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Press Releases

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TREASURY DEPARTMENT

Press Releases

S-2008

S-2068

June 5-1949

Aug 3- 1949

I again congratulate you members of the graduating class and offer you my best wishes for a happy and worthy life. You have a tremendous asset in the education you have received. Your opportunities are unprecedented and your responsibilities are great. Your future rests upon you alone. I know ^{you will make} the most of it.

in this great land, men of vision are needed who are not mentally chained to traditional approaches. Men are needed who have the imagination and courage and skill to meet and deal with the novel and difficult. Resoluteness of character; the willingness to face up to unpopular issues; the courage, in the face of opposition, to do the hard things which you consider right -- these are the sort of qualities which identify a man who towers above the throng.

to a complex industrial society. The same old spirit of faith, determination, and sacrifice is needed to breach our modern frontiers. We must have the same faith, indeed, which saw both our country and this college through the uncertain and difficult times which followed upon their contemporaneous foundation.

Yesterday's solutions will not fit many of the problems of today or tomorrow. As has always been true

economic changes will take place in which you will participate.

Some people fear change, because its unknown implications make them feel insecure. Similar fears were known and conquered by the pioneers. Seeking a better future for themselves and their families, they mastered physical frontiers to carve this nation from a wilderness. Similar apprehensions did not halt the genius which transformed this country from a predominately rural

adventure and for individual achievement are greater than ever before. While geographical frontiers have vanished in large part, we have new and more challenging frontiers in science, agriculture, sociology, education, industry, business, government, the arts, the professions, and other phases of human endeavor and relationships. Our civilization is dynamic -- it was never less static than now -- and great social and

to the discovery of knowledge can be suggested. Many new discoveries, techniques, and processes which exist today have not yet been adapted fully to the needs and the material comfort of society. We know, however, that our advances in knowledge and wisdom have and will continue to increase immeasurably our prosperity and standard of living.

The United States has not reached its maturity. Opportunities for

of the tremendous effect of such inventions and discoveries upon the economic and social structure of civilization.

The knowledge we acquired during the crisis of war makes us realize that ahead of us lie vast uncharted fields for learning. Scientists can mark out great areas unknown to the knowledge or understanding of man. No known limits

that period when human improvement must end."

Since that time more than two million patents have been granted. Since then we have invented the telephone, motion pictures, electric lights, automobiles, farm tractors, airplanes, radio, plastics, and television. We have achieved the harnessing of atomic energy. We have developed hundreds of other "miracles" which even the most visionary once scoffed at as being impossible. Think

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If you are inheriting a great number of difficulties, it should be remembered also that you are receiving the largess of a great nation. You are being given a priceless heritage that was won by the blood and sacrifices of your ancestors.

We are now living in a period which has witnessed great scientific and economic changes. It would be vain for anyone to attempt to

should be no cause for apprehension or despair that we are troubled by many new and many long-unsolved social, economic, political, and scientific problems. Challenge and opportunity go hand in hand. If there are difficult questions to answer, there are great achievements to be wrought. This great country, and this venerable college as well, were built upon the determination to face and conquer difficulties and hardships.

solution depends greatly upon the awareness of the American people.

Probably every Dickinson

graduating class has looked with some foreboding to a future full of problems which test the best in the mind

and spirit of man. It is true today that we are living in an uneasy and far from perfect world. It is certain that life's challenge to the minds and abilities of your generation is not going to be a soft one. But it

This has been done at some sacrifice, but with the full realization that the needs of humanity are intimately connected with our hopes for peace, and that our security, and prosperity are bound together with those of other democratic, freedom-loving nations. There have been serious problems and many differences of opinion as to the means of solving them. Such problems, and others arising in their wake, will continue to challenge all of us. Their

The United States emerged from the war as the country to which much of the rest of the world looks for hope, for leadership, and for direction. Many of the other great nations were enveloped in the wreckage, confusion, and misery compounded of war. We have taken great steps in assisting them to recover economically and spiritually.

Modern industrialism and technology have made us interdependent nationally and internationally. We know that we cannot isolate ourselves from the rest of the world. We realize that disturbances abroad can have a marked effect on our economic and political life here at home.

overseas during the war -- you who have had the opportunity to travel in foreign countries, realize and are humbly grateful, I am sure, for the fact that we in this country have a higher standard of living and far more advantages than the citizens of any other country in the world. Peace, for which we are striving so diligently, will enable us to make secure and advance the economic and social progress we have made.

this country who do not know the name of their Representative in Congress, or the names of their United States Senators. This is one example of a degree of failure to participate in our Federal Government. If democracy should ever fail, and it certainly must not, it will fail through the apathy of the citizen and his indifference to the affairs of his government.

You who were veterans and served

every citizen. Otherwise, the governed in a democracy must bear much of the blame for its shortcomings and failures. Good government is a matter of personal interest, of individual concern. It deserves the active attention of all of us. For, as James Bryce once said, "No government demands so much from the citizen as democracy, and none gives so much back".

There are a great many people in

to our country and to our fellowmen. Soon your generation must assume the privileges and responsibilities of government at all levels, a trust which Dickinson graduates have not, and will not shirk.

The policies of government can never satisfy all of the people. But the conduct of government, if it is responsive to its purposes, should have not only the intelligent consent but the vigorous guidance and support of

these problems and to assist others in gaining an understanding. For it is only through an informed and active citizenry that societies and governments can progress. You who have the advantages of education and the interest in continued study and inquiry must accept your full share of responsibility in shaping the affairs of your community and your nation. The more education we receive, the greater are the obligations we have for service

When things come too easily, much of the joy of living is lost. And some persons who make fast starts in life become too self-assured. Like the hare who raced the tortoise, they sometimes allow themselves to fall behind and out of the race.

You can be counted fortunate indeed if your preparation here has instilled in you an awareness of the vast unsolved problems of this nation and of the world. I hope it has inspired in you a desire to understand

all of these qualities.

We should realize and remember that achievement of the things we want from life seldom comes quickly or easily. Most of us have to start and climb slowly. We have to make plans for the future and struggle for their realization. But this is an essential part of happiness -- the zest of striving, the stimulation of accomplishment and progression, the pride and satisfaction of achievement.

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Many men without formal education pull themselves up by their own bootstraps to the top of the ladder. They do this through intelligence, faith, courage, character, and perseverance. You, too, will need

and confidence of your fellow men.

This is perhaps the greatest reward any of us can win from life.

Completion of college training enhances your chances for an interesting career, for financial well-being, for intelligent participation and leadership in public and civic affairs, and for a balanced and happy life. Earning a college degree, however, must not induce a feeling of complacency or

minds and talents. It has provided a process by which you can continue to build wisdom and character and the ability to render useful service in a highly complex and specialized world. Of special importance to you, I think, are the values of character, of honor and integrity, which this college always has sought to inculcate in its students. Practicing the basic principles of right living which you have learned will earn you the respect

developed. They will be developed to the extent that you choose, for college has taught you to teach yourselves. It has taught you to learn and grow in the school of life where classrooms, instructors, and libraries are varied and many, and not always so considerate of your feelings.

For many of you, today marks the end of a formal education. This education has given you the best of our culture. It has trained your

1836. Chief Justice Taney remained in this great office until his death in 1864, a total of 28 years. He wrote the opinions in the Dred Scott Case and other highly important and controversial decisions of the Court.

James Buchanan, Roger Taney, and Philip Thomas, all sought further self-education after leaving Dickinson. As with them, there are great areas and resources in each of you which have not yet been tapped or

political history of the United States. It resulted in refusal by the Senate to confirm his nomination as Secretary of the Treasury. President Jackson thereafter nominated him for the office of Associate Justice of the Supreme Court, but again hostility in the Senate blocked his confirmation. Nominated to high office a third time by President Jackson, [this time as Chief Justice of the Supreme Court, Taney was confirmed by the Senate in

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Thomas, held the office of Secretary of the Treasury. And another former Secretary of the Treasury, Richard Rush, served as a trustee of this college while occupying his office in the Treasury.

To me, Taney's career has been of particular interest. After he graduated in 1795, he turned to banking and became concerned about the establishment of a sound currency. He was largely

filled by Dickinson men. And, it is a long and inspiring list of your graduates who have served in the Senate and House of Representatives of the United States, who have served as State Governors and in Federal and State judiciaries, and who have otherwise given themselves to the public service.

Two Dickinson College students, Roger Brooke Taney and Philip Francis

the Revolution", principal draftsman of the Articles of Confederation, and member of the Constitutional Convention. Thousands of splendid citizens and many distinguished leaders of our Republic have been educated here.

Dickinson provided the college education of a President of the United States, -- James Buchanan of Pennsylvania. Ten cabinet offices in the Federal Government have been

studied here. I sincerely congratulate you for the attainments this day signifies.

You men and women graduating today are now a part of that force which has made and will continue to make those significant contributions to the culture and the progress of our nation which Dickinson College has made for the past 176 years.

Your college bears the illustrious name of John Dickinson, the "Penman of

President Edel, members of the
graduating class, members of the
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delivering the Commencement address
at this famous and historic college.
And you do me high honor by bestowing
upon me the degree of Doctor of Laws.
It is an honor I shall always treasure,
as I am sure this graduating class of
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distinction the privilege of having

~~COMMENCEMENT~~ ADDRESS BY SECRETARY SNYDER

176th Commencement of JACKINSON COLLEGE
Carlisle, Pennsylvania

June 5, 1949

TREASURY DEPARTMENT

Washington

The following address by Secretary Snyder at the 176th Commencement of Dickinson College, Carlisle, Pennsylvania is scheduled for delivery at 3:00 p.m., EDT, Sunday, June 5, 1949, and is for release at that time.

S-2008

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President Edel, members of the graduating class, members of the faculty, distinguished guests: I am very proud of the privilege of delivering the Commencement address at this famous and historic college. And you do me high honor by bestowing upon me the degree of Doctor of Laws. It is an honor I shall always treasure, as I am sure this graduating class of 1949 will always regard as a special distinction the privilege of having studied here. I sincerely congratulate you for the attainments this day signifies.

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this time as Chief Justice of the Supreme Court, Taney was confirmed by the Senate in 1836. Chief Justice Taney remained in this great office until his death in 1864, a total of 28 years. He wrote the opinions in the Dred Scott Case and other highly important and controversial decisions of the Court.

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You who were veterans and served overseas during the war -- you who have had the opportunity to travel in foreign countries, realize and are humbly grateful, I am sure, for the fact that we in this country have a higher standard of living and far more advantages than the citizens of any other country in the world. Peace, for which we are striving so diligently, will enable us to make secure and advance the economic and social progress we have made.

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ALPHA

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.

ALPHA

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 9, 1949^{(8)x}, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 9, 1949^{(2)x}. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

Exhibit

ALPHA

~~TREASURY DEPARTMENT~~
~~Washington~~

~~FOR~~ RELEASE, MORNING NEWSPAPERS,
Friday, June 3, 1949.

V-2009

The Secretary of the Treasury, by this public notice, invites tenders for \$ 900,000,000 ~~(2)~~, or thereabouts, of 91 ~~(3)~~-day Treasury bills, for cash and in exchange for Treasury bills maturing June 9, 1949 ~~(4)~~, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 9, 1949 ~~(5)~~, and will mature September 8, 1949 ~~(6)~~, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern ~~Standard~~ Daylight Saving time, Monday, June 6, 1949 ~~(7)~~. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Friday, June 3, 1949.

S-2009

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financial and economic position is basically sound. With the application of reasonable intelligence and foresight, I believe that we have every reason to face the future with confidence and enthusiasm.

Not the least of these factors is American intelligence, and the determination to develop opportunities for increased production and distribution of goods and services. The economic development of the United States and of every nation has been built upon the vision and confidence of its people.

Our opportunities for national economic progress and for sustained high prosperity are tremendous. Our

in response to the challenge of competition.

I have taken a good deal of time in discussing the business picture, because I believe that the spotlight has too often been played on the readjustments going on this year, and too seldom on the reassuring features of the current business outlook.

My confidence in our future comes from a close analysis of economic factors which warrant this conclusion.

last year's models were constantly coming onto the market. The result was that the American consumer occupied the driver's seat. It is not surprising that, today, he is enjoying the feeling of the resumption of his former position.

Certainly, this return to normal conditions should not dismay our alert businessmen. Better than anyone else in the world, we know how to get out and sell. Private enterprise in this country has always operated best

that whenever there is reluctance on the part of buyers as at the present, it is not primarily the result of a lack of money to purchase. The hesitancy this year reflects rather, a new determination on the part of all of us to get our money's worth.

Business enterprise in this country, prior to the war, always operated in an economy of abundance. Techniques were constantly being improved, and new products better than

individuals is not a complete picture of their asset position. In addition, individuals have very substantial savings in the form of insurance, equities in unincorporated business, securities of private corporations, obligations of State and local governments, and so on.

The figures on liquid assets alone, however, represent a tremendous backlog of funds available for future spending. They drive home the fact

four times the entire national income in the mid-1930's. About 67 billion dollars of this amount is in savings accounts. Something like 43 billion dollars is in checking accounts. Individual holdings of Federal securities amount to a little over 68 billion dollars, and 22 billion dollars is in currency.

We have to remember, moreover, that the 200 billion dollar total figure for the liquid savings of

during and after World War I.

I have singled out the farmers, merely for purposes of illustration. The same is true with respect to the liquid asset position of individuals as a group. It is equally strong concerning business corporations and financial institutions.

The total liquid savings of all individuals, including farmers, are currently estimated at over 200 billion dollars -- an amount which is more than

demand deposits, their savings accounts and their Federal Government securities. This is a tremendous figure. It is nearly eight or nine times the entire agricultural income of the Nation 15 or 16 years ago. Another bright point is the relatively small volume of farm mortgage debt. The total of 5 billion dollars is actually lower than it was at the beginning of the war. The entire farm situation is in striking contrast to the experience

the aid and assistance of you people in the banking field. Agriculture is one example that readily comes to mind. Bankers in many communities in this region have particularly close ties with agriculture; and I know that you are gratified, as I am, with the sound financial condition in the agricultural portion of our economy as a whole. Farmers of this country have 20 billion dollars of liquid assets; that is, their cash, their

about it; and the whole country, today, is reaping the benefit. I know that American bankers will continue their record of good banking performance, now that conditions have changed and the situation in the business and financial world is returning to something more like normal.

American business in many sectors of the economy has exercised good judgment since the end of the war; and, in many cases, it has been with

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I am very much impressed -- and
I am sure that thoughtful people
throughout the country were likewise
impressed -- with the results of the
voluntary credit control program of the
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When it looked as if the loan situation
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example. As you will recall, there have been times in the past, following periods of active business, when frozen assets were a serious problem. Today, these problems are absent. There are virtually no excessive speculative positions to liquidate. On the contrary -- holdings of cash and short-term Federal securities are at impressive levels.

In your own field of commercial banking, as you are well aware, caution and good judgment have prevented the

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Througnout the reconversion period, businessmen -- and I include bankers -- have been on the lookout for unhealthy signs. Their very caution has tended to keep the situation under control.

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It is an American custom, of course, to try to outdo the other fellow. That is why record-breaking figures are always news. But, in the period since the war, we actually became so used to new business records -- month after month, and year after year -- that our failure

And, finally, we have the buying power. That is a crucial factor, and I should like to discuss it a little further at this point.

Take employment and incomes, to begin with. In April, the number of people working was within one percent of the number employed in the record-breaking spring of 1948. And currently people in this country are earning money at the rate of about

industry is continuing to invest in the future of this country in amounts which are still far beyond anything experienced in the years before the war.

In short, the basic factors in our national picture today boil down to just this:

We have the opportunities -- in our expanding needs, in our resources, and in our people.

We have the techniques.

We have the equipment.

dollars in new construction and new equipment since the war ended. This means that business is now in an excellent position to put the new techniques and new processes to good use. With aggressive leadership, new and improved products will help retain old markets, and will uncover new ones.

As was to be expected, the rate of investment has slackened a little this year. But published reports on plans for further capital expenditure, this year and next, show that American

these new developments will take in the years ahead. But we can be sure that new industries will appear which will be as important to our future economic development as the great industrial enterprises which have grown up during the past 50 years.

Moreover, we have, right now, the plant and equipment for moving ahead. American business has invested the enormous sum of 75 billion

of heating and temperature-control devices, of home equipment in general -- to name only a few -- appear to be at the threshold of developments which may result in replacing many common products now in daily use. Experiments with the new light metal, titanium, for example, indicate that a structural material equal in importance with aluminum or stainless steel may be about to come onto the market.

We do not know exactly what forms

challenge of a lagging market to bring mass production of a new product. In 1946, around 6,400 television sets were produced. By 1948, the yearly output was 975 thousand. This year, production estimates run to something like 2 million. Yet, the television industry -- it is evident -- is only in its infancy.

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Television is, of course, an example familiar to all of us. The radio industry was among the first to run into a buyers' market. It responded with the introduction of television. Research had been going on for some years, but when people were grabbing old model radios off the production lines as fast as they could be turned out, there was no incentive to change. It took the

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advanced atomic physicists are able to foresee the transformations which atomic energy -- to take only one example -- may make in the whole industrial life of the Nation.

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terms of quantity -- meat, eggs, fruit, and so on -- is 10 percent higher per person now than the average in the years 1935 to 1939.

All of these facts point to a continuing ground swell of demand for the basic essentials of living, which will contribute to active business in the near future.

But there are even stronger elements in our present business situation. We have in our hands today

different areas of the country. Our newly expanded communities need new schools, hospitals, roads, shopping centers, municipal service plants. More than that, many existing facilities -- largely neglected during the war -- have yet to be repaired, modernized, or replaced.

And, finally, our entire population has come to demand a continually improving standard of living. Food consumption, alone -- in

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Moreover, there have been vast shifts in the population as between

the prospects for further progress and further achievement in this country?

Second, what is the significance of the current adjustments now going on in business conditions throughout the country?

Let us consider the first question -- our prospects for the future. I believe that we have largely lost sight of our future prospects in current discussions of the short-term business situation.

This is a strong statement. It is made with full realization of the immense strides taken by the Western States in every decade of the last 100 years. But it is a statement which I believe is borne out by the plain facts of our present situation. Let us look at that situation.

As soon as we try to line up the major factors in the current state of affairs, two fundamental questions immediately arise: First, what are

spelled the end of the self-sufficient economy of your pioneers. But the energy and determination which the early settlers showed in grappling with the problems of their environment still symbolize to Americans everywhere the pioneer spirit of triumph over physical and economic hardship.

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Not only banking, but the entire life of the country has seen vast changes in the past fifty years. We have passed from a predominantly rural and small-town economy to a highly complex urban and industrial civilization.

In this part of the West, the railroads were the turning point. They

which would have astounded and bewildered the founders of many of the institutions which you in this audience represent.

I have on my desk in the Treasury, for example, the 463-page volume of the last issue of "Federal Laws Affecting National Banks". In the comparable volume for 1900, only 63 pages were needed to cover the ground. This is just one illustration of the complicated nature of modern financial

these deposits. Your investments must be sound, and yet -- generally speaking they must be capable of ready conversion into cash.

There are many financial pitfalls in the performance of obligations of this magnitude in the complex business world of today. A modern banker must find his way past all of them.

Moreover, bankers must make their decisions in the light of a multiplicity of laws and regulations

Banking techniques, in those days, were fairly simple. As recently as the 1890's, it is interesting to recall, there were only a few small banking offices in this area and most money transactions were in silver and gold.

Today, you bankers are responsible for the guardianship of hundreds of millions of dollars of funds entrusted to you by your depositors. To stay in business, you must make money on

They must be specialists in the whole broad field of business analysis.

They must be able to interpret the changes occurring in business conditions, not only in their own communities, but in the Nation.

The requirements for successful banking have changed greatly since bankers in this part of the West began doing business in the early days as a side line in connection with the pioneer mercantile establishments.

I have been most interested in the note of confidence in the economic and financial picture, emanating from the various bankers' conferences this year. I have found these reports particularly reassuring, since you bankers have generally been the first members of the business community to detect approaching economic adjustments.

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Stencil through page 24

ADDRESS BY SECRETARY SNYDER

"THE BUSINESS PICTURE"

BEFORE THE UTAH BANKERS ASSOCIATION

June 7, 1949

*Treasury Department
Washington*

The following address by Secretary Snyder before the annual convention of the Utah Bankers Association at the Sun Valley Lodge, Sun Valley, Idaho, is scheduled for delivery at 10:30 a.m. MST Tuesday, June 7, 1949, and is for release at that time.

THE BUSINESS PICTURE

5-2010

TREASURY DEPARTMENT

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We do not know exactly what forms these new developments will take in the years ahead. But we can be sure that new industries will appear which will be as important to our future economic development as the great industrial enterprises which have grown up during the past 50 years.

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Take employment and incomes, to begin with. In April, the number of people working was within one percent of the number employed in the record-breaking spring of 1948. And currently people in this country are earning money at the rate of about 214 billion dollars a year -- 4 percent higher than a year ago, and within 3 percent of the all-time peak of last December.

It is an American custom, of course, to try to outdo the other fellow. That is why record-breaking figures are always news. But, in the period since the war, we actually became so used to new business records -- month after month, and year after year -- that our failure to keep making new highs during 1949 became the headline news of the year. The remarkable performance of American business in operating at close to peak levels, after three years of unprecedented output, was brushed aside.

This performance, however, is the real news of the year. And it has been accomplished without any impairment of our financial strength.

It is remarkable -- when we look back on it -- that the pressure to buy or stock everything that could be turned out in three record-breaking years of peacetime activity failed to result either in over-extended credit or in a dissipation of assets. Throughout the reconversion period, businessmen -- and I include bankers -- have been on the lookout for unhealthy signs. Their very caution has tended to keep the situation under control.

The current position of our great financial institutions is an excellent example. As you will recall, there have been times in the past, following periods of active business, when frozen assets were a serious problem. Today, these problems are absent. There are virtually no excessive speculative positions to liquidate. On the contrary, holdings of cash and short-term Federal securities are at impressive levels.

In your own field of commercial banking, as you are well aware, caution and good judgment have prevented the over-extension of inflationary credit which characterized some earlier periods of easy sales and large profits.

I am very much impressed -- and I am sure that thoughtful people throughout the country were likewise impressed -- with the results of the voluntary credit control program of the American Bankers Association last year. When it looked as if the loan situation might get out of hand, you people had the energy and backbone to do something about it; and the whole country, today, is reaping the benefit. I know that American bankers will continue their record of good banking performance, now that conditions have changed and the situation in the business and financial world is returning to something more like normal.

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Business enterprise in this country, prior to the war, always operated in an economy of abundance. Techniques were constantly being improved, and new products better than last year's models were constantly coming onto the market. The result was that the American consumer occupied the driver's seat. It is not surprising that, today, he is enjoying the feeling of the resumption of his former position.

Certainly, this return to normal conditions should not dismay our alert businessmen. Better than anyone else in the world, we know how to get out and sell. Private enterprise in this country has always operated best in response to the challenge of competition.

I have taken a good deal of time in discussing the business picture, because I believe that the spotlight has too often been played on the readjustments going on this year, and too seldom on the reassuring features of the current business outlook.

My confidence in our future comes from a close analysis of economic factors which warrant this conclusion. Not the least of these factors is American intelligence, and the determination to develop opportunities for increased production and distribution of goods and services. The economic development of the United States and of every nation has been built upon the vision and confidence of its people.

Our opportunities for national economic progress and for sustained high prosperity are tremendous. Our financial and economic position is basically sound. With the application of reasonably intelligence and foresight, I believe that we have every reason to face the future with confidence and enthusiasm.

my
Mimeograph for distribution
at Press Conference 6/2/49

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TREASURY DEPARTMENT
WASHINGTON
(regular Information Service heading)

June 2, 1949

MEMORANDUM TO THE PRESS:

Secretary Snyder will deliver the commencement address to graduates of Dickinson College, Carlisle, Pennsylvania, at 3 p.m. EDT Sunday, June 5, and will receive from the College the honorary degree of Doctor of Laws.

The Secretary will address the annual convention of the Utah Bankers Association in the Sun Valley Lodge Theater, Sun Valley, Idaho, at 10:30 a.m. MST Tuesday, June 7, on the subject "The Business Picture."

A visit to Butte, Montana, to inspect the mining and metallurgical industries there will be made by the Secretary on Wednesday, June 8. ~~On Thursday, June 9, he will visit Yellowstone National Park for a few hours.~~

The Secretary will arrive at Milwaukee, Wisconsin, the evening of Thursday, June 9. He will hold a press conference at 11 a.m. CST Friday, June 10, at the Hotel Schroeder in Milwaukee. At 7:30 p.m. CST Friday, June 10, he will address a Conference of the Special Planning Committee for Region Seven, Boy Scouts of America, at College Camp, Wisconsin.

The Secretary will spend Saturday, June 11, in Little Rock, Arkansas, where he will attend the dedication of a war memorial. This ceremony will be in connection with the annual reunion of the World War I 35th Division, at which President Truman will be ~~among those~~ present.

Secretary Snyder will return to Washington Sunday, June 12.

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significance. If anyone talks to you about cutting his contribution to the Boy Scouts, challenge him with these facts.

It has been a pleasure to be with you today. The work you are doing is a fine example of democracy and of American fellowship. I sincerely wish you great success.

attitude of confidence in the business outlook is amply justified.

All that remains is for the salesman and the customer to get together. The customer has the money and the salesman's factory has the productive capacity. I think that our private enterprise system can be depended upon to bridge the gap. It has, as a further asset, a considerably increased population with which to deal, which is a factor of no small

entering a new era of research and discovery, which was initiated by the concentrated efforts of our scientists under the challenge and urgency of war. Each new scientific discovery opens an entirely new field, which provides the basis for further discoveries.

With this reassuring view of the future, and with the basic strength which underlies our present business structure, I feel that an

of consumer goods, and into better and cheaper types of familiar products.

Within a relatively few years, we may expect revolutionary changes in our economic life through the development of atomic energy. Incalculable advances in industry, in medicine, and in research will be made possible through the atomic energy program. There is every evidence, in fact, that we are

in recent years, and of the new processes and techniques which have been developed.

Here we have the foundation for a dynamic era of progress in the years ahead. Under the urgent requirements of the war, many important discoveries were made in new types of materials, new chemical products, and new industrial techniques. These discoveries will shortly be translated into new types

We also have a business machine supplied with \$65 billion in working capital -- only slightly below last year's record peak. That same business structure has greatly expanded its plant and other equipment. Business as a whole has invested more than \$75 billion in construction and equipment since the war ended. This plant expansion places business in a position to make effective use of the many new materials which have been discovered

Government securities. This is a tremendous figure. It is eight or nine times the entire agricultural income of the Nation 15 or 16 years ago. Another bright point is the relatively small volume of farm mortgage debt. The total of 5 billion dollars is actually lower than it was at the beginning of the war. The entire farm situation is in striking contrast to the experience during and after World War I.

Other types of savings have also shown a great increase. Life insurance and pension reserves of individuals, for example, have risen by \$57 billion since 1939 -- to a total of \$90 billion.

Consider the strong situation of the farming industry. Farmers of this country have 20 billion dollars of liquid assets; that is, their cash, their demand deposits, their savings accounts, and their Federal

further advancement.

Americans have \$200 billion in liquid savings. They hold an estimated \$22 billion in cash, \$43 billion in personal checking accounts, and \$67 billion in savings accounts. They hold \$48 billion in savings bonds and \$20 billion in other Federal Government securities. These holdings of liquid assets are more than three and one-half times as large as at the beginning of the war in 1939.

consequence, we have no reason to fear a repetition of the forced liquidation of commodities and securities which followed the brief postwar boom after the First World War.

On the contrary, we have the advantage of being exceptionally strong financially, both as to individuals and as to business, which places the economy in an unusually favorable position for a

in fact, since the very end of the war, as industry after industry has made its transition to a buyers' market.

It is a remarkable testimony to the good sense and caution of the American people that the three record-breaking years of peacetime activity have resulted neither in over-extended credit, in excessive speculation, or in a dissipation of personal or business assets. In

which was a record for that month.

Industrial production was down only 5 percent. Retail sales, however, were 3 percent higher than in April last year, and total personal income is at the rate of about \$214 billion a year. To me, this does not look like a recession.

The readjustment period which we are going through is not a sudden development. It has been going on,

is continuing to operate at close to record levels, after three years of unprecedented output, has been overlooked entirely too much.

The latest figures show that our major economic indexes are holding very close to last year's levels for the comparable months, or even exceeding them. Employment in April was only one percent below last year's figure,

of our historic economic progress.

It is normal to expect minor declines in business from time to time, even when the general trend is upward. But, in the period since the war, we became so used to new business records month after month, and year after year, that our failure to make new highs in 1949 becomes a topic of discussion. The fact that business

Some will doubtless use this as an argument for reducing their contributions, active or financial, to nationwide betterment programs.

But such arguments must be challenged. The facts show that we are going through a necessary and healthy business readjustment as we return to normal buyers' markets and free competition. These are the conditions which, in the past, have provided the foundation

It seems to me that the rapidly expanding fields of human effort offer as great, or greater possibilities to the young men and young women of this generation than the world has ever before offered. This is particularly true in America.

Let me give you a few of the facts that inspire my confidence in the future. As you talk with businessmen, some will tell you that a business recession is under way.

relationships.

New and vital problems of government, of social and economic organization, and of international relations are facing us -- the solution for which calls for exceptional wisdom, high skill and good faith. But new opportunities also march hand in hand with these challenging new problems. If there are difficult questions to answer, there are likewise great achievements to be wrought.

and who will be guided by high ethical standards.

Far-reaching changes in our social life and in our economic structure have come about in recent years. Science has pushed forward the horizons of knowledge, both theoretical and practical. These changes affect all phases of human experience, and they have been attended by far-reaching readjustments in our social, economic and political

world. The Scout spirit of tolerance, mutual respect, and unselfish service is a positive factor in our aim for peace and international cooperation.

Due in part to the work of the Boy Scouts and similar organizations, we can have reasonable confidence that we can surrender our national and international responsibilities to another generation -- a generation whose hands will have been well trained, whose minds are disciplined,

which Scouting makes to the equipping of youth for citizenship. More than ever before we need to apply the Scout watchword of "Be Prepared".

Of more than ordinary interest to me at this time is the contribution of the Boy Scouts to the fostering of friendship, understanding, and good will throughout the world. The development of attitudes of international brotherhood is one of our great hopes in an uneasy

used for a worthier purpose.

Character -- honor -- decent behavior -

I do not see how anyone could deny
that it is well worth giving to help
produce these values.

Those of you whose planning
for the Seventh Region may include
monetary responsibilities deserve
the Seventh Region's special
appreciation.

Certainly more than ever the
world today needs the contributions

referred to as "the sinews of war."

To the Boy Scouts, dollars are sinews of war against juvenile delinquency, against crime, against the insidious danger of denying boys the benefits of wholesome companionship and of participation in helpful and instructive activities. No one, then, need ever be apologetic about asking people and communities for funds with which to meet Scouting's needs. Surely, dollars cannot be

enlighten our boys to follow the right path. Money cannot remake or recover the past, but it can help provide the means for redressing the past by helping to shape the future. Properly used, it can afford a reasonable assurance of the continuance of those qualities which have distinguished the American people.

In the earlier years of this decade we often heard dollars

living. Decent behavior manifests itself in better communities, and in better families. The integrity of the family unit is still the true basis for our society.

All the money in the world cannot turn back the clock, nor effectively influence the boy after he has gone too far on the wrong road of life. Money cannot undo wrong. But it can help greatly to build centers of inspiration to

purpose we seek with every dollar spent for the support of the Boy Scouts

The men and women who volunteer their effort and their financial support to this group underwrite a program which insures immeasurable benefits not only for their own families, but for their community and their country.

