

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 4338]
May 22, 1956]

Deposits of June Tax Collections in Treasury Tax and Loan Accounts

*To all Treasury Tax and Loan Depositories
in the Second Federal Reserve District:*

The Treasury Department has announced that Directors of Internal Revenue will be instructed to make special deposits with Federal Reserve Banks, during the period June 1 through July 6, 1956, of checks of \$10,000 or more, representing payments of corporation and individual income taxes. The Treasury has also announced that drawee banks qualified as Special Depositories of Public Moneys may receive 50 per cent of these remittances for deposit in their Treasury Tax and Loan Accounts, subject, however, to the condition that the Treasury may find it necessary either to increase or decrease the percentage amount of the checks for credit in Treasury Tax and Loan Accounts from time to time during the period, if such action is required to prevent undue fluctuations in the amount of the balances in the accounts of the Treasurer of the United States with Federal Reserve Banks.

We will prepare daily a special form of cash letter, with an attached certificate form, for the June tax checks included in the special deposits of the Directors of Internal Revenue during the period. The amount shown in the certificate will be for 50 per cent of the amount of those checks eligible for credit to Treasury Tax and Loan Accounts or for such other percentage of the amount of the checks as the Treasury may subsequently specify. Special depositories, wishing to accept the amount shown in the certificate attached to 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.

In making withdrawals from Treasury Tax and Loan Accounts, the Treasury will make no distinction between the June tax funds and other credits to such accounts.

Additional copies of this circular will be furnished upon request.

ALLAN SPROUL,
President.