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U.S. Treasury Dept.

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TREASURY DEPARTMENT

For immediate release


23-0

Secretary Morgenthau today announced the appointment of Ferdinand Kuhn Jr., ^{Chief of the} former London ~~bureau~~ ^{correspondent} for the New York Times, as a Special Assistant to the Secretary.

~~A native of New York City~~ ^{attended public and high schools in Mount Vernon, N.Y.} Mr. Kuhn was graduated from Columbia University in 1925, at which time he joined the staff of the New York Times. Three years later he was sent to London by that newspaper and returned to the United States a year ago as an editorial and special writer, ^{of} after more than eleven years ^{of} service abroad.

Mr. Kuhn last year was awarded the Columbia University medal for distinguished service. He ~~is a contributor to the book, "We Saw It Happen."~~

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Thursday, December 26, 1940

Press Service
No. 23-0

Secretary Morgenthau today announced the appointment of Ferdinand Kuhn, Jr., former chief of the London bureau of the New York Times, as a Special Assistant to the Secretary.

Mr. Kuhn attended public schools in Mount Vernon, New York, and was graduated from Columbia University in 1925, at which time he joined the staff of the New York Times. Three years later he was sent to London by that newspaper and returned to the United States a year ago as an editorial and special writer, after more than eleven years of service abroad.

Mr. Kuhn last year was awarded the Columbia University medal for distinguished service.

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applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on December 30, 1940, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on January 2, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,

Friday, December 27, 1940.

~~STATEMENT BY~~XXXXXXXXXXXXXXXXXXXX

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The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$ 100,000,000, or thereabouts. They will be designated National Defense Series, ~~(5)~~x 90-day bills; and will be sold on a discount basis to the highest bidders. ~~(4)~~x Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, December 30, 1940. ~~(5)~~x Tenders will not be received at the Treasury Department, Washington.

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated January 2, 1941, and will mature on April 2, 1941, and on the maturity date the face amount will be payable without interest. ~~(7)~~x They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, December 27, 1940.

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series, 90-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern Standard time, on Monday, December 30, 1940. Tenders will not be received at the Treasury Department, Washington.

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The Treasury bills will be dated January 2, 1941, and will mature on April 2, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

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The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

STATEMENT SHOWING THE AMOUNT OF CAPITAL FUNDS RETURNED AND TO BE RETURNED
TO THE TREASURY AS SET OUT IN THE PRESIDENT'S BUDGET MESSAGE OF LAST JANUARY

<u>Agency</u>	<u>Amounts returned to Treasury</u>	<u>Amounts to be returned</u>	<u>Total</u>
Federal Savings and Loan Associations	\$ 7,389,100	\$ 27,610,900	\$ 35,000,000
Federal Intermediate Credit Banks	40,000,000	-	40,000,000
Banks for Cooperatives	48,000,000	12,000,000	60,000,000
Production Credit Corporations	15,000,000	-	15,000,000
Federal Land Banks	100,000,000	-	100,000,000
Federal Farm Mortgage Corporation	-	100,000,000	100,000,000
Reconstruction Finance Corporation	<u>-</u>	<u>350,000,000</u>	<u>350,000,000</u>
	\$ 210,389,100	\$ 489,610,900	\$ 700,000,000

Office of the Under Secretary, Treasury Department
December 19, 1940

For ~~immediate~~ release *Friday a.m.*

Secretary Morgenthau today made public a statement showing the amount of capital funds returned and to be returned to the Treasury by Governmental corporations and credit agencies, as set out in the President's budget message of last January. The figures are as follows:

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TREASURY DEPARTMENT

FOR RELEASE MORNING NEWSPAPERS
Friday, December 27, 1940.

Press Service
No. 23- 1

Secretary Morgenthau today made public a statement showing the amount of capital funds returned and to be returned to the Treasury by Governmental corporations and credit agencies, as set out in the President's budget message of last January. The figures are as follows:

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Federal Intermediate Credit Banks.....	40,000,000	-	40,000,000
Banks for Cooperatives.....	48,000,000	12,000,000	60,000,000
Production Credit Corporations.....	15,000,000	-	15,000,000
Federal Land Banks.....	100,000,000	-	100,000,000
Federal Farm Mortgage Corporation.....	-	100,000,000	100,000,000
Reconstruction Finance Corporation.....	-	350,000,000	350,000,000
	\$210,389,100	\$489,610,900	\$700,000,000

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of the privately held securities,
details by issuing units of Government, are shown.

in the following table:

Estimated Amount of
Privately-held Tax-Exempt Securities
Outstanding June 30, 1940.

Securities of:	Total	Wholly Exempt	Partially exempt
	(in billions of dollars)		
U.S. Government	32.8 ✓	6.9 ✓	25.9 ✓
Federal instrumentalities guaranteed by U. S.	5.2 ✓	- ✓	5.2 ✓
Federal instrumentalities not guaranteed by U.S.	1.3 ✓	1.2 ✓	.1 -
State and local governments	15.4 ✓	15.4 ✓	- ✓
Territories and insular possessions	.1 ✓	.1 ✓	- ✓
Total privately-held tax-exempt securities	54.8 ✓	23.6 ✓	31.2 ✓

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Monday, December 30, 1940
12/27/40

Press Service
No. 23-2

The December Bulletin of the Treasury Department today estimated that a total of \$70,200,000,000 of tax-exempt securities were outstanding at the close of the past fiscal year on June 30, 1940.

Of this total, the Bulletin points out approximately \$54,800,000,000 were in the hands of the public, with the remainder held by governmental units and agencies, and by Federal Reserve Banks and in governmental trust funds, sinking funds, and investment funds.

Of those securities held privately, it was estimated that \$23,600,000,000 were wholly tax exempt, and \$31,200,000,000 were partially free from internal levies. The interest on wholly exempt securities is free from both the normal and the surtax rates of the Federal income tax, while interest on partially exempt securities is exempt only from the normal rates.

The estimates were compiled in connection with Secretary Morgenthau's effort to eliminate the further issuance of tax-exempt securities on the ground that the holders of these securities escaped their just share of the Federal tax load.

Details of the privately-held securities, by issuing units of Government, are shown in the following table:

Estimated Amount of
Privately-held Tax-Exempt Securities
Outstanding June 30, 1940.

	Total	Wholly Exempt	Partially Exempt
Securities of:	(in billions of dollars)		
U. S. Government	32.8	6.9	25.9
Federal instrumentalities guaranteed by U. S.	5.2	-	5.2
Federal instrumentalities not guaranteed by U. S.	1.3	1.2	.1
State and local governments	15.4	15.4	-
Territories and insular possessions	<u>.1</u>	<u>.1</u>	<u>-</u>
Total privately-held tax-exempt securities	<u>54.8</u>	<u>23.6</u>	<u>31.2</u>

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\$16,782,000, France, \$11,658,000 and Belgium \$3,007,000.

United States balances abroad were little changed from the preceding period. Short-term funds were increased \$8,179,000 in Japan and reduced \$2,389,000 in the United Kingdom and \$1,332,000 in Italy.

Statistics in the December Bulletin showed that foreign countries repatriated \$2,675,000 of their securities held in the United States. Canada led, buying back a net of \$1,186,000 of her securities.

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of report

Net capital inflow into the United States from foreign countries totaled \$53,542,000 in the four weeks ended October 2, 1940, statistics in the December Treasury Bulletin disclosed today. Italy with \$20,093,000 accounted for nearly half the inflow.

Selling of American securities continued although net liquidation in the four weeks dwindled to \$2,756,000. This compared with ~~with~~ ^{net} liquidation of \$11,662,000 in the preceding period. While most other countries were ~~liquidating~~ ^{selling} their securities, Italy showed net purchases of \$20,260,000 ^{mainly} American bonds. The United Kingdom ~~had~~ ^{showed} net sales of \$3,903,000 Switzerland \$7,498,000 and Asia \$11,841,000. Gross purchases totaled \$47,761,000 and gross sales were \$50,517,000.

Short-term foreign funds in this country reached the unprecedented total of \$3,719,000,000 On October 2 increasing \$52,076,000 in the four weeks. Canada increased her funds here \$14,853,000. Other increases were: Japan \$9,399,000; China, \$8,015,000; Sweden, \$7,295,000; Philippines, \$6,514,000; Argentine, \$6,182,000; Mexico, \$4,680,000; Finland, \$2,877,000; and Germany \$2,619,000. Switzerland withdrew

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Monday, December 30, 1940
12/27/40

Press Service
No. 23-3

Net capital inflow into the United States from foreign countries totaled \$53,542,000 in the four weeks ended October 2, 1940, statistics in the December Treasury Bulletin disclosed today. Italy with \$20,093,000 accounted for nearly half the inflow.

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United States balances abroad were little changed from the preceding period. Short-term funds were increased \$8,179,000 in Japan and reduced \$2,389,000 in the United Kingdom and \$1,332,000 in Italy.

Statistics in the December Bulletin showed that foreign countries repatriated \$2,675,000 of their securities held in the United States. Canada led, buying back a net of \$1,186,000 of her securities.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Friday, December 27, 1940
~~PRESS RELEASE~~

Press Service
No. 23-4

The Bureau of Customs announced today that revised reports from the collectors of customs show imports during the period January 1 to December 14, 1940, inclusive, of 495,671,069 gallons of petroleum and fuel oil, the produce or manufacture of the Netherlands (including its overseas territories), subject to the tariff rate quota provided for in the trade agreement with Venezuela.

The President's proclamation of December 12, 1939, limits such petroleum and fuel oil which may be entered, or withdrawn from warehouse, for consumption at the reduced rate of import tax of 1/4 cent per gallon provided in the trade agreement to 527,691,192 gallons for the calendar year 1940. Such imports during the year in excess of the quota are dutiable at the full rate of import tax of 1/2 cent per gallon.

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(Prepared by the Bureau of Customs)

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Friday, December 27, 1940

Press Service
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~~CONFIDENTIAL~~

Representatives of the Argentine Government and the Central Bank of Argentina have been ~~in the United States for several weeks~~ discussing with the officials of the United States Treasury monetary problems of mutual interest. Agreement has been reached upon a stabilization arrangement by which \$50 million of the United States Stabilization Fund is allocated for the purpose of promoting stability between the United States dollar and the Argentine peso. The agreement provides, under conditions mutually acceptable, for the purchase of Argentine pesos with dollars, and for the mutual exchange of views and information relevant to the proper functioning of such a program. During the course of the coming year further discussion, ^{that} it is expected, will take place between such monetary authorities.

The stabilization arrangements announced today constitute a further step in a program of closer collaboration between Argentina and the United States.

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The following joint statement is made by
the Secretary of the Treasury, the Argentine Ambassador
and the General manager of the Central Bank of Argentina:

As another practical proof that the Good Neighbor policy is
a living force among American Republics, the United States and
Argentina have completed a stabilization arrangement by which
\$50, ~~milli~~^{000,000} of the United States Stabilization Fund is set aside
to promote stability between the United States dollar and the
Argentin~~e~~ peso.

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The agreement provides, under conditions acceptable to both
parties, for the purchase of Argentine pesos with dollars, and for
the exchange of information and of views bearing on the proper
functioning of such a program.

This is a cooperative arrangement between old and good friends.
It has been discussed and formulated in this spirit by representatives
of the Argentine Government and the Central Bank of Argentina, and by
the officials of the United States Treasury. The monetary authorities
of the two countries expect to hold further discussions in the same
friendly spirit during the coming year; and it is hoped that these
~~discussions~~^{conversations} will enable both countries to reap the greatest possible
benefit from the workings of the present agreement.

Apart from its obvious purpose of stabilizing the relationship
between the two currencies, the arrangement should also promote trade
between the United States and Argentina. In addition, both Governments
are aware of the close identity of interests and ideals between their
countries; both Governments know the great importance of keeping
neighborly relations warm and strong between their nations and peoples.
It is the hope and belief of both Governments that this arrangement will
help to strengthen the long-established ties of respect and understanding
between these two great democracies of the western world.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Friday, December 27, 1940.

Press Service
No. 23-5

The following joint statement is made by the Secretary of the Treasury, the Argentine Ambassador and the General Manager of the Central Bank of Argentina:

As another practical proof that the Good Neighbor policy is a living force among American Republics, the United States and Argentina have completed a stabilization arrangement by which \$50,000,000 of the United States Stabilization Fund is set aside to promote stability between the United States dollar and the Argentine peso.

The agreement provides, under conditions acceptable to both parties, for the purchase of Argentine pesos with dollars, and for the exchange of information and of views bearing on the proper functioning of such a program.

This is a cooperative arrangement between old and good friends. It has been discussed and formulated in this spirit by representatives of the Argentine Government and the Central Bank of Argentina, and by the officials of the United States Treasury. The monetary authorities of the two countries expect to hold further discussions in the same friendly spirit during the coming year; and it is hoped that these conversations will enable both countries to reap the greatest possible benefit from the workings of the present agreement,

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 31, 1940.
12/30/40

Press Service

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series, 90-day Treasury bills, to be dated January 2 and to mature April 2, 1941, which were offered on December 27, 1940, were opened at the Federal Reserve Banks on December 30.

The details of this issue are as follows:

Total applied for -	\$648,182,000
Total accepted -	100,435,000

The accepted bids were tendered at prices in excess of par, all but \$14,050,000 being tendered at 100.003. Of the amount tendered at that price, 39 percent was accepted.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, December 31, 1940.
12/30/40

Press Service
No. 23-6

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series, 90-day Treasury bills, to be dated January 2 and to mature April 2, 1941, which were offered on December 27, 1940, were opened at the Federal Reserve Banks on December 30.

The details of this issue are as follows:

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Estimated Gold and Dollar Expenditures and Receipts of British
 Empire, Excluding Canada and Newfoundland, from
 September 1, 1939 to December 31, 1940*

(In Millions of U.S. Dollars)

Gold and Dollar Expenditures

A. Payments to the United States by United Kingdom.			
1.	On British Government orders in the United States.....	\$1,380	
	Goods delivered.....	\$660	
	Advance payments.....	570	
	Capital assistance.....	150	
2.	For other merchandise imports from the United States.....	705	
3.	For shipping, interest, etc.....	<u>197</u>	\$2,282
	Shipping disbursements.....	125	
	Interest and dividends.....	48	
	Miscellaneous (chiefly film royalties).....	24	
B. Payments to the United States by Empire countries, excluding U.K. and Canada			
1.	For commodity imports.....	<u>435</u>	
2.	For shipping, interest, etc.....	<u>48</u>	483
	Interest and dividends.....	\$ 40	
	Shipping (net).....	8	
C. Payments by Empire countries, excluding Canada, to areas outside the U.S. requiring gold or dollars			
1.	Payments by Empire countries (chiefly U.K.) to areas outside the U.S. and Canada requiring gold or dollars.....	550	
2.	Gold payments by Empire countries to Canada and Newfoundland (net)**.....	<u>225</u>	775
D. Withdrawal of Capital			
1.	By American and others, through sale of free sterling to American importers	300	
2.	By repayment of outstanding export credits as required by our Neutrality Act	200	
3.	By liquidation of forward exchange position in dollars.....	<u>235</u>	735

* Compiled from data furnished by British Treasury

** For details see supplementary table appended.

Gold and Dollar Expenditures
(Cont.)

E. Residual - Miscellaneous items and errors of estimation.....		\$ 71
Total gold and dollar requirements for all transactions.....		<u>4,346</u>

Gold and Dollar Receipts

A. Receipts from United States by United Kingdom		
1. From merchandise exports.....	\$205	
2. From interest, shipping, etc.....	<u>140</u>	345
Interest and dividends.....	\$ 85	
Shipping earnings.....	35	
Remittances from insurance companies.....	20	
B. Receipts from United States by Empire countries, excluding U. K. and Canada		
1. From merchandise exports.....	640	
2. From tourist travel, remittances, etc. (net).....	<u>30</u>	670
C. Dollar receipts by Empire countries, excluding Canada, from areas outside the U. S.		50
D. Receipts from sale of Empire gold (new production and dishoarding).....		<u>965</u>
Total gold and dollar receipts by Empire countries, excluding Canada.....		\$2,030
Total drain on gold and dollar resources of British Empire, excluding Canada and Newfoundland, Sept. 1, 1939 to Dec. 31, 1940		<u>2,316</u>
Total gold and dollar requirements for all transactions.....		<u>\$4,346</u>

Supplementary Table

Estimated Expenditures and Receipts of Canada and Newfoundland
With the Rest of the British Empire from September 1, 1939 to
December 31, 1940

(In Millions of U.S. Dollars)

A. Payments to Canada and Newfoundland by Empire countries		
1. For purchases from Canada and Newfoundland by the United Kingdom....	\$795	
2. For purchases from Canada by other Empire countries.....	125	
3. Other payments to Canada by Empire countries.....	<u>10</u>	\$930
B. Receipts from Canada and Newfoundland by Empire countries		
1. From merchandise exports to Canada and Newfoundland by U.K.....	170	
2. From merchandise exports to Canada by other Empire countries.....	100	
3. From interest and dividends paid by Canada to United Kingdom.....	85	
4. Other U.K. receipts from Canada, principally Canadian Expeditionary Forces.....	<u>20</u>	<u>375</u>
British Empire deficit with Canada and Newfoundland on merchandise, interest and dividends, etc.....		555
Canadian assistance to U.K. -- repatriation of British-held Canadian securities and increase in sterling balances held by Canada.....		<u>330</u>
Gold payments by British Empire countries with Canada and Newfoundland Sept. 1, 1939 to Dec. 31, 1940.....		<u>225</u>

applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on January 6, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on January 8, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series, 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, January 6, 1941. Tenders will not be received at the Treasury Department, Washington.

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated January 8, 1941, and will mature on April 9, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent 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.

Immediately after the closing hour for receipt of tenders on January 6, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on January 8, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

In Form 1040, used in reporting gross incomes of more than \$5,000.00, provision is likewise made for the additional 10 percent defense tax.

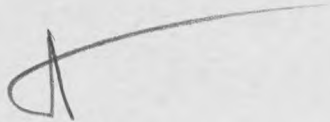
Also, in this form, schedule F, which deals with gains and losses from sales or exchanges of capital assets, a note has been inserted immediately beneath "Computation of Alternative Tax" advising the taxpayer that the alternative tax should be computed only (1) if he had a net long-term capital gain and the surtax net income exceeds \$22,000.00, or (2) if he had a net long-term capital loss and such loss plus the surtax net income exceeds \$22,000.00.

Instructions have been revised to accord with changes under the Revenue Act of 1940, principally the filing requirements. The basis this year is gross income of \$800.00 for single persons and \$2,000.00 for married ones. The new surtax rates are listed in the table in "Specific Instructions 29".

Corporations, irrespective of the amount of total receipts or net income, have been provided with a four-page blank, form 1120^o for 1938 and 1939 business operations, larger corporations and special classes of corporations made their returns on the six-page form 1120, while smaller corporations made their returns on the four-page form 1120A. The elimination

of the smaller corporation form was made possible by a change in the method of computing the income tax for the taxable year 1940.

Detailed instructions for filling out the blanks will accompany all forms.

A handwritten mark, possibly a signature or initials, consisting of a large, sweeping curve that starts from the left, goes up and over, and then comes down to the right.

For Release Morning Newspapers
Friday January 3, 1941 Treasury Department

Press Service
No 23-47

Guy T. Helvering, Commissioner of Internal Revenue, announced today that forms for reporting 1940 incomes ^{for Federal tax purposes} have been distributed to collectors, who have been authorized to release them on January 3.

The new forms embody changes made in the various Internal Revenue Statutes during the last year.

Provision has been made in Form 1040A, used in reporting gross incomes of not more than \$5,000.00, to report the 10 percent defense tax, which is a temporary ^{levy} ~~imposition~~ to run five years.

Also, in this form, item 13, dealing with earned income credit, has been enlarged to reflect the computation of that credit in its entirety, thereby eliminating the schedule which appeared on the reverse of this form for prior years.

Since the filing of duplicate returns on greenpaper is no longer required, the original and the taxpayer's copy, together with instructions, have been printed on one sheet, fold^d and perforated. This sheet is printed on buff paper for the first time, designed to facilitate the segregation of Forms 1040A ^{in the Collector's offices}.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, January 3, 1941.

Press Service
No. 23-7

Commissioner of Internal Revenue, Guy T. Helvering, announced today that forms for reporting 1940 incomes for Federal tax purposes have been distributed to Collectors who have been authorized to release them on January 3.

The new forms embody changes made in the various Internal Revenue statutes during the last year.

Provision has been made in Form 1040A, used in reporting gross incomes of not more than \$5,000.00, to report the 10 percent defense tax, which is a temporary levy to run five years.

Also, in this form, item 13, dealing with earned income credit, has been enlarged to reflect the computation of that credit in its entirety, thereby eliminating the schedule which appeared on the reverse of this form for prior years.

Since the filing of duplicate returns on green paper is no longer required, the original and the taxpayer's copy, together with instructions, have been printed on one sheet, folded and perforated. This sheet is printed on buff paper for the first time, designed to facilitate the segregation of Forms 1040A in the Collectors' offices.

In Form 1040, used in reporting gross incomes of more than \$5,000.00, provision is likewise made for the additional 10 percent defense tax.

Also, in this form, schedule F, which deals with gains and losses from sales or exchanges of capital assets, a note has been inserted immediately beneath "Computation of Alternative Tax"

advising the taxpayer that the alternative tax should be computed only (1) if he had a net long-term capital gain and the surtax net income exceeds \$22,000.00, or (2) if he had a net long-term capital loss and such loss plus the surtax net income exceeds \$22,000.00.

Instructions have been revised to accord with changes under the Revenue Act of 1940, principally the filing requirements. The basis this year is gross income of \$800.00 for single persons and \$2,000.00 for married ones. The new surtax rates are listed in the table in "Specific Instructions 29".

Corporations, irrespective of the amount of total receipts or net income, have been provided with a four-page blank, form 1120. For 1938 and 1939 business operations, larger corporations and special classes of corporations made their returns on the six-page form 1120, while smaller corporations made their returns on the four-page form 1120A. The elimination of the smaller corporation form was made possible by a change in the method of computing the income tax for the taxable year 1940.

Detailed instructions for filling out the blanks will accompany all forms.

TREASURY DEPARTMENT

Washington

For Immediate Release
Friday, January 3, 1940

Press Service
No. 23-8

Commissioner of Customs W. R. Johnson today issued the following statement showing imports of distilled liquors and wines, and duties collected thereon, covering November, 1940, with comparative figures for November, 1939, and October 1940, and the eleven month periods ending November 1939 and November 1940:

	November 1940	October 1940	November 1939	11 months ended November 1940 November 1939	
DISTILLED LIQUORS					
(Proof Gallons):					
Stock in Customs					
Bonded Warehouses					
at beginning.....	8,658,556	8,682,438	3,872,233	4,474,392	4,214,134
Total Imports (Free and Dutiable)....	975,159	1,061,282	1,298,265	13,790,502	9,847,142
Available for Consumption.....	9,633,715	9,743,720	5,170,498	18,264,894	14,061,276
Entered into Consumption (a).....	1,240,119	1,084,044	1,052,757	9,851,683	9,885,348
Stock in Customs					
Bonded Warehouses					
at end.....	8,391,543	8,658,556	4,086,522	8,391,543	4,086,522
STILL WINES (Liquid Gallons):					
Stock in Customs					
Bonded Warehouses					
at beginning.....	1,559,503	1,680,675	1,184,596	1,283,499	1,121,505
Total Imports (Free and Dutiable)....	160,772	129,623	502,829	3,134,590	3,140,760
Available for Consumption.....	1,720,275	1,810,298	1,687,425	4,418,089	4,262,265
Entered into Consumption (a).....	198,280	250,548	378,326	2,888,934	2,948,364
Stock in Customs					
Bonded Warehouses					
at end.....	1,521,694	1,559,503	1,308,919	1,521,694	1,308,919
SPARKLING WINES					
(Liquid Gallons):					
Stock in Customs					
Bonded Warehouses					
at beginning	274,786	325,235	308,504	376,746	257,942
Total Imports (Free and Dutiable)	2,622	4,201	143,367	280,715	543,368
Available for Consumption.....	277,408	329,436	451,871	657,461	801,310
Entered into Consumption (a).....	35,719	53,915	80,112	414,483	428,891
Stock in Customs					
Bonded Warehouses					
at end.....	241,601	274,786	371,757	241,601	371,757
DUTIES COLLECTED ON:					
Distilled Liquors	\$3,075,215	\$2,676,489	\$2,614,914	\$24,322,316	\$24,508,058
Still Wines	179,755	225,832	331,054	2,441,348	2,517,535
Sparkling Wines	106,632	161,280	239,910	1,232,422	1,282,065
Total Duties Collected					
on Liquor	\$3,361,602	\$3,063,601	\$3,185,878	\$27,996,086	\$28,307,658

(a) Including withdrawals for ship supplies and diplomatic use.

Recapitulation - Section 21(a) and (b)

Total that may be outstanding.....		\$49,000,000,000
Total outstanding.....		<u>45,348,549,450</u>
Balance issuable:		
General Limitation - Sec. 21(a).....	\$ 887,141,250	
National Defense Limitation - Sec. 21(b)...	<u>2,764,309,300</u>	<u>\$ 3,651,450,550</u>

Reconciliation with Daily Statement of the United States Treasury
December 31, 1940

Total face amount outstanding public debt obligations issued under authority of the Second Liberty Bond Act, as amended, as limited by Section 21 of the Act:		
General Limitation.....		\$44,112,858,750
Deduct unearned discount on Savings Bonds.....		<u>911,709,008</u>
		43,201,149,742
National Defense Limitation.....		<u>1,235,690,700</u>
		\$44,436,840,442
Add other outstanding public debt obligations not subject to the statutory limitation:		
Interest-bearing (pre-war, etc.).....	\$ 196,208,460	
Matured on which interest has ceased.....	14,187,240	
Bearing no interest.....	<u>377,395,346</u>	<u>587,791,046</u>
Total gross debt outstanding as of December 31, 1940.....		\$45,024,631,488

Section 21 of the Second Liberty Bond Act, as amended, provides as follows:

(a) The face amount of bonds, certificates of indebtedness, Treasury bills, and notes issued under the authority of this Act, and of certificates of indebtedness issued under authority of Section 6 of the First Liberty Bond Act, shall not exceed in the aggregate \$45,000,000,000 outstanding at any one time.

(b) In addition to the amount authorized by the preceding paragraph of this section, any obligations authorized by Sections 5* and 18** of this Act, as amended, not to exceed in the aggregate \$4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under Section 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the National Defense, or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated "National Defense Series".

* Sec. 5 authorizes certificates of indebtedness and Treasury bills.

** Sec. 18 authorizes notes of the United States (Treasury notes).

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January 3, 1941

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STATUTORY DEBT LIMITATION
Under Section 21 of the Second Liberty Bond Act, as Amended
As of December 31, 1940

The following table shows the face amount of public debt obligations of the United States authorized, outstanding, and balance issuable under the limitations imposed by Section 21 of the Second Liberty Bond Act, as amended.

I. General Limitation - Section 21(a)

Total face amount of bonds, notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....		\$45,000,000,000
Outstanding as of December 31, 1940:		
Interest-bearing:		
Bonds		
Treasury.....	\$27,960,167,200	
Savings (maturity value)*.....	4,106,501,675	
Adjusted Service.....	749,531,925	\$32,816,200,800
Treasury notes.....	\$ 8,561,802,300	
Certificates of indebtedness....	1,954,800,000	
Treasury bills (maturity value).....	605,493,000	11,122,095,300
		<u>43,938,296,100</u>
Matured obligations, on which interest has ceased.....	174,562,650	<u>44,112,858,750</u>
Face amount of obligations issuable under above authority.....		<u>\$ 887,141,250</u>

II. National Defense Limitation - Section 21(b)

Total face amount of notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....		\$ 4,000,000,000
Less retirements under Section 301 Revenue Act, 1940.....	
Net Face amount issuable.....		<u>\$ 4,000,000,000</u>
Outstanding as of December 31, 1940:		
Interest-bearing:		
Treasury notes.....	\$530,838,700	
Certificates of indebtedness....	
Treasury bills.....	704,852,000	\$1,235,690,700
Matured obligations, on which interest has ceased.....	<u>\$ 1,235,690,700</u>
Face amount of obligations issuable under above authority.....		<u>\$ 2,764,309,300</u>

*Approximate maturity value. Principal amount (current redemption value) according to preliminary public debt statement \$3,194,792,667.

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January 6, 1941

STATUTORY DEBT LIMITATION

Under Section 21 of the Second Liberty Bond Act, as Amended
As of December 31, 1940

The following table shows the face amount of public debt obligations of the United States authorized, outstanding, and balance issuable under the limitations imposed by Section 21 of the Second Liberty Bond Act, as amended.

I. General Limitation - Section 21 (a)

Total face amount of bonds, notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....		\$45,000,000,000
Outstanding as of December 31, 1940:		
Interest-bearing:		
Bonds		
Treasury.....	\$27,960,167,200	
Savings (maturity value)*.....	4,106,501,675	
Adjusted Service.....	<u>749,531,925</u>	\$32,816,200,800
Treasury notes.....	\$ 8,561,802,300	
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Treasury bills (maturity value).....	<u>605,493,000</u>	<u>11,122,095,300</u>
		<u>43,938,296,100</u>
Matured obligations, on which interest has ceased.....	<u>174,562,650</u>	<u>44,112,858,750</u>
Face amount of obligations issuable under above authority.....		\$ 887,141,250

II. National Defense Limitation - Section 21 (b)

Total face amount of notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....		\$4,000,000,000
Less retirements under Section 301 Revenue Act, 1940.....		<u> </u>
Net Face amount issuable.....		\$ 4,000,000,000
Outstanding as of December 31, 1940:		
Interest-bearing:		
Treasury notes.....	\$530,838,700	
Certificates of indebtedness....		
Treasury bills.....	<u>704,852,000</u>	\$1,235,690,700
Matured obligations, on which interest has ceased.....	<u> </u>	\$ 1,235,690,700
Face amount of obligations issuable under above authority.....		<u>\$ 2,764,309,300</u>

*Approximate maturity value. Principal amount (current redemption value) according to preliminary public debt statement \$3,194,792,667.

Recapitulation - Section 21(a) and (b)

Total that may be outstanding.....		\$49,000,000,000
Total outstanding.....		45,348,549,450
Balance issuable:		
General Limitation - Sec. 21(a).....	\$ 887,141,250	
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Reconcilement with Daily Statement of the United States Treasury
December 31, 1940

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Deduct unearned discount on Savings Bonds.....		<u>911,709,008</u>
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 National Defense Limitation		<u>1,235,690,700</u>
		\$44,436,840,442
 Add other outstanding public debt obligations not subject to the statutory limitation:		
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Bearing no interest	<u>377,395,346</u>	<u>587,791,046</u>
 Total gross debt outstanding as of December 31, 1940.....		\$45,024,631,488

Section 21 of the Second Liberty Bond Act, as amended, provides as follows:

(a) The face amount of bonds, certificates of indebtedness, Treasury bills, and notes issued under the authority of this Act, and of certificates of indebtedness issued under authority of Section 6 of the First Liberty Bond Act, shall not exceed in the aggregate \$45,000,000,000 outstanding at any one time.

(b) In addition to the amount authorized by the preceding paragraph of this section, any obligations authorized by Section 5* and 18** of this Act, as amended, not to exceed in the aggregate \$4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under Section 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the National Defense, or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated "National Defense Series".

* Sec. 5 authorizes certificates of indebtedness and Treasury bills.

** Sec. 18 authorizes notes of the United States (Treasury notes).

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 7, 1941.
1/6/41

Press Service
No. 23-9

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series, 91-day Treasury bills, to be dated January 8 and to mature April 9, 1941, which were offered on January 3, were opened at the Federal Reserve Banks on January 6.

The details of this issue are as follows:

Total applied for -	\$560,547,000
Total accepted -	100,002,000

The accepted bids were tendered at prices in excess of par, all but \$27,550,000 being tendered at 100.003. Of the amount tendered at that price, 66 percent was accepted.



TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, January 7, 1941
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Press Service
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*Treasury Department
Washington*

In Release
FOR RELEASE MORNING PAPERS

Press Release

No 23-10

PRERELEASE
Friday, January 10, 1941

1/9/41

The Bureau of Customs announced today that the January, 1941, quota for Canada, which limits the number of silver or black foxes valued at less than \$250 each and whole silver or black fox furs and skins (with or without paws, tails or heads) which may be entered, or withdrawn from warehouse, for consumption during any month, as provided for in the new supplementary trade agreement with Canada, has been exhausted. Entry, or withdrawal from warehouse, for consumption of these commodities imported from Canada is therefore prohibited until the beginning of the next quota period.

Preliminary data in the Bureau indicate that 3,713 live silver or black foxes, valued at less than \$250 each and whole silver or black fox furs and skins (with or without paws, tails, or heads) were entered, or withdrawn from warehouse for consumption from countries other than Canada, on January 2, 1941, which is approximately 50 percent of the quantity of such commodities which are permitted entry into consumption during the month of January, 1941, under the provisions of the new supplementary trade agreement with Canada.

Preliminary data in the Bureau also indicate that the quantities of silver or black fox merchandise entered, or withdrawn from warehouse, for consumption during the period December 1, 1940, through January 2, 1941, under these additional quotas, provided for in the new supplementary trade agreement with Canada, and the percentage of fulfillment of these quotas, were as follows:

	<u>Quota</u>	<u>Entered</u>	<u>Percent of fulfillment</u>
Tails of silver or black foxes (pieces)	5,000	3,406	68.1
Paws, heads, or other separated parts of silver or black fox furs and skins (other than tails) (pounds)	500	56	11.2
Piece plates made of pieces of silver or black fox furs and skins (pounds)	550	364	66.2
Articles, other than piece plates, made wholly or in chief value of one or more silver or black fox furs or skins or parts of such furs or skins (units)	500	8	1.6

(Prepared by the Bureau of Customs)

TREASURY DEPARTMENT
WASHINGTON

FOR RELEASE MORNING PAPERS
Friday, January 10, 1941

Press Release
No. 23-10

The Bureau of Customs announced today that the January, 1941, quota for Canada, which limits the number of silver or black foxes valued at less than \$250 each and whole silver or black fox furs and skins (with or without paws, tails or heads) which may be entered, or withdrawn from warehouse, for consumption during any month, as provided for in the new supplementary trade agreement with Canada, has been exhausted. Entry, or withdrawal from warehouse, for consumption of these commodities imported from Canada is therefore prohibited until the beginning of the next quota period.

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Piece plates made of pieces of silver or black fox furs and skins (pounds)	550	364	66.2
Articles, other than piece plates, made wholly or in chief value of one or more silver or black fox furs or skins or parts of such furs or skins (units)	500	8	1.6

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1/9/41

COTTON CARD STRIPS, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than card strips and comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany and Italy:

(In Pounds)				
Country of Origin	: Established : TOTAL QUOTA	TOTAL IMPORTS Sept. 20, 1940: to Dec. 28, 1940:	: Established : 33-1/3% of : Total Quota	Imports Sept. 20, 1940, to Dec. 28, 1940 1/
United Kingdom	4,323,457	637,121	1,441,152	6,430
Canada	239,690	194,155	-	-
France	227,420	-	75,807	-
British India	69,627	68,783	-	-
Netherlands	68,240	-	22,747	-
Switzerland	44,388	-	14,796	-
Belgium	38,559	-	12,853	-
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	-	25,443	-
Italy	21,263	-	7,088	-
Total	5,482,509	900,059	1,599,886	6,430

1/ Included in total imports, column 2.

Treasury Department
Washington

Press Service
7-23-11

FOR IMMEDIATE RELEASE
January 9, 1941

Thursday

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, and December 19, 1940, as follows, during the period September 20, 1940, to December 28, 1940, inclusive.

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

Country of Origin	(In Pounds)			
	Staple length less than 1-1/8"	Imports Sept. 20, 1940, to Dec. 28, 1940	Staple length 1-1/8" or more but less than 1-11/16"	Imports Sept. 20, 1940, to Dec. 28, 1940
Egypt and the Anglo-Egyptian Sudan	783,816	-	43,451,566	5,841,239
Peru	247,952	72	2,056,299	433,442
British India	2,003,483	24,280	64,942	-
China	1,370,791	51,100	2,626	-
Mexico	8,883,259	357,250	-	-
Brazil	618,723	91,499	3,808	80
Union of Soviet Socialist Republics	475,124	-	-	-
Argentina	5,203	4,952	435	2
Haiti	237	-	506	-
Ecuador	9,333	-	-	-
Honduras	752	-	-	-
Paraguay	871	-	-	-
Colombia	124	2	-	-
Iraq	195	-	-	-
British East Africa	2,240	-	29,909	-
Netherlands East Indies	71,388	-	-	-
Barbados	-	-	12,554	1,737
Other British West Indies 1/	21,321	-	30,139	-
Nigeria	5,377	-	-	-
Other British West Africa 2/	16,004	-	2,002	-
Algeria and Tunisia	-	-	1,634	-
Other French Africa 3/	689	-	-	-
Total	14,516,882	529,155	45,656,420	6,276,500

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Thursday, January 9, 1941

Press Service
No. 23-11

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, and December 19, 1940, as follows, during the period September 20, 1940, to December 20, 1940, inclusive.

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Country of Origin	(In Pounds)			
	Staple Length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established	Imports Sept. 20, 1940, to Dec. 20, 1940	Established	Imports Sept. 20, 1940, to Dec. 20, 1940
Egypt and the Anglo-Egyptian Sudan	783,816	-	43,451,566	5,841,239
Peru	247,952	72	2,056,299	433,442
British India	2,003,483	24,280	64,942	-
China	1,370,791	51,100	2,626	-
Mexico	8,383,259	357,250	-	-
Brazil	616,723	91,499	3,808	30
Union of Soviet Socialist Republics ..	475,124	-	-	-
Argentina	5,203	4,952	435	2
Haiti	237	-	506	-
Ecuador	9,333	-	-	-
Honduras	752	-	-	-
Paraguay	871	-	-	-
Colombia	124	2	-	-
Iraq	195	-	-	-
British East Africa ...	2,240	-	29,909	-
Netherlands East Indies	71,368	-	-	-
Barbados	-	-	12,554	1,737
Other British West Indies 1/	21,321	-	30,139	-
Nigeria	5,377	-	-	-
Other British West Africa 2/	16,004	-	2,002	-
Algeria and Tunisia ...	-	-	1,634	-
Other French Africa 3/ ..	689	-	-	-
Total	14,516,382	529,155	45,656,420	6,276,500

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

COTTON CARD STRIPS, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that no more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than card strips and comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany and Italy:

(In Pounds)					
Country of Origin	: Established : TOTAL QUOTA :	TOTAL IMPORTS Sept. 20, 1940, to Dec. 28, 1940:	: Established : 33-1/3% of : Total Quota	Imports Sept. 20, 1940, to Dec. 28, 1940	1/
United Kingdom	4,323,457	637,121	1,441,152	6,430	
Canada	239,690	194,155	-	-	
France	227,420	-	75,807	-	
British India	69,627	68,733	-	-	
Netherlands	68,240	-	22,747	-	
Switzerland	44,388	-	14,796	-	
Belgium	38,559	-	12,853	-	
Japan	341,535	-	-	-	
China	17,322	-	-	-	
Egypt	8,135	-	-	-	
Cuba	6,544	-	-	-	
Germany	76,329	-	25,443	-	
Italy	21,263	-	7,088	-	
Total	5,482,509	900,059	1,599,886	6,430	

1/ Included in total imports, column 2.

Commodity	Established Quota :Period & Country:	Quantity	Unit of : Quantity	Imports as of : Dec. 28, 1940
Silver or black foxes furs and articles Foxes valued under \$250 ea. and whole furs and skins	Month of December Canada	17,500	Number	(Import quota filled)
	Other than Canada	7,500	"	(Import quota filled)
Tails	12 months from December 1, 1940	5,000	Piece	1,003
Paws, heads or other separated parts	"	500	Pound	6
Piece plates	"	550	"	-
Articles, other than piece plates	"	500	Unit	6
Crude petroleum, topped crude petroleum, and fuel oil	Calendar year			
	Venezuela	1,869,014,616	Gallon	1,685,097,591
	Netherlands	527,691,192	"	490,956,507
	Colombia	103,978,560	"	21,995,228
	Other countries	98,779,632	"	(Tariff rate quota filled)
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	(Tariff rate quota filled)

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(Prepared by the Bureau of Customs)

Immediate
For Release

Treasury Department
Washington

Press Service
No 23-12

Thursday, January 9, 1941

PRESS RELEASE

The Bureau of Customs announced today preliminary figures for imports of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to December 28, 1940, inclusive, as follows:

Commodity	Established Quota : Period & Country :	Quantity	Unit of : Quantity:	Imports as of : Dec. 28, 1940
Cattle less than 200 pounds each	Calendar year	100,000	Head	(Tariff rate quota filled)
Cattle, 700 pounds or more (other than dairy cows)	Quarter year from Oct. 1, 1940			
	Canada	51,720	Head	36,706
	Other than Canada	6,210	"	(Tariff rate quota filled)
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	7,400
Cream, fresh or sour	Calendar year	1,500,000	Gallon	972
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk and rosefish	Calendar year	15,000,000	Pound	9,912,655
White or Irish potatoes Certified seed	12 months from Sept. 15, 1940	90,000,000	Pound	13,530,301
	Other	12 months from Sept. 15, 1940	60,000,000	Pound
Red cedar shingles	Calendar year	2,371,544	Square	(Duty-free quota filled)
Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (Unstemmed equivalent)	19,434,267

TREASURY DEPARTMENT
WASHINGTON

FOR IMMEDIATE RELEASE
THURSDAY, JANUARY 9, 1941

Press Service
No. 23-12

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Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk and rosefish	Calendar year	15,000,000	Pound	9,912,655
White or Irish potatoes Certified seed	12 months from Sept. 15, 1940	90,000,000	Pound	13,530,301
Other	12 months from Sept. 15, 1940	60,000,000	Pound	2,469,306
Red cedar shingles	Calendar year	2,371,544	Square	(Duty-free quota filled)
Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (Unstemmed equivalent)	19,434,267

Commodity	: Established Quota	: Unit of	: Imports as of
	: Period & Country: Quantity	: Quantity	: Dec. 28, 1940
Silver or black foxes furs and articles Foxes valued under \$250 ea. and whole furs and skins	Month of December Canada	17,500	Number (Import quota filled)
	Other than Canada	7,500	" (Import quota filled)
Tails	12 months from December 1, 1940	5,000	Piece 1,003
Paws, heads or other separated parts	"	500	Pound 6
Piece plates	"	550	" -
Articles, other than piece plates	"	500	Unit 6
Crude petroleum, topped crude petroleum, and fuel oil	Calendar year Venezuela	1,869,014,616	Gallon 1,685,097,591
	Netherlands	527,691,192	" 490,956,507
	Colombia	103,978,560	" 21,995,228
	Other countries	98,779,632	" (Tariff rate quota filled)
Molasses and sugar sirups containing soluble monsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon (Tariff rate quota filled)

Treasury Department
Washington

Press Service
No 23-13

3 minutes
For Release,
Thursday, January 9, 1941

PRESS RELEASE

The Bureau of Customs announced today preliminary figures for imports of commodities within the quota limitations provided for under the Philippine Independence Act, as amended, and the Philippine Cordage Act of 1935, from the beginning of the quota periods to December 28, 1940, inclusive, as follows:

Products of Philippine Islands	Established Quota Period	Quantity	Unit of Quantity	Imports as of Dec. 28, 1940
Coconut oil	Calendar year	448,000,000	Pound	368,494,98
Refined sugars	Calendar year	112,000,000)	Pound	111,811,35
Sugars other than refined	Calendar year	1,792,000,000) ^{1/}	Pound	1,788,123,32
Cordage	12 months from May 1, 1940	6,000,000	Pound	3,784,49
Buttons of pearl or shell	Calendar year	850,000	Gross	828,72
Cigars	Calendar year	200,000,000	Number	196,534,90
Scrap tobacco and stemmed and unstemmed filler tobacco	Calendar year	4,500,000	Pound	4,257,43

^{1/} The duty-free quota on Philippine sugars applies to 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

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(Prepared by the Bureau of Customs)

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Thursday, January 9, 1941

Press Service
No. 23-13

The Bureau of Customs announced today preliminary figures for imports of commodities within the quota limitations provided for under the Philippine Independence Act, as amended, and the Philippine Cordage Act of 1935, from the beginning of the quota periods to December 28, 1940, inclusive, as follows:

Products of Philippine Islands	: Period	Established Quota : Quantity	Unit of Quantity	Imports as of Dec. 28, 1940
Coconut oil	Calendar year	448,000,000	Pound	368,494,986
Refined sugars	Calendar year	112,000,000)	Pound	111,811,357
Sugars other than refined	Calendar year	1,792,000,000) ^{1/}	Pound	1,788,123,329
Cordage	12 months from May 1, 1940	6,000,000	Pound	3,784,494
Buttons of pearl or shell	Calendar year	850,000	Gross	828,726
Cigars	Calendar year	200,000,000	Number	196,534,907
Scrap tobacco and stemmed and unstemmed filler tobacco	Calendar year	4,500,000	Pound	4,257,433

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applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on January 13, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on January 15, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

STATEMENT BY ~~XXXXXXXXXXXXXXXXXXXX~~~~(1)~~~~(2)~~

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$ 100,000,000, or thereabouts. They will be designated National Defense Series, 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, January 13, 1941. Tenders will not be received at the Treasury Department, Washington.

~~(4)~~~~(5)~~

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated January 15, 1941, and will mature on April 16, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

~~(6)~~~~(7)~~

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

Jan

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS
Friday, January 10, 1941.

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series, 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, January 13, 1941. Tenders will not be received at the Treasury Department, Washington.

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Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent 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.

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Treasury Department Circular No. 418, as amended, 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 thereof.

Individual Income Tax Returns for 1936: Number of matched separate returns of husbands and wives,
classified by size of net incomes of husbands and by size of net incomes of wives

Husbands -		:	Husbands	:	Husbands	:	Wives - Net income classes excluding statutory net capital gain or loss																
Net income classes		:	Husbands -	:	having	:	having	:	Under	:	\$5,000	:	\$10,000	:	\$25,000	:	\$50,000	:	\$100,000	:	\$500,000		
excluding statutory net		:	All	:	wives with	:	wives with	:	\$5,000	:	under	:	under	:	under	:	under	:	under	:	under	:	and
capital gain or loss		:	returns	:	net deficit	:	net income	:	\$5,000	:	\$10,000	:	\$25,000	:	\$50,000	:	\$100,000	:	\$500,000	:	over	:	
		:	(1)	:	(2)	:	(3)	:	(4)	:	(5)	:	(6)	:	(7)	:	(8)	:	(9)	:	(10)	:	
Under	\$5,000	:	57,472	:	1,230	:	56,242	:	48,718	:	4,779	:	2,138	:	475	:	102	:	30	:	-	:	
\$5,000	"	:	38,797	:	653	:	38,144	:	19,930	:	16,110	:	1,634	:	335	:	115	:	18	:	2	:	
\$10,000	"	:	31,134	:	552	:	30,582	:	17,040	:	4,644	:	8,018	:	628	:	194	:	56	:	2	:	
\$25,000	"	:	10,985	:	211	:	10,774	:	4,787	:	1,845	:	2,135	:	1,750	:	189	:	66	:	2	:	
\$50,000	"	:	4,225	:	76	:	4,149	:	1,264	:	687	:	993	:	646	:	491	:	63	:	5	:	
\$100,000	"	:	1,450	:	23	:	1,427	:	247	:	175	:	294	:	291	:	225	:	186	:	9	:	
\$500,000	and over	:	74	:	1	:	73	:	5	:	6	:	5	:	11	:	20	:	19	:	7	:	
Total husbands with net income		:	144,137	:	2,746	:	141,391	:	91,991	:	28,246	:	15,217	:	4,136	:	1,336	:	438	:	27	:	
Husbands with net deficit		:	3,623	:	1,370	:	2,253	:	1,541	:	366	:	222	:	86	:	27	:	9	:	2	:	
Total		:	147,760	:	4,116	:	143,644	:	93,532	:	28,612	:	15,439	:	4,222	:	1,363	:	447	:	29	:	

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whereas only 57,472 husbands reported net income (excluding statutory net capital gain or loss) under \$5,000. Some extreme inequalities in the incomes of husbands and wives were also disclosed. For example, among husbands with net income under \$5,000 were 30 whose wives showed net income of from \$100,000 to \$500,000. The accompanying table shows the distribution of number of separate returns by size of the husband's net income and by size of the wife's net income.

Volume 2 also classifies data from matched separate returns of husband and wife by size of their combined net income. *put in "net"*

In the study of the composition of incomes nearly $5\frac{1}{2}$ million individual returns, including returns for estates and trusts, were tabulated. Approximately 3 million of these showed only one source of income in 1936. Salaries or wages constituted this single source of income for almost $2\frac{1}{2}$ million individuals.

About 1,200,000 returns showed only 2 sources of income; 700,000 3 sources; and less than $\frac{1}{2}$ million returns showed 4 or more sources of income. Returns with only one or two sources of income were more heavily concentrated in the lower income groups than were the multiple source returns.

O.P.A.
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TREASURY DEPARTMENT
Washington

Press Service
No. 23-14

FOR RELEASE, Morning papers,
Monday, January 13, 1941.
1/10/41

Secretary of the Treasury Morgenthau today made public the second volume of "Statistics of Income Supplement Compiled from Income Tax Returns for 1936." This publication deals with the incomes of husbands and wives filing separate income tax returns and with the composition of the income of individuals, showing whether the income was derived from a single source such as wages or interest or from several sources in combination. The information given supplements that published in "Statistics of Income for 1936, Part 1," and has been obtained from a special study of income tax returns for 1936 which was sponsored and directed by the Division of Tax Research of the Treasury Department and financed by funds transferred by the Commissioner of Work Projects to the Department under authorization of the President.

Approximately 300,000 separate income tax returns including community property returns of husbands and wives, or almost 90 percent of all such returns filed, were tabulated. The tabulations make available for the first time extensive information on the size of the combined incomes of husbands and wives, and also shed light on the extent to which their combined Federal income tax may be reduced by the filing of separate returns.

In general, wives reported smaller incomes than husbands. Thus, among 147,760 pairs of separate returns matched, 93,532 wives showed net income (excluding statutory net capital gain or loss) under \$5,000,

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whereas only 57,472 husbands reported net income (excluding statutory net capital gain or loss) under \$5,000. Some extreme inequalities in the incomes of husbands and wives were also disclosed. For example, among husbands with net income under \$5,000 were 30 whose wives showed net income of from \$100,000 to \$500,000. The accompanying table shows the distribution of number of separate returns by size of the husband's net income and by size of the wife's net income.

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Individual Income Tax Returns for 1936: Number of matched separate returns of husbands and wives,
classified by size of net incomes of husbands and by size of net incomes of wives

Husbands - Net income classes excluding statutory net capital gain or loss	:	Husbands -:	Husbands	:	Husbands	:	Wives - Net income classes excluding statutory net capital gain or loss						
		All	having	:	having	:	Under	under	under	under	under	under	and
	:	returns	wives with	:	wives with	:	\$5,000	\$10,000	\$25,000	\$50,000	\$100,000	\$500,000	over
	:	:	net deficit	:	net income	:	:	:	:	:	:	:	:
	:	:	:	:	:	:	:	:	:	:	:	:	:
	:	(1)	(2)	:	(3)	:	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Under \$5,000	:	57,472	1,230	:	56,242	:	48,718	4,779	2,138	475	102	30	-
\$5,000 "	:	38,797	653	:	38,144	:	19,930	16,110	1,634	335	115	18	2
\$10,000 "	:	31,134	552	:	30,582	:	17,040	4,644	8,018	628	194	56	2
\$25,000 "	:	10,985	211	:	10,774	:	4,787	1,845	2,135	1,750	189	66	2
\$50,000 "	:	4,225	76	:	4,149	:	1,264	687	993	646	491	63	5
\$100,000 "	:	1,450	23	:	1,427	:	247	175	294	291	225	186	9
\$500,000 and over	:	74	1	:	73	:	5	6	5	11	20	19	7
Total husbands with net income	:	144,137	2,746	:	141,391	:	91,991	28,246	15,217	4,136	1,336	438	27
Husbands with net deficit	:	3,623	1,370	:	2,253	:	1,541	366	222	86	27	9	2
Total	:	147,760	4,116	:	143,644	:	93,532	28,612	15,439	4,222	1,363	447	29

DIVIDEND PAYMENTS TO CREDITORS OF INSOLVENT NATIONAL
BANKS AUTHORIZED DURING THE MONTH ENDED
DECEMBER 31, 1940

<u>Name and Location of Bank:</u>	<u>Nature of Dividend:</u>	<u>Date Authorized:</u>	<u>Number and Percentage of Dividends Authorized:</u>	<u>Distribution of Funds by Dividend Authorized:</u>	<u>Total Percentage Authorized Dividends to Date:</u>	<u>Number of Claimants:</u>	<u>Amount Claims Proved:</u>
The First National Bank of Lawrenceville, Illinois	Final	12-17-40	7th 6.05%	\$ 30,700	71.05 %	1,263	\$ 507,400
The Security National Bk of Rockford, Illinois	Final	12-31-40	5th 6. %	89,400	55. %	7,549	1,490,700
The First Nat'l Bank of Hartford City, Indiana	Final	12-6-40	4th 13.25%	30,400	90.25 %	906	232,600
The First National Bk of Vincennes, Indiana	Authorized under date of November 22, 1940, as an eighth (final) dividend of 3.747%. The percentage of this dividend has now been amended to 3.74%.						
The Fort Greene Nat'l Bk in New York, New York	Regular	12-11-40	3rd 10. %	150,800	75.00 %	3,873	1,508,300
The Nescopeck Nat'l Bank Nescopeck, Pennsylvania	Regular	12-16-40	3rd 15. %	56,700	70.00 %	1,871	377,700
The Chattanooga Nat'l Bk of Chattanooga, Tennessee	Regular	12-14-40	5th 10. %	770,200	85.00 %	17,212	7,701,600
The First National Bank of Chattanooga, Tennessee	Regular	12-14-40	7th 10. %	457,900	98.444%	11,012	4,579,100
The First National Bk of Webster Springs, W. Va.	Regular	12-5-40	5th 10. %	35,600	80.00 %	3,401	355,900

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS

Press Service

~~Washington, January 1, 1941~~

During the month ended December 31, 1940, authorizations were issued to receivers for payments of dividends in eight insolvent national banks. Dividends so authorized will effect total distributions of \$1,621,700 to 45,090 claimants who have proved claims aggregating \$16,753,300, or an average percentage payment of 9.68%. The smallest and largest individual dividend percentages authorized were 6% and 15%, respectively, while the smallest and largest receivership distributions were \$30,400, and \$770,200, respectively. Of the eight dividends authorized five were for regular dividend payments, and three were for final dividend payments. Dividend payments so authorized during the month ended December 31, 1940, were as follows:

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72K

M. A. Breen
1-13-41

M. A. Breen

DIVIDEND PAYMENTS TO CREDITORS OF INSOLVENT NATIONAL
BANKS AUTHORIZED DURING THE MONTH ENDED
DECEMBER 31, 1940

<u>Name and Location of Bank:</u>	<u>Nature of Dividend:</u>	<u>Date Authorized:</u>	<u>Number and Percentage of Dividends Authorized:</u>		<u>Distribution of Funds by Dividend Authorized:</u>	<u>Total Percentage Authorized Dividends to Date:</u>	<u>Number of Claimants:</u>	<u>Amount Claims Proved:</u>
The First National Bank of Lawrenceville, Illinois	Final	12-17-40	7th	6.05%	\$ 30,700	71.05 %	1,263	\$ 507,400
The Security National Bk of Rockford, Illinois	Final	12-31-40	5th	6. %	89,400	55. %	7,549	1,490,700
The First Nat'l Bank of Hartford City, Indiana	Final	12-6-40	4th	13.25%	30,400	90.25 %	906	232,600
The First National Bk of Vincennes, Indiana	Authorized under date of November 22, 1940, as an eighth (final) dividend of 3.747%. The percentage of this dividend has now been amended to 3.74%.							
The Fort Greene Nat'l Bk in New York, New York	Regular	12-11-40	3rd	10. %	150,800	75.00 %	3,873	1,508,300
The Nescopeck Nat'l Bank Nescopeck, Pennsylvania	Regular	12-16-40	3rd	15. %	56,700	70.00 %	1,871	377,700
The Chattanooga Nat'l Bk of Chattanooga, Tennessee	Regular	12-14-40	5th	10. %	770,200	85.00 %	17,212	7,701,600
The First National Bank of Chattanooga, Tennessee	Regular	12-14-40	7th	10. %	457,900	98.444%	11,012	4,579,100
The First National Bk of Webster Springs, W. Va.	Regular	12-5-40	5th	10. %	35,600	80.00 %	1,400	355,900

W. J. Beck
1-13-41

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS

Tuesday, January 14, 1941
12/13/41

Press Service

23-10

During the month ended December 31, 1940, authorizations were issued to receivers for payments of dividends in eight insolvent national banks. Dividends so authorized will effect total distributions of \$1,621,700 to 45,090 claimants who have proved claims aggregating \$16,753,300, or an average percentage payment of 9.68%. The smallest and largest individual dividend percentages authorized were 6% and 15%, respectively, while the smallest and largest receivership distributions were \$30,400, and \$770,200, respectively. Of the eight dividends authorized five were for regular dividend payments, and three were for final dividend payments. Dividend payments so authorized during the month ended December 31, 1940, were as follows:

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W. J. ...
1-13-41
[Signature]

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, January 14, 1941
12/13/41

Press Service
23-15

During the month ended December 31, 1940, authorizations were issued to receivers for payments of dividends in eight insolvent national banks. Dividends so authorized will effect total distributions of \$1,621,700 to 45,090 claimants who have proved claims aggregating \$16,753,300, or an average percentage payment of 9.68%. The smallest and largest individual dividend percentages authorized were 6% and 15%, respectively, while the smallest and largest receivership distributions were \$30,400, and \$770,200, respectively. Of the eight dividends authorized five were for regular dividend payments, and three were for final dividend payments. Dividend payments so authorized during the month ended December 31, 1940, were as follows:

DIVIDEND PAYMENTS TO CREDITORS OF INSOLVENT NATIONAL
BANKS AUTHORIZED DURING THE MONTH ENDED
DECEMBER 31, 1940

<u>Name and Location of Bank:</u>	<u>Nature of Dividend:</u>	<u>Date Authorized:</u>	<u>Number and Percentage of Dividends Authorized:</u>		<u>Distribution of Funds by Dividend Authorized:</u>	<u>Total Percentage Authorized Dividends to Date:</u>	<u>Number of Claimants:</u>	<u>Amount Claims Proved:</u>
The First National Bank of Lawrenceville, Illinois	Final	12-17-40	7th	6.05%	\$ 30,700	71.05%	1,263	\$ 507,400
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The Chattanooga Nat'l Bk of Chattanooga, Tennessee	Regular	12-14-40	5th	10. %	770,200	85.00 %	17,212	7,701,600
The First National Bank of Chattanooga, Tennessee	Regular	12-14-40	7th	10. %	457,900	98.444 %	11,012	4,579,100
The First National Bk of Webster Springs, W. Va.	Regular	12-5-40	5th	10. %	35,600	80.00 %	1,404	355,900

(14)
Nash-Kelvinator Corp., Detroit, \$1,311,250, electric refrigerators; Sunray Stove Co., Delaware, Ohio, \$231,000, gas ranges; Steware-Warner Corp., Chicago, \$6,711.00, electric meters; Rundle Mfg. Co., Camden, N. J., \$44,088, sink and tray combinations.

Youngstown Pressed Steel Division of Mullins Mfg. Corp., Warren, Ohio, \$890,392, steel bath tubs and sink and base cabinets; Youngstown Pressed Steel Division of Mullins Mfg. Corp., Salem, Ohio, \$149,600, broom cabinets and wall cabinets; Jno. Wood Mfg. Co., Conshohocken, Pa., \$55,548, range boiler

Briggs Mfg. Co., Detroit, \$568,659.00, steel bath tubs and lavatories; Sands Mfg. Co., Cleveland, Ohio, \$57,467.00, side arm gas heaters; Wolverine Brass Works, Grand Rapids, Mich., \$35,197.00, bath tub fittings; United Metal Box Co., Brooklyn, N. Y., \$347,396.00, broom cabinets and wall cabinets.

Federal-Huber Co., Chicago, \$61,395.00, lavatory fittings; Noland Co., Wash. D. C., \$197,780.00, water closet combinations; Globe Valve Corp., Delphi, Ind., \$49,257, bath tub fittings; F. H. Lawson Co., Cincinnati, \$55,684.00, medicine cabinets; Universal Sanitary Mfg. Co., New Castle, Pa., \$54,300, water closet combinations; Economy Pottery Co., Trenton, N. J., \$6,187.00, water closet combinations; and Williamson Heater Co, Cincinnati, \$38,885, warm air furnaces.

To coordinate delivery of equipment with construction progress, manufacturers will be furnished with instructions advising them when and where to ship.

The equipment was purchased for the account of the Federal Works Agency, the agency which is directing construction of defense housing projects.

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The companies which received awards, the amounts of the contracts, and the equipment purchased, follow:

Treasury Department
Washington

Press Release
No. 23-15

For Release, morning newspapers
Tuesday, January 14, 1941

Award of 23 contracts totaling \$4,157,800 for household equipment to be used in the national defense housing program was announced today by Clifton E. Mack, Director of the Treasury Department's Procurement Division.

In announcing the awards, Mr. Mack said he was gratified with the ~~selected~~ cooperation ~~of~~ manufacturers ^{have given} the Division.

~~"In their dealings with us," Mr. Mack said, "these manufacturers have shown that they place patriotism above their desire for substantial profits. It is our experience that but a limited number have thought only in terms of benefits to their companies rather than of benefits to the nation."~~

~~"To us, all over the country, the heads of plumbing, heating and household equipment companies have come to us with us how best to meet the needs of the housing emergency, defense to those men warranted their individual attention."~~

"Through their desire to cooperate it has been possible to prompt action in stepping up their manufacturing facilities to meet our demands within the low price range necessitated by reason of the limitations as to construction costs.

"The attitude of industry in this program is indicative of ^{Mr. Mack observed,} a ^{earnest desire to help} ~~earnest desire to cooperate~~ to the utmost ^{importance} ~~which~~ in a matter which is ^{important} ~~important~~ to preparedness."

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TREASURY DEPARTMENT
WASHINGTON

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, January 14, 1941

Press Service
No. 23-16

Award of twenty-three contracts totaling \$4,157,800 for household equipment to be used in the national defense housing program was announced today by Clifton E. Mack, Director of the Treasury Department's Procurement Division.

In announcing the awards, Mr. Mack said he was gratified with the cooperation manufacturers have given the Division.

"The heads of plumbing, heating and household equipment companies all over the country have come to us to submit their prices and to discuss with us how best to meet the needs of the housing emergency," Mr. Mack said.

"Through their desire to cooperate it has been possible to obtain prompt action in stepping up their manufacturing facilities to meet our demands within the low price range necessitated by reason of the limitations as to construction costs.

"The attitude of industry in this program," Mr. Mack observed, "is indicative of a readiness to help to the utmost in a matter which is important to preparedness."

The companies which received awards, the amounts of the contracts, and the equipment purchased, follow:

Nash-Kelvinator Corp., Detroit, \$1,311,250, electric refrigerators; Sunray Stove Co., Delaware, Ohio, \$231,000, gas ranges; Stewart-Warner Corp., Chicago, \$6,711, electric meters; Rundle Mfg. Co., Camden, N. J., \$44,088, sink and tray combinations.

Youngstown Pressed Steel Division of Mullins Mfg. Corp., Warren, Ohio, \$890,392, steel bath tubs and sink and base cabinets; Youngstown Pressed Steel Division of Mullins Mfg. Corp., Salem, Ohio, \$149,600, broom cabinets and wall cabinets; Jno. Wood Mfg. Co., Conshohocken, Pa., \$55,548, range boilers.

Briggs Mfg. Co., Detroit, \$568,659, steel bath tubs and lavatories; Sands Mfg. Co., Cleveland, Ohio, \$54,467, side arm gas heaters; Wolverine Brass Works, Grand Rapids, Mich., \$35,197, bath tub fittings; United Metal Box Co., Brooklyn, N. Y., \$747,396, broom cabinets and wall cabinets.

Federal-Huber Co., Chicago, \$61,395, lavatory fittings; Noland Co., Wash., D. C., \$197,780, water closet combinations; Globe Valve Corp., Delphi, Ind., \$49,257, bath tub fittings; F. H. Lawson Co., Cincinnati, \$55,684, medicine cabinets; Universal Sanitary Mfg. Co., New Castle, Pa., \$54,300, water closet combinations; Economy Pottery Co., Trenton, N. J., \$6,187, water closet combinations; and Williamson Heater Co., Cincinnati, \$38,885, warm air furnaces.

To co-ordinate delivery of equipment with construction progress, manufacturers will be furnished with instructions advising them when and where to ship.

The equipment was purchased for the account of the Federal Works Agency, the agency which is directing construction of defense housing projects.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 14, 1941.
1/13/41

Press Service

23- 17

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series, 91-day Treasury bills, to be dated January 15 and to mature April 16, 1941, which were offered on January 10, were opened at the Federal Reserve Banks on January 13.

The details of this issue are as follows:

Total applied for - \$398,849,000
Total accepted - 100,023,000

All the accepted bids were tendered at prices in excess of par, the lowest accepted being tendered at 100.001. Of the amount tendered at that price, 28 percent was accepted.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, January 14, 1941
1/13/41

Press Service
No. 23-17

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series, 91-day Treasury bills, to be dated January 15 and to mature April 16, 1941, which were offered on January 10, were opened at the Federal Reserve Banks on January 13.

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Total accepted	-	100,023,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
~~Monday, December 16, 1940.~~

Press Service
No. ~~22-90~~

Wed., January 15, 1941

23-18

Market transactions in Government securities for Treasury investment accounts in ~~November~~, ^{*December*} 1940, resulted in net sales of ~~\$284,000~~, Secretary Morgenthau announced today.

71,139,000

-oOo-

Jan 15
Mr. King

Mr. Schwarz

January 7, 1941.

TO MR. BELL:

During the month of December, 1940, the following market transactions took place in direct and guaranteed securities of the Government:

Sales	\$1,139,000
Purchases	-
	<hr/>
Net sales	<u><u>\$1,139,000</u></u>

(Initialed) R. W. M.

Copy to Mr. Schwarz
Mr. Heffelfinger
Mrs. Shaw
Mr. Martin
File

MLM

sm flk

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Wednesday, January 15, 1941.

Press Service
No. 23-18

Market transactions in Government securities for Treasury investment accounts in December, 1940, resulted in net sales of \$1,139,000, Secretary Morgenthau announced today.

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TREASURY DEPARTMENT
Washington

For Release, Morning Newspapers,
Friday, January 17, 1941
1/16/41

Press Service
No. 23-19

~~PRESS RELEASE~~

The Bureau of Customs announced today that preliminary reports from the collectors of customs show that the tariff rate quota for the first quarter of the calendar year 1941 on imports of cattle weighing 700 pounds or more each, other than dairy cows, the produce of countries other than Canada, was filled during the period January 1 to January 4, 1941, inclusive.

The President's proclamation dated November 30, 1940, limits to 8,280 head imports of this class of cattle the produce of countries other than Canada which may be entered, or withdrawn from warehouse, for consumption in any calendar quarter year during 1941 at the reduced rate of duty provided in the trade agreement with Canada.

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~~(Prepared by the Bureau of Customs - file 343.3)~~

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TREASURY DEPARTMENT
Washington

For Release, Morning Newspapers,
Friday, January 17, 1941
1/16/41

Press Service
No. 23-19

The Bureau of Customs announced today that preliminary reports from the collectors of customs show that the tariff rate quota for the first quarter of the calendar year 1941 on imports of cattle weighing 700 pounds or more each, other than dairy cows, the produce of countries other than Canada, was filled during the period January 1 to January 4, 1941, inclusive.

The President's proclamation dated November 30, 1940, limits to 8,280 head imports of this class of cattle the produce of countries other than Canada which may be entered, or withdrawn from warehouse, for consumption in any calendar quarter year during 1941 at the reduced rate of duty provided in the trade agreement with Canada.

applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on January 20, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on January 22, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, January 17, 1941.

STATEMENT BY ~~XXXXXXXXXXXXXXXXXXXX~~

~~(1)~~

~~(2)~~

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$ 100,000,000, or thereabouts. They will be designated National Defense Series, 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, January 20, 1941. Tenders will not be received at the Treasury Department, Washington.

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated January 22, 1941, and will mature on April 23, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

J. G. ...

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Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in

investment securities. Tenders from others must be accompanied by a deposit of 10 per cent 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.

Immediately after the closing hour for receipt of tenders on January 20, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on January 22, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purpose of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

every school child who wishes may participate, and to urge constantly that in all required additions to the tax structure the principle of ability to pay be retained.

Meanwhile, we do not intend to forget this Administration's eight-year goal of raising the standards of the less fortunate portions of our population. We are discovering that a welcome by-product of the unwelcome need to prepare for our common defense has been acceleration toward that goal, with the present rapid expansion of production bringing steady increases in the rate of employment. With experience, with national unity and with determination, we are intent upon protecting our nation from "external pressure and internal slackness."

If we now have great additional burdens to meet because we are determined fully to preserve our form of government, our way of life and our living standards, we also are fortunately endowed with the resources that give us new strength to carry such a load.

There is evidence of this strength in the willingness and eagerness with which Treasury securities are purchased in the open market. There is evidence of it in the manner in which our tax structure has been producing greatly increased revenue, not as a drain upon national income, but as a result of growth in production and improvement in standards of living.

All of us foresee the prospect of greater financial burdens. Yet, instead of complaints, we hear continued expressions of readiness to sacrifice to defend the edifice we have been erecting over the past century and a half. This spirit of unity and determination is one of the most heartening aspects of the picture envisioned within the Treasury in outlining the more immediate tasks of the next four years.

Encouraged by this spirit, we feel a responsibility to press for elimination of the inequitable tax-exemption on interest from governmental securities, to arrange our own borrowing program so that every citizen and even

We in the Treasury realize thoroughly that the Government has made large expenditures in the past eight years to promote recovery. We know equally that the national credit has never been more sound. We know that by finding more effective employment of the nation's fiscal resources, great increases in national income have been produced. And we know that these gains in income have been real gains in the national wealth.

Against the strong deflationary tide of 1931 and 1932, our democracy in action has pulled together in the past eight years to increase the availability of funds for productive effort, to make possible lower interest rates for distressed owners of homes and farms and to resist effectively deterioration of our human resources. The result is that our health and morale will not fail today under the rigorous tests of defense requirements.

From the monetary viewpoint, we have the gratification of knowing that our dollar has become the standard currency of the world. International chaos has washed a huge flood of capital to this country and the movement has brought problems in its wake but it is also testimony to the inherent soundness of our system.

~~BY HENRY MORGENTHAU, JR.~~
~~SECRETARY OF THE TREASURY.~~

The Treasury Department looks ahead to the next four years with a full realization of the tremendous problems that will confront it, but it surveys this future with a confidence developed from hard-won achievements of the past eight years.

On this Inauguration Day all of us find ourselves in a period of transition in which our general economy is shifting from a national recovery effort to a program adjusted to the demands of total defense. Because the Administration has clung firmly to its purpose of demonstrating that a democracy can have the will and energy to solve its problems, the nation is today free of much strain that it would otherwise encounter.

That is precisely the current position of the Treasury. In my recent annual report to the Congress on "the state of the finances" I was able to indicate that we were closing the books on the depression of the "thirties" with the comfortable knowledge that, all things considered, our fiscal and monetary affairs are in a very satisfactory condition as we embark upon the costly defense program.

Treasury Department,
Washington

FOR RELEASE, AFTERNOON NEWSPAPERS,
Monday, January 20, 1940.

Press *Service*
no. 23-20

1/17/41

The following Inauguration Day statement
is made ~~by~~ by Secretary Morgenthau:

FOR RELEASE
Monday, 1/17/41
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TREASURY DEPARTMENT,
Washington

FOR RELEASE, AFTERNOON NEWSPAPERS,
Monday, January 20, 1941.
1/17/41

Press Service
No. 23-20

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the finances" I was able to indicate that we were closing
the books on the depression of the "thirties" with the
comfortable knowledge that, all things considered, our fiscal
and monetary affairs are in a very satisfactory condition

as we embark upon the costly defense program.

We in the Treasury realize thoroughly that the Government has made large expenditures in the past eight years to promote recovery. We know equally that the national credit has never been more sound. We know that by finding more effective employment of the nation's fiscal resources, great increases in national income have been produced. And we know that these gains in income have been real gains in the national wealth.

Against the strong deflationary tide of 1931 and 1932, our democracy in action has pulled together in the past eight years to increase the availability of funds for productive effort, to make possible lower interest rates for distressed owners of homes and farms and to resist effectively deterioration of our human resources. The result is that our health and morale will not fail today under the rigorous tests of defense requirements.

From the monetary viewpoint, we have the gratification of knowing that our dollar has become the standard currency of the world. International chaos has washed a huge flood of capital to this country and the movement has brought problems in its wake but it is also testimony to the inherent soundness of our system.

If we now have great additional burdens to meet because we are determined fully to preserve our form of government, our way of life and our living standards, we also are

fortunately endowed with the resources that give us new strength to carry such a load.

There is evidence of this strength in the willingness and eagerness with which Treasury securities are purchased in the open market. There is evidence of it in the manner in which our tax structure has been producing greatly increased revenue, not as a drain upon national income, but as a result of growth in production and improvement in standards of living.

All of us foresee the prospect of greater financial burdens. Yet, instead of complaints, we hear continued expressions of readiness to sacrifice to defend the edifice we have been erecting over the past century and a half. This spirit of unity and determination is one of the most heartening aspects of the picture invisioned within the Treasury in outlining the more immediate tasks of the next four years.

Encouraged by this spirit, we feel a responsibility to press for elimination of the inequitable tax-exemption on interest from governmental securities, to arrange our own borrowing program so that every citizen and even every school child who wishes may participate, and to urge constantly that in all required additions to the tax structure the principle of ability to pay be retained.

Meanwhile, we do not intend to forget this Administration's eight-year goal of raising the standards of the less fortunate portions of our population. We are discovering that a welcome by-product of the unwelcome need to prepare for our common defense has been acceleration toward that goal, with the present rapid expansion of production bringing steady increases in the rate of employment. With experience, with national unity and with determination, we are intent upon protecting our nation from "external pressure and internal slackness."

FOR IMMEDIATE RELEASE,
Friday, January 17, 1941.

203-21

Secretary Morgenthau announced today that Peter Odegard, professor of political science at Amherst College, has been in consultation with Treasury officials this week as an adviser on Government financing.

oOo

FOR IMMEDIATE
Friday, Jan
Secret
professor of
consultation
in Government

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Friday, January 17, 1941.

Press Service
No. 23-21

Secretary Morgenthau announced today that Peter Odegard, professor of political science at Amherst College, has been in consultation with Treasury officials this week as an adviser on Government financing.

-oOo-

Mr. Helvering emphasized that all items of information formerly made public from the green sheet would still be available to authorized ~~authorities~~ ^{State Officers}. Likewise, he said, permission to State taxing authorities to photo ~~graph~~ ^{stat} returns would be granted as formerly.

Thus, the original returns will be made available for inspection in the office ~~of the~~ ^{of} Collector of Internal Revenue ~~in which returns are filed~~ to any official, body, or commission, lawfully charged with the administration of any State tax law, if the inspection is for the purpose of obtaining information to be furnished to local taxing authorities.

The law provides that the inspection shall be permitted only upon written request of the Governor of the State, who is required to designate the representative of such official, body or commission to make the inspection.

The law does not authorize inspection of tax returns by the public.

A

Commissioner of Internal Revenue, Guy T. Helvering, reminded American taxpayers today that the duplicate or "green copy" is no longer required in filing income tax returns.

The statement was occasioned by a deluge of inquiries from taxpayers seeking information as to why the "green sheet" was lacking in returns sent out by collector's offices.

Mr. Helvering recalled a ~~statement~~ ruling of last summer which ~~stated that a Treasury regulation requiring the~~ *eliminated for*

~~additional return would not apply to~~ taxable years

beginning after December 31, 1939,

the requirement of an additional return

The duplicate requirement was initiated for taxable years beginning on January 1, 1935, in the interest of administrative

expediency. Its original intent was to disclose to local taxing

where officially requested
authorities the names of persons having tangible or other taxable

property. Since these persons have now been identified, it was

felt the duplicate ~~were~~ *was* no longer necessary.

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The statement was occasioned by a deluge of inquiries from taxpayers, seeking information as to why the "green sheet" was lacking in returns sent out by collectors' offices.

Mr. Helvering recalled a ruling last summer which eliminated for taxable years beginning after December 31, 1939, the requirement of an additional return. The ruling was in accordance with ^{established} Treasury policy of ~~simplifying the responsibilities of~~ taxpayers whenever possible.

The duplicate requirement was initiated for taxable years beginning on January 1, 1935, in the interest of administrative expediency. Its original intent was to disclose to local taxing authorities, where officially requested, the names of persons having tangible or other taxable property. Since these persons have now been identified, it was felt the duplicate was no longer necessary.

Mr. Helvering stated that in accordance with the Treasury policy of ~~eliminating the~~ ^{eliminating the} inconveniences to taxpayers whenever possible a ruling had been issued ~~dispensing~~ ^{dispensing} with the extra ~~copy~~ return copy after Dec 31.

For Release
Treasury Dept
Monday, January 19, 1941

Press Service
23-22

1/17/41 Commissioner of Internal Revenue Guy T. Helvering reminded taxpayers today that the duplicate of "green copy" is no longer required in filling Federal tax returns.

The statement was occasioned by a deluge of inquiries from taxpayers, seeking information as to why the "green sheet" was lacking in returns sent out by collectors' offices.

Mr. Helvering stated that in accordance with the Treasury policy of eliminating inconveniences to taxpayers wherever possible a ruling had been issued dispensing with this extra return copy after December 31, 1940.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Sunday, January 19, 1941.
1/17/41

Press Service
No. 23-22

Commissioner of Internal Revenue Guy T. Helvering reminded taxpayers today that the duplicate or "green copy" is no longer required in filing Federal tax returns.

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INSOLVENT NATIONAL BANKS LIQUIDATED AND FINALLY CLOSED
DURING THE MONTH OF DECEMBER, 1940

<u>Name and Location of Bank:</u>	<u>Date of Failure:</u>	<u>Total Disbursements Including Offsets Allowed:</u>	<u>Per Cent Dividends Declared to All Claimants:</u>	<u>Capital Stock at Date of Failure:</u>	<u>Cash, Assets, Uncollected Stock Assessments, etc. Returned to Shareholders:</u>
City National Bank Huntington Park, Calif.	7-13-33	\$ 667,945.00	54.05%	\$ 125,000.00	000
Bank of Brightwood Washington, D. C.	7-16-32	630,727.00	65.71%	100,000.00	000
International Exchange Bank, Washington, D. C.	7-14-32	426,396.00	50.60%	116,830.00	000
New Albany National Bank New Albany, Indiana	3-23-34	800,258.00	68.304%	150,000.00	000
Rockland National Bank Rockland, Maine	8-18-33	4,080,990.00	91.73%	150,000.00	000
First National Bank Hagerstown, Maryland	10--5-31	2,111,197.00	68.25%	150,000.00	000
First National Bank Midland, Maryland	5--9-34	195,391.00	59.86%	25,000.00	000
First National Bank Royal Oak, Mich.	7--3-31	473,517.00	46.98%	150,000.00	000
Seaside National Bank Long Beach, Calif.	2-17-32	1,051,507.00	84.05%	300,000.00	000
Orange National Bank Orange, N. J.	12-19-33	4,430,907.00	74.408%	500,000.00	000
Falls National Bank Niagara Falls, N. Y.	10-26-33	1,285,364.00	88.6%	100,000.00	000
National Bank of Toronto Toronto, Ohio	2--6-31	776,770.00	76.81%	100,000.00	000
First National Bank Ambler, Pa.	3-26-34	1,890,442.00	71.51%	250,000.00	000
American National Bank Paris, Texas	3--9-31	822,666.00	46.86%	150,000.00	000
Ashland National Bank Ashland, Wisconsin	2-13-33	1,388,998.00	71.12%	100,000.00	000

W. J. Ashburn
1-17-41

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWS PAPERS

Press Service

23-23

During the month of December 1940, the liquidation of fifteen Insolvent National Banks was completed and the affairs of such receiverships finally closed.

