

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 6360]
July 3, 1969

OFFERING OF TWO SERIES OF TAX ANTICIPATION TREASURY BILLS

\$1,750,000,000 of 157-Day Bills, Dated July 18, 1969, Due December 22, 1969

\$1,750,000,000 of 248-Day Bills, Dated July 18, 1969, Due March 23, 1970

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

Following are the texts of two notices released for publication yesterday by the Treasury Department, offering two series of tax anticipation bills:

The Treasury Department, by this public notice, invites tenders for \$1,750,000,000, or thereabouts, of 157-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated July 18, 1969, and will mature December 22, 1969. They will be accepted at face value in payment of income taxes due on December 15, 1969, 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 December 15, 1969 income taxes may submit the bills to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington, not more than fifteen days before that date. In the case of bills submitted in payment of income taxes of a corporation they shall be accompanied by a duly completed Form 503 and the office receiving these items will effect the deposit on December 15, 1969. In the case of bills submitted in payment of income taxes of all other taxpayers, the office receiving the bills will issue receipts therefor, the original of which the taxpayer shall submit on or before December 15, 1969, 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 Daylight Saving time, Wednesday, July 9, 1969. 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 issue at a specific rate or price, until after one-thirty p.m., Eastern Daylight Saving time, Wednesday, July 9, 1969.

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 July 18, 1969. Any qualified depository will be permitted to make settlement by credit in its Treasury tax and loan account for Treasury bills allotted to it for itself and its customers.

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.

(OVER)

The Treasury Department, by this public notice, invites tenders for \$1,750,000,000, or thereabouts, of 248-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated July 18, 1969, and will mature March 23, 1970. They will be accepted at face value in payment of income taxes due on March 15, 1970, 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 March 15, 1970 income taxes may submit the bills to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington, not more than fifteen days before that date. In the case of bills submitted in payment of income taxes of a corporation they shall be accompanied by a duly completed Form 503 and the office receiving these items will effect the deposit on March 15, 1970. In the case of bills submitted in payment of income taxes of all other taxpayers, the office receiving the bills will issue receipts therefor, the original of which the taxpayer shall submit on or before March 15, 1970, 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 Daylight Saving time, Friday, July 11, 1969. 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

This Bank will receive tenders for the *157-day bills* up to 1:30 p.m. Eastern Daylight Saving time, *Wednesday, July 9, 1969*, and for the *248-day bills*, up to the same time on *Friday, July 11, 1969*, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for the respective series are enclosed. Please use the appropriate forms to submit tenders and return them in the enclosed envelope marked "Tender for Tax Anticipation Treasury Bills." Tenders may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. Settlement for accepted tenders for either series of tax anticipation bills must be made in cash or other immediately available funds on July 18, 1969, except that any qualified depository may make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers.

or other disposition of any bills of this issue at a specific rate or price, until after one-thirty p.m., Eastern Daylight Saving time, Friday, July 11, 1969.

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 July 18, 1969. Any qualified depository will be permitted to make settlement by credit in its Treasury tax and loan account for Treasury bills allotted to it for itself and its customers.

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.

IMPORTANT—1. Closing date for receipt of this tender is Wednesday, July 9, 1969.

2. Please make certain that all requested data is supplied on this form, including the number and denomination of pieces desired and the delivery and payment instructions.

TENDER FOR 157-DAY TAX ANTICIPATION TREASURY BILLS

Dated July 18, 1969

Due December 22, 1969

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

Dated at
..... 19....

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 inviting tenders for the above-described Treasury bills, the undersigned hereby offers to purchase such 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.

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 issue at a specific rate or price, until after one-thirty p.m., Eastern Daylight Saving time, Wednesday, July 9, 1969.

Subject to allotment, please issue, deliver, and accept payment for the bills as indicated below:

Pieces	Denomination	Maturity value			<input type="checkbox"/> 1. Deliver over the counter to the undersigned <input type="checkbox"/> 2. Ship to the undersigned <input type="checkbox"/> 3. Hold in in safekeeping (for account of member bank only)* <input type="checkbox"/> 4. Hold as collateral for Treasury Tax and Loan Account* <input type="checkbox"/> 5. Special instructions: (No changes in delivery instructions will be accepted)	Payment will be made as follows: <input type="checkbox"/> By check herewith <input type="checkbox"/> By cash or check in immediately available funds on delivery <input type="checkbox"/> By charge to our reserve account <input type="checkbox"/> By credit in Treasury Tax and Loan Account. (Please complete Advice of Deposit below.)
	\$ 1,000					
	5,000					
	10,000					
	50,000					
	100,000					
	500,000					
	1,000,000					
	Totals					

* The undersigned certifies that the allotted bills will be owned solely by the undersigned.

Insert this tender in special envelope marked "Tender for Tax Anticipation Treasury Bills"

.....
(Name of subscriber—please print or type)

.....
(Address—please print or type)

.....
(Signature of subscriber or authorized signature)

.....
(Title of authorized signer)

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

.....
Name of Customer

.....
Name of Customer

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.

Advice of Deposit in Treasury Tax and Loan Account

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

We will deposit on July 18, 1969 to your credit in the Treasury Tax and Loan Account on our books, to be held subject to withdrawal on demand, an amount equal to the purchase price of the bills allotted to us on our tender for \$ (maturity value) of 157-day tax anticipation Treasury bills, dated July 18, 1969, due December 22, 1969.

