937	36,424,613,732	4,664,594,533	$10,000	4,664,604,533	41,089,218,265	318.95
1938	37,164,740,315	4,852,559,151	232,500	4,852,791,651	42,017,531,967	323.65
1939	40,439,532,411	5,450,012,899	821,200	5,450,834,099	45,890,366,510	350.63
1940	42,967,531,038	5,497,556,555	31,514,100	5,529,070,655	48,496,601,693	367.08
1941	48,961,443,536	6,359,619,105	10,633,475	6,370,252,580	55,331,696,116	414.85
1942	72,422,445,116	4,548,529,255	19,730,375	4,568,259,630	76,990,704,746	571.02
1943	136,696,090,330	4,091,686,621	8,256,425	4,099,943,046	140,796,033,376	1,029.82
1944	201,003,387,221	1,515,638,626	107,430,675	1,623,069,301	202,626,456,522	1,464.17
1945	258,682,187,410	409,091,867	24,066,525	433,158,392	259,115,345,802	1,851.70
1946	269,422,099,173	466,671,984	9,712,875	476,384,859	269,898,484,033	1,908.79
1947	258,286,383,109	83,212,285	6,307,900	89,520,185	258,375,903,294	1,792.67
1948	252,292,246,513	68,768,043	4,692,775	73,460,818	252,365,707,331	1,721.21
1949	252,770,359,860	23,862,383	3,413,025	27,275,408	252,797,635,268	1,694.93
1950	257,357,352,351	17,077,809	2,425,225	19,503,034	257,376,855,385	1,696.74
1951	255,221,976,815	27,364,069	1,863,100	29,227,169	255,251,203,984	1,654.44
1952	259,105,178,785	44,092,646	1,472,700	45,565,346	259,150,744,131	1,651.20
1953	266,071,061,639	50,881,686	1,191,075	52,072,761	266,123,134,400	1,667.87
1954	271,259,599,108	80,415,386	1,026,000	81,441,386	271,341,040,495	1,670.94
1955	274,374,222,803	43,257,786	885,175	44,142,961	274,418,365,764	1,660.36
1956	272,750,813,649	73,100,900	787,575	73,888,475	272,824,702,124	1,621.78
1957	270,527,171,896	106,434,150	703,800	107,137,950	270,634,309,846	1,580.83
1958	276,343,217,746	100,565,250	655,350	101,220,600	276,444,438,346	1,587.36
1959	284,705,907,078	110,429,100	590,050	111,019,150	284,816,926,228	1,606.73
1960	286,330,760,848	139,305,000	536,775	139,841,775	286,470,602,623	r 1,585.48
1961	288,970,938,610	239,694,000	521,450	240,215,450	289,211,154,060	r 1,573.89
1962	298,200,822,721	443,688,500	530,425	444,218,925	298,645,041,646	r 1,599.98
1963	305,859,632,996	605,489,600	1,120,775	606,610,375	306,466,243,371	r 1,618.30
1964	311,712,899,257	812,272,200	719,725	812,991,925	312,525,891,182	p 1,627.13

r Revised.
p Preliminary.

[1] Includes certain securities not subject to statutory limitation. For amounts subject to limitation, see table 1. Public debt includes debt incurred to finance expenditures of certain wholly owned Government corporations and other business-type activities in exchange for which securities of the corporations and activities were issued to the Treasury (see table 111).

[2] Amounts shown represent outstanding principal on which interest has ceased. The amount of accrued interest as of June 30, 1964, was $109,825, funds for which are on deposit with the Treasurer of the United States.

[3] Based on the Bureau of the Census estimated population. Through 1958 the estimated population is for the conterminous United States (that is, exclusive of Alaska, Hawaii, and the outlying areas, such as Puerto Rico, Guam, and the Virgin Islands). Beginning with 1959 the estimates include Alaska, and with 1960, Hawaii.

TABLE 31.—*Public debt outstanding by classification, June 30, 1954–64*

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Class	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
Interest-bearing:											
Public issues:											
Marketable:											
Treasury bills:											
Regular weekly	19,515	19,514	20,808	21,919	22,406	25,006	25,903	26,914	32,225	37,729	39,730
Tax anticipation				1,501		3,002		1,503	1,802		
Other						4,009	7,512	8,307	8,009	9,501	11,010
Certificates of indebtedness (regular)	18,405	13,836	16,303	20,473	32,920	33,843	17,650	13,338	13,547	22,169	
Treasury notes	31,960	40,729	35,952	30,973	20,416	27,314	51,483	56,257	65,464	52,145	67,284
Treasury bonds:											
Bank eligible	71,706	81,057	81,840	80,789	90,883	84,803	81,247	80,830	75,025	81,964	88,464
Bank restricted [1]	8,672										
Panama Canal bonds	50	50	50	50	50	50	50				
Postal savings bonds	46	21									
Total marketable issues	150,354	155,206	154,953	155,705	166,675	178,027	183,845	187,148	196,072	203,508	206,489
Nonmarketable:											
Certificates of indebtedness:											
Foreign currency series									[2] 75	[3] 25	[4] 30
Foreign series									860	465	240
Treasury certificates										2	18
Depositary bonds	411	417	310	196	171	183	170	117	138	103	103
Treasury bonds, foreign currency series										[5] 604	[6] 802
Treasury bonds, investment series	12,775	12,589	12,009	11,135	9,621	8,365	6,783	5,830	4,727	3,921	3,546
Treasury bonds, R.E.A. series								19	25	27	25
4% Treasury bonds											20
Treasury notes, foreign series										183	152
Treasury notes, tax and savings	5,079	1,913									
U.S. retirement plan bonds										(*)	5
U.S. savings bonds	58,061	58,365	57,497	54,622	51,984	50,503	47,544	47,514	47,607	48,314	49,299
Total nonmarketable issues	76,326	73,285	69,817	65,953	61,777	59,050	54,497	53,481	53,431	53,645	54,240
Total public issues	226,681	228,491	224,769	221,658	228,452	237,078	238,342	240,629	249,503	257,153	260,729
Special issues:											
Adjusted service certificate fund certificates	5	5	5								
Canal Zone Postal Savings System notes	1	1	1	(*)		(*)					
Civil service retirement fund:											
Certificates	2,268	4,055	6,051	5,707	4,249	298	186	170	210	80	73
Notes	3,571	2,097	596	740	1,540	2,072	1,892	1,608	1,236	1,056	986
Bonds				925	1,925	6,212	7,289	8,604	9,899	11,263	12,432
Exchange Stabilization Fund certificates										108	292
Farm tenant mortgage insurance fund notes	1	1									
Federal Deposit Insurance Corporation notes	892	835	673	718	673	629	694	556	500	260	270
Federal disability insurance trust fund:											
Certificates				258	658	89	56	34	1	6	
Notes				30	150	394	487	464	336	84	1
Bonds				38	[illegible]	1,050	1,474	1,801	1,967	2,076	1,901

Footnotes at end of table.

TABLE 31.—*Public debt outstanding by classification, June 30, 1954–64*—Continued

[In millions of dollars]

Class	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
Interest-bearing—Continued											
Special issues—Continued											
Federal home loan banks:											
Certificates			2	10			59	50	74	372	82
Notes	232	200	50	40	165	165					
Federal Housing Administration notes:											
Apartment unit insurance fund									1	1	(*)
Armed services housing mortgage insurance fund			2	3	1	(*)	(*)	26	10	14	14
Experimental housing insurance fund									1	1	1
Housing insurance fund	(*)		1	2	1	4	4	4	4	1	2
Housing investment insurance fund					(*)	(*)	(*)	(*)	(*)	(*)	(*)
Military housing insurance fund		2									
Mutual mortgage insurance fund	10	16	26	26	18	15	15	15	15	10	10
National defense housing insurance fund	5	2	2	2	4	1	1	(*)	(*)	(*)	(*)
Section 203 home improvement account									1	1	1
Section 220 home improvement account									1	1	1
Section 220 housing insurance fund		1	1	1	1	1	1	1	1	2	2
Section 221 housing insurance fund		1	1	1	1	1	1				
Servicemen's mortgage insurance fund		1	1	2	3	2	1	2	2	2	2
Title I housing insurance fund		1	1	1	1	1	1	1	1	1	1
Title I insurance fund		38	43	43	34	29	23	23	23	14	9
War housing insurance fund		3	8	8	7	6	6	15	10	8	8
Federal old-age and survivors insurance trust fund:											
Certificates	17,054	18,239	19,467	14,963	9,925	400	270	441	1,080		
Notes				2,000	3,860	4,032	2,428	1,387	257		598
Bonds				2,500	4,825	12,795	13,715	14,372	13,737	14,221	14,201
Federal Savings and Loan Insurance Corporation notes	84	94	103	103	112	116	104	138	182	98	332
Foreign service retirement fund:											
Certificates	9	10	16	22	24	26	29	32	37	38	39
Notes	6	6	4								
Government life insurance fund:											
Certificates	1,234	1,233	1,217	1,200	1,144	1,127	1		7		
Notes							295	222	142	74	1
Bonds							811	849	879	929	955
Highway trust fund certificates				404	822	429	1	234	436	678	609
National service life insurance fund:											
Certificates							8		1		
Notes	5,272	5,346	5,481	5,570	5,665	5,742	1,547	1,168	782	395	8
Bonds							4,248	4,591	5,021	5.319	5,775
Postal Savings System notes	212	90	5	5					26		
Railroad retirement account:											
Certificates											119
Notes	3,345	3,486	3,600	3,475	3,531	3,417	3,586	3,504	3,316	2,786	686
Bonds											2,164
Unemployment trust fund certificates	8,024	7,479	7,737	7,996	6,671	5,636	5,580	4,625	4,657	4,803	4,931
Veterans' special term insurance fund certificates	3	10	20	34	48	66	85	106	88	101	123
Total special issues	42,229	43,250	45,114	46,827	46,246	44,756	44,899	45,043	44,939	44,801	46,627
Total interest-bearing debt	268,910	271,741	269,883	268,486	274,698	281,833	283,241	285,672	294,442	301.954	307,357
Matured debt on which interest has ceased	437	589	666	529	597	476	445	349	438	310	295

Debt bearing no interest:											
Special notes of the United States:											
International Monetary Fund series	1,411	1,567	1,742	1,068	618	1,979	2,238	2,496	2,667	2,922	3,289
International Development Association series	-----	-----	-----	-----	-----	-----	-----	58	115	129	142
Inter-American Development Bank series	-----	-----	-----	-----	-----	-----	-----	-----	55	125	150
Special bonds of the United States:											
U.N. Children's Fund Series	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	8
U.N. Special Fund Series	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	56
U.N./FAO World Food Program Series	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	2
U.S. savings stamps [7]	50	48	49	51	51	50	53	52	53	54	54
Excess profits tax refund bonds	1	1	1	1	1	1	1	1	1	1	1
U.S. notes (less gold reserve)	191	191	191	191	191	191	191	191	191	191	191
Deposits for retirement of national bank and Federal Reserve bank notes	254	232	213	196	182	169	157	147	139	116	110
Other debt bearing no interest	6	6	6	6	6	6	6	6	[8] 101	59	58
Total debt bearing no interest	1,913	2,044	2,202	1,512	1,048	2,396	2,645	2,950	3,321	3,595	4,061
Total gross debt [9]	271,260	274,374	272,751	270,527	276,343	284,706	286,331	288,971	298,201	305,860	311,713

*Less than $500,000.

[1] See 1946 annual report, pp. 42, 43, and 654, and 1955 annual report, p. 515, footnote 5.

[2] Dollar equivalent of certificates issued and payable in the amount of 46,500,000,000 Italian lire.

[3] Dollar equivalent of certificates issued and payable in the amount of 110,000,000 Swiss francs.

[4] Dollar equivalent of certificates issued and payable in the amount of 130,000,000 Swiss francs.

[5] Dollar equivalent of Treasury bonds issued and payable in the amount of 124,050,000,000 Italian lire, 647,000,000 Swiss francs, 800,000,000 Deutsche Mark, 650,000,000 Austrian schillings, and 1,500,000,000 Belgian francs.

[6] Dollar equivalent of Treasury bonds issued and payable in the amount of 1,057,000,000] Swiss francs, 1,900,000,000 Deutsche Mark, 1,300,000,000 Austrian schillings, and 1,500,000,000 Belgian francs.

[7] On October 1, 1942, they replaced postal savings stamps which had been Postal Savings System's obligations.

[8] Includes $95,655,198 of old series currency which by authority of the Old Series Currency Adjustment Act, approved June 30, 1961 (31 U.S.C. 912-916), was transferred to public debt bearing no interest. See table 61, footnote 7.

[9] Includes certain securities not subject to statutory limitation; for amounts subject to limitation, see table 1. Includes public debt incurred to finance expenditures of certain wholly owned Government corporations and other business-type activities in exchange for which securities of the corporations and activities were issued to the Treasury; see table 111.

NOTE.—For comparable data 1931–43, see 1943 annual report, p. 564, and for 1944–53, see 1954 annual report, p. 472. Composition of the public debt 1916–45, is shown in the 1947 annual report, p. 361. For reconciliation with Public Debt accounts for 1964, see table 35.

TABLE 32.—*Guaranteed securities issued by Government corporations and other business-type activities and held outside the Treasury, June 30, 1954–64*

[Face amount, in thousands of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Issuing agency	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
UNMATURED DEBT											
District of Columbia Armory Board stadium bonds						(1)	476	19,800	19,800	19,800	19,800
Federal Housing Administration debentures:											
Mutual mortgage insurance fund	8,501	9,021	8,471	10,638	9,987	8,699	11,411	25,389	194,716	328,062	499,018
Armed services housing mortgage insurance fund		725	9,695	10,209	8,324	10,466	19,368	62,420	47,277	16,001	5,691
Housing insurance fund	1,742	2,317	5,838	10,135	8,987	9,970	9,232	23,406	35,299	63,445	89,942
National defense housing insurance fund		1,462	16,108	40,738	47,734	[2] 59,446	71,737	75,393	92,551	98,124	79,354
Section 203 home improvement account										2	
Section 220 housing insurance fund							10		66	9,360	27,547
Section 221 housing insurance fund					8	8	217	4,780	23,353	36,558	55,836
Servicemen's mortgage insurance fund				12	78	38	680	1,673	12,609	22,746	31,111
Title I housing insurance fund	31	35	224	482	377	213	411	186	633	523	254
War housing insurance fund	70,141	29,697	32,765	34,220	25,070	21,591	25,762	26,647	17,385	10,869	3,720
Total unmatured debt	80,415	43,258	73,101	106,434	100,565	[2] 110,429	139,305	239,694	443,688	605,490	812,272
MATURED DEBT [3]											
Federal Farm Mortgage Corporation	383	333	295	265	240	214	193	174	170	161	144
Federal Housing Administration							12	25	57	669	299
Home Owners' Loan Corporation	643	552	493	438	415	376	331	323	303	291	276
Total matured debt [4]	1,026	885	788	704	655	590	537	521	530	1,121	720
Total [4]	81,441	44,143	73,883	107,138	101,221	[2] 111,019	139,842	240,215	444,219	606,610	812,992

[1] Excludes guaranteed securities of the District of Columbia Armory Board in the amount of $96 thousand not reported in the daily Treasury statement of June 30, 1959.

[2] Includes $179 thousand face amount redeemed as of June 30, 1959, but omitted from transactions cleared on that date.

[3] Funds are on deposit with the Treasurer of the United States for payment of these securities.

[4] Consists of principal only.

NOTE.—For figures for 1946–53, see 1958 annual report, p. 474. For securities held by the Treasury, see table 111.

TABLE 33.—*Interest-bearing securities outstanding issued by Federal agencies but not guaranteed by the U.S. Government, fiscal years 1954–64*

[In millions of dollars]

Fiscal year or month	Banks for cooperatives	Federal home loan banks [1]	Federal intermediate credit banks	Federal land banks [2]	Federal National Mortgage Association		Tennessee Valley Authority	Total
					Management and liquidation program	Secondary market program		
1954	120	115	725	1,007	----------	----------	----------	1,967
1955	110	341	793	1,061	570	----------	----------	2,876
1956	133	929	834	1,322	570	100	----------	3,889
1957	179	738	924	1,552	570	1,050	----------	5,013
1958	199	456	1,159	1,646	797	1,165	----------	5,423
1959	284	992	1,456	1,888	797	1,290	----------	6,708
1960	330	1,259	1,600	2,137	797	2,284	----------	8,407
1961	382	1,055	1,723	2,357	----------	2,198	50	7,765
1962	430	1,797	1,855	2,550	----------	2,556	145	9,332
1963	459	2,770	2,133	2,725	----------	1,960	145	10,192
1964	498	4,201	2,315	2,973	----------	1,698	180	11,865
1963—July	459	2,816	2,202	2,725	----------	1,950	170	10,322
August	473	3,036	2,232	2,796	----------	1,916	170	10,624
September	473	3,299	2,233	2,796	----------	1,899	170	10,870
October	526	3,599	2,139	2,834	----------	1,884	170	11,151
November	526	3,599	2,027	2,834	----------	1,792	180	10,958
December	588	4,363	1,952	2,834	----------	1,788	180	11,705
1964—January	588	4,043	1,964	2,834	----------	1,786	180	11,395
February	588	3,653	2,018	2,886	----------	1,786	180	11,111
March	586	3,627	2,069	2,886	----------	1,785	180	11,133
April	534	3,627	2,156	2,973	----------	1,781	180	11,250
May	527	3,727	2,246	2,973	----------	1,698	180	11,351
June	498	4,201	2,315	2,973	----------	1,698	180	11,865

[1] The proprietary interest of the United States in these banks ended in July 1951.

[2] The proprietary interest of the United States in these banks ended in June 1947. Excludes securities which are issued for use as collateral for commercial bank borrowing and not as a part of public offerings. Includes small amounts owned by Federal land banks.

NOTE.—The securities shown in the table are public offerings.

TABLE 34.—*Maturity distribution of marketable interest-bearing public debt*[1] *June 30, 1946–64*

[In millions of dollars. On basis of daily Treasury statements]

Fiscal year	Within 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 years and over	Total
	By call classes (due or first becoming callable)						
1946	62,091	35,057	32,847	16,012	21,227	22,372	189,606
1947	52,442	42,522	18,932	13,326	27,076	14,405	168,702
1948	49,870	46,124	10,464	12,407	41,481		160,346
1949	52,302	39,175	15,067	13,715	34,888		155,147
1950	42,448	51,802	15,926	19,281	25,853		155,310
1951	60,860	31,022	16,012	21,226	8,797		137,917
1952	70,944	29,434	13,321	20,114	6,594		140,407
1953	76,017	30,162	13,018	26,546		1,592	147,335
1954	63,291	38,407	27,113	19,937		1,606	150,354
1955	51,152	46,399	42,755	11,371		3,530	155,206
1956	64,910	36,942	40,363	8,387		4,351	154,953
1957	76,697	41,497	26,673	6,488		4,349	155,705
1958	73,050	39,401	45,705	657	2,258	5,604	166,675
1959	81,678	58,256	28,075	1,276	2,256	6,485	178,027
1960	79,182	81,295	14,173	1,123	2,484	5,588	183,845
1961	84,855	70,760	18,391	1,123	3,125	8,893	187,148
1962	89,905	67,759	18,655	1,641	4,956	13,157	196,072
1963	91,202	68,980	20,522	4,304	4,525	13,975	203,508
1964	92,272	66,954	22,580	5,048	4,524	15,111	206,489
	By maturity classes[2]						
1946	61,974	24,763	41,807	8,707	8,754	43,599	189,606
1947	51,211	21,851	35,562	13,009	5,588	41,481	168,702
1948	48,742	21,630	32,264	14,111	2,118	41,481	160,346
1949	48,130	32,562	16,746	14,111	8,710	34,888	155,147
1950	42,338	51,292	7,792	10,289	17,746	25,853	155,310
1951	43,908	46,526	8,707	8,754	21,226	8,797	137,917
1952	46,367	47,814	13,933	5,586	20,114	6,594	140,407
1953	65,270	36,161	15,651	2,117	26,546	1,592	147,335
1954	62,734	29,866	27,515	8,696	19,937	1,606	150,354
1955	49,703	39,107	34,253	17,242	11,371	3,530	155,206
1956	58,714	34,401	28,908	20,192	8,387	4,351	154,953
1957	71,952	40,669	12,328	19,919	6,488	4,349	155,705
1958	67,782	42,557	21,476	26,999	654	7,208	166,675
1959	72,958	58,304	17,052	20,971	654	8,088	178,027
1960	70,467	72,844	20,246	11,746	884	7,658	183,845
1961	81,120	58,400	26,435	8,706	1,527	10,960	187,148
1962	88,442	57,041	26,049	5,957	3,362	15,221	196,072
1963	85,294	58,026	37,385	2,244	6,115	14,444	203,508
1964	81,424	65,453	34,929	2,244	6,110	16,328	206,489

[1] Includes public debt incurred to finance expenditures of certain wholly owned Government corporations and other business-type activities in exchange for which securities of the corporations and activities were issued to the Treasury.

[2] All issues classified to final maturity except partially tax-exempt bonds which are classified to earliest call date.

TABLE 35.—*Summary of public debt and guaranteed debt by classification, June 30, 1964*

Classification	Computed rate of interest[1]	Amount outstanding on basis of Public Debt accounts	Net adjustment to basis of daily Treasury statement[2]	Amount outstanding on basis of daily Treasury statement
PUBLIC DEBT				
INTEREST-BEARING DEBT				
Public issues:				
Marketable:				
Treasury bills:	*Percent*			
Regular weekly	[3] 3.853	$38,729,553,000		$38,729,553,000
Other	[3] 3.692	12,010,385,000		12,010,385,000
Treasury notes	3.854	67,284,432,000	−$1,000	67,284,431,000
Treasury bonds	3.471	88,463,547,350	908,400	88,464,455,750
Subtotal	3.659	206,487,917,350	907,400	206,488,824,750

Footnotes at end of table.

TABLE 35.—*Summary of public debt and guaranteed debt by classification, June 30, 1964*—Continued

Classification	Computed rate of interest [1]	Amount outstanding on basis of Public Debt accounts	Net adjustment to basis of daily Treasury statement [2]	Amount outstanding on basis of daily Treasury statement
Public issues—Continued				
Nonmarketable:				
Certificates of indebtedness:				
Foreign series	3.438	$240,000,000		$240,000,000
Foreign currency series	3.540	30,120,482		30,120,482
Treasury notes, foreign series	3.953	151,820,296		151,820,296
Treasury bonds, foreign currency series	3.537	801,831,817		801,831,817
Treasury certificates	2.434	17,761,719		17,761,719
Treasury bonds	4.000	20,400,000		20,400,000
U.S. savings bonds	3.517	49,282,975,830	$16,520,931	49,299,496,761
U.S. retirement plan bonds	3.750	5,512,482	−19,263	5,493,219
Depositary bonds	2.000	103,299,000	−175,000	103,124,000
Treasury bonds, R.E.A. series	2.000	24,571,000	175,000	24,746,000
Treasury bonds, investment series	2.720	3,545,520,000	1,000	3,545,521,000
Subtotal	3.462	54,223,812,626	16,502,668	54,240,315,294
Total public issues	3.618	260,711,729,976	17,410,068	260,729,140,044
Special issues:				
Civil service retirement fund	3.231	13,491,295,000		13,491,295,000
Exchange Stabilization Fund	3.250	292,064,491		292,064,491
Federal Deposit Insurance Corp	2.000	270,309,000		270,309,000
Federal disability insurance trust fund	3.121	1,902,655,000		1,902,655,000
Federal home loan banks	2.222	81,500,000		81,500,000
Federal Housing Administration funds	2.000	49,088,000		49,088,000
Federal old-age and survivors insurance trust fund	3.068	14,799,314,000		14,799,314,000
Federal Savings and Loan Insurance Corp	2.000	332,094,000		332,094,000
Foreign service retirement fund	3.971	38,914,000		38,914,000
Government life insurance fund	3.525	955,840,000		955,840,000
Highway trust fund	3.625	609,028,000		609,028,000
National service life insurance fund	3.155	5,782,992,000		5,782,992,000
Railroad retirement account	4.020	2,968,549,000		2,968,549,000
Unemployment trust fund	3.500	4,930,606,000		4,930,606,000
Veterans' special term insurance fund	3.500	123,173,000		123,173,000
Subtotal	3.238	46,627,421,491		46,627,421,491
Total interest-bearing debt	3.560	307,339,151,467	17,410,068	307,356,561,535
Matured debt on which interest has ceased		277,599,249	17,693,917	295,293,165
DEBT BEARING NO INTEREST				
International Monetary Fund		3,289,000,000		3,289,000,000
International Development Association		142,261,000		142,261,000
Inter-American Development Bank		150,000,000		150,000,000
U.N. Children's Fund		8,245,273		8,245,273
U.N. Special Fund		55,541,301		55,541,301
U.N./FAO. World Food Program		2,000,000		2,000,000
Other		413,739,658	257,325	413,996,983
Total gross public debt		311,677,537,947	35,361,310	311,712,899,257
GUARANTEED DEBT OF U.S. GOVERNMENT AGENCIES				
Interest-bearing debt:				
Federal Housing Administration	3.771	792,472,200		[4] 792,472,200
D.C. Armory Board bonds	4.200	19,800,000		19,800,000
Matured debt on which interest has ceased		719,725		719,725
Subtotal		812,991,925		812,991,925
Total gross public debt and guaranteed debt		312,490,529,872	35,361,310	312,525,891,182
Deduct debt not subject to statutory limitation		361,717,546	2	361,717,548
Total debt subject to limitation		312,128,812,326	35,361,308	312,164,173,634

[1] On daily Treasury statement basis.
[2] Items in transit on June 30, 1964.
[3] Included in debt outstanding at face amount, but the annual interest rate is computed on the discount value.
[4] Components shown in table 37.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*

[On basis of Public Debt accounts, see "Bases of Tables"]

Description		Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)		Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]									
Public Issues									
Marketable:									
Treasury bills: Series maturing and approximate yield to maturity (%): [3] [e]									
Regular weekly:									
July 2, 1964	3.651	Jan. 2, 1964	July 2, 1964		$98.154	Cash	$717,996,000.00		$2,101,026,000.00
						Exchange	82,470,000.00		
	3.525	Apr. 2, 1964			99.109	Cash	1,126,174,000.00		
						Exchange	174,386,000.00		
July 9, 1964	3.669	Jan. 9, 1964	July 9, 1964		98.145	Cash	737,788,000.00		2,100,995,000.00
						Exchange	62,615,000.00		
	3.504	Apr. 9, 1964			99.114	Cash	1,040,003,000.00		
						Exchange	260,589,000.00		
Other:									
July 15, 1964	3.582	July 15, 1963	July 15, 1964		96.358	Cash	1,988,945,000.00		1,997,942,000.00
						Exchange	8,997,000.00		
Regular weekly:									
July 16, 1964	3.679	Jan. 16, 1964	July 16, 1964		98.140	Cash	797,161,000.00		2,000,950,000.00
						Exchange	3,283,000.00		
	3.485	Apr. 16, 1964			99.119	Cash	1,183,566,000.00		
						Exchange	16,940,000.00		
July 23, 1964	3.648	Jan. 23, 1964	July 23, 1964		98.156	Cash	738,183,000.00		2,000,693,000.00
						Exchange	62,432,000.00		
	3.463	Apr. 23, 1964			99.125	Cash	1,001,368,000.00		
						Exchange	198,710,000.00		
July 30, 1964	3.613	Jan. 30, 1964	July 30, 1964		98.174	Cash	768,003,000.00		2,001,550,000.00
						Exchange	32,264,000.00		
	3.446	Apr. 30, 1964			99.129	Cash	1,123,090,000.00		
						Exchange	78,193,000.00		
Aug. 6, 1964	3.615	Feb. 6, 1964	Aug. 6, 1964		98.173	Cash	837,338,000.00		2,100,702,000.00
						Exchange	63,093,000.00		
	3.482	May 7, 1964			99.120	Cash	1,045,461,000.00		
						Exchange	154,810,000.00		
Aug. 13, 1964	3.660	Feb. 13, 1964	Aug. 13, 1964		98.150	Cash	897,469,000.00		2,101,434,000.00
						Exchange	3,412,000.00		
	3.491	May 14, 1964			99.118	Cash	1,188,790,000.00		
						Exchange	11,763,000.00		

Aug. 20, 1964	3.679	Feb. 20, 1964	Aug. 20, 1964	Sold at a discount; payable at par on maturity.	98.140	Cash	817,461,000.00		2,103,036,000.00
						Exchange	83,494,000.00		
	3.482	May 21, 1964			99.120	Cash	930,266,000.00		
						Exchange	271,815,000.00		
Aug. 27, 1964	3.703	Feb. 27, 1964	Aug. 27, 1964		98.128	Cash	838,199,000.00		2,101,786,000.00
						Exchange	63,603,000.00		
	3.476	May 28, 1964			99.121	Cash	996,851,000.00		
						Exchange	203,133,000.00		
Other:									
Aug. 31, 1964	3.575	Sept. 3, 1963	Aug. 31, 1964		96.395	Cash	1,001,143,000.00		1,001,143,000.00
Regular weekly:									
Sept. 3, 1964	3.777	Mar. 5, 1964	Sept. 3, 1964		98.090	Cash	820,098,000.00		2,104,412,000.00
						Exchange	82,350,000.00		
	3.478	June 4, 1964			99.121	Cash	999,425,000.00		
						Exchange	202,539,000.00		
Sept. 10, 1964	3.715	Mar. 12, 1964	Sept. 10, 1964		98.122	Cash	896,447,000.00		2,101,395,000.00
						Exchange	3,818,000.00		
	3.462	June 11, 1964			99.125	Cash	1,189,792,000.00		
						Exchange	11,338,000.00		
Sept. 17, 1964	3.726	Mar. 19, 1964	Sept. 17, 1964		98.116	Cash	814,720,000.00		2,099,465,000.00
						Exchange	84,084,000.00		
	3.496	June 18, 1964			99.116	Cash	1,186,940,000.00		
						Exchange	13,721,000.00		
Sept. 24, 1964	3.740	Mar. 26, 1964	Sept. 24, 1964		98.109	Cash	827,315,000.00		2,101,511,000.00
						Exchange	72,387,000.00		
	3.478	June 25, 1964			99.121	Cash	1,099,494,000.00		
						Exchange	101,815,000.00		
Other:									
Sept. 30, 1964	3.586	Oct. 1, 1963	Sept. 30, 1964		96.364	Cash	1,001,960,000.00		1,001,960,000.00
Regular weekly:									
Oct. 1, 1964	3.710	Apr. 2, 1964	Oct. 1, 1964		98.124	Cash	807,737,000.00		901,457,000.00
						Exchange	93,720,000.00		
Oct. 8, 1964	3.703	Apr. 9, 1964	Oct. 8, 1964		98.128	Cash	805,884,000.00		900,029,000.00
						Exchange	94,145,000.00		
Oct. 15, 1964	3.687	Apr. 16, 1964	Oct. 15, 1964		98.136	Cash	896,918,000.00		900,050,000.00
						Exchange	3,132,000.00		
Oct. 22, 1964	3.662	Apr. 23, 1964	Oct. 22, 1964		98.149	Cash	807,664,000.00		900,793,000.00
						Exchange	93,129,000.00		
Oct. 29, 1964	3.616	Apr. 30, 1964	Oct. 29, 1964		98.172	Cash	837,882,000.00		900,482,000.00
						Exchange	62,600,000.00		
Other:									
Oct. 31, 1964	3.633	Nov. 4, 1963	Oct. 31, 1964		96.347	Cash	1,000,273,000.00		1,000,273,000.00
Regular weekly:									
Nov. 5, 1964	3.629	May 7, 1964	Nov. 5, 1964		98.165	Cash	817,684,000.00		900,393,000.00
						Exchange	82,709,000.00		
Nov. 12, 1964	3.625	May 14, 1964	Nov. 12, 1964		98.168	Cash	896,705,000.00		900,452,000.00
						Exchange	3,747,000.00		

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]—Continued							
Public Issues—Continued							
Marketable—Continued							
Treasury bills: Series maturing and approximate yield to maturity (%): [3] [e]—Continued							
Regular weekly—Continued							
Nov. 19, 1964–3.598	May 21, 1964	Nov. 19, 1964		$98.181 Cash	$816,680,000.00		
				Exchange	83,810,000.00		$900,490,000.00
Nov. 27, 1964–3.595	May 28, 1964	Nov. 27, 1964		98.172 Cash	827,606,000.00		
				Exchange	72,485,000.00		900,091,000.00
Other:							
Nov. 30, 1964–3.590	Dec. 3, 1963	Nov. 30, 1964		96.380 Cash	1,004,801,000.00		1,004,801,000.00
Regular weekly:							
Dec. 3, 1964–3.589	June 4, 1964	Dec. 3, 1964		98.185 Cash	822,628,000.00		
				Exchange	82,101,000.00		904,729,000.00
Dec. 10, 1964–3.553	June 11, 1964	Dec. 10, 1964	Sold at a discount; payable at par on maturity.	98.204 Cash	897,600,000.00		
				Exchange	2,918,000.00		900,518,000.00
Dec. 17, 1964–3.590	June 18, 1964	Dec. 17, 1964		98.185 Cash	898,228,000.00		
				Exchange	2,821,000.00		901,049,000.00
Dec. 24, 1964–3.556	June 25, 1964	Dec. 24, 1964		98.202 Cash	857,131,000.00		
				Exchange	42,934,000.00		900,065,000.00
Other:							
Dec. 31, 1964–3.707	Jan. 3, 1964	Dec. 31, 1964		96.262 Cash	1,000,309,000.00		1,000,309,000.00
Jan. 31, 1965–3.680	Feb. 6, 1964	Jan. 31, 1965		96.320 Cash	1,000,393,000.00		1,000,393,000.00
Feb. 28, 1965–3.765	Mar. 3, 1964	Feb. 28, 1965		96.214 Cash	1,000,520,000.00		1,000,520,000.00
Mar. 31, 1965–3.719	Apr. 8, 1964	Mar. 31, 1965		96.312 Cash	1,001,464,000.00		1,001,464,000.00
Apr. 30, 1965–3.705	May 6, 1964	Apr. 30, 1965		96.305 Cash	1,001,439,000.00		1,001,439,000.00
May 31, 1965–3.719	June 2, 1964	May 31, 1965		96.250 Cash	1,000,141,000.00		1,000,141,000.00
Total Treasury bills					50,739,938,000.00		50,739,938,000.00
Treasury notes: [f]							
5% Series B-1964	Oct. 15, 1959	Aug. 15, 1964	Feb. 15–Aug. 15	Par	2,315,724,000.00	$270,471,000.00	2,045,253,000.00
4⅞% Series C-1964(effective rate 4.9347%)	Feb. 15, 1960	Nov. 15, 1964	May 15–Nov. 15	Exchange at 99.75	4,195,320,000.00	328,124,000.00	3,867,196,000.00
3¾% Series E-1964	Aug. 1, 1961	Aug. 15, 1964	Feb. 15–Aug. 15	Exchange at par	5,018,682,000.00	932,528,000.00	4,086,154,000.00
3¾% Series F-1964	Aug. 15, 1963	Nov. 15, 1964	May 15–Nov. 15	do	6,398,134,000.00	436,911,000.00	5,961,223,000.00
4⅝% Series A-1965	May 15, 1960	May 15, 1965	do	do	2,112,741,000.00	297,031,000.00	1,815,710,000.00
3½% Series B-1965	Nov. 15, 1962	Nov. 15, 1965	do	do	3,285,508,000.00	331,704,000.00	2,953,804,000.00
3⅞% Series C-1965	Nov. 15, 1963	May 15, 1965	do	Par	3,611,829,000.00		
				Exchange at par	4,364,987,000.00		

Subtotal					7,976,816,000.00		7,976,816,000.00
3⅞% Series D-1965 (effective rate 3.9620%).	Feb. 15, 1964	Aug. 13, 1965	Feb. 15-Aug. 15	Exchange at 98.875	6,202,029,000.00		6,202,029,000.00
3⅞% Series D-1965 (effective rate 4.0995%).	Apr. 8, 1964	do	do	99.70	1,066,270,000.00		1,066,270,000.00
4% Series E-1965 (effective rate 4.0868%).	May 15, 1964	Nov. 15, 1965	May 15-Nov. 15	Exchange at 99.875	8,559,901,000.00		8,559,901,000.00
4% Series A-1966	Feb. 15, 1962	Aug. 16, 1966	Feb. 15-Aug. 15	Exchange at par	6,264,789,000.00	444,818,000.00	5,819,971,000.00
3⅝% Series B-1966 (effective rate 3.6492%).	May 15, 1962	Feb. 15, 1966	do	do	3,272,638,000.00		
				Exchange at 99.80	3,113,899,000.00		
Subtotal					6,386,537,000.00	733,798,000.00	5,652,739,000.00
3¾% Series A-1967 [g] (effective rate 3.8210%).	Sept. 15, 1962	Aug. 15, 1967	Feb. 15-Aug. 15	Exchange at 99.00	180,885,000.00		
				Exchange at 99.50	772,384,000.00		
				Exchange at 99.60	3,234,798,000.00		
				Exchange at 99.90	1,093,461,000.00		
Subtotal					5,281,528,000.00	848,314,000.00	4,433,214,000.00
3⅝% Series B-1967 [g] (effective rate 3.6800%).	Mar. 15, 1963	Feb. 16, 1966	Feb. 15-Aug. 15	Exchange at 99.50	959,980,000.00		
				Exchange at 99.70	205,885,000.00		
				Exchange at 99.90	3,120,670,000.00		
Subtotal					4,286,535,000.00	811,690,000.00	3,474,845,000.00
1½% Series EO-1964	Oct. 1, 1959	Oct. 1, 1964	Apr. 1-Oct. 1	Exchange at par	489,777,000.00		489,777,000.00
1½% Series EA-1965	Apr. 1, 1960	Apr. 1, 1965	do	do	465,673,000.00		465,673,000.00
1½% Series EO-1965	Oct. 1, 1960	Oct. 1, 1965	do	do	315,094,000.00		315,094,000.00
1½% Series EA-1966	Apr. 1, 1961	Apr. 1, 1966	do	do	674,981,000.00		674,981,000.00
1½% Series EO-1966	Oct. 1, 1961	Oct. 1, 1966	do	do	356,530,000.00		356,530,000.00
1½% Series EA-1967	Apr. 1, 1962	Apr. 1, 1967	do	do	270,496,000.00		270,496,000.00
1½% Series EO-1967	Oct. 1, 1962	Oct. 1, 1967	do	do	457,177,000.00		457,177,000.00
1½% Series EA-1968	Apr. 1, 1963	Apr. 1, 1968	do	do	212,127,000.00		212,127,000.00
1½% Series EO-1968	Oct. 1, 1963	Oct. 1, 1968	do	do	115,331,000.00		115,331,000.00
1½% Series EA-1969	Apr. 1, 1964	Apr. 1, 1969	do	do	12,121,000.00		12,121,000.00
Total Treasury notes					72,719,821,000.00	5,435,389,000.00	67,284,432,000.00
Treasury bonds: [f]							
2½% of 1962-67	May 5, 1942	On and after Dec. 15, 1964; on June 15, 1967 [4, 5]	June and Dec. 15	Par	2,118,164,500.00	665,937,400.00	1,452,227,100.00
2½% of 1963-68	Dec. 1, 1942	On and after Dec. 15, 1964; on Dec. 15, 1968 [4, 5]	do	do	2,830,914,000.00	1,017,633,500.00	1,813,280,500.00

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]—Continued							
Public Issues—Continued							
Marketable—Continued							
Treasury bonds [f]—Continued							
2½% of 1964–69	Apr. 15, 1943	On and after Dec. 15, 1964; on June 15, 1969.[4 5]	June and Dec. 15	Par	$3,761,904,000.00	$1,134,311,500.00	$2,627,592,500.00
2½% of 1964–69	Sept. 15, 1943	On and after Dec. 15, 1964; on Dec. 15, 1969.[4]	do	do	3,778,754,000.00		
				Exchange at par	59,444,000.00		
Subtotal					3,838,198,000.00	1,298,936,500.00	2,539,261,500.00
2⅝% of 1965	June 15, 1958	On Feb. 15, 1965	Feb. and Aug. 15	Exchange at par	7,387,534,000.00	3,411,766,000.00	3,975,768,000.00
2½% of 1965–70	Feb. 1, 1944	On and after Mar. 15, 1965; on Mar. 15, 1971.[4]	Mar. and Sept. 15	Par	5,120,861,500.00		
				Exchange at par	76,533,000.00		
Subtotal					5,197,394,500.00	2,781,249,500.00	2,416,145,000.00
3¾% of 1966 (effective rate 3.7904%).	Nov. 15, 1960	On May 15, 1966	May and Nov. 15	Exchange at par	1,213,109,500.00		
				Exchange at 99.75	2,384,364,000.00		
Subtotal					3,597,473,500.00	735,451,000.00	2,862,022,500.00
3% of 1966	Feb. 28, 1958	On Aug. 15, 1966	Feb. and Aug. 15	Par	1,484,298,000.00	459,895,500.00	1,024,402,500.00
3⅜% of 1966 [g]	Mar. 15, 1961	On Nov. 15, 1966	May and Nov. 15	Exchange at par	2,437,629,500.00	586,221,500.00	1,851,408,000.00
2½% of 1966–71	Dec. 1, 1944	On and after Mar. 15, 1966; on Mar. 15, 1971.[4]	Mar. and Sept. 15	Par	3,447,511,500.00		
				Exchange at par	33,353,500.00		
Subtotal					3,480,865,000.00	2,077,319,500.00	1,403,545,500.00
2½% of 1967–72	June 1, 1945	On and after June 15, 1967; on June 15, 1972.[4]	June and Dec. 15	Par	7,967,261,000.00	6,668,723,500.00	1,298,537,500.00
2½% of 1967–72	Oct. 20, 1941	On and after Sept. 15, 1967; on Sept. 15, 1972.	Mar. and Sept. 15	do	2,527,073,950.00		
				Exchange at par	188,971,200.00		
Subtotal					2,716,045,150.00	764,240,900.00	1,951,804,250.00
2½% of 1967–72	Nov. 15, 1945	On and after Dec. 15, 1967; on Dec. 15, 1972.[4]	June and Dec. 15	Par	11,688,868,500.00	8,949,757,500.00	2,739,111,000.00
3⅝% of 1967 (effective rate 3.9187%).[g]	Mar. 15, 1961	Nov. 15, 1967	May and Nov. 15	Exchange at par	2,426,887,500.00		
				Exchange at 100.30	1,176,657,000.00		

Subtotal					3,603,544,500.00		3,603,544,500.00
3⅞% of 1968 (effective rate 3.9187%).[5]	June 23, 1960	On May 15, 1968	May and Nov. 15	Par	1,041,697,000.00		
				Exchange at par	348,710,500.00		
				Exchange at 99.50	[6] 320,407,000.00		
				Exchange at 99.375.	749,121,000.00		
Subtotal					2,459,935,500.00		2,459,935,500.00
3¾% of 1968	Apr. 18, 1962	On Aug. 15, 1968	Feb. and Aug. 15	Par	1,257,539,500.00		
				Exchange at par	2,489,819,000.00		
Subtotal					3,747,358,500.00		3,747,358,500.00
3⅞% of 1968 (effective rate 4.0704%).[5]	Sept. 15, 1963	On Nov. 15, 1968	May and Nov. 15	Exchange at 99.35	619,595,000.00		
				Exchange at 98.40	194,370,000.00		
				Exchange at 99.05	777,469,000.00		
Subtotal					1,591,434,000.00		1,591,434,000.00
4% of 1969	Aug. 15, 1962	On Feb. 15, 1969	Feb. and Aug. 15	Par	1,843,615,500.00		1,843,615,500.00
4% of 1969 (effective rate 4.0128%).	Oct. 1, 1957	On Oct. 1, 1969 [4]	Apr. and Oct. 1	do	656,933,000.00		
				Exchange at par	619,461,000.00		
				Exchange at 100.50.	[7] 147,697,000.00		
				Exchange at 99.75	1,114,335,500.00		
Subtotal					2,538,426,500.00	1,356,000.00	2,537,070,500.00
4% of 1970 (effective rate 4.0773%).[5]	June 20, 1963	On Aug. 15, 1970	Feb. and Aug. 15	Par	1,905,811,000.00		
				Exchange at 99.05	972,382,000.00		
				Exchange at 98.35	164,679,000.00		
				Exchange at 98.15	211,391,000.00		
				Exchange at 98.20	221,389,000.00		
				Exchange at 100.25	653,588,000.00		
Subtotal					4,129,240,000.00		4,129,240,000.00
4% of 1971 (effective rate 3.8499%).[5]	Mar. 1, 1962	On Aug. 1, 1971	Feb. and Aug. 15	Exchange at par	1,154,257,500.00		
				Exchange at 102.00.	1,651,369,000.00		
Subtotal					2,805,626,500.00		2,805,626,500.00
3⅞% of 1971 (effective rate 3.9713%).[5]	May 15, 1962	On Nov. 15, 1971	May and Nov. 15	Exchange at 99.50	[8] 1,245,537,000.00		
				Exchange at 98.90	693,473,000.00		
				Exchange at 99.10	93,607,000.00		
				Exchange at 99.30	727,803,000.00		
Subtotal					2,760,420,000.00		2,760,420,000.00

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [3]
INTEREST-BEARING DEBT[a]—Continued							
Public Issues—Continued							
Marketable—Continued							
Treasury bonds [f]—Continued							
4% of 1972	Nov. 15, 1962	On Feb. 15, 1972	Feb. and Aug. 15	Exchange at par	$2,343,511,000.00		$2,343,511,000.00
4% of 1972 (effective rate 4.0840%).[g]	Sept. 15, 1962	On Aug. 15, 1972	do	Exchange at 98.80	378,792,000.00		
				Exchange at 99.30	370,327,000.00		
				Exchange at 99.40	1,570,407,000.00		
				Exchange at 99.70	259,021,000.00		
Subtotal					2,578,547,000.00		2,578,547,000.00
4% of 1973 (effective rate 4.1491%).[g]	Sept. 15, 1963	On Aug. 15, 1973	Feb. and Aug. 15	Exchange at 98.85	1,120,883,000.00		
				Exchange at 97.90	213,528,000.00		
				Exchange at 98.55	782,366,000.00		
				Exchange at 98.20	340,079,000.00		
				Exchange at 99.60	720,541,000.00		
				Exchange at 99.30	716,437,000.00		
Subtotal					3,893,834,000.00		3,893,834,000.00
4¼% of 1974	May 15, 1964	On May 15, 1974 [4]	May and Nov. 15	Exchange at par	1,531,990,500.00		1,531,990,500.00
3⅞% of 1974 (effective rate 3.9516%).[g]	Dec. 2, 1957	On Nov. 4, 1974 [4]	do	Par	653,811,500.00		
				Exchange at 98.50	136,239,000.00		
				Exchange at 99.00	517,421,500.00		
				Exchange at 98.30	313,758,000.00		
				Exchange at 99.10	373,227,000.00		
				Exchange at par	250,315,000.00		
Subtotal					2,244,772,000.00	$758,500.00	2,244,013,500.00
4¼% of 1975–85 (effective rate 4.2631%)[g].	Apr. 5, 1960	On May 15, 1975; on May 15, 1985.[4]	May and Nov. 15	Par	469,533,000.00		
				Exchange at 101.15	52,853,500.00		
				Exchange at 99.95	397,057,000.00		
				Exchange at 99.25	105,792,000.00		
				Exchange at 99.10	75,642,000.00		
				Exchange at 99.05	116,733,000.00		
Subtotal					1,217,610,500.00	9,000.00	1,217,601,500.00
3¼% of 1978–83	May 1, 1953	On and after June 15, 1978; on June 15, 1983.[4]	June and Dec. 15	Par	1,188,769,175.00		
				Exchange at par	417,314,825.00		

Subtotal					1,606,084,000.00	19,224,000.00	1,586,860,000.00
4% of 1980 (effective rate 4.0454%)[g].	Jan. 23, 1959	On Feb. 15, 1980[4]	Feb. and Aug. 15	99.00	884,115,500.00		
				99.50	[9] 102,000.00		
				Exchange at 99.00	195,465,000.00		
				Exchange at 99.10	17,346,000.00		
				Exchange at 99.30	2,113,000.00		
				Exchange at 99.50	[9] 107,341,500.00		
				Exchange at 99.60	212,994,500.00		
				Exchange at 98.80	420,040,000.00		
				Exchange at 100.25	562,595,500.00		
				Exchange at 100.50	209,580,500.00		
Subtotal					2,611,693,500.00	1,711,000.00	2,609,982,500.00
3½% of 1980 (effective rate 3.38182%).[g]	Oct. 3, 1960	On Nov. 15, 1980[4]	May and Nov. 15	Exchange at par	643,406,000.00		
				Exchange at 102.25	1,034,722,000.00		
				Exchange at 103.50	237,815,000.00		
Subtotal					1,915,943,000.00	2,292,500.00	1,913,650,500.00
3¼% of 1985 (effective rate 3.2222%).	June 3, 1958	On May 15, 1985[4]	May and Nov. 15	100.50	1,134,867,500.00	5,899,500.00	1,128,968,000.00
4¼% of 1987–92 (effective rate 4.1911%).	Aug. 15, 1962	On and after Aug. 15, 1987; on Aug. 15, 1992.[4]	Feb. and Aug. 15	101.00	359,711,500.00		
				Exchange at 101.00	5,410,000.00		
Subtotal					365,121,500.00		365,121,500 00
4% of 1988–93 (effective rate 4.0082%).	Jan. 17, 1963	On and after Feb. 15, 1988; on Feb. 15, 1993.[4]	Feb. and Aug. 15	99.85	250,000,000.00	10,000.00	249,990,000.00
4⅛% of 1989–94 (effective rate 4.1905%).[g]	Apr. 18, 1963	On and after May 15, 1989; on May 15, 1994.[4]	May and Nov. 15	100.55	300,000,000.00		
				Exchange at 97.70	125,623,000.00		
				Exchange at 98.00	104,739,000.00		
				Exchange at 98.35	317,182,000.00		
				Exchange at 98.65	489,896,000.00		
				Exchange at 99.10	131,877,000.00		
				Exchange at 99.40	91,149,000.00		
Subtotal					1,560,466,000.00		1,560,466,000.00
3½% of 1990 (effective rate 3.4907%).[g]	Feb. 14, 1958	On Feb. 15, 1990[4]	Feb. and Aug. 15	Exchange at par	2,719,730,000.00		
				Exchange at 99.00	721,728,000.00		
				Exchange at 100.25	575,798,500.00		
				Exchange at 101.25	233,236,000.00		
				Exchange at 101.50	344,644,000.00		
				Exchange at 101.75	322,275,000.00		
Subtotal					4,917,411,500.00	9,639,000.00	4,907,772,500.00

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT[3]—Continued							
Public Issues—Continued							
Marketable—Continued							
Treasury bonds [7]—Continued							
3% of 1995	Feb. 15, 1955	On Feb. 15, 1995[4]	Feb. and Aug. 15	Par	$821,474,500.00		
				Exchange at par	1,923,642,500.00		
Subtotal					2,745,117,000.00	$285,726,500.00	$2,459,390,500.00
3½% of 1998 (effective rate 3.5153%)[8].	Oct. 3, 1960	On Nov. 15, 1998[4]	May and Nov. 15	Exchange at par	2,523,039,000.00		
				Exchange at 98.00	494,804,500.00		
				Exchange at 99.00	692,076,500.00		
				Exchange at 100.25	419,513,000.00		
				Exchange at 100.50	333,406,000.00		
Subtotal					4,462,839,000.00	24,341,500.00	4,438,497,500.00
Total Treasury bonds					119,365,958,650.00	30,902,411,300.00	88,463,547,350.00
Total marketable issues					242,825,717,650.00	36,337,800,300.00	206,487,917,350.00
Nonmarketable:[9]							
Certificates of indebtedness:							
3.00% foreign series	Apr. 30, 1964	On 2 days' notice; on July 30, 1964.	July 30, 1964	Par	50,000,000.00		50,000,000.00
3.50% foreign series	June 29, 1964	On 2 days' notice; on Sept. 29, 1964.	Sept. 29, 1964	do	40,000,000.00		40,000,000.00
3.50% foreign series	June 22, 1964	On 2 days' notice; on Dec. 22, 1964.	Dec. 22, 1964	do	50,000,000.00		50,000,000.00
3.60% foreign series	June 29, 1964	On 2 days' notice; on Dec. 29, 1964.	Dec. 29, 1964	do	100,000,000.00		100,000,000.00
Total certificates, foreign series.					240,000,000.00		240,000,000.00
3.54% foreign currency series	Oct. 31, 1963	On Oct. 30, 1964[10]	Apr. and Oct. 30	431.600 Swiss francs.	30,120,481.92		30,120,481.92
Treasury notes:							
4.03% foreign series	Apr. 6, 1964	On July 6, 1965[11]	Jan. and July 6	Par	125,000,000.00		125,000,000.00
3.63% foreign series	July 12, 1963	On Oct. 12, 1965[11]	Apr. and Oct. 12	do	25,000,000.00		25,000,000.00
3.125% foreign series	Jan. 21, 1963	On Jan. 21, 1968[12]	Jan. and July 21	do	58,000,000.00	56,179,703.94	1,820,296.06

Total notes, foreign series					208,000,000.00	56,179,703.94	151,820,296.06
Treasury bonds:							
2.82% foreign currency series	Apr. 1, 1963	On July 1, 1964 [10]	Jan. and July 1	[r] 433.0879 Swiss francs.	22,397,300.00		22,397,300.00
3.18% foreign currency series	Jan. 24, 1963	On July 24, 1964 [10]	Jan. and July 24	400.4605 Deutsche marks.	49,942,500.00		49,942,500.00
2.83% foreign currency series	Apr. 4, 1963	On Sept. 4, 1964	Mar. and Sept. 4	432.7599 Swiss francs.	23,107,500.00		23,107,500.00
3.23% foreign currency series	Apr. 26, 1963	On Oct. 26, 1964 [10]	Apr. and Oct. 26	258.4000 Austrian schillings.	25,154,798.76		25,154,798.76
3.09% foreign currency series	Feb. 14, 1963	On Nov. 16, 1964 [10]	May and Nov. 16	400.2401 Deutsche marks.	49,970,000.00		49,970,000.00
2.82% foreign currency series	May 16, 1963	On Nov. 16, 1964	do	432.2700 Swiss francs.	23,133,689.59		23,133,689.59
2.89% foreign currency series	July 1, 1963	On Jan. 1, 1965 [10]	Jan. and July 1	432.8200 Swiss francs.	25,414,722.05		25,414,722.05
3.14% foreign currency series	Feb. 14, 1963	On Feb. 15, 1965 [10]	Feb. and Aug. 15	400.2401 Deutsche marks.	49,970,000.00		49,970,000.00
3.61% foreign currency series	Jan. 20, 1964	On Apr. 20, 1965	Apr. and Oct. 20	431.5100 Swiss francs.	23,174,433.96		23,174,433.96
3.26% foreign currency series	May 16, 1963	On May 16, 1965 [10]	May and Nov. 16	[r] 4,986.2500 Belgian francs.	20,055,151.67		20,055,151.67
3.22% foreign currency series	May 20, 1963	On May 20, 1965 [10]	May and Nov. 20	[r] 4,985.3750 Belgian francs.	10,029,335.81		10,029,335.81
3.83% foreign currency series	Dec. 11, 1963	On June 11, 1965 [10]	June and Dec. 11	258.3250 Austrian schillings.	25,162,102.00		25,162,102.00
3.71% foreign currency series	Mar. 9, 1964	On July 9, 1965	Jan. and July 9	432.9000 Swiss francs.	27,720,027.72		27,720,027.72
3.55% foreign currency series	July 11, 1963	On July 11, 1965 [10]	Jan. and July 11	398.2100 Deutsche marks.	25,112,377.89		25,112,377.89
3.93% foreign currency series	Apr. 24, 1964	On July 26, 1965 [10]	Jan. and July 26	397.3400 Deutsche marks.	50,334,725.93		50,334,725.93
3.37% foreign currency series	May 25, 1964	On Aug. 25, 1965 [13]	Feb. and Aug. 25	431.5200 Swiss francs.	69,521,690.77		69,521,690.77
3.66% foreign currency series	Aug. 28, 1963	On Aug. 28, 1965 [10]	Feb. and Aug. 28	398.1900 Deutsche marks.	50,227,278.43		50,227,278.43
3.84% foreign currency series	May 25, 1964	On Sept. 27, 1965	Mar. and Sept. 27	431.5200 Swiss francs.	30,126,066.00		30,126,066.00
4.04% foreign currency series	Apr. 1, 1964	On Oct. 1, 1965 [10]	Apr. and Oct. 1	397.4600 Deutsche marks.	50,319,529.01		50,319,529.01
4.05% foreign currency series	Apr. 1, 1964	On Nov. 1, 1965 [10]	May and Nov. 1	397.4600 Deutsche marks.	50,319,529.01		50,319,529.01
4.06% foreign currency series	Apr. 1, 1964	On Dec. 1, 1965 [10]	June and Dec. 1	397.4600 Deutsche marks.	50,319,529.01		50,319,529.01
4.07% foreign currency series	Apr. 1, 1964	On Jan. 1, 1966 [10]	Jan. and July 1	397.4600 Deutsche marks.	50,319,529.01		50,319,529.01
Total bonds, foreign currency series.					801,831,816.62		801,831,816.62

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]—Continued							
Public Issues—Continued							
Nonmarketable [f]—Continued							
U.S. retirement plan bonds: (investment yield 3.75%, compounded semiannually). [14]	1st day of each mo. beginning Jan. 1, 1963.	Not redeemable until owner attains age 59½, except in case of death or disability.	Indeterminate	Par	$5,571,030.07	$58,548.26	$5,512,481.81
Depositary bonds: 2% First Series	Various dates from July 1952.	At option of U.S. or owner upon 30 to 60 days' notice; 12 yrs. from issue date.	June and Dec. 1	do	581,537,000.00	478,238,000.00	103,299,000.00
Treasury bonds: 2% R.E.A. series	Various dates from July 1, 1960.	do	Jan. and July 1	do	38,876,000.00	14,305,000.00	24,571,000.00
Treasury bonds, investment series: 2½% Series A-1965	Oct. 1, 1947	On and after Apr. 1, 1948, on demand at option of owner on 1 month's notice; payable on Oct. 1, 1965.	Apr. and Oct. 1	do	969,960,000.00	539,020,000.00	430,940,000.00
2¾% Series B-1975-80	Apr. 1, 1951	Apr. 1, 1975, exchangeable at any time at option of owner for marketable Treasury notes; payable on Apr. 1, 1980. [4] [15]	do	do	451,397,500.00		
				Exchange at par	14,879,956,500.00		
Subtotal					15,331,354,000.00	[16] 12,216,774,000.00	3,114,580,000.00
Total Treasury bonds, investment series.					16,301,314,000.00	12,755,794,000.00	3,545,520,000.00

Treasury certificates:							
1% certificates	June 15, 1964	On demand; on Dec. 15, 1964.	Dec. 15, 1964	Par	7,486,777.15		7,486,777.15
3.479% certificates	June 30, 1964	On demand: on Sept. 30, 1964.	Sept. 30, 1964	do	10,274,942.13		10,274,942.13
Total Treasury certificates.					17,761,719.28		17,761,719.28
4% Treasury bonds	Various dates from Dec. 31, 1963.	On demand; on June 30, 1967.	June 30–Dec. 31	Par	20,400,000.00		20,400,000.00
U.S. savings bonds: Series and approximate yield to maturity (%):[17]	First day of each month.	After 2 mos. from issue date, on demand at option of owner; 10 yrs. from issue date but may be held for additional period.[18]	Sold at a discount: payable at par on maturity.				
E-1941, 3.223 [19]	May to Dec. 1941	do	do	$75.00	1,836,207,278.27	1,563,292,017.03	272,915,261.24
E-1942, 3.252 [19]	Jan. to Apr. 1942	do	do	$75.00	2,259,924,878.14	1,896,932,555.34	362,992,322.80
E-1942, 3.252 [19]	May to Dec. 1942	do	do	$75.00	5,846,653,402.53	5,033,545,315.04	813,108,087.49
E-1943, 3.277 [19]	Jan. to Dec. 1943	do	do	$75.00	13,050,313,222.93	11,180,475,018.43	1,869,838,204.50
E-1944, 3.298 [19]	Jan. to Dec. 1944	do	do	$75.00	15,203,420,959.34	12,864,603,326.27	2,338,817,633.07
E-1945, 3.316 [19]	Jan. to Dec. 1945	do	do	$75.00	11,909,237,035.47	9,853,293,757.49	2,055,943,277.98
E-1946, 3.327 [19]	Jan. to Dec. 1946	do	do	$75.00	5,353,962,915.82	4,217,954,937.32	1,136,007,978.50
E-1947, 3.346 [19]	Jan. to Dec. 1947	do	do	$75.00	5,048,202,072.95	3,801,187,098.39	1,247,014,974.56
E-1948, 3.366 [19]	Jan. to Dec. 1948	do	do	$75.00	5,203,855,558.24	3,815,415,221.07	1,388,440,337.17
E-1949, 3.344 [19]	Jan. to Dec. 1949	do	do	$75.00	5,121,573,857.61	3,670,960,978.58	1,450,612,879.03
E-1950, 3.347 [19]	Jan. to Dec. 1950	do	do	$75.00	4,467,792,867.90	3,125,988,031.18	1,341,804,836.72
E-1951, 3.378 [19]	Jan. to Dec. 1951	do	do	$75.00	3,869,424,777.78	2,698,694,330.84	1,170,730,446.94
E-1952, 3.400 (Jan. to Apr.)	Jan. to Apr. 1952	do	do	$75.00	1,328,328,044.89	920,880,820.27	407,447,224.62
E-1952, 3.451 [19] (May to Dec.)	May to Dec. 1952	After 2 mos. from issue date, on demand at option of owner; 9 yrs., 8 mos. from issue date but may be held for additional period. [18]	do	$75.00	2,719,790,825.95	1,853,550,592.39	866,240,233.56
E-1953, 3.468 [19]	Jan. to Dec. 1953	do	do	$75.00	4,610,981,987.84	3,015,370,947.09	1,595,611,040.75
E-1954, 3.497 [19]	Jan. to Dec. 1954	do	do	$75.00	4,684,707,022.43	2,882,010,172.21	1,802,696,850.22
E-1955, 3.522 [19]	Jan. to Dec. 1955	do	do	$75.00	4,832,945,891.61	2,884,943,741.58	1,948,002,150.30
E-1956, 3.546 [19]	Jan. to Dec. 1956	do	do	$75.00	4,636,488,262.07	2,779,435,374.35	1,857,052,887.72
E-1957, 3.560 (Jan.)	Jan. 1957	do	do	$75.00	382,615,205.26	222,720,479.50	159,894,725.76

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]—Continued							
Public Issues—Continued							
Nonmarketable [f]—Continued U.S. savings bonds: Series and approximate yield to maturity (%) [17]—Continued	First day of each month.	After 2 mos. from issue date, on demand at option of owner; 8 yrs., 11 mos. from issue date but may be held for additional period.[18]	Sold at a discount; payable at par on maturity.				
E-1957, 3.653 (Feb. to Dec.)[19]	Feb. to Dec. 1957	do	do	$75.00	$3,975,984,791.93	$2,319,502,698.61	$1,656,482,093.32
E-1958, 3.690 [19]	Jan. to Dec. 1958	do	do	$75.00	4,215,885,685.38	2,315,438,865.59	1,900,446,819.79
E-1959, 3.730 (Jan. to May)	Jan. to May 1959	do	do	$75.00	1,687,977,109.71	911,869,860.51	776,107,249.20
E-1959, 3.750 (June to Dec.)	June to Dec. 1959	After 2 mos. from issue date on demand at option of owner; 7 yrs., 9 mos. from issue date but may be held for additional period.[18]	do	$75.00	2,255,288,076.99	1,205,484,958.64	1,049,803,118.35
E-1960, 3.750	Jan. to Dec. 1960	do	do	$75.00	3,924,553,121.86	1,975,343,635.98	1,949,209,485.88
E-1961, 3.750	Jan. to Dec. 1961	do	do	$75.00	3,937,600,677.43	1,789,250,943.59	2,148,349,733.84
E-1962, 3.750	Jan. to Dec. 1962	do	do	$75.00	3,787,667,611.38	1,591,683,722.59	2,195,983,888.79
E-1963, 3.750	Jan. to Dec. 1963	do	do	$75.00	4,196,937,230.91	1,354,570,507.82	2,842,366,723.09
E-1964, 3.750	Jan. to June 1964	do	do	$75.00	1,781,384,493.75	243,623,531.25	1,537,760,962.50
Unclassified sales and redemptions					26,057,258.46	−133,920.95	26,191,179.41
Total Series E					132,155,762,124.83	91,987,889,518.00	40,167,872,606.83

H-1952, 3.392 [19]	June to Dec. 1952	After 6 mos. from issue date on demand at option of owner on 1 month's notice; 9 yrs., 11 mos. from issue date.[20]	Semiannually	Par	191,480,500.00	108,484,500.00	82,996,000.00
H-1953, 3.409 [19]	Jan. to Dec. 1953	do	do	do	470,500,500.00	238,896,000.00	231,604,500.00
H-1954, 3.438 [19]	Jan. to Dec. 1954	do	do	do	877,679,500.00	398,806,500.00	478,873,000.00
H-1955, 3.467 [19]	Jan. to Dec. 1955	do	do	do	1,173,084,000.00	454,358,500.00	718,725,500.00
H-1956, 3.496 [19]	Jan. to Dec. 1956	do	do	do	893,176,000.00	305,721,000.00	587,455,000.00
H-1957, 3.520 (Jan.)	Jan. 1957	do	do	do	64,506,000.00	19,617,500.00	44,888,500.00
H-1957, 3.626 (Feb. to Dec.)[19]	Feb. to Dec. 1957	After 6 mos. from issue date on demand at option of owner on 1 month's notice; 10 yrs. from issue date.	do	do	567,682,000.00	153,222,500.00	414,459,500.00
H-1958, 3.690 [19]	Jan. to Dec. 1958	do	do	do	890,252,500.00	230,156,000.00	660,096,500.00
H-1959, 3.720 (Jan. to May)	Jan. to May 1959	do	do	do	356,318,500.00	71,639,000.00	284,679,500.00
H-1959, 3.750 (June to Dec.)	June to Dec. 1959	do	do	do	362,413,000.00	63,235,000.00	299,178,000.00
H-1960, 3.750	Jan. to Dec. 1960	do	do	do	1,006,765,500.00	123,573,500.00	883,192,000.00
H-1961, 3.750	Jan. to Dec. 1961	do	do	do	1,041,579,000.00	94,768,500.00	946,810,500.00
H-1962, 3.750	Jan. to Dec. 1962	do	do	do	856,754,000.00	47,972,500.00	808,781,500.00
H-1963, 3.750	Jan. to Dec. 1963	do	do	do	772,423,500.00	18,194,000.00	754,229,500.00
H-1964, 3.750	Jan. to June 1964	do	do	do	344,463,500.00	285,500.00	344,178,000.00
Unclassified sales and redemptions.					12,739,500.00	10,000.00	12,729,500.00
Total Series H					9,881,817,500.00	2,328,940,500.00	7,552,877,000.00
J-1952, 2.76	May to Dec. 1952	After 6 mos. from issue date on demand at option of owner on 1 month's notice; 12 yrs. from issue date.	Sold at a discount; payable at par on maturity.	$72.00	107,672,018.94	72,898,933.34	34,773,085.60
J-1953, 2.76	Jan. to Dec. 1953	do	do	$72.00	158,347,914.59	85,113,491.39	73,234,423.20
J-1954, 2.76	Jan. to Dec. 1954	do	do	$72.00	380,346,762.42	245,067,097.30	135,279,665.12
J-1955, 2.76	Jan. to Dec. 1955	do	do	$72.00	274,187,493.91	154,288,465.11	119,899,028.80
J-1956, 2.76	Jan. to Dec. 1956	do	do	$72.00	173,650,126.18	77,545,690.28	96,104,435.90
J-1957, 2.76	Jan. to Apr. 1957	do	do	$72.00	36,569,280.94	14,749,695.94	21,819,585.00
Unclassified redemptions						5,000.00	−5,000.00
Total Series J					1,130,773,596.98	649,668,373.36	481,105,223.62

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT[a]—Continued							
Public Issues—Continued							
Nonmarketable[4]—Continued							
U.S. savings bonds: Series and approximate yield to maturity (%) [17]—Continued							
K-1952, 2.76	Jan. to Dec. 1952	After 6 mos. from issue date on demand at option of owner on 1 month's notice; 12 yrs. from issue date.	Semiannually	Par	$291, 932, 000. 00	$203, 289, 500. 00	$88, 642, 500. 00
K-1953, 2.76	Jan. to Dec. 1953	do	do	do	302, 931, 500. 00	163, 697, 000. 00	139, 234, 500. 00
K-1954, 2.76	Jan. to Dec. 1954	do	do	do	981, 680, 000. 00	634, 380, 000. 00	347, 300, 000. 00
K-1955, 2.76	Jan. to Dec. 1955	do	do	do	633, 925, 500. 00	343, 501, 000. 00	290, 424, 500. 00
K-1956, 2.76	Jan. to Dec. 1956	do	do	do	318, 825, 500. 00	138, 820, 500. 00	180, 005, 000. 00
K-1957, 2.76	Jan. to Apr. 1957	do	do	do	53, 978, 500. 00	18, 451, 500. 00	35, 527, 000. 00
Unclassified redemptions						12, 500. 00	−12, 500. 00
Total Series K					2, 583, 273, 000. 00	1, 502, 152, 000. 00	1, 081, 121, 000. 00
Total U.S. savings bonds					145, 751, 626, 221. 81	96, 468, 650, 391. 36	49, 282, 975, 830. 45
Total nonmarketable issues					163, 997, 038, 269. 70	109, 773, 225, 643. 56	54, 223, 812, 626. 14
Total public issues					406, 822, 755, 919. 70	146, 111, 025, 943. 56	260, 711, 729, 976. 14
Special Issues [b]							
Civil service retirement fund:							
Certificates:							
4⅛% Series 1965	June 30, 1964	On demand; on June 30, 1965.	June 30	Par	72, 800, 000. 00		72, 800, 000. 00
Notes:		Redeemable after 1 yr. from issue date and payable on June 30:					
4⅛% Series 1966	do	1966	do	do	72, 775, 000. 00		72, 775, 000. 00
4⅛% Series 1967	do	1967	do	do	72, 775, 000. 00		72, 775, 000. 00
4⅛% Series 1968	do	1968	do	do	72, 775, 000. 00		72, 775, 000. 00

4⅛% Series 1969	do	1969	do	do	72,775,000.00		72,775,000.00
3⅞% Series 1965	June 30, 1963	1965	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1966	do	1966	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1967	do	1967	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1968	do	1968	do	do	80,227,000.00		80,227,000.00
3¾% Series 1965	June 30, 1962	1965	do	do	60,976,000.00		60,976,000.00
3¾% Series 1966	do	1966	do	do	60,976,000.00		60,976,000.00
3¾% Series 1967	do	1967	do	do	60,976,000.00		60,976,000.00
2⅞% Series 1965	June 30, 1961	1965	do	do	69,913,000.00		69,913,000.00
2⅞% Series 1966	do	1966	do	do	69,913,000.00		69,913,000.00
2⅝% Series 1965	Various dates from: June 30, 1960	1965	do	do	51,316,000.00		51,316,000.00
Bonds.		On demand; on June 30:					
4⅛% Series 1970	June 30, 1964	1970	do	do	72,775,000.00		72,775,000.00
4⅛% Series 1971	do	1971	do	do	72,775,000.00		72,775,000.00
4⅛% Series 1972	do	1972	do	do	305,461,000.00		305,461,000.00
4⅛% Series 1973	do	1973	do	do	185,035,000.00		185,035,000.00
4⅛% Series 1974	do	1974	do	do	96,732,000.00		96,732,000.00
4⅛% Series 1975	do	1975	do	do	72,775,000.00		72,775,000.00
4⅛% Series 1976	do	1976	do	do	72,775,000.00		72,775,000.00
4⅛% Series 1977	do	1977	do	do	72,775,000.00		72,775,000.00
4⅛% Series 1978	do	1978	do	do	72,775,000.00		72,775,000.00
4⅛% Series 1979	do	1979	do	do	899,418,000.00		899,418,000.00
3⅞% Series 1969	June 30, 1963	1969	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1970	do	1970	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1971	do	1971	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1972	do	1972	do	do	532,981,000.00		532,981,000.00
3⅞% Series 1973	do	1973	do	do	103,448,000.00		103,448,000.00
3⅞% Series 1974	do	1974	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1975	do	1975	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1976	do	1976	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1977	do	1977	do	do	80,227,000.00		80,227,000.00
3⅞% Series 1978	do	1978	do	do	826,643,000.00		826,643,000.00
3¾% Series 1968	June 30, 1962	1968	do	do	60,976,000.00		60,976,000.00
3¾% Series 1969	do	1969	do	do	60,976,000.00		60,976,000.00
3¾% Series 1970	do	1970	do	do	60,976,000.00		60,976,000.00
3¾% Series 1971	do	1971	do	do	60,976,000.00		60,976,000.00
3¾% Series 1972	do	1972	do	do	60,976,000.00		60,976,000.00
3¾% Series 1973	do	1973	do	do	60,976,000.00		60,976,000.00
3¾% Series 1974	do	1974	do	do	60,976,000.00		60,976,000.00
3¾% Series 1975	do	1975	do	do	60,976,000.00		60,976,000.00
3¾% Series 1976	do	1976	do	do	60,976,000.00		60,976,000.00
3¾% Series 1977	do	1977	do	do	746,416,000.00		746,416,000.00
2⅞% Series 1967	June 30, 1961	1967	do	do	69,913,000.00		69,913,000.00
2⅞% Series 1968	do	1968	do	do	69,913,000.00		69,913,000.00

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]—Continued							
Special Issues [h]—Continued							
Civil service retirement fund—Con. Bonds—Continued		On demand; on June 30:					
2⅞% Series 1969	June 30, 1961	1969	June 30	Par	$69,913,000.00		$69,913,000.00
2⅞% Series 1970	do	1970	do	do	69,913,000.00		69,913,000.00
2⅞% Series 1971	do	1971	do	do	69,913,000.00		69,913,000.00
2⅞% Series 1974	do	1974	do	do	69,913,000.00	$23,957,000.00	45,956,000.00
2⅞% Series 1975	do	1975	do	do	69,913,000.00		69,913,000.00
2⅞% Series 1976	do	1976	do	do	685,440,000.00		685,440,000.00
2⅝% Series 1965	June 30, 1959	1965	do	do	179,211,000.00		179,211,000.00
2⅝% Series 1966	Various dates from June 30, 1959.	1966	do	do	230,527,000.00		230,527,000.00
2⅝% Series 1967		1967	do	do	230,527,000.00		230,527,000.00
2⅝% Series 1968		1968	do	do	415,527,000.00		415,527,000.00
2⅝% Series 1969	do	1969	do	do	615,527,000.00		615,527,000.00
2⅝% Series 1970	do	1970	do	do	615,527,000.00		615,527,000.00
2⅝% Series 1971	do	1971	do	do	615,527,000.00		615,527,000.00
2⅝% Series 1973	do	1973	do	do	615,527,000.00	65,568,000.00	549,959,000.00
2⅝% Series 1974	do	1974	do	do	615,527,000.00		615,527,000.00
2⅝% Series 1975	do	1975	do	do	615,527,000.00		615,527,000.00
2½% Series 1965	Various dates from June 30, 1957.	1965	do	do	385,000,000.00		385,000,000.00
2½% Series 1966		1966	do	do	385,000,000.00		385,000,000.00
2½% Series 1967		1967	do	do	385,000,000.00		385,000,000.00
2½% Series 1968	June 30, 1958	1968	do	do	200,000,000.00		200,000,000.00
Exchange Stabilization Fund: Certificates:	Various dates from:						
3.25% Series 1964	June 1, 1964	On demand; on July 1, 1964.	July 1, 1964	do	311,258,417.08	19,693,926.54	291,564,490.54
3.525% Series 1964	Apr. 1, 1964	On 1 day's notice; on July 1, 1964.	do	do	62,000,000.00	61,500,000.00	500,000.00
Federal Deposit Insurance Corporation: Notes:							
2% Series 1968	Various dates from Dec. 1, 1963.	Redeemable after 1 yr. from issue date; payable on Dec. 1, 1968.	June and Dec. 1	do	350,209,000.00	79,900,000.00	270,309,000.00
Federal disability insurance trust fund: Notes:							

3¾% Series 1967	June 30, 1962	Redeemable after 1 yr. from issue date; payable on June 30, 1967.	June 30-Dec. 31	do	1,349,000.00		1,349,000.00
Bonds:		On demand; on June 30:					
4⅛% Series 1979	June 30, 1964	1979	do	do	133,173,000.00		133,173,000.00
3⅞% Series 1978	June 30, 1963	1978	do	do	153,632,000.00		153,632,000.00
	Various dates from:						
3¾% Series 1967	June 30, 1961	1967	do	do	19,389,000.00		19,389,000.00
3¾% Series 1968	do	1968	do	do	20,738,000.00		20,738,000.00
3¾% Series 1969	do	1969	do	do	20,738,000.00		20,738,000.00
3¾% Series 1970	do	1970	do	do	20,738,000.00		20,738,000.00
3¾% Series 1971	do	1971	do	do	20,738,000.00		20,738,000.00
3¾% Series 1972	do	1972	do	do	20,738,000.00		20,738,000.00
3¾% Series 1973	do	1973	do	do	20,738,000.00		20,738,000.00
3¾% Series 1974	do	1974	do	do	20,738,000.00		20,738,000.00
3¾% Series 1975	do	1975	do	do	20,738,000.00		20,738,000.00
3¾% Series 1976	do	1976	do	do	153,632,000.00		153,632,000.00
3¾% Series 1977	do	1977	do	do	153,632,000.00		153,632,000.00
	Various dates from:						
2⅝% Series 1967	June 30, 1959	1967	do	do	95,394,000.00	36,602,000.00	58,792,000.00
2⅝% Series 1968	do	1968	do	do	102,894,000.00		102,894,000.00
2⅝% Series 1969	do	1969	do	do	132,894,000.00		132,894,000.00
2⅝% Series 1970	do	1970	do	do	132,894,000.00		132,894,000.00
2⅝% Series 1971	do	1971	do	do	132,894,000.00		132,894,000.00
2⅝% Series 1972	do	1972	do	do	132,894,000.00		132,894,000.00
2⅝% Series 1973	do	1973	do	do	132,894,000.00		132,894,000.00
2⅝% Series 1974	do	1974	do	do	132,894,000.00		132,894,000.00
2⅝% Series 1975	June 30, 1960	1975	do	do	132,894,000.00		132,894,000.00
2½% Series 1968	June 30, 1958	1968	do	do	30,000,000.00		30,000,000.00
Federal home loan banks:							
Certificates:							
2⅜% Series 1965	June 30, 1964	On demand; on June 30, 1965.	do	do	31,500,000.00		31,500,000.00
2⅛% Series 1965	do	do	do	do	50,000,000.00		50,000,000.00
Federal Housing Administration:		Redeemable after 1 yr. from issue date; payable on June 30:					
Apartment unit insurance fund (notes):							
2% Series 1966	Aug. 21, 1961	1966	do	do	850,000.00	375,000.00	475,000.00
Armed services' housing mortgage insurance fund (notes):							
2% Series 1965	Various dates from Dec. 21, 1960.	1965	do	do	27,411,000.00	21,676,000.00	5,735,000.00
2% Series 1967	do	1967	do	do	7,940,000.00		7,940,000.00

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]—Continued							
Special Issues [h]—Continued							
Federal Housing Administration—Continued							
Experimental housing insurance fund (notes):		Redeemable after 1 yr. from issue date; payable on June 30:					
2% Series 1966	Various dates from Aug. 21, 1961.	1966	June 30-Dec. 31	Par	$850,000.00	$25,000.00	$825,000.00
Housing insurance fund (notes):							
2% Series 1965	Sept. 6, 1960	1965	do	do	460,000.00		460,000.00
2% Series 1967	Various dates from June 30, 1962.	1967	do	do	698,000.00		698,000.00
2% Series 1968	do	1968	do	do	400,000.00		400,000.00
Housing investment insurance fund (notes):							
2% Series 1967	do	1967	do	do	90,000.00		90,000.00
Mutual mortgage insurance fund (notes):							
2% Series 1967	do	1967	do	do	24,209,000.00	13,972,000.00	10,237,000.00
National defense housing insurance fund (notes):							
2% Series 1966	Various dates from Aug. 21, 1961.	1966	do	do	860,000.00	770,000.00	90,000.00
2% Series 1967	Feb. 15, 1963	1967	do	do	340,000.00		340,000.00
Section 203 home improvement account (notes):							
2% Series 1966	Various dates from Aug. 21, 1961.	1966	do	do	850,000.00	275,000.00	575,000.00
Section 220 home improvement account (notes):							
2% Series 1966	do	1966	do	do	850,000.00	200,000.00	650,000.00
Section 220 housing insurance fund (notes):	Various dates from:						
2% Series 1965	Sept. 6, 1960	1965	do	do	250,000.00		250,000.00
2% Series 1967	June 30, 1962	1967	do	do	1,300,000.00		1,300,000.00
2% Series 1968	July 1, 1963	1968	do	do	140,000.00		140,000.00
Servicemen's mortgage insurance fund (notes):							
2% Series 1967	June 30, 1962	1967	do	do	3,175,000.00	1,550,000.00	1,625,000.00

Title I housing insurance fund (notes):							
2% Series 1966	June 30, 1961	1966	do	do	500,000.00		500,000.00
2% Series 1967	Various dates from: Dec. 27, 1962	1967	do	do	240,000.00	50,000.00	190,000.00
Title I insurance fund (notes):							
2% Series 1967	June 30, 1962	1967	do	do	26,549,000.00	17,926,000.00	8,623,000.00
War housing insurance fund (notes):							
2% Series 1967	Dec. 27, 1962	1967	do	do	9,510,000.00	1,565,000.00	7,945,000.00
Federal old-age and survivors insurance trust fund:							
Notes:							
4⅛% Series 1966	June 30, 1964	1966	do	do	597,887,000.00		597,887,000.00
Bonds:		On demand; on June 30:					
4⅛% Series 1978	do	1978	do	do	421,567,000.00		421,567,000.00
4⅛% Series 1979	do	1979	do	do	1,080,011,000.00		1,080,011,000.00
3⅞% Series 1977	June 30, 1963	1977	do	do	1,080,011,000.00		1,080,011,000.00
3⅞% Series 1978	do	1978	do	do	658,444,000.00		658,444,000.00
3¾% Series 1975	June 30, 1961	1975	do	do	160,077,000.00		160,077,000.00
3¾% Series 1976	do	1976	do	do	1,080,011,000.00		1,080,011,000.00
2⅝% Series 1966	June 30, 1959	1966	do	do	168,000,000.00	6,716,000.00	161,284,000.00
2⅝% Series 1967	do	1967	do	do	168,000,000.00		168,000,000.00
2⅝% Series 1968	do	1968	do	do	668,000,000.00		668,000,000.00
2⅝% Series 1969	do	1969	do	do	1,133,000,000.00	52,989,000.00	1,080,011,000.00
2⅝% Series 1970	do	1970	do	do	1,133,000,000.00	52,989,000.00	1,080,011,000.00
2⅝% Series 1971	do	1971	do	do	1,133,000,000.00	52,989,000.00	1,080,011,000.00
2⅝% Series 1972	do	1972	do	do	1,133,000,000.00	52,989,000.00	1,080,011,000.00
2⅝% Series 1973	do	1973	do	do	1,133,000,000.00	52,989,000.00	1,080,011,000.00
2⅝% Series 1974	do	1974	do	do	1,133,000,000.00	52,989,000.00	1,080,011,000.00
2⅝% Series 1975	June 30, 1960	1975	do	do	919,934,000.00		919,934,000.00
2½% Series 1967	Various dates from: June 30, 1957.	1967	do	do	965,000,000.00	52,989,000.00	912,011,000.00
2½% Series 1968	June 30, 1958	1968	do	do	465,000,000.00	52,989,000.00	412,011,000.00
Federal Savings and Loan Insurance Corporation:		Redeemable after 1 yr. from issue date; payable on June 30:					
Notes:	Various dates from:						
2% Series 1967	July 2, 1962	1967	do	do	311,000,000.00	273,906,000.00	37,094,000.00
2% Series 1968	Nov. 13, 1963	1968	do	do	295,000,000.00		295,000,000.00
Foreign service retirement fund:							
Certificates:							
4% Series 1965	June 30, 1964	On demand; on June 30, 1965.	June 30	do	37,774,000.00		37,774,000.00
3% Series 1965	do	do	do	do	1,140,000.00		1,140,000.00

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT[a]—Continued							
Special Issues [b]—Continued							
Government life insurance fund:							
Notes:							
3¾% Series 1965	June 30, 1960	Redeemable after 1 yr. from issue date; payable on June 30, 1965.	June 30	Par	$670,000.00		$670,000.00
		On demand; on June 30:					
Bonds:							
3¾% Series 1966	June 30, 1960	1966	do	do	670,000.00		670,000.00
3¾% Series 1967	do	1967	do	do	670,000.00		670,000.00
3¾% Series 1968	do	1968	do	do	670,000.00		670,000.00
3¾% Series 1969	do	1969	do	do	670,000.00		670,000.00
3¾% Series 1970	do	1970	do	do	670,000.00		670,000.00
3¾% Series 1971	do	1971	do	do	670,000.00		670,000.00
3¾% Series 1972	do	1972	do	do	670,000.00		670,000.00
3¾% Series 1973	do	1973	do	do	670,000.00		670,000.00
3¾% Series 1974	do	1974	do	do	670,000.00		670,000.00
3¾% Series 1975	do	1975	do	do	73,770,000.00		73,770,000.00
3⅝% Series 1976	June 30, 1964	1976	do	do	5,971,000.00		5,971,000.00
3⅝% Series 1977	do	1977	do	do	23,807,000.00		23,807,000.00
3⅝% Series 1978	do	1978	do	do	2,739,000.00		2,737,000.00
3½% Series 1965	Feb. 1, 1960	1965	do	do	73,100,000.00	$5,909,000.00	67,191,000.00
3½% Series 1966	do	1966	do	do	73,100,000.00		73,100,000.00
3½% Series 1967	do	1967	do	do	73,100,000.00		73,100,000.00
3½% Series 1968	do	1968	do	do	73,100,000.00		73,100,000.00
3½% Series 1969	do	1969	do	do	73,100,000.00		73,100,000.00
3½% Series 1970	do	1970	do	do	73,100,000.00		73,100,000.00
3½% Series 1971	do	1971	do	do	73,100,000.00		73,100,000.00
3½% Series 1972	do	1972	do	do	73,100,000.00		73,100,000.00
3½% Series 1973	do	1973	do	do	73,100,000.00		73,100,000.00
3½% Series 1974	do	1974	do	do	73,100,000.00		73,100,000.00
3½% Series 1976	June 30, 1961	1976	do	do	67,799,000.00		67,799,000.00
3½% Series 1977	June 30, 1963	1977	do	do	49,963,000.00		49,963,000.00
Highway trust fund:							
Certificates:							
3⅝% Series 1965	June 30, 1964	1965	June 30–Dec. 31	do	630,183,000.00	21,155,000.00	609,028,000.00

National service life insurance fund:							
Notes:							
3¾% Series 1965	June 30, 1960	Redeemable after 1 yr. from issue date; payable June 30, 1965.	June 30	do	7,873,000.00		7,873,000.00
Bonds:		On demand; on June 30:					
3¾% Series 1966	June 30, 1960	1966	do	do	7,873,000.00		7,873,000.00
3¾% Series 1967	do	1967	do	do	7,873,000.00		7,873,000.00
3¾% Series 1968	do	1968	do	do	7,873,000.00		7,873,000.00
3¾% Series 1969	do	1969	do	do	7,873,000.00		7,873,000.00
3¾% Series 1970	do	1970	do	do	7,873,000.00		7,873,000.00
3¾% Series 1971	do	1971	do	do	7,873,000.00		7,873,000.00
3¾% Series 1972	do	1972	do	do	7,873,000.00		7,873,000.00
3¾% Series 1973	do	1973	do	do	7,873,000.00		7,873,000.00
3¾% Series 1974	do	1974	do	do	7,783,000.00		7,873,000.00
3¾% Series 1975	do	1975	do	do	386,873,000.00		386,873,000.00
3⅝% Series 1977	June 30, 1964	1977	do	do	566,000.00		566,000.00
3⅝% Series 1978	do	1978	do	do	88,614,000.00		88,614,000.00
3⅝% Series 1979	do	1979	do	do	366,770,000.00		366,770,000.00
3⅜% Series 1978	June 30, 1963	1978	do	do	298,259,000.00		298,259,000.00
3¼% Series 1976	June 30, 1962	1976	do	do	43,724,000.00		43,724,000.00
3¼% Series 1977	do	1977	do	do	386,307,000.00		386,307,000.00
3⅛% Series 1976	June 30, 1961	1976	do	do	343,149,000.00		343,149,000.00
3% Series 1965	Feb. 1, 1960	1965	do	do	379,000,000.00		379,000,000.00
3% Series 1966	do	1966	do	do	379,000,000.00		379,000,000.00
3% Series 1967	do	1967	do	do	379,000,000.00		379,000,000.00
3% Series 1968	do	1968	do	do	379,000,000.00		379,000,000.00
3% Series 1969	do	1969	do	do	379,000,000.00		379,000,000.00
3% Series 1970	do	1970	do	do	379,000,000.00		379,000,000.00
3% Series 1971	do	1971	do	do	379,000,000.00		379,000,000.00
3% Series 1972	do	1972	do	do	379,000,000.00		379,000,000.00
3% Series 1973	do	1973	do	do	379,000,000.00		379,000,000.00
3% Series 1974	do	1974	do	do	379,000,000.00		379,000,000.00
Railroad retirement account:							
Certificates:							
4⅛% Series 1965	June 30, 1964	On demand; on June 30, 1965.	do	do	118,093,000.00		118,693,000.00
Notes:		Redeemable after 1 yr. from issue date; payable June 30:					
4⅛% Series 1966	June 30, 1964	1966	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1967	do	1967	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1968	do	1968	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1969	do	1969	do	do	12,812,000.00		12,812,000.00
4% Series 1965	Oct. 5, 1963	1965	do	do	185,091,000.00	105,877,000.00	79,214,000.00
4% Series 1966	do	1966	do	do	185,091,000.00		185,091,000.00
4% Series 1967	do	1967	do	do	185,091,000.00		185,091,000.00
4% Series 1968	do	1968	do	do	185,091,000.00		185,091,000.00

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Description	Date	When redeemable or payable [1]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding [2]
INTEREST-BEARING DEBT [a]—Continued							
Special Issues [b]—Continued							
Railroad retirement account—Con.		On demand; on June 30:					
Bonds:							
4⅛% Series 1970	June 30, 1964	1970	June 30	Par	$12,812,000.00		$12,812,000.00
4⅛% Series 1971	do	1971	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1972	do	1972	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1973	do	1973	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1974	do	1974	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1975	do	1975	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1976	do	1976	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1977	do	1977	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1978	do	1978	do	do	12,812,000.00		12,812,000.00
4⅛% Series 1979	do	1979	do	do	197,903,000.00		197,903,000.00
4% Series 1969	Oct. 5, 1963	1969	do	do	185,091,000.00		185,091,000.00
4% Series 1970	do	1970	do	do	185,091,000.00		185,091,000.00
4% Series 1971	do	1971	do	do	185,091,000.00		185,091,000.00
4% Series 1972	do	1972	do	do	185,091,000.00		185,091,000.00
4% Series 1973	do	1973	do	do	185,091,000.00		185,091,000.00
4% Series 1974	do	1974	do	do	185,091,000.00		185,091,000.00
4% Series 1975	do	1975	do	do	185,091,000.00		185,091,000.00
4% Series 1976	do	1976	do	do	185,091,000.00		185,091,000.00
4% Series 1977	do	1977	do	do	185,091,000.00		185,091,000.00
4% Series 1978	do	1978	do	do	185,091,000.00		185,091,000.00
Unemployment trust fund:							
Certificates:							
3½% Series 1965	June 30, 1964	1965	June 30–Dec. 31	do	4,946,351,000.00	$15,745,000.00	4,930,606,000.00
Veterans' special term insurance fund:							
Certificates:							
3½% Series 1965	June 30, 1964	1965	June 30	do	123,173,000.00		123,173,000.00
Total special issues					47,826,246,417.08	1,198,824,926.54	46,627,421,490.54
Total interest-bearing debt outstanding.					454,649,002,336.78	147,309,850,870.10	307,339,151,466.68

Title	Amount outstanding	Title	Amount outstanding
MATURED DEBT ON WHICH INTEREST HAS CEASED		**MATURED DEBT ON WHICH INTEREST HAS CEASED**	
Old debt matured (issued prior to Apr. 1, 1917) [21] [b]	[22] $1,504,250.26	Treasury notes, tax series [a]	$109,775.00
2½% postal savings bonds [c]	[22] 334,240.00	Certificates of indebtedness, at various interest rates [a]	1,245,700.00
First Liberty bonds, at various interest rates [d]	[23] 598,450.00	Treasury bills [a]	30,549,000.00
Other Liberty bonds and Victory notes, at various interest rates [a]	4,597,550.00	Treasury savings certificates [a]	[22] 71,025.00
Treasury bonds, at various interest rates [a]	36,962,500.00	U.S. savings bonds [a]	137,136,308.40
Adjusted service bonds of 1945 [a]	1,485,900.00	Armed Forces leave bonds [a]	7,189,400.00
Treasury notes, at various interest rates [a]	55,253,750.00		
Treasury savings notes	561,400.00	Total matured debt on which interest has ceased	277,599,248.66

Title	Amount outstanding
DEBT BEARING NO INTEREST	
Special notes of the United States:	
International Monetary Fund series (issued pursuant to the provisions of the Bretton Woods Agreements Act, approved July 31, 1945 (22 U.S.C. 286e), and under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended. The notes are nonnegotiable, bear no interest, and are payable on demand)	$3,289,000,000.00
International Development Association series (issued pursuant to the provisions of the International Development Association Act, approved June 30, 1960 (22 U.S.C. 284e) and under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended. The notes are nonnegotiable, bear no interest, and are payable on demand)	142,261,000.00
Inter-American Development Bank series (issued pursuant to the provisions of the Inter-American Development Bank Act, approved Aug. 7, 1959 (22 U.S.C. 283e), and under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended. The notes are nonnegotiable, bear no interest, and are payable on demand)	150,000,000.00
Special bonds of the United States:	
U.N. Children's Fund Series (the bonds are nonnegotiable, bear no interest, and are payable on demand)	8,245,273.00
U.N. Special Fund Series (the bonds are nonnegotiable, bear no interest, and are payable on demand)	55,541,301.00
U.N./FAO World Food Program Series (the bonds are nonnegotiable, bear no interest, and are payable on demand)	2,000,000.00
U.S. savings stamps (Public Debt Act of 1942 (31 U.S.C. 757c))	53,842,503.86
Excess profits tax refund bonds were issued under authority of and subject to the provisions of the Second Liberty Bond Act, as amended, and sections 780 to 783, inclusive, of the Internal Revenue Code of 1939, as amended. These bonds did not bear interest and were payable at the option of the owner after Jan. 1, 1946. The first series matured on Dec. 31, 1948, and the second series on Dec. 31, 1949:	
First Series	387,586.51
Second Series	299,986.80
Total excess profits tax refund bonds	687,573.31
Old demand notes (acts of July 17, 1861 (12 Stat. 259); Aug. 5, 1861 (12 Stat. 313); Feb. 12, 1862 (12 Stat. 338)). (The $60,030,000 issued includes $60,000,000 authorized to be outstanding and amounts issued on deposits including reissues.)	[22] 52,917.50
Fractional currency (acts of July 17, 1862 (12 Stat. 592); Mar. 3, 1863 (12 Stat. 711); June 30, 1864 (13 Stat. 220)). (The $368,724,080 issued includes $50,000,000 authorized to be outstanding and amounts issued on deposits including reissues.)	[22] [23] 1,965,245.22
Legal tender notes (acts of Feb. 25, 1862 (12 Stat. 345); July 11, 1862 (12 Stat. 532); Mar. 3, 1863 (12 Stat. 719); May 31, 1878 (31 U.S.C. 404); Mar. 14, 1900 (31 U.S.C. 408); Mar. 4, 1907 (31 U.S.C. 403)). (Greatest amount ever authorized to be outstanding $450,000,000.)	346,681,016.00
Less gold reserve	−156,039,430.93
Total legal tender notes less gold reserve	[22] 190,641,585.07

Footnotes at end of table.

TABLE 36.—*Description of public debt issues outstanding June 30, 1964*—Continued

Title	Amount outstanding
DEBT BEARING NO INTEREST—Continued	
Old series currency (31 U.S.C. 912–916)	[22,23] $52,526,183.50
National bank notes, redemption account (act of July 14, 1890 (31 U.S.C. 408))	[22,23] 36,392,998.00
Federal Reserve bank notes, redemption account (act of Dec. 23, 1913 (12 U.S.C. 467))	[22,23] 73,929,464.00
Thrift and Treasury savings stamps	[22] 3,701,187.50
Total debt bearing no interest	4,060,787,231.96
Gross debt (including $29,241,102,071.56 to finance expenditures of Government corporations for which securities of such corporations are held by the Treasury)	311,677,537,947.30
Guaranteed debt of U.S. Government agencies	812,991,925.00
Total gross public debt and guaranteed debt	312,490,529,872.30
Deduct debt not subject to statutory limitation [24]	361,717,546.05
Total debt subject to limitation [24]	312,128,812,326.25

[r] Revised.

[1] Payable on date indicated except where otherwise noted. Where two dates are shown for Treasury bonds, first date is earliest call date and second date is maturity date.

[2] Reconciliation by classification to the basis of daily Treasury statement is shown in table 35.

[3] Treasury bills are shown at maturity value and are sold on a discount basis with competitive bids for each issue. The average sale price on these series gives an approximate yield on a bank discount basis (360 days a year) as indicated opposite each issue of bills. This yield differs slightly from the yield on a discount basis (365 or 366 days a year) which is shown in the summary table 35.

[4] Redeemable, at par and accrued interest to date of payment, at any time upon the death of the owner at the option of the duly constituted representative of the deceased owner's estate, provided entire proceeds of redemption are applied to payment of Federal estate taxes on such estate.

[5] Not called for redemption on first call date. Callable on succeeding interest payment dates.

[6] Of this amount $320,098,000 face amount was issued in exchange for Series F and G savings bonds maturing in the calendar year 1962, and $309,000 face amount was issued for cash.

[7] Of this amount $147,331,500 face amount was issued in exchange for Series F and G savings bonds maturing in the calendar year 1961, and $365,500 face amount was issued for cash.

[8] Of this amount $41,313,500 face amount was issued in exchange for Series F and G savings bonds maturing in the calendar years 1963 and 1964, and $93,000 face amount was issued for cash.

[9] Of this amount $33,834,500 face amount was issued in exchange for Series F and G savings bonds maturing in the calendar years 1963 and 1964, and $102,000 face amount was issued for cash.

[10] Redeemable on 2 days' notice in whole or in part for the purpose of purchasing U.S. certificates of indebtedness, foreign currency series, having a maturity of 3 months.

[11] Redeemable on 2 days' notice in whole or in part for the purpose of purchasing U.S. promissory notes with maturities up to 5 years held by the Export-Import Bank of Washington.

[12] Redeemable on 2 days' notice in whole or in part for the purpose of purchasing U.S. certificates of indebtedness, foreign series, having a maturity of 3 months.

[13] Redeemable on 2 days' notice in whole or in part for the purpose of purchasing U.S. Treasury bills, having a maturity of 3 months.

[14] Semiannual interest to be added to principal (for redemption values see table in Department Circular, Public Debt Series No. 1–63, in the 1963 annual report, p. 273).

[15] May be exchanged at option of owner for marketable 1½ percent 5-year Treasury notes, dated Apr. 1 and Oct. 1 immediately preceding the date of exchange.

[16] Includes $316,389,000 of securities received by Federal National Mortgage Association in exchange for mortgages.

[17] Amounts issued and retired for Series E and J include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series H and K are stated at par value.

[18] At option of owner, bonds dated May 1, 1941, through May 1, 1949, may be held and will accrue interest for additional 20 years; bonds dated on and after June 1, 1949, may be held and will accrue interest for additional 10 years.

[19] Represents a weighted average of the approximate yields of bonds of various issue dates within the yearly series if held to maturity or if held from issue date to end of applicable extension period, computed on the basis of bonds outstanding June 30, 1962. (For details of yields by issue dates, see Treasury Circulars Nos. 653 and 905 revised Sept. 23, 1959, and first amendments thereto dated Mar. 21, 1961, and Aug. 2, 1961, respectively.)

[20] At option of owner, bonds dated June 1, 1952, through Jan. 1, 1957, may be held and will accrue interest for additional 10 years.

[21] For detailed information see 1956 annual report, page 435.

[22] Not subject to the statutory debt limitation.

[23] After deducting amounts officially estimated to have been lost or irrevocably destroyed.

[24] For statutory limit on the public debt, see tables 39 and 40.

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AUTHORIZING ACTS:

[a] Sept. 24, 1917, as amended.
[b] Various.
[c] June 25, 1910.
[d] Apr. 24, 1917.

TAX STATUS:

[e] Treasury bills are not considered capital assets under the Internal Revenue Code of 1954. The difference between the price paid for the bills and the amount actually received upon their sale or redemption at maturity for Federal income tax purposes is to be treated as an ordinary gain or loss for the taxable year in which the transaction occurs.

[f] Income derived from these securities is subject to all taxes now or hereafter imposed under the Internal Revenue Code of 1954.