Total disbursements, including offsets allowed, to depositors and other creditors of these fifteen receiverships, amounted to \$21,033,075, while dividends paid to unsecured creditors amounted to an average of 74.52 percent of their claims. Total costs of liquidation of these receiverships averaged 7.88 percent of total collections from all sources including offsets allowed.

Dividend distributions to all creditors of all active receiverships during the month of December 1940, amounted to \$11,255,427. Data as to results of liquidation of the receiverships finally closed during the month are as follows:

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1-17-41

FOR RELEASE,
Monday, Jan
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TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS
Monday, January 20, 1941
1/18/41

Press Service
No. 23-23

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DURING THE MONTH OF DECEMBER, 1940

<u>Name and Location of Bank:</u>	<u>Date of Failure:</u>	<u>Total Disbursements Including Offsets Allowed:</u>	<u>Per Cent Dividends Declared to All Claimants:</u>	<u>Capital Stock at Date of Failure:</u>	<u>Cash, Assets, Uncollected Stock Assessments, etc. Returned to Shareholders:</u>
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Ashland National Bank Ashland, Wisconsin	2-13-33	1,388,998.00	71.12%	100,000.00	000

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, January 21, 1941.
1/20/41

Press Service
No. 23-24

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series 91-day Treasury Bills, to be dated January 22, and to mature April 23, 1941, which were offered on January 17, were opened at the Federal Reserve Banks on January 20.

The details of this issue are as follows:

Total applied for	-	\$303,957,000
Total accepted	-	100,078,000

The accepted bids were tendered at prices above par, and at par. Of the amount tendered at par, 27 percent was accepted.

The Secretary of the Treasury
Washington

COPY

January 21, 1941

My dear Mr. Bloom:

When I appeared before your Committee on January 15, I presented figures of the British dollar position as submitted to me by the British Treasury. Since then the British Treasury has communicated to me a more recent figure of their gold holdings. I submit this revised figure to you without delay, as I want the Committee to have the latest information in the possession of the Treasury.

The figure the British had previously submitted to me of their total gold holdings (as of January 1, 1941) was \$238 million; the revised figure is \$292 million, or \$54 million greater. The earlier British table included \$33 million of gold scattered in various parts of the world, and not available for payments here; the new table makes this figure only \$30 million, which means that \$3 million more are available for use. On the other hand, the British Treasury has submitted to me an additional debit item of \$21 million, representing commitments already made on account of forward exchange contracts. This figure was not in our possession on January 15th and did not appear in my original table of British liabilities.

The difference between the present total and my earlier total is, therefore, a net increase of \$36 million in British dollar and gold assets which are available to pay for war supplies in this country.

The following table of the United Kingdom's gold and dollar assets contains the revised figure of gold holdings on December 31, 1940, and to that extent supersedes the table I presented to you on January 15th. The present table includes also a set of figures which the British Treasury has just given us as to their gold and dollar exchange position on August 31, 1939, just before the outbreak of war. All the figures in the present table are supplied by the British except the estimate of private dollar balances, marked with an asterisk, which is taken from United States Treasury data.

Gold and Dollar Exchange Assets of U.K.

	Aug. 31, 1939	Dec. 31, 1940
	(In Millions)	
Gold.....	\$2,038	\$ 292
Official dollar balances....	50	54
*Private dollar balances.....	545	305
Marketable U.S. securities.....	950	616
Direct and miscellaneous investments in U.S.....	<u>900</u>	<u>900</u>
Total gold and dollar exchange assets.....	\$4,483	\$ 2,167

From the total British gold and dollar exchange assets of \$2,167 million on December 31, 1940, the British exclude as unavailable \$305 million of private dollar balances regarded as necessary for the conduct of business, \$30 million of gold scattered in different parts of the world, and \$21 million (the figure I mentioned earlier in this statement) on account of forward exchange contracts. This leaves a total of \$1,811 million in gold and dollar exchange assets which the British regard as available, as compared with a figure of \$1,775 million in the original table I presented to the Committee.

It may be of interest to you to compare the British figures of their position on August 31, 1939, with the figures published in the Federal Reserve Bulletin of January, 1941. The Federal Reserve Bulletin estimated British gold and dollar resources as of August 31, 1939, as follows:

(In millions of dollars)

Gold.....	\$2,000
Dollar balances.....	595
Market securities.....	1,080
Direct and miscellaneous investments in the U.S....	<u>1,185</u>
Total.....	\$4,860

The only significant difference between this estimate of the Federal Reserve Board and the British Treasury statement is in the figures of marketable securities and direct and miscellaneous investments in the United States.

The Federal Reserve Board's estimates of the United Kingdom's holdings of U. S. securities and direct and other investments in the United States as of August 31, 1939, were based on U. S. Department of Commerce data. The difference of \$130,000,000 in market securities is as might be expected between estimates built up from entirely independent sources of information -- particularly as nominee accounts are involved and the dates as of which the British have valued their investments differ somewhat from those of the Department of Commerce. Both estimates are based on market values. The Department of Commerce estimates of the value of so-called direct and miscellaneous investments do not purport to represent liquidating value since these figures are based on book value and on the capitalization of earnings, respectively. The figure of the British Treasury for direct and miscellaneous investments, stated to be "not in excess of \$900 million", is a tentative estimate that will be revised as more exact information as to the sum of such investments is obtained by the British Treasury and as evidence of their liquidation value accumulates.

How was it possible for British assets to shrink so rapidly between the start of the war and the end of 1940? The shrinkage, as you will have seen from the first table submitted today, amounted to \$2,316 million. The explanation will be found in the following table of the balance of payments of the British Empire, excluding Canada and Newfoundland, with respect to all transactions requiring settlement in dollars or in gold. This table, which I now submit to the Committee, was compiled by economists of the Treasury Department, the Department of Commerce and the Federal Reserve Board, on the basis of data supplied by the British Treasury.

Estimated Gold and Dollar Expenditures and Receipts of British Empire, Excluding Canada and Newfoundland, from September 1, 1939 to December 31, 1940*

(In Millions of U.S. Dollars)

Gold and Dollar Expenditures

A. Payments to the United States by United Kingdom.			
1.	On British Government orders in the United States.....	\$1,380	
	Goods delivered.....	\$660	
	Advance payments.....	570	
	Capital assistance.....	150	
2.	For other merchandise imports from the United States.....	705	
3.	For shipping, interest, etc.....	<u>197</u>	\$2,282
	Shipping disbursements.....	125	
	Interest and dividends.....	48	
	Miscellaneous (chiefly film royalties).....	24	
B. Payments to the United States by Empire countries, excluding U.K. and Canada			
1.	For commodity imports.....	435	
2.	For shipping, interest, etc.....	<u>48</u>	483
	Interest and dividends.....	\$ 40	
	Shipping (net).....	8	
C. Payments by Empire countries, excluding Canada, to areas outside the U.S. requiring gold or dollars			
1.	Payments by Empire countries (chiefly U.K.) to areas outside the U.S. and Canada requiring gold or dollars.....	550	
2.	Gold payments by Empire countries to Canada and Newfoundland (net)**.....	<u>225</u>	775
D. Withdrawal of Capital			
1.	By American and others, through sale of free sterling to American importers	300	
2.	By repayment of outstanding export credits as required by our Neutrality Act	200	
3.	By liquidation of forward exchange position in dollars.....	<u>235</u>	735

* Compiled from data furnished by British Treasury

** For details see supplementary table appended.

Gold and Dollar Expenditures
(Cont.)

E. Residual - Miscellaneous items and errors of estimation.....		\$ 71
Total gold and dollar requirements for all transactions.....		<u>4,346</u>

Gold and Dollar Receipts

A. Receipts from United States by United Kingdom		
1. From merchandise exports.....	\$205	
2. From interest, shipping, etc.....	<u>140</u>	345
Interest and dividends.....	\$ 85	
Shipping earnings.....	35	
Remittances from insurance companies.....	20	
B. Receipts from United States by Empire countries, excluding U. K. and Canada		
1. From merchandise exports.....	640	
2. From tourist travel, remittances, etc. (net).....	<u>30</u>	670
C. Dollar receipts by Empire countries, ex- cluding Canada, from areas outside the U. S.		50
D. Receipts from sale of Empire gold (new production and disharding).....		<u>965</u>
Total gold and dollar receipts by Empire countries, excluding Canada.....		\$2,030
Total drain on gold and dollar resources of British Empire, excluding Canada and Newfoundland, Sept. 1, 1939 to Dec. 31, 1940		<u>2,316</u>
Total gold and dollar requirements for all transactions.....		<u>\$4,346</u>

Supplementary Table

Estimated Expenditures and Receipts of Canada and Newfoundland
With the Rest of the British Empire from September 1, 1939 to
December 31, 1940

(In Millions of U.S. Dollars)

A. Payments to Canada and Newfoundland by Empire countries		
1. For purchases from Canada and Newfoundland by the United Kingdom....	\$795	
2. For purchases from Canada by other Empire countries.....	125	
3. Other payments to Canada by Empire countries.....	<u>10</u>	\$930
B. Receipts from Canada and Newfoundland by Empire countries		
1. From merchandise exports to Canada and Newfoundland by U.K.....	170	
2. From merchandise exports to Canada by other Empire countries.....	100	
3. From interest and dividends paid by Canada to United Kingdom.....	85	
4. Other U.K. receipts from Canada, principally Canadian Expeditionary Forces.....	<u>20</u>	<u>375</u>
British Empire deficit with Canada and Newfoundland on merchandise, interest and dividends, etc.....		555
Canadian assistance to U.K. -- repatriation of British-held Canadian securities and increase in sterling balances held by Canada.....		<u>330</u>
Gold payments by British Empire countries with Canada and Newfoundland Sept. 1, 1939 to Dec. 31, 1940.....		<u>225</u>

I hope the foregoing figures will be helpful to the Committee.

Sincerely,

(Signed) HENRY MORGENTHAU, JR.

Secretary of the Treasury.

Honorable Sol Bloom, Chairman,
Committee on Foreign Affairs,
House of Representatives,
Washington, D. C.

promptly upon allotment, and the basis of the allotment will be publicly announced.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before January 31, 1941, or on later allotment. In every case where payment is not so completed, the payment with application up to 10 percent of the amount of notes applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depository will be permitted to make payment by credit for notes 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.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU JR.,
Secretary of the Treasury.

3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

4. The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

5. Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000. The notes will not be issued in registered form.

6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit but will be restricted in each case to an amount not exceeding one-half of the combined capital and surplus of the subscribing bank or trust company. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of notes applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Allotment notices will be sent out

UNITED STATES OF AMERICA

3/4 PERCENT TREASURY NOTES OF SERIES D-1944

NATIONAL DEFENSE SERIES

Dated and bearing interest from January 31, 1941

Due September 15, 1944

Interest payable March 15 and September 15

1941
Department Circular No. 647

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, January 23, 1941.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for 3/4 percent notes of the United States, designated Treasury Notes of Series D-1944, National Defense Series. The amount of the offering is \$600,000,000, or thereabouts.

II. DESCRIPTION OF NOTES

1. The notes will be dated January 31, 1941, and will bear interest from that date at the rate of 3/4 percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1944, and will not be subject to call for redemption prior to maturity.

2. The notes shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, or gift taxes, and (b) all income, excess-profits, and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations.

or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Subscriptions from banks and trust companies for their own account will be received without deposit but will be restricted in each case to an amount not exceeding one-half of the combined capital and surplus of the subscribing bank or trust company. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of notes applied for.

The right is reserved to close the books as to any or all subscriptions at any time without notice. The basis of allotment will be publicly announced. Payment for any notes allotted must be made or completed on or before January 31, 1941, or on later allotment.

The text of the official circular follows:

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Thursday, January 23, 1941.
1/22/41

Press Service

No. 23-25

Secretary of the Treasury Morgenthau today announced the offering, through the Federal Reserve Banks, for cash subscription at par and accrued interest, of a 3/4 percent National Defense Series of Treasury Notes, designated Series D-1944, in the amount of \$600,000,000, or thereabouts.

The Treasury Notes of Series D-1944 will be dated January 31, 1941, and will bear interest from that date at the rate of 3/4 percent per annum, payable semiannually on March 15 and September 15, the first coupon being for a fractional period; they will mature September 15, 1944, and will not be subject to call for redemption before that date. The notes will be issued only in bearer form with coupons attached, in the denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

The notes now offered will be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, or gift taxes, and (b) all income, excess-profits, and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations.

The issue now announced is the second offering of National Defense Series Treasury Notes, and, like those of the first offering, the notes will be subject to all Federal income taxes.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, Washington. Subscribers must agree not to sell

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Thursday, January 23, 1941
1/22/41

Press Service
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The right is reserved to close the books as to any or all subscriptions at any time without notice. The basis of allotment will be publicly announced. Payment for any notes allotted must be made or completed on or before January 31, 1941, or on later allotment.

The text of the official circular follows:

UNITED STATES OF AMERICA

3/4 PERCENT TREASURY NOTES OF SERIES D-1944

NATIONAL DEFENSE SERIES

Dated and bearing interest from January 31, 1941. Due September 15, 1944

Interest payable March 15 and September 15

1941
Department Circular No. 647

TREASURY DEPARTMENT,
Office of the Secretary,
Washington,
January 23, 1941.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for 3/4 percent notes of the United States, designated Treasury Notes of Series D-1944, National Defense Series. The amount of the offering is \$600,000,000, or thereabouts.

II. DESCRIPTION OF NOTES

1. The notes will be dated January 31, 1941, and will bear interest from that date at the rate of 3/4 percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1944, and will not be subject to call for redemption prior to maturity.

2. The notes shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, or gift taxes, and (b) all income, excess-profits, and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations.

3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

4. The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

5. Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000. The notes will not be issued in registered form.

6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers,

but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit but will be restricted in each case to an amount not exceeding one-half of the combined capital and surplus of the subscribing bank or trust company. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of notes applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Allotment notices will be sent out promptly upon allotment, and the basis of the allotment will be publicly announced.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before January 31, 1941, or on later allotment. In every case where payment is not so completed, the payment with application up to 10 percent of the amount of notes applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depository will be permitted to make payment by credit for notes 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.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

Treasury Department
Washington

738, 742, 000

For Release, Morning Newspapers
Friday, January 24, 1941

Press Service
no. 23-
the calendar year

1/23/41

More coins were struck off by the United States Mint during 1940 than ~~during~~ ⁱⁿ any previous year in its history, Nellie Tayloe Ross, Director of the Mint, announced today. A new high production record of 1,209,478,982 coins was established by the three mints during that period, as compared with the previous record of ~~722,976,721~~ ^{738,742,000} coins produced during the year ~~1939~~ ¹⁹¹⁹, and 674,089,105 coins struck off during the calendar year 1939.

The value of the 1940 output was \$50,157,850.32, ^{while the} ~~as compared with~~ a 1939 valuation ^{was} of \$38,289,169.80. ~~The production~~ During 1940, 781,155,872 pennies ~~were~~ were produced, which exceeds the previous record for combined coinage in ~~1939~~ ¹⁹¹⁹.

Production during the calendar years 1939 and 1940, by denominations and pieces, was:

	<u>1939</u>	<u>1940</u>
Halves.....	13,655,934	13,717,279
Quarters.....	43,268,795	46,756,846
Dimes.....	102,683,321	108,119,827
Nickels	130,771,535	259,729,158
Cents.....	<u>383,709,520</u>	<u>781,155,872</u>
TOTAL	674,089,105	1,209,478,982

Mrs. Ross ^{said} stated that the three mints located at Philadelphia, Denver and San Francisco/ ~~were working~~ at top speed on a 24-hour-a-day basis/ ^{the greater part} ~~most~~ of 1940 in an effort to cope with the demand for new coins. She attributed the heavy demand to varying factors, such as ^{an increased volume of retail business} the new defense taxes, state sales taxes, and the increasing ^{use of slot-machine} ~~use of~~ devices.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, January 24, 1941
1/23/41

Press Service
No. 23-26

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, January 24, 1941.
1/23/41

Press Service

Secretary of the Treasury Morgenthau announced last night that the subscription books for the current offering of 3/4 percent Treasury Notes of Series D-1944, National Defense Series, closed at the close of business Thursday, January 23.

Subscriptions addressed to a Federal Reserve Bank, or Branch, or to the Treasury Department, and placed in the mail before 12 o'clock midnight Thursday, January 23, will be considered as having been entered before the close of the subscription books.

Announcement of the amount of subscriptions and the basis of allotment will probably be made on Tuesday, January 28.

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TREASURY DEPARTMENT
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FOR RELEASE, MORNING NEWSPAPERS
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Treasury Department Circular No. 418, as amended, 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 thereof.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent 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.

Immediately after the closing hour for receipt of tenders on January 27, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on January 29, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series, 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, January 27, 1941. Tenders will not be received at the Treasury Department, Washington.

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated January 29, 1941, and will mature on April 30, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, January 24, 1941.

~~STATEMENT BY~~XXXXXXXXXXXXXXXXXXXX

(1)

(2)

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Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

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Treasury Department Circular No. 418, as amended, 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 thereof.

Statement of Secretary Morgenthau
Before the Senate Committee
On Foreign Relations

January 26, 1941.

The Secretary of State has already outlined to you the broad policy behind this Bill. The Secretaries of War and Navy will tell you how this Bill will strengthen the defenses of the United States. I am going to confine myself to the financial facts and figures which relate to this Bill.

The British Government owes American manufacturers \$1,400,000,000 on orders already placed. This sum will largely have to be met in the calendar year 1941. It has enough gold and dollar exchange assets to meet these outstanding commitments, but the British just haven't got the dollars to take care of their additional needs.

I appreciate the opportunity of being invited to come here today to discuss this problem with you fully. I should like to put into the record a number of tables and other facts which I have already submitted to the House Foreign Affairs Committee.

The first table shows available assets of the United Kingdom, in gold, in dollar balances, in American securities and in British-owned properties in this country. These are figures which governments normally keep confidential and closely guarded; but they are being submitted to you with the consent of the British Government.

TABLE I

Gold and Dollar Exchange Assets of U.K.

	Dec. 31, 1940 (In Millions)
Gold	\$ 292
Official dollar balances.....	54
Private dollar balances	305
Marketable U.S. securities	616
Direct and miscellaneous investments in U. S.	900
	\$ 2,167

From the total British gold and dollar exchange assets of \$2,167 million on December 31, 1940, the British exclude as unavailable \$305 million of private dollar balances regarded as necessary for the conduct of business, \$30 million of gold scattered in different parts of the world, and \$21 million on account of forward exchange contracts. This leaves a total of \$1,611 million in gold and dollar exchange assets which the British regard as available for purchases in this country.

I should like to present next to you a table of the estimated dollar expenditures and receipts of the British Empire, excluding Canada and Newfoundland, for the calendar year 1941. This will show what the British owe on outstanding contracts to American manufacturers for war materials and other purchases here, and what they can count on from exports and other sources of dollars, to help in meeting these obligations.

TABLE II

Estimated Dollar Expenditures and Receipts of British Empire,
Excluding Canada and Newfoundland, from January 1, 1941 to
January 1, 1942.

<u>Dollar Expenditures</u>		(In Millions)
A.	U.K. payments to be made on total purchases from the U.S.	
1.	Sums to be paid during 1941 on orders placed before Jan. 1, 1941	\$1,274
	(In addition, \$119 million will fall due after Jan. 1, 1942)	
2.	Imports from U.S. not purchased through the British Purchasing Commission, -- largely on private accounts.	<u>280</u>
		\$1,554
B.	Purchases by Empire countries (excluding U.K., Canada and Newfoundland) from U.S. during 1941.	
1.	Commodity imports.	\$ 333
2.	Payments for shipping, tourist expenditures, interest payments, etc.	<u>5</u>
		338
C.	Purchases by Empire countries, excluding Canada and Newfoundland, from areas outside the U.S. requiring gold or dollars	
1.	Purchases by Empire countries (chiefly U.K.) from areas outside the U.S., Canada and Newfoundland requiring dollars.	247
2.	Payments by Empire countries (chiefly U.K.) to Canada and Newfoundland	<u>880</u>
		1,127
	Total dollar requirements for all transactions .	<u>\$3,019</u>

<u>Dollar Receipts</u>		
A.	Dollar receipts by U.K. from U.S.	
1.	U.K. exports of merchandise to U.S.	\$ 165
2.	Net balance from U.S. to U.K. on shipping, tourist expenditures, interest payments, etc.	<u>15</u>
		180
B.	Dollar receipts by Empire countries (excluding Canada and Newfoundland)	
1.	Commodity exports.	560
2.	Australian gold exports to U.S.	75
3.	South African exports of gold	<u>480</u>
		1,115
C.	Canadian assistance to U.K.	<u>260</u>
	Total dollar receipts by Empire countries, excluding Canada and Newfoundland	\$1,555

Total dollar deficit with countries other than Canada and Newfoundland during 1941	\$ 844
Total dollar deficit with Canada and Newfoundland during 1941	<u>620</u>
Total dollar deficit of British Empire, excluding Canada and Newfoundland, during 1941	\$1,464
Total receipts and deficit on operations with all countries other than Canada and Newfoundland during 1941	<u>\$3,019</u>

Next may I explain how British gold and dollar exchange assets have declined by more than two and a quarter billion dollars during the first sixteen months of their war.

TABLE III

Estimated Gold and Dollar Expenditures and Receipts of British Empire, Excluding Canada and Newfoundland, from September 1, 1939 to December 31, 1940.

(Compiled by the Treasury Department, the Department of Commerce and the Federal Reserve Board from data furnished by the British Treasury)

(In Millions of U.S. Dollars)

Gold and Dollar Expenditures

A. Payments to the United States by United Kingdom.	
1. On British Government orders in the U.S.	
Goods delivered	\$660
Advance payments	570
Capital assistance	<u>150</u>
	\$1,380
2. For other merchandise imports from the U.S..	705
3. For shipping, interest, etc.	
Shipping disbursements	125
Interest and dividends	48
Miscellaneous (chiefly film royalties)	<u>24</u>
	<u>197</u>
	\$2,282
B. Payments to the U.S. by Empire countries, excluding U.K. and Canada and Newfoundland	
1. For commodity imports	435
2. For shipping, interest, etc.	
Interest and dividends	40
Shipping (net)	<u>8</u>
	<u>48</u>
	483
C. Payments by Empire countries, excluding Canada and Newfoundland, to areas outside the U.S. requiring gold or dollars.	
1. Payments by Empire countries (chiefly U.K.) to areas outside the U.S. and Canada and Newfoundland requiring gold or dollars	550

2. Gold payments by Empire countries to Canada and Newfoundland (net) . . .	<u>\$225</u>	775
D. Withdrawal of Capital		
1. By Americans and others, through sale of free sterling to American importers	300	
2. By repayment of outstanding export credits as required by our Neutrality Act	200	
3. By liquidation of forward exchange position in dollars	<u>235</u>	735
E. Residual - Miscellaneous items and errors of estimation		<u>71</u>
Total gold and dollar requirements for all trans- actions		<u><u>4,346</u></u>

Gold and Dollar Receipts

A. Receipts from United States by United Kingdom		
1. From merchandise exports	205	
2. From interest, shipping, etc.		
Interest and dividends . . . \$ 85		
Shipping earnings 35		
Remittances from insurance companies	<u>20</u>	<u>140</u> \$ <u>345</u>
B. Receipts from United States by Empire countries, excluding U. K. and Canada		
1. From merchandise exports	640	
2. From tourist travel, remittances, etc. (net)	<u>30</u>	670
C. Dollar receipts by Empire countries, ex- cluding Canada, from areas outside the U. S.		50
D. Receipts from sale of gold (new production and disharding)		<u>965</u>
Total gold and dollar receipts by Empire countries, excluding Canada		\$2,030
Total drain on gold and dollar resources of British Empire, excluding Canada, and Newfoundland, Sept. 1, 1939 to Dec. 31, 1940		<u>2,316</u>
Total gold and dollar requirements for all transactions		<u><u>\$4,346</u></u>

Supplementary Table.

Estimated Expenditures and Receipts of Canada and Newfoundland
With the Rest of the British Empire from September 1, 1939 to
December 31, 1940

(In Millions of U. S. Dollars)

A. Payments to Canada and Newfoundland by Empire countries		
1. For purchases from Canada and New- foundland by the United Kingdom	\$795	
2. For purchases from Canada by other Empire countries	125	
3. Other payments to Canada by Empire countries	<u>10</u>	\$930
B. Receipts from Canada and Newfoundland by Empire countries		
1. From merchandise exports to Canada and Newfoundland by U. K.	170	
2. From merchandise exports to Canada by other Empire countries	100	
3. From interest and dividends paid by Canada to United Kingdom	85	
4. Other U. K. receipts from Canada, principally Canadian Expeditionary Forces	<u>20</u>	<u>\$375</u>
British Empire deficit with Canada and Newfoundland on merchandise, interest and dividends, etc.		555
Canadian assistance to U. K. -- repatriation of British-held Canadian securities and increase in sterling balances held by Canada		<u>330</u>
Gold payments by British Empire countries with Canada and Newfoundland Sept. 1, 1939 to Dec. 31, 1940		<u><u>225</u></u>

One vital factor in this drain of assets was the collapse of France last Summer. The French had at least as much as the British in gold and dollar assets in this country; these resources were available, together with the British, to pay for purchases here in the first nine months of the war. When the French collapse came, last June, the British took over all French contracts in this country, although they no longer had the help of French money to pay for them. British liabilities were doubled. They were left to face Germany alone. The result was that the British began to lose gold and dollar assets twice as fast after June as before.

This war is now costing the British Government more than 12 million pounds sterling every day, or approximately 60 per cent of the national income, and this expenditure is steadily mounting. The British are raising about 40 per cent of this cost by taxing their people. To give you some idea of what the British people are doing to pay for the war, you may be interested in the following table comparing British and United States taxes at the present time:

Comparison of British and United States Taxes

1. Personal income tax. A married couple with two children would pay the following taxes in Great Britain and the United States under present laws:

Income	: British : tax	: :	U.S. tax
1,500	\$ 43		-
2,500	311		-
5,000	1,196		75
10,000	3,451		440
20,000	9,426		2,143
50,000	32,401		13,741
100,000	76,276		42,948

2. Corporation income tax rates

British	:	U. S.
42 $\frac{1}{2}$ %		24%

3. Excess profits tax. The British excess profits tax is 100 percent of profits in excess of base period earnings for certain years 1935-1937. The United States excess profits tax ranges from 25 to 50 percent of earnings in excess of the average base period earnings for 1936-39, or 8 percent of invested capital, whichever exemption is higher.

4. Purchase tax. The British impose a purchase tax of 33-1/3 percent on the wholesale value of certain luxuries and 16-2/3 percent on certain goods in common use, exempting food.

5. Excise taxes. The British impose excise taxes on several commodities at substantially higher rates than the United States. Examples are given below:

	British	U.S.
Spirits, domestic, per U.S. proof gallon	\$15.60	\$3.00
Beer, domestic, per bbl. of 31 U.S. Gallons	11.16	6.00
Cigarettes, per thousand, weighing 3 lbs.	11.70	3.25
Tea, Empire, per lb.	10¢	-
Coffee, full duty per lb.	2.8¢	-

I should like to submit one more table to you which is an estimate of the long-term foreign investments of the United Kingdom outside the United States. These figures, most of which are based upon studies made by British economists before the outbreak of war, are necessarily estimates. Nobody can fix a definite valuation upon such properties as ranches in Australia, railways in Argentina or oil wells in Mexico.

Most of the investments are in sterling securities; a large part of the Canadian investment is in Canadian dollars, and some of the other investments are in the respective domestic currencies. However, for convenience of presentation, the estimated nominal value of the investments has been converted into sterling.

The market values, where given, are calculated from current market quotations of the securities. Since market quotations are not available for a large part of the investment, no total market value can be calculated:

Estimated Long-Term Foreign Investments of the United Kingdom
Outside the United States

(Million Pounds)					
		<u>Government</u>	<u>Railways</u>	<u>Other</u>	<u>Total</u>
<u>In British Empire</u>					
Canada	Nominal	75	187	219	481
	Market	(70)			
Australia	Nominal	425	3	75	503
	Market	(410)			
New Zealand	Nominal	131	1	14	146
		(125)			
India	Nominal	300	<u>1/</u>	250	550
	Market	(250)			
British Africa	Nominal	183	<u>1/</u>	250	438
Malaya	Nominal	6		78	84
Other	Nominal	—	—	—	<u>31</u>
Total in British	Nominal	1,125	191	886	2,233

1/ Not shown separately.

		<u>Government</u>	<u>Railways</u>	<u>Other</u>	<u>Total</u>
<u>In Latin America.</u>					
Argentina	Nominal Market	45 (32)	263 (52)	83	390
Brazil	Nominal Market	75 (6)	38 (5)	47 (22)	160 (33)
Chile	Nominal	20 (2)	20 (5)	65	105
Uruguay	Nominal Market	18 (8)	14 (1)	10 (12)	42 (21)
Mexico	Nominal Market	38 (1)	90 (1)	44	173
Peru	Nominal Market	6 (1)	<u>1</u> / (1)	23 (4)	28 (5)
Cuba	Nominal Market	2 (2)	25 (1)	2;	28
Venezuela	Nominal Market	Nil	3 0.2	18 (17)	20 (17)
Colombia, Ecuador Bolivia, Paraguay, Central America	Nominal				50
International	Nominal	—	—	—	<u>6</u>
Total in Latin America	Nominal	204	453	292	1002
<u>In Asia</u>					
China	Nominal				200
Japan	Nominal				50
Netherlands East Indies	Nominal				50
Philippines	Nominal				<u>8</u>
Total Asia					308
<u>In Europe</u>	Nominal				250
In Other Areas <u>2</u> / Nominal					75
Total U.K. Investments outside United States - Nominal Value					<u>3868</u>

1/ Not shown separately.

2/ Mainly Iran, Egypt, Iraq and Portuguese East Africa.

The problem before us is not whether the British have resources; of course they have, all over the world. The problem is whether the British have got the dollars they need, or can get the dollars they need to spend in this country.

That, gentlemen, is the problem as I see it.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 28, 1941.
1/27/41

Press Service

no-23-29.

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series 91-day Treasury bills, to be dated January 29 and to mature April 30, 1941, which were offered on January 24, were opened at the Federal Reserve Banks on January 27.

The details of this issue are as follows:

Total applied for - \$263,061,000
Total accepted - 101,298,000

The accepted bids were tendered at prices above par, and at par. Of the amount tendered at par, 70 percent was accepted.

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Treasury Department
Washington

For Release, Morning Newspapers

Press Service

Thursday, January 30, 1941

No 23-30

1/29/41

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~~This~~ outflow was in contrast to net inflow of \$53,542,000 in the preceding four weeks, ^{179,168,000 *} ~~\$198,230,000~~ in the period August 1 to September 4, 1940, and ^{\$82,640,000 *} ~~\$3,557,000~~ in the four weeks ended July 31, 1940.

The net outflow--other than withdrawals by the United Kingdom and Canada--apparently was activated by ^{Expectation} ~~issue~~ of new exchange control orders and resulted largely through ^{sales} ~~liquidation~~ of foreign-owned American securities. Net liquidation in the period totaled \$23,767,000 compared with ~~_____~~ ^{\$2,756,000} in the preceding four weeks. Gross purchases amounted to \$24,909,000 and gross sales \$53,176,000.

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↓ more

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Tuesday, January 28, 1941.

Press Service

23-30

Secretary of the Treasury Morgenthau today announced the subscription figures and the basis of allotment for the cash offering of 3/4 percent Treasury Notes of Series D-1944, National Defense Series.

Reports received from the Federal Reserve Banks show that subscriptions aggregate \$2,756,000,000. All subscriptions were allotted 23 percent, on a straight percentage basis, but not less than \$100 on any one subscription.

Further details as to subscriptions and allotments will be announced when final reports are received from the Federal Reserve Banks.

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There exists in the country today an overwhelming desire on the part of nearly every man, woman, and child to make some direct and tangible contribution to the national defense.

~~_____~~ ^We ought to give them a sense of personal participation beyond that which comes from doing their daily job faithfully and well. Every day letters come to me ~~and I am sure they do to others,~~

from people who ~~(regardless of partisan affiliation or economic position)~~ ask, "What can I do to help?"

Our plan to offer securities ^{attractive to all} ~~available to the~~

~~requirements of various~~ classes of investors is an attempt to answer this question. I can think of no other single way in which so many people can become

partners of their Government in facing this emergency.

~~A~~ It is the purpose of the Treasury to raise money for national defense by methods which strengthen the national morale. ~~##~~

One of the most important services the American people can render at this time is to cooperate in supplying the means for national defense. We ought to make it possible for workers and farmers no less than bankers and business men to contribute to the financial needs of the Government, not only through their tax ^{payments} but through their savings as well. ^{The bill} ~~can~~ therefore ^{provides} ~~ask for~~ authority to issue securities on such terms and in such denominations as will enlist support from the largest possible number of subscribers. There is ^{every} ~~no~~ reason why a substantial part of the savings made possible by the current increase in employment should ~~be~~ be conserved by investment in United States Government securities. The small investor who puts his savings in Government securities will in this way contribute not only to national defense but also to his own individual security.

popular participation

This would permit the Treasury to carry on a program

~~somewhat similar to the war savings and Treasury~~

~~saving certificates programs during the World War,~~

~~programs which provided means for popular participation~~ *encouraging more*

~~in the financing of the war through ~~small~~ small savings~~ *in the financing +*

~~amounts, and at the same time were effective in~~

~~raising substantial amounts of funds directly from~~

~~the investing public.~~ In this connection, the

Treasury wishes to be able to offer ~~securities~~

securities of a character which should facilitate

and *promote* ~~encourage~~ thrift and savings. We hope that a

substantial part of the defense program for which

we have to borrow funds can be financed out of the

real savings of the people.

It would also provide that both class^{es} of securities may be issued on an interest-bearing basis, on a discount basis, or on a combination interest-bearing and discount basis, and that the Treasury may fix by regulation the amount of Savings Bonds and savings certificates which may be held by any one person at any one time. ¶ In addition, the Treasury would be authorized to issue stamps or provide other means to evidence payments for Savings Bonds and savings certificates, and to provide for the exchange of savings certificates for Savings Bonds.

Savings Bonds and Savings Certificates

In view of the enlarged program facing the Treasury, it is desirable to have greater flexibility in the types of securities which may be offered to meet the requirements of various classes of investors. Therefore, this bill further amends the Second Liberty Bond Act so as to broaden the authority under which United States Savings Bonds are issued and to provide for a new class of security to be called "Treasury savings certificates." The statutory limit on the term for which Savings Bonds may be issued would continue to be twenty years, as at the present, while a limitation of ten years would be placed on the Treasury savings certificates.

Economy in Non-defense Expenditures

At this time our whole economy and effort should be concentrated on national defense. One step which the Government should take is economy in Federal expenditures. I believe, therefore, that all Federal non-defense expenditures should be reexamined with a magnifying glass to make certain that no more ~~are~~ ^{fund are} granted than ~~are~~ ^{are} absolutely essential in the existing circumstances. ~~I also believe that~~

~~the state and local governments should be asked to contribute to national defense by eliminating from their budgets all non-essential items, particularly new construction, during this period of emergency.~~

I am sure this Committee appreciates the importance of prompt action in this connection so that the Treasury can take steps to refund the large March 15 maturities in advance of that date.

~~The proposed bill provides that all obligations issued after its effective date by the Treasury or any agency or instrumentality of the United States, shall, as to ~~both principal and~~ interest or other gain, be subject to all taxes now or hereafter~~

~~imposed by the United States.~~ As you know, every administration for the past twenty years has recommended the complete elimination of tax-exempt securities. The bill now before you proposes that the United States Government actually take the first step to eliminate this undesirable feature from our financing.

It is particularly appropriate that this step should be initiated in connection with the financing of the National Defense program. In financing this program all should be called upon to share in this task. This makes it urgent, from an equitable point of view, that no subscribers to any given class of securities should receive preferential treatment. This is impossible if some of the securities are issued with tax-exemption privileges which are worth nothing to the poorest class of subscribers, and which are worth a great deal to those in the very high income brackets. Such preferential treatment to this latter class is incompatible with ~~the~~ democratic financing of the defense program and should be removed.

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our financing.

I decided, therefore, to defer our refunding program and to meet our immediate cash requirements through the sale of short-term notes, the income from which the Treasury made subject to all Federal taxes, pending the decision of this Congress on the question of eliminating tax-exemptions from all future issues of Federal securities. I conferred with some members of ~~both the Ways and Means Committee of the House and the Finance Committee of the Senate~~ and explained to them what I had in mind and that, in taking these steps, it was my hope that Congress would promptly enact legislation which would provide that the income from all future issues of securities of the Federal Government or any of its agencies be made subject to all Federal taxes. The program explained to them met with their hearty approval.

As to all other types of Government securities, the law itself definitely fixes the exemptions from taxation and there is no discretionary authority in any executive officer of the Government to vary these exemptions.

Ordinarily, the Treasury would have raised in December ~~of~~ 1940 a substantial amount of additional cash and it would have carried out its usual program of refunding, three months in advance, the obligations aggregating \$1,220,000,000 that mature on March 15, 1941. However, anticipating that the Congress would consider the question of tax exemptions in this session, it seemed to me highly desirable that the Treasury make no further offers of long-term tax-exempt securities until the Congress had had an opportunity to consider the question again in the light of the huge defense financing program before us.

Tax Exemption

This brings me to another matter of vital importance in connection with the financing of the National Defense program, and that is the tax exemption feature of the debt obligations *of* ~~issued by~~ the Federal Government and its agencies. I said last year that if it were within my power, I would issue National Defense ~~series obligations~~ *notes* subject to all Federal taxes. The discretionary authority of the Treasury to issue securities subject to all Federal taxes is confined to Treasury notes with a maturity of from one to five years.

The proposed bill terminates certain obsolete authority to issue debt obligations which the Treasury does not need and which, therefore, might as well be repealed and eliminated from the statute books. The future borrowing authority fixed by this bill will then be all-inclusive. It also repeals certain provisions of the first Revenue Act of 1940, which sets up a special fund to consist of earmarked taxes for the retirement of any obligations issued under the National Defense debt limitation, ~~1,000,000,000.~~ As previously

~~pointed out, this section constitutes an undesirable restriction on public debt financing at a time when the greatest freedom of action is essential. I urge its elimination.~~

The bill proposes to amend the Second Liberty Bond Act, ~~so as to limit the face~~ so as to limit the face amount of public debt obligations issued under the authority of that Act to an amount not to exceed in the aggregate ² \$65,000,000,000 outstanding at any one time. This provision as written will repeal section 21(b) of that Act which authorizes the issuance of \$4,000,000,000 face amount of National Defense notes. ~~As previously explained,~~

This increased limitation will amply cover the Treasury's present anticipated financing requirements for the current and ensuing fiscal years.

(Such as those)

In such times [^] it is imperative that the Government

borrow as much as possible from real savers rather

than from banks. ~~It seems clear, therefore, that,~~

~~in order to make it possible for the Treasury to~~

~~pursue this objective, the provisions of law~~

~~authorizing the issuance of \$4,000,000,000 of short-~~

~~term public debt obligations and their retirement~~

~~within five years out of earmarked taxes should be~~

~~repealed. The deficit figures just given also~~

~~clearly indicate that the general debt limitation~~

~~of \$45,000,000,000 must be increased. It would~~

~~appear advisable to increase this limit to an amount~~

~~sufficient to enable the Treasury to meet all of its~~

~~financing requirements for the next two fiscal years~~

~~ending June 30, 1942. I believe that the amount fixed~~

~~in the bill before you is ample for this purpose.~~

The estimated expenditure programs included in this Budget will result in combined deficits for the fiscal years 1941 and 1942 of more than \$15,000,000,000.

I do not believe that it would be advisable to undertake to finance this enlarged program through the issuance of short-term securities and their retirement out of earmarked taxes within a specified period as contemplated in the first Revenue Act of 1940. Moreover, short-term securities would for the most part be purchased ^{commercial} by banks, thereby causing a further increase of deposits. It is highly desirable to avoid further increases of deposits as far as possible and to some extent this can be accomplished by issuing obligations attractive to permanent investors outside of the banking system.

I am therefore appearing before you today in support of H. R. 2653, which raises the debt limit to \$65,000,000,000, provides for the elimination of the ^{present} partition in the debt limit, provides greater flexibility in our financing operations, and provides that the income from all future issues of Federal securities, both direct and indirect, be subject to all Federal taxes.

Our contemplated National Defense program has now been increased until it aggregates approximately \$28,500,000,000 in appropriations, contract authorizations, and recommendations, according to the 1942 Budget, just submitted.

The same Act provided additional taxes, most of which were intended to be used to retire within five years any ^{such} ~~defense~~ obligations issued under ~~that~~ ^{I stated that} ~~this~~ authority. ~~As I reported to you,~~ the provisions of the bill then pending before your Committee were sufficient to meet the situation as it existed at that time. But since ^{then} ~~that time~~ the situation has undergone a radical change.

Debt Limitation

The balance of ^{the} borrowing authority on January 1, 1941, was \$887,000,000 under the general limitation, and \$2,764,000,000 under the National Defense limitation. These combined balances provide the Treasury with borrowing authority sufficient only for the next ~~three~~ ^{four} months, and even in ~~that~~ period we would be greatly restricted in our financing operations.

When I appeared before you last spring at the time the first revenue bill of 1940 was under consideration, the National Defense program then before Congress ^{amounted to} ~~was~~ less than \$4,000,000,000.

I pointed out that on the basis of that program the balance of the borrowing authority under the general debt limitation of \$45,000,000,000 would be dangerously depleted early in the calendar year 1941. In view of this situation, Congress provided in the first Revenue Act of 1940 for the issuance of not more than \$4,000,000,000 of short-term ^{defense} obligations, ~~to raise funds to finance~~ ~~the National Defense expenditures.~~

Statement of Secretary Morgenthau before the Committee
On Ways and Means of the House of Representatives,
Wednesday, January 29, 1941.

Statement of Secretary Mogen

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1/29/41

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Press Service
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Subscriptions and allotments were divided among the several Federal

Reserve Districts and the Treasury as follows:

<u>Federal Reserve District</u>	<u>Total Subscriptions Received</u>	<u>Total Subscriptions Allotted</u>
Boston	\$ 221,579,300	\$ 51,010,600
New York	1,287,474,100	296,224,500
Philadelphia	131,011,500	30,173,000
Cleveland	188,419,200	43,404,500
Richmond	91,106,800	21,008,000
Atlanta	134,625,600	31,281,200
Chicago	360,353,600	83,038,800
St. Louis	67,750,300	15,665,000
Minneapolis	30,500,500	7,055,500
Kansas City	37,491,100	8,669,000
Dallas	69,463,400	16,072,800
San Francisco	135,588,100	31,199,500
Treasury	<u>1,100,000</u>	<u>253,000</u>
TOTAL	\$2,756,463,500	\$635,055,400

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Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

<u>Federal Reserve District</u>	<u>Total Subscriptions Received</u>	<u>Total Subscriptions Allotted</u>
Boston	\$ 221,579,300	\$ 51,010,600
New York	1,287,474,100	296,224,500
Philadelphia	131,011,500	30,173,000
Cleveland	188,419,200	43,404,500
Richmond	91,106,800	21,008,000
Atlanta	134,625,600	31,281,200
Chicago	360,353,600	83,038,800
St. Louis	67,750,300	15,665,000
Minneapolis	30,500,500	7,055,500
Kansas City	37,491,100	8,669,000
Dallas	69,463,400	16,072,800
San Francisco	135,588,100	31,199,500
Treasury	1,100,000	253,000
TOTAL	<u>\$2,756,463,500</u>	<u>\$635,055,400</u>

applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on February 3, 1941, ~~(x2)~~ all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on February 5, 1941. ~~(x9)~~

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

~~STATEMENT BY~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX

~~(1)~~

~~(2)~~

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series, 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, February 3, 1941. Tenders will not be received at the Treasury Department, Washington.

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated February 5, 1941, and will mature on May 7, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, January 31, 1941.

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in our expanded efforts, and to make progress in a new field that means so much to our own greater success -- by winning country-wide cooperation of state, city and county police organizations. Before the close of 1940, many supervisory officers had already formed excellent contacts in those local channels. The cultivation of more friends in the ranks of peace officers has already brought splendid enforcement results. It augurs well for the future.

"More friendly relations with the fellow officer on the local police beat will be of incalculable help to Treasury enforcement personnel, when we have been able to develop a clearly understood method by which the local officer may freely and fully communicate information to the Treasury agencies."

other Federal cases for the fiscal year that ended June 30, 1940. The Bureau of Customs caused 185 convictions, with 51 commitments to prison. For counterfeiting and forgery, Secret Service caused the conviction of 2,312 persons, with 1,487 commitments; and for violation of the gold statutes, 24 persons convicted with six commitments. Internal Revenue's Alcohol Tax Unit had more convictions, 18,221, than any other Treasury agency, with 10,003 commitments. Violation of other laws relating to Internal Revenue brought 120 convictions, with 42 commitments. The firearms act, also enforced by Internal Revenue, brought 42 convictions and 23 commitments. For violations of the narcotics and marihuana laws, the Bureau of Narcotics caused 3,047 convictions, with 2,250 commitments. Thus convictions under statutes dealing with all Treasury matters totaled 23,951 for the fiscal year 1940, with 13,862 commitments to prison. Convictions under other Federal laws reached a total of 16,027, with 9,141 commitments. These figures reveal that 59.9 percent of all convictions and 60.3 percent of all commitments were in Treasury cases. About the same ratio is indicated for the calendar year 1940.

Chief Coordinator Irely, reciting the success of the Treasury coordination plan, cites increased cooperation with state, county and city police forces as an active factor in bettered enforcement of Federal laws. Outlining proposals for the extension of these relations, the report says:

"Our objective for the year 1941 is to strengthen the gains made

Treasury Pistol Experts

Under a program initiated by Secretary Morgenthau, Treasury armed forces of the various agencies have developed pistol shooters who are known nationally as Treasury Team No. 1. This team has participated in the principal registered matches held during the past three years at Cincinnati, Tampa, Miami, Detroit, Los Angeles, Fort Francis E. Warren, and Buffalo, and in the national matches at Camp Perry, Ohio. They have won many trophies each year and have defeated all military and police teams in scheduled matches. The Treasury team holds national records in the 22 caliber, 38 caliber and 45 caliber classes, and several of the individual members hold national records. In the "American Rifleman" listing of the 30 ranking shooters in the United States there appear the names of eight Treasury enforcement officers, including two Coast Guardsmen. The nearest to this record is the Detroit police with four men in the first 30. No other organization has more than two among the first 30. Virtually all the enforcement officers of the Treasury Department are now qualified pistol marksmen.

Aggregate Statistics

Results of the work of the Treasury's coordinated enforcement agencies are reflected in figures supplied by the Director of the Bureau of Prisons of the Department of Justice, showing the number of persons convicted and sent to prison in Treasury law cases and in

concealing on their persons small quantities of narcotics, principally marihuana, as they came ashore. A seizure of seven pounds of raw opium was made at that port on February 7, 1940, on a vessel arriving from Turkish ports. Petty marihuana smuggling attempts were numerous. Recently, in several of these cases, sentences of three years, 18 months and one year were imposed.

Customs reports the usual steady trickle across the Mexican border of raw and smoking opium and marihuana. While opium seizures in this area decreased, marihuana smuggling increased, and numerous seizures were made at points in Texas, Arizona and Southern California. However, no considerable quantities of marihuana were involved in individual seizures.

An investigation at Detroit, Michigan, disclosed that a tunnel company had during the past five years had all repairs to 30 coaches operated by them made in Canada without reporting such repairs to the Collector at Detroit, or paying duty thereon. Failure of the company to pay estimated duties in the amount of \$11,189 would subject the rolling stock to forfeiture, the forfeiture value amounting to \$108,858.

In connection with an investigation at New York City into fraudulent undervaluation of mica imported from India, it was determined that the estimated loss of revenue covering the importations from 1931 to 1939, inclusive, amounted to \$49,171.15. The estimated forfeiture value was \$800,209.

There was a decided decrease in large-scale attempts to smuggle such narcotic drugs as opium, morphine and heroin, but a noted increase in the petty smuggling of marihuana on vessels coming from Central and South American ports, and across the border from Mexico.

The most important narcotic smuggling case ~~in San Francisco~~ originated ^{at San Francisco} with the arrest by state narcotic officers of two

and with the purchase at Seattle on the same day, by
Chinese in possession of two pounds of so-called Japanese "cotton" morphine. Seizures followed at Seattle, Tacoma, and New York, with prosecutions that resulted in convictions.

The alertness of a Customs guard at San Francisco led to the discovery and seizure of 27 one-tael tins and 31 five-tael tins of smoking opium, of a total net weight of over 242 ounces. The guard noticed that a seaman coming ashore from the S.S. President Coolidge was apparently opening a package of cigarettes. During the customary search of the seaman's person, the guard saw that he had a partially filled package of cigarettes in his pocket. This package contained a one-tael tin of opium. Other tins were found in places of concealment on shipboard. Investigation brought the arrest of three men -- a Chinese in San Francisco, a Chinese in Honolulu, and a Customs guard in Honolulu. The three were convicted in San Francisco.

Eastern Smuggling Decreases

With principal smuggling efforts for heroin and cocaine on the Pacific Coast, smuggling operations in the East were mostly at New York City, where attempts dwindled to individual cases of incoming seamen

Customs and narcotics officers of the 1st

Harry Neiditch, are serving two-year terms in Federal penitentiary. They pleaded guilty both to narcotics charges and evasion of income taxes. At one time, before the vigilance of Treasury agencies began to curtail their operations, the Newman brothers were considered the largest dealers in illicit narcotics in the United States. They had extensive foreign connections, and were believed to be a main source of supply not only for New York but for Chicago and other inland dealers in forbidden drugs.

Bureau of Customs

Law enforcement of the Bureau of Customs, through its Agency Service, in 1940 again ~~was~~^{was} directed largely against the smuggling of narcotic drugs into the United States. Operating independently, or in cooperation with the Bureau of Narcotics, a number of important seizures of narcotics and apprehensions of notorious smugglers were effected.

Seizures of smuggled merchandise totaled almost 8,650, a decrease of 25 percent, in comparison with the preceding year. There were more than 2,665 seizures of smuggled liquor, a decrease from the year before. Narcotic seizures aggregated nearly 735, a decrease from the calendar year 1939, and totaled 2,286 ounces, exclusive of marihuana. Seizures of bulk marihuana totaled 3,450 ounces, and in addition 1,321 ounces of marihuana seed and 1,243 marihuana cigarettes were seized.

For several years the principal narcotic drug of addiction has been heroin, with morphine and smoking opium next in importance, and it is believed that this relative situation continues. However, such heroin as is commonly encountered in the illicit traffic is generally highly adulterated, says the report, and that commonly sold is a mixture which usually contains less than five percent heroin. In the amounts used in many cases it does not establish a real tolerance and dependence for the drug.

The apparent shortage of smuggled drugs has resulted in efforts by peddlers and addicts to divert narcotics from medicinal sources. There was an increase in 1940 both in the number of robberies and the amounts stolen from pharmacies, wholesale houses, and other sources for legitimate narcotics. Because of the cooperation of the drug trade in affording maximum security to large concentrations of narcotics, the total amount of drugs thus made available to the illicit traffic was minimized. Attention was devoted by the Bureau to the problem presented by numerous addicts resorting to paregoric or other so-called exempt preparations.

There were many important prosecutions in 1940 for violations of the narcotics laws on evidence adduced by the Bureau of Narcotics, with the aid notably of the Customs Agency Service and Coast Guard, often with valuable participation of local police. The notorious Newman brothers of New York, whose true names are Charles, George and

1940 as compared to final figure of 864 persons arrested in 1939. Arrests for all offenses therefore were 3,086 as compared to 4,159 in 1939.

Bureau figures show a substantial decrease in the amount of drugs seized by the Treasury agencies, Customs and Narcotics, that deal directly with this problem. In the internal traffic the Bureau of Narcotics seized approximately 2,292 ounces of narcotic drugs in 1940, compared with 3,544 ounces in 1939. The Bureau of Customs seized at ports and borders approximately 2,286 ounces in 1940 as compared to 8,895 in 1939. Total narcotic seizures therefore were approximately 4,578 ounces in 1940 as compared to 12,439 in 1939.

In addition, in 1940 there were seized in the illicit traffic 20,960 ounces of bulk marihuana, including 3,450 ounces seized at ports and borders, and 19,560 cigarettes, including 1,243 seized at ports and borders, as compared to final figures showing 17,035 ounces of bulk marihuana and 19,091 cigarettes seized in 1939.

In carrying on a program of marihuana eradication throughout the country in cooperation with state, municipal, and other enforcement agencies, marihuana was found growing, and was eradicated, on approximately 19,200 acres of land in 1940 as compared to 6,506 acres of land in 1939.

reached a large number of bookmakers, in every state in the Union and in every city of any size. Investigation of Annenberg's income tax affairs and a large number of corporations controlled by him required five years' time. As a result, Annenberg pleaded guilty in April to charges of income tax evasion and was sentenced to serve three years in the penitentiary. In addition, he agreed to pay \$8,000,000 in settlement of his income tax liability.

Two other cases in Chicago attracted attention. Edward P. Jones, operator of the largest "numbers game" in the city, and William R. Johnson, a partner in the operation of a large number of gambling places, ~~in and around the city~~, were indicted. Jones pleaded guilty to charges of income tax evasion, and Johnson was convicted after trial for a similar offense and for conspiracy, with five others. Johnson received a five-year prison sentence and a \$10,000 fine. Jones has yet to be sentenced.

Bureau of Narcotics

The report sets forth that figures compiled by the Bureau of Narcotics showed that during the last calendar year there was a decrease in the number of persons arrested for violations of the Federal narcotic laws (excluding marihuana); 2,216 persons being arrested in 1940 as compared to the final figure of 3,295 in 1939. The number of marihuana arrests remained virtually constant, 870 persons being arrested for violations of the marihuana tax act in

year. December 31, 1940, found 7,608 persons awaiting grand jury action, and 7,126 awaiting trial for liquor violations. The number awaiting grand jury represents a decrease of almost 900 from 1939, while the number awaiting trial represents a decrease of 150 over 1939.

Intelligence Unit

Special agents of the Intelligence Unit of the Bureau of Internal Revenue obtained the indictment of 239 individuals, including ~~prominent~~ business and professional men, as well as racketeers, for evasion of income and other taxes during the calendar year 1940. Of 201 individuals tried during the year, 155 were convicted. In addition to prison sentences, the individuals convicted were fined \$366,000. Additional taxes and penalties totaling \$27,778,699.50 were recommended for assessment in cases investigated during the year.

Evidence gathered by special agents resulted in the institution of criminal proceedings against 22 other individuals on miscellaneous charges. Twenty-six individuals were tried during the year, and 25 convictions were obtained.

The principal case which came to a conclusion in 1940 was that of Moses L. Annenberg of Chicago, who operated, from his general offices in that city, a practical monopoly of race track information. His network of telegraphic service extended from virtually every race track in the United States, Canada, Mexico, and Cuba, and

average amount of mash seized per still was 1,150 gallons in 1935, 720 gallons in 1937, 644 gallons in 1939, and 579 gallons in 1940.

In 1940 seizures in 14 southern states amounted to 4,293,781 gallons of the United States total of 6,239,974 gallons of mash. In 1935, seizures in the 14 southern states totaled 9,139,779 gallons, while seizures of mash outside this area aggregated 10,022,387 gallons. Thus, compared with 1935, mash seizures decreased 53 percent in the 14 southern states and decreased 80.6 percent in the rest of the country. Compared with the preceding year, mash seizures decreased in the 14 southern states by 6.4 percent, and elsewhere by 30.3 percent. It was in these states that Coast Guard flyers performed valuable service by spotting moonshine stills from the air, often by the smoke.

During 1940 arrests for violation of Federal liquor laws totaled 25,862 for the country, and property of an appraised value of \$2,305,611 was seized in connection with such offenses, including 4,247 automobiles and 477 trucks. During the year, 27,094 prosecutions in Alcohol Tax Unit cases were recommended in Federal courts; 21,295 persons were indicted, and 18,247 persons were convicted.

These figures reflect a decrease in the number of arrests and prosecutions begun, and also show that the number of liquor cases disposed of in Federal courts in 1940 was less than in the preceding

found in his possession and he had passed one specimen before his arrest. In his home agents seized two additional \$5 notes, one front plate for this note, and one front plate for another \$5 note. Rollins admitted sole responsibility for making counterfeit \$5 notes during the previous six months while employed as a printer by a Somerworth newspaper. He was sentenced May 14, 1940 to one year and one day, suspended with probation for five years and fined \$1. Rollins was removed to Concord, New Hampshire, May 15, 1940, where he pleaded guilty to charges of making and possessing plates and notes, and was sentenced to two years, suspended, with probation for two years, effective at expiration of sentence imposed in Massachusetts District. He will be under the supervision of the courts for seven years.

Alcohol Tax Unit

A decline in illicit liquor operations the country over is shown by that portion of Mr. Ireys report dealing with the Alcohol Tax Unit. Preliminary figures for the calendar year 1940 show that still seizures totaled 10,785, and mash seizures aggregated 6,239,974 gallons. The trend over the last six years is indicated by the fact that seizures in 1940 were 5.8 percent below 1939 and 35 percent below seizures in 1935. Mash seizures, considered the best available measure of illicit activities, the report asserts, declined in 1940 by 15.4 percent from those of 1939, and by 67 percent from 1935. The

Clyde Campbell was arrested November 20 for conspiracy with Driver to make these notes. Driver, arrested in 1926 and in 1928 for raising notes, served a term in the Atlanta Penitentiary. Driver was again arrested in 1933 for making hand-drawn notes, and was sentenced to Atlanta. He is believed to be the teacher of numerous note raisers in Anderson and nearby towns. Driver was sentenced December 2 to three years in Atlanta Penitentiary and placed on probation for five years, effective at expiration of sentence. Campbell was sentenced to one year and one day in Atlanta Penitentiary.

Harry Mills, twice convicted plate maker, was arrested March 28, 1940 for passing a counterfeit \$5 note, four similar notes having made their appearance prior to his arrest. He admitted sole responsibility for this note and for approximately 10 he had passed. Search of Mills' home revealed equipment consisting of finished and unfinished plates, a home-made press, material and equipment. This was Mills' third offense. He was sentenced in New York City in 1932 for making \$10 FR notes and in 1935 he was sentenced to one year in Providence, Rhode Island for making plates for another \$10 note. Mills was sentenced June 14, 1940 to 10 years in prison and fined \$3,000.

Burleigh Clinton Rollins, printer, employed by a weekly newspaper in Somerworth, New Hampshire, was arrested March 18, 1940, for attempting to pass a \$5 note in a Boston drug store. Two notes were

is a reduction of \$194,245.10, or 46.8 percent as compared with 1939, and the lowest figure since 1928. Of the total, \$69,495.60 was seized before it could be placed in circulation. The ~~total~~ loss to the public through acceptance of counterfeit notes and coins amounted to \$229,445.85. The loss through counterfeit notes in 1940 showed a drop of 50.5 percent from the previous year. The decrease is attributed to the educational campaign.

A decided reduction in check forgeries resulted during 1940. The educational campaign was applied to this problem. Three "Know Your Money" pictures and the "Know Your Money" circulars, distributed to millions, contained warnings to impress bankers, merchants and others of the necessity for demanding proper identification. Arrests for check forgeries dropped from 2,536 in 1939 to 2,085 in 1940.

The Secret Service in 1940 made 3,107 arrests, or 703 fewer than in 1939. A total of 3,201 cases brought convictions; 912 cases await court action. Further reduction is expected as "Know Your Money" education becomes a permanent program.

Counterfeiter^s Caught

Among the more important cases was the seizure of a plant for the manufacture of counterfeit \$5 notes, at Anderson, South Carolina, November 9, 1940, following the arrest of Burt Driver. Plates for a \$5 silver certificate were seized. Agents confiscated 28 notes.

of 4,397 radios ~~were~~^{was} sealed on merchant vessels. In neutrality law enforcement 163,119 vessels were identified. Armaments on 603 merchant vessels were inspected.

One phase of the Coast Guard's neutrality duties is the inspection of armed merchant vessels to determine whether they are armed for offensive or defensive purposes. Coast Guard officers conducted 841 such examinations of armed merchant vessels during 1940.

Secret Service Work

Early in 1940 the Secret Service began an intensive nationwide educational "Know Your Money" campaign to teach detection of counterfeit money and proper identification in cashing or accepting government checks.

The campaign — still in action — was carried on by use of sound moving pictures, radio, newspapers, periodicals, posters, placards, distribution of warning notices and educational pamphlets, and exhibits at worlds fairs, banks and conventions.

Secret Service agents turned lecturers. They showed the "Know Your Money" sound moving picture before high school students, classes of American Institute of Banking, meetings of Bankers' Associations and public gatherings. Talks were made to 4,563,409 persons, including 2,712,759 school children.

Counterfeiting and altered notes in the amount of \$171,121.85 were captured by or turned over to agents of the Secret Service, which

The report details Coast Guard enforcement tactics in trailing vessels suspected of carrying narcotics, detecting narcotic smuggling across the docks, and in combating the traffic ashore, adding that these tactics have "proved highly effective and afford an excellent example of what can be accomplished through intelligent coordination".

Coast Guard Duties

Surveillance of vessels suspected of carrying narcotics during 1940 meant that a total of 5,274 such vessels were trailed by the Coast Guard while entering or leaving ports of the United States in order to prevent offshore transfer of contraband from suspected carriers to smaller contact boats.

Coast Guard aircraft, operating in cooperation with the Alcohol Tax Unit, located 595 illicit distilleries, and cooperated with Alcohol Tax in the seizure of 70 illicit distilleries and 1,995 gallons of nontaxpaid liquor.

Coast Guard vessels cruised 2,182,706 miles last year. Coast Guard aircraft flew 1,219,082 miles. Pursuant to their inspection and other duties, Coast Guard officers boarded 37,617 vessels. There were 1,208 vessels reported for violations and subject to fines amounting to \$217,619. There were 18 vessels seized for violations, the value of such vessels and cargoes amounting to \$80,750. A total

file

TREASURY DEPARTMENT
Washington

Press Service
No. 23-35

FOR RELEASE; AFTERNOON PAPERS
Tuesday, February 4, 1941

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The report covers the enforcement work of the Coast Guard, Secret Service, Alcohol Tax Unit and Intelligence Unit of the Bureau of Internal Revenue, Bureau of Customs, Customs Agency Service, and the Bureau of Narcotics.

The Coast Guard, registering one of the busiest years in its history, in 1940 was an important welding and assisting element in closer cooperation between Treasury enforcement groups, and between these and other Federal agencies, Mr. Irey's report indicates, besides carrying its own enforcement work and many tasks added by reason of emergency conditions.

Besides cooperation with other agencies in the department's campaign against smugglers, liquor law violators, counterfeiters and narcotics law violators, the Coast Guard in 1940 extended its functions because of the war crisis. Chief among the new duties were those of the neutrality patrol. There was additional responsibility in the supervision of merchant shipping in United States waters.

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Among the more important cases was the seizure of a plant for the manufacture of counterfeit \$5 notes, at Anderson, South Carolina, November 9, 1940, following the arrest of Burt Driver. Plates for a \$5 silver certificate were seized. Agents confiscated 28 notes.

Clyde Campbell was arrested November 20 for conspiracy with Driver to make these notes. Driver, arrested in 1926 and in 1928 for raising notes, served a term in the Atlanta Penitentiary. Driver was again arrested in 1933 for making hand-drawn notes, and was sentenced to Atlanta. He is believed to be the teacher of numerous note raisers in Anderson and nearby towns. Driver was sentenced December 2 to three years in Atlanta Penitentiary and placed on probation for five years, effective at expiration of sentence. Campbell was sentenced to one year and one day in Atlanta Penitentiary.

Harry Mills, twice convicted plate maker, was arrested March 28, 1940 for passing a counterfeit \$5 note, four similar notes having made their appearance prior to his arrest. He admitted sole responsibility for this note and for approximately 10 he had passed. Search of Mills' home revealed equipment consisting of finished and unfinished plates, a home-made press, material and equipment. This was Mills' third offense. He was sentenced in New York City in 1932 for making \$10 Federal Reserve notes and in 1935 he was sentenced to one year in Providence, Rhode Island for making plates for another \$10 note. Mills was sentenced June 14, 1940 to 10 years in prison and fined \$3,000.

Burleigh Clinton Rollins, printer, employed by a weekly newspaper in Somerworth, New Hampshire, was arrested March 18, 1940, for attempting to pass a \$5 note in a Boston drug store. Two notes were

found in his possession and he had passed one specimen before his arrest. In his home agents seized two additional \$5 notes, one front plate for this note, and one front plate for another \$5 note. Rollins admitted sole responsibility for making counterfeit \$5 notes during the previous six months while employed as a printer by a Somerworth newspaper. He was sentenced May 14, 1940 to one year and one day, suspended with probation for five years and fined \$1. Rollins was removed to Concord, New Hampshire, May 15, 1940, where he pleaded guilty to charges of making and possessing plates and notes, and was sentenced to two years, suspended, with probation for two years, effective at expiration of sentence imposed in Massachusetts District. He will be under the supervision of the courts for seven years.

Alcohol Tax Unit

A decline in illicit liquor operations the country over is shown by that portion of Mr. Ireys report dealing with the Alcohol Tax Unit. Preliminary figures for the calendar year 1940 show that still seizures totaled 10,785, and mash seizures aggregated 6,239,974 gallons. The trend over the last six years is indicated by the fact that seizures in 1940 were 5.8 percent below 1939 and 35 percent below seizures in 1935. Mash seizures, considered the best available measure of illicit activities, the report asserts, declined in 1940 by 15.4 percent from those of 1939, and by 67 percent from 1935. The

average amount of mash seized per still was 1,150 gallons in 1935, 720 gallons in 1937, 644 gallons in 1939, and 579 gallons in 1940.

In 1940 seizures in 14 southern states amounted to 4,293,781 gallons of the United States total of 6,239,974 gallons of mash. In 1935, seizures in the 14 southern states totaled 9,139,779 gallons, while seizures of mash outside this area aggregated 10,022,387 gallons. Thus, compared with 1935, mash seizures decreased 53 percent in the 14 southern states and decreased 80.6 percent in the rest of the country. Compared with the preceding year, mash seizures decreased in the 14 southern states by 6.4 percent, and elsewhere by 30.3 percent. It was in these states that Coast Guard flyers performed valuable service by spotting moonshine stills from the air, often by the smoke.

During 1940 arrests for violation of Federal liquor laws totaled 25,862 for the country, and property of an appraised value of \$2,305,611 was seized in connection with such offenses, including 4,247 automobiles and 477 trucks. During the year, 27,094 prosecutions in Alcohol Tax Unit cases were recommended in Federal courts; 21,295 persons were indicted, and 18,247 persons were convicted.

These figures reflect a decrease in the number of arrests and prosecutions begun, and also show that the number of liquor cases disposed of in Federal courts in 1940 was less than in the preceding

year. December 31, 1940, found 7,608 persons awaiting grand jury action, and 7,126 awaiting trial for liquor violations. The number awaiting grand jury represents a decrease of almost 900 from 1939, while the number awaiting trial represents a decrease of 150 over 1939.

Intelligence Unit

Special agents of the Intelligence Unit of the Bureau of Internal Revenue obtained the indictment of 239 individuals, including business and professional men, as well as racketeers, for evasion of income and other taxes during the calendar year 1940. Of 201 individuals tried during the year, 155 were convicted. In addition to prison sentences, the individuals convicted were fined \$366,000. Additional taxes and penalties totaling \$27,778,699.50 were recommended for assessment in cases investigated during the year.

Evidence gathered by special agents resulted in the institution of criminal proceedings against 22 other individuals on miscellaneous charges. Twenty-six individuals were tried during the year, and 25 convictions were obtained.

The principal case which came to a conclusion in 1940 was that of Moses L. Annenberg of Chicago, who operated, from his general offices in that city, a practical monopoly of race track information. His network of telegraphic service extended from virtually every race track in the United States, Canada, Mexico, and Cuba, and

reached a large number of bookmakers, in every state in the Union and in every city of any size. Investigation of Annenberg's income tax affairs and a large number of corporations controlled by him required five years' time. As a result, Annenberg pleaded guilty in April to charges of income tax evasion and was sentenced to serve three years in the penitentiary. In addition, he agreed to pay \$8,000,000 in settlement of his income tax liability.

Two other cases in Chicago attracted attention. Edward P. Jones, operator of the largest "numbers game" in the city, and William R. Johnson, a partner in the operation of a large number of gambling places, were indicted. Jones pleaded guilty to charges of income tax evasion, and Johnson was convicted after trial for a similar offense and for conspiracy, with five others. Johnson received a five-year prison sentence and a \$10,000 fine. Jones has yet to be sentenced.

Bureau of Narcotics

The report sets forth that figures compiled by the Bureau of Narcotics showed that during the last calendar year there was a decrease in the number of persons arrested for violations of the Federal narcotic laws (excluding marihuana); 2,216 persons being arrested in 1940 as compared to the final figure of 3,295 in 1939. The number of marihuana arrests remained virtually constant, 870 persons being arrested for violations of the marihuana tax act in

1940 as compared to final figure of 864 persons arrested in 1939. Arrests for all offenses therefore were 3,086 as compared to 4,159 in 1939.

Bureau figures show a substantial decrease in the amount of drugs seized by the Treasury agencies, Customs and Narcotics, that deal directly with this problem. In the internal traffic the Bureau of Narcotics seized approximately 2,292 ounces of narcotic drugs in 1940, compared with 3,544 ounces in 1939. The Bureau of Customs seized at ports and borders approximately 2,286 ounces in 1940 as compared to 8,895 in 1939. Total narcotic seizures therefore were approximately 4,578 ounces in 1940 as compared to 12,439 in 1939.

In addition, in 1940 there were seized in the illicit traffic 20,960 ounces of bulk marihuana, including 3,450 ounces seized at ports and borders, and 19,560 cigarettes, including 1,243 seized at ports and borders, as compared to final figures showing 17,035 ounces of bulk marihuana and 19,091 cigarettes seized in 1939.

In carrying on a program of marihuana eradication throughout the country in cooperation with state, municipal, and other enforcement agencies, marihuana was found growing, and was eradicated, on approximately 19,200 acres of land in 1940 as compared to 6,506 acres of land in 1939.

For several years the principal narcotic drug of addiction has been heroin, with morphine and smoking opium next in importance, and it is believed that this relative situation continues. However, such heroin as is commonly encountered in the illicit traffic is generally highly adulterated, says the report, and that commonly sold is a mixture which usually contains less than five percent heroin. In the amounts used in many cases it does not establish a real tolerance and dependence for the drug.

The apparent shortage of smuggled drugs has resulted in efforts by peddlers and addicts to divert narcotics from medicinal sources. There was an increase in 1940 both in the number of robberies and the amounts stolen from pharmacies, wholesale houses, and other sources for legitimate narcotics. Because of the cooperation of the drug trade in affording maximum security to large concentrations of narcotics, the total amount of drugs thus made available to the illicit traffic was minimized. Attention was devoted by the Bureau to the problem presented by numerous addicts resorting to ~~p~~aregoric or other so-called exempt preparations.

There were many important prosecutions in 1940 for violations of the narcotics laws on evidence adduced by the Bureau of Narcotics, with the aid notably of the Customs Agency Service and Coast Guard, often with valuable participation of local police. The notorious Newman brothers of New York, whose true names are Charles, George and

Harry Neiditch, are serving two-year terms in Federal penitentiary. They pleaded guilty both to narcotics charges and evasion of income taxes. At one time, before the vigilance of Treasury agencies began to curtail their operations, the Newman brothers were considered the largest dealers in illicit narcotics in the United States. They had extensive foreign connections, and were believed to be a main source of supply not only for New York but for Chicago and other inland dealers in forbidden drugs.

Bureau of Customs

Law enforcement of the Bureau of Customs, through its Agency Service, in 1940 again was directed largely against the smuggling of narcotic drugs into the United States. Operating independently, or in cooperation with the Bureau of Narcotics, a number of important seizures of narcotics and apprehensions of notorious smugglers were effected.

Seizures of smuggled merchandise totaled almost 8,650, a decrease of 25 percent, in comparison with the preceding year. There were more than 2,665 seizures of smuggled liquor, a decrease from the year before. Narcotic seizures aggregated nearly 735, a decrease from the calendar year 1939, and totaled 2,286 ounces, exclusive of marihuana. Seizures of bulk marihuana totaled 3,450 ounces, and in addition 1,321 ounces of marihuana seed and 1,243 marihuana cigarettes were seized.

There was a decided decrease in large-scale attempts to smuggle such narcotic drugs as opium, morphine and heroin, but a noted increase in the petty smuggling of marihuana on vessels coming from Central and South American ports, and across the border from Mexico.

The most important narcotic smuggling case originated with the arrest at San Francisco by state narcotic officers of two Chinese in possession of two pounds of so-called Japanese "cotton" morphine, and with the purchase at Seattle on the same day, by Customs and narcotics officers, of one pound of the same sort of morphine. Seizures followed at Seattle, Tacoma, and New York, with prosecutions that resulted in convictions.

The alertness of a Customs guard at San Francisco led to the discovery and seizure of 27 one-tael tins and 31 five-tael tins of smoking opium, of a total net weight of over 242 ounces. The guard noticed that a seaman coming ashore from the S. S. President Coolidge was apparently opening a package of cigarettes. During the customary search of the seaman's person, the guard saw that he had a partially filled package of cigarettes in his pocket. This package contained a one-tael tin of opium. Other tins were found in places of concealment on shipboard. Investigation brought the arrest of three men -- a Chinese in San Francisco, a Chinese in Honolulu, and a Customs guard in Honolulu. The three were convicted in San Francisco.

Eastern Smuggling Decreases

With principal smuggling efforts for heroin and cocaine on the Pacific Coast, smuggling operations in the East were mostly at New York City, where attempts dwindled to individual cases of incoming seamen

concealing on their persons small quantities of narcotics, principally marihuana, as they came ashore. A seizure of seven pounds of raw opium was made at that port on February 7, 1940, on a vessel arriving from Turkish ports. Petty marihuana smuggling attempts were numerous. Recently, in several of these cases, sentences of three years, 18 months and one year were imposed.

Customs reports the usual steady trickle across the Mexican border of raw and smoking opium and marihuana. While opium seizures in this area decreased, marihuana smuggling increased, and numerous seizures were made at points in Texas, Arizona and Southern California. However, no considerable quantities of marihuana were involved in individual seizures.

An investigation at Detroit, Michigan, disclosed that a tunnel company had during the past five years had all repairs to 30 coaches operated by them made in Canada without reporting such repairs to the Collector at Detroit, or paying duty thereon. Failure of the company to pay estimated duties in the amount of \$11,189 would subject the rolling stock to forfeiture, the forfeiture value amounting to \$108,858.

In connection with an investigation at New York City into fraudulent undervaluation of mica imported from India, it was determined that the estimated loss of revenue covering the importations from 1931 to 1939, inclusive, amounted to \$49,171.15. The estimated forfeiture value was \$800,209.

Treasury Pistol Experts

Under a program initiated by Secretary Morgenthau, Treasury armed forces of the various agencies have developed pistol shooters who are known nationally as Treasury Team No. 1. This team has participated in the principal registered matches held during the past three years at Cincinnati, Tampa, Miami, Detroit, Los Angeles, Fort Francis E. Warren, and Buffalo, and in the national matches at Camp Perry, Ohio. They have won many trophies each year and have defeated all military and police teams in scheduled matches. The Treasury team holds national records in the 22 caliber, 38 caliber and 45 caliber classes, and several of the individual members hold national records. In the "American Rifleman" listing of the 30 ranking shooters in the United States there appear the names of eight Treasury enforcement officers, including two Coast Guardsmen. The nearest to this record is the Detroit police with four men in the first 30. No other organization has more than two among the first 30. Virtually all the enforcement officers of the Treasury Department are now qualified pistol marksmen.

Aggregate Statistics

Results of the work of the Treasury's coordinated enforcement agencies are reflected in figures supplied by the Director of the Bureau of Prisons of the Department of Justice, showing the number of persons convicted and sent to prison in Treasury law cases and in

other Federal cases for the fiscal year that ended June 30, 1940. The Bureau of Customs caused 185 convictions, with 51 commitments to prison. For counterfeiting and forgery, Secret Service caused the conviction of 2,312 persons, with 1,487 commitments; and for violation of the gold statutes, 24 persons convicted with six commitments. Internal Revenue's Alcohol Tax Unit had more convictions, 18,221, than any other Treasury agency, with 10,003 commitments. Violation of other laws relating to Internal Revenue brought 120 convictions, with 42 commitments. The firearms act, also enforced by Internal Revenue, brought 42 convictions and 23 commitments. For violations of the narcotics and marihuana laws, the Bureau of Narcotics caused 3,047 convictions, with 2,250 commitments. Thus convictions under statutes dealing with all Treasury matters totaled 23,951 for the fiscal year 1940, with 13,862 commitments to prison. Convictions under other Federal laws reached a total of 16,027, with 9,141 commitments. These figures reveal that 59.9 percent of all convictions and 60.3 percent of all commitments were in Treasury cases. About the same ratio is indicated for the calendar year 1940.

Chief Coordinator Ireys, reciting the success of the Treasury coordination plan, cites increased cooperation with state, county and city police forces as an active factor in bettered enforcement of Federal laws. Outlining proposals for the extension of these relations, the report says:

"Our objective for the year 1941 is to strengthen the gains made

in our expanded efforts, and to make progress in a new field that means so much to our own greater success -- by winning country-wide cooperation of state, city and county police organizations. Before the close of 1940, many supervisory officers had already formed excellent contacts in those local channels. The cultivation of more friends in the ranks of peace officers has already brought splendid enforcement results. It augurs well for the future.

"More friendly relations with the fellow officer on the local police beat will be of incalculable help to Treasury enforcement personnel, when we have been able to develop a clearly understood method by which the local officer may freely and fully communicate information to the Treasury agencies."

TREASURY DEPARTMENT
Office of the Secretary
February 1, 1941.

GENERAL LICENSE NO. 33, AS AMENDED,
UNDER EXECUTIVE ORDER NO. 8389, APRIL
10, 1940, AS AMENDED, AND REGULATIONS
ISSUED PURSUANT THERETO, RELATING TO
TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

General License No. 33 is amended to read as follows:

A general license is hereby granted authorizing remittances by any individual through any bank to any individual who is a citizen of the United States within any foreign country and any bank is authorized to effect such remittances, provided the following terms and conditions are complied with:

(1) Such remittances do not exceed \$500 in any one calendar month to any payee and his household and are made only for the necessary living and traveling expenses of the payee and his household, except that an additional sum not exceeding \$1000 may be remitted once to such payee if such sum will be used for the purpose of enabling the payee or his household to return to the United States;

(2) Such remittances are not made from funds in which prior to the remittance any foreign country designated in Executive Order No. 8389, as amended, or any national thereof had any interest whatsoever, direct or indirect, other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household.

All individuals making such remittances and all banks effecting such remittances shall satisfy themselves that the foregoing terms and conditions are complied with.

Banks are authorized to establish and maintain free dollar accounts if necessary, and only to the extent necessary, to effect such remittances. Banks are not authorized to establish or maintain free dollar accounts in cases where such remittances may be effected in the manner prescribed in (a) or (b) under (2) of

*Part 163; - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, Oct. 10, 1940; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, and Oct. 10, 1940.

General License No. 32, as amended.

