U.S. Treasury Dept.

Press Releases

NOTE

PRESS SERVICE NUMBER 44-17 IS MISSING FROM THIS SERIES. THE SUBJECT OF THIS RELEASE IS THE OFFERING OF TENDERS ON 91-DAY TREASURY BILLS.

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, November 8, 1944.

Press Service
No. 44-0

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, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1944, to October 28, 1944.

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:

(In Pounds)

Country of Origin	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, 1944, to Oct. 28, 1944	Established Quota 45,656,420	Imports Sept. 20, 1944, to Oct. 28, 1944
Egypt and the Anglo-Egyptian Sudan	783,816	-		1,587,637
Peru	247,952	-		196,351
British India	2,003,483	-		-
China	1,370,791	-		-
Mexico	8,883,259	8,883,259		-
Brazil	618,723	-		-
Union of Soviet Socialist Republics	475,124	-		-
Argentina	5,203	-		-
Haiti	237	-		-
Ecuador	9,333	-		-
Honduras	752	-		-
Paraguay	871	-		-
Colombia	124	-		-
Iraq	195	-		-
British East Africa	2,240	-		-
Netherlands East Indies	71,388	-		-
Barbados	-	-		-
Other British West Indies 1/	21,321	-		-
Nigeria	5,377	-		-
Other British West Africa 2/	16,004	-		-
Other French Africa 3/	689	-		-
Algeria and Tunisia	-	-		-
	14,516,882	8,883,259	45,656,420	1,783,988

1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.
2/ Other than Gold Coast and Nigeria.
3/ Other than Algeria, Tunisia, and Madagascar.

(Over)

COTTON CARD STRIPS MADE FROM COTTONS HAVING A STAPLE OF LESS THAN 1-3/16 INCHES IN LENGTH, 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 made from cottons having a staple less than 1-3/16 inches in length 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, 1944 to Oct. 28, 1944	ESTABLISHED 33-1/3% of Total Quota	Imports Sept. 20, 1944 to Oct.28,1944 1/
United Kingdom......	4,323,457	-	1,441,152	-
Canada..............	239,690	-	-	-
France..............	227,420	-	75,807	-
British India.......	69,627	-	-	-
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	-
TOTALS	5,482,509	-	1,599,886	-

1/ Included in total imports, column 2.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, November 8, 1944.

Press Service
No. 44-1

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 October 28, 1944, inclusive, as follows:

Commodity	Established Quota: Period and Country	Established Quota: Quantity	Unit of Quantity	Imports as of October 28, 1944
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	8,029
Cream, fresh or sour	Calendar year	1,500,000	Gallon	928
Fish, fresh or frozen, filleted etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	18,210,658	Pound	Quota filled
White or Irish potatoes:	12 months from Sept. 15, 1944			
Certified seed		90,000,000	Pound	8,689,448
Other		60,000,000	Pound	Quota filled
Cuban filler tobacco unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (unstemmed equivalent)	Quota filled
Red cedar shingles	Calendar year	2,153,984	Square	1,199,724
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	291,569

(Over)

Commodity	Established Quota: Period and Country	Established Quota: Quantity	Unit of Quantity	Imports as of October 28, 1944
Silver or black foxes, furs, and articles: Foxes valued under $250 each and whole furs and skins	May - Nov. 1944 All countries	59,174	Number	34,661
Tails	12 months from Dec. 1, 1943	5,000	Piece	198
Paws, heads, or other separated parts	"	500	Pound	487
Piece plates	"	550	Pound	-
Articles, other than piece plates	"	500	Unit	66

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, November 8, 1944.

Press Service
No. 44-2

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption: As of (Date)	Authorized for entry for consumption: (Pounds)
Signatory Countries:			
Brazil	1,414,691,820	October 28, 1944	118,142,844
Colombia	479,169,810	"	131,895,386
Costa Rica	30,423,480	"	736,060
Cuba	12,169,392	"	1,167,473
Dominican Republic	18,254,088	"	379,916
Ecuador	22,817,610	"	3,740,518
El Salvador	91,270,440	"	3,909,536
Guatemala	81,382,809	"	2,818,607
Haiti	41,832,285	"	1,659,094
Honduras	3,042,348	"	2,050,027
Mexico	72,255,765	"	11,166,297
Nicaragua	29,662,893	"	156
Peru	3,802,935	"	412,492
Venezuela	63,889,308	"	5,209,423
Non-Signatory Countries:	54,001,677	"	385

1/ Quotas as established by action of the Inter-American Coffee Board on April 20, 1944.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, November 8, 1944.

Press Service
No. 44-3

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1944, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1944, to Oct. 28, 1944	Established Quota	Imports May 29, 1944 to Oct. 28, 1944
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	788,717
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000	4,000,000	788,717

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TREASURY DEPARTMENT
Bureau of Internal Revenue
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, November 15, 1944.

Press Service
No. 44-4

(PLEASE OBSERVE RELEASE DATE)

Joseph D. Nunan, Jr., Commissioner of Internal Revenue, advised all employees today that the Individual Income Tax Act of 1944 requires them to file new Withholding Exemption Certificates with their employers not later than December 1, 1944.

The new law changed the method of counting exemptions, and therefore made it necessary to get new certificates from all employees who work for wages or salary from which income tax is withheld. The new certificates must be filed to enable employers to give their employees the proper exemptions from withholding on all wages paid on and after January 1, 1945. All old exemption certificates now in use will expire automatically December 31, 1944.

Commissioner Nunan also announced that an official leaflet has been printed to help employees understand and fill out the new exemption certificates. The leaflet will be distributed by employers along with the new certificate forms.

Pointing out that the law does not permit an employee to receive any withholding exemption after January 1 unless he has given his employer a new certificate, Commissioner Nunan urged all employees to fill out their certificates and give them to their employers without fail.

He added that, although the new certificates will not become effective until January 1, the law requires that the certificates be given to the employers not later than December 1. Thus, employers will have time to adjust their records and be prepared to give the employees their proper exemptions upon the first payment of wages on or after January 1.

Since the tax which is withheld from wages is merely a method of collecting the regular income tax, the new law provided new exemption certificates and new withholding tables to adjust each employee's withholding more closely to his income tax liability after January 1. On the average, withholding will be about the same as at present, but may be either more or less in individual cases.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 10, 1944.
11-9-44

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 16, 1944, and will mature February 15, 1945, 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 War Time, Monday, November 13, 1944. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $100,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 November 16, 1944.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 14, 1944.
11-13-44

Press Service
No. 44-6

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 16, 1944, and to mature February 15, 1945, which were offered on November 10, were opened at the Federal Reserve Banks on November 13.

The details of this issue are as follows:

Total applied for - $1,932,075,000
Total accepted - 1,300,604,000 (includes $52,926,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(62 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 53,315,000	$ 35,037,000
New York	1,289,472,000	847,551,000
Philadelphia	31,270,000	21,314,000
Cleveland	22,505,000	22,315,000
Richmond	29,224,000	27,020,000
Atlanta	17,610,000	14,966,000
Chicago	330,735,000	212,935,000
St. Louis	33,491,000	25,701,000
Minneapolis	9,270,000	6,990,000
Kansas City	15,673,000	13,127,000
Dallas	15,415,000	11,596,000
San Francisco	84,095,000	62,052,000
TOTAL	$1,932,075,000	$1,300,604,000

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS, Wednesday, November 15, 1944.

Press Service No. 44-7

During the month of October, 1944, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of $33,000, Secretary Morgenthau announced today.

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Wednesday, November 15, 1944

Press Service
No. 44-8

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption	
		As of (Date)	(Pounds)
Signatory Countries:			
Brazil	1,414,691,820	November 4, 1944	139,743,820
Colombia	479,169,810	"	142,924,598
Costa Rica	30,423,480	"	736,060
Cuba	12,169,392	"	1,167,495
Dominican Republic	18,254,088	"	379,971
Ecuador	22,817,610	"	3,740,518
El Salvador	91,270,440	"	4,604,593
Guatemala	81,382,809	"	4,117,517
Haiti	41,832,285	"	2,188,727
Honduras	3,042,348	"	2,418,870
Mexico	72,255,765	"	11,437,302
Nicaragua	29,662,893	"	80,313
Peru	3,802,935	"	412,492
Venezuela	63,889,308	"	6,313,931
Non-Signatory Countries:	54,001,677	"	400

1/ Quotas as established by action of the Inter-American Coffee Board on April 20, 1944.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 16, 1944.

Press Service
No. 44-9

JOINT STATEMENT OF THE TREASURY, WAR, NAVY AND INTERIOR DEPARTMENTS

United States Army and Navy forces in the Philippines are using a new "Victory Series" of Philippine currency and a new 1944 series of Philippine coins prepared in anticipation of the military operations now in progress. The currency, as in prewar days, was produced by the United States Bureau of Engraving and Printing, and the coins were manufactured by the United States Mint, at the request of the Philippine Commonwealth Government.

The new series of notes bears the signature of the Philippine President, Sergio Osmena, who took office as President on August 1, 1944, upon the death of President Manuel L. Quezon. Plans of the Commonwealth Government for supplying the currency requirements of the armed forces were perfected in consultation with the Treasury and other interested United States Departments.

The new series of currency consists of Philippine Treasury certificates in the denominations of 1, 2, 5, 10, and 20 pesos, of the same basic design as the Treasury certificates in use before the Japanese invasion, with the new designation "Victory Series No. 66" on the face of the notes. The seal of the Commonwealth and the serial numbers, previously printed in red, now appear in blue. On the reverse of each note the word "Victory" is printed over the design in large open-faced black letters.

The new 1944 coins consist of 50, 20 and 10 centavo silver pieces of the same composition as the prewar Philippine coins. In the 5 centavo coin, an alloy commonly referred to as "nickel silver alloy" has been substituted for the prewar "cupro-nickel alloy," and the new 1 centavo piece is made of an alloy consisting of 95% copper and 5% zinc, in place of the prewar alloy of 95% copper, 4% zinc and 1% tin, to conserve metals in short supply.

At the time of the Japanese invasion, the design of the reverse side of all Philippine coins was being changed from the seal of the United States to the seal of the Philippines, in preparation for independence. The new coins supplied to the armed forces all carry the Commonwealth seal on the reverse side. Otherwise the designs are the same as those used in 1941.

The prewar exchange rate, two pesos to one dollar, is being resumed by the liberating forces. Most of the currency reserves of the Philippine Commonwealth and other balances of the Philippine Treasury were on deposit in the United States at the time of the Japanese invasion and were therefore protected against Japanese looting.

As in prewar days, every two pesos of the new Philippine Treasury certificates is backed by one United States dollar on deposit in the United States, and in addition the Commonwealth maintains an exchange stabilization fund amounting to between 15 and 25% of the currency in circulation to protect the value of the peso against exchange fluctuations.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, November 15, 1944

Press Service
No. 44-10

Resignation of Ernest L. Olrich as Assistant to the Secretary in charge of the Procurement Division was announced today by the Treasury Department.

Mr. Olrich informed Secretary Morgenthau that it was essential that he return to the presidency of Munsingwear, Inc., of Minneapolis, from which position he took leave of absence to come to the Treasury last April. His resignation is effective November 27.

Mr. Olrich has had responsibility for organizing the unit of the Procurement Division in charge of disposing of consumer type goods declared surplus by the War and Navy Departments.

"I regret very much," said Secretary Morgenthau, "that developments in his own business have made it necessary for Mr. Olrich to leave us. In the few months he has been with the Treasury Department he has done an extraordinarily able job in developing in the Procurement Division the organization necessary to handle the tremendously difficult surplus disposal work. He has done this at the sacrifice of his own interest and at substantial personal expense. His has been a really fine patriotic contribution to the Nation in time of war."

Mr. Olrich expressed great appreciation of the free hand given him by the Secretary in establishing the surplus disposal organization.

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TREASURY DEPARTMENT
Washington

(The following address by Roy Blough, Director of the Division of Tax Research, before the Fifth Annual Symposium on Accounting and Taxation of the North Carolina Association of Certified Public Accountants in cooperation with the University of North Carolina, at Chapel Hill, is scheduled for delivery at 1 p. m., Eastern War Time, Friday, November 17, 1944, and is for release at that time.)

SIMPLIFICATION OF CORPORATE TAX STRUCTURE

I am very glad to be here today. I am especially happy to meet the friends and neighbors of a distinguished man who has made an outstanding record in the National House of Representatives -- Congressman Robert L. Doughton. As chairman of the Ways and Means Committee since 1933, he has served his country well in peace and war. I am grateful for the opportunity to tell you with what warm regard and respect we hold him in Washington.

I am at somewhat of a disadvantage this afternoon. A month ago I addressed the convention of the American Institute of Accountants in St. Louis. My subject was "Simplification of Corporate Tax Structure." In St. Louis I was invited to join you here today in a discussion of "Simplification of Corporate Tax Structure." Most of my intellectual venture capital on the subject was invested in the earlier discussion, and since the problems of tax simplification do not alter perceptibly in a month, the comments I offer today are largely the comments I offered then.

The situation reminds me of the story of the Kentucky cobbler who unexpectedly inherited a small fortune. He locked up his shop and went out on a wild spending orgy. In time all of his money was gone and he came back to his humble cobbler's bench. Not long afterward a lawyer appeared in his shop and told the cobbler that he had inherited another fortune. The cobbler looked up from his bench and said: "Lord a'mighty! Must I go through all that again?"

To complain about the complexity of our tax laws has almost the standing of a natural right. Certainly it has long been one of our favorite indoor sports. The complaints have grown louder in recent years, but they are not a new story. Consider, for example, this statement:

"There is an imperative need for immediate simplification in the system of internal revenue taxes. The unvarnished truth is that the income and profits taxes are so heavy and so intricate that a sufficient number of auditors and experts cannot be secured by the Government to audit, assess, and settle old claims as fast as new claims are created."

Those words were spoken by Dr. T. S. Adams in 1918. Three years later Boies Penrose, chairman of the Senate Finance Committee, expressed the ambition, reiterated by his successors, to write a tax bill that would be understood by every taxpayer so it would be unnecessary to hire a lawyer to find out what it means.

This desire for simplicity has yet to be fulfilled, but the desire has survived and grown. Today everyone wants tax simplification. Taxpayers want a system they can understand. Tax administrators want simple laws in order to ease their task. To their great credit tax practitioners -- the men who make their livings, or at least better living, because of tax complications -- want simplification and have presented many constructive suggestions to that end.

The chorus of complaint over present complexities has risen to a crescendo. While much of the grumbling has served to let off steam generated by the tax burden itself, much of it is truly merited. For despite the complaints our tax system, generally speaking, has grown more rather than less complicated with the passing years.

Basically, most tax complexity derives from the necessity of applying an equitable form of taxation to a complicated situation in which many specific refinements are necessary to meet charges of unfairness. The fact that the income tax law of 1913 covered but 19 pages, while the Revenue Act of 1942 added 157 pages of amendments to already lengthy statutes applying to income and profits taxes, does not reflect sadism on the part of Congress. It indicates rather a prodigious effort to be fair. Many complications are unnecessary, to be sure, but others -- most of them -- are the price we pay for equity or to avoid undesirable economic consequences.

Concern with complexity has intensified in recent years because of the great increase in revenue required to finance the war. On the one hand, expanding revenue requirements have necessitated broadening the individual income tax base. In 1940, four million taxable individual income returns were filed; in the fiscal year 1944 the figure had grown to forty million. This tenfold increase has brought into contact with the income tax many persons who faced the new task of filling out returns with little experience or training in the concepts or computations required. They have demanded and they have received a simple income tax.

On the other hand, rates have been greatly increased and new taxes have been added. These factors have magnified hardships and intensified the search for loopholes. Both conditions have required complicating remedial provisions. Moreover, public determination to permit no excessive war profits gave rise to an excess profits tax. Such a tax is inevitably complicated and when the tax is imposed at high rates -- as in the case of our wartime excess profits tax -- careful and complicated adjustment is required to prevent serious hardships upon taxpayers and harm to our economic structure.

Simplification is a broad concept. It means different things to different people. For the great mass of taxpayers it means a return which is easy to fill out. Tax computations are often troublesome for people who are out of practice in arithmetic. Moreover, a multiplicity of income concepts, credits and deductions makes for confusion. Returns under a given law can often be simplified but, for the most part, the difficulty of the return stems from the policy laid down by the law.

Then, too, what some people look upon as difficulty with the return is often in fact difficulty with the accounting and record-keeping which are necessary before the return can be prepared. In grappling with the problem of simplifying the individual income tax, the Treasury found that the recording and listing of deductions constituted the greatest complication for many, perhaps most, taxpayers.

To other people simplification means simpler language in the law and regulations. Newspapers and magazines rely on quotations from the Internal Revenue Code to supply their publications with humorous "filler." Many of these quotations are highly amusing and I should be the last to deny anyone any amusement he can get from taxation. In truth, however, the kind of detailed provisions which the periodicals waggishly quote reduce rather than increase tax complications. They add precision and thereby reduce litigation.

Yet I am inclined to agree that in many instances the same exactness of statement could be achieved with easier understanding, if more words and less involved sentence structure were used. To use more words, however, would run counter to another meaning of simplification, namely, brevity. The idea is sometimes expressed that taxes are complicated because the statutes are too long; simplification, according to this view, would be achieved by drastic curtailment. An example of this emphasis on brevity is seen in a recent proposal to rewrite the Internal Revenue Code in 5,000 words. I shall have something to say on this point a little later.

Any broad view of tax simplification must distinguish between the complications which affect the many and those which affect the few. Many of the specialized technical provisions of the law which cause the loudest complaints apply to a limited number of taxpayers. Simplification of our corporate tax structure must take into account both those complexities which affect all corporate taxpayers and those which affect the relatively few.

<u>Simplifying the mechanics of the structure</u>

The relative importance of various simplification proposals is determined in part by the number of taxpayers involved and in part by the amount of benefit which would accrue to an affected taxpayer. How these proposals affect general public understanding of the tax system is an additional factor of significance. Corporate tax simplification involves state and local taxes as well as Federal taxes. I shall consider here only the Federal side.

Four major Federal taxes are levied upon corporations at the present time — the income tax (both normal tax and surtax), the capital-stock tax, its companion tax the declared-value excess-profits tax, and the true excess-profits tax. It is within this framework that we must approach the problem of corporate tax simplification.

The excess-profits tax

Let us consider first the excess-profits tax. In the fiscal year 1944, 140,000 corporations filed excess-profits tax returns, on 70,000 of which taxable excess profits were shown.

No one will deny that the excess-profits tax is complex; in fact, the major complexities of corporation taxation at the present time can be laid at its door. Even if all the data needed to make a return were easily available, the mere computation of the tax is no small job. First, the choice of credit -- average-earnings and invested-capital -- introduces a complication into the law. Second, the mathematical computations are numerous and appear involved to many small taxpayers. Third, further complications are introduced by the host of relief adjustments which were insisted upon by one group of taxpayers or another for reasons of equity or incentive. You are all familiar with the formula for increased earnings in the last half of the base period, the 75-percent rule, the 80-percent limit, the carry-overs and carry-backs, Section 722, abnormal deductions in the base period and abnormal income in the current year, accelerated production of natural resources, installment sales and long-term contracts, the domestic corporation doing business abroad, capital-gains treatment for timber operations, and special treatment of bonus income for excess mining and timber output. The list is by no means exhausted. I merely want to point out that these special adjustments all make for complication and they have generally been inserted at taxpayers' urging.

Much could be said about simplification of the excess-profits tax. But postwar tax planners appear to be unanimous on one point. No plan thus far observed calls for retention of the wartime excess-profits tax in our permanent peacetime tax structure. It appears that simplification of the excess-profits tax will come by erasure rather than by erosion. Unless the basic provisions were to be modified or eliminated, the possible simplification is perhaps more superficial than real. Changes in the interest of simplicity at this stage would probably augment rather than reduce the total complications of a tax with a short life expectancy. Little would be gained from a discussion here of the particular features of the excess-profits tax which could be altered to reduce complexity.

The capital-stock and declared-value excess-profits tax

Next on the list of corporation taxes are the capital-stock tax and the declared-value excess-profits tax. Some 510,000 capital stock tax returns were filed during the fiscal year 1944; of this number 377,000 showed a tax. In addition, a separate computation for the declared-value excess-profits tax is required on the income tax return.

The capital-stock and declared-value excess-profits taxes are a prime example of the close relation between simplicity and certainty. If income could be forecast accurately, these taxes, although superfluous, would give rise to few complaints. They would represent roughly an additional levy on profits of 1/4 of 1 percent for corporations with excess-profits, and of 3/4 of 1 percent for corporations with no excess profits. Corporations with deficits would pay no tax. But profits commonly cannot be forecast accurately. These taxes are a capricious penalty on inability to forecast income. They impose the burden of preparing one additional return and, much more important, the torment of searching the crystal ball for figures that can be defended to boards of directors and stockholders.

If income could be accurately forecast, these taxes, although superfluous, probably would give rise to few complaints. Since the declared-value excess-profits tax is imposed on income in excess of ten percent of the declared value of the capital stock, the total of the two taxes is minimized if capital stock is declared at a figure ten times expected income. To achieve this minimum consistently, calendar year corporations would have to be able to estimate in the middle of the year their exact income as of the end of the year. It is to the necessity for guessing and the difficulty of guessing accurately that the unpopularity of these taxes can be attributed.

These complications and difficulties would be more acceptable if the declared-value capital-stock and declared-value excess-profits taxes achieved a rational distribution of tax burdens. Actually, they have no relation to any accepted principle of tax distribution. They bear more heavily on small than on big business. They favor those firms with relatively stable earnings and penalize those with fluctuating income.

One of the arguments for a capital-stock tax is that corporations which use the services of the Government should pay taxes regardless of whether they are in the black or red. Since, as we have already seen, only three-fourths of the capital-stock tax returns are taxable returns, the capital-stock tax in its present form clearly fails to achieve this end. True, there are some payments by corporations with deficits. But these payments are from corporations which did not anticipate deficits. Had the deficits been anticipated, it would have been unnecessary to declare any substantial amount of capital-stock value and, accordingly, the capital-stock tax would have been nominal. In practice, the only deficit corporations which are really hit by the capital-stock tax are those which could not forecast the deficit.

Having once more lashed this oft-whipped horse, which somehow is still in the running, I suggest that the capital-stock and declared-value excess-profits taxes be simplified in the manner urged by the Treasury for some years and unanimously concurred in by business — namely, repeal. The Senate voted to repeal the capital-stock and declared-value excess-profits taxes in 1942. The conferees did not sustain the Senate action. But Congress might act differently when circumstances are such as to permit tax reduction rather than to require tax increases.

The corporation income tax

The major taxes in the corporation tax structure remaining for discussion are the corporation normal and surtax. In the fiscal year 1944, 476,000 corporation income tax returns were filed. Of this number 264,000 were subject to income tax. Probably the most conspicuous complication on the present corporation income tax return is the number of concepts of net income employed: net income, adjusted net income, surtax net income, normal tax net income, and net income for declared-value excess-profits tax computation. In addition, there are capital gains, which stand in a category by themselves. These different concepts of net income result from the special tax treatment accorded partially tax-exempt securities, the 85-percent credit for dividends received, the special allowance for dividends on certain preferred stock of public utilities, and the declared-value excess-profits tax.

These five concepts of net income could be reduced to one if the declared-value excess-profits tax were repealed, if the contractual exemption from normal tax of partially exempt securities were given in the form of a tax credit, if dividends received by corporations were fully taxable or fully tax-exempt, and if the public-utility preferred dividend deduction were repealed. While all of these possibilities present issues broader than simplification, it is not unlikely that Congress in resolving those other issues may advance the cause of simplification in at least some cases. Thus, for example, the right of partial tax exemption has already been denied to Federal securities issued since March 1, 1941, so, except for a few special classes of securities such as shares in Federal Savings and Loan Associations, partially tax-exempt securities will all have been retired by 1965.

Even though the income concepts dealt with on the return could be reduced from five to one, many of the complications surrounding the computation of the tax would still remain. Elimination of graduated rates would help simplify tax computation for corporate taxpayers with incomes of under $25,000, comprising 86 percent of taxable returns in 1942, and for taxpayers with incomes between $25,000 and $50,000, comprising 5 percent of taxable returns in the same year. A flat rate tax on all taxable income would reduce the mechanical operations for the latter group of taxpayers from five to one. It is unlikely, however, that Congress would consider the removal of graduated rates solely from the viewpoint of simplification. It has long been a policy of Congress that small corporate enterprise should bear a lower-than-standard corporate tax load either through a specific exemption or through rate graduation. Most proposals for permanent postwar taxation have indicated a desire to retain graduated rates within the present limited range. Perhaps a method involving a single computation might be worked out using, for example, bracket rates.

Some people have gone so far as to recommend as a simplification measure the abolition of the 2-percent tax on consolidated returns. This is a case where simplicity would seem to be a minor consideration. In 1942 only about 900 corporations filed taxable and non-taxable consolidated returns. Since these corporations reported an average of $3 million net income, we may assume that making this additional computation did not appreciably add to the burden of making out their tax returns. Some of the 900 and others that do not file consolidated returns must, of course, consider the benefits of consolidated returns compared to the higher tax rate. But the decision to retain, repeal, or modify this tax will undoubtedly be decided on grounds other than simplification.

The tax on undue accumulations of surplus also contributes to the structural complexity of the tax law. To the corporate taxpayer the complication lies in deciding what investment and dividend policies to follow to avoid the tax. There can be no denying that Section 102 is very difficult to administer, since no definite general rules have been found as to what is and what is not an unreasonable accumulation of earnings. This is one of the so-called "penalty" taxes; yet its purpose is not to penalize, but rather to encourage corporations to adopt dividend policies that will result in a fair distribution of the tax burden. Some proposals for the postwar tax structure call for strengthening this tax; others would retain it as at present; few, if any, would repeal it.

From the preceding discussion it seems clear that a good deal of simplification of the present corporation tax structure could be accomplished by a few changes in the tax law, but that most of these changes involve policy issues far transcending simplification.

During recent months a number of proposals have been advanced which would modify the tax structure to give greater coordination of corporation and individual income taxes. How these proposals, if adopted, would affect tax simplification is a factor in testing their merits.

Perhaps the most far-reaching suggestion is that we should give up taxing corporations as such and treat them as we now do partnerships and proprietorships. No tax would be levied on the corporation, but the stockholder would include his allocable portion of corporate income in his individual income tax return. Whatever its merits on other grounds, this method of taxing corporate income would not be a step in the direction of tax simplification. Although by the partnership method we would escape many complications -- for example, those arising from the taxation of undue accumulations of surplus -- we would become involved in the enormously greater complexities of income allocation to individual shareholders.

Other suggestions for the coordination of individual and corporate levies do not go quite so far. Some would treat a flat-rate corporation tax as a source collection on dividends, ultimately to be credited against the personal taxes of the dividend recipients. Although total income would not need to be allocated currently as under the partnership method, such a system would present the additional complication of allocating to the individual shareholder the tax paid by the corporation. Other proposals would allow a credit for dividend payments at the corporation level. This method would not necessitate allocation of either taxes or income to individual shareholders, but it would raise some difficult problems related to the definition of distributed and retained earnings. It seems clear, therefore, that the net result of complete coordination of corporation and individual income taxes would be a tax structure more complicated than the present law would be after the streamlining that is possible.

Difference between simplification for individuals and corporations

Some people have reasoned that since individual income tax simplification was readily achieved, corporate tax simplification could be realized with equal ease and should be accomplished now. Certain things could be done, as we have seen. If we could reduce the corporation income tax structure to a single income concept and to a single tax rate, the task of filing a tax return would be simpler, especially for small corporations. But whereas the basic requirement of simplicity for most individual taxpayers could be met by simplifying the structure and the return, for the corporation complicated computations and returns are only a part of tax complexities. For many corporations, especially the larger ones, they are a very small part.

The difference between simplification of individual and corporation taxes can be seen from an examination of the changes made by the Individual Income Tax Act of 1944. This Act reduced the deduction problem — a major one because most individual taxpayers keep inadequate records — by permitting a presumptive deduction of 10 percent of income with a limit of $500. It simplified tax computation by reducing the number of taxes. It adopted a basic exemption of $500 per person and omitted the earned income credit 1/ which had complicated the task of filling out the return. These changes made possible a simple tax table for use up to $5,000 of income.

However, relatively little was done to simplify the returns of taxpayers with large income or taxpayers reporting business income or capital gains and losses. These forms of income continue to be computed as they were before. Although they constitute minor components of individual income, they are the bulk of corporation income. Thus individual tax simplification accomplished least in the area from which corporation tax complexity largely stems, namely, from the problems surrounding the determination of business income.

Income determination

Accountants need not be told that the determination of business income is a complicated process and will remain so, regardless of tax simplification measures. Differences of opinion on questions of accounting are bound to

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1/ Repeal of the earned income credit took place in the Revenue Act of 1943, but did not affect any tax returns prior to passage of the Individual Income Tax Act of 1944.

arise in many situations. They are not limited to the Government and a taxpayer. They are, of course, found among private accountants as well. They cannot be eliminated by statute, regulations, or court interpretation.

A basic accounting problem is determination of income year by year. Either the taxpayer or the Government (which in the end means the other taxpayers) may find itself discriminated against, if income is not properly apportioned among the years. You are well aware of the difficulties and weaknesses of allocation, which make it impossible to determine with assurance the income of a particular year.

The provisions in the tax law for allocating charges for depreciation, depletion, changing inventory value, determination of bad debts, and so on, were introduced for the purpose of achieving as correct an annual statement of income as possible. The importance of accuracy and, with it to a great extent, the complications of applying these provisions would diminish, if we had a real averaging system which made the allocation of income and deductions to specific years less of a factor in determining tax liability. Of course, complete averaging, of itself, would involve substantial changes in the policy of taxation, and would considerably complicate the law.