[g] Any gain or loss derived from the exchange of the following securities will be taken into account for Federal income tax purposes upon the disposition or redemption of the new securities:

New security	*Effective date of exchange*	*Security exchanged*
3⅞% Bonds 1968	June 23, 1960	2½% Bonds 1961
3½% Bonds 1980	Oct. 3, 1960	2½% Bonds 1962–67
3½% Bonds 1990	Oct. 3, 1960	2½% Bonds 1963–68
2½% Bonds 1998	Oct. 3, 1960	2½% Bonds June 15, 1964–69 2½% Bonds Dec. 15, 1964–69
3⅜% Bonds 1966	Mar. 15, 1961	2½% Bonds 1963
3⅝% Bonds 1967	Mar. 15, 1961	2¼% Bonds June 15, 1959–62 2¼% Bonds Dec. 15, 1959–62 2⅝% Notes A–1963
3½% Bonds 1980 3½% Bonds 1990 3½% Bonds 1998	Sept. 15, 1961	2½% Bonds 1965–70 2½% Bonds 1966–71
4% Bonds 1971	Mar. 1, 1962	3% Bonds 1964 2⅝% Bonds 1965
4% Bonds 1980	Mar. 1, 1962	2⅝% Bonds 1965
3½% Bonds 1990 3½% Bonds 1998	Mar. 1, 1962	2½% Bonds Sept. 15, 1967–72 2½% Bonds June 15, 1967–72 2½% Bonds Dec. 15, 1967–72
3¾% Notes A–1967 4% Bonds 1972 (9–15–62)	Sept. 15, 1962	3½% Certificates A–1963 2⅝% Notes A–1963 3¼% Notes E–1963 3¼% Certificates B–1963 3¼% Notes D–1963 4% Notes B–1963
3⅝% Notes B–1967 3⅞% Bonds 1971	Mar. 15, 1963	3½% Certificates C–1963 3⅛% Certificates D–1963 2½% Bonds 1963 3% Bonds 1964
3⅞% Bonds 1974	Mar. 15, 1963	3½% Notes B–1965 3⅝% Notes B–1966 3% Bonds 1966 3⅜% Bonds 1966
4% Bonds 1980	Mar. 15, 1963	3½% Notes B–1965 3⅝% Notes B–1966 3½% Certificates C–1963 3⅛% Certificates D–1963 2½% Bonds 1963 3% Bonds 1964 3% Bonds 1966 3⅜% Bonds 1966
3⅞% Bonds 1968 (9–15–63)	Sept. 18, 1963	3¼% Certificates B–1964 4¾% Notes A–1964 3¾% Notes D–1964
4% Bonds 1973 4⅛% Bonds 1989–94	Sept. 18, 1963	3¼% Certificates B–1964 4¾% Notes A–1964 3¾% Notes D–1964 3¾% Bonds 1966 4% Notes A–1966 3⅝% Notes B–1967 3¾% Notes A–1967
4% Bonds 1970 4¼% Bonds 1975–85	Jan. 29, 1964	5% Notes B–1964 4⅞% Notes C–1964 3¾% Notes E–1964 3¾% Notes F–1964 4⅝% Notes A–1965 2⅝% Bonds 1965

[h] These issues, being investments of various Government funds and payable only for the account of such funds, have no present tax liability.

MEMORANDUM RELATING TO OTHER SECURITIES:

Securities of the United States payable on presentation:

U.S. registered interest checks payable	$842, 873, 177. 75
U.S. interest coupons due and outstanding	158, 227, 184. 93
Interest payable with and accrued discount added to principal of U.S. securities	6, 075, 553. 69
Total	1, 007, 175, 916. 37

TABLE 37.—*Description of guaranteed debt held outside the Treasury, June 30, 1964*

[On basis of daily Treasury statements, see "Bases of Tables"]

Securities	Rate of interest	Amount
UNMATURED DEBT	*Percent*	
District of Columbia Armory Board Stadium bonds of 1970–79 issued under the act of September 7, 1957, as amended (2 D.C. Code 1722–1727) [1 2]	4.20	$19,800,000.00
Federal Housing Administration debentures issued under the act of June 27, 1934, as amended (12 U.S.C. 1701–1750g): [3 4]		
Mutual mortgage insurance fund:		
Series AA	2½	718,500.00
Series AA	2⅝	1,001,300.00
Series AA	2¾	553,750.00
Series AA	2⅞	2,210,950.00
Series AA	3	1,914,350.00
Series AA	3⅛	6,766,000.00
Series AA	3¼	1,628,150.00
Series AA	3⅜	6,002,300.00
Series AA	3½	27,969,000.00
Series AA	3¾	60,579,550.00
Series AA	3⅞	49,517,650.00
Series AA	4	43,549,050.00
Series AA	4⅛	296,607,050.00
Armed services housing mortgage insurance fund:		
Series FF	2½	579,050.00
Series FF	2¾	2,512,800.00
Series FF	3⅛	18,550.00
Series FF	3⅜	23,850.00
Series FF	3½	71,700.00
Series FF	3¾	365,250.00
Series FF	3⅞	15,250.00
Series FF	4	16,900.00
Series FF	4⅛	2,087,500.00
Housing insurance fund:		
Series BB	2½	2,988,400.00
Series BB	2⅝	16,600.00
Series BB	2¾	4,647,300.00
Series BB	2⅞	14,050.00
Series BB	3	105,950.00
Series BB	3⅛	2,360,900.00
Series BB	3¼	844,400.00
Series BB	3⅜	1,890,250.00
Series BB	3½	11,386,100.00
Series BB	3¾	10,346,500.00
Series BB	3⅞	21,186,300.00
Series BB	4	5,902,100.00
Series BB	4⅛	28,252,700.00
National defense housing insurance fund:		
Series GG	2½	34,047,400.00
Series GG	2⅝	1,976,400.00
Series GG	2¾	36,796,850.00
Series GG	2⅞	5,529,950.00
Series GG	3	196,650.00
Series GG	3¼	303,750.00
Series GG	3⅜	9,050.00
Series P	2½	493,750.00
Section 220 housing insurance fund:		
Series CC	3⅛	4,740,000.00
Series CC	3⅜	9,251,200.00
Series CC	3½	2,336,750.00
Series CC	3¾	7,187,500.00
Series CC	3⅞	83,200.00
Series CC	4⅛	3,948,150.00
Section 221 housing insurance fund:		
Series DD	3⅛	24,550.00
Series DD	3¼	2,450.00
Series DD	3⅜	1,151,150.00
Series DD	3½	9,383,350.00
Series DD	3¾	13,169,950.00
Series DD	3⅞	6,135,750.00
Series DD	4	3,429,900.00
Series DD	4⅛	22,539,150.00
Servicemen's mortgage insurance fund:		
Series EE	2⅝	100,500.00
Series EE	2⅞	533,500.00
Series EE	3	453,750.00
Series EE	3⅛	1,950,400.00
Series EE	3¼	521,000.00

Footnotes at end of table.

TABLE 37.—*Description of guaranteed debt held outside the Treasury, June 30, 1964*—Continued

Securities	Rate of interest	Amount
UNMATURED DEBT—Continued	*Percent*	
Federal Housing Administration debentures issued under the act of June 27, 1934, as amended (12 U.S.C. 1701-1750g): [3] [4]—Continued		
Servicemen's mortgage insurance fund—Continued		
Series EE	3⅝	$1,697,350.00
Series EE	3½	3,535,250.00
Series EE	3¾	5,768,450.00
Series EE	3⅞	4,075,000.00
Series EE	4	2,007,500.00
Series EE	4⅛	10,468,250.00
Title I housing insurance fund:		
Series L	2½	35,550.00
Series R	2¾	49,300.00
Series T	3	169,250.00
War housing insurance fund:		
Series H	2½	3,720,300.00
Subtotal		[5] 792,472,200.00
Total unmatured debt		812,272,200.00
MATURED DEBT [6]		
Commodity Credit Corporation, interest		11.25
District of Columbia Armory Board, interest		1,197.00
Federal Farm Mortgage Corporation:		
Principal		144,400.00
Interest		33,584.50
Federal Housing Administration:		
Principal		298,900.00
Interest		6,143.80
Home Owners' Loan Corporation:		
Principal		276,425.00
Interest		68,869.30
Reconstruction Finance Corporation, interest		19.25
Total matured debt (principal and interest)		829,550.10
Total		813,101,750.10

[1] Issued on June 1, 1960, at a price to yield 4.1879 percent, but sale was not consummated until Aug. 2, 1960. Interest is payable semiannually on June 1 and Dec. 1. These bonds are redeemable on and after June 1, 1970, and mature on Dec. 1, 1979.

[2] The securities and the income derived therefrom, and gain from the sale or other disposition thereof or transfer as by inheritance or gift, are subject to taxation by the United States, but are exempt both as to principal and interest from all taxation, except estate and inheritance taxes, imposed by the District of Columbia.

[3] Issued and payable on various dates. Interest is payable semiannually on Jan. 1 and July 1. All unmatured debentures are redeemable on any interest day or days, on 3 months' notice.

[4] Under the Public Debt Act of 1941 (31 U.S.C. 742a), income or gain derived from these securities is subject to all Federal taxes now or hereafter imposed. The securities are subject to surtaxes, estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, municipality, or local taxing authority. Debentures issued on contracts entered into before Mar. 1, 1941, are exempt from all taxation except surtaxes, estate, inheritance, and gift taxes.

[5] Includes debentures called for redemption on July 1, 1964, at par plus accrued interest, as follows: Series AA, $42,502,350; Series BB, $467,100; Series CC, $3,933,350; Series DD, $994,900; Series EE, $6,618,650; Series L, $9,150; Series R, $21,650; Series T, $65,400; and Series H, $1,126,450.

[6] Funds are on deposit with the Treasurer of the United States for payment of principal of $719,725 and interest of $109,825.10.

NOTE.—For securities held by the Treasury, see table 111.

TABLE 38.—*Postal savings systems' deposits and Federal Reserve notes outstanding, June 30, 1946–64*

[Face amount in thousands of dollars. On basis of reports received by the Treasury]

June 30	Deposits in postal savings systems [1]			Federal Reserve notes [4]
	U.S. Postal Savings System [2]	Canal Zone Postal Savings System [3]	Total	
1946	3,119,656	9,612	3,129,268	23,434,613
1947	3,392,773	9,602	3,402,375	23,444,193
1948	3,379,130	9,129	3,388,259	23,136,167
1949	3,277,402	8,943	3,286,346	22,783,823
1950	3,097,316	8,643	3,105,959	22,398,284
1951	2,788,199	7,044	2,795,244	22,975,292
1952	2,617,564	7,005	2,624,569	24,135,367
1953	2,457,548	6,848	2,464,396	25,040,465
1954	2,251,419	6,506	2,257,926	24,726,731
1955	2,007,996	6,290	2,014,286	25,030,031
1956	1,765,470	6,313	1,771,783	25,523,779
1957	1,462,268	6,139	1,468,408	25,836,574
1958	1,212,672	5,713	1,218,385	25,862,932
1959	1,041,792	5,492	1,047,284	26,479,923
1960	835,800	5,067	840,867	26,569,479
1961	699,528	4,695	704,223	26,735,869
1962	581,177	4,275	585,452	27,852,820
1963	483,504	4,023	487,527	29,379,114
1964	[5] 414,533	[6] 3,781	418,314	[7] 31,400,405

[1] The faith of the United States is solemnly pledged to the payment of deposits (plus accrued interest at the rate of 2 percent) made in postal savings depositary offices. Interest is payable quarterly from the first day of the month next following date of deposit, and on deposits made after Mar. 1, 1941, under the Public Debt Act of 1941 (31 U.S.C. 742(a)), is subject to all Federal taxes.

[2] Established by the act of June 25, 1910, as amended (39 U.S.C. 5201–5224).

[3] Established by the act of June 13, 1940, as amended (2 Canal Zone Code 1131–1143).

[4] Authority for the issuance of Federal Reserve notes was given under the act of Dec. 23, 1913, as amended (12 U.S.C. 411–416). The notes are obligations of the United States and are receivable by all national and member banks and Federal Reserve banks and for all taxes, customs, and other public dues. They are redeemable in lawful money on demand at the Treasury Department, Washington, D.C., or at any Federal Reserve bank.

[5] Funds due depositors on June 30, 1964, including interest of $53,280,710 totaling $467,814,189, are offset by cash in designated depositary banks amounting to $17,372,425, which is secured by the pledge of collateral as provided in the regulations of the Postal Savings System, having a face value of $16,927,000; Government securities with a face value of $432,079,000; and cash in possession of the System and other net assets of $18,362,764.

[6] Funds due depositors on June 30, 1964, including interest of $233,181 totaling $4,013,751, are offset by Government securities having a face value of $4,100,000 and other assets.

[7] In actual circulation, exclusive of $1,433,306,749 redemption fund deposited in the Treasury and $1,577,315,540 of their own Federal Reserve notes held by the issuing banks. Also excludes $17,995,238 held by the Treasurer of the United States for the redemption of all series of Federal Reserve notes before Series of 1928. See table 63, footnote 9. The collateral security for Federal Reserve notes issued consists of $6,542,000,000 in gold certificates and in credits with the Treasurer of the United States payable in gold certificates, $28,847,000,000 face amount of U.S. Government securities, and $15,949,000 face amount of commercial paper. Notes issued by a Federal Reserve bank are a first lien against the assets of such bank.

TABLE 39.—*Statutory limitation on the public debt and guaranteed debt, June 30, 1964*

[In millions of dollars]

PART I.—STATUS UNDER LIMITATION, JUNE 30, 1964

Maximum amount of securities which may be outstanding at any one time under limitation imposed by section 21 of Second Liberty Bond Act, as amended[1]	324,000
Amount of securities outstanding subject to such statutory debt limitation:	
U.S. Government securities issued under the Second Liberty Bond Act, as amended	311,351
Guaranteed debt held outside the Treasury	813
Total	312,164
Balance issuable under limitation	11,836

Footnotes at end of table.

TABLE 39.—*Statutory limitation on the public debt and guaranteed debt, June 30, 1964*—Continued

[In millions of dollars]

PART II.—APPLICATION OF LIMITATION TO PUBLIC DEBT AND GUARANTEED DEBT OUTSTANDING JUNE 30, 1964

Class of securities	Subject to statutory debt limitation	Not subject to statutory debt limitation	Total outstanding
Public debt:			
Interest-bearing securities:			
Marketable:			
Treasury bills	50,740		50,740
Treasury notes	67,284		67,284
Treasury bonds	88,464		88,464
Total marketable	206,489		206,489
Nonmarketable:			
Certificates of indebtedness, foreign series	240		240
Certificates of indebtedness, foreign currency series	30		30
Treasury notes, foreign series	152		152
Treasury bonds, foreign currency series	802		802
Treasury certificates	18		18
Treasury bonds	20		20
U.S. savings bonds (current redemption value)	49,299		49,299
U.S. retirement plan bonds	5		5
Depositary bonds	103		103
Treasury bonds, R.E.A. series	25		25
Treasury bonds, investment series	3,546		3,546
Total nonmarketable	54,240		54,240
Special issues to Government agencies and trust funds	46,627		46,627
Total interest-bearing securities	307,357		307,357
Matured debt on which interest has ceased	293	3	295
Debt bearing no interest:			
U.S. savings stamps	54		54
Excess profits tax refund bonds	1		1
Special notes of the United States:			
International Monetary Fund Series	3,289		3,289
International Development Association Series	142		142
Inter-American Development Bank Series	150		150
Special bonds of the United States:			
U.N. Children's Fund Series	8		8
U.N. Special Fund Series	56		56
U.N./FAO World Food Program Series	2		2
U.S. notes (less gold reserve)		191	191
Deposits for retirement of national bank and Federal Reserve bank notes		110	110
Other debt bearing no interest		58	58
Total debt bearing no interest	3,702	359	4,061
Total public debt [2]	311,351	362	311,713
Guaranteed debt held outside the Treasury:			
Interest-bearing	812		812
Matured	1		1
Total guaranteed debt	813		813
Total public debt and guaranteed debt	312,164	362	312,526

[1] The following table details amendments to the act.

[2] Includes public debt incurred to finance expenditures of certain wholly owned Government corporations and other business-type activities in exchange for which securities of the corporations and activities were issued to the Treasury. See table 111.

TABLE 40.—*Debt limitation under the Second Liberty Bond Act, as amended, 1917–64*

Date and act	History of legislation	Amount of limitation
Sept. 24, 1917		
40 Stat. 288	Sec. 1 authorized issuance of *bonds* in the amount of	$7,538,945,460
40 Stat. 290	Sec. 5 authorized *certificates* of indebtedness outstanding	4,000,000,000
Apr. 4, 1918		
40 Stat. 502	Amended sec. 1, increasing *bond* issuance authority to	12,000,000,000
40 Stat. 504	Amended sec. 5, increasing authority for *certificates* outstanding to	8,000,000,000
July 9, 1918		
40 Stat. 844	Amended sec. 1, increasing *bond* issuance authority to	20,000,000,000
Mar. 3, 1919		
40 Stat. 1311	Amended sec. 5, increasing authority for *certificates* outstanding to	10,000,000,000
40 Stat. 1309	Added sec. 18, authorizing issuance of *notes* in the amount of	7,000,000,000
Nov. 23, 1921		
42 Stat. 321	Amended sec. 18, providing limit on *notes* outstanding	7,500,000,000
June 17, 1929		
46 Stat. 19	Amended sec. 5, authorizing *bills* in addition to certificates of indebtedness outstanding	10,000,000,000
Mar. 3, 1931		
46 Stat. 1506	Amended sec. 1, increasing *bond* issuance authority to	28,000,000,000
Jan. 30, 1934		
48 Stat. 343	Amended sec. 18, increasing authority for *notes* outstanding to	10,000,000,000
Feb. 4, 1935		
49 Stat. 20	Amended sec. 1, providing limit on *bonds* outstanding	25,000,000,000
49 Stat. 21	Added sec. 21, consolidating authority for *certificates* and *bills* (sec. 5) and authority for *notes* (sec. 18) outstanding	20,000,000,000
May 26, 1938		
52 Stat. 447	Amended sec. 21, consolidating authority for bonds, notes, certificates of indebtedness, and bills outstanding (*bonds* limited to $30 billion)	45,000,000,000
July 20, 1939		
53 Stat. 1071	Amended sec. 21, removing limitation on *bonds* without changing authorized total of bonds, notes, certificates of indebtedness, and bills outstanding	45,000,000,000
June 25, 1940		
54 Stat. 526	Amended sec. 21, adding new authority for issuance of $4 billion National Defense Series obligations outstanding	49,000,000,000
Feb. 19, 1941		
55 Stat. 7	Amended sec. 21, eliminating authority for $4 billion of National Defense Series obligations and increasing limitation to	65,000,000,000
Mar. 28, 1942		
56 Stat. 189	Amended sec. 21, increasing limitation to	125,000,000,000
Apr. 11, 1943		
57 Stat. 63	Amended sec. 21, increasing limitation to	210,000,000,000
June 9, 1944		
58 Stat. 272	Amended sec. 21, increasing limitation to	260,000,000,000
Apr. 3, 1945		
59 Stat. 47	Amended sec. 21, including obligations guaranteed as to principal and interest by the United States and increasing limitation to	300,000,000,000
June 26, 1946		
60 Stat. 316	Amended sec. 21, defining face amount of savings bonds to be current redemption value and decreasing limitation to	275,000,000,000

TABLE 40.—*Debt limitation under the Second Liberty Bond Act, as amended, 1917–64*—Continued

Date and act	History of legislation	Amount of limitation
Aug. 28, 1954 68 Stat. 895	Increased sec. 21 limitation by $6 billion during period beginning Aug. 28, 1954, and ending June 30, 1955	$281,000,000,000
June 30, 1955 69 Stat. 241	Amended act of Aug. 28, 1954, extending increase in limitation until June 30, 1956	281,000,000,000
July 9, 1956 70 Stat. 519	Increased sec. 21 limitation by $3 billion during period beginning July 1, 1956, and ending June 30, 1957	278,000,000,000
	Temporary increase terminated July 1, 1957, and limitation reverted to	275,000,000,000
Feb. 26, 1958 72 Stat. 27	Increased sec. 21 limitation by $5 billion during period beginning Feb. 26, 1958, and ending June 30, 1959	280,000,000,000
Sept. 2, 1958 72 Stat. 1758	Amended sec. 21, increasing limitation to $283 billion, which, with temporary increase of Feb. 26, 1958, made limitation	288,000,000,000
June 30, 1959 73 Stat. 156	Amended sec. 21, increasing limitation to $285 billion, and increased sec. 21 limitation by $10 billion during period beginning July 1, 1959, and ending June 30, 1960	295,000,000,000
June 30, 1960 74 Stat. 290	Increased sec. 21 limitation by $8 billion during period beginning July 1, 1960, and ending June 30, 1961	293,000,000,000
June 30, 1961 75 Stat. 148	Increased sec. 21 limitation by $13 billion during period beginning July 1, 1961, and ending June 30, 1962	298,000,000,000
Mar. 13, 1962 76 Stat. 23	Increased sec. 21 limitation by $2 billion (in addition to temporary increase of $13 billion in act of June 30, 1961) during period beginning Mar. 13, 1962, and ending June 30, 1962	300,000,000,000
July 1, 1962 76 Stat. 124	Increased sec. 21 limitation during the periods:	
	(1) beginning July 1, 1962 ,and ending Mar. 31, 1963, to	308,000,000,000
	(2) beginning Apr. 1, 1963, and ending June 24, 1963, to	305,000,000,000
	(3) beginning June 25, 1963, and ending June 30, 1963, to	300,000,000,000
May 29, 1963 77 Stat. 50	Increased sec. 21 limitation during the periods:	
	(1) beginning May 29, 1963, and ending June 30, 1963, to	307,000,000,000
	(2) beginning July 1, 1963, and ending Aug. 31, 1963, to	309,000,000,000
Aug. 27, 1963 77 Stat. 131	Increased sec. 21 limitation during the period beginning Sept. 1, 1963, and ending Nov. 30, 1963, to	309,000,000,000
Nov. 26, 1963 77 Stat. 342	Increased sec. 21 limitation during the periods:	
	(1) beginning Dec. 1, 1963, and ending June 29, 1964, to	315,000,000,000
	(2) ending June 30, 1964, to	309,000,000,000
June 29, 1964 78 Stat. 225	Increased sec. 21 limitation during the period beginning June 29, 1964, and ending June 30, 1965, to	324,000,000,000

II.—Operations

TABLE 41.—*Public debt receipts and expenditures by classes, monthly for fiscal year 1964 and totals for 1963 and 1964*

[On basis of daily Treasury statements, see "Bases of Tables"]

Receipts (issues)	July 1963	August 1963	September 1963	October 1963	November 1963	December 1963	January 1964
Public issues:							
Marketable:							
Treasury bills:							
Regular weekly	$7,898,964,000.00	$9,430,839,000.00	$7,424,434,000.00	[1]$10,697,885,000.00	$7,571,598,000.00	$7,345,298,000.00	$9,692,667,000.00
Tax anticipation				1,994,614,000.00			2,500,812,000.00
Other	1,988,945,000.00		1,001,143,000.00	1,001,960,000.00	1,000,273,000.00	1,004,801,000.00	1,000,309,000.00
Certificates of indebtedness							
Treasury notes					3,614,149,000.00	−2,315,000.00	3,000.00
Treasury bonds	100,000.00			−1,000.00			
Subtotal	9,888,009,000.00	9,430,839,000.00	8,425,577,000.00	13,694,458,000.00	12,186,020,000.00	8,347,784,000.00	13,193,791,000.00
Exchanges:							
Treasury bills:							
Regular weekly	503,256,000.00	1,074,720,000.00	980,704,000.00	807,114,000.00	636,485,000.00	1,071,369,000.00	816,610,000.00
Tax anticipation				6,635,000.00			
Other	8,997,000.00						
Certificates of indebtedness							
Treasury notes	9,043,000.00	6,408,138,000.00	67,349,000.00	85,817,000.00	4,369,192,000.00	15,839,000.00	26,899,000.00
Treasury bonds	−8,500.00		6,743,096,000.00	2,677,000.00	6,000.00		2,971,257,500.00
Subtotal	521,287,500.00	7,482,858,000.00	7,791,149,000.00	902,243,000.00	5,005,683,000.00	1,087,208,000.00	3,814,766,500.00
Total marketable issues	10,409,296,500.00	16,913,697,000.00	16,216,726,000.00	14,596,701,000.00	17,191,703,000.00	9,434,992,000.00	17,008,557,500.00
Nonmarketable:							
Certificates of indebtedness:							
Foreign series	32,500,000.00	72,500,000.00	215,000,000.00	129,000,000.00	105,000,000.00	336,000,000.00	100,000,000.00
Foreign currency series				30,120,481.92			
Depositary bonds	1,039,000.00	208,000.00	2,792,000.00	300,000.00	17,000.00	188,000.00	573,000.00
Treasury notes, foreign series	25,000,000.00						
Treasury bonds, foreign currency series	50,527,099.94	50,227,278.43	49,879,518.05			25,162,102.00	23,174,433.96
Treasury bonds, R.E.A. series	285,000.00	284,000.00	458,000.00	307,000.00	117,000.00	410,000.00	436,000.00
U.S. retirement plan bonds	41,794.38	33,634.69	26,535.63	73,091.56	78,848.97	849,046.59	3,677,812.75
1% Treasury certificates						5,012,568.68	
3.479% Treasury certificates							
3.525% Treasury certificates							
4% Treasury bonds							20,000,000.00

Receipts (issues)	February 1964	March 1964	April 1964	May 1964	June 1964	Total fiscal year 1964	Total fiscal year 1963
Public issues:							
Marketable:							
Treasury bills:							
Regular weekly	$7,981,186,000.00	$7,983,993,000.00	$9,630,281,000.00	$7,520,048,000.00	$7,951,238,000.00	[1] $101,128,431,000.00	[2] $101,092,541,000.00
Tax anticipation						4,495,426,000.00	5,508,163,000.00
Other	1,000,393,000.00	1,000,520,000.00	1,001,464,000.00	1,001,439,000.00	1,000,141,000.00	12,001,388,000.00	9,171,531,000.00
Certificates of indebtedness							3,069,690,000.00
Treasury notes	−8,000.00		1,066,270,000.00			4,678,099,000.00	
Treasury bonds						99,000.00	4,651,154,000.00
Subtotal	8,981,571,000.00	8,984,513,000.00	11,698,015,000.00	8,521,487,000.00	8,951,379,000.00	122,303,443,000.00	123,493,079,000.00
Exchanges:							
Treasury bills:							
Regular weekly	628,759,000.00	829,135,000.00	1,075,549,000.00	884,267,000.00	460,187,000.00	9,768,155,000.00	7,200,338,000.00
Tax anticipation						6,635,000.00	
Other						8,997,000.00	329,077,000.00
Certificates of indebtedness							21,072,012,000.00
Treasury notes	8,013,715,000.00	21,644,000.00	43,309,000.00	8,564,654,000.00	5,446,000.00	27,631,045,000.00	16,850,301,000.00
Treasury bonds	204,000.00			1,530,683,500.00	1,307,000.00	11,249,222,500.00	11,219,624,500.00
Subtotal	8,642,678,000.00	850,779,000.00	1,118,858,000.00	10,979,604,500.00	466,940,000.00	48,664,054,500.00	56,671,352,500.00
Total marketable issues	17,624,249,000.00	9,835,292,000.00	12,816,873,000.00	19,501,091,500.00	9,418,319,000.00	170,967,497,500.00	180,164,431,500.00
Nonmarketable:							
Certificates of indebtedness:							
Foreign series		95,000,000.00	50,000,000.00		190,000,000.00	1,325,000,000.00	1,605,000,000.00
Foreign currency series						30,120,481.92	197,774,475.00
Depositary bonds	71,000.00	1,586,000.00	1,921,000.00	89,000.00	5,961,000.00	14,745,000.00	26,734,000.00
Treasury notes, foreign series			125,000,000.00			150,000,000.00	183,000,000.00
Treasury bonds, foreign currency series		27,720,027.72	251,612,841.97	99,647,756.77		577,951,058.84	704,298,581.48
Treasury bonds, R.E.A. series	96,000.00	260,000.00	373,000.00	383,000.00	330,000.00	3,739,000.00	9,201,000.00
U.S. retirement plan bonds	105,352.42	95,086.41	136,858.52	83,511.71	169,591.55	5,371,165.18	185,350.00
1% Treasury certificates					7,486,777.15	12,499,345.83	2,500,000.00
3.479% Treasury certificates					10,274,942.13	10,274,942.13	
3.525% Treasury certificates		10,185,185.19				10,185,185.19	
4% Treasury bonds					400,000.00	20,400,000.00	

Footnotes at end of table.

TABLE 41.—*Public debt receipts and expenditures by classes, monthly for fiscal year 1964 and totals for 1963 and 1964*—Continued

Receipts (issues)	July 1963	August 1963	September 1963	October 1963	November 1963	December 1963	January 1964
Public issues—Continued							
Nonmarketable—Continued							
U.S. savings bonds:							
Issue price	$412,733,442.20	$397,839,108.07	$346,740,036.30	$394,196,425.42	$332,749,689.02	$355,793,435.79	$470,649,399.39
Accrued discount	137,054,540.29	113,168,278.16	115,024,436.18	110,015,937.96	110,967,524.43	136,558,783.37	143,285,482.51
Exchanges, Series H	21,716,500.00	17,401,000.00	16,803,500.00	17,167,500.00	13,294,500.00	13,959,500.00	24,889,000.00
U.S. savings stamps	798,327.20	529,902.65	688,479.35	1,736,736.30	1,483,483.15	1,599,386.05	1,573,260.20
Total nonmarketable issues	681,695,704.01	652,191,202.00	747,412,505.51	682,917,173.16	563,708,045.57	875,532,822.48	788,258,388.81
Total public issues	11,090,992,204.01	17,565,888,202.00	16,964,138,505.51	15,279,618,173.16	17,755,411,045.57	10,310,524,822.48	17,796,815,888.81
Special issues:							
Civil service retirement fund	157,266,000.00	170,330,000.00	178,349,000.00	158,522,000.00	199,526,000.00	174,922,000.00	202,132,000.00
Exchange Stabilization Fund	253,163,866.88	207,895,387.97	214,815,636.44	164,970,257.69	210,664,791.89	218,968,926.10	174,554,187.71
Federal Deposit Insurance Corporation	--------	17,500,000.00	5,000,000.00	3,500,000.00	17,000,000.00	1,000,000.00	101,709,000.00
Federal disability insurance trust fund	33,953,000.00	148,665,000.00	103,401,000.00	34,310,000.00	98,938,000.00	126,064,000.00	28,788,000.00
Federal home loan banks	187,500,000.00	199,500,000.00	263,700,000.00	319,500,000.00	107,500,000.00	759,500,000.00	130,000,000.00
Federal Housing Administration funds	540,000.00	--------	--------	--------	--------	--------	--------
Federal old-age and survivors insurance trust fund	497,203,000.00	2,224,398,000.00	960,110,000.00	422,909,000.00	1,492,215,000.00	1,310,040,000.00	349,256,000.00
Federal Savings and Loan Insurance Corporation	--------	--------	--------	--------	9,000,000.00	5,000,000.00	8,000,000.00
Foreign service retirement fund	568,000.00	512,000.00	585,000.00	658,000.00	579,000.00	532,000.00	574,000.00
Government life insurance fund	--------	--------	--------	--------	--------	--------	--------
Highway trust fund	297,534,000.00	345,430,000.00	300,404,000.00	284,603,000.00	280,741,000.00	300,358,000.00	282,702,000.00
National service life insurance fund	6,850,000.00	6,000,000.00	7,100,000.00	9,200,000.00	5,100,000.00	7,045,000.00	7,600,000.00
Railroad retirement account	115,601,000.00	90,809,000.00	37,761,000.00	2,824,308,000.00	91,714,000.00	70,772,000.00	20,732,000.00
Unemployment trust fund	86,046,000.00	830,380,000.00	82,531,000.00	80,414,000.00	465,440,000.00	148,203,000.00	57,969,000.00
Veterans' special term insurance fund	1,350,000.00	6,000,000.00	--------	600,000.00	850,000.00	900,000.00	3,300,000.00
Total special issues	1,637,574,866.88	4,247,419,387.97	2,153,756,636.44	4,303,494,257.69	2,979,267,791.89	3,123,304,926.10	1,367,316,187.71
Other issues:							
International Monetary Fund notes	47,000,000.00	67,000,000.00	--------	8,000,000.00	--------	--------	--------
International Development Association notes	--------	--------	--------	--------	57,652,200.00	--------	--------

Receipts (issues)	February 1964	March 1964	April 1964	May 1964	June 1964	Total fiscal year 1964	Total fiscal year 1963
Public issues—Continued							
Nonmarketable—Continued							
U.S. savings bonds:							
Issue price	$412, 633, 287. 49	$399, 012, 714. 77	$377, 818, 371. 06	$366, 886, 212. 01	$383, 170, 183. 33	$4, 650, 222, 307. 85	$4, 512, 122, 577. 18
Accrued discount	115, 928, 035. 15	122, 314, 010. 86	116, 504, 548. 45	116, 972, 211. 53	137, 927, 710. 68	1, 475, 721, 499. 57	1, 408, 048, 167. 75
Exchanges, Series H	17, 955, 500. 00	19, 192, 000. 00	16, 727, 500. 00	15, 278, 500. 00	18, 163, 000. 00	212, 548, 000. 00	197, 249, 000. 00
U.S. savings stamps	1, 834, 597. 30	3, 344, 397. 25		3, 749, 661. 10	1, 20, 219. 45	18, 358, 450. 00	18, 535, 157. 90
Total nonmarketable issues	548, 623, 772. 36	678, 709, 422. 20	940, 094, 120. 00	603, 089, 853. 12	754, 903, 427. 29	8, 517, 136, 436. 51	8, 864, 648, 309. 31
Total public issues	18, 172, 872, 772. 36	10, 514, 001, 422. 20	13, 756, 967, 120. 00	20, 104, 181, 353. 12	10, 173, 222, 427. 29	179, 484, 633, 936. 51	189, 029, 079, 809. 31
Special issues:							
Civil service retirement fund	164, 735, 000. 00	184, 810, 000. 00	176, 161, 000. 00	166, 751, 000. 00	2, 455, 528, 000. 00	4, 389, 032, 000. 00	4, 346, 664, 000. 00
Exchange Stabilization Fund	278, 598, 595. 77	507, 073, 152. 76	312, 724, 798. 83	136, 836, 765. 36	323, 258, 417. 08	3, 003, 524, 784. 48	814, 476, 280. 74
Federal Deposit Insurance Corporation	148, 000, 000. 00	8, 000, 000. 00	17, 000, 000. 00	24, 000, 000. 00	50, 500, 000. 00	393, 209, 000. 00	466, 043, 000. 00
Federal disability insurance trust fund	116, 251, 000. 00	127, 746, 000. 00	44, 996, 000. 00	226, 236, 000. 00	270, 435, 000. 00	1, 359, 783, 000. 00	1, 281, 481, 000. 00
Federal home loan banks	161, 000, 000. 00	66, 000, 000. 00	66, 500, 000. 00	180, 000, 000. 00	474, 700, 000. 00	2, 915, 400, 000. 00	2, 858, 550, 000. 00
Federal Housing Administration funds						540, 000. 00	34, 170, 000. 00
Federal old-age and survivors insurance trust fund	1, 753, 645, 000. 00	1, 535, 408, 000. 00	562, 107, 000. 00	3, 163, 930, 000. 00	3, 761, 066, 000. 00	18, 032, 287, 000. 00	15, 649, 071, 000. 00
Federal Savings and Loan Insurance Corporation	25, 000, 000. 00	8, 000, 000. 00	6, 000, 000. 00	38, 000, 000. 00	196, 000, 000. 00	295, 000, 000. 00	311, 000, 000. 00
Foreign service retirement fund	732, 000. 00	576, 000. 00	634, 000. 00	584, 000. 00	39, 528, 000. 00	46, 062, 000. 00	44, 861, 000. 00
Government life insurance fund					33, 017, 000. 00	33, 017, 000. 00	50, 438, 000. 00
Highway trust fund	319, 632, 000. 00	263, 801, 000. 00	254, 203, 000. 00	307, 801, 000. 00	950, 084, 000. 00	4, 187, 293, 000. 00	1, 136, 633, 000. 00
National service life insurance fund	4, 221, 000. 00	4, 000, 000. 00	4, 100, 000. 00	5, 000, 000. 00	458, 450, 000. 00	524, 666, 000. 00	319, 447, 000. 00
Railroad retirement account	83, 439, 000. 00	85, 051, 000. 00	11, 535, 000. 00	88, 782, 000. 00	977, 497, 000. 00	4, 498, 001, 000. 00	1, 103, 889, 000. 00
Unemployment trust fund	880, 592, 000. 00	218, 143, 000. 00	103, 905, 000. 00	1, 004, 024, 000. 00	5, 065, 930, 000. 00	9, 023, 577, 000. 00	8, 928, 817, 000. 00
Veterans' special term insurance fund	2, 110, 000. 00	2, 400, 000. 00	2, 550, 000. 00	1, 450, 000. 00	124, 173, 000. 00	145, 683, 000. 00	117, 439, 000. 00
Total special issues	3, 937, 955, 595. 77	3, 011, 008, 152. 76	1, 562, 415, 798. 83	5, 343, 394, 765. 36	15, 180, 166, 417. 08	48, 847, 074, 784. 48	37, 462, 979, 280. 74
Other issues:							
International Monetary Fund notes	130, 000, 000. 00	86, 000, 000. 00			1, 182, 000, 000. 00	1, 520, 000, 000. 00	381, 000, 000. 00
International Development Association notes						57, 652, 200. 00	57, 652, 200. 00

Footnotes at end of table.

TABLE 41.—*Public debt receipts and expenditures by classes, monthly for fiscal year 1964 and totals for 1963 and 1964*—Continued

Receipts (issues) and Expenditures (retirements)	July 1963	August 1963	September 1963	October 1963	November 1963	December 1963	January 1964
RECEIPTS (ISSUES)							
Other issues—Continued							
Inter-American Development Bank notes	----------	----------	----------	----------	----------	----------	----------
U.N. Children's Fund bonds	----------	----------	----------	$3,000,000.00	$8,590,506.00	----------	----------
U.N. Special Fund bonds	----------	----------	----------	10,000,000.00	----------	$27,189,267.00	----------
U.N./FAO World Food Program bonds	----------	----------	----------	----------	----------	----------	----------
Total other issues	$47,000,000.00	$67,000,000.00	----------	21,000,000.00	66,242,706.00	27,189,267.00	----------
Total public debt receipts	12,775,567,070.89	21,880,307,589.97	$19,117,895,141.95	19,604,112,430.85	20,800,921,543.46	13,461,019,015.58	$19,164,132,076.52
EXPENDITURES (RETIREMENTS)							
Public issues:							
Marketable:							
Treasury bills:							
Regular weekly	7,920,829,000.00	9,422,631,000.00	7,426,713,000.00	9,685,687,000.00	7,767,024,000.00	7,329,970,000.00	9,706,094,000.00
Tax anticipation	6,312,000.00	1,000.00	----------	----------	----------	----------	----------
Other	1,992,205,000.00	2,315,000.00	132,000.00	2,498,454,000.00	1,900,000.00	----------	2,494,050,000.00
Certificates of indebtedness:							
Regular	486,300.00	48,787,000.00	1,000,000.00	263,000.00	728,584,000.00	2,181,000.00	216,000.00
Tax anticipation	2,000.00	----------	----------	----------	----------	----------	----------
Treasury notes	9,490,000.00	3,898,000.00	3,270,500.00	506,768,300.00	2,396,635,000.00	46,893,500.00	17,271,000.00
Treasury bonds	25,648,950.00	169,239,250.00	46,008,150.00	27,427,300.00	20,396,300.00	14,964,900.00	22,577,100.00
Other	17,383.50	13,009.25	32,796.25	4,662.00	11,903.75	3,367.75	8,654.75
Subtotal	9,954,990,633.50	9,646,884,259.25	7,477,156,446.25	12,718,604,262.00	10,914,551,203.75	7,394,012,767.75	12,240,216,754.75
Exchanges:							
Treasury bills:							
Regular weekly	503,256,000.00	1,074,720,000.00	980,704,000.00	807,114,000.00	636,485,000.00	1,071,369,000.00	816,610,000.00
Other	8,997,000.00	----------	----------	6,635,000.00	----------	----------	----------
Treasury certificates, regular	----------	5,130,938,000.00	1,494,724,000.00	200,000.00	3,823,192,000.00	30,000.00	----------
Treasury notes	----------	----------	4,515,585,000.00	−377,000.00	539,698,000.00	2,282,000.00	2,263,021,000.00
Treasury bonds	----------	1,267,293,000.00	732,715,000.00	2,854,000.00	−209,000.00	−22,000.00	708,233,500.00
Subtotal	512,253,000.00	7,472,951,000.00	7,723,728,000.00	816,426,000.00	4,999,166,000.00	1,073,659,000.00	3,787,864,500.00
Total marketable issues	10,467,243,633.50	17,119,835,259.25	15,200,884,446.25	13,535,030,262.00	15,913,717,203.75	8,467,671,767.75	16,028,081,254.75
Nonmarketable:							
Adjusted service bonds	15,600.00	12,650.00	10,500.00	11,850.00	4,700.00	11,950.00	11,500.00
Armed Forces leave bonds	50,075.00	63,025.00	53,400.00	48,675.00	53,675.00	43,925.00	41,925.00
Treasury notes, foreign series	----------	44,881,742.28	----------	----------	----------	----------	2,884,835.08
1% Treasury certificates	----------	----------	----------	----------	----------	2,500,000.00	----------
3.525% Treasury certificates	----------	----------	----------	----------	----------	----------	----------

Receipts (issues) and Expenditures (retirements)	February 1964	March 1964	April 1964	May 1964	June 1964	Total fiscal year 1964	Total fiscal year 1963
RECEIPTS (ISSUES)							
Other issues—Continued							
Inter-American Development Bank notes			$25,000,000.00			$25,000,000.00	$70,000,000.00
U.N. Children's Fund bonds					$8,245,273.00	19,835,779.00	
U.N. Special Fund bonds				$2,872,567.00	15,479,467.00	55,541,301.00	
U.N./FAO World Food Program bonds		$2,400,000.00				2,400,000.00	
Total other issues	$130,000,000.00	88,400,000.00	25,000,000.00	2,872,567.00	1,205,724,740.00	1,680,429,280.00	508,652,200.00
Total public debt receipts	22,240,828,368.13	13,613,409,574.96	15,344,382,918.83	25,450,448,685.48	26,559,113,584.37	230,012,138,000.99	227,000,711,290.05
EXPENDITURES (RETIREMENTS)							
Public issues:							
Marketable:							
Treasury bills:							
Regular weekly	7,978,026,000.00	5,487,020,000.00	12,108,696,000.00	7,332,610,000.00	7,967,794,000.00	100,133,094,000.00	95,337,940,000.00
Tax anticipation	20,000.00	1,997,273,000.00	2,876,000.00	762,000.00	2,480,724,000.00	4,487,968,000.00	7,340,045,000.00
Other	1,181,000.00	2,501,372,000.00	231,000.00	193,000.00	69,000.00	9,492,102,000.00	7,925,507,000.00
Certificates of indebtedness:							
Regular	121,213,000.00	2,123,000.00	346,000.00	59,136,000.00	1,001,000.00	965,336,300.00	175,970,550.00
Tax anticipation						2,000.00	
Treasury notes	5,006,000.00	5,533,100.00	459,242,500.00	335,646,500.00	82,759,000.00	3,872,413,400.00	5,584,544,500.00
Treasury bonds	212,599,050.00	42,451,200.00	28,060,800.00	28,752,350.00	24,859,050.00	662,984,400.00	563,545,600.00
Other	42,939.00	35,650.00	14,590.50	12,616.00	5,489.25	203,062.00	210,380.00
Subtotal	8,318,087,989.00	10,035,807,950.00	12,599,466,890.50	7,757,112,466.00	10,557,211,539.25	119,614,103,162.00	116,927,763,030.00
Exchanges:							
Treasury bills:							
Regular weekly	628,759,000.00	829,135,000.00	1,075,549,000.00	884,267,000.00	460,187,000.00	9,768,155,000.00	7,200,338,000.00
Other						15,632,000.00	329,077,000.00
Treasury certificates, regular	6,617,611,000.00			4,138,069,000.00	−307,000.00	21,204,457,000.00	15,343,869,000.00
Treasury notes	743,000.00		1,247,000.00	5,953,391,500.00	738,000.00	13,276,328,500.00	24,567,521,000.00
Treasury bonds	1,394,254,000.00		−1,243,000.00			4,103,875,500.00	8,431,996,000.00
Subtotal	8,641,367,000.00	829,135,000.00	1,075,553,000.00	10,975,727,500.00	460,618,000.00	48,368,448,000.00	55,872,801,000.00
Total marketable issues	16,959,454,989.00	10,864,942,950.00	13,675,019,890.50	18,732,839,966.00	11,017,829,539.25	167,982,551,162.00	172,800,564,030.00
Nonmarketable:							
Adjusted service bonds	9,200.00	11,900.00	15,900.00	7,300.00	6,500.00	129,550.00	134,550.00
Armed Forces leave bonds		134,250.00	58,800.00	59,700.00		607,450.00	910,725.00
Treasury notes, foreign series		1,900,000.00	125,000,000.00		6,513,126.58	181,179,703.94	
1% Treasury certificates						2,500,000.00	
3.525% Treasury certificates					15,197,753.87	15,197,753.87	

Footnotes at end of table.

TABLE 41.—*Public debt receipts and expenditures by classes, monthly for fiscal year 1964 and totals for 1963 and 1964*—Continued

Expenditures (retirements)	July 1963	August 1963	September 1963	October 1963	November 1963	December 1963	January 1964
Public issues—Continued							
Nonmarketable—Continued							
Certificates of indebtedness:							
Foreign series	$95,000,000.00	$133,000,000.00	$232,500,000.00	$57,500,000.00	$32,000,000.00	$386,000,000.00	$174,000,000.00
Foreign currency series	25,456,750.00						
Depositary bonds	1,592,000.00	697,000.00	4,140,000.00	2,241,000.00	881,000.00	359,500.00	1,116,000.00
Excess profits tax refund bonds	558.73	220.23		4,133.78	64.90	93.72	604.81
Treasury bonds:							
Foreign currency series			50,013,787.50				23,142,500.00
Investment series	12,586,000.00	7,044,000.00	2,139,000.00	7,587,000.00	9,240,000.00	5,310,000.00	8,870,000.00
R.E.A. series	608,000.00	205,000.00	1,130,000.00	272,000.00	805,000.00	220,000.00	50,000.00
Treasury tax and savings notes	28,000.00	3,550.00	9,875.00	28,175.00	8,450.00	3,400.00	8,925.00
U.S. retirement plan bonds					23,500.00	−23,500.00	1,300.00
U.S. savings bonds:							
Matured:							
Issue price	97,178,700.75	115,697,582.75	94,787,440.75	109,001,273.75	92,315,923.00	85,764,277.75	95,078,230.25
Accrued discount	44,711,292.54	57,547,234.34	44,800,612.72	52,631,969.33	43,718,809.64	39,973,629.09	48,325,193.95
Series H	2,879,000.00	2,001,500.00	5,337,500.00	9,317,000.00	6,440,500.00	7,148,000.00	6,499,500.00
Unmatured:							
Issue price	222,159,980.25	278,931,770.11	224,630,429.02	282,686,339.95	221,672,105.14	209,391,000.71	252,597,611.23
Accrued discount	12,553,253.07	15,921,561.28	12,567,356.61	16,599,193.65	12,291,728.07	11,215,796.48	13,065,593.16
Exchanges:							
Series E, F, and J, for Series H:							
Issue price	10,421,552.75	14,423,758.39	12,641,687.98	12,473,645.55	10,494,620.61	9,302,932.79	11,055,887.77
Accrued discount	5,154,258.23	7,229,096.16	6,151,952.53	6,169,565.75	5,234,707.00	4,630,465.53	5,472,166.03
Series F and G for Treasury bonds	−8,500.00						
Unclassified: [3]							
Cash	63,728,208.84	−77,063,195.31	36,185,292.53	−51,090,364.43	−35,594,924.69	37,606,208.09	117,785,527.07
Exchanges:							
Series E, F, and J, for Series H	6,140,689.02	−4,251,854.55	−1,990,140.51	−1,475,711.30	−2,434,827.61	26,101.68	8,360,946.20
Series F and G for Treasury bonds							
U.S. savings stamps	1,598,675.45	1,128,556.55	1,011,233.00	1,131,264.90	1,078,042.60	1,446,817.40	1,740,194.30
Subtotal	601,854,094.63	597,473,197.23	726,119,927.13	505,137,010.93	398,233,073.66	800,930,598.24	770,108,439.85

Expenditures (retirements)	February 1964	March 1964	April 1964	May 1964	June 1964	Total fiscal year 1964	Total fiscal year 1963
Public issues—Continued							
Nonmarketable—Continued							
Certificates of indebtedness:							
Foreign series	$70,000,000.00	$155,000,000.00	$25,000,000.00		$190,000,000.00	$1,550,000,000.00	$2,000,000,000.00
Foreign currency series						25,456,750.00	247,260,225.00
Depositary bonds	392,000.00	608,000.00	519,000.00	$539,000.00	1,651,000.00	14,735,500.00	61,454,000.00
Excess profits tax refund bonds	576.02	1,433.19	211.51	216.94	282.35	8,396.18	33,220.03
Treasury bonds:							
Foreign currency series		77,740,250.00	199,558,036.20	30,065,750.00		380,520,323.70	99,897,500.00
Investment series	10,067,000.00	2,581,000.00	11,389,000.00	2,731,000.00	340,000.00	79,884,000.00	82,582,000.00
R.E.A. series	895,000.00	990,000.00	120,000.00		310,000.00	5,605,000.00	7,280,000.00
Treasury tax and savings notes	18,900.00	2,475.00	3,300.00	179,300.00	2,825.00	297,175.00	198,825.00
U.S. retirement plan bonds	9,159.38	12,590.62	16,744.65	6,500.00	17,001.38	63,296.03	
U.S. savings bonds:							
Matured:							
Issue price	69,185,628.75	162,980,283.75	128,184,697.50	130,205,796.75	149,206,114.25	1,329,585,950.00	1,540,855,221.75
Accrued discount	23,387,602.83	79,974,063.82	58,494,122.97	69,429,414.77	65,145,402.57	628,139,348.57	610,834,407.02
Series H	7,246,000.00	10,331,500.00	16,427,500.00	10,096,000.00	16,025,500.00	99,749,500.00	23,277,000.00
Unmatured:							
Issue price	130,478,745.86	244,734,835.99	235,342,640.93	301,547,445.77	311,386,312.33	2,915,559,217.29	2,787,327,282.75
Accrued discount	5,916,821.52	15,481,731.91	13,550,625.40	18,916,278.69	18,207,431.35	166,287,371.19	157,274,650.39
Exchanges:							
Series E, F, and J, for Series H:							
Issue price	4,453,860.39	17,099,381.01	12,331,191.07	13,154,992.73	13,221,251.17	141,074,762.21	129,244,712.25
Accrued discount	2,167,850.36	8,840,554.93	6,240,326.78	6,818,750.91	6,716,841.09	70,826,535.30	61,231,357.96
Series F and G for Treasury bonds						−8,500.00	75,156,675.00
Unclassified: [3]							
Cash	190,513,845.17	−37,737,616.69	−1,170,477.16	−117,616,852.44	−106,660,622.40	18,885,028.58	72,585,777.69
Exchanges:							
Series E, F, and J, for Series H	11,333,789.25	−6,747,935.94	−1,844,017.85	−4,695,243.64	−1,775,092.26	646,702.49	6,772,819.09
Series F and G for Treasury bonds							−175.00
U.S. savings stamps	1,394,129.10	1,726,350.65	1,618,405.53	1,611,280.47	2,453,471.50	17,938,421.45	17,456,879.60
Subtotal	527,470,108.63	735,665,048.24	830,856,007.53	463,056,630.95	687,965,098.78	7,644,869,235.80	7,981,767,653.53

Footnotes at end of table.

TABLE 41.—*Public debt receipts and expenditures by classes, monthly for fiscal year 1964 and totals for 1963 and 1964*—Continued

Expenditures (retirements)	July 1963	August 1963	September 1963	October 1963	November 1963	December 1963	January 1964
Public issues—Continued							
Nonmarketable—Continued							
Exchanges:							
Treasury bonds, investment series	$9,043,000.00	$9,907,000.00	$67,421,000.00	$85,817,000.00	$6,517,000.00	$13,549,000.00	$26,902,000.00
Total nonmarketable issues	610,897,094.63	607,380,197.23	793,540,927.13	590,954,010.93	404,750,073.66	814,479,598.24	797,010,439.85
Total public issues	11,078,140,728.13	17,727,215,456.48	15,994,425,373.38	14,125,984,272.93	16,318,467,277.41	9,282,151,365.99	16,825,091,694.60
Special issues:							
Civil service retirement fund	108,500,000.00	108,000,000.00	110,500,000.00	111,000,000.00	108,000,000.00	111,000,000.00	164,536,000.00
Exchange Stabilization Fund	199,324,538.29	215,651,114.78	245,968,261.83	255,091,822.62	85,006,672.79	270,834,348.71	154,741,731.06
Federal Deposit Insurance Corporation	1,000,000.00		12,000,000.00		219,038,000.00		99,196,000.00
Federal disability insurance trust fund	105,700,000.00	102,600,000.00	107,000,000.00	125,583,000.00	169,635,000.00	175,158,000.00	108,500,000.00
Federal home loan banks	452,000,000.00	221,000,000.00	223,200,000.00	316,500,000.00	161,000,000.00	511,000,000.00	314,500,000.00
Federal Housing Administration funds				5,175,000.00		50,000.00	200,000.00
Federal old-age and survivors insurance trust fund	1,223,000,000.00	1,220,000,000.00	1,235,548,000.00	1,345,541,000.00	1,223,000,000.00	1,233,000,000.00	1,233,000,000.00
Federal Savings and Loan Insurance Corporation					61,000,000.00		
Foreign service retirement fund	620,000.00	622,000.00	617,000.00	610,000.00	625,000.00	602,000.00	676,000.00
Government life insurance fund	3,505,000.00	2,981,000.00	4,480,000.00	2,979,000.00	3,978,000.00	3,943,000.00	14,242,000.00
Highway trust fund	319,849,000.00	297,300,000.00	456,908,000.00	366,292,000.00	368,000,000.00	346,836,000.00	214,606,000.00
National service life insurance fund	676,000.00		1,761,000.00	229,000.00	110,000.00	264,000.00	158,702,000.00
Postal savings system							
Railroad retirement account	88,500,000.00	96,758,000.00	91,000,000.00	2,866,639,000.00	95,773,000.00	91,600,000.00	98,985,000.00
Unemployment trust fund	211,135,000.00	186,367,000.00	532,262,000.00	274,141,000.00	214,397,000.00	273,808,000.00	546,552,000.00
Veterans' special term insurance fund	330,000.00	1,444,000.00	1,090,000.00	731,000.00			
Total special issues	2,714,139,538.29	2,452,723,114.78	3,022,334,261.83	5,670,511,822.62	2,709,562,672.79	3,018,095,348.71	3,108,436,731.06

Expenditures (retirements)	February 1964	March 1964	April 1964	May 1964	June 1964	Total fiscal year 1964	Total fiscal year 1963
Public issues—Continued							
Nonmarketable—Continued							
Exchanges:							
Treasury bonds, investment series	$1, 311, 000. 00	$21, 644, 000. 00	$43, 305, 000. 00	$3, 877, 000. 00	$6, 322, 000. 00	$295, 615, 000. 00	$723, 395, 000. 00
Total nonmarketable issues	528, 781, 108. 63	757, 309, 048. 24	874, 161, 007. 53	466, 933, 630. 95	694, 287, 098. 78	7, 940, 484, 235. 80	8, 705, 162, 653. 53
Total public issues	17, 488, 236, 097. 63	11, 622, 251, 998. 24	14, 549, 180, 898. 03	19, 199, 773, 596. 95	11, 712, 116, 638. 03	175, 923, 035, 397. 80	181, 505, 726, 683. 53
Special issues:							
Civil service retirement fund	108, 000, 000. 00	109, 500, 000. 00	120, 500, 000. 00	112, 000, 000. 00	2, 025, 867, 000. 00	3, 297, 403, 000. 00	3, 292, 703, 000. 00
Exchange Stabilization Fund	267, 049, 757. 08	290, 284, 572. 21	584, 918, 372. 12	89, 640, 684. 48	161, 095, 392. 73	2, 819, 607, 268. 70	706, 329, 305. 98
Federal Deposit Insurance Corporation	39, 497, 000. 00	12, 612, 000. 00				383, 343, 000. 00	705, 800, 000. 00
Federal disability insurance trust fund	128, 816, 000. 00	140, 305, 000. 00	95, 800, 000. 00	127, 400, 000. 00	236, 098, 000. 00	1, 622, 595, 000. 00	1, 420, 506, 000. 00
Federal home loan banks	236, 000, 000. 00	73, 000, 000. 00	67, 500, 000. 00	147, 000, 000. 00	483, 200, 000. 00	3, 205, 900, 000. 00	2, 560, 550, 000. 00
Federal Housing Administration funds			50, 000. 00		65, 000. 00	5, 540, 000. 00	48, 605, 000. 00
Federal old-age and survivors insurance trust fund	1, 310, 844, 000. 00	1, 290, 000, 000. 00	1, 269, 000, 000. 00	1, 282, 000, 000. 00	3, 589, 191, 000. 00	17, 454, 124, 000. 00	16, 501, 557, 000. 00
Federal Savings and Loan Insurance Corporation						61, 000, 000. 00	394, 406, 000. 00
Foreign service retirement fund	615, 000. 00	612, 000. 00	635, 000. 00	627, 000. 00	38, 178, 000. 00	45, 039, 000. 00	43, 680, 000. 00
Government life insurance fund	2, 950, 000. 00	4, 880, 000. 00	28, 442, 000. 00	2, 919, 000. 00	4, 880, 000. 00	80, 179, 000. 00	75, 245, 000. 00
Highway trust fund	207, 346, 000. 00	263, 665, 000. 00	206, 224, 000. 00	219, 527, 000. 00	989, 455, 000. 00	4, 256, 008, 000. 00	894, 825, 000. 00
National service life insurance fund	2, 785, 000. 00	2, 983, 000. 00	1, 105, 000. 00	1, 540, 000. 00	285, 434, 000. 00	455, 589, 000. 00	409, 061, 000. 00
Postal savings system							26, 000, 000. 00
Railroad retirement account	102, 350, 000. 00	94, 500, 000. 00	95, 800, 000. 00	99, 021, 000. 00	494, 612, 000. 00	4, 315, 538, 000. 00	1, 633, 588, 000. 00
Unemployment trust fund	565, 811, 000. 00	391, 036, 000. 00	309, 064, 000. 00	231, 747, 000. 00	5, 159, 271, 000. 00	8, 895, 591, 000. 00	8, 783, 108, 000. 00
Veterans' special term insurance fund					119, 503, 000. 00	123, 098, 000. 00	104, 807, 000. 00
Total special issues	2, 972, 063, 757. 08	2, 673, 377, 572. 21	2, 779, 038, 372. 12	2, 313, 421, 684. 48	13, 586, 849, 392. 73	47, 020, 554, 268. 70	37, 600, 770, 305. 98

Footnotes at end of table.

TABLE 41.—*Public debt receipts and expenditures by classes, monthly for fiscal year 1964 and totals for 1963 and 1964*—Continued

Expenditures (retirements)	July 1963	August 1963	September 1963	October 1963	November 1963	December 1963	January 1964
Other issues:							
International Monetary Fund notes	$8,000,000.00						
International Development Association notes						$22,347,800.00	
U.N. Children's Fund bonds						5,590,506.00	
U.N. Special Fund bonds							
U.N./FAO World Food Program bonds							
Other	403,390.00	$267,480.00	$714,106.00	$511,696.60	$323,714.00	700,804.00	$383,900.00
Total other issues	8,403,390.00	267,480.00	714,106.00	511,696.60	323,714.00	28,639,110.00	383,900.00
Total public debt expenditures	13,800,683,656.42	20,180,206,051.26	19,017,473,741.21	19,797,007,792.15	19,028,353,664.20	12,328,885,824.70	19,933,912,325.66
Excess of receipts, or expenditures (−)	−1,025,116,585.53	1,700,101,538.71	100,421,400.74	−192,895,361.30	1,772,567,879.26	1,132,133,190.88	−769,780,249.14

Expenditures (retirements)	February 1964	March 1964	April 1964	May 1964	June 1964	Total fiscal year 1964	Total fiscal year 1963
Other issues:							
International Monetary Fund notes		$81,000,000.00	$5,000,000.00	$2,000,000.00	$1,057,000,000.00	$1,153,000,000.00	$126,000,000.00
International Development Association notes					22,000,000.00	44,347,800.00	44,000,000.00
U.N. Children's Fund bonds		3,000,000.00		3,000,000.00		11,590,506.00	
U.N. Special Fund bonds							
U.N./FAO World Food Program bonds				400,000.00		400,000.00	
Other	$516,244.00	1,007,119.00	332,742.00	560,962.00	221,610.00	5,943,767.60	[4] 65,404,025.00
Total other issues	516,244.00	85,007,119.00	5,332,742.00	5,960,962.00	1,079,221,610.00	1,215,282,073.60	235,404,025.00
Total public debt expenditures	20,460,816,098.71	14,380,636,689.45	17,333,552,012.15	21,519,156,243.43	26,378,187,640.76	224,158,871,740.10	219,341,901,014.51
Excess of receipts, or expenditures (−)	1,780,012,269.42	−767,227,114.49	−1,989,169,093.32	3,931,292,442.05	180,925,943.61	5,853,266,260.89	7,658,810,275.54

[1] Includes $1,000,920,000 of 10 series of weekly bills issued in a strip on Oct. 28, 1963.
[2] Includes $1,001,310,000 of 10 series of weekly bills issued in a strip on Nov. 15, 1962.
[3] Redemptions (all series) not yet classified as between matured and unmatured or as between issue price and accrued discount.
[4] Includes the following amounts determined by the Secretary of the Treasury, pursuant to legislation (31 U.S.C.915(c)), to have been destroyed or irretrievably lost and so will never be presented for redemption: Federal Reserve bank notes $1,000,000; national bank notes $15,000,000; gold certificates prior to Series of 1934, $9,000,000; Federal Reserve notes prior to Series of 1928, $18,000,000; and silver certificates issued before July 1, 1929, $15,000,000.

TABLE 42.—*Public debt increases and decreases, and balances in the account of the Treasurer of the United States, fiscal years 1916–64*

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Fiscal year	Public debt outstanding at end of year	Increase, or decrease (−), during year	Analysis of increase or decrease: Excess of expenditures (+), or receipts (−)	Analysis of increase or decrease: Increase (+), or decrease (−), in the balance in Treasurer's account	Analysis of increase or decrease: Decreases due to statutory debt retirements [1]	Balance in Treasurer's account at end of year
1916	1,225.1	33.8	−48.5	+82.3	------------	240.4
1917	2,975.6	1,750.5	+853.4	+897.1	------------	1,137.5
1918	12,455.2	9,479.6	+9,033.3	+447.5	1.1	1,585.0
1919	25,484.5	13,029.3	+13,370.6	−333.3	8.0	1,251.7
1920	24,299.3	−1,185.2	−212.5	−894.0	78.7	357.7
1921	23,977.5	−321.9	−86.7	+192.0	427.1	549.7
1922	22,963.4	−1,014.1	−313.8	−277.6	422.7	272.1
1923	22,349.7	−613.7	−309.7	+98.8	402.9	370.9
1924	21,250.8	−1,098.9	−505.4	−135.5	458.0	235.4
1925	20,516.2	−734.6	−250.5	−17.6	466.5	217.8
1926	19,643.2	−873.0	−377.8	−7.8	487.4	210.0
1927	18,511.9	−1,131.3	−635.8	+24.1	519.6	234.1
1928	17,604.3	−907.6	−398.8	+31.5	540.3	265.5
1929	16,931.1	−673.2	−184.8	+61.2	549.6	326.7
1930	16,185.3	−745.8	−183.8	−8.1	553.9	318.6
1931	16,801.3	616.0	+902.7	+153.3	440.1	471.9
1932	19,487.0	2,685.7	+3,153.1	−54.7	412.6	417.2
1933	22,538.7	3,051.7	+3,068.3	+445.0	461.6	862.2
1934	27,053.1	4,514.5	+3,154.6	+1,719.7	359.9	2,581.9
1935	28,700.9	1,647.8	+2,961.9	−740.6	573.6	1,841.3
1936	33,778.5	5,077.7	+4,640.7	+840.2	403.2	2,681.5
1937	36,424.6	2,646.1	+2,878.1	−128.0	104.0	2,553.5
1938	37,164.7	740.1	+1,143.1	−337.6	65.5	2,215.9
1939	40,439.5	3,274.8	+2,710.7	+622.3	58.2	2,838.2
1940	42,967.5	2,528.0	+3,604.7	−947.5	129.2	1,890.7
1941	48,961.4	5,993.9	+5,315.7	+742.4	64.3	2,633.2
1942	72,422.4	23,461.0	+23,197.8	+358.0	94.7	2,991.1
1943	136,696.1	64,273.6	+57,761.7	+6,515.4	3.5	9,506.6
1944	201,003.4	64,307.3	+53,645.3	+10,662.0	(*)	20,168.6
1945	258,682.2	57,678.8	+53,149.6	+4,529.2	(*)	24,697.7
1946	269,422.1	10,739.9	+21,199.8	−10,459.8	(*)	14,237.9
1947	258,286.4	−11,135.7	−206.0	−10,929.7	------------	3,308.1
1948	252,292.2	−5,994.1	−6,606.4	+1,623.9	1,011.6	4,932.0
1949	252,770.4	478.1	+1,947.5	−1,461.6	7.8	3,470.4
1950	257,357.4	4,587.0	+2,592.0	+2,046.7	51.7	5,517.1
1951	255,222.0	−2,135.4	−3,973.6	+1,839.5	1.2	7,356.6
1952	259,105.2	3,883.2	+4,271.8	−387.8	.9	6,968.8
1953	266,071.1	6,965.9	+9,265.0	−2,298.6	.5	4,670.2
1954	271,259.6	5,188.5	+3,092.7	+2,096.2	.4	6,766.5
1955	274,374.2	3,114.6	+3,665.6	−550.8	.2	6,215.7
1956	272,750.8	−1,623.4	−1,190.8	+330.5	763.1	6,546.2
1957	270,527.2	−2,223.6	−1,267.3	−956.2	.1	5,590.0
1958	276,343.2	5,816.0	+1,656.9	+4,159.2	------------	9,749.1
1959	284,705.9	8,362.7	+12,761.4	−4,398.7	[2].1	5,350.4
1960	286,330.8	1,624.9	−1,029.5	+2,654.3	------------	8,004.7
1961	288,970.9	2,640.2	+4,950.8	−1,310.6	1,000.0	6,694.1
1962	298,200.8	9,229.9	+5,494.6	+3,736.3	1.0	10,430.4
1963	305,859.6	7,658.8	[r] +6,031.0	+1,685.8	[r] 58.0	12,116.2
1964	311,712.9	5,853.3	6,933.7	−1,080.4	------------	11,035.7
Total	------------	310,521.5	310,626.5	10,877.6	10,982.6	------------

*Less than $50,000.
[r] Revised.
[1] Effective with the fiscal year 1948, statutory debt retirements have been excluded from administrative budget expenditures; they are shown here for purposes of comparison.
[2] Adjustment for overstatement of price paid for securities purchased in fiscal 1956 at a discount but previously stated at par value.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*

[On basis of Public Debt accounts, see "Bases of Tables"]

Issues	Outstanding June 30, 1963	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1964 [1]
INTEREST-BEARING DEBT					
Public Issues					
Marketable:					
Treasury bills, series maturing: [2]					
Regular weekly:					
July 5, 1963	$2,100,972,000.00		$2,100,959,000.00	$13,000.00	
July 11, 1963	2,102,458,000.00		2,102,458,000.00		
Other:					
July 15, 1963	2,003,591,000.00		2,003,541,000.00	50,000.00	
Regular weekly:					
July 18, 1963	2,100,781,000.00		2,100,781,000.00		
July 25, 1963	2,100,500,000.00		2,100,500,000.00		
Aug. 1, 1963	2,101,679,000.00		2,101,679,000.00		
Aug. 8, 1963	2,100,131,000.00		2,100,129,000.00	2,000.00	
Aug. 15, 1963	2,101,543,000.00		2,101,533,000.00	10,000.00	
Aug. 22, 1963	2,102,089,000.00		2,102,089,000.00		
Aug. 29, 1963	2,102,530,000.00		2,102,530,000.00		
Sept. 5, 1963	2,103,113,000.00		2,103,093,000.00	20,000.00	
Sept. 12, 1963	2,100,529,000.00		2,100,528,000.00	1,000.00	
Sept. 19, 1963	2,102,297,000.00		2,102,297,000.00		
Sept. 26, 1963	2,101,881,000.00		2,101,878,000.00	3,000.00	
Oct. 3, 1963	800,033,000.00	$1,300,551,000.00	2,100,584,000.00		
Oct. 10, 1963	801,369,000.00	1,300,303,000.00	2,101,665,000.00	7,000.00	
Other:					
Oct. 15, 1963	2,500,103,000.00		2,500,085,000.00	18,000.00	
Regular weekly:					
Oct. 17, 1963	800,442,000.00	1,300,289,000.00	2,100,731,000.00		
Oct. 24, 1963	801,100,000.00	1,300,056,000.00	2,101,156,000.00		
Oct. 31, 1963	800,950,000.00	1,300,655,000.00	2,101,595,000.00	10,000.00	
Nov. 7, 1963	801,786,000.00	1,301,271,000.00	2,103,008,000.00	49,000.00	
Nov. 14, 1963	800,667,000.00	1,300,845,000.00	2,101,512,000.00		
Nov. 21, 1963	800,428,000.00	1,300,913,000.00	2,101,309,000.00	32,000.00	
Nov. 29, 1963	801,296,000.00	1,300,180,000.00	2,101,466,000.00	10,000.00	
Dec. 5, 1963	800,219,000.00	1,300,875,000.00	2,101,009,000.00	85,000.00	
Dec. 12, 1963	800,929,000.00	1,300,112,000.00	2,101,035,000.00	6,000.00	
Dec. 19, 1963	800,700,000.00	1,300,797,000.00	2,101,497,000.00		
Dec. 26, 1963	798,837,000.00	1,301,052,000.00	2,099,889,000.00		
Jan. 2, 1964		2,100,885,000.00	2,100,822,000.00	63,000.00	
Jan. 9, 1964		2,101,648,000.00	2,101,648,000.00		
Other:					
Jan. 15, 1964	2,496,151,000.00		2,495,913,000.00	238,000.00	
Regular weekly:					
Jan. 16, 1964		2,100,532,000.00	2,100,506,000.00	26,000.00	
Jan. 23, 1964		2,102,865,000.00	2,102,855,000.00	10,000.00	
Jan. 30, 1964		2,100,224,000.00	2,100,154,000.00	70,000.00	
Feb. 6, 1963–Apr. 9, 1964 (strip issue)[3]		1,000,920,000.00	1,000,920,000.00		
Feb. 6, 1964		[4] 2,101,022,000.00	2,100,947,000.00	75,000.00	

Feb. 13, 1964		[4] 2,102,176,000.00	2,102,096,000.00	80,000.00	
Feb. 20, 1964		[4] 2,002,298,000.00	2,002,259,000.00	39,000.00	
Feb. 27, 1964		[4] 2,001,785,000.00	2,001,746,000.00	39,000.00	
Mar. 5, 1964		[4] 2,102,217,000.00	2,102,161,000.00	56,000.00	
Mar. 12, 1964		[4] 2,100,285,000.00	2,100,282,000.00	3,000.00	
Mar. 19, 1964		[4] 2,102,067,000.00	2,101,934,000.00	133,000.00	
Tax anticipation:					
Mar. 23, 1964		2,001,249,000.00	2,001,249,000.00		
Regular weekly:					
Mar. 26, 1964		[4] 2,108,980,000.00	2,108,878,000.00	102,000.00	
Apr. 2, 1964		[4] 2,099,477,000.00	2,099,433,000.00	44,000.00	
Apr. 9, 1964		[4] 2,101,141,000.00	2,101,107,000.00	34,000.00	
Other:					
Apr. 15, 1964	2,500,763,000.00		2,500,472,000.00	291,000.00	
Regular weekly:					
Apr. 16, 1964		2,101,410,000.00	2,101,363,000.00	47,000.00	
Apr. 23, 1964		2,103,123,000.00	2,103,040,000.00	83,000.00	
Apr. 30, 1964		2,100,788,000.00	2,100,755,000.00	33,000.00	
May 7, 1964		2,100,427,000.00	2,100,282,000.00	145,000.00	
May 14, 1964		2,103,208,000.00	2,102,659,000.00	549,000.00	
May 21, 1964		2,001,448,000.00	2,001,091,000.00	357,000.00	
May 28, 1964		2,003,379,000.00	2,002,887,000.00	492,000.00	
June 4, 1964		2,101,772,000.00	2,101,234,000.00	538,000.00	
June 11, 1964		2,101,033,000.00	2,100,129,000.00	904,000.00	
June 18, 1964		2,102,148,000.00	2,100,741,000.00	1,407,000.00	
Tax anticipation:					
June 22, 1964		2,500,812,000.00	2,480,354,000.00	20,458,000.00	
Regular weekly:					
June 25, 1964		2,111,876,000.00	2,108,883,000.00	2,993,000.00	
July 2, 1964		2,101,026,000.00			$2,101,026,000.00
July 9, 1964		2,100,995,000.00			2,100,995,000.00
Other:					
July 15, 1964		1,997,942,000.00			1,997,942,000.00
Regular weekly:					
July 16, 1964		2,000,950,000.00			2,000,950,000.00
Regular weekly:					
July 23, 1964		2,000,693,000.00			2,000,693,000.00
July 30, 1964		2,001,550,000.00			2,001,550,000.00
Aug. 6, 1964		2,100,702,000.00			2,100,702,000.00
Aug. 13, 1964		2,101,434,000.00			2,101,434,000.00
Aug. 20, 1964		2,103,036,000.00			2,103,036,000.00
Aug. 27, 1964		2,101,786,000.00			2,101,786,000.00
Other:					
Aug. 31, 1964		1,001,143,000.00			1,001,143,000.00
Regular weekly:					
Sept. 3, 1964		2,104,412,000.00			2,104,412,000.00
Sept. 10, 1964		2,101,395,000.00			2,101,395,000.00
Sept. 17, 1964		2,099,465,000.00			2,099,465,000.00
Sept. 24, 1964		2,101,511,000.00			2,101,511,000.00
Other:					
Sept. 30, 1964		1,001,960,000.00			1,001,960,000.00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1964 [1]
INTEREST-BEARING DEBT—Continued					
Public Issues—Continued					
Marketable—Continued					
Treasury bills, series maturing [2]—Continued					
Regular weekly:					
Oct. 1, 1964		$901, 457, 000. 00			$901, 457, 000. 00
Oct. 8, 1964		900, 029, 000. 00			900, 029, 000. 00
Oct. 15, 1964		900, 050, 000. 00			900, 050, 000. 00
Oct. 22, 1964		900, 793, 000. 00			900, 793, 000. 00
Oct. 29, 1964		900, 482, 000. 00			900, 482, 000. 00
Other:					
Oct. 31, 1964		1, 000, 273, 000. 00			1, 000, 273, 000. 00
Regular weekly:					
Nov. 5, 1964		900, 393, 000. 00			900, 393, 000. 00
Nov. 12, 1964		900, 452, 000. 00			900, 452, 000. 00
Nov. 19, 1964		900, 490, 000. 00			900, 490, 000. 00
Nov. 27, 1964		900, 091, 000. 00			900, 091, 000. 00
Other:					
Nov. 30, 1964		1, 004, 801, 000. 00			1, 004, 801, 000. 00
Regular weekly:					
Dec. 3, 1964		904, 729, 000. 00			904, 729, 000. 00
Dec. 10, 1964		900, 518, 000. 00			900, 518, 000. 00
Dec. 17, 1964		901, 049, 000. 00			901, 049, 000. 00
Dec. 24, 1964		900, 065, 000. 00			900, 065, 000. 00
Other:					
Dec. 31, 1964		1, 000, 309, 000. 00			1, 000, 309, 000. 00
Jan. 31, 1965		1, 000, 393, 000. 00			1, 000, 393, 000. 00
Feb. 28, 1965		1, 000, 520, 000. 00			1, 000, 520, 000. 00
Mar. 31, 1965		1, 001, 464, 000. 00			1, 001, 464, 000. 00
Apr. 30, 1965		1, 001, 439, 000. 00			1, 001, 439, 000. 00
May 31, 1965		1, 000, 141, 000. 00			1, 000, 141, 000. 00
Total Treasury bills	$47, 229, 867, 000. 00	127, 409, 032, 000. 00	$123, 869, 336, 000. 00	$29, 625, 000. 00	50, 739, 938, 000. 00
Certificates of indebtedness:					
Regular:					
3½% Series C-1963	5, 180, 635, 000. 00		5, 180, 565, 000. 00	70, 000. 00	
3⅛% Series D-1963	4, 554, 059, 000. 00		4, 553, 992, 000. 00	67, 000. 00	
3¼% Series A-1964	6, 741, 214, 000. 00		6, 741, 118, 000. 00	96, 000. 00	
3¼% Series B-1964	5, 693, 160, 000. 00		5, 692, 733, 000. 00	427, 000. 00	
Total certificates of indebtedness	22, 169, 068, 000. 00		22, 168, 408, 000. 00	660, 000. 00	

Treasury notes:					
4⅞% Series C-1963	3,011,432,000.00		3,006,659,000.00	4,773,000.00	
4¾% Series A-1964	4,932,995,000.00		4,896,649,000.00	36,346,000.00	
5% Series B-1964	2,315,724,000.00		270,471,000.00		2,045,253,000.00
4⅞% Series C-1964	4,195,320,000.00		328,124,000.00		3,867,196,000.00
3¾% Series D-1964	3,893,341,000.00		3,885,935,000.00	7,406,000.00	
3¾% Series E-1964	5,018,682,000.00		932,528,000.00		4,086,154,000.00
3¾% Series F-1964		6,398,134,000.00	436,911,000.00		5,961,223,000.00
4⅝% Series A-1965	2,112,741,000.00		297,031,000.00		1,815,710,000.00
3½% Series B-1965	2,953,804,000.00				2,953,804,000.00
3⅞% Series C-1965		7,976,816,000.00			7,976,816,000.00
3⅞% Series D-1965 (dated Feb. 14, 1964)		6,202,029,000.00			6,202,029,000.00
3⅞% Series D-1965 (dated Apr. 8, 1964)		1,066,270,000.00			1,066,270,000.00
4% Series E-1965		8,559,901,000.00			8,559,901,000.00
4% Series A-1966	4,454,410,000.00	1,810,379,000.00	444,818,000.00		5,819,971,000.00
3⅝% Series B-1966	5,652,739,000.00				5,652,739,000.00
3¾% Series A-1967	5,281,528,000.00		848,314,000.00		4,433,214,000.00
3⅝% Series B-1967	4,286,535,000.00		811,690,000.00		3,474,845,000.00
1½% Series EO-1963	505,574,000.00		505,166,000.00	408,000.00	
1½% Series EA-1964	456,514,000.00		456,014,000.00	500,000.00	
1½% Series EO-1964	489,777,000.00				489,777,000.00
1½% Series EA-1965	465,673,000.00				465,673,000.00
1½% Series EO-1965	315,094,000.00				315,094,000.00
1½% Series EA-1966	674,981,000.00				674,981,000.00
1½% Series EO-1966	356,530,000.00				356,530,000.00
1½% Series EA-1967	270,496,000.00				270,496,000.00
1½% Series EO-1967	457,177,000.00				457,177,000.00
1½% Series EA-1968	44,002,000.00	168,125,000.00			212,127,000.00
1½% Series EO-1968		115,331,000.00			115,331,000.00
1½% Series EA-1969		12,121,000.00			12,121,000.00
Total Treasury notes	52,145,069,000.00	32,309,106,000.00	17,120,310,000.00	49,433,000.00	67,284,432,000.00
Treasury bonds:					
2½% of 1962-67	1,461,460,100.00		9,233,000.00		1,452,227,100.00
2½% of 1963	1,460,709,000.00		1,457,031,500.00	3,677,500.00	
2½% of 1963-68	1,815,031,000.00		1,750,500.00		1,813,280,500.00
3% of 1964	1,634,301,000.00		1,627,852,500.00	6,448,500.00	
2½% of 1964-69 (dated Apr. 15, 1943)	2,631,361,500.00		3,769,000.00		2,627,592,500.00
2½% of 1964-69 (dated Sept. 15, 1943)	2,542,724,500.00		3,463,000.00		2,539,261,500.00
2⅝% of 1965	4,682,209,500.00		706,441,500.00		3,975,768,000.00
2½% of 1965-70	2,420,390,000.00		4,245,000.00		2,416,145,000.00
3% of 1966	1,024,402,500.00				1,024,402,500.00
3⅜% of 1966	1,851,408,000.00				1,851,408,000.00
3¾% of 1966	3,597,473,500.00		735,451,000.00		2,862,022,500.00
2½% of 1966-71	1,409,087,500.00		5,542,000.00		1,403,545,500.00
2½% of 1967-72 (dated June 1, 1945)	1,314,478,500.00		15,941,000.00		1,298,537,500.00
2½% of 1967-72 (dated Oct. 20, 1941)	1,951,809,250.00		5,000.00		1,951,804,250.00
2½% of 1967-72 (dated Nov. 15, 1945)	2,777,286,000.00		38,175,000.00		2,739,111,000.00
3⅝% of 1967	3,603,544,500.00				3,603,544,500.00
3⅞% of 1968 (dated June 23, 1960)	2,459,935,500.00				2,459,935,500.00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1964 [1]
INTEREST-BEARING DEBT—Continued					
Public Issues—Continued					
Marketable—Continued					
Treasury bonds—Continued					
3⅞% of 1968 (dated Sept. 15, 1963)		$1, 591, 434, 000. 00			$1, 591, 434, 000. 00
3¾% of 1968	$3, 747, 358, 500. 00				3, 747, 358, 500. 00
4% of 1969 (dated Oct. 1, 1957)	2, 537, 587, 000. 00		$516, 500. 00		2, 537, 070, 500. 00
4% of 1969 (dated Aug. 15, 1962)	1, 843, 615, 500. 00				1, 843, 615, 500. 00
4% of 1970	1, 905, 665, 000. 00	2, 223, 575, 000. 00			4, 129, 240, 000. 00
4% of 1971	2, 805, 626, 500. 00				2, 805, 626, 500. 00
3⅞% of 1971	2, 760, 420, 000. 00				2, 760, 420, 000. 00
4% of 1972 (dated Sept. 15, 1962)	2, 578, 547, 000. 00				2, 578, 547, 000. 00
4% of 1972 (dated Nov. 15, 1962)	2, 343, 511, 000. 00				2, 343, 511, 000. 00
4% of 1973		3, 893, 834, 000. 00			3, 893, 834, 000. 00
4⅛% of 1974		1, 531, 990, 500. 00			1, 531, 990, 500. 00
3⅞% of 1974	2, 244, 179, 500. 00		166, 000. 00		2, 244, 013, 500. 00
4¼% of 1975–85	469, 528, 000. 00	748, 082, 500. 00	9, 000. 00		1, 217, 601, 500. 00
3¼% of 1978–83	1, 590, 145, 500. 00		3, 285, 500. 00		1, 586, 860, 000. 00
4% of 1980	2, 610, 522, 500. 00		540, 000. 00		2, 609, 982, 500. 00
3½% of 1980	1, 914, 653, 500. 00		1, 003, 000. 00		1, 913, 650, 500. 00
3¼% of 1985	1, 130, 024, 000. 00		1, 056, 000. 00		1, 128, 968, 000. 00
4¼% of 1987–92	365, 121, 500. 00				365, 121, 500. 00
4% of 1988–93	250, 000, 000. 00		10, 000. 00		249, 990, 000. 00
4⅛% of 1989–94	300, 000, 000. 00	1, 260, 466, 000. 00			1, 560, 466, 000. 00
3½% of 1990	4, 912, 772, 000. 00		4, 999, 500. 00		4, 907, 772, 500. 00
3% of 1995	2, 559, 125, 000. 00		99, 734, 500. 00		2, 459, 390, 500. 00
3½% of 1998	4, 456, 955, 500. 00		18, 458, 000. 00		4, 438, 497, 500. 00
Total Treasury bonds	81, 962, 969, 350. 00	11, 249, 382, 000. 00	4, 738, 678, 000. 00	$10, 126, 000. 00	88, 463, 547, 350. 00
Total marketable issues	203, 506, 973, 350. 00	170, 967, 520, 000. 00	167, 896, 732, 000. 00	89, 844, 000. 00	206, 487, 917, 350. 00
Nonmarketable:					
Certificates of indebtedness:					
2.00% foreign series	25, 000, 000. 00	30, 000, 000. 00	55, 000, 000. 00		
2.75% foreign series	40, 000, 000. 00	70, 000, 000. 00	110, 000, 000. 00		
2.90% foreign series	25, 000, 000. 00		25, 000, 000. 00		
2.95% foreign series	85, 000, 000. 00		85, 000, 000. 00		
3.00% foreign series	190, 000, 000. 00	50, 000, 000. 00	190, 000, 000. 00		50, 000, 000. 00
3.10% foreign series	100, 000, 000. 00		100, 000, 000. 00		
3.20% foreign series		20, 000, 000. 00	20, 000, 000. 00		
3.25% foreign series		30, 000, 000. 00	30, 000, 000. 00		
3.40% foreign series		190, 000, 000. 00	190, 000, 000. 00		
3.45% foreign series		135, 000, 000. 00	135, 000, 000. 00		

3.50% foreign series		236,000,000.00	146,000,000.00		90,000,000.00
3.55% foreign series		349,000,000.00	349,000,000.00		
3.60% foreign series		115,000,000.00	15,000,000.00		100,000,000.00
3.70% foreign series		100,000,000.00	100,000,000.00		
Total foreign series	465,000,000.00	1,325,000,000.00	1,550,000,000.00		240,000,000.00
Treasury notes:					
3.10% foreign series	125,000,000.00		125,000,000.00		
3.125% foreign series	58,000,000.00		56,179,703.94		1,820,296.06
3.63% foreign series		25,000,000.00			25,000,000.00
4.03% foreign series		125,000,000.00			125,000,000.00
Total foreign series	183,000,000.00	150,000,000.00	181,179,703.94		151,820,296.06
Certificates of indebtedness:					
2.00% foreign currency series	25,456,750.00		25,456,750.00		
3.54% foreign currency series		30,120,481.92			30,120,481.92
Total foreign currency series	25,456,750.00	30,120,481.92	25,456,750.00		30,120,481.92
Treasury bonds:					
2.75% foreign currency series	50,949,500.00		50,949,500.00		
2.82% foreign currency series	75,596,739.59		30,065,750.00		45,530,989.59
2.83% foreign currency series	23,107,500.00				23,107,500.00
2.89% foreign currency series		25,414,722.05			25,414,722.05
3.00% foreign currency series	99,947,037.50		99,947,037.50		
3.09% foreign currency series	49,970,000.00				49,970,000.00
3.13% foreign currency series	49,942,500.00		49,942,500.00		
3.14% foreign currency series	49,970,000.00				49,970,000.00
3.18% foreign currency series	49,942,500.00				49,942,500.00
3.22% foreign currency series	10,029,335.81				10,029,335.81
3.23% foreign currency series	25,154,798.76				25,154,798.76
3.26% foreign currency series	20,055,151.67				20,055,151.67
3.27% foreign currency series	24,962,750.00		24,962,750.00		
3.30% foreign currency series	74,773,268.15		74,773,268.15		
3.37% foreign currency series		69,521,690.77			69,521,690.77
3.55% foreign currency series		25,112,377.89			25,112,377.89
3.61% foreign currency series		23,174,433.96			23,174,433.96
3.66% foreign currency series		50,227,278.43			50,227,278.43
3.69% foreign currency series		49,879,518.05	49,879,518.05		
3.71% foreign currency series		27,720,027.72			27,720,027.72
3.83% foreign currency series		25,162,102.00			25,162,102.00
3.84% foreign currency series		30,126,066.00			30,126,066.00
3.93% foreign currency series		50,334,725.93			50,334,725.93
4.04% foreign currency series		50,319,529.01			50,319,529.01
4.05% foreign currency series		50,319,529.01			50,319,529.01
4.06% foreign currency series		50,319,529.01			50,319,529.01
4.07% foreign currency series		50,319,529.01			50,319,529.01
Total foreign currency series	604,401,081.48	577,951,058.84	380,520,323.70		801,831,816.62

Footnotes at end of table

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1964 [1]
INTEREST-BEARING DEBT—Continued					
Public Issues—Continued					
Nonmarketable—Continued					
1% Treasury certificates, maturing Dec. 15, 1963	$2,500,000.00		$2,500,000.00		
1% Treasury certificates, maturing June 15, 1964		$5,012,568.68	5,012,568.68		
3.525% Treasury certificates, maturing June 30, 1964		10,185,185.19	10,185,185.19		
1% Treasury certificates, maturing Dec. 15, 1964		7,486,777.15			$7,486,777.15
3.479% Treasury certificates, maturing Sept. 30, 1964		10,274,942.13			10,274,942.13
Total Treasury certificates	2,500,000.00	32,959,473.15	17,697,753.87		17,761,719.28
4% Treasury bonds, maturing June 30, 1967		20,400,000.00			20,400,000.00
U.S. savings bonds: [5]					
Series E-1941	287,507,164.87	10,387,722.98	24,979,626.61		272,915,261.24
Series E-1942	1,241,282,154.64	45,150,120.37	110,331,864.72		1,176,100,410.29
Series E-1943	2,011,768,984.44	73,984,037.00	215,914,816.94		1,869,838,204.50
Series E-1944	2,471,901,149.34	95,032,763.37	228,116,279.64		2,338,817,633.07
Series E-1945	2,144,366,600.05	78,922,118.05	167,345,440.12		2,055,943,277.98
Series E-1946	1,185,597,524.99	40,666,410.61	90,255,957.10		1,136,007,978.50
Series E-1947	1,298,126,978.47	44,911,374.07	96,023,377.98		1,247,014,974.56
Series E-1948	1,445,445,098.48	50,565,476.54	107,570,237.85		1,388,440,337.17
Series E-1949	1,510,562,735.70	52,883,224.70	112,833,081.37		1,450,612,879.03
Series E-1950	1,402,962,432.70	49,947,475.01	111,105,070.99		1,341,804,836.72
Series E-1951	1,230,922,160.13	43,241,487.67	103,433,200.86		1,170,730,446.94
Series E-1952 (January to April)	431,288,802.07	15,089,745.71	38,931,323.16		407,447,224.62
Series E-1952 (May to December)	921,490,441.45	31,824,207.99	87,074,415.88		866,240,233.56
Series E-1953	1,747,291,642.30	59,038,747.05	210,719,348.60		1,595,611,040.75
Series E-1954 (January to October)	1,525,448,128.60	83,537,611.32	147,924,646.48		1,461,061,093.44
Series E-1954 (November and December)	348,266,560.53	14,005,532.23	20,636,335.98		341,635,756.78
Series E-1955	1,980,309,843.00	80,729,569.39	113,037,262.36		1,948,002,150.03
Series E-1956	1,895,106,186.52	70,615,014.45	108,668,313.25		1,857,052,887.72
Series E-1957 (January)	163,305,546.62	6,038,542.68	9,449,363.54		159,894,725.76
Series E-1957 (February to December)	1,701,407,066.85	65,236,481.52	110,161,455.05		1,656,482,093.32
Series E-1958	1,964,472,883.03	74,818,315.57	138,844,378.81		1,900,446,819.79
Series E-1959 (January to May)	799,763,960.88	30,538,117.55	54,194,829.23		776,107,249.20
Series E-1959 (June to December)	1,086,562,080.80	43,647,992.53	80,406,954.98		1,049,803,118.35
Series E-1960	2,039,742,057.60	78,070,950.65	168,603,522.37		1,949,209,485.88
Series E-1961	2,268,513,681.78	84,232,626.05	204,396,573.99		2,148,349,733.84
Series E-1962	2,450,627,505.29	77,961,601.67	332,605,218.17		2,195,983,888.79
Series E-1963	1,571,858,793.75	2,390,330,649.66	1,119,822,720.32		2,842,366,723.09
Series E-1964		1,781,384,493.75	243,623,531.25		1,537,760,962.50
Unclassified sales and redemptions	30,986,050.97	−4,673,261.84	121,609.72		26,191,179.41
Total Series E	39,156,884,215.85	5,568,119,148.30	4,557,130,757.32		40,167,872,606.83
Series F-1951	28,540,123.50	579,487.95	27,533,786.45	$1,585,825.00	

Series F-1952	21,301,614.10	832,013.30	19,574,827.40	2,558,800.00	
Unclassified redemptions	[6]−869,313.56		22,253.04	[6]−891,566.60	
Total Series F	48,972,424.04	1,411,501.25	47,130,866.89	3,253,058.40	
Series G-1951	101,396,200.00		91,590,500.00	9,805,700.00	
Series G-1952	65,265,000.00		54,850,300.00	10,414,700.00	
Unclassified redemptions	[6]−60,100.00		−30,900.00	[6]−29,200.00	
Total Series G	166,601,100.00		146,409,900.00	20,191,200.00	
Series H-1952	90,108,500.00		7,112,500.00		82,996,000.00
Series H-1953	264,919,000.00	1,000.00	33,315,500.00		231,604,500.00
Series H-1954	549,892,500.00	−1,000.00	71,018,500.00		478,873,000.00
Series H-1955	752,319,000.00		33,593,500.00		718,725,500.00
Series H-1956	615,339,500.00		27,884,500.00		587,455,000.00
Series H-1957 (January)	46,782,500.00		1,894,000.00		44,888,500.00
Series H-1957 (February to December)	435,046,500.00		20,587,000.00		414,459,500.00
Series H-1958	692,971,000.00		32,874,500.00		660,096,500.00
Series H-1959 (January to May)	298,858,500.00		14,179,000.00		284,679,500.00
Series H-1959 (June to December)	312,888,000.00		13,710,000.00		299,178,000.00
Series H-1960	917,436,500.00		34,244,500.00		883,192,000.00
Series H-1961	982,381,000.00		35,570,500.00		946,810,500.00
Series H-1962	837,899,000.00	6,000.00	29,123,500.00		808,781,500.00
Series H-1963	389,666,500.00	382,469,000.00	17,906,000.00		754,229,500.00
Series H-1964		344,463,500.00	285,500.00		344,178,000.00
Unclassified sales and redemptions	15,841,500.00	−3,145,500.00	−33,500.00		12,729,500.00
Total Series H	7,202,349,500.00	723,793,000.00	373,265,500.00		7,552,877,000.00
Series J-1952	44,045,683.80	1,436,190.00	10,708,788.20	3,687,025.00	31,086,060.60
Series J-1953	75,895,807.59	2,501,760.07	5,163,144.46		73,234,423.20
Series J-1954	142,247,909.85	4,525,782.19	11,494,026.92		135,279,665.12
Series J-1955	126,541,868.40	3,942,200.50	10,585,040.10		119,899,028.80
Series J-1956	99,570,090.64	3,175,296.11	6,640,950.85		96,104,435.90
Series J-1957	22,948,976.80	711,202.70	1,840,594.50		21,819,585.00
Unclassified redemptions			5,000.00		−5,000.00
Total Series J	511,250,337.08	16,292,431.57	46,437,545.03	3,687,025.00	477,418,198.62
Series K-1952	127,033,500.00		38,391,000.00	7,582,500.00	81,060,000.00
Series K-1953	151,866,500.00		12,632,000.00		139,234,500.00
Series K-1954	376,289,500.00		28,989,500.00		347,300,000.00
Series K-1955	312,289,000.00		21,864,500.00		290,424,500.00
Series K-1956	191,992,000.00		11,987,000.00		180,005,000.00
Series K-1957	37,663,000.00		2,136,000.00		35,527,000.00
Unclassified redemptions			12,500.00		−12,500.00
Total Series K	1,197,133,500.00		116,012,500.00	7,582,500.00	1,073,538,500.00
Total U.S. savings bonds	48,283,191,076.97	6,309,616,081.12	5,286,387,069.24	34,713,783.40	49,271,706,305.45

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1964 [1]
INTEREST-BEARING DEBT—Continued					
Public Issues—Continued					
Nonmarketable—Continued					
U.S. retirement plan bonds	$191,600.00	$5,379,430.07	$58,548.26		$5,512,481.81
Depositary bonds:					
First Series	103,110,500.00	14,747,000.00	14,558,500.00		103,299,000.00
Treasury bonds, R.E.A. series	26,612,000.00	3,739,000.00	5,780,000.00		24,571,000.00
Treasury bonds, investment series:					
2½% Series A-1965	445,490,000.00		14,550,000.00		430,940,000.00
2¾% Series B-1975-80	3,475,491,000.00		360,911,000.00		3,114,580,000.00
Total Treasury bonds, investment series	3,920,981,000.00		375,461,000.00		3,545,520,000.00
Total nonmarketable issues	53,614,444,008.45	8,469,912,525.10	7,837,099,649.01	$34,713,783.40	54,212,543,101.14
Total public issues	257,121,417,358.45	179,437,432,525.10	175,733,831,649.01	124,557,783.40	260,700,460,451.14
Special Issues					
Civil service retirement fund:					
4¼% certificates		176,161,000.00	176,161,000.00		
4⅛% certificates		1,159,086,000.00	1,086,286,000.00		72,800,000.00
4% certificates		511,793,000.00	511,793,000.00		
3⅞% certificates	80,248,000.00	327,596,000.00	407,844,000.00		
4⅛% notes		291,100,000.00			291,100,000.00
3⅞% notes	320,908,000.00				320,908,000.00
3¾% notes	243,904,000.00		60,976,000.00		182,928,000.00
2⅞% notes	209,739,000.00		69,913,000.00		139,826,000.00
2⅝% notes	281,843,000.00		230,527,000.00		51,316,000.00
4⅛% bonds		1,923,296,000.00			1,923,296,000.00
3⅞% bonds	2,024,661,000.00				2,024,661,000.00
3¾% bonds	1,295,200,000.00				1,295,200,000.00
2⅞% bonds	1,221,523,000.00		70,649,000.00		1,150,874,000.00
2⅝% bonds	4,981,640,000.00		298,254,000.00		4,683,386,000.00
2½% bonds	1,740,000,000.00		385,000,000.00		1,355,000,000.00
Exchange Stabilization Fund:					
3.55% certificates		160,589,148.25	160,589,148.25		
3.547% certificates		36,000,000.00	36,000,000.00		
3.525% certificates		62,000,000.00	61,500,000.00		500,000.00
3.30% certificates		1,030,861,586.82	1,030,861,586.82		

3.25% certificates	----------	740,892,135.07	449,327,644.53	----------	291,564,490.54
3.20% certificates	----------	297,307,023.05	297,307,023.05	----------	----------
3.15% certificates	----------	214,815,636.44	214,815,636.44	----------	----------
3.05% certificates	----------	207,895,387.97	207,895,387.97	----------	----------
2.75% certificates	108,146,974.76	253,163,866.88	361,310,841.64	----------	----------
Federal Deposit Insurance Corporation:					
2% notes	260,443,000.00	393,209,000.00	383,343,000.00	----------	270,309,000.00
Federal disability insurance trust fund:					
4¼% certificates	----------	44,996,000.00	44,996,000.00	----------	----------
4⅛% certificates	----------	735,221,000.00	735,221,000.00	----------	----------
4% certificates	----------	263,775,000.00	263,775,000.00	----------	----------
3⅞% certificates	5,706,000.00	182,618,000.00	188,324,000.00	----------	----------
3¾% notes	51,738,000.00	----------	50,389,000.00	----------	1,349,000.00
2⅝% notes	32,394,000.00	----------	32,394,000.00	----------	----------
4⅛% bonds	----------	133,173,000.00	----------	----------	133,173,000.00
3⅞% bonds	153,632,000.00	----------	----------	----------	153,632,000.00
3¾% bonds	492,557,000.00	----------	----------	----------	492,557,000.00
2⅝% bonds	1,286,940,000.00	----------	194,996,000.00	----------	1,091,944,000.00
2½% bonds	142,500,000.00	----------	112,500,000.00	----------	30,000,000.00
Federal home loan banks:					
2⅜% certificates	322,000,000.00	2,865,400,000.00	3,155,900,000.00	----------	31,500,000.00
2⅛% certificates	50,000,000.00	50,000,000.00	50,000,000.00	----------	50,000,000.00
Federal Housing Administration:					
Apartment unit insurance fund:					
2% notes	625,000.00	----------	150,000.00	----------	475,000.00
Armed services housing mortgage insurance fund:					
2% notes	13,675,000.00	----------	----------	----------	13,675,000.00
Experimental housing insurance fund:					
2% notes	850,000.00	----------	25,000.00	----------	825,000.00
Housing insurance fund:					
2% notes	1,158,000.00	400,000.00	----------	----------	1,558,000.00
Housing investment insurance fund:					
2% notes	90,000.00	----------	----------	----------	90,000.00
Mutual mortgage insurance fund:					
2% notes	10,237,000.00	----------	----------	----------	10,237,000.00
National defense housing insurance fund:					
2% notes	430,000.00	----------	----------	----------	430,000.00
Section 203 home improvement account:					
2% notes	625,000.00	----------	50,000.00	----------	575,000.00
Section 220 home improvement account:					
2% notes	700,000.00	----------	50,000.00	----------	650,000.00
Section 220 housing insurance fund:					
2% notes	1,815,000.00	140,000.00	265,000.00	----------	1,690,000.00
Servicemen's mortgage insurance fund:					
2% notes	1,625,000.00	----------	----------	----------	1,625,000.00
Title I housing insurance fund:					
2% notes	690,000.00	----------	----------	----------	690,000.00
Title I insurance fund:					
2% notes	13,623,000.00	----------	5,000,000.00	----------	8,623,000.00
War housing insurance fund:					
2% notes	7,945,000.00	----------	----------	----------	7,945,000.00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1964 [1]
INTEREST-BEARING DEBT—Continued					
Special Issues—Continued					
Federal old-age and survivors insurance trust fund:					
4¼% certificates		$562,107,000.00	$562,107,000.00		
4⅛% certificates		9,956,055,000.00	9,956,055,000.00		
4% certificates		2,693,059,000.00	2,693,059,000.00		
3⅞% certificates		2,721,601,000.00	2,721,601,000.00		
4⅛% notes		597,887,000.00			$597,887,000.00
4⅛% bonds		1,501,578,000.00			1,501,578,000.00
3⅞% bonds	$1,738,455,000.00				1,738,455,000.00
3¾% bonds	1,240,088,000.00				1,240,088,000.00
2⅝% bonds	8,572,000,000.00		174,716,000.00		8,397,284,000.00
2½% bonds	2,670,608,000.00		1,346,586,000.00		1,324,022,000.00
Federal Savings and Loan Insurance Corporation:					
2% notes	98,094,000.00	295,000,000.00	61,000,000.00		332,094,000.00
Foreign service retirement fund:					
4% certificates	36,219,000.00	44,872,000.00	43,317,000.00		37,774,000.00
3% certificates	1,672,000.00	1,190,000.00	1,722,000.00		1,140,000.00
Government life insurance fund:					
3⅝% certificates		500,000.00	500,000.00		
3¾% notes	1,340,000.00		670,000.00		670,000.00
3½% notes	73,100,000.00		73,100,000.00		
3¾% bonds	79,800,000.00				79,800,000.00
3⅝% bonds		32,517,000.00			32,517,000.00
3½% bonds	848,762,000.00		5,909,000.00		842,853,000.00
Highway trust fund:					
3⅝% certificates		1,775,889,000.00	1,166,861,000.00		609,028,000.00
3½% certificates		1,468,036,000.00	1,468,036,000.00		
3⅜% certificates	677,743,000.00	943,368,000.00	1,621,111,000.00		
National service life insurance fund:					
3¾% certificates		4,100,000.00	4,100,000.00		
3⅝% certificates		23,321,000.00	23,321,000.00		
3½% certificates		28,445,000.00	28,445,000.00		
3⅜% certificates		12,850,000.00	12,850,000.00		
3¾% notes	15,746,000.00		7,873,000.00		7,873,000.00
3% notes	379,000,000.00		379,000,000.00		
3¾% bonds	457,730,000.00				457,730,000.00
3⅝% bonds		455,950,000.00			455,950,000.00
3⅜% bonds	298,259,000.00				298,259,000.00
3¼% bonds	430,031,000.00				430,031,000.00
3⅛% bonds	343,149,000.00				343,149,000.00
3% bonds	3,790,000,000.00				3,790,000,000.00