Where there is Scout activity there is character in the making. Honor becomes a vivid part of daily

can't buy everything." By this we ordinarily mean that the values of honor, character and decent human behavior cannot be measured by money standards. In that sense, the saying is unquestionably true. Nevertheless, in the practical sense, we all know that money is necessary to establish the environment and provide the physical facilities to help nurture and develop the essential virtues. This is the

I know, as do you, that there are millions of American boys who want Scout training and who need it. It should be the job of all Americans to help these boys and to lend vigorous support to the Scout movement. I hope to see this organization expand even more rapidly through the determined help of community leadership throughout the country. It is a responsibility which should be a privilege as well.

There is a saying that "money

and influences that boys need. It develops the qualities of leadership, of self-reliance, and of group cooperation. It fosters the ideals, values, and attitudes that should go into the making of a proper man. The boy who learns and practices "Scout's honor" usually becomes the man who wins the respect and confidence of his neighbors. He becomes the kind of citizen upon which our democracy is built.

companionship, and for adventure are to be met.

Boys now receive a very vital part of their education outside of the home and school. The Boy Scouts and related organizations are playing an important role in providing this education and special training that our formal education does not include.

Scouting provides a wholesome environment for recreation and fun. It offers the kind of companionships

A few decades ago the home was the sheltered center of our youthful activities. Today, aspects of modern society have tended to compete with the home. As a result, the influence of the home, as we knew it in our youth, has tended to diminish, and it now seems that the institutions of home, school and church can usefully and properly be supplemented if youth's craving for interesting activity, for

the youth of this country. But such statistics give an unfair picture of the work which is daily being accomplished in the education and character building of the vast majority of our youth. And the Scout movement, reaching more and more boys in the crowded sections of our cities, is taking a most important part in our national campaign for suppression of juvenile delinquency.

The Boy Scout organization stands for the promotion of good citizenship. In the 40 years of activity in the United States, the Scouts in their achievements have become closely identified with our highest standards of character building.

Statistics on crime and juvenile delinquency are frequently cited as an indication that America is not meeting her responsibility in training

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ADDRESS BY SECRETARY SWYDER
CONFERENCE OF THE SPECIAL PLANNING COMMITTEE
FOR REGION SEVEN
BOY SCOUTS OF AMERICA
COLLEGE CAMP, WISCONSIN

June 10, 1949

TREASURY DEPARTMENT
Washington

The following address by Secretary Snyder before a Conference of the Special Planning Committee for Region Seven, Boy Scouts of America, at College Camp, Wisconsin, is scheduled for delivery at 7:30 p.m. CST Friday, June 10, 1949, and is for release at that time.

S-2011

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Those of you whose planning for the Seventh Region may include monetary responsibilities deserve the Seventh Region's special appreciation.

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But such arguments must be challenged. The facts show that we are going through a necessary and healthy business readjustment as we return to normal buyers' markets and free competition. These are the conditions which, in the past, have provided the foundation of our historic economic progress.

It is normal to expect minor declines in business from time to time, even when the general trend is upward. But, in the period since the war, we became so used to new business records month after month, and year after year, that our failure to make new highs in 1949 becomes a topic of discussion. The fact that business is continuing to operate at close to record levels, after three years of unprecedented output, has been overlooked entirely too much.

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It is a remarkable testimony to the good sense and caution of the American people that the three record-breaking years of peacetime activity have resulted neither in over-extended credit, in excessive speculation, or in a dissipation of personal or business assets. In consequence, we have no reason to fear a repetition of the forced liquidation of commodities and securities which followed the brief postwar boom after the First World War.

On the contrary, we have the advantage of being exceptionally strong financially, both as to individuals and as to business, which places the economy in an unusually favorable position for a further advancement.

Americans have \$200 billion in liquid savings. They hold an estimated \$22 billion in cash, \$43 billion in personal checking accounts, and \$67 billion in savings accounts. They hold \$48 billion in savings bonds and \$20 billion in other Federal Government securities. These holdings of liquid assets are more than three and one-half times as large as at the beginning of the war in 1939.

Other types of savings have also shown a great increase. Life insurance and pension reserves of individuals, for example, have risen by \$57 billion since 1939 -- to a total of \$90 billion.

Consider the strong situation of the farming industry. Farmers of this country have 20 billion dollars of liquid assets; that is, their cash, their demand deposits, their savings accounts, and their Federal Government securities. This is a tremendous figure. It is eight or nine times the entire agricultural income of the Nation 15 or 16 years ago. Another bright point is the relatively small volume of farm mortgage debt. The total of 5 billion dollars is actually lower than it was at the beginning of the war. The entire farm situation is in striking contrast to the experience during and after World War I.

We also have a business machine supplied with \$65 billion in working capital -- only slightly below last year's record peak. That same business structure has greatly expanded its plant and other equipment. Business as a whole has invested more than \$75 billion in construction and equipment since the war ended. This plant expansion places business in a position to make effective use of the many new materials which have been discovered in recent years, and of the new processes and techniques which have been developed.

Here we have the foundation for a dynamic era of progress in the years ahead. Under the urgent requirements of the war, many important discoveries were made in new types of materials, new chemical products, and new industrial techniques. These discoveries will shortly be translated into new types of consumer goods, and into better and cheaper types of familiar products.

Within a relatively few years, we may expect revolutionary changes in our economic life through the development of atomic energy. Incalculable advances in industry, in medicine, and in research will be made possible through the atomic energy program. There is every evidence, in fact, that we are entering a new era of research and discovery, which was initiated by the concentrated efforts of our scientists under the challenge and urgency of war. Each new scientific discovery opens an entirely new field, which provides the basis for further discoveries.

With this reassuring view of the future, and with the basic strength which underlies our present business structure, I feel that an attitude of confidence in the business outlook is amply justified.

All that remains is for the salesman and the customer to get together. The customer has the money and the salesman's factory has the productive capacity. I think that our private enterprise system can be depended upon to bridge the gap. It has, as a further asset, a considerably increased population with which to deal, which is a factor of no small significance. If anyone talks to you about cutting his contribution to the Boy Scouts, challenge him with these facts.

It has been a pleasure to be with you today. The work you are doing is a fine example of democracy and of American fellowship. I sincerely wish you great success.

Comparison of principal items of assets and liabilities of national banks - continued
(In thousands of dollars)

	Apr. 11, 1949	Dec. 31, 1948	Apr. 12, 1948	: Increase or decrease: : since Dec. 31, 1948		: Increase or decrease : since April 12, 1948	
				: Amount	: Percent	: Amount	: Percent
LIABILITIES							
Deposits of individuals, partner- ships and corporations:							
Demand.....	\$44,318,284	\$47,004,636	\$45,134,137	-\$2,686,352	-5.72	-\$815,853	-1.81
Time.....	18,907,230	18,828,056	18,767,225	79,174	.42	140,005	.75
Deposits of U. S. Government.....	1,812,611	1,501,688	1,526,220	310,923	20.70	286,391	18.76
Postal savings deposits.....	3,346	2,720	2,803	626	23.01	543	19.37
Deposits of States and political subdivisions.....	5,294,587	5,230,758	4,907,268	63,829	1.22	387,319	7.89
Deposits of banks.....	6,887,424	7,843,607	7,034,821	-956,183	-12.19	-147,397	-2.10
Other deposits (certified and cashiers' checks, etc.).....	887,431	1,236,551	1,094,772	-349,120	-28.23	-207,341	-18.94
Total deposits.....	78,110,913	81,648,016	78,467,246	-3,537,103	-4.33	-356,333	-.45
Bills payable, rediscounts and other liabilities for borrowed money.....	89,553	41,330	152,315	48,223	116.68	-62,762	-41.21
Other liabilities.....	787,200	774,818	769,669	12,382	1.60	17,531	2.28
Total liabilities, excluding capital accounts.....	78,987,666	82,464,164	79,389,230	-3,476,498	-4.22	-401,564	-.51
CAPITAL ACCOUNTS							
Capital stock:							
Preferred.....	22,169	24,045	25,235	-1,876	-7.80	-3,066	-12.15
Common.....	1,882,857	1,804,714	1,774,713	78,143	4.33	108,144	6.09
Total.....	1,905,026	1,828,759	1,799,948	76,267	4.17	105,078	5.84
Surplus.....	2,478,494	2,510,495	2,419,482	-32,001	-1.27	59,012	2.44
Undivided profits.....	1,068,755	1,009,365	961,790	59,390	5.88	106,965	11.12
Reserves.....	325,119	322,269	357,448	2,850	.88	-32,329	-9.04
Total surplus, profits, and reserves.....	3,872,368	3,842,129	3,738,720	30,239	.79	133,648	3.57
Total capital accounts.....	5,777,394	5,670,888	5,538,668	106,506	1.88	238,726	4.31
Total liabilities and cap- ital accounts.....	84,765,060	88,135,052	84,927,898	-3,369,992	-3.82	-162,838	-.19
Ratios:	Percent	Percent	Percent				
U.S. Gov't securities to total assets	40.80	39.69	43.51				
Loans and discounts to total assets	27.06	27.03	25.69				
Capital accounts to total deposits	7.40	6.95	7.06				

NOTE: Minus sign denotes decrease.

Statement showing comparison of principal items of assets and liabilities of active national banks
as of April 11, 1949, December 31, 1948, and April 12, 1948

(In thousands of dollars)

	Apr. 11, 1949	Dec. 31, 1948	Apr. 12, 1948	Increase or decrease since Dec. 31, 1948		Increase or decrease since April 12, 1948	
				Amount	Percent	Amount	Percent
Number of banks.....	4,996	4,997	5,014	-1	-.02	-18	-.36
ASSETS							
Loans and discounts, including							
overdrafts.....	\$22,941,026	\$23,818,513	\$21,816,341	-\$877,487	-3.68	\$1,124,685	5.16
U. S. Government obligations,							
direct and guaranteed.....	34,582,806	34,980,263	36,955,647	-397,457	-1.14	-2,372,841	-6.42
Obligations of States and polit-							
ical subdivisions.....	3,289,963	3,190,189	3,172,597	99,774	3.13	117,366	3.70
Other bonds, notes, and debentures	1,901,718	1,898,185	1,962,559	3,533	.19	-60,841	-3.10
Corporate stocks, including							
stocks of Federal Reserve banks.	161,062	159,716	157,536	1,346	.84	3,526	2.24
Total securities.....	39,935,549	40,228,353	42,248,339	-292,804	-.73	-2,312,790	-5.47
Total loans and securities...	62,876,575	64,046,866	64,064,680	-1,170,291	-1.83	-1,188,105	-1.85
Currency and coin.....	1,116,002	1,040,763	1,087,322	75,239	7.23	28,680	2.64
Reserve with Federal Reserve							
banks.....	12,550,367	13,382,404	11,062,360	-832,037	-6.22	1,488,007	13.45
Balances with other banks.....	7,189,537	8,601,102	7,773,739	-1,411,565	-16.41	-584,202	-7.52
Total cash, balances with							
other banks, including re-							
serve balances and cash items							
in process of collection.....	20,855,906	23,024,269	19,923,421	-2,168,363	-9.42	932,485	4.68
Other assets.....	1,032,579	1,063,917	939,797	-31,338	-2.95	92,782	9.87
Total assets.....	84,765,060	88,135,052	84,927,898	-3,369,992	-3.82	-162,838	-.19

subdivisions held amounted to \$3,300,000,000, an increase of \$100,000,000 over the December figure, and other securities held were \$2,000,000,000, a slight increase since December.

Cash of \$1,116,000,000, balances with other banks of \$7,190,000,000 and reserve with Federal Reserve banks of \$12,550,000,000, a total of nearly \$21,000,000,000, decreased more than \$2,000,000,000 since December 31.

The unimpaired capital stock of the banks on April 11, 1949 was \$1,900,000,000, including \$22,000,000 of preferred stock. Surplus was \$2,478,000,000, undivided profits \$1,069,000,000 and reserves \$325,000,000. The total capital accounts of \$5,777,000,000 were \$106,000,000 more than in December and \$239,000,000 more than in April last year.

United States Government securities were 40.80 percent of total assets on April 11, and loans and discounts were 27.06 percent. The percentage of capital accounts to total deposits was 7.40 percent.

TREASURY DEPARTMENT

Washington

FOR RELEASE, MORNING NEWSPAPERS

Friday June 3, 1949

Press Service

No. 5-2012

The total assets of national banks on April 11 of this year amounted to \$85,000,000,000, it was announced today by Comptroller of the Currency Preston Delano. The returns from the call covered the 4,996 active banks in the United States and possessions. The assets were \$3,000,000,000, or nearly 4 percent, below the amount reported by the 4,997 active banks as of December 31, 1948, the date of the previous call, and were just slightly below the amount reported by the 5,014 active banks as of April 12, 1948, the date of the corresponding call a year ago.

The deposits of national banks on April 11, 1949, were more than \$78,000,000,000, which was a decrease of \$3,500,000,000, or 4 percent, since December and a decrease of only \$350,000,000 since April last year. Included in the current deposit figures are demand deposits of individuals, partnerships, and corporations of \$44,300,000,000, which decreased \$2,700,000,000, or 6 percent, since December, and time deposits of individuals, partnerships, and corporations of \$18,900,000,000, an increase of \$79,000,000. Deposits of the United States Government of \$1,800,000,000 were \$300,000,000 more than in December. Deposits of States and political subdivisions of \$5,300,000,000 showed an increase of more than \$60,000,000, while deposits of banks totaling \$6,900,000,000 were \$950,000,000, or 12 percent, less than in December. Postal savings deposits were \$3,000,000 and certified and cashiers' checks, etc. were nearly \$900,000,000.

Loans and discounts on April 11 were nearly \$23,000,000,000, which was a decrease of \$900,000,000, or nearly 4 percent, since December last, but were more than \$1,000,000,000, or 5 percent, than in April a year ago.

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Information Ser.

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



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Cash of \$1,116,000,000, balances with other banks of \$7,190,000,000 and reserve with Federal Reserve banks of \$12,550,000,000, a total of nearly \$21,000,000,000, decreased more than \$2,000,000,000 since December 31.

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J. J. Sewer

2

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as of April 11, 1949, December 31, 1948, and April 12, 1948

(In thousands of dollars)

	Apr. 11, 1949	Dec. 31, 1948	Apr. 12, 1948	Increase or decrease: since Dec. 31, 1948		Increase or decrease: since April 12, 1948	
				Amount	Percent	Amount	Percent
Number of banks	4,996	4,997	5,014	-1	-.02	-18	-.36
ASSETS							
Loans and discounts, including overdrafts	\$22,941,026	\$23,818,513	\$21,816,341	-\$877,487	-3.68	\$1,124,685	5.16
U. S. Government obligations, direct and guaranteed	34,582,806	34,980,263	36,955,647	-397,457	-1.14	-2,372,841	-6.42
Obligations of States and polit- ical subdivisions	3,289,963	3,190,189	3,172,597	99,774	3.13	117,366	3.70
Other bonds, notes, and debentures	1,901,718	1,898,185	1,962,559	3,533	.19	-60,841	-3.10
Corporate stocks, including							
stocks of Federal Reserve banks.	161,062	159,716	157,536	1,346	.84	3,526	2.24
Total securities	39,935,549	40,228,353	42,248,339	-292,804	-.73	-2,312,790	-5.47
Total loans and securities...	62,876,575	64,046,866	64,064,680	-1,170,291	-1.83	-1,188,105	-1.85
Currency and coin	1,116,002	1,040,763	1,087,322	75,239	7.23	28,680	2.64
Reserve with Federal Reserve banks	12,550,367	13,382,404	11,062,360	-832,037	-6.22	1,488,007	13.45
Balances with other banks	7,189,537	8,601,102	7,773,739	-1,411,565	-16.41	-584,202	-7.52
Total cash, balances with other banks, including re- serve balances and cash items in process of collection.....	20,855,906	23,024,269	19,923,421	-2,168,363	-9.42	932,485	4.68
Other assets	1,032,579	1,063,917	939,797	-31,338	-2.95	92,782	9.87
Total assets	84,765,060	88,135,052	84,927,898	-3,369,992	-3.82	-162,838	-.19

Comparison of principal items of assets and liabilities of national banks - continued
(In thousands of dollars)

	Apr. 11, 1949	Dec. 31, 1948	Apr. 12, 1948	Increase or decrease: since Dec. 31, 1948		Increase or decrease: since April 12, 1948	
				Amount	Percent	Amount	Percent
LIABILITIES							
Deposits of individuals, partner- ships and corporations:							
Demand	\$44,318,284	\$47,004,636	\$45,134,137	-\$2,686,352	-5.72	-\$815,853	-1.81
Time	18,907,230	18,828,056	18,767,225	79,174	.42	140,005	.75
Deposits of U. S. Government	1,812,611	1,501,688	1,526,220	310,923	20.70	286,391	18.76
Postal savings deposits	3,346	2,720	2,803	626	23.01	543	19.37
Deposits of States and political subdivisions	5,294,587	5,230,758	4,907,268	63,829	1.22	387,319	7.89
Deposits of banks	6,887,424	7,843,607	7,034,821	-956,183	-12.19	-147,397	-2.10
Other deposits (certified and cashiers' checks, etc.)	887,431	1,236,551	1,094,772	-349,120	-28.23	-207,341	-18.94
Total deposits	78,110,913	81,648,016	78,467,246	-3,537,103	-4.33	-356,333	-.45
Bills payable, rediscounts and other liabilities for borrowed money	89,553	41,330	152,315	48,223	116.68	-62,762	-41.21
Other liabilities	787,200	774,818	769,669	12,382	1.60	17,531	2.28
Total liabilities, excluding capital accounts	78,987,666	82,464,164	79,389,230	-3,476,498	-4.22	-401,564	-.51
CAPITAL ACCOUNTS							
Capital stock:							
Preferred	22,169	24,045	25,235	-1,876	-7.80	-3,066	-12.15
Common	1,882,857	1,804,714	1,774,713	78,143	4.33	108,144	6.09
Total	1,905,026	1,828,759	1,799,948	76,267	4.17	105,078	5.84
Surplus	2,478,494	2,510,495	2,419,482	-32,001	-1.27	59,012	2.44
Undivided profits	1,068,755	1,009,365	961,790	59,390	5.88	106,965	11.12
Reserves	325,119	322,269	357,448	2,850	.88	-32,329	-9.04
Total surplus, profits, and reserves	3,872,368	3,842,129	3,738,720	30,239	.79	133,648	3.57
Total capital accounts	5,777,394	5,670,888	5,538,668	106,506	1.88	238,726	4.31
Total liabilities and cap- ital accounts	84,765,060	88,135,052	84,927,898	-3,369,992	-3.82	-162,838	-.19
Ratios:	Percent	Percent	Percent				
U.S. Gov't securities to total assets	40.80	39.69	43.51				
Loans and discounts to total assets	27.06	27.03	25.69				
Capital accounts to total deposits	7.40	6.95	7.06				

✓ — 2013

RELEASE, MORNING NEWSPAPERS,
Tuesday, June 7, 1949.

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated June 9 and to mature September 8, 1949, which were offered on June 3, were opened at the Federal Reserve Banks on June 6.

The details of this issue are as follows:

Total applied for - \$1,591,386,000

Total accepted - 904,586,000 (includes \$62,855,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.707/ Equivalent rate of discount approx. 1.158% per annum

Range of accepted competitive bids:

High - 99.711 Equivalent rate of discount approx. 1.143% per annum
Low - 99.707 " " " " " 1.159% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 16,106,000	\$ 12,036,000
New York	1,241,762,000	666,765,000
Philadelphia	47,107,000	39,799,000
Cleveland	19,915,000	11,295,000
Richmond	3,870,000	3,870,000
Atlanta	11,291,000	9,716,000
Chicago	130,278,000	71,742,000
St. Louis	7,416,000	6,076,000
Minneapolis	10,412,000	9,908,000
Kansas City	11,382,000	10,298,000
Dallas	13,415,000	8,249,000
San Francisco	78,352,000	54,832,000
 TOTAL	 \$1,591,386,000	 \$904,586,000

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



RELEASE, MORNING NEWSPAPERS,
Tuesday, June 7, 1949.

S-2013

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated June 9 and to mature September 8, 1949, which were offered on June 3, were opened at the Federal Reserve Banks on June 6.

The details of this issue are as follows:

Total applied for - \$1,591,306,000
Total accepted - 904,586,000 (includes \$62,855,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.707/ Equivalent rate of discount approx. 1.158% per annum

Range of accepted competitive bids:

High - 99.711 Equivalent rate of discount approx. 1.143% per annum
Low - 99.707 Equivalent rate of discount approx. 1.159% per annum

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

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Boston	\$ 16,106,000	\$ 12,036,000
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St. Louis	7,416,000	6,076,000
Minneapolis	10,412,000	9,908,000
Kansas City	11,382,000	10,298,000
Dallas	13,415,000	8,249,000
San Francisco	78,352,000	54,832,000
TOTAL	\$1,591,306,000	\$904,586,000

IMMEDIATE RELEASE
June 6, 1949

X-2014

The Bureau of Customs announced today that the Canadian quota of 3,815,000 pounds of wheat flour, semolina, crushed or cracked wheat, and similar wheat products has been filled for the quota year ending May 28, 1950.

Since not more than 795,000 bushels of Canadian wheat may be entered for consumption in a quota year, the collectors of customs have been instructed to limit acceptance of entries for consumption to a total of ~~10,000~~ bushels during any week at any port unless authorization for a greater amount is granted by the Bureau.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
June 6, 1949.

S-2014

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Since not more than 795,000 bushels of Canadian wheat may be entered for consumption in a quota year, the collectors of customs have been instructed to limit acceptance of entries for consumption to a total of 1,000 bushels during any week at any port unless authorization for a greater amount is granted by the Bureau.

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STATUTORY DEBT LIMITATION

AS OF May 31, 1949

TREASURY DEPARTMENT
Fiscal Service
Washington, June 7, 1949

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

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 \$275,000,000,000
Outstanding ✓

Obligations issued under Second Liberty Bond Act, as amended

Interest-bearing:		
Treasury bills.....	\$ 11,544,396,000	
Certificates of indebtedness.....	28,710,247,000	
Treasury notes.....	8,288,165,600	\$ 48,542,808,600
Bonds -		
Treasury.....	111,439,544,450	
Savings (current redemp. value)...	56,116,326,495	
Depository.....	354,335,000	
Armed Forces Leave.....	406,024,475	
Investment series.....	954,155,000	169,270,385,420
Special Funds -		
Certificates of indebtedness.....	17,266,163,000	
Treasury notes.....	14,648,310,500	31,914,473,500
Total interest-bearing.....		249,727,667,520
Matured, interest-ceased.....		226,852,424
Bearing no interest:		
War savings stamps.....	52,593,347	
Excess profits tax refund bonds....	5,760,062	
Special notes of the United States:		
Internat'l Bank for Reconst. and Development series.....	40,785,000	
Internat'l Monetary Fund series..	1,063,000,000	1,162,138,409
Total.....		251,116,658,353

Guaranteed obligations (not held by Treasury):

Interest-bearing:		
Debentures: F.H.A.	12,028,986	
Demand obligations: C.C.C.	7,500,440	19,529,426
Matured, interest-ceased.....		3,530,725
		23,060,151

Grand total outstanding..... 251,139,718,504
Balance face amount of obligations issuable under above authority..... 23,860,281,496

Reconciliation with Statement of the Public Debt - May 31, 1949
(Daily Statement of the United States Treasury, June 1, 1949)

Outstanding - ✓		
Total gross public debt.....	251,889,420,012	
Guaranteed obligations not owned by the Treasury.....	23,060,151	
Total gross public debt and guaranteed obligations.....	251,912,480,163	
Deduct - other outstanding public debt obligations not subject to debt limitation.....	772,761,659	
	251,139,718,504	

5-2015-
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STATUTORY DEBT LIMITATION
AS OF MAY 31, 1949

June 8, 1949

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

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Obligations issued under Second Liberty Bond Act, as amended

Interest-bearing

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Treasury notes.....	<u>8,288,165,600</u>	\$ 48,542,808,600

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Treasury.....	111,439,544,450	
Savings (current redemp. value)	56,116,326,495	
Depository.....	354,335,000	
Armed Forces Leave.....	406,024,475	
Investment series.....	<u>954,155,000</u>	169,270,385,420

Special Funds

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Treasury notes.....	<u>14,648,310,500</u>	31,914,473,500
Total interest-bearing.....		249,727,667,520

Matured, interest-ceased.....		226,852,424
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Total.....		251,116,658,353

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Interest-bearing

Debentures: F.H.A.	12,028,986	
Demand obligations: C.C.C. .	<u>7,500,440</u>	19,529,426

Matured, interest-ceased.....		3,530,725
		<u>23,060,151</u>

Grand total outstanding.....	251,139,718,504
Balance face amount of obligations issuable under above authority...	<u>23,860,281,496</u>

Reconcilement with Statement of the Public Debt - May 31, 1949

(Daily Statement of the United States Treasury, June 1, 1949)

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Guaranteed obligations not owned by the Treasury.....	<u>23,060,151</u>
Total gross public debt and guaranteed obligations.....	251,912,480,163
Deduct - other outstanding public debt obligations not subject	
to debt limitation.....	<u>772,761,659</u>
	<u>251,139,718,504</u>

FOR IMMEDIATE RELEASE,

June 8, 1949

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, 1948, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1948, to May 28, 1949	Established Quota	Imports May 29, 1948, to May 28, 1949
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	539,801	3,815,000	3,742,610
China	-	-	24,000	160
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	14
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	143
France	1,000	21	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	661
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	539,822	4,000,000	3,743,588

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE

Wednesday, June 8, 1949

S-2016

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, 1948, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established	Imports	Established	Imports
	Quota	May 29, 1948, to	Quota	May 29, 1948, to
		May 28, 1949		May 28, 1949
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	539,801	3,815,000	3,742,610
China	-	-	24,000	160
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	14
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	143
France	1,000	21	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	661
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	-	-	-
	<u>800,000</u>	<u>539,822</u>	<u>4,000,000</u>	<u>3,743,588</u>

TREASURY DEPARTMENT

Washington

IMMEDIATE RELEASE,
June 8, 1949.

1-2017

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under the General Agreements on Tariffs and Trade, from the beginning of the quota periods to May 28, 1949, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of May 28, 1949
Whole milk, fresh or sour	Calendar year 3,000,000	Gallon	670
Cream, fresh or sour ...	Calendar year 1,500,000	Gallon	328
Butter	Quota ineffective for the period April through October		
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish....	Calendar year 26,881,369 ⁽¹⁾	Pound	First 6 months Quota Filled
White or Irish potatoes:			
certified seed	12 months from 150,000,000	Pound	Quota Filled
other	Sept. 15, 1948 60,000,000	Pound	Quota Filled
Walnuts	Calendar year 5,000,000	Pound	1,368,009

(1) The proviso to Item 717(b) limits the imports for consumption at the quota rate to 13,440,684 pounds during the first six months of the calendar year.

Due to a provision of the President's proclamation No. 2769 of January 30, 1948, in which the entry of a specified quantity of Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco) and scrap tobacco, affects the rate of duty on such tobacco from countries other than Cuba, a record is maintained of imports from Cuba. 10,117,393 pounds of such Cuban tobacco were imported for consumption during the period January 1 to May 28, 1949, inclusive.

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE,
Wednesday, June 8, 1949.

S-2017

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under the General Agreements on Tariffs and Trade, from the beginning of the quota periods to May 28, 1949, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of May 28, 1949
Whole milk, fresh or sour	Calendar year 3,000,000	Gallon	670
Cream, fresh or sour....	Calendar year 1,500,000	Gallon	328
Butter.....	Quota ineffective for the period April through October		
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish....	(1) Calendar year 26,881,369	Pound	First 6 months Quota filled
White or Irish Potatoes:			
certified seed.....	12 months from 150,000,000	Pound	Quota filled
other.....	Sept. 15, 1948 60,000,000	Pound	Quota filled
Walnuts.....	Calendar year 5,000,000	Pound	1,368,009

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Wed. IMMEDIATE RELEASE,
June 7, 1949.

S-2018

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities on which quotas were prescribed by the Philippine Trade Act of 1946, from January 1, 1949, to May 28, 1949, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of May 28, 1949
Buttons	850,000	Gross	199,965
Cigars	200,000,000	Number	240,580
Coconut Oil	448,000,000	Pound	37,563,657
Cordage	6,000,000	"	643,206
Rice	1,040,000	"	-
Sugars, refined) unrefined)	1,904,000,000	"	- 498,969,707
Tobacco	6,500,000	"	225,000

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE,
Wednesday, June 8, 1949.

S-2018

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities on which quotas were prescribed by the Philippine Trade Act of 1946, from January 1, 1949, to May 28, 1949, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of May 28, 1949
Buttons.....	850,000	Gross	199,965
Cigars.....	200,000,000	Number	240,580
Coconut Oil.....	448,000,000	Pound	37,563,657
Cordage.....	6,000,000	"	643,206
Rice.....	1,040,000	"	-
refined).....	1,904,000,000	"	498,969,707
Sugars, unrefined)			
Tobacco.....	6,500,000	"	225,000

COTTON WASTES

(In pounds)

COTTON CARD STRIPS made from cotton 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: Provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than 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:

Country of Origin	: Established : TOTAL QUOTA	: Total imports : Sept. 20, 1948, : to May 28, 1949	: Established : 33-1/3% of : Total Quota	: Imports : Sept. 20, 1948, : to May 28, 1949 ^{1/}
United Kingdom.....	4,323,457	21,845	1,441,152	21,845
Canada.....	239,690	228,302	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	67,827	-	-
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	317,974	1,599,886	21,845

^{1/} Included in total imports, column 2.

IMMEDIATE RELEASE

June 7, 1949

- 1 -

2019

The Bureau of Customs announced today that preliminary data on imports of cotton and cotton waste chargeable to the quotas established by the President's proclamation of September 5, 1939, as amended, for the period September 20, 1948, to May 28, 1949, inclusive, are as follows:

COTTON (other than linters)
(In pounds)

Country of Origin		Under 1-1/8" other than rough or harsh under 3/4"	1-1/8" or more but less than 1-11/16" 4/	Less than 3/4" harsh or rough 5/
		Established Quota	Imports Sept. 20, 1948, to May 28, 1949	Imports Sept. 20, 1948, to May 28, 1949
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	44,117,797	-
Peru.....	247,952	247,952	932,440	-
British India.....	2,003,483	292,269	-	18,694,821
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	4,933,123	606,183	-
Brazil.....	618,723	460,040	-	-
Union of Soviet Socialist Republics.....	475,124	283,349	-	-
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	6,216,733	45,656,420	18,694,821

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

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

4/ Established Quota - 45,656,420.

5/ Established Quota - 70,000,000.

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE

Wednesday, June 8, 1949

S-2019

The Bureau of Customs announced today that preliminary data on imports of cotton and cotton waste chargeable to the quotas established by the President's proclamation of September 5, 1939, as amended, for the period September 20, 1948, to May 28, 1949, inclusive, are as follows:

COTTON (other than linters)
(In pounds)

Country of Origin	: Under 1-1/8" other : than rough or harsh : under 3/4"		: 1-1/8" or more : but less than: harsh or rough 5/ : 1-11/16" 4/ :	
	: Established Quota	: Imports Sept. 20, 1948, to May 28, 1949	: Imports Sept. 20, 1948, to May 28, 1949	: Imports Sept. 20, 1948, to May 28, 1949
Egypt and the Anglo-Egyptian				
Sudan.....	783,816	-	44,117,797	-
Peru.....	247,952	247,952	932,440	-
British India.....	2,003,483	292,269	-	18,694,821
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	4,933,123	606,183	-
Brazil.....	618,723	460,040	-	-
Union of Soviet Socialist Republics..	475,124	283,349	-	-
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..	689			
Algeria and Tunisia..	-			
	14,516,882	6,216,733	45,656,420	18,694,821

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

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

4/ Established Quota - 45,656,420.

