

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, September 17, 1942

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

There is enclosed a copy of a brief summary containing essential information in regard to the new issues of Treasury Tax Savings Notes, referred to in our circular of September 12, 1942.

There are also enclosed several forms to be used in connection with applications for Treasury Tax Savings Notes.

The Secretary of the Treasury is desirous of effecting a wide distribution of this summary and has suggested that we ascertain from banks if they would be willing to send copies of it to all depositors and customers with their September 30 statements.

A self-addressed post card is enclosed, on which may be indicated the number of copies of the summary required should your bank be willing to make such distribution. The prompt return of this card is important, in order that the number desired may be forwarded to your bank before the end of this month.

Your continued cooperation in connection with the sale of Tax Savings Notes will be appreciated.

Yours very truly,

R. R. GILBERT

President



UNITED STATES TREASURY
 VICTORY FUND COMMITTEE
 ELEVENTH FEDERAL RESERVE DISTRICT

September 14, 1942

TAX SAVINGS NOTES

The Secretary of the Treasury is offering new and revised series of Treasury Tax Savings Notes to provide (a) a convenient and systematic method of accumulating funds for the payment of taxes, and (b) an exceptionally attractive medium for the safest investment in the world for idle funds, particularly those held by business concerns and others who have unemployed cash seeking short-term investment. These notes constitute an important part of war financing.

Tax Savings Notes continue to be issued in two series—Series A designed primarily for small or moderate taxpayers, and Series C intended for the larger taxpayers and investors. The principal features of these notes are:

	SERIES A	SERIES C
Price:	Par and accrued interest.	Par.
Date and Maturity:	Dated September 1, 1942, due September 1, 1945. Not callable.	Dated first day of month in which purchased, maturing in three years from that date. Not callable.
Interest:	Interest accrues at 16 cents a month per \$100 or at interest rate of about 1.92% a year. If not used for tax payment, no interest paid.	Interest accrues each month from date of issue on a graduated scale per \$1,000 as follows: First ½ yr.....\$0.50 ½ to 1 yr..... 0.80 1 to 1½ yrs..... 0.90 1½ to 2 yrs..... 1.00 2 to 2½ yrs..... 1.10 2½ to 3 yrs..... 1.10 Average interest rate about 1.07% a year if held to maturity.
Denominations:	\$25, \$50, \$100, \$500, \$1,000, and \$5,000.	\$1,000, \$5,000, \$10,000, \$100,000, \$500,000 and \$1,000,000.
Acceptable for taxes:	\$5,000 limit in one year. Each series may be presented for taxes at par and accrued interest during and after second calendar month after date of purchase.	Unlimited.
Denom. exchange:	Each series may be exchanged from higher to lower but not from lower to higher denominations.	
Form:	Name and address of single owner inscribed as in income tax return, but not issued in names of two or more persons jointly.	
Redemption for cash:	At purchase price only without advance notice.	At par and accrued interest, after 6 months from purchase date upon 30 days' notice, or at maturity.
Collateral:	Not eligible for loans.	Eligible for loans from banking institutions only.

SERIES A

SERIES C

- Transfer:** None, except by parent corporation to its subsidiary in which it owns more than 50% voting stock.
- Conversion:** Series A and B purchased in September, 1942, may be converted into new series with certain limitations.
- Taxes:** Income subject to all Federal taxes. The notes are subject to estate, inheritance, gift or other excise taxes, Federal or State, but are exempt both as to principal and interest from all State or local taxation.
- When and where purchased:** At any time. Through Federal Reserve banks and branches, and the Treasury. For convenience, applications may be made through local banks and security dealers generally.

For complete and governing details, please consult official circulars.

