

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON



ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

June 24, 1936.  
B-1158

SUBJECT: Earnings and Dividends Reports of  
State Bank Members, Form 107.

Dear Sir:

There have been forwarded to you today under separate cover                      copies of Form 107 to be used by State bank members in submitting their reports of earnings and dividends for the six months ending June 30, 1936.

It will be noted that the form has been revised to show separately six items which heretofore have been combined with other items. The new items, together with their definitions, are as follows:

Item 1(h) - Rent received. - Gross income from rental of banking house, other real estate, safe deposit boxes, etc.

Item 2(c) - Fees paid to directors and members of executive, discount, and advisory committees. - Total amount of fees paid to directors and members of committees for attendance at Board or committee meetings. (Retainer and other fees paid outside counsel should not be included in this item. Such fees, including court and recording costs and fees paid to notaries, should be included with "Other expenses", Item 2(j).)

Item 2(h) - Real estate taxes. - Taxes paid or accrued on bank premises and on other real estate owned by the bank.

Item 2(i) - Other taxes. - Federal, State and municipal taxes paid or accrued, other than taxes on real estate.

Item 4(b) - Recoveries on bonds, stocks, and other securities. - Recoveries of amounts charged off as losses or as depreciation on bonds, stocks and other securities against Item 6(b) (including any premium charged off and recovered upon the sale of securities).

Item 4(c) - Profits on securities sold. - Profits representing an excess of sale price, over purchase price less premium amortization, of bonds and other securities sold or exchanged. Any amounts previously charged off (including premium charged off but not premium amortized) which is recovered at the time of the sale of securities should be shown in Item 4(b).

The above definitions correspond with definitions of the same items included in revised instructions (Form 2129-A) governing the preparation of earnings and dividends reports which are being issued to national banks by the Comptroller of the Currency.

In the examination of the reports on Form 107, it is suggested that particular attention be paid to the reconciliation of the capital accounts as shown against Items 14 to 17 with the corresponding items as shown in condition reports on Form 105, and the items shown in Section 3 with the corresponding items in the report for the immediately preceding report period.

Very truly yours,



Chester Morrill,  
Secretary.

Inclosure.

TO ALL FEDERAL RESERVE AGENTS