

FEDERAL RESERVE BANK OF DALLAS
FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, August 18, 1964

SPECIAL HANDLING OF TAX PAYMENTS

**To All Treasury Tax and Loan Depositories
in the Eleventh Federal Reserve District:**

The Treasury Department has announced that the procedure customarily in effect during periods of heavy tax payments, with respect to the special handling of large payments of income taxes, will be effective for the September 1964 **corporation and individual** income tax collections. This arrangement will be applicable to the **full amount of checks of \$10,000 or more**, representing payments of **corporation and individual** income taxes.

During the period from September 1, 1964, through September 30, 1964, (1) Directors of Internal Revenue will make special deposits with the Federal Reserve banks of checks representing tax remittances of \$10,000 or over covering payments of **corporation and individual** income taxes, (2) Federal Reserve banks will prepare daily a "Special Draft for Credit in Treasury Tax and Loan Account" in an amount not to exceed the aggregate amount of such checks drawn on each Special Depository, and (3) in accordance with conditions set forth on the face of the special drafts, Special Depositories may exercise their options to accept for deposit in their Treasury Tax and Loan Accounts funds in amounts equal to the amounts of the special drafts. **Attention is called to the requirement that deposits in the account be secured at the time of entry by the pledge of adequate collateral.**

The Treasury Department has indicated that it may be necessary to decrease the percentage amount of such checks for credit in the Treasury Tax and Loan Account from time to time during the period, if such action is required, to prevent undue fluctuations in the account of the Treasurer of the United States with Federal Reserve banks.

No distinction will be made between these special credits and other credits to Treasury Tax and Loan Accounts. Withdrawals of balances in Treasury Tax and Loan Accounts will be made as required by the needs of the Treasury.

Additional copies of this circular will be furnished upon request.

Yours very truly,

Watrous H. Irons
President