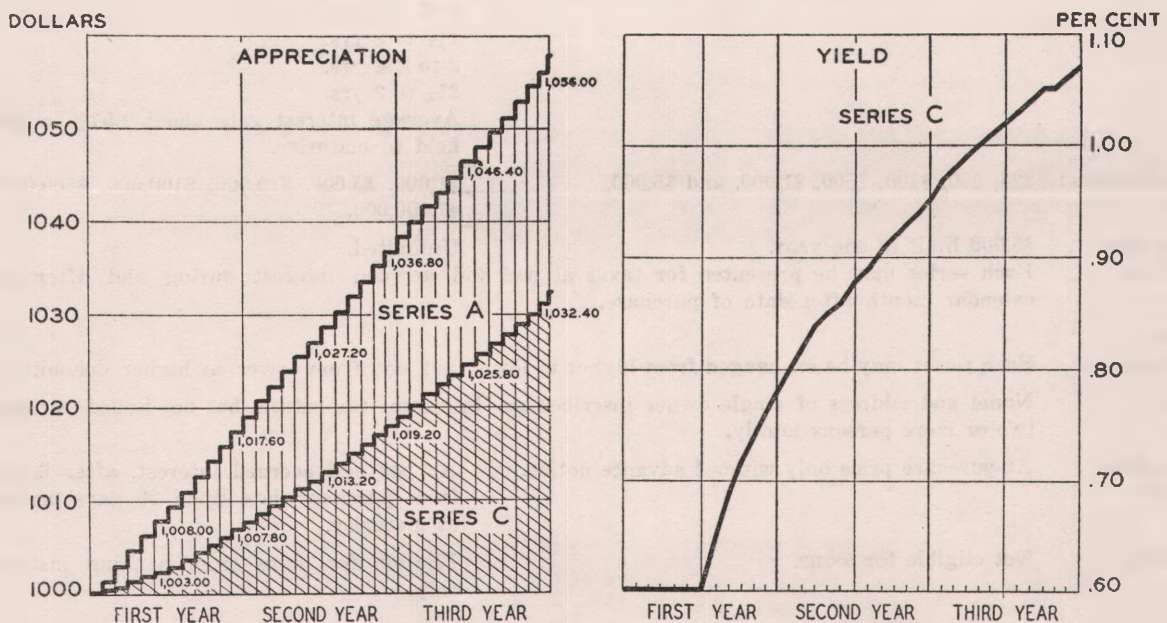
The Secretary of the Treasury has asked us to assist in the distribution of Tax Savings Notes, and it therefore becomes our responsibility to do an effective job. The new Series C notes provide greater flexibility, higher return, and a desirable outlet for employment of short-term funds. The charts at the bottom of this page show appreciation and yields of the notes. The sale of these notes gives us an excellent opportunity to play a significant part in Government war financing.

FOR THE VICTORY FUND COMMITTEE
ELEVENTH FEDERAL RESERVE DISTRICT

R. R. GILBERT,
Chairman

JUDSON S. JAMES, JR.,
Executive Manager

Appreciation and Yields on \$1,000 Tax Savings Notes



APPLICATION FOR
UNITED STATES TREASURY NOTES—TAX SERIES C

Issued at Par

Due 3 Years from Issue Date

To the Federal Reserve Bank of Dallas,
 Station "K", Dallas, Texas

OR

To the Federal Reserve Bank Branch
 at

- El Paso, Texas
- Houston, Texas
- San Antonio, Texas

NOTE:
 This application, accompanied by payment, should be mailed to the Federal Reserve Bank of Dallas, Dallas, Texas, or its branch at El Paso, Houston or San Antonio.

The undersigned hereby applies for United States Treasury Notes of Tax Series C (issued pursuant to Treasury Department Circular No. 696, dated September 12, 1942) as follows:

Number of Notes	Denomination (Face Value)	DO NOT USE THIS COLUMN	Par Amount (Total Cost)
	\$1,000		\$
	\$5,000		\$
	\$10,000		\$
	\$100,000		\$
	\$500,000		\$
	\$1,000,000		\$
Total amount of purchase			\$

(The name of the purchaser, for inscription on notes, should be in the same form as that used by the purchaser in his Federal tax return)

TYPEWRITE THIS INFORMATION IF POSSIBLE—OTHERWISE WRITE LEGIBLY

PURCHASER'S NAME _____

SIGNATURE _____

ADDRESS _____

INSTRUCTIONS FOR DELIVERY OF NOTES

SHIP TO—

- BANK
- PURCHASER
- OTHERWISE

METHOD OF PAYMENT

The month in which payment in immediately available funds is received by a Federal Reserve bank or branch will determine the date of issue of this note.