Railroad retirement account:					
4¼% certificates		11,535,000.00	11,535,000.00		
4⅛% certificates		891,042,000.00	772,349,000.00		118,693,000.00
4% certificates		374,780,000.00	374,780,000.00		
4⅛% notes		51,248,000.00			51,248,000.00
4% notes		740,364,000.00	105,877,000.00		634,487,000.00
3% notes	2,786,086,000.00	264,911,000.00	3,050,997,000.00		
4⅛% bonds		313,211,000.00			313,211,000.00
4% bonds		1,850,910,000.00			1,850,910,000.00
Unemployment trust fund:					
3½% certificates		7,272,594,000.00	2,341,988,000.00		4,930,606,000.00
3⅜% certificates		834,557,000.00	834,557,000.00		
3¼% certificates	4,802,620,000.00	916,426,000.00	5,719,046,000.00		
Veterans' special term insurance fund:					
3½% certificates		132,683,000.00	9,510,000.00		123,173,000.00
3⅜% certificates	100,588,000.00	13,000,000.00	113,588,000.00		
Total special issues	44,800,900,974.76	48,847,074,784.48	47,020,554,268.70		46,627,421,490.54
Total interest-bearing debt	301,922,318,333.21	228,284,507,309.58	222,754,385,917.71	$124,557,783.40	307,327,881,941.68

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1964 [1]
MATURED DEBT ON WHICH INTEREST HAS CEASED					
Old debt—Issued prior to Apr. 1, 1917:					
6% compound interest notes 1864–66	$155,960.00				$155,960.00
3% loans of 1908–18	98,100.00			$40.00	98,060.00
2½% postal savings bonds	388,800.00			54,560.00	334,240.00
2% consols of 1930	9,800.00				9,800.00
4% funded loan of 1907	342,850.00				342,850.00
3% Panama Canal loan of 1961	139,400.00			5,500.00	133,900.00
All others [7]	763,680.26				763,680.26
Total old debt—issued prior to Apr. 1, 1917	1,898,590.26			60,100.00	1,838,490.26
Liberty loan bonds:					
First Liberty loan:					
First 3½'s	290,950.00			11,350.00	279,600.00
First 4's	88,650.00			350.00	88,300.00
First 4¼'s	236,100.00			8,600.00	227,500.00
First-Second 4¼'s	3,050.00				3,050.00
Total	618,750.00			20,300.00	598,450.00
Second Liberty loan:					
Second 4's	342,500.00			600.00	341,900.00
Second 4¼'s	364,100.00			7,100.00	357,000.00
Total	706,600.00			7,700.00	698,900.00
Third Liberty loan 4¼'s	1,218,950.00			11,450.00	1,207,500.00
Fourth Liberty loan 4¼'s	2,395,850.00			99,900.00	2,295,950.00
Total Liberty loan bonds	4,940,150.00			139,350.00	4,800,800.00
Victory notes:					
Victory 3¾'s	700.00				700.00
Victory 4¾'s	396,600.00			2,100.00	394,500.00
Total Victory notes	397,300.00			2,100.00	395,200.00
Treasury bonds:					
3⅜% of 1940–43	18,950.00			7,500.00	11,450.00
3⅜% of 1941–43	34,200.00			4,850.00	29,350.00
3¼% of 1941	15,200.00				15,200.00
3⅜% of 1943–47	63,150.00			11,700.00	51,450.00
3¼% of 1943–45	165,450.00			16,400.00	149,050.00
3¼% of 1944–46	344,800.00			74,100.00	270,700.00

4% of 1944–54	197, 600. 00			4, 000. 00	193, 600. 00
2¾% of 1945–47	136, 150. 00			6, 200. 00	129, 950. 00
2½% of 1945	2, 500. 00				2, 500. 00
3¾% of 1946–56	88, 400. 00			23, 800. 00	64, 600. 00
3% of 1946–48	59, 200. 00			7, 200. 00	52, 000. 00
3⅛% of 1946–49	289, 750. 00			10, 500. 00	279, 250. 00
4¼% of 1947–52	397, 400. 00			38, 900. 00	358, 500. 00
2% of 1947	350. 00				350. 00
2% of 1948–50 (dated Mar. 15, 1941)	2, 300. 00				2, 300. 00
2¾% of 1948–51	9, 300. 00			2, 000. 00	7, 300. 00
1¾% of 1948	66, 500. 00			3, 000. 00	63, 500. 00
2½% of 1948	4, 050. 00				4, 050. 00
2% of 1948–50 (dated Dec. 8, 1939)	2, 750. 00				2, 750. 00
2% of 1949–51 (dated Jan. 15, 1942)	1, 150. 00				1, 150. 00
2% of 1949–51 (dated May 15, 1942)	29, 000. 00			15, 000. 00	14, 000. 00
2% of 1949–51 (dated July 15, 1942)	24, 300. 00			15, 000. 00	9, 300. 00
3⅛% of 1949–52	34, 500. 00			15, 000. 00	19, 500. 00
2½% of 1949–53	163, 450. 00			6, 250. 00	157, 200. 00
1½% of 1950	512, 500. 00			12, 000. 00	500, 500. 00
2% of 1950–52 (dated Oct. 19, 1942)	23, 000. 00			3, 000. 00	20, 000. 00
2½% of 1950–52	101, 950. 00			50. 00	101, 900. 00
2% of 1950–52 (dated Apr. 15, 1943)	330, 500. 00			24, 500. 00	306, 000. 00
2¼% of 1951–53	51, 450. 00			50. 00	51, 400. 00
2% of 1951–53	829, 000. 00			110, 000. 00	719, 000. 00
2¾% of 1951–54	133, 000. 00			9, 000. 00	124, 000. 00
2% of 1951–55	148, 900. 00			120, 450. 00	28, 450. 00
3% of 1951–55	872, 250. 00			135, 200. 00	737, 050. 00
2½% of 1952–54	175, 950. 00			155, 000. 00	20, 950. 00
2% of 1952–54 (dated June 26, 1944)	897, 500. 00			108, 500. 00	789, 000. 00
2% of 1952–54 (dated Dec. 1, 1944)	1, 954, 000. 00			389, 000. 00	1, 565, 000. 00
2¼% of 1952–55	141, 950. 00			110, 000. 00	31, 950. 00
2% of 1953–55	71, 600. 00				71, 600. 00
2¼% of 1954–56	92, 850. 00			8, 200. 00	84, 650. 00
2⅞% of 1955–60	2, 066, 900. 00			179, 550. 00	1, 887, 350. 00
2½% of 1956–58	129, 650. 00			15, 800. 00	113, 850. 00
2¾% of 1956–59	226, 200. 00			13, 050. 00	213, 150. 00
2¼% of 1956–59	1, 845, 000. 00			438, 000. 00	1, 407, 000. 00
2⅜% of 1957–59	70, 000. 00			26, 000. 00	44, 000. 00
2½% of 1958	211, 500. 00			55, 500. 00	156, 000. 00
2⅜% of 1958	164, 000. 00			5, 000. 00	159, 000. 00
2¾% of 1958–63	248, 600. 00			33, 850. 00	214, 750. 00
2⅛% of 1960	198, 000. 00			60, 000. 00	138, 000. 00
2¾% of 1961	1, 341, 000. 00			530, 500. 00	810, 500. 00
2½% of 1961	3, 139, 000. 00			1, 388, 000. 00	1, 751, 000. 00
2¼% of 1959–62 (dated June 1, 1945)	9, 516, 000. 00			4, 488, 000. 00	5, 028, 000. 00
2¼% of 1959–62 (dated Nov. 15, 1945)	11, 832, 000. 00			5, 967, 500. 00	5, 864, 500. 00
2¾% of 1960–65	14, 905, 450. 00			12, 896, 500. 00	2, 008, 950. 00
2½% of 1963			$3, 677, 500. 00		3, 677, 500. 00
3% of 1964			6, 448, 500. 00		6, 448, 500. 00
Total Treasury bonds	54, 380, 100. 00		10, 126, 000. 00	27, 543, 600. 00	36, 962, 500. 00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1964[1]
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
3% Adjusted service bonds of 1945	$1,614,150.00			$128,250.00	$1,485,900.00
U.S. savings bonds:					
Series A-1935	369,600.00			$50,400.00	$319,200.00
Series B-1936	677,025.00			62,375.00	614,650.00
Series C-1937	798,950.00			147,175.00	651,775.00
Series C-1938	1,202,850.00			111,425.00	1,091,425.00
Series D-1939	1,874,050.00			250,500.00	1,623,550.00
Series D-1940	4,014,025.00			543,575.00	3,470,450.00
Series D-1941	4,340,225.00			574,725.00	3,765,500.00
Series F-1941	786,925.00			142,075.00	644,850.00
Series F-1942	3,503,200.00			734,925.00	2,768,275.00
Series F-1943	4,965,775.00			1,251,175.00	3,714,600.00
Series F-1944	4,445,100.00			1,031,525.00	3,413,575.00
Series F-1945	3,310,175.00			827,175.00	2,483,000.00
Series F-1946	2,219,700.00			703,550.00	1,516,150.00
Series F-1947	1,840,750.00			486,250.00	1,354,500.00
Series F-1948	1,596,325.00			546,875.00	1,049,450.00
Series F-1949	2,585,575.00			994,150.00	1,591,425.00
Series F-1950	7,853,125.00			5,590,450.00	2,262,675.00
Series F-1951	8,735,175.00		$1,585,825.00	7,404,975.00	2,916,025.00
Series F-1952			2,558,800.00		2,558,800.00
Series F unclassified			[6] −891,566.60		[6] −891,566.60
Series G-1941	634,300.00			122,300.00	512,000.00
Series G-1942	3,533,600.00			679,100.00	2,854,500.00
Series G-1943	6,425,000.00			1,041,100.00	5,383,900.00
Series G-1944	8,827,400.00			1,579,200.00	7,248,200.00
Series G-1945	8,621,000.00			1,682,800.00	6,938,200.00
Series G-1946	8,640,600.00			1,974,000.00	6,666,600.00
Series G-1947	11,375,800.00			2,816,000.00	8,559,800.00
Series G-1948	12,335,600.00			3,602,200.00	8,733,400.00
Series G-1949	18,307,500.00			6,474,700.00	11,832,800.00
Series G-1950	25,557,100.00			11,729,200.00	13,827,900.00
Series G-1951	25,206,100.00		9,805,700.00	17,736,600.00	17,275,200.00
Series G-1952			10,414,700.00		10,414,700.00
Series G unclassified			[6] −29,200.00		[6] −29,200.00
Series J-1952			3,687,025.00		3,687,025.00
Series K-1952			7,582,500.00		7,582,500.00
Total U.S. savings bonds	184,582,550.00		34,713,783.40	70,890,500.00	148,405,833.40

Armed Forces leave bonds:					
Series 1943:					
Apr. 1, 1943	20,725.00			1,525.00	19,200.00
July 1, 1943	35,050.00			3,300.00	31,750.00
Oct. 1, 1943	55,600.00			3,600.00	52,000.00
Series 1944:					
Jan. 1, 1944	55,825.00			3,900.00	51,925.00
Apr. 1, 1944	40,900.00			2,700.00	38,200.00
July 1, 1944	44,675.00			2,225.00	42,450.00
Oct. 1, 1944	49,975.00			4,125.00	45,850.00
Series 1945:					
Jan. 1, 1945	101,550.00			5,200.00	6,350.00
Apr. 1, 1945	87,325.00			7,350.00	79,975.00
July 1, 1945	213,600.00			18,975.00	194,625.00
Oct. 1, 1945	811,550.00			70,575.00	740,975.00
Series 1946:					
Jan. 1, 1946	3,284,125.00			281,000.00	3,003,125.00
Apr. 1, 1946	1,695,075.00			137,525.00	1,557,550.00
July 1, 1946	631,600.00			53,250.00	578,350.00
Oct. 1, 1946	716,275.00			59,200.00	657,075.00
Total Armed Forces leave bonds	7,843,850.00			654,450.00	7,189,400.00
Treasury notes:					
Regular series:					
5¾% A-1924	6,200.00				6,200.00
4¾% A-1925	1,000.00				1,000.00
4⅜% B-1925	6,600.00				6,600.00
4½% C-1925	5,700.00				5,700.00
4¾% A-1926	2,600.00				2,600.00
4¼% B-1926	1,600.00				1,600.00
4½% A-1927	2,200.00				2,200.00
4¾% B-1927	9,500.00				9,500.00
3½% A-1930-32	80,500.00				80,500.00
3½% B-1930-32	9,600.00				9,600.00
3½% C-1930-32	6,600.00				6,600.00
3% A-1935	3,000.00				3,000.00
3¼% A-1936	1,300.00			1,300.00	
2¾% B-1936	1,000.00			1,000.00	
2⅞% C-1936	5,500.00				5,500.00
3¼% A-1937	11,600.00				11,600.00
3% B-1937	28,000.00			2,500.00	25,500.00
2⅞% B-1938	5,000.00				5,000.00
2½% D-1938	1,400.00				1,400.00
2½% A-1939	30,200.00				30,200.00
1⅜% B-1939	100.00				100.00
1½% C-1939	1,100.00				1,100.00
1⅝% A-1940	150.00				150.00
1½% C-1940	5,000.00			5,000.00	
1¾% A-1942	17,000.00			17,000.00	
2% B-1942	2,000.00				2,000.00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1964 [1]
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
Treasury notes—Continued					
Regular series—Continued					
1¾% C-1942	$53,000.00			$53,000.00	
1⅛% A-1943	3,500.00				$3,500.00
1½% B-1943	80,100.00			80,100.00	
1% C-1943	310,300.00			310,000.00	300.00
¾% A-1944	310,000.00			310,000.00	
1% B-1944	740,000.00			740,000.00	
1% C-1944	80,000.00			80,000.00	
¾% D-1944	500.00			500.00	
¾% A-1945	2,270,300.00			2,270,000.00	300.00
¾% B-1945	1,500.00				1,500.00
1½% A-1947	1,000.00			500.00	500.00
1¼% B-1947	34,000.00			8,000.00	26,000.00
1¼% C-1947	59,000.00				59,000.00
1½% A-1948	8,000.00				8,000.00
1⅜% A-1950	37,000.00				37,000.00
1¼% G-1951	4,000.00				4,000.00
2⅛% A-1953	3,000.00			3,000.00	
1⅜% A-1954	39,000.00			3,000.00	36,000.00
1⅞% B-1954	1,000.00				1,000.00
1½% A-1955	25,000.00			10,000.00	15,000.00
1¾% B-1955	52,000.00			41,000.00	11,000.00
1⅝% A-1956	1,000.00				1,000.00
2% B-1956	5,000.00				5,000.00
2⅞% A-1957	38,000.00			4,000.00	34,000.00
2% C-1957	5,000.00				5,000.00
2⅞% A-1958	75,000.00				75,000.00
1⅞% A-1959	57,000.00			27,000.00	30,000.00
3½% B-1959	27,000.00			10,000.00	17,000.00
3½% A-1960	273,000.00			43,000.00	230,000.00
3¼% B-1960	98,000.00			26,000.00	72,000.00
4¾% C-1960	133,000.00			25,000.00	108,000.00
4% A-1961	709,000.00			298,000.00	411,000.00
3⅝% B-1961	158,000.00			29,000.00	129,000.00
3⅝% A-1962	350,000.00			158,000.00	192,000.00
4% B-1962	1,353,000.00			791,000.00	562,000.00
3¾% C-1962	870,000.00			597,000.00	273,000.00
4% D-1962	597,000.00			403,000.00	194,000.00
4% E-1962	527,000.00			299,000.00	228,000.00
3¼% F-1962	156,000.00			16,000.00	140,000.00

3¼% G-1962	150,000.00			105,000.00	45,000.00
3¼% H-1962	183,000.00			160,000.00	23,000.00
2⅝% A-1963	2,507,000.00			2,130,000.00	377,000.00
4% B-1963	18,466,000.00			16,565,000.00	1,901,000.00
4⅞% C-1963			$4,773,000.00		4,773,000.00
3¼% D-1963	2,664,000.00			2,496,000.00	168,000.00
3¼% E-1963	446,000.00			401,000.00	45,000.00
4¾% A-1964			36,346,000.00		36,346,000.00
3¾% D-1964			7,406,000.00		7,406,000.00
1½% EA-1956	1,000.00				1,000.00
1½% EO-1957	10,000.00				10,000.00
1½% EA-1958	12,000.00				12,000.00
1½% EO-1958	1,000.00				1,000.00
1½% EA-1959	15,000.00			15,000.00	
1½% EA-1960	1,000.00			1,000.00	
1½% EA-1961	10,000.00				10,000.00
1½% EO-1961	10,000.00			2,000.00	8,000.00
1½% EA-1962	75,000.00			40,000.00	35,000.00
1½% EO-1962	134,000.00			129,000.00	5,000.00
1½% EA-1963	385,000.00			332,000.00	53,000.00
1½% EO-1963			408,000.00		408,000.00
1½% EA-1964			500,000.00		500,000.00
Tax series:					
A-1943	8,950.00			225.00	8,725.00
B-1943	6,600.00			1,000.00	5,600.00
A-1944	9,650.00			1,775.00	7,875.00
B-1944	2,000.00				2,000.00
A-1945	93,800.00			8,225.00	85,575.00
Savings series:					
C-1946	62,300.00			1,000.00	61,300.00
C-1947	175,200.00			15,900.00	159,300.00
C-1948	103,200.00			11,200.00	92,000.00
C-1949	26,500.00				26,500.00
C-1950	8,600.00			1,500.00	7,100 00
D-1951	15,200.00			10,000.00	5,200.00
D-1952	21,000.00			5,100.00	15,900.00
D-1953	86,000.00			5,600.00	80,400.00
D-1954	182,000.00			180,000.00	2,000.00
A-1954	34,000.00			7,500.00	26,500.00
A-1955	75,600.00			18,500.00	57,100.00
B-1955	31,000.00			21,000.00	10,000.00
C-1955-A	1,800.00				1,800.00
A-1956	21,500.00			5,200.00	16,300.00
Total Treasury notes	35,823,550.00		49,433,000.00	29,331,625.00	55,924,925.00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1964 [1]
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
Certificates of indebtedness:					
Tax series:					
4½% T-10	$1,000.00				$1,000.00
4¾% TM-1921	500.00				500.00
6% TJ-1921	1,500.00				1,500.00
6% TS-1921	1,500.00				1,500.00
6% TD-1921	2,000.00				2,000.00
5½% TS 2-1921	1,000.00				1,000.00
5¾% TM-1922	1,000.00				1,000.00
4½% TS-1922	500.00				500 00
4½% TD-1922	1,000.00				1,000.00
4¼% TM-1923	1,000.00				1,000.00
3¾% TS-1923	500.00				500.00
4½% TM-1924	1,000.00				1,000.00
4% TM-1925	1,000.00				1,000.00
4½% TJ-1929	1,100.00				1,100.00
5⅛% TM-1930	2,000.00				2,000.00
1⅛% TS-1932	3,500.00				3,500.00
3¾% TM-1933	12,500.00				12,500.00
2% First—matured Mar. 15, 1933	4,900.00			$300.00	4,600.00
4¼% TD2-1933	1,000.00				1,000.00
Regular:					
4½% IVA-1918	500.00				500.00
5¼% G-1920	1,000.00				1,000.00
5½% H-1921	500.00				500.00
5½% A-1922	1,000.00				1,000.00
3¾% A-1933	500.00				500.00
⅞% B-1944	22,000.00				22,000.00
⅞% E-1944	73,000.00			50,000.00	23,000.00
⅞% A-1945	71,000.00			1,000.00	70,000.00
⅞% C-1945	20,000.00				20,000.00
⅞% H-1945	8,000.00				8,000.00
⅞% B-1946	1,000.00				1,000.00
⅞% E-1946	76,000.00			50,000.00	26,000.00
⅞% K-1946	16,000.00				16,000.00
⅞% E-1947	51,000.00				51,000.00
⅞% F-1947	1,000.00				1,000.00
⅞% C-1948	2,000.00				2,000.00
1¼% A-1950	9,000.00			5,000.00	4,000.00
1⅞% C-1952	2,000.00				2,000.00
2⅛% B-1954	18,000.00				18,000.00
Tax anticipation:					
2½% C-1954	2,000.00			2,000.00	

Regular:					
2⅝% D-1954	1,000.00				1,000.00
2⅝% E-1954	6,000.00				6,000.00
1⅛% D-1955	5,000.00			5,000.00	
2⅜% A-1958	15,000.00				15,000.00
4% C-1958	11,000.00			3,000.00	8,000.00
1¼% B-1959	10,000.00				10,000.00
3¾% E-1959	4,000.00				4,000.00
3¾% A-1960	30,000.00			21,000.00	9,000.00
4% B-1960	12,000.00			11,000.00	1,000.00
4¾% C-1960	111,000.00			14,000.00	97,000.00
4⅞% A-1961	107,000.00			67,000.00	40,000.00
4⅜% B-1961	20,000.00			7,000.00	13,000.00
3⅞% C-1961	16,000.00				16,000.00
3% A-1962	30,000.00			15,000.00	15,000.00
3½% A-1963	301,000.00			301,000.00	
3¼% B-1963	839,000.00			794,000.00	45,000.00
3½% C-1963			$70,000.00		70,000.00
3⅛% D-1963			67,000.00		67,000.00
3¼% A-1964			96,000.00		96,000.00
3¼% B-1964			427,000.00		427,000.00
Total certificates of indebtedness	1,932,000.00		660,000.00	1,346,300.00	1,245,700.00
Treasury bills, maturity date:					
Regular:					
June 5, 1940	30,000.00				30,000.00
Jan. 14, 1942	4,000.00				4,000.00
Feb. 3, 1943	1,000.00				1,000.00
July 29, 1954	5,000.00				5,000.00
May 19, 1955	1,000.00				1,000.00
Aug. 15, 1957	5,000.00				5,000.00
Oct. 24, 1957	8,000.00				8,000.00
Jan. 23, 1958	5,000.00			5,000.00	
Apr. 15, 1958	10,000.00			10,000.00	
Apr. 17, 1958	30,000.00			30,000.00	
Apr. 24, 1958	15,000.00				15,000.00
Apr. 23, 1959	5,000.00			5,000.00	
Other (fixed price):					
May 15, 1959	11,000.00				11,000.00
Regular:					
Sept. 3, 1959	20,000.00				20,000.00
Dec. 10, 1959	3,000.00				3,000.00
Jan. 14, 1960	1,000.00				1,000.00
Tax anticipation:					
Mar. 22, 1960	30,000.00				30,000.00
Other:					
Apr. 15, 1960	44,000.00				44,000.00
Regular:					
Apr. 21, 1960	1,000.00			1,000.00	
May 5, 1960	1,000.00			1,000.00	
June 9, 1960	10,000.00			10,000.00	
Tax anticipation:					
June 22, 1960	8,000.00			1,000.00	7,000.00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1964 [1]
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
Treasury bills, maturity date—Continued					
Other:					
July 15, 1960	$45,000.00			$3,000.00	42,000.00
Regular:					
July 21, 1960	25,000.00			20,000.00	5,000.00
July 28, 1960	6,000.00				6,000.00
Aug. 4, 1960	12,000.00				12,000.00
Aug. 11, 1960	3,000.00				3,000.00
Sept. 29, 1960	20,000.00				20,000.00
Oct. 17, 1960	15,000.00			2,000.00	13,000.00
Dec. 8, 1960	100,000.00			100,000.00	
Jan 5, 1961	50,000.00			50,000.00	
Other:					
Jan. 15, 1961	279,000.00			98,000.00	181,000.00
Regular:					
Jan. 19, 1961	6,000.00			6,000.00	
Jan. 26, 1961	1,000.00				1,000.00
Feb. 16, 1961	18,000.00				18,000.00
Mar. 23, 1961	37,000.00				37,000.00
Other:					
Apr. 15, 1961	45,000.00			45,000.00	
Regular:					
Apr. 20, 1961	1,000.00				1,000.00
June 8, 1961	55,000.00			55,000.00	
July 13, 1961	5,000.00			5,000.00	
July 27, 1961	10,000.00				10,000.00
Sept. 28, 1961	4,000.00			4,000.00	
Oct. 5, 1961	100,000.00				100,000.00
Oct. 13, 1961	10,000.00			10,000.00	
Other:					
Oct. 16, 1961	90,000.00			90,000.00	
Regular:					
Dec. 28, 1961	15,000.00				15,000.00
Other:					
Jan. 15, 1962	19,000.00			10,000.00	9,000.00
Regular:					
Feb. 1, 1962	6,000.00				6,000.00
Feb. 23, 1962	5,000.00			5,000.00	
Mar. 1, 1962	7,000.00				7,000.00
Mar. 15, 1962	11,000.00			11,000.00	
Tax anticipation:					
Mar. 23, 1962	25,000.00				25,000.00
Other:					
Apr. 15, 1962	9,000.00			9,000.00	

Regular:					
May 24, 1962	31,000.00			31,000.00	
July 5, 1962	50,000.00				50,000.00
July 12, 1962	5,000.00			5,000.00	
Other:					
July 15, 1962	40,000.00			28,000.00	12,000.00
Regular:					
Aug. 2, 1962	5,000.00			5,000.00	
Sept. 6, 1962	5,000.00			5,000.00	
Sept. 13, 1962	1,000.00			1,000.00	
Other:					
Oct. 15, 1962	30,000.00			12,000.00	18,000.00
Regular:					
Nov. 1, 1962	11,000.00				11,000.00
Nov. 8, 1962	9,000.00			9,000.00	
Nov. 23, 1962	57,000.00			57,000.00	
Nov. 29, 1962	100,000.00			100,000.00	
Dec. 13, 1962	20,000.00			20,000.00	
Dec. 20, 1962	20,000.00			20,000.00	
Dec. 27, 1962	27,000.00			27,000.00	
Jan. 10, 1963	16,000.00			16,000.00	
Other:					
Jan. 15, 1963	232,000.00			232,000.00	
Regular:					
Jan. 17, 1963	57,000.00			57,000.00	
Jan. 31, 1963	30,000.00			25,000.00	5,000.00
Feb. 7, 1963	36,000.00			35,000.00	1,000.00
Feb. 21, 1963	10,000.00			10,000.00	
Mar. 7, 1963	132,000.00			105,000.00	27,000.00
Mar. 14, 1963	240,000.00			240,000.00	
Mar. 21, 1963	68,000.00			68,000.00	
Tax anticipation:					
Mar. 22, 1963	43,000.00			43,000.00	
Regular:					
Mar. 28, 1963	92,000.00			92,000.00	
Apr. 4, 1963	156,000.00			156,000.00	
Apr. 11, 1963	108,000.00			108,000.00	
Other:					
Apr. 15, 1963	360,000.00			358,000.00	2,000.00
Regular:					
Apr. 18, 1963	149,000.00			128,000.00	21,000.00
Apr. 25, 1963	110,000.00			110,000.00	
May 2, 1963	317,000.00			317,000.00	
May 9, 1963	311,000.00			291,000.00	20,000.00
May 16, 1963	238,000.00			233,000.00	5,000.00
May 23, 1963	170,000.00			165,000.00	5,000.00
May 31, 1963	218,000.00			218,000.00	
June 6, 1963	535,000.00			535,000.00	
June 13, 1963	1,363,000.00			1,343,000.00	20,000.00
June 20, 1963	1,670,000.00			1,639,000.00	31,000.00
Tax anticipation:					
June 24, 1963	6,321,000.00			6,321,000.00	
Regular:					
June 27, 1963	[r] 2,452,000.00			2,452,000.00	
July 5, 1963			$13,000.00		13,000.00

Footnotes at end of table.

TABLE 43.—*Changes in public debt issues, fiscal year 1964*—Continued

Issues	Outstanding June 30, 1963	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1964 [1]
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued					
Treasury bills, maturity date—Continued					
Other:					
July 15, 1963			$50,000.00		$50,000.00
Regular:					
Aug. 8, 1963			2,000.00		2,000.00
Aug. 15, 1963			10,000.00		10,000.00
Sept. 5, 1963			20,000.00		20,000.00
Sept. 12, 1963			1,000.00		1,000.00
Sept. 26, 1963			3,000.00		3,000.00
Oct. 10, 1963			7,000.00		7,000.00
Other:					
Oct. 15, 1963			18,000.00		18,000.00
Regular:					
Oct. 31, 1963			10,000.00		10,000.00
Nov. 7, 1963			10,000.00		49,000.00
Nov. 21, 1963			32,000.00		32,000.00
Nov. 29, 1963			10,000.00		10,000.00
Dec. 5, 1963			85,000.00		85,000.00
Dec. 12, 1963			6,000.00		6,000.00
Jan. 2, 1964			63,000.00		63,000.00
Other:					
Jan. 15, 1964			238,000.00		238,000.00
Regular:					
Jan. 16, 1964			26,000.00		26,000.00
Jan. 23, 1964			10,000.00		10,000.00
Jan. 30, 1964			70,000.00		70,000.00
Feb. 6, 1964			75,000.00		75,000.00
Feb. 13, 1964			80,000.00		80,000.00
Feb. 20, 1964			39,000.00		39,000.00
Feb. 27, 1964			39,000.00		39,000.00
Mar. 5, 1964			56,000.00		56,000.00
Mar. 12, 1964			3,000.00		3,000.00
Mar. 19, 1964			133,000.00		133,000.00
Mar. 26, 1964			102,000.00		102,000.00
Apr. 2, 1964			44,000.00		44,000.00
Apr. 9, 1964			34,000.00		34,000.00
Other:					
Apr. 15, 1964			291,000.00		291,000.00
Regular:					
Apr. 16, 1964			47,000.00		47,000.00
Apr. 23, 1964			83,000.00		83,000.00
Apr. 30, 1964			33,000.00		33,000.00
May 7, 1964			145,000.00		145,000.00
May 14, 1964			549,000.00		549,000.00
May 21, 1964			357,000.00		357,000.00

May 28, 1964			492,000.00		492,000.00
June 4, 1964			538,000.00		538,000.00
June 11, 1964			904,000.00		904,000.00
June 18, 1964			1,407,000.00		1,407,000.00
Tax anticipation:					
June 22, 1964			20,458,000.00		20,458,000.00
Regular:					
June 25, 1964			2,993,000.00		2,993,000.00
Total Treasury bills	$17,127,000.00		29,625,000.00	$16,203,000.00	30,549,000.00
Treasury savings certificates:					
Issued Dec. 15, 1921	7,925.00				7,925.00
Issued Sept. 30, 1922	48,000.00			350.00	47,650.00
Issued Dec. 1, 1923	15,675.00			225.00	15,450.00
Total Treasury savings certificates	71,600.00			575.00	71,025.00
Total matured debt on which interest has ceased	310,610,840.26		124,557,783.40	146,299,850.00	288,868,773.66
DEBT BEARING NO INTEREST					
U.S. savings stamps	53,354,587.16	$18,358,450.00		17,870,533.30	53,842,503.86
Excess profits tax refund bonds:					
First Series	391,923.15			4,336.64	387,586.51
Second Series	304,046.34			4,059.54	299,986.80
Special notes of the United States:					
International Monetary Fund, various issue dates	2,922,000,000.00	1,520,000,000.00		1,153,000,000.00	3,289,000,000.00
International Development Association, various issue dates	128,956,600.00	57,652,200.00		44,347,800.00	142,261,000.00
Inter-American Development Bank, various issue dates	125,000,000.00	25,000,000.00			150,000,000.00
Special bonds of the United States:					
U.N. Children's Fund Series		19,835,779.00		11,590,506.00	8,245,273.00
U.N. Special Fund Series		55,541,301.00			55,541,301.00
U.N./FAO Food Program Series		2,400,000.00		400,000.00	2,000,000.00
U.S. notes (less gold reserve)	190,641,585.07				190,641,585.07
Old demand notes	52,917.50				52,917.50
National and Federal Reserve bank notes	115,734,107.00			5,411,645.00	10,322,462.00
Fractional currency	1,965,314.82			69.60	1,965,245.22
Old series currency	53,058,236.50			532,053.00	52,526,183.50
Thrift and Treasury savings stamps	3,702,214.50			1,027.00	3,701,187.50
Total debt bearing no interest	3,595,161,532.04	1,698,787,730.00		1,233,162,030.08	4,060,787,231.96
Total gross public debt [8]	305,828,090,705.51	229,983,295,039.58		224,133,847,797.79	311,677,537,947.30

[r] Revised.
[1] Reconciliation by classes to the basis of the daily Treasury statement is shown in summary table 35.
[2] Treasury bills are shown at maturity value.
[3] Consists of a strip issued on Oct. 28, 1963, of additional amounts of 10 series of outstanding Treasury bills dated from Aug. 8 through Oct. 10, 1963, and maturing each week Feb. 6 through Apr. 9, 1964.
[4] Excludes $100,092,000 issued Oct. 28, 1963 (see footnote 3).
[5] Amounts issued and retired for Series E, F, and J include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G, H, and K are stated at par value.
[6] Excess of unclassified redemptions over unclassified sales.
[7] Consists of issues in which there have been no transactions since the fiscal year 1956; for amount of each issue outstanding (unchanged since June 30, 1956) see 1956 annual report, page 435.
[8] Includes public debt incurred to finance expenditures of certain wholly owned Government corporations and other business-type activities in exchange for which their securities were issued to the Treasury (see table 111).

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*

[On basis of daily Treasury statements, supplemented by special statements by the Bureau of the Public Debt on public debt transactions]

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963		*Percent*		
July 1	Certificates of indebtedness, foreign currency series, maturing July 1, 1963	2.00		$25,456,750.00
1	Treasury bonds, foreign currency series, maturing Jan. 1, 1965	2.89	$25,414,722.05	
	Treasury bills:			
	Regular weekly:			
5	Dated Jan. 3, 1963:			
	Redeemed in exchange for series issued July 5, 1963, due Oct. 3, 1963	[4] 2.939		189,560,000.00
	Redeemed in exchange for series dated July 5, 1963, due Jan. 2, 1964			77,376,000.00
	Redeemable for cash			1,834,036,000.00
5	Maturing Oct. 3, 1963:			
	Issued in exchange for series dated Jan. 3, 1963	3.011	189,560,000.00	
	Issued for cash		1,110,991,000.00	
5	Maturing Jan. 2, 1964:			
	Issued in exchange for series dated Jan. 3, 1963	3.093	77,376,000.00	
	Issued for cash		722,674,000.00	
11	Dated Jan. 10, 1963:			
	Redeemed in exchange for series issued July 11, 1963, due Oct. 10, 1963	[4] 2.933		15,065,000.00
	Redeemed in exchange for series dated July 11, 1963, due Jan. 9, 1964			2,795,000.00
	Redeemable for cash			2,084,598,000.00
11	Maturing Oct. 10, 1963:			
	Issued in exchange for series dated Jan. 10, 1963	3.164	15,065,000.00	
	Issued for cash		1,285,238,000.00	
11	Maturing Jan. 9, 1964:			
	Issued in exchange for series dated Jan. 10, 1963	3.272	2,795,000.00	
	Issued for cash		797,556,000.00	
11	Certificates of indebtedness, foreign series, maturing:			
	July 11, 1963	2.95		25,000,000.00
	Oct. 11, 1963	3.20	20,000,000.00	
11	Treasury bonds, foreign currency series, maturing July 11, 1965	3.55	25,112,377.89	
12	Treasury notes, foreign series, maturing Oct. 12, 1965	3.63	25,000,000.00	
	Treasury bills:			
	Other:			
15	Issued July 15, 1962:			
	Redeemed in exchange for series dated July 15, 1963, due July 15, 1964	3.257		8,997,000.00
	Redeemable for cash			1,994,594,000.00
15	Maturing July 15, 1964:			
	Issued in exchange for series dated July 15, 1962	3.582	8,997,000.00	
	Issued for cash		1,988,945,000.00	
16	Certificates of indebtedness, foreign series, maturing July 16, 1963	2.00		25,000,000.00
	Treasury bills:			
	Regular weekly:			
18	Dated Jan. 17, 1963:			
	Redeemed in exchange for series issued July 18, 1963, due Oct. 17, 1963	[4] 2.922		14,820,000.00
	Redeemed in exchange for series dated July 18, 1963, due Jan. 16, 1964			3,505,000.00
	Redeemable for cash			2,082,456,000.00
18	Maturing Oct. 17, 1963:			
	Issued in exchange for series dated Jan. 17, 1963	3.192	14,820,000.00	
	Issued for cash		1,285,469,000.00	
18	Maturing Jan. 16, 1964:			
	Issued in exchange for series dated Jan. 17, 1963	3.355	3,505,000.00	
	Issued for cash		796,618,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Certificates of indebtedness, foreign series, maturing:	*Percent*		
1963 July 19	Aug. 20, 1963	2.95		$10,000,000.00
19	Aug. 29, 1963	3.00		15,000,000.00
	Oct. 11, 1963	3.20		20,000,000.00
23	Oct. 23, 1963	3.25	$5,000,000.00	
24	Oct. 24, 1963	3.25	5,500,000.00	
25	Oct. 25, 1963	3.25	2,000,000.00	
	Treasury bills:			
	Regular weekly:			
25	Dated Jan. 24, 1963:			
	Redeemed in exchange for series issued July 25, 1963, due Oct. 24, 1963	[4] 2.919		137,327,000.00
	Redeemed in exchange for series dated July 25, 1963, due Jan. 23, 1964			62,808,000.00
	Redeemable for cash			1,900,365,000.00
25	Maturing Oct. 24, 1963:			
	Issued in exchange for series dated Jan. 24, 1963	3.206	137,327,000.00	
	Issued for cash		1,162,729,000.00	
25	Maturing Jan. 23, 1964:			
	Issued in exchange for series dated Jan. 24, 1963	3.369	62,808,000.00	
	Issued for cash		737,689,000.00	
	U.S. savings bonds: [5]			
31	Series E-1941	[6] 3.223	626,762.23	2,029,560.36
31	Series E-1942	[6] 3.252	4,949,614.83	8,930,834.44
31	Series E-1943	[6] 3.276	5,681,182.26	17,300,448.60
31	Series E-1944	[6] 3.298	11,283,133.54	15,311,340.03
31	Series E-1945	[6] 3.316	5,428,438.70	13,430,694.14
31	Series E-1946	[6] 3.327	4,093,919.68	6,913,156.65
31	Series E-1947	[6] 3.346	5,045,450.42	7,242,233.67
31	Series E-1948	[6] 3.366	5,542,248.15	8,014,471.17
31	Series E-1949	[6] 3.344	5,447,705.11	8,614,299.67
31	Series E-1950	[6] 3.347	5,593,110.54	8,061,129.08
31	Series E-1951	[6] 3.378	4,391,862.16	8,007,217.63
31	Series E-1952 (January to April)	3.400	2,497,854.75	3,002,354.61
31	Series E-1952 (May to December)	[6] 3.451	3,643,324.14	7,143,913.59
31	Series E-1953	[6] 3.468	1,942,682.70	16,643,498.55
31	Series E-1954	[6] 3.497	7,626,864.60	7,786,312.92
31	Series E-1955	[6] 3.522	8,125,335.91	8,472,929.55
31	Series E-1956	[6] 3.546	6,989,799.33	8,576,227.85
31	Series E-1957 (January)	3.560	3,038,857.25	723,280.05
31	Series E-1957 (February to December)	[6] 3.653	3,192,663.07	10,150,523.74
31	Series E-1958	[6] 3.690	7,487,453.24	9,935,594.69
31	Series E-1959 (January to May)	3.730	3,873,847.65	4,890,844.52
31	Series E-1959 (June to December)	3.750	3,147,604.25	7,091,745.21
31	Series E-1960	3.750	7,466,038.27	13,790,954.61
31	Series E-1961	3.750	8,374,973.75	19,484,839.61
31	Series E-1962	3.750	7,211,244.29	45,088,978.91
31	Series E-1963	3.750	312,130,641.36	64,433,775.00
31	Unclassified sales and redemptions		50,240,817.20	68,649,715.88
31	Series F-1951	2.53	74,876.30	4,215,574.95
31	Series F-1952	2.53	143,923.50	59,956.65
31	Unclassified redemptions			[7] −332,954.35
31	Series G-1951	2.50		15,386,400.00
31	Series G-1952	2.50		323,100.00
31	Unclassified redemptions			309,300.00
31	Series H-1952	[6] 3.123		642,000.00
31	Series H-1953	[6] 3.161		4,542,500.00
31	Series H-1954	[6] 3.211		2,267,500.00
31	Series H-1955	[6] 3.258		2,499,500.00
31	Series H-1956	[6] 3.317		2,224,000.00
31	Series H-1957 (January)	3.360		142,000.00
31	Series H-1957 (February to December)	[6] 3.626		1,907,500.00
31	Series H-1958	[6] 3.679		2,756,500.00
31	Series H-1959 (January to May)	3.720		1,042,500.00
31	Series H-1959 (June to December)	3.750		1,427,000.00
31	Series H-1960	3.750	500.00	2,651,000.00
31	Series H-1961	3.750		3,133,500.00
31	Series H-1962	3.750	5,000.00	2,747,500.00
31	Series H-1963	3.750	68,110,000.00	90,500.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963	U.S. savings bonds [5]—Continued	*Percent*		
July 31	Unclassified sales and redemptions		$6,504,500.00	$286,000.00
31	Series J-1952	2.76	81,746.80	239,300.00
31	Series J-1953	2.76	229,907.46	767,093.36
31	Series J-1954	2.76	397,871.20	486,099.80
31	Series J-1955	2.76	404,729.15	633,712.45
31	Series J-1956	2.76	371,271.62	508,841.33
31	Series J-1957	2.76	106,727.08	154,850.20
31	Unclassified redemptions			576,336.33
31	Series K-1952	2.76		829,000.00
31	Series K-1953	2.76		990,500.00
31	Series K-1954	2.76		1,846,000.00
31	Series K-1955	2.76		1,607,000.00
31	Series K-1956	2.76		1,220,000.00
31	Series K-1957	2.76		162,000.00
31	Unclassified redemptions			380,500.00
31	U.S. retirement plan bonds	3.75	41,794.38	
31	Treasury bonds of 1970	4.00		
	Adjustments of issues [8]		100,000.00	
31	Treasury bonds of 1980	4.00		
	Adjustments of issues [8]		−8,500.00	
31	Depositary bonds, First Series	2.00	1,039,000.00	1,592,000.00
31	Treasury bonds, R.E.A. Series	2.00	285,000.00	608,000.00
31	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EA-1968			9,043,000.00
31	Treasury notes, EA-1968	1½	9,043,000.00	
31	Miscellaneous			30,790,800.00
	Total July		11,090,193,876.81	11,029,235,535.45
	Treasury bills:			
	Regular weekly:			
Aug. 1	Dated Jan. 31, 1963:			
	Redeemed in exchange for series issued Aug. 1, 1963, due Oct. 31, 1963	[4] 2.926		154,406,000.00
	Redeemed in exchange for series dated Aug. 1, 1963, due Jan. 30, 1964			61,540,000.00
	Redeemable for cash			1,885,733,000.00
1	Maturing Oct. 31, 1963:			
	Issued in exchange for series dated Jan. 31, 1963	3.263	154,406,000.00	
	Issued for cash		1,146,249,000.00	
1	Maturing Jan. 30, 1964:			
	Issued in exchange for series dated Jan. 31, 1963	3.398	61,540,000.00	
	Issued for cash		738,371,000.00	
	Certificates of indebtedness, foreign series, maturing:			
2	Dec. 20, 1963	2.75	5,000,000.00	
5	Aug. 6, 1963	2.90		7,500,000.00
6	Aug. 6, 1963	2.90		17,500,000.00
6	Nov. 6, 1963	3.25	17,500,000.00	
	Treasury bills:			
	Regular weekly:			
8	Dated Feb. 7, 1963:			
	Redeemed in exchange for series issued Aug. 8, 1963, due Nov. 7, 1963	[4] 2.939		196,552,000.00
	Redeemed in exchange for series dated Aug. 8, 1963, due Feb. 6, 1964			62,642,000.00
	Redeemable for cash			1,840,937,000.00
8	Maturing Nov. 7, 1963:			
	Issued in exchange for series dated Feb. 7, 1963	3.253	196,552,000.00	
	Issued for cash		1,104,719,000.00	
8	Maturing Feb. 6, 1964:			
	Issued in exchange for series dated Feb. 7, 1963	3.389	62,642,000.00	
	Issued for cash		737,861,000.00	
15	Dated Feb. 14, 1963:			
	Redeemed in exchange for series issued Aug. 15, 1963, due Nov. 14, 1963	[4] 2.938		106,350,000.00
	Redeemed in exchange for series dated Aug. 15, 1963, due Feb. 13, 1964			33,132,000.00
	Redeemable for cash			1,962,061,000.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills—Continued			
1963	Regular weekly—Continued			
Aug. 15	Maturing Nov. 14, 1963:			
	Issued in exchange for series dated Feb. 14, 1963	*Percent* 3.335	$106,350,000.00	
	Issued for cash		1,194,495,000.00	
15	Maturing Feb. 13, 1964:			
	Issued in exchange for series dated Feb. 14, 1963	3.441	33,132,000.00	
	Issued for cash		766,984,000.00	
15	Certificates of indebtedness, Series C—1963, regular	3½		
	Redeemed in exchange for 3¾% Treasury notes, Series F-1964			$5,130,938,000.00
	Redeemable for cash			49,697,000.00
15	Treasury bonds of 1963	2½		
	Redeemed in exchange for 3¾% Treasury notes, series F-1964			1,267,293,000.00
	Redeemable for cash			193,416,000.00
15	Treasury notes, Series F-1964	3¾		
	Issued in exchange for:			
	3½% certificates of indebtedness, Series C-1963		5,130,938,000.00	
	2½% Treasury bonds of 1963		1,267,293,000.00	
19	Certificates of indebtedness, foreign series, maturing:			
	Aug. 20, 1963	2.95		25,000,000.00
20	Nov 21, 1963	3.40	25,000,000.00	
	Treasury bills:			
	Regular weekly:			
22	Dated Feb. 21, 1963:			
	Redeemed in exchange for series issued Aug. 22, 1963, due Nov. 21, 1963	[4] 2.940		194,121,000.00
	Redeemed in exchange for series dated Aug. 22, 1963, due Feb. 20, 1964			77,777,000.00
	Redeemable for cash			1,830,191,000.00
22	Maturing Nov. 21, 1963:			
	Issued in exchange for series dated Feb. 21, 1963	3.355	194,121,000.00	
	Issued for cash		1,106,792,000.00	
22	Maturing Feb. 20, 1964:			
	Issued in exchange for series dated Feb. 21, 1963	3.462	77,777,000.00	
	Issued for cash		722,895,000.00	
23	Treasury notes, foreign series, maturing Jan. 21, 1968	3⅛		44,881,742.28
	Certificates of indebtedness, foreign series, maturing:			
26	Aug. 26, 1963	2.95		25,000,000.00
26	Nov. 26, 1963	3.40	25,000,000.00	
26	Nov. 6, 1963	3.25		8,000,000.00
28	Nov. 6, 1963	3.25		9,500,000.00
28	Nov. 21, 1963	3.40		25,000,000.00
28	Nov. 26, 1963	3.40		15,500,000.00
28	Treasury bonds, foreign currency series, maturing Aug. 28, 1965	3.66	50,227,278.43	
	Treasury bills:			
	Regular weekly:			
29	Dated Feb. 28, 1963:			
	Redeemed in exchange for series issued Aug. 29, 1963, due Nov. 29, 1963	[4] 2.954		135,089,000.00
	Redeemed in exchange for series dated Aug. 29, 1963, due Feb. 27, 1964			53,111,000.00
	Redeemable for cash			1,914,330,000.00
29	Maturing Nov. 29, 1963:			
	Issued in exchange for series dated Feb. 28, 1963	3.396	135,089,000.00	
	Issued for cash		1,165,091,000.00	
29	Maturing Feb. 27, 1964:			
	Issued in exchange for series dated Feb. 28, 1963	3.494	53,111,000.00	
	Issued for cash		747,382,000.00	
	U.S. savings bonds: [5]			
31	Series E-1941	[6] 3.223	431,361.91	2,535,318.87
31	Series E-1942	[6] 3.252	3,038,493.68	11,217,646.82
31	Series E-1943	[6] 3.276	4,432,241.17	22,114,574.66

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963	U.S. savings bonds [5]—Continued	*Percent*		
Aug. 31	Series E-1944	[6] 3.298	$8,378,255.63	$20,249,262.61
31	Series E-1945	[6] 3.316	3,926,866.39	17,086,238.12
31	Series E-1946	[6] 3.327	3,145,278.24	8,923,838.51
31	Series E-1947	[6] 3.346	3,562,072.62	9,406,312.02
31	Series E-1948	[6] 3.366	4,101,805.99	10,714,974.07
31	Series E-1949	[6] 3.344	4,161,015.73	11,327,086.92
31	Series E-1950	[6] 3.347	4,133,491.22	11,034,807.95
31	Series E-1951	[6] 3.378	3,486,569.60	10,552,713.43
31	Series E-1952 (January to April)	3.400	1,844,285.67	3,844,389.45
31	Series E-1952 (May to December)	[6] 3.451	4,610,888.23	9,621,649.30
31	Series E-1953	[6] 3.468	5,874,951.78	22,754,668.78
31	Series E-1954	[6] 3.497	6,173,525.00	10,190,038.51
31	Series E-1955	[6] 3.522	6,436,745.12	10,839,016.21
31	Series E-1956	[6] 3.546	5,662,457.33	10,631,929.57
31	Series E-1957 (January)	3.560	1.58	969,293.93
31	Series E-1957 (February to December)	[6] 3.653	5,621,069.37	12,033,971.83
31	Series E-1958	[6] 3.690	6,013,171.54	12,537,738.39
31	Series E-1959 (January to May)	3.730	3,039,118.08	5,826,323.34
31	Series E-1959 (June to December)	3.750	2,638,667.71	9,051,439.20
31	Series E-1960	3.750	6,258,454.59	16,663,627.78
31	Series E-1961	3.750	6,898,443.16	23,659,798.97
31	Series E-1962	3.750	6,116,852.47	51,325,826.65
31	Series E-1963	3.750	383,844,241.16	96,801,367.43
31	Unclassified sales and redemptions		[7] —24,535,760.68	[7] —78,657,520.35
31	Series F-1951	2.53	77,932.75	3,328,823.50
31	Series F-1952	2.53	100,212.30	51,291.20
31	Unclassified redemptions			42,695.76
31	Series G-1951	2.50		14,150,300.00
31	Series G-1952	2.50		364,500.00
31	Unclassified redemptions			[7] —519,800.00
31	Series H-1952	[6] 3.123		587,000.00
31	Series H-1953	[6] 3.161	1,000.00	3,676,000.00
31	Series H-1954	[6] 3.211	—1,000.00	2,039,000.00
31	Series H-1955	[6] 3.258		3,037,000.00
31	Series H-1956	[6] 3.317		2,463,000.00
31	Series H-1957 (January)	3.360		188,500.00
31	Series H-1957 (February to December)	[6] 3.626		1,790,500.00
31	Series H-1958	[6] 3.679		2,993,000.00
31	Series H-1959 (January to May)	3.720		1,252,000.00
31	Series H-1959 (June to December)	3.750		1,097,000.00
31	Series H-1960	3.750		2,693,000.00
31	Series H-1961	3.750		2,936,000.00
31	Series H-1962	3.750		2,637,500.00
31	Series H-1963	3.750	57,202,000.00	259,500.00
31	Unclassified sales and redemptions		437,000.00	[7] —576,000.00
31	Series J-1952	2.76	65,633.20	179,998.80
31	Series J-1953	2.76	178,798.09	538,099.80
31	Series J-1954	2.76	356,777.70	858,026.43
31	Series J-1955	2.76	274,841.35	527,392.40
31	Series J-1956	2.76	331,333.12	906,195.04
31	Series J-1957	2.76	89,293.43	90,672.54
31	Unclassified redemptions			[7] —602,425.27
31	Series K-1952	2.76		671,500.00
31	Series K-1953	2.76		1,320,000.00
31	Series K-1954	2.76		2,137,500.00
31	Series K-1955	2.76		1,778,500.00
31	Series K-1956	2.76		1,001,000.00
31	Series K-1957	2.76		85,500.00
31	Unclassified redemptions			[7] —1,002,000.00
31	U.S. retirement plan bonds	3.75	33,634.69	
31	Depositary bonds, First Series	2.00	208,000.00	697,000.00
31	Treasury bonds, R.E.A. series	2.00	284,000.00	205,000.00
31	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EA-1968			9,907,000.00
31	Treasury notes, Series EA-1968	1½	9,907,000.00	
31	Miscellaneous			29,069,100.00
	Total August		17,565,358,299.35	17,773,312,945.45

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills:			
1963	Other:			
Sept. 3	Maturing Aug. 31, 1964:	*Percent*		
	Issued for cash	3.575	$1,001,143,000.00	
	Regular weekly:			
5	Dated Mar. 7, 1963:			
	Redeemed in exchange for series issued Sept. 5, 1963, due Dec. 5, 1963	[4] 2.993		$271,882,000.00
	Redeemed in exchange for series dated Sept. 5, 1963, due Mar. 5, 1964			72,202,000.00
	Redeemable for cash			1,759,029,000.00
5	Maturing Dec. 5, 1963:			
	Issued in exchange for series dated Mar. 7, 1963	3.384	271,882,000.00	
	Issued for cash		1,028,993,000.00	
5	Maturing Mar. 5, 1964:			
	Issued in exchange for series dated Mar. 7, 1963	3.487	72,202,000.00	
	Issued for cash		729,469,000.00	
	Certificates of indebtedness, foreign series, maturing:			
5	Dec. 20, 1963	2.75		10,000,000.00
6	Nov. 26, 1963	3.40		9,500,000.00
	Treasury bills:			
	Regular weekly:			
12	Dated Mar. 14, 1963:			
	Redeemed in exchange for series issued Sept. 12, 1963, due Dec. 12, 1963	[4] 2.958		136,312,000.00
	Redeemed in exchange for series dated Sept. 12, 1963, due Mar. 12, 1964			53,940,000.00
	Redeemable for cash			1,910,277,000.00
12	Maturing Dec. 12, 1963:			
	Issued in exchange for series dated Mar. 14, 1963	3.343	136,312,000.00	
	Issued for cash		1,163,800,000.00	
12	Maturing Mar. 12, 1964:			
	Issued in exchange for series dated Mar. 14, 1963	3.460	53,940,000.00	
	Issued for cash		746,034,000.00	
15	Certificates of indebtedness, Series B–1964	3¼		
	Redeemed in exchange for:			
	3⅞% Treasury bonds of 1968			619,595,000.00
	4% Treasury bonds of 1973			499,698,000.00
	4⅛% Treasury bonds of 1989–94			375,446,000.00
15	Treasury notes, Series D–1964	3¾		
	Redeemed in exchange for:			
	3⅞% Treasury bonds of 1968			777,471,000.00
	4% Treasury bonds of 1973			782,651,000.00
	4⅛% Treasury bonds of 1989–94			316,998,000.00
15	Treasury notes, Series A–1964	4¾		
	Redeemed in exchange for:			
	3⅞% Treasury bonds of 1968			194,395,000.00
	4% Treasury bonds of 1973			213,018,000.00
	4⅛% Treasury bonds of 1989–94			125,802,000.00
15	Treasury notes, Series A–1966	4.00		
	Redeemed in exchange for:			
	4% Treasury bonds of 1973			340,282,000.00
	4⅛% Treasury bonds of 1989–94			104,739,000.00
15	Treasury notes, Series A–1967	3¾		
	Redeemed in exchange for:			
	4% Treasury bonds of 1973			716,687,000.00
	4⅛% Treasury bonds of 1989–94			131,877,000.00
15	Treasury notes, Series B–1967	3⅝		
	Redeemed in exchange for:			
	4% Treasury bonds of 1973			720,516,000.00
	4⅛% Treasury bonds of 1989–94			91,149,000.00
15	Treasury bonds of 1966	3¾		
	Redeemed in exchange for:			
	4% Treasury bonds of 1973			619,322,000.00
	4⅛% Treasury bonds of 1989–94			113,450,000.00
15	Treasury bonds of 1968	3⅞		
	Issued in exchange for:			
	3¼% certificates of indebtedness, Series B–1964		619,595,000.00	
	3¾% Treasury notes, Series D–1964		777,471,000.00	
	4¾% Treasury notes, Series A–1964		194,395,000.00	

Footnotes at end of table.

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TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963		*Percent*		
Sept. 15	Treasury bonds of 1973	4.00		
	Issued in exchange for:			
	3¼% certificates of indebtedness, Series B-1964		$499,698,000.00	
	3¾% Treasury notes, Series D-1964		782,651,000.00	
	4¾% Treasury notes, Series A-1964		213,018,000.00	
	4% Treasury notes, Series A-1966		340,282,000.00	
	3¾% Treasury notes, Series A-1967		716,687,000.00	
	3⅝% Treasury notes, Series B-1967		720,516,000.00	
	3¾% Treasury bonds of 1966		619,322,000.00	
15	Treasury bonds of 1989-94 (additional issue)	4⅛		
	Issued in exchange for:			
	3¼% certificates of indebtedness, Series B-1964		375,446,000.00	
	3¾% Treasury notes, Series D-1964		316,998,000.00	
	4¾% Treasury notes, Series A-1964		125,802,000.00	
	4% Treasury notes, Series A-1966		104,739,000.00	
	3¾% Treasury notes, Series A-1967		131,877,000.00	
	3⅝% Treasury notes, Series B-1967		91,149,000.00	
	3¾% Treasury bonds of 1966		113,450,000.00	
	Certificates of indebtedness, foreign series, maturing:			
18	Sept. 18, 1963	3.00		$25,000,000.00
18	Dec. 18, 1963	3.45	25,000,000.00	
	Treasury bills:			
	Regular weekly:			
19	Dated Mar. 21, 1963:			
	Redeemed in exchange for series issued Sept. 19, 1963, due Dec. 19, 1963	[4] 2.981		177,984,000.00
	Redeemed in exchange for series dated Sept. 19, 1963, due Mar. 19, 1964			73,516,000.00
	Redeemable for cash			1,850,797,000.00
19	Maturing Dec. 19, 1963:			
	Issued in exchange for series dated Mar. 21, 1963	3.409	177,984,000.00	
	Issued for cash		1,122,813,000.00	
19	Maturing Mar. 19, 1964:			
	Issued in exchange for series dated Mar. 21, 1963	3.522	73,516,000.00	
	Issued for cash		727,214,000.00	
	Certificates of indebtedness, foreign series, maturing:			
20	Sept. 20, 1963	3.00		25,000,000.00
20	Dec. 20, 1963	3.45	25,000,000.00	
23	Sept. 23, 1963	3.00		25,000,000.00
23	Dec. 23, 1963	3.45	25,000,000.00	
25	Dec. 20, 1963	3.45		13,000,000.00
25	Dec. 18, 1963	3.45		25,000,000.00
26	Sept. 26, 1963	3.00		100,000,000.00
26	Dec. 27, 1963	3.40	100,000,000.00	
	Treasury bills:			
	Regular weekly:			
26	Dated Mar. 28, 1963:			
	Redeemed in exchange for series issued Sept. 26, 1963, due Dec. 26, 1963	[4] 2.978		136,500,000.00
	Redeemed in exchange for series dated Sept. 26, 1963, due Mar. 26, 1963			58,368,000.00
	Redeemable for cash			1,907,013,000.00
26	Maturing Dec. 26, 1963:			
	Issued in exchange for series dated Mar. 28, 1963	3.379	136,500,000.00	
	Issued for cash		1,164,552,000.00	
26	Maturing Mar. 26, 1964:			
	Issued in exchange for series dated Mar. 28, 1963	3.507	58,368,000.00	
	Issued for cash		741,559,000.00	
27	Certificates of indebtedness, foreign series, maturing Dec. 27, 1963	3.40	40,000,000.00	
	Treasury bonds, foreign currency series, maturing:			
30	Feb. 28, 1964	3.00		50,013,787.50
30	Sept. 30, 1965	3.69	49,879,518.05	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963	U.S. savings bonds: [5]	*Percent*		
Sept. 30	Series E-1941	[6] 3.223	$434,209.03	$1,922,265.37
30	Series E-1942	[6] 3.252	3,261,056.95	8,854,876.37
30	Series E-1943	[6] 3.277	10,967,119.22	16,636,619.39
30	Series E-1944	[6] 3.298	3,947,023.41	15,475,634.84
30	Series E-1945	[6] 3.316	3,633,397.23	12,945,756.23
30	Series E-1946	[6] 3.327	2,956,837.20	6,812,060.83
30	Series E-1947	[6] 3.346	3,513,760.78	7,533,619.45
30	Series E-1948	[6] 3.366	3,776,981.19	8,584,837.23
30	Series E-1949	[6] 3.344	3,934,922.29	8,575,941.98
30	Series E-1950	[6] 3.347	3,977,669.30	8,422,523.11
30	Series E-1951	[6] 3.378	3,393,671.30	8,061,148.22
30	Series E-1952 (January to April)	3.400	1,744,602.06	3,258,679.78
30	Series E-1952 (May to December)	[6] 3.451	2,059,957.88	7,197,093.05
30	Series E-1953	[6] 3.468	5,853,237.38	13,361,479.06
30	Series E-1954	[6] 3.497	10,143,598.97	8,355,738.61
30	Series E-1955	[6] 3.522	6,452,332.21	8,668,425.11
30	Series E-1956	[6] 3.546	5,334,405.66	8,364,200.20
30	Series E-1957 (January)	3.560	−16,314.84	780,270.42
30	Series E-1957 (February to December)	[6] 3.653	5,412,216.07	8,968,138.74
30	Series E-1958	[6] 3.690	5,923,103.93	9,644,347.43
30	Series E-1959 (January to May)	3.730	2,857,853.55	4,539,821.07
30	Series E-1959 (June to December)	3.750	2,802,137.77	6,952,623.23
30	Series E-1960	3.750	6,153,353.76	13,210,545.53
30	Series E-1961	3.750	6,908,970.36	18,593,565.11
30	Series E-1962	3.750	5,902,448.71	37,362,951.15
30	Series E-1963	3.750	329,375,482.52	83,762,413.88
30	Unclassified sales and redemptions		[7] −19,248,044.95	26,132,811.55
30	Series F-1951	2.53	77,050.45	3,331,394.00
30	Series F-1952	2.53	84,205.35	113,615.00
30	Unclassified redemptions			[7] −607,320.51
30	Series G-1951	2.50		14,522,600.00
30	Series G-1952	2.50		297,300.00
30	Unclassified redemptions			[7] −410,400.00
30	Series H-1952	[6] 3.392		829,500.00
30	Series H-1953	[6] 3.409		4,508,000.00
30	Series H-1954	[6] 3.438		1,761,000.00
30	Series H-1955	[6] 3.467		2,598,000.00
30	Series H-1956	[6] 3.496		2,305,500.00
30	Series H-1957 (January)	3.520		132,000.00
30	Series H-1957 (February to December)	[6] 3.626		1,563,500.00
30	Series H-1958	[6] 3.679		2,621,500.00
30	Series H-1959 (January to May)	3.720		1,236,000.00
30	Series H-1959 (June to December)	3.750		1,229,000.00
30	Series H-1960	3.750		2,692,000.00
30	Series H-1961	3.750		2,984,000.00
30	Series H-1962	3.750	5,000.00	2,500,500.00
30	Series H-1963	3.750	65,562,500.00	430,500.00
30	Unclassified sales and redemptions		[7] −9,913,000.00	7,586,500.00
30	Series J-1952	2.76	81,439.20	193,522.40
30	Series J-1953	2.76	194,135.28	427,108.10
30	Series J-1954	2.76	330,596.59	776,583.36
30	Series J-1955	2.76	353,694.95	706,396.20
30	Series J-1956	2.76	257,312.33	486,134.58
30	Series J-1957	2.76	79,049.39	92,525.58
30	Unclassified redemptions			843,560.98
30	Series K-1952	2.76		450,500.00
30	Series K-1953	2.76		865,000.00
30	Series K-1954	2.76		2,473,000.00
30	Series K-1955	2.76		1,220,000.00
30	Series K-1956	2.76		829,000.00
30	Series K-1957	2.76		124,000.00
30	Unclassified redemptions			650,000.00
30	Treasury notes, Series F-1964	3¾		
	Adjustment of issues [9]		−72,000.00	
30	U.S. retirement plan bonds	3.75	26,535.63	
30	Depositary bonds, First Series	2.00	2,792,000.00	4,140,000.00
30	Treasury bonds, R.E.A. Series	2.00	458,000.00	1,130,000.00
30	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EA-1968			67,421,000.00
30	Treasury notes, Series EA-1968	1½	67,421,000.00	
30	Miscellaneous			19,321,400.00
	Total September		16,963,450,026.16	15,955,782,594.13

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills:			
1963	Other:			
Oct. 1	Maturing Sept. 30, 1964:	*Percent*		
	Issued for cash	3.586	$1,001,960,000.00	
1	Treasury notes, Series EO-1963	1½		
	Redeemable for cash			$505,574,000.00
	Certificates of indebtedness, foreign series, maturing:			
1	Jan. 2, 1964	3.45	10,000,000.00	
2	Dec. 20, 1963	3.45		2,000,000.00
2	Jan. 2, 1964	3.45	50,000,000.00	
	Treasury bills:			
	Regular weekly:			
3	Dated Apr. 4, 1963:			
	Redeemed in exchange for series issued Oct. 3, 1963, due Jan. 2, 1964	[4] 3.000		172,453,000.00
	Redeemed in exchange for series dated Oct. 3, 1963, due Apr. 2, 1964			52,505,000.00
	Redeemable for cash			1,875,626,000.00
3	Maturing Jan. 2, 1964:			
	Issued in exchange for series dated Apr. 4, 1963	3.407	172,453,000.00	
	Issued for cash		1,128,382,000.00	
3	Maturing Apr. 2, 1964:			
	Issued in exchange for series dated Apr. 4, 1963	3.515	52,505,000.00	
	Issued for cash		745,649,000.00	
	Certificates of indebtedness, foreign series, maturing:			
7	Dec. 20, 1963	3.45		7,000,000.00
9	Dec. 20, 1963	2.75	10,000,000.00	
	Treasury bills:			
	Regular weekly:			
10	Dated Apr. 11, 1963:			
	Redeemed in exchange for series issued Oct. 10, 1963, due Jan. 9, 1964	[4] 3.093		145,757,000.00
	Redeemed in exchange for series dated Oct. 10, 1963, due Apr. 9, 1964			43,887,000.00
	Redeemable for cash			1,912,028,000.00
10	Maturing Jan. 9, 1964:			
	Issued in exchange for series dated Apr. 11, 1963	3.459	145,757,000.00	
	Issued for cash		1,155,540,000.00	
10	Maturing Apr. 9, 1964:			
	Issued in exchange for series dated Apr. 11, 1963	3.569	43,887,000.00	
	Issued for cash		756,409,000.00	
	Other:			
15	Issued Oct. 15, 1962:			
	Redeemed in exchange for series dated Oct. 15, 1963, due Mar. 23, 1964	2.969		6,635,000.00
	Redeemable for cash			2,493,468,000.00
	Tax anticipation:			
15	Maturing Mar. 23, 1964:			
	Issued in exchange for series dated Oct. 15, 1962	3.537	6,635,000.00	
	Issued for cash		1,994,614,000.00	
	Certificates of indebtedness, foreign series, maturing:			
15	Jan. 15, 1964	3.50	1,000,000.00	
16	Jan. 16, 1964	3.50	2,500,000.00	
	Treasury bills:			
	Regular weekly:			
17	Dated Apr. 18, 1963:			
	Redeemed in exchange for series issued Oct. 17, 1963, due Jan. 16, 1964	[4] 3.122		85,637,000.00
	Redeemed in exchange for series dated Oct. 17, 1963, due Apr. 16, 1964			24,713,000.00
	Redeemable for cash			1,990,381,000.00
17	Maturing Jan. 16, 1964:			
	Issued in exchange for series dated Apr. 18, 1963	3.458	85,637,000.00	
	Issued for cash		1,214,772,000.00	
17	Maturing Apr. 16, 1964:			
	Issued in exchange for series dated Apr. 18, 1963	3.568	24,713,000.00	
	Issued for cash		775,642,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963	Certificates of indebtedness, foreign series, maturing:	*Percent*		
Oct. 23	Oct. 23, 1963	3.25		$5,000,000.00
24	Oct. 24, 1963	3.25		5,500,000.00
	Treasury bills:			
	Regular weekly:			
24	Dated Apr. 25, 1963:			
	Redeemed in exchange for series issued Oct. 24, 1963, due Jan. 23, 1964	[4] 3.121		139,965,000.00
	Redeemed in exchange for series dated Oct. 24, 1963, due Apr. 23, 1964			53,373,000.00
	Redeemable for cash			1,907,818,000.00
24	Maturing Jan. 23, 1964:			
	Issued in exchange for series dated Apr. 25, 1963	3.489	$139,965,000.00	
	Issued for cash		1,162,403,000.00	
24	Maturing Apr. 23, 1964:			
	Issued in exchange for series dated Apr. 25, 1963	3.626	53,373,000.00	
	Issued for cash		746,366,000.00	
25	Certificates of indebtedness, foreign series, maturing Oct. 25, 1963	3.25		2,000,000.00
	Treasury bills:			
	Regular weekly:			
28	Maturing Feb. 6, 1964–Apr. 9, 1964: [9]			
	Issued for cash	3.601	1,000,920,000.00	
	Certificates of indebtedness, foreign series, maturing:			
28	Dec. 20, 1963	3.45		3,000,000.00
28	Jan. 28, 1964	3.50	1,500,000.00	
28	Dec. 23, 1963	3.45		25,000,000.00
29	Jan. 29, 1964	3.50	54,000,000.00	
31	Dec. 27, 1963	3.40		8,000,000.00
31	Certificates of indebtedness, foreign currency series, maturing Oct. 30, 1964	3.54	30,120,481.92	
	Treasury bills:			
	Regular weekly:			
31	Dated May 2, 1963:			
	Redeemed in exchange for series issued Oct. 31, 1963, due Jan. 30, 1964	[4] 3.159		65,381,000.00
	Redeemed in exchange for series dated Oct. 31, 1963, due Apr. 30, 1964			23,443,000.00
	Redeemable for cash			2,012,781,000.00
31	Maturing Jan. 30, 1964:			
	Issued in exchange for series dated May 2, 1963	3.452	65,381,000.00	
	Issued for cash		1,234,932,000.00	
31	Maturing Apr. 30, 1964:			
	Issued in exchange for series dated May 2, 1963	3.586	23,443,000.00	
	Issued for cash		776,870,000.00	
	U.S. savings bonds: [5]			
31	Series E-1941	[6] 3.223	492,787.49	2,218,544.54
31	Series E-1942	[6] 3.252	3,395,344.57	9,646,315.15
31	Series E-1943	[6] 3.277	8,132,043.41	21,092,006.15
31	Series E-1944	[6] 3.298	3,605,725.59	17,265,047.19
31	Series E-1945	[6] 3.316	4,423,297.80	14,357,920.92
31	Series E-1946	[6] 3.327	3,053,899.48	8,126,015.65
31	Series E-1947	[6] 3.346	3,340,643.55	8,423,235.24
31	Series E-1948	[6] 3.366	3,637,518.85	9,418,532.75
31	Series E-1949	[6] 3.344	3,668,627.07	10,009,262.61
31	Series E-1950	[6] 3.347	3,663,198.03	10,292,351.66
31	Series E-1951	[6] 3.378	3,448,549.60	9,766,861.97
31	Series E-1952 (January to April)	3.400	1,570,451.33	3,595,448.99
31	Series E-1952 (May to December)	[6] 3.451	1,865,272.93	8,479,306.95
31	Series E-1953	[6] 3.468	4,576,958.69	21,111,158.96
31	Series E-1954	[6] 3.497	8,891,601.12	11,610,503.62
31	Series E-1955	[6] 3.522	6,225,912.80	10,433,703.67
31	Series E-1956	[6] 3.546	5,282,995.14	10,060,029.58
31	Series E-1957 (January)	3.560	−9.35	908,853.80
31	Series E-1957 (February to December)	[6] 3.653	5,554,950.95	10,903,764.27
31	Series E-1958	[6] 3.690	5,980,847.86	11,784,512.20
31	Series E-1959 (January to May)	3.730	2,768,439.78	5,809,669.62
31	Series E-1959 (June to December)	3.750	3,333,231.17	8,530,877.69
31	Series E-1960	3.750	6,257,044.75	16,494,666.42

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963	U.S. savings bonds [5]—Continued	*Percent*		
Oct. 31	Series E-1961	3.750	$7,027,398.91	$21,857,539.26
31	Series E-1962	3.750	6,026,069.44	41,288,225.87
31	Series E-1963	3.750	371,065,215.22	114,547,220.78
31	Unclassified sales and redemptions		[7] −20,593,237.08	[7] −49,252,107.52
31	Series F-1951	2.53	127,842.00	3,704,663.00
31	Series F-1952	2.53	69,557.85	96,458.70
31	Unclassified redemptions			1,479,574.33
31	Series G-1951	2.50		16,114,100.00
31	Series G-1952	2.50		403,900.00
31	Unclassified redemptions			1,359,200.00
31	Series H-1952	[6] 3.392		675,000.00
31	Series H-1953	[6] 3.409		3,413,000.00
31	Series H-1954	[6] 3.438		7,262,500.00
31	Series H-1955	[6] 3.467		3,215,000.00
31	Series H-1956	[6] 3.496		2,741,000.00
31	Series H-1957 (January)	3.520		249,500.00
31	Series H-1957 (February to December)	[6] 3.626		1,855,000.00
31	Series H-1958	[6] 3.679		3,115,500.00
31	Series H-1959 (January to May)	3.720		1,218,500.00
31	Series H-1959 (June to December)	3.750		1,307,500.00
31	Series H-1960	3.750		3,413,000.00
31	Series H-1961	3.750		3,380,000.00
31	Series H-1962	3.750		2,668,000.00
31	Series H-1963	3.750	65,611,500.00	1,106,000.00
31	Unclassified sales and redemptions		[7] −2,364,500.00	[7] −6,083,000.00
31	Series J-1952	2.76	91,516.40	224,385.20
31	Series J-1953	2.76	185,128.72	277,633.94
31	Series J-1954	2.76	332,809.54	1,363,566.57
31	Series J-1955	2.76	353,958.85	1,300,612.75
31	Series J-1956	2.76	191,481.89	446,864.15
31	Series J-1957	2.76	85,689.03	39,303.16
31	Unclassified redemptions			[7] −548,242.54
31	Series K-1952	2.76		784,500.00
31	Series K-1953	2.76		769,000.00
31	Series K-1954	2.76		1,992,000.00
31	Series K-1955	2.76		1,760,500.00
31	Series K-1956	2.76		1,113,000.00
31	Series K-1957	2.76		260,000.00
31	Unclassified redemptions			478,500.00
31	Certificates of indebtedness, Series B-1964	3¼		
	Adjustments of redemptions [8]			200,000.00
31	Treasury notes, Series A-1964	4¾		
	Adjustments of redemptions [8]			327,000.00
31	Treasury notes, Series D-1964	3¾		
	Adjustments of redemptions [8]			−253,000.00
31	Treasury notes, Series A-1966	4.00		
	Adjustments of redemptions [8]			−200,000.00
31	Treasury notes, Series A-1967	3¾		
	Adjustments of redemptions [8]			−250,000.00
31	Treasury notes, Series B-1967	3⅝		
	Adjustments of redemptions [8]			−1,000.00
31	Treasury bonds of 1966	3¾		
	Adjustments of redemptions [8]			2,854,000.00
31	Treasury bonds of 1968 (dated 9-15-63)	3⅞		
	Adjustments of issues [8]		−25,000.00	
31	Treasury bonds of 1973	4.00		
	Adjustments of issues [8]		1,697,000.00	
31	Treasury bonds of 1989-94 (additional issue)	4⅛		
	Adjustments of issues [8]		1,005,000.00	
31	Treasury bonds of 1970	4.00		
	Adjustments of issues [8]		−1,000.00	
31	U.S. retirement plan bonds	3.75	73,091.56	
31	Depositary bonds, First Series	2.00	300,000.00	2,241,000.00
31	Treasury bonds, R.E.A. Series	2.00	307,000.00	272,000.00
31	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for:			
	Treasury notes, Series EA-1968			81,793,000.00
	Treasury notes, Series EO-1968			4,024,000.00
31	Treasury notes, Series EA-1968	1½	81,793,000.00	
31	Treasury notes, Series EO-1968	1½	4,024,000.00	
31	Miscellaneous			24,839,200.00
	Total October		15,277,881,436.86	14,116,506,687.25

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963				
Nov. 1	Certificates of indebtedness, foreign series, maturing Dec. 27, 1963	*Percent* 3.40		$12,000,000.00
	Treasury bills:			
	Other:			
4	Maturing Oct. 31, 1964:			
	Issued for cash	3.633	$1,000,273,000.00	
	Regular weekly:			
7	Dated May 9, 1963:			
	Redeemed in exchange for series issued Nov. 7, 1963, due Feb. 6, 1964	[4] 3.154		136,235,000.00
	Redeemed in exchange for series dated Nov. 7, 1963, due May 7, 1964			53,108,000.00
	Redeemable for cash			1,913,714,000.00
7	Maturing Feb. 6, 1964:			
	Issued in exchange for series dated May 9, 1963	3.517	136,235,000.00	
	Issued for cash		1,164,284,000.00	
7	Maturing May 7, 1964:			
	Issued in exchange for series dated May 9, 1963	3.621	53,108,000.00	
	Issued for cash		746,868,000.00	
	Certificates of indebtedness, foreign series, maturing:			
7	Feb. 7, 1964	3.55	5,000,000.00	
8	Dec. 20, 1963	2.75	5,000,000.00	
	Treasury bills:			
	Regular weekly:			
14	Dated May 16, 1963:			
	Redeemed in exchange for series issued Nov. 14, 1963, due Feb. 13, 1964	[4] 3.204		15,348,000.00
	Redeemed in exchange for series dated Nov. 14, 1963, due May 14, 1964			4,059,000.00
	Redeemable for cash			2,082,105,000.00
14	Maturing Feb. 13, 1964:			
	Issued in exchange for series dated May 16, 1963	3.564	15,348,000.00	
	Issued for cash		1,286,712,000.00	
14	Maturing May 14, 1964:			
	Issued in exchange for series dated May 16, 1963	3.678	4,059,000.00	
	Issued for cash		796,572,000.00	
15	Certificates of indebtedness, Series D-1963	3⅛		
	Redeemed in exchange for 3⅞% Treasury notes, Series C-1965			3,823,192,000.00
	Redeemable for cash			730,867,000.00
15	Treasury notes, Series C-1963	4⅞		
	Redeemed in exchange for 3⅞% Treasury notes, Series C-1965			539,483,000.00
	Redeemable for cash			2,471,949,000.00
15	Treasury notes, Series C-1965	3⅞		
	Issued in exchange for:			
	3⅛% certificates of indebtedness, Series D-1963		3,823,192,000.00	
	4⅞% Treasury notes, Series C-1963		539,483,000.00	
	Issued for cash		3,614,149,000.00	
	Treasury bills:			
	Regular weekly:			
21	Dated May 23, 1963:			
	Redeemed in exchange for series issued Nov. 21, 1963, due Feb. 20, 1964	[4] 3.221		189,219,000.00
	Redeemed in exchange for series dated Nov. 21, 1963, due May 21, 1964			75,147,000.00
	Redeemable for cash			1,836,975,000.00
21	Maturing Feb 20, 1964:			
	Issued in exchange for series dated May 23, 1963	3.524	189,219,000.00	
	Issued for cash		1,012,407,000.00	
21	Maturing May 21, 1964:			
	Issued in exchange for series dated May 23, 1963	3.660	75,147,000.00	
	Issued for cash		725,153,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Certificates of indebtedness, foreign series, maturing:			
1963		*Percent*		
Nov. 21	Feb. 21, 1964	3.55	$25,000,000.00	
22	Feb. 24, 1964	3.55	5,000,000.00	
25	Feb. 25, 1964	2.00	15,000,000.00	
26	Feb. 26, 1964	2.00	15,000,000.00	
26	Feb. 26, 1964	3.55	35,000,000.00	
26	Jan. 29, 1964	3.50		$10,000,000.00
27	Jan. 29, 1964	3.50		10,000,000.00
	Treasury bills:			
	Regular weekly:			
29	Dated May 31, 1963:			
	Redeemed in exchange for series issued Nov. 29, 1963, due Feb. 27, 1964	[4] 3.266		120,828,000.00
	Redeemed in exchange for series dated Nov. 29, 1963, due May 28, 1964			42,541,000.00
	Redeemable for cash			1,938,107,000.00
29	Maturing Feb. 27, 1964:			
	Issued in exchange for series dated May 31, 1963	3.480	120,828,000.00	
	Issued for cash		1,080,464,000.00	
29	Maturing May 28, 1964:			
	Issued in exchange for series dated May 31, 1963	3.630	42,541,000.00	
	Issued for cash		759,138,000.00	
	U.S. savings bonds: [5]			
30	Series E-1941	[6] 3.223	905,383.96	1,738,536.96
30	Series E-1942	[6] 3.252	3,572,523.33	7,750,825.52
30	Series E-1943	[6] 3.277	4,357,928.96	19,294,506.04
30	Series E-1944	[6] 3.298	6,117,383.65	13,556,129.02
30	Series E-1945	[6] 3.316	10,709,542.46	11,517,430.67
30	Series E-1946	[6] 3.327	3,046,768.37	6,245,168.53
30	Series E-1947	[6] 3.346	3,062,075.76	6,608,095.13
30	Series E-1948	[6] 3.366	3,645,533.58	7,639,257.41
30	Series E-1949	[6] 3.344	3,616,047.25	7,994,253.01
30	Series E-1950	[6] 3.347	3,558,727.17	7,590,134.82
30	Series E-1951	[6] 3.378	3,228,119.06	7,441,934.69
30	Series E-1952 (January to April)	3.400	−15,314.42	2,851,635.38
30	Series E-1952 (May to December)	[6] 3.451	1,886,027.85	6,411,025.21
30	Series E-1953	[6] 3.468	4,580,763.47	16,497,663.38
30	Series E-1954	[6] 3.497	8,723,858.19	9,467,911.53
30	Series E-1955	[6] 3.522	5,983,720.41	8,393,254.02
30	Series E-1956	[6] 3.546	5,125,334.37	8,049,374.67
30	Series E-1957 (January)	3.560	−5.71	651,475.69
30	Series E-1957 (February to December)	[6] 3.653	5,824,621.48	8,681,896.05
30	Series E-1958	[6] 3.690	5,616,576.82	9,175,282.91
30	Series E-1959 (January to May)	3.730	2,608,065.67	4,194,691.16
30	Series E-1959 (June to December)	3.750	3,071,148.08	6,641,931.88
30	Series E-1960	3.750	5,774,420.57	12,772,055.99
30	Series E-1961	3.750	6,693,230.37	16,241,946.68
30	Series E-1962	3.750	5,818,109.63	29,101,651.20
30	Series E-1963	3.750	321,662,767.77	94,088,355.89
30	Unclassified sales and redemptions		[7] −22,243,860.98	[7] −35,018,878.07
30	Series F-1951	2.53	100,421.00	4,272,190.50
30	Series F-1952	2.53	−144.90	18,889.50
30	Unclassified redemptions			[7] −405,440.78
30	Series G-1951	2.50		15,648,100.00
30	Series G-1952	2.50		303,100.00
30	Unclassified redemptions			[7] −1,708,200.00
30	Series H-1952	[6] 3.392		662,000.00
30	Series H-1953	[6] 3.409		2,594,000.00
30	Series H-1954	[6] 3.438		4,732,500.00
30	Series H-1955	[6] 3.467		2,712,000.00
30	Series H-1956	[6] 3.496		2,223,500.00
30	Series H-1957 (January)	3.520		195,500.00
30	Series H-1957 (February to December)	[6] 3.626		1,532,000.00
30	Series H-1958	[6] 3.679		2,753,500.00
30	Series H-1959 (January to May)	3.720		1,043,500.00
30	Series H-1959 (June to December)	3.750		1,001,500.00
30	Series H-1960	3.750		2,896,500.00
30	Series H-1961	3.750		2,912,500.00
30	Series H-1962	3.750	1,000.00	2,259,500.00
30	Series H-1963	3.750	50,228,500.00	933,000.00
30	Unclassified sales and redemptions		[7] −1,516,000.00	252,000.00
30	Series J-1952	2.76	207,005.60	148,745.40
30	Series J-1953	2.76	196,881.88	355,037.76

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963	U.S. savings bonds [5]—Continued	*Percent*		
Nov. 30	Series J-1954	2.76	$370,533.27	$1,039,277.43
30	Series J-1955	2.76	297,340.05	914,594.80
30	Series J-1956	2.76	196,782.89	488,720.11
30	Series J-1957	2.76	−103.46	194,539.52
30	Unclassified redemptions			[7] −499,733.45
30	Series K-1952	2.76		581,000.00
30	Series K-1953	2.76		961,000.00
30	Series K-1954	2.76		2,450,500.00
30	Series K-1955	2.76		1,969,000.00
30	Series K-1956	2.76		642,500.00
30	Series K-1957	2.76		291,000.00
30	Unclassified redemptions			[7] −649,500.00
30	Treasury notes, Series A-1964	4¾		
	Adjustments of redemptions [8]			−21,000.00
30	Treasury notes, Series D-1964	3¾		
	Adjustments of redemptions [8]			210,000.00
30	Treasury notes, Series B-1967	3⅝		
	Adjustments of redemptions [8]			26,000.00
30	Treasury bonds of 1966	3¾		
	Adjustments of redemptions [8]			−209,000.00
30	Treasury bonds of 1968 (Sept. 15, 1963)	3⅞		
	Adjustments of issues [8]		−2,000.00	
30	Treasury bonds of 1973	4.00		
	Adjustments of issues [8]		8,000.00	
30	U.S. retirement plan bonds	3.75	78,848.97	23,500.00
30	Depositary bonds, First Series	2.00	17,000.00	881,000.00
30	Treasury bonds, R.E.A. Series	2.00	117,000.00	805,000.00
30	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EO-1968			6,517,000.00
30	Treasury notes, Series EO-1968	1½	6,517,000.00	
30	Miscellaneous			24,243,000.00
	Total November		17,753,927,562.42	16,388,648,866.16
Dec. 2	Certificates of indebtedness, foreign series, maturing Mar. 2, 1964	3.50	15,000,000.00	
	Treasury bills:			
	Other:			
3	Maturing Nov. 30, 1964:			
	Issued for cash	3.590	1,004,801,000.00	
	Certificates of indebtedness, foreign series, maturing:			
3	Feb. 25, 1964	2.00		10,000,000.00
4	Mar. 4, 1964	3.55	7,000,000.00	
	Treasury bills:			
	Regular weekly:			
5	Dated June 6, 1963:			
	Redeemed in exchange for series issued Dec. 5, 1963, due Mar. 5, 1964	[4] 3.275		269,061,000.00
	Redeemed in exchange for series dated Dec. 5, 1963, due June 4, 1964			102,701,000.00
	Redeemable for cash			1,729,332,000.00
5	Maturing Mar. 5, 1964:			
	Issued in exchange for series dated June 6, 1963	3.532	269,061,000.00	
	Issued for cash		1,031,485,000.00	
5	Maturing June 4, 1964:			
	Issued in exchange for series dated June 6, 1963	3.670	102,701,000.00	
	Issued for cash		697,266,000.00	
	Certificates of indebtedness, foreign series, maturing:			
5	Mar. 5, 1964	3.55	10,000,000.00	
9	Mar. 9, 1964	3.55	12,000,000.00	
10	Mar. 10, 1964	3.50	2,000,000.00	
11	Treasury bonds, foreign currency series, maturing June 11, 1965	3.83	25,162,102.00	
	Treasury bills:			
	Regular weekly:			
12	Dated June 13, 1963:			
	Redeemed in exchange for series issued Dec. 12, 1963, due Mar. 12, 1964	[4] 3.236		135,932,000.00
	Redeemed in exchange for series dated Dec. 12, 1963, due June 11, 1964			64,831,000.00
	Redeemable for cash			1,900,278,000.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills—Continued			
1963	Regular weekly—Continued			
Dec. 12	Maturing Mar. 12, 1964:			
	Issued in exchange for series dated June 13, 1963	*Percent* 3.501	$135,932,000.00	
	Issued for cash		1,164,379,000.00	
12	Maturing June 11, 1964:			
	Issued in exchange for series dated June 13, 1963	3.662	64,831,000.00	
	Issued for cash		736,150,000.00	
12	Certificates of indebtedness, foreign series, maturing Mar. 12, 1964	3.50	10,000,000.00	
13	Treasury certificates, maturing June 15, 1964	1.00	2,500,000.00	
15	Treasury certificates, maturing Dec. 15, 1963	1.00		$2,500,000.00
15	Treasury certificates, maturing June 15, 1964	1.00	2,512,568.68	
	Certificates of indebtedness, foreign series, maturing:			
16	Mar. 16, 1964	3.50	10,000,000.00	
16	Feb. 25, 1964	2.00		5,000,000.00
16	Feb. 26, 1964	2.00		15,000,000.00
	Treasury bills:			
	Regular weekly:			
19	Dated June 20, 1963:			
	Redeemed in exchange for series issued Dec. 19, 1963, due Mar. 19, 1964	[4] 3.284		221,238,000.00
	Redeemed in exchange for series dated Dec. 19, 1963, due June 18, 1964			86,198,000.00
	Redeemable for cash			1,794,061,000.00
19	Maturing Mar. 19, 1964:			
	Issued in exchange for series dated June 20, 1963	3.537	221,238,000.00	
	Issued for cash		1,080,099,000.00	
19	Maturing June 18, 1964:			
	Issued in exchange for series dated June 20, 1963	3.679	86,198,000.00	
	Issued for cash		713,965,000.00	
	Certificates of indebtedness, foreign series, maturing:			
19	Jan. 29, 1964	3.50		10,000,000.00
20	Dec. 20, 1963	2.75		50,000,000.00
20	June 22, 1964	2.75	50,000,000.00	
23	Feb. 7, 1964	3.55		5,000,000.00
23	Feb. 21, 1964	3.55		25,000,000.00
24	Feb. 24, 1964	3.55		5,000,000.00
24	Feb. 26, 1964	3.55		15,000,000.00
	Treasury bills:			
	Regular weekly:			
26	Dated June 27, 1963:			
	Redeemed in exchange for series issued Dec. 26, 1963, due Mar. 26, 1964	[4] 3.261		128,119,000.00
	Redeemed in exchange for series dated Dec. 26, 1963, due June 25, 1964			63,289,000.00
	Redeemable for cash			1,908,481,000.00
26	Maturing Mar. 26, 1964:			
	Issued in exchange for series dated June 27, 1963	3.522	128,119,000.00	
	Issued for cash		1,180,934,000.00	
26	Maturing June 25, 1964:			
	Issued in exchange for series dated June 27, 1963	3.657	63,289,000.00	
	Issued for cash		741,020,000.00	
	Certificates of indebtedness, foreign series, maturing:			
27	Mar. 27, 1964	3.55	20,000,000.00	
27	Dec. 27, 1963	3.10		100,000,000.00
27	Mar. 27, 1964	3.55	100,000,000.00	
27	Dec. 27, 1963	3.40		120,000,000.00
27	June 29, 1964	3.70	100,000,000.00	
30	Feb. 26, 1964	3.55		20,000,000.00
31	Mar. 2, 1964	3.50		6,000,000.00
	U.S. savings bonds: [5]			
31	Series E-1941	[6] 3.223	2,368,043.88	1,654,435.42
31	Series E-1942	[6] 3.252	4,591,313.40	7,292,138.80
31	Series E-1943	[6] 3.277	4,860,155.14	15,857,926.65
31	Series E-1944	[6] 3.298	13,987,562.02	12,574,808.74

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1963	U.S. savings bonds [5]—Continued	*Percent*		
Dec. 31	Series E-1945	[6] 3.316	$10,807,198.68	$10,798,440.04
31	Series E-1946	[6] 3.327	4,077,055.14	5,751,025.68
31	Series E-1947	[6] 3.346	4,000,968.06	6,079,092.12
31	Series E-1948	[6] 3.366	4,880,139.30	6,820,076.87
31	Series E-1949	[6] 3.344	5,127,402.23	7,322,229.40
31	Series E-1950	[6] 3.347	4,243,172.28	7,301,913.44
31	Series E-1951	[6] 3.378	3,852,931.12	6,746,459.27
31	Series E-1952 (January to April)	3.400	—13,873.00	2,498,411.41
31	Series E-1952 (May to December)	[6] 3.451	1,984,809.04	5,650,483.48
31	Series E-1953	[6] 3.468	4,634,268.39	14,820,592.18
31	Series E-1954	[6] 3.497	9,692,679.85	8,262,400.08
31	Series E-1955	[6] 3.522	7,222,903.99	7,547,411.31
31	Series E-1956	[6] 3.546	5,910,953.27	7,423,131.01
31	Series E-1957 (January)	3.560	6.51	648,813.90
31	Series E-1957 (February to December)	[6] 3.653	6,777,615.13	7,800,241.42
31	Series E-1958	[6] 3.690	6,573,355.75	8,445,237.91
31	Series E-1959 (January to May)	3.730	—19,824.29	3,822,418.14
31	Series E-1959 (June to December)	3.750	6,760,369.21	5,780,051.04
31	Series E-1960	3.750	6,651,582.72	11,441,484.18
31	Series E-1961	3.750	7,326,130.30	14,995,177.96
31	Series E-1962	3.750	6,601,012.02	25,886,290.42
31	Series E-1963	3.750	291,422,357.25	93,139,540.45
31	Unclassified sales and redemptions		27,716,517.04	36,294,474.59
31	Series F-1952	2.53	—37.80	75,680.50
31	Unclassified redemptions			19,385.47
31	Series G-1952	2.50		262,700.00
31	Unclassified redemptions			53,100.00
31	Series H-1952	[6] 3.392		444,000.00
31	Series H-1953	[6] 3.409		2,818,000.00
31	Series H-1954	[6] 3.438		5,309,500.00
31	Series H-1955	[6] 3.467		2,472,500.00
31	Series H-1956	[6] 3.496		2,129,000.00
31	Series H-1957 (January)	3.520		76,000.00
31	Series H-1957 (February to December)	[6] 3.626		1,728,500.00
31	Series H-1958	[6] 3.679		2,622,500.00
31	Series H-1959 (January to May)	3.720		1,336,000.00
31	Series H-1959 (June to December)	3.750		1,064,500.00
31	Series H-1960	3.750		2,570,500.00
31	Series H-1961	3.750		2,891,500.00
31	Series H-1962	3.750		2,425,500.00
31	Series H-1963	3.750	52,898,000.00	1,292,500.00
31	Unclassified sales and redemptions		[7] —253,000.00	546,500.00
31	Series J-1952	2.76	200,590.40	527,628.80
31	Series J-1953	2.76	265,484.31	345,748.86
31	Series J-1954	2.76	474,154.53	683,619.03
31	Series J-1955	2.76	326,833.50	475,714.85
31	Series J-1956	2.76	242,916.34	358,733.37
31	Series J-1957	2.76	—202.05	153,254.62
31	Unclassified redemptions			493,349.71
31	Series K-1952	2.76		992,500.00
31	Series K-1953	2.76		771,500.00
31	Series K-1954	2.76		1,947,000.00
31	Series K-1955	2.76		1,754,000.00
31	Series K-1956	2.76		715,500.00
31	Series K-1957	2.76		181,500.00
31	Unclassified redemptions			225,500.00
31	Treasury bonds of 1966	3¾		
	Adjustments of redemptions [8]			3,000.00
31	Treasury notes, Series A-1966	4.00		
	Adjustments of redemptions [8]			—3,000.00
31	Treasury notes, Series F-1964	3¾		
	Adjustments of issues [8]		—25,000.00	
31	U.S. retirement plan bonds	3.75	849,046.59	—23,500.00
31	Depositary bonds, First Series	2.00	188,000.00	359,500.00
31	Treasury bonds, R.E.A. Series	2.00	410,000.00	220,000.00
31	Treasury bonds, Investment Series, B-1975-80	2¾		
	Redeemed in exchange for 1½% Treasury notes, Series EO-1968			13,549,000.00
31	Treasury notes, Series EO-1968	1½	13,549,000.00	
31	Miscellaneous			16,088,200.00
	Total December		10,308,805,260.93	9,204,632,321.12

