

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5599]
January 6, 1965]

Offering of \$1,750,000,000 of 155-Day Tax Anticipation Treasury Bills, Additional Amount Dated November 24, 1964, Due June 22, 1965, To Be Issued January 18, 1965

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

Following is the text of a notice issued by the Treasury Department, released for publication today:

The Treasury Department, by this public notice, invites tenders for \$1,750,000,000, or thereabouts, of 155-day Treasury bills (to maturity date), to be issued January 18, 1965, on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be designated Tax Anticipation Series and represent an additional amount of bills dated November 24, 1964, to mature June 22, 1965, originally issued in the amount of \$1,504,489,000. The additional and original bills will be freely interchangeable. They will be accepted at face value in payment of income taxes due on June 15, 1965, and to the extent they are not presented for this purpose the face amount of these bills will be payable without interest at maturity. Taxpayers desiring to apply these bills in payment of June 15, 1965, income taxes have the privilege of surrendering them to any Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington, not more than fifteen days before June 15, 1965, and receiving receipts therefor showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before June 15, 1965, to the District Director of Internal Revenue for the District in which such taxes are payable. The bills will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$50,000, \$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, one-thirty p.m., Eastern Standard time, Tuesday, January 12, 1965. 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.

Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. 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.

All bidders are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bills of this additional issue at a

This Bank will receive tenders up to 1:30 p.m., Eastern Standard time, Tuesday, January 12, 1965, 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 the enclosed blue envelope marked "Tender for Treasury Bills—Tax Anticipation Series." Tenders may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. Settlement for accepted tenders must be made in cash or other immediately available funds on January 18, 1965, except that any qualified depository may make payment by credit in its Treasury Tax and Loan Account for not more than 50 percent of the amount of 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.

specific rate or price, until after one-thirty p.m., Eastern Standard time, Tuesday, January 12, 1965.

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 Treasury Department 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, noncompetitive tenders for \$300,000 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. 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 January 18, 1965, provided, however, any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account for not more than 50 percent of the amount of 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, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are 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 is considered to be interest. Under Sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are 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 (current revision) 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.

ALFRED HAYES,
President.

(OVER)

TENDER FOR 155-DAY TREASURY BILLS, ADDITIONAL AMOUNT
TO BE DESIGNATED "TAX ANTICIPATION SERIES"

Dated November 24, 1964, Due June 22, 1965, To Be Issued January 18, 1965

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

Dated at
....., 1965

Pursuant to the provisions of Treasury Department Circular No. 418 (current revision) and to the provisions of the public notice issued by the Treasury Department and printed on the reverse side of this tender, the undersigned hereby offers to purchase the above described Treasury bills in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below:

COMPETITIVE TENDER [Do not fill in both Competitive and Noncompetitive tenders on one form] NONCOMPETITIVE TENDER

\$. (maturity value),
or any lesser amount that may be awarded.

\$. (maturity value).
(Not to exceed \$300,000 for one bidder through all sources)

Price: per 100.
(Price must be expressed with not more than three decimal places, for example, 99.925)

At the average price of accepted competitive bids.

Subject to allotment, payment for these bills will be made at your Bank on January 18, 1965, by cash or other immediately available funds, or (in the case of a qualified depository) by credit in Treasury Tax and Loan Account for not more than 50 percent of the amount of Treasury bills allotted.

We hereby agree not to buy or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bills of this additional issue at a specific rate or price, until after one-thirty p.m., Eastern Standard time, Tuesday, January 12, 1965.

[Insert this tender in blue envelope marked "Tender for Treasury Bills—Tax Anticipation Series"]
Name of subscriber (Please print)
By By
(Official signature(s) required)
Title Title
Address

(Banks submitting tenders for customer account must indicate name on line below, or attach a list)

.....
(Name of customer)

(Note. Successful bidders will receive a letter of instructions form with their allotment notice to instruct us as to the disposition of, and method of payment for, the bills allotted to them.)

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. Others than banking institutions will not be permitted to submit tenders except for their own account. Banks submitting tenders for customer account may consolidate competitive tenders at the same price and may consolidate non-competitive tenders, 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 on request.
3. 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."
4. 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.
5. 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.

5599

Federal Reserve Bank of New York

Securities Department (8th Floor)

33 Liberty Street

TENDER FOR TREASURY BILLS
TAX ANTICIPATION SERIES

(DO NOT USE THIS ENVELOPE FOR OTHER PURPOSES)

New York, N. Y. 10045

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

January 13, 1965.