- By charge to our reserve account hereby authorized.
- By duly authorized deposit on our books in accordance with Treasury Department Circular No. 92 (War Loan Account).
- Draft enclosed on _____

(Name of Bank)

By _____ (President-Cashier)

(Address)

Date _____

TREASURY NOTES—TAX SERIES C

Table of Tax-Payment or Redemption Values and Investment Yields

The table below shows for each month from date of issue to date of maturity the amount of interest accrual; the principal amount with accrued interest added, for notes of each denomination; the approximate investment yield on the par amount from issue date to the beginning of each month following the month of issue; and the approximate investment yield on the current redemption value from the beginning of the month indicated to the month of maturity.

Par Value (issue price during month of issue)	\$1,000	\$5,000	\$10,000	\$100,000	\$500,000	\$1,000,000	Approximate investment yield on par amount from issue date to beginning of each monthly period thereafter	Approximate investment yield on current tax-payment or redemption values from beginning of each monthly period to maturity
Amount of interest accrual each month after month of issue	Tax-Payment or Redemption values during each monthly period after month of issue*							
Interest accrues at rate of \$0.50 per month per \$1,000 par amount							Percent	Percent 1.07†
First month	\$1,000.50	\$5,002.50	\$10,005.00	\$100,050.00	\$500,250.00	\$1,000,500.00	.60	1.08
Second month	1,001.00	5,005.00	10,010.00	100,100.00	500,500.00	1,001,000.00	.60	1.09
Third month	1,001.50	5,007.50	10,015.00	100,150.00	500,750.00	1,001,500.00	.60	1.11
Fourth month	1,002.00	5,010.00	10,020.00	100,200.00	501,000.00	1,002,000.00	.60	1.12
Fifth month	1,002.50	5,012.50	10,025.00	100,250.00	501,250.00	1,002,500.00	.60	1.14
Sixth month	1,003.00	5,015.00	10,030.00	100,300.00	501,500.00	1,003,000.00	.60	1.16
Interest accrues at rate of \$0.80 per month per \$1,000 par amount								
Seventh month	1,003.80	5,019.00	10,038.00	100,380.00	501,900.00	1,003,800.00	.65	1.17
Eighth month	1,004.60	5,023.00	10,046.00	100,460.00	502,300.00	1,004,600.00	.69	1.17
Ninth month	1,005.40	5,027.00	10,054.00	100,540.00	502,700.00	1,005,400.00	.72	1.18
Tenth month	1,006.20	5,031.00	10,062.00	100,620.00	503,100.00	1,006,200.00	.74	1.19
Eleventh month	1,007.00	5,035.00	10,070.00	100,700.00	503,500.00	1,007,000.00	.76	1.20
Twelfth month	1,007.80	5,039.00	10,078.00	100,780.00	503,900.00	1,007,800.00	.78	1.21
Interest accrues at rate of \$0.90 per month per \$1,000 par amount								
Thirteenth month	1,008.70	5,043.50	10,087.00	100,870.00	504,350.00	1,008,700.00	.80	1.22
Fourteenth month	1,009.60	5,048.00	10,096.00	100,960.00	504,800.00	1,009,600.00	.82	1.22
Fifteenth month	1,010.50	5,052.50	10,105.00	101,050.00	505,250.00	1,010,500.00	.84	1.23
Sixteenth month	1,011.40	5,057.00	10,114.00	101,140.00	505,700.00	1,011,400.00	.85	1.24
Seventeenth month	1,012.30	5,061.50	10,123.00	101,230.00	506,150.00	1,012,300.00	.86	1.25
Eighteenth month	1,013.20	5,066.00	10,132.00	101,320.00	506,600.00	1,013,200.00	.88	1.26
Interest accrues at rate of \$1.00 per month per \$1,000 par amount								
Nineteenth month	1,014.20	5,071.00	10,142.00	101,420.00	507,100.00	1,014,200.00	.89	1.26
Twentieth month	1,015.20	5,076.00	10,152.00	101,520.00	507,600.00	1,015,200.00	.91	1.26
Twenty-first month	1,016.20	5,081.00	10,162.00	101,620.00	508,100.00	1,016,200.00	.92	1.27
Twenty-second month	1,017.20	5,086.00	10,172.00	101,720.00	508,600.00	1,017,200.00	.93	1.28
Twenty-third month	1,018.20	5,091.00	10,182.00	101,820.00	509,100.00	1,018,200.00	.94	1.28
Twenty-fourth month	1,019.20	5,096.00	10,192.00	101,920.00	509,600.00	1,019,200.00	.95	1.29
Interest accrues at rate of \$1.10 per month per \$1,000 par amount								
Twenty-fifth month	1,020.30	5,101.50	10,203.00	102,030.00	510,150.00	1,020,300.00	.97	1.29
Twenty-sixth month	1,021.40	5,107.00	10,214.00	102,140.00	510,700.00	1,021,400.00	.98	1.29
Twenty-seventh month	1,022.50	5,112.50	10,225.00	102,250.00	511,250.00	1,022,500.00	.99	1.29
Twenty-eighth month	1,023.60	5,118.00	10,236.00	102,360.00	511,800.00	1,023,600.00	1.00	1.29
Twenty-ninth month	1,024.70	5,123.50	10,247.00	102,470.00	512,350.00	1,024,700.00	1.01	1.29
Thirtieth month	1,025.80	5,129.00	10,258.00	102,580.00	512,900.00	1,025,800.00	1.02	1.29
Thirty-first month	1,026.90	5,134.50	10,269.00	102,690.00	513,450.00	1,026,900.00	1.03	1.29
Thirty-second month	1,028.00	5,140.00	10,280.00	102,800.00	514,000.00	1,028,000.00	1.04	1.29
Thirty-third month	1,029.10	5,145.50	10,291.00	102,910.00	514,550.00	1,029,100.00	1.05	1.28
Thirty-fourth month	1,030.20	5,151.00	10,302.00	103,020.00	515,100.00	1,030,200.00	1.05	1.28
Thirty-fifth month	1,031.30	5,156.50	10,313.00	103,130.00	515,650.00	1,031,300.00	1.06	1.28
Thirty-sixth month (MATURITY)	1,032.40	5,162.00	10,324.00	103,240.00	516,200.00	1,032,400.00	1.07	