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	Treasury bills:			
	Regular weekly:			
Jan. 2	Dated July 5, 1963:			
	Redeemed in exchange for series issued Jan. 2, 1964, due Apr. 2, 1964	*Percent* [4] 3.288		$173,847,000.00
	Redeemed in exchange for series dated Jan. 2, 1964, due July 2, 1964			82,470,000.00
	Redeemable for cash			1,844,568,000.00
2	Maturing Apr. 2, 1964:			
	Issued in exchange for series dated July 5, 1963	3.524	$173,847,000.00	
	Issued for cash		1,127,476,000.00	
2	Maturing July 2, 1964:			
	Issued in exchange for series dated July 5, 1963	3.651	82,470,000.00	
	Issued for cash		717,996,000.00	
	Certificates of indebtedness, foreign series maturing:			
2	Jan. 2, 1964	3.45		60,000,000.00
2	Apr. 2, 1964	3.55	50,000,000.00	
2	Mar. 2, 1964	3.50		8,000,000.00
	Treasury bills:			
	Other:			
3	Maturing Dec. 31, 1964:			
	Issued for cash	3.707	1,000,309,000.00	
6	Treasury bonds maturing June 30, 1967	4.00	20,000,000.00	
	Certificates of indebtedness, foreign series, maturing:			
7	Mar. 2, 1964	3.50		1,000,000.00
7	Mar. 4, 1964	3.55		7,000,000.00
7	Mar. 9, 1964	3.55		7,000,000.00
7	Mar. 5, 1964	3.55		10,000,000.00
8	Mar. 9, 1964	3.55		5,000,000.00
8	Mar. 10, 1964	3.50		2,000,000.00
8	Mar. 12, 1964	3.50		6,000,000.00
	Treasury bills:			
	Regular weekly:			
9	Dated July 11, 1963:			
	Redeemed in exchange for series issued Jan. 9, 1964, due Apr. 9, 1964	[4] 3.388		145,265,000.00
	Redeemed in exchange for series dated Jan. 9, 1964, due July 9, 1964			62,615,000.00
	Redeemable for cash			1,893,768,000.00
9	Maturing Apr. 9, 1964:			
	Issued in exchange for series dated July 11, 1963	3.534	145,265,000.00	
	Issued for cash		1,155,580,000.00	
9	Maturing July 9, 1964:			
	Issued in exchange for series dated July 11, 1963	3.669	62,615,000.00	
	Issued for cash		737,788,000.00	
	Certificates of indebtedness, foreign series, maturing:			
9	Mar. 12, 1964	3.50		4,000,000.00
9	Mar. 16, 1964	3.50		10,000,000.00
14	Jan. 29, 1964	3.50		20,000,000.00
	Treasury bills:			
	Other:			
15	Issued Jan. 15, 1963:			
	Redeemable for cash	3.015		2,496,151,000.00
	Tax anticipation:			
15	Maturing June 22, 1964:			
	Issued for cash	3.650	2,500,812,000.00	
15	Certificates of indebtedness, foreign series, maturing Jan. 15, 1964	3.50		1,000,000.00
	Treasury bills:			
	Regular weekly:			
16	Dated July 18, 1963:			
	Redeemed in exchange for series issued Jan. 16, 1964, due Apr. 16, 1964	[4] 3.419		17,977,000.00
	Redeemed in exchange for series dated Jan. 16, 1964, due July 16, 1964			3,283,000.00
	Redeemable for cash			2,079,272,000.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills—Continued			
1964	Regular weekly—Continued			
Jan. 16	Maturing Apr. 16, 1964:			
	Issued in exchange for series dated July 18, 1963	*Percent* 3.549	$17,977,000.00	
	Issued for cash		1,283,078,000.00	
16	Maturing July 16, 1964:			
	Issued in exchange for series dated July 18, 1963	3.679	3,283,000.00	
	Issued for cash		797,161,000.00	
16	Certificates of indebtedness, foreign series, maturing Jan. 16, 1964	3.50		$2,500,000.00
	Treasury bonds, foreign currency series, maturing:			
20	Jan. 20, 1964	2.75		23,142,500.00
20	Apr. 20, 1965	3.61	23,174,433.96	
	Treasury bills:			
	Regular weekly:			
23	Dated July 25, 1963:			
	Redeemed in exchange for series issued Jan. 23, 1964, due Apr. 23, 1964	[4] 3.443		156,426,000.00
	Redeemed in exchange for series dated Jan. 23, 1964, due July 23, 1964			62,432,000.00
	Redeemable for cash			1,884,007,000.00
23	Maturing Apr. 23, 1964:			
	Issued in exchange for series dated July 25, 1963	3.538	156,426,000.00	
	Issued for cash		1,146,958,000.00	
23	Maturing July 23, 1964:			
	Issued in exchange for series dated July 25, 1963	3.648	62,432,000.00	
	Issued for cash		738,183,000.00	
	Certificates of indebtedness, foreign series, maturing:			
28	Jan. 28, 1964	3.50		1,500,000.00
28	Mar. 27, 1964	3.55		14,000,000.00
29	Jan. 29, 1964	3.50		4,000,000.00
29	Mar. 27, 1964	3.55		6,000,000.00
29	Apr. 29, 1964	3.50	50,000,000.00	
29	Treasury notes, Series B-1964	5.00		
	Redeemed in exchange for:			
	4% Treasury bonds of 1970 (additional issue)			164,463,000.00
	4¼% Treasury bonds of 1975-85 (additional issue)			105,548,000.00
29	Treasury notes, Series C-1964	4⅞		
	Redeemed in exchange for:			
	4% Treasury bonds of 1970 (additional issue)			210,849,000.00
	4¼% Treasury bonds of 1975-85 (additional issue)			116,469,000.00
29	Treasury notes, Series E-1964	3¾		
	Redeemed in exchange for:			
	4% Treasury bonds of 1970 (additional issue)			695,374,000.00
	4¼% Treasury bonds of 1975-85 (additional issue)			238,418,000.00
29	Treasury notes, Series F-1964	3¾		
	Redeemed in exchange for:			
	4% Treasury bonds of 1970 (additional issue)			276,529,000.00
	4¼% Treasury bonds of 1975-85 (additional issue)			158,408,000.00
29	Treasury notes, Series A-1965	4⅝		
	Redeemed in exchange for:			
	4% Treasury bonds of 1970 (additional issue)			221,387,000.00
	4¼% Treasury bonds of 1975-85 (additional issue)			75,639,000.00
29	Treasury bonds of 1965	2⅝		
	Redeemed in exchange for:			
	4% Treasury bonds of 1970 (additional issue)			655,377,000.00
	4¼% Treasury bonds of 1975-85 (additional issue)			52,841,500.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964		*Percent*		
Jan. 29	Treasury bonds of 1970 (additional issue)	4.00		
	Issued in exchange for:			
	5% Treasury notes, Series B-1964		$164,463,000.00	
	4⅞% Treasury notes, Series C-1964		210,849,000.00	
	3¾% Treasury notes, Series E-1964		695,374,000.00	
	3¾% Treasury notes, Series F-1964		276,529,000.00	
	4⅝% Treasury notes, Series A-1965		221,387,000.00	
	2⅝% Treasury bonds of 1965		655,377,000.00	
29	Treasury bonds of 1975-85 (additional issue)	4¼		
	Issued in exchange for:			
	5% Treasury notes, Series B-1964		105,548,000.00	
	4⅞% Treasury notes, Series C-1964		116,469,000.00	
	3¾% Treasury notes, Series E-1964		238,418,000.00	
	3¾% Treasury notes, Series F-1964		158,408,000.00	
	4⅝% Treasury notes, Series A-1965		75,639,000.00	
	2⅝% Treasury bonds of 1965		52,841,500.00	
	Treasury bills:			
	Regular weekly:			
30	Dated Aug. 1, 1963:			
	Redeemed in exchange for series issued Jan. 30, 1964, due Apr. 30, 1964	[4] 3.431		$80,031,000.00
	Redeemed in exchange for series dated Jan. 30, 1964, due July 30, 1964			32,264,000.00
	Redeemable for cash			1,987,929,000.00
30	Maturing Apr. 30, 1964:			
	Issued in exchange for series dated Aug. 1, 1963	3.501	80,031,000.00	
	Issued for cash		1,220,444,000.00	
30	Maturing July 30, 1964:			
	Issued in exchange for series dated Aug. 1, 1963	3.613	32,264,000.00	
	Issued for cash		768,003,000.00	
30	Certificates of indebtedness, foreign series, maturing Apr. 2, 1964	3.55		5,000,000.00
31	Treasury notes, foreign series, maturing Jan. 21, 1968	3.125		2,884,835.08
	U.S. savings bonds: [5]			
31	Series E-1941	[6] 3.223	619,087.66	2,156,725.53
31	Series E-1942	[6] 3.252	4,883,192.46	8,702,409.23
31	Series E-1943	[6] 3.277	5,341,886.55	18,478,420.73
31	Series E-1944	[6] 3.298	11,446,331.16	15,591,862.08
31	Series E-1945	[6] 3.316	5,680,112.84	13,331,335.22
31	Series E-1946	[6] 3.327	4,117,753.09	7,195,973.89
31	Series E-1947	[6] 3.346	5,051,567.76	7,395,682.27
31	Series E-1948	[6] 3.366	5,435,587.19	8,354,313.54
31	Series E-1949	[6] 3.344	5,758,927.28	8,481,102.21
31	Series E-1950	[6] 3.347	5,532,906.20	8,329,673.16
31	Series E-1951	[6] 3.378	4,333,667.56	7,767,387.87
31	Series E-1952 (January to April)	3.400	2,446,231.08	2,789,344.28
31	Series E-1952 (May to December)	[6] 3.451	3,611,920.59	7,025,134.39
31	Series E-1953	[6] 3.468	4,328,712.80	18,848,187.81
31	Series E-1954	[6] 3.497	5,850,513.82	10,715,296.15
31	Series E-1955	[6] 3.522	8,110,889.93	8,728,192.87
31	Series E-1956	[6] 3.546	7,466,103.33	8,610,625.94
31	Series E-1957 (January)	3.560	3,026,823.24	701,918.55
31	Series E-1957 (February to December)	[6] 3.653	3,297,969.80	8,930,153.14
31	Series E-1958	[6] 3.690	7,488,598.75	9,471,317.90
31	Series E-1959 (January to May)	3.730	3,968,545.24	4,202,262.48
31	Series E-1959 (June to December)	3.750	3,199,398.40	6,722,357.64
31	Series E-1960	3.750	7,704,606.94	12,806,565.81
31	Series E-1961	3.750	8,005,953.69	16,599,202.93
31	Series E-1962	3.750	7,875,440.56	28,346,642.88
31	Series E-1963	3.750	378,186,236.80	126,052,888.25
31	Unclassified sales and redemptions		33,917,436.89	108,679,957.73
31	Series F-1952	2.53	157,886.00	33,565.00
31	Unclassified redemptions			4,824,491.49
31	Series G-1952	2.50		253,600.00
31	Unclassified redemptions			12,092,400.00
31	Series H-1952	[6] 3.392		661,500.00
31	Series H-1953	[6] 3.409		2,830,500.00
31	Series H-1954	[6] 3.438		4,390,500.00
31	Series H-1955	[6] 3.467		2,616,000.00
31	Series H-1956	[6] 3.496		2,138,000.00
31	Series H-1957 (January)	3.520		90,000.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	U.S. savings bonds [5]—Continued	*Percent*		
Jan. 31	Series H-1957 (February to December)	[6] 3.626		$1,695,500.00
31	Series H-1958	[6] 3.679		2,569,000.00
31	Series H-1959 (January to May)	3.720		1,054,500.00
31	Series H-1959 (June to December)	3.750		1,205,000.00
31	Series H-1960	3.750		2,887,000.00
31	Series H-1961	3.750		2,863,500.00
31	Series H-1962	3.750		2,398,500.00
31	Series H-1963	3.750	$35,181,500.00	1,213,000.00
31	Unclassified sales and redemptions		55,222,500.00	[7] −836,500.00
31	Series J-1952	2.76	81,178.80	115,681.80
31	Series J-1953	2.76	231,627.46	389,285.20
31	Series J-1954	2.76	398,680.60	1,065,253.23
31	Series J-1955	2.76	395,201.45	854,491.55
31	Series J-1956	2.76	365,944.17	345,738.00
31	Series J-1957	2.76	102,971.31	43,942.36
31	Unclassified redemptions			353,624.05
31	Series K-1952	2.76		558,000.00
31	Series K-1953	2.76		1,391,500.00
31	Series K-1954	2.76		1,992,500.00
31	Series K-1955	2.76		1,481,000.00
31	Series K-1956	2.76		804,000.00
31	Series K-1957	2.76		188,000.00
31	Unclassified redemptions			1,032,500.00
31	Treasury bonds of 1966	3¾		
	Adjustments of redemptions [8]			15,000.00
31	Treasury bonds of 1973	4.00		
	Adjustments of issues [8]		−45,000.00	
31	Treasury notes, Series D-1964	3¾		
	Adjustments of redemptions [8]			−60,000.00
31	U.S. retirement plan bonds	3.75	3,677,812.75	1,300.00
31	Depositary bonds, First Series	2.00	573,000.00	1,116,000.00
31	Treasury bonds, R.E.A. Series	2.00	436,000.00	50,000.00
31	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EO-1968			26,902,000.00
31	Treasury notes, Series EO-1968	1½	26,902,000.00	
31	Miscellaneous			26,694,500.00
	Total January		17,795,242,638.11	16,768,964,142.24
	Treasury bills:			
	Regular weekly:			
Feb. 6	Dated Aug. 8, 1963:			
	Redeemed in exchange for series issued Feb. 6, 1964, due May 7, 1964	[4] 3.474		105,442,000.00
	Redeemed in exchange for series dated Feb. 6, 1964, due Aug. 6, 1964			63,093,000.00
	Redeemable for cash			2,032,579,000.00
6	Maturing May 7, 1964:			
	Issued in exchange for series dated Aug. 8, 1963	3.505	105,442,000.00	
	Issued for cash		1,195,009,000.00	
6	Maturing Aug. 6, 1964:			
	Issued in exchange for series dated Aug. 8, 1963	3.615	63,093,000.00	
	Issued for cash		837,338,000.00	
	Other:			
6	Maturing Jan. 31, 1965:			
	Issued for cash	3.680	1,000,393,000.00	
	Regular weekly:			
13	Dated Aug. 15, 1963:			
	Redeemed in exchange for series issued Feb. 13, 1964, due May 14, 1964	[4] 3.521		13,793,000.00
	Redeemed in exchange for series dated Feb. 13, 1964, due Aug. 13, 1964			3,412,000.00
	Redeemable for cash			2,185,063,000.00
13	Maturing May 14, 1964:			
	Issued in exchange for series dated Aug. 15, 1963	3.540	13,793,000.00	
	Issued for cash		1,288,784,000.00	
13	Maturing Aug. 13, 1964:			
	Issued in exchange for series dated Aug. 15, 1963	3.660	3,412,000.00	
	Issued for cash		897,469,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964		*Percent*		
	Certificates of indebtedness, foreign series, maturing:			
Feb. 13	Apr. 2, 1964	3.55		$5,000,000.00
13	Apr. 29, 1964	3.50		25,000,000.00
15	Certificates of indebtedness, Series A-1964	3¼		
	Redeemed in exchange for:			
	4% Treasury notes, Series A-1966 (additional issue)			1,082,105,000.00
	3⅞% Treasury notes Series D-1965			5,535,531,000.00
	Redeemable for cash			123,578,000.00
15	Treasury bonds of 1964	3.00		
	Redeemed in exchange for:			
	4% Treasury notes, Series A-1966 (additional issue)			728,269,000.00
	3⅞% Treasury notes, Series D-1965			666,499,000.00
	Redeemable for cash			239,533,000.00
15	Treasury notes, Series A-1966 (additional issue)	4.00		
	Issued in exchange for:			
	3¼% certificates of indebtedness, Series A-1964		$1,082,105,000.00	
	3% Treasury bonds of 1964		728,269,000.00	
15	Treasury notes, Series D-1965	3⅞		
	Issued in exchange for:			
	3¼% certificates of indebtedness, Series A-1964		5,535,531,000.00	
	3% Treasury bonds of 1964		666,499,000.00	
19	Certificates of indebtedness, foreign series, maturing Apr. 29, 1964	3.50		25,000,000.00
	Treasury bills:			
	Regular weekly:			
20	Dated Aug. 22, 1963:			
	Redeemed in exchange for series issued Feb. 20, 1964, due May 21, 1964	[4] 3.504		178,977,000.00
	Redeemed in exchange for series dated Feb. 20, 1964, due Aug. 20, 1964			83,494,000.00
	Redeemable for cash			1,839,919,000.00
20	Maturing May 21, 1964:			
	Issued in exchange for series dated Aug. 22, 1963	3.534	178,977,000.00	
	Issued for cash		1,022,171,000.00	
20	Maturing Aug. 20, 1964:			
	Issued in exchange for series dated Aug. 22, 1963	3.679	83,494,000.00	
	Issued for cash		817,461,000.00	
25	Certificates of indebtedness, foreign series, maturing Apr. 2, 1964	3.55		15,000,000.00
	Treasury bills:			
	Regular weekly:			
27	Dated Aug. 29, 1963:			
	Redeemed in exchange for series issued Feb. 27, 1964, due May 28, 1964	[4] 3.491		116,945,000.00
	Redeemed in exchange for series dated Feb. 27, 1964, due Aug. 27, 1964			63,603,000.00
	Redeemable for cash			1,921,329,000.00
27	Maturing May 28, 1964:			
	Issued in exchange for series dated Aug. 29, 1963	3.547	116,945,000.00	
	Issued for cash		1,084,755,000.00	
27	Maturing Aug. 27, 1964:			
	Issued in exchange for series dated Aug. 29, 1963	3.703	63,603,000.00	
	Issued for cash		838,199,000.00	
	U.S. savings bonds: [5]			
29	Series E-1941	[6] 3.223	424,652.12	924,219.31
29	Series E-1942	[6] 3.252	2,997,655.95	3,868,074.35
29	Series E-1943	[6] 3.277	4,146,125.46	7,758,511.21
29	Series E-1944	[6] 3.298	8,548,314.51	7,166,141.66
29	Series E-1945	[6] 3.316	4,063,944.49	5,933,532.18
29	Series E-1946	[6] 3.327	3,159,707.06	3,047,004.77
29	Series E-1947	[6] 3.346	3,549,061.21	3,115,225.54
29	Series E-1948	[6] 3.366	4,011,086.73	3,604,069.04
29	Series E-1949	[6] 3.344	4,369,423.48	3,955,791.91
29	Series E-1950	[6] 3.347	4,070,223.18	3,812,781.61
29	Series E-1951	[6] 3.378	3,433,940.91	3,461,916.84

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	U.S. savings bonds [5]—Continued	*Percent*		
Feb. 29	Series E-1952 (January to April)	3.400	$1,808,628.92	$1,143,592.40
29	Series E-1952 (May to December)	[6] 3.451	4,558,400.10	3,189,908.12
29	Series E-1953	[6] 3.468	5,310,798.29	7,978,463.56
29	Series E-1954	[6] 3.497	5,574,816.93	4,591,936.53
29	Series E-1955	[6] 3.522	6,402,587.80	3,728,508.62
29	Series E-1956	[6] 3.546	6,007,611.27	3,525,962.61
29	Series E-1957 (January)	3.560	.41	236,604.02
29	Series E-1957 (February to December)	[6] 3.653	5,711,790.30	3,542,458.52
29	Series E-1958	[6] 3.690	5,985,417.86	3,806,368.58
29	Series E-1959 (January to May)	3.730	3,080,070.28	1,646,394.34
29	Series E-1959 (June to December)	3.750	2,671,906.26	2,688,403.81
29	Series E-1960	3.750	6,434,448.56	4,937,677.13
29	Series E-1961	3.750	6,527,386.51	6,639,177.42
29	Series E-1962	3.750	6,218,286.71	12,374,970.92
29	Series E-1963	3.750	159,858,562.98	59,450,467.82
29	Unclassified sales and redemptions		214,628,643.74	217,307,302.32
29	Series F-1952	2.53	107,372.00	3,865,681.00
29	Unclassified redemption			[7] −2,728,419.79
29	Series G-1952	2.50		14,663,600.00
29	Unclassified redemption			[7] −10,239,000.00
29	Series H-1952	[6] 3.392		543,000.00
29	Series H-1953	[6] 3.409		2,604,000.00
29	Series H-1954	[6] 3.438		5,267,500.00
29	Series H-1955	[6] 3.467		2,753,000.00
29	Series H-1956	[6] 3.496		2,157,000.00
29	Series H-1957 (January)	3.520		302,500.00
29	Series H-1957 (February to December)	[6] 3.626		1,611,500.00
29	Series H-1958	[6] 3.679		2,501,500.00
29	Series H-1959 (January to May)	3.720		1,093,500.00
29	Series H-1959 (June to December)	3.750		1,042,500.00
29	Series H-1960	3.750		2,529,500.00
29	Series H-1961	3.750		2,662,000.00
29	Series H-1962	3.750		2,086,000.00
29	Series H-1963	3.750	53,393,500.00	1,389,000.00
29	Series H-1964	3.750	40,439,000.00	3,000.00
29	Unclassified sales and redemptions		[7] −32,252,000.00	[7] −1,699,000.00
29	Series J-1952	2.76	63,131.20	102,138.00
29	Series J-1953	2.76	178,871.10	534,584.20
29	Series J-1954	2.76	356,573.64	743,310.69
29	Series J-1955	2.76	261,921.10	1,052,632.25
29	Series J-1956	2.76	327,580.70	821,451.95
29	Series J-1957	2.76	87,391.38	127,898.80
29	Unclassified redemptions			159,751.89
29	Series K-1952	2.76		761,000.00
29	Series K-1953	2.76		1,204,500.00
29	Series K-1954	2.76		2,483,000.00
29	Series K-1955	2.76		2,059,000.00
29	Series K-1956	2.76		887,500.00
29	Series K-1957	2.76		229,500.00
29	Unclassified redemptions			[7] −953,000.00
29	Treasury bonds of 1970	4.00		
	Adjustments of issues [8]		−550,000.00	
29	Treasury bonds of 1975–85	4¼		
	Adjustments of issues [8]		754,000.00	
29	Treasury bonds of 1966	3¾		
	Adjustments of redemptions [8]			16,000.00
29	Treasury bonds of 1965	2⅝		
	Adjustments of redemptions [8]			−530,000.00
29	Treasury notes, Series A-1964	4¾		
	Adjustments of redemptions [8]			−226,000.00
29	Treasury notes, Series B-1964	5.00		
	Adjustments of redemptions [8]			449,000.00
29	Treasury notes, Series C-1964	4⅞		
	Adjustments of redemptions [8]			244,000.00
29	Treasury notes, Series D-1964	3¾		
	Adjustments of redemptions [8]			235,000.00
29	Treasury notes, Series E-1964	3¾		
	Adjustments of redemptions [8]			−489,000.00
29	Treasury notes, Series F-1964	3¾		
	Adjustments of redemptions [8]			579,000.00
29	Treasury notes, Series A-1965	4⅝		
	Adjustments of redemptions [8]			−49,000.00
29	Treasury notes, Series C-1965	3⅞		
	Adjustments of issues [8]		−8,000.00	

Footnotes at end of table.

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TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964		*Percent*		
Feb. 29	Certificates of indebtedness, Series B-1964	3¼		
	Adjustments of redemptions [8]			−$25,000.00
29	U.S. retirement plan bonds	3.75	$105,352.42	9,159.38
29	Depositary bonds, First Series	2.00	71,000.00	392,000.00
29	Treasury bonds, R.E.A. Series	2.00	96,000.00	895,000.00
29	Treasury bonds, Investment Series, B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EO-1968			1,311,000.00
29	Treasury notes, Series EO-1968	1½	1,311,000.00	
29	Miscellaneous			21,430,300.00
	Total February		18,171,038,185.56	17,503,462,553.51
Mar. 2	Certificates of indebtedness, foreign series, maturing June 2, 1964	3.55	10,000,000.00	
	Treasury bills:			
	Other:			
3	Maturing Feb. 28, 1965:			
	Issued for cash	3.765	1,000,520,000.00	
	Regular weekly:			
5	Dated Sept. 5, 1963:			
	Redeemed in exchange for series issued Mar. 5, 1964, due June 4, 1964	[4] 3.519		191,737,000.00
	Redeemed in exchange for series dated Mar. 5, 1964, due Sept. 3, 1964			82,350,000.00
	Redeemable for cash			1,928,222,000.00
5	Maturing June 4, 1964:			
	Issued in exchange for series dated Sept. 5, 1963	3.589	191,737,000.00	
	Issued for cash		1,110,068,000.00	
5	Maturing Sept. 3, 1964:			
	Issued in exchange for series dated Sept. 5, 1963	3.777	82,350,000.00	
	Issued for cash		820,098,000.00	
9	Certificates of indebtedness, foreign series, maturing June 9, 1964	3.60	15,000,000.00	
	Treasury bonds, foreign currency series, maturing:			
9	Mar. 9, 1964	3.00		49,933,250.00
9	Mar. 9, 1964	2.75		27,807,000.00
9	July 9, 1965	3.71	27,720,027.72	
	Treasury bills:			
	Regular weekly:			
12	Dated Sept. 12, 1963:			
	Redeemed in exchange for series issued Mar. 12, 1964, due June 11, 1964	[4] 3.490		12,854,000.00
	Redeemed in exchange for series dated Mar. 12, 1964, due Sept. 10, 1964			3,818,000.00
	Redeemable for cash			2,183,705,000.00
12	Maturing June 11, 1964:			
	Issued in exchange for series dated Sept. 12, 1963	3.533	12,854,000.00	
	Issued for cash		1,287,198,000.00	
12	Maturing Sept. 10, 1964:			
	Issued in exchange for series dated Sept. 12, 1963	3.715	3,818,000.00	
	Issued for cash		896,447,000.00	
17	Certificates of indebtedness, foreign series, maturing June 18, 1964	3.55	30,000,000.00	
	Treasury bills:			
	Regular weekly:			
19	Dated Sept. 19, 1963:			
	Redeemed in exchange for series issued Mar. 19, 1964, due June 18, 1964	[4] 3.535		233,037,000.00
	Redeemed in exchange for series dated Mar. 19, 1964, due Sept. 17, 1964			84,084,000.00
	Redeemable for cash			1,885,038,000.00
19	Maturing June 18, 1964:			
	Issued in exchange for series dated Sept. 19, 1963	3.538	233,037,000.00	
	Issued for cash		1,068,948,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills—Continued			
1964	Regular weekly—Continued			
Mar. 19	Maturing Sept. 17, 1964:			
	Issued in exchange for series dated Sept. 19, 1963	*Percent* 3.726	$84,084,000.00	
	Issued for cash		814,720,000.00	
	Tax anticipation:			
23	Issued Oct. 15, 1963:			
	Redeemable for cash	3.537		$2,001,249,000.00
	Regular weekly:			
26	Dated Sept. 26, 1963:			
	Redeemed in exchange for series issued Mar. 26, 1964, due June 25, 1964	[4] 3.520		148,868,000.00
	Redeemed in exchange for series dated Mar. 26, 1964, due Sept. 24, 1964			72,387,000.00
	Redeemable for cash			1,987,817,000.00
26	Maturing June 25, 1964:			
	Issued in exchange for series dated Sept. 26, 1963	3.550	148,868,000.00	
	Issued for cash		1,158,699,000.00	
26	Maturing Sept. 24, 1964:			
	Issued in exchange for series dated Sept. 26, 1963	3.740	72,387,000.00	
	Issued for cash		827,815,000.00	
	Certificates of indebtedness, foreign series, maturing:			
26	June 2, 1964	3.55		10,000,000.00
27	Mar. 27, 1964	3.55		100,000,000.00
27	June 29, 1964	3.55	40,000,000.00	
31	Treasury notes, foreign series, maturing Jan. 21, 1968	3.125		1,900,000.00
	Certificates of indebtedness, foreign series, maturing:			
31	June 9, 1964	3.60		15,000,000.00
31	June 18, 1964	3.55		30,000,000.00
31	Treasury certificates, maturing June 30, 1964	3.525	10,185,185.19	
	U.S. savings bonds: [5]			
31	Series E-1941	[6] 3.223	427,398.36	4,268,842.29
31	Series E-1942	[6] 3.252	3,268,513.49	13,386,801.85
31	Series E-1943	[6] 3.277	10,036,590.76	25,874,769.72
31	Series E-1944	[6] 3.298	4,097,460.27	29,387,458.57
31	Series E-1945	[6] 3.316	3,772,537.74	20,233,959.45
31	Series E-1946	[6] 3.327	3,004,106.02	11,353,348.86
31	Series E-1947	[6] 3.346	3,546,522.28	12,148,005.97
31	Series E-1948	[6] 3.366	3,737,680.97	13,627,988.29
31	Series E-1949	[6] 3.344	4,191,076.52	13,342,766.08
31	Series E-1950	[6] 3.347	3,965,352.96	13,747,048.09
31	Series E-1951	[6] 3.378	3,381,352.14	12,360,169.54
31	Series E-1952 (January to April)	3.400	1,738,606.11	4,625,311.55
31	Series E-1952 (May to December)	[6] 3.451	2,071,452.75	10,308,471.53
31	Series E-1953	[6] 3.468	5,851,395.23	26,397,842.31
31	Series E-1954	[6] 3.497	12,963,929.39	19,905,067.45
31	Series E-1955	[6] 3.522	6,479,187.09	12,029,655.94
31	Series E-1956	[6] 3.546	5,725,785.04	11,425,746.41
31	Series E-1957 (January)	3.560	75.00	1,038,537.92
31	Series E-1957 (February to December)	[6] 3.653	5,534,648.05	10,883,486.58
31	Series E-1958	[6] 3.690	5,955,305.63	15,058,302.85
31	Series E-1959 (January to May)	3.730	2,936,175.09	5,127,058.13
31	Series E-1959 (June to December)	3.750	2,859,986.30	7,600,031.12
31	Series E-1960	3.750	6,382,798.79	15,925,477.60
31	Series E-1961	3.750	6,620,918.82	18,389,397.71
31	Series E-1962	3.750	6,582,809.17	27,044,419.63
31	Series E-1963	3.750	287,248,356.10	119,913,480.59
31	Series E-1964	3.750	119,760,862.50	39,450.00
31	Unclassified sales and redemptions		[7] —45,509,803.98	[7] —58,546,594.63
31	Series F-1952	2.53	92,759.00	4,332,987.50
31	Unclassified redemptions			517,768.63
31	Series G-1952	2.50		12,239,000.00
31	Unclassified redemptions			[7] —2,856,200.00
31	Series H-1952	[6] 3.392		575,000.00
31	Series H-1953	[6] 3.409		2,523,000.00
31	Series H-1954	[6] 3.438		5,762,000.00
31	Series H-1955	[6] 3.467		2,124,000.00
31	Series H-1956	[6] 3.496		1,929,500.00
31	Series H-1957 (January)	3.520		148,500.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	U.S. savings bonds [5]—Continued	*Percent*		
Mar. 31	Series H-1957 (February to December)	[6] 3.626		$1,548,500.00
31	Series H-1958	[6] 3.679		2,263,000.00
31	Series H-1959 (January to May)	3.720		924,500.00
31	Series H-1959 (June to December)	3.750		1,058,000.00
31	Series H-1960	3.750		2,335,500.00
31	Series H-1961	3.750		2,398,500.00
31	Series H-1962	3.750		2,010,500.00
31	Series H-1963	3.750	$1,357,500.00	1,467,000.00
31	Series H-1964	3.750	71,566,500.00	42,000.00
31	Unclassified sales and redemptions		[7]—10,402,500.00	13,268,000.00
31	Series J-1952	2.76	79,762.00	310,533.20
31	Series J-1953	2.76	192,667.60	194,521.20
31	Series J-1954	2.76	328,474.86	840,764.47
31	Series J-1955	2.76	334,419.40	780,361.35
31	Series J-1956	2.76	258,738.55	453,172.25
31	Series J-1957	2.76	79,325.63	647,290.41
31	Unclassified redemptions			[7]—152,026.63
31	Series K-1952	2.76		492,500.00
31	Series K-1953	2.76		816,500.00
31	Series K-1954	2.76		2,054,500.00
31	Series K-1955	2.76		2,029,500.00
31	Series K-1956	2.76		1,348,000.00
31	Series K-1957	2.76		182,000.00
31	Unclassified redemptions			3,283,500.00
31	Treasury notes A-1966	4.00		
	Adjustment of issues [8]		1,000.00	
31	Treasury notes D-1965	3⅞		
	Adjustment of issues [8]		—1,000.00	
31	U.S. retirement plan bonds	3.75	95,086.41	12,590.62
31	Depositary bonds, First Series	2.00	1,586,000.00	608,000.00
31	Treasury bonds, R.E.A. Series	2.00	260,000.00	990,000.00
31	Treasury bonds, Investment Series, B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EO-1968			21,644,000.00
31	Treasury notes, Series EO-1968	1½	21,644,000.00	
31	Miscellaneous			17,927,000.00
	Total March		10,510,657,024.95	11,575,776,314.40
	Treasury bonds, foreign currency series, maturing:			
Apr. 1	Mar. 29, 1965	3.27		24,962,750.00
1	June 28, 1965	3.30		74,773,268.15
1	Sept. 30, 1965	3.69		49,879,518.05
1	Treasury notes, Series EA-1964	1½		
	Redeemable for cash			456,514,000.00
	Treasury bonds, foreign currency series, maturing:			
1	Oct. 1, 1965	4.04	50,319,529.01	
1	Nov. 1, 1965	4.05	50,319,529.01	
1	Dec. 1, 1965	4.06	50,319,529.01	
1	Jan. 1, 1966	4.07	50,319,529.01	
2	Certificates of indebtedness, foreign series, maturing, Apr. 2, 1964	3.55		25,000,000.00
	Treasury bills:			
	Regular weekly:			
2	Dated Oct. 3, 1963:			
	Redeemed in exchange for series issued Apr. 2, 1964, due July 2, 1964	[4] 3.524		174,386,000.00
	Redeemed in exchange for series dated Apr. 2, 1964, due Oct. 1, 1964			93,720,000.00
	Redeemable for cash			1,931,463,000.00
2	Maturing July 2, 1964:			
	Issued in exchange for series dated Oct. 3, 1963	3.525	174,386,000.00	
	Issued for cash		1,126,174,000.00	
2	Maturing Oct. 1, 1964:			
	Issued in exchange for series dated Oct. 3, 1963	3.710	93,720,000.00	
	Issued for cash		807,737,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	Treasury notes, foreign series, maturing:	*Percent*		
Apr. 6	July 6, 1965	4.03	$125,000,000.00	
6	Apr. 6, 1964	3.10		$125,000,000.00
8	Treasury notes, Series D-1965	3⅞		
	Issued for cash		1,066,270,000.00	
	Treasury bills:			
	Other:			
8	Maturing Mar. 31, 1965:			
	Issued for cash	3.719	1,001,464,000.00	
	Regular weekly:			
9	Dated Oct. 10, 1963:			
	Redeemed in exchange for series issued Apr. 9, 1964, due July 9, 1964	[4] 3.549		260,589,000.00
	Redeemed in exchange for series dated Apr. 9, 1964, due Oct. 8, 1964			94,145,000.00
	Redeemable for cash			1,846,499,000.00
9	Maturing July 9, 1964:			
	Issued in exchange for series dated Oct. 10, 1963	3.504	260,589,000.00	
	Issued for cash		1,040,003,000.00	
9	Maturing Oct. 8, 1964:			
	Issued in exchange for series dated Oct. 10, 1963	3.703	94,145,000.00	
	Issued for cash		805,884,000.00	
	Other:			
15	Maturing Apr. 15, 1964:			
	Redeemable for cash	3.062		2,500,763,000.00
	Regular weekly:			
16	Dated Oct. 17, 1963:			
	Redeemed in exchange for series issued Apr. 16, 1964, due July 16, 1964	[4] 3.556		16,940,000.00
	Redeemed in exchange for series dated Apr. 16, 1964, due Oct. 15, 1964			3,132,000.00
	Redeemable for cash			2,081,338,000.00
16	Maturing July 16, 1964:			
	Issued in exchange for series dated Oct. 17, 1963	3.485	16,940,000.00	
	Issued for cash		1,183,566,000.00	
16	Maturing Oct. 15, 1964:			
	Issued in exchange for series dated Oct. 17, 1963	3.687	3,132,000.00	
	Issued for cash		896,918,000.00	
23	Dated Oct. 24, 1963:			
	Redeemed in exchange for series issued Apr. 23, 1964, due July 23, 1964	[4] 3.571		198,710,000.00
	Redeemed in exchange for series dated Apr. 23, 1964, due Oct. 22, 1964			93,129,000.00
	Redeemable for cash			1,811,284,000.00
23	Maturing July 23, 1964:			
	Issued in exchange for series dated Oct. 24, 1963	3.463	198,710,000.00	
	Issued for cash		1,001,368,000.00	
23	Maturing Oct. 22, 1964:			
	Issued in exchange for series dated Oct. 24, 1963	3.662	93,129,000.00	
	Issued for cash		807,664,000.00	
	Treasury bonds, foreign currency series, maturing:			
24	July 26, 1965	3.93	50,334,725.93	
24	Apr. 24, 1964	3.13		49,942,500.00
30	Certificates of indebtedness, foreign series, maturing July 30, 1964	3.00	50,000,000.00	
	Treasury bills:			
	Regular weekly:			
30	Dated Oct. 31, 1963:			
	Redeemed in exchange for series issued Apr. 30, 1964, due July 30, 1964	[4] 3.533		78,193,000.00
	Redeemed in exchange for series dated Apr. 30, 1964, due Oct. 29, 1964			62,600,000.00
	Redeemable for cash			1,959,995,000.00
30	Maturing July 30, 1964:			
	Issued in exchange for series dated Oct. 31, 1963	3.446	78,193,000.00	
	Issued for cash		1,123,090,000.00	
30	Maturing Oct. 29, 1964:			
	Issued in exchange for series dated Oct. 31, 1963	3.616	62,600,000.00	
	Issued for cash		837,882,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	U.S. savings bonds: [5]	*Percent*		
Apr. 30	Series E-1941	[6] 3.223	$480,096.00	$2,066,840.79
30	Series E-1942	[6] 3.252	3,338,293.49	9,347,786.55
30	Series E-1943	[6] 3.277	7,739,777.53	16,952,979.15
30	Series E-1944	[6] 3.298	3,638,439.78	23,960,015.44
30	Series E-1945	[6] 3.316	4,535,280.37	13,923,206.82
30	Series E-1946	[6] 3.327	3,063,774.14	7,640,919.15
30	Series E-1947	[6] 3.346	3,328,759.86	8,402,912.17
30	Series E-1948	[6] 3.366	3,554,341.49	9,167,548.68
30	Series E-1949	[6] 3.344	3,848,533.55	9,394,711.69
30	Series E-1950	[6] 3.347	3,612,778.19	9,207,294.82
30	Series E-1951	[6] 3.378	3,394,498.13	8,727,981.77
30	Series E-1952 (January to April)	3.400	1,544,011.90	3,489,740.77
30	Series E-1952 (May to December)	[6] 3.451	1,847,771.21	7,218,331.59
30	Series E-1953	[6] 3.468	4,499,076.02	16,694,963.24
30	Series E-1954	[6] 3.497	11,224,098.24	16,834,716.50
30	Series E-1955	[6] 3.522	6,202,238.91	9,405,314.25
30	Series E-1956	[6] 3.546	5,605,452.69	9,045,106.64
30	Series E-1957 (January)	3.560	—12,416.90	892,514.30
30	Series E-1957 (February to December)	[6] 3.653	5,673,386.75	8,989,219.88
30	Series E-1958	[6] 3.690	5,957,779.27	16,078,490.39
30	Series E-1959 (January to May)	3.730	2,826,086.24	4,400,631.93
30	Series E-1959 (June to December)	3.750	3,382,019.75	6,272,546.24
30	Series E-1960	3.750	6,444,583.31	16,608,352.42
30	Series E-1961	3.750	6,689,964.16	16,919,154.11
30	Series E-1962	3.750	6,708,542.70	22,397,611.82
30	Series E-1963	3.750	62,463,315.78	114,882,821.51
30	Series E-1964	3.750	316,876,181.25	141,356.25
30	Unclassified sales and redemptions		[7] —35,006,685.19	14,342,926.67
30	Series H-1952	[6] 3.392		657,500.00
30	Series H-1953	[6] 3.409		2,874,000.00
30	Series H-1954	[6] 3.438		10,255,500.00
30	Series H-1955	[6] 3.467		3,403,500.00
30	Series H-1956	[6] 3.496		2,624,000.00
30	Series H-1957 (January)	3.520		189,000.00
30	Series H-1957 (February to December)	[6] 3.626		1,780,500.00
30	Series H-1958	[6] 3.679		3,112,500.00
30	Series H-1959 (January to May)	3.720		1,515,000.00
30	Series H-1959 (June to December)	3.750		1,346,500.00
30	Series H-1960	3.750		3,645,000.00
30	Series H-1961	3.750		3,571,000.00
30	Series H-1962	3.750		3,128,500.00
30	Series H-1963	3.750	471,500.00	2,673,000.00
30	Series H-1964	3.750	71,982,500.00	72,000.00
30	Unclassified sales and redemptions		[7] —16,166,000.00	[7] —7,315,000.00
30	Series J-1952	2.76	89,943.60	144,784.20
30	Series J-1953	2.76	186,808.00	601,034.80
30	Series J-1954	2.76	329,537.05	1,190,980.77
30	Series J-1955	2.76	342,665.75	901,497.05
30	Series J-1956	2.76	194,240.55	598,403.70
30	Series J-1957	2.76	82,566.44	154,751.26
30	Unclassified redemptions			[7] —952,548.88
30	Series K-1952	2.76		710,500.00
30	Series K-1953	2.76		1,571,000.00
30	Series K-1954	2.76		3,626,500.00
30	Series K-1955	2.76		2,629,000.00
30	Series K-1956	2.76		1,439,000.00
30	Series K-1957	2.76		296,500.00
30	Unclassified redemptions			[7] —4,024,000.00
30	Treasury notes A-1966 (additional issue)	4.00		
	Adjustments of issues [8]		4,000.00	
30	Treasury notes C-1964	4 7/8		
	Adjustments of redemptions [8]			562,000.00
30	Treasury notes B-1964	5.00		
	Adjustments of redemptions [8]			11,000.00
30	Treasury notes A-1965	4 5/8		
	Adjustments of redemptions [8]			54,000.00
30	Treasury notes E-1964	3 3/4		
	Adjustments of redemptions [8]			—775,000.00
30	Treasury notes F-1964	3 3/4		
	Adjustments of redemptions [8]			1,395,000.00
30	Treasury bonds of 1965	2 5/8		
	Adjustments of redemptions [8]			—1,247,000.00
30	U.S. retirement plan bonds	3.75	136,858.52	16,744.65
30	Depositary bonds, First Series	2.00	1,921,000.00	519,000.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964		*Percent*		
Apr. 30	Treasury bonds, R.E.A. Series	2.00	$373,000.00	$120,000.00
30	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for Treasury notes:			
	Series EO-1968			41,384,000.00
	Series EA-1969			1,921,000.00
30	Treasury notes, Series EO-1968	1½	41,384,000.00	
30	Treasury notes, Series EA-1969	1½	1,921,000.00	
30	Miscellaneous			31,707,300.00
	Total April		13,756,890,440.50	14,534,451,979.29
	Treasury bills:			
	Other:			
May 6	Maturing Apr. 30, 1965:			
	Issued for cash	3.705	1,001,439,000.00	
	Regular weekly:			
7	Dated Nov. 7, 1963:			
	Redeemed in exchange for series issued May 7, 1964, due Aug. 6, 1964	[4] 3.549		154,810,000.00
	Redeemed in exchange for series dated May 7, 1964, due Nov. 5, 1964			82,709,000.00
	Redeemable for cash			1,862,908,000.00
7	Maturing Aug. 6, 1964:			
	Issued in exchange for series dated Nov. 7, 1963	3.482	154,810,000.00	
	Issued for cash		1,045,461,000.00	
7	Maturing Nov. 5, 1964:			
	Issued in exchange for series dated Nov. 7, 1963	3.629	82,709,000.00	
	Issued for cash		817,684,000.00	
14	Dated Nov. 14, 1963:			
	Redeemed in exchange for series issued May 14, 1964, due Aug. 13, 1964	[4] 3.593		11,763,000.00
	Redeemed in exchange for series dated May 14, 1964, due Nov. 12, 1964			3,747,000.00
	Redeemable for cash			2,087,698,000.00
14	Maturing Aug. 13, 1964:			
	Issued in exchange for series dated Nov. 14, 1963	3.491	11,763,000.00	
	Issued for cash		1,188,790,000.00	
14	Maturing Nov. 12, 1964:			
	Issued in exchange for series dated Nov. 14, 1963	3.625	3,747,000.00	
	Issued for cash		896,705,000.00	
15	Certificates of indebtedness, Series B-1964	3¼		
	Redeemed in exchange for:			
	4% Treasury notes, Series E-1965			3,829,551,000.00
	4¼% Treasury bonds of 1974			308,518,000.00
	Redeemable for cash			60,177,000.00
15	Treasury notes, Series D-1964	3¾		
	Redeemed in exchange for:			
	4% Treasury notes, Series E-1965			1,278,240,000.00
	4¼% Treasury bonds of 1974			602,939,000.00
	Redeemable for cash			134,910,000.00
15	Treasury notes, Series A-1964	4¾		
	Redeemed in exchange for:			
	4% Treasury notes, Series E-1965			3,452,986,000.00
	4¼% Treasury bonds of 1974			619,226,500.00
	Redeemable for cash			327,487,500.00
15	Treasury notes, Series E-1965	4.00		
	Issued in exchange for:			
	3¼% certificates of indebtedness, Series B-1964		3,829,551,000.00	
	4¾% Treasury notes, Series A-1964		3,452,986,000.00	
	3¾% Treasury notes, Series D-1964		1,278,240,000.00	
15	Treasury bonds of 1974	4¼		
	Issued in exchange for:			
	3¼% certificates of indebtedness, Series B-1964		308,518,000.00	
	4¾% Treasury notes, Series A-1964		619,226,500.00	
	3¾% Treasury notes, Series D-1964		602,939,000.00	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills:			
1964	Regular weekly:			
May 21	Dated Nov. 21, 1963:			
	Redeemed in exchange for series issued May 21, 1964, due Aug. 20, 1964	*Percent* [4] 3.584		$271,815,000.00
	Redeemed in exchange for series dated May 21, 1964, due Nov. 19, 1964			83,810,000.00
	Redeemable for cash			1,645,823,000.00
21	Maturing Aug. 20, 1964:			
	Issued in exchange for series dated Nov. 21, 1963	3.482	$271,815,000.00	
	Issued for cash		930,266,000.00	
21	Maturing Nov. 19, 1964:			
	Issued in exchange for series dated Nov. 21, 1963	3.598	83,810,000.00	
	Issued for cash		816,680,000.00	
	Treasury bonds, foreign currency series, maturing:			
25	May 25, 1964	2.82		30,065,750.00
25	Aug. 25, 1965	3.37	69,521,690.77	
25	Sept. 27, 1965	3.84	30,126,066.00	
	Treasury bills:			
	Regular weekly:			
28	Dated Nov. 29, 1963:			
	Redeemed in exchange for series issued May 28, 1964, due Aug. 27, 1964	[4] 3.580		203,133,000.00
	Redeemed in exchange for series dated May 28, 1964, due Nov. 27, 1964			72,485,000.00
	Redeemable for cash			1,727,761,000.00
28	Maturing Aug. 27, 1964:			
	Issued in exchange for series dated Nov. 29, 1963	3.476	203,133,000.00	
	Issued for cash		996,851,000.00	
28	Maturing Nov. 27, 1964:			
	Issued in exchange for series dated Nov. 29, 1963	3.595	72,485,000.00	
	Issued for cash		827,606,000.00	
	U.S. savings bonds: [5]			
31	Series E-1941	[6] 3.223	888,314.12	1,326,138.35
31	Series E-1942	[6] 3.252	3,529,338.45	11,635,880.44
31	Series E-1943	[6] 3.277	4,115,042.53	20,677,260.85
31	Series E-1944	[6] 3.298	6,079,637.90	26,753,650.06
31	Series E-1945	[6] 3.316	10,980,029.61	17,184,009.31
31	Series E-1946	[6] 3.327	3,045,927.06	9,393,962.03
31	Series E-1947	[6] 3.346	3,039,759.76	10,476,090.09
31	Series E-1948	[6] 3.366	3,544,788.92	11,134,993.65
31	Series E-1949	[6] 3.344	3,782,663.95	13,056,486.76
31	Series E-1950	[6] 3.347	3,492,166.88	11,881,942.75
31	Series E-1951	[6] 3.378	3,164,893.33	10,973,795.97
31	Series E-1952 (January to April)	3.400	—20,018.57	4,287,368.44
31	Series E-1952 (May to December)	[6] 3.451	1,803,960.57	8,488,372.57
31	Series E-1953	[6] 3.468	4,443,702.89	19,363,896.02
31	Series E-1954	[6] 3.497	11,004,436.59	22,951,564.27
31	Series E-1955	[6] 3.522	5,954,155.44	12,058,745.29
31	Series E-1956	[6] 3.546	5,424,960.88	11,859,136.63
31	Series E-1957 (January)	3.560	—160.12	1,031,293.48
31	Series E-1957 (February to December)	[6] 3.653	5,926,150.35	11,491,518.66
31	Series E-1958	[6] 3.690	5,559,777.01	17,136,694.28
31	Series E-1959 (January to May)	3.730	2,658,737.17	5,567,099.53
31	Series E-1959 (June to December)	3.750	3,114,074.67	8,068,218.65
31	Series E-1960	3.750	5,920,953.28	19,294,299.71
31	Series E-1961	3.750	6,362,595.88	20,598,676.94
31	Series E-1962	3.750	6,452,767.15	28,761,184.87
31	Series E-1963	3.750	11,170,911.32	106,060,113.50
31	Series E-1964	3.750	384,680,418.75	44,848,856.25
31	Unclassified sales and redemptions		[7] —56,150,369.24	[7] —137,449,307.97
31	Series H-1952	[6] 3.392		553,500.00
31	Series H-1953	[6] 3.409		1,803,000.00
31	Series H-1954	[6] 3.438		8,219,000.00
31	Series H-1955	[6] 3.467		2,950,000.00
31	Series H-1956	[6] 3.496		2,402,000.00
31	Series H-1957 (January)	3.520		138,500.00
31	Series H-1957 (February to December)	[6] 3.626		1,708,500.00
31	Series H-1958	[6] 3.679		2,679,500.00
31	Series H-1959 (January to May)	3.720		1,232,000.00

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	U.S. savings bonds [5]—Continued	*Percent*		
May 31	Series H-1959 (June to December)	3.750		$1,056,000.00
31	Series H-1960	3.750		3,025,500.00
31	Series H-1961	3.750		3,121,500.00
31	Series H-1962	3.750		2,195,000.00
31	Series H-1963	3.750	$181,500.00	2,098,000.00
31	Series H-1964	3.750	57,806,500.00	36,500.00
31	Unclassified sales and redemptions		[7] −10,074,000.00	[7] −539,500.00
31	Series J-1952	2.76	197,191.20	164,550.40
31	Series J-1953	2.76	199,264.80	579,656.80
31	Series J-1954	2.76	374,261.41	701,641.47
31	Series J-1955	2.76	287,297.15	516,342.40
31	Series J-1956	2.76	196,586.25	432,667.95
31	Series J-1957	2.76	−1,122.30	86,296.25
31	Unclassified redemptions			6,972,808.39
31	Series K-1952	2.76		558,500.00
31	Series K-1953	2.76		871,500.00
31	Series K-1954	2.76		2,184,500.00
31	Series K-1955	2.76		1,618,500.00
31	Series K-1956	2.76		939,000.00
31	Series K-1957	2.76		172,000.00
31	Unclassified redemptions			19,741,000.00
31	U.S. retirement plan bonds	3.75	83,511.71	6,500.00
31	Depositary bonds, First Series	2.00	89,000.00	539,000.00
31	Treasury bonds, R.E.A. Series	2.00	383,000.00	
31	Treasury bonds, Investment Series, B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EA-1969			3,877,000.00
31	Treasury notes, Series EA-1969	1½	3,877,000.00	
31	Miscellaneous			28,069,400.00
	Total May		20,100,431,863.52	19,302,184,555.04
	Treasury bills:			
	Other:			
June 2	Maturing May 31, 1965:			
	Issued for cash	3.719	1,000,141,000.00	
	Regular weekly:			
4	Dated Dec. 5, 1963:			
	Redeemed in exchange for series issued June 4, 1964, due Sept. 3, 1964	[4] 3.620		202,539,000.00
	Redeemed in exchange for series dated June 4, 1964, due Dec. 3, 1964			82,101,000.00
	Redeemable for cash			1,817,132,000.00
4	Maturing Sept. 3, 1964:			
	Issued in exchange for series dated Dec. 5, 1963	3.478	202,539,000.00	
	Issued for cash		999,425,000.00	
4	Maturing Dec. 3, 1964:			
	Issued in exchange for series dated Dec. 5, 1963	3.589	82,101,000.00	
	Issued for cash		822,628,000.00	
11	Dated Dec. 12, 1963:			
	Redeemed in exchange for series issued June 11, 1964, due Sept. 10, 1964	[4] 3.582		11,338,000.00
	Redeemed in exchange for series dated June 11, 1964, due Dec. 10, 1964			2,918,000.00
	Redeemable for cash			2,086,777,000.00
11	Maturing Sept. 10, 1964:			
	Issued in exchange for series dated Dec. 12, 1963	3.462	11,338,000.00	
	Issued for cash		1,189,792,000.00	
11	Maturing, Dec. 10, 1964:			
	Issued in exchange for series dated Dec. 12, 1963	3.553	2,918,000.00	
	Issued for cash		897,600,000.00	
15	Treasury certificates maturing June 15, 1964, (dated Dec. 13, 1963)	1.00		2,500,000.00
15	Treasury certificates maturing June 15, 1964, (dated Dec. 15, 1963)	1.00		2,512,568.68
15	Treasury certificates maturing Dec. 15, 1964	1.00	7,486,777.15	

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
	Treasury bills:			
1964	Regular weekly:			
June 18	Dated Dec. 19, 1963:			
	Redeemed in exchange for series issued June 18, 1964, due Sept. 17, 1964	*Percent* [4] 3.592		$13,721,000.00
	Redeemed in exchange for series dated June 18, 1964, due Dec. 17, 1964			2,821,000.00
	Redeemable for cash			2,085,606,000.00
18	Maturing Sept. 17, 1964:			
	Issued in exchange for series dated Dec. 19, 1963	3.496	$13,721,000.00	
	Issued for cash		1,186,940,000.00	
18	Maturing Dec. 17, 1964:			
	Issued in exchange for series dated Dec. 19, 1963	3.590	2,821,000.00	
	Issued for cash		898,228,000.00	
	Tax anticipation:			
22	Issued Jan. 15, 1964:			
	Redeemable for cash	3.650		2,500,812,000.00
	Certificates of indebtedness, foreign series, maturing:			
22	June 22, 1964	2.75		50,000,000.00
22	Dec. 22, 1964	3.50	50,000,000.00	
	Treasury bills:			
	Regular weekly:			
25	Dated Dec. 26, 1963:			
	Redeemed in exchange for series issued June 25, 1964, due Sept. 24, 1964	[4] 3.591		101,815,000.00
	Redeemed in exchange for series dated June 25, 1964, due Dec. 24, 1964			42,934,000.00
	Redeemable for cash			1,967,127,000.00
25	Maturing Sept. 24, 1964:			
	Issued in exchange for series dated Dec. 26, 1963	3.478	101,815,000.00	
	Issued for cash		1,099,494,000.00	
25	Maturing Dec. 24, 1964:			
	Issued in exchange for series dated Dec. 26, 1963	3.556	42,934,000.00	
	Issued for cash		857,131,000.00	
25	Treasury notes, foreign series, maturing, Jan. 21, 1968	3.125		6,513,126.58
	Certificates of indebtedness, foreign series, maturing:			
29	June 29, 1964	3.55		40,000,000.00
29	June 29, 1964	3.70		100,000,000.00
29	Sept. 29, 1964	3.50	40,000,000.00	
29	Dec. 29, 1964	3.60	100,000,000.00	
30	Treasury certificates, maturing June 30, 1964	3.525		10,185,185.19
30	Treasury certificates, maturing Sept. 30, 1964	3.479	10,274,942.13	
30	Treasury bonds, maturing June 30, 1967	4.00	400,000.00	
	U.S. savings bonds: [5]			
30	Series E-1941	[6] 3.223	2,309,902.66	2,282,787.26
30	Series E-1942	[6] 3.252	4,392,978.95	10,729,103.68
30	Series E-1943	[6] 3.277	4,348,105.08	18,990,611.40
30	Series E-1944	[6] 3.298	14,056,672.21	23,648,846.57
30	Series E-1945	[6] 3.316	11,109,243.58	16,518,533.16
30	Series E-1946	[6] 3.327	3,963,591.07	8,964,989.38
30	Series E-1947	[6] 3.346	3,934,368.36	9,258,075.74
30	Series E-1948	[6] 3.366	4,773,145.36	10,357,544.35
30	Series E-1949	[6] 3.344	5,057,905.81	11,040,400.24
30	Series E-1950	[6] 3.347	4,179,008.18	11,008,378.50
30	Series E-1951	[6] 3.378	3,802,569.74	10,218,926.62
30	Series E-1952 (January to April)	3.400	−31,249.70	3,950,355.07
30	Series E-1952 (May to December)	[6] 3.451	1,922,606.86	8,066,864.27
30	Series E-1953	[6] 3.468	4,443,595.29	17,304,188.66
30	Series E-1954	[6] 3.497	8,474,329.62	21,806,561.91
30	Series E-1955	[6] 3.522	7,240,052.75	11,565,761.24
30	Series E-1956	[6] 3.546	6,175,799.34	10,923,864.92
30	Series E-1957 (January)	3.560	1,519.59	921,798.08
30	Series E-1957 (February to December)	[6] 3.653	6,774,325.03	10,742,899.36
30	Series E-1958	[6] 3.690	6,444,106.91	14,304,072.23
30	Series E-1959 (January to May)	3.730	−36,239.28	5,324,492.38
30	Series E-1959 (June to December)	3.750	6,723,840.97	7,238,286.38
30	Series E-1960	3.750	6,773,836.92	16,359,358.12
30	Series E-1961	3.750	6,893,338.26	18,995,703.60

Footnotes at end of table.

TABLE 44.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1963–June 1964*—Continued

Date	Securities	Rate of interest [1]	Amount issued [2]	Amount matured or called or redeemed prior to maturity [3]
1964	U.S. savings bonds [5]—Continued	*Percent*		
June 30	Series E-1962	3.750	$7,271,515.96	$25,730,834.37
30	Series E-1963	3.750	6,280,423.00	76,638,340.71
30	Series E-1964	3.750	398,893,106.25	75,414,318.75
30	Unclassified sales and redemptions		[7] −54,350,726.17	[7] −54,532,090.26
30	Series H-1952	[6] 3.392		886,500.00
30	Series H-1953	[6] 3.409		3,536,500.00
30	Series H-1954	[6] 3.438		12,322,500.00
30	Series H-1955	[6] 3.467		5,509,500.00
30	Series H-1956	[6] 3.496		4,536,500.00
30	Series H-1957 (January)	3.520		181,000.00
30	Series H-1957 (February to December)	[6] 3.626		3,676,500.00
30	Series H-1958	[6] 3.679		5,298,500.00
30	Series H-1959 (January to May)	3.720		2,231,000.00
30	Series H-1959 (June to December)	3.750		2,199,000.00
30	Series H-1960	3.750		5,315,000.00
30	Series H-1961	3.750		5,600,500.00
30	Series H-1962	3.750		4,607,000.00
30	Series H-1963	3.750	189,500.00	4,834,000.00
30	Series H-1964	3.750	49,705,000.00	59,000.00
30	Unclassified sales and redemptions		6,046,500.00	[7] −27,100,500.00
30	Series J-1952	2.76	197,115.20	6,111,348.80
30	Series J-1953	2.76	271,514.00	900,285.80
30	Series J-1954	2.76	476,466.66	2,174,467.21
30	Series J-1955	2.76	310,593.85	2,495,539.15
30	Series J-1956	2.76	242,857.30	1,254,929.85
30	Series J-1957	2.76	−158.60	204,935.00
30	Unclassified redemptions			[7] −6,966,335.40
30	Series K-1952	2.76		23,400,500.00
30	Series K-1953	2.76		2,049,500.00
30	Series K-1954	2.76		5,498,500.00
30	Series K-1955	2.76		3,419,500.00
30	Series K-1956	2.76		2,157,000.00
30	Series K-1957	2.76		113,500.00
30	Unclassified redemptions			[7] −16,955,000.00
30	Treasury notes, Series E-1965	4.00		
	Adjustments of issues [8]		−876,000.00	
30	Treasury bonds of 1974	4¼		
	Adjustments of issues [8]		1,307,000.00	
30	U.S. retirement plan bonds	3.75	169,591.55	17,001.38
30	Depositary bonds, First Series	2.00	5,961,000.00	1,651,000.00
30	Treasury bonds, R.E.A. Series	2.00	330,000.00	310,000.00
30	Treasury bonds, Investment Series B-1975-80	2¾		
	Redeemed in exchange for Treasury notes, Series EA-1969			6,322,000.00
30	Treasury notes, Series EA-1969	1½	6,322,000.00	
30	Miscellaneous			21,532,400.00
	Total June		10,172,202,371.84	11,622,509,258.93
	Total fiscal year 1964		179,466,078,987.01	175,775,467,752.97

[1] For Treasury bills, average rate on bank discount basis is shown; for savings bonds, approximate yield to maturity is shown.

[2] Since May 1, 1957, Series E and H bonds have been the only savings bonds on sale. Amounts shown for Series E, F, and J represent issue price plus accrued discount, and amounts shown for Series H represent issue price at par.

[3] For savings bonds of Series E, F, and J, amounts represent current redemption value (issue price plus accrued discount); and for Series G, H, and K, amounts represent redemption value at par.

[4] Average interest rate for combined original and additional issues.

[5] At option of owner, Series E bonds dated May 1, 1941, through May 1, 1949, may be held and will accrue interest for additional 20 years; bonds dated on and after June 1, 1949, may be held and will accrue interest for additional 10 years. At option of owner, Series H bonds dated June 1, 1952, through Jan. 1, 1957, may be held and will accrue interest for additional 10 years.

[6] Represents a weighted average of the approximate yields of bonds of various issue dates within the yearly series if held to maturity or if held from issue date to end of applicable extension period, computed on the basis of bonds outstanding June 30, 1963. (See Treasury Circulars Nos. 653 and 905 revised Sept. 23, 1959, and first amendments thereto dated Mar. 21, 1961, and Aug. 2, 1961, respectively, for details of yields by issue dates.)

[7] Amounts transferred from unclassified sales or redemptions to sales or redemptions of designated series.

[8] Adjustments of amounts originally reported on d te of issue or exchange.

[9] Represents an additional $100,092,000 on each of 1J series of outstanding Treasury bills issued in a strip to mature each week from Feb. 6 to Apr. 9, 1964.

TABLE 45.—*Allotments by investor classes on subscriptions for public marketable securities other than regular weekly Treasury bills, fiscal year 1964*

[In millions of dollars. On basis of subscription and allotment reports]

Date of financing	Issue: Description [1]	Issue: Amount issued: For cash	Issue: Amount issued: In exchange for other securities	Allotments by investor classes: U.S. Government investment accounts and Federal Reserve banks	Commercial banks [2]	Individuals [3]	Insurance companies	Mutual savings banks	Corporations [4]	Private pension and retirement funds	State and local governments [5]: Pension and retirement funds	State and local governments [5]: Other funds	Dealers and brokers	All other [6]
1963														
July 15	3.582% bill, July 15, 1964	[7] 1,998	--------	23	844	17	7	1	186	2	(*)	199	538	181
Aug. 15	3¾% note, Nov. 15, 1964–F	--------	6,398	4,149	1,241	69	58	14	253	26	4	208	131	245
Sept. 3	3.575% bill, Aug. 31, 1964	[8] 1,001	--------	7	364	4	2	1	42	(*)	(*)	2	543	36
Sept. 15	3⅞% bond, Nov. 15, 1968	--------	1,591	23	989	27	21	37	50	11	1	48	301	83
	4% bond, Aug. 15, 1973	--------	3,894	171	1,998	90	145	160	70	42	90	157	601	370
	4⅛% bond, May 15, 1989–94 [9]	--------	1,260	(*)	378	15	27	13	54	3	34	72	637	27
Oct. 1	3.586% bill, Sept. 30, 1964	[8] 1,002	--------	15	387	3	7	(*)	87	2	--------	4	461	36
Oct. 15	3.537% bill, Mar. 23, 1964 [10]	2,001	--------	--------	841	9	4	1	472	(*)	(*)	12	636	26
Oct. 28	3.601% bill {Feb. 6, 1964– Apr. 9, 1964} [11]	1,001	--------	--------	269	(*)	--------	--------	27	--------	--------	4	699	2
Nov. 4	3.633% bill, Oct. 31, 1964	[8] 1,000	--------	12	401	1	(*)	1	106	--------	(*)	3	429	47
Nov. 15	3⅞% note, May 15, 1965–C [12]	3,612	4,365	4,005	1,864	152	89	120	455	23	24	232	551	462
Dec. 3	3.590% bill, Nov. 30, 1964	[8] 1,005	--------	5	964	1	(*)	--------	2	(*)	--------	1	16	16
1964														
Jan. 3	3.707% bill, Dec. 31, 1964	[8] 1,000	--------	10	423	4	(*)	--------	70	--------	--------	2	426	65
Jan. 15	3.650% bill, June 22, 1964 [10]	2,501	--------	200	862	10	3	1	531	(*)	--------	6	860	28
Jan. 22	4% bond, Aug. 15, 1970 [9]	--------	2,223	188	1,230	43	103	27	42	13	8	66	366	137
	4¼% bond, May 15, 1975–85 [9]	--------	748	125	212	13	6	15	40	2	21	6	292	16
Feb. 6	3.680% bill, Jan. 31, 1965	[8] 1,000	--------	9	340	10	4	1	123	--------	--------	11	463	39
Feb. 15	3⅞% note, Aug. 13, 1965–D	--------	6,202	4,014	1,177	92	54	27	278	36	1	247	135	141
	4% note, Aug. 15, 1966–A [9]	--------	1,810	(*)	1,237	46	68	10	62	9	4	77	240	57
Mar. 3	3.765% bill, Feb. 28, 1965	[8] 1,001	--------	14	664	1	--------	(*)	72	--------	(*)	1	222	27
Apr. 8	3.719% bill, Mar. 31, 1965	[8] 1,001	--------	--------	992	2	1	(*)	2	(*)	--------	(*)	(*)	4
Apr. 8	3⅞% note, Aug. 13, 1965–D [9]	1,066	--------	--------	862	29	12	3	25	4	2	10	78	41
May 6	3.705% bill, Apr. 30, 1965	[8] 1,001	--------	--------	458	(*)	(*)	(*)	84	(*)	--------	1	411	47
May 15	4% note, Nov. 15, 1965–E	--------	8,560	6,383	1,290	205	67	12	122	17	1	112	19	332
	4¼% bond, May 15, 1974	--------	1,532	29	688	134	29	54	41	13	6	62	400	76
June 2	3.719% bill, May 31, 1965	[8] 1,000	--------	10	332	2	--------	(*)	85	1	--------	9	503	58

*Less than $500,000.

1 Excludes 1½ percent Treasury EA and EO notes issued in exchange for nonmarketable 2¾ percent Treasury bonds, Investment Series B-1975-80.

2 Includes trust companies and stock savings banks.

3 Includes partnerships and personal trust accounts.

4 Exclusive of banks and insurance companies.

5 Consists of trusts, sinking, and investment funds of State and local governments and their agencies.

6 Includes savings and loan associations, nonprofit institutions, and investments of foreign balances and international accounts in this country.

7 Issued as a rollover of one-year bills.

8 One-year bills issued monthly beginning Sept. 3, 1963, to replace the existing quarterly cycle.

9 Reopening of earlier issue.

10 Tax anticipation security.

11 Offering consisted of an additional $100 million each of ten series of outstanding weekly bills issued in a strip on Oct. 28, 1963.

12 Offerings of these securities, subject to allotments, were made for the purpose of paying off maturing securities in cash. Holders of the maturing securities were not offered preemptive rights to exchange their holdings but were permitted to present them in payment or exchange, in whole or in part, for the new issues.

NOTE.—Allotments from July 15, 1953, through May 15, 1959, will be found in the 1959 annual report, pp. 528-530. For the fiscal year 1960 see 1960 annual report, p. 573, for, fiscal 1961, see 1961 annual report, p. 604, for fiscal 1962, see 1962 annual report, p. 722, for fiscal 1963, see 1963 annual report, p. 606, and for current figures see monthly *Treasury Bulletin*.

TABLE 46.—*Statutory debt retirements, fiscal years 1918–64*

[In thousands of dollars. On basis of par amounts and of daily Treasury statements through 1947, and on basis of Public Debt accounts thereafter, see "Bases of Tables"]

Fiscal year	Cumulative sinking fund	Repayments of foreign debt	Bonds and notes received for estate taxes	Bonds received for loans from Public Works Administration	Franchise tax receipts, Federal Reserve banks	Payments from net earnings, Federal intermediate credit banks	Commodity Credit Corporation capital repayments	Miscellaneous gifts, forfeitures, etc.	Total
1918					1,134				1,134
1919		7,922	93						8,015
1920		72,670	3,141		2,922			13	78,746
1921	261,100	73,939	26,349		60,724			[1] 5,010	427,123
1922	276,046	64,838	21,085		60,333			393	422,695
1923	284,019	100,893	6,569		10,815			555	402,850
1924	295,987	149,388	8,897		3,635			93	458,000
1925	306,309	159,179	47		114	680		208	466,538
1926	317,092	169,654			59	509		63	487,376
1927	333,528	179,216			818	414		5,578	519,555
1928	354,741	181,804	2		250	369		3,090	540,255
1929	370,277	176,213	20		2,667	266		160	549,604
1930	388,369	160,926	73		4,283	172		61	553,884
1931	391,660	48,246			18	74		85	440,082
1932	412,555		1			21		53	412,630
1933	425,660	33,887			2,037			21	461,605
1934	359,492	357						15	359,864
1935	573,001		1					556	573,558
1936	403,238							1	403,240
1937	103,815	142						14	103,971
1938	65,116	210						139	65,465
1939	48,518	120		8,095		1,501		12	58,246
1940	128,349			134		685		16	129,184
1941	37,011			1,321		548	25,364	16	64,260
1942	75,342			668		315	18,393	5	94,722
1943	3,460							4	3,463
1944	−1							3	2
1945								2	2
1946								4	4
1947								(2)	
1948	746,636			8,028		1,634	45,509	[3] 209,828	1,011,636
1949	7,498					178		[3] 81	7,758
1950	1,815					261	48,943	[3] 690	51,709
1951	839					394			1,232
1952	551					300			851
1953	241					285			526
1954						387			387
1955						231			231
1956	762,627					462			763,089
1957						139			139
1958									
1959	−57								−57
1960									
1961	1,000,000								1,000,000
1962								[4] 1,000	1,000
1963								[5] 58,000	58,000
1964									
Total	8,734,833	1,579,605	66,278	18,246	149,809	9,825	138,209	285,769	10,982,575

[1] Includes $4,842,066.45 written off the debt Dec. 31, 1920, for fractional currency estimated to have been lost or destroyed in circulation.

[2] Beginning with 1947, bonds acquired through gifts, forfeitures, and estate taxes are redeemed prior to maturity from regular public debt receipts.

[3] Represents payments from net earnings, War Damage Corporation.

[4] Represents Treasury notes of 1890 determined by the Secretary of the Treasury on Oct. 20, 1961, pursuant to the Old Series Currency Adjustment Act approved June 30, 1961 (31 U.S.C. 912–916) to have been destroyed or irretrievably lost and so will never be presented for redemption.

[5] Represents $15,000,000 national bank notes, $1,000,000 Federal Reserve bank notes, and $15,000,000 silver certificates, all issued prior to July 1, 1929; $18,000,000 Federal Reserve notes issued prior to the series of 1928; $9,000,000 gold certificates issued prior to Jan. 30, 1934; all of which have been determined by the Secretary of the Treasury pursuant to the Old Series Currency Adjustment Act approved June 30, 1961 (31 U.S.C. 912–916) to have been destroyed or irretrievably lost and so will never be presented for redemption.

TABLE 47.—*Cumulative sinking fund, fiscal years 1921–64*

PART I—APPROPRIATIONS AND EXPENDITURES

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

Fiscal year	Appropriations	Available for expenditure during year [1]	Debt retired [2]	
			Par amount	Cost (principal)
1921–1940	8,208.6	2,117.3	6,099.0	6,091.3
1941	585.8	2,703.2	37.0	37.0
1942	586.9	3,253.1	75.3	75.3
1943	587.8	3,765.6	3.4	3.4
1944	587.6	4,349.7		
1945	587.6	4,937.4		
1946	587.6	5,525.0		
1947	587.6	6,112.6		
1948	603.5	6,716.0	746.6	746.6
1949	619.6	6,589.0	7.5	7.5
1950	619.7	7,201.2	1.8	1.8
1951	619.8	7,819.2	.8	.8
1952	619.8	8,438.1	.6	.6
1953	619.8	9,057.4	.2	.2
1954	619.8	9,676.9		
1955	619.8	10,296.7		
1956	623.8	10,920.5	762.6	762.6
1957	633.3	10,791.2		
1958	633.3	11,424.5		
1959	633.3	12,057.9		
1960	633.3	12,691.3		
1961	657.1	13,348.4	1,000.0	1,000.0
1962	680.8	13,029 3		
1963	680.8	13,710.1		
1964	680.8	14,391.0		
Total	23,117.9		8,734.8	8,727.1
Deduct cumulative expenditures	8,727.1			
Unexpended balance	14,391.0			

PART II.—TRANSACTIONS ON ACCOUNT OF THE CUMULATIVE SINKING FUND FISCAL YEAR 1964

[On basis of Public Debt accounts, see "Bases of Tables"]

Unexpended balance July 1, 1963		$13,710,112,889.84
Appropriation for 1964:		
Initial credit:		
(a) Under the Victory Loan Act (2½ percent of the aggregate amount of Liberty bonds and Victory notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligation of foreign governments held by the United States on July 1, 1920)	$253,404,864.87	
(b) Under the Emergency Relief and Construction Act of 1932 (2½ percent of the aggregate amount of expenditures from appropriations made or authorized under this act)	7,860,606.83	
(c) Under the National Industrial Recovery Act (2½ percent of the aggregate amount of expenditures from appropriations made or authorized under this act)	80,164,079.53	
Total initial credit	341,429,551.23	
Secondary credit (the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years)	339,419,534.24	680,849,085.47
Total available 1964		14,390,961,975.31
Unexpended balance June 30, 1964[2]		14,390,961,975.31

[1] Represents appropriations authorized by Congress. There are no specific funds set aside for this account since any retirements of public debt charged to this account are made from cash balances to the credit of the Treasurer of the United States.

[2] Net discount on debt retired through June 30, 1964, is $7.7 million.

NOTE.—Comparable annual data for 1921 through 1940 are shown in the 1962 annual report, p. 726.

III.—United States savings bonds

TABLE 48.—*Sales and redemptions of Series E through K savings bonds by series fiscal years 1941–64 and monthly 1964* [1] [2]

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions: Total	Redemptions: Original purchase price	Redemptions: Accrued discount	Amount outstanding[3]: Interest-bearing	Amount outstanding[3]: Matured noninterest-bearing
				Series E and H				
1941–55	79,203.6	9,183.8	88,387.4	49,102.2	45,969.3	3,132.9	39,285.1	--------
1956	5,259.9	1,114.1	6,374.0	4,730.1	4,069.1	660.9	40,929.1	--------
1957	4,613.0	1,132.6	5,745.5	5,176.2	4,444.0	732.2	41,498.5	--------
1958	4,670.1	1,160.7	5,830.8	5,187.1	4,431.9	755.3	42,142.2	--------
1959	4,506.0	1,174.5	5,680.4	5,106.8	4,309.8	797.0	42,715.8	--------
1960	4,307.0	1,194.2	5,501.2	5,502.2	4,616.3	885.9	42,714.8	--------
1961	4,463.7	1,253.7	5,717.4	4,626.7	3,905.8	720.8	43,805.6	--------
1962	4,421.5	1,331.0	5,752.5	4,603.3	3,872.7	730.6	44,954.8	--------
1963	4,518.0	1,386.5	5,904.5	4,500.5	3,758.5	742.0	46,358.8	--------
1964	4,656.4	1,458.0	6,114.4	4,736.3	3,981.8	754.5	47,736.9	--------
Total through June 30, 1964	120,619.3	20,389.0	141,008.2	93,271.4	83,359.3	9,912.1	47,736.9	--------
1963—July	413.0	135.2	548.3	406.7	339.7	67.0	46,500.4	--------
August	398.6	111.7	510.3	363.7	306.1	57.6	46,647.0	--------
September	347.2	113.6	460.8	386.6	326.5	60.1	46,721.1	--------
October	394.7	108.6	503.3	381.7	322.9	58.8	46,842.8	--------
November	333.2	109.6	442.8	311.5	265.6	45.8	46,974.1	--------
December	356.2	134.9	491.1	358.8	305.5	53.3	47,106.4	--------
1964—January	471.3	141.6	612.9	488.6	399.2	89.4	47,230.7	--------
February	412.9	114.5	527.4	392.6	326.7	65.8	47,365.6	--------
March	399.5	120.9	520.5	438.6	370.5	68.1	47,447.5	--------
April	378.4	115.2	493.6	420.8	356.5	64.3	47,520.3	--------
May	367.8	115.7	483.5	367.2	309.7	57.5	47,636.6	--------
June	383.5	136.4	520.0	419.7	352.9	66.8	47,736.9	--------
				Series F, G, J, and K				
1941–55	31,096.5	836.9	31,933.3	12,634.4	12,298.8	335.6	19,080.3	218.7
1956	586.3	99.6	686.0	3,104.8	2,940.6	164.2	16,567.6	312.4
1957	268.4	83.4	351.8	3,773.5	3,605.0	168.5	13,123.5	334.8
1958	(*)	65.2	65.2	3,350.5	3,234.6	115.9	9,842.2	331.0
1959	(*)	53.6	53.6	2,137.2	2,063.4	73.8	7,786.7	302.8
1960	(*)	46.0	46.0	3,049.3	2,921.2	128.1	4,829.0	257.3
1961	(*)	32.1	32.1	1,188.0	1,128.8	59.1	3,708.7	221.6
1962	--------	27.4	27.4	1,109.9	1,059.0	50.9	2,651.9	195.8
1963	--------	21.6	21.6	770.7	721.7	49.0	1,954.9	143.7
1964	--------	17.7	17.7	426.3	399.8	26.6	1,562.6	127.4
Total through June 30, 1964	31,951.2	1,283.5	33,234.7	31,544.7	30,373.0	1,171.7	1,562.6	127.4
1963—July	--------	1.8	1.8	36.7	34.6	2.1	1,926.4	137.4
August	--------	1.5	1.5	29.9	28.3	1.6	1,901.9	133.3
September	--------	1.5	1.5	32.0	30.3	1.7	1,876.0	128.7
October	--------	1.4	1.4	37.8	35.5	2.2	1,844.0	124.4
November	--------	1.4	1.4	29.7	28.1	1.7	1,818.4	121.6
December	--------	1.6	1.6	32.6	30.6	1.9	1,720.6	188.5
1964—January	--------	1.7	1.7	45.3	42.4	2.9	1,694.5	170.9
February	--------	1.4	1.4	34.4	32.0	2.4	1,680.1	152.4
March	--------	1.4	1.4	37.4	34.8	2.6	1,654.0	142.4
April	--------	1.3	1.3	30.5	27.9	2.6	1,621.3	146.0
May	--------	1.3	1.3	46.1	43.3	2.9	1,587.0	135.4
June	--------	1.5	1.5	33.8	31.9	1.9	1,562.6	127.4

Footnotes at end of table.

TABLE 48.—*Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941–64 and monthly 1964* [1] [2]—Continued

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions			Exchanges of E bonds for H bonds	Amount outstanding (interest-bearing)
				Total	Original purchase price	Accrued discount		
				Series E				
1941–55	77,018.7	9,183.8	86,202.5	49,016.1	45,883.2	3,132.9	----------	37,186.4
1956	4,219.3	1,114.1	5,333.4	4,622.0	3,961.0	660.9	----------	37,897.8
1957	3,919.2	1,132.6	5,051.8	4,980.6	4,248.5	732.2	----------	37,969.0
1958	3,888.6	1,160.7	5,049.3	4,951.0	4,195.8	755.3	----------	38,067.2
1959	3,688.0	1,174.5	4,862.5	4,889.4	4,092.4	797.0	----------	38,040.3
1960	3,603.2	1,194.2	4,797.4	5,180.6	4,294.7	885.9	201.3	37,455.7
1961	3,689.2	1,253.7	4,942.9	4,393.8	3,672.9	720.8	188.3	37,816.6
1962	3,674.3	1,331.0	5,005.3	4,343.3	3,612.6	730.6	218.6	38,260.1
1963	3,914.0	1,386.5	5,300.4	4,202.9	3,461.0	742.0	191.3	39,166.2
1964	4,135.6	1,458.0	5,593.6	4,363.1	3,608.6	754.5	206.3	40,190.4
Total through June 30, 1964	111,750.1	20,389.0	132,139.1	90,942.7	81,030.7	9,912.1	1,005.9	40,190.4
1963—July	359.8	135.2	495.1	378.3	311.3	67.0	21.4	39,261.6
August	357.6	111.7	469.3	336.6	279.1	57.6	16.6	39,377.6
September	307.9	113.6	421.5	351.6	291.5	60.1	16.4	39,431.1
October	348.1	108.6	456.7	352.2	293.3	58.8	16.6	39,519.0
November	297.3	109.6	406.9	282.8	236.9	45.8	12.8	39,630.4
December	317.1	134.9	452.0	329.1	275.8	53.3	13.6	39,739.8
1964—January	405.1	141.6	546.7	460.8	371.4	89.4	24.2	39,801.4
February	369.0	114.5	483.6	365.7	299.9	65.8	17.7	39,901.6
March	355.7	120.9	476.6	398.2	330.1	68.1	18.7	39,961.3
April	338.3	115.2	453.5	387.3	323.0	64.3	16.1	40,011.3
May	334.3	115.7	450.0	334.5	277.0	57.5	14.4	40,112.4
June	345.4	136.4	481.8	386.0	319.2	66.8	17.8	40,190.4
				Series H				
1952–55	2,184.9	----------	2,184.9	86.1	86.1	----------	----------	2,098.7
1956	1,040.6	----------	1,040.6	108.1	108.1	----------	----------	3,031.2
1957	693.8	----------	693.8	195.5	195.5	----------	----------	3,529.5
1958	781.6	----------	781.6	236.1	236.1	----------	----------	4,075.0
1959	818.0	----------	818.0	217.4	217.4	----------	----------	4,675.5
1960	703.9	----------	703.9	321.6	321.6	----------	201.3	5,259.1
1961	774.5	----------	774.5	232.9	232.9	----------	188.3	5,989.0
1962	747.2	----------	747.2	260.1	260.1	----------	218.6	6,694.7
1963	604.1	----------	604.1	297.5	297.5	----------	191.3	7,192.5
1964	520.8	----------	520.8	373.3	373.3	----------	206.3	7,546.4
Total through June 30, 1964	8,869.2	----------	8,869.2	2,328.7	2,328.7	----------	1,005.9	7,546.4
1963—July	53.2	----------	53.2	28.4	28.4	----------	21.4	7,238.8
August	41.0	----------	41.0	27.1	27.1	----------	16.6	7,269.4
September	39.3	----------	39.3	35.0	35.0	----------	16.4	7,290.0
October	46.6	----------	46.6	29.5	29.5	----------	16.6	7,323.7
November	35.9	----------	35.9	28.7	28.7	----------	12.8	7,343.8
December	39.1	----------	39.1	29.7	29.7	----------	13.6	7,366.7
1964—January	66.2	----------	66.2	27.8	27.8	----------	24.2	7,429.3
February	43.9	----------	43.9	26.8	26.8	----------	17.7	7,464.0
March	43.8	----------	43.8	40.4	40.4	----------	18.7	7,486.2
April	40.2	----------	40.2	33.5	33.5	----------	16.1	7,508.9
May	33.5	----------	33.5	32.7	32.7	----------	14.4	7,524.2
June	38.1	----------	38.1	33.7	33.7	----------	17.8	7,546.4

Footnotes at end of table.

743-160—65——38

TABLE 48.—*Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941–64 and monthly 1964* [1] [2]—Continued

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions: Total	Redemptions: Original purchase price	Redemptions: Accrued discount	Amount outstanding [3]: Interest-bearing	Amount outstanding [3]: Matured noninterest-bearing
				Series F				
1941–55	4,957.6	826.9	5,784.5	2,800.0	2,464.8	335.1	2,876.9	107.6
1956	(*)	87.7	87.7	665.3	502.3	163.0	2,249.9	157.1
1957	(*)	67.5	67.5	709.3	544.8	164.6	1,598.3	166.8
1958	(*)	47.1	47.1	487.9	377.6	110.3	1,169.1	155.3
1959	(*)	35.7	35.7	285.2	215.3	69.9	943.9	131.0
1960	(*)	27.8	27.8	483.5	370.3	113.1	508.2	111.1
1961		15.4	15.4	212.3	157.9	54.4	331.2	91.2
1962		10.6	10.6	177.9	132.5	45.4	182.9	72.1
1963		5.0	5.0	167.4	124.3	43.1	57.8	34.9
1964		1.4	1.4	67.3	49.9	17.5		26.8
Total through June 30, 1964	4,957.7	1,125.1	6,082.8	6056.0	4,939.7	1,116.3		26.8
1963—July		0.2	0.2	5.7	4.3	1.5	54.0	33.1
August		.2	.2	4.3	3.2	1.1	50.8	32.2
September		.2	.2	4.0	3.0	1.0	48.1	31.0
October		.2	.2	6.3	4.7	1.6	43.0	30.0
November		.1	.1	4.5	3.4	1.2	39.2	29.3
December		.1	.1	5.2	3.9	1.4	16.0	47.4
1964—January		.2	.2	8.9	6.6	2.3	11.3	43.4
February		.1	.1	6.5	4.8	1.7	10.3	38.1
March		.1	.1	7.8	5.7	2.0	5.6	35.2
April		.1	.1	7.9	5.8	2.0		32.9
May				3.7	2.7	1.0		29.2
June				2.5	1.8	.6		26.8
				Series G				
1941–55	23,437.9		23,437.9	9,743.5	9,743.5		13,583.3	111.1
1956				2,300.5	2,300.5		11,238.5	155.4
1957				2,719.5	2,719.5		8,506.3	168.0
1958				2,506.5	2,506.5		5,992.1	175.7
1959				1,668.6	1,668.6		4,327.4	171.8
1960				2,055.9	2,055.9		2,297.2	146.2
1961				843.9	843.9		1,469.0	130.5
1962				805.4	805.4		670.4	123.7
1963				496.6	496.6		188.7	108.8
1964				196.8	196.8			100.7
Total through June 30, 1964	23,437.9		23,437.9	23,337.2	23,337.2			100.7
1963—July				20.6	20.6		172.6	104.3
August				17.1	17.1		158.6	101.2
September				17.9	17.9		144.2	97.7
October				21.2	21.2		126.4	94.4
November				16.3	16.3		112.1	92.3
December				17.7	17.7		45.6	141.1
1964—January				25.9	25.9		33.3	127.6
February				17.7	17.7		28.9	114.3
March				16.4	16.4		19.5	107.3
April				13.7	13.7			113.0
May				6.9	6.9			106.2
June				5.5	5.5			100.7

Footnotes at end of table.

TABLE 48.—*Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941–64 and monthly 1964* [1] [2]—Continued

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions: Total	Redemptions: Original purchase price	Redemptions: Accrued discount	Amount outstanding (interest-bearing) [3]
	Series J						
1952–55	696.8	10.0	706.8	33.7	33.2	.5	673.1
1956	183.2	11.9	195.2	59.6	58.4	1.3	808.6
1957	92.4	15.9	108.3	106.5	102.5	3.9	810.4
1958	(*)	18.1	18.1	98.4	92.8	5.6	730.2
1959	(*)	17.8	17.8	51.2	47.3	3.9	696.9
1960	---------	18.2	18.2	144.2	129.2	15.0	570.8
1961	(*)	16.7	16.7	39.1	34.4	4.8	548.4
1962	---------	16.8	16.8	37.2	31.7	5.5	527.9
1963	---------	16.6	16.6	33.2	27.4	5.9	511.3
1964	---------	16.3	16.3	46.2	37.1	9.1	481.4
Total through June 30, 1964	972.4	158.4	1,130.8	649.4	594.0	55.4	481.4
1963—July	---------	1.6	1.6	3.4	2.7	.6	509.5
August	---------	1.3	1.3	2.5	2.0	.5	508.3
September	---------	1.3	1.3	3.5	2.9	.7	506.1
October	---------	1.2	1.2	3.1	2.5	.6	504.2
November	---------	1.3	1.3	2.6	2.1	.5	502.8
December	---------	1.5	1.5	3.0	2.5	.6	501.3
1964—January	---------	1.6	1.6	3.2	2.5	.6	499.7
February	---------	1.3	1.3	3.5	2.8	.7	497.4
March	---------	1.3	1.3	3.1	2.5	.6	495.6
April	---------	1.2	1.2	2.6	2.1	.5	494.2
May	---------	1.3	1.3	9.5	7.5	1.9	486.0
June	---------	1.5	1.5	6.2	4.9	1.3	481.4
	Series K						
1952–55	2,004.2	---------	2,004.2	57.2	57.2	---------	1,947.0
1956	403.1	---------	403.1	79.5	79.5	---------	2,270.6
1957	176.0	---------	176.0	238.2	238.2	---------	2,208.5
1958	(*)	---------	(*)	257.7	257.7	---------	1,950.7
1959	(*)	---------	(*)	132.2	132.2	---------	1,818.6
1960	---------	---------	---------	365.8	365.8	---------	1,452.8
1961	---------	---------	---------	92.7	92.7	---------	1,360.1
1962	---------	---------	---------	89.4	89.4	---------	1,270.7
1963	---------	---------	---------	73.5	73.5	---------	1,197.2
1964	---------	---------	---------	116.0	116.0	---------	1,081.3
Total through June 30, 1964	2,583.3	---------	2,583.3	1,502.0	1,502.0	---------	1,081.3
1963—July	---------	---------	---------	7.0	7.0	---------	1,190.2
August	---------	---------	---------	6.0	6.0	---------	1,184.2
September	---------	---------	---------	6.6	6.6	---------	1,177.6
October	---------	---------	---------	7.2	7.2	---------	1,170.4
November	---------	---------	---------	6.2	6.2	---------	1,164.2
December	---------	---------	---------	6.6	6.6	---------	1,157.6
1964—January	---------	---------	---------	7.4	7.4	---------	1,150.2
February	---------	---------	---------	6.7	6.7	---------	1,143.5
March	---------	---------	---------	10.2	10.2	---------	1,133.3
April	---------	---------	---------	6.2	6.2	---------	1,127.0
May	---------	---------	---------	26.1	26.1	---------	1,101.0
June	---------	---------	---------	19.7	19.7	---------	1,081.3

*Less than $50,000. r Revised.

[1] Sales and redemption figures include exchanges of minor amounts of matured Series E for Series G and K bonds from May 1951 through April 1957, and Series F and J for Series H bonds beginning January 1960; they exclude exchanges of Series E for Series H bonds. Redemption figures for fiscal 1953–54 and fiscal years 1960–63 also include the maturing Series F and G savings bonds exchanged for marketable Treasury securities during special exchange offerings. The amounts involved were $416.6 million in 1953, $.7 million in 1954, $745.4 million in 1960, $147.3 million in 1961, $320.1 million in 1962, and $75.1 r million in 1963.

[2] Sales of Series E, F, and J bonds are included at issue price, and their redemptions and amounts outstanding at current redemption value. Series G, H, and K bonds are included at face value throughout.

[3] Matured F, G, J, and K bonds outstanding are included in the interest-bearing debt until all bonds of the annual series have matured, and are then transferred to matured debt on which interest has ceased.

NOTE.—Series E and H are the only savings bonds now being sold. Series A–D, sold from Mar. 1, 1935, through Apr. 30, 1941, have all matured and are no longer reflected in these tables. Series F and G were sold from May 1, 1941, through Apr. 30, 1952. Series J and K were sold from May 1, 1952, through Apr. 30, 1957. Sales figures for Series F, G, J, and K after fiscal 1957, represent adjustments. Details by months for Series E, F, and G bonds from May 1941 will be found on p. 608 of the 1943 annual report, and in corresponding tables in subsequent reports. Monthly detail for Series H, J, and K bonds will be found in the 1952 annual report, pp. 629 and 630, and in corresponding tables in subsequent reports.

TABLE 49.—*Sales and redemptions of Series E and H savings bonds by denominations, fiscal years 1941–64 and monthly 1964* [1]

[In thousands of pieces. Estimated on basis of daily Treasury statements and reports from Bureau of the Public Debt]

Fiscal year or month	Total, all denominations [2]	$25	$50	$100	[3] $200	$500	$1,000	$5,000	[4 5] $10,000
	Sales [6]								
1941–55	1,696,608	1,155,275	267,768	189,789	8,798	26,230	27,519	106	48
1956	90,053	56,719	18,784	10,090	929	1,608	1,854	48	21
1957	90,160	56,327	20,256	9,969	851	1,320	1,396	29	12
1958	89,431	54,908	21,043	9,824	893	1,304	1,413	33	14
1959	85,882	52,895	20,108	9,477	798	1,212	1,340	35	16
1960	85,607	52,972	20,220	9,208	774	1,165	1,230	27	11
1961	86,495	53,453	20,434	9,273	789	1,201	1,299	31	15
1962	86,479	53,010	20,901	9,286	813	1,186	1,237	30	16
1963	89,627	54,629	21,903	9,623	928	1,233	1,270	25	16
1964	96,609	59,230	23,442	10,324	1,006	1,220	1,214	22	16
1963—July	7,852	4,691	1,945	878	89	120	125	2	2
August	8,179	5,110	1,902	849	86	115	115	2	1
September	7,029	4,245	1,761	773	71	89	88	2	1
October	8,594	5,357	2,075	882	80	100	97	2	1
November	7,162	4,421	1,733	763	71	87	83	1	1
December	7,808	4,846	1,915	806	74	85	79	2	1
1964—January	9,095	5,631	2,131	965	93	129	141	3	2
February	8,042	4,886	1,943	885	86	116	124	2	2
March	8,506	5,167	2,115	932	91	100	98	2	1
April	7,881	4,844	1,903	847	89	98	97	2	1
May	8,012	4,924	1,934	844	87	91	86	1	1
June	8,450	5,110	2,083	899	89	90	82	2	1
	Redemptions [6]								
1941–55	1,229,060	892,320	182,015	109,032	3,061	12,605	11,839	4	2
1956	89,953	60,014	16,503	9,925	537	1,255	1,281	5	3
1957	93,175	60,612	18,165	10,590	633	1,354	1,485	9	6
1958	93,452	59,880	19,467	10,433	639	1,320	1,464	11	6
1959	88,647	56,036	18,598	10,394	675	1,301	1,451	9	5
1960	90,748	56,796	19,507	10,634	725	1,351	1,567	15	8
1961	85,077	54,280	18,654	9,197	616	1,076	1,139	10	4
1962	83,804	52,958	18,746	9,150	653	1,077	1,126	10	5
1963	83,469	53,018	19,022	8,715	601	1,005	1,028	12	5
1964	87,242	55,264	20,034	9,080	648	1,051	1,088	15	7
1963—July	7,494	4,747	1,714	786	56	91	93	1	1
August	6,897	4,422	1,559	700	50	79	81	1	(*)
September	7,133	4,502	1,661	736	52	86	87	2	1
October	7,226	4,587	1,667	746	51	85	84	1	1
November	5,946	3,819	1,349	591	43	70	69	1	(*)
December	7,067	4,604	1,584	675	46	74	78	1	1
1964—January	8,173	5,060	1,876	923	69	112	125	1	1
February	7,251	4,592	1,683	744	51	86	89	1	(*)
March	7,966	5,016	1,850	834	59	97	103	2	1
April	7,692	4,806	1,797	829	59	95	98	1	1
May	6,703	4,254	1,524	700	52	82	85	1	1
June	7,694	4,855	1,768	815	60	94	95	1	1

*Less than 500 pieces.

[1] Sales of Series H began on June 1, 1952, the denominations authorized were: $500, $1,000, $5,000, and $10,000.

[2] Totals include $75 denomination Series E bonds, sales of which were authorized May 1, 1964, and $10 denomination Series E bonds sold to Armed Forces only from June 1944–March 1950. Details by years for the $10 denomination will be found in the 1952 annual report, pp. 631, 633; thereafter, monthly detail for each fiscal year appears in a footnote to the redemptions by denominations table of successive annual reports. Details in thousands of pieces by months for the $10 and $75 denomination in fiscal year 1964 follow:

Fiscal 1964	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Total
	$10 denomination												
Redemptions	5	5	5	4	3	4	6	4	5	5	4	4	54
	$75 denomination												
Sales	----	----	----	----	----	----	----	----	----	----	42	93	135

[3] Sale of $200 denomination Series E bonds began in October 1945.

[4] Sale of $10,000 denomination Series E bonds was authorized on May 1, 1952.

[5] Includes sales of $100,000 denomination Series E bonds which are purchasable only by trustees of employees' savings plans beginning April 1954, and personal trust accounts beginning January 1955.

[6] See table 48, footnote 1.

TABLE 50.—*Sales of Series E and H savings bonds by States, fiscal years 1963, 1964, and cumulative* [1]

[In thousands of dollars, at issue price. On basis of reports received by the Treasury Department, with totals adjusted to basis of daily Treasury statements]

States	Fiscal year 1963	Fiscal year 1964	May 1941–June 1964
Alabama	36,408	36,489	1,158,281
Alaska	3,813	3,291	[2] 54,592
Arizona	18,062	19,609	441,677
Arkansas	17,369	18,028	685,535
California	286,626	287,769	8,203,916
Colorado	30,442	32,361	907,987
Connecticut	72,903	70,682	1,867,765
Delaware	18,395	19,225	325,202
District of Columbia	39,373	41,154	1,253,927
Florida	76,408	76,231	1,571,283
Georgia	40,042	42,227	1,291,737
Hawaii	10,526	11,653	447,030
Idaho	6,374	6,081	289,005
Illinois	328,655	339,931	9,686,788
Indiana	131,976	127,905	3,379,895
Iowa	109,307	108,511	3,304,116
Kansas	64,619	62,559	1,948,361
Kentucky	50,636	46,956	1,324,801
Louisiana	35,219	35,723	1,137,958
Maine	14,625	13,811	450,334
Maryland	64,414	68,551	1,510,236
Massachusetts	121,890	115,873	3,350,334
Michigan	242,017	259,724	6,612,898
Minnesota	56,731	62,420	2,240,110
Mississippi	13,693	13,204	661,052
Missouri	130,483	133,168	3,372,437
Montana	15,539	16,297	585,950
Nebraska	78,240	76,366	1,921,127
Nevada	6,398	6,279	144,483
New Hampshire	9,926	9,502	278,038
New Jersey	181,023	183,261	4,497,724
New Mexico	11,449	10,988	291,823
New York	535,456	546,128	13,424,597
North Carolina	42,444	43,380	1,328,964
North Dakota	16,549	16,053	588,914
Ohio	274,522	288,298	7,487,397
Oklahoma	49,603	49,450	1,469,720
Oregon	29,857	29,508	1,129,348
Pennsylvania	452,123	431,161	9,973,676
Rhode Island	16,916	14,911	521,329
South Carolina	21,918	21,669	677,175
South Dakota	20,865	21,422	716,439
Tennessee	34,950	35,760	1,220,818
Texas	123,876	121,559	4,187,673
Utah	17,543	17,898	465,675
Vermont	4,695	4,462	150,880
Virginia	74,217	72,152	1,966,045
Washington	56,471	53,468	1,932,562
West Virginia	49,901	46,578	1,216,648
Wisconsin	82,220	84,530	2,677,852
Wyoming	6,402	5,824	228,379
Canal Zone	2,936	3,467	72,419
Puerto Rico	2,444	3,130	66,153
Virgin Islands	220	269	3,524
Undistributed and adjustment to daily Treasury statement	+278,326	+389,516	[3] +3,916,673
Total	4,518,035	4,656,422	120,619,262

[1] Figures include exchanges of minor amounts of Series F and J bonds for Series H bonds beginning January 1960; however, they exclude exchanges of Series E bonds for Series H bonds, which are reported in table 48.

[2] Excludes data for period April 1947 through December 1956, when reports were not available. In the annual reports for 1952–58 data for period May 1941 through March 1947 were included with "Other possessions."

[3] Includes a small amount for other possessions.

NOTE.—Sales by States of the various series of savings bonds were published in the annual report for 1943, pp. 614–621, and in subsequent reports; and by months at intervals in the *Treasury Bulletin*, beginning with the issue of July 1946. Since Apr. 30, 1953, only figures for sales of Series E and H bonds have been available by States.

IV.—Interest

TABLE 51.—*Amount of interest-bearing public debt outstanding, the computed annual interest charge, and the computed rate of interest, June 30, 1939–64, and at the end of each month during 1964*

[On basis of daily Treasury statements, see "Bases of Tables"]

End of fiscal year or month	Interest-bearing debt [1]	Computed annual interest charge [2]	Computed rate of interest [2]
			Percent
1939	$39,885,969,732	$1,036,937,397	2.600
1940	42,376,495,928	1,094,619,914	2.583
1941	48,387,399,539	1,218,238,845	2.518
1942	71,968,418,098	1,644,476,360	2.285
1943	135,380,305,795	2,678,779,036	1.979
1944	199,543,355,301	3,849,254,656	1.929
1945	256,356,615,818	4,963,730,414	1.936
1946	268,110,872,218	5,350,772,231	1.996
1947	255,113,412,039	5,374,409,074	2.107
1948	250,063,348,379	5,455,475,791	2.182
1949	250,761,636,723	5,605,929,714	2.236
1950	255,209,353,372	5,612,676,516	2.200
1951	252,851,765,497	5,739,615,990	2.270
1952	256,862,861,128	5,981,357,116	2.329
1953	263,946,017,740	6,430,991,316	2.438
1954	268,909,766,654	6,298,069,299	2.342
1955	271,741,267,507	6,387,225,600	2.351
1956	269,883,068,041	6,949,699,625	2.576
1957	268,485,562,677	7,325,146,596	2.730
1958	274,697,560,009	7,245,154,946	2.638
1959	281,833,362,429	8,065,917,424	2.867
1960	283,241,182,755	9,316,066,872	3.297
1961	285,671,608,619	8,761,495,974	3.072
1962	294,442,000,790	9,518,857,333	3.239
1963	301,953,730,701	10,119,294,547	3.360
1964	307,356,561,535	10,900,360,741	3.560
1963—July	300,938,124,371	10,127,725,185	3.374
August	302,524,865,998	10,265,048,837	3.402
September	302,663,955,805	10,341,913,967	3.428
October	302,458,312,989	10,431,043,826	3.460
November	304,093,296,805	10,533,931,414	3.476
December	305,213,415,638	10,603,080,392	3.486
1964—January	304,498,573,590	10,636,276,843	3.506
February	306,132,041,061	10,770,220,952	3.531
March	305,404,552,352	10,760,752,714	3.537
April	303,385,331,008	10,719,764,536	3.546
May	307,213,551,398	10,877,815,309	3.554
June	307,356,561,535	10,900,360,741	3.560

[1] Includes from June 30, 1930, discount on Treasury bills; the current redemption value from May 1935 of savings bonds of Series A–F and J; and beginning August 1941, the face amount of Treasury tax and savings notes. The face value of matured savings bonds and notes outstanding is included until all of the annual series have matured, when they are transferred to matured debt on which interest has ceased.

[2] Comparable annual data 1916–38 are contained in 1962 annual report, p. 735. Current monthly figures are published in the *Treasury Bulletin*. Comparable monthly data 1929–36 appear in 1936 annual report, p. 442, and from 1937 in later reports. Annual interest charge monthly 1916–29 appears in 1929 annual report, p. 509.

NOTE.—The computed annual interest charge represents the amount of interest that would be paid if each interest-bearing issue outstanding at the end of the month or year should remain outstanding for a year at the applicable annual rate of interest. The charge is computed for each issue by applying the appropriate annual interest rate to the amount outstanding on that date.

Beginning Dec. 31, 1958, the computed average rate is based upon the rate of effective yield for issues sold at premiums or discounts. Before that date the computed average rate was based upon the coupon rates of the securities. That rate did not materially differ from the rate on the basis of effective yield. The "effective yield" method of computing the average interest rate on the public debt more accurately reflects the interest cost to the Treasury, and is believed to be in accord with the intent of Congress where legislation has required the use of the rate of effective yield for various purposes.

