

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 3781]
November 15, 1951]

Offering of \$1,250,000,000 of 201-Day Treasury Bills To Be Designated "Tax Anticipation Series"

Dated November 27, 1951

Maturing June 15, 1952

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

Following is the text of a notice published today:

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 15, 1951.

TREASURY DEPARTMENT
Washington

The Secretary of the Treasury, by this public notice, invites tenders for \$1,250,000,000, or thereabouts, of 201-day Treasury bills, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be designated Tax Anticipation Series, they will be dated November 27, 1951, and will mature June 15, 1952. They will be accepted in payment of income taxes due on June 15, 1952, and to the extent they are not presented for this purpose the face amount of these bills will be payable without interest at maturity. 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 Standard time, Tuesday, November 20, 1951. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders 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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on November 27, 1951, provided, however, any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its district.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

This Bank will receive tenders up to 2 p.m., Eastern Standard time, Tuesday, November 20, 1951, at the Securities Department of its Head Office and at its Buffalo Branch. Please use the form on the reverse side of this circular to submit a tender, and return it in an envelope marked "Tender for Treasury Bills—Tax Anticipation Series." *Settlement for accepted tenders must be made in cash or other immediately available funds, except that any qualified depository may make payment by credit in its Treasury Tax and Loan Account.*

ALLAN SPROUL,
President.

IMPORTANT—If you desire to bid on a *competitive* basis, fill in rate per 100 and maturity value in paragraph headed "Competitive Bid." If you desire to bid on a *non-competitive* basis, fill in only the maturity value in paragraph headed "Non-competitive Bid." **DO NOT fill in both paragraphs on one form.** A separate tender must be used for each bid, except that banks submitting bids on a competitive basis for their own and their customers' accounts may submit one tender for the total amount bid at each price, provided a list is attached showing the name of each bidder, the amount bid for his account, and method of payment. Forms for this purpose will be furnished upon request.

No.

**TENDER FOR 201-DAY TREASURY BILLS
TO BE DESIGNATED "TAX ANTICIPATION SERIES"**

Dated November 27, 1951

Maturing June 15, 1952

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

Dated at
..... 1951

COMPETITIVE BID

Pursuant to the provisions of Treasury Department Circular No. 418, as amended, and to the provisions of the public notice on November 15, 1951, as issued by the Secretary of the Treasury, the undersigned offers

.....* 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, settlement therefor to be made at your Bank, on the date stated in the public notice, as indicated below:

- By cash or other immediately available funds
- By credit to Treasury Tax and Loan Account

* Price must be expressed on the basis of 100, with not more than three decimal places, for example, 99.925.

The Treasury bills for which tender is hereby made are to be dated November 27, 1951, and are to mature on June 15, 1952.

This tender will be inserted in special envelope marked "Tender for Treasury Bills—Tax Anticipation Series."

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 by a bank 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)

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).
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.

**Be sure to return tender in special envelope marked
"Tender for Treasury Bills—Tax Anticipation Series."**

LETTER OF INSTRUCTIONS

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Government Bond Department,
New York 45, N. Y.

From (Name and address of Subscriber)

.....
(Date)

Referring to our tender at _____ (rate per 100) which has been accepted in the amount of \$ _____ (maturity value) for Treasury bills, Tax Anticipation Series, dated November 27, 1951 and maturing on June 15, 1952, please issue and make delivery of the bills in the denominations as instructed below.

Settlement will be made as indicated below:

By cash \$..... By check \$.....

By charge to our reserve account, which you are authorized to make ... \$.....

By credit to Treasury Tax and Loan Account on our books as indicated on the attached Certificate of Deposit which we have officially executed.. \$.....

Issue Bills in the Following Denominations			PLEASE DO NOT USE THIS SPACE		DISPOSE OF BILLS AS INDICATED BELOW	
Pieces	Denomination	Maturity Value	Numbers			
	1,000				<input type="checkbox"/>	1. Deliver over the counter to the undersigned
	5,000				<input type="checkbox"/>	2. Ship to the undersigned
	10,000				<input type="checkbox"/>	3. Hold in safekeeping (for member bank only)
	100,000				<input type="checkbox"/>	4. Hold as collateral for Treasury Tax and Loan Account
	500,000				<input type="checkbox"/>	5. Special instructions:
	1,000,000					
	Totals—					

IMPORTANT: No changes in delivery instructions will be accepted.