The techniques for averaging income are not as simple as they might seem; in fact, no really satisfactory method has yet been found. The benefits of averaging are partially achieved at present through the carry-over and carry-back of losses. Carry-backs involve fairly serious complications. An extension of the carry-over of losses, however, would not seriously complicate the law, and would considerably reduce the importance of allocating certain items to particular years. Under fairly stable tax rates, a long carry-over period would achieve most of what could be achieved through complete averaging.

<u>Complexity of the law</u>

Much corporate tax complexity arises from the attempt to spell out rules covering the taxability of a great variety of complex business transactions. For example, consider the law dealing with the determination of gain and loss from sale or other disposition of property. The general rule for these transactions is that every sale or exchange of property gives rise to a gain or loss which should be recognized for income tax purposes. However, in a great many transactions, such as the exchange of like property for like property, certain transfers or exchanges in connection with a reorganization, or transfers on liquidation of a subsidiary, the general rule is modified to disregard certain transactions otherwise affecting taxable income. The necessity of valuing certain property as of the date the income tax first went into effect -- March 1, 1913 -- introduces further complications. Difficult problems are also posed by segregating dividends paid to shareholders into taxable and non-taxable categories. A long story could be made of various provisions of the law where similar complications appear, but time does not permit its telling.

Uncertainty of the law

Perhaps the major cause of complaint, however, is not so much one of complexity as it is one of perplexity. A common complaint is that the operation of the law is uncertain in too many cases. Although uncertainties have long been present in the law, they have become particularly important in recent years because, with increased rates, taxes exercise a greater influence on general business decisions. Thus uncertainties with respect to a 10-percent tax liability do not seriously affect business decisions. But if tax rates are high, vagueness in the law will expand the area of uncertainty within which managerial decisions must be made.

The uncertainties of tax law arise largely because among the numerous possible transactions are some regarding which the tax law makes no specific provision. Taxpayers are not sure how such transactions will be treated. In some cases the law attempts to remedy the situation through specific language reducing the fringes of uncertainty surrounding the general rules. The regulations further attempt to reduce these areas of doubt in the taxpayer's mind. Both steps create more certainty, and therefore basically simplify the tax structure, although they also complicate the language of the law and regulations. But if the law and regulations fail to remove doubt, certainty can be reached only by one or a series of judicial decisions and opinions. I think you will agree that in practice this is getting certainty the hard way.

Attempts in the law or regulations to close up loopholes may also create uncertainty in the minds of those engaged in bona fide business transactions. Although some people believe that too much attention has been paid to tax loopholes, we must recognize that the willingness of taxpayers generally to comply with the tax law rests on their belief in its fairness and equity. Attempts to achieve a high degree of equity frequently have been misconstrued as attempts to reform or penalize business. For example, Section 102 may appear to be unduly harsh to the few corporations caught in its meshes, but without such a provision the great majority of taxpayers would have a legitimate grievance against a tax law which permitted a minority to take advantage of the corporate form of organization to avoid individual taxes.

The suggestion has been made in some quarters that the taxpayers' task would be simplified if the Government should accept the ordinary accounting definition of income as the definition for tax purposes. In considering this suggestion it must be borne in mind that income for tax purposes takes into consideration factors which would be inappropriate in defining income for certain other purposes. Policy considerations may dictate the exemption or partial taxation of some income. Moreover, the amount of income which a company makes during the year is not an invariable concept. The concept and, hence, the amount of income depends in part on the purpose for which the determination of income is being made. Time does not permit a lengthy discussion of the point, but it would appear that the requirements of taxation make it neither feasible nor desirable to use without change for tax purposes income as determined for ordinary accounting purposes.

Shortening the Internal Revenue Code

This brings me back to an idea I mentioned earlier, namely, that simplification would be advanced by drastically shortening the Internal Revenue Code. Let's consider the ramifications of any extreme economy of words.

I have not heard of anyone who either for monetary gain or amusement has counted the exact number of words in the Internal Revenue Code. A rough computation indicates that the figure is about 385,000 words.

The income and excess profits taxes use about 140,000 words. Section 22, which states what is included in and what excluded from gross income runs to about 5,000 words. Section 23, which provides deductions from gross income, consists of about 6,000 words. Section 112, which defines the recognition of gains and losses, and Section 113, which defines the adjusted basis for determining gain or loss, each cover nearly 4,000 words. More than 5,000 words are given over to special provisions for taxing insurance companies. In a sharply curtailed Code what would become of these sections? Would there be a place for a special income tax deduction for the blind, for unusual medical expenses, for a carry-over of net operating losses, for an installment basis of accounting, for tax-free reorganization or tax-free liquidation provisions, for five-year amortization of wartime facilities for a foreign tax credit, for consolidated returns?

Estate and gift taxes use about 25,000 words in the present Code.

Miscellaneous internal revenue taxes use about 180,000 words, of which almost 60,000 are for liquor taxes alone.

The remaining 40,000 words are devoted to general administrative provisions, such as collection procedure, provisions for internal revenue collectors and the Tax Court, and other miscellaneous matters. Should the statutes of limitations, the release of tax liens or other provisions protecting the rights of taxpayers be scrapped for the sake of being laconic?

I do not want to labor the point. I think you will agree that while something called an Internal Revenue Code could be written in a radically abridged style, it clearly would have to be couched in very general language indeed.

If taxes are to be fair and reasonable, there must be many fine adjustments to the multitude of highly varied and complicated situations in which different taxpayers find themselves. If the statute were brief and therefore general, who would make these fine adjustments? Presumably the Commissioner of Internal Revenue acting under broad discretionary powers. Now permission to use discretion in applying specific rules is a helpful and time-saving device, but a grant of authority not only to apply rules but also to determine what the rules shall be is carrying discretion very far. And that is the situation in which tax administrative authorities would find themselves, if they were forced to act under a vague, general directive. I do not think American taxpayers want that and I do know that the tax administrative authorities would be strongly opposed to having such mighty discretion and the power over taxpayers that would go with it.

It might be urged that another possibility of applying a short code would be to direct tax practitioners, for example accountants, to draw up income tax returns in such a manner as fairly to reflect income. If accountants were to determine for tax purposes what is income in each of the numerous and varied situations which they constantly meet, they would either act without provision for uniformity, which would be intolerable and produce instant and profound chaos, or they would act uniformly under a system of policing by the accounting profession or the Government or both. But such a method would solve nothing and reduce no complexity. It would merely shift the complexity, and I think it is an understatement to say that no one would be satisfied with the results.

The superficial appeal of brevity does not stand up under scrutiny. Simplification does not lie in that direction.

Conclusion

Simplification of the corporate tax structure is one of the objectives of the studies of postwar taxation now going on in Washington. The Treasury Department some time ago began an examination of the problems of Federal tax revision in the transition and postwar years. Last June the Congressional Joint Committee on Internal Revenue Taxation, consisting of ranking members of the House Committee on Ways and Means and the Senate Finance Committee from both parties, asked its staff and the Treasury staff to work together on a study of postwar taxation and report to the Joint Committee. This study has been in progress since that time and we hope that preliminary reports can be made to the Joint Committee soon. At the present stage less attention is being given to technical matters than to the basic structure of the system. We recently had the pleasure of hearing from a committee of this association as well as from numerous other organizations and persons.

In the past few weeks an advisory group of accountants and lawyers has been formed to assist the Treasury staff in preparing suggestions for technical modifications of the law. Not all of the technical problems under consideration involve simplification but probably most of them do. This work is highly technical and too much should not be expected too soon.

But it should be understood that the technical problems are not the hardest problems of tax simplification. The really hard problem is that almost every simplifying change adversely affects someone's interest and will be resisted.

Meantime, groups of taxpayers continue to press Congress for special provisions to ease real or allegedly excessive burdens in the tax structure. A large proportion of the technical complications of the law have stemmed from efforts of these groups in the past. As long as pressures for changes of this sort persist, we can hope for little more progress toward simplification than two steps forward for every one we slip back. Indeed, there is the possibility that our progress in this field may be in reverse, and that for every step forward we may go two steps back.

The next few years promise to be an auspicious time to promote simplification in the corporate tax structure. As revenue requirements recede, it will be possible to make some tax reductions. The task of reducing the number of taxes and eliminating provisions which cause major difficulties will be easier after the war when reductions are being made than during the war when revenue requirements are so high.

Tax simplification is a laudable goal for tax policy when it is placed in its proper perspective among other objectives. Gains from simplification must always be balanced against any resulting sacrifices of equity or of desirable economic effects. As accountants, you are familiar with the difficulties encountered under present tax laws. You also know that simplicity is a derivative problem -- one that cannot be discussed in isolation. You are well aware that problems of tax policy, of eliminating hardships, and of plugging up loopholes are responsible for many of the complexities in our tax laws. Your sense of values does not permit you to place simplicity above everything else.

More than perhaps any other group faced with handling the tax law and applying it to the individual taxpayer, you are in a position to know what simplification is feasible and possible. Many of your recommendations have been helpful in the past. We in the Treasury, along with other groups interested in postwar tax revision, are relying upon you to help resolve the complexities in our Federal corporate tax structure.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 17, 1944.

Press Service
No. 44-12

Secretary of the Treasury Morgenthau today released the official circulars containing the detailed terms and conditions of the exchange offerings open to holders of the 4 percent Treasury Bonds of 1944-54 called for redemption on December 15, 1944, and to holders of the Certificates of Indebtedness of Series G-1944 maturing December 1, 1944.

All holders of the called bonds except commercial banks, which are defined for this purpose as banks accepting demand deposits, will be permitted, beginning November 20, to exchange such called bonds for the 2-1/2 percent Treasury Bonds of 1966-71, the 2 percent Treasury Bonds of 1952-54 and the 1-1/4 percent Treasury Notes of Series C-1947, which will open for cash subscription on the same date in the Sixth War Loan Drive. Commercial bank holders will be permitted to exchange for the 2 percent bonds and the notes, but not for the 2-1/2 percent bonds, which are not available to commercial banks, except under limited provisions, until December 1, 1954. All of these exchanges will be made as of December 15, 1944, the date on which the called bonds cease to bear interest, in authorized denominations beginning with $500 for the bonds and $1,000 for the notes. Accrued interest will be charged on the new securities from December 1 to December 15 at their respective rates as set forth in the official circulars.

Holders of the maturing certificates will be permitted, also beginning November 20, to exchange them, par for par, for Treasury Notes of Series C-1946. The notes will be dated December 1, 1944, will bear interest at the rate of 0.90 percent per annum, payable on a semiannual basis on July 1, 1945, and January 1, 1946, and will mature on January 1, 1946. They will be issued in bearer form only with two interest coupons attached, in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the bonds and notes now offered shall not have any exemption, as such, under Federal tax acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circulars released today.

Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington, and should be accompanied by the securities to be exchanged. Where coupon bonds are presented, the subscription should also be accompanied by the payment of accrued interest at the rate of $0.966 per $1,000 for the 2-1/2 percent bonds, $0.77 per $1,000 for the 2 percent bonds, and $0.49 per $1,000 for the 1-1/4 percent notes. 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. Subject to the usual reservations, all subscriptions for any of the four issues will be allotted in full.

The subscription books for the offering of 0.90 percent Treasury Notes of Series C-1946 in exchange for the maturing certificates will close at the close of business Wednesday, November 22, except for the receipt of subscriptions from holders of $100,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Saturday, November 25. Holders of the called bonds will be afforded a somewhat longer period of time within which to take action looking toward the exchange of their called bonds, regarding which an announcement will be made at a later date.

There are now outstanding $1,036,692,400 of the called Treasury bonds of 1944-54 and $3,539,755,000 of the Series G-1944 certificates.

The texts of the official circulars follow:

UNITED STATES OF AMERICA

2½ PERCENT TREASURY BONDS OF 1966–71

Dated and bearing interest from December 1, 1944 **Due March 15, 1971**

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED INTEREST ON AND AFTER MARCH 15, 1966

Interest payable March 15 and September 15

ADDITIONAL ISSUE

1944
Department Circular No. 760

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, November 20, 1944.

I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with an adjustment of accrued interest as of December 15, 1944, from the people of the United States for bonds of the United States, designated 2½ percent Treasury Bonds of 1966–71, in payment of which only Treasury Bonds of 1944–54, called for redemption on December 15, 1944, may be tendered. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering under this circular will be limited to the amount of Treasury Bonds of 1944–54 tendered in exchange and accepted.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2½ percent Treasury Bonds of 1966–71 issued pursuant to Department Circular No. 755, dated November 20, 1944, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 755:

"1. The bonds will be dated December 1, 1944, and will bear interest from that date at the rate of 2½ 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 March 15, 1971, but may be redeemed at the option of the United States on and after March 15, 1966, 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. 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. They 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 \$500, \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. 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. Except as provided in Section I of this circular, these bonds may not, before December 1, 1954, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits; however, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before December 1, 1954, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

"5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment;[1] *Provided:*

(*a*) that the bonds were actually owned by the decedent at the time of his death; and

(*b*) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the Collector of Internal Revenue at .... for credit on Federal estate taxes due from estate of ...." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date;[2] bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,[3] properly completed, signed and sworn to, and by a certificate of the appointment of the personal representatives, under seal of the court, dated not more than six months prior to the submission of the bonds, which shall show that at the date thereof the appointment was still in force and effect. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the Collector of Internal Revenue.

"6. Except as provided in the preceding paragraphs, 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. It is requested that there be no trading in the securities allotted hereunder and no acquisition of such securities other than on direct subscription until after December 16, 1944. 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.

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 and accrued interest from December 1, 1944, to December 15, 1944 ($0.966 per $1,000) for bonds allotted hereunder must be made or completed on or before December 15, 1944, or on later allotment. Payment of the principal amount may be made only in Treasury Bonds of 1944–54 called for redemption on December 15, 1944, which will be accepted at par and should accompany the subscription. In the case of coupon bonds, payment of accrued interest on the new bonds should be made when the subscription is tendered and in the case of registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1944 coupons, which should be detached by holders before presentation of the bonds, 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 1944–54 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 June

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[1] An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

[2] The transfer books are closed from February 16 to March 15, and from August 16 to September 15 (both dates inclusive) in each year.

[3] Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

15, 1945, 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 1944–54 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 2½ percent Treasury Bonds of 1966–71"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 2½ percent Treasury Bonds of 1966–71 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 2½ percent Treasury Bonds of 1966–71 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.

U. S. GOVERNMENT PRINTING OFFICE 617787

UNITED STATES OF AMERICA

2 PERCENT TREASURY BONDS OF 1952–54

Dated and bearing interest from December 1, 1944 **Due December 15, 1954**

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED INTEREST ON AND AFTER DECEMBER 15, 1952

Interest payable June 15 and December 15

ADDITIONAL ISSUE

1944
Department Circular No. 761

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, November 20, 1944.

I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with an adjustment of accrued interest as of December 15, 1944, from the people of the United States for bonds of the United States, designated 2 percent Treasury Bonds of 1952–54, in payment of which only Treasury Bonds of 1944–54, called for redemption on December 15, 1944, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Bonds of 1944–54 tendered in exchange and accepted.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2 percent Treasury Bonds of 1952–54 issued pursuant to Department Circular No. 756, dated November 20, 1944, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 756:

"1. The bonds will be dated December 1, 1944, and will bear interest from that date at the rate of 2 percent per annum, payable on a semiannual basis on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1954, but may be redeemed at the option of the United States on and after December 15, 1952, 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. 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. They 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 $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000. 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. It is requested that there be no trading in the securities allotted hereunder and no acquisition of such securities other than on direct subscription until after December 16, 1944. 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.

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 and accrued interest from December 1, 1944, to December 15, 1944 ($0.77 per $1,000) for bonds allotted hereunder must be made or completed on or before December 15, 1944, or on later allotment. Payment of the principal amount may be made only in Treasury Bonds of 1944–54 called for redemption on December 15, 1944, which will be accepted at par and should accompany the subscription. In the case of coupon bonds, payment of accrued interest on the new bonds should be made when the subscription is tendered and in the case of registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1944 coupons, which should be detached by holders before presentation of the bonds, 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 1944–54 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 June 15, 1945, 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 1944–54 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 2 percent Treasury Bonds of 1952–54"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 2 percent Treasury Bonds of 1952–54 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 2 percent Treasury Bonds of 1952–54 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.

U. S. GOVERNMENT PRINTING OFFICE 617788

UNITED STATES OF AMERICA

$1\frac{1}{4}$ PERCENT TREASURY NOTES OF SERIES C–1947

Dated and bearing interest from December 1, 1944 **Due September 15, 1947**

Interest payable March 15 and September 15

ADDITIONAL ISSUE

1944
Department Circular No. 762

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, November 20, 1944.

I. EXCHANGE OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with an adjustment of accrued interest as of December 15, 1944, from the people of the United States for notes of the United States, designated $1\frac{1}{4}$ percent Treasury Notes of Series C–1947, in payment of which only Treasury Bonds of 1944–54, called for redemption on December 15, 1944, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Bonds of 1944–54 tendered in exchange and accepted.

II. DESCRIPTION OF NOTES

1. The notes now offered will be an addition to and will form a part of the series of $1\frac{1}{4}$ percent Treasury Notes of Series C–1947 issued pursuant to Department Circular No. 757, dated November 20, 1944, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 757:

"1. The notes will be dated December 1, 1944, and will bear interest from that date at the rate of $1\frac{1}{4}$ 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, 1947, 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.

"5. Bearer notes with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. 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. It is requested that there be no trading in the securities allotted hereunder and no acquisition of such securities other than on direct subscription until after December 16, 1944. 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.

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 and accrued interest from December 1, 1944, to December 15, 1944 ($0.49 per $1,000) for notes allotted hereunder must be made or completed on or before December 15, 1944, or on later allotment. Payment of the principal amount may be made only in Treasury Bonds of 1944–54 called for redemption on December 15, 1944, which will be accepted at par and should accompany the subscription. In the case of coupon bonds, payment of accrued interest on the notes should be made when the subscription is tendered and in the case of registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1944 coupons, which should be detached by holders before presentation of the bonds, 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 1944–54 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 June 15, 1945, 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 1944–54 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 C–1947 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 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.

U. S. GOVERNMENT PRINTING OFFICE 617789

UNITED STATES OF AMERICA

0.90 PERCENT TREASURY NOTES OF SERIES C-1946

Dated and bearing interest from December 1, 1944 | Due January 1, 1946

Interest payable July 1 and January 1

1944
Department Circular No. 759

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, November 20, 1944.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 0.90 percent Treasury Notes of Series C-1946, in exchange for Treasury Certificates of Indebtedness of Series G-1944, maturing December 1, 1944. The amount of the offering will be limited to the amount of such maturing certificates tendered and accepted.

II. DESCRIPTION OF NOTES

1. The notes will be dated December 1, 1944, and will bear interest from that date at the rate of 0.90 percent per annum, payable on a semiannual basis on July 1, 1945, and January 1, 1946. They will mature January 1, 1946, 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 acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

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

5. 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. Others than banking institutions will not be permitted to enter subscriptions except for their own account.

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. 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 on or before December 1, 1944, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series G-1944, maturing December 1, 1944, which will be accepted at par, and should accompany the subscription.

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.

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 17, 1944.
11-16-44

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated November 24, 1944, and will mature February 23, 1945, 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 War time, Monday, November 20, 1944. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $100,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 November 24, 1944.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, November 24, 1944.

Press Service
No. 44-14

The Treasury and War Departments today announced that support remittances may now be sent to the recently liberated Italian provinces of Viterbo, Terni, Teramo, Rieti, Pescara, Macerata, Grosseto, Chieti, Aquila, and Ascoli-Piceno. Remittances of this type have previously been authorized for other liberated provinces of Italy as well as Sicily and Sardinia.

The amount which may be remitted and the procedures to be followed are prescribed in General License No. 32A as amended today by the Treasury. Under this General License a maximum of $500 per month may be sent to any person in the designated provinces for his support and that of his family. Existing procedures have not been changed by today's amendment and the restrictions against withdrawals from blocked accounts are still effective. Remittances to the areas added by today's amendment will be channeled through the Bank of Italy. Persons desiring to effect remittances to any area in the liberated portions of Italy should consult their local banks.

The Treasury has been advised that the Bank of Italy is establishing correspondent relationship with certain banks in Baltimore, Boston, Chicago, Cleveland, Detroit, Milwaukee, Newark, New Haven, New Orleans, New York, Pittsburgh, Providence, San Francisco, St. Louis, and Washington. The correspondent banks will forward payment instructions to the Bank of Italy, and the Bank of Italy will make payments in lire to the beneficiaries.

Treasury officials again emphasized the fact that the regulations do not authorize the sending of checks, drafts, securities, or currency to Italy.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 21, 1944.
11-20-44

Press Service
No. 44-15

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 24, 1944, and to mature February 23, 1945, which were offered on November 17, were opened at the Federal Reserve Banks on November 20.

The details of this issue are as follows:

Total applied for - $2,078,595,000
Total accepted - 1,313,587,000 (includes $51,453,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(59 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 45,410,000	$ 28,436,000
New York	1,481,236,000	906,184,000
Philadelphia	37,820,000	24,413,000
Cleveland	29,132,000	26,504,000
Richmond	23,335,000	20,342,000
Atlanta	6,810,000	6,482,000
Chicago	308,450,000	187,726,000
St. Louis	18,615,000	12,629,000
Minneapolis	7,515,000	7,515,000
Kansas City	21,905,000	19,343,000
Dallas	16,747,000	14,205,000
San Francisco	81,620,000	59,808,000
Total	$2,078,595,000	$1,313,587,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, November 22, 1944.

Press Service
No. 44-16

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption: As of (Date)	Authorized for entry for consumption: (Pounds)
Signatory Countries:			
Brazil	1,414,691,820	November 11, 1944	168,046,996
Colombia	479,169,810	"	151,524,997
Costa Rica	30,423,480	"	736,060
Cuba	12,169,392	"	1,167,506
Dominican Republic	18,254,088	"	420,823
Ecuador	22,817,610	"	4,949,276
El Salvador	91,270,440	"	5,058,031
Guatemala	81,382,809	"	5,221,004
Haiti	41,832,285	"	2,188,727
Honduras	3,042,348	"	2,418,942
Mexico	72,255,765	"	11,686,444
Nicaragua	29,662,893	"	80,403
Peru	3,802,935	"	906,523
Venezuela	63,889,308	"	6,313,931
Non-Signatory Countries:	54,001,677	"	412

1/ Quotas as established by action of the Inter-American Coffee Board on April 20, 1944.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, November 28, 1944.

Press Service
No. 44-18

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated November 30, 1944, and to mature March 1, 1945, which were offered on November 24, were opened at the Federal Reserve Banks on November 27.

The details of this issue are as follows:

Total applied for - $2,061,528,000
Total accepted - 1,202,980,000 (includes $63,971,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.908 Equivalent rate of discount approx. 0.364% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(53 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 39,655,000	$ 29,738,000
New York	1,350,678,000	747,267,000
Philadelphia	43,480,000	26,090,000
Cleveland	23,830,000	20,834,000
Richmond	32,260,000	26,644,000
Atlanta	11,830,000	11,689,000
Chicago	320,457,000	180,750,000
St. Louis	18,495,000	12,620,000
Minneapolis	16,540,000	11,840,000
Kansas City	19,189,000	17,040,000
Dallas	15,699,000	13,913,000
San Francisco	169,415,000	104,555,000
TOTAL	$2,061,528,000	$1,202,980,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, November 28, 1944.

Press Service
No. 44-19

The Treasury Department today released the following exchange of correspondence between Secretary Morgenthau and John L. Sullivan, Assistant Secretary, concerning the latter's resignation, accepted today by President Roosevelt.

Mr. Sullivan is returning to private practice after serving more than five years in the Treasury post.

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My dear Mr. Secretary:

I am enclosing my letter to the President resigning as Assistant Secretary of the Treasury.

I am sure you realize how reluctant I am to leave the Treasury. The few months I spent here in 1939 as Assistant to the Commissioner of Internal Revenue and the five years since then as one of your assistants have been the most stirring and satisfactory experience of my life. This service I am now forced to terminate because of the pressure of responsibilities in my private practice. I am compelled to return to serve those associates and clients who, for more than five years, have so patiently awaited my return to private practice.

I want you to know how very grateful I will always be to you, not only for the great opportunity you gave me, but also for the kindliness and helpfulness you have shown me. I will always count you my friend.

The way in which you have shouldered the unprecedented responsibilities of the Treasury in its most trying years has been an inspiration. I want you to know that if I can ever be of service to you I will be more than proud to have you call on me.

With kindest personal regards to Mrs. Morgenthau, the children and yourself, I remain

Sincerely yours,

/s/ John L. Sullivan

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

November 15, 1944

Dear John:

I am with great reluctance transmitting to the President your letter of resignation as Assistant Secretary of the Treasury.

You have been a member of the Treasury family for more than five years of the most stirring times and have shared in much hard work and difficult decisions.

Ours has been a most pleasant association and I want to thank you for the able service you have rendered to the Government, for the great help you have given me and for your unfailing loyalty.

I wish you the greatest success in your further career and the greatest happiness to you and your family. I value our friendship and will count on continuing frequent contacts with you.

Sincerely,

/s/ Henry Morgenthau Jr.

Mr. John L. Sullivan

Assistant Secretary of the Treasury

December 5, 1944

STATUTORY DEBT LIMITATION
AS OF NOVEMBER 30, 1944

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, "shall not exceed in the aggregate $260,000,000,000 outstanding at any one time."

The following table shows the face amount of obligations outstanding and the face amount which can still be issued under this limitation:

Total face amount that may be outstanding at any one time			$260,000,000,000
Outstanding as of November 30, 1944:			
Interest-bearing:			
Bonds -			
Treasury	$81,101,610,350		
Savings (Maturity value)*	47,353,742,050		
Depositary	494,334,250		
Adjusted Service	715,450,807	$129,665,137,457	
Treasury Notes	37,014,133,650		
Certificates of Indebtedness	36,540,110,000		
Treasury Bills (Maturity value)	16,404,513,000		
Prepayments	2,545,967,500	92,504,724,150	
		$222,169,861,607	
Matured obligations on which interest has ceased		171,004,950	
Bearing no interest			
U.S. Savings Stamps	180,586,652		
Excess profits tax refund bonds	430,095,013	610,681,665	222,951,548,222
Face amount of obligations issuable under above authority			$ 37,048,451,778

Reconcilement with Daily Statement of the United States Treasury
November 30, 1944

Total face amount of outstanding public debt obligations issued under authority of the Second Liberty Bond Act		$222,951,548,222
Deduct, unearned discount on Savings Bonds (difference between current redemption value and maturity value)		9,045,523,154
		213,906,025,068
Add other public debt obligations outstanding but not subject to the statutory limitation:		
Interest-bearing (Postal Savings, etc.,)	$195,917,540	
Matured obligations on which interest has ceased	7,057,765	
Bearing no interest	895,701,223	1,098,676,528
Total gross debt outstanding as of November 30, 1944		$215,004,701,596

*Approximate maturity value, Principal amount (current redemption value) according to preliminary public debt statement $38,308,218,896.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, November 29, 1944.

Press Service
No. 44-21

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows;

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption	
		As of (Date)	(Pounds)
Signatory Countries:			
Brazil	1,414,691,820	November 18, 1944	210,133,591
Colombia	479,169,810	"	173,826,968
Costa Rica	30,423,480	"	1,679,214
Cuba	12,169,392	"	1,167,510
Dominican Republic	18,254,088	"	461,723
Ecuador	22,817,610	"	6,426,380
El Salvador	91,270,440	"	5,630,758
Guatemala	81,382,809	"	6,161,684
Haiti	41,832,285	"	2,188,727
Honduras	3,042,348	"	2,418,942
Mexico	72,255,765	"	11,686,464
Nicaragua	29,662,893	"	80,403
Peru	3,802,935	"	904,543
Venezuela	63,889,308	"	7,510,734
Non-Signatory Countries:	54,001,677	"	490

1/ Quotas as established by action of the Inter-American Coffee Board on April 20, 1944.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Thursday, November 30, 1944.

Press Service
No. 44-22

Secretary Morgenthau has assigned to John W. Pehle, Assistant to the Secretary, supervision over the Treasury's Procurement Division.

Mr. Pehle succeeds Ernest L. Olrich, who has returned to active duty as President of Munsingwear, Inc., of Minneapolis, Minnesota.

The activities of Procurement Division are dual in character. One office, headed by Clifton E. Mack, purchases materials and goods for Lend-Lease and government uses.

Another office, the Office of Surplus Property, handles the disposal of consumer goods declared surplus by the armed forces.

Mr. Pehle, has been with the Treasury Department for more than ten years. His former duties included direction of the Foreign Funds Control, which has control of over $7,000,000,000 of foreign assets in the United States.

Mr. Pehle is also Executive Director of the War Refugee Board in which position he will continue to serve.

Mr. Pehle will assume his new duties immediately.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 1, 1944.
11-30-44

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 7, 1944, and will mature March 8, 1945, 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 War time, Monday, December 4, 1944. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 December 7, 1944.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Friday, December 1, 1944.

Press Service
No. 44-24

Secretary Morgenthau today announced several organizational changes affecting the Department's administration of internal revenue, tax, and foreign funds control matters.

Operations of the Bureau of Internal Revenue are brought under the general supervision of Joseph J. O'Connell, Jr., General Counsel.

The Bureau has been operating under the supervision of Assistant Secretary John L. Sullivan, who recently resigned to return to private practice of law.

The General Counsel will be the legislative representative for the Treasury Department in all matters, including tax matters. The Tax Legislative Counsel will be responsible to the General Counsel.

Mr. Morgenthau also announced the appointment of Roy Blough as Assistant to the Secretary. Mr. Blough will advise the Secretary of the Treasury on tax policy matters and will continue to work with Congressional committees concerned in the preparation of tax bills. He will continue to direct the Division of Tax Research.

