

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, May 12, 1951

NEW OFFERING OF TREASURY SAVINGS NOTES, SERIES A

**To All Banking Institutions, and Others Concerned,
in the Eleventh Federal Reserve District:**

There is quoted below a press statement, which will be issued by the Treasury Department on Monday, May 14, announcing a new offering of Treasury Savings Notes of Series A:

“Secretary of the Treasury Snyder announced today the details of the new Treasury Savings Notes which will be offered for sale beginning May 15, 1951. The sale of the current Series D Treasury Savings Notes will be discontinued at the close of business today.

“The new series of notes will be designated Series A. They will be dated the fifteenth of each calendar month and will mature three years thereafter. As is the case with the Series D savings notes, accrued interest will be collected from the purchaser from the issue date of the new notes to the day, inclusive, on which full payment is made in cash or other immediately available funds. The notes may be purchased from any Federal Reserve Bank or Branch or from the Treasurer of the United States in Washington.

“Interest on the notes will accrue monthly on the fifteenth day of each month from the issue date, at rates ranging from 1.44 percent if the notes are held for six months or less to 1.88 percent if the notes are held for the full three-year term. They will be available for use in payment of income, estate and gift taxes imposed by the Internal Revenue Code and assessed against the owner of the notes or his estate, at par and accrued interest, at any time after two months from the issue date. They will be redeemable for cash at par and accrued interest at any time after four months from the issue date, except in the case of notes inscribed in the name of a bank that accepts demand deposits. While interest will be credited on notes inscribed in the name of a bank that accepts demand deposits if presented in payment of taxes, no interest will be paid either at or before maturity if such notes are redeemed for cash.”

A copy of Treasury Department Circular No. 889, dated May 10, 1951, containing regulations and complete details concerning the new Treasury Savings Notes of Series A, is enclosed.

A small supply of the application forms for the new notes, FA 799, is also enclosed. To avoid possible confusion, it will be appreciated if any application blanks for Treasury Savings Notes of Series D, Form FA 453-Rev., in your possession are destroyed at this time.

Additional copies of the official circular or supplies of the application, Form FA 799, will be furnished upon request.

Yours very truly,

R. R. GILBERT

President