

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. **2301**, October 24, 1941
Reference to Circulars Nos. 2262, 2269, 2271,
2274, 2277, 2281, 2292, 2293 and 2300.]

**Executive Order No. 8389, as Amended, and Regulations Issued Pursuant Thereto,
Relating to Transactions in Foreign Exchange, Etc.**

*To all Banking Institutions, and Others Concerned,
in the Second Federal Reserve District:*

For your information we are advised by the Treasury Department that:

The Treasury Department does not require reports upon Form TFR-300 with respect to the property of an American citizen who is a national solely by reason of having resided in a foreign country as a diplomatic representative or as an employee of the United States.

A contract of employment effective on either June 1, 1940, or June 14, 1941, need not be reported on Form TFR-300 unless the annual compensation was \$5,000 or more. If a contract was in effect throughout the calendar year 1940, the amount of compensation paid in that year shall be determinative, or if the contract expired or was terminated in this year, the amount paid in the twelve months preceding that date of expiration or termination shall be conclusive. If a contract took effect during 1940, the compensation paid for one year after the effective date shall be determinative. If a contract was operative less than a year before termination or expiration or has been operative less than a year from its effective date to the first of the month in which report is being made, an annual rate of compensation should be computed on the basis of the amounts actually paid in the period involved. Commissions and bonuses are to be added to salary in arriving at the yearly compensation. In reports in the name of an employee, the compensation for one year, as determined under the foregoing principles, should be given as the value of the contract. When a contract was in effect on both June 1, 1940, and June 14, 1941, the same value should be used for both. In reports in the name of an employer, the value of the contract should be stated as indeterminable. For the purposes of this paragraph, no distinction should be drawn between contracts at will and those for a term. The same methods of valuation may be applied with respect to reports on Series I regardless of the fact that the reporting date is July 26, 1941.

We are further advised by the Treasury Department that:

1. Persons engaged in exporting and importing merchandise have been granted an extension until November 29, 1941, for filing reports on Form TFR-300 required of them with respect to foreign trade transactions or operations, including any reports by such persons of property pertaining to their foreign subsidiaries and branches. The extension has been granted at the request of representatives of the export and import trade, made for the purpose of assuring the greatest usefulness of certain questions and answers relating to Form TFR-300 which they are preparing after consultation with the Treasury Department. Persons filing reports under the extension should insert at the top of the first page "Export-Import Extension".

2. Insurance companies have been granted an extension until November 29, 1941, for filing reports on Form TFR-300. The extension has been granted at the request of insurance representatives, made for the purpose of assuring the greatest usefulness of certain questions and answers relating to Form TFR-300 which they have recently prepared after consultation with the Treasury Department. Persons filing reports under the extension should insert at the top of the first page "Insurance Extension". It is expected that persons affected by these extensions will file their reports as promptly as possible.

Additional copies of this circular will be furnished upon request.

ALLAN SPROUL,
President.