Transfer of Foreign Funds Control from the supervision of the General Counsel to Harry D. White, Assistant to the Secretary and Director of Monetary Research, also was announced; and at the same time Orvis A. Schmidt was appointed Director of Foreign Funds Control. Mr. Schmidt has been acting Director since February 1944, when John W. Pehle was given leave of absence to serve as Executive Director of the War Refugee Board.

Mr. Blough was appointed Director of Tax Research in 1938 after having served several Government agencies in assignments in the fields of taxation and fiscal economics. Prior to his Government service he taught taxation at the University of Wisconsin and the University of Cincinnati, and served for several years also as statistician for the Wisconsin Tax Commission.

Mr. Schmidt came to the Treasury in 1936. He was special representative of the Treasury in Brazil in 1937-38 and a member of the Treasury mission at the International Conference of Ministers of Finance of the American Republics in Guatemala in 1939. He has been with Foreign Funds Control since its organization in 1940.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 5, 1944.

Press Service
No. 44-25

The Secretary of the Treasury announced last evening that tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated December 7, 1944, and to mature March 8, 1945, which were offered on December 1, were opened at the Federal Reserve Banks on December 4.

The details of this issue are as follows:

Total applied for - $1,974,792,000
Total accepted - 1,204,896,000 (includes $67,110,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/ Equivalent rate of discount approx 0.375% per annum

Range of accepted competitive bids:

High - 99.908 Equivalent rate of discount approx. 0.364% per annum

Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(55 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 33,780,000	$ 21,720,000
New York	1,259,607,000	714,177,000
Philadelphia	99,175,000	68,395,000
Cleveland	34,390,000	32,676,000
Richmond	40,930,000	37,780,000
Atlanta	8,875,000	8,490,000
Chicago	314,000,000	186,043,000
St. Louis	32,490,000	21,015,000
Minneapolis	10,087,000	10,087,000
Kansas City	18,233,000	15,938,000
Dallas	10,475,000	10,025,000
San Francisco	112,750,000	78,550,000
Total	$1,974,792,000	$1,204,896,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, December 5, 1944.

Press Service
No. 44-26

The Secretary of the Treasury today announced the final subscription and allotment figures with respect to the offering of 0.90 percent Treasury Notes of Series C-1946, open to the holders of Treasury Certificates of Indebtedness of Series G-1944 which matured December 1, 1944.

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

Federal Reserve District	Total Subscriptions Received and Allotted
Boston	$ 141,269,000
New York	1,723,568,000
Philadelphia	96,992,000
Cleveland	133,158,000
Richmond	72,687,000
Atlanta	95,289,000
Chicago	435,519,000
St. Louis	117,369,000
Minneapolis	77,366,000
Kansas City	117,151,000
Dallas	82,896,000
San Francisco	319,236,000
Treasury	610,000
TOTAL	$3,413,110,000

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TREASURY DEPARTMENT
Bureau of Internal Revenue
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Monday, December 11, 1944.
12-5-44

Press Service
No. 44-27

Joseph D. Nunan, Jr., Commissioner of Internal Revenue, today reminded individual income taxpayers that Congress has changed from December 15, 1944, to January 15, 1945, the final date for filing Declarations of Estimated Income Tax, either original (as in the case of farmers), or amended, and paying of installments of estimated tax for the calendar year 1944.

Among the taxpayers affected by this change in dates are: farmers who exercised their right to defer filing declarations last April 15; others who have already filed 1944 declarations but desire to change their estimates by filing amended declarations; all persons who owe the final installment of 1944 estimated tax.

If a taxpayer who would otherwise be required to file an original or amended Declaration of Estimated Tax by January 15, 1945, files his annual income tax return for 1944 (on Form 1040) and pays all tax due by January 15, his return will serve as both a return and declaration and he need not file the 1944 declaration.

Also, if a taxpayer files his final 1944 return (on Form 1040) and pays the tax due on it by January 15, he need not pay the final installment which otherwise would be due on his estimated tax.

A bill from the Collector for the final installment of 1944 estimated tax may be ignored by a taxpayer who files his annual return (on Form 1040) and pays the tax due on it by January 15.

These changes will enable a taxpayer, if he desires to do so, to wind up all of his 1944 income tax obligations by January 15, but it does not affect the filing of his 1945 declaration which will be due March 15. Also, taxpayers who do not file their final 1944 returns by January 15 must do so by March 15.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 6, 1944.

Press Service
No. 44-28

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption As of (Date)	Authorized for entry for consumption (Pounds)
Signatory Countries:			
Brazil	1,414,691,820	November 25, 1944	231,966,263
Colombia	479,169,810	"	183,843,824
Costa Rica	30,423,480	"	1,681,985
Cuba	12,169,392	"	1,167,511
Dominican Republic	18,254,088	"	481,909
Ecuador	22,817,610	"	9,098,280
El Salvador	91,270,440	"	5,951,408
Guatemala	81,382,809	"	6,164,777
Haiti	41,832,285	"	2,188,727
Honduras	3,042,348	"	2,753,541
Mexico	72,255,765	"	11,762,174
Nicaragua	29,662,893	"	80,403
Peru	3,802,935	"	1,212,389
Venezuela	63,889,308	"	7,937,199
Non-Signatory Countries:	54,001,677	"	501

1/ Quotas as established by action of the Inter-American Coffee Board on April 20, 1944.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, December 6, 1944.

Press Service
No. 44-29

The Secretary of the Treasury announced last night that the subscription books which have been open since November 20 for the exchange of Treasury bonds of 1944-54, called for redemption on December 15, 1944, will close at the close of business Saturday, December 9, except for the receipt of subscriptions from holders of $100,000 or less of the called bonds. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Friday, December 15.

All holders of the called bonds except commercial banks are afforded the opportunity of exchanging such called bonds for the 2-1/2 percent Treasury Bonds of 1966-71, the 2 percent Treasury Bonds of 1952-54 and the 1-1/4 percent Treasury Notes of Series C-1947. Commercial bank holders may exchange their called bonds for the 2 percent bonds and the notes, but not for the 2-1/2 percent bonds.

Exchange subscriptions to any of these issues 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 received and their division among the several Federal Reserve Districts will be made when final reports are received from the Federal Reserve Banks.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Thursday, December 7, 1944

Press Service
No. 44-30

Treasury silver to the amount of 1,226,300,000 fine ounces has been put to work in a variety of war jobs since Pearl Harbor, Secretary of the Treasury Morgenthau said today. Most of the tasks assigned to this large quantity of metal have been under lease arrangements, the rest under lend-lease and outright sale.

The Treasury early in 1942 launched a policy of directing all available silver into urgent war uses. Its legal staff, with the concurrence of the Attorney General and the approval of the President, found authority for releasing "free silver" holdings to war plants under lease contracts; a considerable amount of "silver ordinary", to which usual restrictions did not apply, was disposed of; further sale and leasing of silver was facilitated by new legislation.

Wartime silver transactions accomplished so far under the Treasury policy were summed up by Secretary Morgenthau as follows:

Provided for non-consumptive uses in war plants under lease arrangements, 903,000,000 fine ounces.

Supplied to various foreign governments under lend-lease for coinage purposes and other war uses, 243,700,000 fine ounces.

Sold from "silver ordinary" stock to industrial users certified by War Production Board, 5,000,000 fine ounces.

Sold in accordance with WPB priorities under terms of the Act of July 12, 1943, commonly known as the "Green Bill", 41,000,000 fine ounces.

Used as basis of new alloy developed by the Bureau of the Mint for coinage of war-time "silver nickels", 33,600,000 fine ounces.

For many of these uses, copper previously had been required, and the substitution of silver released thousands of tons of copper for other vital war production needs. Development of the war-time "silver nickels" using an alloy of silver lessened considerably the requirements of the Bureau of the Mint for both copper and nickel for coinage.

Curtailment of Treasury purchases of silver also has contributed to the employment of the metal in war tasks. Practically all foreign silver received in this country since Pearl Harbor has gone into essential manufactures under WPB priorities. Domestically mined silver is made available in limited quantities under WPB control to non-essential industries, acquisitions of newly mined domestic silver by the Treasury having been reduced to purely nominal quantities.

Most of the Treasury silver distributed under lease to war plants has been fabricated into electrical conductors for installation in aluminum and magnesium plants and other factories engaged in war work. Title to this silver remains in the Treasury. The uses to which it is put are "non-consumptive", and all of the metal will be returned to the Treasury after the termination of the war. This leasing arrangement was inaugurated in April, 1942, in cooperation with the Defense Plant Corporation. A small part of the silver turned over to the Defense Plant Corporation already has been returned to the Treasury with an "honorable discharge" from its war duties.

Far Eastern areas have benefitted from the lend-leasing of silver to foreign governments. India, for example, received an allotment of 100,000,000 fine ounces. The Government of the Netherlands, among others, arranged with the Treasury for supplies of silver to be used in coinage. All the lend-lease contracts with foreign governments require return of the silver to the Treasury on an ounce-for-ounce basis after the war.

Silver made available to war industries under the Act of July 12, 1943, is used for the production of engine bearings, brazing alloys and solders, by WPB order. Sales of silver made under the authority of this Act are at the fixed price of 71.11 cents per fine ounce.

Sale of a stock of "silver ordinary" was made in the fall of 1942 to industries which were in urgent need of the metal for immediate war production uses. "Silver ordinary" represents minor accumulations from such sources as purchases for coinage prior to the Silver Purchase Act, recoveries of bullion lost in melting and coining processes, and balances of silver in excess of amounts estimated to be contained in mutilated coin.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 8, 1944.
12-7-44

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 14, 1944, and will mature March 15, 1945, 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 War time, Monday, December 11, 1944. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 December 14, 1944.

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(OVER)

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Comptroller of the Currency
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 12, 1944.

Press Service
No. 44-32

Preston Delano, the Comptroller of the Currency, today issued the following instructions to all National Bank Examiners designed to further facilitate national bank participation in the making of home loans to veterans under the so-called G. I. Act:

"In enacting the Servicemen's Readjustment Act of 1944, Congress adopted a policy designed to assure veterans of this war of Federal assistance in rehabilitation. A part of Title III of that Act relates to home loans and provides for partial guaranties thereof.

"In order to effecutate this Congressional policy, to the extent we are able to do so, this office has adopted the position with regard to home loans made by national banks secured by first mortgages upon the real estate and covered by partial guaranties of the Veterans' Administration, that the limitations of Section 24 of the Federal Reserve Act with respect to the amount of the loans compared to the appraised value of the real estate will be applied only to the portions of the loans not covered by the guaranties. In all other respects the loans in their entirety must conform with the limitations and restrictions of Section 24 of the Federal Reserve Act."

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 12, 1944.

Press Service
No. 44-33

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated December 14, 1944, and to mature March 15, 1945, which were offered on December 8, were opened at the Federal Reserve Banks on December 11.

The details of this issue are as follows:

Total applied for - $1,934,307,000
Total accepted - 1,206,956,000 (includes $71,957,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(57 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 38,601,000	$ 24,626,000
New York	1,316,335,000	775,990,000
Philadelphia	42,670,000	29,555,000
Cleveland	40,684,000	39,824,000
Richmond	36,555,000	32,879,000
Atlanta	17,740,000	15,418,000
Chicago	284,280,000	168,976,000
St. Louis	37,486,000	25,661,000
Minneapolis	19,100,000	12,650,000
Kansas City	17,741,000	15,462,000
Dallas	9,410,000	8,980,000
San Francisco	73,705,000	56,935,000
TOTAL	$1,934,307,000	$1,206,956,000

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, December 13, 1944.

Press Service
No. 44-34

The Secretary of the Treasury today called attention to the fact that the subscription books for the four issues of marketable securities will close, and the Sixth War Loan Drive will terminate, at the close of business December 16. These issues are the 2-1/2 percent Treasury Bonds of 1966-71, the 2 percent Treasury Bonds of 1952-54, the 1-1/4 percent Treasury Notes of Series C-1947 and the 7/8 percent Treasury Certificates of Indebtedness of Series H-1945. Sales of the three issues of savings bonds, Series E, F and G, and of Series C Savings Notes, will, of course, continue.

Subscriptions for the four issues of marketable securities which are placed in the mail up to midnight of December 16 will be treated as timely subscriptions. As previously announced, subscriptions for savings bonds and savings notes processed by the Federal Reserve Banks or the Treasury up to the close of business December 31 will be credited to the Drive.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 13, 1944.

Press Service
No. 44-35

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, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1944, to December 2, 1944.

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:

(In Pounds)

Country of Origin	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, 1944, to Dec. 2, 1944	Established Quota 45,656,420	Imports Sept. 20, 1944, to Dec. 2, 1944
Egypt and the Anglo-Egyptian Sudan	783,816	-		4,524,895
Peru	247,952	-		226,408
British India	2,003,483	-		-
China	1,370,791	-		-
Mexico	8,883,259	8,883,259		-
Brazil	618,723	-		-
Union of Soviet Socialist Republics...	475,124	-		-
Argentina	5,203	-		-
Haiti	237	-		-
Ecuador	9,333			
Honduras	752	-		-
Paraguay	871	-		-
Colombia	124	-		-
Iraq	195	-		-
British East Africa	2,240	-		-
Netherlands East Indies.	71,388	-		-
Barbados	- -	-		-
Other British West Indies 1/	21,321	-		-
Nigeria	5,377	-		-
Other British West Africa 2/	16,004	-		-
Other French Africa 3/..	689	-		-
Algeria and Tunisia	-	-		-
	14,516,882	8,883,259	45,656,420	4,751,303

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 made from cottons having a staple of less than 1-3/16 inches in length, 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 made from cottons having a staple less than 1-3/16 inches in length 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, 1944 to Dec. 2, 1944	ESTABLISHED: 33-1/3% of Total Quota	Imports Sept. 20, 1944 to Dec. 2, 1944 1/
United Kingdom......	4,323,457	-	1,441,152	-
Canada.............	239,690	-	-	-
France.............	227,420	-	75,807	-
British India......	69,627	-	-	-
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	-
TOTALS	5,482,509	-	1,599,886	-

1/ Included in total imports, column 2.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 13, 1944.

Press Service
No. 44-36

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1944, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1944, to Dec. 2, 1944	Established Quota	Imports May 29, 1944, to Dec. 2, 1944
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	1,728,333
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000	4,000,000	1,728,333

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 13, 1944.

Press Service
No. 44-37

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption As of (Date)	(Pounds)
Signatory Countries:			
Brazil	1,414,691,820	December 2, 1944	276,380,449
Colombia	479,169,810	"	190,183,937
Costa Rica	30,423,480	"	1,682,151
Cuba	12,169,392	"	1,167,513
Dominican Republic	18,254,088	"	799,670
Ecuador	22,817,610	"	10,474,139
El Salvador	91,270,440	"	5,954,744
Guatemala	81,382,809	"	6,164,777
Haiti	41,832,285	"	2,232,819
Honduras	3,042,348	December 9, 1944 2/	2,781,689
Mexico	72,255,765	December 2, 1944	11,819,342
Nicaragua	29,662,893	"	80,403
Peru	3,802,935	"	1,212,389
Venezuela	63,889,308	"	7,954,130
Non-Signatory Countries:	54,001,677	"	578

1/ Quotas as established by action of the Inter-American Coffee Board on April 20, 1944.

2/ Per telegraphic reports.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Wednesday, December 13, 1944.

Press Service
No. 44-38

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 2, 1944, inclusive, except for silver or black fox furs etc. which are for the period to November 30, 1944, inclusive, as follows:

Commodity	Established Quota: Period and Country	Established Quota: Quantity	Unit of Quantity	Imports as of December 2, 1944
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	11,258
Cream, fresh or sour	Calendar year	1,500,000	Gallon	1,081
Fish, fresh or frozen, filleted etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	18,210,658	Pound	Quota filled
White or Irish potatoes:	12 months from Sept. 15, 1944			
Certified seed		90,000,000	Pound	49,800,330
Other		60,000,000	Pound	Quota filled
Cuban filler tobacco unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (unstemmed equivalent)	Quota filled
Red cedar shingles	Calendar year	2,153,984	Square	1,348,028
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	316,447

(Over)

Commodity	Established Quota: Period and Country	Established Quota: Quantity	Unit of Quantity	Imports as of November 30, 1944
Silver or black foxes, furs, and articles: Foxes valued under $250 each and whole furs and skins	May - Nov. 1944 All countries	59,174	Number	36,159
Tails	12 months from Dec. 1, 1943	5,000	Piece	198
Paws, heads, or other separated parts	"	500	Pound	500
Piece plates	"	550	Pound	-
Articles, other than piece plates	"	500	Unit	67

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS
Friday, December 15, 1944

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 21, 1944, and will mature March 22, 1945, 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 War time, Monday, December 18, 1944. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 December 21, 1944.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS, Friday, December 15, 1944.

Press Service No. 44-40

During the month of November, 1944, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of $5,937,000, Secretary Morgenthau announced today.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Friday, December 15, 1944.

Press Service
No. 44-41

The Bureau of Customs announced today that it is anticipated that the quota of 22,000,000 pounds of Cuban filler tobacco, not specially provided for, other than cigarette leaf tobacco, unstemmed or stemmed, and scrap tobacco will be filled by entries for consumption and withdrawals from warehouse for consumption filed on the first day of the new quota year January 1, 1945.

In order that importers of such tobacco may have equal opportunity at all ports, facilities have been provided for the simultaneous presentation of entries or withdrawals at 12 noon, E.W.T.; 11 a.m., C.W.T.; 10 a.m., M.W.T., and 9 a.m., P.W.T. The deposit of estimated duty at the rates in effect on August 24, 1934, will be required on all entries and withdrawals for consumption pending determination of the quota status of such entries by the Bureau.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Sunday, December 17, 1944.

Press Service
No. 44-42

(The following address by Secretary Morgenthau is scheduled for delivery from Washington, D.C. over Mutual Network at 8:15 P.M., EWT, Saturday, December 16, 1944.)

Tonight I report to you on the close of the Sixth War Loan drive - the third special drive this year.

We at home are in the position of trustees. We have a two-fold responsibility. One part of this responsibility is to see to it that the fighting men get everything they need in the way of weapons and equipment and supplies. The other part is to see to it that the economy of this country is kept on an even keel so that this will remain a land of opportunity for them when they return.

We set a goal for the Sixth War Loan of $14,000,000,000. It was a high goal. It had to be. Well, that goal has been met. In fact, when the tallies are all in, I think they will exceed $19,000,000,000. But we had another objective even more important than the over-all total of the drive - to raise $5,000,000,000 through the purchase of bonds by individuals. I am thrilled to be able to report to you this evening that, on the basis of returns already in, it seems clear that this objective also will be fully achieved.

I derived a good deal of amusement from a Berlin radio broadcast recorded here on December 5th. This is what it said: "Radio New York reports that during the first half of the period allotted to the Sixth American War Loan Drive, only one-fourteenth of the amount to be subscribed has been collected. $1,000,000,000 has been subscribed during the first two weeks of the four-week drive which was to bring in at least $14,000,000,000". All right, Herr Himmler, the other thirteen-fourteenths is now on its way and will be delivered to you in due course.

The final tally on the Sixth War Loan cannot be completed until the end of this month. This is because millions of workers who authorized their employers to deduct money for bonds out of their pay envelopes will not complete their payments until the last pay day in December and because it takes time to inscribe and report to the Treasury the bonds purchased in the thousands of sales outlets in rural communities and distant places.

Among the distant places where bonds were sold in great numbers are the bases and battle lines of our armed forces overseas. Yes, our men in uniform are bond buyers, too. During the past twelve months they have bought just about $1,000,000,000 worth of war bonds.

These men in uniform will want to know something about the spirit in which this bond drive at home was carried through to its successful conclusion by the men and women in the mines and shops and mills and offices and farmhouses of America. They are entitled to know how well the home front is living up to its responsibilities.

More than 50 per cent of all E bonds - the bond which most individual investors buy - are sold to men and women at their places of employment. In these places more than 23,000,000 workers who buy bonds regularly month in and month out joined the Sixth War Loan campaign for the purchase of extra bonds. Drives were organized in more than 150,000 separate plants. And all over the country labor unions and employers worked together as a team to reach, and exceed, the quotas in their particular establishments.

It wasn't altogether easy for the civilian public to reach the high goal we set in this Sixth War Loan. As I have already noted, this was the third special appeal this year. And it came, of course, on top of the regular bond buying done in accordance with pay roll deduction and monthly purchase plans. Virtually every person with income in the United States had to share in the program in order to raise the $5,000,000,000 worth of individual subscriptions. The record, I think, is the best testimony that Americans at home could offer as to the devotion and spirit with which they are backing up the men on the battle fronts.

It is testimony also to a magnificent unity and cooperation at home. The tremendous job of selling War Bonds was performed almost entirely by a great army of volunteer workers in every part of the country. They made it their business to talk personally with nearly every citizen, either at his home or at his place of work. They collected funds, issued bonds and did the hard work of accounting. That work is still going on and will have to be continued faithfully throughout this month in order to get all the reports of bond purchases filed with the Treasury by December 31st.

I think it is a fact worth noting that the promotion cost to the Federal Government for every thousand dollars raised in the war bond program amounts to 18 cents. This is because the sales force is composed almost entirely of volunteers and because the tremendous promotion effort carried on in connection with the bond program was contributed freely by advertisers and advertising agencies, by newspapers and radio stations, by theaters, stores, banks, clubs, labor unions, chambers of commerce, and all the various civic associations that make up the vast mosaic of bond activity. They have given more than money to this drive. They have given imagination and energy and devotion. One of New York's Fifth Avenue department stores, for example, for an entire day at the height of the Christmas shopping season offered for sale only one kind of merchandise - war bonds. Another great store in Atlanta did the same thing for two days running. Theaters and moving picture houses have given innumerable special performances to help the sale of war bonds; stage and screen stars have generously devoted time and talent to the program. The broadcasting network over which I am speaking tonight has turned over its facilities continuously for the past 13 hours exclusively to the war bond campaign. These are but samples of the varied ways in which Americans of every trade and profession have pitched in and teamed together in the home front.

There has been some stupid and dangerous talk of late that civilians over here are defaulting on their obligations to their fighting men. This Sixth War Loan is a concrete answer to such nonsense.

The whole drive has been a magnificent demonstration of home-front solidarity - of real determination on the part of American civilians to carry out in full measure their responsibilities in the war effort. It should carry to the men overseas a ringing declaration of unlimited confidence and unstinted support.

It happened that this drive coincided with the launching of the war's greatest offensive in Europe and with the beginning of a major effort to liberate the Philippine Islands from Japanese conquest. The buying of war bonds was one direct way in which we could share in these great engagements. We at home know well that hard and bitter battles lie ahead. For us, there will be other war loan drives after this one. We shall see them through.

And just as the fighting forces, day after day, must continue their relentless pressure on the enemy, we at home need to stick steadfastly at our production jobs and to meet each month our regular bond buying obligations. This Christmas shopping season affords a particularly significant opportunity for Americans here to join hands directly with the men overseas. There may not be much Christmas celebration for them this year. But we can help them celebrate by buying war bonds in their names. No other gift within our choice, whether to those we love in distant places or to one another here, can convey so much assurance of our faith in them and in the cause to which they are giving such high devotion.

We at home understand that this war is not yet won - that it will not be won until unconditional surrender has been wrested from desperate and stubborn enemies. We shall not fail or falter until that time has come. There need be no doubt on this score among the men in combat. The Sixth War Loan has carried to them an expression of the way we think and feel. I believe it will hearten and inspirit them. I believe it will tell them, better than any words we could employ, that we recognize the magnitude and splendor of the task they are performing. I believe it will renew their certainty that all that we possess is pledged to meet their needs.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Saturday, December 16, 1944.

Press Service
No. 44-43

Secretary Morgenthau today announced the appointment of Ansel F. Luxford and Josiah E. DuBois, Jr., as Assistants to the Secretary of the Treasury. Both have been serving as Assistant General Counsels of the Treasury Department, and prior to then both had served as Chief Counsel of Foreign Funds Control.

Mr. Luxford joined the Treasury Department in August 1935 where he has served continuously, except for a period of a year and a half during which he was practicing law in St. Paul, Minnesota. Mr. Luxford was appointed Assistant General Counsel in March 1943. He was the Chief Legal Adviser to the United States Delegation at the United Nations Monetary and Financial Conference at Bretton Woods, N. H., in July 1944.

Mr. DuBois joined the Treasury in January 1936. He has also served continuously except for a period of over two years when he was engaged in the practice of law in Camden, N. J. Mr. DuBois was named as Assistant General Counsel in July 1944. Mr. DuBois is also General Counsel of the War Refugee Board, to which position he was appointed shortly after the formation of the Board.

Mr. Luxford, from Council Bluffs, Iowa, graduated from Catholic University, Washington, with the degrees of B.S. and LL.B. He resides at 3907 Hungtington St., NW. He is married and has two children. Mr. DuBois, who is from Woodbury, N. J., graduated from the University of Pennsylvania with the degrees of A.B. and LL.B. He lives at 9400 Saybrook Ave., Silver Spring, Md. He is married and has two children.

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TREASURY DEPARTMENT
Bureau of Internal Revenue
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, December 27, 1944.
12-18-44

Press Service
No. 44-44

Joseph D. Nunan, Jr., Commissioner of Internal Revenue, today called attention of employers and employees to the fact that January 1 and January 31, 1945 are important dates in connection with withholding of income tax from wages.

January 1 is the effective date for the new rates of withholding prescribed by the Individual Income Tax Act of 1944. By terms of that Act, the new rates apply to all wages paid on and after January 1, regardness of when the wages were earned. The new rates are intended to adjust each employee's withholding more closely to his actual income tax. The new rates average about the same as the old rates, but vary in individual cases. Employers already have received detailed instructions in Circular WT-Rev. 1944, additional copies of which may be obtained at any collector's office.

January 31 is the deadline by which the law requires employers to furnish each employee a Withholding Receipt on Form W-2 (Rev.), showing how much wages were paid him and how much income tax was withheld from his wages during the calendar year 1944. These receipts have a special importance this year, because the new law authorizes most employees to use their Receipts as simplified income tax returns. This new feature is explained in an official leaflet, entitled "How to Use Your Withholding Receipt as an Income Tax Return" and employers have been asked to distribute copies to their employees.

Commissioner Nunan also urged employers to be especially careful, when preparing each Withholding Receipt, to show the employee's home address and social security number, as well as all other required information. The home address and social security number are vital for identification purposes.

An employer is required to make three copies of each Withholding Receipt. He must give two copies to the employee, so that the employee will have one copy to use for his return and another copy to keep. Also by January 31, the employer must send the third copy to the Collector of Internal Revenue in his district, together with the regular withholding tax return (Form W-1) for the last quarter of 1944, and a statement on Form W-3 reconciling the wage and tax amounts as shown by the quarterly returns with the similar amounts as shown on the Withholding Receipts.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 19, 1944.
12-18-44

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated December 28, 1944, and will mature March 29, 1945, 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 War time, Friday, December 22, 1944. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 December 28, 1944.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 19, 1944.

Press Service
No. 44-46

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated December 21, 1944, and to mature March 22, 1945, which were offered on December 15, were opened at the Federal Reserve Banks on December 18.

The details of this issue are as follows:

Total applied for - $2,040,847,000
Total accepted - 1,215,695,000 (includes $63,020,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum

Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(53 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 54,960,000	$ 30,802,000
New York	1,382,219,000	771,346,000
Philadelphia	49,150,000	37,142,000
Cleveland	31,583,000	27,823,000
Richmond	25,065,000	20,342,000
Atlanta	6,258,000	5,867,000
Chicago	318,729,000	194,203,000
St. Louis	22,770,000	15,485,000
Minneapolis	3,470,000	3,470,000
Kansas City	23,123,000	20,303,000
Dallas	16,695,000	13,342,000
San Francisco	106,825,000	75,570,000
TOTAL	$2,040,847,000	$1,215,695,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 20, 1944.

Press Service
No. 44-47

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption	
		As of (Date)	(Pounds)
Signatory Countries:			
Brazil	1,414,691,820	December 9, 1944	282,778,900
Colombia	478,767,426	"	199,177,791
Costa Rica	30,423,480	"	1,682,151
Cuba	12,169,392	"	1,671,981
Dominican Republic	18,254,088	"	839,758
Ecuador	22,817,610	"	11,119,906
El Salvador	91,270,440	"	6,373,440
Guatemala	81,382,809	"	6,242,371
Haiti	41,832,285	"	3,342,981
Honduras	3,042,348	December 16, 1944 2/	2,781,689
Mexico	72,255,765	December 9, 1944	11,972,358
Nicaragua	29,662,893	"	80,403
Peru	3,802,935	"	1,211,182
Venezuela	63,889,308	"	7,954,130
Non-Signatory Countries:	54,001,677	"	586

1/ Quotas as established by action of the Inter-American Coffee Board on December 6, 1944.

2/ Per telegraphic reports.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Wednesday, December 20, 1944.

Press Service
No. 44-48

The Secretary of the Treasury today announced final subscription and allotment figures with respect to the offering of 2-1/2 percent Treasury Bonds of 1966-71, 2 percent Treasury Bonds of 1952-54 and 1-1/4 percent Treasury Notes of Series C-1947, which were offered in exchange for Treasury Bonds of 1944-54 called for redemption on December 15, 1944.