*Not acceptable in payment of taxes until during and after the second calendar month after the month of issue, and not redeemable for cash until during and after the sixth calendar month after the month of issue, on 30 days' advance notice.

†Approximate investment yield for entire period from issuance to maturity.

APPLICATION FOR
UNITED STATES TREASURY NOTES—TAX SERIES A-1945

Dated September 1, 1942

Due September 1, 1945

To the Federal Reserve Bank of Dallas,
 Station "K", Dallas, Texas

OR

To the Federal Reserve Bank Branch
 at

- El Paso, Texas
 Houston, Texas
 San Antonio, Texas

NOTE:
 This application, accompanied by payment, should be mailed to the Federal Reserve Bank of Dallas, Dallas, Texas, or its branch at El Paso, Houston or San Antonio.

The undersigned hereby applies for United States Treasury Notes of Tax Series A-1945 (issued pursuant to Treasury Department Circular No. 695, dated September 12, 1942) as follows:

Number of Notes	Denomination (Face Value)	Purchase Price (See Table)	Amount (Total Cost)
	\$25	\$	\$
	\$50	\$	\$
	\$100	\$	\$
	\$500	\$	\$
	\$1,000	\$	\$
	\$5,000	\$	\$
Total amount of purchase \$			

NOTE
 Be sure and refer to table on reverse side before filling in purchase price.

