

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, August 3, 1949.

PRESENT: Mr. McCabe, Chairman
Mr. Draper
Mr. Clayton

Mr. Carpenter, Secretary
Mr. Hammond, Assistant Secretary
Mr. Morrill, Special Adviser

Memorandum dated August 1, 1949, from Mr. Carpenter, Secretary of the Board, recommending that Mrs. Muriel S. Duncan, a clerk-stenographer in the Office of the Secretary, be granted an advance of four days and four hours sick leave which when added to leave time she has accrued will cover a recent absence, with the understanding that if, as anticipated, Mrs. Duncan is recommended for permanent employment at the expiration of her temporary appointment, this advance of sick leave will be chargeable against sick leave subsequently accruing.

Approved unanimously.

Letter to Mr. D. J. Needham, General Counsel, American Bankers Association, 719 - 15th Street, N.W., Washington, D. C., reading as follows:

"This refers to your letter of July 19, 1949, and to the brochure and related matter enclosed therewith, concerning a modification in the proposal of your Association to amend section 5219 of the United States Revised Statutes relating to the taxation of national banks by the several States.

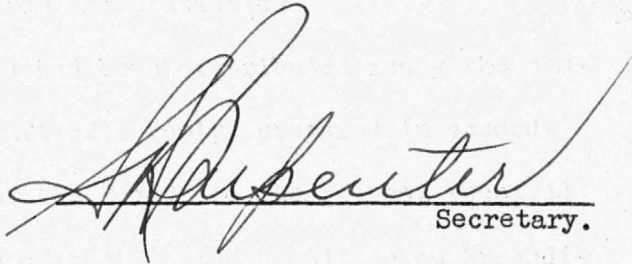
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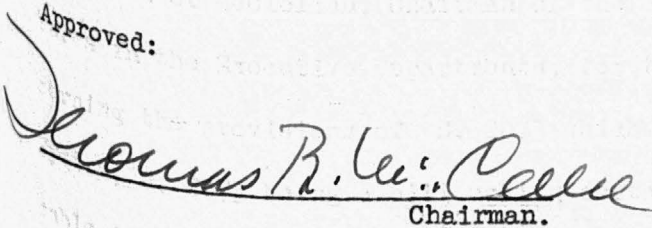
"Among the enclosures with your letter was a copy of the Board's letter of January 30, 1947, advising you that the Board would interpose no objection to a proposed amendment to section 5219 which was intended primarily to clarify the law, although changing the substance thereof in certain respects. The only essential difference between that proposal and the present, modified proposal is the addition of a provision which would authorize the States to impose on national banks a tax on tangible personal property, excluding coin, bullion, and currency. Such tax could not be imposed, however, if a tax were imposed also on the share of national banks."

"In your letter you asked to be informed of the Board's position with respect to the aforementioned additional provision to the proposal to amend section 5219. You are advised herewith that the Board will interpose no objection to such additional provision as described in your letter and its enclosures."

Approved unanimously.


Secretary.

Approved:


Chairman.