Subscriptions, and allotments of the new securities, were divided among the several Federal Reserve Districts and the Treasury as follows:

Federal Reserve District	Treasury Bonds of 1966-71	Treasury Bonds of 1952-54	Treasury Notes, Series C-1947	Total Allotted
Boston	$ 2,048,000	$ 35,268,000	$ 361,000	$ 37,677,000
New York	9,976,500	537,277,500	107,841,000	655,095,000
Philadelphia	1,510,500	16,954,000	584,000	19,048,500
Cleveland	4,347,000	25,210,500	2,340,000	31,897,500
Richmond	1,463,000	6,863,500	2,279,000	10,605,500
Atlanta	674,000	4,111,000	92,000	4,877,000
Chicago	4,344,000	81,292,000	15,280,000	100,916,000
St. Louis	2,688,000	3,845,000	5,291,000	11,824,000
Minneapolis	550,000	4,090,000	353,000	4,993,000
Kansas City	1,780,500	8,040,500	1,518,000	11,339,000
Dallas	1,154,000	2,842,000	270,000	4,266,000
San Francisco	1,503,500	8,267,000	923,000	10,693,500
Treasury	1,177,500	2,649,500	185,000	4,012,000
Total	$33,216,500	$736,710,500	$137,317,000	$907,244,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 20, 1944.

Press Service
No. 44-49

Secretary Morgenthau announced today the resignation, effective December 31, of the Honorable Carter H. Harrison, Collector of Internal Revenue for the First Illinois District.

In accepting the resignation, the Secretary expressed appreciation for the outstanding manner in which Mr. Harrison has administered the collector's office at Chicago, which handles more tax returns than any other collector's office in the United States. Approximately 5,000,000 returns were filed in that district during the last fiscal year.

Mr. Harrison, who will be 85 years old next April, is a native of Chicago, and was mayor of the city for 12 years. He has been the Collector of Internal Revenue there since August 21, 1933.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, December 26, 1944.

Press Service
No. 44-50

Plans to buy $15,000,000 worth of clothing for the Relief Program of the United Nations Relief and Rehabilitation Administration were announced by the Procurement Division of the Treasury Department today.

All types of clothing, both outwear and underwear, for men, boys, women, girls, children and infants are urgently needed. Articles desired include mackinaws; sheep-lined coats; work type pants; shirts of all types; cotton or part wool winter underwear; long-sleeve sweaters; cotton or part wool socks and stockings; winter caps; knitted or heavy mittens and gloves; cotton, spun rayon or wool dresses, skirts and blouses; and work clothing of all types.

Articles will be selected in every case on the basis of durability, warmth and low cost. No luxury items will be purchased.

The Treasury hopes to complete this major procurement from stocks of surplus, distress and obsolete clothing which manufacturers and dealers have been unable to sell in this country. In this way, the UNRRA program of providing the needy peoples of Liberated Europe with warm and durable clothing will not deplete supplies for civilians in the United States.

Since this relief is urgent, the Procurement Division hopes manufacturers, wholesalers, jobbers and retailers will make an immediate review of their stocks and offer all clothing which meets the Treasury's specifications. In thus cooperating with this program, they will play a vital part in the war effort of the United Nations. It will also give them opportunity to clean out obsolete stock prior to taking inventory.

From all bidders the Treasury requires a complete description of the article offered, giving quantity, unit price and extension, style number, fabric content, colors, scale of sizes, etc. Bid forms for this purpose and all other information can be secured from the Treasury Department, Procurement Division, 123 Duane Street, New York 7, New York, where a special office is being set up to handle this program. Samples, representative of the lots offered, also must be submitted to this office. Although all goods should be packed for export in accordance with instructions contained in Form PO-491, the Procurement Division will consider offers on the basis of regular domestic packing when bidders do not have the facilities to pack for export.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Saturday, December 23, 1944.

Press Service
No. 44-51

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated December 28, 1944, and to mature March 29, 1945, which were offered on December 19, were opened at the Federal Reserve Banks on December 22.

The details of this issue are as follows:

Total applied for - $1,868,032,000
Total accepted - 1,202,062,000 (includes $49,232,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(60 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 39,775,000	$ 26,495,000
New York	1,333,298,000	823,778,000
Philadelphia	51,905,000	35,385,000
Cleveland	29,265,000	28,065,000
Richmond	13,268,000	12,468,000
Atlanta	12,570,000	12,330,000
Chicago	282,950,000	180,750,000
St. Louis	20,120,000	13,920,000
Minneapolis	8,990,000	6,580,000
Kansas City	14,111,000	11,711,000
Dallas	9,615,000	9,615,000
San Francisco	52,165,000	40,965,000
TOTAL	$1,868,032,000	$1,202,062,000

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TREASURY DEPARTMENT,
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, December 26, 1944.
12-23-44

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000, or thereabouts of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated January 4, 1945, and will mature April 5, 1945, 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 War time, Friday, December 29, 1944. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 January 4, 1945.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, December 27, 1944.

Press Service
No. 44-53

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption As of (Date)	Authorized for entry for consumption (Pounds)
Signatory Countries:			
Brazil	1,414,691,820	December 16, 1944	324,487,785
Colombia	478,767,426	"	210.323,451
Costa Rica	30,423,480	"	1,827,260
Cuba	12,169,392	"	1,671,782
Dominican Republic	18,254,088	"	839,758
Ecuador	22,817,610	"	12,748,870
El Salvador	91,270,440	"	6,411,530
Guatemala	81,382,809	"	6,242,371
Haiti	41,832,285	"	3,342,981
Honduras	3,042,348	(Import Quota Filled)	
Mexico	72,255,765	December 16, 1944	11,972,359
Nicaragua	29,662,893	"	80,403
Peru	3,802,935	"	1,331,675
Venezuela	63,889,308	"	9,942,979
Non-Signatory Countries:	54,001,677	"	600

1/ Quotas as established by action of the Inter- American Coffee Board on December 6, 1944.

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TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS

Sunday, December 31, 1944.

Press Service

No. 44-54

Secretary of the Treasury Morgenthau today made public preliminary statistics from corporation income tax returns and corporation excess profits tax returns for 1942, filed through December 31, 1943, prepared under the direction of Commissioner of Internal Revenue Joseph D. Nunan, Jr. The preliminary report, Statistics of Income for 1942, Part 2, will be released at an early date.

SUMMARY DATA

The number of corporation income and declared value excess-profits tax returns for 1942, filed through December 31, 1943, is 479,677, of which 269,942 show net income of $24,052,357,501, while 172,723 show a deficit of $1,000,746,361, and 37,012 have no income data (inactive corporations).

The income tax liability reported on these returns is $4,337,727,815 and the declared value excess-profits tax is $66,854,462 while an excess profits tax liability of $7,851,813,849, after credits, is reported on 54,002 corporation excess profits tax returns for the same period. Thus the total amount of corporation income and excess profits taxes is $12,256,396,126, representing an increase of 71 percent as compared with the total for the preceding year.

The increase or decrease, 1942 over 1941, in the number of returns, net income, deficit, and tax follows:

Corporation returns, 1942 and 1941:
Number of returns, net income, deficit, and tax

(Money figures in thousands of dollars)

	1942 (Preliminary)	1941 (Complete)	Increase or decrease (-)	
			Number or amount	Percent
Total number of returns, Form 1120	479,677	509,066	-29,389	-6
Returns with net income: 1/				
Number of returns	269,942	264,628	5,314	2
Net income 1/	24,052,358	18,111,095	5,941,263	33
Tax liability:				
Income tax	3/ 4,337,728	4/ 3,744,568	593,160	16
Declared value excess-profits tax	66,854	64,149	2,706	4
Excess profits tax 2/	7,851,814	3,359,186	4,492,628	134
Total	12,256,396	7,167,902	5,088,494	71
Returns with no net income: 1/				
Number of returns	172,723	204,278	-31,555	-15
Deficit 1/	1,000,746	1,778,553	-777,806	-44
Number of returns of inactive corporations	37,012	40,160	-3,148	-8

For footnotes, see page 23.

Allowance of the net operating loss deduction reduced the net income for declared value excess-profits tax computation by $378,113,851 on 46,008 returns filed for 1942 as compared with $330,029,537 on 50,894 returns filed for 1941.

The amounts of income tax and excess profits tax liability do not take into account any credit claimed for income and profits taxes paid to a foreign country or United States possession.

RETURNS INCLUDED

The returns included in this release are those filed for the calendar year ending December 31, 1942, a fiscal year ending within the period July 1942 through June 1943, and a part year with the greater portion of the accounting period in 1942.

The data are from corporation income and declared value excess-profits tax returns, Form 1120; life insurance company income tax returns, Form 1120L; mutual insurance company income tax returns, Form 1120M; and corporation excess profits tax returns, Form 1121. Included for this purpose in addition to returns filed by domestic corporations are those filed by foreign corporations engaged in business within the United States. The complete report, Statistics of Income for 1942, Part 2, will contain more detailed statistics from corporation income and declared value excess-profits tax returns, and from corporation excess profits tax returns, together with data from personal holding company returns, Form 1120H.

The statistics are compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue. Data from amended returns and tentative returns are not included in the tabulations.

CHANGES IN LAW AFFECTING CORPORATION RETURNS

The comparability of the figures tabulated from the 1942 returns with those from the 1941 returns is affected by the changes in law introduced by the Revenue Act of 1942. The most significant changes are as follows:

Income Tax Returns, Forms 1120, 1120L, and 1120M

(1) There is a substantial increase in the surtax rates for 1942 over 1941, as shown below:

Size of surtax net income	1942 rate	1941 rate
Not over $25,000..................	10%	6%
Over $25,000 but not over $50,000:		
First $25,000................	10%	6%
Next $25,000.................	22%	7%
Over $50,000:		
First $25,000................	16%	6%
Excess over $25,000..........	16%	7%

Domestic corporations with 95 percent of gross income from the active conduct of a trade or business in the Western Hemisphere are exempt from surtax.

The normal tax rates are changed slightly with respect to incomes over $25,000 but not over $50,000. The 1942 rate applicable within these limits is $4,250 plus 31% of the amount in excess of $25,000 whereas for 1941 the rate on incomes over $25,000 but not over $38,461.54 was $4,250 plus 37% of the amount in excess of $25,000, and the rate on incomes over $38,461.54 was 24% of the entire normal-tax net income. The complete normal tax rate schedule for 1942 is shown below:

Size of normal tax net income	1942 rate
Not over $5,000......................	15% of the normal tax net income
Over $5,000, not over $20,000........	$750 plus 17% of the amount in excess of $5,000
Over $20,000, not over $25,000.......	$3,300 plus 19% of the amount in excess of $20,000
Over $25,000, not over $50,000.......	$4,250 plus 31% of the amount in excess of $25,000
Over $50,000.........................	24% of the normal tax net income

Foreign corporations engaged in business within the United States are subject to a flat 24 percent tax on their normal tax net income.

(2) The privilege of filing a consolidated return for normal tax and surtax is extended to all affiliated corporations with taxable years beginning after December 31, 1941. The surtax rates in the case of a consolidated return for 1942 are 2 percentage points higher than those otherwise applicable. For the previous taxable year only railroad corporations and Pan-American trade corporations were permitted to file consolidated returns for income tax purposes.

(3) Provision is made for the deduction of the income subject to excess profits tax for the taxable year in computing normal-tax net income and surtax net income, whereas, for 1941, the excess profits tax was allowed as a deduction.

(4) Public utilities, other than railroads, are allowed a credit against surtax net income for dividends paid on certain preferred stock for taxable years beginning after December 31, 1941.

(5) The definition of capital assets was changed for 1942 to exclude "Land used in the business," making it a non-capital asset for the purpose of determining gain or loss from the sale or exchange of capital assets.

For taxable years beginning after December 31, 1941, "short-term" applies to gains or losses on the sale or exchange of capital assets held six months or less; "long-term" applies to gains or losses on capital assets held over six months. For 1941, the period of time was eighteen months or less for short-term and over eighteen months for long-term.

Short-term capital losses, for 1942, are allowed against short-term or long-term capital gains, while in 1941 the short-term capital losses were allowed only against the short-term capital gains.

Long-term capital losses, for 1942, are allowed solely against short-term or long-term capital gains, while for 1941 the excess of long-term capital losses over capital gains (long-term and short-term) could be applied against other income as well.

An alternative method is prescribed for computing normal tax and surtax for corporations with net long-term capital gains in excess of net short-term capital losses. This method, in effect, limits the tax on the excess of net long-term gains over net short-term losses to 25 percent. For the previous taxable year net long-term gains were taxed at the regular normal tax and surtax rates.

(6) Corporations with 1942 fiscal years ending after June 30 are required to compute two tentative taxes, one under the 1941 Act, the other under the 1942 Act, and prorate each on the basis of the number of days before July 1, 1942, and after June 30, 1942, respectively. The prorated portions of the two tentative taxes are then combined to determine the actual liability. Previously the net income for the entire year was taxed under the law applicable to the calendar year in which the fiscal year began.

(7) While life insurance companies retain investment income as the tax base, the computation of their net income is substantially revised by the Revenue Act of 1942 in order to reduce the reserve earnings deduction to correspond more closely with the amount actually needed to maintain reserves, and to eliminate the possibility of tax-exempt interest being deducted twice - once as tax-exempt interest and a second time to the extent that tax-exempt interest was represented in the reserve earnings deduction. Provision is made for a "reserve and other policy liability credit" equal to a flat percentage of investment income less tax-exempt interest. This credit, which is deducted <u>after</u> arriving at net income, takes the place of the deductions for reserve earnings, deferred dividends, and interest paid, which formerly were allowed in computing net income. For 1942 the credit rate is 93 percent and for normal tax purposes the aggregate amount of credit is $812,080,485, reported only on returns with net income.

As a consequence of this change, the net income (less the deficit) reported on life insurance company returns for 1942 is automatically increased over the amount for 1941 by more than one billion

(6) Corporations with 1942 fiscal years ending after June 30 are required to compute two tentative taxes, one under the 1941 Act, the other under the 1942 Act, and prorate each on the basis of the number of days before July 1, 1942, and after June 30, 1942, respectively. The prorated portions of the two tentative taxes are then combined to determine the actual liability. Previously the net income for the entire year was taxed under the law applicable to the calendar year in which the fiscal year began.

(7) While life insurance companies retain investment income as the tax base, the computation of their net income is substantially revised by the Revenue Act of 1942 in order to reduce the reserve earnings deduction to correspond more closely with the amount actually needed to maintain reserves, and to eliminate the possibility of tax-exempt interest being deducted twice - once as tax-exempt interest and a second time to the extent that tax-exempt interest was represented in the reserve earnings deduction. Provision is made for a "reserve and other policy liability credit" equal to a flat percentage of investment income less tax-exempt interest. This credit, which is deducted after arriving at net income, takes the place of the deductions for reserve earnings, deferred dividends, and interest paid, which formerly were allowed in computing net income. For 1942 the credit rate is 93 percent and for normal tax purposes the aggregate amount of credit is $812,080,485, reported only on returns with net income.

As a consequence of this change, the net income (less the deficit) reported on life insurance company returns for 1942 is automatically increased over the amount for 1941 by more than one billion dollars and there is a considerable increase in the proportion of such returns showing a net income.

In the case of a life insurance company deriving a portion of its income from contracts other than life insurance, annuities, or non-cancellable health and accident insurance, the Revenue Act of 1942 provides for an adjustment of the tax base to include interest received on the non-life insurance reserves. This adjustment, which amounts to $4,343,433 for 1942, is an offset to the reserve and other policy liability credit and accordingly appears only among returns with net income.

(8) Section 101(11) of the Internal Revenue Code, which grants exemption to certain mutual insurance companies other than life, is revised in such a manner as to limit the exemption to mutual insurance companies, other than life or marine, having gross receipts from interest, dividends, rents, and premiums of not more than $75,000. Mutual insurance companies other than life or marine not granted an exempt status are taxed under a new method which provides in general that the tax shall be the larger of (1) a tax on the net investment income at regular corporate normal tax and surtax rates, or (2) a special tax of 1 percent on the gross amount received from interest, dividends, rents, and net premiums - minus dividends to policyholders and wholly tax-exempt interest.

Excess Profits Tax Returns, Form 1121

(1) The percentage of invested capital allowed as a credit under the invested capital method was reduced for 1942 as follows:

Invested Capital	Percentage Allowed as Credit 1942	1941
First $5,000,000	8	8
Next 5,000,000	7	7
Next 190,000,000	6	7
Over 200,000,000	5	7

(2) The unused excess profits credit for any taxable year beginning on or after January 1, 1942, may be carried back and credited against the excess profits net income for the two preceding years (but not for any taxable year beginning before January 1, 1941) thereby reducing the adjusted excess profits net income for the earlier years. The unused excess profits credit for any taxable year which is not used as a carry-back may be carried forward to the two succeeding taxable years. For the taxable year 1941, the unused credit could be carried forward only.

(3) There is an increase in the excess profits tax rates. For a taxable year beginning in 1942, the excess profits tax rate is a flat 90 percent of adjusted excess profits net income. However, the total corporate normal tax, surtax, and excess profits tax (before any credits) is limited to 80 percent of surtax net income (before credit for adjusted excess profits net income). For 1941, the excess profits tax rates varied from 35 percent on the first $20,000 of adjusted excess profits net income to 60 percent on amounts over $500,000.

(4) For 1942 a credit of 10 percent of the excess profits tax is allowed for which there are issued noninterest-bearing, nonnegotiable bonds redeemable after the war. Part or all of this credit may be availed of currently by the taxpayer for debt retirement as explained in the following paragraph. No post-war refund applies

if the taxable year began in 1941 and ended before July 1, 1942.

(5) At the election of the taxpayer a credit equal to 40 percent of the amount of debt retired during the year is allowed against the excess profits tax for the year. This credit is limited to the lesser of (1) an amount equal to 10 percent of the excess profits tax and (2) an amount equal to 40 percent of the amount of net debt reduction below the smallest amount of indebtedness outstanding at any time since September 1, 1942. No credit for debt retirement is allowed if taxable year began in 1941 or ended before September 1, 1942.

(6) Provision is made for increasing the excess profits credit based on average earnings in certain cases. A corporation which, in any year of its base period, had income of less than 75 percent of the average of the three remaining years is allowed to substitute 75 percent of the average of the three other years, in computing its base period average. Broader and more liberal provisions, retroactive to 1940, have been made in the general relief granted under section 722. Taxpayers using the average earnings method of computing excess profits credit are permitted to have their base period earnings reconstructed in cases of abnormality or hardship, provided they can establish that their actual base period earnings were abnormally low.

(7) Corporations with 1942 fiscal years ending after June 30 are required to compute two tentative taxes and prorate each in a manner similar to that described above for income tax.

CONSOLIDATED RETURNS OF AFFILIATED CORPORATIONS (FORM 1120)

For 1942 the number of consolidated returns for income tax purposes is 944, of which 737 show net income amounting to $2,450,340,362, while 205 show a deficit of $65,663,519, and 2 have no income data (inactive corporations). The number of consolidated returns filed is only 0.2 percent of all corporation returns. However, the net income reported in consolidated returns is 10.2 percent of the net income of all returns showing net income, and the income tax reported therein, amounting to $647,459,861, is 14.9 percent of the income tax for all corporations.

The privilege of filing a consolidated return for income tax purposes (Form 1120) is extended to affiliated domestic corporations in general for taxable years beginning after December 31, 1941, upon the condition that the affiliated group make also a consolidated excess profits tax return for the taxable year. To qualify as an affiliated group, the member corporations must meet certain requirements in respect to their connection through stock ownership with a common parent corporation.

Data from the consolidated returns are shown as a separate tabulation in table 1-A, page 16, and are combined with data from other returns in the tabulations presented elsewhere in this release. The following summary shows, by industrial divisions, the number of consolidated returns (Form 1120) and the number of subsidiaries included therein.

Consolidated corporation returns, 1942, filed through December 31, 1943, by industrial divisions, showing number of consolidated returns and number of subsidiaries

Industrial divisions 5/	Number of consolidated returns 6/	Number of subsidiaries 7/
All industrial divisions	944	5,596
Mining and quarrying	46	293
Manufacturing	304	1,515
Public utilities	176	1,604
Trade	149	474
Service	64	403
Finance, insurance, real estate, and lessors of real property	167	1,204
Construction	28	58
Agriculture, forestry, and fishery	7	40
Nature of business not allocable, except trade	3	5

For footnotes, see page 23.

INDUSTRIAL GROUPS

The distribution of the corporation income tax returns for 1942 by major industrial groups for returns with net income and returns with no net income is shown in tables 1, 1-A, and 2, pages 14—19, of this release. Tables 1 and 2 include all returns, while table 1-A includes only consolidated returns.

The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications.

In analyzing the data contained in table 1-A, it is essential to note that the industrial classification is based on the predominant business of the affiliated corporations for which the consolidated return is filed. If it were possible to segregate the income of the subsidiary or affiliated concerns, the data for such concerns might fall in industrial divisions other than the ones in which they are here included.

HISTORICAL SUMMARY

A historical summary for each of the years 1933-1942 is presented in table 4, page 22. In comparing the data throughout the ten-year period, the various changes in law must be taken into consideration, especially (1) the discontinuance for 1934-1941 of the privilege of filing consolidated returns for income tax purposes (except by railroad corporations and their related holding or leasing companies and, in 1940 and 1941, by Pan-American trade corporations) and the restoration of this privilege for 1942, and (2) the provision for 1936 and subsequent years requiring the dividends received from domestic corporations subject to tax to be included in net income.

Table 1. - Corporation returns, 1942, filed through December 31, 1943, by major industrial groups, for returns with net income and returns with no net income: Number of returns, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Income tax, declared value excess-profits tax, and income subject to excess profits tax

(Money figures in thousands of dollars)

	Major industrial groups 5/	Total number of returns 6/	Returns with net income 1/							Returns with no net income 1/				
			Number of returns	Total compiled receipts 8/	Net income 1/	Income subject to excess profits tax 9/	Taxes (excluding excess profits tax 10/): Income tax 3/	Taxes (excluding excess profits tax 10/): Declared value excess-profits tax	Dividends paid in cash and assets other than own stock	Number of returns	Total compiled receipts 8/	Deficit 1/	Dividends paid in cash and assets other than own stock	
1	All industrial groups	479,677	269,942	206,160,215	24,052,358	10,306,931	4,337,728	66,854	5,490,167	172,723	11,520,297	1,000,746	116,918	1
2	Mining and quarrying	11,184	4,307	3,434,941	445,926	111,589	109,026	624	259,737	4,608	567,846	56,219	7,883	2
3	Metal mining	2,092	301	1,229,062	226,360	60,260	52,879	272	161,958	844	64,810	11,595	700	3
4	Anthracite mining	148	79	219,671	10,588	1,916	3,122	4	6,620	58	95,186	2,275	23	4
5	Bituminous coal, lignite, peat, etc.	1,921	906	1,126,449	77,042	16,832	20,737	88	23,624	831	175,852	9,127	759	5
6	Crude petroleum and natural gas production	4,496	2,087	488,579	72,309	9,532	19,690	111	46,860	2,078	186,359	28,508	6,184	6
7	Nonmetallic mining and quarrying	1,668	911	366,256	58,654	22,419	12,494	149	20,409	627	35,967	4,130	209	7
8	Mining and quarrying not allocable	859	23	4,924	973	630	104	(13)	265	170	9,673	584	8	8
9	Manufacturing	84,795	59,723	115,443,852	13,809,135	7,965,865	2,173,112	41,868	2,496,901	22,451	3,997,029	159,033	14,317	9
10	Food and kindred products	9,782	7,086	15,992,504	942,299	308,386	229,210	3,948	238,332	2,394	1,892,053	14,173	3,195	10
11	Beverages	2,973	2,285	2,611,760	280,974	94,618	68,071	980	67,041	528	83,281	4,922	310	11
12	Tobacco manufactures	239	141	1,791,520	179,255	42,258	53,185	42	70,781	84	8,357	303	20	12
13	Cotton manufactures	834	752	2,828,859	379,281	259,135	51,978	641	45,768	73	22,432	1,464	16	13
14	Textile-mill products, except cotton	3,836	2,996	4,716,253	492,504	285,015	79,208	1,470	60,676	750	109,817	6,253	339	14
15	Apparel and products made from fabrics	8,835	6,559	3,741,856	214,989	109,152	34,986	1,144	22,098	2,173	212,123	7,073	148	15
16	Leather and products	2,053	1,667	2,055,805	140,449	66,709	26,497	491	26,491	358	57,754	2,261	50	16
17	Rubber products	508	404	1,882,095	153,826	72,462	28,935	201	25,784	93	8,658	640	15	17
18	Lumber and timber basic products	2,658	1,850	1,652,036	193,554	91,780	36,232	428	45,358	715	86,302	5,661	256	18
19	Furniture and finished lumber products	4,159	2,935	1,790,235	149,593	66,538	29,201	775	26,507	1,157	101,339	6,062	208	19
20	Paper and allied products	2,126	1,730	2,825,107	358,395	180,834	67,330	349	71,260	359	70,345	3,447	146	20
21	Printing and publishing industries	10,848	5,978	2,427,819	251,055	63,518	65,357	654	73,736	4,574	274,541	19,327	381	21
22	Chemicals and allied products	6,618	4,258	7,203,329	1,140,399	488,246	330,446	1,600	309,943	2,098	121,948	13,321	2,629	22
23	Petroleum and coal products	605	389	7,530,028	544,700	62,695	169,842	81	308,447	186	106,471	2,128	107	23
24	Stone, clay, and glass products	3,131	1,841	2,237,814	376,320	207,425	63,689	461	71,194	1,200	109,806	11,873	325	24
25	Iron, steel, and products	6,658	5,330	16,582,334	2,402,974	1,682,158	275,344	8,401	309,606	1,163	208,484	15,177	2,067	25
26	Nonferrous metals and their products	2,568	1,881	3,177,050	411,548	246,816	59,720	943	77,559	624	45,061	3,236	87	26
27	Electrical machinery and equipment	1,762	1,325	5,017,749	753,835	518,982	79,723	2,150	105,052	379	91,637	14,829	251	27
28	Machinery, except transportation equipment and electrical	6,301	4,922	9,959,084	2,113,835	1,583,845	208,403	7,828	226,917	1,191	111,554	9,231	2,603	28
29	Automobiles and equipment, except electrical	678	514	4,077,226	413,212	272,375	54,692	2,041	46,312	148	13,334	933	53	29
30	Transportation equipment, except automobiles	1,108	725	12,348,413	1,500,296	1,014,100	201,753	4,904	209,473	304	129,703	4,929	65	30
31	Other manufacturing	4,183	2,759	1,928,748	281,694	162,619	42,402	1,499	40,983	1,304	87,185	8,622	244	31
32	Manufacturing not allocable	2,332	1,396	1,066,229	134,150	86,197	16,909	837	17,582	596	44,545	3,169	803	32
33	Public utilities	21,658	12,904	17,807,766	3,719,905	683,332	1,030,702	2,774	1,117,632	7,333	841,806	91,321	12,303	33
34	Transportation	14,591	8,831	11,427,711	2,181,978	402,287	627,470	2,674	308,755	4,794	591,891	72,086	994	34
35	Communication	3,703	2,009	2,184,826	587,391	128,858	127,285	37	353,199	1,533	43,303	6,617	99	35
36	Other public utilities	3,364	2,064	4,195,229	950,535	152,187	275,946	63	455,678	1,006	206,612	12,618	11,210	36
37	Trade	131,684	89,793	52,596,713	2,660,585	1,127,262	513,581	15,496	493,636	39,176	3,325,403	91,570	6,167	37
38	Wholesale	37,104	27,315	25,625,073	1,066,063	496,834	187,884	6,125	183,124	9,026	1,303,397	29,856	2,868	38
39	Commission merchants	5,791	3,686	1,186,370	85,933	38,382	14,516	327	16,435	1,923	136,990	4,136	312	39
40	Other wholesalers	31,313	23,629	24,438,703	980,130	458,453	173,368	5,798	166,689	7,103	1,166,407	25,720	2,557	40
41	Retail	79,705	52,293	22,835,283	1,375,674	550,614	281,286	7,576	280,220	25,962	1,546,699	50,106	2,612	41
42	General merchandise	6,153	4,825	7,675,515	673,009	332,623	127,710	2,987	150,502	1,235	54,488	2,635	136	42
43	Food stores, including market milk dealers	6,413	3,683	5,162,312	114,250	34,594	28,754	331	30,306	2,536	272,365	5,149	450	43
44	Package liquor stores	1,823	1,171	116,341	2,901	320	568	50	64	634	32,275	624	-	44
45	Drug stores	4,966	3,164	780,976	43,522	15,347	8,732	225	10,612	1,698	71,077	1,684	2	45
46	Apparel and accessories	10,697	7,989	2,534,466	165,141	72,833	28,997	1,018	25,010	2,542	107,533	4,298	118	46
47	Furniture and house furnishings	5,133	3,626	870,114	86,358	16,367	24,280	538	12,427	1,430	65,203	3,211	56	47
48	Eating and drinking places	10,161	5,016	784,279	36,966	8,905	8,082	310	8,348	4,958	301,191	9,443	375	48

For footnotes, see pp. 23-24.