5/ Established Quota - 70,000,000.

COTTON WASTES
(In pounds)

COTTON CARD STRIPS made from cotton 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: Provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than 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:

Country of Origin	: Established : TOTAL QUOTA	:Total imports : :Sept. 20, 1948, :to May 28, 1949	:Established : : 33-1/3% of : :Total Quota	: Imports : :Sept. 20, 1948 :to May 28, 1949 <u>1/</u>
United Kingdom.....	4,323,457	21,845	1,441,152	21,845
Canada.....	239,690	228,302	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	67,827	-	-
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	317,974	1,599,886	21,845

1/ Included in total imports, column 2.

TREASURY DEPARTMENT
Washington

FOR RELEASE

Friday, June 17, 1949

Press Service

No. S-2020

Secretary of the Treasury Snyder today made public data from the report, Statistics of Income for 1945, Part 1, compiled from individual income tax returns and from taxable fiduciary income tax returns for 1945, under the direction of Commissioner of Internal Revenue George J. Schoeneman.

INDIVIDUAL RETURNS

The total number of individual income tax returns filed for the income year 1945 is 49,932,783, an increase of 2,821,288 returns, or 6.0 percent, over the number filed for the previous year. The current year returns consist of 20,869,431 optional returns, Form W-2, the withholding receipt for tax withheld on wages; 19,206,483 short-form returns, Form 1040; and 9,856,869 long-form returns, Form 1040. The optional standard deduction is used on 41,454,193 returns, or 83.0 percent of the total number of returns filed.

There are 42,650,502 taxable returns, an increase of 296,034 returns, or 0.7 percent, as compared with the number of taxable returns for 1944. Nontaxable returns for 1945 number 7,282,281, an increase of 2,525,254, or 53.1 percent, over the number of nontaxable returns for the previous year.

Adjusted gross income of \$120,301,131,000 is shown on 49,750,991 returns. The adjusted gross income increased \$3,586,394,000, or 3.1 percent, over that of last year. Adjusted gross deficit is \$292,472,000, shown on 181,792 returns. The adjusted gross deficit increased \$42,701,000, or 17.1 percent, as compared with that reported last year.

The tax liability for 1945 is \$17,050,378,000, an increase of \$833,977,000, or 5.1 percent, as compared with that reported for 1944.

The number of returns, amount of adjusted gross income or deficit, and tax liability for 1945 and 1944, together with the amount and percentage of increase, are as follows:

Form W-2, the withholding receipt for income tax withheld on wages, is the optional return which may be filed by persons whose total income is less than \$5,000 consisting of wages shown thereon and not more than \$100 of other wages, dividends, and interest. The tax liability is determined by the collector of internal revenue on the basis of the income reported, in accordance with a tax table provided under Supplement T of the Internal Revenue Code, which allows for exemptions claimed by the taxpayer and also allows for deductions and tax credits approximating 10 percent of the income. Husband and wife may file a combined return on Form W-2 if their aggregate income meets the requirements for use of this form. On such combined returns, the tax as determined by the collector is the lesser of two amounts: the tax on the combined income or the aggregate tax on the separate incomes.

Form 1040, the regular income tax return, which may be either a long-form return or a short-form return, is used by persons who, by reason of the size or source of their income, are not permitted to use Form W-2 as a return, and by persons who, although eligible to use Form W-2, find it to their advantage to use Form 1040. Persons with adjusted gross income of less than \$5,000, regardless of the source, may elect to file the short-form return on which deductions and tax credits are not itemized, the tax being determined by the taxpayer from the tax table provided under Supplement T. Persons with adjusted gross income of \$5,000 or more, and persons with adjusted gross income of less than \$5,000 who wish to claim deductions in excess of the amount allowed through the use of the tax table file the long-form return and compute the tax liability.

Data for the returns with adjusted gross income under \$25,000, except number of returns, and their distribution by adjusted gross income classes are estimated on the basis of samples as explained on pages 5 and 6.

Changes in the Internal Revenue Code

The Individual Income Tax Act of 1944 provides new rates and wage bracket withholding tables for the withholding of tax at source on wages paid on or after January 1, 1945. Although there is no change in the income tax rates, the new withholding rates and tables more nearly approximate the income tax liability, especially on small incomes, than did those formerly in use.

The Revenue Act of 1945 provides that a fiscal year taxpayer whose taxable year begins in 1945 and ends in 1946 is subject to the law applicable to taxable years beginning on January 1, 1945, as well as the law applicable to taxable years beginning on January 1, 1946. A tentative tax is computed under each law; and each tentative tax is prorated on the basis of the number of days in such fiscal year before January 1, 1946, and after December 31, 1945, respectively. The tax liability is then determined by combining the prorated portions of the two tentative taxes.

Classification of returns

For the tables in this release, individual returns are classified as taxable and nontaxable returns, as returns with standard deduction or with itemized deductions, by adjusted gross income classes, and by States and Territories. Taxable returns are classified as to normal tax and surtax versus alternative tax.

Adjusted gross income, being common to all types of returns, supplies the base for adjusted gross income classes regardless of the amount of net income or net deficit when computed. Returns showing allowable deductions for the computation of adjusted gross income in excess of gross income - that is, returns with adjusted gross deficit - are designated "No adjusted gross income," and the size of the deficit is disregarded.

Returns with standard deduction are optional returns, Form W-2; short-form returns, Form 1040, with adjusted gross income; and long-form returns, Form 1040, with adjusted gross income of \$5,000 or over on which the \$500 standard deduction is used.

Returns with itemized deductions are long-form returns, Form 1040, on which deductions are itemized in detail; long-form returns, Form 1040, with no deductions, filed by spouses of taxpayers who itemized deductions (such spouses are denied the standard deduction); and returns, Form 1040, with no adjusted gross income whether or not deductions are itemized.

The classification of returns as taxable and nontaxable is based on the existence or nonexistence of a tax liability.

Returns with normal tax and surtax are optional returns, Form W-2, and short-form returns, Form 1040, wherein the optional tax is paid in lieu of normal tax and surtax; and long-form returns, Form 1040, on which the regular normal tax and surtax, or normal tax only, are reported - that is, all taxable long-form returns except those on which the alternative tax is imposed.

Returns with alternative tax are long-form returns, Form 1040, wherein the net income includes an excess of net long-term capital gain over net short-term capital loss, and the alternative tax is less than the regular normal tax and surtax computed on net income which includes net gain from sales of capital assets. Alternative tax (not effective on returns with surtax net income under \$16,000) is the sum of a partial tax computed at the regular normal tax and surtax rates on net income reduced for this purpose by the excess of net long-term capital gain over net short-term capital loss, and fifty percent of such excess.

The classification of returns by States and Territories is based on the location of the collection district in which the return was filed, except that for the District of Columbia, which comprises a part of the collection district of Maryland, the classification is

determined by the address of the taxpayer. The Territory of Alaska comprises a part of the collection district of Washington; however, the sampling technique employed does not permit separate tabulation of returns showing an Alaskan address.

Description of the sample and limitations of data

Tables 1 to 4, inclusive, in this report were derived from a basic stratified random sample of individual income tax returns designed to comprise 1 percent of returns, Form W-2 and Form 1040, with adjusted gross income under \$7,000; 10 percent of returns, Form 1040, with adjusted gross income from \$7,000 to \$10,000; 20 percent of returns, Form 1040, with adjusted gross income from \$10,000 to \$25,000; and 100 percent of returns, Form 1040, with adjusted gross income of \$25,000 or more. The different administrative processes applied to the various categories of returns in collectors' offices affected somewhat their availability for sampling. These categories were sufficiently heterogeneous with respect to data tabulated to warrant independent controls. Accordingly, returns in each of the above income ranges were further stratified to assure homogeneous groups subject to uniform administrative processing for sample selection, tabulation, and weighting purposes. Precise 1 percent, 10 percent, and 20 percent representation of returns with adjusted gross income under \$7,000, from \$7,000 to \$10,000, and from \$10,000 to \$25,000, respectively, was not achieved. However, the over-all universes, applicable to the separate sampling strata, were independently determined and the data tabulated from the samples were extended to such universes, so that no random sampling error attaches to the total number of returns in each income range. A relatively negligible error in the total number of returns does result, however, from the use of rounded extension factors.

For table 5 in this report, which shows the total number of returns and the amounts of salaries and wages, dividends and interest, adjusted gross income, and tax liability for returns with adjusted gross income by States, supplementary random samples were added to the basic sample described above where the basic sample was not sufficiently large to assure reliable State data. The degrees of supplementation varied by States, and data for each State were separately tabulated and extended to the proper universe. Returns with no adjusted gross income are not distributed by States because of the large sampling errors involved.

In view of the different samples used for the distributions on a national basis and for the State distributions, the aggregate data relative to returns with adjusted gross income by States in table 5 do not precisely agree with corresponding United States totals in tables 1 and 2. Apart from the sampling error involved, the difference

between the number of returns with adjusted gross income for the United States in tables 1 and 2 and the corresponding aggregate of State frequencies is due in part to the use of rounded ratios in extending the data from samples of returns with adjusted gross income under \$25,000 to the universes.

In computing the possible variation of a given frequency due to random sampling, a range of two standard errors was used; chances are 19 out of 20 that the frequency as estimated from the sample tabulation differs from the actual frequency, if the entire universe were tabulated, by less than twice the standard error. Variation beyond the 2-error limit would occur only 1 time in 20 and would be sufficiently rare to justify a 2-error range in defining sampling variability. Accordingly, in cells associated with taxable or non-taxable adjusted gross income classes under \$7,000, frequencies of the magnitude of 1 million or more are subject to variation of less than 3 percent; variation for lesser frequencies increases to a maximum of 10 percent at 100,000, and a maximum of 30 percent at 10,000.

In cells associated with adjusted gross income classes from \$7,000 to \$25,000, frequencies of magnitude of 100,000 or more are subject to less than 2.5 percent variation; variation for lesser frequencies increases to a maximum of 10 percent at 10,000 and a maximum of 26 percent at 1,000. The degrees of variability noted above relate only to cell frequencies and do not indicate the variability associated with money amounts of income, deductions, or tax.

TAXABLE FIDUCIARY RETURNS

There are 113,560 taxable fiduciary income tax returns, Form 1041, for the income year 1945, showing net income taxable to the fiduciary of \$478,495,000 and tax liability (before credits) of \$176,086,000. As compared with similar data for the previous year, there is an increase in number of returns of 21,191, or 22.9 percent; and increase in net income of \$121,478,000, or 34.0 percent; and an increase in tax liability of \$45,008,000, or 34.3 percent.

Comparative data, taxable fiduciary returns, 1945 and 1944

(Money figures in thousands of dollars)

	:	:	:	Increase
	: 1945	: 1944	: Number or:	Percent
	:	:	: amount	:
Number of returns	113,560	92,369	21,191	22.9
Total income	856,594	655,623	200,971	30.7
Net income taxable to the fiduciary	478,495	357,017	121,478	34.0
Tax liability (before credits)	176,086	131,078	45,008	34.3

Only the taxable fiduciary returns are included in Statistics of Income. These returns are for the calendar year 1945, a fiscal year ending within the period July 1945 through June 1946, and a part year with the greater portion of the accounting period in 1945. A negligible number of taxable returns for estates and trusts filed improperly on Form 1040 are included; the data thereon being edited to conform to that reported on Form 1041. Tentative returns are not included and amended returns are used only if the original returns are excluded. Statistical data are completely tabulated from each taxable fiduciary return, prior to audit.

A fiduciary return, Form 1041, is required for an estate if the gross income is \$500 or more; for a trust if the net income is \$100 or more, or if the gross income is \$500 or more regardless of the net income; and for every estate or trust of which any beneficiary is a nonresident alien.

The rates of tax, the provisions respecting income to be reported, and the tax credits provided for individuals apply also to estates and trust. The net income of an estate or trust is computed in the same manner as in the case of an individual, except that, in lieu of the deduction allowed an individual for contributions to charitable, religious, scientific, and educational organizations, there is allowed as a deduction, without limitation, any part of the gross income which is set aside for such purposes exclusively; and there is also a deduction for the amount of income which is distributed, or becomes payable, to beneficiaries as well as amounts which in the discretion of the fiduciary may be distributed or accumulated, if such amounts are reported in the income of the beneficiary.

An estate is allowed a normal tax exemption of \$500 and a surtax exemption of \$500; a trust is allowed a credit of \$100 against net income for the purposes of both normal tax and surtax.

The tax, based on net income taxable to the fiduciary, is due when the return is filed, inasmuch as the tax is not subject to current collection.

Table 6 of this release shows the income and loss from each of the sources comprising total income, total income, deductions, surtax exemption, net income, and tax liability reported on the taxable fiduciary returns. These data are distributed by total income classes. Total income is approximately equivalent to the adjusted gross income used for the classification of individual returns.

Table 1. - Individual returns for 1945, by adjusted gross income classes: Simple and cumulative distributions of number of returns, adjusted gross income, and tax liability, with corresponding percentage distributions

(Adjusted gross income classes and money figures in thousands of dollars)

Adjusted gross income classes 1/	Number of returns						Adjusted gross income 2/						Tax liability 3/					
	Simple distribution			Cumulative distribution from highest income class			Simple distribution			Cumulative distribution from highest income class			Simple distribution			Cumulative distribution from highest income class		
	Number	Percent of total	Number	Percent of total	Number	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total
Individual returns (taxable and nontaxable) with adjusted gross income:																		
1 Under 0.5	5,452,051	10.96	49,750,991	100.00	5,452,051	10.96	1,498,401	1.25	120,301,131	100.00	1,498,401	1.25	-	-	-	-	-	1
2 0.5 under 0.75	3,088,490	6.21	44,298,940	89.04	8,540,541	17.17	1,922,087	1.60	118,802,730	98.75	3,420,488	2.84	27,582	.16	17,050,378	100.00	27,582	.16
3 0.75 under 1	3,124,651	6.28	41,210,450	82.83	11,665,192	23.45	2,738,891	2.28	116,880,643	97.16	6,159,379	5.12	110,823	.65	17,022,796	99.84	138,406	.81
4 1 under 1.25	3,583,559	7.20	38,085,799	76.56	15,248,751	30.65	4,035,572	3.35	114,141,752	94.88	10,194,951	8.47	221,201	1.30	16,911,973	99.19	359,606	2.11
5 1.25 under 1.5 4/	3,735,665	7.51	34,502,240	69.55	18,984,316	38.16	5,178,417	4.30	110,106,180	91.53	15,373,568	12.78	354,715	2.08	16,690,772	97.89	714,321	4.19
6 1.5 under 1.75	3,602,265	7.24	30,766,875	61.84	22,586,581	45.40	5,845,469	4.86	104,927,763	87.22	21,218,837	17.64	472,301	2.77	16,336,067	95.81	1,186,622	6.96
7 1.75 under 2	3,573,466	7.18	27,164,410	54.60	26,160,047	52.58	6,692,418	5.56	99,082,294	82.36	27,911,255	23.20	599,429	3.52	15,863,756	93.04	1,786,051	10.48
8 2 under 2.25	3,308,650	6.65	23,590,944	47.42	29,468,697	59.23	7,022,563	5.84	92,389,876	76.80	34,933,618	29.04	658,954	3.86	15,264,327	89.52	2,444,985	14.34
9 2.25 under 2.5	3,039,531	6.11	20,282,294	40.77	32,508,228	65.54	7,213,675	6.00	85,367,513	70.96	42,147,293	35.03	686,008	4.02	14,605,393	85.66	3,130,993	18.36
10 2.5 under 2.75	2,767,982	5.56	17,242,763	34.66	35,276,210	70.91	7,261,329	6.04	78,153,838	64.97	49,408,622	41.07	707,912	4.15	13,919,385	81.64	3,838,905	22.52
11 2.75 under 3	2,484,187	4.99	14,474,781	29.09	37,760,397	75.90	7,133,274	5.93	70,892,509	58.93	56,541,896	47.00	716,950	4.20	13,211,473	77.48	4,555,855	28.72
12 3 under 3.5	4,024,307	8.09	11,990,594	24.10	41,784,704	83.99	13,017,492	10.82	63,759,235	53.00	69,569,388	57.82	1,331,200	8.16	12,494,523	73.28	5,947,055	34.88
13 3.5 under 4	2,713,135	5.45	7,966,287	16.01	44,497,839	89.44	10,125,025	8.42	50,741,743	42.18	79,684,413	66.24	1,178,294	6.91	11,105,323	66.12	7,125,349	41.79
14 4 under 4.5	1,629,488	3.28	5,253,152	10.56	46,127,327	92.72	6,892,342	5.73	40,616,718	33.76	86,577,355	71.97	871,803	5.11	9,925,029	58.21	7,997,152	46.90
15 4.5 under 5	983,337	1.98	3,623,664	7.28	47,110,664	94.69	4,649,038	3.86	33,723,776	28.03	91,226,393	75.83	635,796	3.73	9,053,226	53.10	8,632,948	50.63
16 5 under 6	889,652	1.79	2,640,327	5.31	48,000,316	96.48	4,826,976	4.01	29,074,738	24.17	96,053,869	79.84	727,208	4.27	8,417,430	49.37	9,360,156	54.90
17 6 under 7	430,753	.87	1,750,675	3.52	48,431,069	97.35	2,779,434	2.31	24,247,762	20.16	98,832,805	82.15	473,245	2.78	7,690,222	45.10	9,833,401	57.67
18 7 under 8	252,895	.51	1,319,922	2.65	48,683,964	97.86	1,888,235	1.57	21,468,328	17.85	100,721,038	83.72	351,156	2.06	7,216,977	42.53	10,184,657	59.73
19 8 under 9	177,315	.36	1,067,027	2.14	48,861,279	98.21	1,501,203	1.25	16,801,093	16.28	102,222,241	84.97	298,374	1.75	6,865,821	40.27	10,482,931	61.48
20 9 under 10	134,856	.27	889,712	1.79	48,996,135	98.48	1,277,588	1.06	18,078,890	15.03	103,499,629	86.03	269,586	1.58	6,567,447	38.52	10,752,517	63.06
21 10 under 11	104,454	.21	754,866	1.52	49,100,589	98.69	1,094,124	.91	16,801,502	13.97	104,593,753	86.94	242,705	1.42	6,297,861	36.94	10,995,222	64.49
22 11 under 12	80,430	.16	650,402	1.31	49,181,019	98.85	923,312	.77	15,707,378	12.96	105,517,065	87.71	214,678	1.26	6,055,156	35.51	11,209,900	65.75
23 12 under 13	66,519	.13	569,972	1.15	49,247,538	98.99	829,486	.69	14,784,066	12.29	106,346,551	88.40	201,619	1.18	5,840,478	34.25	11,411,519	66.93
24 13 under 14	55,891	.11	503,453	1.01	49,303,429	99.10	753,545	.63	13,954,580	11.60	107,100,096	89.05	190,740	1.12	5,638,869	33.07	11,602,269	68.06
25 14 under 15	46,052	.09	447,562	.90	49,349,481	99.19	666,679	.55	13,201,035	10.97	107,766,775	89.58	175,651	1.03	5,448,119	31.95	11,777,910	69.08
26 15 under 20	155,308	.31	401,510	.81	49,504,789	99.50	2,668,955	2.22	12,534,356	10.42	110,435,730	91.80	775,181	4.55	5,272,468	30.92	12,553,091	73.62
27 20 under 25	83,229	.17	246,202	.49	49,588,018	99.67	1,853,715	1.54	9,865,401	8.20	112,289,445	93.34	619,816	3.64	4,497,287	26.38	13,172,907	77.26
28 25 under 30	45,968	.09	162,973	.33	49,633,984	99.76	1,254,327	1.04	8,011,686	6.66	113,543,772	94.38	466,851	2.74	3,877,471	22.74	13,639,758	80.00
29 30 under 40	49,771	.10	117,007	.24	49,683,755	99.86	1,708,973	1.42	6,757,359	5.62	115,252,745	95.80	706,167	4.14	3,410,620	20.00	14,345,925	84.14
30 40 under 50	24,483	.05	67,236	.14	49,708,238	99.91	1,089,366	.91	5,048,386	4.20	116,342,111	96.71	496,811	2.91	2,704,453	15.86	14,842,536	87.05
31 50 under 60	13,418	.03	42,753	.09	49,721,656	99.94	731,520	.61	3,959,020	3.29	117,073,631	97.32	355,878	2.09	2,207,842	12.95	15,198,414	89.14
32 60 under 70	8,441	.02	29,335	.06	49,730,097	99.96	544,726	.45	3,227,500	2.68	117,618,357	97.77	279,443	1.64	1,851,964	10.86	15,477,857	90.78
33 70 under 80	5,445	.01	20,894	.04	49,738,545	99.97	406,852	.34	2,682,774	2.23	118,025,209	98.11	216,513	1.27	1,572,521	9.22	16,694,370	92.05
34 80 under 90	3,601	.01	15,446	.03	49,739,146	99.98	304,680	.25	2,275,922	1.89	118,329,869	98.36	166,809	.98	1,356,008	7.95	15,861,179	93.03
35 90 under 100	2,687	.01	11,845	.02	49,741,733	99.98	245,041	.20	1,971,262	1.64	118,574,910	98.57	137,655	.81	1,189,199	6.97	15,998,834	93.83
36 100 under 150	5,530	.01	9,258	.02	49,747,263	99.99	661,464	.55	1,726,221	1.43	119,236,374	99.11	387,962	2.28	1,061,544	6.17	16,386,796	96.11
37 150 under 200	1,726	(6)	3,728	.01	49,748,989	99.99	295,289	.25	1,064,757	.89	119,531,663	99.36	180,328	1.06	663,582	3.89	16,567,124	97.17
38 200 under 250	738	(6)	2,002	(6)	49,749,727	99.99	163,463	.14	769,468	.64	119,695,126	99.50	101,678	.60	483,254	2.83	16,668,802	97.76
39 250 under 300	407	(6)	1,264	(6)	49,750,134	99.99	110,845	.09	606,005	.50	119,805,971	99.59	68,097	.40	381,576	2.24	16,736,899	98.16
40 300 under 400	333	(6)	857	(6)	49,750,467	99.99	115,685	.10	495,160	.41	119,921,556	99.68	72,055	.42	313,479	1.84	16,806,964	98.58
41 400 under 500	195	(6)	524	(6)	49,750,662	99.99	86,447	.07	379,575	.32	120,008,003	99.76	51,552	.30	241,414	1.42	16,860,516	98.89
42 500 under 750	193	(6)	329	(6)	49,750,855	99.99	114,803	.10	293,128	.24	120,122,606	99.85	72,902	.43	189,862	1.11	16,933,418	99.31
43 750 under 1,000	65	(6)	136	(6)	49,750,920	99.99	55,141	.05	178,525	.15	120,177,747	99.90	37,060	.22	116,960	.69	16,970,478	99.53
44 1,000 under 1,500	39	(6)	71	(6)	49,750,959	99.99	46,214	.04	123,384	.10	120,223,961	99.94	27,918	.16	79,900	.47	16,998,396	99.70
45 1,500 under 2,000	19	(6)	32	(6)	49,750,978	99.99	31,910	.03	77,170	.06	120,255,871	99.96	22,257	.13	51,982	.30	17,020,663	99.83
46 2,000 under 3,000	7	(6)	13	(6)	49,750,985	99.99	16,806	.01	45,250	.04	120,272,677	99.98	10,053	.06	29,715	.17	17,030,716	99.88
47 3,000 under 4,000	2	(6)	6	(6)	49,750,987	99.99	7,042	.01	28,454	.02	120,279,719	99.98	4,584	.03	19,662	.12	17,035,300	99.91
48 4,000 under 5,000	3	(6)	4	(6)	49,750,990	99.99	13,795	.01	21,412	.02	120,293,514	99.99	10,277	.06	15,078	.09	17,045,577	99.97
49 5,000 and over	1	(6)	1	(6)	49,750,991	100.00	7,617	.01	7,617	.01	120,301,131	100.00	4,801	.03	4,801	.03	17,050,378	100.00
50 Total	49,750,991	100.00	-	-	-	-	120,301,131	100.00	-	-	-	-	17,050,378	100.00	-	-	-	50
51 Individual returns (nontaxable) with no adjusted gross income 5/	181,792	(7)	-	-	-	-	8,292,472	(7)	-	-	-	-	-	-	-	-	-	51
52 Grand total	49,932,783	(7)	-	-	-	-	9,120,008,659	(7)	-	-	-	-	17,060,378	-	-	-	-	52

For footnotes, see pp. 21-22; for extent to which data are estimated, see pp. 5-6.

Table 2. - Individual returns for 1945, by taxable and nontaxable returns and by adjusted gross income classes - Part I, all returns; Part II, returns with standard deduction; Part III, returns with itemized deductions: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, deductions, surtax exemption, tax liability, tax payments, and tax overpayment

PART I. - ALL RETURNS

(Adjusted gross income classes and money figures in thousands of dollars)

(Adjusted gross income classes and money figures in thousands of dollars)													
Adjusted gross income classes 1/		Total number of returns	Salaries and wages 10/	Dividends and interest 11/	Annuities and pensions 12/	Rents and royalties 13/		Business and profession 14/		Partnership 15/		Sales or exchanges of capital assets 16/	
						Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	Net gain	Net loss
Taxable individual returns:													
1	0.5 under 0.75	2,024,406	1,098,158	25,708	6,350	28,944	1,542	154,166	5,654	17,401	528	7,637	2,123
2	0.75 under 1	2,818,413	2,060,255	49,696	7,118	48,308	3,868	252,421	12,263	35,169	1,390	15,873	3,732
3	1 under 1.25	3,398,136	3,256,289	57,041	15,746	53,049	4,442	371,191	11,620	53,373	2,523	21,294	4,913
4	1.25 under 1.5	3,642,872	4,329,355	63,478	14,562	64,984	7,242	445,279	17,007	61,223	3,895	27,054	6,649
5	1.5 under 1.75	3,602,265	5,107,645	69,692	13,046	66,217	7,408	469,536	14,158	75,061	1,900	36,237	6,095
6	1.75 under 2	3,573,466	5,913,790	71,382	9,891	62,308	8,069	499,937	14,413	87,834	1,528	34,832	6,302
7	2 under 2.25	3,308,650	6,246,287	73,960	9,267	64,108	10,517	481,644	14,022	97,350	1,716	39,822	7,998
8	2.25 under 2.5	3,039,531	6,444,530	73,976	6,957	63,838	9,340	478,090	12,089	101,315	2,452	39,244	6,535
9	2.5 under 2.75	2,767,982	6,505,425	63,446	7,719	64,100	11,503	447,178	10,442	122,816	2,178	40,136	6,751
10	2.75 under 3	2,484,187	6,381,127	74,740	9,042	62,303	9,919	447,974	9,611	109,650	2,030	43,852	6,679
11	3 under 3.5	4,024,307	11,647,774	133,432	11,925	113,734	17,255	783,169	15,470	223,386	3,164	88,053	12,366
12	3.5 under 4	2,713,135	8,972,765	116,273	10,714	94,402	11,237	644,531	15,162	193,029	2,585	78,469	12,521
13	4 under 4.5	1,629,488	5,923,242	90,289	7,611	67,488	7,163	527,353	7,535	189,102	2,206	65,382	8,166
14	4.5 under 5	983,337	3,753,518	87,982	3,757	63,936	6,575	473,528	4,918	180,506	1,136	62,363	5,559
15	5 under 6	889,652	3,396,406	167,999	6,420	88,767	6,116	723,809	11,138	309,890	5,525	101,283	8,176
16	6 under 7	430,753	1,621,064	139,091	5,896	68,273	6,473	566,010	4,900	266,854	2,455	89,072	5,781
17	7 under 8	252,895	895,669	119,973	3,674	53,969	3,591	454,070	7,955	267,045	3,230	68,725	5,821
18	8 under 9	177,315	646,601	103,142	2,384	42,234	3,062	378,062	7,708	248,352	2,593	60,016	5,233
19	9 under 10	134,856	507,860	95,707	2,674	37,514	2,393	354,745	6,460	223,822	1,924	55,432	4,451
20	10 under 11	104,454	431,315	85,186	2,436	31,110	2,154	277,076	5,679	201,675	2,120	47,597	3,482
21	11 under 12	80,430	327,534	77,898	1,888	27,739	1,869	248,211	4,996	179,697	1,447	43,336	3,129
22	12 under 13	66,519	301,393	71,559	1,466	24,739	1,719	212,339	3,910	163,670	1,790	38,347	2,587
23	13 under 14	55,891	252,728	66,884	1,085	22,315	1,404	197,247	3,921	164,462	1,553	34,076	2,410
24	14 under 15	46,052	211,101	65,498	1,356	17,706	1,092	170,273	2,993	154,651	1,649	33,549	2,269
25	15 under 20	155,308	854,804	263,073	4,395	75,518	4,697	642,021	13,851	639,952	4,941	132,803	7,972
26	20 under 25	83,229	564,235	200,835	2,701	49,596	3,212	411,499	11,019	480,515	3,111	97,538	5,194
27	25 under 30	45,966	371,394	146,325	2,177	31,710	2,100	248,096	7,596	347,397	2,356	73,530	3,052
28	30 under 40	49,771	470,154	214,283	3,583	42,671	2,296	306,870	11,306	505,672	3,563	110,246	3,493
29	40 under 50	24,483	275,741	151,474	1,500	25,614	1,383	174,875	7,470	345,526	3,023	79,085	1,869
30	50 under 60	13,418	176,973	111,128	1,160	17,346	1,037	107,094	5,629	232,290	1,857	59,667	1,135
31	60 under 70	8,441	123,293	87,890	1,098	11,055	749	73,984	4,270	177,128	1,447	49,893	830
32	70 under 80	5,448	82,789	69,784	792	10,227	521	50,697	2,598	132,932	676	40,093	492
33	80 under 90	3,601	61,727	56,930	574	6,707	377	34,155	2,509	97,559	1,169	34,083	350
34	90 under 100	2,587	45,652	46,802	368	5,056	276	30,106	2,000	76,312	521	28,945	272
35	100 under 150	5,530	108,853	141,410	1,195	15,063	827	68,579	7,310	197,847	1,510	92,131	624
36	150 under 200	1,726	39,944	68,736	419	6,962	292	30,043	2,205	73,969	781	55,191	200
37	200 under 250	738	18,484	41,581	276	4,425	131	12,339	1,768	38,707	375	35,331	89
38	250 under 300	407	11,648	30,491	85	2,068	107	10,161	998	19,607	150	27,681	50
39	300 under 400	333	9,788	31,031	82	2,437	168	6,059	815	22,380	473	35,588	30
40	400 under 500	195	5,438	22,840	140	2,056	70	4,072	1,397	12,264	108	31,510	24
41	500 under 750	193	6,519	36,969	127	926	233	4,521	1,022	16,408	283	38,846	27
42	750 under 1,000	65	1,026	21,507	128	331	20	1,806	674	7,605	10	14,656	14
43	1,000 under 1,500	39	834	15,826	114	304	52	3,004	563	2,108	71	16,584	9
44	1,500 under 2,000	19	697	10,900	64	1,867	63	1,681	505	865	20	7,320	4
45	2,000 under 3,000	7	153	5,734	1	3	12	15	50	2,155	44	7,749	-
46	3,000 under 4,000	2	65	6	-	-	-	-	95	3,020	-	3,901	-
47	4,000 under 5,000	3	1	12,275	-	21	4	-	25	-	-	1,528	-
48	5,000 and over	1	2	8,595	-	-	124	-	-	-	-	-	1
49	Total, taxable individual returns	42,650,502	89,462,015	3,838,457	183,963	1,644,048	164,724	12,241,514	307,679	7,159,551	78,006	2,245,580	165,459
Nontaxable individual returns: 31/													
50	No adjusted gross income 5/	181,792	41,580	18,625	(32)	13,321	13,745	11,462	290,074	12,862	62,445	32,332	11,856
51	Under 0.5	5,452,051	1,345,897	18,105	2,269	37,485	5,430	104,131	21,915	9,765	4,299	9,836	8,125
52	0.5 under 0.75	1,064,084	444,920	20,585	3,310	31,797	2,024	88,641	5,668	8,933	898	5,468	3,671
53	0.75 under 1	306,238	169,495	8,816	1,731	17,869	1,460	62,708	5,918	6,228	(32)	4,373	1,563
54	1 under 1.25	185,423	131,143	6,548	1,254	11,388	921	45,232	2,659	4,445	(32)	3,036	1,113
55	1.25 and over	92,693	104,749	13,514	2,158	15,544	1,433	29,796	6,279	6,962	2,555	7,408	1,738
56	Total, nontaxable individual returns	7,282,281	2,237,784	86,193	11,844	127,404	25,013	341,970	332,513	49,195	70,942	62,453	28,066
57	Grand total	49,932,783	91,699,799	3,924,650	195,807	1,771,452	189,737	12,583,484	640,192	7,208,746	148,948	2,308,033	193,525
58	Taxable returns with adjusted gross income under \$5,000 and nontaxable returns	47,292,456	79,877,924	1,137,288	145,549	1,045,123	141,113	6,797,967	494,857	1,596,410	100,173	662,701	124,455
59	Taxable returns with adjusted gross income of \$5,000 and over	2,640,327	11,821,875	2,787,362	50,258	726,329	48,624	5,785,517	145,335	5,612,336	48,775	1,645,332	69,070

For footnotes, see pp. 21-22; for extent to which data are estimated, see pp. 5-6.

