

**FEDERAL RESERVE BANK OF DALLAS**

**FISCAL AGENT OF THE UNITED STATES**

Dallas, Texas, December 2, 1941

**To All Banking Institutions in the  
Eleventh Federal Reserve District:**

There are enclosed several Tax Savings Plan leaflets prepared by the Treasury Department, covering Tax Savings Notes of Series A and Series B.

The purpose of the leaflet is to provide banks and corporations with a brief summary of Treasury Department Circular No. 667, to be used in discussing Tax Savings Notes with depositors.

Distribution of the leaflet to the public is not now contemplated. However, should your bank desire additional copies to be displayed in tellers' windows and on counters, they will be gladly furnished upon request.

Yours very truly,

**R. R. GILBERT**

**President**



UNITED STATES TREASURY

# TAX SAVINGS PLAN



UNITED STATES  
TREASURY

SERIES A  
SERIES B

## TAX SAVINGS NOTES

**PURPOSE.** For the national defense, greatly increased taxes on income are necessary and have been imposed. As income is received, the taxpayer should set aside the amount necessary to pay the taxes due the following year. The United States Treasury Department, through its Tax Savings Plan, is now providing a convenient means for taxpayers to save for taxes by offering special Treasury Tax Notes which may be purchased by taxpayers from current income and later used by them in paying their Federal income taxes.

**TAX NOTES.** Two series are available: Series A, designed to be particularly attractive to the small or moderate taxpayers, and Series B, intended for the larger taxpayers. The notes on

sale during 1941 are dated August 1, 1941, and will mature August 1, 1943. The succeeding notes, similar except for their dates, on sale during 1942, will be dated in January 1942 and will mature in January 1944.

**PRICE OF NOTES.** The notes of both series sold at par and accrued interest from the date to month of purchase. Credit for accrued interest included in the purchase price, plus further accrual of interest, is given the taxpayer when the notes are used to pay taxes.

**DENOMINATIONS.** Series A, \$25, \$50, \$100; Series B, \$100, \$500, \$1,000, \$10,000, \$100,000, \$500,000, \$1,000,000.

**INTEREST.** Accrues on Series A at rate of 16 cents a month per \$100, or at a rate of about 1.92 percent a year; on Series B at 4 cents a month per \$100, or at a rate of about 0.48 percent a year. Interest accrued after purchase is allowed only on notes used for tax payments and will not accrue after the maturity of the notes.

**TAX PAYMENTS.** The notes, inscribed in the name of the taxpayer and nonnegotiable, may be used by the owner, his agent, or his estate, during and after the third month from month of purchase, in payment of Federal income taxes (current and back personal and corporation taxes and excess-profits taxes) assessed against his income. The notes are receivable at par and accrued interest from their date to month presented to the Collector of Internal Revenue.

**AMOUNTS ACCEPTABLE.** Not more than \$1,200 principal amount and accrued interest thereon, of notes of Series A of any date and maturity, will be accepted on account of a taxpayer's liability for a taxable period, but this limitation applies separately (1) to husband and wife on a joint return and (2) to a decedent before death and to his estate for the balance of the same year. No limitation is placed on the amount of Series B notes acceptable, either alone, or in addition to Series A notes. Tax notes will be received in payment of taxes only in amounts of their denominations plus accrued interest.

**TAXABILITY.** Interest has no exemption from Federal income tax. Interest accrued after purchase should be reported as income for year in which notes were used for tax payment.

**REDEMPTION.** Notes not used for tax-payment purposes may be redeemed, in whole or in part

(corresponding to an authorized denomination), at purchase price only, Series A notes at any time without notice; Series B notes after 60 days from date of issue on 30 days' notice.

**PURCHASE OF NOTES.** Tax notes may be purchased from any Federal Reserve bank or branch or from the Treasurer of the United States, Washington, D. C. Banks, trust companies, and savings and loan associations generally throughout the United States will secure the notes for their customers, making no charge for this service.

**FURTHER INFORMATION.** Consult any local bank, trust company, or savings and loan association, or write to the Federal Reserve bank of the district, or to the Secretary of the Treasury, Washington, D. C. For any special information concerning the acceptance of the tax notes in payment of Federal income taxes, consult the Collector of Internal Revenue.



*Price of \$100 Treasury Tax Notes, Series A and B [par and accrued interest, during successive months; other denominations in proportion]*

1941

*[For notes dated August 1, 1941]*

	Series A	Series B
August.....	\$100.00	\$100.00
September.....	100.16	100.04
October.....	100.32	100.08
November.....	100.48	100.12
December.....	100.64	100.16

1942

*[For notes dated in January 1942]*

	Series A	Series B
January.....	\$100.00	\$100.00
February.....	100.16	100.04
March.....	100.32	100.08
April.....	100.48	100.12
May.....	100.64	100.16
June.....	100.80	100.20
July.....	100.96	100.24
August.....	101.12	100.28
September.....	101.28	100.32
October.....	101.44	100.36
November.....	101.60	100.40
December.....	101.76	100.44



# Application for United States Treasury Tax Notes

When completed, mail to Federal Reserve bank, or branch, of your district, or make application through your bank, trust company, or savings and loan association.

## TAX SERIES A—TAX SERIES B

<i>Number of Notes</i>	<i>Denomination (Face value)</i>	<i>Purchase Price (See previous page)</i>	<i>Amount (Total cost)</i>
-----	Tax Series A \$25	\$-----	\$-----
-----	Tax Series A \$50	-----	-----
-----	Tax Series A \$100	-----	-----
-----	Tax Series B \$100	-----	-----
-----	Tax Series B \$500	-----	-----
-----	Tax Series B \$1,000	-----	-----
-----	Tax Series B \$10,000	-----	-----
-----	Tax Series B \$100,000	-----	-----
-----	Tax Series B \$500,000	-----	-----
-----	Tax Series B \$1,000,000	-----	-----

TOTAL AMOUNT OF PURCHASE (remittance herewith) \$-----  
 (IMPORTANT.—Be sure and refer to table on previous page before filling in Purchase Price.)

To the Federal Reserve Bank of -----

The undersigned hereby applies for United States Treasury Notes of  Tax Series A  Tax Series B as indicated on the form to the left.

(All remittances should be drawn to the order of the Treasurer of the United States, as payee.)

-----  
 (Purchaser's name—type or print plainly)

-----  
 (Signature of purchaser)

-----  
 (Address of purchaser)

Notes will be forwarded by registered mail to address above unless other instructions are given. 16-24503-1 GPO