Table 1. - Corporation returns, 1942, filed through December 31, 1943, by major industrial groups, for returns with net income and returns with no net income: Number of returns, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Income tax, declared value excess-profits tax, and income subject to excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups 5/ - Continued	Total number of returns 6/	Returns with net income 1/: Number of returns	Returns with net income 1/: Total compiled receipts 8/	Returns with net income 1/: Net income 1/	Returns with net income 1/: Income subject to excess profits tax 9/	Returns with net income 1/: Taxes (excluding excess profits tax 10/): Income tax 3/	Returns with net income 1/: Taxes (excluding excess profits tax 10/): Declared value excess-profits tax	Returns with net income 1/: Dividends paid in cash and assets other than own stock	Returns with no net income 1/: Number of returns	Returns with no net income 1/: Total compiled receipts 8/	Returns with no net income 1/: Deficit 1/	Returns with no net income 1/: Dividends paid in cash and assets other than own stock	
	Trade - Continued													
	Retail - Continued													
49	Automotive dealers	9,283	5,387	1,184,751	49,125	10,325	11,218	210	8,413	3,666	249,271	8,280	481	49
50	Filling stations	2,284	1,184	267,272	11,998	2,711	3,103	21	3,464	1,041	52,502	1,234	17	50
51	Hardware	2,606	1,963	213,261	14,564	4,355	2,690	231	1,648	624	18,531	934	36	51
52	Building materials, fuel, and ice	7,989	5,393	1,247,690	60,478	13,159	13,704	395	14,407	2,463	171,478	5,713	608	52
53	Other retail trade	7,873	5,490	1,183,755	82,438	31,409	15,296	880	9,269	2,273	95,341	5,113	257	53
54	Retail trade not allocable	4,324	3,402	814,550	34,924	7,666	8,151	380	5,751	862	55,442	1,788	76	54
55	Trade not allocable	14,875	10,185	4,136,358	218,848	79,813	44,412	1,795	30,291	4,188	475,306	11,607	686	55
56	Service	41,832	20,341	3,851,971	413,023	121,626	89,588	1,463	85,567	18,108	766,148	56,260	1,454	56
57	Hotels and other lodging places	4,969	2,471	564,105	51,242	12,604	11,316	187	6,880	2,339	212,336	19,661	355	57
58	Personal service	8,843	5,122	663,709	42,888	9,073	9,403	231	7,182	3,413	146,381	5,522	117	58
59	Business service	7,437	3,652	708,757	57,622	13,305	14,268	147	16,107	3,243	108,046	6,304	392	59
60	Automotive repair services and garages	3,737	1,691	114,547	7,178	1,481	1,458	48	893	1,933	62,860	2,806	53	60
61	Miscellaneous repair services, hand trades	1,586	1,001	122,128	13,634	8,096	1,450	184	762	552	9,950	680	3	61
62	Motion pictures	4,219	2,742	1,135,028	172,337	43,107	40,719	362	44,492	1,308	82,654	5,470	157	62
63	Amusement, except motion pictures	5,229	1,811	207,099	25,386	8,834	5,156	104	4,528	2,716	73,007	9,030	216	63
64	Other service, including schools	5,662	1,792	329,337	41,656	24,864	5,575	194	4,463	2,543	69,474	6,673	162	64
65	Service not allocable	150	59	7,260	1,081	262	244	6	259	61	1,499	174	-	65
66	Finance, insurance, real estate, and lessors of real property	145,846	68,489	7,684,557	2,529,465	62,649	349,071	1,307	971,939	68,393	1,552,606	486,169	67,579	66
67	Finance	36,409	21,584	2,812,235	930,974	16,300	166,399	439	730,068	12,571	527,514	158,828	56,701	67
68	Banks and trust companies	16,220	11,089	1,586,402	268,406	1,961	59,581	166	200,304	4,171	376,980	66,989	28,354	68
69	Long-term credit agencies, mortgage companies, except banks	3,372	1,423	26,974	6,243	215	1,642	12	2,360	1,751	14,198	8,917	796	69
70	Short-term credit agencies, except banks	4,599	2,708	410,894	129,377	10,285	44,412	76	94,079	1,597	20,697	12,524	1,952	70
71	Investment trusts and investment companies 11/	3,586	2,490	193,527	154,205	129	9,513	28	141,730	1,019	22,636	9,761	12,478	71
72	Other investment companies, including holding companies 12/	1,895	1,335	445,203	325,899	1,046	38,814	74	267,075	506	44,305	22,811	6,736	72
73	Security and commodity-exchange brokers and dealers	1,579	673	62,995	9,731	334	2,019	29	3,507	826	31,809	10,399	463	73
74	Other finance companies	1,847	668	58,914	29,050	2,156	8,179	40	15,314	918	9,791	19,192	2,674	74
75	Finance not allocable	3,311	1,198	27,326	8,063	175	2,239	13	5,698	1,785	7,103	8,816	3,948	75
76	Insurance carriers, agents, etc.	8,243	5,043	3,542,490	1,295,151	23,193	99,338	118	111,791	2,862	211,040	93,985	1,905	76
77	Insurance carriers	2,082	1,521	3,344,304	1,261,106	13,993	92,166	6	98,841	447	178,039	90,890	1,799	77
78	Insurance agents, brokers, etc.	6,161	3,522	198,186	34,045	9,200	7,173	112	12,950	2,415	33,001	3,095	107	78
79	Real estate, including lessors of buildings	93,761	38,755	1,128,765	205,207	12,302	51,422	671	65,894	49,486	773,989	214,871	7,498	79
80	Lessors of real property, except buildings	7,433	3,107	201,066	98,133	10,854	31,912	79	64,186	3,534	40,063	18,484	1,474	80
81	Construction	14,769	8,249	4,452,894	357,310	207,591	45,805	2,358	33,115	5,448	333,768	17,708	1,390	81
82	Agriculture, forestry, and fishery	7,769	4,092	701,525	94,722	22,210	22,197	861	25,607	3,226	103,114	14,237	971	82
83	Agriculture and services	7,025	3,761	669,454	89,934	21,263	21,216	818	23,408	2,878	89,765	11,985	572	83
84	Forestry	459	174	15,645	2,878	228	669	29	1,920	241	9,132	1,692	394	84
85	Fishery	285	157	16,426	1,910	719	312	15	286	107	4,217	560	5	85
86	Nature of business not allocable	20,140	2,044	185,995	22,286	4,806	4,647	103	6,033	3,980	32,577	28,231	4,854	86

For footnotes, see pp. 23-24.

Table 1-A. - Consolidated corporation returns, 1942, filed through December 31, 1943, by major industrial groups, for returns with net income and returns with no net income: Number of returns, number of subsidiaries, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Income tax, declared value excess-profits tax, and income subject to excess profits tax

(Money figures in thousands of dollars)

	Major industrial groups 5/	Total number of consolidated returns 6/	Returns with net income 1/: Number of returns	Returns with net income 1/: Number of subsidiaries 7/	Returns with net income 1/: Total compiled receipts 8/	Returns with net income 1/: Net income 1/	Returns with net income 1/: Income subject to excess profits tax 9/	Returns with net income 1/: Taxes (excluding excess profits tax 10/): Income tax 3/	Returns with net income 1/: Taxes (excluding excess profits tax 10/): Declared value excess-profits tax	Returns with net income 1/: Dividends paid in cash and assets other than own stock	Returns with no net income 1/: Number of returns	Returns with no net income 1/: Number of subsidiaries 7/	Returns with no net income 1/: Total compiled receipts 8/	Returns with no net income 1/: Deficit 1/	Returns with no net income 1/: Dividends paid in cash and assets other than own stock	
1	All industrial groups	944	737	4,653	22,619,930	2,450,340	617,041	647,460	1,428	847,515	205	943	635,548	65,664	23,530	1
2	Mining and quarrying	46	35	238	743,972	86,821	27,745	19,908	2	74,048-	11	55	70,819	1,807	197	2
3	Metal mining	5	4	60	472,805	70,124	27,191	14,240	(13)	65,890	1	1	221	85	-	3
4	Anthracite mining	7	5	52	83,458	2,706	442	806	1	2,479	2	20	49,586	955	1	4
5	Bituminous coal, lignite, peat, etc.	18	13	80	132,967	6,679	66	2,456	(13)	906	5	13	17,595	511	32	5
6	Crude petroleum and natural gas production	15	12	41	53,348	7,058	-	2,328	(13)	4,705	3	21	3,416	255	163	6
7	Nonmetallic mining and quarrying	1	1	5	1,395	254	47	79	-	68	-	-	-	-	-	7
8	Mining and quarrying not allocable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8
9	Manufacturing	304	271	1,415	14,202,531	1,272,509	505,991	281,530	534	427,005	33	100	103,255	19,602	2,405	9
10	Food and kindred products	43	40	249	1,712,350	65,700	9,957	22,225	127	15,018	3	5	8,006	118	3	10
11	Beverages	9	8	26	64,445	3,017	70	1,211	(13)	831	1	2	2,189	73	88	11
12	Tobacco manufactures	2	1	3	956	19	-	5	-	10	1	1	1,661	1	-	12
13	Cotton manufactures	1	1	2	57,448	5,634	3,954	685	-	1,069	-	-	-	-	-	13
14	Textile-mill products, except cotton	18	18	40	318,142	39,399	26,701	4,829	9	4,094	-	-	-	-	-	14
15	Apparel and products made from fabrics	6	6	13	21,418	1,181	337	301	9	168	-	-	-	-	-	15
16	Leather and products	5	4	7	53,517	1,489	-	479	8	1,043	1	1	1,027	118	-	16
17	Rubber products	7	6	47	732,664	61,068	37,742	7,108	5	9,130	1	1	1,640	125	-	17
18	Lumber and timber basic products	9	9	21	74,452	9,749	3,025	2,367	(13)	2,537	-	-	-	-	-	18
19	Furniture and finished lumber products	7	7	14	19,525	1,767	-	698	-	708	-	-	-	-	-	19
20	Paper and allied products	13	13	67	291,579	43,187	24,708	7,266	1	7,137	-	-	-	-	-	20
21	Printing and publishing industries	32	23	113	391,293	27,481	1,449	10,262	28	8,833	9	29	17,603	1,001	58	21
22	Chemicals and allied products	32	27	166	749,122	104,326	27,343	30,588	50	31,466	5	9	6,497	4,540	102	22
23	Petroleum and coal products	19	18	273	3,872,532	258,240	11,980	84,362	45	194,425	1	1	12,330	348	-	23
24	Stone, clay, and glass products	12	11	19	55,000	5,733	2,288	1,359	(13)	805	1	1	526	237	-	24
25	Iron, steel, and products	23	21	167	2,847,640	260,242	109,996	62,766	42	62,708	2	2	1,551	39	-	25
26	Nonferrous metals and their products	12	11	44	307,181	29,659	16,349	5,425	89	9,571	1	1	1,920	141	-	26
27	Electrical machinery and equipment	13	11	43	1,171,663	169,041	98,534	18,202	(13)	40,035	2	13	41,740	10,661	40	27
28	Machinery, except transportation equipment and electrical	14	12	22	85,371	12,691	5,096	2,759	103	2,664	2	9	1,911	369	2,114	28
29	Automobiles and equipment, except electrical	3	3	13	108,699	12,683	9,680	1,237	2	1,792	-	-	-	-	-	29
30	Transportation equipment, except automobiles	11	11	37	1,197,360	152,274	113,788	15,425	1	31,241	-	-	-	-	-	30
31	Other manufacturing	5	3	4	7,710	631	-	232	-	239	2	18	3,903	1,781	-	31
32	Manufacturing not allocable	8	7	25	62,465	7,299	2,995	1,737	15	1,481	1	7	750	51	-	32
33	Public utilities	176	136	1,298	4,731,898	828,750	34,339	272,809	528	188,816	39	306	264,406	22,048	10,916	33
34	Transportation	105	84	638	3,584,455	611,812	23,036	207,484	509	75,249	20	76	85,228	10,767	46	34
35	Communication	8	6	40	20,860	3,832	50	1,461	(13)	1,445	2	40	22,734	4,337	-	35
36	Other public utilities	63	46	620	1,126,582	213,105	11,253	63,864	20	112,121	17	190	156,443	6,943	10,870	36
37	Trade	149	124	410	2,024,877	95,812	30,939	25,374	256	29,959	25	64	78,462	2,756	379	37
38	Wholesale	63	52	124	464,719	29,735	6,577	8,707	105	9,942	11	15	10,012	588	42	38
39	Commission merchants	2	1	1	47	1	-	(13)	-	-	1	1	640	224	-	39
40	Other wholesalers	61	51	123	464,672	29,733	6,577	8,706	105	9,942	10	14	9,371	364	42	40
41	Retail	71	64	271	1,545,468	65,531	24,211	16,514	148	19,873	7	20	35,671	1,035	303	41
42	General merchandise	16	16	104	521,294	35,797	16,252	7,708	109	9,860	-	-	-	-	-	42
43	Food stores, including market milk dealers	6	6	29	710,640	10,924	1,180	4,038	10	4,244	-	-	-	-	-	43
44	Package liquor stores	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44
45	Drug stores	2	1	44	129,511	7,896	3,177	1,903	14	1,816	1	2	284	9	-	45
46	Apparel and accessories	14	14	37	120,201	7,583	3,355	1,697	10	2,362	-	-	-	-	-	46
47	Furniture and house furnishings	1	1	2	1,812	68	-	-	-	-	-	-	-	-	-	47
48	Eating and drinking places	8	5	22	42,972	2,211	205	828	4	1,343	3	15	32,931	962	296	48

For footnotes, see pp. 23-24.

Table 1-A. - Consolidated corporation returns, 1942, filed through December 31,1943, by major industrial groups, for returns with net income and returns with no net income: Number of returns, number of subsidiaries, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Income tax, declared value excess-profits tax, and income subject to excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups 5/ - Continued	Total number of consolidated returns 6/	Returns with net income 1/: Number of returns	Returns with net income 1/: Number of subsidiaries 7/	Returns with net income 1/: Total compiled receipts 8/	Returns with net income 1/: Net income 1/	Returns with net income 1/: Income subject to excess profits tax 9/	Taxes (excluding excess profits tax 10/): Income tax 3/	Taxes (excluding excess profits tax 10/): Declared value excess-profits tax	Returns with net income 1/: Dividends paid in cash and assets other than own stock	Returns with no net income 1/: Number of returns	Returns with no net income 1/: Number of subsidiaries 7/	Returns with no net income 1/: Total compiled receipts 8/	Returns with no net income 1/: Deficit 1/	Returns with no net income 1/: Dividends paid in cash and assets other than own stock	
	Trade - Continued															
	Retail- Continued															
49	Automotive dealers	8	7	11	7,045	470	39	147	1	43	1	1	333	10	-	49
50	Filling stations	1	1	1	752	32	3	9	-	-	-	-	-	-	-	50
51	Hardware	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51
52	Building materials, fuel, and ice	6	4	5	1,175	35	-	3	(13)	2	2	2	2,122	54	7	52
53	Other retail trade	6	6	13	8,506	458	(13)	179	-	190	-	-	-	-	-	53
54	Retail trade not allocable	3	3	3	1,559	59	-	1	-	7	-	-	-	-	-	54
55	Trade not allocable	15	8	15	14,689	547	150	154	3	145	7	29	32,780	1,133	34	55
56	Service	64	47	352	232,062	31,912	6,067	9,775	17	11,576	17	51	15,095	971	242	56
57	Hotels and other lodging places	13	10	16	7,448	851	(13)	336	(13)	339	3	12	4,367	222	172	57
58	Personal service	4	2	2	606	24	-	5	-	-	2	2	457	14	-	58
59	Business service	9	7	22	1,565	158	15	41	(13)	42	2	3	142	19	-	59
60	Automotive repair services and garages	2	2	5	444	9	-	2	-	-	-	-	-	-	-	60
61	Miscellaneous repair services, hand trades	1	1	1	324	(13)	-	(13)	-	-	-	-	-	-	-	61
62	Motion pictures	18	13	249	202,279	27,855	5,888	8,337	5	10,178	5	22	4,961	324	50	62
63	Amusement, except motion pictures	11	8	42	7,770	1,619	163	509	5	424	3	9	3,308	264	-	63
64	Other service, including schools	6	4	15	11,627	1,396	-	544	8	593	2	3	1,858	128	20	64
65	Service not allocable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65
66	Finance, insurance, real estate, and lessors of real property	167	95	853	460,602	110,640	8,200	30,845	88	102,614	71	351	95,680	17,718	9,321	66
67	Finance	67	40	659	264,749	87,985	5,300	25,213	41	88,479	27	105	69,812	7,995	9,285	67
68	Banks and trust companies	24	13	98	48,713	7,689	104	1,500	1	8,674	11	40	28,822	1,163	2,934	68
69	Long-term credit agencies, mortgage companies, except banks	3	1	1	10	7	-	-	-	-	2	2	384	345	-	69
70	Short-term credit agencies, except banks	15	12	516	167,275	58,778	5,196	21,937	40	54,015	3	5	496	40	28	70
71	Investment trusts and investment companies 11/	2	1	2	1,082	882	-	214	-	2,366	1	12	14,602	266	-	71
72	Other investment companies, including holding companies 12/	11	6	26	35,591	18,823	-	1,290	1	22,030	5	34	21,470	5,372	5,098	72
73	Security and commodity-exchange brokers and dealers	6	3	5	1,279	180	-	8	(13)	27	3	6	4,030	726	1	73
74	Other finance companies	2	2	3	4,231	1,559	-	257	-	405	-	-	-	-	-	74
75	Finance not allocable	4	2	8	6,569	66	-	7	-	962	2	6	10	83	1,225	75
76	Insurance carriers, agents, etc.	17	16	90	178,314	16,966	2,336	3,732	(13)	10,018	1	1	32	(13)	-	76
77	Insurance carriers	15	15	82	168,435	14,042	1,950	3,210	-	7,166	-	-	-	-	-	77
78	Insurance agents, brokers, etc.	2	1	8	9,880	2,924	386	522	(13)	2,852	1	1	32	(13)	-	78
79	Real estate, including lessors of buildings	69	31	90	11,869	1,651	29	541	47	907	38	239	25,703	9,555	35	79
80	Lessors of real property, except buildings	14	8	14	5,670	4,038	535	1,360	-	3,210	5	6	133	168	-	80
81	Construction	28	21	44	63,937	11,098	3,157	2,626	3	2,527	7	14	3,732	625	-	81
82	Agriculture, forestry, and fishery	7	5	38	159,621	12,732	592	4,574	-	10,966	2	2	4,100	138	70	82
83	Agriculture and services	6	5	38	159,621	12,732	592	4,574	-	10,966	1	1	47	2	-	83
84	Forestry	1	-	-	-	-	-	-	-	-	1	1	4,053	136	70	84
85	Fishery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85
86	Nature of business not allocable	3	3	5	431	66	12	19	-	3	-	-	-	-	-	86

For footnotes, see pp. 23-24.

Table 2. - Corporation returns, 1942, filed through December 31, 1943, by major industrial groups, for returns with net income and returns with no net income: Dividends received on stock of domestic corporations and interest received on Government obligations

(Money figures in thousands of dollars)

	Major industrial groups 5/	Returns with net income 1/						Returns with no net income 1/						
		Dividends received on stock of domestic corporations 14/	Interest received on Government obligations (less amortizable bond premium)					Dividends received on stock of domestic corporations 14/	Interest received on Government obligations (less amortizable bond premium)					
			Total	Wholly taxable 15/	Subject to declared value excess-profits tax and surtax 16/	Subject to surtax only 17/	Wholly tax-exempt 18/		Total	Wholly taxable 15/	Subject to declared value excess-profits tax and surtax 16/	Subject to surtax only 17/	Wholly tax-exempt 18/	
1	All industrial groups	1,307,084	819,771	198,156	331,210	34,170	256,235	37,348	104,681	31,597	26,444	4,777	41,864	1
2	Mining and quarrying	29,808	2,587	844	1,091	46	605	789	428	45	91	1	291	2
3	Metal mining	17,281	1,346	549	451	8	338	56	69	11	2	-	56	3
4	Anthracite mining	154	180	23	147	1	9	(13)	73	18	37	-	18	4
5	Bituminous coal, lignite, peat, etc.	3,187	436	109	202	15	110	40	45	4	23	(13)	17	5
6	Crude petroleum and natural gas production	8,041	439	105	213	20	101	655	232	6	29	(13)	197	6
7	Nonmetallic mining and quarrying	1,143	185	58	78	3	46	20	9	5	(13)	(13)	3	7
8	Mining and quarrying not allocable	2	(13)	(13)	-	-	-	18	(13)	-	(13)	-	-	8
9	Manufacturing	302,990	32,188	13,340	9,583	827	8,439	1,643	403	104	102	28	169	9
10	Food and kindred products	20,930	1,699	536	609	29	524	245	32	15	8	(13)	9	10
11	Beverages	2,747	561	164	185	24	187	6	7	4	2	-	(13)	11
12	Tobacco manufactures	3,880	439	82	240	23	95	1	1	1	(13)	(13)	-	12
13	Cotton manufactures	2,664	521	160	166	6	189	2	(13)	(13)	-	-	-	13
14	Textile-mill products, except cotton	4,102	735	369	186	18	162	130	11	6	3	1	2	14
15	Apparel and products made from fabrics	1,366	138	54	42	2	40	4	5	3	1	(13)	(13)	15
16	Leather and products	1,700	232	105	76	2	49	22	6	1	3	-	3	16
17	Rubber products	1,519	141	72	51	8	10	1	-	-	-	-	-	17
18	Lumber and timber basic products	2,775	376	187	98	11	80	74	7	3	1	(13)	3	18
19	Furniture and finished lumber products	1,903	449	158	137	19	135	5	6	2	1	-	3	19
20	Paper and allied products	5,532	1,540	460	582	10	488	28	5	3	1	1	(13)	20
21	Printing and publishing industries	9,712	2,031	404	917	33	676	60	96	17	7	3	70	21
22	Chemicals and allied products	69,534	3,913	1,435	1,278	143	1,058	774	36	7	11	(13)	18	22
23	Petroleum and coal products	54,803	2,857	1,165	626	228	838	14	(13)	(13)	(13)	-	(13)	23
24	Stone, clay, and glass products	6,667	1,118	405	401	19	293	62	50	4	20	18	8	24
25	Iron, steel, and products	34,833	4,593	2,428	1,372	83	709	31	71	12	22	3	34	25
26	Nonferrous metals and their products	14,484	926	551	176	15	183	15	6	4	(13)	-	1	26
27	Electrical machinery and equipment	12,744	1,440	549	275	46	569	9	24	17	7	-	1	27
28	Machinery, except transportation equipment and electrical	13,531	4,585	1,469	1,478	65	1,573	26	22	1	5	(13)	16	28
29	Automobiles and equipment, except electrical	2,008	704	430	108	2	164	(13)	5	-	5	-	(13)	29
30	Transportation equipment, except automobiles	31,940	2,408	1,827	328	22	231	4	5	(13)	2	2	1	30
31	Other manufacturing	2,876	498	227	109	13	149	114	5	1	4	(13)	(13)	31
32	Manufacturing not allocable	743	285	100	142	6	38	14	2	2	-	-	-	32
33	Public utilities	299,571	7,624	3,050	2,492	128	1,955	1,448	606	473	53	5	75	33
34	Transportation	76,193	5,252	1,623	2,136	51	1,442	221	549	448	48	1	52	34
35	Communication	158,095	893	703	46	4	139	7	7	4	(13)	2	(13)	35
36	Other public utilities	65,283	1,479	723	310	73	373	1,220	51	21	5	2	24	36
37	Trade	39,478	5,475	2,229	1,451	232	1,563	563	239	144	39	6	50	37
38	Wholesale	21,187	2,259	902	573	98	687	295	87	31	17	(13)	39	38
39	Commission merchants	5,216	222	73	21	10	119	77	13	9	2	-	3	39
40	Other wholesalers	15,971	2,037	829	552	88	569	217	74	22	16	(13)	36	40
41	Retail	15,736	2,784	1,137	760	99	788	160	106	76	15	5	10	41
42	General merchandise	6,281	1,339	714	311	15	298	13	7	3	4	-	(13)	42
43	Food stores, including market milk dealers	1,182	227	41	57	11	119	21	14	7	1	3	4	43
44	Package liquor stores	(13)	(13)	-	(13)	-	(13)	-	-	-	-	-	-	44
45	Drug stores	2,544	42	11	15	(13)	15	2	3	3	-	-	-	45
46	Apparel and accessories	2,215	314	94	98	9	113	5	4	4	-	-	(13)	46
47	Furniture and house furnishings	393	84	23	31	5	24	16	2	2	(13)	-	(13)	47
48	Eating and drinking places	494	110	25	36	5	43	4	17	14	3	(13)	1	48

For footnotes, see pp. 23-24.

Table 2. - Corporation returns, 1942, filed through December 31, 1943, by major industrial groups, for returns with net income and returns with no net income: Dividends received on stock of domestic corporations and interest received on Government obligations - Continued

(Money figures in thousands of dollars)

	Major industrial groups 5/ - Continued	Returns with net income 1/						Returns with no net income 1/						
		Dividends received on stock of domestic corporations 14/	Interest received on Government obligations (less amortizable bond premium)					Dividends received on stock of domestic corporations 14/	Interest received on Government obligations (less amortizable bond premium)					
			Total	Wholly taxable 15/	Subject to declared value excess-profits tax and surtax 16/	Subject to surtax only 17/	Wholly tax-exempt 18/		Total	Wholly taxable 15/	Subject to declared value excess-profits tax and surtax 16/	Subject to surtax only 17/	Wholly tax-exempt 18/	
	Trade - Continued													
	Retail - Continued													
49	Automotive dealers	311	111	50	48	2	11	13	17	15	1	-	1	49
50	Filling stations	123	139	13	55	35	36	4	1	(13)	(13)	-	(13)	50
51	Hardware	132	50	9	2	(13)	38	1	-	-	-	-	-	51
52	Building materials, fuel, and ice	1,073	186	96	41	9	39	16	31	21	6	3	1	52
53	Other retail trade	683	108	28	46	2	32	58	8	7	-	-	1	53
54	Retail trade not allocable	305	76	33	19	4	19	7	2	1	-	-	(13)	54
55	Trade not allocable	2,555	431	190	118	35	88	108	45	37	6	(13)	2	55
56	Service	20,797	1,103	571	204	54	273	1,279	218	116	71	2	29	56
57	Hotels and other lodging places	865	241	217	16	3	5	254	96	84	8	(13)	4	57
58	Personal service	670	99	26	30	6	38	15	8	5	1	(13)	1	58
59	Business service	2,391	244	103	85	3	54	305	76	6	53	1	17	59
60	Automotive repair services and garages	45	12	5	3	(13)	4	2	2	2	(13)	-	(13)	60
61	Miscellaneous repair services, hand trades	17	5	2	2	(13)	1	-	2	2	-	-	-	61
62	Motion pictures	16,070	329	162	16	29	121	70	6	6	-	-	(13)	62
63	Amusement, except motion pictures	210	50	30	11	1	8	78	8	4	2	(13)	2	63
64	Other service, including schools	429	122	25	41	-13	43	554	20	9	6	1	5	64
65	Service not allocable	100	(13)	(13)	-	-	-	-	-	-	-	-	-	65
66	Finance, insurance, real estate, and lessors of real property	601,103	769,050	177,775	315,565	32,857	242,853	29,912	102,482	30,549	26,058	4,707	41,167	66
67	Finance	478,901	474,781	118,844	178,911	23,024	154,002	23,480	97,780	28,988	24,436	4,318	40,038	67
68	Banks and trust companies	18,999	465,227	115,861	176,730	22,668	149,970	5,732	93,678	28,378	23,861	4,198	37,241	68
69	Long-term credit agencies, mortgage companies, except banks	283	92	40	23	3	26	25	132	27	15	1	88	69
70	Short-term credit agencies, except banks	4,620	504	169	139	17	179	205	43	21	4	1	18	70
71	Investment trusts and investment companies 11/	160,345	2,408	610	774	21	1,002	4,840	383	43	37	1	302	71
72	Other investment companies, including holding companies 12/	286,156	2,396	698	561	127	1,010	10,882	1,132	239	422	91	379	72
73	Security and commodity-exchange brokers and dealers	2,984	2,865	1,191	530	163	981	1,093	2,062	220	45	16	1,782	73
74	Other finance companies	4,263	84	14	43	5	22	468	39	3	14	6	16	74
75	Finance not allocable	1,252	1,203	261	111	20	811	235	309	56	37	4	212	75
76	Insurance carriers, agents, etc.	108,804	290,856	57,728	135,780	9,746	87,603	3,140	2,917	391	1,280	339	906	76
77	Insurance carriers	105,106	290,704	57,650	135,730	9,742	87,582	3,099	2,909	389	1,276	339	905	77
78	Insurance agents, brokers, etc.	3,698	153	78	50	4	21	41	7	3	4	-	1	78
79	Real estate, including lessors of buildings	11,485	2,876	1,061	649	80	1,087	3,210	1,744	1,153	338	49	205	79
80	Lessors of real property, except buildings	1,913	536	142	226	7	161	82	41	17	4	1	18	80
81	Construction	8,960	745	162	193	17	373	170	64	17	16	9	23	81
82	Agriculture, forestry, and fishery	2,625	886	149	599	4	134	927	45	26	3	1	14	82
83	Agriculture and services	2,475	859	140	592	3	124	879	38	22	1	1	13	83
84	Forestry	129	23	7	8	(13)	8	46	7	3	2	(13)	1	84
85	Fishery	20	4	2	(13)	(13)	1	3	(13)	(13)	-	-	(13)	85
86	Nature of business not allocable	1,753	114	36	32	5	41	617	195	123	11	18	44	86

For footnotes, see pp. 23-24.