Table 2. - Individual returns for 1945, by taxable and nontaxable returns and by adjusted gross income classes - Part I, all returns; Part II, returns with standard deduction; Part III, returns with itemized deductions: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, deductions, surtax exemption, tax liability, tax payments, and tax overpayment

Table 2. - Individual returns for 1945, by taxable and nontaxable returns and by adjusted gross income classes - Part I, all returns; Part II, returns with standard deduction; Part III, returns with itemized deductions: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, deductions, surtax exemption, tax liability, tax payments, and tax overpayment - Continued

PART II. - RETURNS WITH STANDARD DEDUCTION 22/

(Adjusted gross income classes and money figures in thousands of dollars)												
Adjusted gross income classes 1/	Total number of returns	Salaries and wages 10/	Dividends and interest 11/	Annuities and pensions 12/	Rents and royalties 13/		Business and profession 14/		Partnership 15/		Sales or exchanges of capital assets 16/	
					Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	Net gain	Net loss
Taxable individual returns:												
0.5 under 0.75	1,915,280	1,063,700	18,816	5,431	21,643	1,195	115,622	5,085	14,875	457	6,504	1,835
0.75 under 1	2,546,756	1,921,257	27,486	4,230	30,938	2,535	204,181	9,430	28,955	748	11,607	2,245
1 under 1.25	3,023,202	2,972,832	33,474	9,099	32,562	2,560	296,290	7,963	43,125	1,583	15,197	3,316
1.25 under 1.5	3,195,775	3,902,744	33,432	7,768	38,234	4,527	340,839	12,737	48,603	3,243	19,574	4,088
1.5 under 1.75	3,099,778	4,492,627	37,397	5,790	39,148	4,161	358,145	8,827	61,269	1,052	24,742	2,699
1.75 under 2	3,038,760	5,130,502	39,661	5,275	36,153	4,720	375,254	10,581	65,196	1,161	24,457	2,856
2 under 2.25	2,781,447	5,341,851	40,679	4,614	37,123	6,292	361,491	10,191	78,382	1,152	27,645	4,939
2.25 under 2.5	2,503,500	5,383,954	38,398	4,286	37,996	5,278	359,345	7,770	80,608	1,957	27,795	2,932
2.5 under 2.75	2,241,000	5,333,956	36,223	3,725	36,353	5,309	334,607	6,978	93,659	1,512	27,478	3,049
2.75 under 3	1,986,556	5,161,138	42,538	6,306	38,778	6,185	335,298	6,332	85,580	1,274	30,125	3,589
3 under 3.5	3,129,343	9,145,740	72,409	5,436	67,890	10,421	591,391	8,527	162,548	1,695	57,875	5,897
3.5 under 4	2,071,953	6,900,816	64,947	7,175	58,834	6,477	488,587	8,395	148,313	1,549	51,804	7,676
4 under 4.5	1,215,385	4,446,171	50,870	5,281	40,231	4,485	394,304	5,562	144,334	1,586	44,883	4,173
4.5 under 5	722,938	2,765,078	47,853	3,000	41,195	3,956	364,707	3,643	137,832	404	42,368	3,184
5 under 6	579,381	2,113,127	80,979	4,053	51,025	3,181	553,520	5,390	234,465	2,143	68,804	3,429
6 under 7	262,819	888,202	65,886	4,310	38,776	4,569	421,079	3,811	208,794	1,118	53,373	2,020
7 under 8	145,461	435,698	48,951	1,162	27,334	1,653	328,852	3,390	190,128	1,865	38,742	2,051
8 under 9	95,401	275,331	37,607	717	20,374	1,188	260,998	2,845	168,194	1,366	32,606	1,893
9 under 10	67,307	189,485	30,501	931	17,424	1,127	219,542	2,532	141,650	684	27,626	1,566
10 under 11	48,147	144,188	24,121	676	13,766	849	171,042	1,789	120,324	761	21,514	1,009
11 under 12	34,686	96,604	19,543	550	10,850	823	144,035	1,560	101,011	508	17,266	882
12 under 13	26,967	83,266	16,076	302	8,413	525	119,148	1,449	87,372	552	15,785	637
13 under 14	21,303	58,503	14,159	232	7,582	631	106,334	732	83,389	430	11,450	696
14 under 15	16,207	43,360	11,337	256	5,796	395	82,695	831	74,165	537	11,514	410
15 under 20	44,887	140,753	34,872	471	19,507	1,081	275,169	2,821	245,437	941	37,294	1,474
20 under 25	17,661	57,529	15,666	122	9,669	596	138,253	1,513	140,438	424	19,509	510
25 under 30	7,522	28,964	9,087	154	5,243	280	66,308	792	78,088	349	12,189	246
30 under 40	6,090	24,350	7,881	121	4,805	211	65,066	1,097	87,022	350	13,281	229
40 under 50	2,258	9,956	3,875	35	2,139	120	31,943	422	43,225	105	6,646	78
50 under 60	924	4,667	2,158	17	1,318	42	14,811	257	21,746	129	4,228	28
60 under 70	487	2,296	1,277	5	425	45	9,485	198	14,278	108	3,253	11
70 under 80	276	1,004	1,062	-	549	21	5,619	72	9,709	22	1,962	13
80 under 90	164	807	458	22	168	1	3,537	66	6,827	8	1,304	3
90 under 100	114	792	185	1	303	2	3,571	35	3,767	18	1,809	2
100 under 150	152	540	919	3	323	6	5,842	24	6,573	16	2,917	6
150 under 200	43	284	201	-	148	1	2,241	11	1,982	1	1,454	(33)
200 under 250	8	40	11	(33)	28	-	236	-	-	5	1,207	-
250 under 300	6	11	182	8	13	-	256	-	6	-	857	-
300 under 400	3	(33)	4	-	-	-	297	-	791	-	-	-
400 under 500	1	-	10	-	-	-	-	-	-	-	-	-
500 under 750	1	64	457	-	-	-	-	-	2	-	-	-
750 under 1,000	1	(33)	(33)	-	-	-	-	-	791	-	-	-
1,000 under 1,500	-	-	-	-	-	-	-	-	-	-	-	-
1,500 under 2,000	-	-	-	-	-	-	-	-	-	-	-	-
2,000 under 3,000	-	-	-	-	-	-	-	-	-	-	-	-
3,000 under 4,000	-	-	-	-	-	-	-	-	-	-	-	-
4,000 under 5,000	-	-	-	-	-	-	-	-	-	-	-	-
5,000 and over	-	-	-	-	-	-	-	-	-	-	-	-
Total, taxable individual returns	34,849,952	68,566,987	1,011,648	91,564	801,076	85,449	7,949,920	143,658	3,263,451	31,413	818,422	69,252
Nontaxable individual returns: 31/												
No adjusted gross income 5/	-	-	-	-	-	-	-	-	-	-	-	-
Under 0.5	5,388,753	1,336,489	14,236	2,054	32,285	4,911	95,185	17,106	9,351	3,275	8,993	6,121
0.5 under 0.75	902,563	398,079	8,016	1,258	12,940	715	68,556	3,504	6,267	(32)	3,237	1,458
0.75 under 1	195,046	123,545	2,099	(32)	4,557	(32)	36,488	3,212	2,705	(32)	1,770	(32)
1 under 1.25	117,879	95,389	876	(32)	1,631	(32)	23,813	665	2,576	(32)	768	(32)
1.25 and over	-	-	-	-	-	-	-	-	-	-	-	-
Total, nontaxable individual returns	6,604,241	1,953,502	25,227	3,989	51,413	6,090	224,042	24,487	20,899	4,179	14,768	8,024
Grand total	41,454,193	70,520,489	1,036,875	95,553	852,489	91,539	8,173,962	168,145	3,284,350	35,592	833,190	77,276
Taxable returns with adjusted gross income under \$5,000 and nontaxable returns	40,075,914	65,915,868	609,410	81,405	606,291	74,192	5,144,103	136,508	1,214,178	23,152	426,622	60,282
Taxable returns with adjusted gross income of \$5,000 and over	1,378,279	4,604,621	427,465	14,148	246,198	17,347	3,029,859	31,637	2,070,172	12,440	406,568	16,994

For footnote see pp. 21-22; for extent to which data are estimated see pp. 5-6.

Table 1 - Individual returns for 1945, by taxable and nontaxable returns and by adjusted gross income classes - Part I, all returns; Part II, returns with standard deduction; Part III, returns with itemized deductions: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, deductions, surtax exemption, tax liability, tax payments, and tax overpayment - Continued

PART II. - RETURNS WITH STANDARD DEDUCTION 22/ - Continued

(Adjusted gross income classes and money figures in thousands of dollars)

Adjusted gross income classes and money figures in thousands of dollars											
Adjusted gross income classes 1/	Sales or exchanges of property other than capital assets 17/		Income from estates and trusts 18/	Miscellaneous income 19/	Adjusted gross income 2/	Amount of surtax exemption 20/	Tax liability 3/	Tax withheld	Payments on 1945 declaration 21/	Balance of tax due at time of filing	Overpayment (refund, or credit on 1946 tax)
	Net gain	Net loss									
Taxable individual returns:											
1 0.5 under 0.75	471	(32)	2,756	8,582	1,249,321	1,570,249	25,958	82,814	3,873	4,286	65,015
2 0.75 under 1	1,297	1,539	3,911	14,446	2,231,811	2,333,083	102,084	150,424	9,332	13,949	71,621
3 1 under 1.25	941	789	5,006	18,337	3,410,454	2,970,130	201,101	248,795	15,640	21,614	84,946
4 1.25 under 1.5	1,360	585	4,454	19,872	4,391,501	3,322,666	321,297	357,778	19,150	28,861	84,492
5 1.5 under 1.75	945	355	3,461	22,460	5,028,890	3,532,264	420,349	439,943	23,507	36,158	79,260
6 1.75 under 2	1,981	1,729	8,079	23,177	5,688,708	3,399,019	527,299	530,717	31,693	40,496	75,607
7 2 under 2.25	1,400	720	7,629	25,336	5,902,915	3,323,987	572,588	567,668	33,601	42,734	71,417
8 2.25 under 2.5	576	909	6,898	19,002	5,940,014	3,274,168	582,301	565,188	35,179	45,394	63,459
9 2.5 under 2.75	1,460	557	5,794	21,863	5,877,912	3,088,741	592,968	566,275	39,697	46,977	59,981
10 2.75 under 3	1,221	619	4,353	16,198	5,703,741	2,866,019	593,238	558,247	40,236	49,165	54,412
11 3 under 3.5	2,432	820	11,515	31,115	10,122,992	4,702,897	1,121,185	1,031,837	81,299	90,305	82,225
12 3.5 under 4	3,366	1,764	10,247	23,366	7,729,596	3,242,325	932,414	832,622	72,939	80,086	53,281
13 4 under 4.5	2,164	1,493	15,336	14,201	5,140,677	1,877,808	675,061	570,539	67,515	65,180	28,172
14 4.5 under 5	1,891	722	9,436	16,768	3,413,218	1,035,555	484,466	378,467	68,068	55,963	18,331
15 5 under 6	2,277	916	20,170	18,272	3,136,631	820,581	499,945	311,981	117,554	84,820	14,410
16 6 under 7	1,615	376	16,025	8,600	1,694,764	542,647	307,839	139,212	104,974	71,582	7,931
17 7 under 8	1,931	1,482	14,222	8,569	1,085,127	183,116	215,233	69,817	98,036	57,012	9,631
18 8 under 9	1,321	579	11,612	6,770	807,659	113,228	172,002	44,495	85,203	49,319	7,014
19 9 under 10	799	418	9,605	6,253	637,549	80,717	144,654	31,098	75,990	42,981	5,414
20 10 under 11	628	396	8,120	4,539	504,114	58,263	120,446	24,066	66,397	34,950	4,967
21 11 under 12	665	310	7,457	4,183	398,083	41,382	100,211	15,875	56,663	30,966	3,293
22 12 under 13	578	268	5,469	3,244	336,221	31,617	88,592	14,119	52,154	26,146	3,827
23 13 under 14	329	155	4,866	2,989	286,970	24,825	78,938	9,975	47,814	23,882	2,763
24 14 under 15	222	221	4,699	2,944	234,591	13,381	67,489	7,433	41,297	21,080	2,321
25 15 under 20	845	471	12,618	5,529	765,706	50,610	245,417	24,405	152,686	74,861	8,535
26 20 under 25	472	244	8,283	4,177	591,230	19,830	144,480	10,160	93,511	45,004	4,195
27 25 under 30	149	249	4,936	1,249	204,451	8,270	84,419	5,170	56,737	24,431	1,919
28 30 under 40	166	110	5,310	1,406	207,412	6,621	95,130	4,445	66,092	26,924	2,331
29 40 under 50	81	60	2,716	153	99,983	2,423	51,020	1,910	35,575	14,623	1,087
30 50 under 60	9	26	1,483	204	50,159	962	27,504	879	19,296	7,852	523
31 60 under 70	10	11	449	166	31,272	515	18,154	425	13,032	5,071	374
32 70 under 80	4	1	644	299	20,723	283	12,582	229	9,212	3,288	147
33 80 under 90	3	7	683	83	13,828	167	8,716	120	6,478	2,277	158
34 90 under 100	-	11	241	208	10,809	127	6,870	157	5,021	1,800	108
35 100 under 150	7	14	636	124	17,818	148	11,995	115	8,563	3,375	57
36 150 under 200	1	93	936	1	7,143	48	5,062	52	3,855	1,229	74
37 200 under 250	-	16	24	237	1,762	10	1,029	9	824	206	10
38 250 under 300	-	6	250	-	1,579	5	982	2	622	368	10
39 300 under 400	-	-	-	-	1,092	3	948	(33)	837	111	-
40 400 under 500	-	-	411	-	421	1	369	-	457	-	87
41 500 under 750	-	-	1	-	522	1	465	14	451	(33)	-
42 750 under 1,000	-	-	-	-	791	3	711	-	711	-	-
43 1,000 under 1,500	-	-	-	-	-	-	-	-	-	-	-
44 1,500 under 2,000	-	-	-	-	-	-	-	-	-	-	-
45 2,000 under 3,000	-	-	-	-	-	-	-	-	-	-	-
46 3,000 under 4,000	-	-	-	-	-	-	-	-	-	-	-
47 4,000 under 5,000	-	-	-	-	-	-	-	-	-	-	-
48 5,000 and over	-	-	-	-	-	-	-	-	-	-	-
49 Total, taxable individual returns	33,617	19,351	240,804	354,784	82,783,160	42,208,388	9,661,481	7,597,447	1,761,821	1,275,326	973,105
Nontaxable individual returns: 31/											
50 No adjusted gross income 5/	-	-	-	-	-	-	-	-	-	-	-
51 Under 0.5	254	1,585	865	10,252	1,477,166	3,995,757	-	118,592	3,614	-	122,206
52 0.5 under 0.75	(32)	(32)	695	4,356	496,893	910,965	-	28,514	1,659	-	30,173
53 0.75 under 1	(32)	(32)	(32)	2,495	170,975	290,858	-	6,600	462	-	7,063
54 1 under 1.25	(32)	-	(32)	2,066	125,945	184,937	-	4,853	228	-	5,081
55 1.25 and over	-	-	-	-	-	-	-	-	-	-	-
56 Total, nontaxable individual returns	891	1,965	1,824	19,169	2,270,979	5,382,517	-	158,559	5,963	-	164,523
57 Grand total	34,508	21,316	242,628	373,953	85,054,139	47,590,904	9,661,481	7,756,006	1,767,784	1,275,326	1,137,628
58 Taxable returns with adjusted gross income under \$5,000 and nontaxable returns	22,396	14,876	100,702	293,752	74,105,729	45,781,425	7,152,309	7,039,843	547,742	621,108	1,056,442
59 Taxable returns with adjusted gross income of \$5,000 and over	12,112	6,440	141,926	80,201	10,948,410	1,809,479	2,509,172	716,163	1,220,042	654,158	81,186

Table 2. - Individual returns for 1945, by taxable and nontaxable returns and by adjusted gross income classes - Part I, all returns; Part II, returns with standard deduction; Part III, returns with itemized deductions: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, deductions, surtax exemption, tax liability, tax payments, and tax overpayment - Continued

PART III. - RETURNS WITH ITEMIZED DEDUCTIONS 23/

Adjusted gross income classes 1/		(Adjusted gross income classes and money figures in thousands of dollars)																Income from estates and trusts 18/	Miscellaneous income 19/	
		Total number of returns	Salaries and wages 10/	Dividends and interest 11/	Annuities and pensions 12/	Rents and royalties 13/		Business and profession 14/		Partnership 15/		Sales or exchanges of capital assets 16/		Sales or exchanges of property other than capital assets 17/						
						Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	Net gain	Net loss	Net gain	Net loss					
Taxable individual returns:		109,126	34,468	6,892	919	7,301	347	18,544	549	2,526	(32)	1,333	288	(32)			1,048	1,687	1	
1	0.5 under 0.75	271,667	138,998	22,210	2,888	17,370	1,332	48,240	2,833	6,214	(32)	4,266	1,487	(32)	(32)		1,445	4,560	2	
2	0.75 under 1	374,934	283,457	35,667	6,647	20,687	1,882	74,901	3,657	10,248	940	6,097	1,597	(32)	(32)		2,148	4,656	3	
3	1 under 1.25	447,097	426,591	30,046	6,794	26,750	2,715	104,440	4,270	12,620	(32)	7,480	2,561	(32)	(32)		3,937	5,720	4	
4	1.25 under 1.5	502,487	615,018	32,295	7,256	27,069	3,247	111,391	5,331	13,792	848	11,495	3,396	449	593		2,560	8,669	5	
5	1.5 under 1.75	534,706	785,288	31,721	4,616	26,156	3,369	124,683	3,832	22,638	367	10,375	3,466	(32)	394		4,631	6,559	6	
6	1.75 under 2	527,203	904,436	33,281	4,653	26,985	4,225	120,158	3,831	18,968	564	12,177	3,059	577	(32)		3,458	7,002	7	
7	2 under 2.25	536,031	1,060,576	35,578	2,671	25,842	4,062	118,745	4,319	20,707	495	11,449	3,603	1,048	2,542		4,580	7,487	8	
8	2.25 under 2.5	526,982	1,171,469	27,223	3,994	27,747	6,194	112,571	3,464	29,157	866	12,658	3,702	1,311	865		2,922	9,456	9	
9	2.5 under 2.75	497,631	1,219,989	32,202	2,736	23,525	3,734	112,676	3,279	24,070	756	13,727	3,290	862	1,701		5,314	7,189	10	
10	2.75 under 3	894,964	2,502,034	61,023	6,489	45,844	6,834	191,778	6,943	60,838	1,469	30,178	6,469		2,280		8,082	11,527	11	
11	3 under 3.5	641,182	2,071,949	51,326	3,539	37,568	4,760	155,944	4,767	44,716	1,036	26,655	4,845	1,145	795		7,450	11,332	12	
12	3.5 under 4	414,103	1,477,071	39,415	2,330	27,257	2,678	133,049	1,973	44,768	820	20,499	3,933	1,889	647		9,639	6,453	13	
13	4 under 4.5	260,399	988,440	40,129	757	22,741	2,619	108,821	1,275	42,674	(32)	19,395	2,375	1,115	(32)		5,844	7,670	14	
14	4.5 under 5	310,271	1,278,279	87,020	2,367	37,742	2,935	170,289	5,748	75,425	(32)	32,479	4,747	3,181	1,725		11,193	8,907	15	
15	5 under 5.5	167,934	732,662	73,205	1,586	29,497	1,904	144,921	1,089	58,060	1,337	35,699	3,761	1,761	1,036		11,447	4,747	16	
16	5.5 under 6	107,434	459,971	71,022	2,512	26,835	1,938	125,238	4,565	76,917	1,365	29,983	3,770	1,378	1,466		15,065	7,492	17	
17	6 under 7	81,914	371,270	65,535	1,667	21,860	1,874	117,064	4,863	80,158	1,227	27,410	3,340	811	1,357		14,034	6,398	18	
18	6 under 8	67,549	318,375	65,406	1,743	20,090	1,266	115,201	3,928	82,172	1,240	27,806	3,085	714	2,484		13,718	6,520	19	
19	8 under 9	56,307	287,127	61,065	1,760	17,344	1,305	106,034	3,890	81,551	1,359	26,083	2,473	853	957		12,772	5,604	20	
20	10 under 11	45,744	230,930	58,355	1,338	16,889	1,046	104,175	3,476	78,686	939	26,070	2,247	654	917		12,402	4,317	21	
21	11 under 12	39,552	218,127	55,483	1,164	16,326	1,134	93,191	2,461	76,298	1,238	22,564	1,950	433	773		12,725	4,870	22	
22	12 under 13	34,588	194,425	52,725	853	14,733	773	90,313	3,189	81,073	1,123	22,646	1,714	606	1,053		12,473	3,981	23	
23	13 under 14	29,845	167,741	52,161	1,000	11,910	697	87,578	2,162	80,488	1,112	22,035	1,859	365	818		11,802	3,566	24	
24	14 under 15	110,421	714,051	228,201	3,324	56,011	3,616	366,862	11,030	394,515	4,000	95,509	6,498	1,292	3,768		56,934	14,867	25	
25	15 under 20	65,568	506,706	184,969	2,579	39,727	2,616	273,245	9,506	340,077	2,687	78,029	4,684	1,061	2,087		46,607	11,064	26	
26	20 under 25	38,444	342,420	137,238	2,023	26,467	1,820	181,793	6,804	269,309	2,007	61,341	2,806	526	1,623		38,791	5,033	27	
27	25 under 30	43,681	445,804	205,402	3,462	37,866	2,055	243,804	10,209	418,650	3,213	96,965	3,264	531	2,096		62,067	6,758	28	
28	30 under 40	22,225	255,785	147,593	1,465	23,475	1,263	142,932	7,048	302,301	2,918	72,439	1,791	408	1,741		43,589	4,150	29	
29	40 under 50	12,494	172,306	108,970	1,143	16,028	995	92,283	5,372	210,544	1,728	55,439	1,107	190	1,253		31,852	3,062	30	
30	50 under 60	7,954	120,997	86,613	1,093	10,630	704	64,499	4,072	162,850	1,339	46,640	819	182	609		25,065	2,408	31	
31	60 under 70	5,170	81,785	68,722	792	9,678	500	45,078	2,526	123,223	654	38,131	479	163	629		22,428	919	32	
32	70 under 80	3,437	60,920	56,472	552	6,519	376	30,618	2,443	90,732	1,161	32,779	347	100	378		16,320	526	33	
33	80 under 90	2,473	44,860	46,617	367	4,753	274	26,535	1,965	72,545	503	27,136	270	22	419		13,878	950	34	
34	90 under 100	5,378	106,313	140,491	1,192	14,740	821	62,737	7,286	191,274	1,494	89,214	58	737	200		44,688	2,395	35	
35	100 under 150	1,883	39,660	68,535	419	6,814	131	12,103	1,768	38,907	370	34,124	89	16	350		22,053	1,269	36	
36	150 under 200	730	18,444	41,570	276	4,397	107	9,905	998	19,601	150	26,824	50	2	494		10,393	322	37	
37	200 under 250	401	11,637	30,309	77	2,055	77	9,905	998	21,389	473	35,588	30	(33)	400		9,951	155	38	
38	250 under 300	330	9,788	31,027	82	2,437	168	5,762	815	13,977	108	31,510	24	2	164		9,392	95	39	
39	300 under 400	194	5,438	22,830	140	2,066	70	4,072	1,397	12,264	108	31,510	24	2	164		12,212	60	40	
40	400 under 500	192	6,455	36,512	127	925	233	4,521	1,022	16,406	283	38,946	26		419		8,770	126	41	
41	500 under 750	64	1,026	21,507	128	331	20	1,806	674	6,814	10	14,556	14		97		8,088	78	42	
42	750 under 1,000	39	834	15,826	114	304	52	3,004	553	2,108	71	16,594	9		32		9,106	1	43	
43	1,000 under 1,500	19	697	10,900	64	1,867	63	1,691	505	865	20	7,320	4				1,101	1	44	
44	1,500 under 2,000	7	163	5,734	1	3	12	15	50	2,155	44	7,749	-		-		144	1	45	
45	2,000 under 3,000	2	65	6	-	-	-	-	95	3,020	-	3,901	-		-		-	-	1	46
46	3,000 under 4,000	3	1	12,275	-	21	4	-	25	-	-	1,528	-		-		-	(33)	47	47
47	4,000 under 5,000	1	2	8,595	-	-	-	-	124	-	-	-	-		-		-	-	-	48
48	5,000 and over																			
Total, taxable individual returns		7,800,550	20,895,028	2,826,809	92,399	842,972	73,275	4,291,594	164,021	3,896,100	46,593	1,427,158	96,207	27,891	44,739		698,617	210,772	49	
Nontaxable individual returns: 31/																				
50	No adjusted gross income 5/	181,792	41,580	18,625	(32)	13,321	13,745	11,462	290,074	12,862	62,445	32,332	11,856	3,903	57,169		(32)	4,872	50	
51	Under 0.5	63,298	9,408	3,869	215	5,200	519	8,946	4,809	414	1,024	843	2,004	(32)	(32)		(32)	662	51	
52	0.5 under 0.75	161,521	45,841	12,569	2,052	18,857	1,309	20,085	2,164	2,666	(32)	2,231	2,215	(32)	(32)		785	2,317	52	
53	0.75 under 1	111,192	45,950	6,717	1,297	13,312	1,151	26,220	2,706	3,523	(32)	2,603	1,341	(32)	(32)		738	1,827	53	
54	1 under 1.25	67,544	35,754	5,672	1,011	9,767	766	21,419	1,994	1,869	(32)	2,268	888	(32)	(

Table 2. - Individual returns for 1945, by taxable and nontaxable returns and by adjusted gross income classes - Part I, all returns; Part II, returns with standard deduction; Part III, returns with itemized deductions: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, deductions, surtax exemption, tax liability, tax payments, and tax overpayment. - Continued

PART III. - RETURNS WITH ITEMIZED DEDUCTIONS 23/ - Continued

(Adjusted gross income classes and money figures in thousands of dollars)