TABLE 52.—*Computed annual interest rate and computed annual interest charge on the public debt by classes, June 30, 1939–64*

[Dollar amounts in millions. On basis of daily Treasury statements, see "Bases of Tables"]

End of fiscal year or month	Total public debt	Marketable issues: Total [1]	Marketable issues: Bills [2]	Marketable issues: Certificates	Marketable issues: Notes	Marketable issues: Treasury bonds	Nonmarketable issues: Total	Nonmarketable issues: Savings bonds [3]	Nonmarketable issues: Tax and savings notes	Nonmarketable issues: Other	Special issues
	Computed annual interest rate										
1939	2.600	2.525	0.010	----------	1.448	2.964	2.913	2.900	----------	3.000	3.091
1940	2.583	2.492	.038	----------	1.256	2.908	2.908	2.900	----------	3.000	3.026
1941	2.518	2.413	.089	----------	1.075	2.787	2.865	2.858	----------	3.000	2.904
1942	2.285	2.225	.360	0.564	1.092	2.680	2.277	2.787	0.506	2.743	2.681
1943	1.979	1.822	.380	.875	1.165	2.494	2.330	2.782	1.040	2.495	2.408
1944	1.929	1.725	.381	.875	1.281	2.379	2.417	2.788	1.080	2.314	2.405
1945	1.936	1.718	.381	.875	1.204	2.314	2.473	2.789	1.076	2.000	2.436
1946	1.996	1.773	.381	.875	1.289	2.307	2.567	2.777	1.070	2.000	2.448
1947	2.107	1.871	.382	.875	1.448	2.307	2.593	2.765	1.070	2.423	2.510
1948	2.182	1.942	1.014	1.042	1.204	2.309	2.623	2.759	1.070	2.414	2.588
1949	2.236	2.001	1.176	1.225	1.375	2.313	2.629	2.751	1.290	2.393	2.596
1950	2.200	1.958	1.187	1.163	1.344	2.322	2.569	2.748	1.383	2.407	2.589
1951	2.270	1.981	1.569	1.875	1.399	2.327	2.623	2.742	1.567	2.717	2.606
1952	2.329	2.051	1.711	1.875	1.560	2.317	2.659	2.745	1.785	2.714	2.675
1953	2.438	2.207	2.254	2.319	1.754	2.342	2.720	2.760	2.231	2.708	2.746
1954	2.342	2.043	.843	1.928	1.838	2.440	2.751	2.793	2.377	2.709	2.671
1955	2.351	2.079	1.539	1.173	1.846	2.480	2.789	2.821	2.359	2.708	2.585
1956	2.576	2.427	2.654	2.625	2.075	2.485	2.824	2.848	----------	2.713	2.705
1957	2.730	2.707	3.197	3.345	2.504	2.482	2.853	2.880	----------	2.718	2.635
1958	2.638	2.546	1.033	3.330	2.806	2.576	2.892	2.925	----------	2.718	2.630
1959	2.867	2.891	3.316	2.842	3.304	2.619	2.925	2.961	----------	2.714	2.694
1960	3.297	3.449	3.815	4.721	4.058	2.639	3.219	3.293	----------	2.715	2.772
1961	3.072	3.063	2.584	3.073	3.704	2.829	3.330	3.408	----------	2.713	2.803
1962	3.239	3.285	2.926	3.377	3.680	3.122	3.364	3.449	----------	2.670	2.891
1963	3.360	3.425	3.081	3.283	3.921	3.344	3.412	3.482	----------	2.770	3.003
1964	3.560	3.659	3.729	----------	3.854	3.471	3.462	3.517	----------	2.917	3.238
1963—July	3.374	3.440	3.147	3.283	3.921	3.344	3.415	3.484	----------	2.785	3.018
August	3.402	3.479	3.248	3.216	3.902	3.359	3.419	3.487	----------	2.790	3.043
September	3.428	3.512	3.340	3.213	3.899	3.416	3.433	3.498	----------	2.811	3.039
October	3.460	3.545	3.469	3.213	3.918	3.417	3.436	3.501	----------	2.825	3.085
November	3.476	3.564	3.538	3.250	3.863	3.417	3.438	3.503	----------	2.827	3.104
December	3.486	3.578	3.596	3.250	3.862	3.417	3.443	3.506	----------	2.848	3.103
1964—January	3.506	3.602	3.670	3.250	3.848	3.448	3.446	3.507	----------	2.849	3.107
February	3.531	3.637	3.689	3.250	3.863	3.457	3.447	3.508	----------	2.840	3.124
March	3.537	3.643	3.715	3.250	3.863	3.457	3.450	3.511	----------	2.837	3.135
April	3.546	3.657	3.746	3.250	3.882	3.457	3.457	3.513	----------	2.900	3.118
May	3.554	3.663	3.742	----------	3.854	3.471	3.460	3.515	----------	2.913	3.170
June	3.560	3.659	3.729	----------	3.854	3.471	3.462	3.517	----------	2.917	3.238

Footnotes at end of table.

TABLE 52.—*Computed annual interest rate and computed annual interest charge on the public debt by classes, June 30, 1939–64*—Con.

[Dollar amounts in millions]

End of fiscal year or month	Total public debt	Marketable issues: Total [1]	Marketable issues: Bills [2]	Marketable issues: Certificates	Marketable issues: Notes	Marketable issues: Treasury bonds	Nonmarketable issues: Total	Nonmarketable issues: Savings bonds [3]	Nonmarketable issues: Tax and savings notes	Nonmarketable issues: Other	Special issues
	Computed annual interest charge										
1939	$1,037	$858	(*)	------	$105	$747	$63	$54	------	$8	$117
1940	1,095	858	(*)	------	80	772	92	84	------	8	145
1941	1,218	910	$1	------	61	842	130	123	------	7	178
1942	1,644	1,125	9	$17	73	1,021	307	284	$15	8	211
1943	2,679	1,737	45	145	107	1,435	680	591	78	11	262
1944	3,849	2,422	56	252	223	1,885	1,084	965	103	16	344
1945	4,964	3,115	65	299	283	2,463	1,390	1,271	109	10	458
1946	5,351	3,362	65	305	235	2,753	1,442	1,362	72	9	547
1947	5,374	3,156	60	221	118	2,753	1,530	1,420	59	51	687
1948	5,455	3,113	139	235	137	2,597	1,561	1,470	47	44	782
1949	5,606	3,103	135	361	49	2,554	1,652	1,548	63	41	851
1950	5,613	3,040	160	214	274	2,387	1,735	1,581	117	37	838
1951	5,740	2,731	213	178	501	1,835	2,106	1,579	123	405	903
1952	5,981	2,879	293	533	296	1,753	2,093	1,583	118	391	1,010
1953	6,431	3,249	442	368	534	1,903	2,069	1,598	99	372	1,115
1954	6,298	3,071	164	355	588	1,962	2,099	1,622	121	357	1,128
1955	6,387	3,225	299	162	752	2,010	2,044	1,647	45	352	1,118
1956	6,950	3,758	549	428	746	2,034	1,972	1,637	------	334	1,220
1957	7,325	4,210	743	685	776	2,005	1,881	1,573	------	308	1,234
1958	7,245	4,242	231	1,096	573	2,341	1,787	1,520	------	266	1,216
1959	8,066	5,133	1,046	962	902	2,221	1,728	1,496	------	232	1,206
1960	9,316	6,317	1,249	833	2,088	2,145	1,754	1,566	------	189	1,245
1961	8,761	5,718	937	410	2,084	2,288	1,781	1,619	------	162	1,263
1962	9,519	6,422	1,212	457	2,408	2,344	1,798	1,642	------	156	1,299
1963	10,119	6,944	1,433	728	2,043	2,740	1,830	1,682	------	148	1,345
1964	10,900	7,513	1,855	------	2,591	3,067	1,878	1,734	------	144	1,509
1963—July	10,128	6,973	1,462	728	2,043	2,740	1,835	1,687	------	148	1,320
August	10,265	7,041	1,509	546	2,283	2,703	1,839	1,693	------	146	1,385
September	10,342	7,140	1,583	498	2,108	2,951	1,845	1,700	------	145	1,357
October	10,431	7,246	1,696	498	2,102	2,950	1,850	1,704	------	146	1,335
November	10,534	7,326	1,756	355	2,265	2,950	1,856	1,709	------	147	1,352
December	10,603	7,390	1,820	355	2,265	2,950	1,859	1,712	------	147	1,354
1964—January	10,636	7,474	1,894	355	2,171	3,054	1,860	1,716	------	144	1,302
February	10,770	7,568	1,939	136	2,489	3,004	1,862	1,721	------	141	1,340
March	10,761	7,544	1,915	136	2,489	3,004	1,862	1,724	------	138	1,355
April	10,720	7,542	1,876	136	2,526	3,004	1,868	1,726	------	142	1,310
May	10,878	7,576	1,917	------	2,591	3,068	1,874	1,730	------	144	1,428
June	10,900	7,513	1,855	------	2,591	3,067	1,878	1,734	------	144	1,509

*Less than $500,000.

[1] Total includes Panama Canal bonds prior to 1961, postal savings bonds prior to 1956, and conversion bonds prior to 1947.

[2] Included in debt outstanding at face amount, but the annual interest charge and the annual interest rate are computed on the discount value.

[3] The annual interest charge and annual interest rate on United States savings bonds are computed on the basis of the rate to maturity applied against the amount outstanding.

NOTE.—For methods of computing annual interest rate and charge see note to table 51. See table 35 for amounts of public debt outstanding by classification.

TABLE 53.—*Interest on the public debt by classes, fiscal years 1960–64*

[In millions of dollars, on an accrual basis. On basis of Public Debt accounts, see "Bases of Tables"]

Class of securities	1960	1961	1962	1963	1964
Public issues:					
Marketable:					
Treasury bills [1]	1,572.0	1,108.7	1,149.3	1,392.4	1,763.9
Certificates of indebtedness	783.8	712.3	282.5	682.4	343.3
Treasury notes	1,703.4	1,951.8	2,417.9	2,127.4	2,302.9
Treasury bonds	2,223.2	2,214.1	2,216.8	2,554.1	2,944.3
Panama Canal bonds	1.5	1.4			
Total marketable issues	6,283.9	5,988.3	6,066.5	6,756.3	7,354.4
Nonmarketable:					
Depositary bonds	3.6	2.6	2.9	2.1	2.0
Foreign currency series:					
Certificates of indebtedness			.9	1.9	.7
Treasury bonds				8.2	23.3
Foreign series:					
Certificates of indebtedness			10.7	11.3	11.1
Treasury notes				2.7	5.6
Treasury bonds, investment series	196.0	169.1	140.2	118.7	100.4
Treasury bonds, R.E.A. series		.2	.5	.5	.5
U.S. savings bonds:					
Series E, F, and J [1]	1,246.0	1,285.8	1,358.3	1,404.5	1,466.7
Series G, H, and K	257.0	261.1	277.7	298.1	313.6
U.S. retirement plan bonds					.1
Treasury certificates					.1
Treasury bonds					.4
Other [2]	(*)	(*)	(*)	(*)	(*)
Total nonmarketable issues	1,702.6	1,718.8	1,791.2	1,848.0	1,924.5
Total public issues	7,986.5	7,707.1	7,857.7	8,604.3	9,278.9
Special issues:					
Certificates of indebtedness	244.8	243.6	228.6	248.9	264.5
Treasury notes	373.4	265.7	204.6	167.6	95.6
Treasury bonds	574.9	740.8	828.9	874.5	1,025.6
Total special issues	1,193.1	1,250.1	1,262.1	1,291.0	1,385.7
Total interest on public debt	9,179.6	8,957.2	9,119.8	9,895.3	10,664.6
Other [3]					1.3
Total interest and charges	9,179.6	8,957.2	9,119.8	9,895.3	10,665.9

*Less than $50,000.
[1] Amounts represent discount treated as interest.
[2] Includes Armed Forces leave bonds and adjusted service bonds.
[3] Charges for gold and foreign currency purchases authorized by act of June 19, 1962 (22 U.S.C. 286e-2(c)) and act of Oct. 23, 1962 (76 Stat. 1168).

TABLE 54.—*Interest on the public debt and guaranteed debt by tax status, fiscal years 1940–64* [1]

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

Fiscal year	Total	Tax-exempt			Taxable	Special issues to Government agencies and trust funds
		Total	Wholly	Partially		
	Issued by U.S. Government					
1940	1,041.4	909.6	104.2	805.4		131.8
1941	1,110.2	950.1	79.2	870.9	0.5	159.6
1942	1,260.1	907.2	57.1	850.1	153.5	199.4
1943	1,813.0	895.6	38.3	857.4	676.1	241.3
1944	2,610.1	852.2	27.2	825.0	1,449.8	308.2
1945	3,621.9	780.2	45.3	734.9	2,436.3	405.4
1946	4,747.5	711.9	26.0	685.9	3,530.8	504.8
1947	4,958.0	601.0	7.0	594.0	3,755.1	601.9
1948	5,187.8	574.8	5.6	569.2	3,884.9	728.1
1949	5,352.3	494.5	5.1	489.4	4,040.3	817.5
1950	5,496.3	416.7	4.3	412.4	4,218.8	860.8
1951	5,615.1	329.9	4.2	325.7	4,413.0	872.2
1952	5,853.0	226.0	4.1	221.9	4,686.9	940.1
1953	6,503.6	201.7	3.7	198.0	5,258.4	1,043.5
1954	6,382.5	183.9	3.1	180.8	5,071.0	1,127.6
1955	6,370.4	148.6	2.2	146.4	5,107.1	1,114.7
1956	6,786.6	94.6	1.5	93.1	5,553.6	1,138.4
1957	7,244.2	73.3	1.5	71.8	5,930.2	1,240.7
1958	7,606.8	66.6	1.5	65.1	6,317.2	1,223.0
1959	7,592.8	42.3	1.5	40.8	6,353.1	1,197.4
1960	9,179.6	42.3	1.5	40.8	7,944.2	1,193.1
1961	8,957.2	42.2	1.4	40.8	7,664.9	1,250.1
1962	9,119.8	40.8		40.8	7,816.9	1,262.1
1963	9,895.3	18.8		18.8	8,585.5	1,291.0
1964	10,665.9				9,280.2	1,385.7
	Issued by Federal instrumentalities: Guaranteed issues					
1940	109.9	109.9		109.9		
1941	110.9	110.9		110.9		
1942	125.6	113.0		113.0	12.6	
1943	82.0	66.6		66.6	15.4	
1944	77.9	65.7		65.7	12.2	
1945	18.0	13.2		13.2	4.8	
1946	1.6	1.6		1.6	(*)	
1947	1.6	1.6		1.6	(*)	
1948	1.1	1.1		1.1	(*)	
1949	.7	.4		.4	.2	
1950	.5	.3		.3	.1	
1951	1.1	.3		.3	.8	
1952	1.8	.4		.4	1.4	
1953	2.4	.3		.3	2.1	
1954	2.2	.2		.2	2.0	
1955	2.1	.2		.2	1.9	
1956	2.5	.2		.2	2.3	
1957	3.8	.2		.2	3.6	
1958	4.0	.2		.2	3.8	
1959	4.9	.1		.1	4.8	
1960	5.0	.1		.1	4.9	
1961	8.3	(*)		(*)	8.2	
1962	15.8	(*)		(*)	15.8	
1963	23.8	(*)		(*)	23.8	
1964	33.8				33.8	

*Less than $50,000.

[1] Figures for 1940–49, inclusive, represent actual interest payments; figures for 1950–54 inclusive, represent interest which became due and payable during those years without regard to actual payments; figures for 1955 to 1964, inclusive, are shown on an accrual basis.

NOTE.—Amount of interest paid includes increase in redemption value of U.S. savings bonds and discount on unmatured issues of Treasury bills. Interest paid on guaranteed issues does not include amounts paid on demand securities of Commodity Credit Corporation. Data for 1913–33 will be found in the 1948 annual report, p. 539, and for 1934–39 in the 1952 annual report, p. 645.

V.—Prices and yields of securities

TABLE 55.—*Average yields of taxable [1] long-term Treasury bonds by months, October 1941–June 1964 [2]*

[Averages of daily figures. Percent per annum compounded semiannually]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
1941	--------	--------	--------	--------	--------	--------	--------	--------	--------	[3] 2.34	2.34	2.47	--------
1942	2.48	2.48	2.46	2.44	2.45	2.43	2.46	2.47	2.46	2.45	2.47	2.49	2.46
1943	2.46	2.46	2.48	2.48	2.46	2.45	2.45	2.46	2.48	2.48	2.48	2.49	2.47
1944	2.49	2.49	2.48	2.48	2.49	2.49	2.49	2.48	2.47	2.48	2.48	2.48	2.48
1945	2.44	2.38	2.40	2.39	2.39	2.35	2.34	2.36	2.37	2.35	2.33	2.33	2.37
1946	2.21	2.12	2.09	2.08	2.19	2.16	2.18	2.23	2.28	2.26	2.25	2.24	2.19
1947	2.21	2.21	2.19	2.19	2.19	2.22	2.25	2.24	2.24	2.27	2.36	2.39	2.25
1948	2.45	2.45	2.44	2.44	2.42	2.41	2.44	2.45	2.45	2.45	2.44	2.44	2.44
1949	2.42	2.39	2.38	2.38	2.38	2.38	2.27	2.24	2.22	2.22	2.20	2.19	2.31
1950	2.20	2.24	2.27	2.30	2.31	2.33	2.34	2.33	2.36	2.38	2.38	2.39	2.32
1951	2.39	2.40	2.47	2.56	2.63	2.65	2.63	2.57	2.56	2.61	2.66	2.70	2.57
1952	2.74	2.71	2.70	[3] 2.64	2.57	2.61	2.61	2.70	2.71	2.74	2.71	2.75	2.68
1953	2.80	2.83	2.89	[3] 2.97	3.11	3.13	3.02	3.02	2.98	2.83	2.86	2.79	2.94
1954	2.69	2.62	2.53	2.48	2.54	2.55	2.47	2.48	2.52	2.54	2.57	2.59	2.55
1955	2.68	2.78	2.78	2.82	2.81	2.82	2.91	2.95	2.92	2.87	2.89	2.91	2.84
1956	2.88	2.85	2.93	3.07	2.97	2.93	3.00	3.17	3.21	3.20	3.30	3.40	3.08
1957	3.34	3.22	3.26	3.32	3.40	3.58	3.60	3.63	3.66	3.73	3.57	3.30	3.47
1958	3.24	3.28	3.25	3.12	3.14	3.20	3.36	3.60	3.75	3.76	3.70	3.80	3.43
1959	3.91	3.92	3.92	4.01	4.08	4.09	4.11	4.10	4.26	4.11	4.12	4.27	4.08
1960	4.37	4.22	4.08	4.18	4.16	3.98	3.86	3.79	3.84	3.91	3.93	3.88	4.02
1961	3.89	3.81	3.78	3.80	3.73	3.88	3.90	4.00	4.02	3.98	3.98	4.06	3.90
1962	4.08	4.09	4.01	3.89	3.88	3.90	4.02	3.98	3.94	3.89	3.87	3.87	3.95
1963	3.89	3.92	3.93	3.97	3.97	4.00	4.01	3.99	4.04	4.07	4.11	4.14	4.00
1964	4.15	4.14	4.18	4.20	4.16	4.13	--------	--------	--------	--------	--------	--------	--------

[1] Taxable bonds are those on which the interest is subject to both the normal and surtax rates of the Federal income tax. This average commenced Oct. 20, 1941.

[2] Prior to October 1941 yields were on partially tax-exempt long-term bonds. For January 1930 through December 1945, see the 1956 annual report, page 492, and for January 1919 through December 1929, see the 1943 annual report, p. 662.

[3] Beginning Oct. 20, 1941, through Mar. 31, 1952, yields are based on bonds neither due nor callable for 15 years; beginning Apr. 1, 1952, through Mar. 31, 1953, on bonds neither due nor callable for 12 years; beginning Apr. 1, 1953, on bonds neither due nor callable for 10 years.

NOTE.—For bonds selling above par and callable at par before maturity, the yields are computed on the basis of redemption at first call date; while for bonds selling below par, yields are computed to maturity. Monthly averages are averages of daily figures. Each daily figure is an unweighted average of the yields of the individual issues. Yields before 1953 are computed on the basis of the mean of closing bid and ask quotations in the over-the-counter market. Commencing April 1953, yields, as reported by the Federal Reserve Bank of New York, are based on over-the-counter closing bid quotations. See *Treasury Bulletin* for current monthly yields.

TABLE 56.—*Prices and yields of marketable public debt issues June 28, 1963, and June 30, 1964, and price range since first traded*

[Price decimals are thirty-seconds and + indicates additional sixty-fourth]

Issue [1]	June 28, 1963			June 30, 1964			Price range since first traded [2]			
	Price		Yield to call or to maturity [3]	Price		Yield to call or to maturity [3]	High		Low	
	Bid	Ask		Bid	Ask		Price	Date	Price	Date
Taxable issues:										
Treasury bonds:			*Percent*			*Percent*				
2½% Aug. 15, 1963	99.31	100.01	2.73	----	----	----	100.24	Apr. 18, 1958	91.05	Sept. 15, 1959
3% Feb. 15, 1964	99.30	100.00	3.10	----	----	----	103.19	Apr. 21, 1958	92.06	Sept. 15, 1959
2⅝% Feb. 15, 1965	98.31	99.01	3.28	99.15+	99.17+	3.47	100.13	June 5, 1958	89.00	Jan. 6, 1960
3¾% May 15, 1966	100.15	100.17	3.58	99.26	99.28	3.85	102.11	May 15, 1961	99.07	Apr. 7, 1964
3% Aug. 15, 1966	98.16	98.20	3.51	98.15	98.19	3.76	103.20	Apr. 21, 1958	89.24	Jan. 6, 1960
3⅜% Nov. 15, 1966	99.12	99.14	3.57	99.00	99.02	3.82	100.06	May 15, 1961	97.10	Dec. 12, 1961
2½% June 15, 1962–67	96.04	96.08	3.56	96.18	96.22	3.74	108.12	Apr. 6, 1946	84.22	Sept. 15, 1959
3⅝% Nov. 15, 1967	99.19	99.21	3.73	98.29	98.31	3.97	100.26	Dec. 24, 1962	97.18	Aug. 8, 1961
3⅞% May 15, 1968	100.11	100.15	3.80	99.17	99.21	4.01	102.04	May 12, 1961	98.11	June 9, 1960
3¾% Aug. 15, 1968	99.23	99.27	3.81	98.29	99.01	4.04	101.06	Dec. 26, 1962	97.29	Mar. 24, 1964
3⅞% Nov. 15, 1968	----	----	----	99.12	99.14	4.03	99.17	Oct. 3, 1963	98.13	Mar. 24, 1964
2½% Dec. 15, 1963–68	94.00	94.06	3.73	94.14	94.20	3.87	108.03	Apr. 6, 1946	82.08	Jan. 6, 1960
4% Feb. 15, 1969	100.20	100.24	3.88	99.31	100.03	4.01	102.08	Dec. 24, 1962	99.07	Mar. 24, 1964
2½% June 15, 1964–69	93.01	93.07	3.82	93.15	93.21	3.97	107.25	Apr. 6, 1946	81.10	Jan. 6, 1960
4% Oct. 1, 1969	100.20	100.24	3.89	99.31	100.03	4.01	110.14	Apr. 21, 1958	94.04	Dec. 30, 1959
2½% Dec. 15, 1964–69	92.13	92.19	3.84	92.28	93.02	3.97	107.24	Apr. 6, 1946	81.04	Jan. 6, 1960
2½% Mar. 15, 1965–70	92.00	92.06	3.87	92.17	92.21	3.98	107.23	Apr. 6, 1946	80.10	Jan. 6, 1960
4% Aug. 15, 1970	100.10	100.12	3.95	99.19	99.23	4.08	100.14	Aug. 2, 1963	98.21	Mar. 24, 1964
2½% Mar. 15, 1966–71	91.06	91.12	3.83	91.19	91.23	3.94	107.22	Apr. 6, 1946	79.28	Jan. 6, 1960
4% Aug. 15, 1971	100.08	100.12	3.96	99.13	99.17	4.10	101.27	Dec. 26, 1962	98.14	Apr. 3, 1964
3⅞% Nov. 15, 1971	99.07	99.11	3.99	98.15	98.19	4.12	100.28	Dec. 26, 1962	97.16	Apr. 3, 1964
4% Feb. 15, 1972	100.02	100.06	3.99	99.06	99.10	4.13	101.20	Dec. 26, 1962	98.06	Mar. 24, 1964
2½% June 15, 1967–72	89.18	89.24	3.89	90.00	99.06	3.98	106.16	Apr. 6, 1946	79.12	Jan. 6, 1960
4% Aug. 15, 1972	100.02	100.06	3.99	99.06	99.10	4.12	101.20	Dec. 26, 1962	98.06	Mar. 24, 1964
2½% Sept. 15, 1967–72	89.03	89.09	3.92	89.21	89.27	3.99	109.18	Apr. 6, 1946	78.24	Jan. 6, 1960
2½% Dec. 15, 1967–72	89.02	89.08	3.89	89.14	89.20	3.98	106.16	Apr. 6, 1946	79.06	Jan. 6, 1960
4% Aug. 15, 1973	----	----	----	98.29	99.01	4.15	99.05	Oct. 1, 1963	98.01	Mar. 25, 1964
4¼% May 15, 1974	----	----	----	100.21	100.23	4.17	100.21	June 30, 1964	100.06+	May 1, 1964
3⅞% Nov. 15, 1974	98.25	98.29	4.01	97.22	97.28	4.15	110.24	Apr. 22, 1958	92.08	Jan. 6, 1960
4% Feb. 15, 1980	99.20	99.24	4.03	98.10	98.18	4.15	103.18	May 12, 1961	93.08	Jan. 6, 1960
3½% Nov. 15, 1980	93.22	93.30	4.01	92.16	92.24	4.14	97.24	May 12, 1961	91.02	Apr. 14, 1964
3¼% June 15, 1978–83	89.26	90.02	4.00	88.22	88.30	4.12	111.28	Aug. 4, 1954	82.06	Jan. 6, 1960
3¼% May 15, 1985	89.22	89.30	3.96	87.26	88.02	4.13	101.04	June 11, 1958	82.04	Jan. 6, 1960
4¼% May 15, 1975–85	102.10	102.18	4.00	100.20	100.28	4.18	105.28	May 5, 1961	98.10	May 19, 1960
3½% Feb. 15, 1990	91.12	91.20	4.03	90.02	90.10	4.13	106.26	Apr. 21, 1958	84.08	Jan. 6, 1960
4¼% Aug. 15, 1987–92	102.10	102.18	4.10	101.04	101.12	4.17	104.10	Dec. 26, 1962	100.00	Mar. 30, 1964

4% Feb. 15, 1988-93	99.12	99.20	4.04	97.10	97.18	4.16	100.11	Jan. 16, 1963	97.06	Jan. 13, 1964
4⅛% May 15, 1989-94	100.13	100.17	4.10	99.02	99.10	4.18	100.26	Aug. 28, 1963	98.00	Mar. 30, 1964
3% Feb. 15, 1995	87.14	87.22	3.68	86.12	86.20	3.75	101.12	June 8, 1955	79.08	Jan. 6, 1960
3½% Nov. 15, 1998	90.15	90.23	4.01	89.02	89.10	4.10	95.14	May 12, 1961	87.06	Mar. 30, 1964
Treasury notes:										
4⅞% C, Nov. 15, 1963	100.23	100.25	2.89				104.23	Dec. 30, 1960	99.19	Jan. 6, 1960
4¾% A, May 15, 1964	101.12	101.14	3.14				104.25	May 12, 1961	99.18	Dec. 29, 1959
3¾% D, May 15, 1964	100.17	100.19	3.13				101.26	May 15, 1961	98.11	June 9, 1960
5% B, Aug. 15, 1964	101.30	102.00	3.23	100.05+	100.07+	3.51	105.28	May 12, 1961	100.05+	June 30, 1964
3¾% E, Aug. 15, 1964	100.18	100.22	3.24	100.00+	100.01+	3.57	101.08	Oct. 4, 1962	99.23	Aug. 14, 1961
4⅞% C, Nov. 15, 1964	102.05	102.09	3.25	100.17	100.19	3.40	105.22	May 15, 1961	99.25	Feb. 2, 1960
3¾% F, Nov. 15, 1964				100.04+	100.06+	3.35	100.05	June 25, 1964	99.30	Nov. 12, 1963
4⅝% A, May 15, 1965	102.14	102.18	3.27	100.22	100.24	3.81	105.07	May 12, 1961	99.25	May 18, 1960
3⅞% C, May 15, 1965				100.03	100.05	3.76	100.03	June 30, 1964	99.25	Mar. 30, 1964
3⅞% D, Aug. 13, 1965				100.02	100.04	3.82	100.02	June 30, 1964	99.22	Mar. 30, 1964
3⅞% D, Aug. 13, 1965				100.02	100.04	3.82	100.02	June 30, 1964	99.22	Apr. 6, 1964
3½% B, Nov. 15, 1965	100.02	100.04	3.47	99.20	99.22	3.78	100.17	Feb. 21, 1963	99.01	Mar. 30, 1964
4% E, Nov. 15, 1965				100.08	100.09	3.81	100.08	June 30, 1964	100.02	May 1, 1964
3⅝% B, Feb. 15, 1966	100.02	100.04	3.60	99.21	99.23	3.85	100.25	Dec. 24, 1962	99.00	Mar. 24, 1964
4% A, Aug. 15, 1966	101.03	101.05	3.63	100.08	100.10	3.88	102.04	Dec. 26, 1962	99.22	Mar. 24, 1964
3⅝% B, Feb. 15, 1967	99.22	99.24	3.72	99.08	99.10	3.93	100.02+	Mar. 20, 1963	98.11	Mar. 24, 1964
3¾% A, Aug. 15, 1967	100.00	100.02	3.75	99.13	99.17	3.95	101.06	Dec. 24, 1962	98.13	Mar. 24, 1964
1½% EO, Oct. 1, 1963	99.20	99.24	3.01				99.30	Sept. 26, 1963	87.08	Sept. 16, 1959
1½% EA, Apr. 1, 1964	99.01	99.07	2.81				99.30	Mar. 30, 1964	85.16	Sept. 15, 1959
1½% EO, Oct. 1, 1964	98.11	98.15	2.86	99.19	99.21	3.13	99.19	June 30, 1964	85.00	Sept. 30, 1959
1½% EA, Apr. 1, 1965	97.16	97.20	2.98	98.25	98.29	3.16	98.25	June 30, 1964	87.12	May 24, 1960
1½% EO, Oct. 1, 1965	96.22	96.30	3.03	97.29	98.05	3.22	97.29	June 30, 1964	90.06	Nov. 29, 1960
1½% EA, Apr. 1, 1966	95.20	95.28	3.17	96.26	97.00	3.39	96.26	June 30, 1964	89.06	Sept. 8, 1961
1½% EO, Oct. 1, 1966	94.20	94.28	3.26	95.26	96.00	2.45	95.26	June 30, 1964	89.12	Oct. 11, 1961
1½% EA, Apr. 1, 1967	93.20	93.28	3.32	94.24	95.00	3.52	94.24	June 30, 1964	90.09	July 9, 1962
1½% EO, Oct. 1, 1967	92.20	92.28	3.38	93.24	94.00	3.55	93.24	June 30, 1964	92.00	Oct. 1, 1962
1½% EA, Apr. 1, 1968	91.22	91.30	3.41	92.28	93.04	3.55	92.28	June 30, 1964	91.02	July 17, 1963
1½% EO, Oct. 1, 1968				91.28	92.04	3.58	91.28	June 30, 1964	90.08	Mar. 25, 1964
1½% EA, Apr. 1, 1969				91.02	91.10	3.56	91.02	June 30, 1964	89.25	Apr. 6, 1964
Certificates of indebtedness:										
3½% C, Aug. 15, 1963	100.03+	100.05+	2.56							
3⅛% D, Nov. 15, 1963	100.02	100.04	2.94							
3¼% A, Feb. 15, 1964	100.03	100.05	3.10							
3¼% B, May 15, 1964	100.03+	100.05+	3.12							

[1] Excludes Treasury bills, which are fully taxable. For description and amount of each issue outstanding on June 30, 1964, see table 36; for information as of June 30, 1963, see 1963 annual report, p. 506.

[2] Beginning April 1953, prices are closing bid quotations. Prices for prior dates are the means of closing bid and ask quotations; "when issued" prices are included in price range. Dates of highs and lows in case of recurrence are the latest dates. Issues with original maturity of less than 2 years are excluded.

[3] Yields are computed to earliest call date when prices are above par and to maturity date when prices are at par or below.

NOTE.—Prices and yields (based on closing bid prices) on June 30, 1963 and 1964, are over-the-counter quotations, as reported to the Treasury Department by the Federal Reserve Bank of New York. Yields are percent per annum compounded semiannually except that on securities having only one interest payment, they are computed on a simple interest basis.

VI.—Ownership of

TABLE 57.—*Summary of Treasury survey of ownership of interest-*

[Par value. In

Classification	Total amount outstanding, June 30, 1963	Total amount outstanding, June 30, 1964	Held by investors covered in Treasury survey [1]: Commercial banks [2] [3], June 30, 1963	Commercial banks [2] [3], June 30, 1964	Mutual savings banks [2], June 30, 1963	Mutual savings banks [2], June 30, 1964	Insurance companies: Life, June 30, 1963	Life, June 30, 1964	Fire, casualty, and marine, June 30, 1963	Fire, casualty, and marine, June 30, 1964
Number of institutions or funds	--------	--------	6,120	6,039	507	502	301	297	508	488
TYPE OF SECURITY										
Public marketable:										
Treasury bills:										
Regular weekly	37,729	38,730	5,467	5,057	277	253	95	84	200	158
Other	9,501	12,010	2,166	2,448	111	121	5	22	44	82
Certificates of indebtedness	22,169	--------	2,874	--------	71	------	15	------	107	------
Treasury notes	52,145	67,284	21,460	20,545	1,142	921	269	147	1,256	1,093
Treasury bonds	81,964	88,464	23,472	23,058	4,252	4,363	4,318	4,402	2,679	2,946
Guaranteed securities held outside the Treasury	605	812	48	72	110	176	82	104	15	12
Total public marketable	204,113	207,301	55,487	51,180	5,962	5,834	4,784	4,758	4,301	4,291
Public nonmarketable:										
U.S. savings bonds [7]	48,314	49,299	3	1	8	6	7	5	20	18
Investment series bonds	3,921	3,546	175	157	153	113	485	369	67	57
Depositary bonds	103	103	[8] 103	[8] 103	(*)	(*)	------	------	------	------
All other [9]	1,307	1,292	-------	-------	------	------	------	------	------	------
Total public nonmarketable	53,645	54,240	281	261	161	119	492	374	87	74
Special issues	44,801	46,627	-------	-------	------	------	------	------	------	------
Grand total	302,559	308,169	55,768	51,441	6,123	5,953	5,276	5,133	4,388	4,365
MATURITY CLASSES [10]										
Public marketable:										
Within 1 year	85,294	81,424	15,545	14,549	783	829	154	130	752	770
1 to 5 years	58,026	65,453	25,748	25,392	1,255	1,401	344	352	1,694	1,684
5 to 10 years	37,385	34,929	13,205	10,208	2,154	1,857	875	841	1,436	1,407
10 to 15 years	2,244	2,244	341	311	96	88	45	44	75	66
15 to 20 years	6,115	6,110	211	183	332	272	683	674	141	134
20 years and over	14,444	16,328	389	466	1,233	1,211	2,602	2,614	187	218
Guaranteed securities	605	812	48	72	110	176	82	104	15	12
Total public marketable	204,113	207,301	55,487	51,180	5,962	5,834	4,784	4,758	4,301	4,291

* Less than $500,000.

[1] Banks and insurance companies covered in the Treasury survey of ownership of securities issued or guaranteed by the U.S. Government, account for approximately 90 percent of the amount of such securities owned by all banks and insurance companies in the United States. The savings and loan associations and corporations account for about half of the Federal securities held by these investor classes. State and local government funds accounted for about 60 percent at the end of fiscal 1963 and about 70 percent at the end of fiscal 1964. Details as to the ownership of each security are available in the *Treasury Bulletin* monthly for the above investors and semiannually for commercial banks classified by membership in the Federal Reserve System.

[2] Securities held in trust departments are excluded.

[3] Includes trust companies and stock savings banks.

[4] Included with all other investors are those banks, insurance companies, savings and loan associations, corporations, and State and local government funds not reporting in the Treasury survey.

[5] Consists of corporate pension trust funds and profit-sharing plans which involve retirement benefits.

governmental securities

bearing public debt and guaranteed securities, June 30, 1963 and 1964

millions of dollars]

	Held by investors covered in Treasury survey [1]—Continued										Held by all other investors [4]		Memorandum: Held by corporate pension trust funds [5]	
	Savings and loan associations		Corporations		State and local governments: General funds		State and local governments: Pension and retirement funds		U.S. Government investment accounts and Federal Reserve banks					
	June 30		June 30		June 30		June 30		June 30		June 30		June 30	
	1963	1964	1963	1964	1963	1964 [6]	1963	1964 [6]	1963	1964	1963	1964	1963	1964
	488	488	472	469	295	315	185	191	------	------	------	------	15,365	16,904
	140	155	5,368	4,410	3,055	3,617	333	297	3,712	5,659	19,082	19,039	492	505
	69	98	957	1,435	844	1,112	14	110	794	971	4,496	5,612	88	148
	41	------	752	------	472	------	5	------	14,836	------	2,996	------	72	------
	557	502	1,933	2,675	735	1,987	205	101	10,962	25,818	13,626	13,496	429	444
	2,400	2,534	1,134	1,685	2,508	3,517	4,476	5,325	12,842	14,465	23,883	26,169	945	1,128
	58	106	------	------	(*)	(*)	27	22	165	159	99	162	5	8
	3,266	3,394	10,144	10,205	7,614	10,234	5,060	5,855	43,312	47,073	64,182	64,477	2,030	2,233
	33	28	3	2	35	33	32	26	8	7	48,166	49,175	118	130
	55	49	5	5	143	124	195	186	2,277	2,210	365	275	18	17
	------	------	------	------	------	------	------	------	------	------	1,307	1,292	------	------
	------	------	------	------	------	------	------	------	------	------	------	------	------	------
	89	77	8	7	178	157	227	212	2,285	2,217	49,838	50,742	136	146
	------	------	------	------	------	------	------	------	44,801	46,627	------	------	------	------
	3,354	3,471	10,152	10,212	7,792	10,391	5,288	6,066	90,398	95,918	114,020	115,220	2,166	2,379
	384	447	7,850	7,688	4,684	5,602	452	507	23,339	19,851	31,349	31,052	782	880
	824	962	1,895	2,078	783	1,846	252	175	9,953	16,639	15,279	14,924	445	480
	1,285	1,191	378	319	754	1,087	593	803	5,085	4,839	11,619	12,377	493	530
	121	106	8	8	89	111	120	127	669	671	680	713	47	32
	154	135	4	2	416	541	998	933	1,489	1,618	1,690	1,619	105	111
	440	448	9	110	389	1,047	2,618	3,289	2,611	3,297	3,466	3,630	154	191
	58	106	------	------	(*)	(*)	27	22	165	159	99	162	5	8
	3,266	3,394	10,144	10,205	7,614	10,234	5,060	5,855	43,312	47,073	64,182	64,477	2,030	2,233

Quarterly data are presented in the *Treasury Bulletin* as supplemental information in a memorandum column accompanying the Survey of Ownership for each reporting date, beginning with Dec. 31, 1953. The corresponding information from earlier reports, beginning with Dec. 31, 1949, is summarized in the March 1954 *Treasury Bulletin*, p. 30.

[6] New series.

[7] U.S. savings bonds Series E, F, and J are reported at maturity value by the investors covered in the Treasury survey and have been adjusted to current redemption value for this table.

[8] Includes depositary bonds held by commercial banks not included in the survey: $50 million in 1963 and $52 million in 1964.

[9] For details see table 35.

[10] All issues classified to final maturity. Table 34 shows from 1946–64 the maturity distribution of marketable, interest-bearing public debt by call classes and by maturity classes.

TABLE 58.—*Estimated ownership of interest-bearing governmental securities outstanding June 30, 1954–64, by type of issuer*

[Par value.[1] In billions of dollars]

June 30	Total amount outstanding	Held by banks			Held by U.S. Government investment accounts	Held by private nonbank investors						
		Total	Commercial banks	Federal Reserve banks		Total	Individuals [2]	Insurance companies	Mutual savings banks	Corporations [3]	State, local, and Territorial governments [4]	Miscellaneous investors [5]
	I. Securities of U.S. Government and Federal instrumentalities guaranteed by United States [6]											
1954	269.0	88.7	63.6	25.0	49.3	131.0	63.7	15.4	9.1	16.6	13.9	12.2
1955	271.8	87.1	63.5	23.6	50.5	134.1	64.0	15.0	8.7	18.8	14.7	12.8
1956	270.0	81.0	57.3	23.8	53.5	135.4	65.1	13.6	8.4	17.7	16.1	14.6
1957	268.6	79.2	56.2	23.0	55.6	133.8	64.6	12.7	7.9	16.8	16.8	14.9
1958	274.8	90.7	65.3	25.4	55.9	128.2	62.7	12.2	7.4	14.8	16.3	14.7
1959	281.9	87.6	61.5	26.0	54.6	139.7	64.4	12.6	7.3	20.8	16.9	17.7
1960	283.4	81.8	55.3	26.5	55.3	146.2	67.2	12.0	6.6	21.2	18.8	20.4
1961	285.9	89.8	62.5	27.3	56.1	140.0	62.4	11.4	6.3	20.0	19.3	20.6
1962	294.9	94.8	65.2	29.7	56.5	143.6	r 63.3	r 11.4	6.3	r 19.7	r 20.1	22.9
1963	302.6	96.4	64.4	32.0	58.4	147.8	r 63.7	r 11.0	6.1	r 20.3	r 21.5	25.2
1964	308.2	95.0	60.2	34.8	61.1	152.0	66.8	10.9	6.0	20.2	22.5	25.7
	II. Securities of Federal instrumentalities not guaranteed by United States [7]											
1954	2.0	1.3	1.3	--------	(*)	.7	.2	.1	.1	.1	.1	.1
1955	2.9	1.8	1.8	--------	(*)	1.1	.4	.1	.1	.2	.1	.2
1956	3.9	1.6	1.6	--------	(*)	2.3	1.0	.1	.2	.4	.2	.4
1957	5.0	1.7	1.7	--------	(*)	3.3	1.3	.1	.3	.7	.3	.6
1958	5.4	2.2	2.2	--------	(*)	3.2	.9	.2	.3	.7	.3	.8
1959	6.7	1.9	1.9	--------	(*)	4.8	1.9	.2	.4	1.0	.4	.9
1960	8.4	1.6	1.6	--------	(*)	6.8	2.7	.3	.5	1.7	.6	1.0
1961	7.8	1.8	1.8	--------	(*)	6.0	1.9	.3	.5	1.5	.7	1.1
1962	9.3	2.3	2.3	--------	(*)	7.0	2.5	.4	.6	1.5	.8	1.2
1963	10.2	2.9	2.9	--------	.1	7.3	2.6	.4	.6	1.6	.9	1.1
1964	11.9	3.1	3.1	--------	(*)	8.8	3.6	.5	.7	1.7	1.0	1.3
	III. Securities of State and local governments, Territories, and possessions [8]											
1954	37.4	12.0	12.0	--------	.3	25.1	13.8	4.6	.5	.9	4.5	.7
1955	42.8	12.8	12.8	--------	.3	29.7	16.4	5.8	.7	1.1	4.9	.8
1956	47.6	13.0	13.0	--------	.2	34.5	19.5	6.6	.7	1.4	5.3	.9
1957	52.1	13.4	13.4	--------	.2	38.4	22.0	7.4	.7	1.5	5.8	1.0
1958	56.8	15.8	15.8	--------	.3	40.7	22.8	8.2	.7	1.5	6.4	1.1
1959	62.0	17.0	17.0	--------	.3	44.6	24.6	9.5	.7	1.7	6.8	1.3
1960	66.4	16.8	16.8	--------	.3	49.2	27.2	r 11.1	.7	r 1.7	7.1	1.5
1961	71.7	18.8	18.8	--------	.4	52.5	28.3	r 12.6	.7	r 1.9	7.4	1.6
1962	80.1	23.2	23.2	--------	.5	56.4	30.7	r 13.7	.6	r 2.4	7.2	1.8
1963	85.9	27.9	27.9	--------	.6	57.5	31.7	r 14.5	.5	r 2.6	6.4	1.8
1964	91.3	31.5	31.5	--------	.6	59.2	33.5	15.2	.4	2.7	5.6	1.8

*Less than $50 million.
r Revised.
[1] Except data including U.S. savings bonds of Series A–F and J, which are on the basis of current redemption value.
[2] Includes partnerships and personal trust accounts.
[3] Exclusive of banks and insurance companies.
[4] Comprises trust, sinking, and investment funds of State and local governments, Territories, and possessions.
[5] Includes savings and loan associations, nonprofit associations, corporate pension trust funds, dealers and brokers, and investments of foreign balances and international accounts in this country.
[6] On daily Treasury statement basis. Since noninterest-bearing debt is excluded the figures differ slightly from those in discussion of debt ownership. Special issues to Federal agencies and trust funds are included and guaranteed securities held by the Treasury are excluded.
[7] Excludes stocks and interagency loans. Series revised to include Federal land bank securities.
[8] Excludes obligations of Puerto Rico.

NOTE.—For data from 1937–51, see the 1952 annual report, pp. 764 and 765; and for 1952 and 1953, the 1962 annual report, page 745. The 1963 and earlier reports exclude Federal land banks for the years 1947–63 in the series for Federal instrumentalities not guaranteed by the United States.

Account of the Treasurer of the United States

TABLE 59.—*Assets and liabilities in the account of the Treasurer of the United States, June 30, 1963 and 1964*

[On basis of daily Treasury statements, see "Bases of Tables"]

	June 30, 1963	June 30, 1964	Increase, or decrease (−)
GOLD			
Assets: Gold	$15,733,222,381.82	$15,461,239,587.26	−$271,982,794.56
Liabilities:			
Gold certificates, Series of 1934 outstanding	2,816,055,600.00	2,816,055,600.00	
Gold certificate fund-Board of Governors, Federal Reserve System	11,349,587,296.12	10,936,087,296.12	−413,500,000.00
Redemption fund-Federal Reserve notes	1,291,576,899.26	1,433,306,749.26	141,729,850.00
Reserve against U.S. notes outstanding	156,039,430.93	156,039,430.93	
Gold balance	119,963,155.51	119,750,510.95	−212,644.56
Total	15,733,222,381.82	15,461,239,587.26	−271,982,794.56
SILVER			
Assets:			
Silver bullion (monetary value)[1]	2,078,398,736.11	1,846,779,522.69	−231,619,213.42
Silver dollars[2]	65,771,615.00	2,943,295.00	−62,828,320.00
Total	2,144,170,351.11	1,849,722,817.69	−294,447,533.42
Liabilities:			
Silver certificates (issued after June 30, 1929) outstanding	2,126,355,174.00	1,810,453,671.00	−315,901,503.00
Silver balance	17,815,177.11	39,269,146.69	21,453,969.58
Total	2,144,170,351.11	1,849,722,817.69	−294,447,533.42
GENERAL ACCOUNT			
Assets:			
In Treasury offices:			
Gold balance (as above)	119,963,155.51	119,750,510.95	−212,644.56
Silver:			
At monetary value, balance (as above)	17,815,177.11	39,269,146.69	21,453,969.58
Subsidiary coin	4,304,554.87	5,840,527.84	1,535,972.97
Bullion:			
At recoinage value		144,358.53	144,358.53
At cost value	22,476,846.41	10,223,898.49	−12,252,947.92
At monetary value[3]	4,338,343.28	1,410,130.90	−2,928,212.38
Minor coin	639,032.31	801,606.39	162,574.08
U.S. notes	3,162,085.00	1,716,119.00	−1,445,966.00
Federal Reserve notes	83,553,715.00	85,295,818.00	1,742,103.00
Federal Reserve bank notes		390,035.00	390,035.00
National bank notes	400.00	9,500.00	9,100.00
Gold certificates (prior to Series of 1934)	96,420.00	243,200.00	146,780.00
Unclassified collections, uncollected items, exchanges, etc. (net)	r 43,984,011.00	58,288,291.80	14,304,280.80
Subtotal	r 300,333,740.49	323,383,143.59	23,049,403.10
Deposits in:			
Federal Reserve banks:			
Available funds	806,434,901.88	939,014,001.67	132,579,099.79
In process of collection	341,894,510.82	233,819,839.40	−108,074,671.42
Special depositaries, Treasury tax and loan accounts	10,324,211,589.74	9,179,608,424.92	−1,144,603,164.82
National and other bank depositaries	r 294,134,266.11	305,946,040.26	11,811,774.15
Foreign depositaries	49,167,154.37	53,959,759.23	4,792,604.86
Subtotal	r 11,815,842,422.92	10,712,348,065.48	−1,103,494,357.44
Total assets, Treasurer's account	12,116,176,163.41	11,035,731,209.07	−1,080,444,954.34
General account balance	12,116,176,163.41	11,035,731,209.07	−1,080,444,954.34

r Revised.

[1] The Atomic Energy Commission held 64,751,316.1 ounces on June 30, 1963 and 1964.

[2] Redemption of silver certificates in silver dollars has been discontinued (*Federal Register* Mar. 27, 1964, p. 3819). The small remaining stock of silver dollars consists largely of coins of special numismatic value which, if issued, could be expected to be absorbed by coin dealers and collectors instead of remaining in circulation. See Press Release, Mar. 25, 1964, exhibit 52.

[3] Consists of silver bullion previously revalued and held to secure outstanding silver certificates, which has been released for use in coinage, pursuant to the President's directive to the Secretary of the Treasury, dated Nov. 28, 1961.

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TABLE 60.—*Analysis of changes in tax and loan account balances, fiscal years 1955–64*

[In millions of dollars. On basis of telegraphic reports]

Fiscal year or month	Credits							Withdrawals	Balance			
	Proceeds from sales of securities [1]				Taxes		Total credits		End of period	During period		
	Savings bonds	Retirement plan bonds [2]	Tax anticipation securities	Other	Withheld and excise [3]	Income (by special arrangement) [4]				High	Low	Average
1955	4,424	-----	5,977	8,167	20,538	2,967	42,074	42,545	4,365	7,299	1,910	3,991
1956	3,810	-----	6,035	786	23,897	4,611	39,140	38,871	4,633	5,486	1,103	3,373
1957	2,976	-----	5,043	6,568	26,709	4,152	45,448	46,000	4,082	6,078	813	2,987
1958	2,824	-----	2,922	13,513	27,881	7,903	55,044	50,908	8,218	8,869	1,078	3,246
1959	2,668	-----	7,581	13,164	29,190	5,919	58,520	62,994	3,744	8,055	912	3,638
1960	2,679	-----	7,784	7,920	33,059	6,053	57,496	54,782	6,458	6,458	1,390	4,103
1961	2,787	-----	7,613	1,788	34,511	9,142	55,842	56,847	5,453	7,653	1,161	4,151
1962	2,725	-----	5,898	3,774	37,519	6,521	56,438	53,076	8,815	8,889	1,531	4,457
1963	2,699	(*)	2,963	3,830	41,267	6,835	57,595	56,085	10,324	10,324	2,535	5,325
1964	2,760	2	-----	2,014	43,580	9,921	58,277	59,421	9,180	10,257	1,577	4,747
1963–July	253	(*)	-----	(*)	1,638	79	1,970	6,730	5,564	10,257	5,432	7,076
August	231	(*)	-----	(*)	4,943	-----	5,175	5,350	5,389	5,839	4,011	5,081
September	204	(*)	-----	-----	4,400	3,730	8,335	5,765	7,958	8,100	3,169	5,432
October	222	(*)	-----	-----	1,412	60	1,694	6,813	2,839	8,090	2,434	4,565
November	200	(*)	-----	-----	4,504	-----	4,704	4,022	3,521	3,618	2,241	3,076
December	221	1	-----	475	4,449	1,748	6,892	4,792	5,621	5,970	2,428	4,082
1964–January	302	1	-----	-----	1,499	23	1,825	4,995	2,451	6,005	2,166	3,405
February	248	(*)	-----	-----	5,459	-----	5,707	3,375	4,783	4,891	2,323	3,459
March	223	(*)	-----	-----	4,688	2,197	7,108	4,951	6,940	7,437	2,743	5,013
April	223	(*)	-----	1,539	1,387	20	3,168	6,134	3,974	6,234	1,577	3,477
May	211	(*)	-----	-----	4,775	-----	4,987	2,404	6,557	6,700	4,234	5,656
June	221	(*)	-----	-----	4,426	2,065	6,712	4,089	9,180	9,447	4,467	6,642

*Less than $500,000.

[1] Special depositaries are permitted to make payment in the form of a deposit credit for the purchase price of U.S. Government securities purchased by them for their own account, or for the account of their customers who enter subscriptions through them, when this method of payment is permitted under the terms of the circulars inviting subscriptions to the issues.

[2] Retirement plan bonds were first offered for sale as of Jan. 1, 1963.

[3] Taxes eligible for credit consist of those deposited by taxpayers in the depositary banks, as follows: Withheld income tax beginning March 1948; taxes on employers and employees under the Federal Insurance Contributions Act beginning January 1950, and under the Railroad Retirement Tax Act beginning July 1951; and a number of excise taxes beginning July 1953.

[4] Under a special procedure begun in Mar. 1951, authorization may be given for income tax payments, or a portion of them, made by checks of $10,000 or more drawn on a special depositary bank to be credited to the tax and loan account in that bank. This procedure is followed during some of the quarterly periods of heavy tax payments.

Stock and Circulation of Money in the United States

TABLE 61.—*Stock of money, money in the Treasury, in the Federal Reserve banks, and in circulation, by kinds, June 30, 1964*

[In thousands of dollars, except per capita figures. On basis of reports received from various Treasury offices and Federal Reserve banks which take into account those transactions in transit to the Treasurer's Office as of June 30, supplemented by information taken from the Treasurer's accounts. Therefore, the figures shown in this table may differ from similar figures in other tables prepared on basis of daily Treasury statements. See *Circulation Statement of United States Money* published monthly]

Kind of money	Stock of money [1]	Money held in the Treasury					Money outside of the Treasury			
		Total	Amount held as security against gold and silver certificates	Reserve against U.S. notes	Held for Federal Reserve banks and agents	All other money	Total	Held by Federal Reserve banks and agents	In circulation	
									Amount	Per capita
Gold	[1] 15,461,436	15,461,436	15,185,450	156,039	-----	119,947	-----	-----	-----	-----
Gold certificates-Series of 1934	[1] (15,185,450)	(12,369,394)	-----	-----	[3,4] (12,369,394)	-----	2,816,056	2,816,056	-----	-----
Standard silver dollars	484,722	2,943	-----	-----	-----	2,943	481,779	58	481,721	2.51
Silver bullion	1,846,780	1,846,780	1,811,908	-----	-----	34,871	-----	-----	-----	-----
Silver certificates-issued after June 30, 1929	[3] (1,811,908)	-----	-----	-----	-----	-----	1,811,908	103,845	1,708,063	8.89
Subsidiary silver	1,999,475	3,922	-----	-----	-----	3,922	1,995,553	8,416	1,987,138	10.35
Minor coin	737,665	208	-----	-----	-----	208	737,457	1,408	736,049	3.83
U.S. notes	346,681	1,681	-----	-----	-----	1,681	345,000	24,279	320,721	1.67
Federal Reserve notes-1928 and subsequent series	34,411,027	70,523	-----	-----	-----	70,523	34,340,504	2,002,379	32,338,125	168.37
Subtotal	55,287,785	17,387,492	16,997,358	156,039	[3] (12,369,394)	[5] 234,094	[6] 42,528,257	4,956,440	37,571,817	195.62
In process of retirement (redeemable from general fund of the Treasury):										
Federal Reserve bank notes	73,929	390	-----	-----	-----	390	73,539	264	73,276	.38
National bank notes	36,393	10	-----	-----	-----	10	36,383	63	36,320	.19
Gold certificates-prior to Series of 1934	19,624	246	-----	-----	-----	246	19,379	-----	19,379	.10
Federal Reserve notes-prior to Series of 1928	17,829	-----	-----	-----	-----	-----	17,829	-----	17,829	.09
Silver certificates-issued before July 1, 1929	14,932	-----	-----	-----	-----	-----	14,932	-----	14,932	.08
Treasury notes of 1890	142	-----	-----	-----	-----	-----	142	-----	142	(*)
Total	55,450,634	17,388,137	16,997,358	156,039	[3] (12,369,394)	[5] 234,740	[6] 42,690,461	4,956,767	37,733,694	196.46

Footnotes at end of table.

TABLE 61.—*Stock of money, money in the Treasury, in the Federal Reserve banks, and in circulation, by kinds, June 30, 1964*—Continued

[In thousands of dollars, except per capita figures]

Denomination	Paper currency of each denomination in circulation–June 30, 1964								Comparative totals of money in circulation		
	Gold certificates	Silver certificates	U.S. notes	Federal Reserve notes	Federal Reserve bank notes	National bank notes	Treasury notes of 1890	Total	Date	Amount	Per capita [7]
$1		1,450,798	5,082	218,929	773	254	23	1,675,859	June 30, 1964	[8] 37,733,694	196.46
$2		1,404	104,974		174	121	22	106,695	May 31, 1964	37,207,601	193.94
$5		233,749	200,515	1,936,329	1,386	6,502	24	2,378,506	June 30, 1963	35,469,798	[r] 187.30
$10	5,231	36,575	6,524	7,214,106	5,627	11,730	21	7,279,815	June 30, 1960	32,064,619	177.47
$20	7,616	323	2,424	12,114,754	14,268	11,895	20	12,151,300	June 30, 1955	30,229,323	182.90
$50	2,064	79	200	3,195,531	16,866	2,461	1	3,217,203	June 30, 1950	27,156,290	179.03
$100	2,925	50	327	7,134,489	34,181	3,272	15	7,175,259	June 30, 1945	26,746,438	191.14
$500	609	7	352	244,708		65		245,740	June 30, 1940	7,847,501	59.40
$1,000	803	9	324	290,653		21	15	291,825	June 30, 1935	5,567,093	43.75
$5,000	50			2,355				2,405	June 30, 1930	4,521,988	36.74
$10,000	80			4,100				4,180	June 30, 1925	4,815,208	41.56
Fractional parts						(**)		(**)	Oct. 31, 1920	5,698,215	53.18
									Mar. 31, 1917	4,172,946	40.49
Total	19,379	1,722,995	320,721	32,355,954	73,276	36,320	142	34,528,786	June 30, 1914	3,459,434	34.90
									Jan. 1, 1879	816,267	16.76

[r] Revised.

*Less than ½ cent.

**Less than $500.

[1] For a description of security held, see footnotes to table 63. "Stock of money" as here used, involves duplication to extent that U.S. notes and Federal Reserve notes, included in full, are in part secured by gold, also included in full.

[2] Excludes gold held outside the Treasury and in Exchange Stabilization Fund.

[3] These amounts are not included in the total, since the gold or silver held as security against gold certificates of Series of 1934 and silver certificates issued after June 30, 1929, is included under gold, standard silver dollars, and silver bullion, respectively.

[4] This total includes credits with the Treasurer of the United States payable in gold certificates in (1) the Gold Certificate Fund-Board of Governors, Federal Reserve System, in the amount of $10,936,037,236 and (2) the redemption fund for Federal Reserve notes in the amount of $1,433,306,749.

[5] Includes $21,200,000 lawful money deposited as a reserve for postal savings deposits.

[6] The amount of gold certificates of Series of 1934 and silver certificates issued after June 30, 1929, should be deducted from this amount before combining with total money held in the Treasury to arrive at total shown in first column.

[7] Based on the Bureau of the Census estimated population for the United States. Through 1958 the estimates are for the 48 contiguous States only; beginning with 1959 they include Alaska, and with 1960, Hawaii. They do not include Puerto Rico, the Canal Zone, or other outlying areas.

[8] Highest amount to June 30, 1964.

TABLE 62.—*Stock of money, money in the Treasury, in the Federal Reserve banks, and in circulation, selected years, June 30, 1930–64*

[In thousands of dollars, except per capita figures. For basis of data see headnote to table 61]

June 30	Stock of money [1]	Money held in the Treasury					Money outside of the Treasury			
		Total	As security against gold and silver certificates, etc.[2]	As reserve against United States notes [3]	For Federal Reserve banks and agents [4]	All other money	Total	Held by Federal Reserve banks and agents	In circulation	
									Amount [5]	Per capita [6]
1930	8,306,564	4,021,937	1,978,448	156,039	1,796,239	91,211	6,263,075	1,741,087	4,521,988	36.74
1935	15,113,035	9,997,362	7,131,431	156,039	5,532,590	2,709,891	6,714,514	1,147,422	5,567,093	43.75
1940	28,457,960	21,836,936	19,651,067	156,039	14,938,895	2,029,829	11,333,196	3,485,695	7,847,501	59.40
1945	48,009,400	22,202,115	19,923,738	156,039	15,239,072	2,122,338	30,491,950	3,745,512	26,746,438	191.14
1950	52,440,353	26,646,409	25,348,625	156,039	20,166,524	1,141,744	30,976,045	3,819,755	27,156,290	179.03
1955	53,308,618	24,250,685	23,438,908	156,039	18,178,115	655,737	34,318,726	4,089,403	30,229,323	182.90
1960	53,070,922	21,850,109	21,455,014	156,039	16,213,467	239,056	36,462,360	4,397,741	32,064,619	177.47
1962	52,194,980	18,813,454	18,434,891	156,039	13,341,985	222,524	38,474,431	4,704,904	33,769,527	180.98
1963	53,334,680	17,953,822	17,584,879	156,039	12,641,164	212,903	40,324,573	4,854,775	35,469,798	r 187.30
1964	55,450,634	17,388,137	16,997,358	156,039	12,369,394	234,740	42,690,461	4,956,767	37,733,694	196.46

r Revised.

1 Excludes paper currencies outside Treasury and credits to the Federal Reserve System which are fully secured by gold or silver (see footnote 2). They are excluded since gold and silver held as security against them are included. However, U. S. notes and Federal Reserve notes are included here in full, although partially secured by gold. Composition of the stock of money is shown in table 63.

2 Through 1961 consists of gold and silver equivalent to credits payable (in gold before 1934 and in gold certificates thereafter) to Federal Reserve System, and to gold and silver certificates and Treasury notes of 1890 outside Treasury. Amounts shown for 1962—64 equal credits payable in gold certificates and gold certificates of 1934 Series (all held by Federal Reserve System) and silver certificates issued after June 30, 1929, held outside Treasury.

3 Until the Old Series Currency Adjustment Act (31 U.S.C. 911–916) was approved June 30, 1961, this gold reserve was also security for the Treasury notes of 1890.

4 Represents gold earmarked for account of Federal Reserve System. Beginning with 1934 these amounts have been construed as gold certificates issued to the System but they are held in the Treasury and excluded from total stock of money.

5 Composition of money in circulation is shown in table 64.

6 Based on Bureau of Census estimated population, see table 61, footnote 7.

NOTE.—The monthly *Circulation Statement of United States Money*, on which this table is based, was revised beginning Dec. 31, 1927, to exclude earmarked gold coin from stock of money, and hence from money in circulation; to include in holdings of Federal Reserve banks and agents, and hence in stock of money, gold held abroad for account of Federal Reserve banks; and to include in all categories, minor coin (1-cent piece and 5-cent piece).

Figures for years not shown appeared in the following annual reports: 1860–1947 in the 1947 report, page 478; 1948 and 1949 in the 1956 report, page 540; and 1951–61 in the 1961 report, page 634.

TABLE 63.—*Stock of money by kinds, selected years, June 30, 1930–64*

[In thousands of dollars, except percentage of gold to total stock of money. For basis of data see headnote to table 61]

Kind of money	1930	1935	1940	1945	1950	1955	1960	1962	1963	1964
Bullion and coin:										
Gold	4,534,866	9,115,643	19,963,091	20,212,973	24,230,720	21,677,575	19,322,238	16,435,234	15,733,309	15,461,436
Silver bullion (at monetary value)	----------	313,309	1,353,162	1,520,295	2,022,835	2,187,429	2,252,075	[1] 2,183,104	[1] 2,078,399	[1] 1,846,780
Standard silver dollars	539,960	545,642	547,078	493,943	492,583	490,347	487,773	487,355	486,017	484,722
Subsidiary silver coin	310,978	312,416	402,261	825,798	1,001,574	1,296,140	1,552,106	1,710,760	1,824,878	1,999,475
Minor coin	126,001	133,040	173,909	303,539	378,463	449,625	559,148	636,034	681,787	737,665
Subtotal	5,511,805	10,420,050	22,439,501	23,356,548	28,126,175	26,101,115	24,173,340	21,452,487	20,804,391	20,530,078
Less: Gold, silver bullion, and standard silver dollars held as security for, or redemption of outstanding paper currencies [2]	3,967,402	7,287,471	19,807,106	20,079,777	25,504,665	23,594,948	21,611,053	18,590,930	17,740,919	17,153,397
Total bullion and coin (net)	1,544,403	3,132,579	2,632,395	3,276,771	2,621,510	2,506,168	2,562,287	2,861,558	3,063,472	3,376,681
Paper currency:										
Gold certificates, and credits payable therein [3]	3,322,904	6,320,236	17,821,133	18,106,600	23,022,852	21,028,137	19,059,416	16,158,041	15,457,220	15,185,450
Less: Amount held as collateral by Federal Reserve agents for Federal Reserve notes [4]	1,596,214	3,294,639	5,557,500	10,968,000	14,349,000	11,108,000	10,565,000	7,745,000	7,243,000	6,542,000
Subtotal	1,726,690	3,025,597	12,263,633	7,138,600	8,673,851	9,920,137	8,494,416	8,413,041	8,214,220	8,643,450
Gold certificates—prior to Series of 1934 [5]	----------	----------	----------	----------	----------	----------	----------	29,424	19,982	19,624
Silver certificates [6]	487,198	810,014	1,828,771	1,815,988	2,324,628	2,409,630	2,394,456	2,306,799	2,142,599	1,826,840
Treasury notes of 1890 [7]	1,260	1,182	1,163	1,150	1,145	1,142	1,142	142	142	142
United States notes [8]	346,681	346,681	346,681	346,681	346,681	346,681	346,681	346,681	346,681	346,681
Federal Reserve notes [9]	1,746,501	3,492,854	5,481,778	23,650,975	23,602,680	26,629,030	28,394,186	30,197,755	32,032,811	34,428,856
Federal Reserve bank notes [10]	3,260	84,354	22,809	533,979	277,202	164,412	100,736	85,386	78,501	73,929
National bank notes [11]	698,317	769,096	167,190	121,215	87,615	67,379	55,979	53,155	37,233	36,393
Total paper currency (net)	5,009,907	8,529,778	20,112,025	33,608,588	35,313,803	39,538,411	39,787,595	41,432,382	42,872,169	45,375,915
Total stock of money	6,554,310	11,662,357	22,744,420	36,885,360	37,935,313	42,044,579	42,349,882	44,293,940	45,935,641	48,752,595
Percentage of gold to total stock of money	69.19	78.16	87.77	54.80	63.87	51.56	45.63	37.10	34.25	31.71

[1] Excludes bullion carried at monetary value but released for coinage use (see table 59, footnote 2).

[2] Held in the Treasury as security against paper currencies except Federal Reserve notes, Federal Reserve bank notes, and national bank notes. See footnotes keyed to each kind of paper currency. See also table 61 and corresponding tables in previous editions of the annual report.

[3] Consists of: Gold certificates outside of the Treasury (issues prior to Series of 1934 are included through 1961); credits with Treasurer of the United States payable to Board of Governors, Federal Reserve System, in gold certificates (gold or gold certificates prior to Gold Reserve Act of 1934); and 5 percent redemption fund with the Treasurer of the United States for Federal Reserve notes. These obligations are fully secured by gold in the Treasury. Gold certificates, gold coin, and gold bullion were withdrawn from circulation in 1933. For 1964 amendment to regulation, see exhibit 51.

[4] Consists of: Deposits by Federal Reserve banks with Federal Reserve agents of like amounts of gold certificates and credits (gold before gold conservation actions of 1933 and 1934). Requirements for the several kinds of security against Federal Reserve notes are given in footnote 9.

[5] Pursuant to the Old Series Currency Adjustment Act approved June 30, 1961 (31 U.S.C. 912-916) are redeemable from the general fund of the Treasury and upon redemption will be retired. See also footnote 3.

[6] Silver certificates are secured by silver bullion at monetary value ($1.29 per fine ounce) and standard silver dollars held in the Treasury. Those certificates issued before July 1, 1929 (of which $14,931,693 remained outstanding on June 30, 1964) are redeemable from the general fund and upon redemption will be retired (31 U.S.C. 912-916).

[7] Treasury notes of 1890 have been in process of retirement since March 1900 (31 U.S.C. 411) upon receipt by the Treasury. Until June 30, 1961, secured by silver and by gold reserve; thereafter redeemable from general fund. The gold reserve (31 U.S.C. 408), also applicable to U.S. notes, amounted to $156,039,088 in 1930 and $156,039,431 for subsequent dates in this table.

[8] U.S. notes are secured by gold reserve, which, through June 30, 1961, was also the gold reserve for the Treasury notes of 1890 (31 U.S.C. 408). This reserve amounted to $156,039,088 in 1930, and $156,039,431 for subsequent dates in this table. The amount of U.S. notes outstanding has been maintained at $346,681,016. Unfit notes destroyed and retired are replaced by like issues as required by the act of May 31, 1878 (31 U.S.C. 404).

[9] Federal Reserve notes are secured by deposits by Federal Reserve banks with Federal Reserve agents of like amounts of gold certificates (gold before the gold conservation actions of 1933 and 1934) or of gold certificates and such discounted or purchased paper as is eligible under terms of the Federal Reserve Act, as amended, or (from February 27, 1932) of direct obligations of the United States. Federal Reserve banks must maintain reserves in gold certificates or gold certificate credits (gold for 1933 and preceding years) of at least 25 percent of their notes in actual circulation (40 percent before act of June 12, 1945 (12 U.S.C. 413)) including the 5 percent redemption fund deposited with the Treasurer of the United States. Federal Reserve notes are obligations of the United States and are a first lien on all assets of the issuing Federal Reserve bank.

Pursuant to the Old Series Currency Adjustment Act of 1961 (31 U.S.C. 912-916), funds were deposited by the Federal Reserve banks on July 28, 1961, with the Treasurer of the United States for the redemption of all series of Federal Reserve notes issued before the Series of 1928. The amount shown for 1964 includes $17,828,728 for such series. See also footnote 4.

[10] Federal Reserve bank notes at issuance were secured by direct obligations of the United States or commercial paper. Since termination of their issuance on June 12, 1945 (12 U.S.C. 455 note), the notes have been in process of retirement, and lawful money has been deposited with the Treasurer of the United States for their redemption.

[11] National bank notes at issuance were secured by direct obligations of the United States. From December 23, 1915 (12 U.S.C. 441) these notes have been in process of retirement, and lawful money has been deposited with the Treasurer of the United States for their redemption.

NOTE.—The Old Series Currency Adjustment Act of 1961, approved June 30, 1961 (31 U.S.C. 912-916) authorized the Secretary of the Treasury to determine from time to time the amounts of currency of the following types which have been destroyed or lost and to reduce the amounts thereof on the books of the Treasury: Gold certificates issued before January 30, 1934; silver certificates, United States notes, Federal Reserve bank notes, and national bank notes all issued before July 1, 1929; Federal Reserve notes issued prior to the Series of 1928; and Treasury notes of 1890.

Figures for years not shown appeared in the following annual reports: 1860-1947 in the 1947 report, page 482; 1948 and 1949 in the 1956 report, page 542; and 1951-61 in the 1961 report, page 635.

TABLE 64.—*Money in circulation by kinds, selected years, June 30, 1930–64*

[In thousands of dollars. On basis of reports received from various Treasury offices, from the Federal Reserve banks, and from the accounts of the Treasurer of the United States]

June 30	Gold coin	Gold certificates [1]	Standard silver dollars	Silver certificates [1]	Treasury notes of 1890 [1]	Subsidiary silver	Minor coin	United States notes [1]	Federal Reserve notes [1]	Federal Reserve bank notes [1]	National bank notes [1]	Total
1930	357, 236	994, 841	38, 629	386, 915	1, 260	281, 231	117, 436	288, 389	1, 402, 066	3, 206	650, 779	4, 521, 988
1935	(2)	117, 167	32, 308	701, 474	1, 182	295, 773	125, 125	285, 417	3, 222, 913	81, 470	704, 263	5, 567, 093
1940	(2)	66, 793	46, 020	1, 581, 662	1, 163	384, 187	168, 977	247, 887	5, 163, 284	22, 373	165, 155	7, 847, 501
1945	(2)	52, 084	125, 178	1, 650, 689	1, 150	788, 283	291, 996	322, 587	22, 867, 459	527, 001	120, 012	26, 746, 438
1950	(2)	40, 772	170, 185	2, 177, 251	1, 145	964, 709	360, 886	320, 781	22, 760, 285	273, 788	86, 488	27, 156, 290
1955	(2)	34, 466	223, 047	2, 169, 726	1, 142	1, 202, 209	432, 512	319, 064	25, 617, 775	162, 573	66, 810	30, 229, 323
1960	(2)	30, 394	305, 083	2, 126, 833	1, 142	1, 484, 033	549, 367	318, 436	27, 093, 693	99, 987	55, 652	32, 064, 619
1962	(2)	29, 270	359, 590	2, 009, 073	142	1, 663, 485	629, 423	318, 420	28, 622, 224	84, 835	53, 066	33, 769, 527
1963	(2)	19, 858	411, 489	1, 846, 537	142	1, 789, 924	676, 291	318, 537	30, 291, 625	78, 247	37, 148	35, 469, 798
1964	(2)	19, 379	481, 721	1, 722, 995	142	1, 987, 138	736, 049	320, 721	32, 355, 954	73, 276	36, 320	37, 733, 694

[1] For description of security required to be held against the various kinds of paper currency, and for retirement provisions, see footnotes to table 63.

[2] Gold Reserve Act of 1934, which was the culmination of gold actions of 1933, vested in the United States title to all gold coin and gold bullion. Gold coin was withdrawn from circulation and formed into bars. Gold coin ($287,000,000) shown on Treasury records as being then outstanding was dropped from monthly circulation statement as of Jan. 31, 1934.

NOTE.—See table 62, note. Figures for years not shown appeared in the following annual reports: 1860–1947 in the 1947 report, page 485; 1948–1949 in the 1956 report, page 543; and 1951–61 in the 1961 report, page 636.

TABLE 65.—*Location of gold, silver bullion at monetary value, and coin held by the Treasury on June 30, 1964*

[In thousands of dollars. On the basis of reports received from various Treasury offices and Federal Reserve banks which take into account those transactions in transit to the Treasurer's Office as of June 30, supplemented by information taken from the Treasurer's accounts. Therefore, the figures shown in this table may differ from figures in other tables prepared on basis of daily Treasury statements]

Location	Gold	Silver bullion at monetary value [1]	Standard silver dollars	Subsidiary silver coin	Minor coin
U.S. mints:					
Denver	2,536,276	23,919	14	9	[2] 347
Philadelphia	2,082	151,354	9	9	[2] 350
U.S. assay offices:					
New York [3]	790,359	1,073,925			
San Francisco	328,402	513,862		2,874	
Bullion depository, Fort Knox	11,475,808				
Treasurer of United States, Washington	9		2,920	410	21
Custody accounts:					
Federal Reserve Bank of New York	[4] 328,486				
Other banks, etc., various locations	13	83,719		620	174
Total	15,461,436	1,846,780	2,943	3,922	[5] 893

[1] Held to secure silver certificates. Excludes certain silver at monetary value held for coinage.
[2] Includes metals and alloys in process of manufacture into minor coins.
[3] Includes bullion depository at West Point, N.Y.
[4] Physically located as follows: At Bank of Canada, Ottawa, $135,032,675; at Bank of England, London, $95,546,602; at New York Assay Office, $34,714,178; and in Federal Reserve Bank's own vaults, $63,191,672.
[5] Minor coin held in the Treasury, $208,079, as shown rounded in table 61, consists of this amount, $892,861, less $684,782 payable to vendors of coinage metal.

TABLE 66.—*Paper currency issued and redeemed during the fiscal year 1964 and outstanding June 30, 1964, by classes and denominations*

[For basis of data, see headnote to table 65]

	Issued during 1964	Redeemed during 1964	Outstanding June 30, 1964		
			In Treasury	In Federal Reserve banks	In circulation
CLASS					
Gold certificates—Series of 1934				$2,816,055,600	
Silver certificates—issued after June 30, 1929	$776,912,000	$1,092,826,591	$10,607,943	103,845,458	$1,708,062,963
U.S. notes	116,499,528	116,499,528	1,680,569	24,279,075	320,721,372
Federal Reserve notes—1928 and subsequent series	9,346,555,000	6,950,344,200	70,523,218	2,002,378,824	32,338,125,003
In process of retirement:					
Federal Reserve bank notes		4,571,325	390,035	263,615	73,275,814
National bank notes		840,320	9,500	63,015	36,320,483
Gold certificates—prior to 1934 Series		358,180	245,700		19,378,529
Federal Reserve notes—prior to 1928 Series		166,510			17,828,728
Silver certificates—issued before July 1, 1929		7,363			14,931,693
Treasury notes of 1890					141,534
Total	10,239,966,528	8,165,614,017	83,456,965	4,946,885,587	34,528,786,119
DENOMINATION					
$1	1,083,092,000	996,349,037	10,066,636	261,183,332	1,675,859,076
$2	15,968,578	7,425,630	300,884	13,419,530	106,695,056
$5	1,537,370,950	1,405,954,860	12,151,585	289,693,035	2,378,505,668
$10	2,839,600,000	2,532,244,540	16,957,290	607,418,510	7,279,814,941
$20	3,287,200,000	2,503,066,800	26,442,220	669,698,180	12,151,299,566
$50	485,550,000	284,219,550	6,422,850	106,386,800	3,217,203,075
$100	955,000,000	399,056,100	8,983,500	143,091,700	7,175,258,750
$500	13,200,000	13,314,500	874,000	10,234,500	245,739,500
$1,000	16,000,000	18,033,000	1,158,000	19,440,000	291,825,000
$5,000	455,000	370,000	20,000	2,740,000	2,405,000
$10,000	6,530,000	5,580,000	80,000	12,980,000	4,180,000
$100,000				2,810,600,000	
Fractional parts					487
Total	10,239,966,528	8,165,614,017	83,456,965	4,946,885,587	34,528,786,119

Trust and Other Funds

TABLE 67.—*Holdings of public debt and agency securities by Government agencies and accounts, June 30, 1960–64*

[Par value. In thousands of dollars]

Investments of agencies	1960	1961	1962	1963	1964
GOVERNMENT INVESTMENT ACCOUNTS					
HANDLED BY THE TREASURY[1]					
Major trust funds and accounts:					
Civil Service Commission:					
Employees health benefits fund	-----	12,324	23,499	37,924	53,028
Employees' life insurance fund	[2] 149,604	[2] 196,625	[2] 247,570	[3] 303,406	[3] 352,910
Retired employees health benefits fund	-----	-----	1,631	100	100
Federal Deposit Insurance Corporation	2,291,996	2,439,517	2,593,817	2,754,363	2,937,229
Federal disability insurance trust fund	2,101,160	2,386,452	2,406,992	2,277,967	2,140,925
Unamortized premium or discount[4]	−298	−877	−855	−723	−2,416
Federal employees' retirement funds:					
Civil service retirement and disability	9,991,227	11,051,014	12,080,760	13,154,721	14,279,250
Foreign service retirement and disability	29,178	32,180	36,710	37,891	38,914
Judicial survivors annuity	1,346	1,556	1,772	2,012	2,238
Federal Housing Administration funds:					
Apartment unit	-----	-----	850	625	475
Armed services housing mortgage insurance	13,454	36,285	20,285	27,255	26,105
Experimental housing	-----	-----	850	900	825
Housing insurance	7,268	7,318	8,068	5,758	6,858
Housing investment insurance	907	910	915	935	971
Mutual mortgage insurance	501,078	556,223	532,766	520,549	558,194
National defense housing insurance	1,495	530	490	830	4,440
Section 203 home improvement	-----	-----	850	625	575
Section 220 home improvement	-----	-----	850	700	650
Section 220 housing insurance	2,820	4,300	2,940	3,660	3,375
Section 221 housing insurance	920	100	-----	-----	-----
Servicemen's mortgage insurance	8,163	10,413	8,132	8,902	16,887
Title I housing insurance	2,015	2,200	2,045	2,060	5,140
Title I insurance	87,308	103,523	103,678	107,442	80,810
War housing insurance	34,118	35,232	42,118	39,630	76,876
Federal old-age and survivors insurance trust fund	19,756,158	19,552,914	18,455,510	17,633,024	18,325,487
Unamortized premium or discount[4]	−7,311	−29,398	−20,845	−19,835	−20,618
Federal Savings and Loan Insurance Corporation	329,500	363,500	592,500	861,094	1,105,094
Highway trust fund	1,335	234,034	435,935	677,743	609,028
Railroad retirement account	3,837,767	3,759,509	3,696,960	3,697,461	3,766,424
Unemployment trust fund	6,669,557	5,719,956	5,791,982	6,245,191	6,827,077
Unamortized premium or discount[4]	−1,043	−3,433	−3,327	−58	−8,722
Veterans' life insurance funds:					
Government life insurance:					
Public debt securities	1,106,540	1,071,433	1,027,809	1,003,002	955,840
Nonguaranteed securities	-----	-----	-----	-----	25,000
National service life insurance	5,803,089	5,759,371	5,803,529	5,713,915	5,782,992
Special term insurance	84,613	106,280	87,956	100,588	123,173
Other trust funds and accounts:					
Ainsworth Library fund, Walter Reed General Hospital	10	10	11	11	11
Bequest of George C. Edgeter, relief of indigent American Indians, Bureau of Indian Affairs	31	31	31	31	31
District of Columbia:					
Fees and other collections, Recreation Board	-----	10	20	20	20
General funds	27,862	9,213	9,213	9,213	9,213
Highway fund	-----	-----	-----	3,700	6,000
Miscellaneous trust funds	34	34	96	115	87
Motor vehicle parking, highway fund	2,882	3,378	4,122	2,954	743
Redevelopment program, Redevelopment Land Agency:					
Public debt securities	1,361	409	725	-----	-----
Nonguaranteed securities	-----	5,750	4,365	7,640	5,325

Footnotes at end of table.

TABLE 67.—*Holdings of public debt and agency securities by Government agencies and accounts, June 30, 1960–64*—Continued

[Par value. In thousands of dollars]

Investments of agencies	1960	1961	1962	1963	1964
GOVERNMENT INVESTMENT ACCOUNTS—Continued					
HANDLED BY THE TREASURY[1]—Con.					
Other trust funds and accounts—Con.					
District of Columbia—Continued					
Sanitary sewage works fund	-----	2,429	-----	-----	-----
Stadium fund, Armory Board	12	10,140	590	150	-----
Teachers' retirement and annuity fund	34,793	37,088	39,970	43,326	47,108
Welfare funds	15	10	10	-----	10
Working capital fund, Armory Board	-----	-----	-----	-----	50
Esther Cattell Schmitt gift fund	-----	-----	-----	-----	417
Exchange Stabilization Fund	60,000	46,000	72,250	153,147	317,064
Federal ship mortgage insurance escrow fund, maritime activities	45,916	35,232	8,822	13,618	22,398
Federal ship mortgage insurance fund, revolving fund	-----	-----	-----	3,543	758
General post fund, Veterans' Administration	1,086	1,288	1,597	1,835	2,135
Longshoremen's and Harbor Workers' Compensation Act, relief and rehabilitation	690	588	588	466	408
Merchant Marine Academy general gift fund	-----	-----	-----	-----	5
National Archives trust fund	102	102	102	102	102
National Capital Housing Authority	1,452	1,031	1,761	3,861	3,311
National park trust fund	21	21	69	73	578
Navajo and Ute Mountain Ute Indians, New Mexico	100	200	356	436	729
Office of Naval Records and History fund	100	153	153	153	212
Pershing Hall Memorial fund	211	211	211	211	211
Philippine Government pre-1934 bond account	1,844	1,571	916	919	292
Preservation of Birthplace of Abraham Lincoln, National Park Service	64	64	64	64	64
Public Health Service:					
Gift funds	141	166	176	166	156
Patients' benefit fund, Public Health Service hospitals	7	7	6	5	2
Public Housing Administration	-----	-----	-----	-----	24,500
Saint Elizabeths Hospital unconditional gift fund	-----	1	1	1	1
Tennessee Valley Authority	51,289	28,500	10,000	-----	-----
U.S. Department of the Air Force—general gift fund	5	5	6	6	6
U.S. Department of the Army—general gift fund	22	31	31	205	189
U.S. Naval Academy—general gift fund	109	109	109	109	109
U.S. Naval Academy—museum fund	1	1	1	1	1
War risk insurance revolving fund	-----	-----	-----	3,153	3,365
Workmen's Compensation Act within the District of Columbia, relief and rehabilitation	110	126	126	126	126
HANDLED BY THE AGENCIES					
Banks for cooperatives	42,963	45,990	43,000	43,051	44,459
District of Columbia: Miscellaneous trust funds	118	116	117	102	108
Farmers Home Administration, State rural rehabilitation funds	2,173	856	1,083	1,634	1,477
Federal home loan banks	1,167,070	1,454,060	1,332,065	1,944,000	1,803,256
Federal Housing Administration, mutual mortgage insurance fund:					
Guaranteed securities	6,493	6,493	6,493	47,815	123,868
Federal intermediate credit banks	106,313	107,800	110,603	111,384	111,331
Federal land banks	110,635	105,800	103,600	101,667	101,588

Footnotes at end of table.

TABLE 67.—*Holdings of public debt and agency securities by Government agencies and accounts, June 30, 1960–64*—Continued

[Par value. In thousands of dollars]

Investments of agencies	1960	1961	1962	1963	1964
GOVERNMENT INVESTMENT ACCOUNTS—Continued					
HANDLED BY THE AGENCIES—Con.					
Federal National Mortgage Association:					
Public debt securities:					
Secondary market operations				91,500	
Guaranteed securities:					
Management and liquidating functions	70,014	69,008	84,124	79,233	23,558
Secondary market operations	494	746	38,673	23,250	4,986
Special assistance functions	1,915	10,448	37,424	14,980	6,928
Nonguaranteed securities:					
Secondary market operations				59,570	
Housing and Home Finance Administrator liquidating programs:					
Guaranteed securities			4		
Merchant marine memorial chapel fund	33				
Tennessee Valley Authority:					
Nonguaranteed securities		10,700			
Workmen's Compensation Act within the District of Columbia, relief and rehabilitation	15				
Total	54,542,471	55,405,917	55,898,425	57,967,204	60,472,428
OTHER ACCOUNTS					
HANDLED BY THE TREASURY					
Alien property trust fund	570	570	569	544	614
Canal Zone Postal Savings System [5]	5,350	5,050	4,750	4,400	4,100
Central hospital fund, U.S. Army, Office of The Surgeon General	1,945	1,945	1,945	1,945	1,945
Comptroller of the Currency	5,085	4,749	4,548	6,742	8,357
Individual Indian money deposit fund [5]	40,410	38,128	36,162	35,971	35,046
U.S. Department of the Air Force—cadet fund [5]	1	1			
U.S. Postal Savings System	845,703	720,703	599,017	502,866	432,079
HANDLED BY THE AGENCIES					
General Services Administration, Public Works Administration (in liquidation)			497	887	440
Panama Canal Company	25	25			
Total	899,088	771,170	647,488	553,355	482,581
Grand total	[6] 55,441,560	[6] 56,177,087	[6] 56,545,913	[6] 58,520,558	[6] 61,225,009

[1] For further details of these accounts, see tables 68 through 84.
[2] Includes Series F and J savings bonds at current redemption value.
[3] Includes Series J savings bonds at current redemption value in 1963 and at maturity value in 1964.
[4] Includes accrued interest purchased.
[5] Handled as Government investment accounts for the fiscal years 1960-61.
[6] Excludes securities in the amounts of $19,239,000, $17,757,000, and $17,671,000 held by the Atomic Energy Commission as of June 30, 1962, 1963, and 1964, respectively, which in turn are held by trustees for the protection of certain contractors against financial loss in event of a catastrophe.

NOTE.—For comparable data 1939–49, see 1949 annual report, p. 492–493, and for 1950–58, see 1958 annual report, p. 586–589, and for 1959, see 1963 annual report, p. 637–639.

TABLE 68.—*Civil service retirement and disability fund, June 30, 1964*

This trust fund was established in accordance with the provisions of the act of May 22, 1920, as amended (5 U.S.C. 2267). For further details see annual report of the Secretary for 1941, p. 136]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Deductions from salaries, service credit payments, and voluntary contributions of employees subject to retirement act [1]	$11,113,155,915.44	$994,477,989.01	$12,107,633,904.45
Federal contributions [2]	4,262,352,923.21	62,000,000.00	4,324,352,923.21
Payments by employing agencies [2]	4,698,270,486.48	979,941,019.66	5,678,211,506.14
Interest and profits on investments	4,006,755,148.69	419,838,372.88	4,426,593,521.57
Transfer from the Comptroller of the Currency retirement fund [3]	5,050,000.00		5,050,000.00
Total receipts	24,085,584,473.82	2,456,257,381.55	26,541,841,855.37
Expenditures:			
Annuity payments, refunds, etc	10,837,583,982.10	1,318,286,751.95	12,155,870,734.05
Transfers to policemen's and firemen's relief fund, D.C., deductions and accrued interest thereon	241,603.60	9,143.82	250,747.42
Total expenditures	10,837,825,585.70	1,318,295,895.77	12,156,121,481.47
Balance	13,247,758,888.12	1,137,961,485.78	14,385,720,373.90

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, civil service retirement fund series maturing June 30:			
Treasury certificates of indebtedness:			
3⅞% of 1964	$80,248,000.00	−$80,248,000.00	
4⅛% of 1965		72,800,000.00	$72,800,000.00
Treasury notes:			
2⅝% of 1964	230,527,000.00	−230,527,000.00	
2⅞% of 1964	69,913,000.00	−69,913,000.00	
3¾% of 1964	60,976,000.00	−60,976,000.00	
2⅝% of 1965	51,316,000.00		51,316,000.00
2⅞% of 1965	69,913,000.00		69,913,000.00
3¾% of 1965	60,976,000.00		60,976,000.00
3⅞% of 1965	80,227,000.00		80,227,000.00
2⅞% of 1966	69,913,000.00		69,913,000.00
3¾% of 1966	60,976,000.00		60,976,000.00
3⅞% of 1966	80,227,000.00		80,227,000.00
4⅛% of 1966		72,775,000.00	72,775,000.00
3¾% of 1967	60,976,000.00		60,976,000.00
3⅞% of 1967	80,227,000.00		80,227,000.00
4⅛% of 1967		72,775,000.00	72,775,000.00
3⅞% of 1968	80,227,000.00		80,227,000.00
4⅛% of 1968		72,775,000.00	72,775,000.00
4⅛% of 1969		72,775,000.00	72,775,000.00
Treasury bonds:			
2½% of 1964	385,000,000.00	−385,000,000.00	
2½% of 1965	385,000,000.00		385,000,000.00
2⅝% of 1965	179,211,000.00		179,211,000.00
2½% of 1966	385,000,000.00		385,000,000.00
2⅝% of 1966	230,527,000.00		230,527,000.00
2½% of 1967	385,000,000.00		385,000,000.00
2⅝% of 1967	230,527,000.00		230,527,000.00
2⅞% of 1967	69,913,000.00		69,913,000.00
2½% of 1968	200,000,000.00		200,000,000.00
2⅝% of 1968	415,527,000.00		415,527,000.00
2⅞% of 1968	69,913,000.00		69,913,000.00
3¾% of 1968	60,976,000.00		60,976,000.00
2⅝% of 1969	615,527,000.00		615,527,000.00
2⅞% of 1969	69,913,000.00		69,913,000.00
3¾% of 1969	60,976,000.00		60,976,000.00
3⅞% of 1969	80,227,000.00		80,227,000.00
2⅝% of 1970	615,527,000.00		615,527,000.00
2⅞% of 1970	69,913,000.00		69,913,000.00
3¾% of 1970	60,976,000.00		60,976,000.00

Footnotes at end of table.

TABLE 68.—*Civil service retirement and disability fund, June 30, 1964*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT—Continued

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities—Con.			
Special issues, civil service retirement fund series maturing June 30—Con.			
Treasury bonds—Continued			
3⅞% of 1970	$80,227,000.00		$80,227,000.00
4⅛% of 1970		$72,775,000.00	72,775,000.00
2⅝% of 1971	615,527,000.00		615,527,000.00
2⅞% of 1971	69,913,000.00		69,913,000.00
3¾% of 1971	60,976,000.00		60,976,000.00
3⅞% of 1971	80,227,000.00		80,227,000.00
4⅛% of 1971		72,775,000.00	72,775,000.00
2⅝% of 1972	232,686,000.00	−232,686,000.00	
3¾% of 1972	60,976,000.00		60,976,000.00
3⅞% of 1972	532,981,000.00		532,981,000.00
4⅛% of 1972		305,461,000.00	305,461,000.00
2⅝% of 1973	615,527,000.00	−65,568,000.00	549,959,000.00
2⅞% of 1973	46,692,000.00	−46,692,000.00	
3¾% of 1973	60,976,000.00		60,976,000.00
3⅞% of 1973	103,448,000.00		103,448,000.00
4⅛% of 1973		185,035,000.00	185,035,000.00
2⅝% of 1974	615,527,000.00		615,527,000.00
2⅞% of 1974	69,913,000.00	−23,957,000.00	45,956,000.00
3¾% of 1974	60,976,000.00		60,976,000.00
3⅞% of 1974	80,227,000.00		80,227,000.00
4⅛% of 1974		96,732,000.00	96,732,000.00
2⅝% of 1975	615,527,000.00		615,527,000.00
2⅞% of 1975	69,913,000.00		69,913,000.00
3¾% of 1975	60,976,000.00		60,976,000.00
3⅞% of 1975	80,227,000.00		80,227,000.00
4⅛% of 1975		72,775,000.00	72,775,000.00
2⅞% of 1976	685,440,000.00		685,440,000.00
3¾% of 1976	60,976,000.00		60,976,000.00
3⅞% of 1976	80,227,000.00		80,227,000.00
4⅛% of 1976		72,775,000.00	72,775,000.00
3¾% of 1977	746,416,000.00		746,416,000.00
3⅞% of 1977	80,227,000.00		80,227,000.00
4⅛% of 1977		72,775,000.00	72,775,000.00
3⅞% of 1978	826,643,000.00		826,643,000.00
4⅛% of 1978		72,775,000.00	72,775,000.00
[4] 4⅛% of 1979		899,418,000.00	899,418,000.00
Total special issues	12,399,666,000.00	1,091,629,000.00	13,491,295,000.00
Public Issues:			
Treasury notes:			
4⅞%, Series C-1963	23,500,000.00	−23,500,000.00	
4¾%, Series A-1964	10,550,000.00	−10,550,000.00	
5%, Series B-1964	19,937,000.00	−19,937,000.00	
4⅞%, Series C-1964	15,050,000.00	−12,578,000.00	2,472,000.00
4⅝%, Series A-1965	3,700,000.00	−3,090,000.00	610,000.00
Treasury bonds:			
2½% of 1964–69 (Apr. 15, 1943)	10,000,000.00		10,000,000.00
2½% of 1964–69 (Sept. 15, 1943)	16,400,000.00		16,400,000.00
3⅝% of 1967	48,400,000.00		48,400,000.00
3¾% of 1968	2,800,000.00		2,800,000.00
3⅞% of 1968	11,400,000.00		11,400,000.00
4% of 1969 (Aug. 15, 1962)	10,000,000.00		10,000,000.00
4% of 1969 (Oct. 1, 1957)	59,400,000.00		59,400,000.00
4% of 1970		46,000,000.00	46,000,000.00
4% of 1972	25,000,000.00		25,000,000.00
4% of 1973		12,000,000.00	12,000,000.00
3⅞% of 1974	46,650,000.00	1,000,000.00	47,650,000.00
4¼% of 1974		10,550,000.00	10,550,000.00
4¼% of 1975–85	32,500,000.00	17,105,000.00	49,605,000.00
3¼% of 1978–83	5,600,000.00		5,600,000.00
3½% of 1980	9,000,000.00	6,700,000.00	15,700,000.00
4% of 1980	95,394,000.00	7,000,000.00	102,394,000.00
3¼% of 1985	77,900,000.00		77,900,000.00
4¼% of 1987–92	10,000,000.00		10,000,000.00
3½% of 1990	83,400,000.00	2,200,000.00	85,600,000.00
3% of 1995	55,205,000.00		55,205,000.00
3½% of 1998	83,269,000.00		83,269,000.00
Total public issues	755,055,000.00	32,900,000.00	787,955,000.00
Total investments	13,154,721,000.00	1,124,529,000.00	14,279,250,000.00
Undisbursed balance	93,037,888.12	13,432,485.78	106,470,373.90
Total assets	13,247,758,888.12	1,137,961,485.78	14,385,720,373.90

Footnotes on next page.

(Footnotes for table 68.)

[1] Basic compensation deductions have been at the rate of 6½ percent since the day before the first pay period which began after Sept. 30, 1956. Since 1958 District of Columbia and Government corporations' contributions have been included with contributions from agency salary funds.

[2] Beginning July 1, 1957, appropriations are not made directly to the fund. Instead, in accordance with the act approved July 31, 1956 (5 U.S.C. 2254(a)), the employing agency contributes (from appropriations or funds from which the salaries are paid) amounts equal to the deductions from employees' salaries.

[3] The act of June 30, 1948, as amended (5 U.S.C. 2259 note), abolished the separate retirement fund for employees of the Office of the Comptroller of the Currency and directed transfer of its assets to the civil service retirement and disability fund. Amount comprises cash derived from sale of securities.

Table 69.—*District of Columbia teachers' retirement and annuity fund, June 30, 1964*

[This fund was established in accordance with the provisions of the act of Aug. 7, 1946 (31 D.C.C. 702, 707, 772), as successor to the District of Columbia teachers' retirement fund established under the act of Jan. 15, 1920, as amended, effecting the consolidation of the deductions fund and the Government reserve fund as of July 1, 1945]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Deductions from salaries	$27,095,216.91	$2,084,036.03	$29,179,252.94
Voluntary contributions	189,040.55	7,425.00	196,465.55
Interest and profits on investments	17,431,899.26	1,471,470.43	18,903,369.69
Appropriations from District of Columbia revenues	55,456,672.84	6,243,270.00	61,699,942.84
Total receipts	100,172,829.56	9,806,201.46	109,979,031.02
Expenditures:			
Annuities, refunds, etc	56,592,908.13	6,172,331.26	62,765,239.39
Balance	43,579,921.43	3,633,870.20	47,213,791.63

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (—)	June 30, 1964
Investments in public debt securities:			
Public issues:			
Treasury bills		$250,000.00	$250,000.00
Treasury notes:			
4¾%, Series A-1964	$2,617,000.00	—2,617,000.00	
4⅝%, Series A-1965	200,000.00	—167,000.00	33,000.00
4%, Series A-1966	475,000.00		475,000.00
Treasury bonds:			
2½% of 1965-70	1,000,000.00		1,000,000.00
2½% of 1966-71	1,000,000.00		1,000,000.00
2½% of 1967-72 (dated June 1, 1945)	1,247,500.00		1,247,500.00
3⅞% of 1968	1,056,500.00		1,056,500.00
3⅞% of 1971	3,256,000.00		3,256,000 00
3⅞% of 1974	2,388,500.00		2,388,500.00
4¼% of 1974		2,617,000.00	2,617,000.00
4¼% of 1975-85	1,000,000.00	167,000.00	1,167,000.00
3¼% of 1978-83	1,777,500.00		1,777,500.00
4% of 1980	956,500.00		956,500.00
3¼% of 1985	1,077,500.00		1,077,500.00
4% of 1988-93		1,000,000.00	1,000,000.00
4⅛% of 1989-94		2,531,500.00	2,531,500.00
3½% of 1990	3,000,000.00		3,000,000.00
3% of 1995	3,599,500.00		3,599,500.00
3½% of 1998	4,100,000.00		4,100,000.00
2½% Investment Series A-1965	250,000.00		250,000.00
2¾% of Investment Series B-1975-80	14,325,000.00		14,325,000.00
Total investments	43,326,500.00	3,781,500.00	47,108,000.00
Undisbursed balance	253,421.43	—147,629.80	105,791.63
Total assets	43,579,921.43	3,633,870.20	47,213,791.63

TABLE 70.—*Employees health benefits fund, Civil Service Commission, June 30, 1964*

[On basis of reports from the Civil Service Commission. This trust revolving fund was established in accordance with the provisions of the act of September 28, 1959, as amended (5 U.S.C. 3007)]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Direct appropriations	$12,166,000.00	$9,500,000.00	$21,666,000.00
Employees' and annuitants' withholdings	634,036,628.23	254,281,053.95	888,317,682.18
Agency contributions	362,580,536.87	133,219,357.69	495,799,894.56
Interest and profits on investments	1,545,555.69	1,474,609.74	3,020,165.43
Total receipts	1,010,328,720.79	398,475,021.38	1,408,803,742.17
Expenditures:			
Subscription charges paid to carriers	r 961,782,001.93	382,121,577.36	1,343,903,579.29
Contingency reserve paid to carriers		861,483.24	861,483.24
Carrier refunds	r −422,726.29	169,440.78	−253,285.51
Administrative expenses	3,543,948.88	1,070,810.04	4,614,758.92
Interest on administrative expenses paid by employees' life insurance fund [1]	43,625.79		43,625.79
Other [2]	−1,022,283.61	−310,478.84	−1,332,762.45
Total expenditures	963,924,566.70	383,912,832.58	1,347,837,399.28
Balance	46,404,154.09	14,562,188.80	60,966,342.89

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease(−)	June 30, 1964
Investments in public debt securities:			
Public issues:			
Treasury bills	$3,000,000.00	$5,374,000.00	$8,374,000.00
Treasury notes:			
4⅞%, Series C–1964		591,000.00	591,000.00
3¾%, Series D–1964	1,000,000.00	−1,000,000.00	
3¾%, Series F–1964		3,172,000.00	3,172,000.00
4%, Series E–1965		1,000,000.00	1,000,000.00
4%, Series A–1966	599,000.00		599,000.00
3⅝%, Series B–1966		1,120,000.00	1,120,000.00
Treasury bonds:			
2½% of 1964–69 (dated Apr. 15, 1943)	875,000.00		875,000.00
3¾% of 1966	1,751,000.00		1,751,000.00
3⅝% of 1967	1,698,000.00		1,698,000.00
3⅞% of 1968	1,000,000.00		1,000,000.00
3¾% of 1968	1,298,000.00		1,298,000.00
4% of 1969 (dated Oct. 1, 1957)	1,000,000.00		1,000,000.00
3⅞% of 1971	5,804,000.00		5,804,000.00
4% of 1971	3,732,000.00		3,732,000.00
4% of 1972 (dated Sept. 15, 1962)	4,410,500.00		4,410,500.00
4% of 1972 (dated Nov. 15, 1962)	963,000.00	2,829,500.00	3,792,500.00
4% of 1973		2,016,500.00	2,016,500.00
3⅞% of 1974	3,785,500.00		3,785,500.00
3¼% of 1978–83	190,000.00		190,000.00
3½% of 1980	738,000.00		738,000.00
3½% of 1990	2,130,500.00		2,130,500.00
3½% of 1998	3,950,000.00		3,950,000.00
Total investments	37,924,500.00	15,103,000.00	53,027,500.00
Undisbursed balance	8,479,654.09	−540,811.20	7,938,842.89
Total assets	46,404,154.09	14,562,188.80	60,966,342.89

r Revised.
[1] As provided in the act (5 U.S.C. 3008(a)).
[2] Difference between cost and face value of investments.

