

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 2879
December 15, 1944]

Public Notice of Offering of \$1,200,000,000, or thereabouts, of 91-Day Treasury Bills

Dated December 21, 1944

Maturing March 22, 1945

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

Following is the text of a notice today made public by the Treasury Department with respect to a new offering of Treasury bills payable at maturity without interest to be sold on a discount basis under competitive and fixed-price bidding.

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 15, 1944.

TREASURY DEPARTMENT
Washington

The Secretary of the Treasury, by this public notice, invites tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 21, 1944, and will mature March 22, 1945, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern war time, Monday, December 18, 1944. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on December 21, 1944.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a)(1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

In accordance with the above announcement tenders will be received at the Securities Department of this bank (9th floor, 33 Liberty Street) New York 7, N. Y., or at the Buffalo Branch of this bank (270 Main Street) Buffalo 5, N. Y., up to two o'clock p.m., Eastern war time, on Monday, December 18, 1944. It is requested that tenders be submitted on special form printed on reverse side and returned in special envelope enclosed herewith. *Attention is invited to the fact that payment for the Treasury bills cannot be made by credit through the War Loan Deposit Account. Payment must be made in cash or other immediately available funds.*

ALLAN SPROUL, President.

(Extract from Treasury Department statement released for publication December 12, 1944, announcing results after tenders were opened for Treasury bills dated December 14, 1944 maturing March 15, 1945)

Total applied for	\$1,934,307,000		
Total accepted	\$1,206,956,000 (includes \$71,957,000 entered on a fixed-price basis at 99.905 and accepted in full)		
Average price	99.905+	Equivalent rate of discount approx. 0.375% per annum	
Range of accepted competitive bids:			
High	99.910	Equivalent rate of discount approx. 0.356% per annum	
Low	99.905	Equivalent rate of discount approx. 0.376% per annum	
(57 percent of the amount bid for at the low price was accepted)			
		<i>Federal Reserve District</i>	<i>Total Applied for</i>
		Boston	\$ 38,601,000
		New York	1,316,335,000
		Philadelphia	42,670,000
		Cleveland	40,684,000
		Richmond	36,555,000
		Atlanta	17,740,000
		Chicago	284,280,000
		St. Louis	37,486,000
		Minneapolis	19,100,000
		Kansas City	17,741,000
		Dallas	9,410,000
		San Francisco	73,705,000
		TOTAL	\$1,934,307,000
			\$1,206,956,000

IMPORTANT—If it is desired to bid on a competitive basis, fill in rate per 100 and maturity value in paragraph headed "Competitive Bid". If it is desired to bid on a fixed-price basis, fill in only the maturity value in paragraph headed "Fixed-Price Bid". *DO NOT fill in both paragraphs on one form. A separate tender must be used for each bid.*

No.

TENDER FOR 91-DAY TREASURY BILLS

Dated December 21, 1944.

Maturing March 22, 1945.

Dated at 1944

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

COMPETITIVE BID

Pursuant to the provisions of Treasury Department Circular No. 418, as amended, and to the provisions of the public notice on December 15, 1944, as issued by the Secretary of the Treasury, the undersigned offers to pay

.....* for a total amount of
(Rate per 100)

\$..... (maturity value)
of the Treasury bills therein described, or for any less amount that may be awarded, payment therefor to be made at your bank in cash or other immediately available funds on the date stated in the public notice.

FIXED-PRICE BID

Pursuant to the provisions of Treasury Department Circular No. 418, as amended, and to the provisions of the public notice on December 15, 1944, as issued by the Secretary of the Treasury, the undersigned offers to pay a fixed-price of 99.905 (rate per 100) for a total amount of

\$..... (maturity value)
(Not to exceed \$200,000)

of the Treasury bills therein described, payment therefor to be made at your bank in cash or other immediately available funds on the date stated in the public notice.

The Treasury bills for which tender is hereby made are to be dated December 21, 1944, and are to mature on March 22, 1945.

This tender will be inserted in special envelope entitled "Tender for Treasury bills."

Name of Bidder.....
(Please print)

By
(Official signature required) (Title)

Street Address
.....
(City, Town or Village, P.O. No., and State)

If this tender is submitted for the account of a customer, indicate the customer's name on line below:

.....
(Name of Customer) (City, Town or Village, P.O. No., and State)

Use a separate tender for each customer's bid.

IMPORTANT INSTRUCTIONS:

1. No tender for less than \$1,000 will be considered, and each tender must be for an even multiple of \$1,000 (maturity value). A separate tender must be executed for each bid.
2. If the person making the tender is a corporation, the tender should be signed by an officer of the corporation authorized to make the tender, and the signing of the tender by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership, it should be signed by a member of the firm, who should sign in the form "....., a copartnership, by, a member of the firm."
3. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.
4. If the language of this tender is changed in any respect, which, in the opinion of the Secretary of the Treasury, is material, the tender may be disregarded.

Payment by credit through War Loan Deposit Account will not be permitted.

* Price must be expressed on the basis of 100, with not more than three decimal places. Fractions may not be used.

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

December 20, 1944.

