

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 74-309

November 15, 1974

OFFERING

TREASURY BILL — TAX ANTICIPATION SERIES

To All Banking Institutions and Others Concerned

in the Eleventh Federal Reserve District:

Your attention is invited to the following statement giving details of two issues of Treasury bills:

The Department of the Treasury, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of \$3,500,000,000, or thereabouts, as follows:

134-DAY BILLS, for \$2,250,000,000, or thereabouts, to be dated and issued December 3, 1974, and to mature April 16, 1975 (CUSIP No. 912793 XA9). The bills will be accepted at face value in payment of income taxes due on April 15, 1975.

194-DAY BILLS, for \$1,250,000,000, or thereabouts, to be dated and issued December 5, 1974, and to mature June 17, 1975 (CUSIP No. 912793 XB7). The bills will be accepted at face value in payment of income taxes due on June 15, 1975.

The bills will be issued on a discount basis under competitive and noncompetitive bidding and at maturity, to the extent they are not presented in payment of income taxes, their face amount will be payable without interest. They will be issued in bearer form in denominations of \$10,000, \$15,000, \$50,000, \$100,000, \$500,000 and \$1,000,000 (maturity value), and in book-entry form to designated bidders.

Taxpayers desiring to apply these bills in payment of income taxes may submit the bills to a Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Washington, D.C. 20226, not more than fifteen days before the appropriate income tax payment date. In the case of bills submitted in payment of income taxes of a corporation they shall be accompanied by a duly completed Form 503 and the office receiving these items will effect the deposit on the date the taxes are due. In the case of bills submitted in payment of income taxes of all other taxpayers, the office receiving the bills will issue receipts therefor, the original of which the taxpayer shall submit on or before the date the taxes are due to the Internal Revenue Service Center Director for the District in which such taxes are payable.

Tenders will be received at Federal Reserve Banks and Branches up to one-thirty p.m., Eastern Standard Time, Wednesday, November 20, 1974, for the 134-day bills and up to one-thirty p.m., Eastern Standard Time, Tuesday, November 26, 1974, for the 194-day bills. Tenders will not be received at the Department of the Treasury, Washington. Each tender must be for a minimum of \$10,000. Tenders over \$10,000 must be in multiples of \$5,000. In the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used.

Banking institutions and dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Public announcement will be made by the Department of the Treasury of the amount and price range of accepted bids. Those submitting competitive tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$500,000 or less for the 134-day bill and \$300,000 or less for the 194-day bills, without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids for the respective issues. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank or Branch in cash or other immediately available funds on December 3, 1974, for the 134-day bills, and on December 5, 1974, for the 194-day bills.

Under Sections 454 (b) and 1221 (5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is considered to accrue when the bills are sold, redeemed or otherwise disposed of, and the bills are excluded from consideration as capital assets. Accordingly, the owner of bills (other than life insurance companies) issued hereunder, must include in his Federal income tax return, as ordinary gain or loss, the difference between the price paid for the bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made.

Department of the Treasury Circular No. 418 (current revision) and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

In accordance with the above announcement, tenders will be received at this bank and its branches at El Paso, Houston and San Antonio, up to twelve-thirty p.m., Central Standard Time, Wednesday, November 20, 1974, and twelve-thirty p.m., Central Standard Time, Tuesday, November 26, 1974, respectively for the 134-day and the 194-day issues. Tenders may not be entered by telephone.

Federal Reserve Bank of Dallas
Fiscal Agent of the United States

(See reverse side for tender form)

CLOSING TIME

12:30 P.M., CENTRAL STANDARD TIME, WEDNESDAY, NOVEMBER 20, 1974

TENDER FOR TREASURY BILLS — TAX ANTICIPATION SERIES
(Acceptable at face value in payment of income taxes due on April 15, 1975.)
134 DAYS TO MATURITY

Dated December 3, 1974

Maturing April 16, 1975

Pursuant to the provisions of Department of the Treasury Circular No. 418 (current revision) and the provisions of the public announcement issued by the Department of the Treasury, the undersigned offers to purchase Treasury bills in the amount shown below, and agrees to pay for the amount allotted, on or before the issue date, by the method and at the rate indicated.

NONCOMPETITIVE TENDER \$ NOT TO EXCEED \$500,000

Noncompetitive tenders for \$500,000 or less from any bidder, without stated price, will be accepted in full at the average price (in three decimals) of accepted competitive bids.

Table for COMPETITIVE TENDERS with columns for amount, rate, and price. Includes instruction: Prices should be expressed on the basis of 100, with not more than three decimal places, e.g., 99.925. Fractions must not be used.

OTHER THAN BANKS:

- By Cashier's Check
By Certified Personal Check
By Federal Funds Draft
By Securities Submitted

BANKS ONLY:

- By charge to our reserve account on payment date
By draft enclosed
By charge to our correspondent:

ALL CHECKS MUST BE PAYABLE TO THE FEDERAL RESERVE BANK

(A written authorization for such charge should be provided from your correspondent.)

Bearer Securities (will be shipped to address at lower right unless indicated otherwise):

Table with columns for denominations: \$10,000, \$15,000, \$50,000, \$100,000, \$500,000, \$1 Mil.

Send to:

FEDERAL RESERVE BANK ONLY:

COST:

DEPOSIT:

DUE TO SUBSCRIBER:

DUE FROM SUBSCRIBER:

Book-entry (Banks only):

- 01 General Account
02 Treasury Tax and Loan Collateral
04 Pledged to Secretary of Treasury
12 Investment Account
13 Trust Account

TOTAL \$

PLEASE PRINT OR TYPE (The information below will be used in delivery of securities.)

Form fields for subscriber information: (Name of Subscriber), (Street Address), (City, State, Zip Code), (Signature and title, if applicable)

BANKS ONLY:

For the account of, if tender is for another subscriber

- 1. No tender for less than \$10,000 will be considered...
2. Tenders should be forwarded in an envelope clearly addressed to this bank...
3. Any qualified or conditional tender will be rejected.
4. If a corporation makes the tender, the form should be signed by an officer...
5. Tenders from those other than incorporated banks and trust companies...
6. If the language of this form is changed in any respect...

(See reverse for announcement)

TYPE OF BID

METHOD OF PAYMENT

DELIVERY INSTRUCTIONS AND AUTHORIZATION

CONDITIONS