TABLE 71.—*Retired employees health benefits fund, Civil Service Commission, June 30, 1964*

[On basis of reports from the Civil Service Commission. This trust revolving fund was established in accordance with the provisions of the act of September 8, 1960 (5 U.S.C. 3057)]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Direct appropriations (Government contribution)	$28,625,000.00	$14,800,000.00	$43,425,000.00
Annuitants withholdings	25,022,653.94	13,605,554.59	38,628,208.53
Interest and profits on investments	4,736.26	4,000.00	8,736.26
Total receipts	53,652,390.20	28,409,554.59	82,061,944.79
Expenditures:			
Subscription charges paid to carrier	38,854,895.37	21,245,157.33	60,100,052.70
Government contributions paid to annuitants [1]	12,091,288.26	6,880,357.18	18,971,645.44
Administrative expenses	1,075,719.55	230,567.32	1,306,286.87
Interest on loans	6,409.00		6,409.00
Other [2]	−232,210.31	−61,882.64	−294,092.95
Total expenditures	51,796,101.87	28,294,199.19	80,090,301.06
Balance	1,856,288.33	115,355.40	1,971,643.73

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Public issues:			
Treasury bonds, 4% of 1969	$100,000.00		$100,000.00
Total investments	100,000.00		100,000.00
Undisbursed balance	1,756,288.33	$115,355.40	1,871,643.73
Total assets	1,856,288.33	115,355.40	1,971,643.73

[1] In accordance with 5 U.S.C. 3055(a), subject to specified restrictions, a retired employee who elects to obtain or retain a health benefits plan other than the uniform Government-wide health benefits plan directly with a carrier, shall be paid a Government contribution toward the cost of his plan which shall be equal in amount to the appropriate Government contribution.
[2] Difference between cost and face value of investments.

743-160—65——40

TABLE 72.—*Employees' life insurance fund, Civil Service Commission, June 30, 1964*

[On basis of reports from the Civil Service Commission. This trust revolving fund was established in accordance with the provisions of the act of August 17, 1954, as amended (5 U.S.C. 2091(c))]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Employees' withholdings	$692,947,690.62	$104,031,724.74	$796,979,415.36
Government contributions	346,478,373.17	52,015,862.37	398,494,235.54
Premiums collected from beneficial association members	20,045,364.52	3,249,691.44	23,295,055.96
Interest and profits on investments	27,581,254.60	12,061,827.35	39,643,081.95
Other	3,666.09		3,666.09
Assets acquired from beneficial associations:			
United States securities	13,871,342.60	[1] 86,993.80	13,958,336.40
Other	7,760,678.39	162,256.01	7,922,934.40
Total receipts	1,108,688,369.99	171,608,355.71	1,280,296,725.70
Expenditures:			
Premiums paid to insurance companies:			
For Federal employees generally	1,018,740,245.37	154,181,932.73	1,172,922,178.10
Less return of premiums paid	230,599,720.77	[2] 35,497,157.92	266,096,878.69
For beneficial association members	31,544,991.15	5,627,763.80	37,172,754.95
Less return of premiums paid	5,611,692.95	[3] 15,243.15	5,626,936.10
Administrative expenses	1,687,687.72	229,609.79	1,917,297.51
Other	−13,744,849.23	[4] −2,301,286.08	−16,046,135.31
Total expenditures	802,016,661.29	122,225,619.17	924,242,280.46
Balance	306,671,708.70	49,382,736.54	356,054,445.24

Footnotes at end of table.

TABLE 72.—*Employees' life insurance fund, Civil Service Commission, June 30, 1964*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (—)	June 30, 1964
Investments in public debt securities:			
Public issues:			
Treasury bills	$4,000,000.00	—$1,000,000.00	$3,000,000.00
Treasury notes:			
4⅞%, Series C-1963	10,000,000.00	—10,000,000.00	
4¾%, Series A-1964	15,000,000.00	—15,000,000.00	
4⅝%, Series A-1965	5,086,000.00	—4,248,000.00	838,000.00
4%, Series A-1966	17,165,000.00		17,165,000.00
Treasury bonds:			
2½% of 1962-67	15,015,000.00		15,015,000.00
2½% of 1963-68	3,000,000.00		3,000,000.00
2½% of 1964-69 (dated April 15, 1943)	5,500,000.00		5,500,000.00
2½% of 1964-69 (dated Sept. 15, 1943)	5,000,000.00		5,000,000.00
3¾% of 1966	5,000,000.00		5,000,000.00
2½% of 1966-71	3,864,500.00		3,864,500.00
3⅝% of 1967	5,000,000.00		5,000,000.00
3⅞% of 1968	22,105,000.00		22,105,000.00
3¾% of 1968	1,500,000.00		1,500,000.00
4% of 1969	15,330,000.00		15,330,000.00
3⅞% of 1971	2,806,500.00		2,806,500.00
4% of 1971	15,000,000.00		15,000,000.00
4% of 1972 (dated Sept. 15, 1962)	10,000,000.00		10,000,000.00
4% of 1972 (dated Nov. 15, 1962)	5,783,000.00		5,783,000.00
4¼% of 1974		15,000,000.00	15,000,000.00
3⅞% of 1974	20,220,000.00		20,220,000.00
4¼% of 1975-85		16,012,500.00	16,012,500.00
3¼% of 1978-83	6,330,500.00	3,000,000.00	9,330,500.00
3½% of 1980	9,441,000.00	1,831,500.00	11,272,500 00
4% of 1980	39,942,500.00		39,942,500.00
3¼% of 1985	936,500.00	7,550,000.00	8,486,500.00
4¼% of 1987-92		3,772,000.00	3,772,000.00
4% of 1988-93	12,897,000.00	2,300,000.00	15,197,000.00
4⅛% of 1989-94		24,198,500.00	24,198,500.00
3½% of 1990	25,276,000.00	6,000,000.00	31,276,000.00
3% of 1995	135,500.00		135,500.00
3½% of 1998	21,358,500.00		21,358,500.00
2¾% Investment Series B-1975-80	179,000.00		179,000.00
U.S. savings bonds:			
Series J (2.76%)	519,906.20	[1] 86,993.80	606,900.00
Series K (2.76%)	15,000.00		15,000.00
Total investments	303,406,406.20	49,503,493.80	352,909,900.00
Undisbursed balance	3,265,302.50	—120,757.26	3,144,545.24
Total assets	306,671,708.70	49,382,736.54	356,054,445.24

[1] Increment to show Series J bonds at face value rather than at current redemption value as previously reported.
[2] Premium payments in excess of the $100 million contingency reserve set by the Civil Service Commission, which are required to be returned to the fund by the insuring companies (5 U.S.C. 2097(d)).
[3] Return of premium payments in excess of annual claims paid, expenses, and other costs.
[4] Difference between cost and face value of investments.

TABLE 73.—*Federal disability insurance trust fund, June 30, 1964*

[This trust fund was established in accordance with the provisions of the Social Security Act amendments approved Aug. 1, 1956 (42 U.S.C. 401(b))]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Appropriations [1]	$5,906,100,667.63	$1,070,185,734.61	$6,976,286,402.24
Less refund of internal revenue collections	−52,482,500.00	−13,330,000.00	−65,812,500.00
Deposits by States	411,547,282.06	86,305,332.52	497,852,614.58
Interest and profits on investments	299,941,716.92	67,659,757.89	367,601,474.81
Payments from railroad retirement account	26,831,000.00		26,831,000.00
Total receipts	6,591,938,166.61	1,210,820,825.02	7,802,758,991.63
Expenditures:			
Benefit payments	3,922,003,935.42	1,251,207,262.65	5,173,211,198.07
To railroad retirement account	35,787,000.00	19,139,000.00	54,926,000.00
Administrative expenses:			
To general fund	21,645,959.41	3,841,295.67	25,487,255.08
To Federal old-age and survivors insurance trust fund	218,789,430.00	[2] 66,357,624.00	285,147,054.00
Total expenditures	4,198,226,324.83	1,340,545,182.32	5,538,771,507.15
Balance	2,393,711,841.78	−129,724,357.30	2,263,987,484.48

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, Federal disability insurance trust fund series maturing June 30:			
Treasury certificates of indebtedness:			
3⅞% of 1964	$5,706,000.00	−$5,706,000.00	
Treasury notes:			
3¾% of 1964	8,913,000.00	−8,913,000.00	
2⅝% of 1965	32,394,000.00	−32,394,000.00	
3¾% of 1965	20,738,000.00	−20,738,000.00	
3¾% of 1966	20,738,000.00	−20,738,000.00	
3¾% of 1967	1,349,000.00		$1,349,000.00
Treasury bonds:			
2½% of 1965	37,500,000.00	−37,500,000.00	
2⅝% of 1965	63,000,000.00	−63,000,000.00	
2½% of 1966	37,500,000.00	−37,500,000.00	
2⅝% of 1966	95,394,000.00	−95,394,000.00	
2½% of 1967	37,500,000.00	−37,500,000.00	
2⅝% of 1967	95,394,000.00	−36,602,000.00	58,792,000.00
3¾% of 1967	19,389,000.00		19,389,000.00
2½% of 1968	30,000,000.00		30,000,000.00
2⅝% of 1968	102,894,000.00		102,894,000.00
3¾% of 1968	20,738,000.00		20,738,000.00
2⅝% of 1969	132,894,000.00		132,894,000.00
3¾% of 1969	20,738,000.00		20,738,000.00
2⅝% of 1970	132,894,000.00		132,894,000.00
3¾% of 1970	20,738,000.00		20,738,000.00
2⅝% of 1971	132,894,000.00		132,894,000.00
3¾% of 1971	20,738,000.00		20,738,000.00
2⅝% of 1972	132,894,000.00		132,894,000.00
3¾% of 1972	20,738,000.00		20,738,000.00
2⅝% of 1973	132,894,000.00		132,894,000.00

Footnotes at end of table.

TABLE 73.—*Federal disability insurance trust fund, June 30, 1964*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT—Continued

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities—Con.			
Special issues, Federal disability insurance trust fund series maturing June 30—Continued			
Treasury bonds—Continued			
3¾% of 1973	$20,738,000.00		$20,738,000.00
2⅝% of 1974	132,894,000.00		132,894,000.00
3¾% of 1974	20,738,000.00		20,738,000.00
2⅝% of 1975	132,894,000.00		132,894,000.00
3¾% of 1975	20,738,000.00		20,738,000.00
3¾% of 1976	153,632,000.00		153,632,000.00
3¾% of 1977	153,632,000.00		153,632,000.00
3⅞% of 1978	153,632,000.00		153,632,000.00
4⅛% of 1979		$133,173,000.00	133,173,000.00
Total special issues	2,165,467,000.00	−262,812,000.00	1,902,655,000.00
Public issues:			
Treasury notes:			
4⅞%, Series C-1963	5,000,000.00	−5,000,000.00	
5%, Series B-1964	5,000,000.00	−4,175,000.00	825,000.00
Treasury bonds:			
3⅝% of 1967	10,000,000.00		10,000,000.00
3⅞% of 1968 (dated June 23, 1960)	3,750,000.00		3,750,000.00
3⅞% of 1968 (dated Sept. 15, 1963)		5,000,000.00	5,000,000.00
3¾% of 1968	5,000,000.00		5,000,000.00
4% of 1969 (dated Aug. 15, 1962)	5,000,000.00	5,000,000.00	10,000,000.00
4% of 1969 (dated Oct. 1, 1957)	21,000,000.00	5,000,000.00	26,000,000.00
4% of 1970		14,000,000.00	14,000,000.00
4% of 1972 (dated Nov. 15, 1962)		2,000,000.00	2,000,000.00
4% of 1972 (dated Sept. 15, 1962)		2,000,000.00	2,000,000.00
4% of 1973		16,500,000.00	16,500,000.00
3⅞% of 1974	5,000,000.00		5,000,000.00
4¼% of 1975-85	5,000,000.00	14,045,000.00	19,045,000.00
4% of 1980	30,250,000.00		30,250,000.00
4¼% of 1987-92	5,000,000.00		5,000,000.00
4⅛% of 1989-94		68,400,000.00	68,400,000.00
3½% of 1990	7,500,000.00	3,000,000.00	10,500,000.00
3½% of 1998	5,000,000.00		5,000,000.00
Total public issues	112,500,000.00	125,770,000.00	238,270,000.00
Total investments—par value	2,277,967,000.00	−137,042,000.00	2,140,925,000.00
Unamortized discount and premium on investments (net)	−754,207.25	−1,716,354.80	−2,470,562.05
Accrued interest purchased	30,939.20	23,676.18	54,615.38
Total investments	2,277,243,731.95	−138,734,678.62	2,138,509,053.33
Undisbursed balance	116,468,109.83	9,010,321.32	125,478,431.15
Total assets	2,393,711,841.78	−129,724,357.30	2,263,987,484.48

[1] Appropriations are equal to the amount of employment taxes collected as estimated by the Secretary of the Treasury and adjusted in accordance with wage reports certified by the Secretary of Health, Education, and Welfare for distribution to this fund and the Federal old-age and survivors insurance trust fund.
[2] Reimbursement covering the fiscal year 1963 including $2,507,908.00 interest.

TABLE 74.—*Federal old-age and survivors insurance trust fund, June 30, 1964*

[This trust fund, the successor to the old-age reserve account, was established in accordance with the provisions of the Social Security Act Amendments (42 U.S.C. 401). For further details see annual reports of the Secretary for 1940, p. 212, and 1950, p. 42]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Appropriations [1]	$105, 225, 273, 273. 38	$14, 488, 596, 928. 47	$119, 713, 870, 201. 85
Less refund of internal revenue collections	−821, 125, 000. 00	−152, 470, 000. 00	−973, 595, 000. 00
Deposits by States	4, 948, 115, 953. 27	1, 166, 599, 194. 16	6, 114, 715, 147. 43
Interest and profits on investments	7, 641, 017, 361. 83	539, 044, 380. 18	8, 180, 061, 742. 01
Transfers from general fund [2]	15, 336, 400. 00		15, 336, 400. 00
Payments from railroad retirement account	35, 393, 000. 00		35, 393, 000. 00
Other [3]	8, 223, 442. 07	2, 603, 619. 23	10, 827, 061. 30
Total receipts	117, 052, 284, 430. 55	16, 044, 374, 122. 04	[4] 133, 096, 658, 552. 59
Expenditures:			
Benefit payments	93, 848, 128, 837. 74	14, 579, 166, 049. 52	108, 427, 294, 887. 26
Construction of buildings	32, 791, 609. 28	2, 558, 352. 02	35, 349, 961. 30
To railroad retirement account	1, 839, 923, 000. 00	402, 636, 000. 00	2, 242, 559, 000. 00
Administrative expenses:			
Salaries and expenses [5]	1, 923, 762, 896. 68	312, 381, 991. 63	2, 236, 144, 888. 31
To general fund	657, 675, 266. 46	49, 073, 954. 76	706, 749, 221. 22
To Department of Health, Education, and Welfare	22, 760, 625. 00	2, 640, 000. 00	25, 400, 625. 00
From Federal disability insurance trust fund	−211, 841, 102. 00	−63, 849, 716. 00	−275, 690, 818. 00
Total expenditures	98, 113, 201, 133. 16	15, 284, 606, 631. 93	113, 397, 807, 765. 09
Balance	18, 939, 083, 297. 39	759, 767, 490. 11	19, 698, 850, 787. 50

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, Federal old-age and survivors insurance trust fund series maturing June 30:			
Treasury notes:			
4⅛% of 1966		$597, 887, 000. 00	$597, 887, 000. 00
Treasury bonds:			
2½% of 1965	$434, 575, 000. 00	−434, 575, 000. 00	
2⅝% of 1965	168, 000, 000. 00	−168, 000, 000. 00	
2½% of 1966	912, 011, 000. 00	−912, 011, 000. 00	
2⅝% of 1966	168, 000, 000. 00	−6, 716, 000. 00	161, 284, 000. 00
2½% of 1967	912, 011, 000. 00		912, 011, 000. 00
2⅝% of 1967	168, 000, 000. 00		168, 000, 000. 00
2½% of 1968	412, 011, 000. 00		412, 011, 000. 00
2⅝% of 1968	668, 000, 000. 00		668, 000, 000. 00
2⅝% of 1969	1, 080, 011, 000. 00		1, 080, 011, 000. 00
2⅝% of 1970	1, 080, 011, 000. 00		1, 080, 011, 000. 00
2⅝% of 1971	1, 080, 011, 000. 00		1, 080, 011, 000. 00
2⅝% of 1972	1, 080, 011, 000. 00		1, 080, 011, 000. 00
2⅝% of 1973	1, 080, 011, 000. 00		1, 080, 011, 000. 00
2⅝% of 1974	1, 080, 011, 000. 00		1, 080, 011, 000. 00
2⅝% of 1975	919, 934, 000. 00		919, 934, 000. 00
3¾% of 1975	160, 077, 000. 00		160, 077, 000. 00
3¾% of 1976	1, 080, 011, 000. 00		1, 080, 011, 000. 00
3⅞% of 1977	1, 080, 011, 000. 00		1, 080, 011, 000. 00
3⅞% of 1978	658, 444, 000. 00		658, 444, 000. 00
4⅛% of 1978		421, 567, 000. 00	421, 567, 000. 00
4⅛% of 1979		1, 080, 011, 000. 00	1, 080, 011, 000. 00
Total special issues	14, 221, 151, 000. 00	578, 163, 000. 00	14, 799, 314, 000. 00

Footnotes at end of table.

TABLE 74.—*Federal old-age and survivors insurance trust fund, June 30, 1964*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT—Continued

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities—Con.			
Public issues:			
Treasury notes:			
4⅞%, Series C-1963	$15,000,000.00	−$15,000,000.00	
5%, Series B-1964	25,000,000.00	−20,875,000.00	$4,125,000.00
4⅝%, Series A-1965	38,500,000.00	−32,148,000.00	6,352,000.00
Treasury bonds:			
2½% of 1964-69 (dated Apr. 15, 1943)	22,180,000.00		22,180,000.00
2½% of 1964-69 (dated Sept. 15, 1943)	33,000,000.00		33,000,000.00
3¾% of 1966	27,729,000.00		27,729,000.00
2½% of 1967-72 (dated Oct. 20, 1941)	250.00		250.00
3⅝% of 1967	34,205,000.00		34,205,000.00
3¾% of 1968	7,000,000.00		7,000,000.00
3⅞% of 1968	17,450,000.00		17,450,000.00
4% of 1969 (dated Aug. 15, 1962)	20,000,000.00		20,000,000.00
4% of 1969 (dated Oct. 1, 1957)	57,500,000.00		57,500,000.00
4% of 1971	100,000,000.00		100,000,000.00
4% of 1973		38,000,000.00	38,000,000.00
3⅞% of 1974	32,500,000.00		32,500,000.00
4¼% of 1975-85	25,000,000.00	53,023,000.00	78,023,000.00
3¼% of 1978-83	60,200,000.00		60,200,000.00
4% of 1980	153,100,000.00		153,100,000.00
3½% of 1980	449,450,000.00		449,450,000.00
3¼% of 1985	25,700,000.00		25,700,000.00
4¼% of 1987-92	10,000,000.00		10,000,000.00
4⅛% of 1989-94		91,300,000.00	91,300,000.00
3½% of 1990	556,250,000.00		556,250,000.00
3% of 1995	85,170,000.00		85,170,000.00
3½% of 1998	552,037,000.00		552,037,000.00
2¾% Investment Series B-1975-80	1,064,902,000.00		1,064,902,000.00
Total public issues	3,411,873,250.00	114,300,000.00	3,526,173,250.00
Total investments, par value	17,633,024,250.00	692,463,000.00	18,325,487,250.00
Unamortized premium and discount (net)	−19,925,855.71	−692,253.42	−20,618,109.13
Accrued interest purchased	91,270.64	−91,270.64	
Total investments	17,613,189,664.93	691,679,475.94	18,304,869,140.87
Undisbursed balance [6]	1,325,893,632.46	68,088,014.17	1,393,981,646.63
Total assets	18,939,083,297.39	759,767,490.11	19,698,850,787.50

[1] Appropriations are equal to the amount of employment taxes collected as estimated by the Secretary of the Treasury and adjusted in accordance with wage reports certified by the Secretary of Health, Education, and Welfare for distribution to this fund and the Federal disability insurance trust fund.
[2] In connection with payments of benefits to survivors of certain World War II veterans who died within three years after separation from active service.
[3] Incidental recoveries, and, beginning with the fiscal year 1958, includes reimbursement of interest in the amount of $9,456,236 transferred from the Federal disability insurance trust fund pursuant to 42 U.S.C. 201(g)(1).
[4] Excludes unappropriated receipts of $27,000,000.
[5] Paid directly from the trust fund beginning with the fiscal year 1947 under annual appropriation acts.
[6] Includes the following balances in accounts as of June 30:

	1963	*1964*
Benefit payments	$1,306,985,701.89	$1,380,603,694.51
Salaries and expenses	18,889,598.67	13,347,072.24
Construction of buildings	18,331.90	30,879.88

TABLE 75.—*Foreign service retirement and disability fund, June 30, 1964*

[This trust fund was established in accordance with the provisions of the act of May 24, 1924, and the act of Aug. 13, 1946 (22 U.S.C. 1062). For further details, see annual report of the Secretary for 1941, p. 138]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30,1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Deductions from salaries, service credit payments, and voluntary contributions of employees subject to retirement act	$36,320,091.24	$3,440,312.28	$39,760,403.52
Appropriations [1]	25,815,900.00		25,815,900.00
Payments by employing agency [1]	5,988,961.68	3,307,974.65	9,296,936.33
Receipts from civil service retirement and disability fund	3,171,865.96	385,359.59	3,557,225.55
Interest and profits on investments	16,688,432.05	1,507,411.90	18,195,843.95
Total receipts	87,985,250.93	8,641,058.42	96,626,309.35
Expenditures:			
Annuity payments and refunds	49,637,697.93	7,485,890.77	57,123,588.70
Balance	38,347,553.00	1,155,167.65	39,502,720.65

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, Treasury certificates of indebtedness, foreign service retirement fund series maturing June 30:			
3% of 1964	$1,672,000.00	−$1,672,000.00	
4% of 1964	36,219,000.00	−36,219,000.00	
4% of 1965		37,774,000.00	$37,774,000.00
3% of 1965		1,140,000.00	1,140,000.00
Total	37,891,000.00	1,023,000.00	38,914,000.00
Undisbursed balance	456,553.00	132,167.65	588,720.65
Total assets	38,347,553.00	1,155,167.65	39,502,720.65

[1] Beginning July 1, 1961, appropriations are not made directly to the fund. Instead, in accordance with the act approved Sept. 8, 1960 (22 U.S.C. 1071(a)), the employing agency contributes (from appropriations or funds from which the salaries are paid) amounts equal to the deductions from employees' salaries.

TABLE 76.—*Highway trust fund, June 30, 1964*

[This trust fund was established in accordance with the provisions of section 209(a) of the Highway Revenue Act of 1956 (23 U.S.C. 120 note)]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Excise taxes:[1]			
Gasoline[2]	$13,985,389,178.42	$2,641,336,305.99	$16,626,725,484.41
Diesel fuel	517,963,890.72	128,105,009.59	646,068,900.31
Tires[2]	1,520,557,910.30	369,520,086.50	1,890,077,996.80
Tread rubber[2]	114,635,890.84	21,929,800.44	136,565,691.28
Trucks, buses, etc	949,003,532.10	357,344,905.96	1,306,348,438.06
Truck use	354,219,799.00	105,760,878.29	459,980,677.29
Inner tubes[2]	102,230,878.85	21,796,211.92	124,027,090.77
Other tires	272,718,179.33		272,718,179.33
Total taxes	17,816,719,259.56	3,645,793,198.69	21,462,512,458.25
Deduct-Reimbursement to general fund-refund of tax receipts:			
Gasoline used on farms	543,511,631.80	103,526,078.23	647,037,663.91
Gasoline for nonhighway purposes or local transit systems	129,849,084.99	23,110,477.60	152,959,562.59
Gasoline, other	102,690.85		102,736.97
Tires and tread rubber	97,416.90		97,416.90
Trucks, buses, etc	66,650.55		66,650.55
Total refunds of taxes	673,627,475.09	126,636,555.83	800,264,030.92
Net taxes	17,143,091,784.47	3,519,156,642.86	20,662,248,427.33
Interest on investment	59,276,677.97	20,361,229.42	79,637,907.39
Advances from general fund	419,000,000.00		419,000,000.00
Less return of advances to general fund	−419,000,000.00		−419,000,000.00
Net receipts	17,202,368,462.44	3,539,517,872.28	20,741,886,334.72
Expenditures:			
Highway program:			
Reimbursement to general fund	501,018,553.13		501,018,553.13
Federal Aid Highway Act of 1956	15,948,322,913.07	3,643,648,700.66	19,591,971,613.73
Pentagon road network	122,564.76	1,364,331.22	1,486,895.98
Total highway program	16,449,464,030.96	3,645,013,031.88	20,094,477,062.84
Services of Department of Labor (administration and enforcement of labor standards)	368,225.00		368,225.00
Interest on advances from general fund	5,610,162.02		5,610,162.02
Total expenditures	16,455,442,417.98	3,645,013,031.88	20,100,455,449.86
Balance	746,926,044.46	−105,495,159.60	641,430,884.86

II. ASSETS HELD BY TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, Treasury certificates of indebtedness, highway trust fund series, maturing June 30:			
3⅜% of 1964	$677,743,000.00	−$677,743,000.00	
3⅝% of 1965		609,028,000.00	$609,028,000.00
Total investments	677,743,000.00	−68,715,000.00	609,028,000.00
Undisbursed balances	69,183,044.46	−36,780,159.60	32,402,884.86
Total assets	746,926,044.46	−105,495,159.60	641,430,884.86

[1] Amounts equivalent to specified percentages of receipts from certain taxes on motor fuels, vehicles, tires and tubes, and use of certain vehicles are appropriated and transferred monthly from general fund receipts to the trust fund on the basis of estimates by the Secretary of the Treasury, with proper adjustments to be made in subsequent transfers as required by section 209(c) of the Highway Revenue Act of 1956, as amended (23 U.S.C. 120 note). See also the annual report to Congress on the financial condition and fiscal operations of the highway trust fund.

[2] Includes floor stocks taxes.

TABLE 77.—*Judicial survivors annuity fund, June 30, 1964*

[This fund was established in accordance with the provisions of the act of Aug. 3, 1956 (28 U.S.C. 376(b))]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Deductions from salaries and contributions	$4,103,206.30	$645,013.90	$4,748,220.20
Interest and profits on investments	267,966.13	76,016.76	343,982.89
Total receipts	4,371,172.43	721,030.66	5,092,203.09
Expenditures:			
Annuity payments, refunds, etc	2,323,070.22	490,145.92	2,813,216.14
Balance	2,048,102.21	230,884.74	2,278,986.95

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (—)	June 30, 1964
Investments in public debt securities:			
Public issues:			
Treasury bills	$48,000.00	—$48,000.00	
Treasury notes:			
5%, Series B-1964	63,000.00	—53,000.00	$10,000.00
4⅝%, Series A-1965	100,000.00	—84,000.00	16,000.00
4%, Series A-1966	60,000.00		60,000.00
Treasury bonds:			
3⅞% of 1968	195,000.00		195,000.00
4% of 1969	40,500.00		40,500.00
4% of 1971	240,000.00		240,000.00
4% of 1972 (dated Sept. 15, 1962)	150,000.00		150,000.00
3⅞% of 1974	169,000.00		169,000.00
4¼% of 1974		106,000.00	106,000.00
4¼% of 1975-85		137,000.00	137,000.00
3¼% of 1978-83	93,500.00		93,500.00
4% of 1980	500,500.00		500,500.00
4⅛% of 1989-94		167,000.00	167,000.00
3½% of 1990	188,500.00		188,500.00
3% of 1995	51,000.00		51,000.00
3½% of 1998	113,500.00		113,500.00
Total investments	2,012,500.00	225,000.00	2,237,500.00
Undisbursed balance	35,602.21	5,884.74	41,486.95
Total assets	2,048,102.21	230,884.74	2,278,986.95

TABLE 78.—*Library of Congress trust funds, June 30, 1964*

[Established in accordance with provisions of the act of Mar. 3, 1925, as amended (2 U.S.C. 154-161). For further details see 1941 annual report, p. 149]

	Permanent loan account						Income from donated securities, etc.		
	Funds on deposit with Treasurer of the United States			Interest at 4 percent paid by U.S. Treasury					
	June 30, 1963	Fiscal year 1964	June 30, 1964	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Name of donor:									
Babine, Alexis V	$6,684.74		$6,684.74	$6,946.76	$266.40	$7,213.16	$1,785.58		$1,785.58
Benjamin, William E	83,083.31		83,083.31	52,958.57	3,323.34	56,281.91	49,744.50		49,744.50
Bowker, Richard R	14,843.15		14,843.15	5,857.74	593.72	6,451.46	8,024.80		8,024.80
Carnegie Corporation of New York	93,307.98		93,307.98	94,436.50	3,732.32	98,168.82	37,838.36		37,838.36
Coolidge, Elizabeth S	804,444.26		804,444.26	333,151.35	32,177.78	365,329.13	131,904.76		131,904.76
Elson, Louis C., memorial fund	12,585.03		12,585.03	9,133.51	503.40	9,636.91			
Friends of Music in the Library of Congress	6,059.09	$550.00	6,609.09	4,366.89	247.77	4,614.66	318.22		318.22
Guggenheim, Daniel	90,654.22		90,654.22	90,295.94	3,626.16	93,922.10	32,759.36		32,759.36
Hanks, Nymphus Corridon	5,227.31		5,227.31	1,556.76	209.10	1,765.86			
Huntington, Archer M	260,577.66		260,577.66	173,239.59	10,423.10	183,662.69	[1] 377,057.24	[1] $19,440.02	[1] 396,497.26
Koussevitzky Music Foundation, Inc	176,103.58		176,103.58	81,506.54	7,044.14	88,550.68			
Longworth, Nicholas, Foundation	9,691.59		9,691.59	9,051.64	387.66	9,439.30	757.02		757.02
Miller, Dayton C	20,548.18		20,548.18	15,187.29	821.92	16,009.21	412.50		412.50
National Library for the Blind, Inc	36,015.00		36,015.00	15,380.67	1,440.60	16,821.27			
Pennell, Joseph	303,250.46		303,250.46	268,009.40	12,130.02	280,139.42	85,487.80		85,487.80
Porter, Henry K., memorial fund	290,500.00		290,500.00	196,428.04	11,620.00	208,048.04	25,369.03		25,369.03
Roberts fund	62,703.75		62,703.75	30,540.29	2,508.16	33,048.45			
Sonneck memorial fund	12,088.13		12,088.13	12,037.66	483.52	12,521.18	4,429.73		4,429.73
Stern memorial fund	6,841.98	7,610.66	14,452.64	87.40	447.35	534.75	50.00	25.00	75.00
Whittall, Gertrude C.:									
Collection of Stradivari instruments and Tourte bows	1,225,060.97		1,225,060.97	652,982.57	49,002.44	701,985.01	3,382.00		3,382.00
Poetry fund	101,149.73		101,149.73	50,607.73	4,045.98	54,653.71			
General literature	393,279.59		393,279.59	80,162.96	15,731.18	95,894.14	2,168.26		2,168.26
Appreciation and understanding of good literature	150,000.00		150,000.00	55,898.31	6,000.00	61,898.31			
Wilbur, James B	305,813.57		305,813.57	313,295.20	12,233.56	325,528.76	107,345.09		107,345.09
Donations and investment income	4,470,513.28	8,160.66	4,478,673.94	2,553,119.31	178,999.62	2,732,118.93	868,834.25	19,465.02	888,299.27
Expenditures from investment income				2,275,826.63	183,823.23	2,459,649.86	865,912.63	18,510.03	884,422.66
Balances in the accounts	4,470,513.28	8,160.66	4,478,673.94	277,292.68	−4,823.61	272,469.07	2,921.62	954.99	3,876.61

[1] Includes income from securities held as investment under deed of trust dated Nov. 17, 1936, administered by designated trustees including the Bank of New York.

TABLE 79.—*National service life insurance fund, June 30, 1964*

[This trust fund was established in accordance with the provisions of the act of Oct. 8, 1940 (38 U.S.C. 720). For further details, see annual report of the Secretary for 1941, p. 143]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Premiums and other receipts	$10,355,676,704.44	$478,299,648.37	$10,833,976,352.81
Interest on investments	3,135,587,345.39	176,471,453.76	3,312,058,799.15
Payments from general fund	4,746,849,792.83	5,969,469.99	4,752,819,262.82
Total receipts	18,238,113,842.66	660,740,572.12	18,898,854,414.78
Expenditures:			
Benefit payments, dividends, and refunds	12,516,808,499.64	585,267,124.48	13,102,075,624.12
Balance	5,721,305,343.02	75,473,447.64	5,796,778,790.66

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, national service life insurance fund series maturing June 30:			
Treasury notes:			
3% of 1964	$379,000,000.00	−$379,000,000.00	
3¾% of 1964	7,873,000.00	−7,873,000.00	
3¾% of 1965	7,873,000.00		$7,873,000.00
Treasury bonds:			
3% of 1965	379,000,000.00		379,000,000.00
3% of 1966	379,000,000.00		379,000,000.00
3¾% of 1966	7,873,000.00		7,873,000.00
3% of 1967	379,000,000.00		379,000,000.00
3¾% of 1967	7,873,000.00		7,873,000.00
3% of 1968	379,000,000.00		379,000,000.00
3¾% of 1968	7,873,000.00		7,873,000.00
3% of 1969	379,000,000.00		379,000,000.00
3¾% of 1969	7,873,000.00		7,873,000.00
3% of 1970	379,000,000.00		379,000,000.00
3¾% of 1970	7,873,000.00		7,873,000.00
3% of 1971	379,000,000.00		379,000,000.00
3¾% of 1971	7,873,000.00		7,873,000.00
3% of 1972	379,000,000.00		379,000,000.00
3¾% of 1972	7,873,000.00		7,873,000.00
3% of 1973	379,000,000.00		379,000,000.00
3¾% of 1973	7,873,000.00		7,873,000.00
3% of 1974	379,000,000.00		379,000,000.00
3¾% of 1974	7,873,000.00		7,873,000.00
3¾% of 1975	386,873,000.00		386,873,000.00
3⅛% of 1976	343,149,000.00		343,149,000.00
3¼% of 1976	43,724,000.00		43,724,000.00
3¼% of 1977	386,307,000.00		386,307,000.00
3⅝% of 1977		566,000.00	566,000.00
3⅜% of 1978	298,259,000.00		298,259,000.00
3⅝% of 1978		88,614,000.00	88,614,000.00
3⅝% of 1979		366,770,000.00	366,770,000.00
Total investments	5,713,915,000.00	69,077,000.00	5,782,992,000.00
Undisbursed balance	7,390,343.02	6,396,447.64	13,786,790.66
Total assets	5,721,305,343.02	75,473,447.64	5,796,778,790.66

NOTE.—Policy loans outstanding, on basis of information furnished by the Veterans' Administration, amounted to $506,307,545.57 as of June 30, 1964.

TABLE 80.—*Pershing Hall Memorial fund, June 30, 1964*

[This special fund was established in accordance with the provisions of the act of June 28, 1935, as amended (36 U.S.C. 491). For further details, see annual report of the Secretary for 1941, p. 155]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Appropriations	$482, 032. 92		$482, 032. 92
Profits on investments	5, 783. 21		5, 783. 21
Net increase in book value of bonds	12, 000. 35		12, 000. 35
Interest earned	144, 843. 88	$7, 385. 00	152, 228. 88
Total receipts	644, 660. 36	7, 385. 00	652, 045. 36
Expenditures:			
Claims and expenses	288, 629. 70		288, 629. 70
National Treasurer, American Legion	144, 843. 88		144, 843. 88
Total expenditures	433, 473. 58		433, 473. 58
Balance	211, 186. 78	7, 385. 00	218, 571. 78

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Public issues:			
Treasury bonds, 3½% of 1990	$211, 000. 00		$211, 000. 00
Undisbursed balance	186. 78	$7, 385. 00	7, 571. 78
Total assets	211, 186. 78	7, 385. 00	218, 571. 78

TABLE 81.—*Philippine Government pre-1934 bond account, June 30, 1964*

[This special trust account was established in accordance with the provisions of the act of Aug. 7, 1939 (22 U.S.C. 1393), for the payment of bonds issued prior to May 1, 1934, by provinces, cities, and municipalities of the Philippines]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Taxes on exports	$1,586,135.92		$1,586,135.92
Interest and profits on investments [1]	3,694,734.91	$27,814.83	3,722,549.74
Sale of stock of Bank of Philippine Islands	43,100.00		43,100.00
Deposit of the Philippine Government	13,141.85		13,141.85
U.S. Treasury bonds from the Philippine Government	6,269,750.00		6,269,750.00
Annual payments by the Philippine Government	15,646,589.37		15,646,589.37
Total receipts	27,253,452.05	27,814.83	27,281,266.88
Expenditures:			
Interest on outstanding Philippine bonds	2,411,475.68	29,895.63	2,441,371.31
Return of excess cash to the Philippine Government	1,600,000.00		1,600,000.00
Payment of matured bonds of the Philippine Government	18,541,500.00	631,925.00	19,173,425.00
Cancellation of Philippine bonds at cost [2]	3,533,585.13		3,533,585.13
Losses on securities sold	153,752.03		153,752.03
Unamortized discount on investments	−13,712.51	12,024.83	−1,687.68
Total expenditures	26,226,600.33	673,845.46	26,900,445.79
Balance	1,026,851.72	−646,030.63	380,821.09

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Public issues:			
Treasury bills	$819,000.00	−$627,000.00	$192,000.00
Treasury notes, 4¾%, Series A-1964	100,000.00	−100,000.00	
Treasury notes, 4%, Series E-1965		100,000.00	100,000.00
Total investments	919,000.00	−627,000.00	292,000.00
Undisbursed balance	107,851.72	−19,030.63	88,821.09
Total assets	1,026,851.72	−646,030.63	380,821.09

[1] Losses are netted against profits through fiscal 1957.
[2] The face value of the bonds canceled was $3,436,000.

NOTE.—As of June 30, 1964, the total principal and interest of pre-1934 bonds had matured.

TABLE 82.—*Railroad retirement account, June 30, 1964*

[This trust account was established in accordance with the provisions of the act of June 24, 1937 (45 U.S.C. 228o). For further details, see annual report of the Secretary for 1941, p. 148]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Tax collections:			
Appropriated [1]	r$11,850,535,228.41	$608,969,561.14	$12,459,504,789.55
Unappropriated	r16,729,737.59	−15,492,759.88	1,236,977.71
Fines and penalties	350.00	100.00	450.00
Interest and profits on investments	1,550,610,916.30	130,127,866.76	1,680,738,783.06
Payments from Federal old-age and survivors and Federal disability insurance trust funds [2]	1,875,710,000.00	421,775,000.00	2,297,485,000.00
Railroad unemployment insurance account:			
Interest on advances	23,255,938.27	9,507,533.66	32,763,471.93
Repayment of advances	141,261,000.00	37,454,000.00	178,715,000.00
Total receipts	15,458,103,170.57	1,192,341,301.68	16,650,444,472.25
Expenditures:			
Benefit payments, etc	11,031,708,817.87	1,092,450,771.55	12,124,159,589.42
Administrative expenses [3]	103,606,957.50	11,021,137.25	114,628,094.75
Federal old-age and survivors and Federal disability insurance trust funds:			
Payments	26,831,000.00		26,831,000.00
Interest payments	35,393,000.00		35,393,000.00
Advances to railroad unemployment insurance account	455,244,000.00	35,187,000.00	490,431,000.00
Interest on refunds of taxes	5,299.13	277.84	5,576.97
Total expenditures	11,652,789,074.50	1,138,659,186.64	12,791,448,261.14
Balance	3,805,314,096.07	53,682,115.04	3,858,996,211.11

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, railroad retirement series, maturing June 30:			
Treasury certificates of indebtedness:			
4¼% of 1965		$118,693,000.00	$118,693,000.00
Treasury notes:			
3% of 1965	$522,661,000.00	−522,661,000.00	
4% of 1965		79,214,000.00	79,214,000.00
3% of 1966	698,618,000.00	−698,618,000.00	
4% of 1966		185,091,000.00	185,091,000.00
4⅛% of 1966		12,812,000.00	12,812,000.00
3% of 1967	1,052,227,000.00	−1,052,227,000.00	
4% of 1967		185,091,000.00	185,091,000.00
4⅛ of 1967		12,812,000.00	12,812,000.00
3% of 1968	512,580,000.00	−512,580,000.00	
4% of 1968		185,091,000.00	185,091,000.00
4⅛% of 1968		12,812,000.00	12,812,000.00
4⅛% of 1969		12,812,000.00	12,812,000.00

Footnotes at end of table.

TABLE 82.—*Railroad retirement account, June 30, 1964*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT—Continued

Assets	June 30, 1963	Fiscal year 1964, increase or, decrease (−)	June 30, 1964
Investments in public debt securities—Con.			
Special issues, railroad retirement series, maturing June 30—Continued			
Treasury bonds:			
4% of 1969		$185,091,000.00	$185,091,000.00
4% of 1970		185,091,000.00	185,091,000.00
4⅛% of 1970		12,812,000.00	12,812,000.00
4% of 1971		185,091,000.00	185,091,000.00
4⅛% of 1971		12,812,000.00	12,812,000.00
4% of 1972		185,091,000.00	185,091,000.00
4⅛% of 1972		12,812,000.00	12,812,000.00
4% of 1973		185,091,000.00	185,091,000.00
4⅛% of 1973		12,812,000.00	12,812,000.00
4% of 1974		185,091,000.00	185,091,000.00
4⅛% of 1974		12,812,000.00	12,812,000.00
4% of 1975		185,091,000.00	185,091,000.00
4⅛% of 1975		12,812,000.00	12,812,000.00
4% of 1976		185,091,000.00	185,091,000.00
4⅛% of 1976		12,812,000.00	12,812,000.00
4% of 1977		185,091,000.00	185,091,000.00
4⅛% of 1977		12,812,000.00	12,812,000.00
4% of 1978		185,091,000.00	185,091,000.00
4⅛% of 1978		12,812,000.00	12,812,000.00
4⅛% of 1979		197,903,000.00	197,903,000.00
Total special issues	$2,786,086,000.00	182,463,000.00	2,968,549,000.00
Public issues:			
Treasury bills	100,000,000.00	−100,000,000.00	
Treasury notes:			
4⅞%, Series C-1963	13,500,000.00	−13,500,000.00	
5%, Series B-1964	20,000,000.00	−20,000,000.00	
4⅞%, Series C-1964	7,450,000.00	−7,450,000.00	
4%, Series A-1966	6,000,000.00		6,000,000.00
3⅝%, Series B-1966	30,500,000.00		30,500,000.00
3¾%, Series A-1967	10,000,000.00		10,000,000.00
3⅝%, Series B-1967	18,000,000.00		18,000,000.00
Treasury bonds:			
2⅝% of 1965	39,000,000.00	−33,811,000.00	5,189,000.00
3¾% of 1966	5,500,000.00		5,500,000.00
3¾% of 1968	14,000,000.00		14,000,000.00
3⅞% of 1968	7,000,000.00		7,000,000.00
4% of 1969 (dated Oct. 1, 1957)	57,000,000.00		57,000,000.00
4% of 1969 (dated Aug. 15, 1962)	51,000,000.00		51,000,000.00
4% of 1970		35,000,000.00	35,000,000.00
3⅞% of 1971	46,500,000.00		46,500,000.00
4% of 1971	8,500,000.00		8,500,000.00
4% of 1972 (dated Sept. 15, 1962)	33,500,000.00		33,500,000.00
4% of 1972 (dated Nov. 15, 1962)	21,000,000.00		21,000,000.00
3⅞% of 1974	156,700,000.00		156,700,000.00
4¼% of 1975-85	25,000,000.00	22,261,000.00	47,261,000.00
3½% of 1980	6,000,000.00		6,000,000.00
4% of 1980	125,550,000.00		125,550,000.00
3¼% of 1985	6,900,000.00		6,900,000.00
4¼% of 1987-92	14,000,000.00		14,000,000.00
4% of 1988-93	6,000,000.00		6,000,000.00
4⅛% of 1989-94	9,100,000.00	4,000,000.00	13,100,000.00
3½% of 1990	38,925,000.00		38,925,000.00
3% of 1995	3,200,000.00		3,200,000.00
3½% of 1998	31,550,000.00		31,550,000.00
Total public issues	911,375,000.00	−113,500,000.00	797,875,000.00
Total investments	3,697,461,000.00	68,963,000.00	3,766,424,000.00
Undisbursed balance	107,853,096.07	−15,280,884.96	92,572,211.11
Total assets	3,805,314,096.07	53,682,115.04	3,858,996,211.11

r Revised.

1 Includes the Government's contribution for creditable military service under the act of Apr. 8, 1942, as amended by the act of Aug. 1, 1956 (45 U.S.C. 228c-1(n)(p)). Effective July 1, 1951, appropriations of receipts are equal to the amount of taxes deposited in the Treasury (less refunds) under the Railroad Retirement Tax Act (26 U.S.C. 3201-3233).

2 Pursuant to act of June 24, 1937 (45 U.S.C. 228c(k)).

3 Beginning Aug. 1, 1949, paid from the trust fund under Title IV, act of June 29, 1949 (45 U.S.C. 228 p), and subsequent annual appropriation acts.

TABLE 83.—*Unemployment trust fund, June 30, 1964*

[This trust fund was established in accordance with the provisions of Sec. 904(a) of the Social Security Act of August 14, 1935 (42 U.S.C. 1104). For further details see annual report of the Secretary for 1941, p. 145]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
STATE UNEMPLOYMENT ACCOUNTS			
Receipts:			
Appropriations from general fund [1]	$138, 024, 733. 38		$138, 024, 733. 38
Deposits by States	36, 587, 410, 509. 16	$3, 042, 407, 829. 04	39, 629, 818, 338. 20
Interest earned:			
Collected	3, 604, 363, 895. 09	201, 210, 630. 95	3, 805, 574, 526. 04
Accrued	9, 163, 340. 42	6, 578, 797. 35	15, 742, 137. 77
Total receipts	40, 338, 962, 478. 05	3, 250, 197, 257. 34	43, 589, 159, 735. 39
Expenditures:			
Withdrawals by States	34, 321, 286, 079. 44	2, 705, 336, 168. 83	37, 026, 622, 248. 27
Advances to States	3, 428, 698. 43	−2, 261, 624. 31	1, 167, 074. 12
Total expenditures	34, 324, 714, 777. 87	2, 703, 074, 544. 52	37, 027, 789, 322. 39
Transfers:			
To the railroad unemployment insurance account	−107, 226, 931. 89		−107, 226, 931. 89
From Federal unemployment account	236, 765, 000. 00		236, 765, 000. 00
From Federal extended compensation account (reimbursement)	46, 282, 141. 47	664. 00	46, 282, 805. 47
To Federal unemployment account	−3, 000, 000. 00	[2] −12, 551, 000. 00	−15, 551, 000. 00
Net transfers	172, 820, 209. 58	−12, 550, 336. 00	160, 269, 873. 58
Balance	6, 187, 067, 909. 76	534, 572, 376. 82	6, 721, 640, 286. 58
RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT			
BENEFIT PAYMENTS ACCOUNT			
Receipts:			
Deposits by Railroad Retirement Board	1, 854, 583, 256. 86	146, 795, 691. 16	2, 001, 378, 948. 02
Advances from the railroad retirement account	455, 244, 000. 00	35, 187, 000. 00	490, 431, 000. 00
From the railroad unemployment insurance administration fund	106, 187, 199. 00		106, 187, 199. 00
Advance by Secretary of Treasury	15, 000, 000. 00		15, 000, 000. 00
Interest earned:			
Collected	221, 464, 240. 92	262, 263. 66	221, 726, 504. 58
Accrued	15, 818. 31	8, 574. 83	24, 393. 14
Total receipts	2, 652, 494, 515. 09	182, 253, 529. 65	2, 834, 748, 044. 74
Expenditures:			
Benefit payments	2, 541, 801, 349. 41	133, 912, 182. 67	2, 675, 713, 532. 08
To the railroad unemployment insurance administration fund	12, 338, 198. 54		12, 338, 198. 54
Repayment of advances to railroad retirement account	141, 261, 000. 00	37, 454, 000. 00	178, 715, 000. 00
Repayment of advance to the Secretary of the Treasury	15, 000, 000. 00		15, 000, 000. 00
Repayment of advances from general fund for temporary unemployment compensation benefits	12, 308, 211. 63	7, 090, 380. 61	19, 398, 592. 24
Payment of interest on advances from railroad retirement account	23, 255, 938. 27	9, 507, 533. 66	32, 763, 471. 93
Total expenditures	2, 745, 964, 697. 85	187, 964, 096. 94	2, 933, 928, 794. 79
Transfers:			
To the railroad unemployment insurance administration fund [3]		−3, 464, 997. 48	−3, 464, 997. 48
From State unemployment funds	107, 226, 931. 89		107, 226, 931. 89
From the railroad unemployment insurance administration fund [4]		755, 906. 78	755, 906. 78
Net transfers	107, 226, 931. 89	−2, 709, 090. 70	104, 517, 841. 19
Balance	13, 756, 749. 13	−8, 419, 657. 99	5, 337, 091. 14

Footnotes at end of part I.

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TABLE 83.—*Unemployment trust fund, June 30, 1964*—Continued

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)—Con.

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
ADMINISTRATIVE EXPENSE FUND			
Receipts:			
Deposits by Railroad Retirement Board	$41,419,113.93	$9,261,059.77	$50,680,173.70
Adjusted for prior year (unexpended balance)	7,237,031.36		7,237,031.36
Interest earned:			
Collected	616,781.29	154,649.26	771,430.55
Accrued	6,532.74	5,056.49	11,589.23
Total receipts	49,279,459.32	9,420,765.52	58,700,224.84
Expenditures:			
Administrative expenses	46,026,611.10	9,070,279.00	55,096,890.10
Transfers:			
From railroad unemployment insurance account [3]		3,464,997.48	3,464,997.48
To railroad unemployment insurance account [4]		−755,906.78	−755,906.78
Net transfers		2,709,090.70	2,709,090.70
Balance	3,252,848.22	3,059,577.22	6,312,425.44
TEMPORARY EXTENDED RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT			
BENEFIT PAYMENT ACCOUNT			
Receipts:			
Appropriations from general fund	19,398,592.24		19,398,592.24
Expenditures:			
Temporary extended railroad unemployment benefits	19,398,592.24		19,398,592.24
Balance			
FEDERAL EXTENDED COMPENSATION ACCOUNT			
Receipts:			
Advances from general fund	833,452,045.17	−19,357,595.13	814,094,450.04
Expenditures:			
Temporary extended unemployment compensation payments	770,116,521.76	−2,304,877.19	767,811,644.57
Repayment of advances from general fund	466,326,784.00	306,043,771.39	772,370,555.39
Total expenditures	1,236,443,305.76	303,738,894.20	1,540,182,199.96
Transfers:			
From employment security administration account	466,326,784.00	306,043,771.39	772,370,555.39
Reimbursement to State accounts	−46,282,141.47	−664.00	−46,282,805.47
Net transfers	420,044,642.53	306,043,107.39	726,087,749.92
Balance	17,053,381.94	−17,053,381.94	

Footnotes at end of part I.

TABLE 83.—*Unemployment trust fund, June 30, 1964*—Continued

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)—Con.

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT			
Receipts:			
Transfers (Federal unemployment taxes):			
Appropriated [5]	$1,751,575,720.64	$854,305,736.82	$2,605,881,457.46
Less refund of taxes	−10,283,768.52	−4,290,836.39	−14,574,604.91
Advance from general (revolving) fund	795,311,596.38	239,705,000.00	1,035,016,596.38
Less return of advances to general fund	−790,811,596.38	−244,205,000.00	−1,035,016,596.38
Interest earned:			
Collected	3,828,159.28	1,947,469.42	5,775,628.70
Accrued	76,418.09	63,674.55	140,092.64
Total receipts	1,749,696,529.49	847,526,044.40	2,597,222,573.89
Expenditures:			
Administrative expenses to Department of Labor	260,650.00	265,000.00	525,650.00
Salaries and expenses, Bureau of Employment Security	29,319,268.58	12,828,621.03	42,147,889.61
Grants to States for unemployment compensation and employment service administration	1,178,987,577.52	412,707,900.81	1,591,695,478.33
Payments to general fund:			
Temporary unemployment compensation—1958		48,371,925.30	48,371,925.30
Reimbursement for administrative expenses	15,511,821.91	5,957,336.06	21,469,157.97
Interest on advances from general (revolving) fund	9,718,424.01	2,934,616.20	12,653,040.21
Interest on refund of taxes	180,343.73	92,825.40	273,169.13
Total expenditures	1,233,978,085.75	483,158,224.80	1,717,136,310.55
Transfers:			
To Federal unemployment account:			
Excess [6]		−32,535,300.00	−32,535,300.00
Reduced tax credits:			
Alaska	−449,646.00	−226,060.98	−675,706.98
Michigan	−7,153,713.21	−8,016,360.36	−15,170,073.57
To Federal extended compensation account	−466,326,784.00	−306,043,771.39	−772,370,555.39
Net transfers	−473,930,143.21	−346,821,492.73	−820,751,635.94
Balance	41,788,300.53	17,546,326.87	59,334,627.40

Footnotes at end of part I.

TABLE 83.—*Unemployment trust fund, June 30, 1964*—Continued

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)—Con.

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
FEDERAL UNEMPLOYMENT ACCOUNT			
Receipts:			
Appropriations from general fund [1]	$207,350,872.17		$207,350,872.17
Interest earned:			
Collected	46,896,891.73	$9,033,176.59	55,930,068.32
Accrued	358,977.97	295,349.35	654,327.32
Total receipts	254,606,741.87	9,328,525.94	263,935,267.81
Expenditures:			
To Bureau of Employment Security, Department of Labor	6,070,914.73		6,070,914.73
Transfers:			
To State unemployment agencies	-236,765,000.00		-236,765,000.00
From State unemployment agencies	3,000,000.00	[2] 12,551,000.00	15,551,000.00
From employment security administration account—reduced tax credits	7,603,359.21	8,242,421.34	15,845,780.55
From employment security administration account—excess [6]		32,535,300.00	32,535,300.00
Net transfers	-226,161,640.79	53,328,721.34	-172,832,919.45
Balance	22,374,186.35	62,657,247.28	85,031,433.63
SUMMARY OF BALANCES			
State unemployment agencies	6,187,067,909.76	534,572,376.82	6,721,640,286.58
Railroad unemployment insurance accounts:			
Benefit payments account	13,756,749.13	-8,419,657.99	5,337,091.14
Administrative expenses	3,252,848.22	3,059,577.22	6,312,425.44
Temporary extended railroad unemployment insurance account (benefit payment account)			
Federal extended compensation account	17,053,381.94	-17,053,381.94	
Employment security administration account	41,788,300.53	17,546,326.87	59,334,627.40
Federal unemployment account	22,374,186.35	62,657,247.28	85,031,433.63
Total balances	6,285,293,375.93	592,362,488.26	6,877,655,864.19
Cash advance repayable to trust fund	3,428,698.43	-2,261,624.31	1,167,074.12
Total assets	6,288,722,074.36	590,100,863.95	6,878,822,938.31

[1] Amounts appropriated to the unemployment trust fund prior to enactment of the Employment Security Act of 1960 representing the excess of collections from Federal unemployment tax over employment security expenses (42 U.S.C. 1101(b)).
[2] Represents repayment by Pennsylvania of advances from the Federal unemployment account.
[3] Amount transferred pursuant to Public Law 88-133, approved Oct. 5, 1963 (77 Stat. 219).
[4] Represents the excess in the administrative expense fund transferred pursuant to section 11(d) of the Railroad Unemployment Insurance Act (45 U.S.C. 361(d)).
[5] Excludes unappropriated receipts of -$2,357,803.33.
[6] Represents excess in the employment security administration account transferred pursuant to 42 U.S.C. 1102.

TABLE 83.—*Unemployment trust fund, June 30, 1964*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT (ACCRUAL BASIS)

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, Treasury certificates of indebtedness, unemployment trust fund series maturing June 30:			
3¼% of 1964	$4,802,620,000.00	−$4,802,620,000.00	
3½% of 1965		4,930,606,000.00	$4,930,606,000.00
Total special issues	4,802,620,000.00	127,986,000.00	4,930,606,000.00
Public issues:			
Treasury notes:			
5% Series B-1964	10,000,000.00	−8,350,000.00	1,650,000.00
4⅝% Series A-1965	16,000,000.00	−13,360,000.00	2,640,000.00
3⅝% Series B-1966	146,000,000.00		146,000,000.00
4% Series A-1966	11,500,000.00	4,250,000.00	15,750,000.00
3¾% Series A-1967	30,000,000.00	21,500,000.00	51,500,000.00
3⅝% Series B-1967	7,000,000.00		7,000,000.00
Treasury bonds:			
2½% of 1964-69 (dated Apr. 15, 1943)		1,000,000.00	1,000,000.00
2½% of 1964-69 (dated Sept. 15, 1943)		5,600,000.00	5,600,000.00
2½% of 1965-70		15,000,000.00	15,000,000.00
3⅜% of 1966	1,000,000.00		1,000,000.00
3¾% of 1966	2,000,000.00	25,750,000.00	27,750,000.00
3⅝% of 1967	14,000,000.00		14,000,000.00
3⅞% of 1968	3,000,000.00		3,000,000.00
3¾% of 1968	26,500,000.00	5,000,000.00	31,500,000.00
4% of 1969 (dated Aug. 15, 1962)	19,000,000.00		19,000,000.00
4% of 1969 (dated Oct. 1, 1957)	26,100,000.00		26,100,000.00
4% of 1970		3,000,000.00	3,000,000.00
4% of 1971	10,000,000.00		10,000,000.00
3⅞% of 1971	9,000,000.00	3,000,000.00	12,000,000.00
4% of 1972 (dated Sept. 15, 1962)	28,500,000.00	18,000,000.00	46,500,000.00
4% of 1972 (dated Nov. 15, 1962)	16,500,000.00	15,000,000.00	31,500,000.00
4% of 1973		48,000,000.00	48,000,000.00
3⅞% of 1974	16,000,000.00		16,000,000.00
4¼% of 1975-85	11,000,000.00	21,710,000.00	32,710,000.00
3¼% of 1978-83	53,050,000.00		53,050,000.00
4% of 1980	14,000,000.00	92,000,000.00	106,000,000.00
3½% of 1980	53,000,000.00		53,000,000.00
3¼% of 1985	14,000,000.00		14,000,000.00
4¼% of 1987-92	10,000,000.00		10,000,000.00
4% of 1988-93		17,500,000.00	17,500,000.00
4⅛% of 1989-94		174,300,000.00	174,300,000.00
3½% of 1990	89,221,000.00	5,000,000.00	94,221,000.00
3½% of 1998	61,200,000.00		61,200,000.00
2¾% Investment Series B-1975-80	745,000,000.00		745,000,000.00
Total public issues	1,442,571,000.00	453,900,000.00	1,896,471,000.00
Total investments, par value	6,245,191,000.00	581,886,000.00	6,827,077,000.00
Unamortized discount	−4,017,648.44	−5,775,152.53	−9,792,800.97
Unamortized premium	1,462,402.30	−391,235.92	1,071,166.38
Accrued interest purchased	2,496,934.19	−2,496,934.19	
Total investments	6,245,132,688.05	573,222,677.36	6,818,355,365.41
Unexpended balances:			
Trust account	8,397,512.38	10,837,394.07	19,234,906.45
Deposit accounts, railroad unemployment insurance:			
Benefits and refunds	198,650.59	−10,182.67	188,467.92
Administrative expenses	236,087.08	−35,279.00	200,808.08
Temporary extended railroad unemployment benefits			
Federal extended compensation account	17,053,381.94	−17,053,381.94	
Employment security administration account	4,653,968.36	18,249,807.87	22,903,776.23
Subtotal	6,275,672,288.40	585,211,035.69	6,860,883,324.09
Accrued interest on investments	9,621,087.53	6,951,452.57	16,572,540.10
Cash advance repayable to trust fund	3,428,698.43	−2,261,624.31	1,167,074.12
Accounts receivable		200,000.00	200,000.00
Total assets	6,288,722,074.36	590,100,863.95	6,878,822,938.31

TABLE 83.—*Unemployment trust fund, June 30, 1964*—Continued

III. BALANCE OF UNEMPLOYMENT TRUST FUND BY STATES AND OTHER ACCOUNTS AS OF JUNE 30, 1963, OPERATIONS IN 1964, AND BALANCE JUNE 30, 1964

States and other accounts	Balance June 30, 1963	Operations in fiscal 1964				Balance June 30, 1964
		Deposits	Earnings	Transfers	Withdrawals	
Alabama	$58, 206, 662. 22	$39, 325, 629. 64	$2, 208, 213. 74		$24, 031, 810. 97	$75, 708, 694. 63
Alaska	4, 886, 655. 57	7, 998, 722. 49	6, 840. 84		5, 970, 000. 00	6, 922, 218. 90
Arizona	63, 711, 795. 49	12, 744, 490. 99	2, 146, 625. 43		12, 755, 000. 00	65, 847, 911. 91
Arkansas	28, 385, 244. 02	12, 549, 367. 46	949, 134. 48		13, 950, 000. 00	27, 933, 745. 96
California	601, 258, 841. 23	499, 202, 150. 19	20, 711, 386. 07		494, 972, 450. 83	626, 199, 926. 66
Colorado	47, 382, 893. 65	17, 056, 000. 00	1, 622, 229. 71		14, 035, 000. 00	52, 026, 123. 36
Connecticut	161, 496, 947. 73	51, 173, 000. 00	5, 478, 868. 09		47, 700, 000. 00	170, 448, 815. 82
Delaware	13, 429, 538. 52	10, 270, 000. 00	505, 026. 93		7, 745, 000. 00	16, 459, 565. 45
District of Columbia	63, 531, 608. 62	7, 466, 095. 00	2, 076, 973. 31		10, 440, 000. 00	62, 634, 676. 93
Florida	127, 752, 383. 64	41, 044, 879. 33	4, 471, 497. 04		25, 929, 304. 09	147, 339, 455. 92
Georgia	147, 980, 576. 91	31, 567, 177. 61	5, 117, 031. 08		21, 712, 000. 00	162, 952, 785. 60
Hawaii	15, 385, 704. 70	9, 358, 323. 74	490, 529. 86		9, 450, 000. 00	15, 784, 558. 30
Idaho	24, 510, 475. 06	8, 371, 575. 00	844, 042. 55		8, 560, 555. 03	25, 165, 537. 58
Illinois	385, 096, 014. 32	168, 528, 541. 62	13, 635, 170. 79		127, 575, 000. 00	439, 684, 726. 73
Indiana	138, 404, 876. 04	44, 481, 477. 09	4, 834, 364. 61		36, 800, 000. 00	150, 920, 717. 74
Iowa	104, 080, 635. 55	10, 837, 274. 61	3, 495, 518. 31		10, 828, 334. 23	107, 585, 094. 24
Kansas	59, 938, 811. 82	14, 095, 000. 00	1, 975, 687. 73		16, 672, 126. 62	59, 337, 372. 93
Kentucky	98, 664, 730. 33	27, 850, 000. 00	3, 395, 768. 93		26, 100, 000. 00	103, 810, 499. 26
Louisiana	96, 262, 314. 69	32, 411, 794. 98	3, 337, 332. 22		26, 897, 696. 97	105, 113, 744. 92
Maine	23, 938, 625. 31	11, 863, 920. 00	859, 042. 99		10, 125, 000. 00	26, 536, 588. 30
Maryland	103, 411, 664. 36	65, 341, 000. 00	3, 930, 089. 22		38, 608, 151. 00	134, 074, 602. 58
Massachusetts	179, 289, 293. 92	127, 733, 933. 04	5, 963, 062. 69		140, 625, 000. 00	172, 361, 289. 65
Michigan	241, 928, 580. 64	187, 885, 182. 40	6, 664, 556. 94		81, 320, 000. 00	355, 158, 319. 98
Minnesota	27, 651, 066. 69	29, 480, 000. 00	869, 715. 35		38, 770, 000. 00	19, 230, 782. 04
Mississippi	34, 606, 119. 10	18, 929, 000. 00	1, 295, 814. 65		12, 815, 000. 00	42, 015, 933. 75
Missouri	196, 960, 984. 96	43, 416, 104. 08	6, 745, 698. 26		38, 600, 000. 00	208, 522, 787. 30
Montana	20, 030, 582. 30	5, 273, 400. 00	663, 195. 65		7, 325, 000. 00	18, 642, 177. 95
Nebraska	38, 077, 040. 27	9, 100, 000. 00	1, 292, 707. 51		9, 340, 919. 39	39, 128, 828. 39
Nevada	22, 424, 124. 84	12, 524, 000. 00	830, 389. 50		9, 200, 000. 00	26, 578, 514. 34
New Hampshire	23, 495, 866. 96	7, 239, 000. 00	783, 692. 65		7, 730, 000. 00	23, 788, 559. 61
New Jersey	296, 802, 458. 35	133, 730, 000. 00	9, 576, 092. 40		160, 729, 703. 99	279, 378, 846. 76
New Mexico	34, 942, 196. 62	6, 502, 714. 00	1, 155, 453. 11		8, 174, 202. 43	34, 426, 161. 30
New York	1, 105, 168, 399. 74	468, 803, 604. 74	37, 729, 036. 75		453, 314, 065. 18	1, 158, 386, 976. 05
North Carolina	189, 604, 369. 00	43, 870, 000. 00	6, 524, 081. 48		37, 000, 000. 00	202, 998, 450. 48
North Dakota	5, 802, 206. 71	5, 075, 239. 81	217, 763. 70		5, 635, 000. 00	5, 460, 210. 22
Ohio	106, 525, 464. 67	175, 935, 629. 28	4, 046, 049. 03		131, 448, 365. 00	155, 058, 777. 98
Oklahoma	36, 059, 985. 31	19, 781, 000. 00	1, 291, 917. 52		16, 190, 000. 00	40, 942, 902. 83
Oregon	57, 085, 867. 70	38, 522, 265. 64	2, 263, 815. 96		25, 000, 000. 00	72, 871, 949. 30
Pennsylvania	136, 459, 057. 50	270, 205, 000. 00	1, 414, 449. 95	[1] −$12, 551, 000. 00	223, 451, 000. 00	172, 076, 507. 45
Puerto Rico	44, 938, 598. 16	17, 081, 291. 01	1, 562, 637. 22		11, 400, 000. 00	52, 182, 526. 39

Rhode Island	37,163,910.98	20,185,000.00	1,317,816.56		16,723,000.00	41,943,727.54
South Carolina	76,798,688.43	18,370,000.00	2,628,055.37		16,346,316.76	81,450,427.04
South Dakota	14,786,835.80	2,466,000.00	492,663.18		3,605,000.00	14,140,498.98
Tennessee	64,355,849.89	37,981,000.00	2,349,529.83		29,975,000.00	74,711,379.72
Texas	231,633,381.57	52,471,561.46	7,571,218.16		62,369,964.72	229,306,196.47
Utah	37,637,915.96	9,990,193.77	1,278,342.11		11,495,000.00	37,411,451.84
Vermont	7,913,857.65	4,038,554.10	239,299.56		6,510,000.00	5,681,711.31
Virginia	111,452,153.33	25,698,950.00	3,983,352.79		13,700,000.00	127,434,456.12
Washington	200,050,609.19	55,801,396.48	6,612,571.26		66,450,000.00	196,014,576.93
West Virginia	47,506,282.32	22,778,000.00	1,829,244.84		15,600,000.00	56,513,527.16
Wisconsin	189,325,333.78	42,025,506.31	6,356,777.34	[2] 664.00	48,209,577.31	189,498,704.12
Wyoming	2,873,827.64	5,977,883.17	149,053.05		3,165,000.00	5,835,763.86
Subtotal	6,187,067,909.76	3,042,407,829.04	207,789,428.30	−12,550,336.00	2,703,074,544.52	6,721,640,286.58
Railroad unemployment insurance accounts:						
Benefits and refunds	13,558,098.54	139,705,310.55	270,838.49	[3] 32,477,909.30	[4] 180,863,533.66	5,148,623.22
Administrative expenses	3,016,761.14	9,261,059.77	159,705.75	[5] 2,709,090.70	9,035,000.00	6,111,617.36
Federal unemployment account	22,374,186.35		9,328,525.94	53,328,721.34		85,031,433.63
Employment security administration account	37,134,332.17	854,305,736.82	2,011,143.97	−843,479,747.74	13,540,614.05	36,430,851.17
Federal extended compensation account				(6)		
Temporary extended railroad unemployment insurance account						
Subtotal all accounts	6,263,151,287.96	4,045,679,936.18	219,559,642.45	−767,514,362.40	2,906,513,692.23	6,854,362,811.96
Railroad unemployment insurance checking accounts:						
Benefits and refunds	198,650.59				10,182.67	188,467.92
Administrative expenses	236,087.08				35,279.00	200,808.08
Federal extended compensation account	17,053,381.94				17,053,381.94	
Employment security administration account	4,653,968.36				−18,249,807.87	22,903,776.23
Temporary extended railroad unemployment benefits						
Total	6,285,293,375.93	4,045,679,936.18	219,559,642.45	−767,514,362.40	2,905,362,727.97	6,877,655,864.19
Cash advance repayable to trust fund	3,428,698.43				2,261,624.31	1,167,074.12
Total as shown in parts I and II	6,288,722,074.36	4,045,679,936.18	219,559,642.45	−767,514,362.40	2,907,624,352.28	6,878,822,938.31

[1] Repayment of advances made pursuant to the provisions of title XII of the Social Security Act.

[2] Represents reimbursement pursuant to the provisions of the Temporary Extended Unemployment Compensation Act of 1961.

[3] Represents advances from the railroad retirement account of $35,187,000.00 and transfers from the railroad unemployment insurance administration fund of $755,906.78 and transfers to the railroad unemployment insurance administrative fund of $3,464,997.48.

[4] Includes repayment of advances to the railroad retirement account: principal $37,454,000.00 and interest $9,507,533.66.

[5] Represents $755,906.78 transferred to the railroad unemployment insurance account in accordance with section 11(d) of the Railroad Unemployment Insurance Act. Also includes transfers of $3,464,997.48 from the railroad unemployment insurance account in accordance with Public Law 88–133, approved Oct. 5, 1963, which increased taxable compensation applicable to administrative costs from 0.2% to 0.25%.

[6] Transfers of $664.00 from the general fund were in turn transferred to the State of Wisconsin as reimbursement for payment of extended compensation. Transfers of $306,043,771.39 from the employment security administration account were transferred to the general fund for repayment of advances made under the Temporary Extended Unemployment Compensation Act of 1961.

TABLE 84.—*U.S. Government life insurance fund, June 30, 1964*

[This trust fund operates in accordance with the provisions of the act of June 7, 1924, as amended (38 U.S.C. 755). For further details, see annual report of the Secretary for 1941, p. 142]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Premiums and other receipts	$2,059,754,762.54	$15,805,169.88	$2,075,559,932.42
Interest and profits on investments	1,164,197,472.94	34,463,875.16	1,198,661,348.10
Payments from general fund [1]	−73,974.35	−142,522.68	−216,497.03
Total receipts	3,223,878,261.13	50,126,522.36	3,274,004,783.49
Expenditures:			
Benefit payments, dividends, and refunds	2,219,087,680.43	72,204,389.12	2,291,292,069.55
Balance	1,004,790,580.70	−22,077,866.76	982,712,713.94

II. ASSETS HELD BY THE TREASURY

Assets	June 30, 1963	Fiscal year 1964, increase, or decrease (−)	June 30, 1964
Investments in public debt securities:			
Special issues, U.S. Government life insurance fund series maturing June 30:			
Treasury notes:			
3½% of 1964	$73,100,000.00	−$73,100,000.00	
3¾% of 1964	670,000.00	−670,000.00	
3¾% of 1965	670,000.00		$670,000.00
Treasury bonds:			
3½% of 1965	73,100,000.00	−5,909,000.00	67,191,000.00
3½% of 1966	73,100,000.00		73,100,000.00
3¾% of 1966	670,000.00		670,000.00
3½% of 1967	73,100,000.00		73,100,000.00
3¾% of 1967	670,000.00		670,000.00
3½% of 1968	73,100,000.00		73,100,000.00
3¾% of 1968	670,000.00		670,000.00
3½% of 1969	73,100,000.00		73,100,000.00
3¾% of 1969	670,000.00		670,000.00
3½% of 1970	73,100,000.00		73,100,000.00
3¾% of 1970	670,000.00		670,000.00
3½% of 1971	73,100,000.00		73,100,000.00
3¾% of 1971	670,000.00		670,000.00
3½% of 1972	73,100,000.00		73,100,000.00
3¾% of 1972	670,000.00		670,000.00
3½% of 1973	73,100,000.00		73,100,000.00
3¾% of 1973	670,000.00		670,000.00
3½% of 1974	73,100,000.00		73,100,000.00
3¾% of 1974	670,000.00		670,000.00
3¾% of 1975	73,770,000.00		73,770,000.00
3½% of 1976	67,799,000.00		67,799,000.00
3⅝% of 1976		5,971,000.00	5,971,000.00
3½% of 1977	49,963,000.00		49,963,000.00
3⅝% of 1977		23,807,000.00	23,807,000.00
3⅝% of 1978		2,739,000.00	2,739,000.00
Total special issues	1,003,002,000.00	−47,162,000.00	955,840,000.00
Investment in nonguaranteed securities:			
Consolidated Federal farm loan bonds: 4% of 1965		25,000,000.00	25,000,000.00
Total investments	1,003,002,000.00	−22,162,000.00	980,840,000.00
Undisbursed balance	1,788,580.70	84,133.24	1,872,713.94
Total	1,004,790,580.70	−22,077,866.76	982,712,713.94

[1] Included under premiums and other receipts prior to fiscal 1962. Negative amounts result from adjustments of prior years' receipts.

NOTE.—Policy loans outstanding, on basis of information furnished by the Veterans' Administration, amounted to $92,800,314.52 as of June 30, 1964.

Federal Aid to States

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*

[On basis of checks issued except where it is not practicable to report certain detail for all payments. The differing basis of such detail is footnoted and a checks-issued figure is used for the total. The differences in amounts between the two bases are included in "Undistributed to States, etc."]

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS

States, Territories, etc.	Department of Agriculture						
	Agricultural experiment stations [1]	Cooperative agricultural extension work [2]	School lunch program [3 4]	National forests fund [5]—shared revenues	National grasslands—shared revenues	Cooperative projects in marketing [6]	State and private forestry cooperation, etc.[7]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alabama	$1,074,204	$2,276,777	$5,179,137	$202,926		$61,428	$425,692
Alaska	272,795	171,961	170,716	213,174		23,461	78,459
Arizona	489,331	449,197	1,533,803	512,100		10,250	
Arkansas	868,996	1,835,235	2,864,230	770,512	$1,191	43,546	433,112
California	1,159,252	1,713,702	9,265,638	3,819,554	538	173,336	1,169,878
Colorado	608,562	704,350	1,840,760	236,981	39,639	59,318	81,384
Connecticut	446,865	379,782	1,610,668			16,390	100,122
Delaware	340,456	203,288	348,689			28,000	20,829
District of Columbia			264,856				
Florida	739,479	825,224	6,250,944	266,765	13,392	104,013	731,476
Georgia	1,146,144	2,374,285	6,547,814	246,277		96,924	720,795
Hawaii	378,003	306,894	1,108,476			33,900	54,939
Idaho	493,292	545,633	868,259	1,125,144	2,954	7,120	362,346
Illinois	1,106,385	2,036,875	6,339,115	15,752		55,100	138,137
Indiana	966,875	1,716,736	4,429,522	6,338		117,261	80,068
Iowa	1,052,642	1,831,233	3,375,075	229	125	83,657	67,459
Kansas	726,657	1,274,436	2,184,623		35,841	136,295	37,494
Kentucky	1,078,523	2,289,782	4,801,493	59,268	588	113,400	352,365
Louisiana	767,905	1,492,481	6,759,059	239,865		114,261	536,916
Maine	472,412	457,804	973,583	4,465	4	99,750	528,156
Maryland	569,087	653,409	2,467,486		1,600	70,590	206,601
Massachusetts	545,333	518,263	3,865,088			66,630	157,571
Michigan	1,025,337	1,879,405	5,480,833	205,085	3,730	225,523	754,560
Minnesota	941,235	1,748,949	4,173,194	258,951		75,573	578,571
Mississippi	1,065,522	2,348,839	4,299,320	704,287		110,216	510,054
Missouri	976,713	2,089,222	4,242,768	58,076	733	164,039	553,351
Montana	497,089	549,060	641,792	933,271		29,100	177,349
Nebraska	690,265	1,058,574	1,346,312	18,911	5,628	27,049	26,519
Nevada	321,961	224,197	165,919	40,008			64,034
New Hampshire	374,763	248,274	526,731	62,908		11,808	159,902
New Jersey	592,957	505,050	2,932,466			79,632	170,740
New Mexico	424,027	511,424	1,238,804	161,218	10,044	46,503	102,337
New York	1,222,918	1,796,896	11,551,374		514	147,346	470,888
North Carolina	1,495,671	3,168,825	7,839,353	152,740		153,936	586,561
North Dakota	539,198	769,326	867,658	79	221,069	56,210	45,591
Ohio	1,180,954	2,318,667	8,098,100	7,015	799	45,403	230,040
Oklahoma	775,465	1,536,445	2,621,388	102,221	7,370	87,669	191,106
Oregon	668,934	727,727	1,787,255	13,045,105	3,245	86,557	673,797
Pennsylvania	1,330,975	2,332,768	8,372,930	200,087	1,144	54,723	388,227
Rhode Island	342,794	168,443	496,205			4,060	49,550
South Carolina	856,738	1,686,420	4,571,929	347,797		31,250	517,308
South Dakota	531,733	732,132	703,665	35,757	52,507	17,548	85,850
Tennessee	1,095,350	2,326,510	5,052,657	85,247		56,700	414,649
Texas	1,476,598	3,705,364	9,164,067	319,230	18,972	71,932	399,730
Utah	459,584	418,524	1,324,414	148,147		16,899	93,382
Vermont	362,297	314,831	356,771	56,538		23,262	119,476
Virginia	966,227	1,908,943	4,735,816	82,892	374	93,932	511,665
Washington	769,677	890,452	2,526,242	5,119,218		73,876	638,400
West Virginia	720,633	1,182,161	2,265,878	146,606		45,000	281,741
Wisconsin	980,512	1,759,536	3,516,965	96,089	1	58,019	698,786
Wyoming	393,986	351,068	356,092	116,657	33,376	5,230	51,046
Puerto Rico	1,003,352	1,694,063	4,999,724	1,935	1		17,594
Virgin Islands			109,210				
Other Territories, etc.[8]			127,078				
Undistributed to States, etc.	[9] 1,253	[10] 10,139,773	−352,773				
Total	39,387,916	75,149,216	179,189,171	30,225,425	455,379	3,413,625	15,846,603

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Agriculture—Continued					Department of Commerce	
	Watershed protection and flood prevention [11]	Special milk program [12]	Removal of surplus agricultural commodities		Commodity Credit Corporation	Bureau of Public Roads	
			Food stamp program [13]	Value of commodities distributed	Value of commodities donated [14]	Federal-aid highways (trust fund) [15]	Other [10]
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Alabama	$574,429	$1,417,857	$1,776,902	$3,514,329	$6,838,973	$49,331,586	$112,077
Alaska	----------	31,354		127,138	247,414	44,424,376	3,560,528
Arizona	843,237	551,278	----------	1,101,877	2,144,280	40,782,491	1,089,244
Arkansas	3,036,687	1,346,259	83,566	3,270,145	6,363,785	48,722,900	467,216
California	3,412,926	8,703,002	69,824	4,476,042	8,710,491	295,869,266	4,452,271
Colorado	433,102	906,325		1,394,576	2,713,880	41,991,081	2,014,425
Connecticut	755,852	1,621,135	----------	685,205	1,333,427	53,426,960	----------
Delaware	243,386	325,932	----------	405,411	788,940	9,893,486	----------
District of Columbia	----------	607,540	----------	536,940	1,044,899	33,790,251	----------
Florida	544,616	1,250,877	----------	3,213,900	6,254,330	92,544,795	485,176
Georgia	2,063,236	1,074,365	----------	2,857,073	5,559,937	86,246,377	686,900
Hawaii	309,241	188,091	----------	362,924	706,258	8,656,914	----------
Idaho	33,811	228,420	----------	349,300	679,746	21,791,326	3,500,719
Illinois	228,230	6,534,346	168,937	3,335,069	6,490,129	195,404,326	47,665
Indiana	667,814	2,415,715	324,127	2,205,810	4,292,562	84,311,556	939
Iowa	1,792,454	1,921,919	----------	1,865,787	3,630,869	53,640,772	----------
Kansas	2,923,479	1,139,345	4,442	1,205,769	2,346,458	44,375,882	----------
Kentucky	1,784,751	1,836,736	1,519,234	4,052,562	7,886,388	76,438,286	148,223
Louisiana	345,184	723,438	1,385,582	3,877,490	7,545,693	96,646,902	108,900
Maine	53,057	467,533	----------	753,466	1,466,263	23,952,005	39,286
Maryland	455,437	2,100,362	----------	1,544,201	3,005,055	40,241,778	----------
Massachusetts	380,618	3,416,105	----------	1,619,630	3,151,840	71,148,951	----------
Michigan	529,709	5,613,063	4,379,673	4,860,170	9,458,015	160,813,514	489,265
Minnesota	513,181	2,763,627	670,264	1,939,923	3,775,139	84,260,024	466,356
Mississippi	3,073,967	1,374,663	----------	4,359,981	8,484,635	44,463,775	602,636
Missouri	664,394	2,967,911	961,236	2,287,462	4,451,459	86,448,644	150,038
Montana	218,405	199,994	85,405	418,946	815,280	48,373,025	3,610,720
Nebraska	1,058,478	623,917	----------	408,338	794,636	39,208,325	28,559
Nevada	31,999	106,029	----------	102,379	199,233	31,641,357	633,637
New Hampshire	205,048	413,313	----------	383,537	746,372	17,797,244	390,934
New Jersey	292,468	2,880,555	----------	1,227,689	2,389,115	65,470,543	----------
New Mexico	197,391	773,088	444,810	1,749,804	3,405,163	34,950,154	1,894,328
New York	450,063	9,463,551	----------	10,616,177	20,659,357	175,831,548	40,779
North Carolina	888,192	2,078,528	298,935	3,645,000	7,093,264	47,047,643	151,404
North Dakota	578,665	353,796	----------	380,205	739,888	30,231,222	----------
Ohio	650,105	6,006,540	5,431,043	4,443,546	8,647,252	222,532,779	85,361
Oklahoma	8,894,141	1,131,616	----------	5,096,402	9,917,727	48,290,543	138,086
Oregon	442,042	551,956	599,756	1,314,003	2,557,082	71,859,636	4,361,123
Pennsylvania	1,647,748	4,586,787	6,140,870	10,296,561	20,037,369	146,610,895	105,487
Rhode Island	----------	413,120	----------	293,747	571,639	17,860,732	----------
South Carolina	459,877	735,438	----------	1,205,677	2,346,279	32,151,977	105,100
South Dakota	207,124	428,716	----------	547,581	1,065,606	31,938,451	28,960
Tennessee	1,688,422	2,075,662	915,621	3,822,668	7,439,009	98,705,895	8,962
Texas	8,733,474	3,752,334	----------	5,345,250	10,401,991	179,866,890	89,200
Utah	332,817	352,625	----------	778,145	1,514,289	41,002,472	1,676,045
Vermont	703	199,714	----------	353,930	688,756	20,114,166	220,855
Virginia	448,840	1,731,198	789,921	2,001,656	3,895,274	114,282,251	184,288
Washington	1,061,165	1,570,061	65,074	2,600,125	5,059,908	68,317,252	2,998,334
West Virginia	1,613,075	541,646	2,396,728	3,392,958	6,602,782	26,601,277	242,176
Wisconsin	678,465	3,727,044	131,791	2,051,513	3,992,297	59,025,216	337,099
Wyoming	208,444	123,632	----------	284,710	554,053	35,177,838	1,288,440
Puerto Rico	72,721	----------	----------	6,489,212	12,628,170	6,688,150	----------
Virgin Islands	----------	----------	----------	59,750	116,276	----------	----------
Other Territories, etc.[8]	----------	----------	----------	173,401	337,443	----------	----------
Undistributed to States, etc	----------	571,639	706,259	[17] 109,896,910	1,152,072	5,936,765	----------
Total	56,722,670	96,919,697	29,350,000	235,582,000	245,738,447	3,607,132,473	37,041,744

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Commerce—Con.		Department of Defense [10]			Funds appropriated to the President [19]	
			Army				
	Grants for public facilities [18]	State marine schools	Lease of flood control lands—shared revenues	National Guard	Civil defense	Disaster relief, and State and local preparedness [20]	Accelerated public works program [21]
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Alabama	$542,388		$1,830	$132,865	$344,282		$9,706,785
Alaska	126,450			6,807	69,738	$5,000,000	2,040,243
Arizona			28	393,800	152,093	9,450	769,195
Arkansas	496,856		92,009	190,017	282,950	44,247	6,276,009
California	30,000	$139,574	92,223	862,251	2,564,132	1,833,303	10,329,330
Colorado			10,987	115,212	278,134		1,358,794
Connecticut			149	90,561	186,700		3,269,114
Delaware			3,254		80,215	371,813	400,832
District of Columbia					71,359		
Florida			6,392	22,312	518,298	1,375,270	6,202,480
Georgia	222,268		56,345	789,561	374,558	59,105	5,834,223
Hawaii	171,000			507,468	196,409		10,910
Idaho			78	346,141	113,517	64,472	1,490,638
Illinois	576,358		82,662	12,450	314,347	10,500	8,246,721
Indiana	329,342		1,199	370,758	191,168	367,387	4,058,730
Iowa			97,487	187,193	479,026	238,632	458,756
Kansas			129,596	51,041	255,785		405,998
Kentucky	4,231,450		78,841	284,268	151,290	1,999,641	13,325,52
Louisiana			21,298	562,722	353,385		9,509,553
Maine		128,704		145,829	31,282		1,829,207
Maryland	452,355		530	100,000	778,194	11,206	706,438
Massachusetts	308,700	137,545	2,869	386,073	619,936		4,824,635
Michigan			873	540,344	652,278		25,298,487
Minnesota			1,297	171,270	495,209	7,500	2,774,811
Mississippi	7,682		103,763	983,410	167,671	1,761,015	3,983,352
Missouri	35,000		86,229	230,928	266,743		3,574,954
Montana			6,600	126,809	59,237		666,376
Nebraska			44,784	61,738	188,943	629,977	483,922
Nevada	67,680			738	108,414	188,767	84,375
New Hampshire			1,929	18,338	73,320		1,014,882
New Jersey			2,088	796,768	465,917	1,549,258	9,242,392
New Mexico	106,000		38	561,626	59,099	7,000	2,235,919
New York		140,021	1,429	424,922	4,244,873	392,278	11,359,838
North Carolina	21,250		3,729	674,184	450,074	365,128	5,584,453
North Dakota	21,780		160,274	405,876	423,229		29,352
Ohio	54,750		19,600	163,307	265,893	50,000	8,497,667
Oklahoma	443,263		250,390	312,763	280,294		7,508,161
Oregon	727,000		21,314		44,038	656,489	4,277,528
Pennsylvania	735,910		8,127	242,976	749,342		24,238,368
Rhode Island	459,900			22,815	101,507		4,841,056
South Carolina	138,750		4,944	559,150	292,974		4,114,616
South Dakota			58,685	314,561	153,443	467,482	88,050
Tennessee	613,285		35,994	261,548	305,437	499,188	7,550,342
Texas	113,000	75,000	198,172	291,324	704,989	398,979	8,443,248
Utah				6,372	99,418		1,666,091
Vermont			117	1,000	55,126	167,796	416,461
Virginia	4,500		18,576	658,324	153,024	134,003	831,740
Washington	150,000		5,799	257,904	274,599	259,199	4,798,908
West Virginia	175,160		1,204	492,941	83,999	1,072,869	10,368,835
Wisconsin	47,000		5,039	79,148	668,837	7,700	2,478,501
Wyoming				22,700	60,261	111,061	466,150
Puerto Rico					161,528		9,120,000
Virgin Islands					9,370		72,958
Other Territories, etc.[8]					16,810	625,917	
Undistributed to States, etc							
Total	11,409,076	620,845	1,718,769	14,241,113	20,542,694	20,736,634	257,165,904

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare						
	Office of Education						
	Colleges of agriculture and the mechanic arts [22]	Cooperative vocational education [23]	Assistance for school construction	Maintenance and operation of schools [4]	Library services	Defense education activities [4]	Expansion of teaching and education of the mentally retarded
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Alabama	$277,647	$936,007	$582,683	$5,816,246	$184,438	$1,394,475	$10,600
Alaska	205,376	97,278	1,094,289	11,261,931	49,141	137,629	9,400
Arizona	230,951	246,338	3,062,435	5,677,878	72,466	273,229	6,100
Arkansas	242,458	636,265	496,900	1,900,938	139,976	1,046,597	5,650
California	573,580	2,311,325	6,058,037	45,359,578	249,951	7,931,119	11,800
Colorado	241,689	365,874	1,359,432	8,008,610	85,158	694,770	12,600
Connecticut	260,260	417,715	19,008	2,483,076	93,825	1,012,409	11,800
Delaware	210,608	187,056		947,197	61,569	423,914	6,500
District of Columbia		117,795		914,801		130,900	
Florida	317,693	858,884	1,808,193	8,538,455	166,338	3,950,802	9,370
Georgia	293,723	1,052,514	542,462	6,652,650	212,626	2,931,468	10,200
Hawaii	215,040	192,705	395,501	5,582,059	54,572	177,805	11,400
Idaho	215,858	278,196	541,047	1,963,507	74,282	404,906	11,310
Illinois	439,618	1,851,016	715,901	5,099,577	230,053	3,600,731	11,800
Indiana	310,822	1,179,856	31,274	1,527,648	211,595	1,983,660	12,815
Iowa	265,544	1,052,123		1,043,970	166,813	2,039,206	13,400
Kansas	251,783	605,984	422,317	6,313,181	76,880	739,706	13,800
Kentucky	272,213	994,050		1,392,184	204,994	1,937,447	10,200
Louisiana	277,416	778,721	8,614	1,199,681	157,157	635,192	11,000
Maine	223,038	245,584	13,337	2,495,420	86,234	510,465	14,200
Maryland	273,700	530,908	4,909,270	12,304,064	122,927	1,198,848	9,400
Massachusetts	322,376	726,902	394,440	7,830,381	122,847	2,417,427	12,200
Michigan	385,949	1,524,573	1,031,326	2,214,175	244,077	2,852,136	12,200
Minnesota	281,144	1,070,602	77,764	671,326	166,448	1,647,642	12,600
Mississippi	251,772	818,744	14,155	1,659,426	172,914	920,737	11,800
Missouri	302,677	1,128,916	125,812	3,371,208	181,328	2,234,157	11,800
Montana	216,038	225,495	559,683	2,592,854	72,932	374,425	13,400
Nebraska	233,546	494,344	530,121	3,262,713	103,187	839,160	11,800
Nevada	206,781	189,150	1,486,797	1,759,738	48,282	193,970	10,968
New Hampshire	214,426	179,846		1,597,004	64,790	362,389	11,400
New Jersey	344,201	820,857	620,621	6,818,655	104,692	2,122,319	11,000
New Mexico	222,605	212,560	353,371	5,922,756	71,780	462,299	9,800
New York	598,897	2,490,146	650,750	7,234,262	279,948	6,017,962	10,600
North Carolina	308,295	1,613,692	819,220	3,243,368	309,703	4,241,544	12,200
North Dakota	215,032	342,739	392,602	1,634,125	80,123	464,463	12,200
Ohio	430,710	1,936,700	1,313,020	7,013,394	292,958	4,053,746	6,666
Oklahoma	255,341	606,167	827,349	8,285,007	124,556	1,281,298	13,000
Oregon	242,040	425,507	37,179	1,332,883	105,468	1,126,616	12,200
Pennsylvania	469,049	2,075,528	34,101	6,458,252	355,049	3,166,995	13,372
Rhode Island	220,429	165,620	203,007	2,237,882	50,974	351,533	10,100
South Carolina	256,632	744,184	382,421	4,223,706	177,210	1,532,769	12,200
South Dakota	216,175	337,020	1,039,437	2,922,605	80,475	469,864	9,800
Tennessee	284,786	1,143,997	122,494	3,053,426	206,690	1,834,085	11,400
Texas	427,698	2,010,012	1,752,758	15,701,363	269,990	4,200,673	4,002
Utah	221,169	200,606	1,754,445	3,047,724	61,883	843,946	12,913
Vermont	209,267	189,685		63,446	63,498	297,759	
Virginia	294,290	1,063,461	1,324,288	18,152,276	212,544	1,832,424	12,200
Washington	267,818	610,642	876,594	8,019,410	129,106	1,375,963	12,200
West Virginia	244,220	490,728	37,500	154,684	152,545	1,208,572	11,000
Wisconsin	293,929	1,136,315	19,913	821,685	169,755	1,417,672	12,200
Wyoming	207,845	162,799	24,454	1,124,609	53,955	−8,370	11,000
Puerto Rico	255,846	875,683		112,463	168,303	780,890	
Virgin Islands		46,754	25,142		16,379	70,387	
Other Territories, etc.[8]		80,000	155,952	−9,535	27,153	71,283	
Undistributed to States, etc.				14,530,817			
Total	14,500,000	41,076,168	39,047,416	283,540,739	7,442,537	84,214,013	541,566

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service						
	Control of venereal diseases (29)	Control of tuberculosis (30)	Community health practice and research [24] (31)	Mental health activities (32)	National Cancer Institute (33)	National Heart Institute (34)	Water supply and water pollution control (35)
Alabama	$62,024	$146,517	$357,819	$175,708	$77,392	$126,990	$74,304
Alaska	3,260	44,799	36,810	72,000	----------	----------	12,120
Arizona	70,523	117,726	137,692	109,175	31,244	6,000	40,430
Arkansas	124,259	89,065	226,593	99,787	47,203	60,036	63,483
California	669,432	394,725	945,568	451,763	254,315	410,406	466,117
Colorado	10,767	34,967	155,255	114,154	37,715	114,985	57,128
Connecticut	16,066	27,025	134,062	125,123	38,978	94,829	42,403
Delaware	14,348	13,543	26,278	116,807	26,000	51,018	46,770
District of Columbia	95,077	107,403	39,777	106,816	27,217	70,111	29,326
Florida	329,258	166,713	423,222	248,802	114,457	197,116	234,824
Georgia	362,880	137,465	399,401	186,210	86,659	155,000	114,120
Hawaii	2,373	31,300	1,281,120	116,816	27,217	64,400	40,015
Idaho	9,852	12,927	85,048	114,566	25,000	73,686	27,750
Illinois	362,037	181,377	575,746	337,136	117,720	179,066	138,954
Indiana	37,225	51,667	319,936	220,798	62,284	88,826	118,173
Iowa	12,474	25,712	212,279	133,648	54,070	73,409	56,095
Kansas	20,129	22,779	174,299	101,662	42,136	45,999	56,644
Kentucky	66,396	87,263	306,830	160,881	49,240	157,912	91,982
Louisiana	72,909	53,066	315,275	182,872	71,672	87,114	95,515
Maine	6,725	17,088	88,532	102,142	18,835	20,707	38,560
Maryland	57,116	78,985	202,498	152,652	53,345	126,059	91,403
Massachusetts	----------	147,411	308,549	205,277	94,131	171,064	152,093
Michigan	178,891	125,308	503,575	384,919	127,270	245,598	214,469
Minnesota	10,685	38,638	259,886	165,770	59,686	140,315	85,018
Mississippi	46,937	65,037	315,548	137,768	64,195	148,926	83,147
Missouri	174,719	70,497	326,277	165,001	84,828	126,413	91,207
Montana	13,700	15,245	78,637	116,816	17,345	44,592	25,984
Nebraska	11,236	17,157	127,452	110,190	33,761	21,645	23,060
Nevada	16,861	10,981	42,867	84,996	9,400	13,496	16,202
New Hampshire	291	11,703	48,013	111,794	27,206	14,837	35,961
New Jersey	249,522	136,428	343,751	288,421	71,927	182,588	154,888
New Mexico	49,849	25,546	112,007	116,756	25,724	71,964	32,843
New York	958,940	405,610	892,619	705,115	267,890	396,606	322,805
North Carolina	178,819	89,579	469,765	199,883	82,786	127,482	136,569
North Dakota	15,843	13,234	84,713	118,069	27,316	63,678	40,523
Ohio	67,330	122,130	626,721	481,559	156,677	193,942	213,439
Oklahoma	38,731	40,692	215,770	132,235	53,672	129,220	71,516
Oregon	45,585	26,924	160,118	107,177	26,208	44,170	48,225
Pennsylvania	411,280	369,043	758,630	555,433	221,506	340,409	248,714
Rhode Island	----------	37,425	58,809	106,422	26,901	41,603	54,861
South Carolina	140,761	96,007	279,153	134,675	57,591	133,400	85,226
South Dakota	15,268	15,081	88,538	99,543	2,100	11,290	26,605
Tennessee	109,004	129,699	349,095	137,372	79,751	175,736	144,470
Texas	252,189	186,992	797,911	443,467	184,224	348,297	207,660
Utah	1,000	13,600	98,563	106,838	4,814	43,532	31,400
Vermont	7,138	12,414	49,137	116,789	27,212	22,687	27,023
Virginia	99,176	110,402	348,770	159,381	76,980	152,208	106,532
Washington	58,239	26,640	210,970	141,426	41,975	114,805	95,955
West Virginia	36,307	34,845	166,965	116,803	40,056	112,044	60,282
Wisconsin	----------	45,243	296,549	198,682	61,251	52,268	106,948
Wyoming	5,436	8,539	47,350	70,534	7,124	19,683	18,812
Puerto Rico	35,254	100,530	314,225	148,443	60,097	163,178	77,351
Virgin Islands	7,226	6,294	5,208	34,523	7,265	14,985	10,019
Other Territories, etc.[8]	----------	8,836	3,640	35,966	----------	17,393	----------
Undistributed to States, etc.	----------	----------	----------	----------	----------	----------	250,874
Total	5,641,347	4,405,822	15,233,821	9,667,561	3,391,568	6,109,723	5,236,797