The undersigned, if a bank or trust company, hereby certifies that the Treasury bills which you are hereby instructed to dispose of in the manner indicated in items numbered 3 and 4 above are the sole property of the undersigned.

(Fill in all required spaces before signing)

Name of Subscriber.....
(Please Print)

By.....
(Official signature required) (Title)

Street address

City, Town or Village, P. O. No., and State

Spaces below are for the use of the Federal Reserve Bank of New York

Released _____	Paid Stamp Amount _____ By _____	Delivery Receipt	
Taken from Vault _____		Received from FEDERAL RESERVE BANK OF NEW YORK the above described United States Government obligations allotted in the amount indicated above.	
Counted _____		Subscriber	
Checked _____		Date.....	By.....
Delivered _____			

If payment is to be made by credit to Treasury Tax and Loan Account, the following Certificate of Deposit should be officially executed.

FEDERAL RESERVE BANK OF NEW YORK
GOVERNMENT BOND DEPARTMENT

(This certificate must be executed when subscriber is making payment through Treasury Tax and Loan Account)

Certificate of Deposit in Treasury Tax and Loan Account

COST

The undersigned depository certifies that it will deposit on November 27, 1951 to the credit of Federal Reserve Bank of New York, Fiscal Agent of the United States, in the Treasury Tax and Loan Account, to be held subject to withdrawal on demand the above sum in payment of \$ _____ (maturity value) Treasury bills, Tax Anticipation Series, dated November 27, 1951, due June 15, 1952, allotted as per Notice of Allotment dated November 21, 1951.

\$ _____

.....
(Name of depository)

By.....
(Official signature required) (Title)

Street address

Dated.....

City, Town or Village, P. O. No., and State

FEDERAL RESERVE BANK
OF NEW YORK

NOTICE OF ALLOTMENT
OF UNITED STATES OF AMERICA TREASURY BILLS
TAX ANTICIPATION SERIES

November 21, 1951.

Your tender at _____ (rate per 100) has been accepted in the amount of \$ _____ (maturity value) for Treasury bills, Tax Anticipation Series, dated November 27, 1951 and maturing on June 15, 1952.

Settlement therefor must be made in cash or other immediately available funds at the Federal Reserve Bank of New York or by credit to Treasury Tax and Loan Account on or before November 27, 1951.

To obtain delivery of the Treasury bills, please state on the attached form in the spaces provided therefor, the denominations of the bills desired and method by which settlement will be made. If settlement is to be made by check on a bank other than the Federal Reserve Bank of New York, such check should be received by us in time for collection on date bills are issued, otherwise it will be necessary to charge interest to the date of collection. If settlement is to be made by credit to Treasury Tax and Loan Account, the Certificate of Deposit which is part of the attached form must be executed and officially signed.

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

Checked by

FEDERAL RESERVE BANK
OF NEW YORK

TB

PENDING DELIVERY TICKET
OF UNITED STATES OF AMERICA TREASURY BILLS
TAX ANTICIPATION SERIES

November 21, 1951.

Your tender at _____ (rate per 100) has been accepted in the
amount of \$ _____ (maturity value) for Treasury bills, Tax Anticipation Series,
dated November 27, 1951 and maturing on June 15, 1952.

PAR		PRINCIPAL			DISCOUNT		METHOD OF PAYMENT		DISPOSITION	
MASTER										

Payment to be made through
Treasury Tax and Loan Account.

LETTER OF INSTRUCTIONS

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Government Bond Department,
New York 45, N. Y.

From (Name and address of Subscriber)

.....
(Date)

Referring to our non-competitive tender which has been accepted in full at the average price of accepted competitive bids, namely (rate per 100), in the amount of \$ (maturity value) for Treasury bills, Tax Anticipation Series, dated November 27, 1951 and maturing on June 15, 1952, please issue and make delivery of the bills in the denominations as instructed below.

Settlement will be made as indicated below:

By cash \$..... By check \$.....

By charge to our reserve account, which you are authorized to make ... \$.....

By credit to Treasury Tax and Loan Account on our books as indicated on the attached Certificate of Deposit which we have officially executed.. \$.....