With respect to each remittance made pursuant to this general license reports on Form TFR-132 shall be executed and filed in the manner and form and under the conditions prescribed in General License No. 32, as amended.

As used in this general license the terms "bank" and "household" shall be deemed to have the meaning prescribed in General License No. 32, as amended.

(SGD.) D. W. BELL

Acting **Secretary of the Treasury**

As used in this general license:

(1) The term "bank" shall mean any branch or office within the United States of any of the following which is not a national of any foreign country designated in Executive Order No. 8389, as amended; any bank or trust company incorporated under the laws of the United States or of any state, territory or district of the United States, or any private bank subject to supervision and examination under the banking laws of any state, territory or district of the United States. The term "bank" shall also include any other banking institution which is specifically authorized by the Treasury Department to be treated as a "bank" for the purpose of this general license.

(2) The term "household" shall mean: (a) those individuals sharing a common dwelling as a family; or (b) any individual not sharing a common dwelling with others as a family.

/s/ D. W. Bell

Acting Secretary of the Treasury.

February 1, 1941.

All individuals making such remittances and all banks effecting such remittances shall satisfy themselves that the foregoing terms and conditions are complied with.

If such remittances are made from funds in which prior to the remittance no foreign country designated in Executive Order No. 8389, as amended, or national thereof had any interest whatsoever, direct or indirect, banks are authorized to establish and maintain free dollar accounts if necessary, and only to the extent necessary, to effect such remittances. Banks are not authorized to establish or maintain free dollar accounts in cases where such remittances may be effected in the manner prescribed in (a) or (b) under (2) above.

Banks through which any such remittances originate shall execute promptly Section A of Form TFR-132 in triplicate with respect to each such remittance. When so executed such copies of Form TFR-132 shall be forwarded promptly to the bank ultimately transmitting abroad (by cable or otherwise) the payment instructions for such remittance and the latter bank shall, upon the receipt thereof, execute Section B of such copies of Form TFR-132 and promptly file such executed report in triplicate with the appropriate Federal Reserve Bank. If the bank through which any such remittance originates is also the bank ultimately transmitting abroad the payment instructions for such remittance, then such bank shall execute both Sections A and B of such report. No report on Form TFR-132 shall be deemed to have been filed in compliance with this general license unless both Sections A and B thereof have been duly executed as herein prescribed.

TREASURY DEPARTMENT
Office of the Secretary

February 1, 1941

GENERAL LICENSE NO. 32, AS AMENDED,
UNDER EXECUTIVE ORDER NO. 8389, APRIL
10, 1940, AS AMENDED, AND REGULATIONS
ISSUED PURSUANT THERETO, RELATING TO
TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

General License No. 32 is amended to read as follows:

A general license is hereby granted authorizing remittances by any individual through any bank to any individual within any foreign country designated in Executive Order No. 8389, as amended, and any bank is authorized to effect such remittances, provided the following terms and conditions are complied with:

(1) Such remittances are made only for the necessary living expenses of the payee and his household and do not exceed \$100 in any one calendar month to any one household, except that additional sums not exceeding \$25 in any one calendar month may be remitted for each member of the payee's household in addition to the payee, provided that in no case shall a sum in excess of \$200 per calendar month be remitted to any one household;

(2) Such remittances are not made from funds in which prior to the remittance any foreign country designated in Executive Order No. 8389, as amended, or any national thereof had any interest whatsoever, direct or indirect, other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household, and such remittances may be made from any such account only if effected:

(a) By the acquisition of foreign exchange from a person in the United States having a license specifically authorizing the sale of such exchange;
or

(b) By the payment of the dollar amount of the remittance to a bank for credit to an account in the name of a banking institution within the foreign country to which the remittance is to be made, from which account payments, transfers or withdrawals may be made only under license.

*Part 162; - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, Oct. 10, 1940; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, and Oct. 10, 1940.

*Reserve Department
Washington*

*Proc Letter
No 23-36*

FOR IMMEDIATE RELEASE:

The Treasury Department today modified General Licenses No. 32 and No. 33 issued under the executive orders relative to the control of foreign funds ~~control~~ so as to liberalize remittances to "frozen" countries.

The modifications may be summarized as follows:

- (1) The amount which may be remitted to non-American citizens in the "frozen" countries for living expenses has been raised to \$100 per month for any individual, plus \$25 for each additional member of the family, with a monthly limit of \$200 for a family. Also, such persons having their own funds in the United States may, subject to certain limitations, draw on such funds for living expenses in the prescribed amounts.
- (2) American citizens in the frozen countries may be sent \$500 in any one month for living expenses, plus one remittance of \$1,000 for the purpose of enabling such persons and their families to return to the United States. These funds may be remitted whether or not the American citizen is drawing upon his own funds or is being sent money by friends and relatives in the United States.

*The texts of the amended licenses
are as follows:*

*Approved by
Dw Bell
AM*

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Saturday, February 1, 1941.

Press Service
No. 23-36

The Treasury Department today modified General Licenses No. 32 and No. 33 issued under the executive orders relative to the control of foreign funds so as to liberalize remittances to "frozen" countries.

The modifications may be summarized as follows:

- (1) The amount which may be remitted to non-American citizens in the "frozen" countries for living expenses has been raised to \$100 per month for any individual, plus \$25 for each additional member of the family, with a monthly limit of \$200 for a family. Also, such persons having their own funds in the United States may, subject to certain limitations, draw on such funds for living expenses in the prescribed amounts.
- (2) American citizens in the frozen countries may be sent \$500 in any one month for living expenses, plus one remittance of \$1,000 for the purpose of enabling such persons and their families to return to the United States. These funds may be remitted whether or not the American citizen is drawing upon his own funds or is being sent money by friends and relatives in the United States.

The texts of the amended licenses are as follows:

TREASURY DEPARTMENT,
Office of the Secretary,
February 1, 1941.

GENERAL LICENSE NO. 33, AS AMENDED,
UNDER EXECUTIVE ORDER NO. 8389, APRIL
10, 1940, AS AMENDED, AND REGULATIONS
ISSUED PURSUANT THERETO, RELATING TO
TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

General License No. 33 is amended to read as follows:

A general license is hereby granted authorizing remittances by any individual through any bank to any individual who is a citizen of the United States within any foreign country and any bank is authorized to effect such remittances, provided the following terms and conditions are complied with:

(1) Such remittances do not exceed \$500 in any one calendar month to any payee and his household and are made only for the necessary living and traveling expenses of the payee and his household, except that an additional sum not exceeding \$1000 may be remitted once to such payee if such sum will be used for the purpose of enabling the payee or his household to return to the United States;

(2) Such remittances are not made from funds in which prior to the remittance any foreign country designated in Executive Order No. 8389, as amended, or any national thereof had any interest whatsoever, direct or indirect, other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household.

All individuals making such remittances and all banks effecting such remittances shall satisfy themselves that the foregoing terms and conditions are complied with.

*Part 163; - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, Oct. 10, 1940; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, and Oct. 10, 1940.

Banks are authorized to establish and maintain free dollar accounts if necessary, and only to the extent necessary, to effect such remittances. Banks are not authorized to establish or maintain free dollar accounts in cases where such remittances may be effected in the manner prescribed in (a) or (b) under (2) of General License No. 32, as amended.

With respect to each remittance made pursuant to this general license reports on Form TFR-132 shall be executed and filed in the manner and form and under the conditions prescribed in General License No. 32, as amended.

As used in this general license the terms "bank" and "household" shall be deemed to have the meaning prescribed in General License No. 32, as amended.

D. W. BELL

Acting Secretary of the Treasury

TREASURY DEPARTMENT,
Office of the Secretary,
February 1, 1941.

GENERAL LICENSE NO. 32, AS AMENDED,
UNDER EXECUTIVE ORDER NO. 8389, APRIL
10, 1940, AS AMENDED, AND REGULATIONS
ISSUED PURSUANT THERETO, RELATING TO
TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

General License No. 32 is amended to read as follows:

A general license is hereby granted authorizing remittances by any individual through any bank to any individual within any foreign country designated in Executive Order No. 8389, as amended, and any bank is authorized to effect such remittances, provided the following terms and conditions are complied with:

(1) Such remittances are made only for the necessary living expenses of the payee and his household and do not exceed \$100 in any one calendar month to any one household, except that additional sums not exceeding \$25 in any one calendar month may be remitted for each member of the payee's household in addition to the payee, provided that in no case shall a sum in excess of \$200 per calendar month be remitted to any one household;

(2) Such remittances are not made from funds in which prior to the remittance any foreign country designated in Executive Order No. 8389, as amended, or any national thereof had any interest whatsoever, direct or indirect, other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household, and such remittances may be made from any such account only if effected:

*Part 162; - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, Oct. 10, 1940; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, and Oct. 10, 1940.

(a) By the acquisition of foreign exchange from a person in the United States having a license specifically authorizing the sale of such exchange; or

(b) By the payment of the dollar amount of the remittance to a bank for credit to an account in the name of a banking institution within the foreign country to which the remittance is to be made, from which account payments, transfers or withdrawals may be made only under license.

All individuals making such remittances and all banks effecting such remittances shall satisfy themselves that the foregoing terms and conditions are complied with.

If such remittances are made from funds in which prior to the remittance no foreign country designated in Executive Order No. 8389, as amended, or national thereof had any interest whatsoever, direct or indirect, banks are authorized to establish and maintain free dollar accounts if necessary, and only to the extent necessary, to effect such remittances. Banks are not authorized to establish or maintain free dollar accounts in cases where such remittances may be effected in the manner prescribed in (a) or (b) under (2) above.

Banks through which any such remittances originate shall execute promptly Section A of Form TFR-132 in triplicate with respect to each such remittance. When so executed such copies of Form TFR-132 shall be forwarded promptly to the bank ultimately transmitting abroad (by cable or otherwise) the payment instructions for such remittance and the latter bank shall, upon the receipt thereof, execute Section B of such copies of Form TFR-132 and promptly file such executed report in triplicate with the

appropriate Federal Reserve Bank. If the bank through which any such remittance originates is also the bank ultimately transmitting abroad the payment instructions for such remittance, then such bank shall execute both Sections A and B of such report. No report on Form TFR-132 shall be deemed to have been filed in compliance with this general license unless both Sections A and B thereof have been duly executed as herein prescribed.

As used in this general license:

(1) The term "bank" shall mean any branch or office within the United States of any of the following which is not a national of any foreign country designated in Executive Order No. 8389, as amended; any bank or trust company incorporated under the laws of the United States or of any state, territory or district of the United States, or any private bank subject to supervision and examination under the banking laws of any state, territory or district of the United States. The term "bank" shall also include any other banking institution which is specifically authorized by the Treasury Department to be treated as a "bank" for the purpose of this general license.

(2) The term "household" shall mean: (a) those individuals sharing a common dwelling as a family; or (b) any individual not sharing a common dwelling with others as a family.

D. W. BELL
Acting Secretary of the Treasury

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 4, 1941.
2/3/41

Press Service
No. 23-37

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series 91-day Treasury bills, to be dated February 5 and to mature May 7, 1941, which were offered on January 31, were opened at the Federal Reserve Banks on February 3.

The details of this issue are as follows:

Total applied for -	\$312,345,000
Total accepted -	100,450,000

The accepted bids were tendered at prices slightly above par, and at par. Of the amount tendered at par, 36 percent was accepted.

For *CR*

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Recapitulation - Section 21(a) and (b)

Total that may be outstanding.....		\$49,000,000,000
Total outstanding.....		<u>46,248,459,777</u>
Balance issuable:		
General Limitation - Sec. 21(a).....	\$ 1,123,597,425	
National Defense Limitation - Sec. 21(b).....	<u>1,627,942,800</u>	<u>\$ 2,751,540,225</u>

Reconcilement with Daily Statement of the United States Treasury
January 31, 1941

Total face amount outstanding public debt obligations issued under authority of the Second Liberty Bond Act, as amended, as limited by Section 21 of the Act:		
General Limitation.....		\$43,876,402,575
Deduct unearned discount on Savings Bonds.....		<u>956,921,931</u>
		42,919,480,644
 National Defense Limitation.....		<u>2,372,057,200</u>
		\$45,291,537,844
 Add other outstanding public debt obligations not subject to the statutory limitation:		
Interest-bearing (pre-war, etc.).....	\$ 196,102,380	
Matured on which interest has ceased.....	13,792,555	
Bearing no interest.....	<u>375,539,990</u>	<u>585,434,925</u>
 Total gross debt outstanding as of January 31, 1941.....		\$45,876,972,769

Section 21 of the Second Liberty Bond Act, as amended, provides as follows:

(a) The face amount of bonds, certificates of indebtedness, Treasury bills, and notes issued under the authority of this Act, and of certificates of indebtedness issued under authority of Section 6 of the First Liberty Bond Act, shall not exceed in the aggregate \$45,000,000,000 outstanding at any one time.

(b) In addition to the amount authorized by the preceding paragraph of this section, any obligations authorized by Sections 5* and 18** of this Act, as amended, not to exceed in the aggregate \$4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under Section 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the National Defense, or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated "National Defense Series".

* Sec. 5 authorizes certificates of indebtedness and Treasury bills.

** Sec. 18 authorizes notes of the United States (Treasury notes).

February 3, 1941

STATUTORY DEBT LIMITATION
Under Section 21 of the Second Liberty Bond Act, as Amended
As of January 31, 1941

The following table shows the face amount of public debt obligations of the United States authorized, outstanding, and balance issuable under the limitations imposed by Section 21 of the Second Liberty Bond Act, as amended.

I. General Limitation - Section 21(a)

Total face amount of bonds, notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....	\$45,000,000,000
Outstanding as of January 31, 1941:	
Interest-bearing:	
Bonds	
Treasury.....	\$27,960,167,200
Savings (maturity value)*.....	4,328,056,850
Adjusted Service.....	748,071,575
	\$33,036,295,625
Treasury notes.....	\$ 8,588,631,300
Certificates of indebtedness....	1,984,100,000
Treasury bills (maturity value).....	100,130,000
	10,672,861,300
	43,709,156,925
Matured obligations, on which interest has ceased.....	167,245,650
	43,876,402,575
Face amount of obligations issuable under above authority.....	\$ 1,123,597,425

II. National Defense Limitation - Section 21(b)

Total face amount of notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....	\$ 4,000,000,000
Less retirements under Section 301 Revenue Act, 1940.....
Net Face amount issuable.....	\$ 4,000,000,000
Outstanding as of January 31, 1941:	
Interest-bearing:	
Treasury notes.....	\$ 1,165,422,200
Certificates of indebtedness....
Treasury bills.....	1,206,635,000
	\$2,372,057,200
Matured obligations, on which interest has ceased.....
	\$ 2,372,057,200
Face amount of obligations issuable under above authority.....	\$ 1,627,942,800

*Approximate maturity value. Principal amount (current redemption value) according to preliminary public debt statement \$3,371,134,919.

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February 3, 1941

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Under Section 21 of the Second Liberty Bond Act, as Amended
As of January 31, 1941

The following table shows the face amount of public debt obligations of the United States authorized, outstanding, and balance issuable under the limitations imposed by Section 21 of the Second Liberty Bond Act, as amended.

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Net Face amount issuable.....	<u>\$ 4,000,000,000</u>
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Interest-bearing:	
Treasury notes.....	\$ 1,165,422,200
Certificates of indebtedness.....
Treasury bills.....	<u>1,206,635,000</u>
	\$2,372,057,200
Matured obligations, on which interest has ceased.....	<u>\$ 2,372,057,200</u>
Face amount of obligations issuable under above authority.....	<u>\$ 1,627,942,800</u>

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Recapitulation - Section 21(a) and (b)

Total that may be outstanding.....		\$49,000,000,000
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National Defense Limitation - Sec. 21(b).....	<u>1,627,942,800</u>	<u>\$ 2,751,540,225</u>

Reconcilement with Daily Statement of the United States Treasury
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* Sec. 5 authorizes certificates of indebtedness and Treasury bills.

** Sec. 18 authorizes notes of the United States (Treasury notes).

UNITED STATES SENATE
Committee on Appropriations

February 5, 1941.

Honorable Henry Morgenthau
Secretary of the Treasury
Washington, D. C.

Dear Mr. Secretary:

General R. E. Wood, testifying before the Senate
Foreign Relations Committee on yesterday, stated:

"If we are to throw open the doors of our
treasury to Britain, it seems only fair that all
British resources in this country be liquidated.
Large companies, unlisted, like Lever Brothers,
the American Viscose Corporation, the Dunlop Tire
Company plant, insurance companies, cotton plan-
tations, cattle ranches, other real estate,
evidently did not appear in Secretary Morgenthau's
figures."

I wish you would advise me whether or not
General Wood's statement is correct.

Very truly yours,

(Signed) ~~James F.~~ Byrnes

JAMES F. BYRNES.

JFB:sc

February 5, 1941

My dear Senator:

I am glad to answer your question about yesterday's testimony by General Robert E. Wood, who told your Committee that "large companies, unlisted, like Lever Brothers, the American Viscose Corporation, the Dunlop Tire Company plant; cotton plantations, cattle ranches, other real estate, evidently did not appear in Secretary Morgenthau's figures."

General Wood's statement on this point is completely incorrect.

Your Committee may wish to know that the Treasury has made a careful recheck of its figures in the light of General Wood's assertions. This recheck shows that every one of the individual companies named by General Wood was included in Secretary Morgenthau's estimate, already given to your Committee, of \$900,000,000 in British direct investments in this country. Similarly, the Secretary's estimate included all British-owned properties in this country such as cotton plantations, cattle ranches, and other real estate. The Treasury is confident that the figure of \$900,000,000 represented the value of all such assets in this country, owned by British citizens, which can be converted into dollars.

Very truly yours,

(Signed) Herbert E. Gaston

Acting Secretary of the Treasury.

Hon. James F. Byrnes,
United States Senate,
Washington, D. C.



TREASURY DEPARTMENT

WASHINGTON

February 7, 1941

TREASURY DEPARTMENT
Washington

calendar year 1939

For Immediate Release
Friday, ~~January 3, 1940~~

Press Service
No. 23-39

Commissioner of Customs W. R. Johnson today issued the following statement showing imports of distilled liquors and wines, and duties collected thereon, covering ~~December~~, 1940, with comparative figures for ~~December~~, 1939, and ~~November~~^{EM} 1940, and the ~~eleven month periods ending November 1939~~ and ~~November~~ 1940:



WASHINGTON
FEB 10 1941

~~IMPORTS OF DISTILLED LIQUORS AND WINES AND DUTIES COLLECTED THEREON DECEMBER 1940~~

	December 1940	November 1940	December 1939	Calendar Year 1940 1939	
DISTILLED LIQUORS (Proof Gallons):					
Stock in Customs Bonded Warehouses at beginning	8,391,543	8,658,556	4,086,522	4,474,392	4,214,134
Total Imports (Free and Dutiable)	1,222,016	975,159	1,910,346	15,012,518	11,757,622
Available for Consumption	9,613,559	9,633,715	5,996,868	19,486,910	15,971,756
Entered into Consumption (a)	1,385,982	1,240,119	1,494,635	11,237,665	11,380,117
Exported from Customs Custody	3,990	2,053	27,841	25,658	117,247
Stock in Customs Bonded Warehouses at end	8,223,587	8,391,543	4,474,392	8,223,587	4,474,392
STILL WINES (Liquid Gallons):					
Stock in Customs Bonded Warehouses at beginning	1,521,694	1,559,503	1,308,919	1,283,499	1,121,505
Total Imports (Free and Dutiable)	269,172	160,772	398,458	3,403,762	3,539,218
Available for Consumption	1,790,866	1,720,275	1,707,377	4,687,261	4,660,723
Entered into Consumption (a)	256,613	198,280	423,829	3,145,547	3,372,193
Exported from Customs Custody	341	301	49	7,802	5,031
Stock in Customs Bonded Warehouses at end	1,533,912	1,521,694	1,283,499	1,533,912	1,283,499
SPARKLING WINES (Liquid Gallons):					
Stock in Customs Bonded Warehouses at beginning	241,601	274,786	371,757	376,746	257,942
Total Imports (Free and Dutiable)	25,151	2,622	134,838	305,866	678,206
Available for Consumption	266,752	277,408	506,595	682,612	936,148
Entered into Consumption (a)	45,446	35,719	129,743	459,929	558,634
Exported from Customs Custody	16	88	106	1,395	768
Stock in Customs Bonded Warehouses at end	221,290	241,601	376,746	221,290	376,746
DUTIES COLLECTED ON:					
Distilled Liquors	\$ 3,424,595	\$ 3,075,215	\$ 3,702,691	\$ 27,746,911	\$ 28,210,749
Still Wines	233,770	179,755	388,698	2,675,118	2,906,204
Sparkling Wines	135,381	106,632	380,241	1,367,803	1,662,306
Total Duties Collected on Liquor	\$ 3,793,746	\$ 3,361,602	\$ 4,471,630	\$ 31,789,832	\$ 32,779,259
Total Duties Collected on Other Commodities	25,988,971	24,561,066	23,342,777	297,741,992	300,056,067
TOTAL DUTIES COLLECTED	\$29,782,717	\$27,922,668	\$27,814,407	\$329,531,824	\$332,835,326
Percent Collected on Liquor	12.7%	12.0%	16.1%	9.6%	9.8%
(a) Including withdrawals for ship supplies and diplomatic use.					

TREASURY DEPARTMENT

For Release, Morning Papers
Friday, February 7, 1941

Washington

Press Service
No. 23-39

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Bonded Warehouses					
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Stock in Customs					
Bonded Warehouses					
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STILL WINES (Liquid Gallons):					
Stock in Customs					
Bonded Warehouses					
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Total Imports (Free and Dutiable)....	269,172	160,772	398,458	3,403,762	3,539,218
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at end.....	221,290	241,601	376,746	221,290	376,746
DUTIES COLLECTED ON:					
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Still Wines	233,770	179,755	388,698	2,675,118	2,906,204
Sparkling Wines	135,381	106,632	380,241	1,367,803	1,662,306
Total Duties Collected					
on Liquor	\$ 3,793,746	\$3,361,602	\$4,471,630	\$31,789,832	\$32,779,259

(a) Including withdrawals for ship supplies and diplomatic use.

applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on February 10, 1941, ~~x(8)~~ all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on February 13, 1941. ~~(8)~~

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

~~STATEMENT BY~~ ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~
~~(2)~~

~~(1)~~

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$ 100,000,000, or thereabouts. They will be designated National Defense Series, ~~(3)~~ 90-day bills; and will be sold on a discount basis to the highest bidders. ~~(4)~~ Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, February 10, 1941. ~~(5)~~ Tenders will not be received at the Treasury Department, Washington.

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated February 13, 1941, and will mature on May 14, 1941, and on the maturity date the face amount will be payable without interest. ~~(7)~~ They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

J. P. M.
23-40

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series 90-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time on Monday, February 10, 1941. Tenders will not be received at the Treasury Department, Washington.

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No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent 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,

Immediately after the closing hour for receipt of tenders on February 10, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on February 13, 1941.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax). No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

- 3 -

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING PAPERS

Press Service
~~PR 755-544V~~

NO. 23=41

~~PRESS RELEASE~~

Saturday, February 8, 1941

The Bureau of Customs announced today that the February, 1941, quota for Canada, which limits the number of silver or black foxes valued at less than \$250 each and whole silver or black fox furs and skins (with or without paws, tails or heads) which may be entered, or withdrawn from warehouse, for consumption during any month, as provided for in the new supplementary trade agreement with Canada, has been exhausted. Entry, or withdrawal from warehouse, for consumption of these commodities imported from Canada is therefore prohibited until the beginning of the next quota period.

Preliminary data in the Bureau indicate that 194 live silver or black foxes, valued at less than \$250 each and whole silver or black fox furs and skins (with or without paws, tails, or heads) were entered, or withdrawn from warehouse for consumption from countries other than Canada, on February 1, 1941, which is approximately 2.6 percent of the quantity of such commodities which are permitted entry into consumption during the month of February, 1941, under the provisions of the new supplementary trade agreement with Canada.

Preliminary data in the Bureau also indicate that the quantities of silver or black fox merchandise entered, or withdrawn from warehouse, for consumption during the period December 1, 1940, through February 1, 1941, under these additional quotas, provided for in the new supplementary trade agreement with Canada, and the percentage of fulfillment of these quotas, were as follows:

	<u>Quota</u>	<u>Entered</u>	<u>Percent of fulfillment</u>
Tails of silver or black foxes (pieces)	5,000	3,927	78.5
Paws, heads, or other separated parts of silver or black fox furs and skins (other than tails) (pounds)	500	66	13.2
Piece plates made of pieces of silver or black fox furs and skins (pounds)	550	364	66.2
Articles, other than piece plates, made wholly or in chief value of one or more silver or black fox furs or skins or parts of such furs or skins (units)	500	22	4.4

(Prepared by the Bureau of Customs)

TREASURY DEPARTMENT
WASHINGTON

FOR RELEASE MORNING PAPERS
SATURDAY, FEBRUARY 8, 1941

Press Service
No. 23-41

The Bureau of Customs announced today that the February 1941 quota for Canada, which limits the number of silver or black foxes valued at less than \$250 each and whole silver or black fox furs and skins (with or without paws, tails or heads) which may be entered, or withdrawn from warehouse, for consumption during any month, as provided for in the new supplementary trade agreement with Canada, has been exhausted. Entry, or withdrawal from warehouse, for consumption of these commodities imported from Canada is therefore prohibited until the beginning of the next quota period.

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	<u>Quota</u>	<u>Entered</u>	<u>Percent of fulfillment</u>
Tails of silver or black foxes (pieces)	5,000	3,927	78.5
Paws, heads, or other separated parts of silver or black fox furs and skins (other than tails) (pounds)	500	66	13.2
Piece plates made of pieces of silver or black fox furs and skins (pounds)	550	364	66.2
Articles, other than piece plates, made wholly or in chief value of one or more silver or black fox furs or skins or parts of such furs or skins (units)	500	22	4.4

must file its excess-profits tax return and must compute and pay its excess-profits tax without regard to the adjustment of any claimed abnormality. Thereafter, in accordance with these regulations, any taxpayer which believes that it is entitled to relief under Section 722 should, as promptly as possible, file with the Commissioner of Internal Revenue, Washington, D. C., attention of the Income Tax Unit, Records Division, an application for relief stating the nature and extent of the abnormality for which relief is sought, the particular relief sought, and all the facts on which the taxpayer relies.

"A procedure for the prompt consideration of these applications is now being established by the Commissioner of Internal Revenue.

"The action of the Commissioner with respect to such applications is subject to review by the United States Board of Tax Appeals."

The Department also announced that regulations governing consolidated returns would be made public in a separate ^{Treasury Decision} ~~bulletin~~ to be issued shortly. *lfd* *J* 1

Monday ~~am~~ P.M.

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23-42

The Treasury Department ruled today that excess-profits tax returns are due and payable in the first instance without regard to the adjustment of claims respecting abnormal income *or capital.*

Thereafter, it ruled, taxpayers may file an app~~o~~^{lication} for relief, citing all relevant facts to the Commissioner of Internal Revenue, for his consideration. His decision with respect to such applications is subject to review by the United States Board of Tax Appeals. The ruling was contained in regulations under the Excess-Profits Tax Act of 1940, issued today.

"Section 722 of the excess-profits tax," Assistant Secretary ^{*the*} of Treasury John L. Sullivan, explained, "the so-called 'general relief provision', authorizes the Commissioner of Internal Revenue to make such adjustments as he finds, on examination of all the facts respecting a taxpayer's situation, are necessary to remove abnormalities in income or capital.

"Pursuant to this provision, Section 30,722-1 of these regulations prescribes that in the first instance the taxpayer

TREASURY DEPARTMENT
WASHINGTON

FOR RELEASE, AFTERNOON NEWSPAPERS
Monday, February 10, 1941

Press Release
No. 23-42

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Press
23-48
43

~~Tuesday~~ am

1941

~~Members~~ members of the Annual Assay Commission have been appointed by the President, Nellie Tayloe Ross, Director of the Mint, announced today. They will meet at the United States Mint ⁱⁿ Philadelphia at 10 ~~o'clock~~, a. m., Wednesday, February 12 in the traditional ceremony held each year for the "trial of the coins."

Members of the Commission are:

- ~~Mr.~~ J. Fred Essary, Washington, D. C.;
- Hon. Cameron Morrison, Charlotte, N. C.
- ~~Mr.~~ Charles G. Meyer, New York City.
- ~~Mr.~~ Buford C. Tynes, Huntington, West Virginia.
- ~~Mrs.~~ Irving Berlin, New York City.
- ~~Mrs.~~ Howell Moorhead, Washington, D.C.
- ~~Mr.~~ Rudolph F. Haffenreffer, Providence, R.I.
- Charles G. Meyer, Cord-Meyer Realty Co., New York City.
- Buford C. Tynes, Huntington, W. Va.
- Mrs. Irving Berlin, 129 East 78th Street, New York City.
- Mrs. Howell Moorhead, 2220 R Street, N.W., Washington, D.C.
- Rudolph F. Haffenreffer, 231 Arlington Ave., Providence, R.I.
- Mrs. John Kane, 517 Fordham Avenue, Pittsburgh, Pa.
- Miss Sara V. Dunn, 921 Bergen Avenue, Jersey City, N.J.
- Maurice G. Alperin, 107 West Brookline St., Boston, Mass.
- Mr. Joseph Coffin, 1182 Broadway, New York City.
- Dr. R. W. Bearce, Chief, Division of Weights and Measures, Bureau of Standards, Washington, D. C.
- George J. Sokel, 16 Colony Street, Meriden, Conn.
- Marshall S. Walker, 409 Pearl Street, New York City, and
- Dr. W. S. Brinsfield, Chestertown, Maryland.

Ex-Officio members:

- Judge William H. Kirkpatrick, United States District Court, Philadelphia, Pa.;
- Preston Delano, Comptroller of the Currency, Washington, D.C. and
- Joseph Buford, Chief Assayer, United States Assay Office, New York City.

The 1941 test to be conducted by the Commission will ~~the~~ be the largest task in its history, for 84,347 coins await examination this year. A total of 168,593,952 silver coins were struck off by the mints last year. The Commission is one of the oldest institutions in the Government, having been created in 1792, and having met each year since that time.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 11, 1941
2/8/41

Press Service
No. 23-43

Members of the 1941 Annual Assay Commission have been appointed by the President, Nellie Tayloe Ross, Director of the Mint, announced today. They will meet at the United States Mint 17 Philadelphia at 10 a.m., Wednesday, February 12 in the traditional ceremony held each year for the "trial of the coins."

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 11, 1941.
2/10/41

Press Service
No. 23-44

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series 90-day Treasury bills, to be dated February 13 and to mature May 14, 1941, which were offered on February 7, were opened at the Federal Reserve Banks on February 10.

The details of this issue are as follows:

Total applied for	-	\$227,631,000
Total accepted	-	100,294,000

The accepted bids were tendered at prices ranging from slightly above par down to 99.999, the average price being fractionally under par. Of the amount tendered at 99.999, 25 percent was accepted.

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**DIVIDEND PAYMENTS TO CREDITORS OF INSOLVENT NATIONAL
BANKS AUTHORIZED DURING THE MONTH ENDED
JANUARY 31, 1941**

<u>Name and Location of Banks</u>	<u>Nature of Dividend:</u>	<u>Date Authorized:</u>	<u>Number and Percentage of Dividends Authorized:</u>	<u>Distribution of Funds by Dividend Authorized:</u>	<u>Total Percentage Authorized to Date:</u>	<u>Number of Claimants:</u>	<u>Amount Claims Proved:</u>
The City National Bank of Goshen, Indiana	Final	1-22-41	4th 8.68%	\$ 54,900	91.68%	2,824	\$ 651,700
The Peoples-American NB of Princeton, Indiana	Final	1-25-41	6th 3.16%	22,200	78.16%	1,076	703,978
The Iron County Nat'l Bank of Crystal Falls, Michigan	Final	1-14-41	4th 7.94%	53,800	79.94%	1,581	677,500
The First Nat'l Bank of Ocean City, New Jersey	Final	1-3-41	3rd 2.82%	68,400	12.82%	3,482	2,424,200
The First Nat'l Bank of Grand Forks, N. Dakota	Regular	1-21-41	4th 10. %	265,100	80. %	6,361	2,650,800
The First Nat'l Bank of Fremont, Ohio	Final	1-6-41	5th 9.49%	168,900	80.99%	6,053	1,779,500
The First Nat'l Bank of Massillon, Ohio	Final	1-11-41	4th 8.1 %	164,400	86.6 %	3,887	2,029,900
The Union Nat'l Bank of Connellsville, Pa.	Final	1-21-41	4th 7.08%	45,400	62.08%	1,953	641,600
The Peoples Nat'l Bank of Pitcairn, Pa.	Final	1-28-41	6th 8.67%	30,200	73.67%	2,074	348,400
The Bank of Pittsburgh, N.A. Pittsburgh, Pa.	Interest (Full)	1-9-41	Int. 11.521%	1,377,521 ^{1/2}	111.521%	13,706	26,344,6 31
Holston-Union Nat'l Bank of Knoxville, Tennessee	Final	1-30-41	4th 3.13%	310,800	55.13%	17,123	9,930,500

^{1/2} Interest dividend payment of \$1,657,576 waived by conditional assignment claimants.

M. J. ...
7-10-41
[Signature]

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS

Press Service

Wed. Feb 12, 1941

During the month ended January 31, 1941, authorizations were issued to receivers for payments of dividends in eleven insolvent national banks. Dividends so authorized will effect total distributions of \$2,561,621 to 60,120 claimants who have proved claims aggregating \$48,182,709, or an average percentage payment of 5.32%. The smallest and largest individual dividend percentages authorized were 2.82% and 11.521%, respectively, while the smallest and largest receivership distributions were \$22,200, and \$1,377,521, respectively. Of the eleven dividends authorized one was for a regular dividend payment, nine were for final dividend payments and one was for an interest dividend payment. Dividend payments so authorized during the month ended January 31, 1941, were as follows:

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DIVIDEND PAYMENTS TO CREDITORS OF INSOLVENT NATIONAL
BANKS AUTHORIZED DURING THE MONTH ENDED
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<u>Name and Location of Bank:</u>	<u>Nature of Dividend:</u>	<u>Date Authorized:</u>	<u>Number and Percentage of Dividends Authorized:</u>		<u>Distribution of Funds by Dividend Authorized:</u>	<u>Total Percentage Authorized to Date:</u>	<u>Number of Claimants:</u>	<u>Amount Claims Proved:</u>
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2-10-41
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TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS
Wednesday, February 12, 1941.

Press Service
23-45

During the month ended January 31, 1941, authorizations were issued to receivers for payments of dividends in eleven insolvent national banks. Dividends so authorized will effect total distributions of \$2,561,621 to 60,120 claimants who have proved claims aggregating \$48,182,709, or an average percentage payment of 5.32%. The smallest and largest individual dividend percentages authorized were 2.82% and 11.521%, respectively, while the smallest and largest receivership distributions were \$22,200, and \$1,377,521, respectively. Of the eleven dividends authorized one was for a regular dividend payment, nine were for final dividend payments and one was for an interest dividend payment. Dividend payments so authorized during the month ended January 31, 1941, were as follows:

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2-10-41

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TREASURY DEPARTMENT
Comptroller of the Currency
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TREASURY DEPARTMENT
Washington

For Release Morning papers
Wednesday, February 12, 1941

Press Service
No. 23-46

PRESS RELEASE

The Bureau of Customs announced today preliminary figures for imports of commodities within the quota limitations provided for under the Philippine Independence Act, as amended, and the Philippine Cordage Act of 1935, from the beginning of the quota periods to December 31, 1940, inclusive, as follows:

Products of Philippine Islands	Established Quota		Unit of Quantity	Imports as of Dec. 31, 1940
	Period	Quantity		
Coconut oil	Calendar year	448,000,000	Pound	370,900,643
Refined sugars	Calendar year	112,000,000)	Pound	111,926,035
Sugars other than refined	Calendar year	1,792,000,000) ^{1/}	Pound	1,791,308,012
Cordage	12 months from May 1, 1940	6,000,000	Pound	3,891,649
Buttons of pearl or shell	Calendar year	850,000	Gross	838,806
Cigars	Calendar year	200,000,000	Number	199,219,595
Scrap tobacco and stemmed and unstemmed filler tobacco	Calendar year	4,500,000	Pound	4,241,370

^{1/} The duty-free quota on Philippine sugars applies to 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

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(Prepared by the Bureau of Customs)

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TREASURY DEPARTMENT
Washington

For Release Morning Papers
Wednesday, February 12, 1941

Press Service
No. 23-46

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Cigars		Calendar year		200,000,000		Number		199,219,595
Scrap tobacco and stemmed and unstemmed filler tobacco		Calendar year		4,500,000		Pound		4,241,370

^{1/} The duty-free quota on Philippine sugars applies to 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

Commodity	Established Quota		Unit of	Imports as of
	Period & Country	Quantity		
Silver or black foxes, furs and articles:				
Foxes valued under \$250 ea. and whole furs and skins	Month of December			
	Canada	17,500	Number	(Import quota filled)
	Other than Canada	7,500	"	(Import quota filled)
Tails	12 months from December 1, 1940	5,000	Piece	1,003
Paws, heads or other separated parts	"	500	Pound	6
Piece plates	"	550	"	-
Articles, other than piece plates	"	500	Unit	9
Crude petroleum, topped crude petroleum, and fuel oil	Calendar year			
	Venezuela	1,869,014,616	Gallon	1,738,917,986
	Netherlands	527,691,192	"	499,039,008
	Colombia	103,978,560	"	21,995,228
	Other countries	98,779,632	"	(Tariff rate quota filled)
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	(Tariff rate quota filled)

TREASURY DEPARTMENT
Washington

For Release, Morning papers,
Wednesday, February 12, 1941.

Press Service
No. 23-457

PRESS RELEASE

The Bureau of Customs announced today preliminary figures for imports of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to December 31, 1940, inclusive, as follows:

Commodity	Established Quota		Unit of	Imports as of
	Period & Country	Quantity		
Cattle less than 200 pounds each	Calendar year	100,000	Head	(Tariff rate quota filled)
Cattle, 700 pounds or more (other than dairy cows)	Quarter year from Oct. 1, 1940			
	Canada	51,720	Head	37,278
	Other than Canada	6,210	"	(Tariff rate quota filled)
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	7,492
Cream, fresh or sour	Calendar year	1,500,000	Gallon	976
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk and rosefish	Calendar year	15,000,000	Pound	9,933,980
White or Irish potatoes Certified seed	12 months from Sept. 15, 1940	90,000,000	Pound	13,752,401
	Other	12 months from Sept. 15, 1940	60,000,000	Pound
Red cedar shingles	Calendar year	2,371,544	Square	(Duty-free quota filled)
Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (Unstemmed equivalent)	19,522,300

TREASURY DEPARTMENT
Washington

For Release, Morning papers,
Wednesday, February 12, 1941.

Press Service
No. 23-47


The Bureau of Customs announced today preliminary figures for imports of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to December 31, 1940, inclusive, as follows:

Commodity	Established Quota		Unit of	Imports as of
	Period & Country	Quantity		
Cattle less than 200 pounds each	Calendar year	100,000	Head	(Tariff rate quota filled)
Cattle, 700 pounds or more (other than dairy cows)	Quarter year from Oct. 1, 1940			
	Canada	51,720	Head	37,278
	Other than Canada	6,210	"	(Tariff rate quota filled)
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	7,492
Cream, fresh or sour	Calendar year	1,500,000	Gallon	976
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk and rosefish	Calendar year	15,000,000	Pound	9,933,980
White or Irish potatoes Certified seed	12 months from Sept. 15, 1940	90,000,000	Pound	13,752,401
	Other 12 months from Sept. 15, 1940	60,000,000	Pound	2,470,192
Red cedar shingles	Calendar year	2,371,544	Square	(Duty-free quota filled)
Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (Unstemmed equivalent)	19,522,300

Commodity	Established Quota		Unit of	Imports as of
	Period & Country	Quantity		
Silver or black foxes, furs and articles: Foxes valued under \$250 ea. and whole furs and skins	Month of December			
	Canada	17,500	Number	(Import quota filled)
	Other than Canada	7,500	"	(Import quota filled)
Tails	12 months from December 1, 1940	5,000	Piece	1,003
Paws, heads or other separated parts	"	500	Pound	6
Piece plates	"	550	"	-
Articles, other than piece plates	"	500	Unit	9
Crude petroleum, topped crude petroleum, and fuel oil	Calendar year			
	Venezuela	1,869,014,616	Gallon	1,738,917,986
	Netherlands	527,691,192	"	499,039,008
	Colombia	103,978,560	"	21,995,228
Other countries	98,779,632	"	(Tariff rate quota filled)	
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year			
		1,500,000	Gallon	(Tariff rate quota filled)

for Savings Bonds. This would permit the Treasury to carry on a program encouraging more popular participation in the financing. In this connection, the Treasury wishes to be able to offer securities of a character which should facilitate and promote thrift and savings. We hope that a substantial part of the defense program for which we have to borrow funds can be financed out of the real savings of the people. However, in bringing these offerings to public attention I can assure you that there will be no high-pressure salesmanship or ^{coercive} propaganda.

One of the most important services the American people can render at this time is to cooperate in supplying the means for national defense. ~~We ought to~~ [^] make it possible for workers and farmers no less than bankers and business men to contribute to the financial needs of the Government, not only through their tax payments but through their savings as well. The bill therefore provides authority to issue securities on such terms and in such denominations as will enlist support from the largest number of subscribers. There is every reason why a substantial part of the savings ~~resulting from~~ ^{resulting from} the current increase in employment should be conserved by investment in United States Government securities. The small investor who puts his savings in Government securities will in this way contribute not only to national defense but also to his own individual security.



~~this program all should be called upon to share in this task.~~

Our whole economy and effort should be concentrated on national defense. I once again want to urge economy in Federal expenditures. I believe, therefore, that all Federal non-defense expenditures should be re-examined ~~with a magnifying glass~~ to make certain that no more funds are granted than are absolutely essential in the existing circumstances.

In view of the enlarged program facing the Treasury, it is desirable to have greater flexibility in the types of securities which may be offered to meet the requirements of various classes of investors. Therefore, this bill further amends the Second Liberty Bond Act so as to broaden the authority under which United States Savings Bonds are issued and to provide for a new class of security to be called "Treasury savings certificates." The statutory limit on the term for which Savings Bonds may be issued would continue to be twenty years, as at the present, ~~while~~ ^{while a} limitation of ten years would be placed on the Treasury savings certificates. It would also provide that both classes of securities may be issued on an interest-bearing basis, on a discount basis, or on a combination interest-bearing and discount basis, and that the Treasury may fix by regulation the amount of Savings Bonds and savings certificates which may be held by any one person at any one time.

In addition, the Treasury would be authorized to issue stamps or provide other means to evidence payments for Savings Bonds and savings certificates, and to provide for the exchange of savings certificates

types of Government securities, the law itself definitely fixes the exemptions from taxation and there is no discretionary authority in any executive officer of the Government to vary these exemptions.

Anticipating that the Congress would consider the question of tax exemptions in this session, it seemed to me highly desirable that the Treasury make no further offers of long-term tax-exempt securities until the Congress had had an opportunity to consider the question again in the light of the huge defense financing program before us. I began in December to issue fully taxable short-term ~~notes~~ ^{obligations} for cash to meet our immediate requirements and ~~decided, therefore, to defer~~ ^{deferred} our March 15 refunding program, which ordinarily would have been concluded three months in advance, pending the decision of this Congress on the question of eliminating tax-exemptions from all future issues of Federal securities. I conferred with some members of the House and of the Senate and explained to them what I had in mind and that, in taking these steps, it was my hope that Congress would promptly enact legislation ~~which would provide~~ ^{to make} ~~that~~ the income from all future issues of securities of the Federal Government or any of its agencies ~~would~~ subject to all Federal taxes. The program explained to them met with their hearty approval.

~~As you know, every administration for the past twenty years has~~

As you know, every administration for the past twenty years has recommended the complete elimination of tax-exempt securities. The bill now before you proposes that the United States Government actually take the first step to eliminate this undesirable feature from our financing. It is particularly appropriate that this step should be initiated in connection with the financing of the National Defense program. All segments of the economy will be called upon to share in this task. This makes it urgent, from an equitable point of view, that all subscribers to any given class of securities should receive the same return. This is impossible if the securities are issued with tax-exemption privileges which are worth nothing to the poorest class of subscribers but very much to the more wealthy subscribers. Such exemptions -- which make the net return on Government securities progressively higher as the income of the purchaser is higher, and progressively lower as his income is lower -- are incompatible with the democratic financing of the defense program and ~~must~~ ^{should} be removed.

types of Government securities, the law itself definitely fixes the exemptions from taxation and there is no discretionary authority in any executive officer of the Government to vary these exemptions.

Anticipating that the Congress would consider the question of tax exemptions in this session, it seemed to me highly desirable that the Treasury make no further offers of long-term tax-exempt securities until the Congress had had an opportunity to consider the question again in the light of the huge defense financing program before us. I began in December to issue fully taxable short-term ~~notes~~^{obligations} for cash to meet our immediate requirements and ~~decided, therefore, to defer~~^{deferred} our March 15 refunding program, which ordinarily would have been concluded three months in advance, pending the decision of this Congress on the question of eliminating tax-exemptions from all future issues of Federal securities. I conferred with some members of the House and of the Senate and explained to them what I had in mind and that, in taking these steps, it was my hope that Congress would promptly enact legislation ~~which would~~^{to make} ~~the~~ the income from all future issues of securities of the Federal Government or any of its agencies ~~subject~~ subject to all Federal taxes. The program explained to them met with their hearty approval.

~~As you know, every administration for the past twenty years has recommended the complete elimination of tax-exempt securities. The bill now before you proposes that the United States Government actually take the first step to eliminate this undesirable feature from our financing. It is particularly appropriate that this step should be initiated in connection with the financing of the National Defense program. In financing~~

or which are carried in the Budget as estimates of appropriations for the fiscal years 1941 and 1942 after deducting the estimated receipts for those two years, plus the public debt on June 30, 1940. On this basis the debt limitation would be fixed at ~~\$62,786,000,000~~ ^{\$61,396,000,000} to cover appropriations already made and the estimates of appropriations included in the Budget. There should, however, be added to this figure the sum of approximately \$3,500,000,000 which the Budget document shows will be submitted to Congress this session as supplemental items and which are not included in the above figure. This would make a total of ~~about~~ ^{about} \$64,896,000,000 for a debt limitation without ~~making any allowance for the~~ ^{provision for the} future ~~increases in the amount of~~ accruals on Savings Bonds. ~~It is the Treasury's view, however, in the light of present conditions, that all of this money will not be spent by June 30, 1942, and that the limitation fixed in this bill is ample to cover our requirements up to that time, including, we believe, ^{or for} any additional amounts which it may be necessary to appropriate under the pending Lend-Lease bill.~~

Another matter of vital importance in connection with the financing of the National Defense program is the tax-exemption feature of the debt obligations of the Federal Government and its agencies. I said last year that if it were within my power I would issue National Defense ~~notes~~ ^{securities} subject to all Federal taxes. As you know, the discretionary authority of the Treasury to issue securities subject to all Federal taxes is confined to Treasury notes with a maturity of from one to five years. As to all other

of deposits as far as possible and to some extent this can be accomplished by issuing obligations attractive to permanent investors outside of the banking system. In times such as these, it is our desire to borrow as much as possible from real savers rather than from banks.

The bill, among other things, proposes to amend the Second Liberty Bond Act so as to limit the face amount of public debt obligations issued under the authority of that Act to an amount not to exceed in the aggregate \$65,000,000,000 outstanding at any one time. This provision as written will repeal section 21(b) of that Act which authorizes the issuance of \$4,000,000,000 face amount of National Defense notes.

~~There have been suggestions from certain quarters~~ *A suggestion has been made*

that the debt limitation be increased to an amount sufficient to take care of only the expenditure program outlined in the Budget, in lieu of the limitation provided in H. R. 2959. The Budget contemplates a gross public debt on June 30, 1942 of \$58,367,000,000, to which must be added the future accruals of United States Savings Bonds. As it is not possible to tell at this time what these accruals will amount to on June 30, 1942, or what kind of a program we will adopt for the sale of additional securities, it is impossible to estimate the amount of the debt limitation which will be necessary on this basis. It is obvious, however, that it will have to be ~~a great deal~~ in excess of the estimated gross public debt as carried in the Budget.

Another suggestion is
~~There have been other suggestions~~ that Congress fix the debt limit

in an amount sufficient to cover all of the sums that it has appropriated

*Can we say
something
but
X and Y?*

JWS

2348

DRAFT

February 7, 1941

I am appearing before you today in support of H. R. 2959, which raises the debt limit to \$65,000,000,000, provides for the elimination of the present partition in the debt limit, provides greater flexibility in our financing operations, and provides that the income from all future issues of Federal securities, both direct and indirect, be subject to all Federal taxes.

The 1942 Budget submitted to the Congress last month indicates that our contemplated National Defense program has now been increased to approximately \$28,500,000,000 in appropriations, contract authorizations and recommendations. It also indicates that the estimated expenditure programs will result in combined deficits for the fiscal years 1941 and 1942 of \$15,400,000,000. The balance of the borrowing authority on January 31, 1941, was \$1,123,000,000 under the general limitation, and \$1,628,000,000 under the National Defense limitation. This ^{combined} ~~total cabinet~~ ~~authority~~ of \$2,751,000,000 provides the Treasury with borrowing authority sufficient only for the next four months, and even in that period we would be restricted to short-term ^{obligations} ~~financing~~ for a larger part of our financing operations than seems advisable at this time.

Short-term securities, ~~because of their low yield~~, would for the most part be purchased by commercial banks, thereby causing a further increase of deposits. The Treasury would like to avoid further increases

Statement of Secretary Morgenthau
Before the Senate Finance Committee

February 12, 1941.

I am appearing before you today in support of H. R. 2959, which raises the debt limit to \$65,000,000,000, provides for the elimination of the present partition in the debt limit, provides greater flexibility in our financing operations, and provides that the income from all future issues of Federal securities, both direct and indirect, be subject to all Federal taxes.

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Short-term securities would for the most part be purchased by commercial banks, thereby causing a further increase of deposits. The Treasury would like to avoid further increases of deposits as far as possible and to some extent this can be accomplished by

issuing obligations attractive to permanent investors outside of the banking system. In times such as these, it is our desire to borrow as much as possible from real savers rather than from banks.

The bill, among other things, proposes to amend the Second Liberty Bond Act so as to limit the face amount of public debt obligations issued under the authority of that Act to an amount not to exceed in the aggregate \$65,000,000,000 outstanding at any one time. This provision as written will repeal section 21(b) of that Act which authorizes the issuance of \$4,000,000,000 face amount of National Defense short-term securities.

Another matter of vital importance in connection with the financing of the National Defense program is the tax-exemption feature of the debt obligations of the Federal Government and its agencies.

I said last year that if it were within my power I would issue National Defense securities subject to all Federal taxes. As you know, the discretionary authority of the Treasury to issue securities subject to all Federal taxes is confined to Treasury notes with a maturity of from one to five years. As to all other types of Government securities, the law itself definitely fixes the exemptions from taxation and there is no discretionary authority in any executive officer of the Government to vary these exemptions.

Anticipating that the Congress would consider the question of tax exemptions in this session, it seemed to me highly desirable that the Treasury make no further offers of long-term tax-exempt securities until the Congress had had an opportunity to consider the question again in the light of the huge defense financing program before us. I began in December to issue fully taxable short-term obligations for cash to meet our immediate requirements and deferred our March 15 refunding program, which ordinarily would have been concluded three months in advance, pending the decision of this Congress on the question of eliminating tax-exemptions from all future issues of Federal securities. I conferred with some members of the Senate and of the House and discussed with them what I had in mind. It was my hope that Congress would promptly enact legislation to make the income from all future issues of securities of the Federal Government or any of its agencies subject to all Federal taxes. The program met with their hearty approval.

The principle involved is not new. Every administration for the past twenty years has recommended the complete elimination of tax-exempt securities. The bill now before you proposes that the United States Government actually take the first step to eliminate this undesirable feature from our financing. It is particularly appropriate that this should be initiated in connection with the financing of the National Defense program. All will be called upon to share in this task. This makes it urgent, from an

equitable point of view, that all subscribers be treated alike. This is impossible if the securities are issued with tax-exemption privileges which are worth nothing to the poorest subscribers but a great deal to the more wealthy subscribers. Such exemptions are incompatible with the democratic financing of the defense program and should be removed.

Our whole economy and effort should be concentrated on national defense. I once again want to urge economy in Federal expenditures. I believe, therefore, that all Federal non-defense expenditures should be re-examined with a magnifying glass to make certain that no more funds are granted than are absolutely essential in the existing circumstances.

In view of the enlarged program facing the Treasury, it is desirable to have greater flexibility in the types of securities which may be offered to meet the requirements of various types of investors. Therefore, this bill further amends the Second Liberty Bond Act so as to broaden the authority under which United States Savings Bonds are issued and to provide for a new class of security to be called "Treasury savings certificates." The statutory limit on the term for which Savings Bonds may be issued would continue to be twenty years, as at the present, while a limitation of ten years would be placed on the Treasury savings certificates. It would also provide that both classes of securities may be issued on an interest-bearing basis, on a discount basis, or on a combination interest-bearing and discount basis, and that the Treasury may fix by regu-

lation the amount of Savings Bonds and savings certificates which may be held by any one person at any one time.

In addition, the Treasury would be authorized to issue stamps or provide other means to evidence payments for Savings Bonds and savings certificates, and to provide for the exchange of savings certificates for Savings Bonds. This would permit the Treasury to carry on a program encouraging more popular participation in the financing. In this connection, the Treasury wishes to be able to offer securities of a character which should facilitate and promote thrift and savings. We hope that a substantial part of the defense program for which we have to borrow funds can be financed out of the real savings of the people. However, in bringing these offerings to public attention I can assure you that there will be no high-pressure salesmanship or coercive propaganda.

One of the most important services the American people can render at this time is to co-operate in supplying the means for national defense. We ought to make it possible for workers and farmers no less than bankers and business men to contribute to the financial needs of the Government, not only through their tax payments but through their savings as well. The bill therefore provides authority to issue securities on such terms and in such denominations as will enlist support from the largest number of subscribers. There is every reason why a substantial part of the savings resulting from the current increase in employment should

be conserved by investment in United States Government securities. The small investor who puts his savings in Government securities will in this way contribute not only to national defense but also to his own individual security.

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February 12, 1941.

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be conserved by investment in United States Government securities. The small investor who puts his savings in Government securities will in this way contribute not only to national defense but also to his own individual security.

COTTON CARD STRIPS, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than card strips and comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany and Italy:

(In Pounds)				
Country of Origin	: Established : TOTAL QUOTA	TOTAL IMPORTS Sept. 20, 1940: to Feb. 1, 1941	: Established : 33-1/3% of : Total Quota	Imports Sept. 20, 1940, to Feb. 1, 1941 ^{1/}
United Kingdom	4,323,457	646,178	1,441,152	6,430
Canada	239,690	213,714	-	-
France	227,420	-	75,807	-
British India	69,627	68,783	-	-
Netherlands	68,240	-	22,747	-
Switzerland	44,388	-	14,796	-
Belgium	38,559	-	12,853	-
Japan	341,535	-	-	-
China	17,322	17,322	-	-
Egypt	8,135	-	-	-
Cuba	6,544	3,500	-	-
Germany	76,329	-	25,443	-
Italy	21,263	-	7,088	-
Total	5,482,509	949,497	1,599,886	6,430

^{1/} Included in total imports, column 2.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Thursday, February 13, 1941

Press Service
No. 23-~~52~~ 49

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, and December 19, 1940, as follows, during the period September 20, 1940, to February 1, 1941, inclusive.

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

Country of Origin	(In Pounds)			
	Staple length less than 1-1/8"	Imports Sept. 20, 1940, to Feb. 1, 1941	Staple length 1-1/8" or more but less than 1-11/16"	Imports Sept. 20, 1940, to Feb. 1, 1941
Egypt and the Anglo-Egyptian Sudan	783,816	-	43,451,566	8,118,742
Peru	247,952	46,660	2,056,299	703,851
British India	2,003,483	64,580	64,942	-
China	1,370,791	-	2,626	-
Mexico	8,883,259	570,993	-	-
Brazil	618,723	516,080	3,808	80
Union of Soviet Socialist Republics	475,124	-	-	-
Argentina	5,203	4,958	435	-
Haiti	237	-	506	-
Ecuador	9,333	-	-	-
Honduras	752	-	-	-
Paraguay	871	-	-	-
Colombia	124	2	-	-
Iraq	195	-	-	-
British East Africa	2,240	-	29,909	-
Netherlands East Indies	71,388	15,428	-	-
Barbados	-	-	12,554	1,737
Other British West Indies	-	-	-	-
Indies 1/	21,321	-	30,139	-
Nigeria	5,377	-	-	-
Other British West Africa 2/	16,004	-	2,002	-
Algeria and Tunisia	-	-	1,634	-
Other French Africa 3/	689	-	-	-
Total	14,516,882	1,218,701	45,656,420	8,824,410

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

TREASURY DEPARTMENT
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Ecuador.....	9,333	-	-	-
Honduras.....	752	-	-	-
Paraguay.....	871	-	-	-
Colombia.....	124	2	-	-
Iraq.....	195	-	-	-
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Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than card strips and comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany and Italy:

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Egypt.....	8,175	-	-	-
Cuba.....	6,544	3,500	-	-
Germany.....	76,329	-	25,443	-
Italy.....	21,263	-	7,088	-
Total	5,482,509	949,497	1,599,886	6,430

^{1/} Included in total imports, column 2.

Commodity	Established Quota		Unit of	Imports as of
	Period & Country	Quantity		
Silver or black foxes, furs and articles:				
Foxes valued under \$250 ea. and whole furs and skins	Month of January			
	Canada	17,500	Number	(Import quota filled)
	Other than Canada	7,500	"	3,718
Tails	12 months from December 1, 1940	5,000	Piece	3,406
Paws, heads or other separated parts	"	500	Pound	56
Piece plates	"	550	"	364
Articles, other than piece plates	"	500	Unit	10
Crude petroleum, topped crude petroleum, and fuel oil	Calendar year			
	Venezuela	1,913,049,600	Gallon	132,232,004
	Netherlands	578,806,200	"	62,112,457
	Colombia	86,956,800	"	6,581,305
	Other countries	138,587,400	"	46,160,567
Molasses and sugar sir-ups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	(Tariff rate quota filled)

1/ Duty-free quota not yet determined.

TREASURY DEPARTMENT
Washington

For Release, Afternoon Papers,
Thursday, February 13, 1941

Press Service
No. 23-50

PRESS RELEASE

Friday

The Bureau of Customs announced today preliminary figures for imports of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to February 1, 1941, inclusive, as follows:

Commodity	Established Quota		Unit of	Imports as of	
	Period & Country	Quantity			Quantity
Cattle less than 200 pounds each	Calendar year	100,000	Head	8,662	
Cattle, 700 pounds or more each (other than dairy cows)	Quarter year from Jan. 1, 1941				
	Canada	51,720	Head	12,482	
	Other countries	8,280	"	(Tariff rate quota filled)	
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	399	
Cream, fresh or sour	Calendar year	1,500,000	Gallon	26	
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk and rosefish	Calendar year	15,000,000	Pound	684,024	
White or Irish potatoes	Certified seed	12 months from Sept. 15, 1940	90,000,000	Pound	16,086,486
	Other	12 months from Sept. 15, 1940	60,000,000	Pound	2,522,063
Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (Unstemmed equivalent)	1,399,883	
Red cedar shingles	Calendar year	<u>1/</u>	Square	311,045	

TREASURY DEPARTMENT
Washington

For Release, Morning Papers,
Friday, February 14, 1941

Press Service
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Other	12 months from Sept. 15, 1940	60,000,000	Pound	2,522,063
Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (Unstemmed equivalent)	1,399,833
Red cedar shingles	Calendar year	<u>1</u>	Square	311,045

Commodity	Established Quota : Period & Country:	Quantity:	Unit of :	Imports as of Quantity: Feb. 1, 1941
Silver or black foxes, furs and articles:				
Foxes valued under \$250 ea. and whole furs and skins	Month of January Canada	17,500	Number	(Import quota filled) 3,718
	Other than Canada	7,500	"	3,718
Tails	12 months from December 1, 1940	5,000	Piece	3,406
Paws, heads or other separated parts	"	500	Pound	56
Piece plates	"	550	Pound	364
Articles, other than piece plates	"	500	Unit	10
Crude petroleum, topped crude	Calendar year Venezuela	1,913,049,600	Gallon	132,232,004
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Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	(Tariff rate quota filled)

1/ Duty-free quota not yet determined.

TREASURY DEPARTMENT
Washington

For Release, ~~MA~~ Afternoon Papers
Thursday, February 13, 1941

Press Service
No. 23-49

~~Friday~~ 14

51

PRESS RELEASE

The Bureau of Customs announced today preliminary figures for imports of commodities within the quota limitations provided for under the Philippine Independence Act, as amended, and the Philippine Cordage Act of 1935, from the beginning of the quota periods to February 1, 1941, inclusive, as follows:

Products of Philippine Islands	Established Quota		Unit of Quantity	Imports as of Feb. 1, 1941
	Period	Quantity		
Coconut oil	Calendar year	425,600,000	Pound	20,251,070
Refined sugars	Calendar year	112,000,000)	Pound	7,498,850
Sugars other than refined	Calendar year	1,792,000,000) ^{1/}	Pound	213,977,698
Cordage	12 months from May 1, 1940	6,000,000	Pound	4,745,608
Buttons of pearl or shell	Calendar year	807,500	Gross	105,287
Cigars	Calendar year	190,000,000	Number	16,786,203
Scrap tobacco and stemmed and unstemmed filler tobacco	Calendar year	4,275,000	Pound	29,916

^{1/} The duty-free quota on Philippine sugars applies to 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

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(Prepared by the Bureau of Customs)

TREASURY DEPARTMENT
Washington

For Release, Morning Papers
Friday, February 14, 1941

Press Service
No. 23-51

The Bureau of Customs announced today preliminary figures for imports of commodities within the quota limitations provided for under the Philippine Independence Act, as amended, and the Philippine Cordage Act of 1935, from the beginning of the quota periods to February 1, 1941, inclusive, as follows:

Products of Philippine Islands	Established Quota		Unit of Quantity	Imports as of Feb. 1, 1941
	Period	Quantity		
Coconut Oil	Calendar year	425,600,000	Pound	20,251,070
Refined sugars	Calendar year	112,000,000	Pound	7,498,850
Sugars other than refined	Calendar year	1,792,000,000	Pound	213,977,698
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Cigars	Calendar year	190,000,000	Number	16,786,203
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INSOLVENT NATIONAL BANKS LIQUIDATED AND FINALLY CLOSED
DURING THE MONTH OF JANUARY, 1941

<u>Name and Location of Bank:</u>	<u>Date of Failure:</u>	<u>Total Disbursements Including Offsets Allowed:</u>	<u>Per Cent Dividends Declared to All Claimants:</u>	<u>Capital Stock at Date of Failure:</u>	<u>Cash, Assets, Uncollected stock Assessments, etc. Returned to Shareholders:</u>
First National Bank Lawrenceville, Illinois	8-22-32	\$ 561,738.00	71.05%	\$ 100,000.00	\$ 000
Forest City Nat'l Bank Rockford, Illinois ^{1/}	4-19-32	2,318,931.00	108.02%	300,000.00	301,904.00
First National Bank Hartford City, Indiana	5-23-34	406,719.00	90.25%	75,000.00	000
First National Bank Vincennes, Indiana	10-3-32	1,345,011.00	91.74%	200,000.00	000
American National Bank Asheville, N. Carolina	11-21-30	1,548,642.00	50.73%	200,000.00	000
Peoples National Bank Wellsville, Ohio	2-6-32	636,436.00	69.3 %	100,000.00	000
First National Bank The Dalles, Oregon	3-10-33	2,103,256.00	89.78%	200,000.00	000
Citizens National Bank Greeneville, Tennessee	6-3-33	1,227,012.00	74.84%	75,000.00	000

^{1/} Shareholders' Agent elected to continue liquidation after payment by receiver of principal and interest in full to creditors.

W. H. ...
2-11-41

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS

Friday, February 14, 1941

Press Service

23-52

During the month of January 1941, the liquidation of eight Insolvent National Banks was completed and the affairs of such receiverships finally closed.

Total disbursements, including offsets allowed, to depositors and other creditors of these eight receiverships, amounted to \$10,147,745, while dividends paid to unsecured creditors amounted to an average of 80.41 percent of their claims. Total costs of liquidation of these receiverships averaged 7.18 percent of total collections from all sources including offsets allowed.

Dividend distributions to all creditors of all active receiverships during the month of January 1941, amounted to \$1,779,156. Data as to results of liquidation of the receiverships finally closed during the month are as follows:

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TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS
FRIDAY, February 14, 1941

Press Service
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1/ Shareholders' Agent elected to continue liquidation after payment by receiver of principal and interest in full to creditors.

applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on February 17, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on February 19, 1941.

~~(8)~~
The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, February 14, 1941.

STATEMENT BY ~~XXXXXXXXXXXXXXXXXXXX~~
~~(2)~~

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series, ~~(3)~~ 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, February 17, 1941. Tenders will not be received at the Treasury Department, Washington. ~~(4)~~

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor. ~~(5)~~

The Treasury bills will be dated February 19, 1941, and will mature on May 21, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value). ~~(6)~~

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE

PRESS SERVICE
NO 23-54

Friday
~~MEMO FOR THE PRESS~~
February 14, 1941.

The newest unit of the Coast Guard's air force, the San Francisco Air Station, will be dedicated February 15. ~~At~~ Rear Admiral L. C. Covell, Assistant Commandant, will represent the Coast Guard and the Treasury Department.

The dedication program will begin at 1:30 p. m. with the arrival of visiting aircraft. Following an invocation by Commander Harry M. Peterson, Navy Chaplain, there will be a recognition of distinguished guests. The city of San Francisco will be represented by its Mayor, Angelo J. Rossi, who will deliver a brief address.

The new air station has a 20-acre site adjacent to the San Francisco Municipal Airport. The hangar is a reinforced concrete building of modernistic design, containing storage space for planes, repair shops, store rooms, and offices. There is a concrete apron for planes, 200 feet wide and 300 feet long. A taxiway connects the seaplane ramp with the landing field.

A barracks building provides quarters for 16 officers and 100 enlisted men, and includes an officers' dining room cafeteria, kitchen, and recreational space for officers and men. The cost of the station including buildings and equipment was approximately \$600,000.

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Friday, February 14, 1941

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THE TREASURY DEPARTMENT

ORIGIN DEVELOPMENT

ORGANIZATION

DIVISIONS BUREAUS AGENCIES

FUNCTIONS



WITH CHARTS SHOWING
HANDLING OF FUNDS

1939

T A B L E O F C O N T E N T S

(Cover picture of Treasury Building from
drawing by Franklin Booth)

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Office of the Secretary
Treasury Department
Washington, D.C.

THE TREASURY DEPARTMENT

Origin in 1776

The United States Treasury Department had its beginnings in 1776, even before the signing of the Declaration of Independence. The Continental Congress by resolution of February 17, 1776, provided "that a committee of five be appointed for superintending the Treasury," and described the duties of the committee. This resolution had the effect of establishing a "Treasury Office."

Two empowering resolutions, adopted April 1, 1776, completed the foundations for the present Treasury Department with its many and far-reaching functions. One of the April resolutions provided:

"That a Treasury Office of Accounts be instituted and established, and that such office be kept in the city or place where Congress shall from time to time be assembled and hold their sessions, and that the said Office of Accounts be under the direction and superintendence of the standing committee of the Treasury."

Two years later, by resolution dated September 26, 1778, the Congress established the offices of Comptroller, Auditor, and Treasurer; and two Chambers of Accounts, with three Commissioners each, to be appointed annually.

The Comptroller's office was abolished on July 30, 1779, and a new Board of Treasury created, consisting of three Commissioners who were not members of the Congress, and two who were. These five members were elected by the Congress, the former three annually, and the latter two for terms of six months.

Submission to the Congress of a budget, or estimate of public expenses, was one of the board's duties. Thus organized, the Board of Treasury continued to function until several months after the appointment, September 20, 1781, of Robert Morris as Superintendent of Finance.

Morris Takes Charge

In a resolution of February 7, 1781, the office of Superintendent of Finance was authorized. An ordinance enacted September 11 of the same year designated Commissioners and other finance officers. Superintendent Morris, a signer of the Declaration of Independence, had been a vital factor in financing the Revolution. Morris was called "the financier" in recognition of his abilities. He was the first financial executive of the national Government, and served as Superintendent of Finance from 1781 to 1784, when he resigned.

Another congressional ordinance adopted May 28, 1784, provided for the appointment of a Board of three Commissioners, "to superintend the Treasury and manage the finance of the United States, which shall be styled the Board of the Treasury." Named as Commissioners under this act were John Lewis Gervais, Samuel Osgood and Walter Livingston.

The Constitution of the United States became effective as the basic law of the nation March 4, 1789. The Constitutional Congress on September 2, 1789, at its first session, enacted a law whose object was "to establish the Treasury Department." Section 1 of this law reads in part:

"There shall be a Department of the Treasury in which shall be the following officers, namely, a Secretary of the Treasury, to be deemed the head of the department; a Comptroller, an Auditor, a Treasurer, a Register, and an assistant to the Secretary of the Treasury, which assistant shall be appointed by the Secretary."

The act specified the duties of each officer designated, and the functions of the Treasury as the department appointed to administer public finance.

Hamilton is Appointed

President Washington appointed the first Secretary of the Treasury. He chose Alexander Hamilton, who had been his aide-de-camp. After the Revolution, Hamilton practiced law in New York. He was a delegate to the Continental Congress, participated in the framing of the Constitution, and advocated its ratification by the States. Hamilton was 32 years old at the time of his appointment. He took the oath of office as Secretary September 11, 1789.

Secretary Hamilton's first Report to the Congress, known now as the Report on the Public Credit, is considered one of the greatest of the public documents that record and represent the development of our governmental system.

Office of the Secretary

The Secretary of the Treasury is the official head of the Treasury Department. Serving under him are the Under Secretary of the Treasury, who is the acting head of the Department in the absence of the Secretary, and three Assistant Secretaries. All are appointed by the President.

The Treasury Department embraces a number of agencies, variously known as bureaus, divisions and offices, with duties that in general relate to or derive from the fiscal operations of the Government. These agencies are responsible in their operation either directly to the Secretary, to the Under Secretary, or to one of the Assistant Secretaries, as directed by the Secretary. Each of the Treasury's agencies has its own executive, its own divisions and subdivisions.

The duties first assigned to the Treasury Department were to collect taxes and other revenues; to employ the public credit when tax revenues should be insufficient; to keep the national funds safely and to disburse them on the orders of the Congress under a plan proposed by the first Secretary; to maintain accounts of these transactions, and to keep the Congress informed as to the condition of the Nation's finances.

The Treasury exercises functions committed to it by the Congress in carrying out that body's constitutional responsibility to coin money, and regulate its value and that of foreign coin. The Treasury's \$2,000,000,000 stabilization fund (1939) exists in furtherance of the duty delegated by the Congress to stabilize and maintain the value of the dollar. Thus, Treasury functions include the duty of recommending to the President and the Congress measures calculated to protect the integrity of the Nation's currency.

The Treasury force at the outset numbered approximately 100 persons. This force was supplemented by collectors of customs and collectors of internal revenue. The personnel of the Department, increasing as the Nation grew from 4,000,000 to more than 125,000,000 people, now numbers about 60,000, one-fourth of whom are employed in the City of Washington and three-fourths in the field throughout the country.

The coining of money was an early development of Treasury function. The Civil War period brought the Treasury the task of providing paper currency, then called greenbacks. A direct development from this function was the organization of the Secret Service, to suppress the operations of counterfeiters, who had begun making bogus bills.

Duties are Varied

Early in Treasury history Collectors of Customs were given the duty of collecting fees, for the medical care of seamen, from the owners or masters of American ships. The Marine Hospital Service was a development of this action, and this service was the parent of the Public Health Service, transferred in 1939 from the Treasury Department to the Federal Security Agency.

Supervision of the construction of Federal buildings was entrusted to the Treasury Department almost from the Nation's birth. This work went to the new Federal Works Agency under the Government's 1939 reorganization plan. In recent years the value of work under construction by the Treasury for the Government maintained an average of \$100,000,000 for considerable periods.

Treasury Functions

The Treasury's operations may be grouped under six headings:

1. Collection of revenues.
2. Flotation and payment of loans.
3. Custody and disbursement of funds.
4. Supervision of national banks.
5. Issuance and protection of money.
6. Law enforcement and public services.

The grouping of agencies is according to duties, not because of seniority of organization or relative importance. It has no significance except that of utility in telling the story of Treasury organization. Collection of revenues comes first because it was about the first thing that the new department was given to do.

Collection of Revenues

Almost from the start the national Government imposed tariff duties on imports and levied internal taxes. These duties and taxes have been and are its chief sources of revenue. The Customs Service and the Internal Revenue Service developed as separate agencies, each taking care of its own collections.

THE BUREAU OF CUSTOMS, established by Act of Congress in 1927, is an outgrowth of the Customs Service, created in 1789 by the second Act of the first Congress. The Bureau's present form of organization dates from 1912, when several functions then exercised by other divisions of the Treasury were taken over by the Division of Customs in the Secretary's Office. Further changes were made by the Reorganization Act of 1927, when the Division, which itself dated from 1875, became the present Bureau.

The Bureau of Customs' principal functions are the collection of duties levied on imports and the detection and prevention of smuggling, both of commodities subject to duty and of contraband, such as narcotic drugs. The Bureau operates with other Treasury agencies and with other departments and offices of the Government in the enforcement of laws governing imports and exports, entrance and clearance of vessels at seaports, and immigration.

Customs Agents Abroad

The Customs Agency Service--now (1939) known as the Division of Investigations and Patrol--is the Bureau's investigative and law enforcement unit. The Bureau maintains its own foreign service in a number of the larger cities of Europe and Asia.

The Bureau has headquarters in office buildings near the Treasury in Washington.

Collectors of Customs, one for each of the 48 customs collection districts, and deputy collectors are in charge at ports of entry throughout the United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

Customs collections reached a high mark of \$602,000,000 in 1929, dropped to \$251,000,000 in 1933, but have increased in succeeding years. Customs receipts for the fiscal year ending June 30, 1939, were \$319,000,000.

THE BUREAU OF INTERNAL REVENUE: The Nation's first internal revenue taxes were those imposed on distilled spirits in 1791. Taxes on carriages followed, and on the sale of spirits, sugar, snuff and other commodities. The Office of the Commissioner of Internal Revenue, heading the service, was created in 1863. The Bureau is the largest Treasury agency, with a personnel of about 20,000, one-fourth in Washington and three-fourths in the field. It has its own building in Washington.

Agencies of the Bureau are the Income Tax Unit, the Accounts and Collections Unit, the Alcohol Tax Unit, the Miscellaneous Tax Unit, and the Intelligence Unit.

The Income Tax Unit supervises administration of the income tax law. The Accounts and Collections Unit supervises the work of the Collectors of Internal Revenue, whose offices are at points convenient to taxpayers, with whom the collectors deal directly. One of this unit's newest (1939) and largest tasks is the collection of Social Security taxes. For the fiscal year 1939 this collection totaled \$631,223,715. The Alcohol Tax Unit supervises production of distilled spirits, wines and malt liquors. Its branches are the Permissive Division, which, through inspectors and gaugers, sees that the tax is paid; and the Enforcement Division, whose agents in the field run down illicit stills, apprehend bootleggers and other unlawful operators. The Miscellaneous Tax Unit administers all revenue laws relating to Federal taxes other than income and Social Security taxes. Its work embraces taxes on liquors, tobacco and a wide variety of commodities, from cosmetics to gasoline. The Intelligence Unit, reporting directly to the Commissioner, handles internal revenue investigation and law enforcement. The unit conducts personnel investigation for all branches of the Treasury.

Internal revenue collections in 1938 reached a peak of \$5,674,318,436.66. Collections have averaged about 2,500 million in other recent years.

Flotation and Payment of Loans

The collection of revenues and the expenditure of moneys by the Government never exactly equal each other. It has been necessary from the Nation's earliest history to meet emergency needs by means of loans, which are repaid when income exceeds expenditure.

THE OFFICE OF THE COMMISSIONER OF THE PUBLIC DEBT is the agency of the Treasury Department that handles Government loans. In addition to its transactions in bonds and other interest-bearing securities, it has custody of the currency, which represents non-interest-bearing debt.

The Division of Loans and Currency receives securities from the Bureau of Engraving and Printing, handles exchanges, transfers, conversions and replacements, and audits redeemed paper currency. The Office of the Register of the Treasury records securities as they are retired.

The Division of Paper Custody superintends the manufacture of the distinctive kinds of paper used for currency and securities, has custody of the paper as it is delivered from the makers, and issues it as required to the Bureau of Engraving and Printing.

The Division of Accounts and Audits keeps books recording the transactions of the Office of the Commissioner of the Public Debt and such related dealings as are conducted by the Treasurer of the United States and by Federal Reserve Banks as fiscal agents of the United States. Accounts are kept of reserve stocks of currency, stamps and securities, and of collateral held in trust.

Custody and Disbursement of Funds

The system of handling public funds established at the beginning of the nation remains fundamentally unchanged. Congress appropriates money to various departments and establishments. These units requisition the Treasury for funds as they need them. The Treasury issues a warrant. This warrant must have the approval of the Comptroller General, certifying that the use to which the money is to be put meets the requirements of the law. Unless the money is to be paid in cash, a check drawn on the Treasurer of the United States is issued by disbursement officials.

The Treasury Department performs all functions of the disbursement of money except that of Comptroller General. The General Accounting Office, under the Comptroller General of the United States, was established July 1, 1921. In addition to the accounts kept by the Treasury and by the General Accounting Office, the Treasury maintains a general bookkeeping system covering all transactions.

Most of the Treasury fiscal agencies have offices in the main Treasury Building. The Treasury Annex houses disbursement operations. Emergency fiscal agencies are in other quarters.

THE TREASURER OF THE UNITED STATES is the official custodian of the nation's money. He receives it from those agencies that collect revenue and negotiate loans. He pays it out on warrants under the system described in the three paragraphs just preceding this one.

Handles Paper Currency

The Treasurer receives from the Bureau of Engraving and Printing new paper currency, and he redeems paper currency unfit for further circulation, including that of the Federal Reserve Banks. The Treasurer issues the Daily Statement of the Treasury and other statements concerning the nation's fiscal position. Divisions and executives of the Office of the Treasurer are the Chief Clerk, Cashier, Division of Securities, Currency Redemption Division, Division of General Accounts, and Accounting Division.

THE OFFICE OF THE COMMISSIONER OF ACCOUNTS AND DEPOSITS, through the Division of Bookkeeping and Warrants, draws the warrants upon which funds are obtained from the Treasurer of the United States, and keeps an account of all transactions relating to the receipt, appropriation and expenditure of public money.

Millions of Checks Issued

Through the Division of Disbursement, organized by Executive Order of June 10, 1933, checks are distributed and cash payments made. During the year ending June 30, 1935, the Washington office of this division issued more than 26,000,000 checks, and made cash payments twice a month to approximately 25,000 Federal employes in Washington. This division's operations have been extended to all parts of the United States, with disbursing functions formerly handled by other Government departments.

The Division of Deposits has charge of the designation and supervision of the more than 4,000 depositories over the country in which Government funds are kept for convenience in disbursement.

The Commissioner of Accounts and Deposits prepares estimates of the future cash position of the Treasury in connection with plans for financing, handles accounts and collections on obligations of foreign governments to the United States, and controls investment accounts of the Government and trust funds.

Supervision of Banks

THE BUREAU OF THE COMPTROLLER OF THE CURRENCY is one of the important links between the Treasury Department and the Nation's banking system. The Bureau was established at the time of the Civil War to carry out legislation which authorized the issuance of national bank notes secured by Government bonds. National bank notes are no longer issued, because of the expiration, July 22, 1935, of the circulation privilege that had been conferred on United States bonds. The principal duty of the Comptroller of the Currency is the supervision of national banks. There is maintained in each Federal Reserve District a Chief Examiner's Office with a corps of examiners, assistants and clerks to make the periodical examination of national banks.

