

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, February 26, 1952

TREASURY BILLS, TAX ANTICIPATION SERIES, TO BE APPLIED IN PAYMENT OF FEDERAL INCOME TAXES DUE ON MARCH 15 AND JUNE 15, 1952

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

In order to avoid the risk and expense of transmitting Treasury Bills, Tax Anticipation Series, dated October 23, 1951 and maturing March 15, 1952, which are to be applied directly by owners to the payment of income taxes due March 15, the Bureau of Internal Revenue has approved a procedure which will enable the Federal Reserve banks and branches to handle the bills through a certification process. The procedure, which obviates physical transmission of the Treasury bills to Collectors of Internal Revenue, is applicable to bills of this series held by Federal Reserve banks and branches as collateral or in safekeeping, or which may be presented to them by commercial banks or others.

Under the procedure, a receipt in triplicate will be issued covering the Treasury bills received by this bank or its branches for each taxpayer. Such receipt will certify to the appropriate Collector of Internal Revenue that the bills are held for redemption and application of the proceeds at maturity in payment of income taxes due on that date by the taxpayer named in the receipt. The original of the receipt will be forwarded to the Collector of Internal Revenue and the duplicate and triplicate copies will be forwarded to the taxpayer. The taxpayer should attach the duplicate copy of the receipt to his tax return in order that proper credit for the amount of Treasury bills presented may be given him and should retain the triplicate for his records.

Treasury Bills, Tax Anticipation Series, to be handled as outlined should be presented to this bank or appropriate branch with complete information as to the name and address of the taxpayer involved and as to the Collector of Internal Revenue to whom the taxes are payable. Banks which desire that this series of bills held by this bank or one of its branches in safekeeping or as collateral be withdrawn and applied in payment of their income taxes should furnish appropriate instructions to the office where the bills are held. The bills or instructions relating to bills held in safekeeping or as collateral by this bank and branches should be received in sufficient time to permit the return of the copies of the receipts to be attached to the income tax returns.

A similar procedure will apply to Treasury Bills, Tax Anticipation Series, dated November 27, 1951 and due June 15, 1952 which are to be applied in payment of Federal Income taxes due June 15, 1952.

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