.....
(Name of Depository)

By.....
(Authorized signature(s) required)

Address.....
(City and State)

NOTICE OF ALLOTMENT

OF UNITED STATES OF AMERICA

DAY TAX ANTICIPATION TREASURY BILLS

Your competitive noncompetitive tender for tax anticipation
Treasury bills, dated _____, maturing _____, has been
accepted at the price of _____ (per 100) in the face amount of \$ _____

Settlement therefor must be made in cash or other immediately available funds, at the Federal Reserve Bank of New York on or before the issue date. If however, the public notice offering the bills authorizes a qualified depository to make full or partial settlement by credit to its Treasury Tax and Loan Account such settlement may be so made, provided the advice of deposit attached to the tender form has been executed. 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 forfeiture of the prescribed deposit may be declared by the Secretary of the Treasury.

Delivery of the Treasury bills and settlement therefor will be made in accordance with instructions given on your tender form.

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

Checked by _____

LETTER OF INSTRUCTIONS

To FEDERAL RESERVE BANK OF NEW YORK,
 Fiscal Agent of the United States,
 Government Bond Division,
 New York, N. Y. 10045

Referring to our competitive noncompetitive tender for tax anticipation Treasury bills, dated _____, maturing _____, which has been accepted at a price of _____ (per 100) in the face amount of \$ _____
 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 check in immediately available funds
 - By charge to our reserve account
 - If authorized, by credit in Treasury Tax and Loan Account

(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.

(Fill in all required spaces before signing)

Name of Subscriber
(Please print)

By....., By.....
(Authorized signature(s) required)

Street address

City, Town or Village, and State

SPACES BELOW ARE FOR THE USE OF FEDERAL RESERVE BANK OF NEW YORK

Government Bond Division	Security Custody Department	Safekeeping Division
PAYMENT RECEIVED		
signed:	Taken from vault.....	Checked.....
DELIVER AGAINST PAYMENT	Counted.....	Delivered.....
OF \$.....	Checked.....	
signed:		

DELIVERY RECEIPT.

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

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

DELIVERY TICKET-SAFEKEEPING DIVISION

TO FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Government Bond Division,
New York, N. Y. 10045

Referring to our [] competitive [] noncompetitive tender for tax anticipation
Treasury bills, dated , maturing , which has been
accepted at a price of (per 100) in the face amount of \$
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 check in immediately available funds
[] By charge to our reserve account
[] If authorized, by credit in Treasury Tax and Loan Account

(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.

(Fill in all required spaces before signing)

Name of Subscriber (Please print)
By (Authorized signature(s) required)
Street address
City, Town or Village, and State

SPACES BELOW ARE FOR THE USE OF FEDERAL RESERVE BANK OF NEW YORK

Table with columns: Government Bond Division, Security Custody Department, and Safekeeping Division. Includes sections for PAYMENT RECEIVED and DELIVER AGAINST PAYMENT.

DELIVERY RECEIPT.

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

Date Subscriber By

RELOCATION OFFICE-OUT

To FEDERAL RESERVE BANK OF NEW YORK,
Fiscal Agent of the United States,
Government Bond Division,
New York, N. Y. 10045

Referring to our [] competitive [] noncompetitive tender for tax anticipation
Treasury bills, dated , maturing , which has been
accepted at a price of (per 100) in the face amount of \$
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 check in immediately available funds
[] By charge to our reserve account
[] If authorized, by credit in Treasury Tax and Loan Account

(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.

(Fill in all required spaces before signing)

Name of Subscriber (Please print)

By (Authorized signature(s) required)

Street address

City, Town or Village, and State

SPACES BELOW ARE FOR THE USE OF FEDERAL RESERVE BANK OF NEW YORK

Table with 3 columns: Government Bond Division (PAYMENT RECEIVED), Security Custody Department (Taken from vault, Counted, Checked), and Safekeeping Division (Checked, Delivered).

DELIVERY RECEIPT.

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

Date Subscriber By

TB

PENDING DELIVERY TICKET

OF UNITED STATES OF AMERICA TAX ANTICIPATION TREASURY BILLS

Your competitive noncompetitive tender for tax anticipation Treasury bills, dated _____, maturing _____, has been accepted at the price of _____ (per 100) in the face amount of \$ _____

PRINCIPAL					
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M A S T E R

MATURITY VALUE					
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PRINCIPAL					
-----------	--	--	--	--	--

DISPOSITION	SPLIT DISPOSITION			
<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"/> Delivery Teller
<input type="checkbox"/> Foreign Oper. Div.
<input type="checkbox"/> Form 12
<input type="checkbox"/> Credit in TT&L Account

SECURITIES DEPARTMENT COPY

Referring to our competitive noncompetitive tender for tax anticipation
Treasury bills, dated _____, maturing _____, which has been
accepted at the price of _____ (per 100) in the face amount of \$ _____

TB

NOTICE OF ALLOTMENT

OF UNITED STATES OF AMERICA TAX ANTICIPATION TREASURY BILLS

Your competitive noncompetitive tender for tax anticipation
Treasury bills, dated _____, maturing _____, which has been
accepted at the price of _____ (per 100) in the face amount of \$ _____