The Comptroller has the sole power to charter national banks. He is responsible for approving consolidations of national banks and of state banks with national banks; for the supervision of banks which have gone into voluntary liquidation; and for granting permission to national banks to establish branches. The Comptroller has control over the affairs of insolvent national banks. He appoints receivers under whose direction the assets of such banks are liquidated and the proceeds distributed to creditors.

It is the Comptroller's duty to make his annual report directly to Congress and to recommend such changes and amendments to the banking laws as he deems advisable. He is a member of the Board of the Federal Deposit Insurance Corporation.

Coinage and Printing

Two agencies of the Treasury Department produce the coin and currency of the United States.

THE BUREAU OF THE MINT provides metallic coin. The first mint was established at Philadelphia in 1792. Main offices of the Bureau of the Mint are in the Treasury Department at Washington, but no money is coined there.

Philadelphia, Denver, and San Francisco have coinage mints. There are assay offices at New York and Seattle. The New Orleans Mint operates as an assay office. A depository at Fort Knox, Kentucky, has safe-keeping of part of the Nation's gold. A silver bullion depository at West Point is operated as an auxiliary of the New York assay office.

THE BUREAU OF ENGRAVING AND PRINTING was originated at the time of the Civil War to produce paper currency. The Bureau, one of the Treasury's largest units, employs about 5,000 in Washington. Besides providing all paper currency, it produces bonds, notes, bills and other securities, revenue stamps, postage stamps and a variety of official forms.

Law Enforcement and Public Services

Treasury law enforcement agencies function under a Coordinating Committee, to assure maximum effectiveness of personnel and correlation of activity. Represented in the committee are Coast Guard, Secret Service, Bureau of Narcotics, Customs Agency Service, Alcohol Tax Unit, and the Intelligence Unit of the Bureau of Internal Revenue.

THE SECRET SERVICE DIVISION, senior law enforcement agency of the Treasury, was organized in 1864 to suppress counterfeiting. After the assassination of President McKinley in 1901 the Service was given the duty of protecting the President and members of his family, and the President-elect. It is charged with enforcement of criminal provisions of the Farm Loan Act, the Adjusted Compensation Act and other laws, and may be assigned other duties by the Secretary.

THE BUREAU OF NARCOTICS has the duty of limiting the use of habit-forming drugs to legitimate medical and scientific purposes, and of supervising the enforcement of the Harrison Act. The Bureau cooperates with the Public Health Service of the Federal Security Agency in determining quantities of narcotics allowed to be imported for legitimate use, with the Bureau of Customs in preventing illegal importation, and with the States in suppressing illegal sales.

THE UNITED STATES COAST GUARD is the Nation's maritime police force. It has the duty of protecting life and property and the enforcement of Federal law upon navigable waters and the high seas. The Coast Guard goes back to 1790; in its present form, to 1915, when the Revenue Cutter Service and the Life Saving Service were amalgamated. The Coast Guard

personnel numbers about 17,000. Its fleet includes oar-propelled lifeboats, swift power cutters and airplanes. It has the maintenance of aids to marine navigation, including lighthouses, lightships, radio beacons, fog signals, buoys and beacons, numbering in all about 30,000.

Lighthouse Service

The Lighthouse Service was consolidated with the Coast Guard by the 1939 Reorganization Act. Federal aid to navigation began with the Act of August 7, 1789. The Lighthouse Service grew from the service then established. Aids to navigation under the Coast Guard mark a coastline of 40,000 miles, including Atlantic and Pacific shores, United States waters of the Great Lakes, the Mississippi River system, the Hawaiian Islands and Puerto Rico. The North Atlantic iceberg patrol is a Coast Guard service. Other work is aid to vessels in distress, removal of derelicts, care of shipwrecked persons, and services in remote parts of Alaska. Coast Guard searchers go far to sea in quest of lost airplanes or vessels in distress.

The Coast Guard is charged with the suppression of smuggling, protection of fisheries, seal, otter and game; enforcement of laws and regulations relative to neutrality, immigration, quarantine, and governing anchorage and movements of vessels; and it patrols regattas and marine parades.

The Coast Guard is one of the military forces of the United States. It operates as a part of the Navy in time of war or whenever the President shall direct. A Coast Guard Academy is located at New London, Connecticut, to train officers for the service.

THE BUREAU OF THE PUBLIC HEALTH SERVICE was a Treasury agency until July 1, 1939, when under the Reorganization Act it became part of the new Federal Security Agency.

THE PROCUREMENT DIVISION until 1939 consisted of the Branch of Supply and Public Buildings Branch. Reorganization gave the Public Buildings Branch to the Federal Works Agency, and with it went the Section of Fine Arts, that provides murals for post offices and other Federal buildings. The Procurement Division makes purchases for all Federal agencies except the War and Navy Departments. Purchases are made on competitive bids. In addition to quantity contracts, made as needed, term contracts are made for indefinite quantities,

and against either, orders may be placed by the Departments. The Division maintains the Federal stock catalog.

Property no longer required by the Government agency holding it, or seized for law violations, is handled by a Surplus Property Section for transfer to other Government agencies, or for sale. Contraband alcohol seized by the Coast Guard, Customs, or Alcohol Tax Unit may go to the Army or Navy for manufacture of smokeless powder, and uniforms no longer usable by the Army to the Bureau of Indian Affairs. Metal from seized distilling devices is given to this Bureau. It becomes tourist trinkets.

Treasury Staff Agencies

In addition to the agencies already listed, there is a number of staff agencies.

THE GENERAL COUNSEL FOR THE TREASURY, its chief authority on law, is in charge of all its legal activities. Assistants are assigned to various agencies.

The General Counsel's office had its inception in 1820 under the name of the Agent of the Treasury. By Act of Congress in 1830 the functions and duties of the office were increased, and its name changed to that of Solicitor of the Treasury. This office was abolished by the Revenue Act of 1934, and this Act also abolished the Office of General Counsel for the Bureau of Internal Revenue. The powers, duties, and functions of the two abolished offices, as well as other legal activities of the Department, were consolidated and placed under direct supervision and control of the General Counsel for the Treasury.

Facts are Determined

The Treasury has three research units: The Division of Research and Statistics, the Division of Monetary Research, and the Division of Tax Research. These units have charge of economic studies, and provide research, actuarial and statistical service.

THE ADMINISTRATIVE ASSISTANT TO THE SECRETARY is in direct charge of general administrative matters for the Department. Responsible to this Assistant are the offices of Chief Clerk and Superintendent, the Division of Appointments, the Division of Supply, and the Correspondence Division

Reporting directly to the Secretary of the Treasury is a number of Assistants to the Secretary, who are assigned to such duties as may be designated by the Secretary. Often these duties are of a functional nature, affecting two or more separate agencies, with a view to coordinating their work in some respects, or of meeting special problems. There is a number of technical specialists, in some instances attached to the Secretary's office, in others detailed to special agencies for general or specific services.

One important function originally assigned to the Treasury Department was that of handling public lands. During the period of the Nation's greatest territorial expansion, the General Land Office operated as a branch of the Treasury Department. It is now an agency of the Department of the Interior.

The Treasury Seal

The Great Seal of the Treasury, imprinted upon money and official documents, is older than the Constitution of the United States. The seal was designed under the direction of a committee appointed September 26, 1778, and composed of John Witherspoon, Gouverneur Morris and Richard Henry Lee. The date of the Great Seal's adoption is not known, but the seal is affixed to documents issued in 1782. The design includes a shield on which appear the scales of justice; a key, the emblem of official authority; and thirteen stars for the original States. A Latin legend circularly enclosing the shield reads "Thesaur. Amer. Septent. Sigil.," an abbreviation of "Thesauri Americae Septentrionalis Sigillum," meaning "The Seal of the Treasury of North America."

Other Insignia

The Secretary of the Treasury, the Under Secretary, and the Assistant Secretaries have their own flags. The Secretary's flag has a blue field with white stars, crossed keys and an anchor. The Under Secretary's flag has a red field. Those of the Assistant Secretaries have white fields.

The Customs Flag and Seal

The Customs flag, also called the revenue ensign, is displayed over all buildings in which Customs business is transacted, and is flown from Customs boats. This flag, familiar at ports of entry as Old Glory itself, was

authorized by the Congress on March 2, 1799, for the use of the Revenue Cutter Service, now the United States Coast Guard.

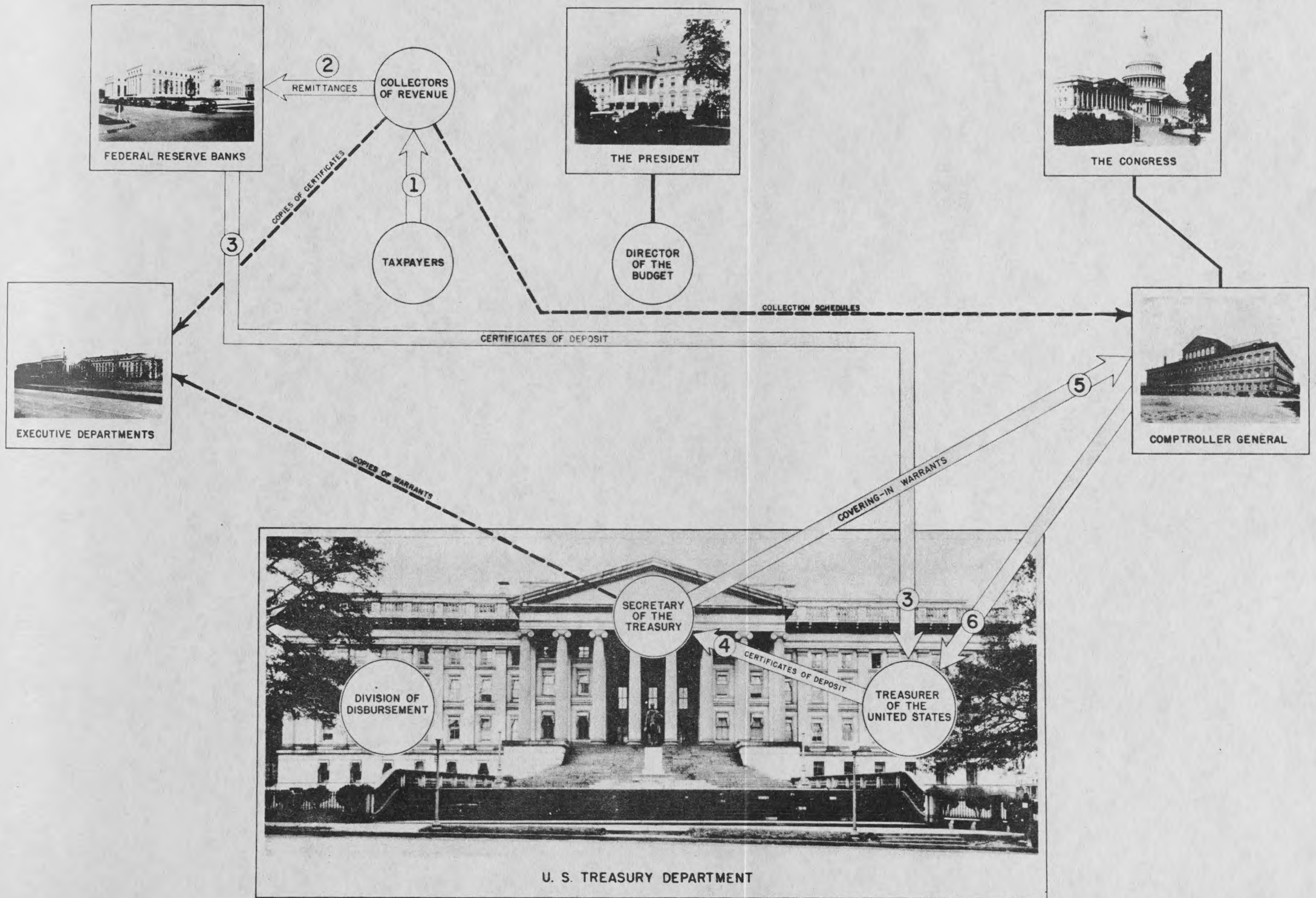
The Customs or revenue ensign has a union composed of the spread eagle and thirteen stars, an olive branch bearing thirteen leaves held in one claw of the eagle, thirteen arrows in the other claw, and a shield across the eagle's breast. The number thirteen is a symbol of the original States. The remainder of the flag is composed of sixteen perpendicular stripes, alternate red and white. The eagle, the stars, the leaves of the olive branch, and the arrows are blue on a white field, and the bars in the shield are alternate white and red. The sixteen stripes are symbols of the States composing the Union when this flag was adopted in 1799. The new States were Vermont, Kentucky and Tennessee.

The Coast Guard has its own flag and insignia, with a design which includes crossed anchors, a shield, the name of the Service, the year of its founding, 1790, and the Latin motto, "Semper Paratus," meaning "Always Ready."

HOW GOVERNMENT BOOKSARE KEPT

The chart (see next page) entitled "Accounting for Revenue" shows interdepartmental relationships in connection with receipt of money into a Government depository and its formal acknowledgment on a covering warrant. Numeral 1 shows remittances going from taxpayers to collectors of Government revenue. The deposit of such remittances in Federal Reserve Banks is shown at numeral 2; the transmittal of certificates of deposit to the Treasurer of the United States at numeral 3; the sending of the certificates by the Treasurer to the Secretary of the Treasury at numeral 4; the transmittal by the Secretary of the Treasury of a covering warrant to the Comptroller General for countersignature at numeral 5; and the return of the warrant to the Treasurer of the United States at numeral 6. The warrant supports the Treasurer's account, rendered monthly to the General Accounting Office for audit and settlement.

ACCOUNTING FOR REVENUE



HOW MONEY GOES INTO AND COMES OUTOF THE TREASURY

A chart is employed (see page 24) to show the flow of funds through the Treasury. By referring to the chart, transactions may be traced by which public moneys are received and disbursed.

At the center of the chart is a photographic reproduction of the Treasury Building, where the central accounts of the Government are maintained. Immediately above it is pictured the General Accounting Office. Here all Treasury warrants are countersigned, and the audit and settlement of public accounts are conducted.

The block at the left-hand side of the Treasury Building represents the Receipts Section of the Division of Bookkeeping and Warrants, which issues the warrants covering money into the Treasury.

The block at the right represents the Appropriation and Expenditure Section, which maintains the appropriation accounts and issues the warrants authorizing the payment of money from the Treasury.

At the bottom of the chart appears the general ledger entries reflecting the results of the work of these sections.

Attention is called to the capital letters, A to K, immediately above the blocks representing the general ledger entries relating to the various classes of documents. For instance, in the lower left-hand corner of the chart will be observed the letter A immediately above the block marked "Certificates of Deposit Received". In the upper left-hand corner of the chart the letter A appears immediately below the Collecting Officers. The various steps involved in accounting are numbered in sequence beginning with the numeral 1, showing deposit of money in a Federal Reserve Bank or other designated Government depository.

Receipts

Numeral 1 in the upper left-hand corner shows remittances being sent by collectors of revenue to Federal Reserve Banks. When the bank receives a remittance it credits the account of the Treasurer of the United States and issues a

certificate of deposit. At the close of each day's business, the original certificates of deposit (together with paid checks, coupons, etc.) are sent to the Treasurer of the United States at Washington, numeral 2, accompanied by a transcript of the Treasurer's account showing all debits and credits.

After the certificates are examined in the Treasurer's office and checked against the bank's transcript, the Treasurer charges the bank and credits his revenue account. The original certificates are then sent to the Secretary's Division of Bookkeeping and Warrants, as indicated by numeral 3. Here they go to a control desk where they are checked, classified, and posted to an Uncovered Moneys controlling account.

It will be observed by reference to the general ledger block, indicated by the letter A, that the amount of certificates of deposit received is debited in the account. "Treasurer, U. S.," and a corresponding credit is entered in an account called Uncovered Moneys.

From the Uncovered Moneys control desk the certificates, numeral 4, are sent to the Deposit Covering Clerks at numeral 5. At present (1939) there are about 40 clerks, working in 14 groups, to each of which is assigned a certain class of deposits. For example, one group is responsible for Internal Revenue; another for Customs; another for War Department deposits; another for Navy, and so on.

Covering-In Process

In the covering of money into the Treasury, the Department uses bookkeeping machines. At the time the warrant is written there are posted by carbon process several different records, all ruled exactly alike.

First, a Depositor's Register on which are posted all deposits relating to a particular depositor. This register is made in triplicate. At the end of the month two copies are sent to the General Accounting Office for auditing purposes. The other remains in the permanent files of the Treasury.

The next record (prepared by carbon process in the same operation) is a Revenue or Appropriation Register (as the case may be) upon which are posted all deposits relating to a particular revenue or appropriation account. This record

is prepared in duplicate. At the end of the month one copy is sent to the General Accounting Office for auditing purposes. The other is retained in the permanent files of the Treasury.

The third record (also prepared in the same operation) is known as a Departmental Deposit List, which is sent currently to the operating agency concerned in order that it may be immediately informed concerning deposits covered into the Treasury relating to its activities.

The Depositors' Register, given to the General Accounting Office, is checked against monthly accounts current, rendered to that office by accountable collecting and disbursing officers. The Departmental Deposit List is checked by the executive department or operating agency against triplicate copies of certificates of deposits. Covering warrants also are checked against collection schedules transmitted to the General Accounting Office by administrative agencies. There is thus provided a double check upon the covering of money into the Treasury.

Covering Warrants

Numeral 6 shows the preparation of covering warrants. Below this block is the letter B, and by reference to the related letter B in connection with the general ledger journal entries it will be noted that the Uncovered Moneys account is charged for the amount of the covering warrants issued, and a credit is entered in one or more of these three accounts: Revenues, Expenditures, or Public Debt. The Expenditures Account is credited when the deposit represents a refund to an appropriation. In such case there is a dual entry charging the Available Funds Account and crediting the Appropriations Controlling Account. The Available Funds Account is only a "record" account, being contra to appropriations. It has no relation to available cash.

Numeral 7 shows covering warrants being posted to the Uncovered Moneys account maintained at the control desk in the Receipts Section, and numeral 8 shows the control desk rendering certain monthly statements of coverings to the Treasurer of the United States for use in connection with the Daily Statement of the United States Treasury.

Numeral 9 shows the various records which are prepared in connection with the covering warrant already described. As previously mentioned, the form of the covering warrant (B),

the departmental list (10), the depositors' register (11), the repayments to appropriation register (12), and the revenue ledger (13) are all ruled exactly alike.

These records tie into other records. By reference to numeral 14 at the top left of the chart, it will be observed that a copy of the certificate of deposit issued by the collecting officer in the field is sent to his superior officer in Washington, called the "administrative officer".

By reference to numeral 15 it will be noted that the Departmental Deposit List issued by the Treasury is sent to the same office. This step serves two purposes: First, it informs the administrative department or agency concerned of the formal covering of money into the Treasury; and second, it operates as a check by the administrative office upon both the collecting office and the Treasury. Now, by reference to numeral 16 (at the center of the Treasury Building), it will be observed that copies of the depositors' register (11), the repayments to appropriation register (12), and the revenue ledger (13) are sent to the General Accounting Office. It will also be observed that collection schedules (numeral 17 at top center) are sent to the General Accounting Office by the collecting officer, providing an additional check upon the covering of money into the Treasury.

The Repayments to Appropriation Register (12) is totaled for each appropriation account and is sent to the Appropriation and Expenditure Section of the Division of Bookkeeping and Warrants where the items are posted to the proper appropriation accounts in the appropriation ledgers.

General, Special, and Trust Accounts

The accounts in the revenue ledger (13) consist of general accounts (18), special accounts (19), and trust accounts (20).

Although the Federal Government has, in the popular sense, three different funds, namely, general, special, and trust, actually all moneys are deposited in the General Fund. Within the General Fund, however, are general, special and trust accounts.

The general accounts represent moneys which are not designated by the Congress for specific uses. They consist principally of income taxes, duties on imports, miscellaneous internal revenue, and collections from miscellaneous sources

such as fees, fines, penalties, forfeitures, sales of Government property, and so forth.

Special accounts (19) represent moneys which the Congress appropriates for specified uses in advance of their collection.

The term "trust accounts" is self-explanatory. These accounts include the Government life insurance fund, various retirement funds, Indian tribal funds, and many others.

On the basis of the receipts in special accounts (19) and trust accounts (20), there is prepared an appropriation warrant (22) for the purpose of establishing the related appropriation accounts and making the money available for authorized uses. Such warrants, after being countersigned in the General Accounting Office, are posted to the detailed appropriation accounts in the appropriation ledgers as indicated on the chart.

Receipts from the sale of public debt obligations are indicated by numeral 21. They are commingled in the general fund with other receipts and may be used only to meet authorized expenditures pursuant to appropriations made by the Congress. A separate public debt account is maintained, showing with respect to each security the total amount issued (receipts), the amount retired (expenditures), and the amount outstanding.

Appropriations and Expenditures

Under the Constitution no money may be drawn from the Treasury except pursuant to an appropriation made by law. Accordingly, the accounting relating to the expenditure of money begins with the appropriation of money by the Congress at D, in the upper right-hand corner of the chart.

Appropriations are of four general types, (1) annual, (2) permanent indefinite, (3) permanent specific, and (4) continuous.

Annual appropriations, provided in the several departmental supply bills, are voted each year by the Congress. They may be obligated only during the fiscal year for which made, but the unexpended balances remain on the books of the Treasury for two additional years to meet outstanding obligations.

Permanent appropriations, on the other hand, are available year after year without annual action of the Congress. They may be either definite or indefinite as to amount. An example of the latter is the permanent indefinite appropriation for payment of interest on the public debt which gives the Secretary of the Treasury continuing authority to pay interest as it falls due.

A permanent specific appropriation is one where the Congress appropriates a specific amount more or less permanently for a number of years. For example, the Congress may make a limited appropriation, say, of a million dollars a year for each of five years. In such a case the Treasury would set up an appropriation account of a million dollars at the beginning of each fiscal year for the five years without annual action by Congress. Or, it may appropriate a specific amount permanently without limitation as to time.

Then again, the Congress may make an appropriation in a specific amount to be available until expended. These are called continuous or "no-year" appropriations. That is, they do not lapse at the end of the fiscal year.

In a limited number of cases (such as good roads and public buildings) Congress authorizes the entering into of contracts to be paid from future appropriations.

There are (1939) more than 7,200 appropriation accounts on the Treasury books. The Congress frequently enacts legislation affecting accounts already on the books. Treasury accountants must not only keep abreast of appropriation legislation, but must keep alert to the possible effect of other new legislation on existing appropriation accounts.

After an appropriation act has been approved by the President, the original is sent to the State Department for custody and safekeeping.

The State Department supplies the Treasury Department with a certified copy of each appropriation act at numeral 23 (right center of the chart).

Appropriation Warrant

On the basis of the Act, an appropriation warrant is prepared in the Division of Bookkeeping and Warrants upon which is listed the amount to be credited to each

appropriation account. After the warrant is countersigned by the Comptroller General of the United States it is posted to the detailed appropriation accounts in the Treasury Division of Bookkeeping and Warrants at numeral 24.

A certified copy of the appropriation warrant is sent by the Division of Bookkeeping and Warrants to each administrative agency to which the appropriations are made. This is in the nature of an official notice from the Treasury that the funds are available for obligation and requisition, numeral 25, and is used as the medium for posting the appropriation accounts in the operating agency.

Appropriation Transfer Warrants

Frequently the Congress authorizes the transfer of unexpended balances from one appropriation account to another. Numerals 26 and 27 show the issuance and posting of appropriation transfer warrants.

Surplus-Fund Warrants

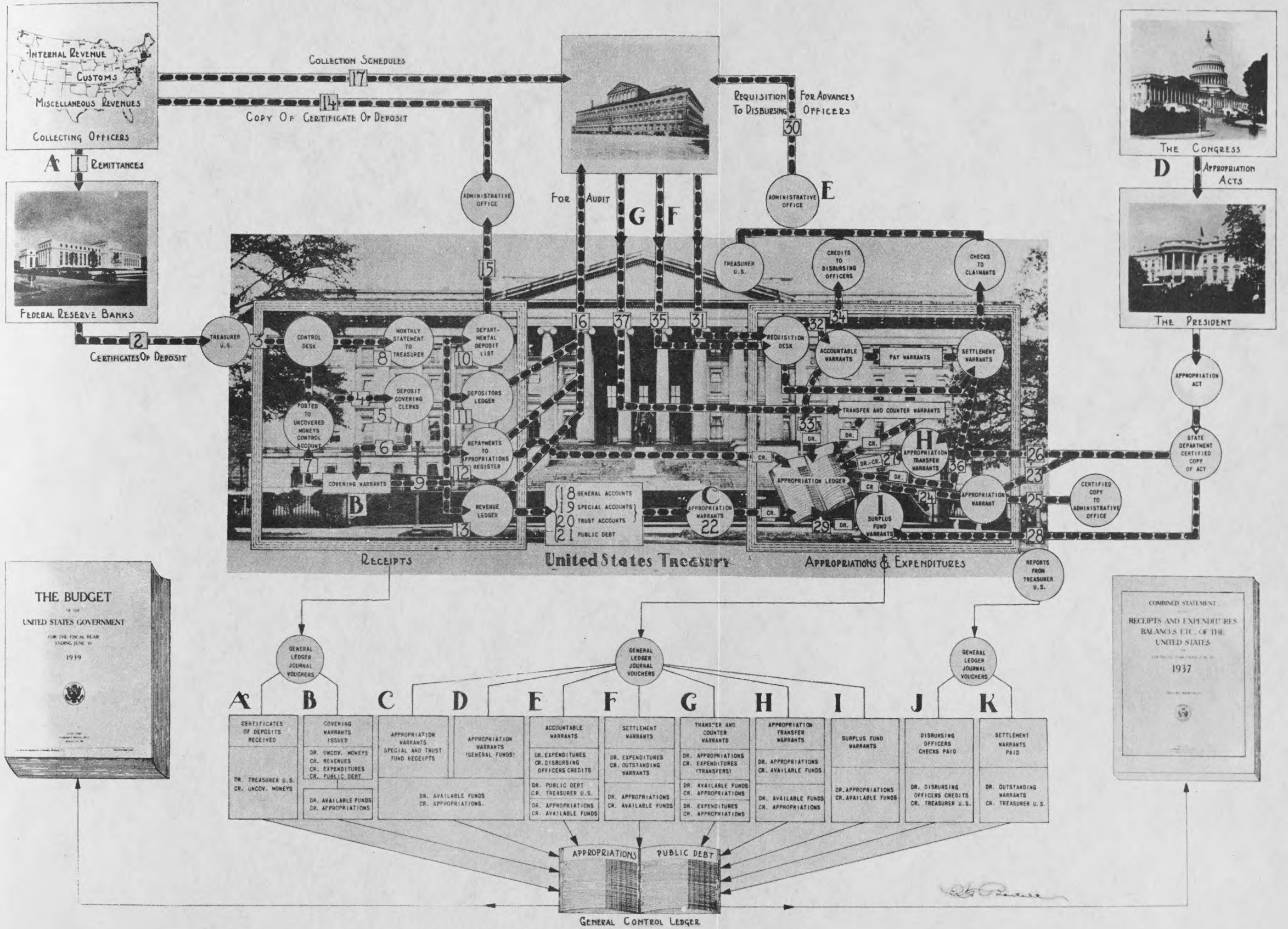
Pursuant to the Act of June 20, 1874, the Treasury clears from its books, as of the last day of each fiscal year, the unexpended balances of all annual appropriations that have remained on the books for two full fiscal years after the close of the year for which the appropriations were made. This is known as carrying money to what in the law is termed the "Surplus-fund of the Treasury." This fund does not represent surplus money as the term would ordinarily imply.

Appropriations when made by the Congress and set up on the books of the Treasury Department do not represent income or cash set aside in the Treasury for the purposes specified in the appropriation acts. They are only record accounts and merely represent the limit to which administrative offices may obligate Government funds for specified purposes. They are based largely on anticipated tax collections and other receipts. It follows, therefore, that when appropriations, or unexpended balances of appropriations, are carried to the Surplus-fund of the Treasury it involves simply a matter of writing such appropriations off the books without increasing the cash in the Treasury or affecting it in any manner.

Numerals 28 and 29 show the posting of surplus-fund warrants to the detailed appropriation ledgers.

(Turn to the next page for the chart, "Control of Receipts and Issues.")

CONTROL OF RECEIPTS AND ISSUES



THE TREASURY BUILDING

The cornerstone of the United States Treasury Building was placed, and the building stands where it is, because President Andrew Jackson did not have patience with a committee, even one of his own choosing.

Fire had taken two Treasury buildings, and for several years in the Republic's youth the Department had no building of its own. After many urgings and delays, the Congress celebrated July 4, 1836, by authorizing the President to cause to be erected "a fireproof building of such dimensions as may be required for the present and future accommodations" of the Department. There was an appropriation of \$100,000.

It was the intention of those delegated by President Jackson to carry out the provisions of the Act that the building should be placed so that it would not obstruct the view along the mile and a half of Washington's broadest thoroughfare, Pennsylvania Avenue, between the White House and the Capitol.

But the Treasury Building planners did not act at once. They held meetings and talked. Their delay irked President Jackson. Had the members of his planning committee been abroad early one morning--and doubtless later they wished they had--they would have seen the First Citizen leave the Executive Mansion and cross over briskly with a little group to the vacant Treasury site. After an examination of the ground, the President suddenly came to a halt (so the story goes), planted his cane firmly in the earth near the northeast corner, and exclaimed to those around him:

"Right here is where I want the cornerstone!"

This story has confirmation. Robert Mills, who designed the building on which operations were begun in 1838, informed a Congressional committee that "its precise position" had been determined "by the positive directions of the late President."

When the Treasury Department was established by the first Congress, and for several years thereafter, Philadelphia was the temporary capital of the Nation. Included in the scheme of buildings for the various branches of the public service, that were soon to be removed to the District of Columbia, were plans for a small wooden structure to house the Treasury.

This building, the design of George Hatfield, an English architect, was erected at the northeast corner of the site of the present building, or near the corner of Pennsylvania Avenue and Fifteenth Street. Completed in 1799, it was occupied in 1800, when the new City of Washington became the seat of the Federal Government.

This first Treasury headquarters in Washington was partially destroyed by fire in 1801. Repaired, the building continued in use until 1814, when it was burned by British soldiers, with most of its records and documents. Another building, erected soon afterward, was the home of the Treasury until March 31, 1833, when it also was destroyed by fire.

Then came the cane-planting episode, in 1836, that gave the building its location and its start. But progress suffered a long series of delays. As the project took shape it failed to gain the approval of the Congressional Committee on Public Buildings and Grounds. In undertaking to pass judgment, the committee availed itself of the services of Thomas U. Walker, a Philadelphia architect. Among the features which the committee criticised were the location and plan of the building and the material that was being used in its construction.

A report to the Congress, March 29, 1838, embodied the committee's criticisms. One of the objections was that if the plans then being followed were carried out it would be necessary to remove the State Department Building, which at that time stood upon ground now occupied by the east end of the north wing of the Treasury. With its report, the committee submitted a draft of a bill calling for the demolition of the work already in place.

While the committee waited for Congressional approval of its report, building operations were suspended. The Congress evidently failed to heed the committee's recommendations, for operations were shortly resumed, with sufficient result that August, 1839, saw installed in the yet uncompleted building the Secretary of the Treasury, Levi Woodbury, as well as the Register, the first Comptroller, the Solicitor, and the Commissioner of the General Land Office. The Attorney General's offices also were in the Treasury Building.

As it stood when completed in 1842, the Treasury Building was much smaller and less imposing than it is now. Except on its east side, its outer walls were within the lines of the

corridors that now run the length and breadth of the building, and it contained in all but 150 rooms. The building now (1939), with subdivisions--for many of the originally spacious chambers have been cut into two or three offices--contains 475 rooms.

The cost was something less than \$700,000. The architect's plans called for an expenditure of nearly \$1,500,000. Had the original design been followed, with a view to the "future accommodations" of the Department, the structure might have remained without additions or alterations for a long time.

It was necessary in a few years to enlarge the building, and the Congress by Act of March 3, 1855, appropriated \$300,000 for the purpose. Work on the extension was begun in July, 1855, on plans drawn by Architect Walker, whose earlier recommendations had been ignored. By September, 1861, the portion which constitutes the present south wing was completed. The work was interrupted during the early days of the Civil War, but by 1864 the west wing had been carried up to the line of the present north facade.

Adjacent to the Treasury Building, on the north, were two other Government buildings. One, at the northwest corner of the Treasury reservation, housed the War and Navy Departments. The other, at the northeast corner, had the Department of State. To make room for the north wing, these buildings were removed, and in 1869 the Treasury's north wing was finished. The construction of this wing completed a building of a hollow rectangular shape bisected by a single corridor across the center from east to west.

Thus, after a third of a century, the building authorized in 1836 was approximated. The cost of the structure, with the three wings added, totaled a little more than \$6,000,000; later changes brought the total cost to about \$8,000,000.

Installation of electricity began in the 1880's, and the development and extension of direct current systems came as the demands for new appliances grew. The first contract for general installation of electricity was made in 1898. This was for a direct current, high-tension system that continued in use until 1938, when installation of an alternating current system was completed. Change from direct to alternating current (except for elevator service) was begun in 1933 and continued over a five-year period.

The first elevators, two hydraulics, were installed in 1879, one at the north end and one at the south end of the east corridor. Three electric elevators were installed in 1910, the first of their type in the building.

The first air-conditioning machines were installed in 1933-34 on the fourth floor, and about a year later the remainder of the building (except the sub-basement) was conditioned. The plant where most of the air is cooled is on the fourth floor, at the northern end of the building. Here air is drawn in from outdoors through sheets of falling water. Much of this air, still cool, is returned to the plant, renovated and again put in circulation.

Plumbing of some kind has been in the Treasury Building since its beginning. In 1888 the old brick sewer that ran under the building was replaced with iron pipes, and in 1904 a new cast-iron sewer was laid.

Electric drinking water coolers replaced ice coolers in 1934.

In the early days gas was used for lighting. A piping system supplied the gas to ceiling chandeliers and wall bracket fixtures. Parts of this system remain in walls and under floors throughout the building. The fluted and gilded pilasters along the halls, whose capitals, shaped of Treasury eagles, are Corinthian in effect, are hollow, and contain gas pipes.

The story of heating in the Treasury Building suggests a pageant of scientific progress. First, open fireplaces and crackling logs, then Franklin stoves, and now, after various trials and changes, the high-pressure steam heating system installed in 1907. Several fireplaces are still used, one of them in the Secretary's Office.

Thus the Treasury Building has known many changes and improvements since its completion, has seen transition from brick arch sewers, primitive heating facilities, candle and gas jet lighting, no elevators, to plumbing, heating, and lighting systems of advanced type, modern passenger and freight elevators, and air-conditioning.

It may be said of the Treasury Building that it is a building with other buildings within it. In 1891, a \$25,000 building for the Supervising Architect's office was constructed in the south court, inside the rectangle. In 1933

a great vault was constructed in the north court, at a cost of \$334,290, and in 1934, office space was constructed over the vault at a cost of \$37,160.

Greek Revival in form, the Treasury Building is considered one of the most consistent units of this type in the United States. The Building's dimensions are 260 feet east and west by 466 feet north and south, or about two city blocks in length and one in width. There are four floors, a basement and sub-basement; the so-called basement is really the first floor, making a five-story building. The fourth floor, hidden from the street by a parapet balustrade, is a comparatively recent addition, constructed in 1921.

The rectangle encloses a central court and covers more than 120,000 square feet, or nearly five acres. The court is divided by a corridor of offices connecting the east and west wings. There is the office-vault building in the north court area and a one-story building in the south court area. The north, south and west facades have lofty porticoes, the pediments of which in each instance are supported by eight giant monolithic columns of Ionic design. The east facade is distinguished by a colonnade of thirty of these great monolithic columns in an unbroken line of 341 feet. All the Treasury Building columns, of which there are 72, are of granite, each 36 feet in height and weighing about thirty tons. Besides the colonnade there are two pairs of pillars on the east side, 18 in all on the west side and 10 each on the north and south sides.

The columns of the colonnade were originally of sandstone from Virginia quarries. This stone suffered from weather, and in 1907 these columns were replaced with granite from New Hampshire; the stone was finished in shops at Worcester, Massachusetts, and came to Washington by rail. The east, or Fifteenth Street entrance, was remodeled, and steps leading to the first floor were removed so that the entrance is now on the street level into the so-called basement. Granite for the other columns and for the remainder of the building was quarried on Dix Island near Rockland, Maine. It was brought to Washington in sailing ships.

When the east side columns were replaced, the pilasters behind them, and four inches of the face of the building, including cornice and parapet, were replaced with granite. Portions of the old sandstone finish may be seen on the court or inner side of the building.

The main entrance, as planned originally, was to have been from Treasury Place on the south. But this entrance is not even used now, and remains closed. It is the opposite entrance on the north, perhaps the most photographed, that is doubtless considered the front door of the Treasury by the average Washington sightseer. However, the main entrance to the Treasury Building is the one on Fifteenth Street, through the colonnade. The entrance consists of five narrow, heavily-barred doorways, of which but one is commonly used for entry, the others being used as exits.

The west entrance, looking across to the White House grounds, is sometimes considered the one intended by the planners for the front door of the Treasury, but convenience to transportation and the business district determined that the opposite east entrance should become the main portal.

In a sunken court on the west side, partially roofed by lawns and driveways, there is storage place for officials' cars, and for delivery trucks and vans; coal bunkers tunnel under the sidewalk, and to the north one of the cooling units of the air-conditioning system operates beneath the lawn.

The great cash room of the Treasury, arranged much like the public hall and cashiers' windows of a bank, is on the first floor behind the north portico. This chamber is 72 feet long, 34 feet wide and 30 feet--two stories--in height. There is a balcony all around at the second floor level. The walls of both floor levels are of vari-colored Vermont and Italian marble panels and trim, between pairs of fluted pilasters. The capitals of the first floor pilasters are Corinthian. The capitals of the second floor pilasters are Ionic-Corinthian. So fine is this room that at the time of President Grant's second inauguration it was chosen as the most fitting one in Washington in which to hold the splendid inaugural ball. In the corridors outside the cash room are cases of exhibits bearing upon the development and mechanical preparation of the national currency. Other cases in the building's corridors contain relics of historical significance.

Entrance through the east or Fifteenth Street door is to the ground floor of the building, commonly called the basement, but actually the main floor.

On the ground floor there is a modern emergency room, with a 24-hour schedule, so as to care for night-shift employees as well as those who work by day.

Below the ground floor or basement is the sub-basement, where the building's mechanical controls are placed. In the north portion of the sub-basement are vaults, burglar- and fire-proof, cut off by guarded inner stairways from access save to designated employees. There are eleven vaults with time-lock and electrical protection. Here are stored silver, paper money and bonds of many millions' value. The largest, or currency reserve vault, has the reserve supply of paper currency and of silver coin and bullion. The vault next in size is for securities and miscellaneous storage. Confiscated opium is kept in these vaults, and as much as 50,000 pounds have been stored at one time. These two largest vaults, constructed in 1933 and 1934, contain approximately 145,000 cubic feet of storage space. Their alarm systems would indicate to the Captain of the Watch any attempt to tamper or to enter.

From the sub-basement a passage leads north under wide and busy Pennsylvania Avenue to the Treasury Annex, which houses the Disbursement offices. The Annex, completed in 1919, is a six-story building of Italian Renaissance architecture.

The office of the Building Superintendent is on the ground or basement floor. Other important offices on this level include Division of Appointments and United States Savings Bonds. Up one flight by a broad, curving stairway, with deeply worn treads of stone, are the Chief Clerk's and part of the Comptroller's offices. On the first floor also are the Secret Service and part of the General Counsel's staff. The second floor has the General Counsel's Office, the Bureau of the Mint, and Research and Statistics.

On the second floor, at the southwest corner of the building, are the reception room and offices of the Secretary of the Treasury, reached by elevator from a private entrance which faces toward the east door of the White House. (There is no secret underground passageway between the Executive Mansion and the Treasury, although the story persists that there is such a connection.) The Secretary's offices command on the west a view of the trees and lawns of the White House grounds; to the south in the forecourt is seen the Alexander Hamilton statue, and beyond, across Treasury Place, the equestrian statue of General Sherman, curving drives and Potomac Park stretching toward the Washington Monument. Framing this vista on the left is the Department of Commerce Building. The park's many trees stand like a heavy forest, obscuring the great bend of the Potomac, southward, and the Lincoln Memorial, southwestward. In the south foreground, the Secretary's windows look on a broad lawn, framed by the Treasury's rose gardens.

Grouped around the Secretary's office on the second floor are those of the Under Secretary, the three Assistant Secretaries, and the several Assistants to the Secretary, with their own subordinate forces. The General Counsel's office occupies a suite at the southeast corner of the secretarial corridor.

About half the space on the third floor (1939) is occupied by the Division of Bookkeeping and Warrants, which is the Government's principal bookkeeper. All accounting matters for the entire Government service in Washington are cleared through this office, which has at its head the Commissioner of Accounts and Deposits. Much of the remaining space is occupied by offices of the Comptroller of the Currency. Also housed on this floor are members of the General Counsel's staff, with a well equipped law library. The main Treasury telegraph office also is on the third floor; likewise the Treasury Library, whose 126,000 volumes include a comprehensive collection of financial and taxation material. Data and reports from all nations and all States, with complete tax and financial information for the Federal Government, are here. The Library has one of the few complete collections of the Congressional Record, and the Proceedings of Congress, with committee and departmental reports, so that the historian or researcher may find what he seeks if it is within the province of fact. All the Reports to Congress of the Secretaries of the Treasury are here in bound volumes, from that of Secretary Hamilton, now known as the Report on the Public Credit, to the present (1939) Annual Report. Financial reports from other countries--and all countries having financial reports are represented--include Government documents, bank statements, and other statistical material. The Library maintains exchange relations with 27 libraries in Washington and elsewhere in the United States.

The fourth floor, added to the Treasury Building by the expedient of lifting the roof, is made up mostly of large spaces. Approximately three-fourths of the floor is occupied by the Accounting Division, attached to the office of the Treasurer. Here all Government checks are audited and listed before being stored. Also on this floor are the Division of Deposits, the Secretary's Correspondence Division, and the Graphic Section of the Division of Research and Statistics.

The statue of Hamilton, first Secretary of the Treasury, was modeled by James Earle Fraser, American sculptor, much of whose work is in Washington. The statue, unveiled May 17, 1923, stands in the center of the broad paved terrace at the

foot of the south steps. It is a nine-foot bronze figure on a pedestal of pink granite, of which Henry Bacon was the designer.

These inscriptions are cut in opposite faces of the pedestal:

ALEXANDER HAMILTON
1757 - 1804
First Secretary of the Treasury
Soldier Orator Statesman
Champion of Constitutional Union
Representative Government and
National Integrity

"He smote the rock
of the National resources
and abundant streams
of revenue gushed forth.
He touched the dead corpse
of the public credit and
it sprung upon its feet"

The quotation is from an address delivered by Daniel Webster, March 10, 1831, in tribute to Hamilton.

James Earle Fraser was commissioned (1939) sculptor of the Albert Gallatin statue, to be placed in the north forecourt of the Treasury. The statue, to be 10 feet in height on a green granite base, designed by the Supervising Architects' Office of the Federal Works Agency, will be erected by the Albert Gallatin Memorial Fund Commission. Gallatin was Secretary of the Treasury from 1801 to 1814, was a representative at the framing of the Treaty of Ghent, and was Minister to France and to Great Britain. The statue will occupy the space where stood a much-admired fountain, removed (1939) to make room for the sculpture.

The Hamilton statue causes many questions, from "Who was Alexander Hamilton?" to the name of the author of the rock-smiting inscription.

The Treasury Building, at the city's very axis, is the object of much inquiry. Sometimes it is the building's age that is asked, but the request most often heard from tourist visitors is to be shown "where the money is made." Usually

what is meant is the place of coinage of gold and silver. They are told that no coin or currency is produced in the Treasury Building, but that the Bureau of the Mint's administrative offices are here; that most of the metal coin is minted at the Philadelphia Mint. To see the printing of paper money visitors are directed to the Bureau of Engraving and Printing whose huge building is between Fourteenth and Fifteenth Streets, southward beyond the Washington Monument from the Treasury.

There is interest in the large portraits, for the most part in oils, of the Secretaries of the Treasury, that hang on the walls of the secretarial and assistant secretarial suites. There is a portrait of each past Secretary, but not all of them have places in the offices.

Even with every inch of space utilized, and many of the earlier large offices divided into two or more smaller ones, the Treasury Building cannot accommodate all Department functions, and Treasury activities are placed in many other buildings, some rented, some owned by the Government. Among the latter are the so-called Annex, the Bureau of Engraving and Printing, the Liberty Loan Annex, the Internal Revenue Building, which covers most of two blocks, and the Branch of Supply Building, formerly known as the Federal Warehouse and as the Procurement Building.

Details of the Treasury Building, as well as its architectural entity, are frequently the objects of admiration, both by the one-time visitor and by those who enter it each day. There are long hallway vistas, arresting views between columns, factors of design and decoration that take the attention, such as the Hamilton statue, seen through the columns of the south portico; the morning light through the colonnade; the circular stairways with no visible supporting agencies, each granite step fashioned to fit the curve and varying from each other step; the balustrade grill work of wrought iron, of oak-and-acorn design; the ceiling decorations of the fourth floor rotundas; many friezes and cornices; the fluted and gilded hallway pilasters, whose capitals are shaped of eagles with lifted wings, and bear the key symbol as it appears on the Treasury Seal; the groined arches where the arched hallways join in front of the east elevators; the columned lobby at the west portal; the arched or paneled ceilings and their value for reflected light. Much of the building's beauty derives from the fact that its builders from the first worked with the thought of utility and comfort as prerequisites to good construction.

The Treasury Building, for the most part a hundred years old, has the utility and convenience of a brand-new office structure, with the spaciousness and graciousness and dignity of another and perhaps less hurried time.

The only place within or without the building that bears words indicating its character is the entrance to the Cashier's Room opening from the north lobby. Here above the doors appear the words:

"Treasury of the United States."

SECRETARIES OF THE TREASURY

and

Presidents Under Whom They Served

<u>Presidents</u>	<u>Secretaries</u>	<u>Term of Service</u>	
		<u>from</u>	<u>to</u>
WASHINGTON	Alexander Hamilton, New York	Sept. 11, 1789	Jan. 31, 1795
	Oliver Wolcott, Connecticut	Feb. 3, 1795	March 3, 1797
ADAMS, JOHN	Oliver Wolcott, Connecticut	March 4, 1797	Dec. 31, 1800
	Samuel Dexter, Massachusetts	Jan. 1, 1801	March 3, 1801
JEFFERSON	Samuel Dexter, Massachusetts	March 4, 1801	May 13, 1801
	Albert Gallatin, Pennsylvania	May 14, 1801	March 3, 1809
MADISON	Albert Gallatin, Pennsylvania	March 4, 1809	April 17, 1813
	George W. Campbell, Tennessee	Feb. 8, 1814	Oct. 5, 1814
	Alexander J. Dallas, Pennsylvania	Oct. 6, 1814	Oct. 21, 1816
	William H. Crawford, Georgia	Oct. 22, 1816	March 3, 1817
MONROE	William H. Crawford, Georgia	March 4, 1817	March 6, 1825
ADAMS, J. Q.	Richard Rush, Pennsylvania	March 7, 1825	March 5, 1829
JACKSON	Samuel D. Ingham, Pennsylvania	March 6, 1829	June 20, 1831
	Louis McLane, Delaware	Aug. 8, 1831	May 28, 1833
	Wm. J. Duane, Pennsylvania	May 29, 1833	Sept. 22, 1833
	Roger B. Taney, Maryland	Sept. 23, 1833	June 25, 1834
	Levi Woodbury, New Hampshire	July 1, 1834	March 3, 1837
VAN BUREN	Levi Woodbury, New Hampshire	March 4, 1837	March 3, 1841
HARRISON	Thomas Ewing, Ohio	March 6, 1841	April 4, 1841
TYLER	Thomas Ewing, Ohio	April 5, 1841	Sept. 11, 1841
	Walter Forward, Pennsylvania	Sept. 13, 1841	March 1, 1843
	John C. Spencer, New York	March 8, 1843	May 2, 1844
	George M. Bibb, Kentucky	July 4, 1844	March 4, 1845
POLK	George M. Bibb, Kentucky	March 5, 1845	March 7, 1845
	Robert J. Walker, Mississippi	March 8, 1845	March 5, 1849
TAYLOR	Wm. M. Meredith, Pennsylvania	March 8, 1849	July 9, 1850

<u>Presidents</u>	<u>Secretaries</u>	<u>Term of Service</u>	
		<u>from</u>	<u>to</u>
FILLMORE	Wm. M. Meredith, Pennsylvania	July 20, 1850	July 22, 1850
	Thomas Corwin, Ohio	July 23, 1850	March 6, 1853
PIERCE	James Guthrie, Kentucky	March 7, 1853	March 6, 1857
BUCHANAN	Howell Cobb, Georgia	March 7, 1857	Dec. 8, 1860
	Philip F. Thomas, Maryland	Dec. 12, 1860	Jan. 14, 1861
	John A. Dix, New York	Jan. 15, 1861	March 6, 1861
LINCOLN	Salmon P. Chase, Ohio	March 7, 1861	June 30, 1864
	Wm. P. Fessenden, Maine	July 5, 1864	March 3, 1865
	Hugh McCulloch, Indiana	March 9, 1865	April 15, 1865
JOHNSON	Hugh McCulloch, Indiana	April 16, 1865	March 5, 1869
GRANT	Geo. S. Boutwell, Massachusetts	March 12, 1869	March 16, 1873
	Wm. A. Richardson, Massachusetts	March 17, 1873	June 3, 1874
	Benjamin H. Bristow, Kentucky	June 4, 1874	June 20, 1876
	Lot M. Morrill, Maine	June 7, 1876	March 3, 1877
HAYES	Lot M. Morrill, Maine	March 4, 1877	March 9, 1877
	John Sherman, Ohio	March 10, 1877	March 3, 1881
GARFIELD	Wm. Windom, Minnesota	March 8, 1881	Sept. 19, 1881
ARTHUR	Wm. Windom, Minnesota	Sept. 20, 1881	Nov. 13, 1881
	Charles J. Folger, New York	Nov. 14, 1881	Sept. 4, 1884
	Walter Q. Gresham, Indiana	Sept. 25, 1884	Oct. 30, 1884
	Hugh McCulloch, Indiana	Oct. 31, 1884	March 3, 1885
CLEVELAND	Hugh McCulloch, Indiana	March 4, 1885	March 7, 1885
	Daniel Manning, New York	March 8, 1885	March 31, 1887
	Charles S. Fairchild, New York	April 1, 1887	March 3, 1889
HARRISON, B.	Charles S. Fairchild, New York	March 4, 1889	March 6, 1889
	Wm. Windom, Minnesota	March 7, 1889	Jan. 20, 1891
	Charles Foster, Ohio	Feb. 25, 1891	March 3, 1893
CLEVELAND	Charles Foster, Ohio	March 4, 1893	March 6, 1893
	John G. Carlisle, Kentucky	March 7, 1893	March 3, 1897
MCKINLEY	John G. Carlisle, Kentucky	March 4, 1897	March 5, 1897
	Lyman J. Gage, Illinois	March 6, 1897	Sept. 14, 1901

<u>Presidents</u>	<u>Secretaries</u>	<u>Term of Service</u>	
		<u>from</u>	<u>to</u>
ROOSEVELT, T.	Lyman J. Gage, Illinois	Sept. 15, 1901	Jan. 31, 1902
	L. M. Shaw, Iowa	Feb. 1, 1902	March 3, 1907
	G. B. Cortelyou, New York	March 4, 1907	March 7, 1909
TAFT	Franklin MacVeagh, Illinois	March 8, 1909	March 5, 1913
WILSON	W. G. McAdoo, New York	March 6, 1913	Dec. 15, 1918
	Carter Glass, Virginia	Dec. 16, 1918	Feb. 1, 1920
	David F. Houston, Missouri	Feb. 2, 1920	March 3, 1921
HARDING COOLIDGE HOOVER	Andrew W. Mellon, Pennsylvania	March 4, 1921	Feb. 12, 1932
HOOVER	Ogden L. Mills, New York	Feb. 13, 1932	March 4, 1933
ROOSEVELT, F.D.	William H. Woodin, New York	March 5, 1933	Dec. 31, 1933
	Henry Morgenthau, Jr., New York	Jan. 1, 1934	

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Mr. Schwarz

Feb. 5-41
Mr. King

February 7, 1941.

No 23-56

TO MR. BELL:

During the month of January, 1941, the following market transactions took place in direct and guaranteed securities of the Government:

Purchases	\$2,825,000
Sales	<u>40,000</u>
Net Purchases	<u><u>\$2,785,000</u></u>

(Initialed) R. W. M.
for Commissioner of Accounts.

Copy to Mr. Schwarz
Mr. Heffelfinger
Mrs. Shaw
Mr. Martin
File

MLM

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Saturday, February 15, 1941.

Press Service
No. 23-56

Market transactions in Government securities for Treasury investment accounts in January, 1941, resulted in net purchases of \$2,785,000, Secretary Morgenthau announced today.

-oOo-

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 18, 1941.
2/17/41

Press Service
No. 23-57

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series 91-day Treasury bills, to be dated February 19 and to mature May 21, 1941, which were offered on February 14, were opened at the Federal Reserve Banks on February 17.

The details of this issue are as follows:

Total applied for - \$209,830,000
Total accepted - 100,110,000

Range of accepted bids: (Excepting one tender of \$50,000)

High - 100.001
Low - 99.996 Equivalent rate approximately 0.016 percent.
Average price - 99.998 Equivalent rate approximately 0.007 percent.

(83 percent of the amount bid for at the low price was accepted).

Emm

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Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 18, 1941.
2/17/41

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TREASURY DEPARTMENT
Washington

For Release, *Morning Newspaper*
November 20, 1941
~~PRESS RELEASE~~

Press Service
No. 23-58

The Bureau of Customs announced today that preliminary reports from ~~the~~ collectors of customs indicate that the quota of 500 pounds on silver or black fox paws, heads, or other separated parts of silver or black fox furs and skins (other than tails) has been exhausted for the period December 1, 1940, to November 30, 1941. *L* Entry, or warehouse withdrawal, for consumption of these commodities is therefore prohibited until the beginning of the next quota period on December 1, 1941.

-oOo-

~~(Prepared by the Bureau of Customs)~~

EM

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Thursday, February 20, 1941.

Press Service
No. 23-58

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-oOo-

taxation any increment in value represented by the difference between the price paid and the redemption value received (whether at or before maturity) for savings bonds shall be considered as interest.

2. Paragraph 7 of Department Circular No. 596, dated December 15, 1938 (Sec. 314.107 of Sub-title B of Title 31, Code of Federal Regulations, Supp.I) as amended on March 27, 1940 (Sec. 314.107 of Sub-title B of Title 31, Code of Federal Regulations, Supp. III), is hereby further amended, effective March 1, 1941, to read as follows:

7. Section 22 of the Second Liberty Bond Act, as added February 4, 1935, provided that it shall not be lawful for any one person at any one time to hold savings bonds issued during any one calendar year in an aggregate amount exceeding \$10,000 (maturity value). This provision applies to savings bonds issued before March 1, 1941. The Public Debt Act of 1941 amended said Section 22, effective March 1, 1941, to authorize the Secretary of the Treasury by regulation to fix the amount of savings bonds issued in any one year that may be held by any one person at any one time. Pursuant to such authority, it is hereby provided that the amount of Savings Bonds of Series D issued, pursuant to Department Circular No. 596, as amended, during any one calendar year (including those issued before March 1, 1941, as well as those issued on and after March 1, 1941) that may be held by any one person at any one time shall not exceed \$10,000 (maturity value) of bonds originally issued to such person. For method of computation of holdings, see Department Circular No. 530, Third Revision, as amended.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury

UNITED STATES SAVINGS BONDS

SERIES D

1941
Second Amendment to
Department Circular No. 596
as amended

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, *February 20*, 1941.

Fiscal Service
Bureau of the Public Debt

1. Paragraph 5 of Department Circular No. 596, dated December 15, 1938 (Sec. 314.105 of Sub-title B of Title 31, Code of Federal Regulations, Supp. I), is hereby amended, effective March 1, 1941, to read as follows:

5. Each of the Savings Bonds of Series D issued hereunder will be entitled to such exemption from taxation as may be authorized by the law in effect on its issue date. Bonds of Series D, issued before March 1, 1941, are exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States or by any local taxing authority, except (a) estate or inheritance taxes, or gift taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations; the interest on an amount of bonds authorized by the Second Liberty Bond Act, approved September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above. Bonds of Series D issued on and after March 1, 1941, are subject to the same provisions, except that interest upon such bonds shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. For purposes of

UNITED STATES SAVINGS BONDS

SERIES D

1941
Second Amendment to
Department Circular No. 596
as amended

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, Feb. 20, 1941

Fiscal Service
Bureau of the Public Debt

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provided for in clause (b) above. Bonds of Series D issued on and after March 1, 1941, are subject to the same provisions, except that interest upon such bonds shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. For purposes of taxation any increment in value represented by the difference between the price paid and the redemption value received (whether at or before maturity) for savings bonds shall be considered as interest.

2. Paragraph 7 of Department Circular No. 596, dated December 15, 1938 (Sec. 314.107 of Sub-title B of Title 31, Code of Federal Regulations, Supp. I) as amended on March 27, 1940 (Sec. 314.107 of Sub-title B of Title 31, Code of Federal Regulations, Supp. III), is hereby further amended, effective March 1, 1941, to read as follows:

7. Section 22 of the Second Liberty Bond Act, as added February 4, 1935, provided that it shall not be lawful for any one person at any one time to hold savings bonds issued during any one calendar year in an aggregate amount exceeding \$10,000 (maturity value). This provision applies to savings bonds issued before March 1, 1941. The Public Debt Act of 1941 amended said Section 22, effective March 1, 1941, to authorize the Secretary of the Treasury by regulation to fix the amount of savings bonds issued in any one year that may be held by any one person at any one time. Pursuant to such authority, it is hereby provided that the amount of Savings Bonds of Series D issued, pursuant to Department Circular No. 596, as amended, during any one calendar year

(including those issued before March 1, 1941, as well as those issued on and after March 1, 1941) that may be held by any one person at any one time shall not exceed \$10,000 (maturity value) of bonds originally issued to such person. For method of computation of holdings, see Department Circular No. 530, Third Revision, as amended.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

shall not exceed \$10,000 (maturity value) of bonds originally issued to such person.

(b) Computation of amount.-- In determining whether the limitation is exceeded by any one person at any one time there must be taken into account the aggregate maturity value of all savings bonds issued during any one calendar year, as shown by the issue dates thereof, including (1) bonds originally issued to and registered in the name of that person alone, and (2) those originally issued to and registered in the name of that person with another as coowner. Bonds of which such person is merely the designated beneficiary in the case of the death of the owner, and bonds of which he may hereafter become the owner on the death of another or the happening of any other event, need not be included. Nothing herein contained shall be construed to validate any holdings heretofore acquired in excess of the lawful limit as computed under the regulations in force at the time of such acquisition.

2. The above amendment is published for the information and guidance of all concerned.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

~~For Publication,~~
~~Federal Register Series, No.~~

2/17/41

REGULATIONS GOVERNING UNITED STATES SAVINGS BONDS

1941
First Amendment to
Department Circular No. 530
Third Revision

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, February 20, 1941.

Fiscal Service
Bureau of the Public Debt

TO OWNERS OF UNITED STATES SAVINGS BONDS, AND OTHERS CONCERNED:

1. Paragraph 1 of Section IV of Department Circular No. 530, Third Revision, dated March 27, 1940 (Sec. 315.3 of Sub-title B of Title 31, Code of Federal Regulations, Supp. III), is hereby amended, effective March 1, 1941, to read as follows:

IV. LIMITATION ON HOLDINGS

1. (a) Amount which may be held.- Section 22 of the Second Liberty Bond Act, as added February 4, 1935, provided that it shall not be lawful for any one person at any one time to hold savings bonds issued during any one calendar year in an aggregate amount exceeding \$10,000 (maturity value). This provision applies to savings bonds issued before March 1, 1941. The Public Debt Act of 1941 amended said Section 22, effective March 1, 1941, to authorize the Secretary of the Treasury by regulation to fix the amount of savings bonds issued in any one year that may be held by any one person at any one time. Pursuant to such authority, it is hereby provided that the amount of Savings Bonds of Series D issued, pursuant to Treasury Department Circular No. 596, as amended, during any one calendar year (including those issued before March 1, 1941, as well as those issued on and after March 1, 1941) that may be held by any one person at any one time

REGULATIONS GOVERNING UNITED STATES SAVINGS BONDS

1941
First Amendment to
Department Circular No. 530
Third Revision

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, February 20,
1941

Fiscal Service
Bureau of the Public Debt

TO OWNERS OF UNITED STATES SAVINGS BONDS, AND OTHERS CONCERNED:

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(b) Computation of amount. - In determining whether the limitation is exceeded by any one person at any one time there must be taken into account the aggregate maturity value of all savings bonds issued during any one calendar year, as shown by the issue dates thereof, including (1) bonds originally issued to and registered in the name of that person alone, and (2) those originally issued to and registered in the name of that person with another as coowner. Bonds of which such person is merely the designated beneficiary in the case of the death of the owner, and bonds of which he may hereafter become the owner on the death of another or the happening of any other event, need not be included. Nothing herein contained shall be construed to validate any holdings heretofore acquired in excess of the lawful limit as computed under the regulations in force at the time of such acquisition.

2. The above amendment is published for the information and guidance of all concerned.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

ADDRESS OF JOHN L. SULLIVAN, ASSISTANT SECRETARY OF
THE TREASURY, BEFORE THE CONFERENCE OF MAYORS, AT
ST. LOUIS, 11:00 A.M., FRIDAY, FEBRUARY 21, 1941.

In other and less troubled days, it might have seemed strange for a Treasury official to speak to the Conference of Mayors on unity in national defense. We at the Treasury used to be content to cope with the ordinary fiscal affairs of the country. And you, in your City Halls, felt that you had enough to do without addressing yourselves to problems that arose beyond your city boundaries. But today the urgent needs of national defense have invaded every government office, -- national, state and municipal. Everyone who serves the people of this country in any capacity is conscious, above all, of one need -- to make this country united, strong and safe, and to keep it so.

By national defense you and I mean, something far greater and more difficult to achieve than the mere accumulation of guns and planes to guard this freedom of ours. If our only problem were the building of armaments, this would be a production job, and the needs of national defense would hardly impose themselves upon the mayors of cities and upon officials in all fields of government. But our job, as we see it, is not only to make ourselves impregnable in armed strength, but to make ourselves impregnable and unshakeable in our national unity. Other nations have had plenty of armaments and yet have been vanquished.

The French were credited with the finest army in the world and the strongest fortifications. But national unity had not kept pace with their military development. Those few tragic weeks of last May and June demonstrated how futile the best of equipment may become in the hands of a nation subject to internal dissention. You and I and all Americans must resolve that that shall not happen here.

One recent fine example of national unity has been our acceptance of selective service. To my mind, that registration day last Fall will be memorable in our history not because it provided manpower for the defense of our country, but rather because it showed us how all sections of the country, all economic and social and racial groups, could and did rally to their country's service. There were no distinctions. Governors and Members of Congress, Mayors and Federal officials registered with the rest. Rich men, poor men, factory hands and cowboys, immigrants and children of the oldest families, all filled out the same forms and all became subject to the same call to duty. This is what we think of when we think of national unity as an actual, living thing. We believe that we must all continue to think in those terms as we tackle the gigantic problems which events have thrust upon us.

The Treasury, as you know, must shoulder the burden of financing the defense of our country, our democracy, our

American way of life. The figures have become truly colossal. Congress has just voted to increase our debt limit to 65 billion dollars, and we know only that this limit will be adequate until the Summer of 1942. Last spring the defense program called for 4 billion dollars. Then Denmark, Norway, Holland, Belgium and France fell. Our defense program grew to $28\frac{1}{2}$ billion dollars. It is the intention of the Treasury to finance as much as possible of the new expenditures by increased taxes, and of the balance to borrow as much as possible out of the real savings of the people. That is to say, we intend in the coming months to call upon the people of the United States (not just some of the people, not just some sections, but all of the people) -- to play their part in making this country strong. To us, it is important and essential to raise the dollars, for that is our job at the Treasury. But we feel that it is equally important to make every man, woman, and child feel that he or she is participating in the preservation of our freedom, through direct contributions to this greatest of all causes. The amount of an individual's contribution is less important than the fact that all contribute something. What we most desire is that sense of unity that develops when all citizens join in a single national determination to stick together and work together for the common good of all.

I mention this to you today because I think it will explain what we at the Treasury have in mind as we contemplate the problems of the coming months, and what every official and every citizen must bear in mind as the defense effort marches forward.

One example of our efforts to promote national unity through more equitable tax laws may be found in those provisions of the Public Debt Act, abolishing the tax-exemption feature of all future issues of Federal securities. Now, tax-exemption may seem to some people to be a financial matter, pure and simple. Although the complete abolition of tax-exemption has been recommended by every administration, Republican and Democratic, for the past twenty years, each time it has been defeated because it was looked at from the narrowest financial points of view. But the Congress of the United States by overwhelming votes in the two Houses, decided to end the tax-exemption of future Federal issues now because there are ethical and moral and patriotic considerations which outweigh all others at this particular time. To explain what I mean, may I quote from the statement which Secretary Morgenthau made before the Senate Finance Committee on Lincoln's Birthday?

In regard to financing the defense program, the Secretary said: "All will be called upon to share in this task. This makes it urgent, from an equitable point of view, that all subscribers be treated alike. This is impossible if the securities are issued with tax-exemption privileges which are

worth nothing to the poorest subscribers but worth a great deal to the more wealthy subscribers. Such exemptions are incompatible with the democratic financing of the defense program and should be removed."

A week ago Monday the House voted to remove this exemption. A week ago today the Senate followed suit. The Congress found in this exemption something which the founders of our country never contemplated or intended,-- something which the needs of our defense program now make intolerable -- namely, a privileged class. I do not need to emphasize the effect of this action upon the morale of hundreds of thousands of taxpayers of modest income or of those millions of poorer people who while paying no income tax bear part of the burden of indirect taxation.

The passage of the Public Debt Act notwithstanding, a substantial part of the tax-exempt security problem still remains. Interest on future issues of Federal securities is still exempt from State taxation, and interest from State and local securities is still exempt from Federal taxation. It is, therefore, of paramount importance that the Public Debt Act of 1941 be followed by legislation which will remove the reciprocal tax exemption from future issues of Federal, State and municipal securities.

So long as the reciprocal exemption remains, we will not be able to achieve a just and equitable distribution of our tax load. Upon this we all agree,

for until reciprocal exemptions are removed some members of the community will be able to continue to avoid their fair share of taxation. They will still be able to escape part or all of their income tax liability by investing in tax-exempt bonds. In this manner the fair application of progressive income taxation by the Federal Government and the States will continue to be, for the privileged few, an empty gesture and an idle boast.

Last year, in an effort to meet defense revenue needs, Congress reduced personal exemptions, increased tax rates, and added special surtaxes for defense purposes. On March 15th every married person earning \$2,000 a year, and every single person earning \$800 a year (or \$15.40 a week) will file a return. Thus far have we gone in requiring all citizens to share our common burden. Yet all of these efforts to finance our national defense requirements have left completely untouched those fortunate enough to possess or to acquire tax-exempt government bonds. The future may require still further tax increases which some will be able to escape by the purchase of tax-exempt investments. Clearly, justice demands that every American bear his fair share of this burden. In this present day when democracy is hard put to the test, it would be folly for us to disregard such a fundamental precept of democracy as justice and equity in taxation.

A related consideration is the effect of tax-exempt securities on governmental revenues. Obviously, when some individuals escape their share of income taxation by taking refuge in government bonds, tax collections are diminished and the resulting loss in revenue must be made up from other sources.

Now you are practical gentlemen. You know that whatever increase in cost of financing results from the removal of the tax-exemption of your securities will be paid for by your own local taxpayers. You also know that the highest estimate of this increase is only about 1/2 of 1 percent. You know, too, your taxpayers -- John Smith, Tom Brown, Bill Jones -- the average American. The fellow with a wife and a couple of youngsters, working hard, owning his own home, living within his means on a modest income. Those fellows, John and Tom and Bill are the backbone of your community as they are the backbone of America. What do you think they prefer? Do you think they prefer a continuation of the present tax-exemption system which subjects them to an additional tax burden of direct and indirect taxes to make up for the loss in revenue caused by the failure of wealthy members of the community to share the burden, or do you think they would rather have the tax exemption removed thus forcing the man in the mansion to submit to the same rates that are applied to John, Tom, and Bill? About two years ago

a nation-wide Gallup poll revealed that 75% of the people favored repealing this exemption. If anyone in this Conference has any doubt as to their present attitude I would suggest that when he returns to the old home town he ask for an expression of popular opinion.

When the necessity for financing the largest peacetime defense expenditures in our history is clearly before us and when all of us are called upon and are ready to do our part, the country can ill afford to forego any sources of revenue, however small, which may help to bridge the gap between government intake and government outgo. We anticipate that at the present income tax rates the recently enacted elimination of tax exemption from future Federal issues will yield about a hundred million dollars a year when outstanding issues of totally and partially exempt issues are retired. On the same basis we anticipate from the repeal of tax exemption of future issues of State and Municipal issues an additional 200 million dollars a year. And of course with every rise in income tax rates this additional revenue will be increased.

I would like to add that the proposal to discontinue reciprocal tax exemption concerns only interest received from such bonds by private persons. It involves no taxes on governmental units nor on the income received by governmental units or charitable institutions. Moreover, the proposal concerns only interest received from such bonds as will be issued in the future.

It is not proposed to violate the moral obligations implicit in securities previously sold. I mention these facts because failure to keep them in mind has sometimes resulted in misunderstanding.

Although the largest responsibility for prosecuting the National Defense Program to completion rests with the Federal Government, it cannot be successfully accomplished without the complete cooperation of State and local governments. And State and local governments are indeed granting the necessary cooperation in a variety of ways. Frankly, we in the Treasury have been most agreeably surprised at the number of Mayors, Governors and County officials who have written the Treasury commending the efforts of Secretary Morgenthau to provide for reciprocal taxation of Government securities. I am sure that once other State and municipal officials come to look at this problem from the broad viewpoint of national unity and national defense, they too will join the vast majority of the American people who urge that our proposal be adopted.

Under the pressure of tremendous events, all of us are sharpening our thinking on fundamental questions in these difficult days. I believe that our people are revising their thinking about taxation as well. The old conception of taxation was that of an exaction, a penalty imposed upon the citizens by the community. I cannot imagine how so false an idea ever arose in the American mind. For taxation is in reality

a payment for services rendered, for solid services which no citizen would do without. You have before you, in your own communities, tangible evidence of those services in schools, roads, bridges, police and fire protection, in a thousand and one services which the citizen takes for granted. You have the evidence before you in a well-educated and healthy body of citizens. You will have ever increasing evidence before you in still more dramatic form in the coming months, in the armaments with which this country's freedom is going to be preserved. Every penny that an American citizen pays in taxes will be his contribution to the defense of those things that he cherishes -- the freedom to speak his mind, the freedom to work and to advance, the freedom to go his way free from spying, the freedom to worship in the manner of his own choosing - the freedom to manage his own affairs. To guard these rights, the American Government is now calling upon its people for sacrifice and for effort. So far as I know there has been no sacrifice until now by anyone except those boys who have gone off to the training camps to serve their country. The time has come when the vast body of our 130 million people are asked to sacrifice, to save, to pay increased tax burdens, and to do it cheerfully and willingly, and with a complete understanding of what their cooperation will mean to their country and to themselves. I believe that all over this great country of ours there is a tremendous, untapped volume of willingness to serve. We in the Treasury have been gratified,

but not surprised, at the flood of letters coming from all parts of the country, asking "What can I do to help?"

I know that the American people are ready to help if their elected officials will but show them the way. You have it in your power to strengthen that spirit of service and that spirit of unity which alone can protect us from the perils that beset us in this troubled world. I think I know you, I think I know something of the hundreds of communities entrusted to your care -- and I know you will not fail.

I have the audacious confidence to believe that in this group there are a sufficient number of hard-headed, far-seeing patriots to reverse the stand this conference has so long taken, and, as a contribution to national unity and to national defense to enact a resolution urging the Congress to remove the remaining tax exemptions of all future government issues. To reverse a position requires courage. To cast aside an apparent but illusory local advantage, for the greater good of the entire nation requires political vision and political fortitude. God grant that this group has that courage and that fortitude, -- and that in the months to come, we may all work together in striking from the statute books the most un-American, the most un-democratic, the most discriminatory legislation that can be found in the law of our land.

In the interest of the common welfare, in the interest of the people you are chosen to represent, I ask you to review, to reconsider, and to repudiate the tax exemption of all future government issues. In this day of national emergency, in this hour of national need, ask yourselves -- can you do less? This is indeed a dark era for democracy and for all those things that make men free. Yet every fibre of our body and every instinct of our spirit tells us that freedom and justice will prevail. They must prevail, they will prevail if we all do now those things that we know must be done.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, February 21, 1941

Press Service
No. 23-62

A new Coast Guard District, to include parts of the coast of North Carolina, the entire coast of South Carolina and Georgia, and part of the east coast of Florida, is to be set up on March 1, with district headquarters at Charleston, S. C., it was announced today by Admiral R. R. Waesche, Commandant.

Commander Stephen S. Yeandle has been designated commander of the new district. *He is now in command of the cutter Hamilton, based at Norfolk.* Vessels to be assigned to the district, which will consist of territory now embraced in the Norfolk and Jacksonville districts, will include the Modoc, Tallapoosa, McLane, Narcissus, Pamlico, CGC-228, Agassiz, Cypress, Mangrove, and Palmetto; and Lightship No. 115 at Frying Pan Shoals off North Carolina; Lightship No. 94 off Savannah; and Lightship No. 109, relief.

Forming part of the district organization will be the Charleston Base, the Charleston Air Station, and the Ocracoke, N. C., Beaufort, N. C., Southport, N. C., and St. Simon, Ga., Coast Guard Stations, each with its subordinate stations; and the Atlantic, (N. C.), and Swansboro, (N. C.) Lifeboat Stations.

Light stations under jurisdiction of the new ^{district} office will include Hobucken, N. C., Pamlico Point, N. C., Tybee, Ga., Tybee Knoll Cut, Ga., and Upper and Lower Flats, Ga. The Atlanta Recruiting Station will also be in the Charleston District.

The new district will give the Coast Guard sixteen districts in all, with seven on the East Coast.
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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, February 21, 1941
2/20/41

Press Service
No. 23-62

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applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on February 24, 1941, all tenders received at the Federal Reserve Banks ~~(x8)~~ or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on February 26, 1941. ~~(x9)~~

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. (Attention is invited to Treasury Decision 4550, ruling that Treasury bills are not exempt from the gift tax.) No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, 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 thereof.

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, February 21, 1941.

STATEMENT BY ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~
(2)

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$100,000,000, or thereabouts. They will be designated National Defense Series, 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern standard time, on Monday, February 24, 1941. Tenders will not be received at the Treasury Department, Washington.

These bills will be issued pursuant to the provisions of Section 302 of the Revenue Act of 1940, approved June 25, 1940. Under the authority of that section "National Defense Series" obligations may be issued to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

The Treasury bills will be dated February 26, 1941, and will mature on May 28, 1941, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

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23-63

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Immediately after the closing hour for receipt of tenders on February 24, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on February 26, 1941.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,

Press Service

Wednesday, February 26, 1941.

No. 23-64

2/21/41

Secretary of the Treasury Morgenthau today made public the first of a series of statements comprising two tables from "Statistics of Income for 1938, Part 2, Compiled from Corporation Income and Excess-profits Tax Returns and Personal Holding Company Returns," prepared under the direction of Commissioner of Internal Revenue Guy T. Helvering. The complete report will be published at a later date.

RETURNS TABULATED

The returns covered by this statement are, in general, filed under the provisions of the Revenue Act of 1936, and include returns for the calendar year 1938, a fiscal year ending in the period January through June, 1939, a part year beginning and ending in 1938, and a part year beginning in 1938 and ending in 1939, the greater part of the accounting period falling in 1938. However, there are included a number of returns filed under the provisions of the Revenue Act of 1936 as amended by the Revenue Act of 1937, consisting of returns for a fiscal year beginning in 1937 and ending in the period July, 1938, through November, 1938, and for a part year beginning in 1937 and ending in 1938, the greater part of the accounting period falling in 1938.

Data are tabulated from Forms 1120 and 1120A filed by domestic corporations and resident foreign corporations which are not exempt from tax under section 101, Revenue Act of 1938; also from Form 1120L filed by life insurance companies both domestic and foreign. The data are taken from the

returns as filed and prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue.

NUMBER OF RETURNS, NET INCOME OR DEFICIT, TAX AND DIVIDENDS PAID
IN CASH AND ASSETS OTHER THAN CORPORATION'S OWN STOCK

In the first attached table the number of returns, net income or deficit, tax, and dividends paid in cash and assets other than corporation's own stock, for returns with net income and with no net income, are distributed by States and Territories. The second attached table presents certain data for returns with net income and with no net income, by net income and deficit classes. For returns with net income, which are classified by those with income tax liability (with and without excess-profits tax liability), with excess-profits tax liability (with and without income tax liability), and with no tax liability, there are shown number of returns, net income, adjusted net income or loss and tax. For returns with no net income there are shown number of returns and deficit.

The number of corporation income and excess-profits tax returns for 1938 is 520,501, of which 169,884 show net income for excess-profits tax computation of \$6,525,979,257, while 201,148 show a deficit of \$2,853,097,727, and 49,469 have no income data (inactive corporations). The income tax is \$853,577,931, the excess-profits tax \$5,987,636, and the total tax \$859,565,567. The total amount of dividends paid in cash and assets other than corporation's own stock is \$5,137,987,827, of which \$4,780,202,143 is reported on returns with net income and \$357,785,684 on returns with no net income.

Of the 169,884 returns with net income for excess-profits tax computation, 18,495 show both income tax and excess-profits tax liabilities, 147,862 show only income tax liability, 64 show only excess-profits tax liability and 3,463 show no tax liability. Of the income tax of \$853,577,931, reported on 166,357 returns with income tax liability, \$804,229,872 is the income tax

reported on 154,455 returns filed under the Revenue Act of 1936 and \$49,348,059 is the sum of the normal tax and surtax on undistributed profits reported on 11,902 returns filed under the Revenue Act of 1937 (see par. 2, page 1). Of the income tax of \$304,229,572 reported on returns filed under the Revenue Act of 1936, \$57,946,305 is for returns with net income not over \$25,000, \$701,131,192 is for returns with net income over \$25,000 with tax liability under the general rule, \$3,638,709 is the alternative tax liability for returns with net income slightly over \$25,000 and \$36,513,666 is the flat rate income tax imposed upon the following special classes of corporations: foreign corporations engaged in trade or business in the United States, banks and trust companies, corporations organized under the China Trade Act of 1922, corporations with income from sources within possessions of the United States which are entitled to the benefits of section 251 of the Revenue Act of 1936, insurance companies and mutual investment companies.

ITEMS TABULATED AND CLASSIFICATIONS OF THE RETURNS

The amount of "Net income" shown in this statement is the "Net income for excess-profits tax computation" (item 23 on p. 1, Forms 1120 and 1120A) which is equal to the difference between "Total income" and "Total deductions" (items 14 and 27, respectively, on p. 1, Forms 1120 and 1120A). The classification of the returns into those with net income and with no net income and by net income and deficit classes is based on this item.

In interpreting the net income data, allowance should be made for the two special deductions from gross income permitted life insurance companies under section 203(a), Revenue Act of 1936, relating to reserve funds required by law, and reserve for dividends. On 1936 returns with net income this deduction is \$17,165,010 and on returns with no net income, \$855,127,536.