Issue Bills in the Following Denominations			PLEASE DO NOT USE THIS SPACE		DISPOSE OF BILLS AS INDICATED BELOW	
Pieces	Denomination	Maturity Value	Numbers			
	1,000				<input type="checkbox"/>	1. Deliver over the counter to the undersigned
	5,000				<input type="checkbox"/>	2. Ship to the undersigned
	10,000				<input type="checkbox"/>	3. Hold in safekeeping (for member bank only)
	100,000				<input type="checkbox"/>	4. Hold as collateral for Treasury Tax and Loan Account
	500,000				<input type="checkbox"/>	5. Special instructions:
	1,000,000					
	Totals—					

IMPORTANT: No changes in delivery instructions will be accepted.

The undersigned, if a bank or trust company, hereby certifies that the Treasury bills which you are hereby instructed to dispose of in the manner indicated in items numbered 3 and 4 above are the sole property of the undersigned.

(Fill in all required spaces before signing)

Name of Subscriber.....
(Please Print)

By.....,
(Official signature required) (Title)

Street address

City, Town or Village, P. O. No., and State

Spaces below are for the use of the Federal Reserve Bank of New York

Released _____	Paid Stamp	Delivery Receipt
Taken from Vault _____		
Counted _____	Amount _____	Subscriber
Checked _____		Date..... By.....
Delivered _____	By _____	

If payment is to be made by credit to Treasury Tax and Loan Account, the following Certificate of Deposit should be officially executed.

FEDERAL RESERVE BANK OF NEW YORK
GOVERNMENT BOND DEPARTMENT

(This certificate must be executed when subscriber is making payment through Treasury Tax and Loan Account)

Certificate of Deposit in Treasury Tax and Loan Account

COST

The undersigned depository certifies that it will deposit on November 27, 1951 to the credit of Federal Reserve Bank of New York, Fiscal Agent of the United States, in the Treasury Tax and Loan Account, to be held subject to withdrawal on demand the above sum in payment of \$ (maturity value) Treasury bills, Tax Anticipation Series, dated November 27, 1951, due June 15, 1952, allotted as per Notice of Allotment dated November 21, 1951.

\$ []

.....
(Name of depository)

By.....,
(Official signature required) (Title)

Street address

City, Town or Village, P. O. No., and State

Dated.....

FEDERAL RESERVE BANK
OF NEW YORK

NOTICE OF ALLOTMENT
OF UNITED STATES OF AMERICA TREASURY BILLS
TAX ANTICIPATION SERIES

November 21, 1951.

Your non-competitive tender has been accepted in full at the average price of accepted competitive bids, namely _____ (rate per 100), in the amount of \$ _____ (maturity value) for Treasury bills dated November 27, 1951 and maturing on June 15, 1952.

Settlement therefor must be made in cash or other immediately available funds at the Federal Reserve Bank of New York or by credit to Treasury Tax and Loan Account on or before November 27, 1951.

To obtain delivery of the Treasury bills, please state on the attached form in the spaces provided therefor, the denominations of the bills desired and method by which settlement will be made. If settlement is to be made by check on a bank other than the Federal Reserve Bank of New York, such check should be received by us in time for collection on date bills are issued, otherwise it will be necessary to charge interest to the date of collection. If settlement is to be made by credit to Treasury Tax and Loan Account, the Certificate of Deposit which is part of the attached form must be executed and officially signed.

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

Checked by

FEDERAL RESERVE BANK
OF NEW YORK

TB

PENDING DELIVERY TICKET
OF UNITED STATES OF AMERICA TREASURY BILLS
TAX ANTICIPATION SERIES

November 21, 1951.

Your non-competitive tender has been accepted in full at the average price of
accepted competitive bids, namely (rate per 100), in the amount of \$
(maturity value) for Treasury bills, Tax Anticipation Series, dated November 27, 1951 and matur-
ing on June 15, 1952.

PAR		PRINCIPAL			DISCOUNT		METHOD OF PAYMENT	DISPOSITION
MASTER								

Payment to be made through
Treasury Tax and Loan Account.

TAX ANTICIPATION SERIES

November 21, 1951.

Your non-competitive tender has been accepted in full at the average price of accepted competitive bids, namely (rate per 100), in the amount of \$ (maturity value) for Treasury bills, Tax Anticipation Series, dated November 27, 1951 and maturing on June 15, 1952.

Payment to be made through Treasury Tax and Loan Account.