

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 81-90

April 30, 1981

DEFERRAL OF RESERVE REPORTING  
FOR SMALL NONMEMBER INSTITUTIONS

TO ALL DEPOSITORY INSTITUTIONS  
AND OTHERS CONCERNED IN THE  
ELEVENTH FEDERAL RESERVE DISTRICT:

On April 24, 1981, the Federal Reserve Board extended the deferral of reserve requirement reporting and maintenance for nonmember depository institutions with less than \$2 million of total deposits for six months. Reserve requirements were mandated for these institutions by the Monetary Control Act of 1980. The Board originally announced that reserve reporting would commence for these institutions in May 1981. The extension defers reserve reporting until November 1981. Presented on the back of this circular is a copy of the Federal Reserve Press Release announcing this action.

If you have any questions regarding the deferral of reporting, please contact Stephen M. Welch in our Statistical Department, 698-4205.

Sincerely yours,

William H. Wallace

First Vice President

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Banks and others are encouraged to use the following incoming WATS numbers in contacting this Bank: 1-800-442-7140 (intrastate) and 1-800-527-9200 (interstate). For calls placed locally, please use 651 plus the extension referred to above.

# FEDERAL RESERVE press release



For immediate release

April 24, 1981

The Federal Reserve Board has extended for six months the deferral of reserve requirements for nonmember depository institutions with less than \$2 million total deposits.

The Monetary Control Act of 1980 made certain deposits of nonmember as well as member depository institutions subject to Federal reserve requirements. To lessen the burden for very small institutions and in view of operational considerations, the Board deferred until May 1981 reserve requirements for institutions with less than \$2 million total deposits, as of December 31, 1979. This deferral will now extend until November 1981. The Board extended the deferral period to provide the Reserve Banks with additional time for implementation of the Monetary Control Act.

Institutions now deferred whose deposits grew by the end of 1980 to \$15 million or more must begin to report deposits for the seven-day reserve computation period beginning May 21, 1981 and maintain reserves during the seven-day period beginning June 4, 1981.

The deferral affects nearly 18,000 depository institutions, including approximately 17,000 credit unions. These institutions are estimated to hold 1/2 of 1 percent of all deposits. Those offering transaction accounts or nonpersonal time deposits are subject to reserve requirements.

The Board indicated that it likely will seek, in the near future, authorization from Congress to establish a permanent exemption from reserve requirements for smaller depository institutions.

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