In the first table of this statement "Gross income" corresponds to "Total income" (item 14 on p. 1, Forms 1120 and 1120A), after transferring

to deductions the negative items of income reported under sources of income, plus "Cost of goods sold" and "Cost of operations" (items 2 and 5, respectively, on p. 1, Forms 1120 and 1120A).

Income tax liability represents an amount prior to the allowance of credit claimed for income tax paid to a foreign country or United States possession.

"Excess-profits tax" is the amount reported as a tax liability. This amount is the same as that taken as a deduction in the computation of net income for income tax purposes, unless the return is rendered on a cash basis. If the cash basis of accounting is used, the deduction is the amount of excess-profits tax actually paid within the taxable year covered by the return.

COMPUTATION OF TAX UNDER THE PROVISIONS OF THE REVENUE ACT OF 1938

The returns filed under the Revenue Act of 1936--those with taxable year beginning in 1936--(see par. 2, p. 1) are subject to the income tax imposed by section 13 or 14 of the act. The income tax imposed by section 13 of the Revenue Act of 1936 applies, in general, to corporations with net income of more than \$25,000, and supplants the normal tax and surtax on undistributed profits imposed on corporations by the provisions of the Revenue Act of 1936. Although the term "Surtax on undistributed profits" does not appear in the 1938 act, the principle thereof is retained, since the computation of tax in accordance with section 13 may result in a maximum rate of 19 percent if there is no "Dividends paid credit" or in a minimum rate of 16 1/2 percent if "Dividends paid credit" is equal to or in excess of "Adjusted net income". Corporations with net income of not more than \$25,000, and certain other special classes of corporations are taxed under section 14 of the Revenue Act of 1936. The provisions of sections 13 and 14, applicable to corporations other than those exempt from tax under section 101, and the rates of tax applicable to the returns (included in this release) filed under the Revenue

Act of 1936 as amended by the Revenue Act of 1937 (see par. 2, p. 1), which were published on pages 2-3 of the "Preliminary Report, Statistics of Income for 1938, Corporation Income and Excess-profits Tax Returns", will be published in "Statistics of Income for 1938, Part 2."

Corporations, 1938, with net income, by net income classes and by returns with income tax liability (with and without excess-profits tax liability), with excess-profits tax liability (with and without income tax liability) and with no tax liability: number of returns, net income, adjusted net income or loss and tax; corporations with no net income by deficit classes: number of returns and deficit; also number of returns of inactive corporations

(Net income and deficit classes and money figures in thousands of dollars)

(1) Net income classes 1/	(2) - (13) Returns with net income 1/													
	(4) - (7) Number of returns						(8) - (10) Net income 1/			(11) - (12) Adjusted net income 2/ --		(13) Adjusted net loss 3/--		
	(2) - (3) Returns with income tax liability			(4) - (5) Returns with no income tax liability			(8) - (10) Returns with income tax liability (and with or without excess-profits tax liability)			(11) - (12) Returns with income tax liability (and with or without excess-profits tax liability)		(13) Returns with no income tax liability		
	(14) Total (Col. 3 + 4 + 5 + 6)	(15) Returns with both income tax and excess-profits tax liabilities	(16) Returns with income tax liability only	(17) Returns with excess-profits tax liability only 6/	(18) Returns with no tax liability 7/	(19) Total (Col. 8 + 9 + 10)	(20) Returns with income tax liability (and with or without excess-profits tax liability)	(21) Returns with excess-profits tax liability only 6/	(22) Returns with no profits tax liability 7/	(23) Returns with excess-profits tax liability only 6/	(24) Returns with no profits tax liability 7/	(25) Returns with excess-profits tax liability only 6/	(26) Returns with no tax liability 7/	
Under 1	66,024	4,695	60,109	16	1,204	22,594	22,117	4	473	21,859	4	1,656		
1 under 2	21,016	2,399	18,121	4	492	30,479	29,761	6	712	29,101	2	1,490		
2 under 3	12,940	1,690	10,931	11	308	31,870	31,078	28	764	30,172	16	940		
3 under 4	8,943	1,250	7,468	3	222	31,062	30,286	11	765	29,249	1	668		
4 under 5	6,779	935	5,679	4	161	30,410	29,679	17	714	28,625	3	524		
5 under 10	17,702	2,654	14,654	11	383	126,457	123,551	74	2,833	119,117	13	2,244		
10 under 15	8,573	1,325	7,059	7	182	105,252	102,909	85	2,258	99,556	19	1,507		
15 under 20	5,210	772	4,350	2	86	90,524	88,974	34	1,516	86,321	26	1,048		
20 under 25	3,941	544	3,340	-	57	88,488	87,221	-	1,267	85,116	-	513		
25 under 50	7,477	959	6,375	3	140	264,367	259,382	125	4,860	253,282	28	2,669		
50 under 100	4,740	638	4,013	1	88	332,157	325,930	56	6,171	319,319	2	2,598		
100 under 250	3,477	397	3,002	1	77	538,084	525,372	175	12,536	513,460	85	5,184		
250 under 500	1,432	133	1,265	1	33	497,886	485,854	331	11,702	475,648	5	9,639		
500 under 1,000	756	52	690	-	14	529,955	520,519	-	9,436	511,606	-	6,903		
1,000 under 5,000	705	42	643	-	15	1,445,832	1,409,751	-	36,081	1,388,931	-	8,392		
5,000 and over	169	10	158	-	1	2,360,562	2,355,426	-	5,135	2,327,903	-	309		
Total	169,884	18,495	147,862	64	3,463	6,525,979	6,427,809	947	97,223	6,319,265	206	46,284		
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)

Returns with net income 1/ - Continued

Returns with income tax liability (and with or without excess-profits tax liability)

Calendar year returns and returns with fiscal year ended in period January through June, 1939 5/

(1) Net income classes 1/	(2) - (13) Returns with net income 1/ - Continued													
	(4) - (7) Returns with income tax liability (and with or without excess-profits tax liability)						(8) - (10) Returns with net income 9/			(11) - (12) Returns with net income 9/ slightly over \$25,000 with alternative tax liability 11/		(13) Returns with flat rate income tax liability 12/		
	(2) - (3) Returns with income tax liability			(4) - (5) Returns with no income tax liability			(8) - (10) Returns with net income 9/ not over \$25,000 10/			(11) - (12) Returns with net income 9/ over \$25,000 with alternative tax liability 11/		(13) Returns with flat rate income tax liability 12/		
	(14) Total (Col. 3 + 4 + 5 + 6)	(15) Returns with both income tax and excess-profits tax liabilities	(16) Returns with income tax liability only	(17) Returns with excess-profits tax liability only 6/	(18) Returns with no tax liability 7/	(19) Total (Col. 8 + 9 + 10)	(20) Returns with income tax liability (and with or without excess-profits tax liability)	(21) Returns with net income 9/ not over \$25,000 10/	(22) Returns with net income 9/ over \$25,000 with alternative tax liability 11/	(23) Returns with net income 9/ slightly over \$25,000 with alternative tax liability 11/	(24) Returns with net income 9/ over \$25,000 with alternative tax liability 11/	(25) Returns with net income 9/ slightly over \$25,000 with alternative tax liability 11/	(26) Returns with flat rate income tax liability 12/	
Under 1	64,804	2,699	4,262	201	60,542	2,498	59,658	2,441	-	-	-	884	57	
1 under 2	20,520	3,581	1,479	258	19,041	3,323	18,087	3,159	-	-	-	954	163	
2 under 3	12,621	3,741	913	274	11,708	3,467	10,790	3,201	-	-	-	918	267	
3 under 4	8,718	3,650	652	288	8,066	3,361	7,263	3,040	-	-	-	803	322	
4 under 5	6,614	3,575	469	277	6,145	3,298	5,516	2,972	-	-	-	629	325	
5 under 10	17,308	15,156	1,355	1,271	15,953	13,887	14,318	12,560	-	-	-	1,635	1,326	
10 under 15	8,384	12,871	642	1,068	7,742	11,803	7,020	10,808	-	-	-	722	995	
15 under 20	5,122	11,210	353	826	4,769	10,384	4,412	9,713	-	-	-	357	671	
20 under 25	3,884	11,226	233	726	3,651	10,499	3,426	9,949	-	-	-	225	551	
25 under 50	7,334	39,186	643	3,185	6,691	36,001	31	103	4,177	25,402	2,001	8,639	482	
50 under 100	4,651	49,502	386	4,007	4,265	45,496	-	-	4,023	43,744	-	-	242	
100 under 250	3,399	78,532	285	6,981	3,114	71,550	-	-	2,929	68,703	-	-	185	
250 under 500	1,398	71,414	126	6,506	1,272	64,907	-	-	1,180	61,597	-	-	92	
500 under 1,000	742	74,398	55	5,206	687	69,192	-	-	631	64,865	-	-	56	
1,000 under 5,000	690	189,437	44	11,513	646	177,924	-	-	592	165,918	-	-	54	
5,000 and over	168	283,399	5	6,759	163	275,640	-	-	155	270,902	-	-	8	
Total	166,357	853,578	11,902	49,348	154,455	804,230	130,501	57,946	13,687	701,131	2,001	8,639	8,246	36,514

Corporations, 1938, with net income, by net income classes and by returns with income tax liability (with and without excess-profits tax liability), with excess-profits tax liability (with and without income tax liability) and with no tax liability; number of returns, net income, adjusted net income or loss and tax; corporations with no net income by deficit classes: number of returns and deficit; also number of returns of inactive corporations

(Net income and deficit classes and money figures in thousands of dollars)

Net income classes <u>1/</u>	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
	Returns with net income <u>1/</u> - Concluded							Returns with no net income <u>1/</u>	
	Returns with excess-profits tax liability (and with or without income tax liability)								
	Total		Returns with fiscal year ended in period July through November, 1938 <u>4/</u>		Calendar year returns and returns with fiscal year ended in period January through June, 1939 <u>5/</u>		Deficit classes <u>1/</u>		
	Number of returns (Col. 30 + 32 or Col. 3 + 5)	Excess-profits tax (Col. 31 + 33)	Number of returns	Excess-profits tax	Number of returns	Excess-profits tax		Number of returns	Deficit <u>1/</u>
Under 1	4,711	87	195	4	4,516	83	Under 1	160,549	49,950
1 under 2	2,403	116	122	6	2,281	111	1 under 2	41,008	59,157
2 under 3	1,701	123	83	7	1,618	116	2 under 3	22,550	55,374
3 under 4	1,253	113	61	4	1,192	109	3 under 4	14,071	48,764
4 under 5	939	130	39	7	900	123	4 under 5	9,877	44,207
5 under 10	2,665	463	155	22	2,510	441	5 under 10	23,268	163,462
10 under 15	1,332	368	72	18	1,260	350	10 under 15	9,196	112,242
15 under 20	774	309	37	14	737	295	15 under 20	5,067	87,589
20 under 25	544	241	25	11	519	231	20 under 25	3,171	70,846
25 under 50	962	623	57	39	905	584	25 under 50	6,183	215,180
50 under 100	639	651	39	26	600	625	50 under 100	3,221	223,331
100 under 250	398	994	22	31	376	963	100 under 250	1,871	283,893
250 under 500	134	536	10	42	124	494	250 under 500	564	197,979
500 under 1,000	52	355	1	31	51	324	500 under 1,000	283	195,121
1,000 under 5,000	42	621	3	19	39	602	1,000 under 5,000	217	450,646
5,000 and over	10	257	-	-	10	257	5,000 and over	52	595,357
Total	18,559	5,988	921	280	17,638	5,707	Total	301,148	2,853,098

Number of returns of inactive corporations 49,469

1/ "Net income" or "Deficit" is the net income for excess-profits tax computation (item 28, page 1, Forms 1120 and 1120A), which is equal to the difference between "Total income" and "Total deductions" (items 14 and 27, respectively, page 1, Forms 1120 and 1120A). The classification of the returns into those "with net income" and "with no net income" and by net income and deficit classes is based on net income for excess-profits tax computation.

2/ "Adjusted net income" (item 32, page 1, Forms 1120 and 1120A) is equal to "Net income for excess-profits tax computation" less "Excess-profits tax" and "Interest on obligations of the United States subject to excess-profits tax".

3/ "Adjusted net loss" (item 32, page 1, Forms 1120 and 1120A) occurs when "Excess-profits tax" and/or "Interest on obligations of the United States subject to excess-profits tax" are in excess of "Net income for excess-profits tax computation".

4/ Includes returns for a part year which began in 1937 and ended in 1938, the greater part of the accounting period falling in 1938.

5/ Includes returns for a part year beginning and ending in 1938, and for a part year beginning in 1938 and ending in 1939, the greater part of the accounting period falling in 1938.

6/ Returns with excess-profits tax liability on which "Excess-profits tax" and/or "Interest on obligations of the United States subject to excess-profits tax" are in excess of "Net income for excess-profits tax computation".

7/ Returns without excess-profits tax liability on which "Interest on obligations of the United States subject to excess-profits tax" is in excess of "Net income for excess-profits tax computation".

8/ Computed according to the provisions of the Revenue Act of 1936. Includes \$41,569,498 normal tax and \$7,778,561 surtax on undistributed profits.

9/ Net income (item 30, page 1, Forms 1120 and 1120A) is equal to the net income for excess-profits tax computation (item 28, page 1, Forms 1120 and 1120A) less the excess-profits tax (item 29, page 1, Forms 1120 and 1120A).

10/ Excludes returns with flat rate income tax liability which are included in columns 26 and 27.

11/ The number of returns is 1,422 and the alternative tax is \$6,437,955 for returns with no portion of gross income from (1) "Interest on obligations of the United States subject to the excess-profits tax" or (2) "Dividends received from domestic corporations". The number of returns is 579 and the alternative tax is \$2,200,754 for returns with any portion of gross income from (1) "Interest received on obligations of the United States subject to the excess-profits tax" or (2) "Dividends received from domestic corporations".

12/ Consists of returns for foreign corporations engaged in trade or business in the United States which are taxed at 19 percent and returns for the following corporations which are taxed at 16 1/2 percent: Banks and trust companies, corporations organized under the China Trade Act of 1922, corporations with income from sources within possessions of the United States, which are entitled to the benefits of section 251 of the Revenue Act of 1938, insurance companies and mutual investment companies.

Corporations, 1938, by States and Territories and by returns with net income and with no net income: number of returns, gross income, net income or deficit, income tax, excess-profits tax and dividends paid in cash and assets other than corporation's own stock

(Money figures in thousands of dollars)

States and Territories ^{1/}	Returns with net income ^{3/}						Returns with no net income ^{3/}					
	Total number of returns ^{2/}	Number of returns	Gross income ^{4/}	Net income ^{3/}	Income tax ^{5/}	Excess-profits tax	Dividends paid in cash and assets other than corporation's own stock	Number of returns	Gross income ^{4/}	Deficit ^{3/}	Dividends paid in cash and assets other than corporation's own stock	
1 Alabama	3,470	1,395	324,951	17,129	2,581	27	10,870	1,822	180,626	11,153	1,313	
2 Alaska	278	91	10,145	1,099	166	7	501	133	5,708	456	7	
3 Arizona	1,481	520	110,660	6,020	863	12	3,255	728	51,069	3,126	141	
4 Arkansas	2,581	1,087	207,393	11,903	1,784	23	6,221	1,211	82,393	5,039	262	
5 California	24,416	8,589	4,472,305	398,170	54,061	362	314,944	12,790	1,419,994	128,790	11,286	
6 Colorado	5,609	1,737	452,441	40,120	5,541	42	33,078	2,948	230,510	19,080	298	
7 Connecticut	9,292	2,727	1,140,490	100,335	14,326	71	62,509	5,988	807,677	80,829	7,054	
8 Delaware	3,200	1,434	1,096,411	354,622	28,443	129	312,293	1,380	373,261	25,492	2,771	
9 District of Columbia	2,798	1,152	434,995	36,032	4,700	36	25,221	1,416	230,186	10,226	1,197	
10 Florida	9,485	3,024	472,687	33,542	4,511	107	24,949	5,274	272,831	27,045	1,257	
11 Georgia	5,473	2,410	748,363	54,102	8,197	48	35,653	2,821	217,266	12,407	1,019	
12 Hawaii	801	514	224,246	23,762	2,734	14	16,839	265	79,244	6,654	1,657	
13 Idaho	2,069	577	83,230	7,212	1,025	13	6,715	804	41,435	3,135	190	
14 Illinois	35,621	12,162	8,781,601	488,698	71,702	606	336,235	19,803	4,675,540	247,741	22,143	
15 Indiana	12,781	4,466	1,129,037	75,679	11,668	134	43,150	6,390	649,495	45,022	4,902	
16 Iowa	7,614	3,241	799,984	40,544	6,182	109	19,930	3,228	277,291	21,371	1,024	
17 Kansas	4,450	1,998	508,457	24,547	3,292	36	17,212	2,204	264,395	10,726	2,346	
18 Kentucky	4,882	2,103	757,379	45,551	6,889	72	29,985	2,448	212,806	15,334	1,656	
19 Louisiana	6,212	2,552	734,945	51,762	6,999	89	31,881	3,094	239,658	24,135	975	
20 Maine	3,697	1,106	222,023	18,131	2,527	35	12,156	2,214	194,401	20,518	434	
21 Maryland	6,102	2,340	851,509	93,811	11,527	98	62,649	3,086	522,391	49,429	1,330	
22 Massachusetts	22,704	7,198	3,245,803	213,237	27,695	256	161,224	14,236	1,862,458	162,437	9,086	
23 Michigan	15,917	5,210	4,705,052	370,627	56,556	160	207,383	8,901	1,745,221	132,130	7,157	
24 Minnesota	10,379	3,674	1,629,951	79,568	11,107	128	52,193	5,109	594,360	54,512	3,393	
25 Mississippi	2,433	1,021	166,799	9,206	1,347	27	5,093	1,221	84,564	5,437	734	
26 Missouri	14,790	5,564	2,577,004	192,215	29,021	222	137,162	7,708	1,139,320	100,015	3,775	
27 Montana	2,679	923	136,800	9,077	1,320	24	5,738	1,367	58,167	4,696	302	
28 Nebraska	4,342	1,562	369,558	26,660	4,019	35	17,802	2,298	163,454	12,777	684	
29 Nevada	881	259	251,150	8,672	882	5	5,946	394	13,528	2,187	22	
30 New Hampshire	1,485	559	142,432	9,579	1,384	16	7,027	869	65,345	4,380	184	
31 New Jersey	27,587	6,505	2,359,129	269,959	30,069	209	206,641	18,880	1,477,643	135,080	6,184	
32 New Mexico	1,003	406	53,003	2,876	373	11	1,415	463	24,613	2,084	57	
33 New York	121,276	30,615	21,052,994	1,978,623	234,371	1,205	1,550,156	82,467	11,158,512	770,736	167,490	
34 North Carolina	6,128	2,853	1,096,477	83,732	13,304	74	57,731	2,952	308,484	15,178	1,327	
35 North Dakota	2,370	674	61,830	2,116	283	4	901	1,200	39,110	1,948	129	
36 Ohio	25,551	9,447	4,950,475	317,357	47,698	342	220,671	14,656	2,163,600	152,682	19,758	
37 Oklahoma	5,363	1,991	747,398	62,850	9,219	42	54,036	2,876	500,539	31,732	14,913	
38 Oregon	5,112	1,532	340,711	16,899	2,470	27	8,311	2,802	211,087	16,787	725	
39 Pennsylvania	25,843	7,849	5,146,512	429,682	57,077	350	333,352	15,324	3,720,160	226,674	35,638	
40 Rhode Island	3,514	988	347,068	24,290	3,294	37	17,888	2,229	318,293	17,986	1,685	
41 South Carolina	3,349	1,386	299,399	13,534	2,101	31	5,829	1,731	147,691	8,244	1,405	
42 South Dakota	2,208	712	71,442	2,880	405	7	1,936	1,213	40,211	1,845	417	
43 Tennessee	4,879	2,238	707,079	40,372	6,309	79	22,706	2,347	231,716	12,548	2,314	
44 Texas	15,743	6,495	2,354,511	184,322	25,922	283	142,891	7,692	1,028,872	66,008	6,163	
45 Utah	2,759	938	187,045	12,173	1,606	15	7,976	1,293	83,910	5,625	704	
46 Vermont	1,192	423	83,211	5,538	730	21	3,560	700	64,405	5,334	234	
47 Virginia	6,894	3,031	820,207	77,105	11,513	106	48,046	3,415	302,389	29,480	2,415	
48 Washington	10,636	3,088	650,622	40,552	5,239	66	25,955	5,551	368,077	30,656	2,023	
49 West Virginia	4,560	1,870	434,854	34,156	5,295	33	17,497	2,385	239,510	14,744	2,129	
50 Wisconsin	15,425	5,140	1,475,099	82,092	12,783	98	45,403	8,279	722,681	59,534	3,415	
51 Wyoming	1,187	508	41,423	3,205	467	5	1,486	543	21,441	1,912	61	
Total	520,501	169,884	80,068,303	6,525,979	853,578	5,988	4,780,202	301,148	39,927,538	2,853,098	357,786	

- ^{1/} Returns filed in a State may not be a complete coverage of all corporations whose principal place of business is located therein, as a corporation may file its income tax return either in the Collection District in which it has its principal place of business or in the Collection District in which it has its principal office or agency, and conversely, a tabulation for a given State may include data from returns of corporations having their principal place of business in another State.
- ^{2/} Includes number of returns of inactive corporations.
- ^{3/} "Net income" or "Deficit" is the amount reported for excess-profits tax computation (item 28 on page 1, Forms 1120 and 1120A), which is equal to the difference between "Total income" and "Total deductions" (items 14 and 27, respectively, on page 1, Forms 1120 and 1120A).
- ^{4/} "Gross income" corresponds to "Total income" (item 14 on page 1, Forms 1120 and 1120A), after transferring to deductions the negative items of income reported under sources of income, plus "Cost of goods sold" and "Cost of operations" (items 2 and 5, respectively, on page 1, Forms 1120 and 1120A).
- ^{5/} Includes \$41,569,498 normal tax and \$7,778,561 surtax on undistributed profits reported on returns for a fiscal year ended in period July through November, 1938 (and on returns for a part year which began in 1937 and ended in 1938, the greater part of the accounting period falling in 1938).

There are now outstanding \$544,870,050 of 3-3/8 percent Treasury Bonds of 1941-43, called for redemption on March 15, and \$676,707,600 of 1-1/2 percent Treasury Notes of Series A-1941, due March 15. The present offerings of Treasury bonds and Treasury notes afford the holders of the called bonds and the maturing notes an opportunity to exchange them for other interest-bearing obligations of the United States. Any called bonds and maturing notes not so exchanged at this time will be paid in cash following their presentation on and after March 15, 1941.

The texts of the official circulars follow:

The Treasury Notes of Series D-1943, also offered in exchange for the bonds and notes due on March 15, 1941, will be dated March 15, 1941, and will bear interest from that date at the rate of $3/4$ percent per annum, payable semiannually. The notes will mature March 15, 1943, and will not be subject to call for redemption before that date. They will be issued only in bearer form with coupons attached in the denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the new securities now offered shall not have any exemption, as such, under Federal Tax Acts now or hereafter enacted. Otherwise, the securities will be accorded the same exemptions from taxation as are accorded other issues of Treasury bonds now outstanding. These provisions are specifically set forth in the official circulars released today.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, and should be accompanied by a like face amount of $3-3/8$ percent Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or of $1-1/2$ percent Treasury Notes of Series A-1941, due for payment on March 15, 1941. If coupon bonds are tendered for exchange, coupons due March 15, 1941 should be detached for collection in regular course, and all subsequent coupons should be attached to the bonds when surrendered. If registered bonds are tendered for exchange, they must be assigned to the Secretary of the Treasury for exchange as provided in the offering circular, and final interest due March 15 on such bonds will be paid in accordance with the assignments, following acceptance of the bonds.

The right is reserved to close the books as to any or all subscriptions at any time without notice, and subject to the reservations set forth in the offering circular, all subscriptions will be allotted in full.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 25, 1941.
2/24/41

Press Service

No. 23-65

Secretary of the Treasury Morgenthau today announced the March 15 financing, restricted to exchange offerings to provide for the refunding of the 3-3/8 percent Treasury Bonds of 1941-43, called for redemption on March 15, 1941, and the 1-1/2 percent Treasury Notes of Series A-1941, maturing on the same day. The offering includes two exchange issues, 7-9 year 2 percent Treasury Bonds of 1948-50, and 2-year 3/4 percent Treasury Notes of Series D-1943, the called bonds and the maturing notes being exchangeable, at the option of owners, for either the new bonds or the new notes. Exchanges will be made par for par as of March 15, 1941, and the amount of the new bonds and of the new notes to be issued will be limited to the amount of called bonds and maturing notes tendered and accepted in exchange therefor. Cash subscriptions will not be received.

The Treasury Bonds of 1948-50, now offered only in exchange for the bonds and notes due March 15, 1941, will be dated March 15, 1941, and will bear interest from that date at the rate of 2 percent per annum, payable semiannually. The bonds will mature March 15, 1950, but may be redeemed, at the option of the United States, on and after March 15, 1948. They will be issued in two forms: bearer bonds with interest coupons attached, and bonds registered both as to principal and interest. Both forms will be issued in the denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000.

in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1948-50"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1948-50 in the name of _____" if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1948-50 in coupon form to be delivered to _____".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for bonds allotted hereunder must be made or completed on or before March 15, 1941, or on later allotment, and may be made only in Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or in Treasury Notes of Series A-1941, maturing March 15, 1941, which will be accepted at par, and should accompany the subscription. Payment of final interest due March 15, 1941, on securities exchanged hereunder will be effected, in the case of coupon bonds or notes, by payment of March 15, 1941 coupons, which should be detached by holders before presentation of the securities for exchange, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. SURRENDER OF CALLED BONDS

1. Coupon bonds. - Treasury Bonds of 1941-43 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated September 15, 1941, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. Registered bonds. - Treasury Bonds of 1941-43 in registered form tendered

In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be 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.

3. The bonds will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege and will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions

23-65

UNITED STATES OF AMERICA

2 PERCENT TREASURY BONDS OF 1948-50

Dated and bearing interest from March 15, 1941

Due March 15, 1950

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED INTEREST ON AND AFTER MARCH 15, 1948

Interest payable March 15 and September 15

1941
Department Circular No. 649

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, February 25, 1941.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par, from the people of the United States for 2 percent bonds of the United States, designated Treasury Bonds of 1948-50, in payment of which only Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or Treasury Notes of Series A-1941, maturing March 15, 1941, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Bonds of 1941-43 and of Treasury Notes of Series A-1941 tendered and accepted.

II. DESCRIPTION OF BONDS

1. The bonds will be dated March 15, 1941, and will bear interest from that date at the rate of 2 percent per annum, payable semiannually on September 15, 1941, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1950, but may be redeemed at the option of the United States on and after March 15, 1948, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 25, 1941.
2/24/41

Press Service
No. 23-65

Secretary of the Treasury Morgenthau today announced the March 15 financing, restricted to exchange offerings to provide for the refunding of the 3-3/8 percent Treasury Bonds of 1941-43, called for redemption on March 15, 1941, and the 1-1/2 percent Treasury Notes of Series A-1941, maturing on the same day. The offering includes two exchange issues, 7-9 year 2 percent Treasury Bonds of 1948-50, and 2-year 3/4 percent Treasury Notes of Series D-1943, the called bonds and the maturing notes being exchangeable, at the option of owners, for either the new bonds or the new notes. Exchanges will be made par for par as of March 15, 1941, and the amount of the new bonds and of the new notes to be issued will be limited to the amount of called bonds and maturing notes tendered and accepted in exchange therefor. Cash subscriptions will not be received.

The Treasury Bonds of 1948-50, now offered only in exchange for the bonds and notes due March 15, 1941, will be dated March 15, 1941, and will bear interest from that date at the rate of 2 percent per annum, payable semiannually. The bonds will mature March 15, 1950, but may be redeemed, at the option of the United States, on and after March 15, 1948. They will be issued in two forms: bearer bonds with interest coupons attached, and bonds registered both as to principal and interest. Both forms will be issued in the denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

The Treasury Notes of Series D-1943, also offered in exchange for the bonds and notes due on March 15, 1941, will be dated March 15, 1941, and will bear interest from that date at the rate of $\frac{3}{4}$ percent per annum, payable semiannually. The notes will mature March 15, 1943, and will not be subject to call for redemption before that date. They will be issued only in bearer form with coupons attached in the denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the new securities now offered shall not have any exemption, as such, under Federal Tax Acts now or hereafter enacted. Otherwise, the securities will be accorded the same exemptions from taxation as are accorded other issues of Treasury bonds now outstanding. These provisions are specifically set forth in the official circulars released today.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, and should be accompanied by a like face amount of $3\frac{3}{8}$ percent Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or of $1\frac{1}{2}$ percent Treasury Notes of Series A-1941, due for payment on March 15, 1941. If coupon bonds are tendered for exchange, coupons due March 15, 1941 should be detached for collection in regular course, and all subsequent coupons should be attached to the bonds when surrendered. If registered bonds are tendered for exchange, they must be assigned to the Secretary of the Treasury for exchange

as provided in the offering circular, and final interest due March 15 on such bonds will be paid in accordance with the assignments, following acceptance of the bonds.

The right is reserved to close the books as to any or all subscriptions at any time without notice, and subject to the reservations set forth in the offering circular, all subscriptions will be allotted in full.

There are now outstanding \$544,870,050 of 3-3/8 percent Treasury Bonds of 1941-43, called for redemption on March 15, and \$676,707,600 of 1-1/2 percent Treasury Notes of Series A-1941, due March 15. The present offerings of Treasury bonds and Treasury notes afford the holders of the called bonds and the maturing notes an opportunity to exchange them for other interest-bearing obligations of the United States. Any called bonds and maturing notes not so exchanged at this time will be paid in cash following their presentation on and after March 15, 1941.

The texts of the official circulars follow:

UNITED STATES OF AMERICA

2 PERCENT TREASURY BONDS OF 1948-50

Dated and bearing interest from March 15, 1941 Due March 15, 1950

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED
INTEREST ON AND AFTER MARCH 15, 1948

Interest payable March 15 and September 15

1941
Department Circular No. 649

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, February 25, 1941.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par, from the people of the United States for 2 percent bonds of the United States, designated Treasury Bonds of 1948-50, in payment of which only Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or Treasury Notes of Series A-1941, maturing March 15, 1941, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Bonds of 1941-43 and of Treasury Notes of Series A-1941 tendered and accepted.

II. DESCRIPTION OF BONDS

1. The bonds will be dated March 15, 1941, and will bear interest from that date at the rate of 2 percent per annum, payable semiannually on September 15, 1941, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1950, but may be redeemed at the option of the United States on and after March 15, 1948, in whole or in part, at par and accrued interest, on any interest day or days, on four months' notice of redemption given in such manner as the

Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be 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.

3. The bonds will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege and will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$50, \$100, ~~\$500~~, \$1,000, \$5,000, \$10,000 and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for bonds allotted hereunder must be made or completed on or before March 15, 1941, or on later allotment, and may be made only in Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or in Treasury Notes of Series A-1941, maturing March 15, 1941, which will be accepted at par, and should accompany the subscription. Payment of final interest due March 15, 1941, on securities exchanged hereunder will be effected, in the case of coupon bonds or notes, by payment of March 15, 1941 coupons, which should be detached by holders before presentation of the securities for exchange, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. SURRENDER OF CALLED BONDS

1. Coupon bonds. - Treasury Bonds of 1941-43 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated September 15, 1941, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The

bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. Registered bonds. - Treasury Bonds of 1941-43 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1948-50"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1948-50 in the name of _____"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1948-50 in coupon form to be delivered to _____".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

UNITED STATES OF AMERICA

3/4 PERCENT TREASURY NOTES OF SERIES D-1943

Dated and bearing interest from
March 15, 1941

Due March 15, 1943

Interest payable March 15 and September 15

1941
Department Circular No. 650

TREASURY DEPARTMENT,
Office of the Secretary,
Washington,
February 25, 1941.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par, from the people of the United States for 3/4 percent notes of the United States, designated Treasury Notes of Series D-1943, in payment of which only Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or Treasury Notes of Series A-1941, maturing March 15, 1941, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Bonds of 1941-43 and of Treasury Notes of Series A-1941 tendered and accepted.

II. DESCRIPTION OF NOTES

1. The notes will be dated March 15, 1941, and will bear interest from that date at the rate of 3/4 percent per annum, payable semiannually on September 15, 1941, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1943, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be 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.

3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

4. The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

5. Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000. The notes will not be issued in registered form.

6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to

any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made or completed on or before March 15, 1941, or on later allotment, and may be made only in Treasury Bonds of 1941-43, called for redemption on March 15, 1941, or in Treasury Notes of Series A-1941, maturing March 15, 1941, which will be accepted at par, and should accompany the subscription. Payment of final interest due March 15, 1941, on securities exchanged hereunder will be effected, in the case of coupon bonds or notes, by payment of March 15, 1941 coupons, which should be detached by holders before presentation of the securities for exchange, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. SURRENDER OF CALLED BONDS

1. Coupon bonds. - Treasury Bonds of 1941-43 in coupon form tendered in payment for notes offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated September 15, 1941, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder.

Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. Registered bonds. - Treasury Bonds of 1941-43 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury Notes of Series D-1943 to be delivered to _____", in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery on notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 25, 1941.
2/24/41

Press Service
No. 23-66

The Secretary of the Treasury announced last evening that the tenders for \$100,000,000, or thereabouts, of National Defense Series 91-day Treasury bills, to be dated February 26 and to mature May 28, 1941, which were offered on February 21, were opened at the Federal Reserve Banks on February 24.

The details of this issue are as follows:

Total applied for - \$258,063,000
Total accepted - 100,127,000

Range of accepted bids: (Excepting one tender of \$50,000)

High - 100.000
Low - 99.980 Equivalent rate approximately 0.079 percent.
Average price - 99.989 Equivalent rate approximately 0.043 percent.

(39 percent of the amount bid for at the low price was accepted).

E. C. ...

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Tuesday, February 25, 1941.
2/24/41

Press Service
No. 23-66

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12

Foreign short-term funds in the United States increased \$81,507,000 to \$3,820,252^{000x} Balances of the United Kingdom rose \$18,396,000 to \$397,155,000 while Canada's funds jumped \$27,113,000 to \$435,178,000. An increase of \$3,516,000 appeared for Switzerland; \$2,375,000 for Argentina; \$4,372,000 for Brazil; \$2,820,000 for Hong Kong; \$23,501,000 for China reflecting an Export-Import Bank loan; and \$16,527,000 for Japan. The total increase was pared by withdrawals of \$3,192,000 by France; \$2,340,000 by Finland; \$1,054,000 by Germany; \$6,240,000 by the Netherlands; \$2,010,000 by Cuba; and \$1,807,000 by Mexico.

Although Japanese balances showed an increase during November, indicating apparently that the United States then was considered a haven for funds, the net difference between its funds here and claims on it has been narrowing ~~impressively~~ since the beginning of 1940.

American ^{short-term} claims on foreign countries increased \$1,696,000 to \$395,140,000 in the period. Largest increase was reported for Japan where claims rose \$4,787,000 to \$62,821,000. United States short-term funds in the United Kingdom rose \$1,815,00 while ~~and~~ a decrease ~~of~~ of \$2,669,000 was reported for Canada, \$1,014,000 for Italy, and \$1,306,000 for Sweden.

Canada repatriated a total of \$2,184,000 of its securities held in this country. Latin American followed with \$1,211,000. Changes elsewhere were small.

Increases in brokerage balances of Canada and of Latin America were more than offset by a decrease of \$1,433,000 in Swiss balances.



27th

To Release Morning Paper
Friday, December 28 ~~1941~~ 1941

No. 23-67
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Foreign selling of American securities—~~by~~ by Italy—
continued in the four weeks ended November 27, 1940, the February
Treasury Bulletin disclosed today. Net liquidation totaled \$16,976,000
compared with \$23,767,000 in the preceding five weeks.

A total of \$95,822,000 of domestic securities was traded by
foreign sources during the four weeks of which \$56,399,000 were sales
and \$39,423,000 purchases.

Of a total net liquidation of \$12,150,000 recorded for all
European countries, ~~of which~~ \$6,075,000 was traced to Italy.

~~Of the proceeds, at least \$7,975,000 was withdrawn from this country.~~

Net sales of \$3,591,000 were reported for the United
Kingdom, not including sales made through channels other than banks,
brokers and dealers, \$2,839,000 for Switzerland, \$1,279,000 for Canada,
and \$2,494,000 for Asiatic countries.

An increase of \$79,811,000 of foreign short-term banking funds,
withdrawal of \$733,000 of foreign brokerage balances together with a
reduction of \$3,855,000 of foreign securities in this country resulted
in a net inflow of capital into the United States of \$65,957,000 during
the period. In the previous five weeks an outflow of \$11,512,000 was
recorded.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, February 28, 1941.
2/25/41

Press Service
No. 23-67

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for Switzerland; \$2,375,000 for Argentina; \$4,372,000 for Brazil;

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Canada repatriated a total of \$2,184,000 of its securities held in this country. Latin America followed with \$1,211,000. Changes elsewhere were small.

Increases in brokerage balances of Canada and of Latin America were more than offset by a decrease of \$1,433,000 in Swiss balances.

Estimated Changes in Ownership of Tax-exempt Securities,
June 30, 1937 - June 30, 1940

	June 30, 1937	June 30, 1940	Net change
--	------------------	------------------	---------------

(In billions of dollars)

All Tax-exempt Securities

Commercial banks	17.7	20.7	+3.0
Individuals	19.0	18.5	-.5
Insurance companies	6.8	8.2	+1.4
Mutual savings banks	3.2	3.7	+.5
Other corporations	2.8	2.4	-.4
Tax-exempt institutions*	1.0	1.3	+.3
<i>Total amount privately-held</i>	50.5	54.8	+4.3

Wholly Tax-exempt Securities

Commercial banks	9.0	7.6	-1.4
Individuals	12.4	10.6	-1.8
Insurance companies	3.1	2.5	-.6
Mutual savings banks	1.1	.9	-.2
Other corporations	1.8	1.2	-.6
Tax-exempt institutions*	.6	.8	+.2
<i>Total amount privately-held</i>	28.0	23.6	-4.4

Partially Tax-exempt Securities

Commercial banks	8.7	13.1	+4.4
Individuals	6.6	7.9	+1.3
Insurance companies	3.7	5.7	+2.0
Mutual savings banks	2.1	2.8	+.7
Other corporations	1.0	1.2	+.2
Tax-exempt institutions*	.4	.5	+.1
<i>Total amount privately-held</i>	22.5	31.2	+8.7

* Other than mutual savings banks.

which is exempt from the normal rates of the Federal income tax, while wholly tax-exempt securities are those the interest on which is exempt from both the normal tax and the surtax.

It is estimated that on June 30, 1940 commercial banks were the largest holders of tax-exempt securities with \$20.7 billions, or 37.8 percent of the total privately-held amount outstanding. Individuals were the second largest holders, with \$18.5 billions, or 33.8 percent, of the total privately-held amount. Then followed insurance companies, with \$8.2 billions mutual savings banks with \$3.7 billions, corporations (other than banks and insurance companies) with \$2.4 billions, and tax-exempt institutions (other than mutual savings banks) with \$1.3 billions.

In the period since 1937, there have been several significant changes in the relative amount of the holdings of tax-exempt securities by these classes of holders. Individuals have been replaced by commercial banks as the largest holders of tax-exempt securities as a class. Individuals, nevertheless, continued to be the largest holders of wholly tax-exempt securities. Throughout the period, commercial banks were the largest holders of partially tax-exempt issues. The changes in the ownership of tax-exempt securities by principal classes of holders between June 30, 1937 and June 30, 1940 are summarized in the following table:

For Release Money Newspaper
Friday February 28, 1941
2/27/41
PRESS RELEASE

Press Service
23-68

~~The Bulletin of the Treasury Department released today~~
~~contains~~ estimates showing the distribution of the ownership
of tax-exempt securities by classes of holders as of June 30,
for each of the years 1937 through 1940, *were published today in
the February 27*

No continuing record is maintained by the Treasury
Department concerning the ownership of Government securities.
As in the case of corporation bonds, the majority of securities
are coupon securities, and ownership passes on delivery from
bearer to bearer. Only a small fraction of the securities
are registered on the books of the issuing units of government.
The same is true of securities issued by State and local
governments. ~~On~~ the basis of various items of information
which may be pieced together, it is possible ~~however,~~
to make satisfactory estimates of the distribution of the ownership
of tax-exempt securities.

The amount of privately-held tax-exempt securities out-
standing -- the total amount less those held by the issuing
governments and their agencies *and by Federal Reserve Banks* -- increased from \$50.5 billions
on June 30, 1937 to \$54.8 billions on June 30, 1940, or by
\$4.3 billions. This change was accounted for by an increase
of \$8.7 billions in partially tax-exempt securities, while
wholly tax-exempt securities decreased by \$4.4 billions.
Partially tax-exempt securities are those the interest on

TREASURY DEPARTMENT

Washington

For Release Morning Newspapers
Friday, February 28, 1941
2/26/41

Press Service
No. 23-68

Estimates showing the distribution of the ownership of tax-exempt securities by classes of holders as of June 30 for each of the years 1937 through 1940 were published today in the February Bulletin of the Treasury Department.

No continuing record is maintained by the Treasury Department concerning the ownership of Government securities. As in the case of corporation bonds, the majority of securities are coupon securities, and ownership passes on delivery from bearer to bearer. Only a small fraction of the securities are registered on the books of the issuing units of government. The same is true of securities issued by State and local governments. On the basis of various items of information which may be pieced together, it is possible, however, to make satisfactory estimates of the distribution of the ownership of tax-exempt securities.

The amount of privately-held tax-exempt securities outstanding -- the total amount less those held by the issuing governments and their agencies and by Federal Reserve Banks -- increased from \$50.5 billions on June 30, 1937 to \$54.8 billions on June 30, 1940, or by \$4.3 billions. This change was accounted for by an increase of \$8.7 billions in partially tax-exempt securities, while wholly tax-exempt securities decreased by \$4.4 billions. Partially tax-exempt securities are those the interest on which is exempt from the normal rates of the Federal income tax, while wholly tax-exempt securities are those the interest

on which is exempt from both the normal tax and the surtax.

It is estimated that on June 30, 1940 commercial banks were the largest holders of tax-exempt securities with \$20.7 billions, or 37.8 percent of the total privately-held amount outstanding. Individuals were the second largest holders, with \$18.5 billions, or 33.8 percent, of the total privately-held amount. Then followed insurance companies, with \$8.2 billions, mutual savings banks with \$3.7 billions, corporations (other than banks and insurance companies) with \$2.4 billions, and tax-exempt institutions (other than mutual savings banks) with \$1.3 billions.

In the period since 1937, there have been several significant changes in the relative amount of the holdings of tax-exempt securities by these classes of holders. Individuals have been replaced by commercial banks as the largest holders of tax-exempt securities as a class. Individuals, nevertheless, continued to be the largest holders of wholly tax-exempt securities. Throughout the period, commercial banks were the largest holders of partially tax-exempt issues. The changes in the ownership of tax-exempt securities by principal classes of holders between June 30, 1937 and June 30, 1940 are summarized in the following table:

Estimated Changes in Ownership of Tax-exempt Securities,
June 30, 1937 - June 30, 1940

	:	:
: June 30,	: June 30,	: Net
: 1937	: 1940	: change

(In billions of dollars)

All Tax-exempt Securities

Commercial banks	17.7	20.7	+3.0
Individuals	19.0	18.5	- .5
Insurance companies	6.8	8.2	+1.4
Mutual savings banks	3.2	3.7	+ .5
Other corporations	2.8	2.4	- .4
Tax-exempt institutions*	1.0	1.3	+ .3
Total amount privately held	50.5	54.8	+4.3

Wholly Tax-exempt Securities

Commercial banks	9.0	7.6	-1.4
Individuals	12.4	10.6	-1.8
Insurance companies	3.1	2.5	- .6
Mutual savings banks	1.1	.9	- .2
Other corporations	1.8	1.2	- .6
Tax-exempt institutions*	.6	.8	+ .2
Total amount privately held	28.0	23.6	-4.4

Partially Tax-exempt Securities

Commercial banks	8.7	13.1	+4.4
Individuals	6.6	7.9	+1.3
Insurance companies	3.7	5.7	+2.0
Mutual savings banks	2.1	2.8	+ .7
Other corporations	1.0	1.2	+ .2
Tax-exempt institutions*	.4	.5	+ .1
Total amount privately held	22.5	31.2	+8.7

* Other than mutual savings banks.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Tuesday, February 25, 1941

Press Service
No. 23-69

Secretary of the Treasury Morgenthau announced today that the subscription books for the current offering of 2 percent Treasury Bonds of 1948-50 and of 3/4 percent Treasury Notes of Series D-1943 will close at the close of business Wednesday, February 26, except for the receipt of subscriptions from holders of \$10,000 or less of the securities eligible for exchange. This offering is open only to the holders of Treasury Bonds of 1941-43 called for redemption on March 15, 1941, and of Treasury Notes of Series A-1941 maturing March 15, 1941. The subscription books will be closed for the receipt of subscriptions from holders of \$10,000 and under at the close of business Thursday, February 27.

Many smaller holders of the securities to be exchanged, especially of the bonds, do not have as immediate access to their securities, and are not as conversant with the manner of entering subscriptions, as are the larger holders, and for these reasons they are given an extra day in which to make the exchange.

Subscriptions of either class addressed to a Federal Reserve Bank or Branch or to the Treasury Department and placed in the mail before 12 o'clock midnight of the respective closing days will be considered as having been entered before the close of the subscription books.

Announcement of the amount of subscriptions and their division among the several Federal Reserve Districts will be made later.

TREASURY DEPARTMENT

Washington

FOR RELEASE, AFTERNOON NEWSPAPERS,
Friday, February 28, 1941
2/26/41

Press Service
No. 23-70

Secretary of the Treasury Morgenthau today made public the second in the series of tabulations from "Statistics of Income for 1938, Part 2, Compiled from Corporation Income and Excess-profits Tax Returns and Personal Holding Company Returns", prepared under the direction of Commissioner of Internal Revenue Guy T. Helvering.

The attached table shows by major industrial groups and sub-groups and by returns with net income and with no net income, the number of returns, gross income, net income or deficit, income tax, excess-profits tax, and dividends paid in cash and assets other than corporation's own stock.

"Gross income" corresponds to "Total income" (item 14 on page 1, Forms 1120 and 1120A), after transferring to deductions the negative items of income reported under sources of income, plus "Cost of goods sold" and "Cost of operations" (items 2 and 5, respectively, on page 1, Forms 1120 and 1120A).

"Net income" is the "Net income for excess-profits tax computation" (item 28, on page 1, Forms 1120 and 1120A) which is equal to the difference between "Total income" and "Total deductions" (items 14 and 27, respectively, on page 1, Forms 1120 and 1120A). The classification of the returns into those with net income and with no net income is based on this item.

The amount tabulated as "Income tax" consists of (1) the income tax reported on the returns filed under the Revenue Act of 1938 and (2) the normal tax and surtax on undistributed profits reported on returns filed under the Revenue Act of 1936 as amended by the Revenue Act of 1937. The income tax liability represents an amount prior to the allowance of credit claimed for income tax paid to a foreign country or United States possession.

The "Excess-profits tax" is the amount reported as a tax liability. This amount is the same as that taken as a deduction in the computation of net income for income tax purposes, unless the return is rendered on a cash basis. If the cash basis of accounting is used, the deduction is the amount of excess-profits tax actually paid within the taxable year covered by the return.

In general, corporations are classified industrially according to the business activity which accounted for the greatest percentage of "Total receipts". "Total receipts" means the sum of the following items: Gross sales (where inventories are an income-determining factor); gross receipts (where inventories are not an income-determining factor); interest on loans, notes, mortgages, bonds, bank deposits, etc; taxable interest on obligations of the United States; rents; royalties; capital gain; gain from sale or exchange of property other than capital assets; dividends; and other income required by the Revenue Act to be included in gross income. The industrial groups do not contain solely corporations engaged exclusively in the industries in which they are classified, because of the diversified activities of many corporations.

The number of major industrial groups and subgroups shown in this release has been increased over those shown in the "Statistics of Income for 1937, Part 2", and there have been certain changes in the definitions of the contents of the groups. A comparison of the 1938 major groups in the following table with those for 1937, which was published on pages 13 - 18 of the "Preliminary Report, Statistics of Income for 1938, Corporation Income and Excess-profits Tax Returns", will be published in "Statistics of Income for 1938, Part 2". A comparison of the 1938 industrial subgroups in the following table with those for 1937 will be published in "Statistics of Income for 1938, Part 2".

In analyzing the data compiled from returns classified under the industrial subgroup "Life insurance companies", allowance should be made for the two special deductions from gross income permitted life insurance companies under section 203(a), Revenue Act of 1938, relating to reserve funds required by law, and reserve for dividends. On 1938 returns with net income this deduction is \$17,165,010 and on returns with no net income, \$855,127,536.

Corporations, 1938, by major industrial groups and subgroups and by returns with net income and with no net income: number of returns, gross income, net income or deficit, income tax, excess-profits tax and dividends paid in cash and assets other than corporation's own stock
(Money figures in thousands of dollars)

Industrial groups ^{1/}	Total : number of : returns ^{2/}	Returns with net income ^{3/}						Returns with no net income ^{3/}			
		: Number of : returns	: Gross : income ^{4/}	: Net income ^{4/}	: Income tax ^{5/}	: Excess- : profits tax	: Dividends : paid in cash: : and assets : other than : corporation's : own stock	: Number of : returns	: Gross : income ^{4/}	: Deficit ^{3/}	: Dividends : paid in cash : and assets : other than : corporation's : own stock
All industrial groups	520,501	169,884	80,068,303	6,525,979	853,578	5,988	4,780,202	301,148	39,927,538	2,853,098	357,786
Mining and quarrying	14,599	3,391	1,576,821	199,621	28,442	264	194,570	7,551	1,162,560	152,440	20,315
Metal mining	2,585	283	490,569	95,712	13,606	52	89,508	1,104	143,415	19,072	1,136
1 Iron	122	18	30,583	2,036	264	2	774	67	69,098	3,527	1
2 Copper	134	14	220,956	46,027	5,941	3	39,515	52	22,061	3,271	15
3 Lead and zinc	160	30	58,496	4,792	575	6	7,424	80	16,914	1,617	248
4 Gold and silver	1,450	154	105,736	26,979	4,377	10	25,775	637	20,344	7,280	738
5 Other metal mining	129	31	32,012	8,932	1,506	20	7,631	54	3,163	640	10
6 Metal mining not allocable	590	36	42,786	6,946	943	11	8,389	214	11,836	2,737	124
7 Anthracite mining	142	37	65,947	1,352	193	1	1,464	98	140,615	24,858	28
8 Other coal mining	2,125	363	253,467	11,112	1,647	14	8,623	1,524	463,727	37,779	1,773
9 Petroleum	5,992	1,975	604,450	73,727	10,211	131	79,201	3,336	345,918	60,340	16,975
Oil, gas and natural gasoline	5,237	1,742	517,989	63,113	8,408	67	76,441	2,945	313,237	57,054	16,811
10 Field service operations	755	233	86,460	10,614	1,803	64	2,760	391	32,681	3,286	165
11 Nonmetallic mining and quarrying	1,918	682	158,875	17,213	2,708	61	15,514	1,059	64,931	8,338	308
Stone, sand, and gravel	1,566	577	102,660	8,644	1,324	58	4,380	868	57,876	6,498	247
12 Other mining and quarrying	311	96	54,773	8,510	1,376	2	11,116	168	6,116	1,688	61
13 Nonmetallic mining and quarrying not allocable	41	9	1,442	59	9	(8)	18	23	939	152	-
14 Mining and quarrying not allocable	1,837	51	3,513	505	77	6	260	430	3,955	2,052	94
Manufacturing	91,838	34,034	34,117,838	2,421,385	374,171	2,360	1,574,252	54,033	17,010,574	831,871	88,966
Food and kindred products	10,850	4,352	6,304,802	304,167	48,612	344	215,683	5,987	3,545,129	76,315	9,055
15 Bakery products	2,305	938	780,047	51,877	8,632	53	36,415	1,262	167,047	4,488	155
16 Confectionery	680	269	329,556	32,937	5,470	41	21,559	390	86,969	3,272	77
17 Canning fruits, vegetables and sea foods	1,557	407	406,428	25,163	4,148	30	13,884	1,039	356,388	23,253	1,996
18 Meat products	956	457	1,991,772	18,486	2,547	45	17,694	461	2,093,362	16,043	917
19 Grain mill products, except cereal preparations	1,283	515	724,349	24,915	4,124	89	12,590	706	240,891	7,235	388
20 Cereal preparations	78	28	130,043	10,633	1,692	(8)	10,200	44	2,574	171	1,800
21 Dairy products	2,516	1,129	931,941	32,386	4,985	62	23,002	1,264	226,813	4,722	196
22 Sugar	156	73	340,122	15,101	2,293	1	14,994	76	265,102	12,440	3,419
23 Other, including flavoring sirups	1,038	431	453,943	66,481	10,755	22	48,453	580	78,031	3,397	89
24 Food and kindred products not allocable	281	105	216,602	26,187	3,966	2	16,894	165	27,951	1,293	18
Beverages	3,237	1,506	1,325,192	127,758	21,717	111	58,770	1,509	290,070	18,262	350
25 Breweries and malt products	727	281	698,170	62,786	10,935	45	25,036	369	157,778	10,456	184
26 Distilleries, rectifiers, blenders	401	106	351,562	24,402	4,064	20	12,258	208	74,530	4,393	131
27 Wine	175	66	23,607	812	119	1	197	103	8,832	811	10
28 Nonalcoholic beverages	1,894	1,038	245,645	39,557	6,565	45	21,233	808	42,301	2,326	18
29 Beverages not allocable	40	15	6,208	202	33	-	46	21	6,629	276	6
30 Tobacco manufactures	326	110	1,251,903	124,310	19,590	(8)	97,900	199	37,815	1,584	106
Textile-mill products	5,187	1,841	1,791,565	79,582	12,787	202	41,634	3,207	1,424,971	101,589	7,697
31 Cotton manufactures	970	371	479,188	22,922	3,685	34	13,226	582	407,453	27,223	3,268
32 Woolen and worsted manufactures, including dyeing and finishing	527	175	237,071	6,744	1,115	17	3,604	344	218,336	19,931	1,467
33 Silk manufactures	357	81	38,221	1,086	172	19	443	262	74,638	3,677	305
34 Rayon and other synthetic textile-mill manufactures	119	59	130,729	6,935	1,133	3	4,131	60	56,417	2,941	96
35 Knit goods	1,347	542	413,882	17,177	2,818	79	6,772	758	182,964	12,034	568
36 Hats, except cloth and millinery	177	48	37,750	1,292	202	1	714	127	37,625	1,952	119
37 Carpets and other floor coverings	121	38	62,569	3,821	524	(8)	2,194	77	86,037	7,008	292
38 Dyeing and finishing textiles, except woolen and worsted	545	172	132,951	6,610	1,076	18	2,568	361	81,971	6,596	137
39 Other textile-mill products	621	244	138,456	7,642	1,203	23	4,659	366	95,981	6,964	777
40 Textile-mill products not allocable	403	111	120,749	5,352	858	7	3,322	270	183,550	13,263	670
Apparel and products made from fabrics	8,697	2,864	1,262,131	30,265	4,750	72	14,075	5,723	842,247	29,507	861
41 Men's clothing	1,782	574	420,880	13,589	2,210	20	6,523	1,183	291,349	11,842	460
42 Women's clothing	3,520	1,255	569,112	9,918	1,532	28	3,924	2,224	339,995	9,533	53
43 Fur garments and accessories	879	231	33,469	489	65	1	77	641	44,068	1,703	22
44 Millinery	557	153	32,776	473	65	4	87	398	36,564	1,034	1
45 Other apparel and products made from fabrics	1,516	515	149,563	4,260	642	13	2,344	981	87,027	3,764	286
46 Apparel and products made from fabrics not allocable	443	136	50,331	1,536	236	6	1,119	296	43,245	1,630	38
Leather and products	2,274	860	755,011	25,847	4,087	66	18,312	1,364	371,135	20,058	764
47 Leather	326	129	133,564	5,438	889	17	2,725	185	124,379	8,122	156
48 Footwear, except rubber	840	359	511,322	17,403	2,728	34	14,347	455	165,834	6,866	307
49 Other leather products	1,070	360	105,000	2,663	414	14	1,002	700	75,783	4,741	115
50 Leather and products not allocable	38	12	5,124	342	57	(8)	238	24	5,139	329	186
Rubber products	557	283	782,159	26,325	4,331	49	17,012	257	75,899	3,966	277
51 Tires and inner tubes	57	39	633,691	19,425	3,214	33	13,520	17	15,784	335	-
52 Other rubber products, including rubberized fabrics and clothing	480	237	145,211	6,789	1,100	16	3,435	234	59,714	3,619	277
53 Rubber products not allocable	20	7	3,256	111	16	(8)	57	6	401	12	-

For footnotes, see page 8.

Corporations, 1938, by major industrial groups and subgroups and by returns with net income and with no net income: number of returns, gross income, net income or deficit, income tax, excess-profits tax and dividends paid in cash and assets other than corporation's own stock - Continued

(Money figures in thousands of dollars)

Industrial groups 1/	Total number of returns 2/	Number of returns	Returns with net income 3/					Returns with no net income 3/				
			Gross income 4/	Net income 3/	Income tax 5/	Excess-profits tax	Dividends paid in cash and assets other than corporation's own stock	Number of returns	Gross income 4/	Deficit 3/	Dividends paid in cash and assets other than corporation's own stock	
Manufacturing - Continued												
Lumber and timber basic products	3,095	1,029	385,220	19,951	3,003	26	14,529	1,908	368,463	32,362	2,567	
54 Logging and sawmills	2,047	649	263,975	15,228	2,276	16	12,457	1,273	288,483	27,418	2,400	
55 Planing mills	968	360	112,782	4,458	687	9	2,017	580	71,197	4,289	121	
56 Lumber and timber basic products not allocable	80	20	8,463	265	40	(8)	55	55	8,783	654	45	
Furniture and finished lumber products	4,711	1,650	647,411	33,050	5,109	61	19,716	2,940	383,823	23,648	2,301	
57 Furniture (wood and metal)	2,218	793	335,594	17,003	2,740	38	8,370	1,367	183,182	13,664	250	
58 Partitions and fixtures	406	108	21,645	907	132	2	358	293	25,993	1,410	84	
59 Wooden containers	652	247	84,336	3,926	600	8	1,985	385	56,474	3,661	438	
60 Matches	22	13	39,994	3,066	424	1	3,998	7	4,934	151	-	
61 Other, including cork products	1,314	457	157,688	7,853	1,160	12	4,946	825	103,730	4,025	1,530	
62 Furniture and finished lumber products not allocable	99	32	8,155	295	52	1	59	63	9,510	738	-	
Paper and allied products	2,256	1,107	1,115,593	68,858	10,917	49	43,497	1,089	408,743	24,933	1,281	
63 Pulp, paper and paperboard	475	226	491,784	33,722	5,265	7	22,966	231	211,518	15,390	413	
64 Pulp and paper converted products	1,720	849	502,499	29,478	4,731	36	16,711	831	181,514	8,825	859	
65 Paper and allied products not allocable	61	32	121,310	5,658	921	6	3,820	27	15,711	717	9	
Printing and publishing industries	11,950	4,234	1,542,128	125,114	18,570	129	77,033	7,314	653,058	42,731	3,099	
66 Newspapers	2,379	1,093	617,854	62,735	9,337	17	43,255	1,221	209,816	16,506	1,815	
67 Periodicals	702	236	190,604	12,131	1,746	2	9,464	436	64,614	6,717	140	
68 Books	385	153	111,067	8,816	1,394	18	5,903	220	33,217	1,957	337	
69 Commercial printing	2,274	777	194,776	10,098	1,458	14	4,009	1,476	93,935	3,559	218	
70 Other printing and publishing	3,092	1,127	285,204	17,735	2,767	64	8,641	1,892	141,372	7,131	322	
71 Printing and publishing industries not allocable	3,118	848	142,623	13,598	1,868	13	5,762	2,069	110,115	6,861	267	
Chemicals and allied products	7,150	2,799	3,230,179	339,112	51,827	212	221,037	4,002	479,159	30,727	2,855	
72 Paints, varnishes and colors	977	429	347,215	13,169	1,827	7	11,434	501	64,302	3,475	617	
73 Soap and glycerin	209	75	443,713	48,945	8,505	77	22,755	124	10,391	535	9	
74 Drugs, toilet preparations, etc.	2,329	812	522,514	83,021	13,082	64	53,396	1,401	48,958	4,842	552	
75 Rayon (raw material) and allied products	6	4	29,762	3,823	654	-	1,970	1	43,039	2,172	-	
76 Fertilizers	374	202	140,242	7,146	1,060	5	4,491	161	30,146	896	137	
77 Animal and vegetable oils, except lubricants and cooking oils	300	139	352,079	11,140	1,601	10	8,297	149	74,522	3,905	303	
78 Plastic materials	200	76	41,533	1,965	274	1	920	118	14,146	1,100	87	
79 Industrial chemicals	647	348	944,049	140,194	20,224	16	99,387	281	88,866	6,569	661	
80 Other chemicals and allied products	1,437	495	199,096	16,177	2,451	24	9,620	874	66,281	4,315	305	
81 Chemicals and allied products not allocable	671	219	203,975	13,532	2,149	8	8,767	392	38,499	2,919	183	
Petroleum and coal products	765	315	2,459,321	145,406	15,003	29	155,880	398	2,638,970	88,121	29,847	
82 Petroleum refining	579	227	2,299,648	135,769	13,617	25	149,747	308	2,582,480	86,349	29,692	
83 Other petroleum and coal products	177	86	155,799	10,386	1,344	4	6,052	84	56,432	1,764	155	
84 Petroleum and coal products not allocable	9	2	3,875	251	41	-	81	6	52	8	-	
Stone, clay, and glass products	3,742	1,393	937,365	88,915	14,110	117	53,436	2,208	284,139	23,839	2,292	
85 Cut-stone products	641	159	18,194	775	114	5	334	457	26,600	3,080	28	
86 Structural clay products	955	462	97,352	6,593	1,007	26	3,125	554	65,199	7,136	218	
87 Pottery and porcelain products	244	100	51,284	3,549	576	9	1,700	135	35,025	1,930	272	
88 Glass and glass products	501	167	355,661	32,096	5,263	10	19,039	318	50,700	3,524	1,301	
89 Cement	149	83	145,229	20,559	3,247	19	15,678	62	35,650	2,646	156	
90 Concrete and gypsum products, wallboard	892	386	132,344	11,476	1,859	36	6,455	470	33,225	2,741	209	
91 Abrasives and asbestos products	276	108	130,268	13,611	2,004	3	7,023	162	31,739	2,180	70	
92 Stone, clay and glass products not allocable	84	28	7,054	256	39	9	83	50	6,001	602	39	
Iron, steel and products	6,816	2,579	2,027,612	137,138	22,512	175	86,772	3,990	2,262,649	125,708	13,742	
93 Blast furnaces and rolling mills	383	136	446,484	26,040	4,339	21	17,228	217	1,334,770	59,698	5,320	
94 Fabricated structural steel and ornamental metal work	919	360	174,430	7,632	1,274	41	3,915	540	86,209	4,364	396	
95 Tin cans and other tinware	97	41	303,398	27,755	4,646	(8)	19,990	53	31,539	2,748	124	
96 Hand tools and general hardware	983	352	172,414	13,264	2,077	22	8,507	585	87,673	6,545	1,018	
97 Heating apparatus, except electric and plumbers' supplies	1,237	427	302,942	19,122	3,160	11	11,083	745	234,070	14,551	4,828	
98 Other iron, steel and products (not classified below)	3,068	1,222	612,593	42,176	6,828	78	25,453	1,769	462,618	36,221	1,970	
99 Iron, steel and products not allocable	129	41	15,352	1,149	189	1	567	81	25,770	1,582	84	
Nonferrous metals and their products	2,673	908	917,933	67,908	10,520	40	41,161	1,687	333,853	17,074	898	
100 Nonferrous metal basic products	423	173	437,589	27,536	4,436	8	19,929	222	92,932	4,768	22	
101 Clocks and watches	88	36	53,302	4,426	782	(8)	1,880	50	15,554	1,571	391	
102 Jewelry, except costume jewelry	553	190	48,818	2,361	380	22	909	351	26,339	1,429	65	
103 Other manufactures of nonferrous metals and their alloys	1,569	497	371,147	33,123	4,810	11	18,294	1,037	122,038	5,638	410	
104 Nonferrous metals and products not allocable	40	12	6,977	461	113	-	149	27	76,990	3,667	10	

For footnotes, see page 3.

Corporations, 1938, by major industrial groups and subgroups and by returns with net income and with no net income: number of returns, gross income, net income or deficit, income tax, excess-profits tax and dividends paid in cash and assets other than corporation's own stock - Continued
(Money figures in thousands of dollars)

Industrial groups <u>1/</u>	: Total : number of : returns <u>2/</u>	Returns with net income <u>3/</u>						Returns with no net income <u>3/</u>			
		: Number of : returns	: Gross : income <u>4/</u>	: Net income <u>3/</u>	: Income tax <u>5/</u>	: Excess- : profits tax	: Dividends : paid in cash : and assets : other than : corporation's : own stock	: Number of : returns	: Gross : income <u>4/</u>	: Deficit <u>3/</u>	: Dividends : paid in cash : and assets : other than : corporation's : own stock
Manufacturing - Continued											
Electrical machinery and equipment	1,790	715	1,319,249	96,766	15,308	126	67,860	991	258,370	15,967	1,050
105 Electrical equipment for public utility, manufacturing, mining, transportation (except automotive) and construction use	534	241	467,498	46,460	7,119	32	33,346	271	58,487	2,933	714
106 Automotive electrical equipment	102	36	55,721	6,633	1,033	6	6,048	62	11,703	1,742	3
107 Radio apparatus and phonographs	294	111	169,286	8,332	1,381	38	5,038	160	49,477	3,913	41
108 Household electrical appliances	185	64	97,572	9,486	1,599	18	5,636	109	37,926	1,706	69
109 Other electrical machinery	593	235	329,631	16,808	2,676	27	9,913	337	93,279	5,049	160
110 Electrical machinery and equipment not allocable	82	28	199,542	9,048	1,499	4	7,880	52	7,499	625	63
Machinery, except transportation equipment and electrical	6,315	2,371	2,475,297	234,626	37,499	306	158,967	3,706	591,897	40,177	4,036
111 Special industry machinery	1,402	519	310,253	36,220	5,583	81	27,454	844	122,088	8,707	1,178
112 General industry machinery	2,374	822	480,943	38,092	6,028	61	25,247	1,475	191,498	12,026	1,118
113 Metal-working machinery including machine tools	682	285	206,598	24,251	4,107	47	12,729	383	38,310	3,182	308
114 Engines and turbines	118	35	78,796	4,367	672	2	2,792	70	21,197	2,624	23
115 Construction and mining machinery	507	254	318,811	27,813	4,550	36	15,234	232	66,219	3,696	440
116 Agricultural machinery	426	176	560,121	49,218	7,726	44	33,993	224	48,127	2,746	177
117 Office and store machines	340	140	279,496	31,280	5,282	34	21,029	178	16,108	1,610	54
118 Other machinery, except transportation equipment and electrical	241	67	124,997	14,206	2,011	(8)	15,125	161	43,225	2,855	551
119 Machinery, except transportation equipment and electrical not allocable	225	73	115,281	9,177	1,538	1	5,364	139	45,125	2,730	187
120 Automobiles and equipment, except electrical	1,036	364	2,012,864	206,129	31,002	23	95,595	610	1,039,150	60,900	2,330
Automobiles and trucks, bodies and industrial trailers	384	111	1,730,104	189,537	28,259	10	86,790	253	910,610	51,493	1,754
121 Trailers for passenger cars	41	7	2,451	46	4	--	22	33	3,509	401	50
122 Automobile accessories and parts, other than electrical	603	244	279,940	16,486	2,727	14	8,784	320	123,626	8,704	526
123 Automobiles and equipment, except electrical not allocable	8	2	368	60	11	(8)	--	4	1,405	301	--
124 Transportation equipment, except automobiles	848	252	376,339	39,184	6,588	33	18,325	522	258,746	22,655	1,319
125 Railroad and railway equipment	178	50	50,440	3,493	562	6	2,204	122	151,804	12,414	1,051
126 Aircraft and parts	174	45	178,513	25,757	4,423	10	10,432	92	15,448	2,476	1
127 Ship and boat building	431	140	128,207	8,717	1,425	16	4,761	262	82,878	7,387	264
128 Motorcycles and bicycles	18	8	16,826	1,104	162	--	885	10	5,989	232	--
129 Other transportation equipment, except automobile	38	8	2,030	109	17	1	42	29	2,441	119	4
Transportation equipment, except automobiles, not allocable	9	1	323	5	1	--	2	7	187	28	--
Other manufacturing	5,357	1,956	764,430	74,345	12,189	158	42,982	3,215	274,933	20,584	1,170
130 Natural and manufactured ice	1,193	537	78,177	8,010	1,202	10	6,590	629	59,749	4,470	642
131 Manufacturing n.e.c.	4,164	1,419	686,254	56,335	10,987	148	36,392	2,586	215,184	16,114	528
132 Manufacturing not allocable	2,206	546	434,114	25,631	4,139	34	14,076	1,207	187,348	11,166	1,071
Public utilities	23,961	9,266	7,866,041	1,200,243	166,452	392	1,083,642	12,695	4,275,628	530,392	33,842
Transportation	15,513	5,402	3,380,514	341,578	53,076	312	247,506	8,927	3,615,340	464,187	13,520
133 Railroads, switching, terminal, sleeping and dining car companies	938	315	1,610,406	120,820	17,758	11	88,241	505	2,485,199	341,137	8,938
134 Railway express companies	12	2	160,266	223	34	10	119	7	626	5	4
135 Street, suburban and interurban railways and city and suburban bus lines	1,144	338	110,199	8,043	1,167	37	4,593	726	499,320	71,326	2,531
136 Interstate and interurban busses	576	243	108,758	17,083	2,804	15	9,181	300	28,220	1,734	4
137 Taxicab companies	694	130	32,535	1,764	255	2	819	485	34,859	1,830	1
138 Interstate and interurban trucking	1,727	709	180,501	7,652	1,185	62	1,971	947	93,419	3,999	17
139 Local trucking and warehousing	5,963	1,932	194,619	16,101	2,406	70	7,825	3,702	135,963	9,169	347
140 Air transportation and allied services	577	81	35,499	2,709	456	3	1,232	396	30,186	4,161	1
141 Pipe lines	284	153	331,821	102,467	17,031	2	90,690	114	50,897	2,597	346
142 Water transportation	2,060	898	393,047	39,507	5,902	82	22,916	989	207,135	25,130	1,270
143 Other transportation and allied services	1,227	518	206,316	23,845	3,863	14	19,180	620	39,934	2,281	43
144 Transportation not allocable	311	83	16,547	1,355	217	4	739	136	9,581	820	20
Communication	3,906	1,534	1,499,821	368,512	38,384	19	359,022	2,095	154,767	15,288	70
145 Telephone and radio telephone	3,214	1,244	1,376,761	351,447	35,547	9	348,929	1,783	15,651	1,975	61
146 Telegraph and radio telegraph	82	18	14,239	1,502	234	1	275	54	123,928	11,644	1
147 Radio broadcasting and services	605	272	108,821	15,563	2,604	10	9,819	254	14,677	1,654	8
148 Communication not allocable	5	--	--	--	--	--	--	4	511	15	--

For footnotes, see page 8.

Corporations, 1938, by major industrial groups and subgroups and by returns with net income and with no net income: number of returns, gross income, net income or deficit, income tax, excess-profits tax and dividends paid in cash and assets other than corporation's own stock - Continued

(Money figures in thousands of dollars)

Industrial groups ^{1/}	: Total : number of : returns ^{2/}	: Number : of : returns	Returns with net income ^{3/}					: Excess- : profits : tax	: Dividends : paid in cash : and assets : other than : corporation's : own stock	: Number : of : returns	Returns with no net income ^{3/}		
			: Gross : income ^{4/}	: Net : income ^{3/}	: Income : tax ^{5/}	: Gross : income ^{4/}	: Deficit ^{3/}				: Dividends : paid in cash : and assets : other than : corporation's : own stock		
Public utilities - Continued													
Other public utilities	4,542	2,330	2,985,706	490,154	74,991	61	477,114	1,673	505,521	50,917	20,251		
149 Electric light and power	1,283	732	2,431,764	416,392	63,491	36	404,738	358	283,178	21,437	15,469		
150 Gas production and distribution, except natural gas production	777	361	443,206	53,100	8,262	2	53,200	378	181,779	13,933	4,420		
151 Water	1,811	973	76,604	14,751	2,311	12	15,208	634	15,940	3,165	196		
152 Public utilities n.e.c.	467	193	22,345	4,992	787	9	3,362	234	19,930	12,058	136		
153 Other public utilities not allocable	204	71	11,786	919	141	1	606	69	4,694	324	30		
Trade	143,234	50,614	27,051,631	741,483	113,459	1,155	425,624	88,578	11,994,555	325,820	14,528		
Wholesale	38,153	15,704	12,531,072	263,049	37,886	464	139,959	21,328	5,249,978	117,805	7,118		
Retail	88,985	28,482	11,988,825	381,536	60,258	438	225,130	58,210	5,276,754	169,068	5,991		
Department, general merchandise, dry goods	6,416	2,735	3,493,993	141,155	23,285	62	75,529	3,532	631,784	20,203	1,232		
Limited-price variety stores	363	154	894,160	61,441	9,743	1	47,869	199	7,321	320	1		
Mail-order houses	280	82	103,380	3,034	491	3	2,162	178	17,076	1,008	3		
Food stores	5,393	1,434	2,433,473	39,286	6,344	43	28,422	3,766	506,644	8,159	150		
Package liquor stores	1,664	547	37,197	536	74	6	86	1,070	41,247	1,109	1		
Drug stores	5,855	1,669	387,444	10,783	1,619	35	5,638	4,044	192,755	4,957	88		
Apparel	11,437	3,300	961,723	26,527	4,164	35	11,947	7,920	630,507	25,115	812		
Furniture and house furnishings	5,818	1,915	487,294	17,533	2,780	21	7,262	3,789	262,091	14,675	434		
Eating and drinking places	7,936	1,454	314,824	11,321	1,706	23	5,821	6,232	355,982	13,107	69		
Dealers in automobiles, accessories, tires, batteries	10,880	2,958	993,797	12,232	1,675	23	6,875	7,577	1,302,460	29,464	859		
Motor-vehicle dealers	9,673	2,516	901,386	9,618	1,274	16	5,928	6,846	1,256,547	27,525	849		
Accessories, tires and batteries	1,178	436	91,223	2,604	400	6	947	709	43,730	1,852	10		
Dealers in automobiles, etc. not allocable	29	6	1,188	10	1	(8)	-	22	2,183	86	1		
Filling stations	2,331	815	172,658	7,326	1,165	21	4,274	1,444	89,126	1,927	19		
Hardware	3,348	1,230	109,679	2,938	407	11	1,173	2,072	78,461	3,603	568		
Lumber and coal yards	8,356	3,676	591,960	19,145	2,679	58	8,983	4,520	427,719	15,606	909		
Other retail trade	15,739	5,292	795,626	22,922	3,359	70	15,648	9,993	581,468	23,804	665		
Retail trade not allocable	3,169	1,221	211,618	5,302	765	24	3,442	1,874	152,112	6,011	181		
Trade not allocable	16,096	6,428	2,531,734	96,899	15,315	253	60,535	9,040	1,467,823	38,948	1,419		
Service	45,289	12,286	2,059,530	160,263	23,588	273	82,457	28,687	1,498,059	110,427	2,442		
Personal service	14,883	3,957	509,312	26,617	3,867	51	10,319	10,280	688,218	51,590	954		
Hotels and other lodging places	5,026	1,243	195,940	11,833	1,695	16	4,026	3,530	389,468	38,924	619		
Laundries, cleaning and dyeing	5,188	1,556	241,645	10,999	1,649	28	4,659	3,408	216,653	8,159	208		
Photographic studios	513	109	8,915	421	62	1	170	386	14,328	791	32		
Other personal service	4,125	1,038	62,250	3,309	453	15	1,420	2,937	67,288	3,676	97		
Personal service not allocable	31	11	562	55	8	(8)	43	19	482	40	(8)		
Business service	7,447	2,357	492,104	36,487	5,688	44	22,463	4,390	188,069	11,849	363		
Advertising	2,103	793	274,905	13,770	2,161	10	7,830	1,163	102,280	5,195	279		
Other business service	5,270	1,537	210,746	22,586	3,509	34	14,583	3,192	84,164	6,579	85		
Business service not allocable	74	27	6,453	131	18	(8)	50	35	1,625	75	-		
Automobile repair services	5,069	1,029	75,891	2,466	333	9	805	3,852	131,112	5,962	25		
Amusement	10,353	3,230	797,709	80,734	11,614	88	42,484	5,935	342,982	28,828	801		
Motion-picture production	526	146	262,656	24,230	2,929	6	15,762	311	107,401	6,738	50		
Motion-picture theaters	4,003	1,956	428,038	42,829	6,438	43	21,242	1,913	135,946	8,598	192		
Other amusement	5,706	1,109	105,073	13,337	2,188	39	5,438	3,663	99,106	13,379	544		
Amusement not allocable	118	19	1,941	338	58	(3)	41	48	529	114	15		
Other, including schools	7,317	1,655	182,593	13,713	2,050	70	6,283	4,082	144,106	11,873	286		
Service not allocable	220	48	1,921	246	36	1	104	148	3,573	325	12		
Finance, insurance, real estate and lessors of real property	156,882	51,806	5,661,327	1,704,131	132,757	998	1,374,094	88,631	2,948,207	815,786	193,444		
Banks and trust companies	18,593	10,574	1,223,989	213,017	12,146	216	175,684	5,766	399,247	93,350	27,404		
Mortgage and title companies	1,834	499	19,301	3,056	419	7	1,653	1,028	37,122	31,742	330		
Investment trust and investment companies	1,237	616	120,625	71,536	2,036	21	63,065	512	14,581	7,065	688		
Management type	344	218	63,521	42,841	1,056	10	39,253	113	9,264	3,157	124		
Fixed type	70	50	21,493	17,286	592	1	15,014	19	1,995	564	11		
Installment investment plans and guaranteed face-amount certificates	53	22	18,442	1,830	117	3	945	31	1,325	810	-		
Oil royalty companies	160	49	666	231	32	2	194	90	615	322	5		
Investment trusts and investment companies not allocable	610	277	16,504	9,347	238	4	7,659	259	1,382	2,213	548		

Corporations, 1938, by major industrial groups and subgroups and by returns with net income and with no net income: number of returns, gross income, net income or deficit, income tax, excess-profits tax and dividends paid in cash and assets other than corporation's own stock - Continued
(Money figures in thousands of dollars)

Industrial groups ^{1/}	Total number of returns ^{2/}	Returns with net income ^{3/}						Returns with no net income ^{3/}			
		Number of returns	Gross income ^{4/}	Net income ^{3/}	Income tax ^{5/}	Excess- profits tax ^{6/}	Dividends paid in cash and assets other than corporation's own stock	Number of returns	Gross income ^{4/}	Deficit ^{3/}	Dividends paid in cash and assets other than corporation's own stock
Finance, insurance, real estate and lessors of real property - Continued											
Holding companies ^{6/}	1,218	797	822,364	582,247	26,323	193	500,229	355	31,439	29,911	1,290
195 Railroad securities	18	11	12,502	9,575	344	39	11,560	6	3,802	3,031	-
196 Other public utility securities	210	145	353,365	241,500	7,772	102	200,691	59	18,050	14,483	30
197 Industrial securities	141	98	91,352	60,463	2,995	38	62,064	42	2,721	6,992	925
198 Bank securities	34	26	7,907	6,118	168	(8)	5,049	8	830	100	-
199 Other specified securities	329	271	180,312	141,004	6,421	12	131,663	51	3,029	4,198	195
200 Securities not specified	486	246	176,926	123,587	8,623	3	89,203	189	3,007	1,107	141
201 Other corporations holding securities ^{7/}	5,357	2,597	367,237	263,767	15,058	41	283,840	2,278	29,412	32,849	8,234
202 Security and commodity-exchange brokers and dealers	2,376	755	76,136	12,245	1,416	14	9,243	1,486	70,869	20,288	3,584
203 Commercial credit and finance companies	2,981	1,480	206,227	67,869	10,036	22	50,412	1,276	24,213	4,222	999
Industrial and personal loan companies	2,622	1,572	110,400	30,753	4,689	15	18,679	849	10,978	2,436	474
204 Other finance companies	2,903	531	47,910	15,253	2,463	29	14,672	1,331	14,273	15,193	232
Insurance, carriers, agents, etc.	8,103	3,319	1,694,569	226,940	26,857	57	103,311	4,267	1,196,177	264,512	139,026
205 Life insurance companies	722	131	28,302	3,566	493	-	3,043	508	948,990	172,150	137,552
206 Insurance companies, except life	1,331	660	1,527,334	202,027	23,410	1	85,314	537	200,564	88,933	1,417
207 Agents, brokers, etc.	6,050	2,528	138,933	21,348	2,953	56	14,953	3,222	46,623	3,429	56
Real Estate, including lessors of buildings	99,211	25,602	754,816	124,738	17,260	312	70,130	64,311	1,043,957	267,784	8,387
208 Dealers and development companies, lessors of buildings, lessee and owner operators of buildings	92,706	23,463	698,049	119,619	16,594	286	67,700	60,463	1,000,656	262,029	8,201
209 Agents, brokers, etc.	6,218	2,098	56,250	4,989	651	25	2,379	3,784	42,715	5,552	184
210 Real estate, including lessors of buildings not allocable	287	41	517	130	15	1	51	64	586	203	1
Lessors of real property, except buildings	4,893	1,873	164,104	79,388	12,612	51	70,901	2,345	35,448	25,958	1,473
211 Agricultural, forest, etc.	910	230	2,490	852	111	1	553	575	3,602	4,205	45
212 Mining, oil, etc.	3,298	1,312	56,396	21,347	3,207	45	23,002	1,539	12,373	11,887	1,039
213 Railroad properties	292	162	68,876	42,327	6,992	1	34,913	91	12,824	6,894	210
214 Public-utility properties	269	126	33,341	13,758	2,162	1	11,305	75	5,548	2,594	142
215 Other real property, except buildings	32	14	325	75	10	-	65	14	525	41	-
216 Lessors of real property, except buildings not allocable	92	29	2,674	1,029	129	3	1,064	51	577	336	37
217 Finance, insurance, real estate and lessors of real property not allocable	5,554	1,591	53,649	13,322	1,441	20	12,274	2,827	40,491	20,476	1,323
Construction	17,622	5,057	1,255,409	62,682	9,774	385	23,611	11,284	708,069	37,534	1,099
218 General contractors	8,742	2,698	934,901	49,902	7,858	301	18,953	5,163	438,761	23,946	853
219 Special trade contractors	8,686	2,330	310,933	11,843	1,754	82	4,464	6,039	266,457	13,414	216
220 Construction not allocable	194	29	9,576	936	162	2	188	82	2,851	173	30
Agriculture, forestry and fishery	9,792	2,632	363,726	30,968	4,158	142	18,805	6,361	239,845	34,130	882
221 Forestry	524	80	8,160	847	114	1	539	375	10,787	2,990	52
222 Fishery	336	78	11,568	925	143	12	203	220	20,761	1,127	1
223 Agriculture and services	8,917	2,471	343,919	29,179	3,899	130	18,055	5,756	208,128	29,996	830
224 Agriculture, forestry and fishery not allocable	15	3	80	18	2	-	8	10	170	18	-
225 Nature of business not allocable (except trade)	17,284	798	115,981	5,202	778	19	3,149	3,328	90,040	14,696	2,268

^{1/} In general, corporations are classified industrially according to the business activity which accounted for the greatest percentage of "Total receipts". The industrial groups, therefore, do not contain solely corporations engaged exclusively in the industries in which they are classified, because of the diversified activities of many corporations. A comparison of the 1938 major industrial groups in this table with those for 1937, which was published on pages 13 - 18 of the "Preliminary Report, Statistics of Income for 1938, Corporation Income and Excess-profits Tax Returns", will be published in "Statistics of Income for 1938, Part 2". A comparison of the 1938 industrial subgroups in this table with those for 1937 will be published in "Statistics of Income for 1938, Part 2".

