H. R. 4145

IN THE HOUSE OF REPRESENTATIVES.

DECEMBER 20, 1923.

Mr. Steagall introduced the following bill; which was referred to the Committee on Banking and Currency and ordered to be printed.

A BILL

To provide for a more equitable distribution of the earnings of Federal reserve banks.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 That that part of the first paragraph of section 7 of the Federal Reserve Act as amended which reads as follows

3 "after the aforesaid dividend claims have been fully met, the net earnings shall be paid to the United States as a franchise tax except that the whole of such net earnings; including those for the year ending December 31, 1918, shall be paid into a surplus fund until it shall amount to 100 per centum of the subscribed capital stock of such bank, and that thereafter 10 per centum of such net earnings shall be paid into the surplus" to be further amended to read as follows:

4 "After the aforesaid dividend claims have been fully met, the net earnings shall be paid into a surplus fund until
it shall amount to 100 per centum of the subscribed capital stock of such bank, and thereafter 10 per centum of such net earnings shall be paid into the surplus. The remaining net earnings shall be divided between the United States and the stockholders as follows: The Federal Reserve Board shall determine as nearly as may be possible what proportion of such net earnings was derived from the issuance of Federal reserve notes and what proportion was derived from the re-discount, investment, and other banking activities of the Federal reserve bank. Such proportion of the remaining net earnings as are thus found to have been derived from the issuance of Federal reserve notes shall be paid over to the United States as a franchise tax, and the whole of the net earnings then remaining shall be distributed among the stockholders of such Federal reserve bank in proportion to the average amount of reserve balances required to be maintained with such Federal reserve bank by the respective stockholders since the last dividend.”
and ordered to be printed.

Introduced to the Committee on Banking and Currency.

December 30, 1933.

By Mr. Strandt.

To provide for a more equitable distribution of the earnings of Federal Reserve banks.

A BILL

H. R. 4145

63rd Congress, 1st Session.