Your competitive noncompetitive tender for—

UNITED STATES OF AMERICA 155-DAY TREASURY BILLS—TAX ANTICIPATION SERIES
ADDITIONAL AMOUNT, SERIES DATED NOVEMBER 24, 1964, DUE JUNE 22, 1965
(TO BE ISSUED JANUARY 18, 1965)

has been accepted at the price of

(per 100), in the amount of—

\$

(maturity value)

Settlement therefor must be made in cash or other immediately available funds at the Federal Reserve Bank of New York on or before January 18, 1965. However, a qualified depository may make settlement by credit to its Treasury Tax and Loan Account of not more than 50 percent of the amount payable, rounded to the next higher \$1,000, provided the advice of deposit attached to the enclosed letter of instructions form is executed and returned immediately. 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 January 18, 1965; otherwise it will be necessary for the bidder to pay for the securities allotted at the accepted price, plus interest to the date of collection at the equivalent rate of discount.

On the enclosed letter of instructions form, please fill in instructions as to payment and disposition for the *total amount* of Treasury bills of this issue awarded to you, and return the letter immediately to our Government Bond Division.

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

Checked by

competitive noncompetitive

UNITED STATES OF AMERICA 155-DAY TREASURY BILLS—TAX ANTICIPATION SERIES
 ADDITIONAL AMOUNT, SERIES DATED NOVEMBER 24, 1964, DUE JUNE 22, 1965
 (TO BE ISSUED JANUARY 18, 1965)

price of

\$

PURCHASE PRICE					
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MASTER

MATURITY VALUE					
----------------	--	--	--	--	--

PURCHASE PRICE					
----------------	--	--	--	--	--

DISPOSITION	AMOUNT			
<input type="checkbox"/> Over the Counter				
<input type="checkbox"/> Safekeeping				
<input type="checkbox"/> Ship				
<input type="checkbox"/> Treasury Tax & Loan				
<input type="checkbox"/> Allotment Transfer				

METHOD OF PAYMENT
<input type="checkbox"/> Check or Cash
<input type="checkbox"/> Reserve Account
<input type="checkbox"/> Treas. T. & L. Acc.
<input type="checkbox"/> Delivery Teller
<input type="checkbox"/> Foreign Oper. Div.
<input type="checkbox"/> Form 12

ALLOTMENT NOTICE FOR SECURITIES DEPARTMENT

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competitive noncompetitive

UNITED STATES OF AMERICA 155-DAY TREASURY BILLS—TAX ANTICIPATION SERIES
ADDITIONAL AMOUNT, SERIES DATED NOVEMBER 24, 1964, DUE JUNE 22, 1965
(TO BE ISSUED JANUARY 18, 1965)

price of

\$

ALLOTMENT NOTICE FOR SECURITY FILES

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competitive noncompetitive

UNITED STATES OF AMERICA 155-DAY TREASURY BILLS—TAX ANTICIPATION SERIES
ADDITIONAL AMOUNT, SERIES DATED NOVEMBER 24, 1964, DUE JUNE 22, 1965
(TO BE ISSUED JANUARY 18, 1965)

price of

\$

(This letter of instructions, accompanied by attached duplicate and triplicate copies, should be filled in for the total amount of Treasury bills of this issue awarded, and returned to Federal Reserve Bank of New York)

LETTER OF INSTRUCTIONS

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Federal Reserve P. O. Station,
New York, N. Y. 10045

Attention: Government Bond Division—2nd Floor

Dated at
.....1965

On our competitive and noncompetitive tenders for—

UNITED STATES OF AMERICA 155-DAY TREASURY BILLS—TAX ANTICIPATION SERIES
ADDITIONAL AMOUNT, SERIES DATED NOVEMBER 24, 1964, DUE JUNE 22, 1965
(TO BE ISSUED JANUARY 18, 1965)

accepted in the aggregate amount of—

\$ (maturity value)

Please issue and make delivery of the bills as instructed below:

Pieces	Denomination	Maturity Value	PLEASE DO NOT USE THIS SPACE
	\$ 1,000		
	5,000		
	10,000		
	50,000		
	100,000		
	500,000		
	1,000,000		
	Total—		

- 1. Deliver over the counter to the undersigned
- 2. Ship to the undersigned
- 3. Hold in safekeeping (for account of member bank only)*
- 4. Hold as collateral for Treasury Tax and Loan Account*
- 5. Special instructions:

Payment will be made as follows:

\$..... By cash or other immediately available funds

\$..... By charge to our reserve account

\$..... By credit in Treasury Tax and Loan Account (not more than 50% of purchase price, rounded to next higher \$1,000) for which Advice of Deposit is submitted herewith

(No changes in delivery instructions will be accepted)

* If this item is checked, the undersigned certifies that the allotted bills will be owned solely by the undersigned.

This letter of instructions must be signed officially in the space provided and returned immediately to

Submitted by (Please print)

By By (Authorized signature(s) required)

Title Title

Address

Federal Reserve Bank of New York,
Fiscal Agent of the United States.