Table 3. - Taxable corporation excess profits tax returns, 1942, by adjusted excess profits net income classes and by method of credit computation: Number of returns, excess profits net income, excess profits credit, adjusted excess profits net income, excess profits tax, credit for debt retirement, and post-war refund

(Income classes and money figures in thousands of dollars)

Adjusted excess profits net income classes 19/	Number of returns	Excess profits net income 20/	Excess profits credit 21/	Adjusted excess profits net income 19/	Excess profits tax before credits 2/	Credit for debt retirement 22/	Post-war refund 23/	Excess profits tax less credit for debt retirement and post-war refund
Aggregate								
Under 25	31,039	824,808	383,090	244,450	201,244	5,540	13,108	182,596
25 under 50	6,838	498,482	201,319	245,093	200,920	5,484	12,980	182,456
50 under 100	5,541	707,431	266,294	393,266	322,585	8,284	21,334	292,967
100 under 250	5,140	1,403,673	514,798	812,764	660,839	16,037	43,630	601,172
250 under 500	2,484	1,329,441	428,257	870,920	700,891	15,899	45,726	639,267
500 under 1,000	1,362	1,493,433	503,826	959,188	776,947	18,624	48,988	709,334
1,000 under 2,000	766	1,538,726	464,001	1,054,222	867,102	18,699	56,591	791,812
2,000 under 3,000	284	1,154,249	439,115	689,907	566,877	13,610	35,830	517,438
3,000 under 4,000	153	856,256	303,546	534,453	436,712	10,193	27,651	398,867
4,000 under 5,000	83	652,129	266,271	369,838	293,016	5,214	16,347	271,455
5,000 under 10,000	182	2,102,666	718,987	1,251,840	1,032,692	28,190	64,497	940,006
10,000 under 15,000	58	1,015,459	278,057	698,436	561,810	13,849	37,104	510,857
15,000 under 20,000	22	731,402	341,973	388,621	330,636	5,456	26,295	298,885
20,000 under 25,000	17	581,289	205,505	375,700	320,357	11,261	15,559	293,536
25,000 and over	33	2,194,927	586,176	1,605,970	1,343,756	43,000	79,590	1,221,166
Total	54,002	17,084,370	5,901,216	10,494,667	8,616,384	219,340	545,230	7,851,814
Invested capital method								
Under 25	20,399	460,496	177,073	152,752	125,181	3,782	7,849	113,551
25 under 50	3,767	242,424	77,512	134,846	109,724	3,386	6,677	99,661
50 under 100	2,861	331,249	100,952	201,580	163,892	4,668	10,325	148,899
100 under 250	2,484	628,219	184,296	391,395	314,437	8,857	19,711	285,869
250 under 500	1,126	555,283	148,041	389,197	307,052	8,018	18,182	280,852
500 under 1,000	609	622,938	177,538	429,827	338,874	9,250	19,217	310,407
1,000 under 2,000	299	550,765	127,878	410,378	328,880	9,584	17,862	301,433
2,000 under 3,000	112	410,552	134,605	266,816	215,569	5,322	12,368	197,879
3,000 under 4,000	54	261,656	62,046	187,948	147,286	4,067	7,763	135,456
4,000 under 5,000	30	211,811	66,814	133,790	101,228	2,140	4,322	94,766
5,000 under 10,000	70	825,573	216,495	485,370	384,157	15,229	17,175	351,753
10,000 under 15,000	26	423,578	84,353	306,754	241,980	7,295	14,818	219,866
15,000 under 20,000	7	182,713	54,319	127,661	111,386	5,301	5,838	100,248
20,000 under 25,000	9	295,195	95,785	199,365	165,025	9,242	3,571	152,211
25,000 and over	11	794,913	224,534	567,707	482,564	23,359	22,671	436,535
Total	31,864	6,797,364	1,932,241	4,385,384	3,537,234	119,499	188,348	3,229,386
Income method - aggregate								
Under 25	10,640	364,313	206,017	91,698	76,063	1,758	5,260	69,045
25 under 50	3,071	256,057	123,808	110,247	91,196	2,098	6,303	82,795
50 under 100	2,680	376,182	165,342	191,686	158,693	3,616	11,009	144,068
100 under 250	2,656	775,454	330,502	421,369	346,401	7,181	23,919	315,302
250 under 500	1,358	774,158	280,216	481,723	393,839	7,880	27,544	358,415
500 under 1,000	753	870,495	326,289	529,361	438,073	9,374	29,771	398,927
1,000 under 2,000	467	987,961	336,123	643,845	538,222	9,115	38,729	490,379
2,000 under 3,000	172	743,697	304,511	423,091	351,309	8,288	23,462	319,559
3,000 under 4,000	99	594,600	241,500	346,506	289,425	6,126	19,888	263,411
4,000 under 5,000	53	440,318	199,457	236,048	191,788	3,074	12,025	176,689
5,000 under 10,000	112	1,277,093	502,492	766,470	648,536	12,961	47,321	588,253
10,000 under 15,000	32	591,881	193,704	391,681	319,831	6,554	22,286	290,991
15,000 under 20,000	15	548,689	287,654	260,960	219,250	155	20,458	198,637
20,000 under 25,000	8	286,095	109,720	176,335	155,332	2,019	11,988	141,324
25,000 and over	22	1,400,015	361,642	1,038,264	861,192	19,641	56,920	784,631
Total	22,138	10,287,006	3,968,975	6,109,284	5,079,150	99,841	356,882	4,622,428

For footnotes, see pp. 23-24.

Table 3. - Taxable corporation excess profits tax returns, 1942, by adjusted excess profits net income classes and by method of credit computation: Number of returns, excess profits net income, excess profits credit, adjusted excess profits net income, excess profits tax, credit for debt retirement, and post-war refund - Continued

(Income classes and money figures in thousands of dollars)

Adjusted excess profits net income classes 19/	Number of returns	Excess profits net income 20/	Excess profits credit 21/	Adjusted excess profits net income 19/	Excess profits tax before credits 2/	Credit for debt retirement 22/	Post-war refund 23/	Excess profits tax less credit for debt retirement and post-war refund
Income method - general average								
Under 25	5,037	162,241	89,244	42,869	36,007	848	2,567	32,592
25 under 50	1,506	120,290	55,812	54,269	45,939	971	3,367	41,600
50 under 100	1,327	182,673	78,961	94,682	79,806	1,778	5,793	72,235
100 under 250	1,333	349,729	126,983	212,654	177,734	3,677	13,004	161,053
250 under 500	730	395,832	133,650	257,160	213,519	4,367	15,499	193,652
500 under 1,000	406	435,975	146,754	285,761	239,638	5,013	17,197	217,428
1,000 under 2,000	257	522,586	162,384	357,637	303,720	5,433	22,825	275,462
2,000 under 3,000	106	412,323	148,218	261,277	220,196	5,080	15,820	199,295
3,000 under 4,000	56	339,023	136,976	196,604	169,186	3,880	11,917	153,388
4,000 under 5,000	22	201,532	99,348	100,116	82,280	1,314	5,605	75,362
5,000 under 10,000	69	774,949	288,893	482,251	412,198	7,683	31,163	373,352
10,000 under 15,000	18	359,463	135,752	223,620	192,723	6,269	12,795	173,659
15,000 under 20,000	9	391,637	233,724	157,868	132,109	-	13,179	118,930
20,000 under 25,000	5	163,962	53,433	110,505	97,045	2,019	7,686	87,340
25,000 and over	12	827,978	270,442	557,477	477,965	9,182	38,497	430,287
Total	10,893	5,640,192	2,160,574	3,394,749	2,880,065	57,514	216,915	2,605,636
Income method - increased earnings								
Under 25	5,603	202,072	116,773	48,830	40,056	910	2,693	36,453
25 under 50	1,565	135,767	67,995	55,978	45,257	1,127	2,936	41,195
50 under 100	1,353	193,509	86,381	97,004	78,887	1,839	5,216	71,833
100 under 250	1,323	425,725	203,519	208,715	168,667	3,504	10,914	154,249
250 under 500	628	378,326	146,567	224,563	180,321	3,513	12,045	164,763
500 under 1,000	347	434,520	179,535	243,600	198,435	4,361	12,575	181,499
1,000 under 2,000	210	465,375	173,738	286,208	234,502	3,682	15,904	214,917
2,000 under 3,000	66	331,374	156,292	161,814	131,113	3,207	7,642	120,264
3,000 under 4,000	43	255,577	104,524	149,901	120,240	2,246	7,970	110,023
4,000 under 5,000	31	238,786	100,109	135,933	109,508	1,760	6,420	101,328
5,000 under 10,000	43	502,144	213,599	284,219	236,338	5,279	16,159	214,901
10,000 under 15,000	14	232,418	57,952	168,061	127,107	284	9,491	117,331
15,000 under 20,000	6	157,051	53,930	103,092	87,141	155	7,278	79,708
20,000 under 25,000	3	122,132	56,287	65,831	58,287	1	4,302	53,984
25,000 and over	10	572,036	91,200	480,786	383,227	10,459	18,423	354,345
Total	11,245	4,646,813	1,808,400	2,714,534	2,199,085	42,326	139,967	2,016,792

For footnotes, see pp. 23-24.

Table 4. - Corporation returns, 1933-1942: Historical summary of selected items from income and declared value excess-profits tax returns, and excess profits tax returns

(Money figures in thousands of dollars)

		1942 24/	1941	1940	1939	1938	1937	1936	1935	1934	1933	
	Income and declared value excess-profits tax returns											
	All income and declared value excess-profits tax returns:											
1	Number (excluding returns of inactive corporations)	442,665	468,906	473,042	469,617	471,032	477,838	478,857	477,113	469,804	446,842	1
2	Total compiled receipts 8/	217,680,512	190,432,017	148,236,787	132,878,224	120,453,946	142,443,379	132,722,602	114,649,717	101,489,954	84,234,006	2
3	Net income less deficit 1/	23,051,611	16,332,542	8,919,429	6,734,565	3,672,882	7,353,991	7,326,218	1,695,950	94,170	32/2,547,367	3
4	Total tax liability	12,256,396	7,167,902	2,548,546	1,232,256	859,566	1,276,172	1,191,378	735,125	596,048	423,069	4
5	Income tax	3/ 4,337,728	4/ 3,744,568	25/2,144,292	1,216,450	27/ 853,578	28/1,232,837	29/1,169,765	710,156	588,375	416,093	5
6	Declared value excess-profits tax	66,854	64,149	26/ 30,744	15,806	5,988	43,335	21,613	30/ 24,969	30/ 7,673	33/ 6,976	6
7	Excess profits tax 2/	7,851,814	3,359,186	373,511	-	-	-	-	-	-	-	7
8	Dividends paid in cash and assets other than own stock	5,607,085	6,700,787	6,088,781	5,746,739	5,013,433	7,514,017	7,379,333	5,940,620	31/ 4,859,379	3,127,459	8
	Returns with net income: 1/											
9	Number	269,942	264,628	220,977	199,479	169,884	192,028	203,161	164,231	145,101	109,786	9
10	Total compiled receipts 8/	206,160,215	175,181,820	125,180,472	105,658,338	80,267,477	109,202,739	105,011,693	77,638,952	63,118,536	46,906,564	10
11	Net income 1/	24,052,358	18,111,095	11,203,224	8,826,713	6,525,979	9,634,837	9,478,241	5,164,723	4,275,197	2,985,972	11
12	Total tax liability	12,256,396	7,167,902	2,548,546	1,232,256	859,566	1,276,172	1,191,378	735,125	596,048	423,069	12
13	Income tax	3/ 4,337,728	4/ 3,744,568	25/ 2,144,292	1,216,450	27/ 853,578	28/ 1,232,837	29/ 1,169,765	710,156	588,375	416,093	13
14	Declared value excess-profits tax	66,854	64,149	26/ 30,744	15,806	5,988	43,335	21,613	30/ 24,969	30/ 7,673	33/ 6,976	14
15	Excess profits tax 2/	7,851,814	3,359,186	373,511	-	-	-	-	-	-	-	15
16	Dividends paid in cash and assets other than own stock	5,490,167	6,518,177	5,888,325	5,562,273	4,780,202	7,308,774	7,179,220	4,651,002	31/ 3,822,599	2,385,889	16
	Returns with no net income: 1/											
17	Number	172,723	204,278	252,065	270,138	301,148	285,810	275,696	312,882	324,703	337,056	17
18	Total compiled receipts 8/	11,520,297	15,250,197	23,056,316	27,219,886	40,186,469	33,240,640	27,710,909	37,010,765	38,371,418	37,327,342	18
19	Deficit 1/	1,000,746	1,778,553	2,283,795	2,092,148	2,853,098	2,280,846	2,152,024	3,468,774	4,181,027	5,533,339	19
20	Dividends paid in cash and assets other than own stock	116,918	182,610	200,457	184,466	233,231	205,243	200,112	1,289,618	1,036,781	741,570	20
	Returns of inactive corporations:											
21	Number	37,012	40,160	43,741	46,343	49,469	51,259	51,922	56,518	59,094	57,238	21
	Excess profits tax returns											
	Taxable excess profits tax returns:											
22	Number	54,002	42,412	13,440	-	-	-	-	-	-	-	22
23	Excess profits net income	20/17,084,370	34/12,072,516	34/2,997,937	-	-	-	-	-	-	-	23
24	Adjusted excess profits net income 19/	10,494,667	6,334,864	911,603	-	-	-	-	-	-	-	24
25	Excess profits tax	(See line 15 above)			-	-	-	-	-	-	-	25

For footnotes, see pp. 23-24.

Footnotes for tables in this release

1/ "Net income" or "Deficit" for 1940-42 is the amount reported for declared value excess-profits tax computation adjusted by excluding net operating loss deduction; for 1936-39 is the amount reported for (declared value) excess-profits tax computation and is the difference between "Total income" and "Total deductions"; for 1933-35 is the amount reported for income tax computation. Net income or deficit as here defined is the basis for classification of the returns by those with net income and those with no net income for all years except 1936 when the classification was based on the net income for income tax computation which is less than the net income for (declared value) excess-profits tax computation by the amount of the (declared value) excess-profits tax.

2/ The excess profits tax shown is that imposed by section 710 of the Internal Revenue Code as amended and should not be confused with the declared value excess-profits tax. For 1942 the amount shown is the excess profits tax liability reported on corporation excess profits tax returns, less the credit for debt retirement and the net post-war refund, except that in table 3 the item "excess profits tax before credits" is taken directly from item 18(c), p. 1, Form 1121, and shows the amount of tax before such credits. Throughout this release, the 1942 tax is after the amount deferred under section 710(a)(5) (relating to abnormalities under section 722) as well as adjustments under other relief provisions.

The amount for 1941, shown in text table, p. 2, and in table 4, is the excess profits tax deduction (item 35, p. 1, Form 1120, for 1941) allowed in the computation of normal-tax net income, except that for fiscal years beginning in 1940, with the greater part of the accounting period in 1941, there is tabulated the amount of excess profits tax liability (item 32, p. 1, Form 1121 for 1940).

The amount for 1940, shown in table 4, is tabulated from corporation excess profits tax returns for the calendar year 1940 and for fiscal years beginning in 1940 with the greater part of the accounting period in 1940 (item 32, p. 1, Form 1121). The excess profits tax provisions apply only to taxable years beginning after December 31, 1939.

3/ "Income tax" for 1942 consists of normal tax, surtax, and, for taxable years beginning after December 31, 1941, alternative tax reported in lieu of normal tax and surtax where the income includes an excess of net long-term capital gains over net short-term capital losses, if and only if such tax is less than the normal tax and surtax. Tabulated with the income tax for returns with net income is a small amount of surtax reported on returns with no net income, where receipts for the taxable year include interest on obligations of certain instrumentalities of the United States, described in note 17.

4/ "Income tax" for 1941 consists of income and income defense taxes reported on returns for a fiscal year ending in the period July through November 1941 (and on returns for a part year beginning in 1940 and ending in 1941, the greater part of the accounting period falling in 1941); and normal tax and surtax reported on returns for the calendar year 1941 and on returns for a fiscal year ending in the period January through June 1942 (and on returns for a part year beginning and ending in 1941, and for a part year beginning in 1941 and ending in 1942, the greater part of the accounting period falling in 1941). Tabulated with the income tax for returns with net income is a small amount of surtax reported on returns with no net income, where receipts for the taxable year include interest on obligations of certain instrumentalities of the United States, described in note 17.

5/ The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications.

6/ Total number of returns includes returns of inactive corporations.

7/ "Number of subsidiaries" is the number of affiliated corporations which together with the common parent corporation file a consolidated corporation income tax return.

8/ "Total compiled receipts" consists of gross sales (less returns and allowances), gross receipts from operations (where inventories are not an income-determining factor), all interest received on Government obligations (less amortizable bond premium), other interest, rents and royalties, net capital gain, net gain from sale or exchange of property other than capital assets, dividends, and other receipts required to be included in gross income. "Total compiled receipts" excludes nontaxable income other than tax-exempt interest received on certain Government obligations.

9/ "Income subject to excess profits tax," allowed as a deduction in computing normal tax and surtax net income for taxable years beginning in 1942, is in general equal to the adjusted excess profits net income.

10/ The aggregate excess profits tax liability for 1942, after credit for debt retirement and post-war refund, is $7,851,813,849. A compilation showing the distribution of this tax by industrial groups is in process of preparation and will be included in the complete report, Statistics of Income for 1942, Part 2.

11/ The industrial classification designated "Investment trusts and investment companies" consists of corporations which derived 90 percent or more of receipts from investments and which at no time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock.

12/ The industrial classification designated "Other investment companies, including holding companies" consists of (1) corporations which derived 90 percent or more of receipts from investments and which at some time during the taxable year had investments in corporations in which they owned 50 percent or more of the voting stock, and (2) corporations which derived less than 90 percent but more than 50 percent of receipts from investments.

13/ Less than $500.

14/ "Dividends, domestic corporations" consists of dividends received from domestic corporations subject to income taxation under chapter 1 of the Internal Revenue Code. This item is reported in column 2, schedule E, page 3, Form 1120, and is the amount used for computation of the dividends received credit. There is excluded from this amount dividends from corporations organized under the China Trade Act, 1922, and corporations entitled to the benefits of section 251 of the Internal Revenue Code (corporations receiving a large portion of their gross income from sources within a possession of the United States) such dividends being included in "Other receipts."

15/ "Interest received on Government obligations, wholly taxable" consists of interest on Treasury notes issued on or after December 1, 1940, and obligations issued on or after March 1, 1941, by the United States or any agency or instrumentality thereof, reported as item 9(b), page 1, Form 1120.

16/ "Interest received on Government obligations, subject to declared value excess-profits tax and surtax" consists of interest on United States savings bonds and Treasury bonds owned in principal amount of over $5,000 issued prior to March 1, 1941, reported as item 9(a), page 1, Form 1120.

17/ "Interest received on Government obligations, subject to surtax only" consists of interest on obligations of instrumentalities of the United States (other than obligations of Federal land banks, joint stock land banks, and Federal intermediate credit banks) issued prior to March 1, 1941, reported as item 32, page 1, Form 1120.

18/ "Interest received on Government obligations, wholly tax-exempt" consists of interest on obligations of States, Territories, or political subdivisions thereof, the District of Columbia, and United States possessions; obligations of the United States issued on or before

(Footnotes continued on p. 24)

Footnotes for tables in this release - Continued

September 1, 1917; all postal savings bonds; Treasury notes issued prior to December 1, 1940; Treasury bills issued prior to March 1, 1941; United States savings bonds and Treasury bonds owned in principal amount of $5,000 or less issued prior to March 1, 1941; and obligations issued prior to March 1, 1941, by Federal land banks, joint stock land banks, and Federal intermediate credit banks. Interest from such sources is reported under item 15(a) of schedule M, page 4, Form 1120.

19/ The adjusted excess profits net income is the excess profits net income less the sum of the specific exemption, excess profits credit, and unused excess profits credit adjustment. For part year returns, the amounts of excess profits net income and adjusted excess profits net income have been placed on an annual basis.

20/ The excess profits net income for returns with taxable year beginning in 1942 is obtained from the normal-tax net income (computed without allowance of credit for income subject to excess profits tax and without allowance of dividends received credit) by making certain adjustments, consisting principally of the exclusion of long-term capital gains and losses, and dividends received from domestic corporations.

21/ The excess profits credit is a deduction from the excess profits net income and is computed by one or the other of the following methods:

(a) Under section 713 of the Internal Revenue Code the credit is based on income, and for domestic corporations is 95 percent of the average base period net income plus 8 percent of net capital addition or minus 6 percent of net capital reduction; for foreign corporations this credit is 95 percent of the average base period net income. The method based on income permits the base period net income to be determined on either a general average basis or on increased earnings in the last half of the base period. The base period, in general, begins after December 31, 1935, and ends with the close of the last taxable year beginning before January 1, 1940.

(b) Under section 714 the credit is based on invested capital, and, for returns with taxable year beginning in 1942, the percentage of invested capital allowed as a credit is as follows: First $5,000,000, 8 percent; next $5,000,000, 7 percent; next $190,000,000, 6 percent; and over $200,000,000, 5 percent.

The "unused excess profits credit adjustment" described on page 9 is not included in the amount of excess profits credit shown in table 3 but is taken into account in arriving at the adjusted excess profits net income, as explained in note 19.

22/ At the election of the taxpayer a credit equal to 40 percent of the amount of debt retired during the year is allowed against the excess profits tax for the year. This credit is limited to the lesser of (1) an amount equal to 10 percent of the excess profits tax and (2) an amount equal to 40 percent of the amount of net debt reduction below the smallest amount of indebtedness outstanding at any time since September 1, 1942. No credit for debt retirement is allowed on returns with taxable year beginning in 1941, or ending before September 1, 1942.

23/ For taxable years beginning after December 31, 1941, the law provides a post-war refund of an amount equal to 10 percent of the excess profits tax for each taxable year. The amount due the taxpayer is represented by noninterest-bearing nonnegotiable bonds redeemable after the war. However, part or all of such credit is available currently for debt retirement as explained in note 22.

For taxable years beginning in 1941 and ending after June 30, 1942, the Revenue Act of 1943 limits the post-war refund to 10 percent of the prorated tentative tax computed under the 1942 law. However, the returns for such taxable years were filed previous to February 29, 1944, the date of the 1943 Act, and accordingly show post-war refunds computed under the Revenue Act of 1942 which, in such cases, provided for a smaller amount of refund, equal to 10 percent of the excess of the actual tax liability over the tentative tax computed under the 1941 law.

24/ Preliminary figures.

25/ Income tax shown for 1940 includes income defense tax.

26/ Declared value excess-profits tax shown for 1940 includes declared value excess-profits defense tax reported on returns for a fiscal year ending in period July 1, 1940, through June 30, 1941.

27/ Income tax shown for 1938 consists of $41,569,498 normal tax and $7,778,561 surtax on undistributed profits reported on returns for a fiscal year ending in period July through November 1938 (and on returns for a part year beginning in 1937 and ending in 1938, the greater part of the accounting period falling in 1938), and $804,230,054 income tax reported on returns for the calendar year 1938 and on returns with a fiscal year ending in period January through June 1939 (and on 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).

28/ Income tax shown for 1937 consists of $1,056,939,166 normal tax and $175,897,696 surtax on undistributed profits.

29/ Income tax shown for 1936 consists of $59,289,827 income tax reported on returns with fiscal year ending in period July through November 1936 (and on returns for a part year beginning in 1935 and ending in 1936, the greater part of the accounting period falling in 1936), and $965,503,111 normal tax and $144,972,284 surtax on undistributed profits reported on returns for the calendar year 1936 and on returns with fiscal year ending in period January through June 1937 (and on returns for a part year beginning and ending in 1936, and for a part year beginning in 1936 and ending in 1937, the greater part of the accounting period falling in 1936).

30/ The (declared value) excess-profits tax shown for 1934 and 1935 includes a small amount of (declared value) excess-profits tax which appears on returns with no net income for income tax purposes because the credit for interest received on certain obligations of the United States and its instrumentalities, which was allowed against net income in the computation of the income tax, was not allowed against net income in the computation of the (declared value) excess-profits tax.

31/ Revised.
1934: See Statistics of Income for 1935, Part 2, page 9, footnote 2.

32/ Deficit in excess of net income.

33/ The (declared value) excess-profits tax for 1933 became effective June 30, 1933, under section 216 of the National Industrial Recovery Act.

34/ The excess profits net income for returns with taxable year beginning in 1940 is obtained from the normal-tax net income by making certain adjustments, consisting principally of the deduction of income and income defense taxes for the taxable year, and the exclusion of (1) dividends received from domestic corporations (this adjustment refers to that portion of dividends not deducted as dividends received credit in computing normal-tax net income), and (2) gains or losses from the sale or exchange of capital assets (depreciable or nondepreciable) held for more than 18 months. For returns with taxable years beginning in 1941, the income tax is not deducted in arriving at excess profits net income, instead, the excess profits tax is allowed as a deduction in the computation of normal-tax net income. (The starting point in the computation of excess profits net income for 1941 remains the normal-tax net income computed without deduction of excess profits tax.)

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Thursday, December 28, 1944.

Press Service
No. 44-55

Officers and employees of the Czechoslovak Government serving in the United States subscribed to $6,150 in War Bonds, maturity value, as a contribution to the success of the Sixth War Loan, the Treasury Department disclosed today.

A check for $4,612.50, representing the purchase price of the bonds, was remitted to Under Secretary of the Treasury D. W. Bell by Dr. Karel Cervenka, Czechoslovak Minister, acting for the Embassy. The subscriptions, 75 in all, came from the diplomatic and consular staffs in Washington, New York, Pittsburgh, Cleveland, Chicago, Berkeley and San Francisco, and from members of the Czechoslovak Information Service and Czechoslovak Economic Service at New York.

Acknowledging the subscriptions, Under Secretary Bell wrote to Dr. Cervenka that they evidenced "a real desire on the part of the officials and employees of your Government in the United States to participate in the financial operations of the Government of the United States which are necessary to enable us to prosecute with full vigor the battle against our common enemies."

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TREASURY DEPARTMENT
Bureau of Internal Revenue
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, January 10, 1945.

Press Service
No. 44-56

January 15 is the last day for filing original or amended 1944 Declarations of Estimated Tax and for paying installments of estimated tax for the calendar year 1944, Joseph D. Nunan, Jr., Commissioner of Internal Revenue, said today. The date was originally scheduled for December 15, 1944, but was changed by the Individual Income Tax Act of 1944.

Since farmers were permitted by law to postpone filing their 1944 declarations until the end of the year, nearly all farmers are affected by the January 15 date. Other taxpayers required to file 1944 declarations generally filed them last April, but those who underestimated their tax by more than 20 percent should file amended declarations to avoid the penalty for substantial underestimates. All installments on 1944 declarations, whether original or amended, should be paid up in full by January 15.

The new act also made it possible for taxpayers to combine these duties with the filing and payment upon their annual income tax returns. If an individual files his annual return and pays the tax due upon it by January 15, he need not file a declaration or amended declaration or make a payment of estimated tax for 1944 at that time. Otherwise, March 15 is the usual deadline for filing annual returns for 1944 and Declarations of Estimated Tax for 1945.

Commissioner Nunan suggested that taxpayers who may be in doubt as to whether they must make a filing or payment by January 15 should consult the nearest office of a collector of internal revenue.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Saturday, December 30, 1944.

Press Service
No. 44-57

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated January 4, 1945, and to mature April 5, 1945, which were offered on December 26, 1944, were opened at the Federal Reserve Banks on December 29.

The details of this issue are as follows:

Total applied for - $2,464,903,000
Total accepted - 1,204,847,000 (includes $51,393,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.906 Equivalent rate of discount approx. 0.373% per annum

Range of accepted competitive bids:

High - 99.908 Equivalent rate of discount approx. 0.364% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(26 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 45,245,000	$ 14,091,000
New York	1,211,240,000	362,208,000
Philadelphia	40,468,000	21,228,000
Cleveland	28,192,000	23,752,000
Richmond	17,155,000	12,419,000
Atlanta	5,920,000	5,347,000
Chicago	957,631,000	694,450,000
St. Louis	22,530,000	9,580,000
Minneapolis	29,555,000	10,305,000
Kansas City	15,263,000	11,563,000
Dallas	4,000,000	4,000,000
San Francisco	87,704,000	35,904,000
Total	$2,464,903,000	$1,204,847,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, January 3, 1945.

Press Service
No. 44-58

The Treasury Department today announced the relaxation of its restrictions on the movement of United States currency between Mexico and this country. Hereafter, persons crossing the Mexican border will be permitted to carry United States currency in bills of denominations of $20 or less.

This action was taken after consultation with the Mexican Government, which is issuing a similar announcement.

Mexican controls over the importation of currency from countries other than the United States will be relied upon to prevent Mexico from becoming a channel for the disposition of looted United States currency. The joint Mexican-United States restrictions on the movement of currency between the United States and Mexico continue to apply to bills of denominations of $50 or higher. Treasury restrictions on the importation of currency into the United States from foreign countries other than Mexico remain unchanged.

This modification is in line with the policy of the Treasury Department to relax its wartime restrictions over international financial transactions as rapidly as conditions permit.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, January 3, 1945.

Press Service
No. 44-59

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption As of (Date)	Authorized for entry for consumption (Pounds)
Signatory Countries:			
Brazil	1,734,203,043	December 23, 1944	366,230,314
Colombia	586,988,903	"	229,629,965
Costa Rica	37,294,689	"	1,827,260
Cuba	14,917,823	"	1,671,803
Dominican Republic	22,376,866	"	1,150,356
Ecuador	27,970,951	"	12,794,176
El Salvador	111,884,067	"	8,875,797
Guatemala	99,763,353	"	6,827,225
Haiti	51,280,231	"	3,342,981
Honduras	3,729,522	December 30, 1944 2/	3,042,209
Mexico	88,574,920	December 23, 1944	12,048,417
Nicaragua	36,362,275	"	80,403
Peru	4,661,803	"	1,331,675
Venezuela	78,318,900	"	9,943,050
Non-Signatory Countries:	66,198,053	"	660

1/ Quotas as of January 3, 1945, determined by action of the Inter-American Coffee Board on January 2, 1945.

2/ Per telegraphic reports.

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TREASURY DEPARTMENT
Washington

CORRECTION

In Press Service No. 44-60, for release morning newspapers, January 5, the amount of 91-day Treasury Bills offered was erroneously stated as $1,200,000,000. The correct amount should have been $1,300,000,000.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, January 5, 1945.
1-4-45

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated January 11, 1945, and will mature April 12, 1945, 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 War time, Monday, January 8, 1945. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 January 11, 1945.

