

FEDERAL RESERVE BANK  
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5747]  
[December 22, 1965]

Treasury Announces Financing Plans

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

The following statement was made public today by the Treasury Department:

The Treasury today announced the auction of an additional \$1 billion of tax anticipation bills due June 22, 1966, which may be used at face value in payment of taxes due June 15, 1966. The auction will be on December 29, 1965, for payment January 5, 1966, and commercial banks will be permitted to pay for the bills through crediting of Tax and Loan Accounts.

This additional issue will increase the June 1966 tax anticipation bills to \$4.5 billion.

At the same time the Treasury said it plans to raise additional cash by a \$100 million increase in the \$1.2 billion regular weekly three-month bill issue, starting with the auction on January 3 and probably running through a full 13-week cycle. The Treasury also indicated that it plans to make another cash offering in January of about \$1.5 billion in the short-term area. These borrowings will cover the bulk of the Treasury's cash need for the second half of the current fiscal year, estimated at about \$5 billion.

This borrowing program along with the pay-off of March and June tax anticipation bills will result in a net reduction in the marketable debt between now and the end of the fiscal year.

ALFRED HAYES,  
*President.*