

FEDERAL RESERVE BOARD

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STATEMENT FOR THE PRESS

Gross earnings of the twelve Federal reserve banks for 1926 were \$47,500,000 or about \$5,800,000 more than for 1925, while current operating expenses amounted to \$27,360,000 or \$170,000 less than for 1925. The banks set aside from their earnings \$3,630,000 as reserves to cover depreciation charges and reserves for losses on discounted paper, etc. and paid dividends to member banks amounting to \$7,329,000. Net earnings for 1926 amounted to \$16,610,000 as against \$9,450,000 for 1925.

The Federal Reserve Banks of Boston, Richmond, Minneapolis and Kansas City paid a total of \$818,150.51 into the Treasury of the United States as franchise tax. All of the net earnings of the eight other reserve banks were transferred to their surplus accounts as required by law, the surplus accounts of these banks at the end of the year being materially less than their subscribed capital. The total subscribed capital of the twelve Federal reserve banks on January 1, 1927, amounted to \$249,628,000, and combined surplus accounts to \$228,775,000.

Full details as to the disposition of the gross earnings of each Federal reserve bank will appear in the forthcoming annual report of the Federal Reserve Board.