^{2/} Includes number of returns of inactive corporations.

^{3/} "Net income" or "Deficit" is the amount reported for excess-profits tax computation (item 28 on page 1, Forms 1120 and 1120A), which is equal to the difference between "Total income" and "Total deductions" (items 14 and 27, respectively, on page 1, Forms 1120 and 1120A). The classification of the returns into those "with net income" and "with no net income" is based on net income for excess-profits tax computation.

^{4/} "Gross income" corresponds to "Total income" (item 14 on page 1, Forms 1120 and 1120A), after transferring to deductions the negative items of income reported under sources of income, plus "Cost of goods sold" and "Cost of operations" (items 2 and 5, respectively, on page 1, Forms 1120 and 1120A).

^{5/} Includes \$41,569,498 normal tax and \$7,778,561 surtax on undistributed profits reported on returns for a fiscal year ended in period July through November, 1938 (and on returns for a part year which began in 1937 and ended in 1938, the greater part of the accounting period falling in 1938.)

^{6/} Consists of corporations who at any time during the taxable year owned 50 percent or more of the voting stock of another corporation and whose income from such stock was 50 percent or more of the amount of dividends received.

^{7/} Consists of corporations (other than investment trusts and investment companies) who (a) at no time during the taxable year owned 50 percent or more of the voting stock of another corporation or (b) at any time during the taxable year owned 50 percent or more of the voting stock of another corporation but whose income from such stock was less than 50 percent of the amount of dividends received.

^{8/} Less than \$500.

NOTE:- N.e.o., not elsewhere classified.

applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on March 3, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on March 5, 1941.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be 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 shall be considered to be interest.

Treasury Department Circular No. 418, as amended, 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 thereof.

~~Single issue date~~
~~Single maturity date~~

~~PRESS STATEMENT~~

~~EXHIBIT NO. 1~~

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, February 28, 1941.

(1)

~~STATEMENT BY~~

(2)

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$200,000,000, or thereabouts, ~~x(3)~~ They will be 91-day bills; and will be sold on a discount basis to the ~~(4)~~ highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p. m., Eastern Standard time, on Monday, March 3, 1941. Tenders will not be received at the ~~(5)~~ Treasury Department, Washington.

The Treasury bills will be dated March 5, 1941, and will mature on June 4, 1941, and on the maturity date the face amount ~~(7)~~ will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$5,000, \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent of the face amount of Treasury bills

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25-71

TREASURY DEPARTMENT

FOR RELEASE, MORNING PAPERS,
Friday, February 28, 1941.

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$200,000,000, or thereabouts. They will be 91-day bills; and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve Banks, or the branches thereof, up to two o'clock p.m., Eastern Standard time, on Monday, March 3, 1941. Tenders will not be received at the Treasury Department, Washington.

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Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 per cent 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.

Immediately after the closing hour for receipt of tenders on March 3, 1941, all tenders received at the Federal Reserve Banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve Banks in cash or other immediately available funds on March 5, 1941.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be 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 shall be considered to be interest.

Treasury Department Circular No. 418, as amended, 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 thereof.

TREASURY DEPARTMENT
Washington

For Release, Morning Newspapers,
Monday, March 5, 1951
3/3/41k
2/28/41

Press Service
No. 23-72

eff
1st
by registered mail
completion of the movement of \$9,055,884,651.77 in gold from the New York Assay Office to the ~~Fort Knox~~ ^{United States} Depository at Fort Knox was announced today by Secretary Morgenthau. The total value of gold now stored ~~at Fort Knox~~ ^{at the Depository} is \$14,579,591,387.22.

~~The~~ ^{The} recent large movement ~~of~~ ^{the} first shipment of this latest movement left New York ~~on~~ ^{was} ~~last~~ ^{begin} last July, when the first ~~shipment~~ ^{shipment} reached Fort Knox on January

~~95~~ ⁹⁵ ~~cars~~ ^{cars}, 45 train^s consisting of ~~337~~ ³³⁷ cars ~~weighing~~ ^{an aggregate} of 672,827 bars weighing ~~258,739,561.484~~ ^{258,739,561.484} fine Troy ounces. ~~The weight of the gold~~ ^{was in the consignment} ~~was approximately \$1,814,100.~~ ^{was}

The Bureau of the Mint was assisted in its direction of this transfer of gold by thirty-four enlisted men and two officers of the United States Army, who accompanied each shipment.

The gold ~~was~~ ^{was} in the form of standard mint bars ~~of~~ ^{of}

~~almost~~ ^{In} form these bars are similar to an ordinary building brick, but ~~smaller~~ ^{smaller} in size. The approximate dimensions of each bar are 6-3/4 X 3-1/2 X 1-3/4 inches ~~and~~ ^{and} each bar contains approximately 400 fine Troy ounces ~~of~~ ^{of} gold, worth \$14,000. The avoirdupois weight of a bar is about 27-1/2 pounds. #

~~The~~ ^{The} ~~shipment~~ ^{shipment} of the gold was ~~accompanied~~ ^{accompanied} by ~~the~~ ^{the} ~~Post Office Department.~~ ^{Post Office Department.} ~~The~~ ^{The} ~~total~~ ^{total} ~~cost~~ ^{cost} ~~of~~ ^{of} ~~the~~ ^{the} ~~shipment~~ ^{shipment} ~~was~~ ^{was} ~~approximately~~ ^{approximately} ~~\$1,814,100.~~ ^{\$1,814,100.}

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TREASURY DEPARTMENT
Washington

FOR RELEASE, AFTERNOON NEWSPAPERS,
Saturday, March 1, 1941.
2/28/41

Press Service
No. 23-72

Completion of the movement by registered mail of \$9,055,884,-
651.77 in gold from the New York Assay Office to the United States
Depository at Fort Knox, Kentucky, was announced today by
Secretary Morgenthau. The total value of gold now stored at the
depository is \$14,579,591,387.22.

The recent large movement was begun last July, when the first
of 45 trains consisting of 337 cars left New York. An aggregate
of 672,827 bars weighing 258,739,561.484 fine Troy ounces was in
the consignment. The Bureau of the Mint was assisted in its
direction of this transfer of gold by thirty-four enlisted men
and two officers of the United States Army, who accompanied each
shipment.

The gold was in the form of standard mint bars. In form
these bars are similar to an ordinary building brick, but smaller
in size. The approximate dimensions of each bar are 6-3/4 X 3-1/2
X 1-3/4 inches. Each bar contains approximately 400 fine Troy
ounces of gold, worth \$14,000. The avoirdupois weight of a bar is
about 27-1/2 pounds.

December 31, 1940, June 29, 1940 and December 30, 1939

(In thousands of dollars)

	Dec. 31,	June 29,	Dec. 30,	Increase or decrease		Increase or decrease	
	1940	1940	1939	since June 29, 1940		since Dec. 30, 1939	
				Amount	Percent	Amount	Percent
Number of banks.....	5,150	5,170	5,193	-20	-.39	-43	-.83
ASSETS							
Loans on real estate.....	\$2,097,186	\$2,002,852	\$1,910,204	\$94,334	4.71	\$186,982	9.79
Other loans, including overdrafts.....	7,930,587	7,176,375	7,133,428	754,212	10.51	797,159	11.17
Total loans.....	10,027,773	9,179,227	9,043,632	848,546	9.24	984,141	10.88
U. S. Government securities:							
Direct obligations.....	7,658,549	7,219,890	7,117,420	438,659	6.08	541,129	7.60
Obligations fully guaranteed.....	2,094,056	1,891,336	1,956,515	202,720	10.72	137,541	7.03
Obligations of States and political sub- divisions.....	2,008,472	1,928,352	1,784,899	80,120	4.15	223,573	12.53
Other bonds, notes and debentures.....	1,694,058	1,648,245	1,731,837	45,813	2.78	-37,779	-2.18
Corporate stocks, including stock of Federal Reserve Banks.....	212,905	217,452	220,905	-4,547	-2.09	-8,000	-3.62
Total investments.....	13,668,040	12,905,275	12,811,576	762,765	5.91	856,464	6.69
Total loans and investments.....	23,695,813	22,084,502	21,855,208	1,611,311	7.30	1,840,605	8.42
Currency and coin.....	718,799	582,303	615,698	136,496	23.44	103,101	16.75
Reserve with Federal Reserve Banks.....	7,986,914	7,837,068	6,493,792	149,846	1.91	1,493,122	22.99
Balances with other banks.....	6,414,354	5,457,733	5,394,123	956,621	17.53	1,020,231	18.91
Total cash, balances with other banks, including reserve balances, and cash items in process of collection.....	15,120,067	13,877,104	12,503,613	1,242,963	8.96	2,616,454	20.93
Other assets.....	918,082	923,474	960,436	-5,392	-.59	-42,354	-4.41
Total assets.....	39,733,962	36,885,080	35,319,257	2,848,882	7.72	4,414,705	12.50

(In thousands of dollars)

	: Dec. 31, : : 1940	: June 29, : : 1940	: Dec. 30, : : 1939	: Increase or decrease : : since June 29, 1940 :		: Increase or decrease : : since Dec. 30, 1939 :	
				: Amount	: Percent	: Amount	: Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand.....	\$17,939,331	\$15,976,786	\$14,940,600	\$1,962,545	12.28	\$2,998,731	20.07
Time.....	7,954,096	7,875,792	7,717,408	78,304	.99	236,688	3.07
Postal savings deposits.....	18,981	23,152	30,395	-4,171	-18.02	-11,414	-37.55
Deposits of U. S. Government.....	487,728	541,845	558,795	-54,117	-9.99	-71,067	-12.72
Deposits of States & political/sub-divisions.	2,358,230	2,270,856	2,080,992	87,374	3.85	277,238	13.32
Deposits of banks.....	6,575,298	6,084,051	5,899,785	491,247	8.07	675,513	11.45
Other deposits (certified and cashiers' checks, etc.).....	518,760	301,925	385,017	216,835	71.82	133,743	34.74
Total deposits.....	35,852,424	33,074,407	31,612,992	2,778,017	8.40	4,239,432	13.41
Bills payable, rediscounts, & other liabilities for borrowed money.....	3,127	2,910	2,882	217	7.46	245	8.50
Other liabilities.....	342,013	331,322	298,265	10,691	3.23	43,748	14.67
Total liabilities, excluding capital accounts.....	36,197,564	33,408,639	31,914,139	2,788,925	8.35	4,283,425	13.42
CAPITAL ACCOUNTS							
Capital stock:							
Preferred stock.....	195,657	208,763	211,733	-13,106	-6.28	-16,076	-7.59
Common stock.....	1,331,580	1,325,886	1,321,170	5,694	.43	10,410	.79
Total.....	1,527,237	1,534,649	1,532,903	-7,412	-.48	-5,666	-.37
Surplus.....	1,309,533	1,249,961	1,216,222	59,572	4.77	93,311	7.67
Undivided profits & reserves.....	699,628	691,831	655,993	7,797	1.13	43,635	6.65
Total capital accounts.....	3,536,398	3,476,441	3,405,118	59,957	1.72	131,280	3.86
Total liabilities & capital accounts...	39,733,962	36,885,080	35,319,257	2,848,882	7.72	4,414,705	12.50
Ratio of loans to total deposits.....	27.97%	27.75%	28.61%				

NOTE: Minus sign denotes decrease.

securities held totaling \$3,915,435,000, which included obligations of States and political subdivisions of \$2,008,472,000, increased \$121,386,000 since June and \$177,794,000 since December 1939.

Cash of \$718,799,000, balances with other banks of \$6,414,354,000 and reserves with Federal Reserve banks of \$7,986,914,000, a total of \$15,120,067,000, increased \$1,242,963,000 and \$2,616,454,000 in the six and twelve month periods, respectively.

The unimpaired capital stock on December 31, 1940, was \$1,527,237,000, which included preferred stock of \$195,657,000. Surplus of \$1,309,533,000, undivided profits of \$467,984,000, and reserves of \$231,644,000, a total of \$2,009,161,000, increased \$67,369,000 since June and \$136,946,000 since December 1939.

Bills payable, rediscounts, and other liabilities for borrowed money aggregated \$3,127,000, an increase of \$217,000 since June and an increase of \$245,000 since December a year ago.

The percentage of loans and discounts to total deposits on December 31, 1940, was 27.97, in comparison with 27.75 on June 29, 1940, and 28.61 on December 30, 1939.

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS

Monday, March 3, 1941.

Press Service

No 23-73

Comptroller of the Currency Preston Delano announced today that the total assets and total deposits of national banks in the continental United States, Alaska, Hawaii, and the Virgin Islands of the United States on December 31, 1940, the date of the last call for condition reports, were higher than on any previous call date.

The total assets of the 5,150 active banks were \$39,733,962,000, an increase of \$2,848,882,000 over the amount reported by the 5,170 active banks as of June 29, 1940, the date of the previous call, and an increase of \$4,414,705,000 over the amount reported by the 5,193 active banks on December 30, 1939, the date of the corresponding call a year ago.

The deposits on December 31, 1940, totaled \$35,852,424,000, increasing \$2,778,017,000 and \$4,239,432,000 over the amounts reported as of June 29, 1940, and December 30, 1939, respectively. The deposits on the last call date consisted of demand and time deposits of individuals, partnerships, and corporations of \$17,939,331,000 and \$7,954,096,000, respectively, United States Government deposits of \$487,728,000, deposits of States and political subdivisions of \$2,358,230,000, postal savings deposits of \$18,981,000, certified and cashiers' checks, cash letters of credit and travelers' checks outstanding of \$518,760,000, and deposits of banks of \$6,575,298,000, the latter including deposits of banks in foreign countries of \$360,630,000. Savings deposits included with time deposits of individuals, partnerships, and corporations totaled \$7,129,006,000 and represented 16,354,844 accounts.

Loans and discounts, including overdrafts, were \$10,027,773,000, an increase of \$848,546,000, or 9.24 percent, since June and an increase of \$984,141,000, or 10.88 percent, since December of 1939.

Investments in United States Government obligations, direct and fully guaranteed, aggregating \$9,752,605,000 showed increases in the six and twelve month periods of \$641,379,000 and \$678,670,000, respectively. The direct and indirect obligations held on December 31, 1940, were \$7,658,549,000 and \$2,094,056,000, respectively. Other bonds, stocks, and

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Cash of \$718,799,000, balances with other banks of \$6,414,354,000 and reserves with Federal Reserve banks of \$7,986,914,000, a total of \$15,120,067,000, increased \$1,242,963,000 and \$2,616,454,000 in the six and twelve month periods, respectively.

The unimpaired capital stock on December 31, 1940, was \$1,527,237,000, which included preferred stock of \$195,657,000. Surplus of \$1,309,533,000, undivided profits of \$467,984,000, and reserves of \$231,644,000, a total of \$2,009,161,000, increased \$67,369,000 since June and \$136,946,000 since December 1939.

Bills payable, rediscounts, and other liabilities for borrowed money aggregated \$3,127,000, an increase of \$217,000 since June and an increase of \$245,000 since December a year ago.

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Bills payable, rediscounts, and other liabilities for borrowed money aggregated \$3,127,000, an increase of \$217,000 since June and an increase of \$245,000 since December a year ago.

The percentage of loans and discounts to total deposits on December 31, 1940, was 27.97, in comparison with 27.75 on June 29, 1940, and 28.61 on December 30, 1939.

Statement showing comparison of principal items of assets and liabilities of active national banks as of
 December 31, 1940, June 29, 1940 and December 30, 1939
 (In thousands of dollars)

	Dec. 31,	June 29,	Dec. 30	Increase or decrease		Increase or decrease	
	1940	1940	1939	since June 29, 1940	Percent	since Dec. 30, 1939	Percent
				Amount		Amount	
Number of banks	5,150	5,170	5,193	-20	-.39	-43	-.83
ASSETS							
Loans on real estate	\$2,097,186	\$2,002,852	\$1,910,204	\$ 94,334	4.71	\$ 186,982	9.79
Other loans, including overdrafts ..	7,930,587	7,176,375	7,133,428	754,212	10.51	797,159	11.17
Total loans	10,027,773	9,179,227	9,043,632	848,546	9.24	984,141	10.88
U. S. Government securities:							
Direct Obligations	7,658,549	7,219,890	7,117,420	438,659	6.08	541,129	7.60
Obligations fully guaranteed	2,094,056	1,891,336	1,956,515	202,720	10.72	137,541	7.03
Obligations of States and political subdivisions	2,008,472	1,928,352	1,784,899	80,120	4.15	223,573	12.53
Other bonds, notes and debentures	1,694,058	1,648,245	1,731,837	45,813	2.78	-37,779	-2.18
Corporate stocks, including stock of Federal Reserve Banks	212,905	217,452	220,905	-4,547	-2.09	-8,000	-3.62
Total investments	13,668,040	12,905,275	12,811,576	762,765	5.91	856,464	6.69
Total loans and investments	23,695,813	22,084,502	21,855,208	1,611,311	7.30	1,840,605	8.42
Currency and coin	718,799	582,303	615,698	136,496	23.44	103,101	16.75
Reserve with Federal Reserve Banks ..	7,986,914	7,837,268	6,493,792	149,846	1.91	1,493,122	22.99
Balances with other banks	6,414,354	5,457,733	5,394,123	956,621	17.53	1,020,231	18.91
Total cash, balances with other banks, including re- serve balances, and cash items in process of collection	15,120,067	13,877,104	12,503,613	1,242,963	8.96	2,616,454	20.93
Other assets	918,082	923,474	960,436	-5,392	-.59	-42,354	-4.41
Total assets	39,733,962	36,885,080	35,319,257	2,848,882	7.72	4,414,705	12.50

Comparison of principal items of assets and liabilities of national banks—Contd.
(In thousands of dollars)

Page 4

	: Dec. 31, : 1940	: June 29, : 1940	: Dec. 30, : 1939	: Increase or decrease : since June 29, 1940	: Increase or decrease : since Dec. 30, 1939		
				: Amount	: Percent	: Amount	: Percent
LIABILITIES							
Deposits of individuals, partner- ships, and corporations:							
Demand.....	\$17,939,331	\$15,976,786	\$14,940,600	\$1,962,545	12.28	\$2,998,731	20.07
Time.....	7,954,096	7,875,792	7,717,408	78,304	.99	236,688	3.07
Postal savings deposits.....	18,981	23,152	30,395	-4,171	-18.02	-11,414	-37.55
Deposits of U. S. Government.....	487,728	541,845	558,795	-54,117	-9.99	-71,067	-12.72
Deposits of States & political sub-divisions.....	2,358,230	2,270,356	2,080,992	87,374	3.85	277,238	13.32
Deposits of banks.....	6,575,298	6,084,051	5,899,785	491,247	8.07	675,513	11.45
Other deposits (certified and cashiers' checks, etc.).....	518,760	301,925	385,017	216,835	71.82	133,743	34.74
Total deposits.....	35,852,424	33,074,407	31,612,992	2,778,017	8.40	4,239,432	13.41
Bills payable, rediscounts, & other liabilities for borrowed money....	3,127	2,910	2,882	217	7.46	245	8.50
Other liabilities.....	342,013	331,322	298,265	10,691	3.23	43,748	14.67
Total liabilities, excluding capital accounts.....	36,197,564	33,408,639	31,914,139	2,788,925	8.35	4,283,425	13.42
CAPITAL ACCOUNTS							
Capital stock:							
Preferred stock.....	195,657	208,763	211,733	-13,106	-6.28	-16,076	-7.59
Common stock.....	1,331,580	1,325,886	1,321,170	5,694	.43	10,410	.79
Total.....	1,527,237	1,534,649	1,532,903	-7,412	-.48	-5,666	-.37
Surplus.....	1,309,533	1,249,961	1,216,222	59,572	4.77	93,311	7.67
Undivided profits & reserves.....	599,628	691,831	655,993	7,797	1.13	43,635	6.65
Total capital accounts.....	3,536,398	3,476,441	3,405,118	59,957	1.72	131,280	3.86
Total liabilities & capital accounts.....	39,733,962	36,885,080	35,319,257	2,848,882	7.72	4,414,705	12.50
Ratio of loans to total deposits....	27.97%	27.75%	28.61%				

NOTE: Minus sign denotes decrease.

TREASURY DEPARTMENT

Washington

*Press Service
No 23-79*

FOR IMMEDIATE RELEASE,
Monday, March 3, 1941.

Secretary of the Treasury Morgenthau today announced the final subscription and allotment figures with respect to the current offering of 2 percent Treasury Bonds of 1948-50 and 3/4 percent Treasury Notes of Series D-1943.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

2 PERCENT TREASURY BONDS OF 1948-50

<u>Federal Reserve District</u>	<u>Called bonds exchanged</u>	<u>Maturing notes exchanged</u>	<u>Total exchanges</u>
Boston	\$ 42,944,000	\$ 15,417,700	\$ 58,361,700
New York	329,384,150	439,681,100	769,065,250
Philadelphia	16,231,000	8,906,900	25,137,900
Cleveland	17,490,200	11,817,400	29,307,600
Richmond	8,991,000	38,992,900	47,983,900
Atlanta	1,516,850	9,117,000	10,633,850
Chicago	38,492,600	57,473,800	95,966,400
St. Louis	5,095,300	6,610,200	11,705,500
Minneapolis	4,345,450	6,648,300	10,993,750
Kansas City	7,453,850	11,555,100	19,008,950
Dallas	3,526,750	6,378,500	9,905,250
San Francisco	5,567,350	19,846,900	25,414,250
Treasury	867,800	1,516,500	2,384,300
TOTAL	\$481,906,300	\$633,962,300	\$1,115,868,600

3/4 PERCENT TREASURY NOTES OF SERIES D-1943

<u>Federal Reserve District</u>	<u>Called bonds exchanged</u>	<u>Maturing notes exchanged</u>	<u>Total Exchanges</u>
Boston	\$ 126,000	\$ 543,000	\$ 669,000
New York	1,816,000	22,360,300	24,176,300
Philadelphia	1,530,000	85,000	1,615,000
Cleveland	37,200	326,000	363,200
Richmond	14,100	358,000	372,100
Atlanta	369,000	170,900	539,900
Chicago	265,700	1,770,400	2,036,100
St. Louis	267,400	500,700	768,100
Minneapolis	58,200	226,500	284,700
Kansas City	188,600	785,500	974,100
Dallas	102,000	367,000	469,000
San Francisco	68,000	72,000	140,000
Treasury	10,000	5,000	15,000
TOTAL	\$4,852,200	\$27,570,300	\$32,422,500

Total called bonds exchanged \$ 486,758,500
 Total maturing notes exchanged 661,532,600
 Total exchanges \$1,148,291,100

TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE,
Monday, March 3, 1941.

Press Service
No. 23-74

Secretary of the Treasury Morgenthau today announced the final subscription and allotment figures with respect to the current offering of 2 percent Treasury Bonds of 1948-50 and 3/4 percent Treasury Notes of Series D-1943.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

2 PERCENT TREASURY BONDS OF 1948-50

<u>Federal Reserve District</u>	<u>Called bonds Exchanged</u>	<u>Maturing notes Exchanged</u>	<u>Total Exchanges</u>
Boston	\$ 42,944,000	\$ 15,417,700	\$ 58,361,700
New York	329,384,150	439,681,100	769,065,250
Philadelphia	16,231,000	8,906,900	25,137,900
Cleveland	17,490,200	11,817,400	29,307,600
Richmond	8,991,000	38,992,900	47,983,900
Atlanta	1,516,850	9,117,000	10,633,850
Chicago	38,492,600	57,473,800	95,966,400
St. Louis	5,095,300	6,610,200	11,705,500
Minneapolis	4,345,450	6,648,300	10,993,750
Kansas City	7,453,850	11,555,100	19,008,950
Dallas	3,526,750	6,378,500	9,905,250
San Francisco	5,567,350	19,846,900	25,414,250
Treasury	867,800	1,516,500	2,384,300
TOTAL	\$481,906,300	\$633,962,300	\$1,115,868,600

3/4 PERCENT TREASURY NOTES OF SERIES D-1943

<u>Federal Reserve District</u>	<u>Called bonds Exchanged</u>	<u>Maturing notes Exchanged</u>	<u>Total Exchanges</u>
Boston	\$ 126,000	\$ 543,000	\$ 669,000
New York	1,816,000	22,360,300	24,176,300
Philadelphia	1,530,000	85,000	1,615,000
Cleveland	37,200	326,000	363,200
Richmond	14,100	358,000	372,100
Atlanta	369,000	170,900	539,900
Chicago	265,700	1,770,400	2,036,100
St. Louis	267,400	500,700	768,100
Minneapolis	58,200	226,500	284,700
Kansas City	188,600	785,500	974,100
Dallas	102,000	367,000	469,000
San Francisco	68,000	72,000	140,000
Treasury	10,000	5,000	15,000
TOTAL	\$4,852,200	\$27,570,300	\$32,422,500

Total called bonds exchanged \$ 486,758,500
 Total maturing notes exchanged 661,532,600
 Total exchanges \$1,148,291,100

FOOTNOTES

- 1/ In general, corporations are classified industrially according to the business activity which accounted for the greatest percentage of "Total receipts". The industrial groups, therefore, do not contain solely corporations engaged exclusively in the industries in which they are classified because of the diversified activities of many corporations. A comparison of these 1938 major industrial groups with those for 1937, which was published on pages 13 - 18 of the "Preliminary Report, Statistics of Income for 1938, Corporation Income and Excess-profits Tax Returns", will be published in "Statistics of Income for 1938, Part 2".
- 2/ Consists of corporations who at any time during the taxable year owned 50 percent or more of the voting stock of another corporation and whose income from such stock was 50 percent or more of the amount of dividends received.
- 3/ Consists of corporations (other than investment trusts and investment companies) who (a) at no time during the taxable year owned 50 percent or more of the voting stock of another corporation or (b) at any time during the taxable year owned 50 percent or more of the voting stock of another corporation but whose income from such stock was less than 50 percent of the amount of dividends received.
- 4/ Excludes number of returns of inactive corporations.
- 5/ Gross sales less returns and allowances where inventories are an income-determining factor. For "Cost of goods sold", see "Deductions".
- 6/ Gross receipts from operations where inventories are not an income-determining factor. For "Cost of operations", see "Deductions".
- 7/ Includes "Royalties" which, for 1937, were tabulated in "Other receipts". "Rents and royalties" consist of gross amounts received. Depreciation, repairs, interest, taxes and other expenses from the gross amount received for rent and depletion from the gross amount of royalties received are included in the proper items of deductions.
- 8/ Unlike 1937, capital assets exclude property used in trade or business of a character which is subject to the allowance for depreciation. Net capital loss is limited to \$2,000.
- 9/ Consists of net gain or loss from property used in trade or business of a character which is subject to the allowance for depreciation, which under the Revenue Act of 1938 is excluded from capital assets. For 1937, net gain or loss from sale of depreciable property was included in "Net capital gain or loss".
- 10/ Dividends from domestic corporations subject to taxation under Title I of the Revenue Act of 1938 (column 2, Schedule G, page 3, Form 1120 and column 2, Schedule E, page 2, Form 1120A) which is the amount used for the computation of the dividends received credit. Dividends from corporations organized under the China Trade Act, 1922, and corporations entitled to the benefits of Section 251 of the Revenue Act of 1938 are included in "Other receipts".
- 11/ Reported in column 3, Schedule G, page 3, Form 1120 and in column 3, Schedule E, page 2, Form 1120A, and not used for the computation of dividends received credit.
- 12/ Unlike 1937, excludes "Royalties".
- 13/ Consists of interest on United States savings bonds and Treasury bonds owned in principal amount of over \$5,000, reported as item 8, page 1, Forms 1120 and 1120A.
- 14/ Consists of interest on obligations of States, Territories, or political subdivisions thereof, or the District of Columbia, or United States possessions; obligations of the United States issued on or before September 1, 1917, Treasury notes, Treasury bills, and Treasury certificates of indebtedness; United States savings bonds and Treasury bonds owned in principal amount of \$5,000 or less; and obligations of instrumentalities of the United States.
- 15/ Excludes nontaxable income other than interest on tax-exempt obligations reported in Schedule P, page 5, Form 1120 and in Schedule A, page 2, Form 1120A.
- 16/ Includes taxes which are reported in "Cost of goods sold".
- 17/ Includes taxes which are reported in "Cost of operations".
- 18/ Excludes (1) income and excess-profits taxes and (2) taxes reported in "Cost of goods sold" and "Cost of operations".
- 19/ Limited to 5 percent of net income before deduction of contributions or gifts.
- 20/ "Net income" or "Deficit" is the net income for excess-profits tax computation (item 28, page 1, Forms 1120 and 1120A) and is equal to the difference between "Total income" and "Total deductions" (items 14 and 27, respectively, page 1, Forms 1120 and 1120A). The classification of the returns into those "with net income" and "with no net income" is based on net income for excess-profits tax computation.
- 21/ Includes \$41,569,498 normal tax and \$7,778,561 surtax on undistributed profits reported on returns for a fiscal year ended in period July through November, 1938 (and on returns for a part year which began in 1937 and ended in 1938, the greater part of the accounting period falling in 1938).
- 22/ Less than \$500.
- 23/ Excludes compensation of officers of life-insurance companies which file Form 1120L.
- 24/ Includes special deductions of life-insurance companies relating to reserves for dividends and reserve funds required by law.
- 25/ Includes special deductions of life-insurance companies relating to reserves for dividends and reserve funds required by law, but excludes compensation of officers of life-insurance companies which file Form 1120L.
- 26/ Compiled net loss or deficit.
- 27/ Compiled net loss after total tax payment.

Corporations, 1938, by major industrial groups: number of returns, compiled receipts and compiled deductions, compiled net profit or net loss, net income or deficit, income tax, excess-profits tax, total tax and dividends paid - Continued

(Money figures in thousands of dollars)

Industrial groups 1/ - Concluded												
Finance, insurance, real estate and lessors of real property - Concluded						Agriculture, forestry and fishery						
	Insurance, carriers, agents, etc.	Real estate, including lessors of buildings	Lessors of real property, except buildings	Finance, insurance, real estate and lessors of real property not allocable	Construction	Total agriculture, forestry and fishery	Forestry	Fishery	Agriculture and services	Agriculture, forestry and fishery not allocable	Nature of business not allocable, except trade	
1	Number of returns 4/	7,586	89,913	4,218	4,418	15,341	3,993	455	298	8,227	13	4,126
Receipts, taxable income:												
2	Gross sales 5/	-	38,658	5,152	2,870	583,542	464,855	14,844	27,461	422,407	142	177,740
3	Gross receipts from operations 6/	1,772,795	430,197	116,168	33,922	1,342,892	1,060,060	2,289	4,463	99,255	53	18,596
4	Interest	791,165	33,207	2,921	22,862	3,159	3,000	307	25	2,644	23	1,435
5	Rents and royalties 7/	189,218	1,211,010	58,901	14,677	7,548	8,442	239	56	8,132	16	2,999
6	Net capital gain 8/	3,599	14,936	1,969	5,539	1,440	2,245	597	15	1,628	5	310
7	Net gain, sale of property other than capital assets 2/	189	20,078	1,254	611	2,550	708	146	17	546	-	727
Dividends from:												
8	Domestic corporations 10/	90,739	15,335	2,975	8,138	3,313	6,580	95	82	6,402	1	961
9	Foreign corporations 11/	1,225	258	50	127	115	2,663	1	(22)	2,662	-	198
10	Other receipts 12/	7,876	33,889	9,763	4,736	17,781	8,237	419	198	7,612	8	2,989
Receipts, tax-exempt and taxable income:												
Interest on Government obligations:												
11	Subject to excess-profits tax 13/	33,941	1,205	400	659	538	782	10	13	758	-	68
12	Wholly tax-exempt 14/	195,290	1,746	239	1,615	655	241	3	2	236	1	83
13	Total compiled receipts 15/	3,086,036	1,800,519	199,791	95,755	1,964,134	603,812	18,950	32,330	552,282	250	206,104
Deductions:												
14	Cost of goods sold 16/	-	28,571	4,299	2,301	464,978	328,091	11,634	22,923	293,415	119	137,591
15	Cost of operations 17/	29,989	75,347	743	1,767	1,073,588	42,737	826	2,520	39,388	3	9,423
16	Compensation of officers	23/ 52,359	98,935	4,925	11,050	96,794	20,012	686	919	18,396	17	8,383
17	Rent paid on business property	19,190	98,226	1,628	2,517	11,489	6,266	69	196	6,000	1	2,842
18	Bad debts	5,512	24,970	1,848	11,016	7,235	3,060	199	140	2,720	(22)	2,390
19	Interest paid	43,726	350,771	49,872	17,078	8,210	14,155	1,084	244	12,819	17	4,281
20	Taxes paid 18/	104,131	337,290	19,007	7,906	28,461	16,658	1,252	444	14,950	13	5,084
21	Contributions or gifts 19/	322	904	73	55	405	211	24	1	185	(22)	128
22	Depreciation	42,495	268,169	9,860	4,792	36,105	26,741	1,800	1,197	23,725	18	5,107
23	Depletion	55	2,175	18,313	132	220	1,490	1,155	12	323	1	318
24	Net capital loss 8/	848	15,712	313	960	754	623	71	15	538	-	268
25	Net loss, sale of property other than capital assets 9/	8,302	40,786	1,069	2,773	1,236	2,458	134	121	2,203	-	2,424
26	Other deductions	24/ 2,621,389	599,962	34,172	38,844	208,795	144,216	2,153	3,801	138,203	59	37,275
27	Total compiled deductions	25/ 2,928,318	1,941,820	146,122	101,293	1,938,331	606,733	21,089	32,531	552,864	249	215,515
28	Compiled net profit or net loss (13 less 27)	157,719	26/ 141,300	53,669	26/ 5,539	25,803	26/ 2,921	25/ 2,139	25/ 201	26/ 582	1	26/ 9,411
29	Net income or deficit 20/ (28 less 12)	25/ 37,572	26/ 143,046	53,430	26/ 7,154	25,148	26/ 3,162	25/ 2,142	25/ 203	26/ 817	(22)	26/ 9,494
30	Income tax 21/	26,857	17,260	12,612	1,441	9,774	4,158	114	143	3,899	2	778
31	Excess-profits tax	57	312	51	20	385	142	1	12	130	-	19
32	Total tax 21/	26,913	17,572	12,662	1,460	10,159	4,300	115	154	4,029	2	797
33	Compiled net profit less total tax (28 less 32)	130,805	27/ 158,873	41,007	27/ 6,999	15,644	27/ 7,221	27/ 2,254	27/ 356	27/ 4,610	27/ 1	27/ 10,208
Dividends paid:												
34	Cash and assets other than corporation's own stock	242,337	78,517	72,374	13,597	24,709	19,687	591	204	18,885	8	5,417
35	Corporation's own stock	2,442	673	62	2,111	1,032	140	-	-	140	-	48

For footnotes, see page 8.

31 Excess-profits tax
32 Total tax 21/
33 Compiled net profit less total tax (28 less 32)
Dividends paid:
Cash and assets other than

15,568
23,860
26,563
27/ 28,740
19,097
27/ 3,835
40,281
27/ 125

42,609
23,860
26,563
27/ 28,740
19,097
27/ 3,835
40,281
27/ 125

3,928
5,731
3,928
5,731
11,702
2,121

Corporations, 1938, by major industrial groups: number of returns, compiled receipts and compiled deductions, compiled net profit or net loss, net income or deficit, income tax, excess-profits tax, total tax and dividends paid - Continued

(Money figures in thousands of dollars)

Industrial groups 1/ - Continued

	Trade-Concl.:								Service											Finance, insurance, real estate and lessors of real property							
	Trade not allocable	Total service	Personal service	Business service	Automobile repair service	Amusement	Other, including schools	Service not allocable	Total finance, insurance, real estate and lessors of real property	Banks and trust companies	Mortgage and title companies	Investment trust and investment companies	Holding companies	Other corporations	Security and commodity exchange brokers and dealers	Commercial credit and finance companies	Industrial and loan companies	Other finance companies									
1 Number of returns 4/	15,468	40,973	14,247	6,747	4,881	9,165	5,737	196	140,437	16,340	1,527	1,128	1,152	4,875	2,241	2,756	2,421	1,862									
2 Receipts, taxable income:																											
3 Gross sales 5/	3,858,428	724,254	355,115	115,130	134,189	58,358	59,779	1,682	74,089	-	-	-	960	14,824	-	5,426	2,230	3,969									
4 Gross receipts from operations 6/	70,522	2,589,258	792,439	551,100	65,126	1,023,426	253,533	3,634	2,988,768	269,232	13,263	25,371	21,137	8,504	87,038	164,005	40,440	6,697									
5 Interest	7,193	6,538	1,072	1,209	162	2,915	1,163	17	2,119,336	897,217	18,949	15,076	138,160	71,490	5,604	46,513	73,005	3,168									
6 Rents and royalties 7/	13,070	70,659	34,055	4,112	5,423	22,680	4,368	21	1,651,016	98,793	16,449	11,619	11,192	7,510	1,017	1,086	872	38,673									
7 Net capital gain 8/	804	4,093	1,122	298	157	2,085	367	65	149,845	83,663	1,009	11,635	6,664	11,073	8,685	294	123	655									
8 Net gain, sale of property other than capital assets 9/	569	1,440	344	147	219	545	184	1	59,230	1,682	1,409	369	133	372	32,487	183	89	373									
9 Dividends from:																											
10 Domestic corporations 10/	2,008	20,936	1,845	2,384	82	14,945	1,668	12	1,065,257	20,875	439	76,432	589,234	239,281	5,339	8,144	1,560	6,768									
11 Foreign corporations 11/	19,853	4,968	15	817	-	3,041	1,095	-	107,648	656	1	2,435	66,872	35,622	91	227	1	83									
12 Other receipts 12/	20,873	34,971	11,432	4,812	1,643	12,660	4,362	62	146,691	45,938	4,692	1,561	17,898	5,659	5,452	4,485	3,019	1,722									
13 Receipts, tax-exempt and taxable income:																											
14 Interest on Government obligations:																											
15 Subject to excess-profits tax 13/	238	471	91	163	1	36	179	-	247,655	205,180	212	707	1,553	2,314	1,292	78	39	74									
16 Wholly tax-exempt 14/	226	588	160	191	3	77	156	(22)	432,497	221,066	2,920	1,021	892	3,630	3,872	22	87	97									
17 Total compiled receipts 15/	3,999,784	3,558,177	1,197,690	680,364	207,006	1,140,769	326,855	5,494	9,042,031	1,844,302	59,342	136,227	854,695	400,279	150,876	230,462	121,465	62,280									
18 Deductions:																											
19 Cost of goods sold 16/	3,069,365	449,185	187,646	85,497	92,701	37,660	44,614	1,069	58,639	-	-	-	585	13,245	-	4,816	1,729	3,093									
20 Cost of operations 17/	35,218	1,021,528	298,329	250,491	26,226	349,017	96,509	956	168,383	1,647	907	9,205	4,736	296	33,983	3,126	4,825	1,812									
21 Compensation of officers	89,014	180,273	61,427	53,568	13,268	29,836	27,331	843	433,185	182,791	4,580	3,591	8,696	14,539	26,556	12,424	8,980	3,758									
22 Rent paid on business property	45,797	192,586	57,658	15,568	22,697	85,730	10,696	237	195,136	49,785	1,229	792	3,012	1,726	7,667	4,395	4,080	791									
23 Bad debts	20,434	16,271	6,541	3,086	1,266	2,603	2,703	72	307,191	189,327	10,857	664	10,392	15,537	7,194	15,882	8,498	5,493									
24 Interest paid	17,821	65,396	34,930	2,477	2,521	22,122	3,294	51	1,074,781	269,227	17,585	16,181	194,718	60,875	5,263	29,824	16,310	2,750									
25 Taxes paid 18/	48,734	116,508	56,748	12,413	5,372	33,593	8,243	139	617,088	96,733	4,651	4,951	12,317	11,498	5,550	6,483	3,931	2,640									
26 Contributions or gifts 19/	606	1,216	491	240	59	326	99	1	4,629	1,742	14	109	185	855	170	95	89	17									
27 Depreciation	45,213	141,506	73,704	14,426	6,961	37,983	8,280	154	402,884	53,129	2,763	551	7,460	3,572	1,300	1,960	902	5,932									
28 Depletion	222	256	40	17	27	155	17	-	22,280	65	12	157	620	553	103	6	2	87									
29 Net capital loss 8/	720	1,357	665	210	72	211	192	7	60,831	34,675	3,568	663	413	2,576	448	204	102	348									
30 Net loss, sale of property other than capital assets 9/	1,743	3,314	1,563	107	35	1,271	338	(22)	75,482	11,499	3,182	797	120	2,626	1,592	135	180	2,422									
31 Other deductions	566,721	1,312,359	442,762	217,435	39,294	488,417	122,405	2,045	4,300,679	612,350	35,761	33,075	58,211	37,833	65,223	87,445	43,434	32,980									
32 Total compiled deductions	3,941,606	3,507,754	1,222,503	655,535	210,499	1,088,785	324,859	5,573	7,721,189	1,503,569	85,109	70,736	301,466	165,731	155,048	166,794	93,060	62,122									
33 Compiled net profit or net loss (13 less 27)	58,177	50,423	26/ 24,813	24,829	26/ 3,493	51,983	1,996	26/ 79	1,320,842	340,733	26/ 25,766	65,491	553,229	234,547	26/ 4,172	63,668	28,405	157									
34 Net income or deficit 20/ (28 less 12)	57,951	49,835	26/ 24,973	24,638	26/ 3,496	51,906	1,840	26/ 79	888,345	119,667	26/ 28,686	64,470	552,336	230,917	26/ 8,044	63,647	28,318	60									
35 Income tax 21/	15,316	23,588	3,867	5,688	333	11,614	2,050	36	132,757	12,146	419	2,036	26,323	15,058	1,416	10,036	4,689	2,463									
36 Excess-profits tax	253	273	61	44	9	88	70	1	998	216	7	21	193	41	14	22	15	29									
37 Total tax 21/	15,568	23,860	3,928	5,731	342	11,702	2,121	37	133,754	12,362	426	2,057	26,517	15,100	1,430	10,058	4,705	2,493									
38 Compiled net profit less total tax (28 less 32)	42,609	26,563	27/ 28,740	19,097	27/ 3,835	40,281	27/ 125	27/ 116	1,187,087	328,371	27/ 26,192	63,435	526,712	219,447	27/ 5,602	53,610	23,700	27/ 2,335									
39 Dividends paid:																											
40 Cash and assets other than corporation's own stock	61,953	84,899	11,273	22,826	830	43,285	6,569	116	1,567,538	203,088	1,983	63,753	501,519	292,074	12,827	51,412	19,153	14,904									
41 Corporation's own stock	1,804	1,658	674	394	3	319	268	-	44,677	4,098	34	4,500	20,522	9,717	98	172	236	11									

Corporations, 1938, by major industrial groups: number of returns, compiled receipts and compiled deductions, compiled net profit or net loss net income or deficit, income tax, excess-profits tax, total tax and dividends paid - Continued

(Money figures in thousands of dollars)

Industrial groups 1/ - Continued

Total trade	Trade																			
	Wholesale	Retail																		
		Total	Department-merchandise:dry goods	Limited-price:variety:stores	Mail-order:houses	Food stores	Package liquor:stores	Drug stores	Apparel	Furniture:and house-furnishings	Eating and drinking:places	Dealers in:automobiles, tires, batteries	Filling stations	Hardware	Lumber and Coal Yards	Other retail trade	Retail trade not allocable			
1	Number of returns 4/	139,192	37,032	86,692	6,267	353	260	5,200	1,617	5,713	11,220	5,704	7,686	10,535	2,259	3,302	8,196	15,285	3,095	
2	Receipts, taxable income:																			
3	Gross sales 5/	37,530,808	17,073,261	16,599,119	3,993,389	871,406	118,831	2,910,059	75,961	567,500	1,535,908	651,562	608,678	2,201,642	252,431	182,986	982,250	1,300,169	346,347	
4	Gross receipts from operations 6/	844,245	499,122	274,602	21,010	2,341	455	15,391	2,050	4,793	16,763	13,613	52,975	69,508	5,349	1,701	17,024	45,636	5,994	
5	Interest	76,039	30,358	38,489	17,045	2,973	61	521	2	327	1,307	2,634	429	4,932	110	659	2,934	3,538	1,018	
6	Rents and royalties 7/	95,835	22,693	60,072	17,807	8,746	38	3,160	119	1,511	5,609	2,710	4,715	1,923	2,171	554	4,393	5,329	1,289	
7	Net capital gain 8/	7,011	2,895	3,311	940	8	26	210	49	89	155	208	200	200	135	34	494	395	168	
8	Net gain, sale of property other than capital assets 9/	4,077	1,308	2,201	268	1	2	480	31	55	57	96	121	112	116	47	319	379	118	
9	Dividends from:																			
10	Domestic corporations 10/	59,667	39,458	18,201	6,698	5,235	13	1,027	1	850	595	612	639	398	151	59	719	1,062	142	
11	Foreign corporations 11/	39,382	9,843	9,687	3	9,468	(22)	2	-	-	2	41	1	2	(22)	(22)	12	151	3	
12	Other receipts	386,002	100,846	258,283	68,252	1,281	1,015	8,757	232	5,065	31,653	77,861	3,016	17,436	1,231	2,096	11,437	20,354	8,595	
13	Receipts, tax-exempt and taxable income:																			
14	Interest on Government obligations:																			
15	Subject to excess-profits tax 13/	3,120	1,266	1,616	365	22	16	509	-	8	182	49	32	105	90	4	98	82	54	
16	Wholly tax-exempt 14/	2,280	1,063	990	313	61	20	72	2	32	74	69	26	18	105	4	95	81	19	
17	Total compiled receipts 15/	39,048,466	17,782,113	17,266,569	4,126,090	901,542	120,475	2,940,189	78,446	580,231	1,592,304	749,454	670,832	2,296,274	261,888	188,143	1,019,775	1,377,176	363,749	
18	Deductions:																			
19	Cost of goods sold 16/	30,077,817	14,934,979	12,073,473	2,762,701	557,463	73,953	2,317,629	59,057	397,890	1,024,563	368,555	354,957	1,871,060	189,890	139,328	762,021	934,959	259,445	
20	Cost of operations 17/	408,954	218,576	155,161	3,763	74	241	9,553	1,593	2,692	6,697	3,943	33,988	47,216	3,507	1,067	11,913	25,456	3,458	
21	Compensation of officers	781,591	304,831	387,745	45,996	3,050	1,857	21,369	4,674	17,349	56,700	34,085	24,746	49,122	6,542	10,789	39,357	60,004	11,905	
22	Rent paid on business property	677,690	95,691	536,202	97,631	62,417	543	55,733	2,781	30,329	110,392	29,232	47,133	31,426	5,275	4,395	7,037	43,981	7,137	
23	Bad debts	154,544	62,994	71,116	16,600	51	812	2,038	64	559	8,255	9,585	427	7,418	843	1,644	9,416	9,909	3,495	
24	Interest paid	141,031	57,209	66,001	13,182	3,149	283	3,894	121	1,032	4,144	5,180	2,315	10,726	773	1,216	6,663	6,317	1,948	
25	Taxes paid 18/	421,645	119,550	253,361	74,149	20,739	949	29,972	1,306	8,171	20,120	14,327	16,334	18,110	5,588	2,889	16,566	18,953	5,189	
26	Contributions or gifts 19/	6,503	1,910	3,987	1,506	158	10	472	8	90	507	184	107	234	63	39	219	317	73	
27	Depreciation	285,268	68,327	171,729	45,373	12,746	456	22,000	496	6,354	15,049	5,700	16,655	9,694	3,894	1,399	13,619	13,975	4,320	
28	Depletion	1,404	412	770	114	-	(22)	14	-	9	15	35	16	61	2	332	156	11	11	
29	Net capital loss 8/	4,672	1,946	2,007	218	11	3	120	12	54	187	112	105	234	32	29	495	288	106	
30	Net loss, sale of property other than capital assets 9/	6,891	1,528	3,620	548	63	10	384	16	74	242	318	221	442	28	137	489	557	90	
31	Other deductions	5,662,513	1,767,850	3,327,941	938,043	180,440	39,313	445,813	8,639	109,706	343,946	275,272	175,587	267,686	39,244	25,870	148,014	263,106	67,263	
32	Total compiled deductions	38,630,523	17,635,806	17,053,111	4,004,825	840,360	118,429	2,908,990	78,967	574,368	1,590,818	746,526	672,593	2,313,489	256,384	188,804	1,016,141	1,377,977	364,439	
33	Compiled net profit or net loss (13 less 27)	417,942	146,307	213,458	121,265	61,182	2,046	31,199	26/ 521	5,863	1,485	2,927 26/	1,760 26/	17,214	5,504 26/	662	3,634	26/ 801	26/ 690	
34	Net income or deficit 20/ (28 less 12)	415,663	145,244	212,468	120,952	61,121	2,026	31,127	26/ 523	5,831	1,412	2,859 26/	1,787 26/	17,232	5,399 26/	665	3,538	26/ 882	26/ 709	
35	Income tax 21/	113,459	37,826	60,253	23,285	9,743	491	6,344	74	1,619	4,164	2,780	1,706	1,675	1,165	407	2,679	3,359	765	
36	Excess-profits tax	1,155	464	438	62	1	3	43	6	35	35	21	23	23	21	11	58	70	24	
37	Total tax 21/	114,614	38,350	60,696	23,347	9,745	495	6,388	81	1,655	4,198	2,801	1,729	1,698	1,187	418	2,737	3,429	789	
38	Compiled net profit less total tax (28 less 32)	303,328	107,957	152,762	97,918	51,438	1,551	24,811	27/ 601	4,208 27/	2,713	126 26/	3,489 27/	18,912	4,317 27/	1,080	897	27/ 4,230	27/ 1,479	
39	Dividends paid:																			
40	Cash and assets other than corporation's own stock	440,152	147,077	231,121	76,760	47,870	2,165	28,571	87	5,726	12,759	7,696	5,890	7,734	4,294	1,741	9,892	16,312	3,623	
41	Corporation's own stock	7,208	3,799	1,605	213	-	41	113	3	10	285	107	14	72	3	3	659	55	27	

(Money figures in thousands of dollars)

Industrial groups 1/ - Continued
Manufacturing - Concluded

	Manufacturing - Concluded							Machinery, except trans- portation and equipment, except auto-					Public utilities				
	Paper and allied products	Printing and publishing industries	Chemicals and allied products	Petroleum and coal products	Stone, glass and clay products	Iron, and steel products	Nonferrous metals and their products	Electrical machinery and equipment	Auto-mobiles and equipment, except electrical	Trans- portation equipment, except auto-	Other manu- facturing	Manu- facturing not allocable	Total public utilities	Trans- portation	Communi- cation	Other public utilities	
1 Number of returns 4/	2,196	11,548	6,801	713	3,601	6,569	2,595	1,706	6,077	974	774	5,171	1,753	21,961	14,329	3,629	4,003
Receipts, taxable income:																	
2 Gross sales 5/	1,487,684	1,983,901	3,583,754	4,690,840	1,183,670	4,211,110	1,174,639	1,541,575	2,904,793	2,905,398	580,405	991,470	607,409	137,277	92,136	2,915	42,226
3 Gross receipts from operations 6/	6,092	153,416	28,813	205,077	7,663	18,397	50,606	4,734	64,582	3,375	35,742	23,651	2,765	11,481,463	6,697,660	1,450,904	3,332,898
4 Interest	7,292	4,682	7,627	15,088	2,103	9,660	2,503	4,132	14,973	4,817	1,959	3,303	1,141	93,174	53,531	11,305	28,338
5 Rents and royalties 7/	4,635	11,593	12,552	33,098	4,723	11,534	2,387	5,020	25,752	11,601	3,847	5,058	1,688	86,918	40,381	22,931	23,606
6 Net capital gain 8/	1,149	1,812	2,573	2,302	636	2,496	442	1,676	1,650	1,769	244	489	1,043	6,152	3,032	768	2,352
7 Net gain, sale of property other than capital assets 9/	1,061	545	753	2,465	659	842	59	493	1,344	243	226	361	199	5,886	3,321	95	2,470
Dividends from:																	
8 Domestic corporations 10/	5,183	16,748	39,295	114,881	6,159	10,735	7,640	7,923	14,315	44,010	4,222	2,556	1,209	268,462	61,605	161,373	45,484
9 Foreign corporations 11/	1,434	1,435	16,116	5,215	6,176	7,940	6,497	3,993	11,721	59,066	3,324	3,954	1,453	3,610	736	1,522	1,352
10 Other receipts 12/	9,069	19,823	16,071	28,881	8,943	16,180	6,646	7,658	26,118	21,373	4,808	8,160	4,347	54,238	39,759	2,704	11,775
Receipts, tax-exempt and taxable income:																	
Interest on Government obligations:																	
11 Subject to excess-profits tax 13/	738	1,241	1,785	446	792	1,367	368	415	1,940	362	308	360	209	4,489	3,693	71	725
12 Wholly tax-exempt 14/	323	1,213	2,806	1,020	403	974	312	740	2,593	1,064	253	202	97	4,260	1,707	1,107	1,446
13 Total compiled receipts 15/	1,524,659	2,196,409	3,712,145	5,099,311	1,221,927	4,291,235	1,252,099	1,578,358	3,069,786	3,053,078	635,338	1,039,565	621,559	12,145,928	6,997,561	1,655,694	3,492,673
Deductions:																	
14 Cost of goods sold 16/	1,108,164	1,307,966	2,331,582	3,441,399	791,891	3,257,810	932,194	1,083,379	1,966,849	2,458,798	462,024	623,529	445,822	104,061	69,157	1,302	33,602
15 Cost of operations 17/	2,565	79,452	5,629	104,621	4,176	10,328	23,760	1,484	9,655	1,521	24,132	9,820	1,656	6,505,557	4,507,267	682,405	1,315,886
16 Compensation of officers	35,932	100,202	69,434	13,945	32,786	34,511	27,059	24,413	78,425	15,488	11,025	42,203	17,632	105,495	75,685	7,539	22,270
17 Rent paid on business property	8,518	33,274	14,997	51,122	5,800	22,436	6,540	8,599	13,868	6,935	2,578	10,250	3,806	150,093	76,713	43,645	39,735
18 Bad debts	4,155	14,367	11,550	8,912	4,124	9,640	2,453	2,609	12,975	5,492	1,013	5,841	1,984	25,574	7,865	6,520	11,189
19 Interest paid	24,261	15,959	20,840	36,043	10,447	46,535	9,265	6,041	17,086	5,622	4,962	8,056	4,101	1,174,403	692,614	72,573	409,215
20 Taxes paid 18/	36,299	50,894	94,890	167,375	31,641	116,502	27,843	43,705	78,256	42,689	18,074	28,144	13,787	985,811	487,497	128,637	369,677
21 Contributions or gifts 19/	416	1,191	888	443	378	693	253	512	1,173	226	86	348	123	3,230	483	796	1,950
22 Depreciation	61,623	46,057	118,119	255,453	59,409	181,595	31,780	49,589	94,101	63,344	22,534	33,418	16,651	891,966	275,018	197,544	419,403
23 Depletion	2,295	12	5,244	151,538	1,281	2,124	2,994	1,327	411	686	41	12	470	15,779	4,324	3	11,452
24 Net capital loss 8/	178	523	419	75	248	433	112	104	415	72	73	264	95	960	666	84	210
25 Net loss, sale of property other than capital assets 9/	1,215	1,595	1,871	2,469	1,131	3,484	355	550	1,705	498	6,732	815	222	19,386	9,742	1,417	8,227
26 Other deductions	194,691	461,321	724,491	805,114	213,136	542,742	136,344	274,509	597,837	304,414	65,183	222,901	100,647	1,479,503	911,432	158,898	409,173
27 Total compiled deductions	1,480,411	2,112,813	3,400,954	5,040,007	1,156,448	4,278,831	1,200,953	1,496,820	2,872,745	2,906,785	618,556	985,602	606,996	11,471,817	7,118,463	1,301,364	3,051,990
28 Compiled net profit or net loss (13 less 27)	44,249	83,595	311,191	59,305	55,479	12,405	51,146	81,539	197,042	146,292	16,781	53,953	14,563	574,111	26/ 120,903	354,330	440,683
29 Net income or deficit 20/ (28 less 12)	43,925	82,382	308,385	58,285	65,075	11,430	50,834	80,799	194,449	145,229	16,529	53,761	14,466	669,851	26/ 122,610	353,224	439,237
30 Income tax 21/	10,917	18,570	51,827	15,003	14,110	22,512	10,520	15,308	37,499	31,002	6,588	12,189	4,139	166,452	53,076	38,384	74,991
31 Excess-profits tax	49	129	212	29	117	175	40	126	306	23	33	158	34	392	312	19	61
32 Total tax 21/	10,966	18,700	52,039	15,031	14,226	22,688	10,560	15,433	37,805	31,025	6,621	12,348	4,173	166,844	53,388	38,403	75,052
33 Compiled net profit less total tax (28 less 32)	33,283	64,896	259,152	44,274	51,252	27/ 10,283	40,587	66,105	159,237	115,267	10,161	41,616	10,390	507,268	27/ 174,290	315,927	365,631
Dividends paid:																	
34 Cash and assets other than corporation's own stock	44,779	80,132	223,892	185,727	55,728	100,514	42,058	68,910	163,002	97,925	19,644	44,151	15,147	1,117,483	261,026	359,093	497,365
35 Corporation's own stock	313	612	7,062	128	822	1,323	361	1,499	3,097	77	26	277	84	2,205	455	216	1,534

For footnotes, see page 8.

(Money figures in thousands of dollars)

	Industrial groups 1/																	
	Mining and quarrying								Food and Beverages				Manufacturing					
	Total	Metal	Anthracite	Other coal	Petroleum	Nonmetallic	Mining and quarrying	Total	Food and kindred products	Beverages	Tobacco	Textile-mill	Apparel and leather	Leather	Rubber	Lumber and timber	Furniture	
1	471,032	10,942	1,387	135	1,887	5,311	1,741	481	88,067	10,339	3,015	309	5,048	8,587	2,224	540	2,937	4,590
2	91,194,998	2,272,469	582,817	190,383	619,465	680,025	194,130	5,649	49,229,965	9,686,406	1,585,512	1,272,466	3,117,477	2,042,701	1,111,576	839,365	719,075	1,008,739
3	20,593,779	321,708	13,125	6,078	63,664	213,361	24,077	1,403	800,790	58,997	10,062	2,350	3,117,477	2,042,701	1,111,576	839,365	719,075	1,008,739
4	2,419,702	9,801	3,273	1,040	2,124	2,855	474	34	107,220	9,579	2,197	757	4,329	1,050	1,002	4,911	2,173	1,936
5	2,141,611	38,981	3,873	4,877	16,958	11,571	1,567	136	179,213	14,373	4,176	2,342	11,246	3,446	1,663	1,557	5,057	1,866
6	207,208	10,150	1,726	90	1,092	6,998	192	52	25,963	2,030	607	701	1,527	190	198	54	1,787	587
7	94,805	5,821	238	108	417	4,853	188	17	14,366	750	250	79	2,402	105	54	26	1,238	213
8	1,791,466	46,747	24,755	152	3,205	17,868	751	16	318,945	22,808	2,525	7,044	4,320	1,119	817	2,255	1,911	1,269
9	312,225	1,102	903	-	71	126	2	-	152,539	15,850	4	1,045	4,320	1,119	7	4,509	44	1,480
10	966,141	30,313	2,472	3,579	9,466	12,321	2,314	160	284,921	37,751	9,701	2,352	20,166	9,725	6,034	3,573	10,398	7,144
11	273,905	2,290	802	253	732	393	110	1	14,492	1,387	228	581	742	242	137	74	201	568
12	458,104	2,455	954	44	252	1,104	100	(22)	15,046	1,154	290	281	643	141	78	73	132	253
13	120,453,946	2,741,836	634,938	206,605	717,446	951,472	223,906	7,468	51,143,458	9,851,085	1,615,552	1,289,998	3,217,179	2,104,518	1,126,224	858,130	753,815	1,031,487
14	70,274,198	1,519,050	352,336	161,529	508,999	375,289	116,897	4,000	37,134,786	7,972,998	870,417	948,151	2,629,874	1,652,273	937,866	595,704	554,591	761,506
15	9,802,154	182,470	8,504	3,899	44,104	111,399	13,720	844	389,513	23,784	3,014	1,756	34,450	34,723	2,740	349	5,635	3,263
16	2,591,265	47,163	5,137	1,360	9,682	21,341	9,397	259	912,362	92,111	29,174	6,294	62,400	77,896	25,722	8,338	19,911	37,472
17	1,555,661	14,125	875	848	2,876	7,560	1,901	65	295,434	36,083	5,757	1,694	12,578	27,325	7,608	4,387	2,371	8,706
18	672,354	12,219	1,562	4,133	1,759	2,226	1,433	507	143,869	17,356	6,934	737	7,097	7,969	3,660	3,546	6,351	5,103
19	2,870,859	59,726	9,666	8,993	12,920	24,365	3,738	104	323,806	35,687	13,650	5,531	21,272	7,122	4,536	9,469	10,448	6,874
20	3,764,538	127,295	41,946	13,588	31,962	31,623	7,756	420	1,445,988	158,301	254,779	85,510	69,429	27,151	17,953	37,951	21,436	22,880
21	27,233	447	109	15	82	155	23	2	10,464	1,283	483	172	470	429	232	192	224	247
22	3,352,053	169,025	29,937	9,410	36,515	77,770	14,932	402	1,393,455	135,715	36,649	7,784	90,608	10,845	11,770	20,641	25,608	20,163
23	437,328	205,338	56,242	5,243	11,834	125,459	6,265	294	190,303	109	116	7	31	11	21	-	20,787	794
24	75,163	823	68	17	109	462	147	20	4,875	570	158	32	334	226	114	32	216	174
25	151,662	5,411	729	34	1,134	2,242	1,100	172	34,999	3,758	1,211	200	4,401	400	367	368	1,110	542
26	20,748,429	349,047	50,233	20,999	81,886	156,503	37,501	1,027	7,254,040	1,140,315	283,418	109,130	305,599	257,249	107,767	154,722	97,405	154,106
27	116,322,960	2,692,200	557,345	230,067	743,862	936,981	214,331	9,015	49,538,898	9,622,080	1,505,765	1,166,991	3,238,543	2,103,619	1,120,357	835,698	766,093	1,021,831
28	4,130,986	49,636	77,593	26/23,462	26/26,416	14,491	8,975	26/1,547	1,604,560	229,006	109,787	123,007	26/21,364	899	5,867	22,432	26/12,279	9,656
29	3,672,882	47,181	76,639	28/23,506	28/26,868	13,387	8,875	25/1,547	1,589,515	227,851	109,497	122,726	26/22,007	759	5,789	22,359	26/12,411	9,402
30	853,578	28,442	13,606	193	1,647	10,211	2,708	77	374,171	48,612	21,717	19,590	12,787	4,750	4,087	4,331	3,003	5,109
31	5,988	264	52	1	14	131	61	6	2,360	344	111	(22)	202	72	66	49	26	61
32	859,566	28,706	13,658	193	1,661	10,343	2,768	82	376,531	48,956	21,827	19,591	12,989	4,822	4,153	4,380	3,029	5,170
33	3,273,420	20,930	63,935	27/23,655	27/28,077	4,148	6,207	27/1,629	1,228,029	180,049	87,959	103,417	27/34,353	27/3,923	1,714	18,052	27/15,307	4,486
34	5,137,988	214,884	90,645	1,491	10,397	96,176	15,822	353	1,663,218	224,738	59,119	98,006	49,331	14,936	19,076	17,288	17,096	22,017
35	84,580	784	5	-	76	557	147	-	26,828	1,862	1,491	4,606	2,649	157	97	24	109	94

For footnotes, see page 3.

sales (where inventories are an income-determining factor); gross receipts (where inventories are not an income-determining factor); interest on loans, notes, mortgages, bonds, bank deposits, etc.; taxable interest on obligations of the United States; rents; royalties; capital gain; gain from sale or exchange of property other than capital assets; dividends; and other income required by the Revenue Act to be included in gross income. The industrial groups do not contain solely corporations engaged exclusively in the industries in which they are classified, because of the diversified activities of many corporations.

The number of major industrial groups shown in this release has been increased over those shown in "Statistics of Income for 1937, Part 2", and there have been certain changes in the definitions of the contents of the groups. A comparison of the major industrial groups for 1938 with those for 1937, which was published on pages 13 - 18 of the "Preliminary Report, Statistics of Income for 1938, Corporation Income and Excess-profits Tax Returns", will be published in "Statistics of Income for 1938, Part 2".

In analyzing the data compiled from returns classified under the major industrial group "Insurance carriers, agents, etc.," allowance should be made for the two special deductions from gross income permitted life insurance companies under section 203(a), Revenue Act of 1938, relating to reserve funds required by law, and reserve for dividends. On 1938 returns with net income this deduction is \$17,165,010 and on returns with no net income, \$855,127,536. In the attached table, the special deductions for life insurance companies are included in "Other deductions".

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, March 5, 1941.

Press Service
No. 23-75

Secretary of the Treasury today made public the third in the series of tabulations from "Statistics of Income for 1938, Part 2, Compiled from Corporation Income and Excess-profits Tax Returns and Personal Holding Company Returns", prepared under the direction of Commissioner of Internal Revenue Guy T. Helvering.

The following table shows by major industrial groups the number of corporation returns reporting income data, compiled receipts and compiled deductions, compiled net profit or net loss, net income or deficit, income tax, excess-profits tax, total tax, compiled net profit less total tax and dividends paid.

The definition of capital assets was changed by section 117(a)(1) of the Revenue Act of 1938, to exclude property used in trade or business, of a character which is subject to the allowance for depreciation provided in section 23(1) of that Act. This change enables a corporation which sustains a loss on the sale of a depreciable asset to deduct the loss without limitation.

The "Net gain or loss from the sale of property other than capital assets" consists of the net gain or loss from the sale or exchange of a depreciable asset. For 1937, net gain or loss from sale of a depreciable asset was included in "Net capital gain or loss".

In general, corporations are classified industrially according to the business activity which accounted for the greatest percentage of "Total receipts". "Total receipts" means the sum of the following items: Gross

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, March 4, 1941.
3/3/41

Press Service

23-76

The Secretary of the Treasury announced last evening that the tenders for \$200,000,000, or thereabouts, of 91-day Treasury bills, to be dated March 5 and to mature June 4, 1941, which were offered on February 28, were opened at the Federal Reserve Banks on March 3.

The details of this issue are as follows:

Total applied for - \$525,347,000
Total accepted - 200,284,000

Range of accepted bids:

High	- 100.				
Low	- 99.970	Equivalent rate	approximately	0.119	percent
Average price	- 99.978	"	"	"	0.086 "

(55 percent of the amount bid for at the low price was accepted)

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TREASURY DEPARTMENT
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Price	-	99.978	"	"	"	0.086 "

(55 percent of the amount bid for at the low price was accepted)

CODE OF FEDERAL REGULATIONS
Title 31 - Money and Finance: Treasury
Chapter I - Monetary Offices, Department of the Treasury
Part 130

TREASURY DEPARTMENT,
Office of the Secretary,
March 4, 1941.

AMENDMENT TO REGULATIONS*

The Regulations of April 10, 1940, as amended (Sections 130.1 to 130.6), are further amended so as to extend all the provisions thereof to, and with respect to, property in which Bulgaria or any national thereof has at any time on or since March 4, 1941, had any interest of any nature whatsoever, direct or indirect; except that reports on Form TFR-100 with respect to all property situated in the United States on March 4, 1941, in which Bulgaria or any national thereof has at any time on or since March 4, 1941, had any interest of any nature whatsoever, direct or indirect, shall be filed by April 4, 1941.

Secretary of the Treasury

APPROVED:

* Sections 130.1 to 130.6: - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, Oct. 10, 1940; Ex. Order 8701, March 4, 1941.

AMENDMENT TO REGULATIONS*

The Regulations of April 10, 1940, as amended (Sections 130.1 to 130.6), are further amended so as to extend all the provisions thereof to, and with respect to, property in which Bulgaria or any national thereof has at any time on or since March 4, 1941, had any interest of any nature whatsoever, direct or indirect; except that reports on Form TFR-100 with respect to all property situated in the United States on March 4, 1941, in which Bulgaria or any national thereof has at any time on or since March 4, 1941, had any interest of any nature whatsoever, direct or indirect, shall be filed by April 4, 1941.

H. MORGENTHAU, JR.
Secretary of the Treasury

APPROVED: March 4, 1941.
FRANKLIN D. ROOSEVELT.

* Sections 130.1 to 130.6: - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, October 10, 1940; Ex. Order 8701 March 4, 1941.

EXECUTIVE ORDER NO. 8701

AMENDMENT OF EXECUTIVE ORDER NO. 8389
OF APRIL 10, 1940, AS AMENDED.

By virtue of the authority vested in me by section 5(b) of the Act of October 6, 1917 (40 Stat. 411), as amended, and by virtue of all other authority vested in me, I, FRANKLIN D. ROOSEVELT, PRESIDENT of the UNITED STATES OF AMERICA, do hereby amend Executive Order No. 8389 of April 10, 1940, as amended, so as to extend all the provisions thereof to, and with respect to, property in which Bulgaria or any national thereof has at any time on or since March 4, 1941, had any interest of any nature whatsoever, direct or indirect; except that, in defining "Bulgaria" and "national" of Bulgaria the date " March 4 , 1941" shall be substituted for the dates appearing in the definitions of countries and nationals thereof.

THE WHITE HOUSE,

~~March 4, 1941.~~

EXECUTIVE ORDER NO. 8701

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AMENDMENT OF EXECUTIVE ORDER NO. 8389
OF APRIL 10, 1940, AS AMENDED.

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FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

March 4, 1941

INSTRUCTIONS TO THE TREASURER OF THE UNITED STATES, THE COMMISSIONER OF ACCOUNTS, THE COMMISSIONER OF THE PUBLIC DEBT, ALL POSTMASTERS, ALL DISBURSING OFFICERS, AND OTHER OFFICERS AND EMPLOYEES MAKING OR RECEIVING PAYMENTS ON BEHALF OF THE UNITED STATES, ANY DEPARTMENT, BUREAU, AGENCY, OR INSTRUMENTALITY THEREOF, THE UNITED STATES MINTS AND ASSAY OFFICES, AND FEDERAL RESERVE BANKS

Executive Order No. 8389 of April 19, 1940, as amended, has been further amended by an Executive Order dated *March 4*, 1941, to extend the restrictions therein to transactions involving property in which Bulgaria or any national thereof has had any interest at any time on or since *March 4*, 1941. The Regulations of April 10, 1940, as amended, have likewise been further amended.

While such Order and Regulations remain in effect, unless otherwise directed, the instructions of April 17, 1940, shall apply in full to Bulgaria or any national thereof except that the date *March 4*, 1941, shall be applied in the case of Bulgaria or any national thereof.

The definitions of "Bulgaria" and "national" thereof in the Executive Order dated *March 4*, 1941, shall be applicable in carrying out these instructions.

A schedule of the property held on *March 4*, 1941, in which Bulgaria or any national thereof had any interest, should be filed with the Treasury Department by *April 4*, 1941. The form of these schedules should be similar to those heretofore filed and should be filed as heretofore through the heads of the appropriate departments or agencies.

Secretary of the Treasury.

**INSTRUCTIONS TO THE TREASURER OF THE UNITED STATES, THE
COMMISSIONER OF ACCOUNTS, THE COMMISSIONER OF THE PUBLIC DEBT,
ALL POSTMASTERS, ALL DISBURSING OFFICERS, AND OTHER OFFICERS
AND EMPLOYEES MAKING OR RECEIVING PAYMENTS ON BEHALF OF THE
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(Signed) Herbert E. Carter

Acting Secretary of the Treasury.

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HERBERT E. GASTON
Acting Secretary of the Treasury.

March 4, 1941.

23-80

CODE OF FEDERAL REGULATIONS

Title 31 - Money and Finance: Treasury

Chapter I - Monetary Offices, Department of the Treasury

Part 166

TREASURY DEPARTMENT,
Office of the Secretary,
March 4, 1941.

GENERAL LICENSE NO. 36 UNDER EXECUTIVE ORDER
NO. 8369, APRIL 10, 1940, AS AMENDED, AND
REGULATIONS ISSUED PURSUANT THERETO, RELATING
TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

A general license is hereby granted authorizing banking institutions within the United States to make payments from accounts in which Bulgaria or a national thereof has a property interest within the meaning of the Executive Order of April 10, 1940, as amended, and the Regulations issued thereunder, of checks and drafts drawn or issued prior to March 4, 1941, and to accept and pay and debit to such accounts drafts drawn prior to March 4, 1941, under letters of credit; provided, that each banking institution making any payment or debit authorized by this general license shall file promptly with the appropriate Federal Reserve Bank weekly reports showing the details of such transactions. This license shall expire at the close of business on April 4, 1941.

(Signed) s/s Herbert E. Gaston

Acting Secretary of the Treasury

*Part 166; - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, October 10, 1940; Ex. Order 8701, March 4, 1941; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, October 10, 1940, and March 4, 1941.

23-80

TREASURY DEPARTMENT,
Office of the Secretary,
March 4, 1941.

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HERBERT E. GASTON,
Acting Secretary of the Treasury.

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BANKS AUTHORIZED DURING THE MONTH ENDED
FEBRUARY 28, 1941

<u>Name and Location of Bank:</u>	<u>Nature of Dividend:</u>	<u>Date Authorized:</u>	<u>Number and Percentage of Dividends Authorized:</u>		<u>Distribution of Funds by Dividend Authorized:</u>	<u>Total Percentage Authorized to Date:</u>	<u>Number of Claimants:</u>	<u>Amount Proved:</u>
The Plantsville Nat'l Bank Plantsville, Conn.	Regular	2-25-41	2nd	20. %	\$ 84,700.00	70. %	1,650	\$ 423,300.00
The Second Nat'l Bank of New Albany, Indiana	Final	2-6-41	5th	8.533%	122,500.00	97.533%	2,512	1,436,000.00
The Commercial Nat'l Bank of Waterloo, Iowa	Final	2-19-41	6th	1.28%	43,200.00	72.28%	5,769	3,378,300.00
The First Nat'l Bank of Murray, Kentucky	Final	2-28-41	4th	4.52%	33,200.00	91.52%	1,792	735,500.00
The First Nat'l Bank of Reed City, Michigan	Final	2-20-41	7th	5.31%	57,100.00	57.31%	2,120	1,075,000.00
The Citizens Nat'l Bank of New Brunswick, New Jersey	Final	2-7-41	5th	9.83%	76,700.00	59.83%	3,922	779,800.00
The First Nat'l Bank of West New York, N. J.	Final	2-11-41	6th	3.21%	80,300.00	67.21%	8,791	2,501,700.00
The First Nat'l Bank of Statesville, N. C.	Final	2-27-41	7th	20. %	62,000.00	78.5%	1,884	309,900.00
The Second Nat'l Bank of Altoona, Pennsylvania	Final	2-11-41	5th	6.54%	122,300.00	66.54%	6,910	1,869,900.00
The First Nat'l Bank of Clifton Heights, Pa.	Final	2-5-41	4th	8.75%	75,200.00	66.25%	3,528	860,000.00
The Farmers & Miners NB of Forest City, Pa.	Final	2-21-41	4th	3.91%	20,700.00	73.91%	2,743	529,500.00
The First Nat'l Bank of Forest City, Pa.	Final	2-19-41	5th	2.76%	28,300.00	84.76%	3,485	1,023,900.00
The First Nat'l Bank of Patton, Pa.	Final	2-8-41	3rd	6.73%	95,500.00	46.73%	1,815	1,419,000.00
The Reading NB & Tr. Co. Reading, Pa.	Regular	2-11-41	3rd	5. %	306,300.00	40. %	20,312	6,126,400.00
The First Nat'l Bank of Verona, Pa.	Regular	2-24-41	4th	7.5 %	114,000.00	62.5%	5,239	1,532,800.00
The First Nat'l Bank of Wilkinsburg, Pa.	Final	2-18-41	5th	4.34%	167,000.00	98.84%	13,361	3,848,200.00
The Security Nat'l Bank of Bowie, Texas	Regular	2-10-41	3rd	6. %	7,300.00	36. %	788	122,200.00

[Handwritten Signature]
3/4/41 *[Handwritten Initials]*

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS
Thursday, March 6, 1941

Press Service
no. 23-81

During the month ended February 28, 1941, authorizations were issued to receivers for payments of dividends in seventeen insolvent national banks. Dividends so authorized will effect total distributions of \$1,496,300 to 86,621 claimants who have proved claims aggregating \$27,971,400, or an average percentage payment of 5.35%. The smallest and largest individual dividend percentages authorized were 1.28% and 20.%, respectively, while the smallest and largest receivership distributions were \$7,300, and \$306,300, respectively. Of the seventeen dividends authorized four were for regular dividend payments, and thirteen were for final dividend payments. Dividend payments so authorized during the month ended February 28, 1941, were as follows:

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3/4/41
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BANKS AUTHORIZED DURING THE MONTH ENDED
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cured with salt, and sent to St. Louis, where they are sold at auction. The blubber and fat of the seal is made into seal oil, essential in the tanning and dyeing processes. Choice parts of the carcasses are retained by the natives for food, ~~other parts are cured for feeding the blue fox during winter.~~

More than 57,000 skins were obtained in 1935, the largest number since the treaty has been in effect. ~~the~~ Effectiveness of ~~the~~ controlled propagation methods is indicated by a large progressive increase *in the herd.*

In October, the seals begin their departure, and by the end of the month or early in November, the rookeries are virtually deserted. For a long time, their winter whereabouts was a mystery. ~~However,~~ *It* is now known that the cows and some bachelors winter off the lower California coast, and the bulls in the Gulf of Alaska. Young bachelors and pups are seen south of the Aleutian Islands.

