

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 2641]
June 23, 1943]

TERMINATION OF SALE OF TREASURY NOTES OF TAX SERIES A-1945

CASH REDEMPTION OF TREASURY NOTES OF TAX SERIES A-1943, A-1944 AND A-1945

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

The following press statement was today made public:

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, June 23, 1943.

Secretary of the Treasury Morgenthau made the following statement today:

“The current payment of individual income taxes and the collection of taxes through withholding pay at its source, provided by recent tax legislation, will largely serve the purpose heretofore served by Treasury Tax Savings Notes of Series A, which have been available since August 1941 for the convenience of small taxpayers.

“Many individuals who have made advance provision for the payment of income taxes, through the purchase of these notes, now find they hold notes in excess of their future tax requirements.

“Two actions are now being taken: first, the sale of Treasury Tax Savings Notes of Series A was discontinued at close of business June 22, 1943; and second, the holders of any such notes are being accorded the privilege of redeeming their notes for cash, at the *tax payment value current* at the time of presentation. These changes are being made effective through Department Circular No. 715, issued today.

“The privilege of cash redemption at tax payment value, will apply to the notes of the three issues of Series A notes now outstanding, and may be exercised by the owners at any time, but attention is called to the fact that interest ceases to accrue at the maturity of the notes.

“Hereafter, during any month, the cash redemption value of Treasury Tax Savings Notes of Series A is the same as the tax payment value for that month, as shown in the table on the back of each note. Notes presented for cash redemption must have the request for payment properly executed, and must be surrendered to the Federal Reserve Bank or other agency that issued the particular notes.

“No action is being taken with respect to outstanding Treasury Tax Savings Notes of Series B, which are largely held by corporations and large taxpayers. As regards the Treasury Notes of Tax Series C, which have been included in the general designation ‘Treasury Tax Savings Notes’, and which are adapted not only for the accumulation of tax reserves, but for the temporary or short-term investment of idle cash reserves, the sale of these notes will be continued without interruption, but hereafter they will be designated Treasury Savings Notes of Series C.”

A copy of Treasury Department Circular No. 715, mentioned above, is printed on the following page.

ALLAN SPROUL,
President.

UNITED STATES OF AMERICA
TREASURY NOTES — TAX SERIES
A-1943, A-1944,
A-1945

1943
Department Circular No. 715

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT
OFFICE OF THE SECRETARY
Washington, June 22, 1943

I. TERMINATION OF SALE OF SERIES A-1945.

1. The sale of Treasury Notes of Tax Series A-1945, dated September 1, 1942, pursuant to Department Circular No. 695, dated September 12, 1942, will terminate at the close of business on June 22, 1943.

II. CASH REDEMPTION OF NOTES OF TAX SERIES COVERED BY THIS CIRCULAR.

1. Notwithstanding the provisions of Department Circulars, No. 667, dated July 22, 1941, as amended, No. 674, dated December 15, 1941, and No. 695, dated September 12, 1942, limiting to their issue price the cash surrender value of Treasury Notes of Tax Series A-1943, dated August 1, 1941, Tax Series A-1944, dated January 1, 1942, and Tax Series A-1945, dated September 1, 1942, any such notes will be accepted, at the option of the owners, at any time at or prior to maturity for cash redemption at their tax payment value current at the time of presentation. Treasury Notes of Tax Series A-1943 mature August 1, 1943, those of Tax Series A-1944 mature January 1, 1944 and those of Tax Series A-1945 mature September 1, 1945: no interest will accrue after the maturity of the notes.

2. The cash redemption value hereunder during any month is the same as the tax payment value for that month as shown in the table on the back of each note and as shown in the tables appended to the respective issue circulars.

3. Notes presented for payment hereunder must have the requests for payment properly executed and must be surrendered, at the risk and expense of the holder, to the Federal Reserve Bank or other agency that issued the particular notes.

H. MORGENTHAU, JR.
Secretary of the Treasury.