

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, April 27, 1950.

PRESENT: Mr. McCabe, Chairman  
 Mr. Eccles  
 Mr. Szymczak  
 Mr. Vardaman

Mr. Carpenter, Secretary  
 Mr. Sherman, Assistant Secretary  
 Mr. Kenyon, Assistant Secretary

Minutes of actions taken by the Board of Governors of the Federal Reserve System on April 25, 1950, were approved unanimously.

Minutes of actions taken by the Board of Governors of the Federal Reserve System on April 26, 1950, were approved and the actions recorded therein were ratified unanimously.

Telegram to R. B. Shepard, Chairman of the Federal Reserve Bank of Minneapolis, 322 Endicott Bldg., St. Paul, Minnesota, reading as follows:

"Re your letter April 13, 1950, concerning agreement between Minneapolis Reserve Bank and Peyton covering special retirement payments. Following our letter to you of December 12, 1949, a draft of an agreement similar to the one in question was submitted for clearance to the Bureau of Internal Revenue and although we have received a favorable ruling on the question whether the agreement would affect the retirement system, we have not yet received a ruling on the question as to how the sums would be taxed to the recipient. This will explain our delay and the necessity for a wire informing you of the Board's position in time for your Directors' meeting on April 28. Subject to the Board's receiving a favorable ruling from the Bureau of Internal Revenue on the pending tax question, the Board hereby approves the agreement submitted with your letter of April 13. It is understood, of course, that at any given time payment would be made under only one or the other of the two numbered paragraphs of the agreement and at no time under both."

Approved unanimously.

Telegram to the Presidents of all Federal Reserve Banks, reading as follows:

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"The Board of Governors of the Federal Reserve System under authority of the fourth paragraph of Section 16 of the Federal Reserve Act hereby establishes for the three months' period ending March 31, 1950, the rate of (1) per cent interest per annum on that amount of the Federal Reserve notes of your Bank which equals the average daily amount of its outstanding Federal Reserve notes during such period less the average daily amount of gold certificates held during such period by the Federal Reserve Agent as collateral security for such notes. Interest in an amount calculated in the manner and at the rate specified above shall be paid to the United States on April 28, 1950.

"According to daily balance sheets, the average daily amount of outstanding notes of your Bank during the first quarter of 1950 not covered by gold certificates with the Federal Reserve Agent was \$ (2). At rate specified above, payment to Treasury for first quarter will be \$ (3). Payment should be credited to Treasurer's general Account as Miscellaneous Receipts, Symbol 1841-Interest Collected, Section 16 Federal Reserve Act as amended. No statement being given press with respect to this action.

	(1)	(2)	(3)
Boston	1.65	\$989,547,334	\$4,025,966.55
New York	7.34	761,220.692	13,777,051.76
Philadelphia	1.81	902,775,134	4,029,097.79
Cleveland	2.05	1,101,285,529	5,566,772.06
Richmond	1.62	938,238,648	3,747,813.56
Atlanta	1.96	654,126,213	3,161,311.34
Chicago	2.28	1,569,521,404	8,823,720.33
St. Louis	1.81	708,558,337	3,162,305.56
Minneapolis	1.80	406,591,761	1,804,599.05
Kansas City	1.70	656,280,357	2,750,983.41
Dallas	2.34	458,047,394	2,642,870.72
San Francisco	4.77	458,528,663	5,393,050.82"

Approved unanimously.

Memorandum dated April 24, 1950, from Mr. Vardaman, requesting that the use of a drawing room from New York to Washington, as shown on his voucher for reimbursement of travel expenses from

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April 12 to April 13, 1950, be approved.

Approved unanimously.

  
Secretary.

Approved:

  
Chairman.