South America, and on the islands south of Cape Horn, which now receive government protection.

Followed by the Coast Guard cutters of the ^{Bering Sea} ~~sea~~ patrol, ~~and the Bering Sea~~ ~~patrol~~ the bull seals reach the Pribilof Islands rookeries early in May. The rookeries are rocky grounds with gradually sloping approaches from the sea. ~~cow~~ cow seals begin to arrive early in June.

Male seals, prior to reaching maturity at seven years, are known as bachelors; after that, they are called bulls. Fully developed, they weigh from 500 to 700 pounds and have a span of life of about fourteen years. Females, called cows, reach maturity in three years and live to an average of eighteen years or slightly more, and weigh from eighty to 100 pounds. Newly born seals are called pups. Young male seals are called holluschickie, from Russian words meaning bare or without possessions.

The Pribilof Islands were under lease from the United States to commercial companies from 1870 to 1910. During this period, the federal government supervised the killing and the number of skins taken. The companies paid a royalty for each skin, and compensated the native employed in the killing ^{and in} curing and preparing the skins for shipment. ~~At present~~ ^{now} the killing of surplus seals - those in excess of the required minimum - ~~is~~ ^{is} under the direction of the Bureau of Fisheries.

The killing is done during the breeding season. The bachelor seals are driven to the killing grounds, where a certain number are branded by clipping fur from the neck, which stamps them as breeding stock not to be killed. A ratio of one male to forty cows is the estimated requirement. A blow on the thin skull with a heavy club either kills the animal, or stuns it, ~~and~~ ~~when~~ when it is stabbed. The skins are scraped free of fat and tissue,

of many nations, chiefly those of the United States, ^{Russia,} Great Britain and Japan.

Before the United States acquired Alaska by purchase from Russia in 1867, and while Russia still claimed sovereignty over Bering Sea waters, pelagic sealing, the killing of seals in the water, was prohibited by Russia. Upon purchase of Alaska, the United States adopted a similar prohibition. Soon after the United States acquired possession with Alaska of the Pribilof Islands, the herd had reached a maximum of approximately two and one-half million. Despite all restrictions, an increase in pelagic sealing caused it to decrease at an alarming rate.

International legal difficulties hampered effective conservation, and the herd dropped under 200,000. Then an agreement was reached between the United States, Great Britain, Russia, and Japan, prohibiting pelagic sealing north of latitude thirteen degrees. This was in 1911, and the treaty, in force for ten years, was to be automatically extended, unless one of the contracting countries gave notice to the contrary. This treaty, still in effect, has produced the desired effect of increasing the number of seals. A census in 1935 showed the herd on the Pribilof Islands at approximately one and a half million.

Indians on the American and Canadian seaboards, Aleuts, and aborigines of Alaska are permitted to hunt seals without firearms in open boats, propelled by sail, paddle, or oar. The boat's crew must not exceed five persons, and there must be no contract hunting.

Approximately 80 percent of the fur seals found in the northern hemisphere migrate to the Pribilof Islands in southwestern Alaska, for propagation, but the Russian Komandorski and the Japanese Kurile Islands are likewise breeding grounds. Seal herds in the southern hemisphere are virtually extinct. There are some remnants of herds in Lobis Island, at the mouth of the Plata River,

TREASURY DEPARTMENT
Washington

For Immediate Release *Morning Papers:*
March 9, 1941

Press Service No.
No. 23-82

Under
Ten Coast Guard cutters will patrol the northward migration of the Pacific seal herd, beginning about April 1, in accordance with an order issued by *Rear* Admiral R. R. Waesche, Commandant.

The patrol will get under way when the seals, moving toward their rookeries in the Pribilof Islands in Bering Sea, appear in number off the coast of Oregon and Washington. ~~Some~~ ^{earlier} congregation of the herd than April 1 is not unusual. ~~The distance offshore~~ ^{offshore} the seals ~~travel~~ ^{travel} from a few miles to 200 miles or more. ~~They~~ ^{They} range in quest of their food, ~~fish~~ ^{fish}.

^a Coast Guard cutters are detailed to accompany the herd from the southern boundary of Washington northerly along the coasts of that state and British Columbia to 50° north latitude, which parallel passes through the northern end of Vancouver Island and just south of the Aleutian Islands. The cutters ~~will~~ guard the seals against poachers.

The vessels assigned to this work, and to constitute the Bering Seal patrol, ^{OK} are the Itasca, Shoshone, Haida, Ariadne, Atalanta, Hermes, Redwing, Cyane, Bonham, Nemaha, Onondaga and Morris. Certain of these cutters will take over the guardianship of the herd at the fiftieth parallel, and will guard it through the mating season and the summer until the last seals depart from the rookeries in late autumn. This period will be from about April 20 to November 1, when virtually all the seals will have left the rookeries.

~~Protection given the seal herd by the~~ ^{protection} Coast Guard is the result of an international agreement that became effective in 1911. It ~~has~~ been feared that the seals might become extinct because of inadequate protection against sealers

thin skull with a heavy club either kills the animal, or stuns it, when it is stabbed. The skins are scraped free of fat and tissue, cured with salt, and sent to St. Louis, where they are sold at auction. The blubber and fat of the seal is made into seal oil, essential in the tanning and dyeing processes. Choice parts of the carcasses are retained by the natives for food.

More than 57,000 skins were obtained in 1935, the largest number since the treaty has been in effect. Effectiveness of controlled propagation methods is indicated by a large progressive increase in the herd.

In October, the seals begin their departure, and by the end of the month or early in November, the rookeries are virtually deserted. For a long time, their winter whereabouts was a mystery. It is now known that the cows and some bachelors winter off the lower California coast, and the bulls in the Gulf of Alaska. Young bachelors and pups are seen south of the Aleutian Islands.

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TREASURY DEPARTMENT
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For Release Morning Newspapers:
Sunday, March 9, 1941.

Press Service
No. 23-82

Ten Coast Guard cutters will patrol the northward migration of the Pacific seal herd, beginning about April 1, in accordance with an order issued by Rear Admiral R. R. Waesche, Commandant.

The patrol will get under way when the seals, moving toward their rookeries in the Pribilof Islands in Bering Sea, appear in number off the coast of Oregon and Washington. Congregation of the herd earlier than April 1 is not unusual. The seals range in quest of their food, fish, from a few miles to 200 miles or more offshore.

Coast Guard cutters are detailed to accompany the herd from the southern boundary of Washington northerly along the coasts of that state and British Columbia to 50° north latitude, which parallel passes through the northern end of Vancouver Island and just south of the Aleutian Islands. The cutters guard the seals against poachers.

The vessels assigned to this work and to constitute the Bering Sea patrol, are the Itasca, Shoshone, Haida, Ariadne, Atalanta, Hermes, Redwing, Cyane, Bonham, Nemaha, Onondaga and Morris. Certain of these cutters will take over the guardianship of the herd at the fiftieth parallel, and will guard it through the mating season and the summer until the last seals depart from the rookeries in late autumn. This period will be from about April 20 to November 1, when virtually all the seals will have left the rookeries.

Coast Guard protection is the result of an international agreement that became effective in 1911. It had been feared that the seals might become

THE UNITED STATES DEPOSITORY
FORT KNOX, KENTUCKY

MAR 1 1941

Monetary gold stocks of the United States now exceed \$22,000,000,000. Of this amount more than \$14,000,000,000 is stored in the vault of the Fort Knox gold depository, one of the institutions under the supervision of the Director of the Mint, an officer of the United States Treasury.

Virtually impregnable from attack, the United States Depository was completed in December, 1936, at a cost of \$560,000. It is located approximately 30 miles southwest of Louisville on a site which formerly was a part of the Fort Knox military reservation. The first gold was moved to the depository by railroad in January of 1937. That series of shipments was completed in June, 1937, when approximately \$5,500,000,000 in gold was stored there. Another shipment was begun in June 1940 and completed in February, 1941, bringing the present stocks of gold stored at Fort Knox to the \$14,000,000,000 figure. This consignment was also transported by rail.

The two-story, basement and attic building is constructed of granite, steel and concrete, based upon a 10-foot foundation of concrete. Its exterior dimensions are 105 by 121 feet. Its height is 42 feet above the first floor level. It was constructed under the supervision of the then Procurement Division of the Treasury Department, now the Public Buildings Administration of the Federal Works Agency. Upon its completion, it was placed under the supervision of the Director of the Mint.

Within the building is a two-level steel and concrete vault, 40 by 60 feet, with fourteen compartments in the subterranean level and a like number on the ground level for the storage of gold. The vault door weighs more than 20 tons. Roofs of the vault as well as the depository

are of bombproof construction. No one person can open the vault door mine. Various members of the depository staff must dial separate combinations. The vault casing is 25 inches thick. Its construction includes steel plates, steel I-beams and steel cylinders laced with hoop bands and encased in concrete. The vault roof is of similar construction and is independent of the bombproof depository roof.

As an added protection, the corridor encircling the vault is fitted with mirrors which provide a constant view of the space between the two roofs. Between the corridor and the outer wall of the depository is space utilized for offices, store rooms and other purposes. The outer wall of the depository is of Tennessee granite lined with concrete.

Included in the materials used in construction were 16,500 cubic feet of granite, 4,200 cubic yards of concrete, 750 tons of reinforcing steel and 670 tons of structural steel.

Over the marble entrance at the front of the building is the inscription "United States Depository" with the seal of the Treasury Department in gold. Offices of the Chief-Clerk-in-Charge and of the Captain of the Guard open upon the entrance lobby. At the rear of the building is another entrance, for the reception of bullion and supplies. Facilities for weighing the bullion and for an accounting force occupy other rooms.

Outside the building, but connected with it by passages from the basement of the depository, are four guard boxes, one at each corner of the building. A driveway encircles the building and a steel fence marks the boundaries of the site. The driveway leads through an entrance gate opening on the Dixie Highway. Sentry boxes, similar to the guard boxes at the corners of the depository, are located at the entrance gate.

An automatic electric signal-system telephone, a radio, and microphone equipment have been installed among the mechanical safeguards in the building. The nearby Army post gives additional protection. The depository is equipped with its own emergency power plant, water system and other facilities. In the basement is a pistol range for the guards.

The gold in the depository is in the form of standard mint bars of almost pure gold. In form these bars are similar to an ordinary building brick, but are somewhat smaller. The approximate dimensions are $6\text{-}\frac{3}{4}$ X $3\text{-}\frac{1}{2}$ X $1\text{-}\frac{3}{4}$ inches. Each bar contains approximately 400 Troy ounces of gold, worth \$14,000. The avoirdupois weight is about $27\text{-}\frac{1}{2}$ pounds. They are stored without wrappings in the vault compartments of the depository. When they are handled great care is exercised to avoid abrasion of the soft metal. When gold coin was in circulation the loss to the Government by abrasion was substantial.

While all of the physical gold stock is stored in the various institutions of the Bureau of the Mint, it is not, as sometimes supposed, "kept out of circulation." Most of it is made a part of the money stream through the medium of gold certificates or gold certificate credits, which are issued only to the Federal Reserve Banks. The Federal Reserve Banks may obtain gold by redemption of the certificates when necessary for the settlement of international balances. This process, coupled with the fact that the Treasury will receive gold imported from foreign countries, and pay the legally determined monetary value thereof, (less handling charges) maintains the value of the dollar in world exchange. The amount of gold certificates or gold certificate credits currently outstanding is approximately twenty billions of dollars.

The Chief-Clerk-in-Charge at the Fort Knox Depository is Russell T. Van Horne, an officer of many years' experience in the field service of the Bureau of the Mint. The guard force is made up of men selected from various government agencies.

filed an excess profits tax return, but who are required to do so, ~~should~~ ^{should} use the revised Form 1121 instead of the form previously furnished them. Taxpayers who have already filed an excess profits tax return on ~~the~~ ^{the previous he said} Form 1121, ~~should~~ ^{should} execute the revised Form 1121 and file it immediately with the collector for their district. However, in the case of taxpayers who have already filed returns on the old Form 1121, if the execution of the revised form would result in no change other than a disclaimer of the credit which the taxpayer did not elect in the return already filed, the taxpayer may perfect ~~the~~ ^{the} original return by merely filling in only the specific disclaimer in the revised form. The revised form, so executed and properly signed and sworn to, will be affixed to the original Form 1121 when filed with the appropriate collector.

Those taxpayers who find it impossible to complete their returns by ^{Mr. Sullivan pointed out} March 15, 1941, ~~should~~ ^{should} apply to the appropriate collector of internal revenue for an extension of time. Such extension will be granted in all reasonable cases, if the taxpayer files a tentative return and pays 25 percent of the tax shown upon the tentative return. However, those taxpayers who have already filed an excess profits tax return on ~~the~~ ^{the original} Form 1121 need not apply for an extension of time, but ~~should~~ ^{should} file the revised Form 1121 within thirty days after March 15, 1941, ^{Internal Revenue officials said.}

The principal changes between Form 1121, as revised, and ~~the~~ ^{the} ~~previ~~ ^{the} Form 1121, are as follows:

In lieu of the election between the income method and the invested capital method contained in the old form, a taxpayer in existence prior to January 1, 1940, must complete the computations under both methods unless it specifically disclaims one method. ~~The~~ ^{The} taxpayer is permitted to state whether it elects in the return to capitalize expenditures for advertising or promotion of good will. ~~The~~ ^{The} taxpayer, if an acquiring corporation of a qualified component corporation and if actually in existence before January 1, 1940, is required to state whether it elects to compute its average base period net income under the method prescribed in Section 742 in lieu of the method prescribed in Section 713.

In addition, several other changes are made consistent with the amendments recently adopted. ~~#~~

For Immediate Release,
Thursday, March 6, 1941.

Prus Service
No. 23-84

~~The Bureau of Internal Revenue announced today that~~ A revised
excess profits tax return, Form 1121 (revised March, 1941), has been

prepared for use by corporations required to file ~~the~~ excess profits

~~the Bureau of Internal Revenue announced today~~ tax returns, ~~this~~ revised form was made necessary by the enactment

of the Excess Profits Tax Amendments of 1941, ~~approved~~ ^{this} ~~today~~ by the President

a copy of the revised Form 1121 to each corporation to which the ~~original~~ ^{original}

Form 1121 was ~~originally~~ forwarded. ~~Taxpayers~~ ^{The Assistant Secretary of the Treasury} who have not as yet

John
L.
Sullivan
said that

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Saturday, March 8, 1941.

Press Service
No. 23-84

A revised excess profits tax return, Form 1121 (revised March, 1941), has been prepared for use by corporations required to file excess profits tax returns, the Bureau of Internal Revenue announced today. This revised form was made necessary by the enactment of the Excess Profits Tax Amendments of 1941, approved yesterday by the President. The Collectors of Internal Revenue are being instructed to mail a copy of the revised Form 1121 to each corporation to which the original Form 1121 was forwarded.

Assistant Secretary of the Treasury John L. Sullivan said that taxpayers who have not as yet filed an excess profits tax return, but who are required to do so, should use the revised Form 1121 instead of the form previously furnished them. Taxpayers who have already filed an excess profits tax return on the previous Form 1121, he said, should execute the revised Form 1121 and file it immediately with the Collector for their district. However, in the case of taxpayers who have already filed returns on the old Form 1121, if the execution of the revised form would result in no change other than a disclaimer of the credit which the taxpayer did not elect in the return already filed, the taxpayer may perfect the original return by merely filling in only the specific disclaimer in the revised form. The revised form, so executed and properly signed and sworn to, will be affixed to the original Form 1121 when filed with the appropriate Collector.

Those taxpayers who find it impossible to complete their excess profits tax returns by March 15, 1941, Mr. Sullivan pointed out, should apply to the **appropriate** Collector of Internal Revenue for an extension of time. Such extension will be granted in all reasonable cases, if the taxpayer files a tentative return and pays 25 percent of the tax shown upon the tentative return. However, those taxpayers who have already filed an excess profits tax return on the original Form 1121 need not apply for an extension of time, but should file the revised Form 1121 within thirty days after March 15, 1941, Internal Revenue officials said.

The principal changes between Form 1121, as revised, and the previous Form 1121, are as follows:

In lieu of the election between the income method and the invested capital method contained in the old form, a taxpayer in existence prior to January 1, 1940, must complete the computations under both methods unless it specifically disclaims one method. The taxpayer is permitted to state whether it elects in the return to capitalize expenditures for advertising or promotion of good will. The taxpayer, if an acquiring corporation of a qualified component corporation and if actually in existence before January 1, 1940, is required to state whether it elects to **compute** its average base period net income under the method prescribed in Section 742 in lieu of the method prescribed in Section 713.

In addition, several other changes are made consistent with the amendments recently adopted.

TREASURY DEPARTMENT

Washington

FOR RELEASE, AFTERNOON NEWSPAPERS,

Press Service

Wednesday, March 12, 1941.

No. 23-35

Secretary of the Treasury Morgenthau today made public the fourth in the series of tabulations from "Statistics of Income for 1938, Part 2, compiled from Corporation Income and Excess-profits Tax Returns and Personal Holding Company Returns", prepared under the direction of Commissioner of Internal Revenue Guy T. Helvering.

For returns with balance sheets, the two attached tables show items of assets and liabilities as of the end of the taxable year, items of compiled receipts and compiled deductions, compiled net profit or net loss, net income or deficit, income tax, excess-profits tax, total tax, compiled net profit less total tax and dividends paid. The first table classifies the data by major industrial groups and the second by total assets classes.

Adjustments of assets and liabilities are made in tabulating the data, if the following conditions appear on the balance sheet: (1) a negative amount reported in assets is transferred to its appropriate place under liabilities and "Total assets" and "Total liabilities" are increased by this negative amount; (2) a deficit in surplus shown under assets is transferred to liabilities and "Total assets" and "Total liabilities" are decreased by the amount of the deficit and (3) reserves for depreciation, depletion and bad debts when shown under liabilities are used to reduce the corresponding asset accounts and "Total assets" and "Total liabilities" are reduced by the amount of such reserves.

"Surplus reserves", which are tabulated separately for the first time, were included in "Surplus and undivided profits" for 1937. "Surplus reserves" comprises all reserves reported by corporations under the caption "Surplus reserves". "Surplus and undivided profits" consists of positive amounts of "Paid-in or capital surplus" and "Earned surplus and undivided profits". If either or both of these amounts are negative they are tabulated as "Deficit".

The definition of capital assets was changed by section 117(a) (1) of the Revenue Act of 1938, to exclude property used in trade or business, of a character which is subject to the allowance for depreciation provided in section 23(1) of that Act. This change enables a corporation which sustains a loss on the sale of a depreciable asset to deduct the loss without limitation.

The "Net gain or loss from the sale of property other than capital assets" consists of the net gain or loss from the sale or exchange of a depreciable asset. For 1937, net gain or loss from sale of depreciable asset was included in "Net capital gain or loss".

In general corporations are classified industrially according to the business activity which accounted for the greatest percentage of "Total receipts". "Total receipts" means the sum of the following items: Gross sales (where inventories are an income-determining factor); gross receipts (where inventories are not an income-determining factor); interest on loans, notes, mortgages, bonds, bank deposits, etc; taxable interest on obligations of the United States; rents; royalties; capital gain; gain from sale or exchange of property other than capital assets; dividends; and other income required by the Revenue Act to be included in gross income. The industrial groups do not contain solely corporations engaged exclusively in the industries in which they are classified, because of the diversified activities of many corporations.

The number of major industrial groups shown in this release has been increased over those shown in "Statistics of Income for 1937 Part 2," and there have been certain changes in the definitions of the contents of the groups. A comparison of the major industrial groups for 1938 with those for 1937, which was published on pages 13 - 18 of the "Preliminary Report, Statistics of Income for 1938, Corporation Income and Excess-profits Tax Returns," will be published in "Statistics of Income for 1938, Part 2".

In analyzing the data, compiled from returns classified under the major industrial groups "Insurance carriers, agents, etc." allowance should be made for the two special deductions from gross income permitted life insurance companies under section 203(a), Revenue Act of 1938, relating to reserve funds required by law, and reserve for dividends. On 1938 returns with net income this deduction is \$17,165,010 and on returns with no net income, \$855,127,536. In the attached tables, the special deductions for life insurance companies are included in "Other deductions".

(Money figures in thousands of dollars)

	Industrial groups 2/ Mining and quarrying																	
	All industrial groups		Total mining and quarrying		Metal mining		Anthracite mining		Other coal mining		Petroleum		Nonmetallic mining and quarrying		Mining and quarrying : not allocable		Total manufacturing	
	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
1 Number of returns with balance sheets 5/	159,056	252,885	3,138	6,330	260	857	36	93	347	1,302	1,796	2,865	658	934	41	279	33,044	49,111
Assets:																		
2 Cash 6/	21,162,735	6,810,677	223,758	90,417	123,052	11,040	6,916	3,246	19,397	32,940	51,035	36,841	22,927	5,417	430	933	2,955,031	1,047,587
3 Notes and accounts receivable (less reserve for bad debts)	26,829,571	10,933,819	264,306	237,987	68,644	30,053	8,692	22,692	44,297	89,329	115,882	80,519	26,087	13,264	704	2,130	4,501,549	2,259,770
4 Inventories	10,766,538	5,815,381	211,875	129,892	144,747	47,693	1,729	9,452	12,161	24,915	16,755	37,301	36,286	8,513	198	2,018	6,552,252	3,640,123
5 Investments, Government obligations 7/	14,624,779	10,902,491	78,413	40,460	42,429	5,280	4,056	5,240	12,647	19,059	11,733	9,806	7,533	1,065	14	10	910,980	222,114
6 Other investments 8/	49,303,936	33,397,439	892,655	394,412	654,473	52,483	19,055	66,867	37,858	157,304	155,741	97,771	25,402	12,395	126	7,592	6,219,769	2,091,444
7 Net capital assets 9/	52,850,991	46,447,826	1,939,560	2,748,584	838,724	676,672	115,416	178,650	257,753	810,476	527,419	914,186	192,036	253,128	8,213	45,472	12,232,184	9,311,617
8 Other assets	5,520,389	4,655,156	127,559	165,386	67,134	62,076	5,992	15,774	13,513	31,230	28,909	42,852	11,837	9,088	175	4,366	1,881,018	966,773
9 Total assets 10/	181,058,938	118,962,788	3,738,127	3,807,137	1,939,203	1,885,297	161,857	301,921	397,625	1,165,252	907,473	1,219,276	322,109	172,871	9,860	62,520	35,252,783	19,539,428
Liabilities:																		
10 Accounts payable	6,905,397	6,841,945	122,840	423,776	40,141	145,769	4,687	19,150	19,121	84,856	45,610	140,171	12,832	21,147	449	12,683	2,199,908	1,996,881
11 Bonds, notes, mortgages payable:																		
12 Maturity less than 1 year	3,730,453	4,373,362	78,276	212,787	11,390	25,384	519	25,233	8,294	47,350	50,205	101,654	7,692	11,538	177	1,627	864,205	1,395,255
13 Maturity 1 year or more	24,356,209	25,922,024	314,496	684,700	98,728	70,683	40,537	136,984	68,278	191,665	79,021	253,022	27,144	28,895	788	3,451	2,504,738	2,769,740
14 Other liabilities	46,512,167	44,067,581	143,099	172,214	64,434	42,257	15,325	22,666	13,415	42,434	40,721	51,424	8,672	10,300	532	3,132	1,152,705	648,363
15 Capital stock preferred	11,782,971	6,325,056	98,327	165,867	27,081	8,913	-	4,446	31,324	106,533	20,453	28,636	19,465	16,399	4	940	3,700,300	2,020,243
16 Capital stock, common	49,371,395	25,420,267	1,644,554	1,638,656	970,262	355,007	56,869	68,700	121,763	514,744	359,983	575,135	130,163	73,347	5,515	51,723	12,940,648	7,186,304
17 Surplus reserves 11/	5,273,443	2,027,712	103,580	91,377	31,939	35,015	506	5,256	8,640	21,697	42,803	23,518	17,846	4,654	1,846	1,237	1,388,333	573,093
18 Surplus and undivided profits 12/	35,233,404	15,009,471	1,395,901	1,039,442	748,084	298,937	43,601	56,422	133,132	331,638	362,112	295,449	106,525	39,730	2,446	17,267	10,778,678	4,815,360
19 Less deficit 13/	2,106,501	11,024,669	162,945	621,682	52,855	96,669	188	36,936	5,341	175,665	93,435	249,735	8,230	33,138	1,895	29,539	276,731	1,865,811
20 Total liabilities 10/	181,058,938	118,962,788	3,738,127	3,807,137	1,939,203	1,885,297	161,857	301,921	397,625	1,165,252	907,473	1,219,276	322,109	172,871	9,860	62,520	35,252,783	19,539,428
Receipts, taxable income:																		
21 Gross sales 14/	60,408,221	28,913,891	1,132,498	960,010	445,993	132,311	61,882	128,018	222,994	387,780	258,803	258,400	140,061	50,634	2,764	2,867	32,519,433	16,095,418
22 Gross receipts from operations 15/	13,014,304	6,873,433	139,834	121,146	6,632	6,011	1,641	4,377	16,727	43,896	101,980	55,640	12,315	10,499	538	724	410,077	362,962
23 Interest	1,240,313	1,143,860	5,380	3,899	2,850	405	49	969	579	1,501	1,533	911	344	105	25	8	69,286	36,379
24 Rents and royalties 16/	966,609	1,070,500	13,666	23,501	2,667	1,181	1,106	3,766	4,712	12,077	4,225	5,746	901	657	55	74	121,901	56,023
25 Net capital gain 17/	150,096	51,122	5,265	4,538	1,089	620	3	87	517	567	3,470	3,212	148	41	38	11	16,334	8,846
26 Net gain, sale of property other than capital assets 18/	53,181	36,207	2,470	2,555	187	37	24	84	113	297	2,046	2,108	90	22	10	7	8,270	5,024
Dividends from:																		
27 Domestic corporations 19/	1,539,864	161,550	35,058	4,678	24,470	285	60	92	1,217	1,933	8,821	2,165	489	191	1	13	259,762	57,978
28 Foreign corporations 20/	292,421	13,018	992	15	899	4	-	-	60	11	30	(30)	2	(30)	-	-	142,136	9,796
29 Other receipts 21/	622,564	323,434	12,761	16,563	1,578	826	934	2,616	3,696	5,580	4,867	6,842	1,618	622	69	78	185,957	94,116
Receipts, tax-exempt and taxable income:																		
30 Interest on Government obligations:																		
31 Subject to excess-profits tax 22/	217,496	51,459	1,602	574	772	15	136	116	347	382	255	42	91	19	(30)	-	11,625	2,777
32 Wholly tax-exempt 23/	195,508	256,600	1,198	557	907	48	25	19	119	125	65	346	81	19	(30)	-	11,360	3,494
33 Total compiled receipts 24/	78,700,577	38,895,076	1,350,723	1,138,036	488,043	141,740	65,861	140,145	251,081	454,148	386,096	335,412	156,141	62,809	3,501	3,781	33,756,143	16,732,811
Deductions:																		
34 Cost of goods sold 25/	45,183,509	23,558,218	640,471	712,508	254,703	95,083	47,950	112,988	168,465	333,540	89,336	132,428	78,514	36,014	1,504	2,455	23,412,161	13,254,087
35 Cost of operations 26/	5,387,111	4,141,590	70,180	76,263	3,714	4,368	1,076	2,768	8,676	33,025	50,006	28,985	6,615	6,421	92	636	157,725	214,400
36 Compensation of officers	1,538,311	967,996	24,668	20,778	3,643	1,407	633	721	3,428	5,903	10,920	9,328	5,960	3,263	83	155	577,481	319,930
37 Rent paid on business property	900,631	608,086	4,709	8,238	525	342	60	788	953	1,841	2,199	4,298	958	921	13	48	162,960	127,366
38 Bad debts	354,401	295,895	2,729	8,323	182	1,171	167	3,924	630	950	1,116	1,207	623	726	11	345	86,676	53,535
39 Interest paid	1,415,523	1,387,595	19,203	38,595	5,237	4,353	1,583	7,408	3,659	8,823	6,818	16,113	1,862	1,840	43	58	163,465	157,207
40 Taxes paid 27/	2,331,132	1,349,145	54,906	67,507	20,757	21,011	4,940	8,612	9,886	21,594	13,597	14,000	5,623	1,985	102	305	985,048	442,562
41 Contributions or gifts 28/	22,826	3,923	321	121	104	5	11	4	63	18	95	58	48	35	(30)	2	9,131	1,237
42 Depreciation	2,022,690	1,262,189	75,098	81,688	22,125	7,561	2,562	6,789	11,918	24,020	29,637	37,122	8,718	5,941	138	256	824,033	556,820
43 Depletion	251,854	174,413	123,621	72,462	48,103	7,531	2,186	3,057	4,689	7,039	62,683	54,275	5,758	469	202	92	98,549	90,988
44 Net capital loss 17/	19,610	50,644	197	537	20	42	9	8	23	75	104	305	40	98	-	9	2,498	2,084
45 Net loss, sale of property other than capital assets 18/	21,061	101,795	520	3,299	2	272	3	27	27	656	266	1,497	222	841	(30)	6	7,888	21,688
46 Other deductions	12,687,851	7,413,662	142,410	187,726	33,341	15,261	3,308	17,655	27,489	52,036	53,310	89,755	24,150	12,135	812	883	4,861,305	2,282,635
47 Total compiled deductions	72,136,510	41,315,510	1,159,032	1,278,045	392,456	158,407	64,488	164,750	239,907	489,578	320,087	389,371	139,092	70,690	3,001	5,249	31,348,919	17,524,539
48 Compiled net profit or net loss (31 less 45)	6,564,066	34,242,075	191,691	34,140,009	95,587	34,16,667	1,373	34,24,604	11,175	34,35,430	66,009	34,53,959	17,049	34,7,881	500	34,1,468	2,407,223	34,791,728
49 Net income or deficit 1/ (46 less 30)	6,368,559	34,2,676,675	190,493	34,140,565	94,680	34,16,714	1,347	34,24,623	11,055	34,35,555	65,944	34,54,305	16,968	34,7,900	499	34,1,468	2,395,863	34,795,221
50 Income tax 29/	838,707	-	27,701	-	13,441	-	192	-	1,640	-	9,676	-	2,677	-	76	-	369,997	-
51 Excess-profits tax	5,678	-	223	-	49	-	1	-	14	-	95	-	58	-	6	-	2,294	-
52 Total tax 29/	844,386	-	27,924	-	13,490	-	192	-	1,654	-	9,771							

(Money figures in thousands of dollars)

Industrial groups 2/ - Continued

Manufacturing - Continued

	Food and kindred products:		Beverages		Tobacco manufactures:		Textile-mill products:		Apparel and products made from fabrics:		Leather and products:		Rubber products:		Lumber and timber basic products:		Furniture and finished lumber products:	
	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
1 Number of returns with balance sheets 5/	4,178	5,238	1,461	1,361	104	182	1,795	2,995	2,798	5,184	846	1,262	277	236	988	1,729	1,619	2,716
Assets:																		
2 Cash 6/	360,011	76,527	63,706	8,265	57,495	2,223	124,721	72,440	62,145	27,716	58,097	12,819	55,960	2,407	25,343	18,808	42,272	19,982
3 Notes and accounts receivable (less reserve for bad debts)	432,886	179,744	118,609	42,702	163,438	9,403	198,546	175,520	142,028	100,840	108,656	48,735	144,057	29,596	64,615	78,008	114,903	70,530
4 Inventories	720,019	390,189	224,114	62,081	535,037	12,091	396,337	405,524	143,196	104,845	149,141	98,964	156,515	17,093	105,767	119,206	127,684	106,362
5 Investments, Government obligations 7/	86,657	14,315	15,970	1,121	27,544	583	31,756	13,564	11,931	2,587	6,717	1,348	3,251	1,835	6,257	4,078	10,257	7,373
6 Other investments 8/	584,723	229,303	84,032	10,833	95,582	6,216	132,031	105,473	33,985	24,021	26,401	22,569	168,514	3,352	75,334	95,543	58,035	37,767
7 Net capital assets 9/	1,398,820	631,584	406,058	161,067	86,720	5,847	625,898	760,580	70,230	61,256	84,601	54,160	199,286	42,383	298,956	449,627	161,898	165,849
8 Other assets	255,707	61,006	73,007	20,883	78,064	5,448	43,882	51,567	17,944	23,558	13,527	21,301	72,453	7,158	12,726	27,483	22,262	22,268
9 Total assets 10/	3,838,823	1,582,668	985,496	306,951	1,043,880	41,810	1,553,171	1,584,668	481,460	344,824	447,140	259,896	800,036	103,825	588,998	792,753	537,311	430,131
Liabilities:																		
10 Accounts payable	220,101	165,976	84,461	38,343	52,190	3,730	95,964	134,113	73,132	68,292	35,362	26,372	52,647	33,993	30,975	49,339	35,509	57,006
Bonds, notes, mortgages payable:																		
11 Maturity less than 1 year	151,121	145,157	52,684	44,367	21,282	2,871	63,859	117,309	26,477	36,176	25,051	39,173	7,453	3,854	23,041	49,525	21,410	27,062
12 Maturity 1 year or more	265,787	225,754	118,027	58,148	96,575	1,734	79,049	118,434	17,367	21,768	7,810	37,631	166,972	14,073	29,427	124,421	35,057	41,196
13 Other liabilities	131,447	52,860	47,600	17,321	44,712	903	40,825	45,051	19,665	14,015	14,516	10,664	19,454	2,111	19,953	28,460	17,090	16,943
14 Capital stock, preferred	488,920	182,812	52,339	23,998	130,688	4,724	178,076	247,277	47,087	46,174	42,863	42,376	164,921	14,833	35,670	64,854	40,114	41,539
15 Capital stock, common	1,367,449	577,314	243,977	109,084	418,710	20,191	527,886	676,982	165,075	150,667	166,155	107,064	198,948	33,494	214,333	353,543	233,457	179,984
16 Surplus reserves 11/	155,112	38,297	17,805	2,554	17,987	126	42,598	49,469	10,395	2,573	13,501	6,818	34,901	301	4,980	31,842	12,889	13,027
17 Surplus and undivided profits 12/	1,092,005	331,613	375,044	51,216	261,937	12,623	540,530	396,848	127,961	56,181	147,615	45,528	157,181	17,037	247,087	224,440	151,500	120,634
18 Less deficit 13/	33,920	137,115	6,441	38,079	261	5,091	15,616	200,816	5,699	51,023	5,732	55,730	2,441	15,872	16,448	133,472	9,715	67,259
19 Total liabilities 10/	3,838,823	1,582,668	985,496	306,951	1,043,880	41,810	1,553,171	1,584,668	481,460	344,824	447,140	259,896	800,036	103,825	588,998	792,753	537,311	430,131
Receipts, taxable income:																		
20 Gross sales 14/	6,142,753	3,442,207	1,293,063	276,579	1,232,284	37,245	1,717,997	1,364,188	1,222,009	772,256	745,105	355,259	630,044	74,635	364,589	342,303	629,228	367,053
21 Gross receipts from operations 15/	27,915	25,117	5,477	3,693	2,281	69	29,019	22,728	8,470	33,323	2,060	2,474	1,532	198	4,358	6,550	3,783	3,075
22 Interest	6,774	2,718	1,761	410	656	17	2,335	1,961	514	533	719	281	4,175	60	1,042	1,055	1,143	748
23 Rents and royalties 16/	10,446	3,817	3,267	886	2,999	42	5,857	5,185	2,389	1,042	975	683	1,483	40	2,398	2,570	674	1,167
24 Net capital gain 17/	1,007	997	567	39	695	6	688	809	102	84	128	67	48	6	1,032	716	311	274
25 Net gain, sale of property other than capital assets 18/	484	243	158	83	58	21	1,232	1,147	45	42	5	38	25	(30)	548	672	128	85
Dividends from:																		
26 Domestic corporations 19/	19,643	3,160	2,372	136	6,886	27	2,743	1,568	588	437	641	171	2,216	39	1,359	509	1,081	186
27 Foreign corporations 20/	14,078	1,771	2	2	1,045	-	825	186	261	5	6	1	4,506	3	15	28	1,476	4
28 Other receipts 21/	23,361	13,644	7,353	2,273	2,233	104	10,539	9,408	5,750	3,672	4,012	1,996	1,933	224	4,442	5,785	4,631	2,462
Receipts, tax-exempt and taxable income:																		
Interest on Government obligations:																		
29 Subject to excess-profits tax 22/	1,111	276	201	27	572	9	503	233	201	39	110	27	74	(30)	143	44	531	37
30 Wholly tax-exempt 23/	920	234	288	2	269	12	458	184	120	21	47	31	19	49	73	45	156	93
31 Total compiled receipts 24/	6,248,492	3,494,184	1,314,509	284,129	1,249,279	37,552	1,772,197	1,407,598	1,240,447	811,452	753,808	361,029	646,055	75,256	379,998	360,276	643,144	375,185
Deductions:																		
32 Cost of goods sold 25/	4,805,590	3,089,618	690,798	171,218	916,430	29,420	1,390,028	1,209,110	974,712	637,499	615,127	312,210	445,014	55,255	267,839	276,644	460,631	291,338
33 Cost of operations 26/	9,877	9,169	1,196	1,756	1,335	-	18,954	14,553	5,584	26,326	1,020	1,632	212	137	2,286	2,776	1,085	1,782
34 Compensation of officers	61,754	28,190	21,963	6,660	4,962	1,310	34,551	27,150	42,318	33,405	15,619	9,806	6,649	1,608	10,607	8,969	21,538	15,326
35 Rent paid on business property	20,193	15,210	4,098	1,556	1,453	230	5,072	7,218	13,207	13,351	4,030	3,392	3,098	741	1,094	1,231	4,335	4,259
36 Bad debts	10,835	6,304	4,636	2,242	613	123	2,671	4,275	3,755	3,928	2,106	1,519	2,848	440	1,602	3,199	2,855	2,204
37 Interest paid	19,812	17,256	8,856	4,505	5,182	222	8,400	12,332	2,919	4,051	1,876	2,586	7,961	434	2,914	7,447	3,148	3,482
38 Taxes paid 27/	102,529	54,239	207,650	45,917	84,600	897	34,751	33,826	15,758	10,868	11,790	6,004	27,691	2,534	10,105	11,101	13,491	9,133
39 Contributions or gifts 28/	1,098	167	440	43	168	3	390	79	327	89	28	28	176	4	90	130	182	64
40 Depreciation	94,659	39,324	26,671	9,554	7,342	430	43,351	45,880	5,851	4,797	7,104	4,562	17,760	2,714	11,490	13,771	10,799	9,077
41 Depletion	15	91	112	4	-	-	25	6	5	6	-	21	-	-	10,323	10,040	342	412
42 Net capital loss 17/	307	244	88	62	17	13	137	176	81	107	42	56	19	12	71	126	80	81
43 Net loss, sale of property other than capital assets 18/	1,436	2,044	434	612	196	2	804	2,928	64	217	19	172	247	12	63	639	65	194
44 Other deductions	818,572	304,999	221,177	57,801	102,394	6,411	153,924	148,232	146,989	103,201	69,009	37,643	112,018	15,061	41,851	51,758	91,581	60,127
45 Total compiled deductions	5,946,677	3,566,854	1,188,118	301,509	1,125,113	39,063	1,693,059	1,505,764	1,211,570	837,845	727,946	379,630	623,693	78,953	360,333	367,831	610,131	397,479
46 Compiled net profit or net loss (31 less 45)	301,814	34/72,670	126,391	34/17,380	124,166	34/ 1,511	79,138	34/98,166	28,878	34/26,393	25,863	34/18,601	22,361	34/ 3,697	19,664	34/27,555	33,013	34/22,294
47 Net income or deficit 1/ (46 less 30)	300,895	34/72,904	126,103	34/17,382	123,897	34/ 1,523	78,680	34/98,351	28,758	34/26,414	25,815	34/18,632	22,343	34/ 3,746	19,592	34/27,600	32,857	34/22,387
48 Income tax 29/	48,073	-	21,433	-	19,536	-	12,645	-	4,499	-	4,083	-	3,616	-	2,953	-	5,082	-
49 Excess-profits tax	337	-	109	-	(30)	-	199	-	71	-	66	-	49	-	24	-	61	-
50 Total tax 29/	48,411	-	21,542	-	19,536	-	12,844	-	4,570	-	4,148	-	3,665	-	2,977	-	5,143	-
51 Compiled net profit less total tax (46 less 50)	253,403	34/72,670	104,849	34/17,380	104,630	34/ 1,511	66,294	34/98,166	24,308	34/26,393	21,714	34/18,601	18,697	34/ 3,697	16,687	34/27,555	27,869	34/22,294
Dividends paid:																		
52 Cash and assets other than corporation's own stock	206,834	7,201	57,956	347	97,343	106	41,406	7,008	13,180	694	18,304	763	16,749	277	14,301	2,540	19,	

(Money figures in thousands of dollars)

Industrial groups 2/ - Continued

Manufacturing - Continued

	Paper and allied products		Printing and publishing industries		Chemicals and allied products		Petroleum and coal products		Stone, clay and glass products		Iron, steel and products		Nonferrous metals and their products		Electrical machinery and equipment		Machinery, except transportation equipment and electrical	
	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
1 Number of returns with balance sheets 5/	1,082	1,031	4,043	6,480	2,707	3,585	303	362	1,358	2,030	2,539	3,738	892	1,559	704	922	2,324	3,472
Assets:																		
2 Cash 6/	95,055	21,984	110,829	25,181	365,836	36,794	222,885	155,666	130,478	24,773	182,478	214,209	71,807	15,316	166,232	17,082	308,232	41,514
3 Notes and accounts receivable (less reserve for bad debts)	129,492	57,761	270,691	103,460	471,927	72,931	258,311	405,168	122,577	57,865	282,277	333,638	154,619	44,351	176,910	36,949	586,736	129,213
4 Inventories	194,944	78,786	118,340	52,617	634,722	106,368	469,113	411,006	186,820	80,866	477,083	869,520	254,735	101,710	309,599	70,698	737,580	207,985
5 Investments, Government obligations 7/	32,843	2,891	72,945	10,102	108,788	37,482	47,500	3,224	52,788	7,064	54,126	25,692	22,572	1,935	74,875	7,153	107,543	17,545
6 Other investments 8/	169,426	336,169	414,619	52,919	799,460	73,172	1,285,973	338,529	183,296	47,177	283,711	345,005	356,666	20,947	335,855	23,198	488,929	74,498
7 Net capital assets 9/	720,827	295,781	439,369	188,177	1,329,937	224,213	2,130,531	1,867,172	613,681	330,958	1,024,818	2,436,102	391,936	161,877	318,947	98,659	853,648	315,568
8 Other assets	43,711	30,542	355,250	160,214	280,323	67,864	61,879	74,223	36,005	36,178	88,722	93,221	33,121	19,468	39,664	41,912	140,535	77,612
9 Total assets 10/	1,386,298	823,915	1,782,044	592,670	3,990,994	618,825	4,476,192	3,254,989	1,325,645	584,881	2,393,215	4,317,388	1,285,456	365,604	1,422,083	295,652	3,223,203	863,934
Liabilities																		
10 Accounts payable	58,959	39,419	147,950	79,549	277,405	52,929	177,451	311,304	68,788	43,256	122,239	636,211	94,701	25,044	96,719	27,004	153,313	60,272
Bonds, notes, mortgages payable:																		
11 Maturity less than 1 year	32,350	37,167	54,010	55,842	103,303	33,864	20,706	195,260	17,081	28,656	39,995	404,470	46,565	42,637	45,480	17,916	55,716	51,460
12 Maturity 1 year or more	201,671	156,300	132,267	81,579	242,621	57,689	461,448	563,123	86,840	88,906	199,353	786,625	80,431	66,891	27,209	27,105	141,030	81,733
13 Other liabilities	34,877	76,448	98,348	44,761	111,457	16,368	70,326	70,903	37,135	26,460	67,362	73,712	24,233	10,277	68,201	11,159	128,214	33,434
14 Capital stock, preferred	237,070	174,617	199,297	56,059	471,183	54,977	176,004	160,136	113,099	80,368	223,873	428,975	294,139	31,239	46,916	37,152	378,339	108,461
15 Capital stock, common	462,645	208,401	538,204	220,036	1,355,126	268,605	2,188,896	1,359,955	560,951	248,865	960,745	1,325,372	277,877	144,217	647,011	92,832	1,233,752	401,475
16 Surplus reserves 11/	23,681	42,490	27,380	6,065	190,416	49,619	111,689	58,860	41,105	13,243	65,444	125,107	80,525	5,657	88,009	10,868	212,276	26,266
17 Surplus and undivided profits 12/	345,315	151,706	621,582	176,897	1,261,946	157,321	1,274,492	785,641	416,167	138,364	732,732	709,784	394,979	75,339	410,213	97,277	950,085	217,561
18 Less deficit 13/	10,270	62,634	36,993	128,118	22,464	72,546	4,818	250,194	15,520	83,238	18,549	172,868	8,014	35,696	7,674	25,662	29,523	116,689
19 Total liabilities 10/	1,386,298	823,915	1,782,044	592,670	3,990,994	618,825	4,476,192	3,254,989	1,325,645	584,881	2,393,215	4,317,388	1,285,456	365,604	1,422,083	295,652	3,223,203	863,934
Receipts, taxable income:																		
20 Gross sales 14/	1,084,454	383,955	1,410,652	556,558	3,100,951	458,812	2,272,629	2,405,487	899,723	269,702	1,965,031	2,215,525	849,910	321,448	1,275,939	249,299	2,327,869	561,789
21 Gross receipts from operations 15/	2,808	3,242	74,571	70,728	23,009	4,638	61,656	143,026	3,901	3,253	9,750	7,969	43,611	6,607	3,883	787	54,499	9,246
22 Interest	2,023	5,024	3,720	941	6,208	1,400	7,136	7,937	1,449	632	5,178	4,459	2,121	379	3,892	212	11,940	3,015
23 Rents and royalties 16/	2,472	2,099	7,728	3,715	11,085	1,400	16,064	17,010	3,190	1,484	6,168	5,243	1,790	587	3,968	1,049	23,787	1,925
24 Net capital gain 17/	699	449	1,356	423	2,162	380	434	1,517	348	168	1,345	1,134	336	104	1,508	83	1,110	510
25 Net gain, sale of property other than capital assets 18/	892	149	318	202	396	116	1,510	955	224	337	498	319	40	19	407	85	641	162
Dividends from:																		
26 Domestic corporations 19/	3,690	1,489	15,912	597	38,469	783	77,762	37,111	5,235	393	5,715	4,987	7,522	119	7,720	203	13,712	584
27 Foreign corporations 20/	1,251	183	1,371	63	16,093	22	5,037	177	6,081	95	7,320	616	5,997	501	3,192	199	10,617	1,103
28 Other receipts 21/	6,527	2,447	14,366	5,115	13,571	2,290	10,566	18,232	6,560	2,256	9,278	6,686	5,675	959	5,372	193	21,589	4,379
Receipts, tax-exempt and taxable income:																		
29 Subject to excess-profits tax 22/	682	55	1,097	143	1,195	584	382	64	712	79	889	472	332	36	358	26	1,565	365
30 Wholly tax-exempt 23/	271	51	1,046	167	2,067	738	986	33	319	81	618	343	260	52	520	143	2,364	162
31 Total compiled receipts 24/	1,105,770	399,142	1,532,136	638,652	3,215,206	471,162	2,455,108	2,630,604	927,742	278,480	2,011,718	2,247,752	917,594	330,811	1,306,759	254,070	2,469,655	583,240
Deductions:																		
32 Cost of goods sold 25/	780,157	312,762	896,387	400,974	1,961,378	353,415	1,580,841	1,849,259	581,835	200,614	1,416,489	1,818,873	661,527	267,960	880,250	193,200	1,538,059	417,056
33 Cost of operations 26/	939	1,581	35,707	39,769	3,246	2,906	18,240	86,174	1,502	2,363	4,969	4,897	19,213	4,309	1,025	421	3,847	5,331
34 Compensation of officers	25,621	9,963	60,747	37,377	52,400	16,060	9,346	4,498	20,930	11,358	49,211	34,615	16,355	10,413	17,032	6,865	53,183	24,300
35 Rent paid on business property	5,784	2,710	18,845	13,738	11,212	3,577	20,817	30,261	3,781	1,934	13,690	8,557	4,171	2,274	6,362	2,183	9,673	4,013
36 Bad debts	2,822	1,291	8,375	5,599	8,497	2,920	3,824	5,085	2,518	1,539	5,917	3,570	1,740	696	1,716	868	9,500	3,400
37 Interest paid	11,352	11,654	9,553	6,197	16,433	4,219	18,972	17,019	4,441	5,816	11,783	34,565	5,276	3,948	3,893	2,129	10,566	6,389
38 Taxes paid 27/	26,323	9,677	35,539	14,822	79,751	14,682	90,977	76,794	22,335	8,846	47,057	68,552	19,148	8,622	36,867	6,493	62,003	15,897
39 Contributions or gifts 28/	381	33	1,054	126	836	47	400	42	341	36	576	113	215	38	485	26	1,109	51
40 Depreciation	44,009	17,021	30,742	14,727	100,685	16,683	119,787	135,336	41,689	17,001	61,862	118,635	21,937	9,783	40,850	8,410	71,223	22,155
41 Depletion	1,437	857	12	(30)	5,037	207	74,897	76,568	754	302	1,202	922	2,551	443	1,326	1	402	8
42 Net capital loss 17/	98	71	277	218	256	138	41	33	130	106	236	180	60	47	66	36	259	141
43 Net loss, sale of property other than capital assets 18/	331	872	413	528	843	499	604	1,780	206	710	626	2,512	161	168	241	293	400	336
44 Other deductions	137,920	54,311	309,840	144,658	635,383	83,776	369,742	435,519	158,821	50,593	262,272	275,088	97,113	38,732	223,015	48,267	473,348	120,196
45 Total compiled deductions	1,037,175	422,803	1,407,490	678,732	2,875,958	499,129	2,308,488	2,718,369	839,283	301,218	1,875,890	2,371,079	849,466	347,431	1,213,128	269,292	2,233,572	619,284
46 Compiled net profit or net loss (31 less 45)	68,595	34/23,661	124,647	34/40,081	339,248	34/27,967	146,620	34/87,765	88,459	34/22,738	135,902	34/123,327	68,128	34/16,620	93,631	34/15,122	236,124	34/36,044
47 Net income or deficit 1/ (46 less 30)	68,324	34/23,712	123,601	34/40,248	337,181	34/28,705	145,634	34/87,799	88,140	34/22,819	135,283	34/123,670	67,868	34/16,672	93,111	34/15,265	233,759	34/36,206
48 Income tax 29/	10,832	-	18,321	-	51,496	-	14,883	-	14,048	-	22,219	-	10,514	-	14,712	-	37,353	-
49 Excess-profits tax	48	-	128	-	208	-	29	-	116	-	155	-	40	-	121	-	287	-
50 Total tax 29/	10,880	-	18,449	-	51,704	-	14,912	-	14,165	-	22,374	-	10,554	-	14,833	-	37,640	-
51 Compiled net profit less total tax (46 less 50)	57,715	34/23,661	106,198	34/40,081	287,544	34/27,967	131,708											

Corporations submitting balance sheets, 1938, by major industrial groups and by returns with net income and with no net income 1/: number of returns, assets and liabilities as of December 31, 1938, or close of fiscal year nearest thereto, compiled receipts and compiled deductions, compiled net profit or loss, net income or deficit, income tax, excess-profits tax, total tax and dividends paid - Continued

		Industrial groups 2/ - Continued										Public Utilities				Trade			
		Manufacturing - Concluded				Manufacturing not allocable				Total public utilities		Transportation		Communication		Other public utilities		Total trade	
		Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
1	Number of returns with balance sheets 5/	357	559	246	473	1,897	2,906	526	1,091	8,540	10,055	5,102	7,453	1,268	1,230	2,170	1,372	48,454	76,311
Assets:																			
2	Cash 6/	295,912	180,918	50,758	45,835	67,434	16,874	37,347	10,251	975,446	468,340	465,262	355,146	124,712	14,850	385,471	98,343	1,129,944	322,001
3	Notes and accounts receivable (less reserve for bad debts)	276,608	145,381	82,291	56,734	143,320	55,842	58,051	25,398	928,956	492,851	360,402	363,256	136,472	33,867	432,082	95,728	3,517,464	1,472,501
4	Inventories	266,781	175,450	81,588	61,598	163,770	58,190	99,365	48,974	420,528	271,286	188,031	226,598	58,086	10,300	174,411	34,388	3,263,872	1,543,838
5	Investments, Government obligations 7/	90,163	51,232	16,732	6,874	19,041	2,476	10,723	1,639	117,602	32,253	44,016	25,748	3,376	128	70,209	6,377	201,886	34,073
6	Other investments 8/	382,637	96,455	49,471	86,977	144,166	39,094	66,924	22,229	5,837,619	2,171,369	1,605,546	1,967,026	2,726,305	52,991	1,505,767	151,352	1,966,248	457,726
7	Net capital assets 9/	536,746	483,415	138,950	294,656	261,683	185,013	138,642	97,675	26,705,755	20,357,766	9,646,695	17,537,683	3,739,279	417,129	13,319,781	2,402,955	2,422,998	1,232,014
8	Other assets	117,780	27,078	41,921	39,097	33,004	31,503	19,531	27,186	1,119,300	944,070	332,894	713,586	69,034	9,338	717,373	221,145	464,403	316,984
9	Total assets 10/	1,966,627	1,159,929	461,710	591,771	832,418	388,992	430,584	233,352	36,105,206	24,737,934	12,642,847	21,189,042	6,857,264	538,603	16,605,095	3,010,289	12,966,814	5,379,137
Liabilities:																			
10	Accounts payable	218,561	77,740	31,579	17,778	48,874	30,063	23,028	19,147	633,780	1,253,066	280,575	1,138,601	75,853	27,052	277,352	87,412	2,309,692	1,167,330
Bonds, notes, mortgages payable:																			
11	Maturity less than 1 year	7,571	14,268	9,574	10,959	24,401	28,353	15,055	8,908	329,327	614,288	86,147	501,676	12,719	5,048	230,462	107,565	727,568	575,941
12	Maturity 1 year or more	13,008	61,841	30,639	60,921	37,889	61,933	34,261	32,094	12,339,474	12,078,514	4,064,284	10,278,471	1,402,090	246,841	6,873,099	1,553,202	778,958	681,635
13	Other liabilities	55,547	47,206	49,220	20,020	39,103	18,796	13,400	10,532	1,195,511	2,116,190	447,915	1,966,273	189,595	14,612	558,001	135,305	472,411	275,935
14	Capital stock, preferred	225,609	30,373	18,063	106,204	95,658	56,820	40,372	26,276	2,334,268	1,662,871	303,163	1,380,949	164,749	6,221	1,866,357	275,700	907,444	409,331
15	Capital stock, common	585,475	222,682	132,107	211,933	322,449	164,790	139,421	108,819	13,563,108	6,254,808	4,091,656	5,312,501	4,293,733	171,167	5,177,719	771,140	4,384,173	2,199,389
16	Surplus reserves 11/	149,594	24,025	34,873	47,076	41,127	10,038	12,066	8,810	331,503	349,378	123,755	228,228	21,323	12,082	186,426	49,068	307,869	97,546
17	Surplus and undivided profits 12/	713,686	756,909	168,389	164,294	231,288	76,637	156,083	51,510	5,515,595	2,426,554	3,320,412	2,119,707	704,193	99,657	1,490,990	207,190	3,350,504	921,479
18	Less deficit 13/	2,425	75,115	12,733	47,413	8,371	58,437	3,102	32,744	137,360	2,017,734	75,061	1,797,363	6,989	44,078	55,311	176,293	271,925	949,429
19	Total liabilities 10/	1,966,627	1,159,929	461,710	591,771	832,418	388,992	430,584	233,352	36,105,206	24,737,934	12,642,847	21,189,042	6,857,264	538,603	16,605,095	3,010,289	12,966,814	5,379,137
Receipts, taxable income:																			
20	Gross sales 14/	1,881,858	1,002,865	332,474	207,511	717,397	248,812	423,473	181,930	91,381	41,410	54,501	33,634	1,871	835	35,009	6,941	25,621,825	10,914,895
21	Gross receipts from operations 15/	590	2,743	32,821	2,547	13,098	9,404	987	1,545	7,340,478	4,043,677	3,204,996	3,441,568	1,296,389	132,468	2,839,092	469,641	448,635	328,421
22	Interest	2,393	2,405	747	1,166	2,466	789	895	238	58,766	29,660	22,538	26,310	10,830	419	25,398	2,931	58,446	16,517
23	Rents and royalties 16/	8,293	3,298	2,323	1,361	3,158	1,821	1,138	547	58,587	27,485	15,993	23,841	22,226	482	20,367	3,162	61,702	31,703
24	Net capital gain 17/	998	771	119	124	373	109	966	77	3,180	2,889	1,721	1,263	753	11	706	1,615	4,606	2,158
25	Net gain, sale of property other than capital assets 18/	143	92	144	80	231	123	145	54	2,732	2,609	1,547	1,535	83	1	1,102	1,073	2,403	1,352
Dividends from:																			
26	Domestic corporations 19/	41,707	2,302	1,838	2,383	1,968	582	984	215	242,512	25,629	38,551	22,761	160,075	1,290	43,887	1,577	52,983	3,144
27	Foreign corporations 20/	56,453	2,613	1,193	2,131	3,867	87	1,448	4	3,150	460	276	460	1,522	-	1,352	-	39,137	202
28	Other receipts 21/	17,427	3,840	1,836	2,933	5,887	2,177	3,049	1,249	27,334	26,291	17,205	22,452	2,199	379	7,930	3,760	271,552	109,336
Receipts, tax-exempt and taxable income:																			
29	Interest on Government obligations																		
30	Subject to excess-profits tax 22/	330	31	139	167	305	46	194	14	3,927	556	3,187	501	70	(30)	670	55	2,468	435
31	Wholly tax-exempt 23/	138	926	174	74	174	28	73	24	3,384	818	1,024	674	1,093	14	1,267	130	1,803	453
32	Total compiled receipts 24/	2,010,331	1,021,886	373,807	220,478	748,923	263,978	433,352	185,896	7,835,432	4,201,482	3,361,540	3,574,698	1,497,113	135,899	2,976,779	490,884	26,565,559	11,408,617
Deductions:																			
33	Cost of goods sold 25/	1,560,160	880,225	250,076	175,706	434,927	171,366	303,906	140,364	72,006	29,450	43,136	23,573	911	366	27,960	5,510	20,326,005	8,912,011
34	Cost of operations 26/	209	1,285	22,255	1,628	4,035	5,105	567	921	3,621,727	2,825,282	1,950,868	2,526,894	586,113	79,211	1,084,746	219,177	172,236	191,421
35	Compensation of officers	9,584	5,736	5,737	5,073	26,198	14,937	11,176	6,311	65,814	35,870	42,293	30,420	5,460	1,555	18,060	3,896	434,093	320,278
36	Rent paid on business property	3,040	3,867	1,234	1,162	5,734	4,195	2,040	1,707	99,740	58,319	36,752	38,426	32,239	11,094	30,749	8,799	419,235	238,483
37	Bad debts	4,070	1,414	514	490	3,945	1,785	1,317	644	17,909	7,202	3,050	4,619	5,609	753	9,250	1,829	93,162	56,576
38	Interest paid	2,740	3,849	1,501	2,990	3,708	4,223	2,178	1,892	564,199	598,192	181,736	503,962	61,721	8,379	320,741	85,850	79,537	56,813
39	Taxes paid 27/	18,763	23,401	9,379	7,583	19,932	7,541	8,608	5,135	646,723	333,953	206,145	279,230	119,767	7,705	320,810	47,018	285,268	125,992
40	Contributions or gifts 28/	200	20	58	28	295	47	109	14	3,080	128	397	73	785	8	1,897	47	5,344	1,046
41	Depreciation	26,233	36,293	8,994	12,807	20,831	11,432	10,165	6,428	682,363	200,292	147,468	123,748	178,945	15,915	355,950	60,629	183,592	95,451
42	Depletion	3	683	35	6	5	7	66	404	13,275	2,370	3,778	506	3	(30)	9,495	1,863	682	699
43	Net capital loss 17/	32	35	32	36	125	123	46	44	449	449	260	361	60	23	128	65	1,695	2,663
44	Net loss, sale of property other than capital assets 18/	308	190	52	6,570	184	381	191	30	2,688	13,339	876	5,843	1,291	120	522	7,375	1,587	3,717
45	Other deductions	178,804	122,837	34,947	28,669	155,253	61,862	67,332	32,894	845,639	609,815	404,199	490,754	134,895	21,648	306,545	97,413	3,832,284	1,699,202
46	Total compiled deductions	1,804,145	1,079,833	334,813	242,746	675,171	283,005	407,702	196,790	6,635,611	4,714,662	3,020,958	4,028,410	1,127,800	146,779	2,486,852	539,473	25,834,721	11,704,353
47	Compiled net profit or net loss (31 less 45)	206,186	34/57,947	38,994	34/22,268	73,751	34/19,027	25,650	34/10,893	1,199,821	34/513,180	340,581	34/453,712	369,313	34/10,879	489,927	34/48,589	730,838	34/295,736
48	Net income or deficit 1/ (46 less 30)	206,048	34/58,873	38,820	34/22,343	73,578	34/19,055	25,576	34/10,917	1,196,437	34/513,998	339,557	34/454,386	368,220	34/10,893	488,660	34/48,719	729,034	34/296,189
49	Income tax 29/	30,989	-	6,520	-	12,058	-	4,132	-	165,863	-	52,769	-	38,343	-	74,751	-		

(Money figures in thousands of dollars)

Industrial groups 2/ - Continued

Trade - Continued

	Wholesale		Total retail		Department, general merchandise dry goods		Limited-price variety stores		Mail-order houses		Retail Food stores		Package liquor stores		Drug stores		Apparel	
	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
	5/																	
1 Number of returns with balance sheets 5/	15,196	19,208	27,003	49,019	2,617	2,928	134	140	76	151	1,320	2,868	502	880	1,482	3,105	3,173	6,716
Assets:																		
2 Cash 6/	474,172	151,898	562,956	134,530	175,684	23,379	83,823	205	5,410	681	105,674	7,471	1,697	1,478	15,785	3,627	43,820	19,408
3 Notes and accounts receivable (less reserve for bad debts)	1,576,788	682,254	1,641,820	618,726	735,955	89,367	66,956	208	29,209	1,169	31,274	15,785	743	876	19,426	6,194	96,018	66,970
4 Inventories	1,378,469	603,360	1,577,282	731,935	603,400	111,554	116,057	1,482	9,350	1,822	175,871	30,251	4,298	4,834	58,302	29,296	125,235	115,811
5 Investments, Government obligations 7/	66,720	19,347	121,319	10,685	36,629	1,970	366	-	1,148	156	47,499	231	(30)	17	347	124	9,385	1,483
6 Other investments 8/	1,128,372	233,733	573,019	166,098	248,787	26,556	116,990	17	884	780	36,211	8,589	80	191	8,346	2,272	27,439	19,244
7 Net capital assets 9/	525,292	337,891	1,587,897	665,750	685,606	111,567	247,194	699	5,480	1,420	116,703	43,616	1,407	2,266	36,683	17,639	68,784	44,107
8 Other assets	170,236	108,597	237,478	148,999	77,968	24,359	41,641	107	2,299	1,518	19,667	8,030	880	1,323	6,698	4,664	16,631	13,838
9 Total assets 10/	5,320,049	2,137,081	6,301,771	2,476,722	2,564,028	388,751	673,027	2,718	53,780	7,545	532,897	113,973	9,106	10,985	145,587	63,817	387,313	280,861
Liabilities:																		
10 Accounts payable	1,076,564	541,240	1,045,471	477,577	471,731	45,332	117,846	672	3,633	1,100	92,903	25,504	2,983	5,044	23,577	18,031	61,467	69,614
Bonds, notes, mortgages payable:																		
11 Maturity less than 1 year	430,209	233,716	212,869	245,434	34,018	24,032	428	178	8,810	618	6,135	6,567	791	874	2,656	4,913	14,238	22,778
12 Maturity 1 year or more	337,039	220,081	376,294	332,064	198,976	59,799	25,936	205	103	1,519	16,601	15,021	593	1,140	8,382	6,885	17,184	23,104
13 Other liabilities	143,299	78,937	283,495	164,469	73,010	14,382	16,591	110	2,166	435	21,610	5,323	685	751	5,825	3,647	20,274	17,738
14 Capital stock, preferred	397,201	162,158	432,924	182,741	221,062	43,628	28,239	57	11,373	849	20,773	10,099	91	119	16,397	2,695	36,226	20,429
15 Capital stock, common	1,844,252	808,480	2,112,285	1,103,300	853,413	153,483	228,769	1,664	7,550	4,161	128,859	55,654	3,157	4,454	52,967	33,345	121,848	134,058
16 Surplus reserves 11/	145,045	41,653	126,449	38,922	68,967	5,825	7,778	2	1,960	61	12,093	645	7	10	2,293	283	5,034	2,158
17 Surplus and undivided profits 12/	1,113,503	374,304	1,794,138	418,029	653,885	91,560	247,547	196	18,516	948	237,603	15,987	1,076	691	36,190	9,285	118,339	46,591
18 Less deficit 13/	167,063	323,488	82,156	485,813	11,035	49,289	105	366	335	2,145	3,678	20,827	278	2,097	2,759	15,267	7,297	55,609
19 Total liabilities 10/	5,320,049	2,137,081	6,301,771	2,476,722	2,564,028	388,751	673,027	2,718	53,780	7,545	532,897	113,973	9,106	10,985	145,587	63,817	387,313	280,861
Receipts, taxable income:																		
20 Gross sales 14/	11,798,123	4,753,402	11,478,192	4,780,819	3,373,306	595,207	863,694	6,101	101,935	16,186	2,393,896	460,842	34,992	35,428	373,145	166,855	922,593	579,626
21 Gross receipts from operations 15/	303,216	176,923	109,485	122,624	15,757	4,529	2,240	56	154	283	4,120	5,350	371	930	1,304	1,725	8,447	5,887
22 Interest	22,905	6,823	30,242	7,669	15,419	1,599	2,972	1	37	24	400	117	1	1	281	34	819	470
23 Rents and royalties 16/	14,073	8,353	39,947	19,116	14,805	2,957	8,733	9	9	28	1,745	1,273	24	86	789	659	2,987	2,519
24 Net capital gain 17/	1,943	910	2,142	1,035	824	101	8	-	26	(30)	128	70	39	4	33	48	68	78
25 Net gain, sale of property other than capital assets 18/	722	479	1,423	578	180	28	1	(30)	2	(30)	401	66	17	7	42	6	25	30
Dividends from:																		
26 Domestic corporations 19/	34,428	1,675	17,009	1,044	6,497	197	5,235	1	11	2	982	44	(30)	1	838	12	468	104
27 Foreign corporations 20/	9,652	147	9,634	53	3	(30)	9,468	-	(30)	-	2	(30)	-	-	-	(30)	-	2
28 Other receipts 21/	66,898	32,130	187,249	68,294	58,070	9,917	1,250	28	908	101	7,048	1,654	97	100	3,455	1,483	18,392	12,901
Receipts, tax-exempt and taxable income:																		
Interest on Government obligations:																		
29 Subject to excess-profits tax 22/	825	241	1,461	142	324	41	22	-	12	4	508	1	-	-	5	(30)	164	9
30 Wholly tax-exempt 23/	799	258	828	150	302	12	61	-	19	1	50	22	-	2	27	5	43	28
31 Total compiled receipts 24/	12,253,586	4,981,340	11,877,612	5,001,724	3,425,487	614,588	893,684	6,196	103,111	16,629	2,409,281	469,441	35,541	36,558	379,918	170,827	954,006	601,653
Deductions:																		
32 Cost of goods sold 25/	10,284,030	4,179,534	8,209,409	3,598,414	2,317,754	424,566	551,570	4,533	63,155	10,476	1,899,800	371,762	27,319	27,315	256,045	120,771	614,085	385,783
33 Cost of operations 26/	105,145	102,622	49,333	75,032	2,519	710	(30)	42	39	190	444	4,039	291	715	554	927	2,166	2,943
34 Compensation of officers	186,465	111,369	197,091	172,556	32,230	12,628	2,652	315	1,272	522	11,268	8,339	2,183	2,304	7,713	7,809	27,070	27,070
35 Rent paid on business property	55,761	37,366	340,171	181,329	76,601	20,333	62,001	349	291	239	42,687	11,854	932	1,615	18,906	10,105	59,662	48,016
36 Bad debts	38,669	22,392	42,714	26,524	13,178	3,237	46	3	582	229	1,376	595	24	27	275	231	3,678	4,381
37 Interest paid	33,598	20,641	37,801	26,776	14,825	3,272	3,120	20	236	44	3,089	731	43	69	551	460	1,917	2,078
38 Taxes paid 27/	79,385	36,039	176,299	72,262	61,913	11,943	20,629	77	777	165	23,930	5,614	494	678	5,087	2,696	11,782	7,951
39 Contributions or gifts 28/	1,601	271	3,266	655	1,427	72	157	(30)	8	2	427	37	4	3	65	21	399	104
40 Depreciation	42,053	25,108	115,355	53,074	38,243	6,962	12,668	63	380	74	17,392	4,187	185	278	4,064	2,048	8,310	6,471
41 Depletion	213	196	345	406	87	27	-	-	(30)	-	-	-	-	-	5	3	(30)	15
42 Net capital loss 17/	714	1,151	718	1,079	143	67	7	3	(30)	3	43	62	3	8	18	25	43	114
43 Net loss, sale of property other than capital assets 18/	588	762	757	1,830	146	283	40	1	2	7	129	198	1	2	13	18	42	123
44 Other deductions	1,170,864	552,019	2,324,421	943,880	785,142	149,370	179,299	988	33,381	5,655	369,788	69,024	3,494	4,483	75,927	29,622	198,317	138,981
45 Total compiled deductions	11,999,087	5,089,669	11,497,682	5,153,815	3,344,208	633,471	832,186	6,394	100,124	17,606	2,370,374	476,457	34,973	37,498	369,222	174,737	927,605	624,029
46 Compiled net profit or net loss (31 less 45)	254,498	34/108,328	379,929	34/152,091	141,279	34/18,884	61,498	34/198	2,988	34/977	38,907	34/7,016	568	34/940	10,696	34/3,910	26,402	34/22,376
47 Net income or deficit 1/ (46 less 30)	253,699	34/108,328	379,102	34/152,241	140,977	34/18,895	61,437	34/198	2,969	34/978	38,857	34/7,038	568	34/942	10,670	34/3,915	26,359	34/22,404
48 Income tax 29/	36,700	-	59,923	-	23,261	-	9,743	-	481	-	6,274	-	72	-	1,605	-	4,142	-
49 Excess-profits tax	426	-	420	-	62	-	1	-	3	-	42	-	6	-	33	-	33	-
50 Total tax 29/	37,126	-	60,343	-	23,323	-	9,744	-	484	-	6,316	-	78	-	1,638	-	4,175	-
51 Compiled net profit less total tax (46 less 50)	217,372	34/108,328	319,587	34/152,091	117,956	34/18,884	51,754	34/198	2,504	34/977	32,592	34/7,016	490	34/940	9,058	34/3,910	22,227	34/22,376
Dividends paid:																		
52 Cash and assets other than corporation's own stock	136,904	6,432	221,502	4,960	75,441	1,230	47,868	1	2,110	3	28,118	131	86	1	5,589	74	11,882	593
53 Corporation's own stock	2,311	103	1,253	345	208	4	-	-	41	-	113	-	3	-	1	6	265	20

For footnotes, see page 15

(Money figures in thousands of dollars)

Industrial groups 2/ - Continued

	Trade - Concluded																		Retail - Concluded		Trade not allocable	
	Furniture and house furnishings				Eating and drinking places				Dealers in automobiles, accessories, tires, batteries				Filling stations		Hardware		Lumber and coal yards		Other retail trade		Retail trade not allocable	
	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
1 Number of returns with balance sheets 5/	1,839	3,324	1,322	4,858	2,871	6,853	770	1,208	1,156	1,791	3,578	4,124	5,005	8,474	1,158	1,599	6,255	8,084				
Assets:																						
2 Cash 6/	18,346	8,586	15,062	7,965	20,701	15,618	5,906	2,024	3,932	2,126	24,134	15,872	33,542	22,201	9,439	3,889	92,816	35,573				
3 Notes and accounts receivable (less reserve for bad debts)	236,214	119,491	7,600	4,462	62,295	68,973	12,517	8,230	22,119	15,206	135,704	97,257	143,874	88,150	41,916	36,389	298,855	171,521				
4 Inventories	88,779	57,220	7,645	5,959	91,537	134,250	11,773	3,317	27,727	25,854	114,778	65,727	110,182	119,031	32,348	25,528	308,120	208,543				
5 Investments, Government obligations 7/	2,925	982	1,219	509	3,580	703	5,995	57	306	81	4,644	2,549	5,411	1,542	1,865	282	13,847	4,040				
6 Other investments 8/	16,943	14,670	21,054	10,486	13,233	10,053	3,504	679	3,264	1,085	33,913	35,612	33,316	24,844	9,055	11,020	264,857	57,895				
7 Net capital assets 9/	47,930	37,274	86,279	75,250	43,043	79,483	44,009	14,558	9,642	12,828	98,547	116,184	67,815	76,839	28,775	32,019	309,809	228,374				
8 Other assets	9,917	9,717	8,618	18,462	11,505	15,354	2,792	2,045	2,336	1,901	10,744	18,767	21,597	24,030	4,186	4,884	56,690	59,338				
9 Total assets 10/	421,055	247,941	147,476	123,093	245,893	324,435	86,496	30,909	69,327	59,080	422,464	351,968	415,738	356,638	127,584	114,010	1,344,994	765,334				
Liabilities:																						
10 Accounts payable	67,854	38,955	14,973	30,199	33,178	69,886	12,848	8,990	8,697	10,146	41,422	59,136	79,460	77,808	12,899	17,160	187,656	148,513				
Bonds, notes, mortgages payable:																						
11 Maturity less than 1 year	23,647	21,782	4,580	10,045	37,395	70,898	1,936	2,752	7,019	5,990	29,202	32,440	33,119	32,112	8,896	9,455	84,490	96,792				
12 Maturity 1 year or more	16,860	31,541	16,952	41,161	16,285	48,351	2,925	5,244	3,326	5,775	22,272	40,481	22,629	38,871	7,271	12,966	65,625	129,470				
13 Other liabilities	56,124	34,752	8,060	10,185	15,242	22,885	6,123	1,726	2,828	1,883	13,898	13,520	32,882	29,245	8,118	7,887	45,617	32,528				
14 Capital stock, preferred	28,633	23,449	13,791	8,182	10,627	9,753	841	524	1,231	1,520	16,239	24,461	18,316	27,341	9,079	9,636	77,319	64,433				
15 Capital stock, common	120,709	99,685	46,234	42,267	85,505	128,362	43,126	11,298	31,480	36,934	194,970	189,509	144,822	160,839	48,875	47,589	427,636	287,608				
16 Surplus reserves 11/	10,678	5,920	1,584	7,009	3,972	2,264	885	112	573	103	3,029	2,608	6,499	10,276	1,098	1,646	36,395	16,972				
17 Surplus and undivided profits 12/	107,449	37,022	45,283	12,860	52,066	40,507	18,965	5,078	15,772	7,776	113,192	56,516	94,882	70,868	33,374	22,144	442,963	129,147				
18 Less deficit 13/	10,900	45,165	3,980	38,816	8,377	68,472	1,153	4,815	1,600	11,048	11,760	66,702	16,871	90,722	2,027	14,473	22,707	140,128				
19 Total liabilities 10/	421,055	247,941	147,476	123,093	245,893	324,435	86,496	30,909	69,327	59,080	422,464	351,968	415,738	356,638	127,584	114,010	1,344,994	765,334				
Receipts, taxable income:																						
20 Gross sales 14/	407,091	226,203	292,369	285,201	938,809	1,208,512	165,667	78,290	102,062	71,441	563,461	401,174	745,709	513,383	199,462	136,370	2,345,510	1,380,674				
21 Gross receipts from operations 15/	5,434	6,700	11,799	25,520	29,004	38,140	1,404	2,048	511	626	7,276	7,341	19,371	20,948	2,294	2,541	35,934	28,874				
22 Interest	1,696	880	191	233	2,710	2,079	86	19	480	154	1,994	914	2,415	738	250	5,299	1,825					
23 Rents and royalties 16/	1,741	942	1,935	2,575	753	1,138	1,549	559	215	294	2,060	2,241	1,844	3,353	758	484	7,681	4,235				
24 Net capital gain 17/	134	68	127	62	48	146	54	58	17	13	291	181	221	164	124	41	522	213				
25 Net gain, sale of property other than capital assets 18/	26	69	53	38	41	55	91	14	8	35	181	124	292	62	65	45	258	295				
Dividends from:																						
26 Domestic corporations 19/	331	247	594	10	311	72	144	6	38	19	564	153	891	138	104	37	1,546	425				
27 Foreign corporations 20/	1	40	(30)	(30)	1	1	(30)	-	(30)	-	11	1	143	8	3	(30)	19,851	2				
28 Other receipts 21/	61,184	16,006	1,776	1,064	7,746	9,230	755	462	1,340	672	7,575	3,658	12,475	7,638	5,179	3,378	17,404	8,911				
Receipts, tax-exempt and taxable income:																						
29 Interest on Government obligations:																						
Subject to excess-profits tax 22/	39	10	23	9	97	8	88	1	3	(30)	59	40	68	14	49	5	181	52				
30 Wholly tax-exempt 23/	52	17	18	8	7	2	104	(30)	3	1	59	37	67	14	18	1	177	46				
31 Total compiled receipts 24/	477,729	251,181	308,885	314,722	979,528	1,259,383	169,943	81,458	104,678	73,255	583,531	415,866	783,496	546,814	208,793	143,153	2,434,361	1,425,552				
Deductions:																						
32 Cost of goods sold 25/	216,151	140,254	168,370	167,072	783,244	1,040,319	123,327	59,891	77,233	54,511	429,917	317,750	532,907	371,149	148,532	102,260	1,832,567	1,134,063				
33 Cost of operations 26/	1,307	1,886	6,854	16,475	18,178	27,253	547	1,346	193	454	4,684	5,109	10,857	11,007	702	1,936	17,757	13,568				
34 Compensation of officers	17,344	15,499	9,161	13,316	20,465	27,309	3,161	2,957	5,216	4,949	21,868	16,573	29,173	27,918	6,160	5,049	50,537	36,353				
35 Rent paid on business property	15,425	11,938	20,706	23,333	12,251	18,345	2,557	3,096	1,920	2,196	3,233	3,628	19,613	22,795	3,366	3,488	23,303	19,768				
36 Bad debts	5,906	3,317	162	239	3,038	4,106	498	313	867	718	5,425	3,774	5,867	3,731	1,792	1,623	11,779	7,661				
37 Interest paid	2,091	2,976	711	1,485	3,532	6,901	355	377	555	583	3,089	3,464	2,812	3,301	877	1,014	8,138	9,397				
38 Taxes paid 27/	9,084	4,905	7,639	7,674	7,895	9,791	3,909	1,478	1,492	1,261	9,236	7,037	9,617	8,808	2,815	2,183	29,583	17,692				
39 Contributions or gifts 28/	145	34	65	31	135	94	55	6	24	14	168	47	150	159	38	32	477	120				
40 Depreciation	3,112	2,432	7,471	8,375	3,943	5,546	2,746	1,011	682	656	7,069	6,320	6,789	6,730	2,300	1,921	26,183	17,269				
41 Depletion	22	13	9	8	3	57	1	5	2	(30)	101	216	110	43	5	5	125	97				
42 Net capital loss 17/	36	50	14	66	52	154	6	17	12	14	194	282	111	149	37	65	262	434				
43 Net loss, sale of property other than capital assets 18/	9	42	32	143	69	220	9	18	36	28	140	295	53	401	35	50	241	1,125				
44 Other deductions	189,653	80,994	76,512	87,731	114,753	146,190	25,380	12,649	13,660	10,936	79,368	66,097	142,890	112,149	36,858	29,012	336,999	203,303				
45 Total compiled deductions	460,283	264,340	297,705	325,947	967,560	1,286,285	162,552	83,164	101,893	76,320	564,493	430,591	760,948	568,339	203,557	148,638	2,337,951	1,460,869				
46 Compiled net profit or net loss (31 less 45)	17,446	34/13,159	11,180	34/11,225	11,																	

