

SECRET

National Advisory Council
Document No. 414
May 23, 1947

MEMORANDUM To: National Advisory Council

From: Secretary of the Council

Subject: Request for Information Concerning Personnel Practices
of the International Fund and Bank

Attached for the information of Council members is the text of a reply to a Congressional letter inquiring as to salaries, taxes, and other personnel matters of the International Monetary Fund. In the interests of uniformity of reply to inquiries of this type, it is suggested that letters received by other agencies dealing with similar questions with respect to the International Fund and Bank be referred to the Chairman of the Council for reply.

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May 23, 1947

Attachment

—Dear Mr. Smith:

April 21, 1947

This is in reply to your letter of 18 March 1947 in which you refer to our previous correspondence concerning information relative to the International Monetary Fund, and in which you ask when the International Monetary Fund intends to make available the information which you have requested.

For your convenience I am recapitulating the questions which you have asked and the information available concerning each of them.

Question 1: Total number of persons employed by the International Monetary Fund, the total annual salaries paid, with a breakdown showing the number of persons in each salary bracket.

In my letter of 20 February 1947 your attention was invited to a statement of the receipts and expenses published by the Fund which indicated specifically the total disbursements which the Fund has made for salaries, wages and expense allowances. On 4 March I sent you a list of all the employees of the Fund showing their nationality, position in the Fund, and present address. I have been informed that the Fund expects to publish in September an administrative budget for the fiscal year ending in 1948. Although the form of the budget has not been finally determined, I understand that the Fund is giving consideration to a form of budget which would show the total number of persons employed by the Fund and the total amount paid in salary, and that it may contain a breakdown showing the total number of Fund employees in each salary bracket.

Question 2: The total number of United States citizens employed and the total annual salaries, with a breakdown showing the number of persons in each salary bracket.

The United States citizens employed are of course listed in the schedule of employees of the Fund forwarded with my letter of 4 March. I understand the Fund is giving consideration to having its administrative budget provide a breakdown similar to that given by the United Nations Organizations.

Question 3: Whether all salaries of persons employed by the Fund are exempt from paying income taxes or whether this pertains only to United States employees.

Full information is not yet available concerning action taken by all members countries, but I am informed that the majority of member countries have exempted from income taxes salaries received by their Nationals from the Fund. Employees of the Fund who are United States citizens are not exempt from Federal income taxes; as you know, the exemption of the salaries of the United States employees from income taxes would require Congressional action. However, employees of the Fund are, in accordance with section 14(b) of the By-Laws, reimbursed by the Fund for the income taxes they are required to pay their Governments.

Question 4: Are all United States employees exempted from such taxes; if not, explain.

I believe that my answer to the preceding question is also fully responsive to this question.

Question 5: Furnish me with a copy of the provision setting up Civil Service retirement benefits if such are provided.

The Fund has not provided for the establishment of any system of retirement benefits for its employees. Inasmuch as the Fund is an international organization, its employees do not come under the United States Civil Service system or any retirement system provided for employees of the United States Government.

Very truly yours,

/s/ John W. Snyder

Secretary of the Treasury
and
Chairman of National Advisory Council on
International Monetary and Financial Problems

Honorable Frederick C. Smith
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