Adjusted gross income classes 1/		Adjusted gross income 2/	Deduction for						Total deductions	Net income	Net deficit 30/	Amount of surtax exemption 20/	Tax liability 3/	Tax withheld	Payments on 1945 declaration 21/	Balance of tax due at time of filing	Overpayment (refund or credit on 1946 tax)
			Contributions 24/	Interest 25/	Taxes 26/	Losses from fire, storm, etc. 27/	Medical, dental, etc., expenses 28/	Miscellaneous deductions 29/									
Taxable individual returns:																	
1	0.5 under 0.75	75,582	4,000	352	2,169	199	2,597	1,533	10,780	62,802	-	81,762	1,624	2,625	738	715	2,452
2	0.75 under 1	239,622	14,245	2,564	10,549	870	15,514	3,443	47,184	182,438	-	225,535	8,759	10,702	3,137	2,817	7,917
3	1 under 1.25	423,735	24,469	6,079	15,898	1,607	30,503	9,171	87,725	336,009	-	332,178	20,100	23,788	5,174	4,371	13,232
4	1.25 under 1.5	613,872	33,932	10,059	22,879	2,627	40,751	14,061	124,308	489,564	-	436,339	33,418	37,618	7,871	5,996	18,066
5	1.5 under 1.75	816,579	42,919	14,792	30,420	4,481	52,057	21,507	166,175	650,404	-	520,362	51,952	57,507	9,444	7,709	22,709
6	1.75 under 2	1,005,710	50,897	20,446	36,936	4,529	58,333	26,807	197,950	805,760	-	576,856	72,130	77,345	11,455	9,339	26,010
7	2 under 2.25	1,119,448	54,863	24,266	41,811	5,026	59,442	30,759	216,196	903,252	-	604,495	85,346	91,679	12,214	10,123	27,671
8	2.25 under 2.5	1,273,661	59,921	28,805	47,132	6,904	59,118	39,893	241,772	1,031,889	-	662,424	103,707	108,513	14,073	10,685	29,563
9	2.5 under 2.75	1,383,417	61,076	33,752	49,146	7,697	62,798	41,277	255,739	1,127,678	-	700,326	114,944	120,454	15,524	11,179	32,014
10	2.75 under 3	1,423,533	63,287	34,897	54,015	7,633	57,044	46,826	263,683	1,165,850	-	695,415	123,712	127,184	15,986	10,765	30,242
11	3 under 3.5	2,896,500	126,796	74,257	104,798	15,760	103,055	97,732	522,397	2,374,102	-	1,306,586	270,015	273,143	31,638	23,420	58,386
12	3.5 under 4	2,395,429	100,928	62,093	85,605	11,256	77,261	90,325	427,469	1,967,961	-	986,545	245,880	241,569	27,558	20,793	44,140
13	4 under 4.5	1,752,265	73,105	45,464	61,466	9,138	48,330	69,313	306,834	1,445,431	-	646,313	196,742	182,008	26,180	18,209	29,635
14	4.5 under 5	1,230,820	47,698	31,306	42,595	5,845	32,064	58,875	218,392	1,012,439	-	594,296	151,350	142,008	24,762	16,331	19,196
15	5 under 5.5	1,690,345	69,882	45,290	65,003	9,840	39,616	66,000	293,632	1,396,714	-	471,055	227,253	219,336	37,561	25,926	25,559
16	6 under 7	1,084,670	42,452	26,071	40,779	3,939	20,543	43,039	176,822	907,847	-	246,861	165,406	109,057	47,136	22,484	13,331
17	7 under 8	805,108	31,350	18,753	29,444	3,262	14,292	25,466	122,587	680,521	-	148,894	135,923	71,114	55,760	22,821	13,772
18	8 under 9	695,544	25,897	14,824	25,062	2,274	10,342	20,356	96,755	598,790	-	113,132	126,372	59,555	56,880	21,975	12,058
19	9 under 10	639,839	25,318	12,433	22,484	1,708	8,101	19,187	87,211	552,628	-	90,889	124,982	52,751	61,283	22,066	11,187
20	10 under 11	590,010	21,129	10,696	20,461	1,875	6,240	15,428	75,894	514,116	-	76,201	122,259	48,299	61,927	21,400	9,367
21	11 under 12	525,229	18,288	9,043	17,755	1,691	5,230	13,075	65,063	460,166	-	61,278	114,467	39,194	62,188	21,235	8,151
22	12 under 13	493,265	16,674	7,925	16,543	1,415	3,737	11,861	59,175	434,090	-	52,421	113,027	38,121	62,039	20,378	7,510
23	13 under 14	466,575	15,454	7,327	15,265	1,153	3,599	10,864	53,642	412,933	-	45,401	111,832	34,143	63,569	21,194	7,074
24	14 under 15	432,089	14,103	6,346	13,847	929	2,781	10,600	48,808	383,483	-	38,766	108,162	30,007	65,443	21,266	6,555
25	15 under 20	1,305,249	60,573	25,469	60,655	3,943	9,304	40,047	199,990	1,705,259	-	142,092	531,764	131,359	330,810	100,802	51,208
26	20 under 25	1,469,435	44,478	25,469	45,077	2,688	5,257	27,110	142,586	1,319,899	-	85,240	475,336	95,837	313,963	90,557	25,021
27	25 under 30	1,049,876	31,980	12,042	32,396	1,530	2,621	17,022	97,590	952,286	-	47,282	382,432	66,055	262,910	69,669	16,212
28	30 under 40	1,501,561	46,124	16,151	45,155	2,272	2,624	25,428	137,753	1,363,807	-	52,152	611,037	87,406	436,290	110,576	23,235
29	40 under 50	989,333	30,833	10,402	30,660	1,306	1,215	16,696	91,112	998,271	-	25,628	445,591	52,811	332,789	76,193	16,202
30	50 under 60	681,361	22,660	7,663	20,634	1,002	562	12,799	65,320	616,041	-	14,163	328,374	34,550	249,680	55,428	11,284
31	60 under 70	513,454	18,025	5,915	15,820	649	411	8,621	49,441	464,014	-	8,717	261,289	24,926	200,969	43,611	8,218
32	70 under 80	386,129	14,414	4,125	11,826	567	197	7,669	39,817	347,312	-	5,552	203,931	16,731	160,676	32,600	6,076
33	80 under 90	290,832	12,469	3,102	9,131	278	155	4,530	29,664	261,168	-	3,622	158,093	12,656	125,399	25,099	5,041
34	90 under 100	234,232	9,960	2,879	7,288	347	103	4,735	25,312	208,920	-	2,515	130,785	9,207	105,256	20,103	3,781
35	100 under 150	643,646	30,865	7,439	21,288	719	131	13,240	73,682	569,964	-	5,281	375,967	26,025	306,913	57,495	11,466
36	150 under 200	288,146	15,078	3,438	10,296	195	40	6,860	35,907	252,238	-	1,581	175,266	8,553	146,296	25,336	4,920
37	200 under 250	161,701	9,103	2,271	5,431	491	14	3,571	20,883	140,818	-	689	100,649	3,875	85,217	14,109	2,552
38	250 under 300	109,266	6,512	2,030	3,699	22	10	3,416	15,689	96,577	-	359	87,115	2,362	57,649	8,773	1,669
39	300 under 400	114,493	6,409	1,852	3,919	111	3	2,591	14,599	99,894	-	505	71,117	1,896	62,291	8,354	1,425
40	400 under 500	86,026	4,750	1,557	3,078	38	4	3,211	12,439	75,588	-	183	51,183	1,154	44,376	6,998	1,345
41	500 under 750	114,081	7,619	1,178	3,556	82	-	2,281	14,716	99,365	-	181	72,437	1,208	64,353	7,912	1,035
42	750 under 1,000	54,350	4,009	703	1,535	43	-	767	7,737	47,292	-	53	36,349	206	35,497	5,066	420
43	1,000 under 1,500	46,214	4,250	530	1,605	23	1	1,330	7,059	38,474	-	34	27,918	165	25,921	1,994	162
44	1,500 under 2,000	31,910	2,482	204	871	7	-	331	5,894	28,016	-	16	22,267	124	21,050	1,335	242
45	2,000 under 3,000	16,806	1,518	52	489	1	-	142	2,201	14,605	-	10	10,053	28	9,798	280	52
46	3,000 under 4,000	7,042	121	10	47	-	-	9	186	6,855	-	4	4,584	14	4,306	264	-
47	4,000 under 5,000	13,795	1,568	-	172	-	-	156	1,896	11,699	-	6	10,277	-	8,700	1,577	-
48	5,000 and over	7,617	1,143	20	570	-	-	549	2,283	5,335	-	1	4,801	-	4,825	-	-
49	Total, taxable individual returns	34,776,501	1,423,586	674,368	1,205,260	127,892	836,005	990,594	5,257,717	29,520,783	-	9,907,762	7,388,897	2,719,461	4,181,414	1,135,546	647,345
50	Nontaxable individual returns: 31/																
51	No adjusted gross income 5/	8/292,472	1,803	2,098	3,777	797	2,820	1,748	13,044	-	305,516	222,433	-	4,766	18,688	-	23,453
52	Under 0.5	21,235	1,692	1,097	2,773	(32)	2,877	1,547	9,997	14,705	-	3,467	61,679	-	1,021	831	1,853
53	0.5 under 0.75	102,291	6,389	2,618	8,227	975	16,908	4,699	38,815	63,653	-	1,377	134,967	-	2,927	737	3,663
54	0.75 under 1	96,483	5,076	4,187	7,161	3,416	28,167	6,277	49,261	50,636	-	3,433	116,793	-	2,883	900	3,785
55	1 under 1.25	75,438	4,006	3,529	6,278	1,518	16,400	5,564	36,996	40,371	-	1,928	82,981	-	2,091	691	2,780
56	1.25 and over	173,044	7,459	8,963	15,904	18,465	37,799	43,096	151,686	59,616	-	18,259	123,678	-	6,916	3,055	9,973
57	Total, nontaxable individual returns	9/176,019	26,425	22,492	44,120	25,381	99,771	62,631	280,819	229,181	333,980	742,730	-	20,804	24,902	-	45,505
58	Grand total	9/34,954,520	1,450,011	696,860	1,249,380	153,273	935,776	1,053,225	5,538,536	29,749,964	333,980	10,650,491	7,388,897	2,740,085	4,206,316	1,135,546	692,850
59	Taxable returns with adjusted gross income under \$5,000 and nontaxable returns	9/16,828,192	784,541	411,654	649,559	108,673	798,658	614,153	3,367,413	13,794,780	333,980	8,912,158	1,480,638	1,504,170	230,736	152,470	406,738
60	Taxable returns with adjusted gross income of \$5,000 and over	18,126,328	665,470	285,206	599,821	44,400	137,118	439,072	2,171,123	15,955,204	-	1,738,332	5,908,258	1,235,915	3,975,580	982,876	286,112

For footnotes, see pp. 21-22; for extent to which data are estimated, see pp. 5-6.

Table 3. - Individual returns for 1945, by taxable and nontaxable returns and by adjusted gross income classes: Frequency distribution of returns for each specific source of income or loss comprising adjusted gross income, for each type of tax payment, and for tax overpayment

Adjusted gross income classes 1/ (Thousands of dollars)	Total number of returns	Salaries and wages	Dividends and interest	Annuities and pensions	Number of returns with -										Income from estates and trusts	Miscellaneous income 34/	Tax withheld	Payments on 1945 declaration of estimated tax 21/	Balance of tax due at time of filing	Overpayment (refund, or credit on 1946 tax)	
					Rents and royalties		Business or profession		Partnership		Sales or exchanges of capital assets		Sales or exchanges of property other than capital assets								
					Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	Net gain	Net loss	Net gain	Net loss							
Taxable individual returns:																					
0.5 under 0.75	2,024,406	1,717,442	108,464	35/9,930	76,577	35/8,716	227,521	14,013	30,344	35/1,213	24,607	35/5,517	35/1,655 (32)	35/7,282	60,797	1,560,869	98,754	464,530	1,530,305	1	
0.75 under 1	2,818,413	2,400,336	169,923	14,565	121,374	18,426	324,950	20,964	46,454	35/2,979	46,232	35/9,048	35/1,655	35/3,310	83,637	2,214,745	204,791	727,030	2,047,247	2	
1 under 1.25	3,398,138	2,956,450	196,946	21,958	139,470	21,958	304,312	24,164	55,390	35/4,745	51,529	12,910	35/2,869	35/2,648	91,361	2,754,087	281,697	904,565	2,437,298	3	
1.25 under 1.5	3,642,872	3,225,239	210,139	22,951	159,892	31,999	397,221	27,905	58,163	35/4,414	60,907	16,220	35/4,634	35/1,986	11,696	3,075,947	296,371	1,017,113	2,570,920	4	
1.5 under 1.75	3,602,265	3,230,313	223,107	18,758	186,232	37,737	360,147	29,699	57,497	35/3,972	68,522	15,999	35/3,752	35/2,648	35/9,158	3,118,615	3,092,498	314,688	1,089,716	2,441,269	5
1.75 under 2	3,573,466	3,240,685	253,892	13,537	172,902	44,025	337,034	28,468	63,446	35/3,199	71,831	16,551	35/4,524	35/3,420	13,572	3,135,986	332,561	1,139,699	2,357,412	6	
2 under 2.25	3,308,650	3,027,839	251,134	15,778	192,722	48,550	302,548	27,696	62,894	35/3,958	75,051	18,978	35/3,530	35/2,648	11,358	3,250,381	319,650	1,054,188	2,185,942	7	
2.25 under 2.5	3,039,531	2,798,456	266,361	14,344	186,354	46,563	273,969	26,592	62,342	35/3,179	73,597	17,655	35/3,199	35/3,530	12,248	3,139,982	319,982	989,966	1,995,071	8	
2.5 under 2.75	2,767,982	2,554,922	259,966	11,917	174,777	49,661	233,253	21,958	65,873	35/3,641	78,120	16,885	35/4,303	35/2,537	35/9,490	2,507,365	302,437	877,960	1,838,703	9	
2.75 under 3	2,484,187	2,293,746	242,747	11,144	176,212	51,528	219,239	20,633	57,597	35/3,186	75,086	14,499	35/4,414	35/2,869	103,389	2,250,052	287,327	818,276	1,630,823	10	
3 under 3.5	4,024,307	3,726,621	454,709	16,682	297,363	80,658	349,220	28,468	100,188	35/7,062	141,896	30,562	35/7,835	35/6,179	18,206	3,668,361	512,296	1,454,300	2,589,480	11	
3.5 under 4	2,713,155	2,494,341	347,456	11,917	221,779	54,066	238,763	18,536	78,781	35/5,186	118,063	24,827	35/7,613	35/4,745	16,993	2,454,620	378,121	1,050,424	1,629,389	12	
4 under 4.5	1,629,488	1,466,416	257,779	35/9,709	149,508	32,800	170,796	11,696	64,658	35/3,751	83,305	17,875	35/5,517	35/3,640	15,117	1,456,735	239,537	476,990	491,895	14	
4.5 under 5	983,337	845,421	197,616	35/8,951	106,034	24,937	135,489	35/7,502	57,155	35/2,096	72,051	11,875	35/3,421	35/2,317	12,247	1,309,309	276,385	249,024	124,814	15	
5 under 6	889,652	685,689	235,776	35/6,069	70,173	13,902	110,107	35/6,290	56,933	35/3,810	65,870	11,255	35/2,979	35/3,089	12,028	1,142,142	137,897	178,347	173,114	16	
6 under 7	430,753	294,825	174,442	35/6,069	70,173	13,902	110,107	35/6,290	56,933	35/3,810	65,870	11,255	35/2,979	35/3,089	12,028	1,142,142	137,897	178,347	173,114	16	
7 under 8	252,895	150,836	117,820	4,010	48,105	8,516	75,714	4,361	47,504	2,145	49,773	10,725	2,082	1,660	9,610	10,597	89,918	135,789	49,217	18	
8 under 9	177,315	99,475	87,047	2,889	35,075	6,425	55,659	3,177	39,275	1,741	38,539	8,784	1,562	1,157	7,394	8,962	64,525	106,753	56,708	19	
9 under 10	134,856	72,395	70,501	2,396	28,256	5,114	44,049	3,212	31,244	1,537	32,132	7,296	1,059	1,140	6,161	7,127	50,135	87,262	74,990	20	
10 under 11	104,454	56,062	57,276	1,884	21,631	3,994	33,134	2,301	25,782	1,121	29,257	5,722	632	1,082	5,184	5,419	36,081	69,460	58,701	21	
11 under 12	80,450	40,805	45,827	1,502	18,155	3,055	27,212	1,856	21,275	944	22,057	4,876	606	582	4,884	5,129	36,081	69,460	58,701	21	
12 under 13	66,519	34,020	35,563	1,253	14,215	2,785	21,411	1,620	17,473	1,493	16,477	872	15,350	9,716	578	3,456	4,107	24,499	50,002	40,733	22
13 under 14	55,891	27,877	33,418	1,023	12,780	2,261	18,473	1,493	14,513	666	14,059	3,407	35/3,377	440	3,020	3,476	19,281	41,759	33,827	23	
14 under 15	46,062	22,077	28,357	1,038	10,766	1,875	14,822	1,278	10,189	2,501	50,521	12,336	1,224	1,748	10,906	11,782	67,056	144,285	112,741	24	
15 under 20	155,308	76,244	101,268	3,411	36,351	7,234	47,917	4,509	29,489	1,508	30,422	7,313	572	1,033	6,878	5,633	35,626	79,225	61,329	25	
20 under 25	83,229	40,892	58,084	2,068	20,343	3,906	23,865	2,873	25,468	1,706	17,259	4,600	282	620	4,547	3,616	20,000	44,500	33,825	26	
25 under 30	45,966	22,796	33,534	1,241	10,915	2,280	11,969	1,082	12,198	2,067	1,038	21,710	5,160	302	647	5,551	4,009	21,297	48,592	36,507	27
30 under 40	49,771	24,525	37,752	1,495	12,172	2,494	15,397	5,397	1,254	10,475	558	11,599	2,726	160	378	3,083	2,077	10,441	24,000	17,750	28
40 under 50	24,485	12,149	19,115	787	6,158	1,397	7,377	863	5,821	548	6,874	1,615	61	249	1,873	1,187	5,752	13,181	9,711	29	
50 under 60	13,418	6,710	10,843	497	3,452	777	5,737	1,826	3,766	256	4,542	1,084	52	132	1,216	796	3,606	8,319	6,180	30	
60 under 70	8,441	4,216	7,022	353	2,146	494	1,826	557	3,766	256	4,542	1,084	52	132	1,216	796	3,606	8,319	6,180	31	
70 under 80	5,448	2,734	4,607	250	1,447	352	1,004	360	2,433	146	3,020	690	34	107	935	505	2,289	5,352	4,012	32	
80 under 90	3,601	1,841	3,069	174	956	259	604	272	1,576	116	2,144	458	20	78	651	381	1,825	3,545	2,555	33	
90 under 100	2,597	1,332	2,250	117	760	162	474	216	1,141	76	1,545	317	15	77	455	260	1,094	2,551	1,859	34	
100 under 150	1,726	897	1,578	111	530	152	287	178	675	81	1,161	249	11	63	427	192	778	1,709	1,185	35	
150 under 200	738	422	685	57	245	71	91	106	290	37	522	114	8	36	218	76	189	406	286	36	
200 under 250	407	250	386	30	134	56	71	60	151	19	298	59	3	21	126	51	157	333	254	37	
250 under 300	333	201	310	30	132	20	37	51	111	31	265	39	1	12	97	41	157	333	254	38	
300 under 400	195	119	189	11	60	15	21	37	68	11	152	31	5	9	66	29	94	194	124	39	
400 under 500	192	123	191	14	68	31	20	40	55	18	153	28	—	19	65	30	93	192	137	40	
500 under 750	65	43	64	8	30	5	4	17	16	3	40	17	—	4	22	11	27	63	41	41	
750 under 1,000	29	19	38	3	11	9	6	15	7	4	27	10	—	3	14	10	19	59	29	42	
1,000 under 1,500	19	16	19	3	6	5	4	8	1	5	14	4	—	—	10	2	8	19	14	43	
1,500 under 2,000	7	4	7	1	1	3	1	1	1	1	2	—	—	—	4	1	3	7	5	44	
2,000 under 3,000	2	1	1	—	—	—	—	—	—	—	—	—	—	—	—	1	1	2	2	45	
3,000 under 4,000	3	2	3	—	—	—	—	—	—	—	—	—	—	—	—	2	—	3	3	46	
4,000 under 5,000	2	1	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	47	
5,000 and over	1	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	48	
Total, taxable individual returns	42,650,502	37,668,652	4,659,872	246,641	2,612,265	646,143	4,624,358	358,786	1,357,520	34,202	1,583,547	345,524	76,946	62,882	279,033	1,666,274	36,229,438	5,881,580	14,529,137	27,425,322	49
Nontaxable individual returns: 31/																					
No																					

Table 4. - Individual returns for 1945, by taxable and nontaxable returns, by adjusted gross income classes, and by type of tax: Number of returns, adjusted gross income, surtax exemption, tax liability before and after credits, average tax, and effective tax rate

(Adjusted gross income classes and money figures, except average tax, in thousands of dollars)																
Adjusted gross income classes 1/	All returns								Returns with normal tax and surtax 3/							
	Total number of returns	Adjusted gross income 2/	Amount of surtax exemption 20/	Total tax before credits	Credits for foreign tax paid and tax paid at source	Total tax after credits 3/	Average total tax 36/	Effective tax rate (percent) based on adjusted gross income	Number of returns	Adjusted gross income 2/	Amount of surtax exemption 20/	Normal tax and surtax before credits	Credits for foreign tax paid and tax paid at source	Normal tax and surtax after credits 3/	Average normal tax and surtax 36/	Effective tax rate (percent) based on adjusted gross income
Taxable individual returns:																
1 0.5 under 0.75	2,024,406	1,322,903	1,652,011	27,585	3	27,582	\$14	2.08	2,024,406	1,322,903	1,652,011	27,585	3	27,582	\$14	2.08
2 0.75 under 1	2,818,413	2,471,433	2,558,618	110,828	5	110,823	39	4.48	2,818,413	2,471,433	2,558,618	110,828	5	110,823	39	4.48
3 1 under 1.25	3,398,136	3,834,189	3,302,308	221,210	9	221,201	65	5.77	3,398,136	3,834,189	3,302,308	221,210	9	221,201	65	5.77
4 1.25 under 1.5	3,642,872	5,005,373	3,759,005	354,723	8	354,715	97	7.09	3,642,872	5,005,373	3,759,005	354,723	8	354,715	97	7.09
5 1.5 under 1.75	3,602,265	5,845,469	3,852,626	472,334	33	472,301	131	8.08	3,602,265	5,845,469	3,852,626	472,334	33	472,301	131	8.08
6 1.75 under 2	3,573,466	6,692,418	3,975,875	599,455	36	599,429	168	8.96	3,573,466	6,692,418	3,975,875	599,455	36	599,429	168	8.96
7 2 under 2.25	3,308,650	7,022,353	3,928,482	653,033	99	658,934	199	9.38	3,308,650	7,022,353	3,928,482	653,033	99	658,934	199	9.38
8 2.25 under 2.5	3,039,531	7,213,675	3,936,592	686,089	81	686,008	226	9.51	3,039,531	7,213,675	3,936,592	686,089	81	686,008	226	9.51
9 2.5 under 2.75	2,767,982	7,261,329	3,789,067	707,998	86	707,912	256	9.75	2,767,982	7,261,329	3,789,067	707,998	86	707,912	256	9.75
10 2.75 under 3	2,484,187	7,133,274	3,561,434	717,009	59	716,950	289	10.05	2,484,187	7,133,274	3,561,434	717,009	59	716,950	289	10.05
11 3 under 3.5	4,024,307	13,017,492	6,009,483	1,391,253	53	1,391,200	346	10.69	4,024,307	13,017,492	6,009,483	1,391,253	53	1,391,200	346	10.69
12 3.5 under 4	2,713,135	10,125,025	4,228,870	1,178,338	44	1,178,294	434	11.64	2,713,135	10,125,025	4,228,870	1,178,338	44	1,178,294	434	11.64
13 4 under 4.5	1,629,488	6,892,942	2,524,121	871,849	46	871,803	535	12.65	1,629,488	6,892,942	2,524,121	871,849	46	871,803	535	12.65
14 4.5 under 5	983,337	4,849,038	1,489,850	635,840	44	635,796	647	13.68	983,337	4,849,038	1,489,850	635,840	44	635,796	647	13.68
15 5 under 6	889,652	4,826,975	1,291,616	727,282	74	727,208	817	15.07	889,652	4,826,975	1,291,616	727,282	74	727,208	817	15.07
16 6 under 7	430,753	2,779,434	582,308	473,358	113	473,245	1,099	17.03	430,753	2,779,434	582,308	473,358	113	473,245	1,099	17.03
17 7 under 8	252,895	1,888,235	382,010	351,329	173	351,156	1,389	18.00	252,895	1,888,235	382,010	351,329	173	351,156	1,389	18.00
18 8 under 9	177,315	1,501,203	231,360	298,555	181	298,374	1,653	19.88	177,315	1,501,203	231,360	298,555	181	298,374	1,653	19.88
19 9 under 10	134,856	1,277,388	171,604	269,649	85	269,566	1,399	21.10	134,856	1,277,388	171,604	269,649	85	269,566	1,399	21.10
20 10 under 11	104,454	1,094,124	134,463	242,783	78	242,706	2,324	22.18	104,454	1,094,124	134,463	242,783	78	242,706	2,324	22.18
21 11 under 12	80,430	923,312	102,360	214,800	122	214,678	2,669	23.25	80,430	923,312	102,360	214,800	122	214,678	2,669	23.25
22 12 under 13	66,519	823,486	84,038	201,897	278	201,619	3,031	24.31	66,519	823,486	84,038	201,897	278	201,619	3,031	24.31
23 13 under 14	55,821	753,545	70,226	190,840	100	190,740	3,413	25.31	55,821	753,545	70,226	190,840	100	190,740	3,413	25.31
24 14 under 15	46,052	666,679	57,147	175,756	106	175,651	3,814	26.35	46,052	666,679	57,147	175,756	106	175,651	3,814	26.35
25 15 under 16	155,308	2,668,955	192,702	775,934	753	775,181	4,991	29.04	155,308	2,668,955	192,702	775,934	753	775,181	4,991	29.04
26 16 under 17	83,229	1,853,715	103,069	620,670	854	619,816	7,447	33.44	83,229	1,853,715	103,069	620,670	854	619,816	7,447	33.44
27 17 under 18	45,966	1,254,327	55,552	467,456	635	466,821	10,156	37.22	45,966	1,254,327	55,552	467,456	635	466,821	10,156	37.22
28 18 under 19	49,771	1,708,975	58,773	706,865	718	706,147	14,188	41.72	49,771	1,708,975	58,773	706,865	718	706,147	14,188	41.72
29 19 under 20	24,483	1,083,366	28,051	497,542	931	496,611	20,284	45.59	24,483	1,083,366	28,051	497,542	931	496,611	20,284	45.59
30 20 under 21	13,418	731,520	15,125	356,313	435	355,878	26,522	48.66	13,418	731,520	15,125	356,313	435	355,878	26,522	48.66
31 21 under 22	8,441	544,726	9,231	279,979	526	279,453	33,105	51.30	8,441	544,726	9,231	279,979	526	279,453	33,105	51.30
32 22 under 23	5,448	406,862	5,855	216,949	436	216,513	39,742	53.22	5,448	406,862	5,855	216,949	436	216,513	39,742	53.22
33 23 under 24	3,601	304,660	3,789	167,344	535	166,809	46,323	54.75	3,601	304,660	3,789	167,344	535	166,809	46,323	54.75
34 24 under 25	2,587	245,041	2,642	138,111	456	137,655	53,210	56.18	2,587	245,041	2,642	138,111	456	137,655	53,210	56.18
35 25 under 26	5,570	661,464	5,429	388,533	571	387,962	70,156	58.65	5,570	661,464	5,429	388,533	571	387,962	70,156	58.65
36 26 under 27	1,726	295,289	1,629	180,568	240	180,328	104,477	61.07	1,726	295,289	1,629	180,568	240	180,328	104,477	61.07
37 27 under 28	738	163,463	699	101,857	179	101,678	137,775	62.20	738	163,463	699	101,857	179	101,678	137,775	62.20
38 28 under 29	407	110,845	363	68,245	148	68,097	167,314	61.43	407	110,845	363	68,245	148	68,097	167,314	61.43
39 29 under 30	333	115,585	307	72,213	148	72,065	216,411	62.36	333	115,585	307	72,213	148	72,065	216,411	62.36
40 30 under 31	195	86,447	183	51,861	309	51,552	264,369	59.63	195	86,447	183	51,861	309	51,552	264,369	59.63
41 31 under 32	193	114,603	181	73,082	180	72,902	377,731	63.61	193	114,603	181	73,082	180	72,902	377,731	63.61
42 32 under 33	65	55,141	56	37,321	261	37,060	570,154	67.21	65	55,141	56	37,321	261	37,060	570,154	67.21
43 33 under 34	39	46,214	34	28,084	166	27,918	715,846	69.41	39	46,214	34	28,084	166	27,918	715,846	69.41
44 34 under 35	19	31,910	16	22,418	151	22,267	1,171,947	69.78	19	31,910	16	22,418	151	22,267	1,171,947	69.78
45 35 under 36	7	16,806	10	10,119	66	10,053	1,456,143	69.82	7	16,806	10	10,119	66	10,053	1,456,143	69.82
46 36 under 37	2	7,042	4	4,602	18	4,584	2,292,000	65.10	2	7,042	4	4,602	18	4,584	2,292,000	65.10
47 37 under 38	3	13,795	6	10,432	155	10,277	3,425,667	74.50	3	13,795	6	10,432	155	10,277	3,425,667	74.50
48 38 and over	1	7,617	1	4,801	-	4,801	4,801,000	63.03	1	7,617	1	4,801	-	4,801	4,801,000	63.03
Total, taxable individual returns	42,650,502	117,561,661	52,116,149	17,061,152	10,774	17,050,378	400	14.50	42,650,502	117,561,661	52,116,149	17,061,152	10,774	17,050,378	400	14.50
Nontaxable individual returns: 31/																
50 No adjusted gross income 5/	181,792	6,292,472	222,433	-	-	-	-	-	-	-	-	-	-	-	-	-
51 Under 0.5	5,452,051	1,498,401	4,057,656	-	-	-	-	-	-	-	-	-	-	-	-	-
52 0.5 under 0.75	1,064,084	599,184	1,045,932	-	-	-	-	-	-	-	-	-	-	-	-	-
53 0.75 under 1	306,238	267,458	407,651	-	-	-	-	-	-	-	-	-	-	-	-	-
54 1 under 1.25	185,423	201,823	267,916	-	-	-	-	-	-	-	-	-	-	-	-	-
55 1.25 and over	92,693	173,044	123,678	-	-	-	-	-	-	-	-	-	-	-	-	-
Total, nontaxable individual returns	7,882,281	9,244,698	6,125,246	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	49,932,783	9,120,008,659	58,241,394	17,061,152	10,774	17,050,378	341	14.21	49,932,783	9,120,008,659	58,241,394	17,061,152	10,774	17,050,378	341	14.21
Taxable returns with adjusted gross income under \$5,000 and nontaxable returns	47,292,456	9,909,938,921	54,693,583	8,633,554	606	8,632,948	183	9.49	47,292,456	9,909,938,921	54,693,583	8,633,554	606	8,632,948	183	9.49
Taxable returns with adjusted gross income of \$5,000 and over	2,640,327	29,074,738	3,547,811	8,427,598	10,168	8,417,430	3,188	28.95	2,640,327	29,074,738	3,547,811	8,427,598	10,168	8,417,430	3,188	28.95

For footnotes, see pp.21-22; for extent to which data are estimated, see pp.5-6.

Table 4. - Individual returns for 1945, by taxable and nontaxable returns, by adjusted gross income classes, and by type of tax: Number of returns, adjusted gross income, surtax exemption, tax liability before and after credits, tax credits, average tax, and effective tax rate - Continued

(Adjusted gross income classes and money figures, except average tax, in thousands of dollars)											
Adjusted gross income classes 1/	Number of returns	Adjusted gross income 2/	Net income	Excess of net long-term capital gain over net short-term capital loss	Amount of surtax exemption 20/	Returns with alternative tax 38/		Credits for foreign tax paid and tax paid at source	Alternative tax after credits 3/	Average alternative tax 36/	Effective tax rate (percent) based on adjusted gross income
						Alternative tax before credits	Partial tax				
							50 percent of excess of net long-term capital gain				
Taxable individual returns:											
Under 15	-	-	-	-	-	-	-	-	-	-	-
15 under 20	6,329	118,962	113,260	7,292	5,465	35,682	3,646	43	33,285	\$6,207	33.02
20 under 25	17,979	406,433	378,170	35,021	13,592	122,082	17,546	277	139,351	7,761	34.29
25 under 30	13,587	372,842	342,058	43,193	14,995	116,561	21,597	266	137,892	10,149	36.98
30 under 40	17,908	618,532	566,512	82,831	13,501	203,872	41,416	566	250,722	14,001	40.54
40 under 50	10,134	452,221	412,256	66,583	10,659	167,342	33,292	593	200,041	19,740	44.24
50 under 60	6,178	337,397	305,907	51,513	6,445	122,915	25,757	318	158,355	26,640	46.93
60 under 70	4,182	270,431	244,712	44,448	4,266	111,487	22,224	338	133,373	31,892	49.32
70 under 80	2,797	209,197	188,450	36,091	2,809	88,854	18,041	355	108,540	38,091	50.93
80 under 90	2,016	170,908	153,363	31,393	2,033	74,094	15,697	184	89,607	44,448	52.43
90 under 100	1,440	136,806	122,298	26,350	1,415	60,266	13,175	93	73,348	50,936	53.61
100 under 150	3,344	402,009	356,449	86,732	3,180	181,375	43,366	359	224,382	67,100	55.82
150 under 200	1,134	194,664	171,902	52,898	1,056	86,732	26,449	123	113,058	99,698	58.08
200 under 250	513	113,834	99,004	34,206	481	49,833	17,103	131	66,835	130,283	58.71
250 under 300	294	80,162	68,686	27,075	258	33,020	13,538	96	46,462	158,034	57.96
300 under 400	261	91,298	80,067	34,733	244	37,348	17,367	117	54,598	209,188	59.80
400 under 500	150	66,623	57,174	30,023	147	22,509	15,012	247	37,274	248,493	55.95
500 under 750	151	89,742	77,379	37,858	142	34,981	18,929	140	53,770	356,093	59.92
750 under 1,000	38	32,380	27,978	14,271	29	12,080	7,136	195	13,021	500,553	58.74
1,000 under 1,500	27	32,204	27,456	16,083	24	9,907	6,042	75	17,874	662,000	55.50
1,500 under 2,000	13	21,599	18,906	7,315	11	10,561	3,658	150	14,069	1,082,231	65.14
2,000 under 3,000	7	16,806	14,505	7,718	10	6,260	3,853	66	10,053	1,436,143	59.82
3,000 under 4,000	2	7,042	6,855	3,901	4	2,651	1,951	18	4,584	2,292,000	65.10
4,000 under 5,000	3	13,795	11,899	1,528	6	9,668	754	155	10,277	3,425,667	74.50
5,000 and over	-	-	-	-	-	-	-	-	-	-	-
Total, taxable individual returns	88,485	4,255,887	3,845,348	779,116	92,774	1,618,111	389,565	4,905	2,000,771	22,611	47.01

For footnotes, see pp. 21 - 22; for extent to which data are estimated, see pp. 5 - 6.