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TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service—Continued					Welfare Administration	
				Construction		Children's Bureau	
	Chronic diseases and health of the aged	Radiological health	Communicable disease activities	Hospital activities and health research facilities [25]	Waste treatment works	Maternal and child health services	Services for crippled children
	(36)	(37)	(38)	(39)	(40)	(41)	(42)
Alabama	$424,232	$28,017	$59,277	$8,953,105	$826,855	$717,834	$728,849
Alaska		12,000	22,353	698,802	371,200	163,321	166,235
Arizona	206,961	14,815		1,534,690	543,330	248,260	
Arkansas	134,684	21,130	17,441	3,260,448	1,171,573	444,923	434,013
California	1,908,998	171,810	252,772	8,625,872	4,156,845	1,444,971	1,174,101
Colorado	308,637	25,037	51,508	3,225,457	554,649	486,767	326,610
Connecticut	258,736	22,582	16,640	788,873	777,423	432,068	302,324
Delaware	60,000	15,000		652,570	370,802	147,454	139,270
District of Columbia	732,361	7,531	73,562	86,081	763,733	285,988	268,241
Florida	712,369	59,205	178,981	4,493,540	1,856,443	976,665	692,068
Georgia	323,619	46,506		4,886,587	2,186,349	863,194	878,336
Hawaii	126,603	16,531		562,767	685,422	213,134	188,547
Idaho	105,414	8,984		815,355	529,320	205,967	206,754
Illinois	1,004,439	46,781	83,454	4,884,453	2,903,889	798,044	952,655
Indiana	312,564	34,734		3,683,720	1,812,487	473,012	674,538
Iowa	262,449	18,320	36,133	3,345,786	1,054,711	366,369	619,494
Kansas	362,180	17,347	34,155	3,774,547	681,051	276,650	321,188
Kentucky	587,945	35,254	127,349	3,950,725	1,572,452	713,543	869,931
Louisiana	188,286	34,053	19,231	5,386,450	1,188,653	648,947	667,953
Maine	87,587	14,917		2,891,766	899,741	220,579	158,625
Maryland	454,378	31,519	8,225	3,040,666	1,323,979	490,022	507,890
Massachusetts	962,618	73,234	99,363	4,368,424	2,353,680	555,632	527,052
Michigan	729,323	75,852	26,056	5,584,336	2,571,770	1,056,597	1,253,541
Minnesota	458,469	25,491	27,189	4,485,574	970,425	523,573	837,231
Mississippi	329,812	30,614	235,624	4,320,630	540,082	607,003	613,094
Missouri	721,912	41,031	126,098	5,255,360	1,526,783	570,339	541,608
Montana	48,448	9,103	14,459	985,528	342,443	160,706	159,557
Nebraska	82,251	9,385	10,304	2,709,360	481,429	169,910	220,818
Nevada	67,500	5,000	12,033	692,183	161,540	163,486	152,437
New Hampshire	24,889	8,912	10,254	956,898	819,661	82,736	145,886
New Jersey	453,165	54,264	222,541	3,890,374	1,901,734	453,102	449,476
New Mexico	66,727	17,302	35,416	817,874	973,243	264,224	277,571
New York	2,449,464	187,238	609,354	8,912,574	4,685,034	1,374,033	1,116,262
North Carolina	604,256	56,094	22,068	8,535,950	2,223,871	993,930	1,108,048
North Dakota	59,010	16,531	22,900	1,444,857	764,048	154,483	159,063
Ohio	938,059	83,878		4,019,353	2,413,176	1,146,519	1,140,595
Oklahoma	388,691	16,377	38,160	3,612,659	1,374,494	412,385	373,947
Oregon	204,757	21,434	19,490	1,980,837	1,126,113	308,515	273,850
Pennsylvania	1,544,344	125,083	171,999	11,357,393	2,550,625	1,228,849	1,441,113
Rhode Island	158,797	9,655		1,257,586	347,184	222,751	176,862
South Carolina	203,731	24,300	71,664	3,764,499	1,165,167	604,324	647,290
South Dakota	18,287	12,412	18,075	1,460,860	404,153	77,762	138,614
Tennessee	247,512	12,500	35,297	4,116,856	1,406,065	762,269	733,079
Texas	794,251	71,812	126,014	11,980,216	2,552,807	1,138,483	1,498,393
Utah	109,147	15,000	58,113	1,785,432	177,533	177,451	155,308
Vermont	82,067	886	8,284	651,599	1,156,792	135,169	147,086
Virginia	483,332	12,300	9,853	5,414,298	967,740	920,072	869,824
Washington	722,758	37,690	24,954	3,051,013	988,282	453,621	383,687
West Virginia	348,819	762	78,048	2,776,292	1,239,957	411,498	431,005
Wisconsin	514,397	41,768	15,000	5,183,559	1,471,827	520,956	538,262
Wyoming	54,844	8,933		225,374	82,272	83,449	63,175
Puerto Rico	531,422	27,995	125,832	3,581,196	461,565	710,845	753,225
Virgin Islands	86,992	1,049	6,998			115,342	110,580
Other Territories, etc.[8]	13,571			39,478		71,827	23,757
Undistributed to States, etc.							
Total	23,066,064	1,815,958	3,262,521	188,760,682	66,432,402	27,249,553	27,738,918

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Welfare Administration—Continued						
	Children's Bureau—Continued	Bureau of Family Services					
	Child welfare services	Old-age assistance	Aid to dependent children	Aid to the permanently and totally disabled	Aid to the blind	Aid to the aged, blind, or disabled	Medical assistance for the aged
	(43)	(44)	(45)	(46)	(47)	(48)	(49)
Alabama	$742,748	$69,079,404	$11,233,794	$6,468,827	$878,404		$590,989
Alaska	97,454		1,498,222			$1,392,555	
Arizona	290,588	7,527,585	11,291,998	1,517,717	535,382		
Arkansas	439,797	35,083,726	4,814,834	5,091,056	1,240,891		1,438,202
California	1,708,309	181,574,521	134,028,230	29,094,014	8,013,938		39,355,002
Colorado	364,197	30,381,580	11,152,711	3,707,820	158,185		
Connecticut	307,256	5,349,243	15,815,072	4,268,234	185,618		7,025,265
Delaware	113,971	694,142	2,615,412	257,958	186,461		
District of Columbia	127,102	1,850,608	5,345,954	1,975,227	115,363		939,527
Florida	805,447		17,875,093			55,675,335	1,092,829
Georgia	753,825	49,378,485	13,841,761	14,288,175	1,734,874		
Hawaii	165,792		3,774,991			1,722,635	844,846
Idaho	100,000	3,061,864	2,883,690	1,362,855	81,533		2,107,955
Illinois	1,128,622		74,198,778			62,087,710	2,245,182
Indiana	654,281	14,624,223	12,796,689	608,780	1,140,088		
Iowa	580,635	20,757,776	11,558,036	676,797	781,409		1,045,634
Kansas	405,912	17,044,160	9,211,575	2,917,822	335,727		
Kentucky	745,573		20,884,970			40,808,397	1,747,597
Louisiana	651,021	98,216,500	25,310,399	10,702,158	1,846,409		359,100
Maine	200,158		5,814,509			10,466,514	932,958
Maryland	437,006		17,942,505			10,300,460	2,004,223
Massachusetts	733,056	39,816,014	27,976,242	7,720,692	1,464,420		26,900,523
Michigan	1,138,323	30,177,172	36,792,426	4,310,457	977,978		11,143,999
Minnesota	723,444	30,314,111	13,381,775	1,855,605	674,844		
Mississippi	523,323	29,658,814	9,042,063	7,415,815	1,300,846		
Missouri	714,799	64,953,212	26,296,777	9,394,451	2,455,082		
Montana	162,211	3,454,778	2,057,149	851,555	176,501		
Nebraska	251,270	9,498,298	4,252,107	1,697,169	453,044		75,731
Nevada	94,769	1,815,892	1,396,485		121,024		
New Hampshire	141,714	3,167,309	1,155,384	367,203	168,249		281,399
New Jersey	650,733	9,147,530	26,963,199	5,286,478	564,018		7,116,307
New Mexico	254,856		9,214,997			10,693,942	
New York	1,580,591	37,118,584	126,037,098	21,090,937	2,033,627		63,543,939
North Carolina	1,019,084	22,527,006	25,039,956	12,579,249	3,179,160		
North Dakota	216,850	4,408,820	2,243,306	971,650	61,951		2,046,528
Ohio	1,408,147	53,709,528	42,558,036	11,206,068	2,210,498		
Oklahoma	485,196		21,581,371			75,783,068	1,167,946
Oregon	289,786	6,994,458	8,765,903	4,583,659	249,823		2,691,137
Pennsylvania	1,384,290	29,154,485	88,089,213	10,749,103	2,830,699		11,299,170
Rhode Island	181,446		6,585,718			6,161,031	
South Carolina	592,102	13,521,005	5,467,326	4,385,928	1,001,949		1,873,983
South Dakota	177,465	5,403,958	3,036,823	731,080	84,647		23,784
Tennessee	755,108	24,155,141	15,162,839	6,237,945	1,166,152		1,831,696
Texas	1,288,176	146,468,575	17,857,270	5,027,242	3,013,080		
Utah	255,678	3,022,663	5,820,575	2,954,675	112,196		1,956,141
Vermont	144,552		1,357,213			4,455,237	209,988
Virginia	669,388	8,864,784	11,657,829	4,619,561	799,617		800,078
Washington	452,569	21,756,191	18,000,080	9,570,097	394,982		8,458,307
West Virginia	356,122	7,094,910	30,168,051	3,065,858	396,165		2,451,349
Wisconsin	631,842	20,638,247	12,284,587	3,711,309	532,872		274,890
Wyoming	111,359	1,767,708	945,730	374,990	33,447		54,137
Puerto Rico	655,193	2,582,608	7,102,862	1,820,333	129,091		678,188
Virgin Islands	76,227	153,256	187,689	25,679	3,189		37,783
Other Territories, etc.[8]	36,244	43,147	86,878	16,179	1,462		8,824
Undistributed to States, etc.							
Total	28,975,607	1,166,012,021	1,022,454,180	225,558,407	43,824,895	279,546,884	206,655,136

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued		Department of the Interior [19]				
	American Printing House for the Blind	Vocational Rehabilitation Administration	Federal aid in wildlife restoration and fish restoration and management [26]	Migratory Bird Conservation Act and Alaska game law—shared revenues	Payments from receipts under Mineral Leasing Act—shared revenues	Payments under certain special funds—shared revenues [4 27]	Bureau of Indian Affairs [28]
	(50)	(51)	(52)	(53)	(54)	(55)	(56)
Alabama	$13,652	$3,774,487	$452,650	$129	$2,176	$310	
Alaska	86	188,153	725,444	2,017	8,647,236	600,810	$599,441
Arizona	6,053	726,564	408,151		262,317	347,937	3,024,925
Arkansas	6,912	3,008,953	198,143	41,087	90,927	−27	
California	72,168	4,413,553	943,711	13,498	2,788,411	111,207	
Colorado	7,942	1,283,738	586,681	2,837	3,477,004	33,719	129,104
Connecticut	16,657	490,988	76,463				
Delaware	1,846	189,582	132,288	217			
District of Columbia	2,147	641,443					
Florida	21,766	3,075,280	358,068	12,996	124	59	24,200
Georgia	18,976	5,353,752	385,102	12,573			
Hawaii	3,263	458,894	86,714				
Idaho	1,288	271,485	441,032	3,000	408,197	55,486	147,000
Illinois	31,383	2,996,388	635,518	7,108		2	
Indiana	15,584	764,870	463,557				
Iowa	9,488	1,249,079	369,528	1,466			62,959
Kansas	12,665	728,185	430,445	1,830	167,125	19	12,300
Kentucky	8,500	1,449,275	345,504	1,228			
Louisiana	13,352	2,029,969	342,667	297,560	183,624	93	
Maine	3,091	369,091	212,448	569			
Maryland	17,559	1,011,049	90,252	809			
Massachusetts	28,421	1,651,365	47,457	240			9,000
Michigan	30,438	1,905,427	933,963	7,863	3,357	98	
Minnesota	13,480	1,617,355	434,930	2,112		5,881	431,629
Mississippi	7,556	1,586,593	318,436	14,619	14,406		
Missouri	12,235	1,412,710	312,667	1,308		4	
Montana	2,189	407,296	579,966	12,366	2,006,712	179,924	138,456
Nebraska	4,551	501,353	234,671	34,162	7,044	97	169,000
Nevada	1,030	151,759	405,017	5,316	178,521	404,605	106,885
New Hampshire	2,447	142,974	119,096				
New Jersey	31,383	1,834,567	140,675	6			
New Mexico	5,152	406,022	398,903	735	9,666,688	64,205	1,904,600
New York	70,193	5,869,949	564,761	2,134			
North Carolina	22,711	4,116,863	477,722	469			19,200
North Dakota	1,546	431,239	294,045	12,194	188,824	2,245	367,642
Ohio	34,474	1,981,503	490,989	33			
Oklahoma	5,452	1,808,342	437,982	11,123	59,925	6,243	561,565
Oregon	10,518	1,015,375	793,544	47,117	2,931	15,312,963	23,960
Pennsylvania	52,977	7,512,058	796,360	383			
Rhode Island	3,950	756,913	114,440				
South Carolina	8,758	2,383,879	261,817	268			
South Dakota	2,833	515,375	500,554	5,723	116,731	11,675	858,668
Tennessee	13,223	2,255,145	530,034	766			
Texas	29,708	3,040,947	1,096,056	12,178		1,423	
Utah	3,735	469,914	420,960	406	3,838,790	37,956	88,906
Vermont	773	328,577	104,690	276			
Virginia	18,418	2,033,792	371,774	503			
Washington	13,480	1,233,174	410,558	4,958	466	17,503	119,000
West Virginia	10,862	2,345,649	241,730				
Wisconsin	12,235	1,826,450	739,804	11,411		60	267,000
Wyoming	1,288	181,648	216,969	112	14,426,999	126,698	51,045
Puerto Rico	3,563	1,280,359	7,459				
Virgin Islands		45,156	23,223			7,042,107	
Other Territories, etc.[8]	43	48,961	21,930				
Undistributed to States, etc							
Total	744,000	87,573,467	20,527,549	587,707	46,538,534	24,363,300	9,116,485

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Labor	Federal Power Commission	Federal Aviation Agency	Housing and Home Finance Agency			
				Office of Administrator			
	Unemployment Compensation and Employment Service Administration (trust fund)	Payments under Federal Power Act—shared revenues	Federal airport program [29]	Low-income housing demonstration programs	Open space land grants	Urban renewal program [30]	Urban planning assistance
	(57)	(58)	(59)	(60)	(61)	(62)	(63)
Alabama	$4,505,683	$10,631	$1,359,947			$2,561,113	$97,334
Alaska	1,805,696	728	2,353,584	$70,707		719,013	79,353
Arizona	5,205,755	397	863,304				22,830
Arkansas	3,785,011	4	583,712			5,352,308	193,070
California	46,043,636	31,525	5,941,977		$123,272	8,815,181	1,635,996
Colorado	4,542,346	507	1,374,580			801,723	121,177
Connecticut	5,960,680		395,705	34,649	324,800	17,403,641	543,670
Delaware	979,277		905			30,000	42,600
District of Columbia	3,405,778			47,322		2,760,081	
Florida	7,672,901	2	2,096,611	12,420	54,000	1,756,975	171,011
Georgia	5,300,877	36	1,369,498		127,410	3,832,669	176,242
Hawaii	1,662,144		309,278			1,067,999	258,276
Idaho	2,540,723	5,174	285,881				
Illinois	19,383,660		4,753,397	37,250	160,523	10,261,162	698,628
Indiana	5,796,023		1,174,079	51,683		3,635,311	102,651
Iowa	3,852,775		451,473			846,622	178,508
Kansas	3,010,173		484,312			1,008,432	292,787
Kentucky	3,935,632		889,436		16,860	6,523,866	328,146
Louisiana	4,759,570		1,274,548			335,845	191,993
Maine	1,935,973		50,876			763,315	150,381
Maryland	6,200,737		116,236		1,251,427	3,775,563	499,071
Massachusetts	15,951,680		921,069	27,100	46,500	12,398,789	284,591
Michigan	15,693,594	105	2,002,498	34,010	236,469	12,264,689	933,431
Minnesota	5,559,204	11	1,180,296			2,507,064	580,028
Mississippi	3,820,745	24	1,037,893			331,105	57,797
Missouri	7,185,315		2,475,698			3,494,128	107,198
Montana	2,047,590	18,971	594,296				3,235
Nebraska	2,091,644		1,160,137			37,734	153,310
Nevada	1,933,293	904	342,236			238,226	57,341
New Hampshire	1,504,983		396,825			409,202	163,094
New Jersey	16,692,550		405,375	23,000	91,580	9,456,349	1,002,979
New Mexico	2,291,851	3	59,781				182,562
New York	55,915,192		4,366,291	328,800	2,146,037	27,489,178	473,757
North Carolina	7,199,496	31	1,115,044		66,300	4,742,044	364,294
North Dakota	1,523,988		896,031			154,457	
Ohio	16,288,219		2,226,805	41,517	98,911	11,052,276	689,914
Oklahoma	5,296,180		2,283,010	32,527		893,262	143,030
Oregon	4,979,628	4,793	377,308			170,464	100,972
Pennsylvania	26,744,132	2	1,432,102	19,288		26,972,974	1,218,752
Rhode Island	3,704,892		296,323			6,385,458	115,178
South Carolina	3,740,084	194	977,677		105,000	472,228	
South Dakota	1,087,716		71,912				11,000
Tennessee	4,584,802		2,862,623			5,738,222	466,684
Texas	16,646,835		4,729,498			3,685,657	257,194
Utah	3,873,124	859	575,897				24,000
Vermont	1,197,630		194,181				241,652
Virginia	3,801,715	16	1,265,418			5,156,876	95,547
Washington	7,756,216	22,895	2,194,534		19,283	535,337	554,156
West Virginia	2,787,972	3	401,703			395,591	105,792
Wisconsin	5,320,719	64	1,261,992			2,986,871	928,801
Wyoming	1,220,600	100	132,341				12,665
Puerto Rico	3,101,073	13	56,013			1,693,511	71,162
Virgin Islands	153,376		825,389				48,759
Other Territories, etc.[8]	27,333						
Undistributed to States, etc.	[31]10,633,551		159				
Total	404,641,974	97,993	65,247,696	760,273	4,868,371	211,912,510	15,232,601

Footnotes at end of table.

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TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Housing and Home Finance Agency—Continued: Public Housing Administration: Low-rent public housing program (64)	Small Business Administration: Grants for research and management counseling [4] (65)	Tennessee Valley Authority: Shared revenues [32] (66)	Veterans' Administration: State homes for disabled soldiers and sailors (67)	Miscellaneous grants (68)	Total grant payments (Part A) (69)
Alabama	$6,323,317	−$9,430	$1,800,604			$215,362,255
Alaska	202,201	−483			[33] $19,430,487	109,435,262
Arizona	557,513					96,050,913
Arkansas	1,168,187					150,689,683
California	7,894,684			$1,618,231	[34] 7,709,749	924,600,431
Colorado	1,339,455			76,118		130,600,703
Connecticut	2,974,672			619,482		133,090,250
Delaware	589,505					22,805,399
District of Columbia	3,348,767	3,390			[35] 38,415,239	99,150,513
Florida	3,485,439	4,000				241,877,693
Georgia	8,597,720		74,734	256,543		244,781,408
Hawaii	696,109	7,212			[36] 4,228,005	38,262,912
Idaho	30,039			40,003		51,539,850
Illinois	16,820,799			465,782		451,569,443
Indiana	1,206,429			172,684		163,208,473
Iowa		3,774		220,200		124,221,479
Kansas	211,821	6,930		49,112		107,918,890
Kentucky	3,444,956	1,808	1,217,102			218,370,252
Louisiana	4,189,528	605				293,775,352
Maine	76,671					60,533,442
Maryland	4,012,536	3,913				126,995,529
Massachusetts	7,139,923			739,776		256,851,746
Michigan	3,547,023			564,980		366,250,105
Minnesota	1,700,952			247,991		178,867,262
Mississippi	1,756,639	3,921	323,986			147,007,334
Missouri	5,248,563	5,432		58,439		251,515,889
Montana	178,206			55,481		76,422,730
Nebraska	474,399	1,104		147,681		77,452,210
Nevada	265,559					46,844,257
New Hampshire	590,329			33,468		35,801,875
New Jersey	13,779,475			204,209		201,682,577
New Mexico	45,893	1,929				94,213,113
New York	27,546,557			6,911		665,565,417
North Carolina	3,445,065	1,339	120,725			193,111,750
North Dakota	20,709			69,865		55,860,860
Ohio	5,534,127	1,642		426,262		445,338,342
Oklahoma				393,548		216,826,087
Oregon	277,989	1,789				158,774,000
Pennsylvania	12,903,732	3,860		163,755	[37] 68,219	483,373,615
Rhode Island	1,371,957			228,248		57,269,523
South Carolina	1,511,108					101,166,440
South Dakota				124,286		57,686,045
Tennessee	5,416,412	−8,694	4,646,668			223,863,495
Texas	8,217,836	4,000				489,894,631
Utah		4,000				82,270,116
Vermont		3,086		41,707		34,999,299
Virginia	4,358,408	1,500	28,744			210,599,763
Washington	835,462			353,844		187,783,033
West Virginia	550,518					116,752,876
Wisconsin	804,842	4,000		191,638		145,687,371
Wyoming				11,459		61,545,856
Puerto Rico	6,733,184	4,000			[38] 57,561,835	135,641,240
Virgin Islands	431,373				[39] 1,375,000	11,360,913
Other Territories, etc [8]					[40] 32,110,000	34,220,971
Undistributed to States, etc						153,467,299
Total	181,856,587	54,627	8,212,563	7,581,703	160,898,533	10,060,808,180

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES

States, Territories, etc.	Department of Agriculture						Atomic Energy Commission
	Agricultural conservation program [41]	Sugar Act program	Conservation reserve program	Land-use adjustment program	Great Plains conservation program	Rural housing grants	Fellowships and assistance to schools [42]
	(70)	(71)	(72)	(73)	(74)	(75)	(76)
Alabama	$5,800,559		$4,856,741	$13,171		$82,870	$93,583
Alaska	59,393						14,950
Arizona	1,619,929		32,835	3,822		2,780	56,949
Arkansas	5,115,062		6,202,921	54,906		178,470	35,098
California	5,603,096	$10,965,274	2,196,111	57,689		2,630	702,851
Colorado	3,105,719	7,247,086	8,660,093	203,745	$928,863	4,380	56,215
Connecticut	443,911		74,405	5,879		290	26,450
Delaware	327,018		281,698	486			6,434
District of Columbia							215,569
Florida	2,898,209	2,810,950	2,034,825	9,709		78,775	103,091
Georgia	7,676,017		11,578,037	232,906		230,975	62,577
Hawaii	165,014	10,020,551					31,959
Idaho	1,766,325	7,574,232	3,071,098	107,326		3,810	72,244
Illinois	8,762,496	43,674	6,925,733	36,725		58,870	1,585,880
Indiana	5,899,690		8,232,549	38,884		9,670	138,875
Iowa	9,434,226	137,382	9,999,740	87,665		2,780	138,615
Kansas	6,355,519	625,009	15,130,251	591,607	771,072	41,580	103,882
Kentucky	7,789,764		5,835,291	30,376		1,907,560	65,860
Louisiana	4,120,466	10,875,657	2,757,784	25,927		15,990	93,460
Maine	1,333,000		1,194,629	282,323		103,180	15,465
Maryland	1,307,368		1,112,186	16,311			77,819
Massachusetts	576,472		40,132	4,105			424,898
Michigan	5,169,606	2,651,485	8,204,191	123,720		18,580	308,998
Minnesota	6,526,279	3,549,829	16,893,199	893,273		14,210	145,323
Mississippi	6,726,712		3,524,218	146,608		444,740	47,604
Missouri	8,860,181		10,040,205	222,889		162,610	87,036
Montana	3,767,004	2,740,160	5,203,861	70,167	598,452	4,330	9,477
Nebraska	6,231,983	3,557,194	9,613,691	125,360	1,097,894	1,610	43,981
Nevada	660,605	38,381					12,290
New Hampshire	552,392		149,052	7,387			13,144
New Jersey	707,750		740,542	11,991		2,000	159,947
New Mexico	2,068,381		6,130,228	65,121	628,901	43,760	88,290
New York	4,947,502	6,717	5,605,465	123,685		8,010	1,184,960
North Carolina	7,402,652		3,859,918	160,100		324,850	218,585
North Dakota	4,899,300	1,633,294	23,557,454	638,531	666,926	4,500	10,170
Ohio	6,087,936	992,757	7,940,953	66,337		2,000	203,651
Oklahoma	6,994,625		13,184,839	458,111	580,289	91,230	43,440
Oregon	4,439,693	1,231,936	2,735,950	73,364		1,900	28,019
Pennsylvania	4,984,757		5,040,105	132,681		17,950	288,656
Rhode Island	77,665		872				28,052
South Carolina	3,686,510		7,819,265	37,123		118,670	57,565
South Dakota	4,486,829	434,945	16,144,815	434,306	494,446	5,040	23,699
Tennessee	5,427,847		6,809,551	93,260		55,000	657,357
Texas	19,913,414	87,043	28,735,581	1,027,975	3,006,599	113,910	205,148
Utah	1,465,276	1,119,921	1,775,951	87,644		3,000	38,073
Vermont	1,707,109		412,867	4,390		5,550	6,413
Virginia	5,028,889		1,467,504	14,886		4,700	159,426
Washington	2,651,229	3,435,046	3,785,213	85,604		1,000	222,381
West Virginia	1,602,731		799,462	6,020		172,670	29,592
Wisconsin	5,360,301		8,642,044	157,613		6,330	107,831
Wyoming	2,342,088	2,323,533	915,058	22,922	178,277	9,530	14,340
Puerto Rico	892,122	12,987,446				102,750	1,391,072
Virgin Islands	14,170						
Other Territories, etc.[g]							
Undistributed to States, etc	−20,142	−20,050	−717				
Total	215,822,649	87,069,452	289,948,396	7,094,630	8,951,719	4,465,040	9,957,244

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Commerce	Department of Defense			Department of Health, Education, and Welfare		
					Office of the Commissioner		
	State marine schools (subsistence of cadets)	Army National Guard [43]	Air Force National Guard [43]	Civil Defense [44]	Cooperative research [4]	Assistance to refugees in the United States	Juvenile delinquency and youth offenses
	(77)	(78)	(79)	(80)	(81)	(82)	(83)
Alabama		$7,154,191	$3,531,474	$55,233		$3,115	
Alaska		1,525,587	1,377,176	15,334			
Arizona		1,895,830	3,449,255	58,710			
Arkansas		4,058,435	2,589,686	58,870			
California	$130,112	13,652,221	8,230,924	119,055	$16,888	340,046	$870,209
Colorado		1,639,533	3,408,684	21,443		38,175	17,596
Connecticut		4,121,314	2,096,712	19,139		89,311	598,157
Delaware		1,742,072	1,664,571	10,957			
District of Columbia		994,693	2,648,996	28,839	52,150	16,153	557,059
Florida		4,088,749	1,966,438	114,196	69,704	33,425,170	
Georgia		5,509,316	4,572,917	32,988		9,573	
Hawaii		5,417,014	3,992,000	22,354			
Idaho		1,870,526	1,624,917	23,672			
Illinois		7,558,331	4,417,280	71,947	276,414	560,850	254,424
Indiana		4,939,870	2,916,811	60,579	−1,814	132,542	
Iowa		3,744,736	3,546,544	60,105	34,373	45,113	
Kansas		3,365,293	2,850,918	45,192	35,912	28,409	
Kentucky		2,716,294	1,738,079	64,627		1,489	
Louisiana		3,947,654	2,090,083	2,126		129,969	
Maine	240,681	1,833,495	1,965,114	18,780		919	
Maryland		5,075,704	2,264,893	18,796	46,020	13,031	
Massachusetts	99,954	6,320,684	4,093,165	57,261	−2,059	41,685	549,752
Michigan		7,403,083	3,979,089	2,309	216,916	109,044	205,570
Minnesota		5,040,565	3,606,914	75,594		8,581	37,842
Mississippi		5,560,899	2,893,908	2,433			
Missouri		5,228,846	4,571,947	48,807		27,234	100,574
Montana		1,820,952	1,837,928	7,479		5,000	
Nebraska		1,979,789	1,581,146	27,214		6,491	
Nevada		660,147	1,220,114	409	15,014	4,258	
New Hampshire		1,337,956	1,379,037	295		1,640	
New Jersey		8,851,553	4,365,678	50,509		1,246,441	48,627
New Mexico		2,156,537	1,731,766	45,634		1,782	
New York	323,435	15,769,908	8,453,523	10,605	202,198	476,861	1,658,683
North Carolina		4,573,335	1,583,520	27,479	22,281	2,951	51,248
North Dakota		1,511,734	1,924,747	23,468		693	
Ohio		7,451,639	7,725,429	66,008	142,308	6,038	586,161
Oklahoma		4,019,871	3,467,416	80,394		24,409	
Oregon		3,238,643	2,317,358	50,101		84,967	
Pennsylvania		9,863,555	6,405,610	129,281	23,668	59,803	45,902
Rhode Island		2,105,622	1,552,439	11,491			102,768
South Carolina		3,231,714	1,850,492	33,440			
South Dakota		1,779,599	1,860,461	28,928			
Tennessee		5,204,430	5,822,166	48,552		2,791	
Texas	22,405	10,069,976	5,701,552	134,590	−546	60,500	74,988
Utah		2,625,635	2,101,941	485			108,778
Vermont		1,654,918	1,982,722	12,017		1,200	
Virginia		6,043,569	1,298,975	19,463		12,782	
Washington		4,700,148	2,819,910	45,952	5,500	20,344	43,193
West Virginia		1,835,904	2,671,378	8,955			272,977
Wisconsin		3,882,928	4,174,925	59,663	6,349	8,332	38,593
Wyoming		1,029,673	1,241,464	29,381			
Puerto Rico		3,014,272	1,925,570	90,405	32,155		
Virgin Islands							
Other Territories, etc.[8]				368			
Undistributed to States, etc.	−28,420	[45]137,198,185	[45]116,005,196				
Total	788,167	364,017,127	277,090,956	2,151,912	1,193,431	37,047,692	6,223,101

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service						
	Mental health activities	Arthritis and metabolic disease activities	Allergy and infectious disease activities	Neurology and blindness activities	Chronic disease and health of the aged	National Cancer Institute	National Heart Institute
	(84)	(85)	(86)	(87)	(88)	(89)	(90)
Alabama	$337,202	$533,884	$182,625	$103,129	$70,437	$279,476	$1,048,833
Alaska	----------	----------	----------	----------	----------	----------	----------
Arizona	311,586	58,843	185,926	170,609	----------	146,488	12,000
Arkansas	545,760	506,828	34,268	121,273	----------	91,202	247,803
California	15,431,993	8,938,187	7,241,537	7,224,267	15,362	10,425,902	13,676,557
Colorado	1,940,801	751,382	870,303	243,620	----------	630,718	591,682
Connecticut	3,412,510	1,253,270	772,794	821,811	----------	2,226,656	912,231
Delaware	63,029	11,068	20,237	3,486	----------	55,536	21,600
District of Columbia	2,949,597	1,229,982	446,422	484,436	9,284	449,159	1,965,238
Florida	1,922,639	1,107,150	1,177,486	1,147,053	6,491	1,142,305	1,255,456
Georgia	1,052,411	704,141	476,318	424,324	----------	355,318	2,123,336
Hawaii	367,987	19,101	195,531	78,160	----------	----------	100,758
Idaho	124,671	13,132	20,844	----------	----------	5,338	4,599
Illinois	7,205,034	4,401,173	2,976,039	3,160,982	3,093	3,757,589	5,004,373
Indiana	1,579,593	806,278	652,846	660,409	65,540	602,363	1,728,682
Iowa	855,429	898,128	400,988	1,299,454	9,712	239,383	697,047
Kansas	1,802,015	455,756	538,461	329,642	----------	357,193	161,113
Kentucky	796,643	761,477	180,270	326,343	----------	287,400	944,518
Louisiana	1,518,889	649,119	952,656	1,572,516	----------	1,070,926	4,011,504
Maine	181,977	67,342	18,798	----------	----------	679,820	101,016
Maryland	4,266,071	3,631,266	1,865,061	2,910,403	25,833	2,326,806	3,217,625
Massachusetts	12,866,749	11,991,009	4,161,049	6,846,100	78,670	7,158,390	11,837,543
Michigan	5,092,219	3,137,685	1,036,995	2,119,715	20,748	2,096,952	2,329,537
Minnesota	2,271,600	2,959,301	1,493,027	2,434,067	56,286	1,284,134	4,709,248
Mississippi	354,884	283,480	218,000	151,380	----------	80,349	624,817
Missouri	3,427,952	2,055,766	838,278	1,766,715	10,235	1,061,499	1,736,252
Montana	171,187	9,584	221,759	23,538	----------	43,674	64,970
Nebraska	1,039,163	283,248	150,998	83,578	----------	178,587	364,936
Nevada	106,274	16,680	----------	----------	----------	----------	----------
New Hampshire	154,942	274,274	140,895	207,742	----------	269,457	295,270
New Jersey	1,926,328	859,969	864,108	572,479	----------	813,034	860,958
New Mexico	225,233	74,959	31,877	17,710	----------	33,238	181,029
New York	24,277,899	15,066,703	7,386,190	13,009,550	212,293	16,169,576	13,035,070
North Carolina	3,007,958	2,470,247	892,251	971,657	----------	1,374,516	3,085,356
North Dakota	84,283	125,857	27,799	----------	----------	5,000	21,358
Ohio	3,451,251	3,279,708	1,369,773	1,568,596	----------	1,305,502	4,151,463
Oklahoma	1,219,392	915,908	530,867	322,592	----------	408,134	2,312,027
Oregon	1,201,880	1,177,677	348,820	1,730,763	----------	963,965	2,336,983
Pennsylvania	7,176,883	5,421,382	3,158,893	3,612,174	118,257	6,174,435	6,947,676
Rhode Island	837,843	95,126	77,952	513,277	----------	416,441	8,100
South Carolina	318,312	108,969	6,065	146,260	----------	66,768	430,586
South Dakota	149,169	43,965	60,493	----------	----------	13,967	83,655
Tennessee	2,224,384	1,424,411	616,641	835,266	13,956	895,056	2,010,139
Texas	2,342,993	2,328,755	1,721,633	752,972	----------	4,783,371	3,807,717
Utah	974,572	1,204,842	241,466	691,047	----------	556,802	489,766
Vermont	431,660	372,578	129,643	173,683	----------	125,775	420,809
Virginia	790,291	1,104,993	371,895	1,051,270	----------	454,523	1,223,557
Washington	1,646,067	2,722,811	759,030	1,098,106	18,866	1,018,641	3,513,334
West Virginia	173,313	466,993	82,833	151,800	----------	86,070	257,809
Wisconsin	1,867,501	1,606,164	1,253,796	1,164,344	11,588	3,438,918	2,061,034
Wyoming	106,302	----------	25,793	----------	----------	----------	1,717
Puerto Rico	470,086	384,477	226,260	221,295	----------	92,570	163,806
Virgin Islands	----------	----------	----------	----------	----------	----------	----------
Other Territories, etc [8]	865,650	2,158,271	1,795,035	1,475,434	----------	1,443,637	2,280,969
Undistributed to States, etc.	----------	----------	----------	----------	----------	----------	----------
Total	127,920,057	91,223,299	49,449,524	64,795,027	746,651	77,942,559	109,473,462

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service—Continued						
	National Institute of Dental Research [4]	Community health practice and research	Cancer research facilities	Hospital and medical facility research [4]	General research and services [4]	General research support grants	Nursing services and research
	(91)	(92)	(93)	(94)	(95)	(96)	(97)
Alabama	$654, 609	$10, 265			$771, 046	$260, 281	$122, 374
Alaska					316, 422		
Arizona	90, 776	110, 146			241, 097		9, 330
Arkansas		17, 266			629, 700	163, 308	2, 508
California	992, 426	1, 501, 796		$92, 239	21, 362, 520	4, 542, 438	741, 154
Colorado	43, 442	45, 729			1, 387, 641	505, 619	492, 197
Connecticut	30, 867	309, 969		13, 516	3, 573, 144	540, 727	329, 464
Delaware					117, 896		
District of Columbia	330, 944	32, 617			1, 317, 567	615, 692	372, 876
Florida	147, 084	77, 961			1, 730, 865	651, 283	47, 272
Georgia	300, 109	93, 599	$219, 275		1, 452, 296	505, 103	170, 765
Hawaii		411			477, 846		2, 870
Idaho		7, 882			15, 724		
Illinois	1, 379, 112	202, 575			8, 901, 363	2, 508, 927	288, 979
Indiana	501, 978	109, 490			1, 958, 737	570, 741	167, 258
Iowa	363, 157	86, 253	150, 000		1, 468, 635	368, 265	61, 247
Kansas	40, 797	46, 924		89, 047	1, 073, 426	287, 763	15, 872
Kentucky	100, 983	13, 865			935, 102	461, 187	40, 758
Louisiana	34, 500	171, 512		12, 763	2, 602, 489	604, 200	34, 348
Maine		2, 937			125, 710	136, 621	
Maryland	370, 364	365, 532		−8, 777	8, 357, 850	1, 206, 090	196, 202
Massachusetts	1, 708, 939	717, 746		65, 107	14, 612, 720	3, 435, 991	772, 945
Michigan	816, 060	1, 281, 779		53, 303	4, 373, 915	1, 145, 271	271, 909
Minnesota	326, 986	374, 816		53, 636	2, 226, 645	873, 926	224, 318
Mississippi		3, 115			419, 129	168, 337	13, 810
Missouri	418, 513	156, 465			3, 073, 354	950, 529	309, 241
Montana		3, 604			80, 138		100, 121
Nebraska	127, 721				224, 811	273, 549	
Nevada					−307		2, 725
New Hampshire		9, 149			770, 235	153, 441	6, 047
New Jersey	113, 050	58, 113			1, 416, 321	433, 873	−1, 628
New Mexico	−1, 157	27, 519			176, 845	104, 283	−2, 046
New York	2, 594, 758	910, 342	500	51, 368	17, 872, 987	6, 845, 119	1, 643, 848
North Carolina	461, 159	814, 652		22, 654	4, 257, 858	833, 250	264, 955
North Dakota	4, 638				103, 035	47, 500	
Ohio	370, 182	256, 490	500	84, 197	5, 280, 419	1, 757, 993	309, 688
Oklahoma	37, 975	149, 008	324, 579		1, 705, 741	378, 760	142
Oregon	405, 396	149, 773		39, 298	1, 536, 553	390, 115	77, 029
Pennsylvania	1, 587, 343	539, 938		31, 853	7, 452, 288	3, 067, 766	543, 377
Rhode Island	11, 990	56, 338			700, 191		3, 900
South Carolina	33, 856	38, 664			119, 639	95, 857	10, 808
South Dakota	22, 030	26, 253			15, 654	54, 791	5, 448
Tennessee	187, 010	17, 672			2, 349, 200	719, 469	30, 031
Texas	456, 841	175, 179			3, 288, 057	1, 401, 389	348, 472
Utah	11, 125	51, 543			931, 129	260, 960	69, 867
Vermont	6, 040	97, 204			555, 564	123, 059	33, 624
Virginia	97, 144	62, 552			1, 020, 506	499, 663	10, 080
Washington	586, 521	198, 325			4, 537, 753	575, 975	268, 785
West Virginia	24, 884				114, 939	136, 569	
Wisconsin	256, 271	26, 215		6, 904	2, 937, 292	646, 110	144, 377
Wyoming					14, 138		
Puerto Rico	44, 201	258, 029			529, 081	232, 156	44, 182
Virgin Islands							
Other Territories, etc [8]	187, 109	45, 818			2, 414, 891		
Undistributed to States, etc							
Total	16, 277, 733	9, 713, 030	694, 854	607, 108	143, 927, 797	39, 533, 946	8, 601, 529

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service—Continued						
	Water supply and water pollution control (98)	Air pollution (99)	Milk, food, interstate and community sanitation (100)	Occupational health (101)	Radiological health (102)	Accident prevention (103)	Hospital construction activities (104)
Alabama	$24,509	$6,480	$95,020		$15,000		$27,384
Alaska	31,073						
Arizona	16,910		66,455				
Arkansas	28,522				2,500		297,826
California	534,829	1,226,946	554,178	$175,448	111,349	$428,782	442,654
Colorado	89,785	87,207	30,420	26,524	111,313		15,057
Connecticut	15,457				2,590		75,278
Delaware							
District of Columbia	67,074	14,830	157,690	5,067	4,043	85,317	149,669
Florida	266,574	46,085	138,531	16,822	195,136	14,401	
Georgia	34,800	23,785	136,995	75,644	164,978		13,788
Hawaii			165,936				54,792
Idaho							
Illinois	186,897	123,078	299,634	15,906	154,056		122,111
Indiana	19,437		112,227	71,782	160,923	131,925	48,729
Iowa	172,084		150,074		29,765	26,610	74,612
Kansas	135,142	13,875	45,912	21,930	27,877		
Kentucky	42,917				3,420		
Louisiana	25,256	54,988	51,056		47,838	49,840	24,396
Maine	42,297				5,678		15,760
Maryland	73,710	181,314	24,001	36,022	211,807		264,609
Massachusetts	213,537	144,822	336,555	222,357	265,724	102,282	315,631
Michigan	753,940	272,841	155,890	125,744	252,275	43,096	83,850
Minnesota	41,636	149,152	84,135	223,950	58,251	12,813	32,286
Mississippi			39,250		4,042	28,686	
Missouri	95,186	6,460	80,181		41,013	61,861	44,681
Montana	88,264		20,282				
Nebraska		31,037	13,602				
Nevada							
New Hampshire	49,708	13,142	3,579		3,000		
New Jersey	177,736	119,280			93,312	10,838	23,413
New Mexico	85,964				3,505		
New York	462,391	724,785	366,669	343,285	595,452	503,963	338,294
North Carolina	83,889	116,492	131,111	31,013	66,841		55,460
North Dakota	28,506				58,026		
Ohio	82,285	103,105	210,586	331,715	90,105	67,651	160,934
Oklahoma	234,480			24,929	99,457		
Oregon	431,730	36,010	249,010	33,481	25,398	9,019	47,121
Pennsylvania	113,043	528,310	122,223	204,469	162,038	165,292	50,000
Rhode Island	90,789						
South Carolina	167,146	14,040					
South Dakota			5,622				
Tennessee	126,706	22,055	2,385	16,025	99,843		
Texas	200,382	179,272	36,017	58,190	45,223		77,862
Utah	125,909	84,994	98,501		105,763		
Vermont							
Virginia	91,498	9,417	25,988		7,288		
Washington	147,994	95,405	109,186	51,023	251,838	2,003	97,866
West Virginia	2,382	28,220	29,272				22,770
Wisconsin	420,928	48,608	163,353	94,299	35,144	6,936	12,255
Wyoming							
Puerto Rico							
Virgin Islands							
Other Territories, etc.[8]	57,507	26,792	274,947	49,205	75,874		
Undistributed to States, etc.							
Total	6,180,809	4,532,827	4,586,473	2,254,830	3,687,685	1,751,315	2,989,088

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service—Continued					Office of Education	
	Construction of health research facilities (105)	Dental services and resources (106)	Communicable disease activities (107)	Child health and human development (108)	Environmental health sciences (109)	Educational improvement for the handicapped (110)	Foreign language training and area studies (111)
Alabama	$44,988	$43,831		$34,244			$435
Alaska							
Arizona	47,854		$35,802				455
Arkansas	195,800			66,343			435
California	4,740,787	118,319	109,892	2,348,244	$86,603	$750	23,336
Colorado	760,706			562,304			455
Connecticut	2,077,995		48,094	175,800			2,175
Delaware	95,411			2,880			
District of Columbia	36,974	19,156	10,409	95,358	10,000	300	1,305
Florida	350,484		72,410	574,833	120,138		9,224
Georgia	194,612	9,681	58,168	134,485		1,000	
Hawaii				13,803			3,170
Idaho							
Illinois	3,574,953	185,153	203,615	798,101	23,091	700	7,090
Indiana	329,269	46,670		160,784		200	5,384
Iowa	266,682	8,712	67,731	201,630			870
Kansas	61,517		8,415	415,669	14,163	950	2,874
Kentucky	73,655	9,034		109,530		200	
Louisiana	1,488,318		39,220	159,813	19,724		
Maine	20,832			141,448			1,325
Maryland	929,244	10,552		756,614	27,431	1,000	3,535
Massachusetts	2,209,734	141,509	34,384	1,720,658	242,748	250	1,740
Michigan	2,377,633	78,978		388,308	129,190	6,234	3,101
Minnesota	644,499	8,313		208,128	6,387		1,305
Mississippi	72,437			27,123			
Missouri	111,249	25,757	18,000	329,106	16,284		2,240
Montana			9,200	8,204			
Nebraska	78,013	26,485		532,569			
Nevada							
New Hampshire	2,214			36,799			
New Jersey	465,336	10,372	70,239	116,683	105,107		2,077
New Mexico	176,604			78,180			
New York	7,089,591	74,747	150,237	3,094,494	470,810	7,350	29,953
North Carolina	342,235	52,192		498,151	27,651		5,470
North Dakota				10,435			
Ohio	360,260	61,014	34,762	758,804	25,261		5,130
Oklahoma	715,984		11,174	285,123	74,587		455
Oregon	137,589	59,401		97,377	60,762	4,451	1,837
Pennsylvania	1,631,870	35,556	82,158	1,291,641		8,167	11,240
Rhode Island	288,767			161,065			435
South Carolina	25,319						
South Dakota	47,810			8,460			
Tennessee	976,692	30,498	7,500	296,543		8,700	
Texas	1,098,048	18,966	51,654	358,171	25,725		2,243
Utah	784,605			93,498			435
Vermont	56,823			44,100			
Virginia	207,867		25,566	124,049	26,523		870
Washington	145,654	17,431	33,764	333,058	55,893		7,875
West Virginia		6,558	8,280	4,000			
Wisconsin	1,099,280	8,658	21,873	264,848	13,762		8,217
Wyoming							890
Puerto Rico		5,663	6,300				
Virgin Islands							
Other Territories, etc.[8]			41,227	276,300			
Undistributed to States, etc.							
Total	36,436,194	1,113,206	1,260,074	18,197,758	1,581,840	40,252	147,581

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Office of Education—Continued					Welfare Administration	
						Children's Bureau	
	Defense educational activities	Cooperative research	Expansion of teaching in education of the mentally retarded [4]	Expansion of teaching in education for the deaf	Educational television facilities	Services for crippled children	Child welfare research and demonstration grants [4]
	(112)	(113)	(114)	(115)	(116)	(117)	(118)
Alabama	$478,232	$3,000	$10,500	$10,695			
Alaska	10,388						
Arizona	909,000	51,007		37,855			
Arkansas	154,651			39,204			
California	4,566,130	1,060,819	33,592	88,139	$89,600	$315,518	$69,198
Colorado	879,144	90,188	25,534	25,364	29,344	37,174	7,648
Connecticut	775,773	124,754					7,349
Delaware	124,243	15,473					
District of Columbia	1,028,919	202,023		59,463	119,788	158,685	202,805
Florida	1,004,507	22,892			119,687		
Georgia	1,129,160	68,762	19,933	32,870	68,055		
Hawaii	235,702	6,666					
Idaho	289,988						
Illinois	2,314,467	921,031	24,400	87,237	149,810	18,342	179,708
Indiana	1,966,305	79,793		53,107			
Iowa	539,399	81,007			39,799		19,656
Kansas	788,719	4,284	−878	38,819		95,511	
Kentucky	302,011	24,466					78,465
Louisiana	580,253	29,706					
Maine	188,159	9,102			54,868		
Maryland	500,371	41,193				202,594	
Massachusetts	1,809,355	244,363	10,500	116,482			35,859
Michigan	2,379,062	853,409	24,166	31,776	91,960		31,215
Minnesota	961,683	209,320	24,000	29,439	106,313	18,000	
Mississippi	127,291	31,784				5,013	
Missouri	965,536	173,870	2,986	93,577	51,000		
Montana	368,918						
Nebraska	234,175	66,857		15,801	154,792	35,170	
Nevada	221,699						
New Hampshire	225,385			28,968			
New Jersey	874,537	99,515	10,200	22,314			
New Mexico	405,155			28,846			
New York	5,216,841	907,061	74,000	219,922		185,124	414,545
North Carolina	857,327	171,899		18,865	95,689		−974
North Dakota	487,593	23,851					
Ohio	1,341,687	293,044	13,400	81,178	113,576	18,898	8,123
Oklahoma	352,854	13,942		16,899			
Oregon	948,611	147,005	7,866	63,689			10,953
Pennsylvania	2,339,973	820,466	36,133	96,159	183,484	164,264	21,507
Rhode Island	389,464	22,170					
South Carolina	260,413	21,225			164,763		
South Dakota	85,191			17,448	7,175		
Tennessee	1,053,669	36,518	16,800	73,948		75,554	22,822
Texas	1,746,781	210,614	23,554	35,053		23,183	7,274
Utah	415,974	85,117		18,875	49,933		
Vermont	105,188	7,050					
Virginia	500,971	129,000	11,000		64,972	6,500	
Washington	1,182,310	22,780	−11				
West Virginia	246,309	14,756					
Wisconsin	1,071,647	217,588	28,500	21,727			29,392
Wyoming	367,097						
Puerto Rico	90,182	54,109					
Virgin Islands							
Other Territories, etc. [8]	3,500						
Undistributed to States, etc.	13,324						
Total	47,415,223	7,713,479	396,175	1,503,719	1,754,608	1,359,530	1,145,545

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued					National Science Foundation	
	Welfare Administration—Continued			Vocational Rehabilitation Administration			
	Children's Bureau—Continued		Bureau of Family Services				
	Child welfare training grants (119)	Other [46] (120)	Assistance for repatriated U.S. nationals (121)	Grants for special projects [4] (122)	Training and traineeships (123)	Research grants awarded (124)	Fellowship awards [47] (125)
Alabama				$48,363	$85,976	$849,139	$15,178
Alaska				46,073	16,824	584,956	
Arizona				80,758	194,080	2,292,740	49,314
Arkansas				18,699	36,692	956,560	9,664
California	$55,352	$151,657	$10,373	1,078,956	1,558,293	29,793,862	1,080,805
Colorado	24,521		327	122,023	252,796	4,430,533	162,156
Connecticut	13,455		1,542	164,565	97,106	4,791,850	107,898
Delaware				−1,516		613,601	2,730
District of Columbia	39,192		211,186	576,436	549,673	5,936,662	50,813
Florida	17,006		83,507	276,509	357,531	4,468,898	37,683
Georgia	21,804	48,146	214	76,997	181,453	2,450,826	64,523
Hawaii	15,345			12,000	54,523	2,811,789	
Idaho				53,120		255,110	925
Illinois	71,398	100,000	1,553	638,526	1,007,104	14,138,362	310,255
Indiana	12,688		224	37,848	162,241	6,181,828	192,798
Iowa	15,522			51,406	170,110	2,847,910	123,919
Kansas	14,883			159,204	160,929	2,903,248	53,608
Kentucky	21,903		942	111,000	94,560	1,002,526	15,541
Louisiana	26,889	27,380	490	108,499	165,312	2,556,229	55,197
Maine				31,458		838,342	7,665
Maryland	15,141	283,214	174	48,804	121,679	3,885,279	62,546
Massachusetts	86,134	258,492		370,641	1,039,785	22,348,925	391,078
Michigan	54,235	129,279	3,772	266,756	786,857	10,970,417	276,565
Minnesota	22,890	51,373		1,076,723	357,134	4,700,316	77,267
Mississippi				21,837		840,762	24,260
Missouri	45,300			331,320	424,340	3,132,845	73,154
Montana				48,886	12,772	612,663	1,933
Nebraska	16,372			35,289	167,873	1,823,533	24,223
Nevada				6,026		282,850	1,591
New Hampshire					23,144	1,807,992	6,117
New Jersey	20,025		11,483	212,606	146,282	6,753,353	150,851
New Mexico				18,180	2,500	1,985,940	38,082
New York	101,573	386,237	53,875	2,899,693	3,562,537	25,037,900	509,409
North Carolina	16,241	39,294		104,174	227,670	5,107,831	77,602
North Dakota				65,693	15,638	583,734	16,515
Ohio	44,285			646,428	483,200	7,005,955	242,149
Oklahoma	11,785			42,774	228,418	3,063,382	179,681
Oregon			599	55,669	280,538	4,607,935	82,049
Pennsylvania	43,078	119,900		281,950	939,234	11,589,810	229,595
Rhode Island				81,029	888	2,223,391	32,274
South Carolina					18,406	614,947	17,367
South Dakota				18,619	944	977,963	22,381
Tennessee	13,369	40,373		139,763	195,880	3,870,673	53,346
Texas	36,040	40,837	12,461	781,625	383,138	7,128,945	126,400
Utah	16,125			165,480	137,881	2,242,170	38,828
Vermont				64,800	28,020	402,773	6,617
Virginia	12,401			5,288	296,528	2,126,965	56,819
Washington		15,000	554	443,040	178,326	7,607,538	42,804
West Virginia	6,276	7,580		15,599	50,433	783,111	22,184
Wisconsin	49,496			162,961	625,804	5,413,768	164,308
Wyoming				8,400		305,277	10,477
Puerto Rico	26,277	200,600			182,185	768,800	13,067
Virgin Islands							
Other Territories, etc.[8]							
Undistributed to States, etc							
Total	987,001	1,899,362	393,276	12,110,977	16,063,237	241,312,714	5,412,210

Footnotes at end of table.

TABLE 85.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1964*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Labor			Veterans' Administration		Total payments within States (Part B)	Grand total (Parts A and B)
	Unemployment compensation for Federal employees and ex-servicemen	Area Redevelopment Act [4, 48]	Manpower development training activities [49]	Readjustment benefits and vocational rehabilitation	Automobiles, etc., for disabled veterans		
	(126)	(127)	(128)	(129)	(130)	(131)	(132)
Alabama	$2,575,714	$183,258	$1,350,420	$1,582,449	$8,000	$33,457,913	$248,820,168
Alaska	1,244,260	79,878	504,551	32,472	----------	5,859,337	115,294,599
Arizona	1,492,984	170,818	609,451	935,273	16,000	15,463,667	111,514,580
Arkansas	876,774	171,640	614,983	918,790	17,600	25,060,047	175,749,730
California	28,073,347	----------	6,318,365	8,906,229	111,999	229,337,835	1,153,938,266
Colorado	1,543,249	6,749	731,757	1,189,596	14,400	44,090,940	174,691,643
Connecticut	732,930	−61,645	996,516	584,026	28,800	32,434,835	165,525,085
Delaware	224,752	----------	87,612	121,436	----------	5,612,710	28,418,109
District of Columbia	2,972,872	----------	763,912	1,178,181	31,920	29,456,995	128,607,508
Florida	2,108,275	−11,528	1,765,554	3,826,826	63,999	73,958,845	315,836,538
Georgia	1,998,833	86,608	1,362,922	2,049,642	36,545	48,327,530	293,108,938
Hawaii	1,336,487	47,384	140,024	165,268	3,200	25,957,645	64,220,557
Idaho	1,031,178	14,437	181,613	212,248	4,800	18,349,759	69,889,609
Illinois	5,059.148	161,213	5,851,563	2,274,814	65,269	109,410,448	560,979,891
Indiana	1,661,995	−2,448	3,099,603	1,245,039	8,000	47,557,922	210,766,395
Iowa	575,945	1,654	1,647,682	752,204	15,995	42,009,955	166,231,434
Kansas	1,092,933	−1,690	1,287,613	686,444	7,995	43,182,599	151,101,489
Kentucky	3,442,737	227,740	5,695,576	850,379	20,588	37,125,076	255,495,328
Louisiana	2,007,482	28,720	----------	1,240,409	17,471	46,099,024	339,874,376
Maine	553,545	130,667	476,396	255,152	8,000	11,082,501	71,615,943
Maryland	1,550,644	−14,393	504,699	1,073,857	6,400	49,464,495	176,460,024
Massachusetts	5,145,791	133,445	3,202,948	2,011,921	25,595	131,642,252	388,493,998
Michigan	4,143,653	1,151,782	4,934,138	1,976,962	62,400	85,008,163	451,258,268
Minnesota	3,445,459	33,785	944,979	1,188,498	41,600	70,839,233	249,706,495
Mississippi	973,856	----------	363,607	840,475	14,400	25,079,246	172,086,580
Missouri	2,410,358	104,135	2,791,921	1,672,968	20,800	58,281,256	309,797,145
Montana	977,774	69,422	599,414	236,969	6,400	19,844,486	96,267,216
Nebraska	531,986	----------	961,406	556,296	6,195	32,304,618	109,756,828
Nevada	416,915	56,046	983,698	54,697	7,995	4,768,107	51,612,364
New Hampshire	562,861	----------	418,785	263,644	1,600	9,169,293	44,971,168
New Jersey	5,019,796	228,593	1,874,787	1,283,924	47,780	42,052,082	243,734,659
New Mexico	1,529,694	88,481	394,885	525,445	12,800	19,204,151	113,417,264
New York	9,158,812	47,615	7,751,075	4,051,933	128,720	232,806,648	898,372,065
North Carolina	1,997,874	374,899	1,220,613	1,361,336	24,000	49,788,277	242,900,027
North Dakota	692,205	70,432	561,557	175,869	1,600	38,081,941	93,942,801
Ohio	6,053,932	99,431	3,752,201	2,340,400	63,367	79,849,845	525,188,187
Oklahoma	1,760,432	296,632	1,027,530	1,266,742	20,800	47,477,809	264,303,896
Oregon	1,740,931	23,307	601,197	754,301	9,600	35,087,619	193,861,619
Pennsylvania	12,253,952	281,056	5,895,508	3,300,209	81,434	115,907,952	599,281,567
Rhode Island	686,598	34,535	430,245	243,006	22,290	11,307,013	68,576,536
South Carolina	1,174,276	−2,653	2,413,606	809,784	6,400	23,915,602	125,082,042
South Dakota	477,340	132,257	266,606	178,227	4,800	28,419,336	86,105,381
Tennessee	3,545,112	265,076	2,229,482	1,348,141	15,739	50,027,401	273,890,896
Texas	7,225,050	62,068	2,445,161	4,397,909	54,400	117,452,760	607,347,391
Utah	1,414,439	----------	393,106	680,331	4,792	21,766,579	104,036,695
Vermont	274,158	----------	745,321	122,869	3,200	10,117,744	45,117,043
Virginia	1,542,492	----------	1,330,931	1,007,266	33,600	28,380,467	238,980,230
Washington	7,158,592	56,308	1,144,842	1,446,952	19,188	55,426,947	243,209,980
West Virginia	2,022,421	117,720	2,021,188	550,731	20,800	14,875,489	131,628,365
Wisconsin	2,703,370	193,166	1,212,663	953,187	30,253	52,941,414	198,628,785
Wyoming	316,220	12,742	237,788	112,049	1,600	9,626,756	71,172,612
Puerto Rico	2,997,095	65,758	1,796,489	670,046	6,400	29,984,906	165,626,146
Virgin Islands	4,491	----------	78,978	----------	----------	97,639	11,458,552
Other Territories, etc.[8]	----------	−260	----------	1,241,136	----------	14,713,410	48,934,381
Undistributed to States, etc	----------	----------	13,775	----------	----------	253,161,151	406,628,450
Total	152,514,020	5,214,841	89,031,242	67,704,957	1,287,529	2,792,707,669	12,853,515,849

Footnotes on following page.

Footnotes for table 85

[1] Excludes $500,000, "State experiment stations, Agricultural Research Service," included in column 6.
[2] Excludes $1,413,625, "Cooperative extension work, payments and expenses, Extension Service," included in column 6.
[3] Includes $59,270,071, value of commodities distributed to participating schools, and payments of $4,489,724 made directly to private schools. In addition, the school lunch program is a recipient of some of the commodities for which expenditures are shown in columns 10 and 11, "Removal of surplus agricultural commodities," and column 12 "Commodity Credit Corporation, value of commodities donated."
[4] Credit amounts, other than "Undistributed to States, etc.," are refunds of advances in prior years.
[5] Consists of $29,993,959, "Payments to States, National Forests Fund"; $100, 413, "Payments to school funds, Arizona and New Mexico, act June 20, 1910 (receipt limitation)"; and $131,053, "Payment to Minnesota (Cook, Lake, and St. Louis counties) from the National Forests Fund."
[6] Includes $500,000, "State experiment stations, Agricultural Research Service"; $1,413,625, "Cooperative extension work, payments and expenses, Extension Service"; and $1,500,000, "Payment to States and possessions, Agricultural Marketing Service."
[7] Consists of $15,003,139, "Forest protection and utilization, Forest Service" and $843,464, "Assistance to States for tree planting, Forest Service."
[8] Includes: American Samoa, Canal Zone, Guam, Trust Territory of the Pacific, and certain foreign countries.
[9] Consists of $280,000, penalty mail costs for which a breakdown by States is unavailable and −$278,747, "Undistributed to States, etc."
[10] Consists of $3,034,375, penalty mail costs and $6,987,801, retirement costs of cooperative extension agents and $117,597 "Undistributed to States, etc."
[11] Consists of $42,974,637, "Watershed protection, Soil Conservation Service" and $13,748,033, "Flood prevention, Soil Conservation Service."
[12] Cash payments to States to increase consumption of fluid milk by children in nonprofit schools. Net of refunds.
[13] Federal share of the value of food stamps redeemed under the pilot food stamp plan.
[14] Cost of food commodities acquired through price support operations.
[15] Includes $1,323,064.94, "Improvement of Pentagon Road Network (trust fund)."
[16] Consists of $31,996,815, "Forests highways, liquidation of contract authorization"; $4,646,188, "Public lands highways, liquidation of contract authorization"; and $398,742, "Control of outdoor advertising."
[17] Represents adjustment from a commodities distributed basis to a checks-issued basis.
[18] Includes $2,178,455 paid from "Area Redevelopment Loans."
[19] See also column 68.
[20] Consists of $20,655,284, "Disaster Relief, Executive" and $81,350, "State and Local Preparedness, Office of Emergency Planning."
[21] Consists of $172,486,110 paid by Housing and Home Finance Agency; $2,427,973 paid by Department of Agriculture; $14,157,321 paid by Bureau of Public Roads, Department of Commerce; $65,154,457 paid by Department of Health, Education, and Welfare; and $2,940,043 paid by Department of Interior.
[22] Consists of $2,550,000, "Colleges for agriculture and the mechanic arts" and $11,950,000, "Further endowment of colleges for agriculture and the mechanic arts."
[23] Consists of $33,958,783, "Promotion and further development of vocational education, Office of Education" and $7,117,385, "Promotion of vocational education, Act of February 23, 1917, Office of Education."
[24] Includes $1,226,999, "Hospital and Medical Care" (Hawaii) and −$88, "Grant for Poliomyelitis Vaccination" (−$75 Kansas and −$13 Texas).
[25] Includes $93,268, "Construction of Mental Health Facilities, Alaska"; −$6,235, "Surveys and Planning for Hospital Construction"; $186,157, "Construction of Indian Health Facilities"; and $1,391,751, "Grants for Construction of Health Research Facilities."
[26] Consists of $15,013,887, "Federal aid in wildlife restoration, Bureau of Sport Fisheries and Wildlife" and $5,513,662, "Federal aid in fish restoration and management, Bureau of Sport Fisheries and Wildlife (receipt limitation)."

Footnotes for table 85—Continued

[27] Consists of $12,165, "Operation and maintenance, Bureau of Reclamation"; $229,982, "Payments to States (proceeds of sales), Bureau of Land Management (receipt limitation)"; $5,883, "Payment to Oklahoma (royalties), Bureau of Land Management (receipt limitation)"; $208,950, "Payments to States from grazing receipts, etc., public lands outside grazing districts, Bureau of Land Management"; $281,503, "Payments to States from grazing receipts, etc., public lands within grazing districts, Bureau of Land Management"; $806, "Payments to States (grazing fees), Bureau of Land Management"; $589,300, "Payments to Alaska from Pribilof Islands Fund, Bureau of Commercial Fisheries"; $600,000, "Colorado River Dam Fund, Boulder Canyon Project"; $26,015, "Payment for tax losses on land acquired for Grand Teton National Park, National Park Service"; $7,042,107, "Internal revenue collections for Virgin Islands, Office of Territories"; $15,031,270, "Payments to counties, Oregon and California grant lands"; $130,775, "Payments to counties, National Grasslands, Bureau of Land Management"; $4,779, "Payments to counties, National Grasslands, Bureau of Sport Fisheries and Wildlife"; $197,031, "Payments to Coos and Douglas counties, Oregon, from receipts, Coos Bay wagon road grant lands"; and $2,733, "Payments to States from grazing receipts, etc., public lands within grazing districts miscellaneous, Bureau of Land Management."

[28] Consists of $767,644, "Resources management"; $8,216,841, "Education and welfare services"; and $132,000, "Menominee Educational Grants."

[29] Consists of $45,554,225, "Grants-in-aid for airports" and $19,693,471, "Grants-in-aid for airports, liquidation of contract authorization."

[30] Includes $4,995,387 for mass transportation.

[31] Consists of $12,231,094, penalty mail and —$1,597,543, "Undistributed to States, etc."

[32] Payments in lieu of taxes.

[33] Paid from "Transitional grants to Alaska, Executive."

[34] Consists of $9,749, "Construction and Rehabilitation, Bureau of Reclamation" and $7,700,000, "Construction, General, Corps of Engineers, Civil."

[35] Consists of $37,500,000, "Federal payment to District of Columbia" and $915,239, "Hospital facilities in the District of Columbia, General Services Administration."

[36] Paid from "Center for Cultural and Technical Interchange between East and West, State."

[37] Paid from "Drainage of anthracite mines, Bureau of Mines."

[38] Consists of $44,961,835, "Internal Revenue, Collections for Puerto Rico" and $12,600,000, "Refunds, transfers and expenses of operation, Puerto Rico, Bureau of Customs."

[39] Paid from "Refunds, transfers and expenses of operations, Virgin Islands, Bureau of Customs."

[40] Consists of $12,002,000, "Administration of Territories, Office of Territories" and $20,108,000, "Trust Territory of the Pacific Islands, Office of Territories."

[41] Consists of $212,429,389, "Agricultural Conservation Program, ASCS" and $3,393,260, "Emergency Conservation Measures, ASCS."

[42] Consists of $1,518,394, equipment grants; $1,877,399, student fellowships; $2,471,338, faculty training; and $4,090,113, material, services, and other costs. The fellowship awards are included in the State in which the awards are to be used. The assistance to schools is shown by the State of the recipient institution.

[43] On obligation basis.

[44] Includes $2,067,913 paid by Office of Education, Department of Health, Education, and Welfare, for Civil Defense, Adult Education.

[45] Accounted for by the National Guard Bureau; breakdown by States unavailable.

[46] Consists of $1,301,420 for maternal and child health services and $597,942 for special project grants for maternity and infant care.

[47] Based on State of institution.

[48] Includes $2,627,844 paid by Office of Education, Department of Health, Education, and Welfare.

[49] Includes $64,188,284 paid by Office of Education, Department of Health, Education, and Welfare.

NOTE.—Compiled from figures furnished by the departments and agencies, pursuant to Treasury Department Circular No. 1014, August 8, 1958 (see 1958 annual report, exhibit 70, p. 381).

Custom Operations

TABLE 86.—*Merchandise entries, fiscal years 1963 and 1964*

	1963	1964	Percentage increase, or decrease (−)
Entries:			
Consumption free	333, 128	345, 830	3. 8
Consumption dutiable	1, 194, 455	1, 276, 022	6. 8
Warehouse and rewarehouse	78, 951	79, 453	. 6
Other formal	22, 777	12, 864	−43. 5
Total formal entries	1, 629, 311	1, 714, 169	5. 2
Warehouse withdrawals	368, 812	383, 538	4. 0
Appraisement	2, 407	2, 141	−11. 1
Drawback	21, 827	23, 210	6. 3
Outbound-immediate transportation; transportation and exportation; etc	557, 471	576, 200	3. 4
Mail	1, 251, 566	1, 303, 731	4. 2
Informal	662, 923	681, 502	2. 8
Passenger declarations—total	2, 519, 532	2, 908, 357	15. 4
Crew declarations—total	845, 165	894, 826	5. 9
Military declarations—total	1, 018, 935	1, 039, 748	2. 0
Passenger declaratons—dutiable	128, 963	131, 367	1. 9
Crew declarations—dutiable	148, 229	186, 041	25. 5
Military declarations—dutiable	23, 172	32, 438	40. 0
Other informal	1, 158, 705	1, 341, 443	15. 8

TABLE 87.—*Principal commodities on which drawback was paid, fiscal years 1963 and 1964* [1]

Commodity	1963	1964	Percentage increase, or decrease (−)
Chemicals	$1, 386, 135	$1, 528, 964	10. 3
Petroleum and products	2, 636, 579	1, 520, 266	−42. 4
Steel mill products	51, 980	1, 298, 123	2, 397. 4
Tobacco, unmanufactured	1, 071, 652	1, 166, 416	8. 8
Watch movements	626, 804	938, 255	50. 0
Sugar	1, 066, 589	720, 460	−72. 5
Aluminum	890, 572	706, 585	−20. 7
Coal-tar products	641, 307	565, 339	−11. 9
Iron and steel semimanufactures	2, 677, 238	452, 900	−83. 1
Lead ore, matte, pigs, and bars	454, 453	418, 846	−7. 8
Zinc ore and manufactures	343, 432	368, 622	7. 3
Medicinal preparations	207, 859	368, 287	77. 2
Copper and manufactures	607, 285	307, 421	−49. 4
Cotton cloth	303, 310	208, 734	−31. 2
Automobiles, aircraft, and parts	471, 201	194, 111	−58. 8
Tungsten ore	125, 009	192, 841	54. 3
Citrus fruit juices	597, 307	188, 427	−68. 5
Chromium and alloys	189, 360	187, 539	−1. 0
Paper and manufactures	153, 799	156, 135	1. 5
Burlap	93, 691	130, 891	39. 7
Glass and glass products	141, 511	121, 197	−14. 4
Nickel	125, 106	108, 567	−13. 2
Ferroalloying ores and metals	62, 113	66, 283	6. 7
Manganese ore	32, 202	59, 230	83. 9
Tires and tubes, rubber and synthetic	65, 724	57, 363	−12. 7
Cotton, unmanufactured	43, 265	49, 808	15. 1
Rayon and other synthetic textiles	107, 822	45, 483	−57. 8
Wool fabrics	25, 640	40, 807	59. 2
Quicksilver or mercury	30, 167	35, 377	17. 3
Magnesite	69, 950	24, 490	−65. 0
Knit fabrics, cotton	45, 042	19, 712	−56. 2
Brass and bronze manufactures	17, 575	16, 599	−5. 6
Wool and semimanufactures	4, 275	14, 894	248. 4
Tire cord fabric, rayon	67, 100	2, 317	−96. 6
Cork and manufactures	8, 369	127	−98. 5
Other	2, 379, 799	2, 984, 938	25. 4
Total	17, 821, 222	15, 266, 354	−14. 3

[1] Includes Puerto Rico.

TABLE 88.—*Carriers and persons arriving in the United States, fiscal years 1963 and 1964* [1]

Type of entrant	1963	1964	Percentage increase, or decrease (−)
Carriers arriving:			
Vessels entering direct from foreign ports	46,674	48,651	4.2
Vessels entering via U.S. ports	[2] (38,699)	[2] (40,172)	3.8
Vessels reporting only from foreign ports:			
Government	1,627	1,661	2.1
Ferries	80,906	64,631	−20.1
Other	42,233	48,133	14.0
Commercial planes	94,282	97,755	3.7
Commercial planes entering via U.S. ports	[2] (9,141)	[2] (9,244)	1.1
Military planes	34,309	33,567	−2.2
Private planes	51,247	60,738	18.5
Autos, empty trucks	44,190,605	47,132,060	6.7
Buses	238,990	226,633	−5.2
Trucks	769,847	742,653	−3.5
Other vehicles	447,915	453,914	1.3
Passenger trains	12,122	14,585	20.3
Freight cars	1,877,538	2,013,719	7.3
Total carriers	47,888,295	50,938,700	6.4
Persons arriving:			
Passengers arriving on:			
Vessels entering direct from foreign ports	694,074	772,543	11.3
Vessels entering via U.S. ports	48,674	74,402	52.9
Vessels reporting only from foreign ports:			
Government	380,120	417,777	9.9
Ferries	1,425,099	1,167,859	−18.1
Other	190,458	221,351	16.2
Commercial planes	3,744,586	4,228,782	12.9
Military planes	852,335	803,058	−5.8
Private planes	155,943	178,243	14.3
Autos, empty trucks	116,729,139	126,624,321	8.5
Buses	4,655,882	4,112,394	−11.7
Trucks	598,900	208,981	−65.1
Other vehicles	4,613,999	4,470,863	−3.1
Passenger trains	764,158	543,136	−28.9
Pedestrians	29,255,160	30,442,707	4.1
Total persons	164,108,527	174,266,417	6.2

[1] Includes Puerto Rico.
[2] Not included in totals, already counted under entering direct from foreign ports.

TABLE 89.—*Aircraft and aircraft passengers entering the United States, fiscal years 1963 and 1964*

District	Aircraft		Aircraft passengers		Percentage increase, or decrease (—)	
	1963	1964	1963	1964	Aircraft	Passengers
Maine and New Hampshire	2,739	3,239	18,942	26,059	18.3	37.6
Vermont	1,546	1,570	286,590	291,579	1.6	1.7
Massachusetts	5,103	4,795	101,701	110,703	—6.0	8.9
Rhode Island	613	616	10,733	13,165	.5	22.7
St. Lawrence	1,565	1,799	7,046	8,014	15.0	13.7
Rochester	1,185	1,181	13,114	14,132	—.3	7.8
Buffalo	3,278	4,251	406,185	450,484	30.0	10.9
New York	36,138	38,373	1,538,616	1,703,248	6.2	10.7
Philadelphia	7,510	7,514	341,258	302,159	.1	—11.5
Maryland	1,485	1,700	39,444	43,652	14.5	10.7
Virginia	1,589	1,405	33,944	29,135	—11.6	—14.2
North Carolina	737	708	11,627	12,666	—3.9	8.9
South Carolina	1,799	1,832	47,070	56,446	1.8	19.9
Georgia	588	404	9,509	5,932	—31.3	—37.6
Florida	38,202	42,157	626,596	705,771	10.4	12.6
New Orleans	1,358	1,481	41,370	52,120	9.1	26.0
Galveston	1,385	1,447	40,448	46,908	4.5	16.0
Laredo	8,254	8,210	74,764	96,992	—.5	29.7
El Paso	1,580	1,685	4,330	4,936	6.6	14.0
San Diego	5,502	6,487	24,705	25,744	17.9	4.2
Arizona	3,801	4,613	16,655	18,441	21.4	10.7
Los Angeles	2,662	2,823	159,042	187,458	6.0	17.9
San Francisco	1,903	2,158	41,883	67,770	13.4	61.8
Washington	7,809	8,544	132,902	150,657	9.4	13.4
Alaska	3,456	3,275	59,496	94,183	—5.2	58.3
Hawaii	9,214	8,764	378,482	370,723	—4.9	—2.1
Montana and Idaho	2,300	2,635	22,163	25,245	14.6	13.9
Dakota	3,044	3,092	34,085	31,923	1.6	—6.4
Minnesota	366	451	2,841	3,632	23.2	27.9
Duluth and Superior	5,418	5,985	14,219	17,276	10.5	21.5
Michigan	5,013	5,414	36,004	44,555	8.0	23.8
Chicago	4,403	4,545	110,295	130,647	3.2	18.5
Ohio	5,152	5,898	35,456	36,525	14.5	3.0
St. Louis	967	734	12,011	11,206	—24.1	—6.7
Other	2,174	2,275	19,338	19,997	4.6	3.4
Total	179,838	192,060	4,752,864	5,210,083	6.8	9.6

Table 90.—*Seizures for violations of customs laws, fiscal years 1963 and 1964* [1]

Seizures	1963 total	1964			
		Seizures by Customs	Seizures by other agencies	Joint seizures by Customs and other agencies	Total
Automobiles:					
Number	653	623	116	46	785
Value	$667, 444	$523, 949	$127, 884	$50, 175	$702, 008
Trucks:					
Number	91	100	15	4	119
Value	$367, 384	$239, 165	$125, 857	$4, 165	$369, 187
Aircraft:					
Number	8	10	-----------	1	11
Value	$104, 700	$6, 669, 700	-----------	$9, 500	$6, 679, 200
Boats:					
Number	54	64	2	1	67
Value	$44, 150, 570	$31, 531, 542	$2, 900	$12, 000	$31, 546, 442
Narcotics:					
Number	1, 135	1, 235	13	47	1, 295
Value	$162, 896	$302, 581	$24	$686, 549	$989, 154
Liquors:					
Number	5, 747	6, 616	67	97	6, 780
Gallons	16, 198	17, 569	81	219	17, 869
Value	$232, 502	$242, 228	$1, 322	$4, 264	$247, 814
Prohibited articles (obscene, lottery, etc.):					
Number	4, 415	4, 587	27	32	4, 646
Value	$50, 561	$56, 365	$153	$391	$56, 909
Other seizures:					
Number	7, 273	8, 904	213	74	9, 191
Value:					
Cameras	$19, 319	$31, 226	$75	-----------	$31, 301
Edibles and farm products	38, 107	161, 614	4, 455	$615	166, 684
Furs—skins and manufactures	19, 843	27, 878	120	-----------	27, 998
Guns and ammunition	106, 164	63, 880	885	176	64, 941
Jewelry, including gems	508, 208	679, 053	-----------	2, 437	681, 490
Livestock	18, 571	13, 799	11, 730	335	25, 864
Tobacco and manufactures	19, 439	20, 398	11	-----------	20, 409
Watches and parts	125, 376	218, 997	48	-----------	219, 045
Wearing apparel	186, 334	212, 813	139	187	213, 139
Miscellaneous	3, 486, 919	3, 725, 875	16, 156	20, 425	3, 762, 456
Total value of other seizures	4, 528, 280	5, 155, 533	33, 619	24, 175	5, 213, 327
Grand total:					
Number [2]	18, 570	2, , 342	320	250	21, 912
Value	$50, 264, 337	$44, 721, 063	$291, 759	$791, 219	$45, 804, 041

[1] Includes Puerto Rico and the Virgin Islands.
[2] Excludes number of carriers confiscated in connection with seizures of liquor, narcotics, etc.

TABLE 91.—*Investigative activities, fiscal years 1963 and 1964*

Activity	1963	1964	Percentage increase, or decrease (−)
Drawback	1,077	1,179	9.5
Classification	143	312	118.2
Market value	390	584	49.7
Smuggling, narcotics	6,290	5,553	−11.7
Smuggling, all other	[1] 2,237	2,176	−2.7
Undervaluation, false invoicing	2,400	2,227	−7.2
Prohibited importations	253	235	−7.1
Navigation, aircraft, and vehicle violations	[2] 1,398	1,218	−12.9
Baggage declarations	1,419	1,363	−4.0
Customs brokers, cartmen, and lightermen	[3] 520	611	17.5
Petitions for relief	1,105	1,473	33.3
Personnel	[4] 1,136	1,232	8.5
Customs procedure	[5] 344	320	−7.0
Collection of duties and penalties	260	187	−28.1
Cooperation with other agencies		[6] 750	
Neutrality		[6] 354	
Pilferages and shortages	543	374	−31.1
Export control	681	444	−34.8
Federal tort claims	125	161	28.8
Miscellaneous		[6] 120	
Dumping		[6] 59	
Port security		[6] 5	
Other	1,756		−100.0
Total	22,077	20,937	−5.2

[1] Shown as separate items under "Smuggling, diamonds or jewelry" and "Smuggling, other" in 1963 annual report, table 91.
[2] Shown as separate items under "Touring permit violations" and "Navigation and aircraft violations" in 1963 annual report, table 91.
[3] Shown as separate items under "License applications" and "Examination of brokers' records" in 1963 annual report, table 91.
[4] Shown as separate items under "Alleged derelictions of Customs personnel" and "Character investigations of applicants" in 1963 annual report, table 91.
[5] Shown as separate items under "Customs procedures," "Marking of Merchandise," "Bonds," and "Bonds, breach of terms" in 1963 annual report, table 91.
[6] Included under "Other" in 1963 annual report, table 91.

Engraving and Printing Production

TABLE 92.—*New postage stamp issues delivered, fiscal year 1964*

Issues	Denominations (cents)	Number of stamps delivered
Commemoratives:		
Battle of Gettysburg	5	59,955,000
Amelia Earhart—air mail	8	63,890,000
Emancipation Proclamation	5	132,435,000
Alliance for Progress	5	135,520,000
Cordell Hull	5	131,420,000
Eleanor Roosevelt	5	132,170,000
Science	5	130,195,000
City Delivery Service	5	128,450,000
International Red Cross	5	118,665,000
American Painting (Audubon)	5	175,175,000
Sam Houston	5	125,995,000
American Painting (Russell)	5	128,025,000
New York World's Fair	5	144,200,000
John Muir	5	118,465,000
Battle of The Wilderness	5	121,690,000
John F. Kennedy Memorial	5	441,520,000
New Jersey Tercentenary	5	117,305,000
Special issue:		
Christmas stamp—Series 1963	5	1,291,250,000
Canal Zone:		
Commemorative air mail (Alliance for Progress)	15	405,000

TABLE 93.—*Deliveries of finished work by the Bureau of Engraving and Printing, fiscal years 1963 and 1964*

Class	Number of pieces 1963	Number of pieces 1964	Face value 1964
Currency:			
U.S. notes	30,600,000	86,360,000	$368,440,000
Silver certificates	921,248,000	483,120,000	798,160,000
Federal Reserve notes	758,920,000	1,153,168,000	8,189,480,000
Specimens	3,402	42	
Total	1,710,771,402	1,722,648,042	9,356,080,000
Bonds, notes, bills, certificates, and debentures:			
Bonds:			
Treasury	1,058,908	766,657	25,543,077,900
Treasury, special series	703	603	
U.S. savings, registered	963,250	408,201	364,500,000
Consolidated Federal Farm Loan bonds	93,112	85,208	1,042,750,000
Consolidated bonds of the Federal home loan banks	29,013	24,401	781,950,000
Notes:			
Treasury	542,170	711,634	49,654,825,000
Treasury, special series	753	425	
Consolidated notes of the Federal home loan banks	59,500	105,120	5,040,750,000
Tennessee Valley Authority		10,016	277,500,000
Bills:			
Treasury	2,561,000	2,790,000	203,130,000,000
Certificates:			
Treasury certificates of indebtedness	446,039		
Treasury certificates of indebtedness, special series	2,253	1,302	
Certificate of participation, Export-Import Bank	706		
Debentures:			
Consolidated collateral trust debentures for the:			
Twelve Federal intermediate credit banks	73,200	119,000	3,580,000,000
Thirteen banks for cooperatives	20,212	48,800	1,565,000,000
Federal National Mortgage Association secondary market operations	14,235	5,300	5,300,000
Federal Housing Administration	466,975	430,230	693,277,500
Total	6,332,029	5,506,897	291,678,930,400
Stamps:			
Customs	7,802,400	5,823,000	
U.S. Internal Revenue:			
To offices of issue	1,939,124,655	1,976,795,415	229,479,413
To Smithsonian Institution	164,280	2,600	260
Puerto Rican Internal Revenue	197,689,225	207,483,175	
Virgin Islands Internal Revenue		141,700	
U.S. postage:			
Ordinary	27,099,810,648	18,762,407,264	1,034,000,193
Air mail	1,770,341,394	1,080,248,800	96,290,840
Commemoratives	3,111,579,050	4,662,672,600	234,739,248
Special delivery	41,925,000	34,055,000	10,216,500
Postage due	183,670,000	154,730,000	20,458,400
Experimental	90,000		
Canal Zone postage:			
Ordinary	1,600,000	3,690,000	602,500
Air mail	3,000,800	3,080,000	246,400
Commemoratives	3,105,800	8,347,800	1,227,550
U.S. savings	124,215,000	117,973,500	19,190,000
Federal migratory bird hunting	3,351,240	3,426,240	10,278,000
Food coupons	46,092,725	49,098,500	70,340,750
Total	34,533,562,217	27,069,975,594	1,727,070,054
Miscellaneous, checks, certificates, etc.:			
To office of issue	9,251,901	4,551,540	
Grand total	36,259,917,549	28,802,682,073	302,762,080,454

International Claims

TABLE 94.—*Status of Class III Awards of the Mixed Claims Commission, United States and Germany, and Private Law 509 as of June 30, 1964*

Description	Class III awards—over $100,000	Private Law 509, approved July 19, 1940
AWARDS [1]		
Principal of awards	$117,387,252.24	$160,000.00
Less amounts paid by Alien Property and others	266,072.77	
Interest to Jan. 1, 1928, as specified in awards	53,245,392.03	64,000.00
Interest thereon to date of payment or, if unpaid, to June 30, 1964, at 5 percent per annum, as specified in the Settlement of War Claims Act of 1928	81,515,723.61	178,192.02
Total due claimants	251,882,295.11	402,192.02
PAYMENTS		
Principal of awards	76,955,283.40	101,053.06
Interest to Jan. 1, 1928	53,245,392.03	64,000.00
Interest at 5 percent from Jan. 1, 1928, to date of payment	51,398,842.25	116,018.63
Total payments [2]	181,599,517.68	281,071.69
BALANCE DUE		
Principal of awards	40,165,896.07	58,946.94
Interest to Jan. 1, 1928		
Accrued interest from Jan. 1, 1928, through June 30, 1964	30,116,881.36	62,173.39
Balance due claimants	70,282,777.43	121,120.33
Total reimbursement for administrative expenses [3]	907,998.32	1,405.34

[1] Excludes Class I awards (on account of death and personal injury) which have been paid in full; and also Class II awards on which there remain balances totaling $42,830.84. For details concerning all classes of awards, including claims of U.S. Government, see 1962 annual report, pages 138 and 826.

[2] Amounts shown are gross; deductions for administrative expenses are shown below (see footnote 3).

[3] Deductions of ½ of 1 percent are made from each payment to cover administrative expenses. These amounts are covered into the Treasury as miscellaneous receipts.

NOTE.—On Feb. 27, 1953, the German Government agreed to pay $97,500,000 (U.S. dollars) over a period of 25 years in full settlement of Germany's obligations on account of Class III awards and the award under Private Law 509. Through June 30, 1964, $41,500,000 had been paid under the agreement.

TABLE 95.—*Status of claims of American nationals against certain foreign governments as of June 30, 1964*

	Bulgaria	Hungary	Rumania	Poland
Awards certified to the Treasury:				
Number of awards	231	1,301	565	786
Amount of awards:				
Principal	$4,684,186.46	$58,181,408.34	$60,011,347.78	$11,857,105.25
Interest	1,887,637.43	22,114,638.98	24,717,942.92	7,073,791.33
Total	6,571,823.89	80,296,047.32	84,729,290.70	18,930,896.58
Deposits in claims funds	2,816,146.84	1,798,037.77	21,135,056.49	8,000,000.00
Statutory deduction for administrative expenses	140,807.34	89,901.93	1,056,752.81	(1)
Amounts available for payment on awards	2,675,339.50	1,708,135.84	20,078,303.68	8,000,000.00
Payments on awards:				
Principal	2,672,254.57	1,638,951.27	20,048,525.97	449,246.99
Interest				
Combined principal and interest				
Balances in claims funds	3,084.93	69,184.57	29,777.71	7,550,753.01

1 Statutory deductions of 5 percent are made from each payment to cover administrative expenses.

International Financial Transactions

TABLE 96.—*U.S. net monetary gold transactions with foreign countries and international institutions, fiscal years 1945–64*

[In millions of dollars at $35 per ounce. Negative figures represent net sales by the United States; positive figures, net purchases]

Country, etc.	1945–59	1960	1961	1962	1963	1964
Afghanistan	−5.3					(*)
Algeria						−15.0
Argentina	914.9		−140.0	85.0		−30.0
Austria	−129.7	−44.5		−56.3	−136.3	−87.5
Bank for International Settlements	−454.3		−59.0			
Belgium	−226.2	−50.8	−90.1	−207.4		
Bolivia	18.8					−.1
Brazil	−25.4				103.6	54.4
Burma			−3.8	−5.0	−16.0	
Cambodia			−12.0	−3.1	−4.0	3.2
Cameroon Republic					−1.9	
Canada	606.3			190.0		
Central African Republic					−.7	
Ceylon		−7.5				(*)
Chad					−.7	
Chile	28.0	−1.3	−8.6			
Colombia	69.1		−6.3		37.8	(*)
Congo (Leopoldville)				28.8		−3.1
Costa Rica				−2.3	−.6	−.6
Cyprus				−2.0		
Dahomey					−.8	
Denmark	−53.4	−10.0	−50.0		15.0	
Dominican Republic	−13.2			−3.1	−.2	−2.5
Ecuador	2.1				−5.5	
Egypt	−120.8	−7.5		−8.5	−1.6	−10.4
El Salvador	−21.6		6.4	−5.7		−2.2
Finland	−9.0	−4.7	−3.0			−5.0
France	202.3	−265.7	−173.0	−140.6	−517.6	−517.7
Gabon					−.7	
Germany, Federal Republic of	−375.6		−56.3			−200.0
Ghana			−5.6			
Greece	−45.2	−15.0	−47.0	−29.2		
Guinea						−2.8
Iceland		−2.4		−7.1		(*)
Indonesia	−82.0	−6.0	−24.9	−.2		
Inernational Bank	18.8					
Intternational Monetary Fund [1]	[2] 437.3	252.1	300.0	150.0		
Iran				−16.2	−5.9	
Iraq			−29.8			
Israel	−1.1	−4.4		−10.0		−9.0
Italy	−463.1		100.0			200.0
Ivory Coast					−1.5	
Japan	−125.0	−62.5	−15.2			
Korea	−1.9	−1.6				
Kuwait			−9.8		−12.5	

Footnotes at end of table.

TABLE 96.—*U.S. net monetary gold transactions with foreign countries and international institutions, fiscal years 1945–64*—Continued

[In millions of dollars at $35 per ounce]

Country, etc.	1945–59	1960	1961	1962	1963	1964
Laos			−1.9			
Lebanon	−21.8			−32.1	−21.0	
Madagascar						−2.3
Mauretania						−.8
Mexico	44.9	−10.0	−20.0			−4.0
Morocco			−21.0			−.1
Netherlands	−367.1	−34.9	−214.4	−24.9		
Nicaragua	19.9					
Niger					−.8	
Nigeria				−20.0		
Norway	11.7					
Peru	−7.2		−20.0		−.6	−10.6
Philippines	33.8	5.0			24.6	9.6
Portugal	−41.6					
Republic of Congo (Brazzaville)					−.7	
Saudi Arabia	−4.1		−35.0	−25.1		
Senegal				−.8	−1.7	
Somalia					−1.9	(*)
South Africa	1,121.3					
Spain	63.2		−171.5	−204.1	−170.0	−2.0
Surinam	−2.5		−2.5		2.5	2.5
Sweden	246.4					
Switzerland	−432.6	20.1	−399.1	46.9	5.0	−30.0
Syria	−10.4			−1.1	−.3	−3.0
Togo				−1.1		
Tunisia				−.5	−.5	−.5
Turkey	57.9		−8.6	−1.1	6.0	9.8
United Kingdom	−52.5	−150.0	−475.4	−711.6	68.8	535.0
Upper Volta					−.8	
Uruguay	−7.9		−3.8		8.0	−.1
Vatican City	4.4	1.0	−7.0			1.0
Venezuela	−425.9	65.0				
Yugoslavia		−1.5	−15.9	−.7	−1.6	−2.3
All other	−138.9	−4.5	−6.3	−6.8	−1.4	−1.9
Total	235.8	−341.6	−1,730.4	−1,025.7	−636.2	−128.0

*Less than $50,000.

1 International Monetary Fund (IMF) figures prior to 1961 include gold purchases by the IMF on behalf of member countries for their payments to the IMF.

2 Includes $343.8 million payment to the International Monetary Fund. Pursuant to an act approved June 17, 1959 (22 U.S.C. 286e-1), the United States made payment of its increase in quota to the IMF, amounting to $1,375,000,000 on June 23, 1959. The payment was made in gold in the amount of $343,750,000.40, and in nonnegotiable, noninterest-bearing notes of the United States amounting to $1,031,249,999.60, in place of a like amount of currency.

TABLE 97.—*Estimated gold reserves and dollar holdings of foreign countries and international institutions as of June 30, 1963, December 31, 1963, and June 30, 1964*

[In millions of dollars]

Area and country	June 30, 1963		December 31, 1963			June 30, 1964			
	Total gold and short-term dollars	U.S. Government bonds and notes	Total gold and short-term dollars	U.S. Government bonds and notes [1]		Gold	Short-term dollar holdings	Total gold and short-term dollars	U.S. Government bonds and notes
				On basis of 1960 survey	On basis of 1963 survey				
Western Europe:									
Austria	814	2	901	2	3	592	310	902	3
Belgium	r 1,617	1	1,791	1	(*)	1,392	440	1,832	(*)
Denmark	111	15	192	13	14	31	197	228	14
Finland	131	(*)	160	(*)	1	65	102	167	1
France	r 4,541	3	4,653	3	6	3,451	1,552	5,003	7
Germany, Federal Republic of	6,462	3	6,884	3	1	4,081	2,535	6,616	1
Greece	251	(*)	265	(*)	(*)	77	147	224	(*)
Italy	3,422	1	3,146	1	1	2,148	891	3,039	1
Netherlands	1,897	2	1,961	2	4	1,601	222	1,823	5
Norway	165	137	164	126	131	31	157	188	131
Portugal	625	1	688	1	(*)	497	188	685	(*)
Spain	736	1	778	1	2	575	264	839	2
Sweden	699	73	591	133	129	182	433	615	130
Switzerland	3,420	83	3,726	83	75	2,599	1,138	3,737	77
Turkey	r 146	(*)	136	(*)	(*)	115	14	129	(*)
United Kingdom	4,354	298	3,967	361	328	2,439	1,715	4,154	402
Yugoslavia	17	----------	30	----------	----------	15	14	29	----------
Other and unidentified [2]	r 480	48	400	49	46	235	310	545	48
Total Western Europe	r 29,888	668	30,433	779	741	20,126	10,629	30,755	822
Canada	3,929	644	3,805	686	687	931	2,743	3,674	686
Latin American Republics:									
Argentina	393	1	453	1	(*)	74	350	424	(*)
Bolivia [3]	23	(*)	35	(*)	(*)	3	35	38	(*)
Brazil	348	1	329	1	(*)	121	174	295	(*)
Chile	172	(*)	186	(*)	(*)	43	184	227	(*)
Colombia	243	1	231	1	1	64	173	237	1
Costa Rica [3]	35	(*)	31	(*)	(*)	2	36	38	(*)
Cuba	15	(*)	12	(*)	(*)	n.a.	11	11	(*)
Dominican Republic [3]	50	(*)	61	(*)	(*)	3	41	44	(*)
Ecuador [3]	57	(*)	72	(*)	----------	11	62	73	----------

El Salvador [3]	67	(*)	60	(*)	-----	18	58	76	-----
Guatemala [3]	98	(*)	71	(*)	-----	23	65	88	-----
Haiti [3]	13	(*)	14	(*)	(*)	1	17	18	(*)
Honduras [3]	24	(*)	20	(*)	(*)	(*)	26	26	(*)
Jamaica [3]	6	2	6	2	1	n.a.	5	5	1
Mexico	688	4	808	5	2	168	649	817	1
Nicaragua [3]	43	(*)	35	(*)	(*)	(*)	52	52	(*)
Panama	111	1	129	1	10	(*)	105	105	(*)
Paraguay [3]	7	-----	9	-----	-----	(*)	8	8	-----
Peru	168	(*)	215	(*)	(*)	67	204	271	(*)
Trinidad and Tobago [3]	4	-----	6	-----	-----	n.a.	5	5	-----
Uruguay	262	1	284	1	(*)	171	105	276	(*)
Venezuela	905	1	992	1	(*)	401	656	1,057	(*)
Unidentified [4]	−29	-----	4	−1	-----	-----	16	16	1
Total Latin American Republics	3,703	12	4,063	12	14	1,170	3,037	4,207	4
Asia:									
India	295	5	298	5	(*)	247	64	311	(*)
Indonesia	76	1	92	1	1	44	42	86	1
Iran [3]	178	(*)	166	(*)	(*)	141	33	174	(*)
Israel	152	1	172	1	(*)	56	135	191	2
Japan	2,613	3	2,758	3	5	304	2,441	2,745	5
Korea	94	-----	115	-----	-----	2	106	108	-----
Pakistan [3]	69	(*)	70	(*)	(*)	53	16	69	2
Philippines	223	(*)	237	(*)	(*)	23	204	227	(*)
Syria [3]	22	-----	21	-----	-----	19	6	25	-----
Thailand	480	(*)	486	(*)	(*)	104	425	529	(*)
Other and unidentified [4] [5]	r 1,036	39	1,101	41	41	562	773	1,335	38
Total Asia [5]	r 5,238	49	5,516	51	47	1,555	4,245	5,800	48
Africa:									
South Africa	636	(*)	671	(*)	(*)	607	38	645	(*)
United Arab Republic (Egypt)	191	(*)	188	(*)	-----	174	22	196	-----
Other and unidentified [4]	355	10	291	10	9	108	168	276	10
Total Africa	1,182	10	1,150	10	9	889	228	1,117	10
Other countries:									
Australia	360	(*)	388	(*)	(*)	218	166	384	(*)
New Zealand [3]	10	-----	11	-----	(*)	1	19	20	(*)
Other and unidentified [4] [5] [6]	r 345	30	303	30	26	26	305	331	26
Total other countries [5] [6]	r 715	30	702	30	26	245	490	735	26
Total foreign countries [5]	r 44,655	1,413	45,669	1,568	1,524	24,916	21,372	46,288	1,596
International and regional [7]	r 7,086	1,065	6,958	1,213	1,218	2,368	4,926	7,294	1,068

Footnotes on next page.

Footnotes for table 97

*Less than $500,000. [r] Revised. n.a. Not available.

[1] Because of a change in the series on holdings of U.S. Government bonds and notes as of Dec. 31, 1963, the statistics for that date are shown on two bases. The first set of figures ends the series based on a 1960 survey and subsequent reported securities transactions through Dec. 31, 1963. The second set begins a new series based on a survey of holdings as of July 31, 1963, and the monthly transactions reports. For statistical convenience, the new series is introduced as of Dec. 31, 1963, rather than as of the survey date. Data are not available to reconcile the two series or to revise figures for earlier dates.

[2] Includes holdings of the Bank for International Settlements (B.I.S.) and the European Fund, gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold, and unpublished gold reserves of certain Western European countries. The figures included for the gold reserves of the B.I.S. represent the Bank's net gold assets.

[3] Data on short-term dollars for June 30, 1963, are as reported for Apr. 30, 1963, and for June 30, 1964, as reported for Apr. 30, 1964.

[4] Gold and short-term dollar data for June 30, 1963, and June 30, 1964, include statistical adjustments arising from inclusion of data on short-term dollar holdings for some countries as of the preceding Apr. 30.

[5] Excludes gold reserves of the U.S.S.R., other Eastern European countries, and China Mainland.

[6] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.

[7] Includes principally the International Monetary Fund, the International Bank for Reconstruction and Development, and regional organizations in Latin America and Europe, except for the Bank for International Settlements and the European Fund, which are included in "Other Western Europe."

NOTE.—Gold and short-term dollars represent reported and estimated official gold reserves, and official and private short-term dollar holdings (principally deposits and U.S. Treasury bills and certificates) reported by banks in the United States. Short-term dollars exclude nonnegotiable, noninterest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association. U.S. Government bonds and notes represent estimated official and private holdings of U.S. Government securities with an original maturity of more than one year except for nonmarketable U.S. Treasury notes, foreign series, and U.S. Treasury bonds, foreign currency series, which are excluded.

TABLE 98.—*U.S. gold stock and holdings of convertible foreign currencies by U.S. monetary authorities, fiscal years 1952–64*

[In millions of dollars]

End of fiscal year or month	Total gold stock and foreign currency holdings	Gold stock [1]		Foreign currency holdings [3]
		Treasury	Total [2]	
1952	23,533	23,346	23,533	----------
1953	22,521	22,463	22,521	----------
1954	22,027	21,927	22,027	----------
1955	21,730	21,678	21,730	----------
1956	21,868	21,799	21,868	----------
1957	22,732	22,623	22,732	----------
1958	21,412	21,356	21,412	----------
1959	19,746	19,705	19,746	----------
1960	19,363	19,322	19,363	----------
1961	17,789	17,550	17,603	186
1962	17,081	16,435	16,527	554
1963	15,956	15,733	15,830	126
1964	15,805	15,461	15,623	182
1963—July	15,764	15,633	15,677	87
August	15,725	15,582	15,633	92
September	15,788	15,582	15,634	154
October	15,910	15,583	15,640	270
November	15,780	15,582	15,609	171
December	15,808	15,513	15,596	212
1964—January	15,847	15,512	15,540	307
February	15,865	15,462	15,518	347
March	15,990	15,461	15,550	440
April	15,991	15,462	15,727	264
May	15,946	15,463	15,693	253
June	15,805	15,461	15,623	182

[1] Includes gold sold to the United States by the International Monetary Fund with the right of repurchase, the proceeds of which are invested by the Fund in U.S. Government securities; as of June 30, 1964, this amounted to $800 million. Of this amount, the United States purchased $200 million in 1956, $300 million in 1959, and $300 million in 1960.

[2] Includes gold in Exchange Stabilization Fund, which is not included in Treasury gold figures shown in the daily Treasury statement or in the *Circulation Statement of United States Money*.

[3] Includes holdings of Treasury and Federal Reserve System.

NOTE.—The United States also has certain drawing rights on the International Monetary Fund, in which the United States has a quota of $4,125 million. In accordance with Fund policies, these drawing rights include the right to draw virtually automatically an amount equal to the sum of the U.S. gold subscription to the Fund ($1,031.2 million) less net U.S. drawings from the Fund and the Fund's net operational receipts in U.S. dollars. On June 30, 1964, the net balance of these three amounts was $786.2 million. Under appropriate circumstances the United States could draw an additional amount equal to the U.S. quota.