(The name of the purchaser, for inscription on notes, should be in the same form as that used by the purchaser in his Federal tax return)

TYPEWRITE THIS INFORMATION IF POSSIBLE—OTHERWISE WRITE LEGIBLY

PURCHASER'S NAME _____
 SIGNATURE _____
 ADDRESS _____

INSTRUCTIONS FOR DELIVERY OF NOTES

SHIP TO—

BANK
 PURCHASER
 OTHERWISE

METHOD OF PAYMENT

- By charge to our reserve account hereby authorized.
 By duly authorized deposit on our books in accordance with Treasury Department Circular No. 92 (War Loan Account).
 Draft enclosed on
 By War Savings Stamps enclosed.

 (Name of Bank)
 By _____
 (President-Cashier)

 (Address)

Date _____

PURCHASE PRICE (PAR AND ACCRUED INTEREST) FOR EACH DENOMINATION DURING SUCCESSIVE MONTHS

The month in which payment in immediately available funds is received by a Federal Reserve bank or branch will determine the purchase price and date of issue of this note.

See Schedule on Reverse for Purchase Price

TREASURY NOTES—TAX SERIES A-1945

Purchase Price and Tax-Payment Value During Successive Months

The table below shows the principal amount with accrued interest added, for notes of each denomination, for each month from September 1942 to September 1945, inclusive. The total shown for any denomination for any month while the notes remain on sale, is the purchase price, or cost of the note during that month. Also the total shown for any denomination for any month is the tax-payment value of the note if receivable during that month in payment of taxes.

	\$25	\$50	\$100	\$500	\$1,000	\$5,000
1942:						
September	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	\$5,000
October	25.04	50.08	100.16	500.80	1,001.60	5,008
November	25.08	50.16	100.32	501.60	1,003.20	5,016
December	25.12	50.24	100.48	502.40	1,004.80	5,024
1943:						
January	25.16	50.32	100.64	503.20	1,006.40	5,032
February	25.20	50.40	100.80	504.00	1,008.00	5,040
March	25.24	50.48	100.96	504.80	1,009.60	5,048
April	25.28	50.56	101.12	505.60	1,011.20	5,056
May	25.32	50.64	101.28	506.40	1,012.80	5,064
June	25.36	50.72	101.44	507.20	1,014.40	5,072
July	25.40	50.80	101.60	508.00	1,016.00	5,080
August	25.44	50.88	101.76	508.80	1,017.60	5,088
September	25.48	50.96	101.92	509.60	1,019.20	5,096
October	25.52	51.04	102.08	510.40	1,020.80	5,104
November	25.56	51.12	102.24	511.20	1,022.40	5,112
December	25.60	51.20	102.40	512.00	1,024.00	5,120
1944:						
January	25.64	51.28	102.56	512.80	1,025.60	5,128
February	25.68	51.36	102.72	513.60	1,027.20	5,136
March	25.72	51.44	102.88	514.40	1,028.80	5,144
April	25.76	51.52	103.04	515.20	1,030.40	5,152
May	25.80	51.60	103.20	516.00	1,032.00	5,160
June	25.84	51.68	103.36	516.80	1,033.60	5,168
July	25.88	51.76	103.52	517.60	1,035.20	5,176
August	25.92	51.84	103.68	518.40	1,036.80	5,184
September	25.96	51.92	103.84	519.20	1,038.40	5,192
October	26.00	52.00	104.00	520.00	1,040.00	5,200
November	26.04	52.08	104.16	520.80	1,041.60	5,208
December	26.08	52.16	104.32	521.60	1,043.20	5,216
1945:						
January	26.12	52.24	104.48	522.40	1,044.80	5,224
February	26.16	52.32	104.64	523.20	1,046.40	5,232
March	26.20	52.40	104.80	524.00	1,048.00	5,240
April	26.24	52.48	104.96	524.80	1,049.60	5,248
May	26.28	52.56	105.12	525.60	1,051.20	5,256
June	26.32	52.64	105.28	526.40	1,052.80	5,264
July	26.36	52.72	105.44	527.20	1,054.40	5,272
August	26.40	52.80	105.60	528.00	1,056.00	5,280
September	26.44	52.88	105.76	528.80	1,057.60	5,288