44-60

(Over)

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Thursday, January 4, 1945

Press Service
No. 44-61

Secretary Morgenthau today announced the final figures on the Sixth War Loan. Total subscriptions for each of the securities offered in this Drive were as follows:

(In Millions of Dollars)

E Savings Bonds	$ 2,868
F and G Savings Bonds	719
Savings Notes	2,429
7/8% Certificates	4,405
1 1/4% Treasury Notes	1,550
2% Treasury Bonds	6,939
2 1/2% Treasury Bonds	2,711
Total	$21,621

The national quota of $14,000,000,000 was exceeded by more than 50% and the E bond quota by $368,000,000.

Preliminary figures indicate that subscriptions by individuals aggregated about $5,900,000,000, exceeding that quota by $900,000,000.

In addition to those which applied to the Drive, the Treasury received subscriptions from commercial banks, based on their savings deposits, which aggregated $1,014,000,000, of which $886,000,000 were for the 2% Treasury bonds.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Friday, January 5, 1945.

Press Service
No. 44-62

The Bureau of Customs announced today that, because of the fact that the tariff-rate quota on imports of white or Irish certified seed potatoes, as provided for in the Canadian Trade Agreement (T. D. 49752), is approximately 90 percent filled, importers will be required as of January 8, 1945, to deposit estimated duties at the full tariff rate on all imports for consumption of such potatoes pending determination of the quota status of the importations.

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January 6, 1945

STATUTORY DEBT LIMITATION
AS OF DECEMBER 31, 1944

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, "shall not exceed in the aggregate $260,000,000,000 outstanding at any one time."

The following table shows the face amount of obligations outstanding and the face amount which can still be issued under this limitation:

Total face amount that may be outstanding at any one time			$260,000,000,000
Outstanding as of December 31, 1944:			
Interest-bearing:			
Bonds -			
Treasury	$91,584,634,250		
Savings (Maturity value)*	49,923,434,850		
Depositary	498,679,250		
Adjusted Service	715,145,456	$142,721,893,806	
Treasury Notes	41,834,522,200		
Certificates of Indebtedness	37,273,959,000		
Treasury Bills (Maturity value)	16,427,626,000	95,536,107,200	
		$238,258,001,006	
Matured obligations on which interest has ceased		178,871,150	
Bearing no interest			
U.S. Savings Stamps	181,528,651		
Excess profits tax refund bonds	481,008,242	662,536,893	239,099,409,049
Face amount of obligations issuable under above authority			20,900,590,951

Reconcilement with Daily Statement of the United States Treasury
December 31, 1944

Total face amount of outstanding public debt obligations issued under authority of the Second Liberty Bond Act		$239,099,409,049
Deduct, unearned discount on Savings Bonds (difference between current redemption value and maturity value)		9,562,655,234
		229,536,753,815
Add other public debt obligations outstanding but not subject to the statutory limitation:		
Interest-bearing (Postal Savings, etc.,)	$195,917,540	
Matured obligations on which interest has ceased	7,029,370	
Bearing no interest	890,532,984	1,093,479,894
Total gross debt outstanding as of December 31, 1944		$230,630,233,709

*Approximate maturity value, Principal amount (current redemption value) according to preliminary public debt statement $40,360,779,616.

44-63

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 9, 1945.

Press Service
No. 44-64

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated January 11 and to mature April 12, 1945, which were offered on January 5, 1945, were opened at the Federal Reserve Banks on January 8.

The details of this issue are as follows:

Total applied for - $2,157,434,000
Total accepted - 1,302,998,000 (includes $75,916,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(55 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 69,240,000	$ 41,543,000
New York	1,293,935,000	752,188,000
Philadelphia	54,825,000	39,930,000
Cleveland	22,062,000	18,462,000
Richmond	17,682,000	16,287,000
Atlanta	12,710,000	12,010,000
Chicago	434,615,000	249,733,000
St. Louis	36,679,000	22,729,000
Minneapolis	14,468,000	9,963,000
Kansas City	26,948,000	25,013,000
Dallas	32,400,000	25,020,000
San Francisco	141,870,000	90,120,000
Total	$2,157,434,000	$1,302,998,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, January 10, 1945.

Press Service
No. 44-65

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 30, 1944, inclusive, as follows:

Commodity	Established Quota: Period and Country	Established Quota: Quantity	Unit of Quantity	Imports as of December 30, 1944
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	13,080
Cream, fresh or sour	Calendar year	1,500,000	Gallon	1,182
Fish, fresh or frozen, filleted etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	18,210,658	Pound	Quota filled
White or Irish potatoes:	12 months from			
Certified Seed	Sept. 15, 1944	90,000,000	Pound	79,336,868
Other		60,000,000	Pound	Quota filled
Cuban filler tobacco unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco	Calendar year	22,000,000	Pound (unstemmed equivalent)	Quota filled
Red Cedar Shingles	Calendar year	2,153,984	Square	1,451,046
Molasses and sugar sirups containing soluble nonsugar solids equal to more than 6% of total soluble solids	Calendar year	1,500,000	Gallon	328,861

Commodity	Established Quota: Period and Country	Established Quota: Quantity	Unit of Quantity	Imports as of December 30, 1944
Silver or black foxes, furs, and articles:	Month of December			
Foxes valued under $250 each and whole furs and skins	Canada	17,500	Number	7,091
	Other than Canada	7,500	Number	228
Tails	12 months from Dec. 1, 1944	5,000	Piece	---
Paws, heads, or other separated parts	"	500	Pound	500
Piece plates	"	550	Pound	---
Articles, other than piece plates	"	500	Unit	3

TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, January 10, 1945.

Press Service
No. 44-66

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, as amended by the proclamations of December 19, 1940, March 31, 1942, and June 29, 1942, during the period September 20, 1944, to December 30, 1944.

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:

(In Pounds)

Country of Origin	Staple length less than 1-1/8": Established Quota	Staple length less than 1-1/8": Imports Sept. 20, 1944, to Dec. 30, 1944	Staple length 1-1/8" or more but less than 1-11/16": Established Quota 45,656,420	Staple length 1-1/8" or more but less than 1-11/16": Imports Sept. 20, 1944, to Dec. 30, 1944
Egypt and the Anglo-Egyptian Sudan	783,816	-		6,129,528
Peru	247,952	-		239,214
British India	2,003,483	-		-
China	1,370,791	-		-
Mexico	8,883,259	8,883,259		-
Brazil	618,723	-		-
Union of Soviet Socialist Republics	475,124	-		-
Argentina	5,203	-		-
Haiti	237	-		-
Ecuador	9,333	-		-
Honduras	752	-		-
Paraguay	871	-		-
Colombia	124	-		-
Iraq	195	-		-
British East Africa	2,240	-		-
Netherlands East Indies	71,388	-		-
Barbados	-	-		-
Other British West Indies 1/	21,321	-		-
Nigeria	5,377	-		-
Other British West Africa 2/	16,004	-		-
Other French Africa 3/	689	-		-
Algeria and Tunisia	-	-		-
	14,516,882	8,883,259	45,656,420	6,368,742

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 made from cottons having a staple of less than 1-3/16 inches in length, 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 made from cottons having a staple less than 1-3/16 inches in length 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, 1944 to Dec. 30, 1944	ESTABLISHED 33-1/3% of Total Quota	Imports Sept. 20, 1944 to Dec. 30, 1944 1/
United Kingdom.......	4,323,457	-	1,441,152	-
Canada...............	239,690	-	-	-
France...............	227,420	-	75,807	-
British India........	69,627	-	-	-
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	-
TOTALS	5,482,509	-	1,599,886	-

1/ Included in total imports, column 2

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Wednesday, January 10, 1945.

Press Service
No. 44-67

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamations of April 13, 1942, and April 29, 1943, for the 12 months commencing May 29, 1944, as follows:

Country of Origin	WHEAT		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1944, to Dec. 30, 1944	Established Quota	Imports May 29, 1944, to Dec. 30, 1944
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	2,046,090
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000	4,000,000	2,046,090

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Wednesday, January 10, 1945.

Press Service
No. 44-68

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity: (Pounds) 1/	Authorized for entry for consumption: As of (Date)	Authorized for entry for consumption: (Pounds)
Signatory Countries:			
Brazil	1,734,203,043	December 30, 1944	398,179,700
Colombia	586,988,903	"	229,863,240
Costa Rica	37,294,689	"	1,827,260
Cuba	14,917,823	"	2,826,268
Dominican Republic	22,376,866	"	1,150,356
Ecuador	27,970,951	"	12,794,176
El Salvador	111,884,067	"	8,951,856
Guatemala	99,763,353	"	6,941,334
Haiti	51,280,231	"	3,342,981
Honduras	3,729,522	January 6, 1945 2/	3,190,487
Mexico	88,574,920	December 30, 1944	12,466,707
Nicaragua	36,362,275	"	80,403
Peru	4,661,803	"	1,331,675
Venezuela	78,318,900	"	9,968,356
Non-Signatory Countries:	66,198,053	"	661

1/ Quotas as of January 3, 1945, determined by action of the Inter-American Coffee Board on January 2, 1945.

2/ Per telegraphic reports.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE
Thursday, January 11, 1945

Press Service
No. 44-69

The Bureau of Customs announced today that entries for consumption and withdrawals from warehouse for consumption of Cuban filler tobacco, not specially provided for, other than cigarette leaf tobacco, unstemmed or stemmed, and scrap tobacco filed at the opening moment of the quota year beginning January 1, 1945, covered such tobacco in excess of the 22,000,000 pounds dutiable at the quota rates set forth in the supplementary Cuban Trade Agreement of December 29, 1941.

Facilities were provided for the simultaneous presentation of entries and withdrawals at 12 noon, E.W.T.; 11 a.m., C.W.T.; 10 a.m., M.W.T., and 9 a.m., P.W.T., on January 1, 1945.

The Bureau will determine as expeditiously as possible how much the quota was exceeded and what portion of each entry and withdrawal filed on January 1 is dutiable at the quota rates and so advise the collectors of customs.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, January 12, 1945.
1-11-45

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated January 18, 1945, and will mature April 19, 1945, 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 War time, Monday, January 15, 1945. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 January 18, 1945.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Monday, January 15, 1945.

Press Service
No. 44-71

During the month of December, 1944, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of $12,000,000, Secretary Morgenthau announced today.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 16, 1945.

Press Service
No. 44-72

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated January 18 and to mature April 19, 1945, which were offered on January 12, 1945, were opened at the Federal Reserve Banks on January 15.

The details of this issue are as follows:

Total applied for - $2,197,862,000
Total accepted - 1,302,234,000 (includes $73,032,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905 Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.915 Equivalent rate of discount approx. 0.336% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(54 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 31,675,000	$ 19,531,000
New York	1,456,482,000	822,042,000
Philadelphia	52,610,000	36,050,000
Cleveland	20,335,000	19,093,000
Richmond	17,302,000	15,867,000
Atlanta	24,990,000	19,700,000
Chicago	338,730,000	188,931,000
St. Louis	22,740,000	15,012,000
Minneapolis	29,690,000	18,180,000
Kansas City	42,828,000	40,018,000
Dallas	23,370,000	19,000,000
San Francisco	137,110,000	88,810,000
TOTAL	$2,197,862,000	$1,302,234,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, January 16, 1945.

Press Service
No. 44-73

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption	
		As of (Date)	(Pounds)
Signatory Countries:			
Brazil	1,734,203,043	January 6, 1945	439,782,474
Colombia	586,988,903	"	245,326,448
Costa Rica	37,294,689	"	1,827,266
Cuba	14,917,823	"	2,826,279
Dominican Republic	22,376,866	"	1,414,606
Ecuador	27,970,951	"	15,402,635
El Salvador	111,884,067	"	8,951,325
Guatemala	99,763,353	"	7,014,155
Haiti	51,280,231	"	3,386,681
Honduras	3,729,522	January 13, 1945 2/	3,190,487
Mexico	88,574,920	January 6, 1945	12,727,403
Nicaragua	36,362,275	"	80,403
Peru	4,661,803	"	1,331,675
Venezuela	78,318,900	"	9,968,356
Non-Signatory Countries:	66,198,053	"	671

1/ Quotas as of January 3, 1945, determined by action of the Inter-American Coffee Board on January 2, 1945.

2/ Per telegraphic reports.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, January 18, 1945.

Press Service
No. 44-74

Regulations extending and making even more stringent all existing prohibitions on the acceptance of gifts or favors by employees of the Procurement Division from all persons doing business with that Division were issued today by John W. Pehle, Assistant to Secretary Morgenthau, in charge of the Procurement Division.

"It is of the greatest importance," Mr. Pehle said, "that, as Mr. Morgenthau demands, the activities of the Procurement Division shall at all times be completely free of any 'outside' influence, as well as any suspicion of such influence, resulting from any business or any personal ties which may exist between Procurement Division employees, and persons, firms or corporations with whom the Division does business."

The Treasury emphasized that its action in tightening its regulations was not the result of any irregularities which had occurred, but was a precautionary measure taken in view of the greatly expanded activities of the Procurement Division, particularly in the Surplus Property field, and the large number of new personnel being employed for this work.

For these reasons the following regulations were issued in the form of General Order No. 2:

1. Unless expressly instructed otherwise by his supervisor, no employee shall conduct Procurement Division business except on Government premises.

2. No employee shall accept any gratuity of any nature whatsoever, directly or indirectly, from any person, firm or corporation which does business or proposes to do business with the Procurement Division. The term "gratuity" includes gifts of any kind; positions for relatives or friends; tips on stocks or horse races; free transportation; accommodations at hotels or clubs; tickets for theaters, prize fights, etc.; the use for personal convenience of automobiles, telephones or eating facilities on a courtesy basis of firms doing business with the Procurement Division; and other favors of any nature whatsoever. Such favors may not be accepted during periods of leave or after office hours.

The order further states that employees should avoid attending any dinner, luncheon or other social function as guests of a person doing business with the Division.

3. Every employee, CAF-5 ($2,000 per annum) or above, must submit not later than February 1, 1945 a report listing any personal or financial relationships which he has or formerly had with any person, firm or corporation which he has reason to believe has done or might in the future do business with the Procurement Division. This report must be filed by all Procurement Division employees in the field as well as those stationed in the Washington office.

4. No employee may take any final action on any matter in which such a personal or financial relationship exists.

5. Exceptions may be requested in writing to the Director of Procurement or to the Director of Surplus Property. (The Procurement Division of the Treasury consists of an Office of Procurement and an Office of Surplus Property).

6. Violations of these regulations will be sufficient cause for removal from the service or severedisciplinary action.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, January 19, 1945.
1-18-45

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated January 25, 1945, and will mature April 26, 1945, 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 War time, Monday, January 22, 1945. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 January 25, 1945.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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TREASURY DEPARTMENT
Washington

FOR RELEASE SUNDAY NEWSPAPERS,
January 28, 1945.

Press Service
No. 44-76

Treasury agencies during 1944 struck at Black Market traders in war scarce commodities, effecting some 1,000 arrests of persons charged with violations in which the Department has an enforcement interest.

The now virtually smashed Black Market in liquor, the counterfeiting of ration stamps, the illegal diversion of sugar, and attempts to export controlled commodities illegally were particular targets of Treasury investigators working in close cooperation with the Office of Price Administration, the Foreign Economic Administration and other wartime agencies.

Secretary Morgenthau, summarizing the year's activities of his investigative units, cited these highlights in the Department's drive against wartime chiselers:

The United States Secret Service, assisting the Office of Price Administration, developed evidence resulting in more than 200 arrests in ration coupon counterfeiting cases, chiefly gasoline and sugar, and seized printing plants and bogus coupons representing many millions of gallons of motor fuel. The Service made more than 1,800 arrests in Government check forgery cases, and its effective work against money counterfeiters brought losses to the public from bogus money to a new low.

The Alcohol Tax Unit of the Bureau of Internal Revenue, also working with OPA, made nearly 4,000 investigations of liquor price ceiling violations, resulting in indictments against 650 persons and seizure of Black Market liquor worth $340,000. The Unit in cooperation with OPA also investigated diversion of sugar, running into millions of pounds, into illicit distilling, and seized nearly 8,000 stills, mostly small plants in the southeastern states' moonshine area.

The Intelligence Unit of the Bureau of Internal Revenue instituted investigations into income tax evasion by Black Market operators who neglected to report their illegal gains to the Government. In other tax investigations during the year, the Unit turned up a record-breaking potential gain to the Government in the form of recommended additional assessments totalling $73,000,000, and reported conviction of 70 persons in criminal cases.

Customs officers at ports and borders made numerous arrests involving seizures of restricted goods, and smashed a large scale attempt to drain badly needed used car stocks into the lucrative Mexican market.

Foreign Funds Control investigative section continued to ferret out assets of enemy and "black list" nationals concealed in this country, in one case freezing $280,000 sent into the country under evasive circumstances by a resident of Turkey; and in another case blocking further transactions in previously unreported assets totalling $500,000 belonging to a group residing in France.

Frank J. Wilson, Chief of the Secret Service, reported to Elmer L. Irey, Coordinator of Enforcement, that his agents participated in one bogus gasoline coupon case involving a potential 20,000,000 gallons, and another in which coupons representing more than 15,000,000 gallons were seized.

The larger haul was made at Woodside, New York, when Secret Service officers and OPA agents seized a complete plant for counterfeiting gasoline ration coupons, including a printing press, plates, 45,000 sheets of paper, and large quantities of partially completed stamps. Three persons were arrested.

The other case also resulted in capture, in New York City, of a printing press, plates and equipment, including facilities for making shoe coupons as well as gasoline coupons. Two alleged operators of the plant were arrested. A similar enterprise broken up in Meriden, Connecticut, by the Secret Service, OPA agents, and police involved a potential million-gallon diversion, and brought a year and a half in prison for the principal.

With the arrest of eleven persons in Buffalo, Rochester, and Syracuse, New York, the Service nipped in the bud a plot to flood the country with counterfeit $5 Internal Revenue automobile use stamps and counterfeit gasoline coupons. This case featured effective use of undercover agents who worked their way into the gang. The counterfeiting plant and equipment were seized.

Stewart Berkshire, head of the Alcohol Tax Unit, reported that the courts had dealt out heavy fines and in some cases substantial prison terms in Black Market liquor cases coming to trial during the year. Convictions already have been obtained in cases involving nearly 400 individuals. The Equitable Trading Corporation, New York City, and Hyman Karlin, owner, were fined $100,000, and Karlin sentenced to 30 days in jail. Distribution of large quantities of whisky in the South and in the State of Ohio at above-ceiling prices was alleged.

Fines totalling $55,000 were levied against the Connecticut Importing Company and three individuals of Hartford, on charges of falsification of records in the disposition of liquor.

Isidore Fried, general sales manager of the Hercules Liquor Products Co., Brooklyn, received an eighteen months' sentence and was fined $56,000.

In Wilkes County, North Carolina, one of the most prolific moonshine counties in the country, OPA and Alcohol Tax investigators traced 2,000,000 pounds of sugar that had been obtained illegally by merchants during a 15 months' period and diverted to illicit distillers. Seven persons were convicted and fines were assessed totalling $14,200, with several suspended from trading in sugar for various periods.

Similar suspensions were invoked against eleven merchants in northern Georgia for diversions effected by counterfeit sugar stamps.

In Miami, Florida, in December, 85,000 pounds of sugar, three trucks, two trailers, and an automobile were seized and seven persons were arrested for having obtained sugar on counterfeit stamps. This sugar was intended for illicit distilleries in northern Georgia.

In Anderson, South Carolina, three persons drew prison sentences of a year to a year and a half for handling counterfeit sugar stamps. In Hagerstown, Maryland, three persons were convicted on similar charges. In Cocke County, Tennessee, moonshiners had paid 50 cents each for counterfeit sugar stamps, and had thus purchased 31,000 pounds of sugar. Sixteen persons, including several merchants, were convicted. A similar case in Cookeville, Tennessee, involved 10,000 pounds of sugar and brought three arrests.

The Secret Service joined OPA and Alcohol Tax agents in investigating sugar stamp counterfeiting activities.

Culminating one of the largest illicit distilling conspiracies of recent years, Charles Tourine, alias "The Blade," and 25 co-defendants were sentenced at Newark, New Jersey, to a total of 35 years in prison.

The volume of non-tax paid liquor traffic, as measured by the amount of mash seized at stills, increased 57 percent over 1943, but was far less than the years prior to the effective date of sugar rationing.

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TREASURY DEPARTMENT
Washington

FOR RELEASE AFTERNOON NEWSPAPERS,
Tuesday, January 30, 1945.

Press Service
No. 44-77

Traffic in marihuana became an increasingly serious enforcement problem during 1944, Secretary Morgenthau reported today, with seizures of the weed by Treasury Narcotics and Customs officers larger than in the previous year and the illicit traffic in some instances reaching the proportions of well-financed national and international conspiracies.

Reports to Elmer L. Irey, Coordinator of Enforcement, indicated that New York City was the focal point of this traffic, with Treasury agents breaking up four major gangs supplying the eastern metropolis. Numerous arrests were made in other population centers, some seizures being measured in terms of many pounds, rather than in ounces, as is ordinarily the case.

Captures of opium and its derivatives declined moderately, but a reappearance of heroin in moderate quantities was reported. This prepared drug has been practically non-existent in underworld channels in recent years.

But, while opium seizures were declining, the Treasury officers still were called upon to match wits against international gangsters operating against a backdrop of double-crossing and violence that accounted for at least two murders. One of the most spectacular incidents involved a Bureau of Narcotics undercover agent, who at great personal danger infiltrated himself into a remnant of the old Black Toni Parmagini gang in California. The Treasury man found himself actually chosen as overnight custodian of a fortune in dope by gangsters who feared a double cross from fellow conspirators on the distribution end.

The officer ruefully saw the drugs turned over to the buyers the next morning, unable to act lest he expose the government's hand and enable the mob leaders to escape. His feelings were mollified two days later when he learned that fellow agents, following through, had quietly arrested the runner as he stepped from a train in Chicago, the drugs in a suitcase. With the evidence gathered by the undercover officer and other Customs and Narcotics agents, the leaders subsequently were rounded up. Two of the mobsters drew 10- and 20-year prison terms.

The dangers inherent in marihuana use were demonstrated dramatically during the year with the sentencing of Carl Murphy, an Oklahoma City, Oklahoma, bellhop, to ten years in prison for the slaying, while under the influence of the weed, of a federal building guard. The slaying culminated a series of brawls in which Murphy participated, and of which he professed to have no recollection after the effects of the weed wore off. Four others were sentenced in this case as the suppliers of marihuana.

H. J. Anslinger, Commissioner of Narcotics, said this case is but one of many in the files of the Bureau that involve crimes of violence carried out by persons under the influence of the drug. He warned against complacency on the part of the public toward the marihuana problem. He pointed out that while not all persons always display violent reactions to marihuana, there are many instances of persons, who like Murphy appear of mild and harmless temperament, displaying maniacal characteristics after using the weed.

Large quantities of the weed were seized in the four cases involving gangs supplying New York City. Sentences ranging from 15 months to four years in prison were given four persons convicted of selling marihuana to workmen in four different Detroit war plants.

The joint Customs-Narcotics investigation in which the undercover agent figured prominently had its origin some two years ago. In May, 1942, Narcotics agents started looking into activities of the so-called "107th Street Mob" formerly headed by "Lucky" Luciano, and composed of some of the most notorious hoodlums in New York City. Several arrests were made in Eastern states, and it was learned that certain members of this gang had gone to the Bahamas in an effort to obtain drugs. They were not particularly successful due to double-crossing proclivities of some of the group.

This phase of the investigation resulted in indictment in New York of seventeen persons.

Since it appeared the major supply source of the gang was Mexican opium and heroin, and the New Yorkers were dealing with members of the old Black Toni Parmagini gang in California, the Treasury officers shifted their emphasis to the West Coast. Willie Levin, former partner of Parmagini, and just released from a 17-year prison sentence, was the first big game snared, and was given a new 10-year sentence for fresh narcotics trafficking. Several lesser lights were nabbed.

The seller in Mexico was identified as Enrique Diarte, a notorious smuggler. Two of his runners were arrested and 20 ounces of pure heroin seized, a rare catch of great value in illicit channels. Diarte kept to the Mexican side of the border; but in November, 1944, was found near Tijuana, murdered. He had been shot through the heart, his throat cut, and his skull crushed. Mexican officers arrested Frank Orbe, one-time associate of Diarte, himself a notorious narcotics smuggler, and charged him with the slaying.

Previously, one of the principal California members of the gang apparently had been taken for a ride under bizarre circumstances. This hoodlum, known as "Big Nose" Charlie LaGaipa had been under intense surveillance by Treasury agents. However, during an interval of a few hours when this surveillance was incomplete due to the manpower shortage handicapping the enforcement agencies, Charlie disappeared. Police subsequently found his automobile, abandoned, with traces of human tissue plastered on the instrument panel. No further trace of him has been found.

In the meantime, the Italian-speaking Treasury agent and his fellow officers had been busy assembling evidence. The transaction witnessed by the undercover officer involved 622 ounces of smoking opium and 8 ounces of heroin. The runner taking it east, Joseph Tocco, alias "The Eye", was arrested in Chicago, and the dope seized, one of the largest such consignments taken in recent years. He was removed to California, tried and sentenced to 10-years imprisonment, and Sam Maugeri, his supplier, was sentenced to 20 years in prison. One member of the ring still is at large.

Other joint Narcotics-Customs investigations broke up large scale drug smuggling gangs operating through Phoenix and Nogales, Arizona, and one channeling dope from El Paso to New Jersey. The Government of Mexico is cooperating with United States officers in combating this traffic, and made numerous arrests within its own borders.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Monday, January 22, 1945.

Press Service
No. 44-78

Secretary of the Treasury Morgenthau today announced the offering, through the Federal Reserve Banks, of one-year Treasury Certificates of Indebtedness of Series A-1946, in exchange for 7/8 percent Treasury Certificates of Indebtedness of Series A-1945, maturing February 1, 1945, and 1-1/8 percent Commodity Credit Corporation notes of Series G, maturing February 15, 1945. Exchanges will be made par for par, with an adjustment of interest as of February 1 in the case of Commodity Credit Corporation notes exchanged. The offering of the new certificates is limited to the amount of securities of the two maturing issues tendered in exchange, and cash subscriptions will not be received.

The certificates now offered will be dated February 1, 1945, and will bear interest from that date at the rate of seven-eighths of one percent per annum, payable semiannually on August 1, 1945, and February 1, 1946. They will mature February 1, 1946. They will be issued in bearer form only, in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the certificates now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circular released today.

Subscriptions will be received at the Federal Reserve Banks and Branches, and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates or notes. Where Commodity Credit Corporation notes of Series G are surrendered, the final coupon due February 15, 1945, should be attached, and accrued interest from August 15, 1944, to February 1, 1945, will be paid following acceptance of the notes.

The right is reserved to close the books as to any or all subscriptions at any time without notice. Subject to the usual reservations, all subscriptions will be allotted in full.

There are now outstanding $5,048,179,000 of the Series A-1945 certificates and $411,596,000 of the Series G notes.

The text of the official circular follows:

UNITED STATES OF AMERICA

7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES A-1946

Dated and bearing interest from February 1, 1945 Due February 1, 1946

1945
Department Circular No. 763

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, January 22, 1945.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated 7/8 percent Treasury Certificates of Indebtedness of Series A-1946, in exchange for 7/8 percent Treasury Certificates of Indebtedness of Series A-1945, maturing February 1, 1945, or 1-1/8 percent Commodity Credit Corporation Notes of Series G, maturing February 15, 1945. The amount of the offering under this circular will be limited to the amount of such Series A-1945 certificates and Series G notes tendered and accepted.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated February 1, 1945, and will bear interest from that date at the rate of 7/8 percent per annum, payable semiannually on August 1, 1945, and February 1, 1946. They will mature February 1, 1946, and will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates 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 certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

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

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

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, to allot less than the amount of certificates 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. 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 certificates allotted hereunder must be made on or before February 1, 1945, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series A-1945, maturing February 1, 1945, or in Commodity Credit Corporation Notes of Series G, maturing February 15, 1945, which will be accepted at par, and should accompany the subscription. Coupons dated February 15, 1945, must be attached to the Series G notes when surrendered, and accrued interest from August 15, 1944, to February 1, 1945 ($5.19701 per $1,000) will be paid following acceptance of the notes.

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 certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

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

The following news stories dealing with phases of the work of the Treasury's law enforcement agencies during 1944 are for release on the dates indicated.

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RELEASE MORNING NEWSPAPERS
Friday, February 2, 1945

Frank J. Wilson, Chief of the United States Secret Service, said today that carelessness on the part of persons receiving Government checks and merchants and others who cash them is contributing to an increase in juvenile delinquency.

Chief Wilson said that nearly half of some 1,800 persons arrested by his agents during 1944 for stealing and forging government checks were eighteen years old or younger. Many of these youngsters, he believed, might have been saved from making a start toward a life of crime had the opportunity for apparent easy money been removed. He called upon persons who receive such checks to guard them as they would money, and on persons who cash them to use extraordinary care in obtaining proper identification of persons who present checks for payment.

An additional social aspect of the problem is presented by the fact that many such checks stolen are allowance and allotment checks urgently needed by dependents of our service men. Their families or dependents often suffer hardships because issuance of new checks is delayed by the necessary investigations.

Chief Wilson said the courts are paying increasing attention to the juvenile problem arising from this racket. Several jurists have called merchants who cashed checks for juveniles under obviously doubtful circumstances into court and warned them of possible charges of contributing to delinquency.

At Omaha, Nebraska, Judge Herbert Rhoades of the Douglas County Juvenile Court, placed parents of 9-year old and 11-year old brothers on probation for a year after the children were arrested on check stealing charges.

The tragic aftermath of crime was demonstrated dramatically in one case. A San Antonio, Texas, man identified as the forger of six Treasury checks, stabbed himself to death before his wife and baby as city detectives closed in on him after a 10-mile automobile chase.