Table 5. - Individual returns with adjusted gross income for 1945, by States and Territories: Number of returns, salaries and wages, dividends and interest, adjusted gross income, and tax liability

(Money figures in thousands of dollars)					
States and Territories	Number of returns	Salaries and wages 10/	Dividends and interest 11/	Adjusted gross income 2/	Tax liability 3/
Alabama	605,871	1,005,172	18,216	1,210,859	154,976
Arizona	184,246	306,597	10,698	426,052	55,000
Arkansas	310,517	450,727	10,670	592,839	68,215
California	4,083,251	7,627,973	379,199	10,989,863	1,764,266
Colorado	403,785	648,517	34,615	949,265	131,725
Connecticut	837,899	1,772,426	113,628	2,178,897	341,245
Delaware	107,709	213,520	30,519	299,012	62,637
District of Columbia	886,412	798,563	37,053	993,047	158,284
Florida	690,505	1,130,429	72,405	1,669,373	256,002
Georgia	751,585	1,219,880	41,200	1,546,107	186,806
Hawaii	190,431	391,715	12,670	522,070	84,330
Idaho	180,678	242,236	6,019	376,559	41,488
Illinois	3,471,774	6,871,964	261,182	9,026,694	1,369,845
Indiana	1,338,572	2,422,705	65,464	3,160,005	404,739
Iowa	837,040	959,856	44,513	1,775,146	209,777
Kansas	638,076	850,988	22,570	1,348,436	165,636
Kentucky	636,487	1,031,595	27,687	1,294,558	145,151
Louisiana	635,463	1,013,947	34,759	1,360,598	171,090
Maine	311,807	480,335	28,445	618,253	72,621
Maryland	873,857	1,729,895	77,996	2,148,457	301,693
Massachusetts	1,858,647	3,793,012	205,437	4,594,761	665,426
Michigan	2,273,787	4,652,483	142,349	5,748,698	804,959
Minnesota	992,060	1,496,765	59,928	2,146,778	273,639
Mississippi	298,510	430,145	11,261	570,868	63,495
Missouri	1,308,035	2,138,336	99,752	2,820,759	378,768
Montana	185,907	269,575	7,960	409,214	48,520
Nebraska	460,076	568,442	19,259	980,087	123,919
Nevada	65,174	124,201	7,915	177,485	30,566
New Hampshire	194,999	312,929	20,400	392,882	47,393
New Jersey	1,981,047	4,300,718	171,419	5,225,042	737,972
New Mexico	140,033	196,942	5,734	294,776	34,844
New York	6,063,750	12,864,324	779,349	16,816,795	2,743,072
North Carolina	842,833	1,237,817	46,813	1,623,637	181,173
North Dakota	175,955	160,235	5,061	350,589	36,705
Ohio	2,953,543	5,929,656	208,827	7,287,283	1,015,220
Oklahoma	571,796	879,812	22,055	1,211,284	137,486
Oregon	518,109	956,926	22,817	1,314,582	193,654
Pennsylvania	3,872,854	7,484,445	324,297	9,187,829	1,275,957
Rhode Island	315,963	595,291	35,027	742,636	108,643
South Carolina	400,838	619,616	13,238	765,464	78,998
South Dakota	192,316	176,872	5,634	347,498	34,801
Tennessee	695,825	1,150,957	29,713	1,413,075	173,584
Texas	1,988,628	3,207,261	97,171	4,492,619	609,637
Utah	214,841	387,454	7,515	474,067	51,680
Vermont	113,448	159,098	11,072	214,858	24,229
Virginia	817,140	1,374,006	51,321	1,709,765	210,710
Washington 39/	959,667	1,827,428	42,545	2,329,276	326,913
West Virginia	545,803	1,028,532	19,204	1,143,302	113,312
Wisconsin	1,209,941	2,067,926	73,546	2,713,484	337,027
Wyoming	82,206	143,777	4,489	198,750	25,603
Total	49,769,196	91,693,821	3,880,616	120,183,733	17,005,431

For footnotes, see pp. 21-22; for extent to which data are estimated, see pp. 5-6.

Table 6. - Taxable fiduciary returns for 1945, by total income classes: Number of returns, income or loss from each of the sources comprising total income, total income, deductions, balance income, amount distributable to beneficiaries, net income, surtax exemption, and tax liability

(Total income classes and money figures in thousands of dollars)																									
Total income classes 40/	Total number of returns	Dividends and interest 41/	Rents and royalties 15/		Trade or business 42/		Partnership 43/		Sales or exchanges of capital assets 16/		Sales or exchanges of property other than capital assets 17/		Income from fiduciaries 44/	Miscellaneous income 45/	Total income 46/	Deductions for--			Total deductions	Balance income 50/	Amount distributable to beneficiaries	Net income 51/ (taxable to the fiduciary)	Amount of surtax exemption 52/	Tax liability 53/	
			Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	Net gain	Net loss	Net gain	Net loss				Interest 47/	Taxes 48/	Miscellaneous deductions 49/							
Taxable fiduciary returns:																									
1 Under 0.5	7,309	1,577	207	10	19	6	60	7	287	46	1	2	32	23	2,134	6	36	87	128	2,005	229	1,777	751	241	1
2 0.5 under 0.75	9,426	3,110	1,093	36	508	28	157	3	806	73	20	15	104	252	5,895	20	102	188	309	5,586	655	4,930	3,025	442	2
3 0.75 under 1	8,223	3,737	1,270	32	586	42	210	8	1,084	70	32	13	142	259	7,156	42	195	259	496	6,660	1,022	5,638	2,687	676	3
4 1 under 1.25	7,154	4,226	1,503	28	623	20	341	2	1,354	62	23	18	135	181	8,034	51	233	356	640	7,394	1,424	5,970	2,137	882	4
5 1.25 under 1.5	5,955	4,385	1,237	33	693	22	226	4	1,326	53	28	12	140	268	8,180	61	251	365	677	7,503	1,787	5,716	1,723	914	5
6 1.5 under 1.75	5,381	4,833	1,217	24	660	27	311	1	1,419	62	25	37	132	270	8,716	80	258	364	702	8,014	2,121	5,893	1,580	1,000	6
7 1.75 under 2	4,424	4,537	1,211	35	630	29	293	4	1,346	45	37	5	131	213	8,290	55	255	404	712	7,568	2,174	5,394	1,213	955	7
8 2 under 2.25	4,029	4,702	1,136	27	611	16	266	5	1,462	40	27	8	155	310	8,575	71	241	420	733	7,842	2,423	5,419	1,078	997	8
9 2.25 under 2.5	3,678	4,747	1,139	37	605	27	331	9	1,460	53	26	9	160	278	8,611	76	260	431	768	7,843	2,482	5,361	937	1,016	9
10 2.5 under 2.75	3,300	4,915	1,088	27	586	14	249	2	1,507	33	28	5	85	263	8,640	71	235	406	710	7,930	2,621	5,309	829	1,034	10
11 2.75 under 3	2,992	4,862	1,043	21	591	8	329	4	1,482	64	15	25	118	279	8,608	60	224	429	714	7,894	2,754	5,160	746	1,018	11
12 3 under 3.5	5,046	9,263	1,942	39	1,009	50	661	9	2,842	54	42	16	279	437	16,327	119	423	757	1,299	15,028	5,563	9,465	1,245	1,956	12
13 3.5 under 4	4,295	8,916	1,827	24	933	10	982	8	2,823	71	53	15	232	453	16,052	144	410	750	1,304	14,748	5,393	9,355	1,027	1,960	13
14 4 under 4.5	3,744	8,771	1,856	28	1,061	40	765	12	2,889	56	46	11	248	394	15,883	142	395	733	1,270	14,613	5,312	9,301	884	1,983	14
15 4.5 under 5	3,033	8,204	1,615	25	794	7	687	5	2,552	54	28	16	232	434	14,445	111	373	769	1,253	13,189	4,997	8,192	722	1,777	15
16 5 under 6	5,112	16,338	3,022	60	1,482	41	1,427	12	5,070	96	33	18	337	507	27,990	226	672	1,265	2,163	25,826	10,346	15,480	1,142	3,482	16
17 6 under 7	3,886	14,567	2,425	64	1,278	24	1,458	9	4,753	63	38	18	300	554	25,176	209	608	1,112	1,928	23,247	9,450	13,817	867	3,210	17
18 7 under 8	3,178	13,274	2,382	49	1,191	50	1,614	16	4,570	57	34	17	338	598	23,802	212	587	1,101	1,901	21,901	8,432	13,469	695	3,279	18
19 8 under 9	2,560	12,555	1,781	38	1,002	26	1,506	1	4,270	47	30	19	268	446	21,706	135	510	903	1,548	20,158	8,416	11,743	560	2,927	19
20 9 under 10	2,198	11,575	1,575	34	956	38	1,439	11	4,219	40	39	2	360	325	20,814	182	488	858	1,527	19,287	7,535	11,752	472	3,058	20
21 10 under 11	1,896	11,095	1,820	39	972	21	1,642	5	3,641	33	33	20	177	469	19,730	153	484	860	1,498	18,233	7,450	10,803	400	2,876	21
22 11 under 12	1,526	9,916	1,501	18	853	21	1,554	15	3,354	38	29	2	203	332	17,628	112	395	744	1,251	16,378	6,832	9,545	315	2,686	22
23 12 under 13	1,301	9,260	1,262	24	648	33	1,267	4	3,209	31	26	7	314	357	16,264	157	401	700	1,258	15,006	6,023	8,982	271	2,532	23
24 13 under 14	1,066	8,118	1,316	24	672	20	1,559	5	2,626	28	49	26	191	245	14,670	149	357	611	1,116	13,554	5,774	7,780	237	2,253	24
25 14 under 15	987	7,818	1,242	12	678	1	1,288	19	2,954	23	22	7	131	237	14,289	125	328	602	1,054	13,234	5,207	8,027	209	2,405	25
26 15 under 20	3,618	34,708	5,553	84	2,489	100	5,809	23	12,327	107	111	47	714	1,211	62,561	564	1,395	2,727	4,686	57,875	24,563	33,312	770	10,654	26
27 20 under 25	2,090	24,714	4,518	46	1,814	68	4,799	32	8,982	69	43	16	643	1,212	46,494	424	1,066	2,031	3,321	42,973	18,588	24,385	433	8,655	27
28 25 under 30	1,436	20,956	3,144	57	1,645	31	4,672	7	7,891	52	54	57	498	579	39,253	385	845	1,709	2,940	36,295	15,424	20,869	289	8,109	28
29 30 under 40	1,894	30,172	4,646	69	1,742	56	6,264	30	13,198	60	31	80	1,124	1,615	58,497	624	1,320	2,489	4,453	54,064	21,744	32,321	349	13,736	29
30 40 under 50	879	19,773	4,090	171	1,276	150	4,057	9	9,498	38	55	55	221	640	39,185	382	870	1,481	2,733	36,452	15,260	21,192	170	9,738	30
31 50 under 60	585	14,913	2,714	53	1,475	40	4,321	2	6,989	43	65	24	732	688	31,785	347	767	1,389	2,453	29,331	12,206	17,076	124	8,391	31
32 60 under 70	330	10,783	2,181	53	652	13	2,206	2	4,835	14	-	4	369	373	21,313	281	578	1,053	1,910	19,402	8,924	10,479	74	5,343	32
33 70 under 80	266	10,525	1,801	8	502	37	1,803	1	4,482	19	6	38	506	186	19,708	286	480	1,111	1,877	17,831	7,397	10,433	55	5,503	33
34 80 under 90	190	8,550	1,031	29	964	80	1,563	3	3,675	12	3	25	527	197	16,145	166	412	737	1,315	14,850	5,848	8,982	44	4,961	34
35 90 under 100	140	6,456	1,063	5	874	13	556	(33)	3,888	8	2	11	100	357	15,259	247	308	467	1,021	12,238	5,818	6,420	30	5,401	35
36 100 under 150	314	19,368	3,508	49	1,001	66	1,810	14	11,278	20	79	22	143	539	37,417	362	835	1,730	2,925	34,492	15,633	18,859	67	10,452	36
37 150 under 200	140	11,442	1,184	14	1,975	58	1,419	1	7,625	7	1	14	244	217	24,030	271	304	928	1,502	22,528	9,714	12,814	54	7,391	37
38 200 under 250	66	7,736	1,127	10	435	10	597	4	4,849	5	(33)	1	202	34	14,749	231	402	728	1,360	13,389	5,254	8,135	17	4,840	38
39 250 under 300	53	7,654	555	43	282	28	490	-	5,421	4	2	7	-	61	14,382	139	223	542	904	13,478	5,824	7,654	9	4,415	39
40 300 under 400	37	5,691	111	6	503	40	824	-	5,114	(33)	1	(33)	36	5	12,513	398	235	631	1,265	11,249	3,992	7,257	10	4,275	40
41 400 under 500	20	3,200	785	3	394	(33)	-	-	4,137	1	(33)	36	5	431	8,912	206	131	295	682	8,280	2,850	5,450	4	3,136	41
42 500 under 750	22	4,958	2,455	-	29	-	151	-	5,598	1	-	13	-	7	13,145	165	390	399	955	12,190	5,317	6,873	4	4,022	42
43 750 under 1,000	14	5,452	676	20	-	-	-	-	5,774	2	-	-	-	33	11,894	88	48	229	365	11,528	4,393	7,135	2	4,088	43
44 1,000 under 1,500	5	2,417	113	-	-	7	-	-	4,044	-	-	-	-	7	6,574	17	94	294	594	6,180	2,735	3,445	1	1,916	44
45 1,500 under 2,000	4	2,450	(33)	-	1,342	-	-	-	2,875	-	-	(33)	-	87	6,755	7	16	165	188	6,567	3,607	2,959	1	1,493	45
46 2,000 under 3,000	2	279	-	-	-	-	-	-	4,050	-	-	-	-	-	4,329	8	8	8	24	4,306	194	4,112	1	2,062	4

FOOTNOTES

1/ Adjusted gross income classes are based on the amount of adjusted gross income (see note 2), regardless of the amount of net income or net deficit when computed; returns with adjusted gross deficit are designated "No adjusted gross income" and the size of the deficit is disregarded.

2/ Adjusted gross income means gross income minus allowable trade and business deductions, expenses of travel and lodging in connection with employment, reimbursed expenses in connection with employment, deductions attributable to rents and royalties, certain deductions of life tenants and income beneficiaries of property held in trust, and allowable losses from sales or exchanges of property. Should these allowable deductions exceed the gross income, there is an adjusted gross deficit.

3/ Tax liability after deducting tax credits relating to income tax paid at source on tax-free covenant bond interest and to income tax paid to a foreign country or possession of the United States. (Credits are reported on individual returns, Form 1040, with itemized deductions and on fiduciary returns, Form 1041.)

4/ This class includes the nontaxable returns with \$1,500 and over adjusted gross income.

5/ Returns with no adjusted gross income are returns showing adjusted gross deficit (see note 2); that is, returns on which the deductions allowable for the computation of adjusted gross income equal or exceed the gross income.

6/ Less than 0.005 percent.

7/ Not computed.

8/ Adjusted gross deficit.

9/ Adjusted gross income less adjusted gross deficit.

10/ Salaries and wages include annuities, pensions, and retirement pay not reported in the schedule for annuities and pensions, but exclude wages not exceeding \$100 per return from which no tax was withheld, reported as other income on Form W-2 (see note 19).

11/ Dividends, domestic and foreign; interest on notes, bank deposits, mortgages; interest on corporation bonds and taxable and partially tax-exempt Government obligations before amortization of bond premium; and dividends on share accounts in Federal savings and loan associations. Also includes the partially tax-exempt interest on Government obligations after amortization and partially tax-exempt dividends on share accounts received through partnerships and fiduciaries. Excluded from this item are the dividends and interest not exceeding in total \$100 per return, reported as other income on Form W-2. (See note 19.)

12/ Income from annuities and pensions is only the taxable portion of amounts received during the year. Amounts received to the extent of 3 percent of the total cost of the annuity are reported as income for each taxable year, until the aggregate of amounts received and excluded from gross income in this and prior years equals the total cost. Thereafter, entire amounts received are taxable and must be included in adjusted gross income. Annuities, pensions, and retirement pay upon which tax is withheld may be reported in salaries and wages.

13/ Net profit from rents and royalties is the excess of gross rents received over deductions for depreciation, repairs, interest, taxes, and other expenses attributable to rent income; and the excess of gross royalties over depletion and other royalty expenses. Conversely, net loss from these sources is the excess of the respective expenses over the gross income received.

14/ Net profit from business or profession is the excess of gross receipts therefrom over deductions for business expenses and the net operating loss deduction due to the unabsorbed net operating loss from business, partnership, and common trust funds for the two preceding years. Conversely, net loss from business is the excess of business expenses and net operating loss deduction over total receipts from business.

15/ Partnership net profit or loss excludes partially tax-exempt interest on Government obligations, partially tax-exempt dividends on share accounts in Federal savings

and loan associations, and net gain or loss from sales of capital assets. In computing partnership profit or loss, charitable contributions are not deductible nor is the net operating loss deduction allowed.

16/ Net gain from sales or exchanges of capital assets is the amount taken into account in computing adjusted gross income whether or not the alternative tax is imposed; net loss from such sales is the amount reported as a deduction in computing adjusted gross income. Each is the result of combining net short-term and long-term capital gain and loss and the capital loss carry-over from 1942, 1943, and 1944. Deduction for the loss, however, is limited to the amount of such loss, or to the net income (in case of individual returns, adjusted gross income if taxed under Supplement T) computed without regard to gains and losses from sales of capital assets, or to \$1,000, whichever is smallest. Sales of capital assets include worthless stock, worthless bonds if they are capital assets, nonbusiness bad debts, certain distributions from employees' trust plans, and each participant's share of net short- and long-term capital gain and loss to be taken into account from partnerships and common trust funds.

17/ Net gain or loss from sales or exchanges of property other than capital assets is that from sales of (1) property used in trade or business of a character which is subject to the allowance for depreciation, (2) obligations of the United States or any of its possessions, a State or Territory or any political subdivision thereof, or the District of Columbia, issued on or after March 1, 1941, on a discount basis and payable without interest at a fixed maturity date not exceeding one year from date of issue, and (3) real property used in trade or business.

18/ Income from estates and trusts excludes partially tax-exempt interest on Government obligations and dividends on share accounts in Federal savings and loan associations; such income is reported in interest and dividends. The net operating loss deduction is allowed to estates and trusts and is deducted in computing distributable income.

19/ Miscellaneous income includes alimony received, prizes, rewards, sweepstakes winnings, gambling profits, recoveries of bad debts for which a deduction was taken in a prior year, and health and accident insurance received as reimbursement for medical expenses for which deduction was taken in a prior year. Also tabulated as miscellaneous income is \$51,194,155 of wages not subject to withholding, dividends, and interest, not exceeding in total \$100 per return, reported as other income on 969,832 returns, Form W-2.

20/ Surtax exemption is \$500 for the taxpayer, \$500 for the taxpayer's spouse if not dependent upon another person, and \$500 for each dependent with respect to whom the surtax exemption may be claimed. Such dependents must have received from the taxpayer more than half their support for the year and must have had less than \$500 gross income during the year. Dependents include only close relatives which are specified by law.

21/ Payments on 1945 declaration of estimated tax, in table 2, include the credit for overpayment of prior year tax as well as the aggregate payments made on the declaration, Form 1040-ES. The frequency of returns, in table 3, includes returns showing credit only, cash payments only, and returns showing both.

22/ Returns with standard deduction are optional returns, Form W-2; short-form returns, Form 1040, with adjusted gross income; and long-form returns, Form 1040, with adjusted gross income of \$5,000 or over on which the \$500 standard deduction is used.

23/ Returns with itemized deductions are long-form returns, Form 1040, on which deductions are itemized; long-form returns, Form 1040, with no deductions filed by spouses of taxpayers who itemized deductions; and returns, Form 1040, with no adjusted gross income whether or not deductions are itemized.

24/ Contributions, reported on returns with itemized deductions, include the taxpayer's share of charitable contributions of partnerships, but cannot exceed 15 percent of the adjusted gross income.

FOOTNOTES - CONTINUED

25/ Interest, reported on returns with itemized deductions, is that paid on personal debts, bank loans, or home mortgages, but excludes interest on business debts reported in schedules for rents and business, and interest on loans to buy tax-exempt securities, single-premium life insurance, or endowment contracts.

26/ Taxes paid, reported on returns with itemized deductions, include personal property taxes, State income taxes, real estate taxes except those levied for improvements which tend to increase the value of property, and certain retail sales taxes. This deduction does not include Federal income taxes; estate, inheritance, legacy, succession, or gift taxes; taxes on shares in a corporation which are paid by the corporation without reimbursement from the taxpayer; taxes deducted in the schedules for rents and business; income taxes paid to a foreign country or possession of the United States if any portion thereof is claimed as tax credit; or Federal social security and employment taxes paid by or for the employee.

27/ Losses resulting from fire, storm, shipwreck, or other casualty, or theft, reported on returns with itemized deductions, are the actual nonbusiness loss sustained, that is, the value of such property less salvage value and insurance or other reimbursement received.

28/ Medical and dental expenses, reported on returns with itemized deductions, paid for the care of the taxpayer, his spouse, or dependents, not compensated by insurance or otherwise, which exceeds 5 percent of the adjusted gross income. This deduction is limited to \$1,250 if one exemption is claimed, or to \$2,500 if two or more are claimed.

29/ Miscellaneous deductions, reported on returns with itemized deductions, include alimony payments, expenses incurred in the production or collection of taxable income or in the management of property held for the production of taxable income, amortizable bond premium, special deduction for the blind, the taxpayer's share of interest and real estate taxes paid by a cooperative apartment corporation, and gambling losses not exceeding gambling gains reported in income.

30/ Net deficit reported on nontaxable returns with itemized deductions. The total number of returns showing net deficit is 216,745, of which 181,792 show no adjusted gross income, and 34,953 show adjusted gross income of various amounts and itemized deductions of larger amounts.

31/ Nontaxable returns are those with no adjusted gross income and returns with adjusted gross income which when reduced by deductions, standard or itemized, and exemptions results in no tax liability. The 496,248 nontaxable returns with adjusted gross income and with itemized deductions include 34,953 returns with net deficit.

32/ Number of returns is subject to sampling variation of more than 100 percent. Neither the number of returns nor the data associated with such returns are shown separately since they are considered too unreliable for general use; however, they are included in totals. For description of sample, see pages

33/ Less than \$500.

34/ Includes 969,332 returns, Form W-2, showing other income consisting of wages not subject to withholding, dividends, and interest not exceeding in total \$100 per return.

35/ Number of returns is subject to maximum sampling variation of 30 to 100 percent, depending on the number in the cell. For description of sample, see pages

36/ Average tax is based on the tax liability after deducting the two tax credits relating to income tax paid at source on tax-free covenant bond interest and to income tax paid to a foreign country or possession of the United States. Such credits are allowed only on returns with itemized deductions.

37/ Returns with normal tax and surtax consist of (1) Returns, Form W-2, and short-form returns, Form 1040, wherein optional tax is paid in lieu of normal tax and surtax, and (2) long-form returns, Form 1040, on which the regular normal tax and surtax, or normal tax only, are reported, that is, all taxable long-form returns except those on which the alternative tax is imposed (see note 38).

38/ Returns with alternative tax are long-form returns, Form 1040, wherein (1) the net income includes an excess of net long-term capital gain over net short-term capital loss, and (2) the alternative tax is less than the regular normal tax and surtax computed on net income which includes net gain from sales of capital assets. Alternative tax (not effective on returns with surtax net income under \$16,000) is the sum of (1) a partial tax computed at regular normal tax and surtax rates on net income reduced for this purpose by the excess of net long-term capital gain over net short-term capital loss, and (2) fifty percent of such excess.

39/ Includes Alaska.

40/ Total income classes are based on the amount of total income tabulated for taxable fiduciary returns (see note 46).

41/ Dividends, domestic and foreign, and interest on notes, mortgages, bank deposits, corporation bonds before amortization of bond premium, taxable and partially tax-exempt interest on Government obligations after amortization of bond premium, and dividends on share accounts in Federal savings and loan associations. Also includes Government interest and partially tax-exempt dividends on share accounts received through partnerships and fiduciaries.

42/ Net profit or loss from trade or business is the current year profit or loss. (Net operating loss deduction is reported in miscellaneous deductions.)

43/ Partnership net profit or loss excludes taxable and partially tax-exempt interest on Government obligations, partially tax-exempt dividends on share accounts in Federal savings and loan associations, and net gain or loss from sales of capital assets. In computing partnership profit or loss, charitable contributions are not deductible nor is the net operating loss deduction allowed.

44/ Income from fiduciaries excludes taxable and partially tax-exempt interest on Government obligations, and partially tax-exempt dividends on share accounts in Federal savings and loan associations. Net operating loss deduction is allowed to estates and trusts and is deducted in computing distributable income.

45/ Miscellaneous income includes taxable income from sources other than those specified on the return form.

46/ Total income is the sum of the positive items of income minus the net loss from rents and royalties, the net loss from trade or business, the net loss from partnership, and the net losses from sales of capital assets and of property other than capital assets. (Total income is an approximation of the adjusted gross income tabulated for individual returns in this report.)

47/ Interest is that paid on debts, mortgages, and bank loans; it does not include interest reported in schedules for business or rent income, nor interest on indebtedness incurred to buy tax-exempt securities, single-premium life insurance, or endowment contracts.

48/ Taxes paid include State income taxes, certain retail sales taxes, and real estate taxes except those levied for improvement which tend to increase the value of property. This deduction for taxes does not include Federal income taxes; taxes on shares in a corporation which are paid by the corporation without reimbursement from the taxpayer; taxes deducted in the schedules for business and rent income; nor income taxes paid to a foreign country or possession of the United States if any portion thereof is claimed as a tax credit.

49/ Miscellaneous deductions include the net operating loss deduction, amortizable bond premium on corporation bonds, losses resulting from fire, storm, shipwreck, or other casualty or from theft, not covered by insurance or otherwise, and other authorized deductions for which no separate provision is made on the return form.

50/ Balance income is the amount of income before the deduction for the amount distributable to beneficiaries; it is the excess of total income over total deductions.

51/ Net income taxable to the fiduciary is the net income after subtracting from the balance income the amount distributable to beneficiaries.

52/ Surtax exemption is \$500 for an estate; \$100 for a trust.

Immediate Release
Monday, June 6, 1949

5-2021

June 6, 1949

Secretary Snyder today issued the following statement:

"I am highly pleased with the President's appointment of Mrs. Georgia Neese Clark to the post of Treasurer of the United States.

"Mrs. Clark is an experienced and successful businesswoman and will ably fill the position to which she has been appointed.

"I consider this appointment in proper recognition of the prominent role that women are now playing in the public life of our Nation."

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

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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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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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 16, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 16, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

Exhibit

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, June 10, 1949.

(1)

1-2022

The Secretary of the Treasury, by this public notice, invites tenders for \$ 900,000,000 ⁽²⁾, or thereabouts, of 91 ⁽³⁾-day Treasury bills, for cash and in exchange for Treasury bills maturing June 16, 1949 ⁽⁴⁾, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 16, 1949 ⁽⁵⁾, and will mature September 15, 1949 ⁽⁶⁾, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern/~~Standard~~ ^{Daylight Saving} time, Monday, June 13, 1949 ⁽⁷⁾. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Friday, June 10, 1949.

S-2022

The Secretary of the Treasury, by this public notice, invites tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing June 16, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 16, 1949, and will mature September 15, 1949, 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 Daylight Saving time, Monday, June 13, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 16, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 16, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

The Securities and Exchange Commission does not make a determination as to the worth of a security offered for sale. It is not the function of the Commission to approve or disapprove any sale of securities so long as the facts concerning the securities are fully stated.

With respect to the International Bank, it may be stated that through its quarterly and annual reports and other statements, it makes a full disclosure to the public of all its activities. Moreover, under the proposed legislation, the Bank would be required to file with the Securities and Exchange Commission such annual and other reports with regard to its securities as the Commission shall determine to be appropriate. Finally, if the Securities and Exchange Commission should at any time be of the opinion that the interest of the United States investor requires that the securities ~~of~~ the International Bank be subjected to the Securities Acts, the Commission may, in consultation with the National Advisory Council, suspend the exemption granted under the proposed legislation.

In my opinion, the enactment of the proposed legislation will further the interest the United States has in the continued effective operation of the International Bank without prejudicing the rights of United States investors. I, therefore, recommend favorable action on the bill under consideration.

At the present time, although national banks may invest in securities issued by the International Bank, they are not authorized under the National Bank Act to deal in such securities. The proposed legislation would remove this legal disability by amending the National Bank Act to permit national banks to deal in securities issued by the International Bank.

Both the International Bank and the National Advisory Council believe that in order that this permission may be really effective in broadening the market for the Bank's securities they should be exempted from the Securities Acts. The reason is that the whole marketing system of national banks is geared to deal only in securities which are exempt from the Federal Securities Acts, mainly federal, state, and municipal securities; and it is not adapted to meet the various requirements pertaining to securities subject to those Acts. The proposed legislation would meet this practical difficulty by amending the Bretton Woods Agreements Act to make the securities issued or guaranteed by the International Bank exempt securities under the Securities Acts.

In connection with the enactment of the proposed legislation, careful thought has been given to the position of investors in the United States. I believe that the unique characteristics of the securities of the International Bank and the nature of the safeguards provided in the proposed legislation constitute ample protection.

It should be noted that by virtue of the large subscription of the United States in the shares of the International Bank, there is a correspondingly large official participation by the United States in the direction of the Bank. Under the guidance of the National Advisory Council, the United States Executive Director, who holds approximately one-third of the total votes of the Bank's Executive Board, directs his activities to effectuating the United States policy of making the Bank a sound, strong, effective instrumentality for financing appropriate projects for reconstruction and development. In this connection, it may be noted that the International Bank may not sell its securities in this country without obtaining the prior consent of the National Advisory Council; nor can the Bank buy or deal in its securities without that consent.

It should also be borne in mind that the securities of the International Bank are backed by the joint obligation of some 48 nations, each of which is severally liable up to the full amount of its subscription. A nation which might otherwise be tempted to default on a particular foreign obligation might well be deterred from such action by the knowledge that a default to the International Bank is simultaneously a default with respect to 47 other nations upon whom the burden of meeting prorated subscription calls would fall.

Adverting to the protection the United States investor enjoys with respect to foreign securities which are not exempted from the Securities Acts, it may be appropriate to note that the essence of this protection is the requirement for full and fair disclosure of pertinent information.

TREASURY DEPARTMENT

Washington

SENATE COMMITTEE ON

Statement by Assistant Secretary of the Treasury William McC. Martin, Jr., before the Banking and Currency Committee of the House of Representatives on H. R. 4332, "to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes."

