

(Closed)

FEDERAL RESERVE BANK  
OF NEW YORK

(Read)

CERTIFICATES OF INDEBTEDNESS  
DEPARTMENT

August 21, 1918.

## TAX CERTIFICATES OF INDEBTEDNESS

TO THE PRESIDENT.

Dear Sir: Referring to our letter of August 19th relative to U. S. Treasury 4% Tax Certificates of Indebtedness dated August 20, 1918, we have received supplemental information from the Treasury Department as follows:

"The Tax Certificates of Indebtedness will bear five coupons, maturing Nov. 15, 1918, Jan. 15, March 15, May 15 and July 15, 1919.

Accrued interest on Tax Certificates will be computed on 365-day basis.

The present expectation is that this will be the only series of Tax Certificates issued for use in payment of income and profits taxes due in 1919. Whether the sale of these certificates will be continuous or intermittent, and whether it may be wise at a later date to discontinue the sale of Tax Certificates altogether, are matters which the Secretary of the Treasury will determine in the light of developments."

The banks of the country are not asked to subscribe their regular quota to these Tax Certificates, but the Treasury Department desires that they place as many as possible with their tax-paying customers. Subscriptions will be received by us in the usual manner.

Very truly yours,

RAY MORRIS,

*Director of Sales.*