(Money figures in thousands of dollars)

Industrial groups 2/ - Continued

	Service												Finance, insurance, real estate and lessors of real property					
	Total service		Personal service		Business service		Automobile repair services		Amusement		Other, including schools		Service not allocable		Total finance, insurance, real estate and lessors of real property		Banks and trust companies	
	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
1 Number of returns with balance sheets 5/	11,182	22,634	3,673	8,402	2,158	3,515	949	3,243	2,906	4,365	1,453	3,004	43	105	46,979	71,652	10,281	5,262
2 Assets:																		
3 Cash 6/	160,190	80,407	30,180	34,779	55,900	14,361	2,897	3,350	56,626	16,642	14,381	10,774	206	501	15,576,090	4,737,636	13,877,258	3,531,843
4 Notes and accounts receivable (less reserve for bad debts)	225,909	180,244	44,721	53,105	74,478	57,095	8,158	13,322	73,339	25,114	25,036	30,300	178	1,308	17,039,636	6,000,352	12,788,433	4,016,743
5 Inventories	134,488	70,354	17,107	17,166	9,014	4,690	4,024	6,952	100,329	32,810	3,979	8,636	35	101	27,299	25,943	-	-
6 Investments, Government obligations 7/	20,321	11,512	3,219	2,938	7,250	5,589	131	101	2,462	7,259	2,117	-	-	5	13,237,841	10,543,951	11,850,199	3,683,629
7 Other investments 8/	424,959	167,945	33,663	44,513	54,085	17,650	2,213	4,101	309,059	47,702	25,697	53,553	241	427	33,695,957	27,899,015	5,641,779	2,105,170
8 Net capital assets 9/	1,054,092	1,442,000	415,588	2,038,233	76,221	30,487	28,101	66,469	472,377	233,866	61,467	70,710	339	2,235	7,867,092	10,571,877	928,717	427,597
9 Other assets	148,779	172,796	42,251	61,208	46,042	27,438	2,882	7,668	38,785	30,288	18,436	43,747	383	2,446	1,713,206	1,990,524	406,970	189,759
10 Total assets 10/	2,168,737	2,125,259	586,728	1,251,942	322,990	157,310	48,406	101,963	1,052,976	387,185	156,255	219,838	1,381	7,022	89,157,122	61,769,296	45,493,355	13,954,740
11 Liabilities:																		
12 Accounts payable	188,688	273,936	35,000	100,263	50,610	37,570	6,458	15,436	82,228	71,923	14,310	47,013	82	1,730	1,233,898	1,468,550	-	-
13 Bonds, notes, mortgages payable:																		
14 Maturity less than 1 year	67,442	184,035	28,650	84,270	6,121	7,919	4,055	8,055	23,523	46,640	5,082	35,011	10	2,140	1,582,611	1,218,840	-	-
15 Maturity 1 year or more	452,316	859,181	159,648	614,526	25,942	39,396	8,878	39,037	243,490	143,953	14,320	21,382	38	887	7,866,025	8,584,843	-	-
16 Other liabilities	103,778	200,383	26,003	113,207	28,927	12,304	2,555	11,712	30,918	48,478	15,278	13,322	98	1,361	43,299,697	40,527,178	40,060,444	12,308,786
17 Capital stock, preferred	158,709	155,164	50,452	90,567	27,250	14,210	3,672	6,077	70,765	31,140	6,543	12,342	27	828	4,531,433	1,807,668	261,574	218,227
18 Capital stock, common	584,097	666,265	179,031	342,140	98,973	66,719	16,993	40,235	228,612	120,838	59,908	93,657	580	2,677	15,594,409	6,648,313	1,983,194	749,356
19 Surplus reserves 11/	103,713	26,708	3,898	14,730	2,816	385	413	78,604	6,180	6,075	5,642	20	1	2,995,975	868,144	473,559	179,946	
20 Surplus and undivided profits 12/	593,810	330,007	130,290	182,220	79,314	28,853	7,882	11,239	331,967	72,647	43,758	33,901	599	1,148	13,147,313	5,156,523	2,777,519	591,956
21 Less deficit 13/	83,815	570,419	26,244	286,908	8,877	52,477	2,472	30,241	37,131	154,613	9,018	42,432	72	3,749	1,094,240	62,936	62,936	93,571
22 Total liabilities 10/	2,168,737	2,125,259	586,728	1,251,942	322,990	157,310	48,406	101,963	1,052,976	387,185	156,255	219,838	1,381	7,022	89,157,122	61,769,296	45,493,355	13,954,740
23 Receipts, taxable income:																		
24 Gross sales 14/	320,646	373,047	138,907	201,331	78,705	33,650	44,270	82,820	23,718	30,748	34,163	23,743	883	754	40,886	28,175	-	-
25 Gross receipts from operations 15/	1,606,249	969,792	339,725	415,661	395,296	141,741	26,893	33,355	711,216	275,679	132,267	101,286	851	2,071	2,110,140	615,063	196,047	69,453
26 Interest	4,496	1,838	637	406	938	252	91	68	2,450	432	379	670	1	10	1,039,694	1,052,666	654,821	233,798
27 Rents and royalties 16/	32,610	35,033	10,712	21,591	2,491	1,444	1,925	3,222	15,573	6,588	1,897	2,181	12	7	668,765	888,021	64,026	34,136
28 Net capital gain 17/	2,870	1,002	609	429	238	53	61	79	1,617	373	286	67	59	1	115,557	30,122	72,294	10,746
29 Net gain, sale of property other than capital assets 18/	844	532	217	107	92	53	141	61	260	266	132	45	-	-	33,791	23,265	1,258	389
30 Dividends from:																		
31 Domestic corporations 19/	18,706	1,742	1,315	404	2,249	127	74	8	14,055	850	1,009	346	5	7	921,982	66,155	16,094	4,451
32 Foreign corporations 20/	3,893	1,075	7	8	816	1	-	-	3,040	1	31	1,064	-	-	100,429	1,180	520	22
33 Other receipts 21/	17,581	15,756	4,732	6,299	2,926	1,747	556	1,031	7,657	4,388	1,679	2,270	30	21	90,160	51,290	32,727	12,198
34 Receipts, tax-exempt and taxable income:																		
35 Interest on Government obligations:																		
36 Subject to excess-profits tax 22/	388	70	62	28	141	22	1	(30)	34	2	151	18	-	-	196,328	46,827	177,710	25,960
37 Wholly tax-exempt 23/	267	316	86	74	54	136	3	(30)	62	15	60	91	(30)	-	176,844	250,673	151,424	68,654
38 Total compiled receipts 24/	2,008,549	1,400,203	497,009	646,336	483,947	179,228	74,016	120,645	779,682	319,342	172,054	131,781	1,841	2,871	5,494,576	3,053,458	1,366,921	459,807
39 Deductions:																		
40 Cost of goods sold 25/	205,468	226,388	71,173	108,770	60,379	23,437	30,736	56,997	15,321	20,248	27,344	16,394	514	543	31,631	23,179	-	-
41 Cost of operations 26/	576,928	397,644	126,371	155,198	164,799	78,369	9,475	14,377	232,385	100,981	43,671	48,223	226	496	70,897	85,825	1,082	471
42 Compensation of officers	97,015	77,909	27,319	30,336	33,153	17,928	3,989	8,256	17,745	10,136	14,588	10,708	221	544	31,273,456	31,140,813	131,760	48,689
43 Rent paid on business property	99,162	83,677	20,937	33,304	9,666	5,371	6,982	14,430	56,359	25,839	5,140	4,822	79	110	105,251	82,174	34,800	14,247
44 Bad debts	7,542	7,935	2,784	3,442	1,730	1,104	383	824	1,365	1,176	1,272	1,329	7	61	142,135	155,258	107,601	78,110
45 Interest paid	25,869	37,604	8,983	24,819	1,215	1,201	621	1,738	14,119	7,593	928	2,210	3	44	554,559	483,280	175,739	90,439
46 Taxes paid 27/	57,614	54,841	18,922	35,729	8,992	3,149	1,851	3,275	23,549	8,972	4,260	3,633	42	83	274,533	303,546	69,329	26,552
47 Contributions or gifts 28/	787	357	235	184	53	26	21	274	31	66	18	66	1	(30)	3,733	740	1,563	170
48 Depreciation	67,377	69,285	25,245	45,870	10,403	3,760	3,246	3,480	24,362	12,311	4,087	3,750	34	113	153,399	230,129	36,696	16,095
49 Depletion	160	93	31	6	16	1	(30)	27	4	13	109	46	-	-	14,616	6,957	34	31
50 Net capital loss 17/	378	840	113	507	96	94	12	44	81	105	75	88	2	4	13,941	43,106	9,516	23,607
51 Net loss, sale of property other than capital assets 18/	235	2,274	126	1,078	31	53	15	12	38	1,003	24	127	-	(30)	7,699	54,014	4,896	5,743
52 Other deductions	712,581	539,464	168,664	254,888	157,030	55,252	14,246	22,409	315,028	156,302	57,139	49,487	474	1,125	32/2,067,972	32/1,952,205	430,981	172,273
53 Total compiled deductions	1,851,116	1,498,510	470,902	694,182	447,695	189,770	71,583	125,890	700,632	344,710	158,703	140,835	1,601	3,123	33/3,713,822	33/3,561,224	1,003,998	476,427
54 Compiled net profit or net loss (31 less 45)	157,433	34/98,307	26,108	34/47,846	36,252	34/10,542	2,433	34/5,245	79,050	34/25,369	13,351	34/9,054	240	34/252	1,780,754	34/507,765	362,923	34/16,620
55 Net income or deficit 1/ (46 less 30)	157,166	34/98,623	26,021	34/47,920	36,197	34/10,679	2,430	34/5,245	78,987	34/25,384	13,291	34/9,144	239	34/252	1,603,910	34/758,438	211,499	34/85,274
56 Income tax 29/	23,147	-	3,796	-	5,644	-	328	-	11,361	-	1,982	-	35	-	125,919	-	11,996	-
57 Excess-profits tax	246	-	55	-	42	-	9	-	75	-	65	-	1	-	917			

(Money figures in thousands of dollars)

Industrial groups 2/ - Continued

Finance, insurance, real estate and lessors of real property - Continued

	Mortgage and title companies		Investment trusts and investment companies		Holding companies 3/		Other corporations holding securities 4/		Security and commodity exchange brokers and dealers		Commercial credit and finance companies		Industrial and personal loan companies		Other finance companies		Insurance, carriers, agents, etc.	
	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income	Net income	No net income
1 Number of returns with balance sheets 5/	462	877	535	404	718	300	2,270	2,005	720	1,358	1,430	1,137	1,531	725	460	1,143	2,992	3,235
2 Assets:																		
3 Cash 6/	12,188	32,771	109,892	11,840	529,968	20,716	180,819	40,769	55,347	64,223	166,386	15,698	32,631	3,085	18,692	8,376	356,749	830,285
4 Notes and accounts receivable (less reserve for bad debts)	40,617	73,961	52,887	17,341	1,026,361	309,791	536,333	278,133	117,894	102,175	1,479,057	103,397	380,296	40,368	23,930	65,066	97,693	36,460
5 Inventories	-	-	-	-	1,837	225	3,026	2,245	-	-	2,662	1,212	6,729	731	422	687	-	-
6 Investments, Government obligations 7/	5,354	29,256	44,138	6,145	84,437	2,225	129,029	35,032	60,718	100,088	4,795	2,041	2,516	2,203	4,674	915,269	6,637,264	
7 Other investments 8/	98,721	484,738	2,268,017	149,861	15,899,795	1,897,245	6,093,711	2,182,414	180,549	169,297	67,686	43,457	58,469	21,855	71,536	113,363	2,300,319	19,130,755
8 Net capital assets 9/	20,252	63,557	14,950	4,642	116,624	2,770	98,364	61,661	5,736	11,879	8,064	4,742	9,088	3,493	9,019	39,959	110,736	254,959
9 Other assets	4,817	31,710	16,136	5,046	298,251	56,212	87,660	48,872	39,240	42,342	12,724	4,798	7,812	4,183	56,085	103,229	526,200	1,096,907
9 Total assets 10/	181,949	715,994	2,506,019	194,875	17,957,273	2,289,185	7,128,943	2,649,126	459,484	490,002	1,741,374	174,279	497,066	76,230	181,887	335,354	4,306,967	27,986,630
10 Liabilities:																		
11 Accounts payable	11,100	38,149	47,516	6,341	134,492	101,532	201,916	183,697	120,145	76,565	280,463	18,604	24,107	4,125	9,387	39,896	87,336	38,217
12 Bonds, notes, mortgages payable:																		
12 Maturity less than 1 year	13,914	40,744	24,957	5,327	250,107	89,203	136,657	132,166	67,639	71,594	662,919	46,294	133,590	14,124	10,157	14,168	5,944	4,152
13 Maturity 1 year or more	52,850	446,732	354,787	67,096	3,405,819	761,229	963,561	575,281	40,248	28,259	132,304	41,566	69,309	22,441	2,997	76,248	6,728	3,163
13 Other liabilities	20,199	63,024	29,864	8,318	280,684	133,723	87,386	95,876	40,529	119,600	101,916	7,385	35,530	9,129	8,626	56,750	2,298,020	26,869,279
14 Capital stock, preferred	9,971	28,629	440,333	53,253	2,754,056	476,705	453,591	400,598	39,406	28,783	114,782	20,647	64,358	6,149	19,902	25,324	19,251	6,221
15 Capital stock, common	44,395	135,358	498,218	87,085	5,752,412	625,499	3,179,756	1,055,222	70,269	107,697	252,974	41,324	106,527	19,474	83,693	105,907	543,549	200,796
16 Surplus reserves 11/	6,471	21,244	123,799	8,687	1,966,845	154,364	179,945	5,928	14,224	45,007	5,019	8,126	880	15,511	18,129	12,831	4,494	
17 Surplus and undivided profits 12/	27,575	89,901	1,144,453	58,805	3,630,934	425,790	2,137,923	786,153	84,147	160,134	153,548	11,620	58,313	6,521	38,435	86,810	1,340,552	983,682
18 Less deficit 13/	4,527	147,787	157,907	100,038	218,075	478,859	249,094	759,812	8,826	116,853	2,539	18,179	2,793	6,612	6,911	87,878	7,250	123,574
19 Total liabilities 10/	181,949	715,994	2,506,019	194,875	17,957,273	2,289,185	7,128,943	2,649,126	459,484	490,002	1,741,374	174,279	497,066	76,230	181,887	335,354	4,306,967	27,986,630
20 Receipts, taxable income:																		
21 Gross sales 14/	-	-	-	-	679	36	13,542	1,028	-	-	2,744	2,538	1,478	695	2,331	1,034	-	-
22 Gross receipts from operations 15/	7,708	4,948	17,096	8,004	19,379	1,710	6,173	1,929	40,730	44,228	151,318	11,753	36,737	3,321	3,679	1,974	1,346,663	206,289
23 Interest	5,534	12,467	13,821	763	122,133	15,115	59,248	10,013	3,027	2,496	38,087	7,888	66,385	5,498	656	2,417	48,693	733,137
24 Rents and royalties 16/	3,127	13,120	1,082	129	11,074	98	5,508	1,608	357	646	797	259	662	197	31,824	6,066	14,026	172,118
25 Net capital gain 17/	359	614	11,257	132	6,444	128	7,481	3,053	4,837	3,686	222	66	109	12	484	165	1,799	1,080
25 Net gain, sale of property other than capital assets 18/	106	1,294	363	6	116	9	309	50	18,886	13,429	160	22	77	12	242	110	83	105
26 Dividends from:																		
26 Domestic corporations 19/	140	268	68,127	3,414	570,524	11,331	179,190	7,897	3,533	1,614	8,045	97	1,159	399	6,625	141	50,450	29,483
27 Foreign corporations 20/	1	-	2,215	140	66,189	295	29,767	573	83	7	225	2	1	-	62	(30)	1,053	44
28 Other receipts 21/	1,769	2,872	1,083	369	15,315	2,477	4,089	1,377	2,282	3,111	3,437	895	2,619	366	341	1,119	3,951	2,951
29 Receipts, tax-exempt and taxable income:																		
29 Interest on Government obligations:																		
29 Subject to excess-profits tax 22/	60	151	682	9	1,403	23	1,898	291	985	307	61	17	26	13	38	35	11,655	19,630
30 Wholly tax-exempt 23/	181	2,737	817	134	820	18	2,669	564	1,901	1,957	20	2	33	54	23	74	16,226	175,664
31 Total compiled receipts 24/	18,986	38,472	116,603	13,100	814,077	31,240	309,876	28,383	76,621	71,482	205,117	23,538	109,286	10,568	46,305	13,135	1,494,599	1,340,501
32 Deductions:																		
32 Cost of goods sold 25/	-	-	-	-	329	34	11,903	1,094	-	-	2,374	2,316	1,122	546	1,690	804	-	-
33 Cost of operations 26/	329	401	3,009	6,128	4,483	249	59	236	13,181	19,985	1,582	1,417	4,260	508	877	289	15,233	12,192
34 Compensation of officers	2,347	2,106	2,665	702	7,915	590	9,708	3,451	13,973	12,045	9,006	3,180	7,079	1,692	2,165	1,368	31/33,747	31/15,258
35 Rent paid on business property	434	756	586	175	2,919	81	1,208	440	2,279	5,252	3,662	692	3,505	500	431	291	14,423	3,090
36 Bad debts	284	10,476	135	472	3,310	7,078	2,547	11,280	324	6,747	11,764	3,959	6,789	1,620	763	4,548	3,858	1,341
37 Interest paid	3,039	13,775	11,199	4,357	150,657	43,414	37,825	20,767	2,287	2,913	26,667	3,434	13,673	2,426	933	1,662	2,868	39,829
38 Taxes paid 27/	741	3,829	3,395	310	9,794	500	7,889	1,997	2,696	2,782	5,751	671	3,499	361	1,073	1,501	46,438	49,548
39 Contributions or gifts 28/	10	4	108	1	184	(30)	696	119	153	15	86	7	84	2	16	1	278	33
40 Depreciation	654	2,079	450	82	7,322	116	2,086	1,340	490	794	1,716	238	746	132	2,151	3,608	5,308	36,275
41 Depletion	9	3	59	32	619	(30)	527	12	68	31	6	(30)	1	1	20	65	54	(30)
42 Net capital loss 17/	638	2,905	278	270	260	110	1,287	911	75	337	47	146	49	41	16	311	579	174
43 Net loss, sale of property other than capital assets 18/	155	2,820	187	569	106	13	346	2,030	304	1,101	53	67	38	133	1	2,069	426	7,665
44 Other deductions	7,326	26,974	24,565	5,412	49,066	8,808	19,270	14,457	27,262	37,085	74,908	11,827	37,929	4,771	21,546	10,539	32/1,154,982	32/1,260,916
45 Total compiled deductions	15,966	66,127	46,638	18,710	236,967	60,993	95,352	58,134	63,092	89,089	137,620	27,554	78,774	12,732	31,681	27,057	33/1,278,195	33/1,426,322
46 Compiled net profit or net loss (31 less 45)	3,020	34/27,655	69,965	34/5,610	577,110	34/29,753	214,523	34/29,751	13,529	34/17,607	67,497	34/4,016	30,511	34/2,165	14,624	34/13,922	216,403	34/85,821
47 Net income or deficit 1/ (46 less 30)	2,838	34/30,392	69,148	34/5,744	576,290	34/29,772	211,854	34/30,315	11,627	34/19,564	67,477	34/4,017	30,479	34/2,219	14,601	34/13,996	200,177	34/261,485
48 Income tax 29/	386	-	1,968	-	26,092	-	12,998	-	1,338	-	9,976	-	4,652	-	2,348	-	24,177	-
49 Excess-profits tax	4	-	21	-	193	-	19	-	9	-	21	-	15	-	28	-	56	-
50 Total tax 29/	389	-	1,988	-	26,284	-	13,017	-	1,347	-	9,998	-	4,667	-	2,377	-	24,232	-

(Money figures in thousands of dollars)

		Industrial groups 2/-Concl.	
		Nature of business not allocable, except trade	
		Net income	No net income
1	Number of returns with balance sheets 5/	648	2,251
Assets:			
2	Cash 6/	6,828	8,526
3	Notes and accounts receivable (less reserve for bad debts)	23,405	51,459
4	Inventories	16,569	12,397
5	Investments, Government obligations 7/	2,568	2,223
6	Other investments 8/	19,760	55,497
7	Net capital assets 9/	38,300	117,784
8	Other assets	5,091	28,025
9	Total assets 10/	112,521	275,910
Liabilities:			
10	Accounts payable	10,406	38,294
Bonds, notes, mortgages payable:			
11	Maturity less than 1 year	6,553	32,794
12	Maturity 1 year or more	9,216	44,242
13	Other liabilities	5,244	20,595
14	Capital stock, preferred	7,728	34,428
15	Capital stock, common	61,676	196,727
16	Surplus reserves 11/	2,170	2,598
17	Surplus and undivided profits 12/	31,304	60,111
18	Less deficit 13/	21,775	153,879
19	Total liabilities 10/	112,521	275,910
Receipts, taxable income:			
20	Gross sales 14/	100,791	68,745
21	Gross receipts from operations 15/	6,692	8,148
22	Interest	692	521
23	Rents and royalties 16/	1,770	1,049
24	Net capital gain 17/	89	157
25	Net gain, sale of property other than capital assets 18/	217	164
Dividends from:			
26	Domestic corporations 19/	530	358
27	Foreign corporations 20/	(30)	197
28	Other receipts 21/	1,260	1,292
Receipts, tax-exempt and taxable income:			
Interest on Government obligations:			
29	Subject to excess-profits tax 22/	32	29
30	Wholly tax-exempt 23/	58	23
31	Total compiled receipts 24/	112,133	80,693
Deductions:			
32	Cost of goods sold 25/	76,282	54,884
33	Cost of operations 26/	2,678	4,204
34	Compensation of officers	4,019	3,603
35	Rent paid on business property	1,392	1,122
36	Bad debts	538	1,527
37	Interest paid	848	2,544
38	Taxes paid 27/	2,068	2,580
39	Contributions or gifts 28/	28	98
40	Depreciation	2,088	2,582
41	Depletion	116	61
42	Net capital loss 17/	31	148
43	Net loss, sale of property other than capital assets 18/	17	964
44	Other deductions	17,430	14,938
45	Total compiled deductions	107,536	89,255
46	Compiled net profit or net loss (31 less 45)	4,597	34/8,562
47	Net income or deficit 1/ (46 less 30)	4,539	34/8,585
48	Income tax 29/	682	-
49	Excess-profits tax	18	-
50	Total tax 29/	700	-
51	Compiled net profit less total tax (46 less 50)	3,897	34/8,562
Dividends paid:			
52	Cash and assets other than corporation's own stock	2,342	1,345
53	Corporation's own stock	23	-

For footnotes, see page 15.

(Total assets classes and money figures in thousands of dollars)

	Total assets classes 10/										
	Total	: Under 50	: 50 under 100	: 100 under 250	: 250 under 500	: 500 under 1,000	: 1,000 under 5,000	: 5,000 under 10,000	: 10,000 under 50,000	: 50,000 under 100,000	: 100,000 and over
1 Number of returns with balance sheets 5/	411,941	227,491	59,582	57,733	27,371	17,079	17,187	2,542	2,213	349	394
Assets:											
2 Cash 6/	27,973,412	324,146	261,033	576,584	747,159	1,087,328	3,465,427	1,745,336	4,616,359	2,134,458	13,015,582
3 Notes and accounts receivable (less reserve for bad debts)	37,763,390	977,001	912,236	1,852,770	1,991,389	2,369,817	6,338,132	2,638,810	5,727,339	2,613,254	12,342,641
4 Inventories	16,581,919	747,620	642,134	1,195,446	1,050,074	1,143,701	2,850,395	1,157,723	2,770,486	1,260,301	3,764,038
5 Investments, Government obligations 7/	25,527,270	14,605	27,533	136,411	316,309	603,079	2,578,866	1,416,666	3,745,835	1,672,246	15,015,721
6 Other investments 8/	82,701,375	178,143	238,784	704,653	1,098,252	1,671,482	6,902,745	4,011,748	11,699,917	6,255,061	49,940,590
7 Net capital assets 9/	99,298,816	1,603,953	1,878,356	4,095,994	4,005,185	4,596,718	12,217,907	5,960,964	14,812,884	9,334,378	40,792,477
8 Other assets	10,175,545	294,376	550,113	277,552	420,508	493,376	1,435,760	652,668	1,852,543	950,334	3,248,315
9 Total assets 10/	300,021,727	4,139,843	4,237,628	9,111,971	9,628,876	11,965,502	35,789,232	17,583,916	45,225,361	24,220,033	138,119,365
Liabilities:											
10 Accounts payable	13,747,342	1,099,391	705,205	1,171,131	902,969	906,704	2,089,086	831,594	1,779,535	987,070	3,274,656
Bonds, notes, mortgages payable:											
11 Maturity less than 1 year	8,103,815	463,382	389,557	731,209	641,941	719,881	1,497,545	638,235	978,087	412,487	1,631,491
12 Maturity 1 year or more	50,278,233	672,967	784,443	1,788,748	1,749,188	1,953,475	5,381,117	2,717,732	7,210,206	5,347,721	22,672,637
13 Other liabilities	90,579,748	341,952	293,773	918,103	1,483,265	2,489,215	9,005,411	4,567,610	12,209,165	5,732,563	53,538,690
14 Capital stock, preferred	18,108,066	192,960	178,891	461,238	586,896	744,345	2,316,441	1,218,886	3,425,411	2,037,165	6,945,833
15 Capital stock, common	74,791,662	2,681,897	1,971,850	3,650,661	3,309,549	3,670,420	9,586,967	4,412,034	10,644,711	5,319,552	29,544,010
16 Surplus reserves 11/	7,301,155	27,371	33,669	84,363	114,999	199,030	748,189	411,735	1,385,060	755,809	3,540,929
17 Surplus and undivided profits 12/	50,242,875	541,548	655,252	1,593,232	1,844,284	2,444,882	7,548,042	3,915,706	9,281,539	4,284,357	18,134,634
18 Less deficit 13/	13,131,170	1,881,625	775,023	1,286,714	1,004,216	1,162,449	2,383,565	1,129,617	1,688,354	656,691	1,162,915
19 Total liabilities 10/	300,021,727	4,139,843	4,237,628	9,111,971	9,628,876	11,965,502	35,789,232	17,583,916	45,225,361	24,220,033	138,119,365
Receipts, taxable income:											
20 Gross sales 14/	89,322,113	7,403,652	5,337,597	8,831,224	7,121,611	7,075,249	15,395,314	5,758,318	12,892,750	4,836,969	14,669,428
21 Gross receipts from operations 15/	19,887,737	1,700,928	871,924	1,275,315	963,372	870,671	1,962,759	912,217	2,639,218	1,796,854	6,894,478
22 Interest	2,384,173	14,941	16,795	49,307	75,502	102,650	314,907	137,518	305,662	153,510	1,213,380
23 Rents and royalties 16/	2,037,109	130,210	116,154	243,592	201,622	190,784	384,961	151,697	208,779	96,873	312,438
24 Net capital gain 17/	201,218	8,654	5,533	9,483	8,889	10,852	36,539	15,387	40,350	13,833	51,697
25 Net gain, sale of property other than capital assets 18/	89,389	7,544	4,393	8,476	11,104	13,368	21,566	8,287	8,542	3,159	2,948
Dividends from:											
26 Domestic corporations 19/	1,701,414	5,386	3,653	12,894	19,076	33,056	138,499	89,150	276,448	145,216	978,036
27 Foreign corporations 20/	305,439	149	73	270	1,463	1,987	12,461	7,080	54,026	46,572	181,359
28 Other receipts 21/	945,998	74,926	54,956	99,961	81,167	85,277	193,009	69,561	104,539	72,609	109,994
Receipts, tax-exempt and taxable income:											
Interest on Government obligations:											
29 Subject to excess-profits tax 22/	268,955	221	386	2,429	5,109	8,561	34,264	17,986	45,684	19,115	135,200
30 Wholly tax-exempt 23/	452,108	406	418	2,235	6,204	13,259	49,317	24,478	64,514	25,592	265,685
31 Total compiled receipts 24/	117,595,653	9,347,018	6,411,882	10,535,185	8,495,117	8,405,714	18,543,597	7,191,680	16,640,513	7,210,304	24,814,643
Deductions:											
32 Cost of goods sold 25/	68,741,727	5,755,489	4,209,524	6,954,240	5,595,057	5,507,360	11,806,673	4,337,736	9,649,721	3,433,569	11,491,757
33 Cost of operations 26/	9,528,701	905,362	463,114	583,976	483,658	403,585	782,229	324,510	850,248	791,649	3,840,370
34 Compensation of officers 31/	2,506,307	618,496	308,263	411,302	266,456	218,531	327,335	85,399	143,893	39,133	87,500
35 Rent paid on business property	1,508,717	302,749	119,461	159,173	102,482	96,119	195,861	71,227	153,241	93,686	213,718
36 Bad debts	650,296	53,154	36,281	60,932	51,744	53,212	119,808	41,980	32,950	90,063	110,173
37 Interest paid	2,803,119	53,722	56,804	121,914	116,860	133,404	343,607	163,371	400,441	264,770	1,140,227
38 Taxes paid 27/	3,680,277	148,750	117,751	216,130	202,879	227,647	578,251	250,171	559,056	347,092	1,032,551
39 Contributions or gifts 28/	26,749	1,720	1,372	2,373	1,696	1,835	5,035	2,126	4,374	1,816	4,402
40 Depreciation	3,284,879	136,071	105,619	192,290	176,952	193,841	494,993	217,602	572,920	280,242	914,348
41 Depletion	426,267	3,876	4,129	9,424	13,817	16,225	59,137	29,480	77,641	63,167	149,372
42 Net capital loss 17/	70,253	14,676	2,869	4,578	5,923	7,082	15,453	5,283	7,058	1,463	5,829
43 Net loss, sale of property other than capital assets 18/	122,856	20,128	5,833	9,583	8,438	15,238	22,366	14,432	14,802	3,056	8,981
44 Other deductions 32/	20,101,513	1,536,710	1,002,120	1,658,202	1,362,658	1,369,393	3,230,421	1,346,860	3,159,111	1,383,365	4,052,674
45 Total compiled deductions 33/	113,451,661	9,550,902	6,433,138	10,484,717	8,388,619	8,243,469	17,982,209	6,890,177	15,682,569	6,735,958	23,059,902
46 Compiled net profit or net loss (31 less 45)	4,143,992	34/203,883	34/21,256	50,468	106,498	162,244	561,387	301,503	957,944	474,346	1,754,741
47 Net income or deficit 1/ (46 less 30)	3,691,884	34/204,289	34/21,674	48,233	100,294	148,986	512,070	277,024	893,430	448,754	1,489,056
48 Income tax 29/	838,707	13,941	15,167	36,016	40,168	50,744	136,411	62,669	164,221	83,772	235,598
49 Excess-profits tax	5,678	808	569	899	741	695	1,004	228	372	94	270
50 Total tax 29/	844,386	14,749	15,736	36,915	40,909	51,439	137,415	62,897	164,593	83,865	235,868
51 Compiled net profit less total tax (46 less 50)	3,299,606	35/218,633	35/36,992	13,553	65,590	110,806	423,972	238,605	793,351	390,481	1,518,874
Dividends paid:											
52 Cash and assets other than corporation's own stock	4,959,034	52,716	47,568	120,159	151,821	189,801	597,211	312,333	925,697	526,660	2,035,066
53 Corporation's own stock	72,941	942	891	2,871	3,778	4,469	16,053	4,390	12,440	1,377	25,731

FOOTNOTES

- 1/ "Net income" or "Deficit" is the net income for excess-profits tax computation (item 28, page 1, Forms 1120 and 1120A) and is equal to the difference between "Total income" and "Total deductions" (items 14 and 27, respectively, page 1, Forms 1120 and 1120A). The classification of the returns into those "with net income" and "with no net income" is based on net income for excess-profits tax computation.
- 2/ In general, corporations are classified industrially according to the business activity which accounted for the greatest percentage of "Total receipts". The industrial groups, therefore, do not contain solely corporations engaged exclusively in the industries in which they are classified because of the diversified activities of many corporations. A comparison of these 1938 major industrial groups with those for 1937, which was published on pages 13 - 18 of the "Preliminary Report, Statistics of Income for 1938, Corporation Income and Excess-profits tax Return", will be published in "Statistics of Income for 1938, Part 2".
- 3/ Consists of corporations who at any time during the taxable year owned 50 percent or more of the voting stock of another corporation and whose income from such stock was 50 percent or more of the amount of dividends received.
- 4/ Consists of corporations (other than investment trusts and investment companies) who (a) at no time during the taxable year owned 50 percent or more of the voting stock of another corporation or (b) at any time during the taxable year owned 50 percent or more of the voting stock of another corporation but whose income from such stock was less than 50 percent of the amount of dividends received.
- 5/ Excludes number of returns of inactive corporations and number of returns with fragmentary balance sheet data.
- 6/ Includes cash in till and deposits in bank.
- 7/ Consists of obligations of States, Territories, or political subdivisions thereof, or the District of Columbia, or United States possessions, obligations of the United States and obligations of instrumentalities of the United States.
- 8/ Corresponds with "Investments, other than Government obligations" for 1937.
- 9/ Consists of (1) depreciable and depletable assets less reserves for depreciation and depletion and (2) land. Depreciable and depletable assets comprise buildings, machinery and equipment, furniture and fixtures, delivery equipment and other depreciable assets and natural resources.
- 10/ Adjustments of assets and liabilities are made in tabulating the data, if the following conditions appear on the balance sheet: (1) a negative amount reported in assets is transferred to its appropriate place under liabilities and "Total assets" and "Total liabilities" are increased by this negative amount; (2) a deficit in surplus shown under assets is transferred to liabilities and "Total assets" and "Total liabilities" are decreased by the amount of the deficit, and (3), reserves for depreciation, depletion and bad debts when shown under liabilities are used to reduce corresponding asset accounts and "Total assets" and "Total liabilities" are reduced by the amount of such reserves.
- 11/ For 1937, included in "Surplus and undivided profits". Consists of all reserves reported by corporations under the caption "Surplus reserves".
- 12/ Consists of positive amounts of "Paid-in or capital surplus" and "Earned surplus and undivided profits" (items 15 and 16, Schedule O, Form 1120 and Schedule M, Form 1120A). Unlike 1937, excludes "Surplus reserves".
- 13/ Consists of negative amounts of "Paid-in or capital surplus" and "Earned surplus and undivided profits" (items 15 and 16, Schedule O, Form 1120 and Schedule M, Form 1120A).
- 14/ Gross sales less returns and allowances where inventories are an income-determining factor. For "Cost of goods sold", see "Deductions".
- 15/ Gross receipts from operations where inventories are not an income-determining factor. For "Cost of operations", see "Deductions".
- 16/ Includes "Royalties" which, for 1937, were tabulated in "Other receipts". "Rents and royalties" consist of gross amounts received. Depreciation, repairs, interest, taxes and other expenses from the gross amount received for rent and depletion from the gross amount of royalties received are included in the proper items of deduction.
- 17/ Unlike 1937, capital assets exclude property used in trade or business of a character which is subject to the allowance for depreciation. Net capital loss is limited to \$2,000.
- 18/ Consists of net gain or loss from property used in trade or business of a character which is subject to the allowance for depreciation, which under the Revenue Act of 1938 is excluded from capital assets. For 1937, net gain or loss from sale of depreciable property was included in "Net capital gain or loss".
- 19/ Dividends from domestic corporations subject to taxation under Title I of the Revenue Act of 1938 (column 2, Schedule G, page 3, Form 1120 and column 2, Schedule E, page 2, Form 1120A) which is the amount used for the computation of the dividends received credit. Dividends from corporations organized under the China Trade Act, 1922, and corporations entitled to the benefits of Section 251 of the Revenue Act of 1938 are included in "Other receipts".
- 20/ Reported in column 3, Schedule G, page 3, Form 1120 and in column 3, Schedule E, page 2, Form 1120A, and not used for the computation of dividends received credit.
- 21/ Unlike 1937, excludes "Royalties".
- 22/ Consists of interest on United States savings bonds and Treasury bonds owned in principal amount of over \$5,000 reported as item 8, page 1, Forms 1120 and 1120A.
- 23/ Consists of interest on obligations of States, Territories, or political subdivisions thereof, or the District of Columbia, or United States possessions; obligations of the United States issued on or before September 1, 1917, Treasury notes, Treasury bills and Treasury certificates of indebtedness; United States savings bonds and Treasury bonds owned in principal amount of \$5,000 or less; and obligations of instrumentalities of the United States.
- 24/ Excludes nontaxable income other than interest on tax-exempt obligations reported in Schedule P, page 5, Form 1120 and in Schedule A, page 2, Form 1120A.
- 25/ Includes taxes which are reported in "Cost of goods sold".
- 26/ Includes taxes which are reported in "Cost of operations".
- 27/ Excludes (1) income and excess-profits taxes and (2) taxes reported in "Cost of goods sold" and "Cost of operations".
- 28/ Limited to 5 percent of net income before deduction of contributions or gifts.
- 29/ Includes \$41,569,498 normal tax and \$7,778,561 surtax on undistributed profits reported on returns for a fiscal year ended in period July through November, 1938 (and on returns for a part year which began in 1937 and ended in 1938, the greater part of the accounting period falling in 1938).
- 30/ Less than \$500.
- 31/ Excludes compensation of officers of life-insurance companies which file Form 1120L.
- 32/ Includes special deductions of life-insurance companies relating to reserve for dividends and reserve funds required by law.
- 33/ Includes special deductions of life-insurance companies relating to reserve for dividends and reserve funds required by law, but excludes compensation of officers of life-insurance companies which file Form 1120L.
- 34/ Compiled net loss or deficit.
- 35/ Compiled net loss after total tax payment.

*add
income tax letters*

In spite of the stricter requirements of the 1940 income tax provisions which lowered the ^{personal} exemptions ~~██████████~~ to \$800 ~~██████████~~ *for single* \$2,000 for ~~██████████~~ heads of families, ~~██████████~~ Internal Revenue officials declared that these Defense contributions exemplified the spirit of the new group ~~██████████~~, expected to number approximately 8,300,000, brought within the scope of the Internal Revenue Collection.

The states and the number of persons contributing from each follow: Tennessee, ten; Texas, one; Pennsylvania, seven; Maryland, seven; New Jersey, four; Colorado, one; Minnesota, one; Kansas, one, and Massachusetts, one.



For immediate release
Sunday, March 6, 1941

Press Service
23-86

~~Residents from nine Internal Revenue~~

Although filing non-taxable returns, residents ~~of~~ ²⁰⁷

nine Internal Revenue Districts in as many states have ~~submitted~~
1940 income reports ^{defense}
accompanied their ~~returns~~ with contributions ranging in sums from
one to ~~ten~~ dollars, ~~the Treasury Department revealed today,~~ ^{collectors have}

~~These checks~~ ^{gifts received by the revenue collectors have} These contributions, which ~~are~~ deposited in the Treasury's
General Fund, earmarked "Miscellaneous Receipts - Donations for National Defense",
Defense Fund, totaled \$317.50 ~~as of~~ as of March 4, ~~1941~~

The donors ^{wrote} ~~made~~ their checks ^{to the order of:} payable to such

~~titles as:~~ "Defense, payable to Collector of Internal Revenue";

"Voluntary Contribution to Defense, payable to Collector of Internal
Revenue"; "For National Defense, to U.S. Government"; and "Defense

Contribution, payable to Collector of Internal Revenue". In ~~some~~ ⁹ very few
instances have letters of explanation accompanied the non-taxable
returns and the contributions.

^{sentiments} However, the ~~feeling~~ ^{all} of the contributors are expressed
^{district} by those writing their Collectors of Internal Revenue. One citizen
wrote ~~his collector~~ "I conscientiously feel duty-bound to pay towards
the support of my Country in this great crisis. Because the income
and tax requirements are so liberal, I see no reason why I, as an
individual, should not contribute towards the financing, helping
and keeping our U.S.A. the land of a FREE people."

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Thursday, March 6, 1941.

Press Service
No. 23-86

Although filing non-taxable returns, residents of nine Internal Revenue Districts in as many states have accompanied their 1940 income reports with defense contributions ranging in sums from one to fifty dollars. These gifts received by the revenue collectors are deposited in the Treasury's General Fund earmarked "Miscellaneous Receipts - Donations for National Defense." They totaled \$317.50 as of March 4, last.

The donors wrote their checks to the order of: "Defense, payable to Collector of Internal Revenue"; "Voluntary Contribution to Defense, payable to Collector of Internal Revenue"; "For National Defense, to U. S. Government"; and "Defense Contribution, payable to Collector of Internal Revenue". In very few instances have letters of explanation accompanied the non-taxable returns and the contributions.

The sentiments of all the contributors are expressed, however, by those writing their Collectors of Internal Revenue. One citizen wrote:

"I conscientiously feel duty-bound to pay towards the support of my Country in this great crisis. Because the income and tax requirements are so liberal, I see no reason why I, as an individual, should not contribute towards the financing, helping and keeping our U.S.A. the land of a FREE people."

In spite of the stricter requirements of the 1940 income tax provisions which lowered the personal exemptions to \$800 and \$2,000 for single persons and heads of families, respectively, Internal Revenue officials declared that these defense contributions

exemplified the spirit of the new group of persons, expected to number approximately 8,300,000, brought within the scope of the Internal Revenue Collection.

The states and the number of persons contributing from each follow: Tennessee, ten; Texas, one; Pennsylvania, seven; Maryland, seven; New Jersey, four; Colorado, one; Minnesota, one; Kansas, one, and Massachusetts, one.

ALPHA

- 2 -

Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury 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. 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 March 12, 1941.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be 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 shall be considered to be interest.

Treasury Department Circular No. 418, as amended, 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.

~~ALPHA~~

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, March 7, 1941

~~(1)~~

The Secretary of the Treasury, by this public notice, invites tenders for \$ 200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive bidding. The bills of this series will be dated March 12, 1941, and will mature June 11, 1941, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$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, two o'clock p. m., Eastern Standard time, Monday, March 10, 1941. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and 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.

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 10 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.

Immediately after the closing hour, tenders will be opened at the Federal

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The Secretary of the Treasury, by this public notice, invites tenders for \$200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive bidding. The bills of this series will be dated March 12, 1941, and will mature June 11, 1941, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$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, two o'clock p. m., Eastern Standard time, Monday, March 10, 1941. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000 and 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.

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 10 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.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public

23-87.

announcement will be made by the Secretary of the Treasury 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. 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 March 12, 1941.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be 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 shall be considered to be interest.

Treasury Department Circular No. 418, as amended, 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.

Recapitulation - Section 21(a) and (b)

Total that may be outstanding.....		\$49,000,000,00
Total outstanding.....		46,492,995,57
Balance issuable:		
General Limitation - Sec. 21(a).....	\$ 992,371,525	
National Defense Limitation - Sec. 21(b).....	1,514,632,900	\$ 2,507,004,42

Reconcilement with Daily Statement of the United States Treasury
February 28, 1941

Total face amount outstanding public debt obligations issued under authority of the Second Liberty Bond Act, as amended, as limited by Section 21 of the Act:		
General Limitation.....	\$44,007,628,47	
Deduct unearned discount on Savings Bonds.....	986,945,98	
		\$43,020,682,49
National Defense Limitation.....	2,485,367,10	
		\$45,506,049,59
Add other outstanding public debt obligations not subject to the statutory limitation:		
Interest-bearing (pre-war, etc.).....	\$ 196,102,380	
Matured on which interest has ceased.....	13,500,585	
Bearing no interest.....	374,016,778	
		583,619,74
Total gross debt outstanding as of February 28, 1941.....		\$46,089,669,33

Section 21 of the Second Liberty Bond Act, as amended, provides as follows:

(a) The face amount of bonds, certificates of indebtedness, Treasury bills, and notes issued under the authority of this Act, and of certificates of indebtedness issued under authority of Section 6 of the First Liberty Bond Act, shall not exceed in the aggregate \$45,000,000,000 outstanding at any one time.

(b) In addition to the amount authorized by the preceding paragraph of this section, any obligations authorized by Section 5* and 18** of this Act, as amended, not to exceed in the aggregate \$4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under Section 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the National Defense or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated "National Defense Series".

*Sec. 5 authorizes certificates of indebtedness and Treasury bills.

**Sec. 18 authorizes notes of the United States (Treasury notes).

✓ The Public Debt Act of 1941, approved February 19, 1941, amended the Second Liberty Bond Act by eliminating the partition as between General and National Defense limitations and raised the total borrowing authority to \$65 billion effective March 1, 1941.

March 7, 1941

STATUTORY DEBT LIMITATION ^{1/}
Under Section 21 of the Second Liberty Bond Act, as Amended
As of February 28, 1941

The following table shows the face amount of public debt obligations of the United States authorized, outstanding, and balance issuable under the limitations imposed by Section 21 of the Second Liberty Bond Act, as amended.

I. General Limitation - Section 21(a)

Total face amount of bonds, notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....		\$45,000,000,000
Outstanding as of February 28, 1941:		
Interest-bearing:		
Bonds		
Treasury.....	\$27,960,165,700	
Savings (maturity value)*..	4,466,985,950	
Adjusted Service.....	<u>746,847,625</u>	\$33,173,999,275
Treasury notes.....	\$ 8,583,480,300	
Certificates of indebtedness...	<u>2,097,100,000</u>	<u>10,680,580,300</u>
		\$43,854,579,575
Matured obligations, on which interest has ceased.....	<u>153,048,900</u>	<u>44,007,628,475</u>
Face amount of obligations issuable under above authority.....		<u>\$ 992,371,525</u>

II. National Defense Limitation - Section 21(b)

Total face amount of notes, certificates of indebtedness, and Treasury bills that may be outstanding at any one time.....		\$ 4,000,000,000
Less retirements under Section 301 Revenue Act, 1940.....		<u>4,000,000,000</u>
Net Face amount issuable.....		\$ 4,000,000,000
Outstanding as of February 28, 1941:		
Interest-bearing:		
Treasury notes.....	\$ 1,165,903,100	
Certificates of indebtedness.....		
Treasury bills.....	<u>1,305,648,000</u>	\$2,471,551,100
Matured obligations, on which interest has ceased.....	<u>13,816,000</u>	<u>\$ 2,485,367,100</u>
Face amount of obligations issuable under above authority.....		<u>\$ 1,514,632,900</u>

*Approximate maturity value. Principal amount (current redemption value) according to preliminary public debt statement \$3,480,039,965.

Recapitulation - Section 21(a) and (b)

Total that may be outstanding.....		\$49,000,000,000
Total outstanding		46,492,995,575
Balance issuable:		
General Limitation - Sec. 21(a).....	\$ 992,371,525	
National Defense Limitation - Sec. 21(b).....	1,514,632,900	<u>\$ 2,507,004,425</u>

Reconcilement with Daily Statement of the United States Treasury
February 28, 1941

Total face amount outstanding public debt obligations issued under authority of the Second Liberty Bond Act, as amended, as limited by Section 21 of the Act:

General Limitation.....		\$44,007,628,475
Deduct unearned discount on Savings Bonds.....		<u>986,945,985</u>
		\$43,020,682,490
National Defense Limitation.....		2,485,367,100
		<u>\$45,506,049,590</u>

Add other outstanding public debt obligations not subject to the statutory limitation:

Interest-bearing (pre-war, etc.).....	\$ 196,102,380	
Matured on which interest has ceased.....	13,500,585	
Bearing no interest	<u>374,016,778</u>	<u>583,619,743</u>

Total gross debt outstanding as of February 28, 1941.....\$46,089,669,333

Section 21 of the Second Liberty Bond Act, as amended, provides as follows:

(a) The face amount of bonds, certificates of indebtedness, Treasury bills, and notes issued under the authority of this Act, and of certificates of indebtedness issued under authority of Section 6 of the First Liberty Bond Act, shall not exceed in the aggregate \$45,000,000,000 outstanding at any one time.

(b) In addition to the amount authorized by the preceding paragraph of this section, any obligations authorized by Section 5* and 18** of this Act, as amended, not to exceed in the aggregate \$4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under Section 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the National Defense or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated "National Defense Series".

*Sec. 5 authorizes certificates of indebtedness and Treasury bills.

**Sec. 18 authorizes notes of the United States (Treasury notes).

1/ The Public Debt Act of 1941, approved February 19, 1941, amended the Second Liberty Bond Act by eliminating the partition as between General and National Defense limitations and raised the total borrowing authority to \$65 billion effective March 1, 1941.

TREASURY DEPARTMENT

Washington

For Immediate Release
Friday, ~~January 3, 1940~~
March 7

Press Service
No. 23-~~889~~

Commissioner of Customs W. R. Johnson today issued the following statement showing imports of distilled liquors and wines, and duties collected thereon, covering ~~November, 1940~~ *January*, 1940, with comparative figures for ~~November, 1939~~ *December 1940*, and ~~October 1940~~ *January*, 1940, and the ~~eleven month periods ending November 1939 and November 1940~~ *November 1939 and January 1940*.

	January 1941	December 1940	January 1940	7 months ended January 1941 January 1940	
DISTILLED LIQUORS (Proof Gallons):					
Stock in Customs Bonded Warehouses at beginning	8,223,587	8,391,543	4,474,392	6,976,845	4,137,917
Total Imports (Free and Dutiable)	577,111	1,222,016	1,392,710	7,517,960	8,451,357
Available for Consumption	8,800,698	9,613,559	5,867,102	14,494,805	12,589,274
Entered into Consumption (a)	576,093	1,385,982	716,183	6,261,335	8,215,651
Exported from Customs Custody	514	3,990	1,826	9,379	66,187
Stock in Customs Bonded Warehouses at end	8,224,091	8,223,587	5,146,093	8,224,091	5,146,093
STILL WINES (Liquid Gallons):					
Stock in Customs Bonded Warehouses at beginning	1,533,912	1,521,694	1,283,499	1,526,805	1,151,290
Total Imports (Free and Dutiable)	192,788	269,172	482,548	1,342,182	2,511,601
Available for Consumption	1,726,700	1,790,866	1,766,047	2,868,987	3,662,891
Entered into Consumption (a)	120,264	256,613	303,674	1,260,429	2,199,774
Exported from Customs Custody	88	341	714	2,210	1,458
Stock in Customs Bonded Warehouses at end	1,606,348	1,533,912	1,461,659	1,606,348	1,461,659
SPARKLING WINES (Liquid Gallons):					
Stock in Customs Bonded Warehouses at beginning	221,290	241,601	376,746	395,772	321,014
Total Imports (Free and Dutiable)	6,917	25,151	112,735	47,767	567,036
Available for Consumption	228,207	266,752	489,481	443,539	888,050
Entered into Consumption (a)	10,353	45,446	34,050	224,581	432,232
Exported from Customs Custody	259	16	51	1,363	438
Stock in Customs Bonded Warehouses at end	217,595	221,290	455,380	217,595	455,380
DUTIES COLLECTED ON:					
Distilled Liquors	\$ 1,423,452	\$ 3,424,595	\$ 1,760,054	\$ 15,425,655	\$ 18,689,013
Still Wines	111,320	233,770	260,367	1,128,574	1,873,714
Sparkling Wines	30,021	135,381	101,076	666,057	1,283,460
Total Duties Collected on Liquor	\$ 1,564,793	\$ 3,793,746	\$ 2,121,497	\$ 17,220,286	\$ 21,846,187
Total Duties Collected on Other Commodities	31,691,891	25,988,971	33,666,779	174,595,242	191,559,743
TOTAL DUTIES COLLECTED	\$33,256,684	\$29,782,717	\$35,788,276	\$191,815,528	\$213,405,930
Percent collected on Liquor	4.7%	12.7%	5.9%	9.0%	10.2%

(a) Including withdrawals for ship supplies and diplomatic use.

(Prepared by Division of Fiscal Administration, Bureau of Customs)

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TREASURY DEPARTMENT
Washington

For Immediate Release
Friday, March 7, 1941

Press Service
No. 23-89

Commissioner of Customs W. R. Johnson today issued the following statement showing imports of distilled liquors and wines, and duties collected thereon, covering January, 1941, with comparative figures for December, 1940, and January 1940, and the seven month periods ending January 1941 and January 1940:

	January 1941	December 1940	January 1940	7 months ended	
				January 1941	January 1940
DISTILLED LIQUORS					
(Proof Gallons):					
Stock in Customs					
Bonded Warehouses					
at beginning.....	8,223,587	8,391,543	4,474,392	6,976,845	4,137,917
Total Imports (Free and Dutiable)....	577,111	1,222,016	1,392,710	7,517,960	8,451,357
Available for Consumption.....	8,800,698	9,613,559	5,867,102	14,494,805	12,589,274
Entered into Consumption (a).....	576,093	1,385,982	716,183	6,261,335	8,215,651
Stock in Customs					
Bonded Warehouses					
at end.....	8,224,091	8,223,587	5,146,093	8,224,091	5,146,093
STILL WINES (Liquid Gallons):					
Stock in Customs					
Bonded Warehouses					
at beginning....	1,533,912	1,521,694	1,283,499	1,526,805	1,151,290
Total Imports (Free and Dutiable)....	192,788	269,172	482,548	1,342,182	2,511,601
Available for Consumption.....	1,726,700	1,790,866	1,766,047	2,868,987	3,662,891
Entered into Consumption (a).....	120,264	256,613	303,674	1,260,429	2,199,774
Stock in Customs					
Bonded Warehouses					
at end.....	1,606,348	1,533,912	1,461,659	1,606,348	1,461,659
SPARKLING WINES (Liquid Gallons):					
Stock in Customs					
Bonded Warehouses					
at beginning.....	221,290	241,601	376,746	395,772	321,014
Total Imports (Free and Dutiable)....	6,917	25,151	112,735	47,767	567,036
Available for Consumption.....	228,207	266,752	489,481	443,539	888,050
Entered into Consumption (a).....	10,353	45,446	34,050	224,581	432,232
Stock in Customs					
Bonded Warehouses					
at end.....	217,595	221,290	455,380	217,595	455,380
DUTIES COLLECTED ON:					
Distilled Liquors	\$ 1,423,452	\$ 3,424,595	\$ 1,760,054	\$15,425,655	\$18,689,013
Still Wines	111,320	233,770	260,367	1,128,574	1,873,714
Sparkling Wines	30,021	135,381	101,076	666,057	1,283,460
Total Duties Collected on Liquor	\$ 1,564,793	\$ 3,793,746	\$2,121,497	\$17,220,286	\$21,846,187

(a) Including withdrawals for ship supplies and diplomatic use.

INSOLVENT NATIONAL BANKS LIQUIDATED AND FINALLY CLOSED
DURING THE MONTH OF FEBRUARY, 1941

<u>Name and Location of Bank:</u>	<u>Date of Failure:</u>	<u>Total Disbursements Including Offsets Allowed:</u>	<u>Per Cent Dividends Declared to All Claimants:</u>	<u>Capital Stock at Date of Failure:</u>	<u>Cash, Assets, Uncollected stock Assessments, etc. Returned to Shareholders:</u>
Security National Bank Rockford, Illinois	6-18-31	\$ 1,430,806.00	55. %	\$ 200,000.00	\$ 000
Iron County Nat'l Bank Crystal Falls, Michigan	10-10-34	797,334.00	79.94%	100,000.00	000
First National Bank Ocean City, New Jersey	11-18-32	1,652,343.00	12.82%	300,000.00	000
Union National Bank Connellsville, Pennsylvania	7-3-30	513,356.00	62.08%	50,000.00	000

W. J. ...
3-7-41

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS

Saturday, March 8, 1941

Press Service

No 23-90

During the month of February 1941, the liquidation of four Insolvent National Banks was completed and the affairs of such receiverships finally closed.

Total disbursements, including offsets allowed, to depositors and other creditors of these four receiverships, amounted to \$4,393,839, while dividends paid to unsecured creditors amounted to an average of 45.9 percent of their claims. Total costs of liquidation of these receiverships averaged 7.61 percent of total collections from all sources including offsets allowed.

Dividend distributions to all creditors of all active receiverships during the month of February 1941, amounted to \$1,404,901. Data as to results of liquidation of the receiverships finally closed during the month are as follows:

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3-7-41

TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS
SATURDAY, MARCH 8, 1941

Press Service
No. 23-90

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INSOLVENT NATIONAL BANKS LIQUIDATED AND FINALLY CLOSED
DURING THE MONTH OF FEBRUARY, 1941

<u>Name and Location of Bank:</u>	<u>Date of Failure:</u>	<u>Total Disbursements Including Offsets Allowed:</u>	<u>Per Cent Dividends Declared to All Claimants:</u>	<u>Capital Stock at Date of Failure:</u>	<u>Cash, Assets, Uncollected stock Assessments, etc. Returned to Shareholders:</u>
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Union National Bank Connellsville, Pennsylvania	7-3-30	513,356.00	62.08%	50,000.00	000

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The same procedure as followed in the past for the presentation of entries and withdrawals covering silver or black fox merchandise at the opening of the monthly quotas will be followed on April 1, 1941.

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(Prepared by the Bureau of Customs)

TREASURY DEPARTMENT
Washington

FOR RELEASE MORNING PAPERS
Tuesday, March 11, 1941

Press Service
No. 23-91

PRESS RELEASE

The Bureau of Customs announced today that the March 1941 quota for Canada, which limits the number of silver or black foxes valued at less than \$250 each and whole silver or black fox furs and skins (with or without paws, tails, or heads) which may be entered, or withdrawn from warehouse, for consumption during any month, as provided for in the new supplementary trade agreement with Canada, has been exhausted. Entry, or withdrawal from warehouse, for consumption of these commodities imported from Canada is therefore prohibited until the beginning of the next quota period on April 1, 1941.

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Preliminary data in the Bureau indicate that 1,837 live silver or black foxes, valued at less than \$250 each, and whole silver or black fox furs and skins (with or without paws, tails, or heads) were entered, or withdrawn from warehouse, for consumption from countries other than Canada, on March 1, 1941, which is approximately 24.5 percent of the quantity of such commodities which are permitted entry into consumption during the month of March 1941, under the provisions of the new supplementary trade agreement with Canada. Preliminary data in the Bureau also indicate that the quantities of silver or black fox merchandise entered, or withdrawn from warehouse, for consumption during the period December 1, 1940 through March 1, 1941, under these additional quotas, provided for in the new supplementary trade agreement with Canada, and the percentage of fulfillment of these quotas, were as follows:

2

	<u>Quota</u>	<u>Entered</u>	<u>Percent of fulfillment</u>
Tails of silver or black foxes (pieces)	5,000	4,964	99.3
Paws, heads, or other separated parts of silver or black fox furs and skins (other than tails) (pounds)	500	500	Quota filled
Piece plates made of pieces of silver or black fox furs and skins (pounds)	550	364	66.2
Articles, other than piece plates, made wholly or in chief value of one or more silver or black fox furs or skins or parts of such furs or skins (units)	500	29	5.8

double space

The quota for April 1941 on live silver or black foxes, valued at less than \$250 each, and whole silver or black fox furs and skins (with or without paws, tails, or heads) from Canada will constitute the unfilled portion of the total quota of 70,000 units for the current quota year. The quota on this type of silver fox merchandise for countries other than Canada for the month of April 1941 will be 7,500 units.

TREASURY DEPARTMENT
Washington

FOR RELEASE MORNING PAPERS
TUESDAY, March 11, 1941

Press Service
No. 23-91

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The same procedure as followed in the past for the presentation of entries and withdrawals covering silver or black fox merchandise at the opening of the monthly quotas will be followed on April 1, 1941.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, March 11, 1941.
3/10/41

Press Service

23-92

The Secretary of the Treasury announced last evening that the tenders for \$200,000,000, or thereabouts, of 91-day Treasury bills, to be dated March 12 and to mature June 11, 1941, which were offered on March 7, were opened at the Federal Reserve Banks on March 10.


The details of this issue are as follows:

Total applied for - \$452,601,000
Total accepted - 200,317,000

Range of accepted bids:

High	- 100.				
Low	- 99.965	Equivalent rate	approximately	0.138	percent
Average price	- 99.970	"	"	"	0.120 "

(74 percent of the amount bid for at the low price was accepted)



TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, March 11, 1941.
3/10/41

Press Service
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(74 percent of the amount bid for at the low price was accepted)

CODE OF FEDERAL REGULATIONS

Title 31 - Money and Finance: Treasury

Chapter I - Monetary Offices, Department of the Treasury

Part 167

TREASURY DEPARTMENT,
Office of the Secretary,
March 22, 1941.

GENERAL LICENSE NO. 37 UNDER EXECUTIVE ORDER
NO. 8389, APRIL 10, 1940, AS AMENDED, AND
REGULATIONS ISSUED PURSUANT THEREIN, RELATING
TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

A general license is hereby granted authorizing banking institutions within the United States to make all payments, transfers and withdrawals from accounts in the name of citizens of the United States while such citizens are within any foreign country in the course of their employment by the Government of the United States.

Banking institutions within the United States engaging in any transactions authorized by this general license shall file promptly with the appropriate Federal Reserve Bank monthly reports setting forth the details of such transactions during such period.

/s/ D. W. BELL

Acting Secretary of the Treasury

*Part 167; - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, October 10, 1940; Ex. Order 8701, March 4, 1941; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, October 10, 1940, and March 4, 1941.

TREASURY DEPARTMENT
Office of the Secretary,
March 12, 1941.

GENERAL LICENSE NO. 37 UNDER EXECUTIVE ORDER
NO. 8389, APRIL 10, 1940, AS AMENDED, AND
REGULATIONS ISSUED PURSUANT THERETO, RELATING
TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

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COTTON CARD STRIPS, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than card strips and comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany and Italy:

(In Pounds)				
Country of Origin	: Established : TOTAL QUOTA :	TOTAL IMPORTS Sept. 20, 1940; to March 1, 1941:	: Established : 33-1/3% of : Total Quota	Imports Sept. 20, 1940, to March 1, 1941 ^{1/}
United Kingdom	4,323,457	1,107,166	1,441,152	6,430
Canada	239,690	213,714	-	-
France	227,420	-	75,807	-
British India	69,627	68,783	-	-
Netherlands	68,240	-	22,747	-
Switzerland	44,388	-	14,796	-
Belgium	38,559	-	12,853	-
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	3,500	-	-
Germany	76,329	-	25,443	-
Italy	21,263	-	7,088	-
Total	5,482,509	1,393,163	1,599,886	6,430

^{1/} Included in total imports, column 2.

Treasury Department
Washington

Press Service
No 23-94

FOR IMMEDIATE RELEASE
Thursday March 13, 1941

The Bureau of Customs announced today that preliminary reports from the collectors of customs show imports of cotton and cotton waste chargeable to the import quotas established by the President's proclamations of September 5, 1939, and December 19, 1940, as follows, during the period September 20, 1940, to **March 1, 1941, inclusive.**

COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

Country of Origin	(In Pounds)			
	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Established Quota	Imports Sept. 20, 1940, to March 1, 1941	Established Quota	Imports Sept. 20, 1940, to March 1, 1941
Egypt and the Anglo-Egyptian Sudan	783,816	-	43,451,566	9,778,090
Peru	247,952	46,660	2,056,299	961,699
British India	2,003,483	64,079	64,942	-
China	1,370,791	-	2,626	-
Mexico	8,883,259	961,132	-	-
Brazil	618,723	415,329	3,808	80
Union of Soviet Socialist Republics .	475,124	-	-	-
Argentina	5,203	5,068	435	-
Haiti	237	-	506	-
Ecuador	9,333	8	-	-
Honduras	752	-	-	-
Paraguay	871	-	-	-
Colombia	124	2	-	-
Iraq	195	-	-	-
British East Africa ...	2,240	-	29,909	-
Netherlands East Indies	71,388	71,267 ✓	-	-
Barbados	-	-	12,554	1,737
Other British West Indies 1/	21,321	-	30,139	-
Nigeria	5,377	-	-	-
Other British West Africa 2/	16,004	-	2,002	-
Algeria and Tunisia ...	-	-	1,634	-
Other French Africa 3/.	689	-	-	-
Total	14,516,882	1,563,545	45,656,420	10,741,606

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
2/ Other than Gold Coast and Nigeria.
3/ Other than Algeria, Tunisia, and Madagascar.

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TREASURY DEPARTMENT
WASHINGTON

FOR IMMEDIATE RELEASE
Thursday, March 13, 1941

Press Service
No. 23-94.

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COTTON HAVING A STAPLE OF LESS THAN 1-11/16 INCHES (OTHER THAN HARSH OR ROUGH COTTON OF LESS THAN 3/4 INCH IN STAPLE LENGTH AND CHIEFLY USED IN THE MANUFACTURE OF BLANKETS AND BLANKETING, AND OTHER THAN LINTERS). Annual quotas commencing September 20, by Countries of Origin:

Country of Origin	(In Pounds)			
	Staple length less than 1-1/8"		Staple length 1-1/8" or more but less than 1-11/16"	
	Imports Sept. Established : 20, 1940, to Quota : March 1, 1941	Imports Sept. Established : 20, 1940, to Quota : March 1, 1941	Imports Sept. Established : 20, 1940, to Quota : March 1, 1941	Imports Sept. Established : 20, 1940, to Quota : March 1, 1941
Egypt and the Anglo-Egyptian Sudan	783,816	-	43,451,566	9,778,090
Peru	247,952	46,660	2,056,299	961,699
British India	2,003,483	64,079	64,942	-
China	1,370,791	-	2,626	-
Mexico	8,833,259	961,132	-	-
Brazil	618,723	415,329	3,808	80
Union of Soviet Socialist Republics .	475,124	-	-	-
Argentina	5,203	5,063	435	-
Haiti	237	-	506	-
Ecuador	9,333	8	-	-
Honduras	752	-	-	-
Paraguay	871	-	-	-
Colombia	124	2	-	-
Iraq	195	-	-	-
British East Africa ...	2,240	-	29,909	-
Netherlands East Indies	71,388	71,267	-	-
Barbados	-	-	12,554	1,737
Other British West Indies 1/	21,321	-	30,139	-
Nigeria	5,377	-	-	-
Other British West Africa 2/	16,004	-	2,002	-
Algeria and Tunisia ...	-	-	1,634	-
Other French Africa 3/.	689	-	-	-
Total	14,516,882	1,563,545	45,656,420	10,741,606

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

(2)

COTTON CARD STRIPS, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE. Annual quotas commencing September 20, by Countries of Origin:

Total quota, provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than card strips and comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany and Italy:

(In Pounds)				
Country of Origin	: Established : TOTAL QUOTA	TOTAL IMPORTS Sept. 20, 1940, to March 1, 1941:	: Established : 33-1/3% of : Total Quota	Imports Sept. 20, 1940, to March 1, 1941 <u>1/</u>
United Kingdom	4,323,457	1,107,166	1,441,152	6,430
Canada	239,690	213,714	-	-
France	227,420	-	75,807	-
British India	69,627	68,783	-	-
Netherlands	68,240	-	22,747	-
Switzerland	44,338	-	14,796	-
Belgium	38,559	-	12,853	-
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	3,500	-	-
Germany	76,329	-	25,443	-
Italy	21,263	-	7,038	-
Total	5,482,509	1,393,163	1,599,886	6,430

1/ Included in total imports, column 2

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Commodity	Established Quota :Period & Country:	Quantity	Unit of :Quantity:	Imports as of :Mar. 1, 1941
Silver or black foxes, furs, and articles: Foxes valued under \$250 ea. and whole furs and skins	Month of February Canada	17,500	Number (Import quota filled)	
	Other than Canada	7,500	"	510
Tails	12 months from December 1, 1940	5,000	Piece	3,927
Paws, heads or other separated parts	"	500	Pound	385
Piece plates	"	550	Pound	364
Articles, other than piece plates	"	500	Unit	23
Crude petroleum, topped crude petroleum, and fuel oil	Calendar year Venezuela Netherlands Colombia Other countries	1,913,049,600 578,806,200 86,956,800 138,587,400	Gallon " " "	290,843,785 98,656,657 6,581,305 93,346,743
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	(Tariff rate quota filled)

1/ Duty-free quota not yet determined.

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(Prepared by the Bureau of Customs)

TREASURY DEPARTMENT
Washington

For Release, Morning Newspapers,
Friday, March 14, 1941

Press Service
No. 23-95

3/13/41

~~EXPRESS RELEASE~~

The Bureau of Customs announced today preliminary figures for imports of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to March 1, 1941, inclusive, as follows:

Commodity	: Established Quota : Unit of : Imports as of	: Period & Country: Quantity: Quantity : Mar. 1, 1941
Cattle less than 200 pounds each	Calendar year	100,000 Head 22,021
Cattle, 700 pounds or more each (other than dairy cows)	Quarter year from Jan. 1, 1941	
	Canada	51,720 Head 17,695
	Other countries	8,280 " (Tariff rate quota filled)
Whole milk, fresh or sour	Calendar year	3,000,000 Gallon 999
Cream, fresh or sour	Calendar year	1,500,000 Gallon 232
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk and rosefish	Calendar year	15,000,000 Pound 1,283,704
White or Irish potatoes		
Certified seed	12 months from Sept. 15, 1940	90,000,000 Pound 18,602,697
Other	12 months from Sept. 15, 1940	60,000,000 Pound 2,574,043
Cuban filler tobacco, unstemmed or stemmed (Other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000 Pound (Unstemmed equivalent) 2,896,609
Red Cedar Shingles	Calendar year	1/ Square 593,429

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TREASURY DEPARTMENT
Washington

For Release, Morning Newspapers,
Friday, March 14, 1941
3/13/41

Press Service
No. 23-95

The Bureau of Customs announced today preliminary figures for imports of commodities within quota limitations provided for under trade agreements, from the beginning of the quota periods to March 1, 1941, inclusive, as follows:

Commodity	Established Quota Period & Country	Quantity	Unit of Quantity	Imports as of Mar. 1, 1941
Cattle less than 200 pounds each	Calendar year	100,000	Head	22,021
Cattle, 700 pounds or more each (other than dairy cows)	Quarter year from Jan. 1, 1941			
	Canada	51,720	Head	17,695
	Other countries	8,280	"	(Tariff rate quota filled)
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	999
Cream, fresh or sour	Calendar year	1,500,000	Gallon	232
Fish, fresh or frozen filleted, etc., cod, haddock, hake, pollock, cusk and rosefish	Calendar year	15,000,000	Pound	1,283,704
White or Irish potatoes				
Certified seed	12 months from Sept. 15, 1940	90,000,000	Pound	18,602,697
Other	12 months from Sept. 15, 1940	60,000,000	Pound	2,574,043
Cuban filler tobacco, unstemmed or stemmed (Other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (Unstemmed equivalent)	2,896,609
Red Cedar Shingles	Calendar year	<u>1</u> /	Square	593,429

Commodity	Established Quota :Period & Country:	Quantity	Unit of :Quantity:	Imports as of : Mar. 1, 1941
Silver or black foxes, furs, and articles: Foxes valued under \$250 ea. and whole furs and skins	Month of February Canada	17,500	Number	(Import quota filled)
	Other than Canada	7,500	"	510
Tails	12 months from December 1, 1940	5,000	Piece	3,927
Paws, heads or other separated parts	"	500	Pound	385
Piece plates	"	550	Pound	364
Articles, other than piece plates	"	500	Unit	23
Crude petroleum, topped crude petroleum, and fuel oil	Calendar year Venezuela Netherlands Colombia Other countries	1,913,049,600 578,806,200 86,956,800 138,587,400	Gallon " " "	290,843,785 98,656,657 6,581,305 93,346,743
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	(Tariff rate quota filled)

1/ Duty-free quota not yet determined.

TREASURY DEPARTMENT
Washington

For Release, Morning Newspapers,
Friday, March 14, 1941.
3/13/41

Press Service
No. 23-96

PRESS RELEASE

The Bureau of Customs announced today preliminary figures for imports of commodities within the quota limitations provided for under the Philippine Independence Act, as amended, and the Philippine Cordage Act of 1935, from the beginning of the quota periods to March 1, 1941, inclusive, as follows:

Products of Philippine Islands	Established Quota		Unit of Quantity	Imports as of March 1, 1941
	Period	Quantity		
Coconut oil	Calendar year	425,600,000	Pound	52,424,965
Refined sugars	Calendar year	112,000,000)	Pound	13,010,374
Sugars other than refined	Calendar year	1,792,000,000) ^{1/}	Pound	419,165,484
Cordage	12 months from May 1, 1940	6,000,000	Pound	5,260,859
Buttons of pearl or shell	Calendar year	807,500	Gross	163,912
Cigars	Calendar year	190,000,000	Number	21,471,623
Scrap tobacco and stemmed and unstemmed filler tobacco	Calendar year	4,275,000	Pound	164,539

^{1/} The duty-free quota on Philippine sugars applies to 850,000 long tons, of which not more than 50,000 long tons may be refined sugars.

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EXECUTIVE ORDER 8711

AMENDMENT OF EXECUTIVE ORDER NO. 8389
OF APRIL 10, 1940, AS AMENDED.

By virtue of the authority vested in me by section 5(b) of the Act of October 6, 1917 (40 Stat. 411), as amended, and by virtue of all other authority vested in me, I, FRANKLIN D. ROOSEVELT, PRESIDENT of the UNITED STATES OF AMERICA, do hereby amend Executive Order No. 8389 of April 10, 1940, as amended, so as to extend all the provisions thereof to, and with respect to, property in which Hungary or any national thereof has at any time on or since March 13, 1941, had any interest of any nature whatsoever, direct or indirect; except that, in defining "Hungary" and "national" of Hungary the date "March 13, 1941" shall be substituted for the dates appearing in the definitions of countries and nationals thereof.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

March 13, 1941.

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FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

March 13, 1941.

CODE OF FEDERAL REGULATIONS
Title 31 - Money and Finance: Treasury
Chapter I - Monetary Offices, Department of the Treasury
Part 130

TREASURY DEPARTMENT
Office of the Secretary
March 13, 1941

AMENDMENT TO REGULATIONS*

The Regulations of April 10, 1940, as amended (Sections 130.1 to 130.6), are further amended so as to extend all the provisions thereof to, and with respect to, property in which Hungary or any national thereof has at any time on or since March 13, 1941, had any interest of any nature whatsoever, direct or indirect; except that reports on Form TFR-100 with respect to all property situated in the United States on March 13, 1941, in which Hungary or any national thereof has at any time on or since March 13, 1941, had any interest of any nature whatsoever, direct or indirect, shall be filed by April 13, 1941.

H. MORGENTHAU, JR.
Secretary of the Treasury

APPROVED: March 13, 1941.
FRANKLIN D. ROOSEVELT.

* Sections 130.1 to 130.6: - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, October 10, 1940; Ex. Order 8701, March 4, 1941; Ex. Order 8711, March 13, 1941.

TREASURY DEPARTMENT
Office of the Secretary
March 13, 1941

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Secretary of the Treasury.

APPROVED:
FRANKLIN D. ROOSEVELT.

*Sections 130.1 to 130.6: - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, October 10, 1940; Ex. Order 8701, March 4, 1941; Ex. Order 8711, March 13, 1941.

TREASURY DEPARTMENT
Office of the Secretary

March 13, 1941

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GENERAL LICENSE NO. ⁵⁸ UNDER EXECUTIVE ORDER
NO. 8389, APRIL 10, 1940, AS AMENDED, AND
REGULATIONS ISSUED PURSUANT THERETO, RELATING
TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

A general license is hereby granted authorizing banking institutions within the United States to make payments from accounts in which Hungary or a national thereof has a property interest within the meaning of the Executive Order of April 10, 1940, as amended, and the Regulations issued thereunder, of checks and drafts drawn or issued prior to March 13, 1941, and to accept and pay and debit to such accounts drafts drawn prior to March 13, 1941, under letters of credit; provided, that each banking institution making any payment or debit authorized by this general license shall file promptly with the appropriate Federal Reserve Bank weekly reports showing the details of such transactions. This license shall expire at the close of business on April 13, 1941.

Secretary of the Treasury

~~March 13, 1941.~~

* Part 168: - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, October 10, 1940; Ex. Order 8701, March 4, 1941; Ex. Order 8711, ^{March 13}, 1941; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, October 10, 1940, March 4, 1941, and ^{March 13}, 1941.

TREASURY DEPARTMENT
Office of the Secretary
March 13, 1941.

GENERAL LICENSE NO. 38 UNDER EXECUTIVE ORDER
NO. 8389, APRIL 10, 1940, AS AMENDED, AND
REGULATIONS ISSUED PURSUANT THERETO, RELATING
TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.*

A general license is hereby granted authorizing banking institutions within the United States to make payments from accounts in which Hungary or a national thereof has a property interest within the meaning of the Executive Order of April 10, 1940, as amended, and the Regulations issued thereunder, of checks and drafts drawn or issued prior to March 13, 1941, and to accept and pay and debit to such accounts drafts drawn prior to March 13, 1941, under letters of credit; provided, that each banking institution making any payment or debit authorized by this general license shall file promptly with the appropriate Federal Reserve Bank weekly reports showing the details of such transactions. This license shall expire at the close of business on April 13, 1941.

D. W. BELL
Acting Secretary of the Treasury

*Part 168; - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 6560, Jan 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8484, July 15, 1940; Ex. Order 8493, July 25, 1940; Ex. Order 8565, October 10, 1940; Ex. Order 8701, March 4, 1941; Ex. Order 8711, March 13, 1941; Regulations, April 10, 1940, as amended May 10, 1940, June 17, 1940, July 15, 1940, October 10, 1940, March 4, 1941, and March 13, 1941.