

FEDERAL RESERVE BANK  
OF NEW YORK  
Fiscal Agent of the United States

[Circular No. 1551]  
May 31, 1935]

Gift tax on transfers of bonds, notes, bills and certificates of indebtedness  
of the United States or its agencies.

*To all Incorporated Banks and Trust Companies in the  
Second Federal Reserve District and Others Concerned:*

The Treasury Department has requested us to advise banks and other subscribers to Treasury bills in the Second Federal Reserve District of the following further amendment to Treasury Department Circular No. 418, relating to Treasury bills.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
*Washington May 27, 1935.*

Department Circular No. 418, as amended May 3, 1934, is hereby further amended:

- (1) By adding the following sentence to footnote 2 on page 1:  
"With respect to all Treasury bills, attention is invited to Treasury Decision 4550, annexed to this circular".
- (2) By adding an additional Exhibit at the end of the circular, as follows:

(T. D. 4550)

*Gift tax on transfers of bonds, notes, bills and certificates of indebtedness  
of the United States or its agencies.*

TREASURY DEPARTMENT,  
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,  
*Washington, D. C.*

*To Collectors of Internal Revenue, and others concerned:*

Article 2 of Regulations 79, relating to the gift tax, is amended by inserting the following immediately after the second sentence:

Various statutory provisions, which exempt bonds, notes, bills and certificates of indebtedness of the Federal Government or its agencies and the interest thereon from taxation, are not applicable to the gift tax since this tax is an excise tax on the transfer, and is not a tax on the subject of the gift. A gift of a bond, note, or certificate of indebtedness issued by the Federal Government, if made by a nonresident alien, not engaged in business in the United States, is not subject to the tax.

Approved: May 21, 1935.

T. J. COOLIDGE,  
*Acting Secretary of the Treasury.*

GUY T. HELVERING,  
*Commissioner of Internal Revenue.*

T. J. COOLIDGE,  
*Acting Secretary of the Treasury.*

Treasury Department Circular No. 418, as amended, is not a specific offering of Treasury bills, but a general circular governing their sale and issue when offered. Copies of the circular may be obtained from this bank upon request.

GEORGE L. HARRISON,  
*Governor.*

FEDERAL RESERVE BANK  
OF NEW YORK

June 1, 1935.

NEW COUNTERFEIT

To Member Banks in the Second Federal  
Reserve District and others concerned:

At the request of the Secret Service Division of the Treasury Department, New York District, we are hereby notifying all member banks in the Second Federal Reserve District and others concerned of the appearance of a new issue of a counterfeit \$1.00 silver certificate described by the Secret Service Division as follows:

\$1.00 SILVER CERTIFICATE

Series of 1928 B; Check Letter 'C'; Face Plate No. 217; Back Plate No. 2373; Serial No. G70561932B; bearing facsimile signatures of W. O. WOODS and OGDEN L. MILLS; portrait of WASHINGTON.

This counterfeit is a poor reproduction printed on one sheet of paper from photo-mechanical plates. It is similar in workmanship to the counterfeit \$1.00 Silver Certificate which bears Check Letter 'J', Face Plate No. 1705, and is not calculated to deceive the experienced handler of currency. However, due to the small denomination of the counterfeit, care should be exercised in handling all \$1.00 notes.

Upon receiving a counterfeit of this description, or any other counterfeit money, you should transmit it immediately to the nearest office of the U. S. Secret Service with all available information as to its source. Offices of the Secret Service are located in New York City, Syracuse, Buffalo, N. Y., and in Newark, N. J.

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George L. Harrison,  
Governor.