

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

{ Circular No. 3788 }
{ November 29, 1951 }

DEPOSITS OF DECEMBER TAX COLLECTIONS IN TREASURY TAX AND LOAN ACCOUNTS

*To All Banks and Trust Companies in the
Second Federal Reserve District:*

The Secretary of the Treasury has announced that collectors of internal revenue have been instructed to deposit with Federal Reserve Banks, during the period December 1, 1951 through January 4, 1952, all remittances (except savings notes) of \$10,000 or more submitted in payment of individual or corporate income taxes, excess profits taxes, interest, or penalties, including deficiencies and payments of estimated taxes. These instructions will enable banks qualified as Special Depositories of Public Moneys to receive these remittances for deposit in their Treasury Tax and Loan Accounts.

Continuing the practice used in the withdrawal of September tax deposits, the Treasury will decide from time to time whether to make withdrawals from funds arising from December tax payments or from other funds accumulated in the Tax and Loan Accounts, basing its decision on the Department's financing needs and the condition of the money market at the time.

We will prepare daily a special form of cash letter for the December tax collections, in accordance with the conditions prescribed in the Second Amendment, dated February 12, 1951, to Treasury Department Circular No. 92. Special depositories, wishing to accept funds equal to the amount of the cash letter for deposit in their Treasury Tax and Loan Accounts, should execute and return the certificate attached to the cash letter, in accordance with the instructions contained in the letter.

Additional copies of this circular will be furnished upon request.

ALLAN SPROUL,
President.