S. 1664,

June 10,
10 A.M. - May 23, 1949

Mr. Chairman and Members of the Committee:

S. 1664 I am appearing before your Committee on behalf of the National Advisory Council on International Monetary and Financial Problems to present its views on H. R. 4332, which the Committee is now considering. The bill would amend the National Bank Act to permit national banks to deal in the bonds of the International Bank, and would, by amendment to the Bretton Woods Agreements Acts, exempt securities issued or guaranteed by the International Bank from the provisions of the Securities Acts. The National Advisory Council has given serious consideration to the proposed legislation and believes that it should be enacted.

With your permission, I would like to address myself to the policy considerations underlying the National Advisory Council's support of the pending legislation. In the opinion of the National Advisory Council, the International Bank for Reconstruction and Development will have an increasingly important role in the future development of the international capital market. It seems clear that, to the extent that economic and political conditions abroad permit the Bank to assume greater responsibility in financing reconstruction and development, it is in the interest of the United States to encourage the Bank to assume that responsibility.

During the next few years, it is hoped that many more nations will be in a position to apply for loans to finance projects and programs consistent with the purposes of the Bank. The continued effectiveness of the International Bank will depend upon its ability to meet these requests. To do this, the Bank will have to raise additional funds in the securities market of the United States.

S. 1664 It is the opinion of the National Advisory Council that the enactment of H. R. 4332 would facilitate the widespread distribution in the United States of securities issued or guaranteed by the International Bank. For a detailed analysis of the structure and operations of the International Bank, particularly with respect to the effect that the proposed legislation would have on its marketing operations, I will defer to the representatives of the Bank who will appear before you.

However, if I may, I would like to touch briefly upon one of the principal problems which will be remedied if the proposed legislation is enacted.

S-2023

TREASURY DEPARTMENT

Washington

Statement by Assistant Secretary of the Treasury
William McC. Martin, Jr., before the Senate
Committee on Banking and Currency on S. 1664,
"to amend the National Bank Act and the Bretton
Woods Agreements Act, and for other purposes."

10 A.M. - June 10, 1949

Mr. Chairman and Members of the Committee:

I am appearing before your Committee on behalf of the National Advisory Council on International Monetary and Financial Problems to present its views on S. 1664, which the Committee is now considering. The bill would amend the National Bank Act to permit national banks to deal in the bonds of the International Bank, and would, by amendment to the Bretton Woods Agreement Acts, exempt securities issued or guaranteed by the International Bank from the provisions of the Securities Acts. The National Advisory Council has given serious consideration to the proposed legislation and believes that it should be enacted.

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It is the opinion of the National Advisory Council that the enactment of S. 1664 would facilitate the widespread distribution in the United States of securities issued or guaranteed by the International Bank. For a detailed analysis of the structure and operations of the International Bank, particularly with respect to the effect that the proposed legislation would have on its marketing operations, I will defer to the representatives of the Bank who will appear before you.

However, if I may, I would like to touch briefly upon one of the principal problems which will be remedied if the proposed legislation is enacted.

At the present time, although national banks may invest in securities issued by the International Bank, they are not authorized under the National Bank Act to deal in such securities. The proposed legislation would remove this legal disability by amending the National Bank Act to permit national banks to deal in securities issued by the International Bank.

Both the International Bank and the National Advisory Council believe that in order that this permission may be really effective in broadening the market for the Bank's securities they should be exempted from the Securities Acts. The reason is that the whole marketing system of national banks is geared to deal only in securities which are exempt from the Federal Securities Acts, mainly federal, state, and municipal securities; and it is not adapted to meet the various requirements pertaining to securities subject to those Acts. The proposed legislation would meet this practical difficulty by amending the Bretton Woods Agreements Act to make the securities issued or guaranteed by the International Bank exempt securities under the Securities Acts.

In connection with the enactment of the proposed legislation, careful thought has been given to the position of investors in the United States. I believe that the unique characteristics of the securities of the International Bank and the nature of the safeguards provided in the proposed legislation constitute ample protection.

It should be noted that by virtue of the large subscription of the United States in the shares of the International Bank, there is a correspondingly large official participation by the United States in the direction of the Bank. Under the guidance of the National Advisory Council, the United States Executive Director, who holds approximately one-third of the total votes of the Bank's Executive Board, directs his activities to effectuating the United States policy of making the Bank a sound, strong, effective instrumentality for financing appropriate projects for reconstruction and development. In this connection, it may be noted that the International Bank may not sell its securities in this country without obtaining the prior consent of the National Advisory Council; nor can the Bank buy or deal in its securities without that consent.

It should also be borne in mind that the securities of the International Bank are backed by the joint obligation of some 48 nations, each of which is severally liable up to the full amount of its subscription. A nation which might otherwise be tempted to default on a particular foreign obligation might well be deterred from such action by the knowledge that a default to the International Bank is simultaneously a default with respect to 47 other nations upon whom the burden of meeting prorated subscription calls would fall.

Adverting to the protection the United States investor enjoys with respect to foreign securities which are not exempted from the Securities Acts, it may be appropriate to note that the essence of this protection is the requirement for full and fair disclosure of pertinent information.

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With respect to the International Bank, it may be stated that through its quarterly and annual reports and other statements, it makes a full disclosure to the public of all its activities. Moreover, under the proposed legislation, the Bank would be required to file with the Securities and Exchange Commission such annual and other reports with regard to its securities as the Commission shall determine to be appropriate. Finally, if the Securities and Exchange Commission should at any time be of the opinion that the interest of the United States investor requires that the securities of the International Bank be subjected to the Securities Acts, the Commission may, in consultation with the National Advisory Council, suspend the exemption granted under the proposed legislation.

In my opinion, the enactment of the proposed legislation will further the interest the United States has in the continued effective operation of the International Bank without prejudicing the rights of United States investors. I, therefore, recommend favorable action on the bill under consideration.

RELEASE, MORNING NEWSPAPERS,
Tuesday, June 14, 1949.

S- 2024

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated June 16 and to mature September 15, 1949, which were offered on June 10, were opened at the Federal Reserve Banks on June 13.

The details of this issue are as follows:

Total applied for - \$1,657,977,000
Total accepted - 907,337,000. (includes \$65,964,000 entered on a non-competitive basis and accepted in full at the average price shown below).
Average price - 99.707/4 Equivalent rate of discount approx. 1.158% per annum
Range of accepted competitive bids:

High - 99.711 Equivalent rate of discount approx. 1.143% per annum
Low - 99.707 " " " " " 1.159% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 14,059,000	\$ 13,543,000
New York	1,370,232,000	713,962,000
Philadelphia	28,498,000	17,690,000
Cleveland	8,520,000	8,376,000
Richmond	4,427,000	4,427,000
Atlanta	13,219,000	12,883,000
Chicago	110,379,000	51,067,000
St. Louis	5,867,000	5,163,000
Minneapolis	5,161,000	4,929,000
Kansas City	28,987,000	23,687,000
Dallas	11,964,000	8,770,000
San Francisco	56,664,000	42,840,000
TOTAL	\$1,657,977,000	\$907,337,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Tuesday, June 14, 1949.

S-2024

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Total accepted - 907,337,000 (includes \$65,964,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.707 1/2 Equivalent rate of discount approx. 1.158% per annum

Range of accepted competitive bids:

High - 99.711 Equivalent rate of discount approx. 1.143% per annum
Low - 99.707 Equivalent rate of discount approx. 1.159% per annum

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 14,059,000	\$ 13,543,000
New York	1,370,232,000	713,962,000
Philadelphia	28,498,000	17,690,000
Cleveland	8,520,000	8,376,000
Richmond	4,427,000	4,427,000
Atlanta	13,219,000	12,883,000
Chicago	110,379,000	51,067,000
St. Louis	5,867,000	5,163,000
Minneapolis	5,161,000	4,929,000
Kansas City	28,987,000	23,687,000
Dallas	11,964,000	8,770,000
San Francisco	56,664,000	42,840,000
TOTAL	\$1,657,977,000	\$907,337,000

Mr. Banning (Disb.)	Mr. Lynch (3000)
Mr. R. D. Barker	Mr. Maxwell
Mr. Bartelt	Mr. McDonald
Mr. Batchelder	Mrs. McKenna
Mr. Beall	Mr. Merritt
Bookkeeping & Warrants(4308)	Mr. Moore
Mr. Brogan (600 Sloane)	Mr. Mulvihill (Tempo.V)
Mr. Burdette (1453)	Miss Newcomer (1021)
Miss Burke (3128)	Mr. Nissear (4324)
Mr. Cake	Mr. Parsons
Mr. Church	Mr. Perry
Miss Cullen	Mr. Peterson
Mr. Cunningham	Mr. Rabon
Mr. Dietrich	Mrs. Ralf (1324)
<u>Mr. Dillon (4416)</u>	Mr. Reeves
Miss Donovan	Mr. Reichhardt (Sloane)
Mr. Eddy	Mrs. Root
Mr. Evans (4413)	Miss Rousseaux (4321)
Mrs. Farrell (3405)	Mrs. Schoeneman
Mr. Foley	Mr. Schwalm (Walker)
Mr. Gerardi (5441)	Mr. Slindee
Mr. Graham	Mr. Smith
Mr. Greenberg	Mr. Spingarn (2000)
Mr. Haas	Mr. Stickney
Mr. Handy	Mrs. Sweitzer
Mr. Hard	Mr. Tickton
Mr. Hearst	Mr. Tietjens
Mr. Heffelfinger	Mr. Tomkinson (2202)
Miss Hodel	Miss Vassar
Mrs. Hodges	Mrs. Walker
Mr. Howard	Mr. Warfield
Mr. Hyland (3415)	Mrs. Warneson
Mrs. Jubb (3045)	Mr. Weber
Mr. Kilby	Mr. Wisecarver (5445)
Mr. Kious	Mr. Woodson
Mrs. Legg	Mr. Ziegenfus

*This is the usual data
Released to the press.*

WJF 6/8/49

ne 6, 1949

direct and guaranteed
vestment and other

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E. O. Barnes

tion of Investments

June 6, 1949

TO MR. BARTELT:

The following transactions were made in direct and guaranteed securities of the Government for Treasury investment and other accounts during the month of May, 1949:

Sales	\$86,206,000
Purchases	<u>31,546,050</u>
Net Sales	\$54,659,950

(Sgd.) E. O. Barnes

Chief, Division of Investments

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Monday, May 16, 1949.

Wednesday, June 15, 1949

1-2025
S-1086

During the month of ^{*May*}~~April~~, 1949
market transactions in direct and
guaranteed securities of the Government
for Treasury investment and other ac-
counts resulted in net ^{*sales*}~~purchases~~ of
~~\$1,505,250~~ ^{*\$54,659,950*}, Secretary Snyder announced
today.

oOo

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



RELEASE, MORNING NEWSPAPERS,
Wednesday, June 15, 1949.

S-2025

During the month of May, 1949
market transactions in direct and
guaranteed securities of the
Government for Treasury investment
and other accounts resulted in net
sales of \$54,659,950, Secretary
Snyder announced today.

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IMMEDIATE RELEASE
June 15, 1949

S-2026

The Bureau of Customs announced today that the Canadian quota of 795,000 bushels of wheat prescribed in the President's Proclamation of May 28, 1941, as modified, is approximately 75 percent filled for the quota year ending May 28, 1950, by entries for consumption authorized as of the close of business on June 15, 1949.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, June 15, 1949.

S-2026

The Bureau of Customs announced today that the Canadian quota of 795,000 bushels of wheat prescribed in the President's Proclamation of May 28, 1941, as modified, is approximately 75 percent filled for the quota year ending May 28, 1950, by entries for consumption authorized as of the close of business on June 15, 1949.

oOo

TO:

TREASURY DEPARTMENT

INFORMATION SERVICE

WASHINGTON 25

JUN 14 1949

In accordance with our standard practice, it is suggested that the following information be released to the press:

On June 14, 1948, the Treasury received the sum of \$21,132.18 from the Government of Finland, representing the semi-annual payment of interest in the amount of \$11,000.00 under the Funding Agreement and the semi-annual payment of the semi-

annual payment on the annuity due under the postponement agreement of May 1, 1941, and \$21,132.18 on account of the semi-annual payment on the annuity due under the postponement agreement of October 14, 1943.

These payments represent the entire amount due from the Government of Finland on June 15, 1948, under these agreements.



Fiscal Assistant Secretary

DEPARTMENT
FISCAL SERVICE
WASHINGTON 25



JUN 14 1949

Memorandum to Mr. Saxon:

In accordance with our customary practice, it is suggested that the following information be released to the press:

On June 14th the Treasury received the sum of \$161,422.24 from the Government of Finland, representing the semi-annual payment of interest in the amount of \$126,595.00 under the Funding Agreement of May 1, 1923; \$13,695.06 on account of the semi-annual payment on the annuity due under the postponement agreement of May 1, 1941, and \$21,132.18 on account of the semi-annual payment on the annuity due under the postponement agreement of October 14, 1943.

These payments represent the entire amount due from the Government of Finland on June 15, 1948, under these agreements.

Fiscal Assistant Secretary

TO:

Miss Kelly

Would you try to obtain the
Secretary's clearance on the attached
proposed release?

JJSaxon

INFORMATION SERVICE

Department
Office
S-2027
9
The Government announced today that it
has received a payment of \$161,422.24, from the
Government of Finland on account of that Government's
indebtedness to the United States.
The payment consists of the semi-annual ~~payment~~
of \$126,595 under the
agreement of May 1, 1923; \$13,695.06 on account
of the semi-annual payment on the annuity due under
the agreement of May 1, 1941, and
the semi-annual payment on
the postponement agreement of
October 14, 1943. These payments represent the entire
amount due from Finland on June 15, 1948, under these
agreements.

After giving effect to this payment the indebtedness
of the Government of Finland to the United States
amounts to \$7,928,598.93.

000

h/r

JMS

Immediate Release
Wed. June 15, 1949

S-2027

The Treasury Department announced today that it had received a payment of \$161,422.24, from the Government of Finland on account of that Government's indebtedness to the United States.

The payment consists of the semi-annual ~~payment~~ interest in the amount of \$126,595 under the Funding Agreement of May 1, 1923; \$13,695.06 on account of the semi-annual payment on the annuity due under the postponement agreement of May 1, 1941, and \$21,132.18 on account of the semi-annual payment on the annuity due under the postponement agreement of October 14, 1943. These payments represent the entire amount due from Finland on June 15, 1948, under these agreements.

After giving effect to this payment the indebtedness of the Government of Finland to the United States amounts to \$7,928,598.93.

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



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S-2027

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oOo

ALPHA

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

ALPHA

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 23, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 23, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

Exhibit 1

ALPHA

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, June 17, 1949.

(10)

✓ 2028

The Secretary of the Treasury, by this public notice, invites tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing June 23, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 23, 1949, and will mature September 22, 1949, 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/Daylight Saving time, Monday, June 20, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Friday, June 17, 1949.

S-2028

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Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Daylight Saving time, Monday, June 20, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 23, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 23, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

Suggested Press Release

Immediate Release
Thursday, June 16, 1949

S-2029

The Treasury's "Meritorious Civilian Service Award" was presented here today to Paul A. Reeves, chemist in the Philadelphia office of the Alcohol Tax Unit. The presentation of the citation and a silver emblem was made by Daniel A. Bolich, Assistant Commissioner of Internal Revenue, at a ceremony before officials and associates.

The award was in recognition of consistently superior work performed by Mr. Reeves, including the preparation of those chapters of the official Inspector's Manual of the Alcohol Tax Unit which relate to the technical and chemical aspects of the production and testing of alcoholic beverages.

The research and scholarship of Mr. Reeves's work on the Manual caused the late Dr. W. V. Linder, Chief Chemist of the Alcohol Tax Unit, to testify that these chapters of the Manual were worthy of inclusion in the chemistry textbooks of any college or university.

Although only 38 years old, Mr. Reeves has been engaged in the alcohol analysis work of the government for 20 years. He is a native of Watertown, New York, and received a degree in chemical engineering in 1930 from Clarkson College, Potsdam, New York.

The chemical analysis of alcoholic beverages is a vital phase of the administration of the alcohol tax laws, both for the purpose of enforcing regulations on legal beverages, and also in assisting the prosecution of producers of illicit beverages.

TREASURY DEPARTMENT



Information Service

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The chemical analysis of alcoholic beverages is a vital phase of the administration of the alcohol tax laws, both for the purpose of enforcing regulations on legal beverages, and also in assisting the prosecution of producers of illicit beverages.

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 July 1, 1949, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series F-1949, maturing July 1, 1949, which will be accepted at par, and should accompany the subscription. The full year's interest on the certificates surrendered will be paid to the subscriber following acceptance of the certificates.

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.

JOHN W. SNYDER,
Secretary of the Treasury.

UNITED STATES OF AMERICA

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UNITED STATES OF AMERICA

1-1/4 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES F-1950

Dated and bearing interest from July 1, 1949

Due July 1, 1950

1949
Department Circular No. 847

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, June 20, 1949.

Fiscal Service
Bureau of the Public Debt

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 1-1/4 percent Treasury Certificates of Indebtedness of Series F-1950, in exchange for Treasury Certificates of Indebtedness of Series F-1949, maturing July 1, 1949.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated July 1, 1949, and will bear interest from that date at the rate of 1-1/4 percent per annum, payable with the principal at maturity on July 1, 1950. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. 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 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.

To Mr. Saxon.

Dear Jim:

Appreciate issuance
of press release as early
as possible.

Please have Sam
one tell Grace Waite
to give us our usual
quantity.

Thanks
J.W. Pedemonte

S-2030

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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. Subject to the usual reserva-
tions, all subscriptions will be allotted in full.

The subscription books will close for the receipt of all subscriptions at
the close of business Thursday, June 23.

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

The text of the official circular follows:

RELEASE, MORNING NEWSPAPERS,
Monday, June 20, 1949.

S-2030

Secretary of the Treasury Snyder today announced the offering, through the Federal Reserve Banks, of 1-1/4 percent Treasury Certificates of Indebtedness of Series F-1950, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series F-1949, in the amount of \$5,782,890,000, which will mature on July 1, 1949. Cash subscriptions will not be received.

The certificates now offered will be dated July 1, 1949, and will bear interest from that date at the rate of one and one-quarter percent per annum, payable with the principal at maturity on July 1, 1950. 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, as amended, interest upon the certificates now offered shall not have any exemption, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The full provisions relating to taxability are set forth in the official circular released today.

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TREASURY DEPARTMENT



Information Service

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Secretary of the Treasury.

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TREASURY DEPAR

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Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
Friday, June 17, 1949.

S-2031

Secretary Snyder today announced the signing of an Agreement supplementing the United States-Mexican Stabilization Agreement entered into in May, 1947. This new Agreement increases to \$25 million the balance available from the United States Stabilization Fund for the purchase of Mexican pesos to stabilize the United States dollar-Mexican peso rate of exchange. The Agreement was signed following acceptance by the International Monetary Fund of a new par value of 8.65 Mexican pesos per dollar, and after several weeks of study of the Mexican financial situation by officials of the United States Treasury Department, of the Bank of Mexico and of the Mexican Ministry of Finance.

Secretary Snyder noted with satisfaction that the Mexican Government has indicated its determination to continue and intensify its efforts, in pursuance of sound fiscal and financial policies, to insure the stability of the exchange rate.

Secretary Snyder stated that any operations under the Agreement with Mexico will be closely coordinated with the activities of the International Monetary Fund in order to contribute to the efforts of the Fund to stabilize the exchange rate structure of its members.

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RELEASE MORNING NEWSPAPERS,
Tuesday, June 21, 1949.

✓ 2032

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated June 23 and to mature September 22, 1949, which were offered on June 17, were opened at the Federal Reserve Banks on June 20.

The details of this issue are as follows:

Total applied for - \$1,507,215,000
Total accepted - 902,774,000 (includes \$60,724,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.707 $\frac{1}{4}$ Equivalent rate of discount approx. 1.158% per annum
Range of accepted competitive bids:
High - 99.711 Equivalent rate of discount approx. 1.143% per annum
Low - 99.706 " " " " " 1.163% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 6,008,000	\$ 5,508,000
New York	1,269,005,000	757,105,000
Philadelphia	23,622,000	8,622,000
Cleveland	14,870,000	14,870,000
Richmond	5,403,000	5,403,000
Atlanta	3,148,000	3,148,000
Chicago	93,633,000	34,883,000
St. Louis	3,375,000	3,375,000
Minneapolis	3,011,000	3,011,000
Kansas City	8,493,000	8,402,000
Dallas	11,011,000	9,191,000
San Francisco	65,636,000	49,256,000
Total	\$1,507,215,000	\$902,774,000

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TREASURY DEPARTMENT



Information Service

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Cleveland	14,870,000	14,870,000
Richmond	5,403,000	5,403,000
Atlanta	3,148,000	3,148,000
Chicago	93,633,000	34,883,000
St. Louis	3,375,000	3,375,000
Minneapolis	3,011,000	3,011,000
Kansas City	8,493,000	8,402,000
Dallas	11,011,000	9,191,000
San Francisco	65,636,000	49,256,000
TOTAL	\$1,507,215,000	\$902,774,000

The Treasurer is required by law to give a bond of \$150,000 for the faithful performance of the duties of the office and for the fidelity of employees of the Office of the Treasurer.

Statutory provisions dating from the Government's earliest days prohibit the Treasurer from engaging in trade or commerce, from owning any sea vessel, and from buying or selling Government securities.

All Government checks with the exception of those against foreign accounts are drawn on the Treasurer.

The Office of the Treasurer of the United States prepares the Daily Statement of the United States Treasury, which recapitulates Government finance, and issues monthly statements of the Public Debt and of Currency Outstanding.

The signature of the Treasurer appears with that of the Secretary of the Treasury on paper currency. The first printings of currency bearing Mrs. Clark's signature will come from the presses of the Bureau of Engraving and Printing within the next few days, but this new currency will not enter general circulation until present stocks of paper money have been used.

Mrs. Clark's career has included successes in the mercantile business, in banking, in farm management and on the stage. Her business interests have centered in her home town of Richland, Kansas, where she was born [in 1900.] She is a graduate of the College of the Sisters of Bethany, Topeka, Kansas, and of Washburn College. She was a student for two years at Sargent's Dramatic School, Carnegie Hall, New York.

The Office of the Treasurer of the United States, which Mrs. Clark heads, is essentially a banking facility for the Government. It has an average of 1600 employees, all stationed in Washington.

Responsibilities of the Treasurer include the receipt of all public moneys; the custody, issue and redemption of United States currency and coin; the payment of Government checks; the custody of securities deposited in the Treasury as collateral or for safe keeping; and the payment of principal and interest on the public debt.

Mrs. Clark replied:

"I am very happy that a woman has been chosen for an important Government office never before held by a woman. I greatly appreciate the honor President Truman has done me personally. But my appointment as Treasurer is more significant as a milestone in the advancement of women generally in National affairs. I hope very sincerely that it will encourage women everywhere to become still more interested and still more active in public life."

Mrs. Clark succeeds the late William A. Julian, who died in an automobile accident May 29. President Truman announced Mrs. Clark's nomination June 6, and she was confirmed by the Senate June 9.

Regular Information Service heading

1st draft

RELEASE 11 A.M., E.D.T.
Tuesday, June 21, 1949

PRESS SERVICE
No. S-2033

Mrs. Georgia Neese Clark of Richland, Kansas, today became the first woman to hold the office of Treasurer of the United States. She was sworn in at the Treasury in the presence of a group of personal friends, Treasury officials and members of the Treasury staff. The oath was administered by James H. Hard, Treasury Personnel Director.

"You are the 29th American to become Treasurer of the United States, and the first woman among the 29," Secretary Snyder told Mrs. Clark as he congratulated her. ~~"You will have considerably greater responsibilities than any other new Treasurer. But~~

~~your~~ Your appointment is no experiment, for women have fully proved their competence to serve in the highest public administrative positions. Your accession to the office of Treasurer is a tribute to you personally, *and through*

you to all American women, and to your home State."

TREASURY DEPARTMENT



Information Service

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Tuesday, June 21, 1949

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"I am very happy that a woman has been chosen for an important Government office that has never before been held by a woman. I greatly appreciate the honor President Truman has done me personally. My appointment as Treasurer, however, is more significant as a milestone in the advancement of women generally in National affairs. I hope very sincerely that it will encourage women everywhere to become still more interested, and more active, in public life."

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GEORGIA NEESE CLARK

Mrs. Georgia Neese Clark was born in Richland, Kansas, on January 27, 1900. She graduated from the College of Sisters of Bethany, Topeka, Kansas, in 1917, and received an A. B. degree from Washburn College in 1921.

Following study at Sargent's Dramatic School, Carnegie Hall, New York, in 1921-22, Mrs. Clark devoted nine years to the theatre.

In 1931, Mrs. Clark was employed in the Kansas Legislature and in July, 1934, became a teller in the Richland (Kansas) State Bank. A year later she was elevated to assistant cashier of the bank, and was elected to its presidency in 1938.

In 1936, Mrs. Clark became Democratic National Committeewoman for Kansas. She was elected vice-president of the Democratic Midwest Conference (thirteen states) in 1947.

Since 1940, Mrs. Clark has owned and managed a general store and grain elevator in Richland, and has actively managed her seven farms in that locality. She also manages thirteen farms for her mother, Mrs. Albert Neese of Topeka.

Mrs. Clark served as volunteer Savings Bond chairman for Shawnee County, Kansas, during the war. She is a director of the 4-H Club of Monmouth Township, and is treasurer of the township's Farm Bureau. Mrs. Clark is a member of the Upsilon Chapter, Alpha Phi Sorority.

President Truman nominated Mrs. Clark for Treasurer of the United States on June 6, 1949. She was confirmed unanimously by the Senate on June 9, and took the oath of office on June 21, 1949.

<u>State</u>	<u>Amount Sold</u>	<u>Percent of Quota Achieved June 11, 1949</u>
Tennessee	\$ 6,789.00	60.6%
Texas	27,880	75.5
Utah	2,404	68.7
Vermont	938	56.5
Virginia	10,685	66.4
Washington	11,182	65.0
West Virginia	8,158	76.2
Wisconsin	18,218	67.0
Wyoming	1,940	102.1
 TOTAL U.S.	 \$764,324	 73.3%

*add 3
ciphers
to all
figures*

SALES OF SERIES E SAVINGS BONDS IN
OPPORTUNITY DRIVE AS OF JUNE 11, 1949

<u>State</u>	<u>Amount Sold</u>	<u>Percent of Quota Achieved June 11, 1949</u>
Alabama	\$ 6,053	66.8%
Arizona	3,164	81.6
Arkansas	4,902	72.3
No. California	20,635	67.3
So. California	28,527	67.7
Colorado	7,239	77.8
Connecticut	9,797	66.3
Delaware	1,716	78.7
Dist. of Col.	8,652	72.2
Florida	8,652	71.0
Georgia	7,731	67.5
Idaho	1,903	70.5
Illinois	72,341	80.4
Indiana	20,035	71.0
Iowa	28,953	90.5
Kansas	14,418	74.9
Kentucky	8,685	64.7
Louisiana	6,972	68.4
Maine	2,983	76.5
Maryland	8,911	70.2
Massachusetts	20,986	66.5
Michigan	36,562	75.4
Minnesota	18,913	72.7
Mississippi	4,055	59.8
Missouri	25,202	78.1
Montana	5,073	93.8
Nebraska	16,533	90.2
Nevada	714	62.1
New Hampshire	1,319	57.6
New Jersey	26,201	71.0
New Mexico	1,878	75.1
New York	89,550	70.1
North Carolina	8,373	69.8
North Dakota	5,374	72.5
Ohio	47,183	75.3
Oklahoma	9,715	67.7
Oregon	6,357	64.9
Pennsylvania	62,367	75.5
Rhode Island	3,531	67.9
So. Carolina	4,417	70.7
So. Dakota	9,556	97.0

add 3
cyphers to
all figures

Info Sec. Hearing

Immediate Release
Wednesday, June 22, 1949

S-

The Treasury Department announced today that as of June 17, ~~1949~~ sales of Series E Savings Bonds in the Opportunity Bond Drive had reached the total of \$862,217,000. This total is 83% of the Drive's *Series E Bond* quota of ~~the national sales objective of~~ \$1,040,000,000 ~~x~~ in Series E Savings Bonds.

The Secretary of ~~the Treasury John W.~~ Snyder expressed his gratification with the progress of the drive, which ~~he said, was~~ ^{is} going well in all States.

Attached is the latest sales report, by States, as of June 11, 1949.

Final ~~sales figures on the~~ results of the drive will ~~not~~ be available ^{about} ~~until~~ July 17, ~~1949~~.

For distribution at press conference
Wednesday

IMMEDIATE RELEASE
Wednesday, June 22, 1949

S- 2034

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



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Colorado	7,239,000	77.8
Connecticut	9,797,000	66.3
Delaware	1,716,000	78.7
District of Columbia	8,652,000	72.2
Florida	8,652,000	71.0
Georgia	7,731,000	67.5
Idaho	1,903,000	70.5
Illinois	72,341,000	80.4
Indiana	20,035,000	71.0
Iowa	28,953,000	90.5
Kansas	14,418,000	74.9
Kentucky	8,685,000	64.7
Louisiana	6,972,000	68.4
Maine	2,983,000	76.5
Maryland	8,911,000	70.2
Massachusetts	20,986,000	66.5
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Missouri	25,202,000	78.1
Montana	5,073,000	93.8
Nebraska	16,533,000	90.2
Nevada	714,000	62.1
New Hampshire	1,319,000	57.6
New Jersey	26,201,000	71.0
New Mexico	1,878,000	75.1
New York	89,550,000	70.1
North Carolina	8,373,000	69.8
North Dakota	5,374,000	72.5
Ohio	47,183,000	75.3
Oklahoma	9,715,000	67.7
Oregon	6,357,000	64.9
Pennsylvania	62,367,000	75.5
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 TOTAL U.S.	 \$ 764,324,000	 73.3%

oOo

8-2035

IMMEDIATE RELEASE,
Wednesday, June 22, 1949

The Bureau of Customs announced today that the Canadian quota of 795,000 bushels of wheat prescribed in the President's Proclamation of May 28, 1941, as modified, was approximately 96 percent filled for the quota year ending May 28, 1950, by entries for consumption authorized as of 2:00 p.m. E.S.T. on June 22, 1949.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

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oOo

ANALYSIS

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.

ALPHA

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 30, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 30, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

EXHIBIT XI

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, June 24, 1949.

(b)

S-2036

The Secretary of the Treasury, by this public notice, invites tenders for \$ 900,000,000 ⁽²⁾, or thereabouts, of 91 ⁽³⁾-day Treasury bills, for cash and in exchange for Treasury bills maturing June 30, 1949 ⁽⁴⁾, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 30, 1949 ⁽⁵⁾, and will mature September 29, 1949 ⁽⁶⁾, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern/~~Standard~~ Daylight Saving time, Monday, June 27, 1949 ⁽⁷⁾. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

\$mm

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
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S-2036

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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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 30, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 30, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

opportunities, it is essential that we maintain our confidence in the future. We must not hesitate or falter. We must not be afraid of change or of facing up to new problems. Many of these problems are opportunity in disguise. They are but stepping-stones to greater national achievement.

we are not losing the genius and the faith which created a mighty industrial society and gave us our present high standard of living. Surely, we will continue to demand that advances in knowledge and skills be harnessed to meet our wants and increase our well-being. Nothing can retard us except lack of confidence and a slackening of our traditional spirit of progress.

To benefit by our tremendous

science and industry united to combine such a wealth of new discoveries and new processes at our doors.

