



TREASURY DEPARTMENT

WASHINGTON

AUG 3 1942

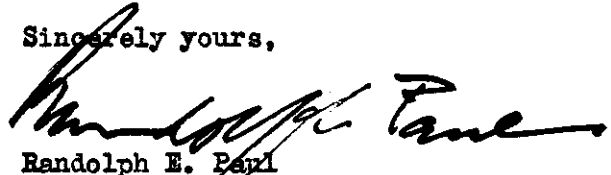
Dear Marriner:

I have your letter of July 23 regarding the figures on distribution of dividend receipts by income groups, which I sent you.

I think we are in agreement on the one hand that the receipt of dividends gives rise to consumer expenditures, and on the other hand that many other forms of income generate a larger volume of consumer expenditure per dollar of income. The points you make about interpreting the figures are well taken.

Another point which perhaps should be noted is that a certain amount of dividends is received by people who have incomes too small to file income tax returns and accordingly do not show in the figures. This is admittedly a relatively small amount.

Sincerely yours,



Handwritten signature of Randolph E. Paul.

Randolph E. Paul  
Assistant to the Secretary

Honorable Marriner S. Eccles,  
Chairman, Board of Governors,  
Federal Reserve System,  
Washington, D. C.