TABLE 99.—*International investment position of the United States, total December 31, 1950; by area, December 31, 1962 and 1963*

[In millions of dollars]

Type of investment	Total			Western Europe		Canada		Latin American Republics		Other foreign countries		International institutions and unallocated	
	1950	1962 r	1963 p	1962 r	1963 p	1962 r	1963 p	1962 r	1963 p	1962 r	1963 p	1962 r	1963 p
U.S. assets and investments abroad, total	31,539	80,343	88,154	22,409	24,818	19,915	21,574	15,222	15,743	17,904	21,110	4,893	4,909
Gold stock (not included in total)	22,820	16,057	15,596										
Private investments	19,004	60,025	66,366	14,524	16,993	19,908	21,568	12,111	12,368	10,645	12,630	2,837	2,807
Long-term	17,488	52,732	58,256	12,959	15,352	18,612	20,255	10,185	10,380	8,140	9,463	2,836	2,806
Direct	11,788	37,226	40,645	8,930	10,351	12,133	13,016	8,424	8,657	6,092	6,889	[1] 1,647	[1] 1,732
Foreign dollar bonds	1,692	6,348	7,356	534	779	3,289	3,861	335	358	1,104	1,284	1,086	1,074
Other foreign bonds [2]	1,466	806	775	59	60	551	596	24	24	69	95	[2] 103	
Foreign corporate stocks	1,175	4,714	5,145	2,113	2,319	2,301	2,461	64	65	236	300		
Banking claims	390	1,960	2,815	577	1,081	104	75	878	965	401	694		
Other	977	1,678	1,520	746	762	234	246	460	311	238	201		
Short-term assets and claims	1,516	7,293	8,110	1,565	1,641	1,296	1,313	1,926	1,988	2,505	3,167	1	1
Reported by banks	886	5,101	5,848	869	912	526	611	1,535	1,588	2,171	2,737	(*)	
Other	630	2,192	2,262	696	729	770	702	391	400	334	430	1	1
U.S. Government credits and claims	12,535	20,318	21,788	7,885	7,825	7	6	3,111	3,375	7,259	8,480	2,056	2,102
Long-term credits [3]	10,768	16,042	17,146	7,211	7,029			2,922	3,133	4,940	5,942	969	1,042
Repayable in dollars [4]	n.a.	n.a.	13,160	n.a.	5,992			n.a.	2,871	n.a.	3,255	n.a.	1,042
Repayable in foreign currencies, etc.[5]	n.a.	n.a.	3,986	n.a.	1,037			n.a.	262	n.a.	2,687	n.a.	
Foreign currencies and short-term claims	322	3,113	3,395	578	587	4	3	189	242	2,319	2,538	23	25
IMF gold tranche position and monetary authorities' holdings of convertible currencies	1,445	1,163	1,247	96	209	3	3					1,064	1,035

Foreign assets and investments in the United States, total	17,635	46,280	51,478	26,490	29,876	7,350	7,767	4,018	4,789	5,444	6,111	2,978	2,935
Long-term	7,997	20,216	22,794	14,369	16,237	3,520	3,884	1,223	1,393	953	1,097	151	183
Direct	3,391	7,612	7,944	5,245	5,491	2,064	2,183	141	112	162	158	---	---
Corporate stocks	2,925	10,336	12,485	7,697	9,307	1,242	1,490	785	935	563	687	49	66
Corporate, State, and municipal bonds	181	657	702	439	460	(*)	(*)	76	77	40	48	102	117
Other	1,500	1,611	1,663	988	979	214	211	221	269	188	204	---	---
Short-term assets and U.S. Government obligations	9,638	26,064	28,684	12,121	13,639	3,830	3,883	2,795	3,396	4,491	5,014	2,827	2,752
Private obligations	6,477	13,344	14,878	5,321	5,827	1,899	2,018	2,431	2,901	3,170	3,675	523	457
Reported by banks	5,751	12,579	14,128	4,936	5,414	1,809	1,937	2,291	2,786	3,020	3,534	523	457
Other	726	765	750	385	413	90	81	140	115	150	141	(*)	(*)
U.S. Government obligations	3,161	12,720	13,806	6,800	7,812	1,931	1,865	364	495	1,321	1,339	2,304	2,295
Bills and certificates	1,508	9,379	8,720	5,237	5,348	1,540	1,051	93	225	1,155	1,142	1,354	954
Marketable bonds and notes	1,470	2,110	[6] 2,742	708	[6] 741	389	[6] 687	125	[6] 98	89	[6] 82	799	[6] 1,134
Nonmarketable bonds and notes	---	251	893	251	768	---	125	---	---	---	---	---	---
Other [7]	183	980	1,451	604	955	2	2	146	172	77	115	151	207

[r] Revised. [p] Preliminary. n.a. Not available. *Negligible.

[1] Represents the estimated investment in shipping companies registered primarily in Panama and Liberia.

[2] Consists primarily of securities payable in foreign currencies, but includes some dollar obligations, including, through 1962, participations and loans made by the International Bank for Reconstruction and Development. Subsequent to 1962 participations in IBRD loans are included under banking claims and "other" long term, according to country of obligor.

[3] Excludes World War I debts that are not currently being serviced.

[4] Includes indebtedness repayable in U.S. dollars, or optionally in foreign currencies when option rests with U.S. Government.

[5] Includes indebtedness which the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

[6] New series based on a survey as of July 31, 1963. Data to reconcile the old and new series are not available.

[7] Includes noninterest-bearing demand notes issued in payment of subscriptions to international and regional organizations (other than IMF), portfolio fund certificates sold abroad by Export-Import Bank, liabilities associated with Government grant and capital transactions (including restricted accounts), and advances for military exports and other Government sales.

SOURCE.—Department of Commerce, *Survey of Current Business*, August 1964.

TABLE 100.—*U.S. balance of payments, fiscal years 1963 and 1964* [1]

[In millions of dollars]

	1963	1964
Commercial merchandise exports [2]	18,158	21,084
Commercial merchandise imports	−16,286	−17,789
Commercial trade balance	1,872	3,295
Commercial services, remittances, pensions (net) [2]	1,706	1,936
Commercial balance	3,578	5,231
Military expenditures (net) [3]	−2,284	−2,242
Government grants and capital payments abroad	−1,059	−725
Government debt payments excluding fundings, prepayments	461	527
Private long-term capital (net):		
a. U.S. direct investment (net)	−2,015	−1,823
b. New issues of foreign securities	−1,593	−664
c. Transactions in outstanding securities	−123	252
d. Redemptions and other long-term U.S. capital	33	−617
e. Foreign long-term capital (net)	217	216
Short-term capital (net)	−820	−1,462
Errors and omissions	−1,029	−433
Balance on regular transactions	−4,634	−1,740
Nonscheduled receipts on Government loans	681	352
Advances on military exports	344	394
Sales of nonmarketable medium-term Government securities	806	163
Overall balance	−2,803	−831
Liquid liabilities (decrease −)	1,377	357
U.S. monetary reserve assets (increase −):		
a. IMF position	301	323
b. Change in holdings of convertible currencies	428	−56
c. Change in gold holdings	697	207

[1] Excluding military transfers under grants.
[2] Excluding exports and services financed by Government grants and capital.
[3] Excluding advances on military exports.

TABLE 101.—*Assets and liabilities of the Exchange Stabilization Fund as of June 30, 1963 and 1964*

Assets and liabilities	June 30, 1963	June 30, 1964 p	Fiscal year 1964, increase, or decrease (−)
ASSETS			
Cash:			
Treasurer of the United States, checking accounts	$1,069,324.12	$366,183.97	−$703,140.15
Federal Reserve Bank of New York, special account			
Imprest fund	r 500.00	500.00	
Total cash	r 1,069,824.12	366,683.97	−703,140.15
Special account of the Secretary of the Treasury in the Federal Reserve Bank of New York—gold (schedule 1)	r 96,211,596.84	161,614,526.20	65,402,929.36
Foreign exchange due from foreign banks:			
Central Bank of Argentina	40,000,000.00	30,100,000.00	−9,900,000.00
Belgian National Bank		11,412.09	11,412.09
Banco de Brazil	52,200,000.00	25,340,000.00	−26,860,000.00
Bank of Canada	553,840.55	568,653.64	14,813.09
Banco Central de Chile	6,250,000.00	17,400,000.00	11,150,000.00
Deutsche Bundesbank	2,513,878.57	1,654,587.89	−859,290.68
Deutsche Bundesbank (IMF)		17,409.81	17,409.81
Bank of England	1,080,563.62	3,495,856.44	2,415,292.82
Banque de France (IMF)		1,427,033.68	1,427,033.68
Banco d'Italia	104,425.16	63,681.37	−40,743.79
Netherlands Bank	848,456.62	514,833.17	−333,623.45
Swiss National Bank	212,783.83	153,730.43	−59,053.40
Bank for International Settlements	193,985.81	21,175.47	−172,810.34
Investments in U.S. Government securities (schedule 2)	r 153,032,540.48	317,064,490.54	164,031,950.06
Investments in foreign securities (schedule 2)	7,695,503.14	49,772,557.59	42,077,054.45
Accrued interest receivable (schedule 2)	r 406,807.28	745,646.91	338,839.63
Accounts receivable	r 551,888.40	430,593.97	−121,294.43
Deferred charges	r 85,541.24	191,261.90	105,720.66
Office equipment and fixtures, less allowance for depreciation	r 33,809.80	55,909.20	22,099.40
Land and structures		150,000.00	150,000.00
Total assets	r 363,045,445.46	611,160,044.27	248,114,598.81
LIABILITIES AND CAPITAL			
Liabilities: [1]			
Vouchers payable	134,225.53		−134,225.53
Employees' payroll allotment account, U.S. savings bonds	3,152.32	3,593.62	441.30
Accounts payable	r 464,204.37	329,651.87	−134,552.50
Special Deposit Accounts	15,000,000.00	5,600,000.00	−9,400,000.00
Advance from U.S. Treasury (IMF)		250,000,000.00	250,000,000.00
Total liabilities	r 15,601,582.22	255,933,245.49	240,331,663.27
Capital:			
Capital account	200,000,000.00	200,000,000.00	
Cumulative net income (schedule 3)	r 147,443,863.24	155,226,798.78	7,782,935.54
Total capital	r 347,443,863.24	355,226,798.78	7,782,935.54
Total liabilities and capital	r 363,045,445.46	611,160,044.27	248,114,598.81

[1] For contingent liabilities under outstanding stabilization agreements, see schedule 4.
p Preliminary. r Revised.

SCHEDULE 1.—SPECIAL ACCOUNT OF THE SECRETARY OF THE TREASURY IN THE FEDERAL RESERVE BANK OF NEW YORK—GOLD

Gold accounts	June 30, 1963		June 30, 1964 p	
	Ounces	Dollars	Ounces	Dollars
Federal Reserve Bank of New York	1,895,152.809	$66,330,348.22	460,147.948	$16,105,178.18
U.S. Assay Office, New York	1,595.524	55,848.22	1,595.513	55,847.86
Federal Reserve Bank of New York, Account No. 4	850,423.217	r 29,825,400.40	4,147,511.943	145,453,500.16
Total gold	2,747,171.550	r 96,211,596.84	4,609,255.404	161,614,526.20

p Preliminary. r Revised.

TABLE 101.—*Assets and liabilities of the Exchange Stabilization Fund as of June 30, 1963 and 1964*—Continued

SCHEDULE 2.—INVESTMENTS HELD BY THE EXCHANGE STABILIZATION FUND JUNE 30, 1964

Securities	Face value	Cost (in dollars)	Average price	Accrued interest
U.S. Government securities, public issues:				
Treasury bonds:				
2½% of 1964–69 (dated Apr. 15, 1943)	$2,200,000.00	$2,199,625.00	99.98295	$2,254.10
2½% of 1964–69 (dated Sept. 15, 1943)	400,000.00	399,875.00	99.96875	409.83
2½% of 1965–70	10,000,000.00	10,000,000.00	100.00000	72,690.21
2½% of 1966–71	2,400,000.00	2,398,843.75	99.95182	17,445.65
2½% of 1967–72 (dated Nov. 15, 1945)	10,000,000.00	10,000,000.00	100.00000	10,245.90
Total public issues	25,000,000.00	24,998,343.75		103,045.69
Special issues, Exchange Stabilization Fund series:				
3.25%, maturing July 1, 1964	291,564,490.54	291,564,490.54		511,644.97
3.525%, maturing July 1, 1964	500,000.00	500,000.00		130,956.25
Total special issues	292,064,490.54	292,064,490.54		642,601.22
Total	317,064,490.54	317,062,834.29		745,646.91
Foreign securities:				
British Government, Treasury bills	£1,120,000/0/0	3,096,949.59		
Republic of Germany, Treasury bills	DM187,200,000.00	46,675,608.00		
Total foreign securities		49,772,557.59		

SCHEDULE 3.—INCOME AND EXPENSE

Classification	Jan. 31, 1934, through— June 30, 1963	June 30, 1964 p
Income:		
Profits on transactions in:		
Gold and exchange (including profits from handling charges on gold)	r $137,241,652.64	$138,507,284.87
Sale of silver to U.S. Treasury	3,473,362.29	3,473,362.29
Silver	102,735.27	102,735.27
Investments	r 2,633,468.15	2,638,546.28
Miscellaneous	105,621.96	117,154.60
Interest on:		
Investments	r 26,382,800.71	31,564,115.24
Foreign balances	r 11,594,758.37	16,200,776.18
Total income	r 181,534,399.39	192,603,974.73
Expense:		
Personnel compensation and benefits	25,824,452.65	28,472,603.55
Travel	1,568,826.73	1,748,056.96
Transportation of things	2,142,512.75	2,169,165.65
Rent, communications, and utilities	800,359.69	871,452.39
Supplies and materials	r 205,144.73	235,071.78
Other	3,549,239.60	3,880,825.62
Total expense	r 34,090,536.15	37,377,175.95
Cumulative net income	r 147,443,863.24	155,226,798.78

p Preliminary. r Revised.

SCHEDULE 4.—CURRENT U.S. STABILIZATION AGREEMENTS, JUNE 30, 1964

Country	Effective dates			Amounts (in millions)		
	Original	Renewal	Expiration	Original agreement	Advances	Repayments
Argentina	June 7, 1962 [1]	Mar. 27, 1963	Oct. 6, 1963 [2]	$50	$50	$19.9
Brazil	May 16, 1961		May 15, 1963 [2]	70	130	104.7
Chile	Jan. 31, 1963		Jan. 30, 1964 [2]	10	10	1.6
Chile	Mar. 13, 1964		Feb. 13, 1965	15	9	
Mexico	Jan. 1, 1964		Dec. 31, 1965	75		

[1] Agreement dated Jan. 1, 1959, terminated.

[2] No further drawings permitted after expiration.

TABLE 102.—*Summary of receipts, withdrawals, and balances of foreign currencies acquired by the United States without purchase with dollars, fiscal year 1964*

[In U.S. dollar equivalent]

Balance held by Treasury Department, July 1, 1963		r $1,547,507,121.45
Receipts:		
Sale of surplus agricultural commodities pursuant to:		
Title I, Public Law 480, Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704-5)	$1,119,316,840.70	
Section 402, Mutual Security Act of 1954 (22 U.S.C. 1922)	−387,415.11	
Commodity Credit Corporation Charter Act (15 U.S.C. 713a)	245,009.49	
Loans and other assistance:		
Title I, Public Law 480, loan repayments, including interest:		
Section 104(e), loans to private enterprises	14,542,643.04	
Section 104(g), loans to foreign governments	58,100,509.73	
Section 612, Foreign Assistance Act of 1961 (22 U.S.C. 2362) loan repayments including interest:		
Development Loan Fund	85,770,842.10	
Mutual Security Program	32,505,764.16	
Informational media guarantees (22 U.S.C. 1442), principal	2,448,900.05	
Lend-lease and surplus property agreements (22 U.S.C. 412b), and (50 App. U.S.C. 1641(b)(1), 1946 ed.)[1]	7,274,378.87	
Bilateral agreements 5% and 10% counterpart funds (22 U.S.C. 1852(b))	13,153,957.02	
Interest on public deposits	26,962,550.15	
Foreign programs held in trust	38,499,224.50	
All other sources	42,973,454.81	
Total collections		1,441,406,659.51
Total available		2,988,913,780.96
Withdrawals:		
Sold for dollars, proceeds credited to:[2]		
Miscellaneous receipts of the general fund	95,629,912.38	
Commodity Credit Corporation, Agriculture	205,123,127.03	
Informational media guarantee fund, USIA	2,604,938.72	
Other fund accounts	17,961,838.39	
Total sold for dollars	321,319,816.52	
Requisitioned for use without reimbursement to the Treasury pursuant to:		
Section 104, Public Law 480, as amended (7 U.S.C. 1704)	840,920,876.52	
Section 402, Mutual Security Act as amended (22 U.S.C. 1922)	−386,659.93	
Trust agreements	38,499,224.50	
Other authority	117,376,034.14	
Total requisitioned without reimbursement	996,409,475.23	
Total withdrawals		1,317,729,291.75
Adjustment for rate differences		−43,509,473.66
Balances held by Treasury Department, June 30, 1964		1,627,675,015.55
Analysis of balance held by Treasury Department June 30, 1964:		
Proceeds for credit to miscellaneous receipts of the general fund		399,959,402.97
Proceeds for credit to agency accounts:		
Commodity Credit Corporation, Agriculture		337,897,946.20
Informational media guarantee fund, USIA		988,807.63
Other		277,110.74
For program use under sec. 103(c), Mutual Security Act of 1954, as amended (22 U.S.C. 1813)		2,998,253.52
For program allocations:		
Section 104, Title I, Public Law 480, as amended		884,591,265.24
Section 635, Foreign Assistance Act of 1961 (22 U.S.C. 2395)		353,451.74
Section 612, Foreign Assistance Act of 1961 (22 U.S.C. 2362)		608,777.51
Total		[3] 1,627,675,015.55

Footnotes at end of tablo.

TABLE 102.—*Summary of receipts, withdrawals, and balances of foreign currencies acquired by the United States without purchase with dollars, fiscal year 1964*—Con.

[In U.S. dollar equivalent]

Balances held by other executive agencies, June 30, 1964, for purpose of:	
Economic and technical assistance under Mutual Security Act	$47,602,723.38
Programmed uses under Agricultural Trade Development and Assistance Act	1,106,615,501.83
Military family housing in foreign countries	6,862,210.41
Trust agreements with foreign countries	17,591,275.52
Other	742,879.32
Total	1,179,414,590.46
Grand total	2,807,089,606.01

r Revised.

1 Collections under lend-lease and surplus property agreements will continue to be made until such agreements are satisfied, although the act originally authorizing such action has been repealed.

2 Dollars acquired from the sale of foreign currencies are derived from charges against the dollar appropriations of the Federal agencies which use the currencies. These dollar proceeds are credited to either miscellaneous receipts or other appropriate accounts on the books of the Treasury.

3 Represents the dollar value of currencies held in the accounts of the Treasury Department only. Currencies transferred to agency accounts pursuant to requisitions submitted to the Treasury Department, or as otherwise authorized, are accounted for by the U.S. Government agencies. Balances held by executive departments and agencies as of June 30, 1964, are stated at end of summary.

NOTE.—For the purpose of providing a common denominator, the currencies of 85 foreign countries are herein stated in U.S. dollar equivalents. It should not be assumed that dollars in amounts equal to the balances shown are actually available. The dollar equivalents are calculated at varying rates of exchange. Foreign currencies deposited under certain provisions of Public Law 480 and the Mutual Security Act were converted at deposit rates provided for in the international agreements with the respective countries. The greater portion of these currencies is available to agencies without reimbursement pursuant to legislative authority and, when disbursed to the foreign governments, will generally be accepted by them at the deposit or collection rates. Currencies available for sale for dollars and certain other U.S. uses were converted at market rates of exchange in effect on the date of the sale and market rates in effect at the end of the month for transactions during the month, these market rates being those used to pay U.S. obligations. The closing balances were converted at the June 30, 1964, market rates.

For detailed data on collections and withdrawals by country and program, see Part V of the *Combined Statement of Receipts, Expenditures and Balances of the United States Government for the Fiscal Year Ended June 30, 1964.*

TABLE 103.—*Balances of foreign currencies acquired by the United States without purchase with dollars, June 30, 1964*

Country	Currency	In Treasury accounts		In agency accounts	
		Foreign currency	Dollar equivalent	Foreign currency	Dollar equivalent
Afghanistan	Afghani	485,739.88	$8,597.17	72,235,481.54	$1,278,504.10
Argentina	Peso	17,123,798.95	124,718.13	14,374,980.16	104,697.59
Australia	Pound	55,000.00	123,651.08	759.67	1,707.90
Austria	Schilling	3,721,400.36	144,632.74	917,333.63	35,652.30
Belgium	Franc	42,122,724.00	844,481.23	441,111.00	8,843.44
Bermuda	Pound			150.60	421.73
Bolivia	Peso	10,298,561.62	866,882.29	60,963,953.32	5,131,645.88
Brazil	Cruzeiro	18,559,900,857.50	15,999,914.53	49,548,856,362.70	42,714,531.35
Burma	Kyat	79,089,011.23	16,763,249.52	95,865,537.55	20,319,105.03
Cambodia	Riel			17,143,271.17	349,862.68
Canada	C. Dollar	169,435.07	157,175.39		
Ceylon	Rupee	12,920,005.37	2,722,867.32	59,208,279.00	12,478,035.61
Chile	Escudo	1,513,631.19	542,301.71	4,446,153.10	1,389,422.84
China	N.T. Dollar	531,426,147.96	13,285,653.69	979,978,215.67	24,499,455.39
Colombia	Peso	24,378,459.20	2,442,731.39	10,901,887.48	1,092,373.49
Congo, Republic of the.	Franc	813,192,531.00	5,421,283.53	820,879,625.00	5,472,530.83
Costa Rica	Colon			313,618.51	47,160.68
Cyprus	Pound	313,006.47	877,260.29	169,663.15	475,513.36
Czechoslovakia	Koruna			14,811.43	1,032.88
Denmark	Krone	931,511.36	134,923.43	96,667.09	14,001.61
Ecuador	Sucre	929,160.30	50,089.50	15,041,518.99	810,863.55
Ethiopia	E. Dollar	2,636,545.65	1,062,694.73	1,987,636.29	801,143.20
Finland	New Markka	8,304,421.19	2,588,659.97	7,825,666.65	2,439,422.27
France	Franc	12,936,427.49	2,644,478.58	568,235.24	115,966.38
Germany, Federal Republic of.	W.D. Mark			31,755,901.28	7,992,938.78

Footnote at end of table.

TABLE 103.—*Balances of foreign currencies acquired by the United States without purchase with dollars, June 30, 1964*—Continued

Country	Currency	In Treasury accounts		In agency accounts	
		Foreign currency	Dollar equivalent	Foreign currency	Dollar equivalent
Germany, East	E.D. Mark	32,042.69	$2,584.09		
Ghana	Pound			528.56	$1,493.13
Greece	Drachma	362,061,097.90	12,068,703.27	398,804,166.40	13,293,472.21
Guatemala	Quetzal	106,883.66	106,883.66	130,553.32	130,553.32
Guinea	Franc	840,047,991.00	3,574,672.31	2,674,653,582.00	11,381,504.60
Honduras	Lempira	1,110,589.27	555,294.64		
Hong Kong	H.K. Dollar	5,162,817.29	901,015.23	58,328.29	10,179.46
Hungary	Forint	724,640.00	15,096.67		
Iceland	Krona	31,563,871.45	734,898.06	12,734,360.56	296,492.68
India	Rupee	2,496,276,156.21	524,979,212.66	2,139,924,003.12	450,036,593.72
(Nepal, U.S.D.O.).	Indian Rupee	2,092,575.54	440,078.98	20,349,948.94	4,279,694.83
Indonesia	Rupiah	5,451,982,350.27	10,547,460.53	11,168,912,069.90	21,607,490.93
Iran	Rial	305,479,280.58	4,073,057.07	969,881,671.84	12,931,755.62
Iraq	Dinar			113.08	315.96
Ireland	Pound			604.52	1,694.30
Israel	Pound	105,059,400.82	35,003,133.60	106,283,160.32	35,427,720.12
Italy	Lira	422,673,578.00	676,277.72	1,995,641,251.00	3,193,026.00
Jamaica	Pound	1,646.60	4,618.79	10.33	28.99
Japan	Yen	10,098,031,473.15	28,050,087.42	9,049,464.45	25,137.40
Jordan	Dinar			618.90	1,738.53
Kenya	E.A. Shilling			4,481.47	629.33
Korea	Won	1,930,852,851.18	7,571,971.97	1,785,799,400.51	7,003,134.90
Laos	Kip			165,757,570.12	690,656.54
Lebanon	Pound	923,857.68	301,127.01	8,338.01	2,717.73
Libya	Pound	71,985.14	201,752.09	159,792.72	447,849.57
Malaysia	Malayan Dollar.	65,510.86	21,493.07	12,497.44	4,100.21
Mali	Franc	4,900,000.00	20,040.90	5,042,973.00	20,625.66
Mexico	Peso	25,484,593.39	2,040,399.79	751,677.88	60,182.38
Morocco	Dirham	13,040,537.48	2,600,306.57	76,412,928.06	15,236,874.99
Nepal	Nepalese Rupee.	437,685.23	57,711.66		
Netherlands	Guilder	2,357,078.35	653,292.23	3,405,705.79	943,931.76
New Zealand	Pound	39,449.45	110,193.99	254.12	709.85
Nicaragua	Cordoba	199,648.42	28,521.20		
Nigeria	Pound	79,704.43	224,519.55	427.36	1,203.84
Norway	Krone	2,478,732.05	347,648.26	26,487.35	3,714.92
Pakistan	Rupee	684,351,821.96	142,632,726.55	202,211,253.99	42,144,904.96
(Afghanistan, U.S.D.O.).	Pakistan Rupee.			427,465.15	89,092.36
Paraguay	Guarani	243,591,148.13	1,933,263.08	544,962,734.24	4,325,101.07
Peru	Sol	21,022,495.10	784,421.46	180,083,950.98	6,719,550.41
Philippines	Peso	1,708,005.05	437,950.02	51,486,067.18	13,201,555.69
Poland	Zloty	11,758,333,939.57	489,930,580.81	314,740.96	13,114.21
Portugal	Escudo	17,037,310.51	594,878.16	57,414.04	2,004.68
Senegal	C.F.A. Franc			363,952.00	1,485.52
Sierra Leone	W.A. Pound	70,258.82	195,326.19	1,502.06	4,175.89
Somali	Somalo			27,567.81	3,882.79
South Africa	Rand			34.45	48.36
Southern Rhodesia.	Pound			5,813.21	16,343.03
Spain	Peseta	51,709,454.97	864,851.23	1,091,857,366.41	18,420,515.14
Sudan	Pound	426,076.76	1,230,368.96	2,517,418.91	7,269,474.25
Sweden	Krona	3,651,372.01	711,352.43	3,776.73	735.77
Switzerland	Franc	14,144,026.60	3,279,394.07	40,342.01	9,353.58
Syrian Arab Republic.	Pound	10,113,503.61	2,478,799.89	72,114,242.08	17,675,059.33
Thailand	Baht			35,356,663.87	1,712,187.12
Togo	C.F.A. Franc	1,816,883.00	7,415.85		
Tunisia	Dinar	1,787,811.77	4,290,405.06	4,139,982.38	9,935,162.91
Turkey	Lira	235,088,871.86	26,120,985.77	332,283,181.28	36,920,353.49
United Arab Republic.	Pound	64,025,212.55	147,557,530.71	41,086,068.40	94,690,178.45
United Kingdom	Pound	2,414,586.91	6,744,656.24	4,132,930.29	11,544,498.03
Uruguay	Peso	29,957,848.20	1,532,370.75	5,717,741.07	292,467.58
Venezuela	Bolivar	1,383,307.55	308,774.01		
Vietnam	Piastre	502,157,931.89	6,900,617.45	445,890,961.48	6,127,400.87
Yugoslavia	Dinar	64,815,035,744.00	86,420,047.65	152,764,416,470.00	203,685,888.62
Total			[1] 1,627,675,015.55		[1] 1,179,414,590.46

[1] For the purpose of providing a common denominator, the currencies of 85 foreign countries are herein stated in U.S. dollar equivalents. It should not be assumed that dollars in amounts equal to the balances shown are actually available.

Indebtedness of Foreign Governments

TABLE 104.—*Status of indebtedness of foreign governments to the United States arising from World War I as of June 30, 1964*

	Original indebtedness	Interest through June 30, 1964	Total	Cumulative payments		Amount due June 30, 1964		
				Principal	Interest	Total	Unmatured principal	Principal and interest due and unpaid
Armenia	$11,959,917.49	$26,793,083.37	$38,753,000.86			$38,753,000.86		$38,753,000.86
Austria [1]	26,843,148.66	44,058.93	26,887,207.59	$862,668.00		26,024,539.59	$3,530,505.24	22,494,034.35
Belgium	419,837,630.37	293,936,720.47	713,774,350.84	19,157,630.37	$33,033,642.87	661,583,077.60	219,980,000.00	441,603,077.60
Cuba	10,000,000.00	2,286,751.58	12,286,751.58	10,000,000.00	2,286,751.58			
Czechoslovakia	185,071,023.07	97,297,635.71	282,368,658.78	19,829,914.17	304,178.09	262,234,566.52	91,875,000.00	170,359,566.52
Estonia	16,466,012.87	20,152,190.01	36,618,202.88		1,248,432.07	35,369,770.81	10,036,000.00	25,333,770.81
Finland	8,999,999.97	10,953,718.46	19,953,718.43	[2] 3,751,300.98	[2] 10,937,285.27	5,265,132.18	5,248,698.99	[3] 16,433.19
France	4,089,689,588.18	2,852,119,487.14	6,941,809,075.32	226,039,588.18	260,036,302.82	6,455,733,184.32	1,958,692,869.71	4,497,040,314.61
Great Britain	4,802,181,641.56	6,524,431,958.11	11,326,613,599.67	434,181,641.56	1,590,672,656.18	9,301,759,301.93	2,701,000,000.00	6,600,759,301.93
Greece	[4] 32,499,922.67	16,781,628.44	49,281,551.11	983,922.67	3,143,133.34	45,154,495.10	9,100,000.00	36,054,495.10
Hungary [5]	1,982,555.50	2,576,335.31	4,558,890.81	73,995.50	482,924.26	4,001,971.05	1,212,085.00	2,789,886.05
Italy	2,042,364,319.28	295,003,720.22	2,337,368,039.50	37,464,319.28	63,365,560.88	2,236,538,159.34	1,282,900,000.00	953,638,159.34
Latvia	6,888,664.20	8,533,006.91	15,421,671.11	9,200.00	752,349.07	14,660,122.04	4,230,300.00	10,429,822.04
Liberia	26,000.00	10,471.56	36,471.56	26,000.00	10,471.56			
Lithuania	6,432,465.00	7,965,412.14	14,397,877.14	234,783.00	1,003,173.58	13,159,920.56	3,859,007.00	9,300,913.56
Nicaragua [6]	141,950.36	26,625.48	168,575.84	141,950.36	26,625.48			
Poland	207,344,297.37	257,946,604.38	465,290,901.75	[7] 1,287,297.37	21,359,000.18	442,644,604.20	128,375,000.00	314,269,604.20
Rumania	68,359,192.45	45,816,305.84	114,175,498.29	[8] 4,498,632.02	[8] 292,375.20	109,384,491.07	35,084,000.00	74,300,491.07
Russia	192,601,297.37	447,199,484.93	639,800,782.30		[9] 8,750,311.88	631,050,470.42		631,050,470.42
Yugoslavia	63,577,712.55	19,354,652.92	82,932,365.47	1,952,712.55	636,059.14	80,343,593.78	38,895,000.00	41,448,593.78
Total	12,193,267,338.92	10,929,229,851.91	23,122,497,190.83	760,495,556.01	1,998,341,233.45	20,363,660,401.37	6,494,018,465.94	13,869,641,935.43

[1] The Federal Republic of Germany has recognized liability for securities falling due between Mar. 12, 1938, and May 8, 1945.

[2] $5,985,605.58 has been made available for educational exchange programs with Finland pursuant to 20 U.S.C. 222-224.

[3] Represents deferred interest due Dec. 15, 1964.

[4] Includes $12,167,000.00 of this debt which has been refunded by the agreement of May 28, 1964. The agreement has not been ratified by Congress.

[5] Interest payments from Dec. 15, 1932, to June 15, 1937, were paid in pengo equivalent.

[6] The indebtedness of Nicaragua was canceled pursuant to the agreement of Apr. 14, 1938.

[7] Excludes claim allowance of $1,813,428.69 dated Dec. 15, 1929.

[8] Excludes payment of $100,000.00 on June 15, 1940, as a token of good faith.

[9] Principally proceeds from liquidation of Russian assets in the United States.

TABLE 105.—*Status of German World War I indebtedness as of June 30, 1964*

	Funded indebtedness	Interest	Total	Payments	Amount due June 30, 1964		
					Principal	Interest	Total
Agreement of June 23, 1930—Mixed claims (reichsmarks)	[1] 1,632,000,000.00	444,720,000.00	2,076,720,000.00	87,210,000.00	1,550,400,000.00	439,110,000.00	1,989,510,000.00
Agreement of May 26, 1932—Army costs (reichsmarks)	1,048,100,000.00	470,111,114.00	1,518,211,114.00	51,456,406.25	997,500,000.00	469,254,707.75	1,466,754,707.75
Total (reichsmarks)	2,680,100,000.00	914,831,114.00	3,594,931,114.00	[2] 138,666,406.25	2,547,900,000.00	908,364,707.75	3,456,264,707.75
U.S. dollar equivalent	[3] $1,080,884,330.00	$368,391,700.49	$1,449,276,030.49	[4] $33,587,809.69	$1,027,568,070.00	$366,343,486.64	$1,393,911,556.64
Agreement of February 27, 1953—Mixed claims (U.S. dollars)	[1] $97,500,000.00		$97,500,000.00	$41,500,000.00	$56,000,000.00		$56,000,000.00

[1] Agreement of Feb. 27, 1953, provided for cancellation of 24 bonds totaling 489,600,000 reichsmarks and issuance of 26 dollar bonds totaling $97,500,000.00. The dollar bonds mature serially over 25 years beginning Apr. 1, 1953. All unmatured bonds are of $4,000,000.00 denomination.

[2] Includes 4,027,611.95 reichsmarks paid in lieu of dollars.

[3] Converted to U.S. dollars at 40.33 cents to the reichsmark.

[4] Payments converted to U.S. dollars at rate applicable at the time of payment, i.e., 40.33 or 23.82 cents to the reichsmark.

TABLE 106.—*Outstanding indebtedness of foreign countries on U.S. Government credits (exclusive of indebtedness arising from World War I) as of June 30, 1964, by area, country, and major program* [1]

[In millions of dollars]

Area and country	Under Export-Import Bank Act	Under foreign assistance (and related) acts	Under Agricultural Trade Development and Assistance Act: Loans of foreign currencies: To foreign governments	Under Agricultural Trade Development and Assistance Act: Loans of foreign currencies: To private enterprises	Under Agricultural Trade Development and Assistance Act: Long-term dollar credits	Lend-lease, surplus property, and grant settlements	Other credits	Total
Western Europe:								
Austria	17		25			(*)		43
Belgium and Luxembourg	28	53				6		88
Denmark	3	32						35
Finland	52		19	2		8		81
France	194	4		3		436		637
Germany, Federal Republic of	(*)	15				211		226
Greece	13	67	49	5		15		150
Iceland	(*)	20	10		(*)	(*)		31
Ireland		116						116
Italy	54			2		24		81
Liechtenstein	1							1
Netherlands		66				2		68
Norway	7	26						33
Portugal	41	28	3		16			88
Spain	137	68	187					392
Turkey	16	324	115	25		(*)		481
United Kingdom		354				494	3,149	3,997
Yugoslavia	64	164	206		40	(*)		475
European Atomic Energy Community	7						19	25
European Coal and Steel Community		77						77
North Atlantic Treaty Organization (Maintenance Supply Services Agency)		6						6
Total Western Europe	634	1,420	615	36	56	1,198	3,168	7,128
Other Europe:								
Czechoslovakia						5		5
Hungary						8		8
Poland	18	58				16		92
Soviet Union						201		201
Total other Europe	18	58				230		305
Asia:								
Afghanistan	34	13						47
Burma		20	8			1		29
Ceylon		5	5					10
China-Taiwan	28	135	12	2	9	116		303
India	236	1,252	763	37		3		2,290
Indonesia	97	42	15			35		189
Iran	35	171	19	(*)		24		249
Iraq	(*)				12			12
Israel	77	149	131	9				366
Japan	296		104			442		842
Jordan	2	1						3
Korea		36		(*)		21		57
Lebanon	2	4						6
Malaysia	(*)	16						16
Nepal		(*)	1					1
Pakistan	20	514	187	8		(*)		729
Philippines	41	40	5	2		(*)		87
Ryukyu Islands					4		6	10
Syria		2	2		(*)			5
Thailand	24	43	4					71
Vietnam		72		(*)				72
Other Asia	(*)							(*)
Total Asia	890	2,514	1,256	58	25	643	6	5,392
Latin America:								
Argentina	300	49	2					351
Bolivia	34	21	7		3			66
Brazil	724	118	17			3		862
Chile	173	220	31	(*)	19			443

Footnotes at end of table.

TABLE 106.—*Outstanding indebtedness of foreign countries on U.S. Government credits (exclusive of indebtedness arising from World War I) as of June 30, 1964, by area, country, and major program* [1]—Continued

[In millions of dollars]

Area and country	Under Export-Import Bank Act	Under foreign assistance (and related) acts	Under Agricultural Trade Development and Assistance Act: Loans of foreign currencies: To foreign governments	To private enterprises	Long-term dollar credits	Lend-lease, surplus property and grant settlements [2]	Other credits	Total
Latin America—Con.								
Colombia	92	128	20	3	5			248
Costa Rica	16	12						28
Cuba	36							36
Dominican Republic	3	28			9			39
Ecuador	13	33	7	(*)	3			56
El Salvador	6	12			(*)			18
Guatemala	4	10						15
Haiti	27	5				(*)		32
Honduras	1	11						12
Mexico	184	3	11	1				200
Nicaragua	8	11						19
Panama	13	20						33
Paraguay	8	12	4	1				25
Peru	87	24	13	1	2	(*)		126
Trinidad and Tobago	7							7
Uruguay	4	13	3	1		(*)		22
Venezuela	81	57						138
Other Latin America	(*)							(*)
Unspecified Latin America	23	1				7		31
Total Latin America	1,845	788	114	8	41	10		2,806
Africa:								
Ethiopia	5	26			1			32
Ghana	7	6						13
Guinea		1						1
Ivory Coast	1							1
Liberia	66	2			1	19		87
Libya		6						6
Morocco		207						207
Nigeria	1	4						4
Rhodesia and Nyasaland		8						8
Somali Republic		1						1
South Africa	30							30
Sudan		10	(*)					10
Tanganyika		2						2
Tunisia	2	30	12					44
United Arab Republic (Egypt)	21	59	303	1				384
Other Africa	1							1
Total Africa	133	361	315	1	2	19		830
Oceania:								
Australia	2							2
New Zealand	2					1		3
Other Oceania							(*)	(*)
Total Oceania	4					1	(*)	5
United Nations							112	112
Unspecified		16						16
Total all areas	3,524	5,157	2,301	104	124	2,099	3,286	16,595

*Less than $500,000.

[1] Includes estimates for the U.S. dollar equivalent of receivables denominated in other than dollars and/or payable at the option of the debtor in foreign currencies, goods, or services. The total amount of such estimates approximates $4,466,000,000.

[2] Data on lend-lease, surplus property, and settlements for grants include $642,000,000 for settlements for grants and $130,000,000 for surplus property credits administered by Federal agencies other than the Treasury Department and not included in the "Status of accounts under lend-lease and surplus property agreements" in table 107. Data exclude about $67,000,000 in defaulted short-term "cash" credits and deferred and otherwise past due interest.

SOURCE: U.S. Department of Commerce, Office of Business Economics, from information made available by operating agencies.

TABLE 107.—*Status of accounts under lend-lease and surplus property agreements (World War II) as of June 30, 1964*

Country, etc.	Settlement obligation and interest billed (net) [1]	Credits: Collections: U.S. dollars	Credits: Collections: Foreign currency (in U.S. dollar equivalent)	Credits: Other credits	Total outstanding	Status of amounts outstanding: Amounts past due [2]	Status of amounts outstanding: Due over a period of years by agreement
Australia	$43,145,692.83	$34,170,930.90	$8,111,244.75	$863,517.18			
Austria	10,571,182.28	2,978,357.98	6,677.500.00	556,807.01	$358,517.29		$358,517.29
Belgium	116,159,257.72	37,061,472.46	11,477,507.53	61,340,822.18	6,279,455.55		6,279,455.55
Burma	6,671,411.26	211,673.26	5,560,577.14	142,077.32	757,083.54		757,083.54
Canada	388,765,007.77	388,765,007.77					
China	96,338,954.53	16,062,109.14			83,861,281.12 [3] —3,584,435.73	$62,045,128.01	21,816,153.11 [3] —3,584,435.73
Czechoslovakia	9,911,651.62	596,730.50	1,062,961.45	1,990,965.94	6,260,993.73	3,728,662.43	2,532,331.30
Denmark	5,240,272.66	4,266,935.24	931,000.00	42,337.42			
Ethiopia	4,558,958.36	3,899,523.26	23,620.60	635,814.50			
Finland	24,219,770.03	13,221,002.91	2,271,136.46	697,805.34	8,029,825.32		8,029,825.32
France	1,224,647,258.38	686,136,881.78	51,445,798.03	51,402,738.29	435,661,840.28		435,661,840.28
Germany, Federal Republic of	224,044,263.16	2,997,427.34	210,455,344.92		10,591,490.90		10,591,490.90
Greece	71,137,234.32	37,523,609.52	17,291,634.99	1,156,763.08	15,166,993.35 [3] —1,766.62		15,166,993.35 [3] —1,766.62
Greenland	8,351.28	8,351.28					
Hungary	20,773,572.18		10,942,500.10	1,818,002.31	8,013,069.77	3,913,412.20	4,099,657.57
Iceland	4,855,981.42	4,496,553.29	250,198.40		109,229.73		109,229.73
India	[4] 199,291,238.43	184,546,351.76	6,943,404.63	287,954.38	[4] 7,513,527.66	7,282,552.29	[5] 230,975.37
Iran	13,656,643.52	3,027,267.45	7,829,287.39		2,800,088.68	2,800,088.68	
Iraq	54.00	54.00					
Italy	265,554,684.16	157,115,391.49	80,669,772.70	3,541,571.44	24,227,948.53		24,227,948.53
Japan	13,728,409.82		12,971,483.00	756,926.82			
Korea	32,427,533.10		2,524,307.70	3,977,576.38	25,925,649.02	4,975,629.60	20,950,019.42
Liberia	19,440,619.66	517,937.27			18,922,682.39		18,922,682.39
Lebanon	1,656,638.01		521,818.51	1,134,819.50			
Luxembourg	120.00	120.00					
Middle East	50,377,089.88	11,142,266.72	39,234,823.16				
Netherlands	176,717,296.46	103,047,762.12	43,136,121.55	28,383,412.29	2,150,000.50		2,150,000.50
New Zealand	4,935,288.23	1,962,908.59	1,813,007.28	644,920.86	514,451.50		514,451.50
Norway	21,277,848.08	11,262,135.23	8,435,074.95	1,580,637.90			
Pakistan	[6] 40,247,178.22	40,171,647.41			75,530.81		75,530.81
Philippines	5,000,000.00		2,005,855.29	2,988,158.91	5,985.80		5,985.80
Poland	49,142,177.63	22,833,134.14	10,385,744.17		15,923,299.32		15,923,299.32

Saudi Arabia	21,427,119.60	21,427,119.60					
Southern Rhodesia	1,415,510.78	1,371,931.69			43,579.09	43,579.09	
Sweden	2,115,455.91	240,689.98	1,824,653.33	50,112.60			
Thailand	7,064,989.28	2,235,736.09	4,178,321.72	650,931.47			
Turkey	14,474,333.51	11,082,482.30	2,110,714.28	1,281,136.93			
Union of South Africa	117,774,297.35	116,608,622.69	242,487.98	923,186.68			
United Kingdom	1,082,461,880.33	373,715,051.29	37,678,294.74	154,635,335.62	516,433,198.68		[7] 516,433,198.68
U.S.S.R.	321,634,358.63	120,556,643.95			201,077,714.68	52,006,350.09	149,071,364.59
Yugoslovia	720,117.35	63,376.50	16,300.00	623,065.20	17,375.65		17,375.65
American Republics	136,685,117.19	114,365,404.88	11,921,129.75	3,154,183.21	7,244,399.35	494,399.35	[3] 6,750,000.00
American Red Cross	2,023,386.90	2,023,386.90					
Federal agencies	243,114,726.52	243,092,796.09			21,930.43	21,930.43	
Military withdrawals	187,629.76	649.00	186,980.76				
Miscellaneous items	1,472,077.38	1,136,573.15	335,504.23				
United Nations Relief and Rehabilitation Administration	7,226,762.25	7,226,762.25					
Total	5,104,299,401.74	2,783,170,769.17	601,466,111.49	325,261,580.76	[9] 1,394,400,940.32	137,311,732.17	1,257,089,208.15

NOTE: No settlement agreement for lend-lease has been reached with China, Greece, and U.S.S.R. See page 67 for lend-lease silver indebtedness.

[1] Excludes accrued interest due July 1, 1964, except for Austria who paid amounts due July 1 in June. Accrued interest due July 1 had previously been included in this report.

[2] Principal and interest considered past due as of June 30, 1964, and items subject to negotiation.

[3] Credit. Represents amounts collected under advance payment agreements not applied to outstanding indebtedness.

[4] Agreement provides for repayment of 37,099,999.99 rupees. In accordance with Treasury Department Circular No. 930 an adjustment of $4,398.65 has been made in fiscal year 1964 to show current dollar value of receivable.

[5] Represents outstanding balance of lend-lease silver debt.

[6] Principal obligation increased $2,232,744.80 to give effect to U.S. dollar payment in lieu of silver.

[7] Includes $28,647,846.90 principal and interest postponed pursuant to agreement.

[8] Represents amount which is postponed by agreement pending settlement of certain claims.

[9] Represents $386,424,738.81 due under surplus property agreements, $721,389,917.94 due under lend-lease settlement agreements, and $290,172,485.92 due under other lend-lease agreements.

Corporations and Other Business-Type Activities of the United States Government

TABLE 108.—*Comparative statement of securities of Government corporations and other business-type activities held by the Treasury, June 30, 1954–64*

[Face amount, in millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Agency	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
Agency for International Development	1,203	1,209	1,213	1,198	1,188	1,164	1,138	1,107	1,062	807	735
Commodity Credit Corporation	4,180	7,608	11,190	13,383	11,528	12,874	12,704	11,534	12,990	[1] 13,604	13,990
Export-Import Bank of Washington	1,347	1,310	1,239	1,205	1,528	1,937	1,636	1,698	1,830	1,476	830
Federal National Mortgage Association:											
Management and liquidating functions	2,233	1,966	1,860	1,716	1,348	1,140	719	1,441	1,323	1,172	993
Secondary market operations			94	3		42					4
Special assistance functions		(*)	(*)	22	154	1,170	1,619	1,762	1,843	1,544	1,395
Housing and Home Finance Administrator:											
College housing loans	52	82	116	228	389	594	779	988	1,227	1,532	1,746
Prefabricated housing loans program	13										
Public facility loans			1	1	14	38	48	60	80	113	161
Urban renewal fund	38	48	48	53	73	98	150	165	260	360	[2] 410
Public Housing Administration	215	61	38	41	35	27	29	32	32	25	
Reconstruction Finance Corporation	154										
Rural Electrification Administration	2,091	2,207	2,343	2,519	2,728	2,923	3,155	3,332	3,484	3,657	3,828
Saint Lawrence Seaway Development Corporation		3	16	48	97	112	118	121	121	123	123
Secretary of Agriculture, Farmers Home Administration:											
Rural housing loan program			5	41	31	77	104	154	232	391	492
Direct loan account	172	162	146	212	223	216	229	272	598	598	598
Agricultural credit insurance fund			(*)	8	2	29	35	29	23	38	81
Secretary of Commerce, Maritime Administration:											
Federal ship mortgage insurance fund						1	1	1		6	10
Secretary of the Interior, Bureau of Mines:											
Development and operation of helium properties											2
Secretary of the Treasury (Federal Civil Defense Act of 1950)	2	2	2	1	1	1	1	(*)	(*)	(*)	(*)
Small Business Administration		11	9	7							
Tennessee Valley Authority	29	14								50	85
U.S. Information Agency				13	17	20	19	20	20	21	21
Veterans' Administration (veterans' direct loan program)	367	491	584	733	780	930	1,180	1,330	1,530	1,730	1,730
Virgin Islands Corporation							(*)	1	1	1	1
Defense Production Act of 1950, as amended:											
Export-Import Bank of Washington	13	22	29	35	30	25	20	10			
General Services Administration	594	794	869	1,019	1,439	1,684	1,715	1,765	1,790	1,804	1,921
Secretary of Agriculture	2	2	47	47	59	59	64	65	65	66	66
Secretary of the Interior, Defense Minerals Exploration Administration	15	18	22	26	30	32	32	32	31	32	32
Secretary of the Treasury	150	166	177	168	167	151	140	93	91	21	
D.C. Commissioners: Stadium sinking fund, Armory Board, D.C									(*)	1	1
Total	12,869	16,175	20,049	22,727	21,859	25,343	25,636	26,011	28,634	[1] 29,172	[2] 29,256

*Less than $500,000.

[1] Includes $5 million advanced to the Commodity Credit Corporation as of June 30, 1963, after publication of the daily Treasury statement.

[2] Includes $15 million advanced to the urban renewal fund as of June 30, 1964, after publication of the daily Treasury statement.

TABLE 109.—*Capital stock, notes, bonds, and other securities of Government agencies held by the Treasury or other Government agencies, June 30, 1963 and 1964, and changes during 1964*

Class and issuing agent	Date of authorizing act	Amount owned June 30, 1963	Advances [1]	Repayments and other reductions [1]	Amount owned June 30, 1964
Capital stock of Government corporations:					
Held by the Secretary of the Treasury:					
Export-Import Bank of Washington	June 16, 1933, as amended	$1,000,000,000.00			$1,000,000,000.00
Federal Crop Insurance Corporation	Feb. 16, 1938, as amended	40,000,000.00			40,000,000.00
Federal National Mortgage Association, secondary market operations.	Aug. 2, 1954, as amended	158,820,304.97		[2] $70,820,304.97	88,000,000.00
Inland Waterways Corporation (liquidated) [3]	June 3, 1924, as amended	7,500,000.00		[4] 7,500,000.00	
Public Housing Administration	Sept. 1, 1937, as amended	1,000,000.00			1,000,000.00
Held by the Secretary of Agriculture, Commodity Credit Corporation.	June 16, 1933, as amended	100,000,000.00			100,000,000.00
Held by the Governor of Farm Credit Administration:					
Banks for cooperatives	do	94,837,500.00		13,926,400.00	80,911,100.00
Federal intermediate credit banks	July 26, 1956	114,989,120.00	$5,600,000.00		120,589,120.00
Total capital stock		1,517,146,924.97	5,600,000.00	92,246,704.97	1,430,500,220.00
Bonds and notes of Government corporations and other agencies held by the Treasury: [5]					
Agency for International Development	Apr. 3, 1948, as amended, and June 15, 1951.	[6] 807,394,164.19		72,064,773.11	735,329,391.08
Commodity Credit Corporation	Mar. 8, 1938, as amended	[7] 13,604,000,000.00	5,014,000,000.00	4,628,000,000.00	13,990,000,000.00
Export-Import Bank of Washington	July 31, 1945, as amended	1,476,200,000.00	440,900,000.00	1,087,100,000.00	830,000,000.00
Federal National Mortgage Association:					
Management and liquidating functions	Aug. 2, 1954, as amended	1,171,550,000.00	134,681,059.12	312,761,059.12	993,470,000.00
Secondary market operations	do		47,730,000.00	43,270,000.00	4,460,000.00
Special assistance functions	do	1,544,140,000.00	111,128,000.00	260,528,000.00	1,394,740,000.00
Housing and Home Finance Administrator:					
College housing loans	Apr. 20, 1950, as amended	1,532,388,000.00	214,000,000.00		1,746,388,000.00
Public facility loans	Aug. 11, 1955	112,728,900.00	48,000,000.00		160,728,900.00
Urban renewal fund	July 15, 1949, as amended	360,000,000.00	70,240,000.00	20,000,000.00	[8] 410,240,000.00
Public Housing Administration	Sept. 1, 1937, as amended	25,000,000.00	310,000,000.00	335,000,000.00	
Rural Electrification Administration	May 20, 1936, as amended	3,656,614,885.18	333,500,000.00	161,694,279.82	3,828,420,605.36
Saint Lawrence Seaway Development Corporation	May 13, 1954	122,546,686.06	400,000.00	270,635.53	122,676,050.53
Secretary of Agriculture, Farmers Home Administration:					
Rural housing loan program	Aug. 7, 1956, as amended	390,953,274.31	135,000,000.00	34,333,441.55	491,619,832.76
Direct loan account	July 8, 1959, June 29, 1960, and June 30, 1961.	597,959,607.34			597,959,607.34
Agricultural credit insurance fund	Aug. 14, 1946, as amended	37,745,000.00	117,975,000.00	75,075,000.00	80,645,000.00
Secretary of Commerce, Maritime Administration:					
Federal ship mortgage insurance fund	July 15, 1958, as amended	6,000,000.00	5,100,000.00	1,200,000.00	9,900,000.00
Secretary of the Interior, Bureau of Mines:					
Development and operation of helium properties	Sept. 13, 1960		2,000,000.00		2,000,000.00

Footnotes at end of table.

TABLE 109.—*Capital stock, notes, bonds, and other securities of Government agencies held by the Treasury or other Government agencies, June 30, 1963 and 1964, and changes during 1964*—Continued

Class and issuing agent	Date of authorizing act	Amount owned June 30, 1963	Advances [1]	Repayments and other reductions [1]	Amount owned June 30, 1964
Bonds and notes of Government corporations and other agencies held by the Treasury—Continued					
Secretary of the Treasury (Federal Civil Defense Act of 1950, as amended).	Jan. 12, 1951, as amended	$165,000.00		$60,000.00	$105,000.00
Tennessee Valley Authority	Aug. 6, 1959	50,000,000.00	$85,000,000.00	50,000,000.00	85,000,000.00
U.S. Information Agency, informational media guaranty fund	Apr. 3, 1948, as amended, and July 18, 1956.	21,074,992.67	346,100.00	128,152.00	21,292,940.67
Veterans' Administration (veterans' direct loan program)	Apr. 20, 1950, as amended	1,730,077,996.00			1,730,077,996.00
Virgin Islands Corporation	Sept. 2, 1958, as amended	1,225,000.00			1,225,000.00
Defense Production Act of 1950, as amended:					
General Services Administration	Sept. 8, 1950, as amended	1,803,700,000.00	127,000,000.00	10,000,000.00	1,920,700,000.00
Secretary of Agriculture	do	66,055,016.49	282,931.33		66,337,947.82
Secretary of the Interior (Defense Minerals Exploration Administration).	do	32,130,000.00			32,130,000.00
Secretary of the Treasury	do	21,150,000.00		21,150,000.00	
D.C. Commissioners:					
Stadium sinking fund, Armory Board, D.C	Sept. 7, 1957, as amended	831,600.00	655,800.00	831,600.00	655,800.00
Total bonds and notes		29,171,630,122.24	7,197,938,890.45	7,113,466,941.13	29,256,102,071.56
Securities of Government agencies held by Government corporations and other agencies:					
Guaranteed securities:					
Federal Housing Administration debentures held by:					
Housing and Home Finance Agency:					
Federal Housing Administration	June 27, 1934, as amended	47,815,050.00	182,769,850.00	106,717,250.00	123,867,650.00
Federal National Mortgage Association:					
Management and liquidating functions	Aug. 2, 1954, as amended	79,232,800.00	6,923,450.00	62,598,200.00	23,558,050.00
Secondary market operations	do	23,250,100.00	108,136,550.00	126,400,250.00	4,986,400.00
Special assistance functions	do	14,979,550.00	55,558,450.00	63,609,900.00	6,928,100.00
Total guaranteed securities		165,277,500.00	353,388,300.00	359,325,600.00	159,340,200.00
Nonguaranteed securities:					
Banks for cooperatives debentures held by:					
Housing and Home Finance Agency:					
Federal National Mortgage Association:					
Secondary market operations	Aug. 2, 1954, as amended		13,250,000.00	13,250,000.00	
Consolidated Federal farm loan bonds held by:					
Veterans' Administration:					
U.S. Government life insurance fund	June 7, 1924, as amended		25,000,000.00		25,000,000.00
Federal home loan bank notes held by:					
Housing and Home Finance Agency:					

Federal National Mortgage Association:					
Secondary market operations	Aug. 2, 1954, as amended	25,270,000.00	10,000,000.00	35,270,000.00	
Federal intermediate credit bank debentures held by:					
Housing and Home Finance Agency:					
Federal National Mortgage Association:					
Secondary market operations	do	34,300,000.00	31,950,000.00	66,250,000.00	
Total nonguaranteed securities		59,570,000.00	80,200,000.00	114,770,000.00	25,000,000.00

1 Excludes refundings.
2 Represents purchase of preferred stock by the Association subject to subsequent repurchase by the Secretary of the Treasury as may be required.
3 The Inland Waterways Corporation Act, as amended (49 U.S.C. 151-157), was repealed by an act approved July 19, 1963 (77 Stat. 81). Liquidation of the Corporation's affairs is being carried on by the Secretary of Commerce.
4 Includes cancellation of $4,660,335.78.
5 See also table 111.
6 Not reduced by $383,198.02 representing excess repayments returned to the Agency for International Development as of June 30, 1963, after publication of the daily Treasury statement.
7 Includes $5,000,000 advanced to the Commodity Credit Corporation as of June 30, 1963, after publication of the daily Treasury statement.
8 Includes $15,000,000 advanced to the urban renewal fund as of June 30, 1964, after publication of the daily Treasury statement.

NOTE.—See table 113 for data on other securities held by agencies representing loans made.

TABLE 110.—*Borrowing authority and outstanding issues of Government corporations and other business-type activities whose securities are issued to the Secretary of the Treasury, June 30, 1964*

[In millions of dollars. On basis of daily Treasury statements]

Corporation or activity[1]	Borrowing authority	Outstanding securities held by Treasury	Unused borrowing authority
Agency for International Development:			
Mutual defense program—economic assistance	682	682	
Foreign investment guaranty fund	199		199
India emergency food aid	23	23	
Loan to Spain	31	31	
Commodity Credit Corporation	14,500	13,990	510
Export-Import Bank of Washington	6,000	830	5,170
Federal Deposit Insurance Corporation	3,000		3,000
Federal home loan banks	1,000		1,000
Federal National Mortgage Association:			
Management and liquidating functions	1,141	993	[2] 147
Secondary market operations	2,250	4	2,246
Special assistance functions	3,438	1,395	2,044
Federal Savings and Loan Insurance Corporation	750		750
Housing and Home Finance Administrator:			
College housing loans	2,575	1,746	829
Flood insurance	500		500
Public facility loans	650	161	489
Urban renewal fund	1,000	[4] 410	590
Panama Canal Company	10		10
Public Housing Administration	1,500		1,500
Rural Electrification Administration	4,886	3,828	1,058
Saint Lawrence Seaway Development Corporation	140	123	17
Secretary of Agriculture, Farmers Home Administration:			
Rural housing loan program	554	492	63
Direct loan account	598	598	
Agricultural credit insurance fund	[5] 84	81	3
Secretary of Commerce:			
Area Redevelopment Administration, area redevelopment fund	300		300
Maritime Admin., Federal ship mortgage insurance fund	[6] 10	10	
Secretary of the Interior, Bureau of Mines:			
Development and operation of helium properties	22	2	20
Secretary of the Treasury (Federal Civil Defense Act of 1950, as amended)	250	(*)	250
Smithsonian Institution:			
John F. Kennedy Center parking facilities	15		15
Tennessee Valley Authority	[7] 150	85	65
U.S. Information Agency, informational media guaranty fund	28	21	7
Veterans' Administration (veterans' direct loan program)	1,979	1,730	249
Virgin Islands Corporation	1	1	(*)
Defense Production Act of 1950, as amended:			
General Services Administration	1,944	1,921	23
Secretary of Agriculture	83	66	16
Secretary of the Interior, Defense Minerals Exploration Admin	36	32	4
Unallocated	38		38
D.C. Commissioners, stadium sinking fund, Armory Board, D.C.	[8] 1	1	
Total	50,367	29,256	21,111

*Less than $500,000.

[1] Excludes authorizations to borrow from the public; also excludes authorizations to expend from public debt receipts for subscriptions to capital stock of the following agencies: International Bank for Reconstruction and Development, $6,350 million; International Monetary Fund, $2,325 million; International Finance Corporation, $35 million; and certain Government corporations, $1,135 million. In addition, the authorized credit to the United Kingdom, of which $3,149 million is outstanding, has been excluded.

[2] Transferred to the special assistance functions fund as of July 1, 1964, in accordance with an act approved June 30, 1961 (12 U.S.C. 1721(f)).

[3] The balance shown represents unused portion of authorization to expend from public debt receipts available for loans to the secondary market operations fund without further action by Congress. Because of the borrowing and capital structure of the fund, the maximum it could borrow from the Treasury without adjusting its other borrowing or its capital structure as of June 30, 1964, would be as follows:

Borrowing authorized (10 times capital plus surplus)	$3,660,816,001
Securities outstanding	−1,703,362,000
Unused balance of borrowing authorized	1,957,454,001

[4] Includes $15 million borrowed by the urban renewal fund as of June 30, 1964, after publication of the daily Treasury statement.

[5] Represents amount due Treasury and net amount obligated in excess of amount borrowed. Authority to borrow from the Treasury is indefinite in amount. Funds may be borrowed as needed to carry out provisions of an act approved Aug. 8, 1961 (7 U.S.C. 1929(c)).

[6] Authority to borrow from the Treasury is indefinite in amount. Funds may be borrowed as needed to purchase insured defaulted mortgages as provided by an act approved July 15, 1958 (46 U.S.C. 1275(b)).

[7] Represents amount of interim securities outstanding which may be issued to the Secretary of the Treasury under specified conditions as provided by an act approved Aug. 6, 1959 (16 U.S.C. 831n-4(c)).

[8] Funds may be borrowed from the Secretary of the Treasury under certain conditions as provided by an act approved July 28, 1958 (2 D.C. Code 1727).

TABLE 111.—*Description of securities of Government corporations and other business-type activities held by the Treasury, June 30, 1964*

[On basis of daily Treasury statements, see "Bases of Tables"]

Title and authorizing act	Date of issue	Date payable [1]	Rate of interest	Principal amount
Agency for International Development:				
Act of Apr. 3, 1948, as amended:			*Percent*	
Note of Administrator (E.C.A.)	May 26, 1951	June 30, 1977	1⅞	$30,763,537.84
Notes of Administrator (E.C.A.)	Various dates	June 30, 1984	1⅞	681,570,340.65
Act of June 15, 1951:				
Notes of Director (M.S.A.)	Feb. 6, 1952	Dec. 31, 1986	2	22,995,512.59
Total				735,329,391.08
Commodity Credit Corporation, act of Mar. 8, 1938, as amended:				
Notes, Series Sixteen-1964	Various dates	July 31, 1964	3¼	11,880,000,000.00
Notes, Series Sixteen-1964	do	do	3½	185,000,000.00
Notes, Series Sixteen-1964	do	do	3⅝	848,000,000.00
Notes, Series Sixteen-1964	do	do	3¾	680,000,000.00
Notes, Series Sixteen-1964	do	do	3⅞	397,000,000.00
Total				13,990,000,000.00
Export-Import Bank of Washington, act of July 31, 1945, as amended:				
Notes, Series 1965	Various dates	Various dates	2⅝	191,500,000.00
Notes, Series 1965	do	June 30, 1965	2¾	48,900,000.00
Notes, Series 1965	do	Various dates	2⅞	194,600,000.00
Note, Series 1977	June 30, 1959	June 30, 1977	2⅜	200,500,000.00
Note, Series 1977	Dec. 31, 1961	Dec. 31, 1977	3	194,500,000.00
Total				830,000,000.00
Federal National Mortgage Association, act of Aug. 2, 1954, as amended:				
Management and liquidating functions:				
Note, Series C	June 1, 1961	July 1, 1965	3⅜	9,020,000.00
Notes, Series C	Various dates	Various dates	3½	594,960,000.00
Note, Series C	July 1, 1962	July 1, 1967	3⅝	309,090,000.00
Notes, Series C	Various dates	Various dates	4	80,400,000.00
Subtotal				993,470,000.00
Secondary market operations:				
Note, Series E	June 30, 1964	July 1, 1965	3⅞	4,460,000.00
Special assistance functions:				
Note, Series D	June 1, 1961	July 1, 1965	3⅜	3,100,000.00
Notes, Series D	Various dates	Various dates	3½	113,020,000.00
Notes, Series D	do	do	3⅝	233,060,000.00
Notes, Series D	do	do	3¾	965,500,000.00
Note, Series D, subseries BMR	Mar. 28, 1962	July 1, 1966	3⅛	80,060,000.00
Subtotal				1,394,740,000.00
Total Federal National Mortgage Association				2,392,670,000.00
Housing and Home Finance Administrator:				
College housing loans, act of Apr. 20, 1950, as amended:				
Note, Series CH	Jan. 22, 1963	July 1, 1976	2½	305,375,000.00
Note, Series CH	do	July 1, 1977	2¾	188,643,000.00
Note, Series CH	do	July 1, 1978	2⅝	288,971,000.00
Note, Series CH	do	July 1, 1980	2⅞	263,026,000.00
Note, Series CH	do	do	3¼	449,363,000.00
Note, Series CH	do	July 1, 1981	3⅛	241,010,000.00
Note, Series CH	Feb. 28, 1964	July 1, 1984	3⅜	10,000,000.00
Subtotal				1,746,388,000.00
Public facility loans, act of Aug. 11, 1955:				
Note, Series PF	Nov. 30, 1961	July 31, 1973	3⁹⁄₁₀	59,710,400.00
Notes, Series PF	Various dates	July 1, 1976	3⅛	62,018,500.00
Note, Series PF	June 30, 1963	July 1, 1977	3¼	35,000,000.00
Note, Series PF	Nov. 29, 1963	June 30, 1978	3⅜	4,000,000.00
Subtotal				160,728,900.00

Footnotes at end of table.

TABLE 111.—*Description of securities of Government corporations and other business-type activities held by the Treasury, June 30, 1964*—Continued

Title and authorizing act	Date of issue	Date payable [1]	Rate of interest	Principal amount
Housing and Home Finance Administrator—Continued				
Urban renewal fund, act of July 15, 1949, as amended:			*Percent*	
Notes	Various dates	Various dates	3⅝	$55,000,000.00
Notes	do	do	3¾	85,000,000.00
Notes	do	do	4	230,000,000.00
Note	June 30, 1959	Dec. 31, 1964	4¼	30,000,000.00
Note	Dec. 31, 1959	June 30, 1965	4⅝	40,000,000.00
Note	June 30, 1960	Dec. 31, 1965	4⅜	25,000,000.00
Note	June 30, 1961	Dec. 31, 1966	3⅝	40,000,000.00
Note	Dec. 31, 1962	June 30, 1968	3½	30,000,000.00
Note	Dec. 31, 1958	Dec. 31, 1968	3	60,000,000.00
Definitive note	May 25, 1964	May 1, 1998	5	240,000.00
Subtotal				395,240,000.00
Total Housing and Home Finance Administrator				2,302,356,900.00
Rural Electrification Administration, act of May 20, 1936, as amended:				
Notes of Administrator	Various dates	Various dates	2	3,828,420,605.36
St. Lawrence Seaway Development Corp., act of May 13, 1954, as amended:				
Revenue bonds	Various dates	Dec. 31, 1964	2½	776,749.46
Revenue bonds	do	Various dates	2⅝	700,000.00
Revenue bonds	do	Dec. 31, 1966	2¾	900,000.00
Revenue bonds	do	Various dates	2⅞	5,100,000.00
Revenue bonds	do	do	3	7,800,000.00
Revenue bonds	do	do	3⅛	8,200,000.00
Revenue bonds	do	do	3¼	24,600,000.00
Revenue bonds	do	do	3⅜	15,900,000.00
Revenue bonds	do	do	3½	9,900,000.00
Revenue bonds	do	do	3⅝	31,100,000.00
Revenue bonds	do	do	3¾	4,600,000.00
Revenue bonds	do	do	3⅞	2,500,000.00
Revenue bonds	do	do	4	6,600,000.00
Revenue bonds	do	do	4⅛	3,299,301.07
Revenue bonds	do	do	4¼	700,000.00
Total				122,676,050.53
Secretary of Agriculture, Farmers Home Administration:				
Rural housing loan program, act of Aug. 7, 1956, as amended:				
Notes	Various dates	Various dates	3¾	20,500,000.00
Notes	do	do	3⅞	149,250,000.00
Notes	do	do	4	220,000,000.00
Notes	do	do	4⅛	56,869,832.76
Note	Apr. 17, 1964	June 30, 1996	4¼	45,000,000.00
Subtotal				491,619,832.76
Direct loan account, acts of July 8, 1959, June 29, 1960, and June 30, 1961:				
Notes	Various dates	Various dates	3	552,459,607.34
Note	Feb. 21, 1962	June 30, 1966	3⅞	37,500,000.00
Note	May 28, 1962	do	3⅝	8,000,000.00
Subtotal				597,959,607.34
Agricultural credit insurance fund, act of Aug. 14, 1946, as amended:				
Notes	Various dates	June 30, 1965	3⅜	3,825,000.00
Notes	do	June 30, 1967	3½	27,135,000.00
Notes	June 30, 1963	June 30, 1968	3⅝	2,060,000.00
Notes	Various dates	do	3¾	775,000.00
Notes	do	do	3⅞	17,075,000.00
Notes	do	Various dates	4	29,775,000.00
Subtotal				80,645,000.00
Total Secretary of Agriculture				1,170,224,440.10

Footnotes at end of table.

TABLE 111.—*Description of securities of Government corporations and other business-type activities held by the Treasury, June 30, 1964*—Continued

Title and authorizing act	Date of issue	Date payable [1]	Rate of interest	Principal amount
Secretary of Commerce, Maritime Administration:				
Federal ship mortgage insurance fund, act of July 15, 1958:			*Percent*	
Note	Mar. 18, 1963	Mar. 18, 1968	3⅝	$6,000,000.00
Notes	Various dates	Various dates	3¾	3,900,000.00
Total				9,900,000.00
Secretary of the Interior, Bureau of Mines:				
Development and operation of helium properties, act of Sept. 13, 1960:				
Note	May 22, 1964	Sept. 13, 1985	4¼	2,000,000.00
Secretary of the Treasury, Federal Civil Defense Act of 1950, as amended:				
Note, Series FCD	July 1, 1959	July 1, 1964	4⅜	105,000.00
Tennessee Valley Authority, act of Aug. 6, 1959:				
Advances	Various dates	Various dates	3¾	85,000,000.00
U.S. Information Agency:				
Informational media guaranty fund, act of Apr. 3, 1948, as amended:				
Note of Administrator (E.C.A.)	Oct. 27, 1948	June 30, 1986	1⅞	1,410,000.00
Note of Administrator (E.C.A.)	do	do	2	1,305,000.00
Note of Administrator (E.C.A.)	do	do	2⅛	2,272,610.67
Note of Administrator (E.C.A.)	Jan. 24, 1949	do	2½	775,000.00
Note of Administrator (E.C.A.)	do	do	2⅝	75,000.00
Note of Administrator (E.C.A.)	do	do	2¾	302,389.33
Note of Administrator (E.C.A.)	do	do	2⅞	1,865,000.00
Note of Administrator (E.C.A.)	do	do	3	1,100,000.00
Note of Administrator (E.C.A.)	do	do	3⅛	510,000.00
Note of Administrator (E.C.A.)	do	do	3¼	3,431,548.00
Note of Administrator (E.C.A.)	do	do	3⅜	495,000.00
Note of Administrator (E.C.A.)	do	do	3⅝	220,000.00
Note of Administrator (E.C.A.)	do	do	3¾	2,625,960.00
Notes of Administrator (E.C.A.)	Various dates	Various dates	3⅞	3,451,000.00
Notes of Administrator (E.C.A.)	do	do	4	1,234,332.67
Notes of Administrator (E.C.A.)	Aug. 12, 1959	June 30, 1989	4⅛	220,100.00
Total				21,292,940.67
Veterans' Administration (veterans' direct loan program), act of Apr. 20, 1950, as amended:				
Agreements	Various dates	Indefinite	2½	88,342,741.00
Agreements	do	do	2¾	53,032,393.00
Agreements	do	do	2⅞	102,845,334.00
Agreements	do	do	3	118,763,868.00
Agreements	Mar. 29, 1957	do	3¼	49,768,442.00
Agreements	Various dates	do	3⅜	316,826,356.00
Agreement	June 28, 1957	do	3½	49,838,707.00
Agreement	Apr. 7, 1958	do	3⅛	49,571,200.00
Agreement	Oct. 6, 1958	do	3⅝	48,855,090.00
Agreements	Various dates	do	3¾	99,889,310.00
Agreements	do	do	3⅞	392,344,555.00
Agreements	do	do	4¼	109,387,321.00
Agreements	do	do	4½	99,909,137.93
Agreement	Feb. 5, 1960	do	4⅝	20,000,000.00
Agreement	Apr. 1, 1960	do	4⅛	20,703,541.07
Agreement	July 19, 1960	do	4	110,000,000.00
Total				1,730,077,996.00
Virgin Islands Corporation, act of Sept. 2, 1958, as amended:				
Notes	Various dates	Various dates	3¾	450,000.00
Notes	do	do	3⅞	110,000.00
Notes	do	do	4	631,100.00
Note	Sept. 30, 1959	Sept. 30, 1979	4⅛	10,000.00
Note	Oct. 15, 1959	Oct. 15, 1979	4⅜	500.00
Note	Feb. 24, 1960	Feb. 24, 1980	4½	23,400.00
Total				1,225,000.00

Footnotes at end of table.

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TABLE 111.—*Description of securities of Government corporations and other business-type activities held by the Treasury, June 30, 1964*—Continued

Title and authorizing act	Date of issue	Date payable [1]	Rate of interest	Principal amount
Defense Production Act of 1950, as amended:				
General Services Administration:			Percent	
Notes of Administrator, Series D	Various dates	Various dates	3½	$155,000,000.00
Notes of Administrator, Series D	do	do	3⅝	334,000,000.00
Notes of Administrator, Series D	do	do	3¾	155,000,000.00
Notes of Administrator, Series D	do	do	3⅞	165,000,000.00
Notes of Administrator, Series D	do	do	4	437,000,000.00
Notes of Administrator, Series D	do	do	4⅛	170,000,000.00
Notes of Administrator, Series D	do	do	4⅜	383,700,000.00
Notes of Administrator, Series D	do	do	4½	30,000,000.00
Notes of Administrator, Series D	do	do	4⅝	53,000,000.00
Notes of Administrator, Series D	Oct. 21, 1959	Oct. 21, 1964	4¾	8,000,000.00
Notes of Administrator, Series D	Various dates	Various dates	4⅞	30,000,000.00
Subtotal				1,920,700,000.00
Secretary of Agriculture:				
Note	July 1, 1959	July 1, 1964	4⅜	50,145,000.00
Note	July 1, 1960	July 1, 1965	4	62,000.00
Notes	Various dates	Various dates	3⅝	13,590,016.49
Note	July 1, 1963	July 1, 1968	3¾	2,540,931.33
Subtotal				66,337,947.82
Secretary of the Interior, Defense Minerals Exploration Administration:				
Note	Feb. 18, 1955	July 1, 1964	2⅜	1,000,000.00
Note	Apr. 29, 1955	do	2½	1,000,000.00
Notes	Various dates	Various dates	2⅞	6,000,000.00
Note	Aug. 31, 1956	July 1, 1966	3	1,000,000.00
Notes	Various dates	Various dates	3¼	18,130,000.00
Note	Jan. 30, 1957	July 1, 1966	3½	1,000,000.00
Note	Apr. 22, 1957	do	3⅜	1,000,000.00
Note	Aug. 12, 1957	July 1, 1967	3⅞	1,000,000.00
Note	Oct. 11, 1957	do	3¾	1,000,000.00
Note	Jan. 17, 1958	do	3⅛	1,000,000.00
Subtotal				32,130,000.00
Total Defense Production Act of 1950, as amended				2,019,167,947.82
District of Columbia Commissioners: Stadium sinking fund, Armory Board, D.C., act of Sept. 7, 1957, as amended:				
Note	Nov. 29, 1963	When funds are available.	3⅝	240,000.00
Note	May 28, 1964	do	3⅞	415,800.00
Total				655,800.00
Total obligations [3]				29,241,102,071.56

[1] Securities may be redeemed at any time.
[2] Excludes $15,000,000 advanced to the fund effective as of June 30, 1964, after publication of the daily Treasury statement.
[3] These securities were issued to the Treasury in exchange for advances by the Treasury from public debt receipts under congressional authorization for specified Government corporations and business-type activities to borrow from the Treasury.

TABLE 112.—*Summary statements of financial condition of Government corporations and other business-type activities, June 30, 1964*

[In thousands of dollars. On basis of reports received from activities]

Account	Administrative budget funds: Public enterprise revolving funds	Administrative budget funds: Intragovernmental revolving funds	Administrative budget funds: General and special funds	Trust funds: Trust revolving funds	Trust funds: Government-sponsored enterprises
ASSETS					
Cash in banks, on hand, and in transit	172,325	1,714	1,005	-----------	108,287
Fund balances with the U.S. Treasury [1]	5,881,122	2,395,051	4,244,296	72,456	73,750
Investments:					
Public debt securities (par value)	2,039,070	-----------	4,545	407,616	4,896,275
Securities of Government enterprises	154,354	-----------	-----------	4,986	-----------
Unamortized premium, or discount (−)	−11,362	-----------	(*)	−7,349	−32,267
Other securities	278,082	-----------	5,441,802	-----------	14,410
Advances to contractors and agents:					
Government agencies	1,320	13,723	7,708	1	-----------
Other	12,262	38,897	14,386	4	-----------
Accounts and notes receivable:					
Government agencies	963,666	659,693	196,631	52,390	14
Other (net)	427,099	79,605	2,058,212	16,533	1,506
Inventories	5,874,994	6,331,072	7,077,520	425	42
Allowance for losses (−)	−864,794	−374	-----------	-----------	-----------
Accrued interest receivable:					
On public debt securities	10,601	-----------	38	3,405	33,303
On securities of Government enterprises	2,520	-----------	725,472	91	-----------
Other	173,558	-----------	442,885	9,405	70,708
Loans receivable:					
Government agencies	52,860	-----------	-----------	-----------	500
Other: U.S. dollar loans	16,839,201	-----------	9,834,315	2,043,554	8,036,337
Foreign currency loans	1,074,768	-----------	3,195,298	-----------	-----------
Allowance for losses (−)	−505,785	-----------	−12,629	−60,694	−10,986
Acquired security or collateral (net)	940,306	-----------	108	7,508	38
Land, structures, and equipment	5,564,213	580,059	7,864,379	856	10,231
Accumulated depreciation (−)	−1,671,730	−251,059	−3,786,580	−226	−1,418
Foreign currencies	1,029	-----------	760,223	-----------	-----------
Other assets (net)	2,137,912	128,793	1,892,965	52,445	14,893
Total assets	[2]39,547,591	9,977,175	[2]39,962,580	2,603,406	13,215,623
LIABILITIES					
Accounts payable:					
Government agencies	93,328	179,524	118,310	(*)	5,216
Other	547,044	355,741	538,714	52,607	1,760
Accrued liabilities:					
Government agencies	736,775	800	11,237	1,914	1
Other	202,270	122,371	127,180	22,145	97,835
Advances from:					
Government agencies	318	1,271,992	42,505	1	-----------
Other	1,259	8,249	28	-----------	-----------
Trust and deposit liabilities:					
Government agencies	215,613	996	27,812	-----------	143
Other	138,474	183	18,591	22,229	1,153,640
Bonds, debentures, and notes payable:					
Government agencies	159,340	-----------	-----------	-----------	500
Other: Guaranteed by the United States	633,852	-----------	-----------	-----------	-----------
Not guaranteed by the United States	180,015	-----------	-----------	1,698,902	7,094,960
Other liabilities (including reserves)	3,280,688	347,495	149,088	15,724	225,721
Total liabilities	6,188,975	2,287,352	1,033,465	1,813,522	8,579,775

Footnotes at end of table.

TABLE 112.—*Summary statements of financial condition of Government corporations and other business-type activities, June 30, 1964*—Continued

[In thousands of dollars]

Account	Administrative budget funds: Public enterprise revolving funds	Administrative budget funds: Intragovernmental revolving funds	Administrative budget funds: General and special funds	Trust funds: Trust revolving funds	Trust funds: Government-sponsored enterprises
NET INVESTMENT					
U.S. interest:					
Interest-bearing investment:					
Capital stock	100,000				
Borrowings from the U.S. Treasury	24,089,898		5,055,370	4,460	
Other	1,262,083				
Noninterest-bearing investment:					
Capital stock	1,041,000			88,000	201,500
Appropriations	13,802,410	590,033	25,268,162		
Capitalization of assets (net)	1,507,845	376,878	2,716,759		
Other	1,445,191	6,617,626	11,797,964		
Accumulated net income, or deficit (−)	−9,623,958	105,287	−3,301,088	41,465	2,838,132
Deposits of general and special fund revenues (−)	−265,854		−2,608,052		
Total U.S. interest	33,358,616	7,689,824	38,929,115	133,925	3,039,633
Trust and private interest:					
Principal of fund				120,072	
Capital stock				90,853	1,353,533
Accumulated net income, or deficit (−)				445,033	242,683
Total trust and private interest				655,959	1,596,216
Total liabilities and investment	39,547,591	9,977,175	39,962,580	2,603,406	13,215,623

*Less than $500.

[1] Consist mainly of unexpended balances of general, special, and revolving fund accounts against which checks may be drawn to pay proper charges under these funds. The funds are considered assets of the agencies, but not of the U.S. Government since funds must be provided out of cash balances of the Treasurer of the United States and future receipts to take care of checks to be issued against the balances.

[2] Includes foreign currency assets, representing loans and other receivables recoverable in foreign currencies in U.S. depositaries, aggregating $5,081 million in dollar equivalent. These currencies, acquired primarily without dollar payments, were generated under various Government programs, but principally the Agricultural Trade Development and Assistance Act of 1954, as amended, and the Mutual Security Acts, as amended. Dollar equivalents are computed for reporting purposes to provide a common denominator for the currencies of the many countries involved. Foreign currencies on hand and on deposit and loans under section 104(e) of the Agricultural Trade Development and Assistance Act of 1954, as amended, are stated at the rates as of June 30, 1964, at which the United States could purchase currencies on the market for regular operating purposes. Other loans are stated at the rates at which they are to be repaid or at rates in effect when the loans were extended. Currencies that are dollar denominated or guaranteed as to rate of exchange are stated at rates specified in the agreements.

NOTE.—Business-type activities reporting pursuant to Department Circular No. 966, issued Jan. 30, 1956. Statements of financial condition by type of fund, department and agency are published quarterly in the monthly *Treasury Bulletin*.

TABLE 113.—*Statement of loans outstanding of Government corporations and other business-type activities, June 30, 1964*

[In thousands of dollars]

Type of loan and lending agency [1]	U.S. dollar loans			Foreign currency loans [2]
	Total	Public enterprise revolving funds	Certain other activities	
TO AID AGRICULTURE				
Loans to cooperative associations:				
Farmers Home Administration:				
Direct loan account	29,836	29,836	----------	----------
Rural Electrification Administration	3,869,276	----------	3,869,276	----------
Crop, livestock, and commodity loans:				
Commodity Credit Corporation	[3] 2,759,652	[3] 2,759,652	----------	----------
Farmers Home Administration:				
Direct loan account	1,708	1,708	----------	----------
Emergency credit revolving fund	77,687	77,687	----------	----------
Storage facility and equipment loans:				
Commodity Credit Corporation	55,114	55,114	----------	----------
Farm mortgage loans:				
Farmers Home Administration:				
Agricultural credit insurance fund	94,700	94,700	----------	----------
Direct loan account	309,025	309,025	----------	----------
Rural housing and other loans	570,006	----------	570,006	----------
Other loans:				
Farmers Home Administration:				
Direct loan account	675,606	675,606	----------	----------
Rural housing for the elderly revolving fund	100	100	----------	----------
Rural housing and other loans	12,151	----------	12,151	----------
Total to aid agriculture	8,454,863	4,003,429	4,451,434	----------
TO AID HOMEOWNERS				
Mortgage loans:				
Federal Housing Administration	244,273	244,273	----------	----------
Federal National Mortgage Association:				
Management and liquidating functions	1,123,396	1,123,396	----------	----------
Special assistance functions	1,499,488	1,499,488	----------	----------
Federal Savings and Loan Insurance Corporation	112,714	112,714	----------	----------
Housing and Home Finance Administrator:				
Community disposal operations fund	3,914	3,914	----------	----------
Interior Department:				
Bureau of Indian Affairs:				
Liquidation of Hoonah housing project	161	161	----------	----------
Public Housing Administration	239	239	----------	----------
Veterans' Administration:				
Direct loans to veterans and reserves	1,230,673	1,230,673	----------	----------
Loan guaranty revolving fund	8,092	8,092	----------	----------
Other loans:				
Veterans' Administration:				
Direct loans to veterans and reserves	21,625	21,625	----------	----------
Loan guaranty revolving fund	433,633	433,633	----------	----------
Total to aid homeowners	4,678,208	4,678,208	----------	----------
TO AID INDUSTRY				
Loans to railroads:				
Expansion of defense production:				
Treasury Department	8,966	8,966	----------	----------
Other purposes:				
Interstate Commerce Commission	14,076	----------	14,076	----------
Treasury Department:				
Reconstruction Finance Corporation liquidation fund	4,781	4,781	----------	----------
Ship mortgage loans:				
Commerce Department:				
Federal ship mortgage insurance fund	13,015	13,015	----------	----------
Maritime Administration	95,839	----------	95,839	----------
Other loans:				
Expansion of defense production:				
Interior Department	9,432	9,432	----------	----------
Treasury Department	8,942	8,942	----------	----------
Defense production guarantees:				
Air Force Department	7,868	7,868	----------	----------
Army Department	2,129	2,129	----------	----------
Navy Department	6,687	6,687	----------	----------

Footnotes at end of table.

TABLE 113.—*Statement of loans outstanding of Government corporations and other business-type activities, June 30, 1964*—Continued

[In thousands of dollars]

Type of loan and lending agency [1]	U.S. dollar loans			Foreign currency loans [2]
	Total	Public enterprise revolving funds	Certain other activities	
To Aid Industry—Continued				
Other loans—Continued				
Other purposes:				
Commerce Department:				
Area Redevelopment Administration	55,717	55,709	8	-----------
Federal ship mortgage insurance fund	664	664	-----------	-----------
Inland Waterways Corporation loans in liquidation	3,750	-----------	3,750	-----------
Housing and Home Finance Administrator:				
Liquidating programs	4,183	4,183	-----------	-----------
Interior Department:				
Bureau of Commercial Fisheries:				
Fisheries loan fund	5,611	5,611	-----------	-----------
Office of Minerals Exploration	901	-----------	901	-----------
Small Business Administration:				
Revolving fund (lending operations)	711,118	711,118	-----------	-----------
Treasury Department:				
Civil defense loans	547	547	-----------	-----------
Reconstruction Finance Corporation liquidation fund	169	169	-----------	-----------
Total to aid industry	954,397	839,822	114,575	-----------
To Aid Education				
Health, Education, and Welfare Department:				
Loans to institutions and nonprofit schools	5,052	-----------	5,052	-----------
Loans to students in institutions of higher education	404,075	-----------	404,075	-----------
Loans to students (World War II)	5	-----------	5	-----------
Housing and Home Finance Administrator:				
College housing loans	1,700,316	1,700,316	-----------	-----------
Total to aid education	2,109,447	1,700,316	409,131	-----------
To Aid States, Territories, etc.				
Commerce Department:				
Area Redevelopment Administration:				
Area redevelopment fund	9,507	9,507	-----------	-----------
General Services Administration:				
Public Works Administration (in liquidation)	59,268	-----------	59,268	-----------
Health, Education, and Welfare Department:				
Public Health Service	4,122	-----------	4,122	-----------
Housing and Home Finance Administrator:				
Public facility loans	148,395	148,395	-----------	-----------
Liquidating programs	6,870	6,870	-----------	-----------
Urban renewal fund	151,013	151,013	-----------	-----------
Interior Department:				
Bureau of Reclamation	78,298	-----------	78,298	-----------
Office of Territories:				
Alaska public works	16,289	-----------	16,289	-----------
National Capital Planning Commission	1,159	-----------	1,159	-----------
Public Housing Administration	47,439	47,439	-----------	-----------
Treasury Department:				
Miscellaneous loans and certain other assets	102,953	-----------	102,953	-----------
Total to aid States, Territories, etc	625,313	363,224	262,089	-----------
Foreign Loans				
Military assistance credit sales:				
Defense Department:				
Air Force Department	34,994	-----------	34,994	-----------
Army Department	114,761	-----------	114,761	-----------
Navy Department	84,605	-----------	84,605	-----------
Other purposes:				
Agency for International Development:				
Alliance for Progress, development loans	301,406	301,406	-----------	-----------
Development loans	983,495	983,495	-----------	-----------
Development loan fund liquidation account	255,689	255,689	-----------	1,074,768

Footnotes at end of table.

TABLE 113.—*Statement of loans outstanding of Government corporations and other business-type activities, June 30, 1964*—Continued

[In thousands of dollars]

Type of loan and lending agency [1]	U.S. dollar loans			Foreign currency loans [2]
	Total	Public enterprise revolving funds	Certain other activities	
FOREIGN LOANS—Continued				
Other purposes—Continued				
Agency for International Development—Con.				
Loans to U.S. firms and domestic or foreign firms in foreign countries				104,040
All other loans	1,605,144		1,605,144	3,091,259
Commerce Department:				
Maritime Administration	3,569		3,569	
Export-Import Bank of Washington:				
Regular lending activities	[4] 3,533,045	[4] 3,533,045		
Treasury Department:				
Miscellaneous loans and certain other assets	3,154,308		3,154,308	
Total foreign loans	10,071,014	5,073,635	4,997,379	4,270,067
OTHER LOANS				
General Services Administration:				
Surplus property credit sales and liquidation activities	93,282		93,282	
Housing and Home Finance Administrator:				
Housing for the elderly	52,413	52,413		
Liquidating programs	6,912	6,912		
Interior Department:				
Bureau of Indian Affairs:				
Loans for Indian assistance	12		12	
Revolving fund for loans	23,132	23,132		
Office of Territories:				
Loans to private trading enterprises	88	88		
Public Housing Administration	626	626		
Small Business Administration:				
Revolving fund (lending operations)	90,332	90,332		
State Department:				
Loans to United Nations	112,013		112,013	
Emergency loans to individuals				
Treasury Department:				
Federal Farm Mortgage Corporation liquidation fund	312	312		
Miscellaneous loans and certain other assets	40		40	
Veterans' Administration:				
Insurance appropriations policy loans	914		914	
Service-disabled veterans' insurance fund	3,442	3,442		
Soldiers' and sailors' civil relief	19	19		
Veterans' special term insurance fund	3,195	3,195		
Vocational rehabilitation revolving fund	96	96		
Total other loans	386,827	180,566	206,262	
Total loans [5]	[6] 27,280,070	16,839,201	[7] 10,440,870	4,270,067

[1] Includes purchase money mortgages, mortgages purchased from insured lending institutions to prevent default, and similar long-term paper held by the agencies. Prior to June 30, 1960, these assets had been classified as accounts and notes receivable or other assets. This table excludes interagency loans and those made by deposit and trust revolving funds.

[2] The dollar equivalents of these loans are computed for reporting purposes at varying rates. Where the loan agreements stipulate a dollar denominated figure, the loans outstanding are generally valued at the agreement rates of exchange. Loans executed in units of foreign currency are valued at the market rates (i.e., the rates of exchange at which the Treasury sells such currencies to Government agencies).

[3] Certificates of interest in the amount of $377 million, issued against certain of these loans, were outstanding as of June 30, 1964.

[4] Participation certificates in the amount of $827 million, issued against certain of these loans, were outstanding as of June 30, 1964.

[5] Excludes World War I funded and unfunded indebtedness of foreign governments, and World War II indebtedness of foreign governments involving lend-lease articles, surplus property sales agreements, and certain other credits shown in table 106.

[6] Does not include foreign currency loans.

[7] Includes loans in the amount of $607 million excluded from table 112.

NOTE.—The *Treasury Bulletin* for November 1964 contained on pp. 149-50, a table by years beginning with 1955 showing loans outstanding including those by deposit and trust revolving funds. Statistical statements of financial condition by agencies as of June 30, 1964, were published in the same issue. Statements of income and expense, and source and application of funds by agencies as of June 30, 1964, were published in the *Treasury Bulletin* for December 1964.

TABLE 114.—*Dividends, interest, and similar earnings received by the Treasury from Government corporations and other business-type activities, fiscal years 1963 and 1964*

Agency and nature of earnings	Amounts	
	1963	1964
Agency for International Development:		
Development loan fund liquidation account, earnings		$19,780,494.19
Mutual defense program—economic assistance, interest on borrowings	$14,940,232.81	13,112,241.37
Civil Service Commission, investigations, earnings	7,024.70	17,655.80
Commerce Department:		
National Bureau of Standards, working capital fund, earnings	337,028.74	
Maritime Administration, Federal ship mortgage insurance fund, interest on borrowings		263,067.57
Commodity Credit Corporation:		
Interest on capital stock	3,250,000.00	3,375,000.00
Interest on borrowings	183,134,216.40	195,793,746.09
Export-Import Bank of Washington:		
Regular activities:		
Dividends	35,000,000.00	50,000,000.00
Interest on borrowings	51,134,398.54	34,381,031.87
Farm Credit Administration:		
Banks for cooperatives, franchise tax	2,250,387.20	2,170,282.79
Federal intermediate credit banks, franchise tax	2,376,051.33	2,731,557.23
Farmers Home Administration:		
Rural housing loan program, interest on borrowings	12,607,724.73	16,860,645.96
Direct loan account, interest on borrowings	10,708,933.47	12,018,972.73
Agricultural credit insurance fund, interest on borrowings	997,574.83	2,296,044.33
Federal National Mortgage Association:		
Management and liquidating functions:		
Earnings	25,000,000.00	15,000,000.00
Interest on borrowings	44,089,115.94	42,051,742.74
Secondary market operations:		
Dividends	3,606,965.23	3,887,804.35
Interest on borrowings	1,175,386.81	90,634.53
Special assistance functions, interest on borrowings	74,189,402.43	57,358,122.03
Federal Prison Industries, Inc., earnings	4,000,000.00	4,000,000.00
General Services Administration:		
Buildings management fund, earnings	1,155,394.45	2,958,080.84
Defense production guarantees, earnings	6,265,400.77	
General supply fund, earnings	5,346,476.52	6,862,324.26
Working capital fund, earnings	44,532.61	114,932.20
Government Printing Office, earnings	5,770,101.03	6,731,791.17
Health, Education, and Welfare Department, Public Health Service, narcotic hospitals, working capital fund, earnings	5,374.63	
Housing and Home Finance Administrator:		
College housing loans, interest on borrowings	32,502,241.53	41,393,954.75
Public facility loans, interest on borrowings	2,709,139.47	3,540,311.31
Urban renewal fund, interest on borrowings	4,943,793.61	5,343,592.54
Interior Department:		
Bureau of Reclamation:		
Colorado River Dam fund, Boulder Canyon project, interest	3,029,706.88	2,945,942.87
Virgin Islands Corporation:		
Interest on appropriations and paid-in capital	319,960.94	355,305.28
Interest on borrowings	44,355.13	47,868.88
Panama Canal Company, interest on net direct investment of the Government	10,006,130.50	10,894,217.87
Public Housing Administration, low rent public housing program fund, interest on borrowings	1,440,845.75	2,099,014.02
Rural Electrification Administration, interest on borrowings	70,844,765.12	74,202,686.96
St. Lawrence Seaway Development Corporation, interest on borrowings	2,200,000.00	2,952,363.24
Secretary of the Treasury (Federal Civil Defense Act of 1950, as amended), interest on borrowings	13,243.26	7,651.92
Small Business Administration, interest on appropriations	20,149,198.60	26,521,070.71
Tennessee Valley Authority:		
Earnings	38,874,542.80	40,206,431.91
Interest on borrowings	147,649.79	694,644.38
Treasury Department:		
Federal Farm Mortgage Corporation liquidation fund, dividends	533,557.46	411,299.98
U.S. Information Agency, informational media guaranty fund, interest on borrowings	570,542.00	621,848.00

TABLE 114.—*Dividends, interest, and similar earnings received by the Treasury from Government corporations and other business-type activities, fiscal years 1963 and 1964*—Continued

Agency and nature of earnings	Amounts 1963	Amounts 1964
Veterans' Administration:		
Canteen service revolving fund, profits	$1,500,000.00	$1,500,000.00
Direct loans to veterans and reserves, interest on borrowings	47,474,392.36	48,795,130.25
Rental, maintenance, and repair of quarters, profits		384.61
Supply fund, earnings		172,774.67
Defense Production Act of 1950, as amended:		
General Services Administration, interest on borrowings		153,023,671.29
Secretary of Agriculture, interest on borrowings	1,477,236.86	282,931.33
Secretary of the Interior (Defense Minerals Exploration Administration), interest on borrowings	1,480,000.00	
Secretary of the Treasury, interest on borrowings	3,371,196.27	987,139.79
D.C. Commissioners, stadium sinking fund, Armory Board, D.C., interest on borrowings		27,366.18
Total	731,024,221.50	908,883,774.79

Government Losses in Shipment

TABLE 115.—*Government losses in shipment revolving fund, June 30, 1964*

[Established July 8, 1937, under authority of the Government Losses in Shipment Act, as amended (5 U.S.C. 134-134h)]

SECTION I—STATUS OF FUND

Transactions	Cumulative through June 30, 1963	Fiscal year 1964	Cumulative through June 30, 1964
Receipts:			
Appropriation	$802,000.00	$550,000.00	$1,352,000.00
Transferred from securities trust fund pursuant to: 5 U.S.C. 134b	91,803.13		91,803.13
Transferred from the account "Unclaimed partial payments on U.S. savings bonds" pursuant to:			
Public Law 85-354	50,000.00		50,000.00
Public Law 86-561	100,000.00		100,000.00
Public Law 87-575	525,000.00		525,000.00
Recoveries of payments for losses	481,419.64	4,798.20	486,217.84
Repayments to the fund	3,924.32		3,924.32
Total receipts	2,054,147.09	554,798.20	2,608,945.29
Expenditures:			
Payment for losses	2,041,226.15	343,715.79	2,384,941.94
Other payments (refunds, etc.)	92.57		92.57
Total expenditures	2,041,318.72	343,715.79	2,385,034.51
Balance in fund	12,828.37	211,082.41	223,910.78

NOTE.—This statement excludes contingent liabilities for pending claims against the fund as of June 30, 1964, totaling $6,456.11.

SECTION II—AGREEMENTS OF INDEMNITY ISSUED BY THE TREASURY DEPARTMENT

Agreements of indemnity [1]	Number	Amount
Issued through June 30, 1963	446	$2,805,752.53
Issued during the fiscal year 1964	1,413	646,244.02
Total issued	1,859	3,451,996.55
Canceled through June 30, 1964	32	1,056,192.03
In force as of June 30, 1964	1,827	2,395,804.52

[1] The Government has not sustained any actual monetary loss in connection with its liability under these agreements of indemnity.

TABLE 115.—*Government losses in shipment revolving fund, June 30, 1964*—Con.

SECTION III—CLAIMS MADE AND SETTLED

Claims	Number	Amount
Received:		
Through June 30, 1963	6,810	$8,353,430.05
During fiscal year 1964 and processed by:		
Bureau of Accounts	115	104,221.03
Bureau of the Public Debt	365	299,366.99
Total claims received through June 30, 1964	7,290	8,757,018.07
Settled:		
Through June 30, 1963	6,808	8,353,129.56
During fiscal year 1964 and processed by:		
Bureau of Accounts:		
For payment out of the fund	20	49,957.79
For credit in appropriate accounts	83	49,067.43
Without payment or credit	2	386.49
Bureau of the Public Debt:		
For payment out of the fund:		
U.S. savings bonds redemption cases	347	293,608.00
Armed Forces leave bonds redemption cases	1	150.00
Without payment or credit, U.S. savings bonds redemption cases	4	469.49
Total claims settled through June 30, 1964	7,265	8,746,768.76
Unadjusted as of June 30, 1964 [1]	25	10,249.31
Total	7,290	8,757,018.07

[1] Includes claims in process of adjustment by the Bureau of the Public Debt.

Personnel

TABLE 116.—*Number of employees in the departmental and field services of the Treasury Department quarterly from June 30, 1963, to June 30, 1964* [1]

Organizational unit	June 30, 1963	Sept. 30, 1963	Dec. 30, 1963	Mar. 31, 1964	June 30, 1964	Increase, or decrease (−), since June 30, 1963
Office of the Secretary [2]	779	774	796	791	786	7
Comptroller of the Currency, Bureau of	1,521	1,516	1,531	1,511	1,540	19
Customs, Bureau of	9,066	9,096	9,046	9,015	9,125	59
Engraving and Printing, Bureau of	2,938	2,935	2,923	2,943	2,938	------------
Fiscal Service:						
Accounts, Bureau of	1,730	1,648	1,650	1,653	1,664	−66
Public Debt, Bureau of	2,159	2,081	2,052	2,067	2,107	−52
Treasurer, Office of	1,022	977	972	981	1,001	−21
Internal Revenue Service	59,486	58,580	57,900	[3] 63,484	59,357	−129
Mint, Bureau of	1,084	1,132	1,164	1,165	1,190	106
Narcotics, Bureau of	431	427	429	427	429	−2
U.S. Coast Guard	5,035	5,139	4,973	5,071	5,229	194
U.S. Savings Bonds Division	531	530	529	533	543	12
U.S. Secret Service	797	822	814	830	839	42
Total civilian employees	86,579	85,657	84,779	90,471	86,748	169
Military employees—U.S. Coast Guard	31,660	32,139	32,056	32,133	32,248	588
Grand total	118,239	117,796	116,835	122,604	118,996	757

[1] Actual number of employees on last day of month and any intermittent employees who worked at any time during the month.
[2] Includes Office of International Affairs and Office of Defense Lending.
[3] Includes seasonal employees.

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