The Secret Service is intensifying its educational campaign designed to remove opportunities for stealing and forging checks.

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Release Sunday Newspapers
February 4, 1945

Narcotic addicts, pinched by steadily diminishing supplies in the underworld trade, are resorting to frantic efforts to obtain drugs through fraud and theft, H. J. Anslinger, Commissioner of Narcotics, reported today in reviewing the work of his agents during 1944. He cited as examples:

Three Dallas, Texas, men were given prison sentences in connection with theft and sale of morphine syrettes from first aid kits installed in army planes and parachutes, thefts that might cost the lives of United States fliers.

A Sioux Falls, South Dakota, couple, to satisfy their addiction, invented a cancer stricken "father" and false documents to obtain quantities of morphine from a sympathetic country doctor.

A woman addict in Kentucky hired ailing old men whom she paraded from physician to physician as her "father" to obtain prescription drugs.

Two Medford, Oregon, physicians were given long prison terms for supplying addicts; a prominent St. Petersburg, Florida, doctor drew a record $10,000 fine and a suspended prison term; and a Chicago physician is awaiting trial on similar charges.

E. J. Shamhart, Deputy Commissioner of Customs, reported continued numerous seizures from vessels arriving in United States ports especially those from India and Iran, mostly in small caches in every conceivable hiding place aboard ship. However, several sizeable lots of opium seized appeared intended for the illicit United States traffic.

Combined narcotics seizures by Customs at the ports and borders and by Narcotics agents in the interior traffic totalled 7,160 ounces, compared with 8,549 ounces in 1943. Total seizures of marihuana were 12,117 ounces, against 11,961 ounces in 1943. Total arrests for violations of the drug laws were 2,410 in 1944 and 2,672 in 1943.

Seizures and arrests continue below levels of pre-war years.

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Release Afternoon Newspapers
Tuesday, February 6, 1945

The days when mountaineer folk considered "revenooers" fair targets for a rifle ball have passed largely, but enforcing Uncle Sam's tax laws relating to liquor still has its hazards.

Dwight E. Avis, Assistant Deputy Commissioner, in charge of the enforcement section of the Alcohol Tax Unit, culled from his agents' reports on 1944 activities a case in point.

Two Treasury investigators, J. B. Reed and W. W. Frost, were wounded by buckshot near Biloxi, Mississippi, when their car was ambushed after they had destroyed two moonshine stills. Three prisoners in the rear of their car were unhurt. Lovender Ladner and Ramsey Cameron were given 20-year prison terms on charges of assault with a deadly weapon in connection with the shooting.

There are new tricks to this old trade also, Mr. Avis revealed. One gang of illicit liquor distributors in North Carolina employed attractive 16-year old girls to accompany their drivers as "blinds".

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Release Morning Newspapers
Thursday, February 8, 1945

The American soldier's penchant for souvenirs is proving something of a headache to United States Customs officers, who, although sympathetic, have to follow the laws and regulations.

E. J. Shamhart, Deputy Commissioner of Customs, in charge of enforcement, reported numerous seizures during 1944 of automatic weapons, explosives, explosive devices and ammunition obtained in battle areas and being brought back by returning service men.

Importation of military souvenirs is permitted where the members of the armed forces have certificates of permission signed by their commanding officers. Unauthorized articles are confiscated and turned over to military authorities. Customs officers point out that many such items are dangerous, and that there is danger of weapons and explosives falling ultimately into irresponsible or criminal hands unless they are rendered inoperative.

Attempts of service men to inform their relatives of their whereabouts and experiences in communications outside the mails, and consequently not cleared by other censorship, also add to the Customs job. Diaries and other such communications when seized are preserved carefully, and may be released to the addressees after the war.

Mr. Shamhart reported that the scarcity of liquor produced an increase of small scale smuggling operations during the year, with 6,650 such seizures, an increase of 1,100 over 1943. There were no signs of a revival of liquor smuggling on the scale of prohibition day rum running, however, with such activities being confined to individual cases on the Mexican border and from Cuba. Other types of seizures declined, but several cases involving war scarce commodities were noted. Mexican silver cigarette lighters worth $8,000 were seized, along with some jewelry in one case. Two persons were arrested in a case involving smuggling of watches, silks and woolens worth $24,000, from Canada.

A case of attempted smuggling in reverse involved $11,000 worth of piece goods headed out of the country in violation of orders of the Foreign Economic Administration, and intended for Cuban consignees. Remnants, which could be exported legally under license, were packed around the outside of bales containing actual bolts of materials. The goods were seized.

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Release Sunday Newspapers
February 11, 1945

W. H. Woolf, head of the Intelligence Unit of the Bureau of Internal Revenue, has a long standing conviction that persons who cheat Uncle Sam on their taxes are pretty likely to "take" their fellow citizens as well.

For example:

An Alliance, Ohio, scrap steel supervisor for a big steel company charged 25 cents to $4 a ton for bestowing, to dealers wishing to sell scrap to his firm, his personal stamp of approval. His employer was in ignorance of his methods. The Intelligence Unit found the man had reported only $4,200 income while garnering $25,000, and he went to prison for tax evasion.

An Oskaloosa, Iowa, gasoline dealer made false claims for tax exemption on sales allegedly made to the county government. He claimed that 50,000 gallons were sold to the tax-free agency, whereas investigation showed that actually only a small part went to the county, the rest being disposed of to other customers, quite profitably of course.

In another case, Mr. Woolf reported, a gambler made $125,000 betting on races and failed to share with the Government. He's doing five years.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Friday, January 19, 1945.

Press Service
No. 44-80

Secretary Morgenthau today announced the appointment of Lehman C. Aarons of Milwaukee, Wisconsin, as Assistant General Counsel of the Treasury Department.

Mr. Aarons came to the Treasury in 1934. He served on the General Counsel's staff until 1938 when he resigned to engage in the private practice of law in Milwaukee, Wisconsin. He returned to the Treasury temporarily in June 1940 to assist in the organization of the Foreign Funds Control work. In 1941 he went to the Far East to represent the Treasury in Foreign Funds Control and monetary matters and was appointed Assistant Chief Counsel of Foreign Funds Control November 26, 1942. He later became Assistant to the General Counsel.

Mr. Aarons has also represented the Treasury Department in Europe and only recently returned from London where he was serving as Treasury Representative.

He is a graduate of the University of Wisconsin and of the University of Wisconsin Law School, having received his LLB degree in 1933.

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TREASURY DEPARTMENT

WASHINGTON

FOR IMMEDIATE RELEASE,
Monday, January 22, 1945.

Press Service
No. 44-81

The U. S. Treasury Department has just completed transfer to the Republic of China of $210,000,000 in settlement for advances of local currency and for supplies, services and military construction furnished the U. S. Forces in China.

This excludes certain aid furnished to the United States by the Chinese Government in the form of reciprocal aid.

A portion of the settlement came from U. S. funds already in China, a portion from funds previously placed to China's credit in the United States and the remainder in the form of a check for approximately $150,000,000 which Secretary Morgenthau gave to Dr. H. H. Kung here.

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TREASURY DEPARTMENT
Bureau of Internal Revenue
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, January 24, 1945.

Press Service
No. 44-82

Joseph D. Nunan, Jr., Commissioner of Internal Revenue, announced today that separate bills are being sent to approximately 4,000,000 taxpayers who postponed payment of part of the "unforgiven tax" shown on their 1943 income tax returns. These bills are being mailed by the collectors of internal revenue in the taxpayers' home districts and are payable not later than March 15, 1945.

Commissioner Nunan explained that this type of payment is due from only about 4,000,000 out of the estimated 50,000,000 individuals who are required to file 1944 income tax returns by March 15, 1945. Therefore, in order to avoid confusing the majority of taxpayers who must file 1944 returns but do not owe any unforgiven tax for the previous year, the Bureau of Internal Revenue is treating these items as entirely separate transactions.

The bills for "unforgiven tax" arise from the switch-over to the pay-as-you-go system of income tax collection. To avoid collecting two years' taxes from individuals in one year, Congress forgave in most cases at least 75 percent of the individuals' 1942 tax and added the unforgiven part to their 1943 tax. At least one-half of the unforgiven part was payable March 15, 1944, and the balance is due March 15, 1945. It is this balance for which bills are now being mailed.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 23, 1945.
1-22-45

Press Service
No. 44-83

Secretary of the Treasury Morgenthau announced today that the subscription books for the current offering of 7/8 percent Treasury Certificates of Indebtedness of Series A-1946, open to the holders of Treasury Certificates of Indebtedness of Series A-1945, maturing February 1, 1945, and Commodity Credit Corporation Notes of Series G, maturing February 15, 1945, will close at the close of business Wednesday, January 24, except for the receipt of subscriptions from holders of $100,000 or less of the maturing certificates or notes. The subscription books will close for the receipt of subscriptions of the latter class at the close of business, Saturday, January 27.

Subscriptions addressed to a Federal Reserve Bank or Branch, or to the Treasury Department, and placed in the mail before 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.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 23, 1945.

Press Service
No. 44-84

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated January 25 and to mature April 26, 1945, which were offered on January 19, 1945, were opened at the Federal Reserve Banks on January 22.

The details of this issue are as follows:

Total applied for - $2,195,034,000
Total accepted - 1,315,666,000 (includes $64,081,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/ Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum
Low - 99.905 Equivalent rate of discount approx. 0.376% per annum

(54 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 42,980,000	$ 25,408,000
New York	1,473,780,000	854,722,000
Philadelphia	61,850,000	41,196,000
Cleveland	19,160,000	16,465,000
Richmond	25,505,000	21,825,000
Atlanta	15,210,000	10,958,000
Chicago	303,947,000	177,048,000
St. Louis	24,019,000	16,015,000
Minneapolis	3,800,000	3,790,000
Kansas City	19,413,000	17,389,000
Dallas	13,202,000	11,822,000
San Francisco	192,168,000	119,028,000
Total	$2,195,034,000	$1,315,666,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, January 23, 1945.

Press Service
No. 44-85

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1, 1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption: As of (Date)	Authorized for entry for consumption: (Pounds)
Signatory Countries:			
Brazil	1,734,203,043	January 13, 1945	479,114,327
Colombia	586,988,903	"	253,079,430
Costa Rica	37,294,689	"	1,827,266
Cuba	14,917,823	"	2,826,283
Dominican Republic	22,376,866	"	1,995,058
Ecuador	27,970,951	"	16,135,674
El Salvador	111,884,067	"	8,951,477
Guatemala	99,763,353	"	7,937,019
Haiti	51,280,231	"	4,314,640
Honduras	3,729,522	January 20, 1945 2/	3,190,487
Mexico	88,574,920	January 13, 1945	13,661,351
Nicaragua	36,362,275	"	80,403
Peru	4,661,803	"	1,331,675
Venezuela	78,318,900	"	11,127,350
Non-Signatory Countries:	66,198,053	"	679

1/ Quotas as of January 3, 1945, determined by action of the Inter-American Coffee Board on January 2, 1945.

2/ Per telegraphic reports.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, January 25, 1945.

Press Service
No. 44-86

Secretary Morgenthau will be guest speaker on the weekly Blue Network program, "Labor-U.S.A.", sponsored by the Congress of Industrial Organizations, Saturday, January 27, at 6:45 p.m., the Treasury announced today.

Mr. Morgenthau will discuss the proposed International Monetary Fund and International Bank for Reconstruction and Development.

Through a series of dramatized situations, the program will interpret in terms of interest to the individual worker the beneficial effects expected to derive from international economic cooperation as embodied in the agreements reached at the Bretton Woods Conference.

The 15-minute broadcast will originate in New York, and will be carried by some 135 stations of the Blue Network, including WMAL, Washington. Mr. Morgenthau's talk will be "cut in" from Washington.

Legislation to effect United States participation in the proposed Fund and World Bank are being drafted by Congressional experts for early introduction.

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TREASURY DEPARTMENT,
Washington, D. C.

FOR RELEASE, MORNING NEWSPAPERS,
Friday, January 26, 1945.
1-25-45

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated February 1, 1945, and will mature May 3, 1945, 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 War time, Monday, January 29, 1945. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 February 1, 1945.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditons of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

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TREASURY DEPARTMENT
Washington

FOR RELEASE AT 6:45 PM, EWT,
Saturday, January 27, 1945.
1-26-45

Press Service
No. 44-88

(The following address by Secretary Morgenthau, featuring the weekly program "Labor-U.S.A." sponsored by the Congress of Industrial Organizations, will be broadcast on a coast-to-coast Blue Network hookup, Saturday, January 27 at 6:45 PM, E. W. T., and is for release at that time.)

The CIO needs no reminder that the welfare of American labor is tied to the welfare of America as a whole. It demonstrated its knowledge of this fact last Fall by taking part actively -- and, I may say, fairly effectively -- in the political life of the Nation. It did so because it understood, as Sidney Hillman put it, that "The activity of such groups in shaping the course of their government is essential to the functioning of our democracy."

The discussion of the Bretton Woods proposals which has taken place on this program indicates that organized labor understands also that it must play a responsible part in the shaping of international affairs. It has a vital stake in the peace no less than in the war.

It is too often assumed that international affairs are beyond the grasp of the ordinary citizen -- that they must be left to the diplomats in the political field and to the bankers in the economic field. If they are left entirely in such hands, the chances are that they will be shaped no better than in the past. Your hands must share in the shaping.

There is nothing remote about the Bretton Woods proposals. They involve your bread and butter. They are an essential part of the President's program for the attainment of 60,000,000 jobs here in the United States. We cannot reach such a level of employment at home unless there is a lifting of living standards abroad and a revival of international trade.

The International Monetary Fund is simply a device to make it possible for workers in all parts of the world to exchange the goods they produce on a stable basis and in an orderly way. It would free the flow of commerce from artificial currency barriers. It would substitute economic cooperation for economic warfare among the nations of the earth.

The International Bank, on the other hand, is intended to give economic help to the people of war-torn lands. Only with such help will they be able to buy what we produce. The only good customers are prosperous customers.

And what is even more important is this: The only kind of world in which enduring peace can be assured is a prosperous world -- a world in which people everywhere have an opportunity to fulfill their reasonable hopes through honest work and free interchange of the things they grow and make. The agreement reached by the United Nations at Bretton Woods is one of the cornerstones of such a world.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Friday, January 26, 1945.

Press Service
No. 44-89

Secretary Morgenthau today issued the following statement:

I have studied Mr. Wallace's statement before the Senate Committee on Commerce.

I believe he has done the country a genuine service in offering a concrete program for achieving the President's goal of 60,000,000 jobs after the war. Without attempting at this time to weigh the merits of each of his proposals, we can all thank Mr. Wallace for the courage he has displayed in coming forward with specific suggestions. Only through a thorough study and discussion of these proposals and others that will be stimulated by them will this country be prepared to meet with intelligence and purpose the economic problems we shall face after the war. Intelligent planning for problems we know will arise after the war spells the difference between an orderly transition period and a logjam of poorly considered measures conceived in the throes of emergency and crisis.

I think too that Mr. Wallace is correct in stating that the real issue involved is not his lack of experience in the financial field. As Secretary of the Treasury during most of the period Mr. Wallace was in charge of the Commodity Credit Corporation, the Farm Security Administration and the Rural Electrification Administration, I can say that I know that Mr. Wallace's record in making loans in excess of $6,000,000,000 is beyond reproach. He is in the truest American tradition--a Yankee business man with the horse sense to recognize that we are living in a world of change.

I know that Henry Wallace made a genuine contribution to good government and free enterprise as Secretary of Agriculture. I believe he can make an even greater contribution as Secretary of Commerce.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 30, 1945.
1-29-45

Press Service
No. 44-90

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated February 1 and to mature May 3, 1945, which were offered on January 26, 1945, were opened at the Federal Reserve Banks on January 29.

The details of this issue are as follows:

Total applied for - $2,056,718,000
Total accepted - 1,315,758,000 (includes $57,790,000 entered on a fixed-price basis at 99.905 and accepted in full)

Average price - 99.905/Equivalent rate of discount approx. 0.375% per annum

Range of accepted competitive bids:

High - 99.910 Equivalent rate of discount approx. 0.356% per annum

Low 99.905 Equivalent rate of discount approx. 0.376% per annum

(60 percent of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 52,400,000	$ 33,600,000
New York	1,358,475,000	846,115,000
Philadelphia	31,588,000	21,188,000
Cleveland	43,405,000	35,805,000
Richmond	11,595,000	10,675,000
Atlanta	12,475,000	12,475,000
Chicago	297,565,000	183,305,000
St. Louis	7,320,000	5,920,000
Minneapolis	97,750,000	63,750,000
Kansas City	12,803,000	10,783,000
Dallas	7,762,000	7,362,000
San Francisco	123,580,000	84,780,000
TOTAL	$2,056,718,000	$1,315,758,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, January 30, 1945.

Press Service
No. 44-91

The Treasury Department today broadcast nationwide, warnings to storekeepers and banks to be on guard against an audacious fraud involving negotiation of completely counterfeit checks purporting to be Government payments to servicemen discharged for disability.

While the "checks" bear no resemblance to genuine Treasury checks, they do constitute an impressive printing job on yellow safety paper. Genuine Treasury checks are green, either machine punched cardboard, or safety paper.

Frank J. Wilson, Chief of the United States Secret Service, said the counterfeits appear to be sufficiently plausible to deceive unwary handlers, and that at least eight of them have been cashed and cleared through several banks, apparently without arousing suspicion.

Chief Wilson pointed out that persons cashing the bogus checks originally will lose the money paid out. Those identified were negotiated in Kansas and Oklahoma, and cleared local banks there and banks in Kansas City, before being forwarded to Washington.

The bogus drafts purport to be issued by a "Disabled Veteran's Bureau", and the specimens already detected are signed "W. A. Hoyt, Capt. 9th Inf. D.O.L., Paymaster, Veteran's Bureau". Neither the Army nor the Navy has a disbursing officer by this name.

On the top margin the checks bear the legend "Treasury Department Draft....Washington, D.C." and a serial number. This number, on the checks so far identified, is "No. DV-338710-9-2". In a box in the upper left, are the words "Classification...Disability Discharge", another number (DV-641952 in the ones detected), and in parenthesis "Semi-monthly".

Boxed in the upper center of the check is the legend, in large type "United States Treasury Department", with "Washington, D. C." repeated underneath, the date, typewritten, and the word "Compensation" in parenthesis. Printed in small type are the words "This draft is issued by the Government of the United States and cannot be attached for any indebtedness".

The amount of the check and the name of the payee are typed in on the proper lines. The specimens reaching the Treasury read "E X A C T L Y--THIRTY-DOLLARS-AND-NO-CENTS--E X A C T L Y" and "To the order of Royall Garrett, 6334357. District No. 20..

The lower margin bears the text, "To the United States Treasury, Washington, D. C. or any Bank or United States Post Office", and in fine type, "Revised-44.Gov. Pr.Office".

Chief Wilson said that the fact that eight of the bogus checks reached the Treasury in 24 hours indicated the perpetrators of the fraud might be out to make a "quick killing", by attempting to scatter the checks wholesale over widely scattered areas.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Tuesday, January 30, 1945.

Press Service
No. 44-92

The Bureau of Customs announced today preliminary figures showing the quantities of coffee authorized for entry for consumption under the quotas for the 12 months commencing October 1,1944, provided for in the Inter-American Coffee Agreement, proclaimed by the President on April 15, 1941, as follows:

Country of Production	Quota Quantity (Pounds) 1/	Authorized for entry for consumption	
		As of (Date)	(Pounds)
Signatory Countries:			
Brazil	1,734,203,043	January 20, 1945	540,698,565
Colombia	586,988,903	"	266,915,810
Costa Rica	37,294,689	"	1,923,066
Cuba	14,917,823	"	2,826,290
Dominican Republic	22,376,866	"	3,597,948
Ecuador	27,970,951	"	16,454,007
El Salvador	111,884,067	"	8,940,972
Guatemala	99,763,353	"	8,618,760
Haiti	51,280,231	"	4,954,568
Honduras	3,729,522	January 27, 1945 2/	3,189,963
Mexico	88,574,920	January 20, 1945	14,320,977
Nicaragua	36,362,275	"	80,403
Peru	4,661,803	"	1,331,675
Venezuela	78,318,900	"	12,806,967
Non-Signatory Countries:	66,198,053	"	677,967

1/ Quotas as of January 3, 1945, determined by action of the Inter-American Coffee Board on Janua ry 2, 1945.

2/ Per telegraphic reports.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, February 2, 1945.

Press Service
No. 44-93

The three year blackout on business and commercial communications with Belgium was lifted today by the Treasury Department. This action coincided with the restoration of closed letter service with liberated Belgium and is a further step in the resumption of normal relations with the liberated areas of Europe.

As in the case of France, Treasury licenses no longer are required to exchange financial and commercial information with persons in liberated Belgium. Concerns in Belgium and the United States may resume business contacts and negotiate for the commencement of private trade. Creditors may communicate with their debtors in Belgium to pave the way for obtaining payment orders or documents to substantiate their claim. Banks, brokerage houses, and other financial institutions may advise their customers of the status of their accounts. Bank statements, financial records, commercial reports, wills, and death, birth and marriage certificates may be transmitted. Proxies may be solicited and signature cards may be obtained.

As soon as banks in this country are able to establish the necessary arrangements with Belgian banks, support remittances up to $500 per month to individuals in Belgium may be made through banking channels under General Licenses Nos. 32 and 33. Currency, money orders, checks or drafts cannot be used for this purpose, since their transmission continues to be prohibited.

Treasury licenses will still be required to send to Belgium communications constituting or containing instructions or authorizations to effect financial or property transactions. For the present, the Treasury Department will not in general authorize the transmission of transactional communications, except those relating to support remittances or the protection, maintenance and management of property interests in Belgium.

Today's action was in the form of an amendment to General Ruling No. 11 removing Belgium from the category of "enemy territory". Belgian areas still under the control of the enemy will continue to be regarded as "enemy territory" and will remain subject to the restrictions contained in the General Ruling. The action taken today does not affect the status of Belgian assets in this country. For the present, telecommunication service with Belgium is not available to private persons.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, February 2, 1945.

Press Service
No. 44-94

The Treasury and War Departments today announced that support remittances may now be sent to the recently liberated Italian provinces of Ancona, Arezzo, Livorno, Perugia and Siena, to the cities of Florence and Pisa, and to those portions of the provinces of Florence and Pisa south of the Arno River. Remittances of this type have previously been authorized for other liberated provinces of Italy as well as Sicily and Sardinia.

The amount which may be remitted and the procedures to be followed are prescribed in General License No. 32A as amended today by the Treasury. Under this General License a maximum of $500 per month may be sent to any person in the designated provinces for his support and that of his family. Existing procedures have not been changed by today's amendment and the restrictions against withdrawals from blocked accounts are still effective. Remittances to the areas added by today's amendment will be channeled through the Bank of Italy. Persons desiring to effect remittances to any area in the liberated portions of Italy should consult their local banks.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 30, 1945.

Press Service
No. 44-95

"Made in the U.S.A." might well be inscribed on coins that today jingle in the pockets or money bags of representatives of most of the races of mankind, from Greenland to the Fiji Islands; and from Ethiopia to Australia.

Secretary Morgenthau today revealed for the first time in detail the wartime contribution of the United States Mint to monetary systems of more than a score of friendly nations, a tremendous manufacturing job piled on top of record-breaking domestic coinage, and met despite acute manpower and equipment shortages.

These countries found themselves faced with sharply expanding needs for coins, just as has been the case in the United States, due to presence of large numbers of allied troops, or broadening production of vital materials or to other military factors. The war had destroyed or shut off virtually all the facilities they previously had utilized, and the Governments turned to the United States.

Mrs. Nellie Tayloe Ross, Director of the Mint, reported to Mr. Morgenthau that the three manufacturing institutions turned out, at cost, nearly 800,000,000 coins for these friendly countries during 1944, in addition to nearly three billion domestic coins, the largest output in the 152 years of Mint existence. Some of these orders executed for foreign Governments during 1944 are of historic significance.

Franc coins were struck at the Philadelphia Mint from melted-down shell cases, produced after consultation with officials of what at the time was termed the French Committee of Liberation and is now the Provisional Government of France.

For liberated Ethiopia, the experts of the United States Mint drew designs, made the dies, and cast the coins for a new monetary system. The five coins, four of copper and one of silver, bear on the obverse or face the likeness of the Emperor Haile Selassie, who refused to bow to Benito Mussolini. The broken Il Duce, cowering in the protection of his German overlords, might see something ironical in that. The reverse sides of the coins bear the Conquering Lion of Judah.

For Greenland, the Mint produced copper kroners bearing the traditional polar bear of predecessor Danish coins.

To Saudi Arabia went silver riyals with a design of mysterious, intricate tracings.

Coins were made for the Philippines, significant of freedom rapidly being restored.

The United States has executed coinage orders for foreign Governments since authorized by Congress in 1874, but it has been during the last five years that this business has reached large proportions. The minting of pesos, centavos, florins, riyals, francs, and many other foreign coins of various alloys, all of which must conform to the coinage laws of their respective countries, has become every-day business to the skilled artisans of the Mint. A list of countries for which the United States has made coins during the past five years, as a part of a Good Neighbor policy, reads like a lesson in geography. Included are Australia, Belgian Congo, Belgium, Bolivia, Cuba, Curacao, Dominican Republic, Ecuador, El Salvador, Ethiopia, Fiji Islands, France, Greenland, Guatemala, Indo-China, Liberia, Netherlands and her island possessions, Nicaragua, Peru, Philippine Islands, Saudi-Arabia, and Surinam.

Such orders are executed by the Mints at cost. In most instances the countries supply or purchase the necessary metals, but silver has been furnished on a lend-lease basis, for return after the war, in a few cases.

Mrs. Ross said the consumption of metals by the Mints exceeded 15,000 tons for the year, or a rate of more than 42 tons a day on the average.

She placed the face value of United States coins minted in 1944 at $121,000,000. The comparable figure for 1943 was $136,000,000, when more coins of larger denominations were struck.

One Mint statistician figured that the 2,844,000,000 domestic coins struck in 1944 would, if laid edge to edge span the continent from New York to San Francisco ten times, with enough left for two strings between Chicago and San Antonio, a total of 34,400 miles. In 1943 2,036,000,000 coins were produced.

The seemingly insatiable demand of American business for pennies continues to exert most pressure on Mint facilities, with 2,149,000,000 likenesses of Mr. Lincoln, back in the traditional copperish setting, coming from the stamping machines in 1944. The emergency zinc-coated steel penny was discontinued at the close of 1943.

Still another Mint activity is the production of medals for the Navy, Marine Corps, Coast Guard, and many for the Army. Included are the Distinguished Service Cross, the Purple Heart, the Distinguished Flying Cross, the Congressional Medal of Honor, and many others, with accompanying ribbons and bars. Requirements of the armed service required a manufacturing job of substantial proportions in 1944.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Wednesday, January 31, 1945.

Press Service
No. 44-96

The Bureau of Customs announced today that preliminary information before it indicates that approximately 96 per centum of the Cuban filler tobacco, not specially provided for, unstemmed or stemmed (other than cigarette leaf tobacco), and scrap tobacco entered or withdrawn for consumption at the opening moment of the quota year on January 1, 1945, will be dutiable at the quota rate. Collectors of customs will be advised as soon as possible as to the quota status of each entry and withdrawal.

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Thursday, February 1, 1945.

Press Service
No. 44-97

The Secretary of the Treasury today announced the final subscription and allotment figures with respect to the current offering of 7/8 percent Treasury Certificates of Indebtedness of Series A-1946, open to the holders of 7/8 percent Treasury Certificates of Indebtedness of Series A-1945, maturing February 1, 1945, and 1-1/8 percent Commodity Credit Corporation Notes of Series G, maturing February 15, 1945.

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

Federal Reserve District	Certificates Exchanged	CCC Notes Exchanged	Total Exchanges
Boston	$ 186,307,000	$ 6,145,000	$ 192,452,000
New York	2,684,675,000	237,410,000	2,922,085,000
Philadelphia	118,026,000	8,791,000	126,817,000
Cleveland	184,411,000	15,299,000	199,710,000
Richmond	64,534,000	5,179,000	69,713,000
Atlanta	87,361,000	5,852,000	93,213,000
Chicago	547,926,000	60,788,000	608,714,000
St. Louis	112,459,000	7,171,000	119,630,000
Minneapolis	52,788,000	4,710,000	57,498,000
Kansas City	135,124,000	10,855,000	145,979,000
Dallas	75,749,000	3,242,000	78,991,000
San Francisco	393,580,000	28,949,000	422,529,000
Treasury	3,135,000	161,000	3,296,000
TOTAL	$4,646,075,000	$394,552,000	$5,040,627,000

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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE,
Thursday, February 1, 1945.

Press Service
No. 44-98

Secretary Morgenthau announced today that, after consultation with the State Department, Foreign Funds Control licenses are being granted authorizing the resumption of servicing in the United States of the following Finnish Government bond issues:

City of Helsingfors, 6 1/2 percent Bonds of 1960

Finlands Residential Mortgage Bank, 6 percent Bonds of 1961

Republic of Finland, 6 percent External Loan Sinking Fund Bonds of 1945.

In addition, licenses are being granted authorizing payment by the Finnish Government of $240,660.96 to the Export-Import Bank representing one-half of the semi-annual interest due November 1, 1944, on the loan of the Export-Import Bank to the Finnish-American Trading Corporation, and $235,445.16 to the United States Treasury representing the December 15, 1944 installment of interest and principal on the 3 1/2 percent loan of 1923 made by this Government to the Republic of Finland.

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, February 2, 1945.
2-1-45

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated February 8, 1945, and will mature May 10, 1945, 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 War time, Monday, February 5, 1945. 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 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the 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. Subject to these reservations, tenders for $200,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. 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 February 8, 1945.

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. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, 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.

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