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

Government Bond Division	Safekeeping Division
Payment received	Checked
Deliver against payment of \$.....	Delivered

DELIVERY RECEIPT

Received from Federal Reserve Bank of New York, Fiscal Agent of the United States, the above described securities allotted in the amount indicated above.

Date..... Subscriber..... By.....

If payment is to be made by credit to Treasury Tax and Loan Account, an advice of the deposit should be furnished this Bank on the form below.

Advice of Deposit in Treasury Tax and Loan Account

To FEDERAL RESERVE BANK OF NEW YORK,
Government Bond Division.

We will deposit on January 18, 1965, \$ (not more than 50% of purchase price, rounded to next higher \$1,000) to the credit of the 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 in payment for \$ (maturity value) 155-day tax anticipation Treasury bills, additional amount, series dated November 24, 1964, due June 22, 1965, to be issued January 18, 1965.

(Name of depositary)

Address (City and State)

LETTER OF INSTRUCTIONS

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Federal Reserve P. O. Station,
New York, N. Y. 10045

Attention: Government Bond Division—2nd Floor

Dated at
.....1965

On our competitive and noncompetitive tenders for—

UNITED STATES OF AMERICA 155-DAY TREASURY BILLS—TAX ANTICIPATION SERIES
ADDITIONAL AMOUNT, SERIES DATED NOVEMBER 24, 1964, DUE JUNE 22, 1965
(TO BE ISSUED JANUARY 18, 1965)

accepted in the aggregate amount of—

\$ (maturity value)

Please issue and make delivery of the bills as instructed below:

Table with columns: Pieces, Denomination, Maturity Value, PLEASE DO NOT USE THIS SPACE. Rows include denominations \$1,000, 5,000, 10,000, 50,000, 100,000, 500,000, 1,000,000 and a Total row.

- 1. Deliver over the counter to the undersigned
2. Ship to the undersigned
3. Hold in safekeeping (for account of member bank only)*
4. Hold as collateral for Treasury Tax and Loan Account*
5. Special instructions:

Payment will be made as follows:
\$..... By cash or other immediately available funds
\$..... By charge to our reserve account
\$..... By credit in Treasury Tax and Loan Account (not more than 50% of purchase price, rounded to next higher \$1,000) for which Advice of Deposit is submitted herewith

(No changes in delivery instructions will be accepted)

* If this item is checked, the undersigned certifies that the allotted bills will be owned solely by the undersigned.

This letter of instructions must be signed officially in the space provided and returned immediately to

Federal Reserve Bank of New York,
Fiscal Agent of the United States.

Submitted by (Please print)
By, By (Authorized signature(s) required)
Title Title
Address

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

Table with columns: Government Bond Division, Safekeeping Division. Rows: Payment received, Checked, Deliver against payment of \$, Delivered.

DELIVERY RECEIPT

Received from Federal Reserve Bank of New York, Fiscal Agent of the United States, the above described securities allotted in the amount

RELOCATION OFFICE—OUT

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Federal Reserve P. O. Station,
New York, N. Y. 10045

Attention: Government Bond Division—2nd Floor

Dated at
.....1965

On our competitive and noncompetitive tenders for—

UNITED STATES OF AMERICA 155-DAY TREASURY BILLS—TAX ANTICIPATION SERIES
ADDITIONAL AMOUNT, SERIES DATED NOVEMBER 24, 1964, DUE JUNE 22, 1965
(TO BE ISSUED JANUARY 18, 1965)

accepted in the aggregate amount of—

\$ (maturity value)

Please issue and make delivery of the bills as instructed below:

Table with columns: Pieces, Denomination, Maturity Value, and PLEASE DO NOT USE THIS SPACE. Rows include denominations from \$1,000 to \$1,000,000 and a Total row.

- 1. Deliver over the counter to the undersigned
2. Ship to the undersigned
3. Hold in safekeeping (for account of member bank only)*
4. Hold as collateral for Treasury Tax and Loan Account*
5. Special instructions:

Payment will be made as follows:

- \$..... By cash or other immediately available funds
\$..... By charge to our reserve account
\$..... By credit in Treasury Tax and Loan Account (not more than 50% of purchase price, rounded to next higher \$1,000) for which Advice of Deposit is submitted herewith

(No changes in delivery instructions will be accepted)

* If this item is checked, the undersigned certifies that the allotted bills will be owned solely by the undersigned.

This letter of instructions must be signed officially in the space provided and returned immediately to

Submitted by (Please print)
By By (Authorized signature(s) required)
Title Title
Address

Federal Reserve Bank of New York,
Fiscal Agent of the United States.

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

Table with two columns: Government Bond Division and Safekeeping Division. Rows include Payment received, Checked, Deliver against payment of \$, and Delivered.

DELIVERY RECEIPT

Received from Federal Reserve Bank of New York, Fiscal Agent of the United States, the above described securities allotted in the amount indicated above.