PAYMENT OF UNITED STATES SAVINGS BONDS

Claims for Reimbursement for Services

*To all Incorporated Banks and Trust Companies in the
Second Federal Reserve District Qualified to Make Payments
in Connection with the Redemption of United States Savings Bonds:*

In accordance with the provisions of Section 321.5 of Treasury Department Circular No. 750, which appears at page 6 of our Circular No. 2834, dated September 5, 1944, you are entitled to receive reimbursement for your services in paying United States Savings Bonds forwarded to us in each calendar quarter (ending March 31, June 30, September 30 and December 31), according to the following scale:

- 15 cents each for the first 1,000 bonds
- 12 cents each for the second 1,000 bonds
- 10 cents each for all over 2,000 bonds.

Each branch or facility at which bonds are paid may be regarded as a separate entity for the purpose of computing claims for reimbursement, provided the bonds paid by each are separately scheduled and accounted for. Subagents, however, may not be considered as separate entities for this purpose. A supply of forms for use in submitting your claims for reimbursement is enclosed.

The date on which paid bonds are forwarded to us in proper form will govern the rate and amount of reimbursement. Accordingly, in stating the number of bonds paid by you during the calendar quarter, you should take into consideration the total number of bonds included on each of your transmittal letters bearing a date and mailed within the quarter, regardless of when the bonds are received by us. Bonds which we return to you for correction or adjustment should be deducted from the totals of your transmittal letters, and should not be counted in your claim for reimbursement until the date of your transmittal letter with which the bonds are forwarded to us in proper form. Any bonds which you are not authorized to pay under Treasury Department Circular No. 750 and which must be forwarded to us for redemption may not be included in your claim.

Any bonds included in your transmittal letters forwarded to us on or before the last business day of the calendar quarter, which must be returned to you for correction or adjustment, will be received by you not later than the tenth day of the month following the close of the quarter. In order that your claim for reimbursement may be in proper form and all return items deducted, we suggest that you do not file the claim before the tenth of the month following the close of the quarter.

If you are located in the territory assigned to our Buffalo Branch, your claim should be forwarded to the branch.

ALLAN SPROUL,
President.

**QUARTERLY STATEMENT OF NUMBER OF SAVINGS BONDS PAID BY A QUALIFIED BANK
OR TRUST COMPANY UNDER TREASURY DEPARTMENT CIRCULAR NO. 750 AND
AMOUNT CLAIMED AS REIMBURSEMENT FOR SUCH SERVICES**

-----, 194 .

TO FEDERAL RESERVE BANK OF NEW YORK,
Federal Reserve Post Office Station,
New York 7, New York.

This statement and claim is for the quarter ending -----, 194 . (Last day of
March, June, September or December.)

**NOTE: If branches submit separate transmittal letters and are to be treated as separate entities
in computing reimbursement, separate statement and claim must be submitted for each branch.**

Total number of bonds paid -----
At 15 cents each, not more than 1,000 . . . \$-----
At 12 cents each for second 1,000 . . . \$-----
At 10 cents each for excess over 2,000 . . . \$-----
TOTAL AMOUNT DUE \$-----

The undersigned claims \$ _____, as the amount due, as reimbursement for its services
in connection with payment of the above number of bonds submitted to you during the quarter specified.
Payment should be made by:

Credit to our reserve
or clearing account -----
(Name of bank or trust company)

Credit to -----

for our account -----
(Branch)

Check to our order -----

by -----
(Name) (Title)

FOR USE BY FEDERAL RESERVE BANK

Audited	Checked	Payment Approved	Amount Paid	Date Paid	Treasury Charged
Digitized for FRASER http://fraser.stlouisfed.org/ Federal Reserve Bank of St. Louis					

QUARTERLY STATEMENT OF NUMBER OF SAVINGS BONDS PAID BY A QUALIFIED BANK OR TRUST COMPANY UNDER TREASURY DEPARTMENT CIRCULAR NO. 750 AND AMOUNT CLAIMED AS REIMBURSEMENT FOR SUCH SERVICES

-----, 194 .

TO BUFFALO BRANCH,
 FEDERAL RESERVE BANK OF NEW YORK,
 Buffalo 5, N. Y.

This statement and claim is for the quarter ending -----, 194 . (Last day of March, June, September or December.)

NOTE: If branches submit separate transmittal letters and are to be treated as separate entities in computing reimbursement, separate statement and claim must be submitted for each branch.

Total number of bonds paid -----
 At 15 cents each, not more than 1,000 . . . \$-----
 At 12 cents each for second 1,000 . . . \$-----
 At 10 cents each for excess over 2,000 . . . \$-----
 TOTAL AMOUNT DUE \$-----

The undersigned claims \$ _____, as the amount due, as reimbursement for its services in connection with payment of the above number of bonds submitted to you during the quarter specified. Payment should be made by:

Credit to our reserve or clearing account -----
 (Name of bank or trust company)

Credit to -----
 (Branch)

 for our account -----
 (Address)

Check to our order by -----
 (Name) (Title)

FOR USE BY FEDERAL RESERVE BANK

Audited	Checked	Payment Approved	Amount Paid	Date Paid	Treasury Charged