I believe that if we grasp our opportunities with vigor and enthusiasm, we can continue to move forward to new heights of achievement in the years ahead. There is no reason why we should not. America certainly is not losing the vision and the determination that built this nation to its greatness. Certainly

When we look at the present economic picture in perspective,

the opportunities already at hand,

full consideration of
including the current readjustments,

begin to take on their true

proportions. We have vastly greater resources, immensely advanced technical knowledge, a rapidly increasing population, and compelling incentives to further progress far beyond the conception of a generation or two ago. Surely, never before in our history have

they were in 1939. Corporations, too, are currently in an exceptionally favorable financial position with working capital at a near-record level of 65 billion dollars.

This Nation was built on confidence in the future. Our progress, from the days of Plymouth and Jamestown, has stemmed from our ability to make use of our great resources to better the lot of the individual citizens of this country.

earning money at the rate of nearly 214 billion dollars a year. This is close to the all-time peak rate of last December. In addition, individuals have near-record holdings of liquid savings in the form of checking accounts, savings accounts, Government securities, and currency. These assets total 200 billion dollars and are a reservoir of purchasing power which has been accumulated in recent years. These savings are 3-1/2 times as large as

ingenuity and skills and raw materials with diligent energy to prolong our peacetime prosperity.

It may appear to you that I have overlooked one essential in describing the possibilities of new products in this country -- namely, the purchasing power necessary to buy these many new products. Far from forgetting it, however, I want to emphasize that the purchasing power available today is at near record levels.

People in this country are now

the Plastics Age or the Synthetics Age, but neither of these terms adequately defines the times in which we are living

We might call it the Atomic Age, but, broad as is the scope of this term, it does not embrace all the marvelous new things in store for us.

In times of challenge the people of this country have always shown themselves capable of bold, imaginative actions. We would not be living up to the tradition and character of our free enterprise system if we did not use our

industrial plant is the most modern and best equipped in the world. It is at the height of its efficiency, ready to make full use of the wealth of new materials and new methods which wartime discoveries and developments have made available to us.

In past decades we had the Steamboat era, the Railroad era, and the Automobile era, but the era opening before us defies such pat classification. We might call it

sales organizations are beginning to insist on new and up-to-date products.

Business management has been well aware of the fact that, at some time, sellers' markets would become buyers' markets. In anticipation of the return of competition, American business has invested the tremendous sum of 75 billion dollars in new construction and new equipment during the years since the war ended.

As a result, the vast American

our entry into the war, were selling as fast as they could be turned out. It appeared to be good business, under such circumstances, not to take the risk of offering new products.

Competitive selling methods, which have always been the mark of our free enterprise system, were largely abandoned.

Now, our distributing and selling organizations realize that they must get out and sell. More important,

All of these facts point to a strong demand for the basic essentials of living, which will contribute to active business in the near future.

Of course, for business to make the most of its opportunities, business will have to get out and sell. And that change in business psychology is fortunately already taking place.

Until recently, there has been little need for salesmanship. Products, substantially unchanged since before

shifts in the population as between different areas of the country. Our newly expanded communities need new schools, hospitals, roads, shopping centers, and municipal service plants. More than that, many existing facilities -- largely neglected during the war -- have yet to be repaired, modernized, or replaced.

And, finally, our entire population has come to demand a continually improving standard of living.

we try to get a perspective on the present situation -- that we have 17 million more people today in the United States than we had before the war. This is an increase as great as if six cities the size of New York, Chicago, Philadelphia, Detroit, Los Angeles, and Cleveland -- our six largest in 1940 -- had been added to the population in the short space of ten years.

Moreover, there have been vast

said before, that the bankers of the country will marshal their available credit resources in such a way as to provide sound support for the economy.

There have been difficult problems of readjustment likewise in other areas of the economy -- in industry, in farming, in labor, and in Government. These, too, have been met with the vigor and determination characteristic of this Nation.

It is important to realize -- when

written during this period of adjustment to peacetime conditions.

As to the future, it is up to the members of the banking fraternity to demonstrate that they fully intend to retain their leadership in financing the needs of private enterprise by meeting their obligations with courage and determination. While in many ways the exerting of effective banking influence in the present period is difficult, I am confident, as I

to private business went up 18 billion dollars. Bankers were in a position to meet these demands successfully, also.

There were changes in reserve requirements. When they were increased last fall, you were able to take that situation in your stride; when reserve requirements were reduced this spring, you adjusted yourselves again.

In general, I believe that bankers deserve much credit for the sound record.

demonstrated your capacity to meet changing circumstances. There was, first, the Government security pay-off program, when bank holdings of this one type of earning asset declined 20 billion dollars in the short period of a year and a half. Bankers were well prepared to meet this situation, because they had plenty of short-term securities on hand.

There was the period of rapid postwar loan expansion, when bank loans

unwarranted fears on the other.

In your own field of commercial banking, caution and good judgment prevented the over-extension of inflationary credit. And, you have been active in other than credit areas during the postwar years. Your investment advice has been sound. You have kept your own security portfolios in good order as your postwar loan volume increased.

On many occasions, you have

opportunities which lie before us today are equally great. Today, as previously, the American banker is called upon to carry out his traditional role of helping to translate these opportunities into reality and of meeting the new demands that will grow out of the adjusted situation in the business and financial world.

Decisions will have to be based on an informed judgment as to sound business policies and a course steered between exaggerated hopes on the one hand and

have been vast changes in the economic life of this country. We have seen in that interval the development of our great airplane, automotive, and electrical industries, and we are now witnessing the beginnings of an atomic energy program which may bring further revolutionary changes in the industrial life of the country.

However, great as the developments in the past fifty years have been, I believe that the

going on this year, we must remember, represent a desirable shift to more normal competitive conditions. America has grown and prospered in an environment of competitive business enterprise. Competitive products and competitive pricing have, throughout our history, been the mainsprings of economic life in this country.

In the half century since you Colorado bankers first got together to talk over your problems, there

caused long faces among harbingers of woe. The fact that business is continuing to operate at near-record levels, after more than three years of unprecedented output, has not been sufficiently emphasized.

In a period such as the present, it is of the utmost importance not to allow current readjustments in business activity to blind us to the great opportunities which are developing for our future. The readjustments

economic position. Gloomy economic forecasts were made at the very time we were achieving the greatest heights of prosperity that we have ever known. We became so accustomed to making new business records, month after month following the war, that our ceasing to establish further new highs in 1949

measure all phases of economic adjustments and readjustments.

There are, unfortunately, some persons who do not understand our over-all capacity and economic resources. There are also people who do not see beyond temporary obstacles which arise from time to time and cannot therefore envision the main current of our national progress.

Fears have been voiced each year since the end of the war about our

opportunities that distinguish this great country. Your effective help is needed in the interesting days which lie ahead.

I have been attentive to the note of confidence in the economic and financial picture which has emanated from the various bankers' conferences this year. I have found these reports particularly impressive since you bankers are generally the first of the business community to detect and

Banking plays an influential part in helping shape the general financial and economic viewpoint. Because of your role in business, commerce, agriculture and industry, you bankers are in a strategic position to render a most desirable service to the public as well as to yourselves. Bankers with confidence in the future of this Nation have made a vital contribution to the development of the resources and

Treasury Department
Washington

The following address by Secretary Snyder
before the annual convention of the
Colorado Bankers Association at the
Hotel Colorado, Glenwood Springs, Colo.,
is scheduled for delivery at 3 p.m., M. S. T.
Friday, June 24, 1949, and is for
release at that time.

5-2037

The Banker's Responsibility
In Our Economy 42

caps title

TREASURY DEPARTMENT

Washington

The following address by Secretary Snyder before the Annual Convention of the Colorado Bankers' Association at the Hotel Colorado, Glenwood Springs, Colorado, is scheduled for delivery at 3:00 P.M., M.S.T., Friday, June 24, 1949, and is for release at that time.

THE BANKER'S RESPONSIBILITY IN OUR ECONOMY

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Fears have been voiced each year since the end of the war about our economic position. Gloomy economic forecasts were made at the very time we were achieving the greatest heights of prosperity that we have ever known. We became so accustomed to making new business records, month after month following the war, that our ceasing to establish further new highs in 1949 caused long faces among harbingers of woe. The fact that business is continuing to operate at near-record levels, after more than three years of unprecedented output, has not been sufficiently emphasized.

In a period such as the present, it is of the utmost importance not to allow current readjustments in business activity to blind us to the great opportunities which are developing for our future. The readjustments going on this year, we must remember, represent a desirable shift to more normal competitive conditions. America has grown and prospered in an environment of competitive business enterprise. Competitive products and competitive pricing have, throughout our history, been the mainsprings of economic life in this country.

In the half century since you Colorado bankers first got together to talk over your problems, there have been vast changes in the economic life

of this country. We have seen in that interval the development of our great airplane, automotive, and electrical industries, and we are now witnessing the beginnings of an atomic energy program which may bring further revolutionary changes in the industrial life of the country.

However, great as the developments in the past fifty years have been, I believe that the opportunities which lie before us today are equally great. Today, as previously, the American banker is called upon to carry out his traditional role of helping to translate these opportunities into reality and of meeting the new demands that will grow out of the adjusted situation in the business and financial world. Decisions will have to be based on an informed judgment as to sound business policies and a course steered between exaggerated hopes on the one hand and unwarranted fears on the other.

In your own field of commercial banking, caution and good judgment prevented the over-extension of inflationary credit. And, you have been active in other than credit areas during the postwar years. Your investment advice has been sound. You have kept your own security portfolios in good order as your postwar loan volume increased.

On many occasions, you have demonstrated your capacity to meet changing circumstances. There was, first, the Government security pay-off program, when bank holdings of this one type of earning asset declined 20 billion dollars in the short period of a year and a half. Bankers were well prepared to meet this situation, because they had plenty of short-term securities on hand.

There was the period of rapid postwar loan expansion, when bank loans to private business went up 18 billion dollars. Bankers were in a position to meet these demands successfully, also.

There were changes in reserve requirements. When they were increased last fall, you were able to take that situation in your stride; when reserve requirements were reduced this spring, you adjusted yourselves again.

In general, I believe that bankers deserve much credit for the sound record written during this period of adjustment to peacetime conditions.

As to the future, it is up to the members of the banking fraternity to demonstrate that they fully intend to retain their leadership in financing the needs of private enterprise by meeting their obligations with courage and determination. While in many ways the exerting of effective banking influence in the present period is difficult, I am confident, as I said before, that the bankers of the country will marshal their available credit resources in such a way as to provide sound support for the economy.

There have been difficult problems of readjustment likewise in other areas of the economy -- in industry, in farming, in labor, and in Government. These, too, have been met with the vigor and determination characteristic of this Nation.

It is important to realize -- when we try to get a perspective on the present situation -- that we have 17 million more people today in the United States than we had before the war. This is an increase as great as if six cities the size of New York, Chicago, Philadelphia, Detroit, Los Angeles, and Cleveland -- our six largest in 1940 -- had been added to the population in the short space of ten years.

Moreover, there have been vast shifts in the population as between different areas of the country. Our newly expanded communities need new schools, hospitals, roads, shopping centers, and municipal service plants. More than that, many existing facilities -- largely neglected during the war -- have yet to be repaired, modernized, or replaced.

And, finally, our entire population has come to demand a continually improving standard of living.

All of these facts point to a strong demand for the basic essentials of living, which will contribute to active business in the near future.

Of course, for business to make the most of its opportunities, business will have to get out and sell. And that change in business psychology is fortunately already taking place.

Until recently, there has been little need for salesmanship. Products, substantially unchanged since before our entry into the war, were selling as fast as they could be turned out. It appeared to be good business, under such circumstances, not to take the risk of offering new products. Competitive selling methods, which have always been the mark of our free enterprise system, were largely abandoned.

Now, our distributing and selling organizations realize that they must get out and sell. More important, sales organizations are beginning to insist on new and up-to-date products.

Business management has been well aware of the fact that, at some time, sellers' markets would become buyers' markets. In anticipation of the return of competition, American business has invested the tremendous sum of 75 billion dollars in new construction and new equipment during the years since the war ended.

As a result, the vast American industrial plant is the most modern and best equipped in the world. It is at the height of its efficiency, ready to make full use of the wealth of new materials and new methods which wartime discoveries and developments have made available to us.

In past decades we had the Steamboat era, the Railroad era, and the Automobile era, but the era opening before us defies such pat classification. We might call it the Plastics Age or the Synthetics Age, but neither of these terms adequately defines the times in which we are living.

We might call it the Atomic Age, but, broad as is the scope of this term, it does not embrace all the marvelous new things in store for us.

In times of challenge the people of this country have always shown themselves capable of bold, imaginative actions. We would not be living up to the tradition and character of our free enterprise system if we did not use our ingenuity and skills and raw materials with diligent energy to prolong our peacetime prosperity.

It may appear to you that I have overlooked one essential in describing the possibilities of new products in this country — namely, the purchasing power necessary to buy these many new products. Far from forgetting it, however, I want to emphasize that the purchasing power available today is at near record levels.

People in this country are now earning money at the rate of nearly 214 billion dollars a year. This is close to the all-time peak rate of last December. In addition, individuals have near-record holdings of liquid savings in the form of checking accounts, savings accounts, Government securities, and currency. These assets total 200 billion dollars and are a reservoir of purchasing power which has been accumulated in recent years. These savings are 3-1/2 times as large as they were in 1939. Corporations, too, are currently in an exceptionally favorable financial position with working capital at a near-record level of 65 billion dollars.

This Nation was built on confidence in the future. Our progress, from the days of Plymouth and Jamestown, has stemmed from our ability to make use of our great resources to better the lot of the individual citizens of this country.

When we look at the present economic picture in perspective, including full consideration of the current readjustments, the opportunities already at hand begin to take on their true proportions. We have vastly greater resources, immensely advanced technical knowledge, a rapidly increasing population, and compelling incentives to further progress far beyond the conception of a generation or two ago. Surely, never before in our history have science and industry united to combine such a wealth of new discoveries and new processes at our doors.

I believe that if we grasp our opportunities with vigor and enthusiasm, we can continue to move forward to new heights of achievement in the years ahead. There is no reason why we should not. America certainly is not losing the vision and the determination that built this nation to its greatness. Certainly we are not losing the genius and the faith which created

a mighty industrial society and gave us our present high standard of living. Surely, we will continue to demand that advances in knowledge and skills be harnessed to meet our wants and increase our well-being. Nothing can retard us except lack of confidence and a slackening of our traditional spirit of progress.

To benefit by our tremendous opportunities, it is essential that we maintain our confidence in the future. We must not hesitate or falter. We must not be afraid of change or of facing up to new problems. Many of these problems are opportunity in disguise. They are but stepping-stones to greater national achievements.

RELEASE, MORNING NEWSPAPERS,
Tuesday, June 28, 1949.

S-2038

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated June 30 and to mature September 29, 1949, which were offered on June 24, were opened at the Federal Reserve Banks on June 27.

The details of this issue are as follows:

Total applied for - \$1,538,241,000
Total accepted - 900,960,000 (includes \$51,239,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.707/4 Equivalent rate of discount approx. 1.158% per annum
Range of accepted competitive bids:
High - 99.711 Equivalent rate of discount approx. 1.143% per annum
Low - 99.707 " " " " " 1.159% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 16,048,000	\$ 14,273,000
New York	1,202,908,000	646,808,000
Philadelphia	22,665,000	15,122,000
Cleveland	36,732,000	35,102,000
Richmond	4,642,000	4,192,000
Atlanta	3,672,000	3,422,000
Chicago	144,327,000	88,330,000
St. Louis	9,874,000	9,399,000
Minneapolis	2,867,000	2,642,000
Kansas City	12,964,000	12,339,000
Dallas	3,845,000	3,596,000
San Francisco	77,697,000	65,735,000
TOTAL	\$1,538,241,000	\$900,960,000

[Handwritten signatures]

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Tuesday, June 28, 1949.

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San Francisco	77,697,000	65,735,000
TOTAL	\$1,538,241,000	\$900,960,000

The Secret Service learned that automobiles were rented in each city by the counterfeiters, who did most of the passing of the counterfeits at theaters and ice cream parlors. About 15 notes are known to have been passed in Washington.

Good descriptions of those passing the notes were obtained by the Secret Service in Richmond and Baltimore. The cleaning up of the ring came swiftly when the tour ended at Washington. Confidential information, coupled with the descriptions, enabled the Secret Service to round up all of the suspects in a 24-hour period starting at 2 A.M. Sunday.

Five agents were assigned to the investigation, including Russell Daniel, supervising agent of the Washington district, who was in charge of the group.

~~His~~ Secretary ~~of the Treasury, James H. Dwyer, Jr., to whom~~
~~the Secret Service is directly responsible,~~ commended the five agents for
their quick and effective work ~~in~~ in apprehending the ^{members of} ring, *noting that*

~~He noted that~~ the agents had had to work around the clock, without relief.

~~The job was done in the usual highly competent Secret Service~~

~~mannor," he said.~~

①

Secret Service agents arrested Creighton at 1:30 A.M. today when he drove his car up to the Delafield Place address. Then the agents went inside the Delafield Place building and arrested Kidwell, whom they had kept under surveillance for several hours.

Creighton had about \$50,000 worth of the counterfeit \$20 notes hidden in his car, where the agents quickly found them. Kidwell had another \$50,000 worth in his room.

Bebar, a printer, allegedly made the multilith plates used in manufacturing the notes.

Mr. and Mrs. Hughes allegedly had the entire \$100,000 worth of counterfeits in their custody for a time.

Manufacture of the notes apparently was completed in early April. The air tour of the country to pass the notes then started. It was only meagerly successful.

The tour took the counterfeiters first to St. Louis, then in turn to Kansas City, Omaha, Memphis, Dallas, Fort Worth, Atlanta, Richmond, Baltimore, and back to Washington. Reports of the passing of a comparatively few notes in each of these places were received.

Info Src -

Immediate

Secretary of the Treasury Douglas 5-2039
~~Secret~~ today made the following announcement:

United States Secret Service agents today arrested four men and a woman for manufacturing approximately \$100,000 worth of counterfeit \$20 Federal Reserve notes at a plant in downtown Washington. All of the notes except \$2000 worth were seized.

Members of the alleged counterfeiting ring were said by the Secret Service to have just completed a swing around the country by airplane to pass the notes. Reports of the passing of approximately \$2,000 worth have been received. The first note was passed April 28 in St. Louis.

Those arrested were:

Eugene Hammond Creighton, 25, 1315 Delafield Place,
N.W.

Walter Wilbur Kidwell, 30, same address.

William F. Hughes, 28, and his wife Josephine
Hughes, 25, apartment 207, 6000 13th St. NW.

Arthur M. Bebar, 35, 1013 17th St. N.E.

All were charged with manufacturing and passing counterfeit currency.

Creighton and Kidwell admitted manufacturing the counterfeits. They said the work was done in ~~apartment~~ suite No. 3 ~~at~~ at 1807 H St. N.W. They leased the suite on March 30, and had inserted in the lease a clause permitting them to "operate a duplicating machine."

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



IMMEDIATE RELEASE,
Monday, June 27, 1949.

S-2039

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The Secret Service learned that automobiles were rented in each city by the counterfeiters, who did most of the passing of the counterfeits at theaters and ice cream parlors. About 15 notes are known to have been passed in Washington.

Good descriptions of those passing the notes were obtained by the Secret Service in Richmond and Baltimore. The cleaning up of the ring came swiftly when the tour ended at Washington. Confidential information, coupled with the descriptions, enabled the Secret Service to round up all of the suspects in a 24-hour period starting at 2 A. M. Sunday.

Five agents were assigned to the investigation, including Russell Daniel, supervising agent of the Washington district, who was in charge of the group.

Secretary Snyder commended the five agents for their quick and effective work in apprehending the members of the ring, noting that the agents had had to work around the clock, without relief.

ALPHA

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.

ALPHA

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 7, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 7, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

EXHIBIT A

ALPHA

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, June 28, 1949.

(1)

A-2040

The Secretary of the Treasury, by this public notice, invites tenders for \$ 900,000,000 ⁽²⁾, or thereabouts, of 91 ⁽³⁾-day Treasury bills, for cash and in exchange for Treasury bills maturing July 7, 1949 ⁽⁴⁾, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 7, 1949 ⁽⁵⁾, and will mature October 6, 1949 ⁽⁶⁾, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern/~~Standard~~ ^{Daylight Saving} time, Friday, July 1, 1949 ⁽⁷⁾. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Tuesday, June 28, 1949.

S-2040

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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, non-competitive tenders for \$200,000 or less without stated price

from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 7, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 7, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

IMMEDIATE RELEASE,
Wednesday, June 29, 1949.

S-2041

The Secretary of the Treasury today announced the subscription and allotment figures with respect to the current offering of 1-1/4 percent Treasury Certificates of Indebtedness of Series F-1950, to be dated July 1, 1949.

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

<u>Federal Reserve District</u>	<u>Total Subscriptions Received and Allotted</u>
Boston	\$ 82,632,000
New York	3,881,156,000
Philadelphia	105,130,000
Cleveland	146,338,000
Richmond	55,851,000
Atlanta	101,342,000
Chicago	492,737,000
St. Louis	144,114,000
Minneapolis	102,741,000
Kansas City	150,583,000
Dallas	94,009,000
San Francisco	237,574,000
Treasury	<u>5,239,000</u>
TOTAL	\$5,599,446,000

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TREASURY DEPARTMENT



Information Service

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Treasury	5,239,000
 TOTAL	 \$5,599,446,000

PROPOSED PRESS RELEASE

*Immediate Release
Web, June 29, 1949*

S-2042

Secretary Snyder today announced the appointment of Frank Dow as Commissioner of Customs. Mr. Dow, a career employee, has served as Acting Commissioner since May 1, 1947.

A native of Sangerville, Maine, Mr. Dow entered the Customs Service in 1910, and for three years was assigned to the San Juan, Puerto Rico, office of the Bureau. From 1913 to 1920 he was Customs appraising officer in Philadelphia, later serving in the Customs Information Exchange at the Port of New York. In 1923 he was transferred to the Customs Bureau in Washington.

Mr. Dow was appointed Assistant Commissioner of Customs in 1927, remaining in that capacity until he was named Acting Commissioner.

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TREASURY DEPARTMENT

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Mr. Dow was appointed Assistant Commissioner of Customs in 1927, remaining in that capacity until he was named Acting Commissioner.

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RELEASE, MORNING NEWSPAPERS,
Saturday, July 2, 1949.

S-2043

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated July 7 and to mature October 6, 1949, which were offered on June 28, were opened at the Federal Reserve Banks on July 1.

The details of this issue are as follows:

Total applied for - \$1,696,622,000

Total accepted - 900,537,000 (includes \$56,520,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.734/ Equivalent rate of discount approx. 1.052% per annum

Range of accepted competitive bids:

High - 99.740 Equivalent rate of discount approx. 1.029% per annum
Low - 99.732 " " " " " 1.060% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 11,214,000	\$ 5,614,000
New York	1,354,209,000	747,670,000
Philadelphia	29,679,000	13,679,000
Cleveland	28,140,000	12,700,000
Richmond	2,820,000	1,820,000
Atlanta	7,683,000	2,383,000
Chicago	147,536,000	49,712,000
St. Louis	22,893,000	10,165,000
Minneapolis	4,530,000	3,280,000
Kansas City	20,862,000	5,462,000
Dallas	13,807,000	4,257,000
San Francisco	53,249,000	43,795,000
TOTAL	\$1,696,622,000	\$900,537,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

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Saturday, July 2, 1949.

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Range of accepted competitive bids:

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Low - 99.732 Equivalent rate of discount approx. 1.060% per annum

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San Francisco	53,249,000	43,795,000
TOTAL	\$1,696,622,000	\$900,537,000

of our economic might. We must guard them for our own sake, and for the sake of the free peoples of the world who look to us for leadership.

I said at the beginning of this talk that any golden anniversary was a noteworthy occasion. Anniversaries, and especially those from which we may look down long vistas of years, are vantage points for the correction of our perspectives, and for checking our courses.

To those who may be inclined to skepticism about America's future, I suggest examining the social and economic facts of today carefully, then taking a look back along the course of American history in the half century since the International Circulation Managers' Association came into being. We started that half century with far less promise than we have today. And we came a long way in those fifty years.

No one can be sure of the shape of things to come. But all the known indicators point to opportunities for further economic progress and continued prosperity beyond anything we have experienced in the past. In my mind, we need only to apply ourselves to the development of these opportunities with determination, with a measure of regard for the general welfare, and -- most of all -- with confidence.

by atomic energy.

The fields of electronics, of light metals, of plastics and other synthetic materials, of home equipment -- these and many others are certain sources of future great industrial and commercial activity, and so of great opportunity for private enterprise.

American business is far more of a "going concern" than it ever was in earlier peacetime periods. For business has invested \$75 billion in new construction and new equipment since the war ended. Still further capital expenditures on a large scale are planned for this year and next. These expenditures are investments in the future of this country. They represent the determination of business to put into use the new materials and new processes which we have developed. The products of that determination will be powerful stimulants to our trade of the future.

It should not be forgotten that the financial soundness of the United States Government is well established. This is a fact of supreme importance, not only to us but to the ~~entire~~ ^{entire} world. We must, of course, guard that financial soundness well, just as we must guard all other sources

Many of you have charge of circulations which reach the rich farming areas of the country. You do not need to be told that agriculture enjoys exceptional financial health. Of the liquid assets I mentioned, \$20 billion belong to farmers. And payments on the farm mortgage debt have brought it down to \$5 billion.

Population growth is still another basic source of economic strength. We have 17 million more people in America now than we had before the war. The entire population demands a continually improving living standard -- more comforts, more advantages, more possessions, more services.

These are some of the foundation stones of our economic power. Let's look briefly at what might be termed the superstructure.

We have at our command a dazzling array of new materials, new techniques, new manufacturing processes. Our rubber and chemical industries, to cite two examples, hold great possibilities for the development of new products and new markets. Such things as new medicines and new insecticides will sell far into the millions of dollars. And not even our greatest scientists are willing to prophesy the transformations which may be wrought

This cash position, and the fact that the people are continuing to earn money at the rate of nearly \$214 billion a year, spell immense buying power. If the public is not rushing to the stores for goods these days as it did soon after the war, the primary reason is not lack of money to spend. It appears, rather, that the public is more bent on getting its money's worth than was the case when shortages were the rule.

Our financial institutions and our speculative markets are in unusually sound condition. We have not repeated, after World War II, the speculative excesses that followed World War I. Merchants, furthermore, have been cautious about their inventories, with the result that we have had little if any of the distress liquidation of other years. Through the voluntary action of the banking business as well as through Government action, the credit situation has been kept sound.

such a question to you or to your newspaper boys. It is a fair one, and I want to give you my answer.

In my judgment, the promise is one of an era of expanding economic opportunity greater than this country ever has known.

As of today, our economy gives every indication of underlying strength. There has been no undermining of that strength as we have readjusted our business structure to normal peacetime markets. Some few critics have mistaken readjustment for something basically destructive. I believe they now are realizing their error.

It requires but little "digging" to disclose some of the major elements of our underlying economic strength. One of them is the strong cash position of the people of America. Individuals hold liquid assets estimated at more than \$200 billion -- and I might note that in the mid-nineteen thirties, the entire national income was only a fourth of that. The \$200 billion does not include such important items of asset strength as insurance, equities in unincorporated businesses, and securities other than those of the Federal Government.

roads lead to opportunity, the Savings Bonds road is one of the straightest and most plainly marked. That same road leads to security, also. It is an excellent road to travel.

In a little less than two years, the first Series E bonds will begin to mature. Each holder will get four dollars for ~~each~~^{every} three dollars originally invested. That will dramatize pleasingly for a great many people the fact that participation in the Savings Bonds Program is a profitable venture. Some of the payments will be spent for things long-desired; some will be reinvested; some will go into business enterprises.

Whatever the disposition of the payments by any given bond holder, we shall see the Savings Bonds Program in full action, providing communities in every State with a constant flow of capital accumulated through the thrift of each community's people. Those who have been wise enough to do the accumulating will also be wise enough, I am sure, to dispose to good advantage of the proceeds.

What sort of promise does the future hold for investors, whether of money or energy or both? Some Savings Bonds prospects may have put

I would like to review the progress of the Savings Bonds Program for you briefly. That Program has been described as one of this country's great success stories. I think the facts fully warrant the description.

The first Savings Bonds, as you know, were called Baby Bonds. We began selling them March 1, 1935, and in six years we sold \$4 billion worth of them. Then in 1941, with the war clouds gathering, the new issues of Series E, F and G Bonds went on sale.

Of those, the holdings by individuals -- individuals, mind you, not including corporations or financial institutions -- now approach \$50 billion. The holdings are increasing, because for many months sales regularly have exceeded redemptions. The total of Savings Bonds outstanding is billions more than at the end of the war. Many industries and commercial firms have reinstated the Payroll Savings Plan. A great many banks operate the Bond-a-Month Plan.

It is obvious that Americans realize fully what we have been saying in connection with the Opportunity Drive -- that while many

boys serving one of the section's leading newspapers were saving more than 15 percent of their incomes for bonds.

Such figures show plainly that the participation of circulation departments and their personnel in the Savings Bonds Program is providing excellent training for the young Americans who will be taking over the affairs of this country in a few more years.

and the men who direct them, have made a telling contribution to this vital Treasury activity -- a contribution which well merits the appreciation of your Government. I bring you that appreciation today from Secretary Snyder and all the rest of us at the Treasury, and ask that you pass on a generous share to the boys who are under your direction.

I think it interesting to note that the energetic work of your boys during the successive bond drives had a double significance. While helping instill among their customers a greater realization of the importance of systematic thrift, the boys have themselves acquired, if they did not have it already, the commendable habit of laying aside a part of today's earnings so that they may be able better to take advantage of tomorrow's opportunities.

The Treasury's Savings Bonds Division reports that newspaper boys in many localities save just as scrupulously for the purchase of bonds as they do for the purchase of bicycles and fishing tackle and all the other things dear to the heart of a young man. A survey of 50,000 newspaper boys in one of the far-western states revealed that a full ten percent of the total earnings of the group went into savings stamps and bonds. In a mid-western state, the 3,000

that they have given us such splendid aid in the United States Savings Bonds Program. You did valiant Savings Bonds service in wartime, and you have shouldered responsibility in the Savings Bonds Opportunity Drive, now drawing to a close, with the same fine willingness and spirit.

Under your guidance, newspaperboys have been ~~visiting~~ visiting more than 13,000,000 American homes to deliver Opportunity Drive sales messages. That is ^{extraordinary} outstanding ~~an extraordinary~~ performance.

When representatives of the International Circulation Managers' Association, meeting in Washington last February, pledged the support of this organization to the Opportunity Drive, millions of Americans did not know that Savings Bonds were still being sold, or why they were still being sold. This lack of understanding was a major problem for the Treasury's small Savings Bonds Division and for the volunteer Savings Bonds organizations in each State.

Newspaperboys have helped manfully to solve that problem, by delivering Opportunity Drive thrift messages along with their papers. The good results of their work are amply reflected in our sales charts. Again the newspaperboys,

and all the other advantages which you have helped provide -- these have built more American character, and helped pave the way for more successes in later life, than the ablest statistician ever could compute.

As for the circulation manager himself, the International Circulation Managers' Association's fifty years have seen him elevated from a status of comparative unimportance -- if not outright obscurity -- to the daily newspaper's highest councils of management and direction. Meantime the association has given unremitting support to high business standards and to ethical practices. In this respect it has won a name for itself very high on the list of the Nation's professional organizations.

I suppose that the daily newspaper will always be best known for its editorial department, since that department has its own sounding board. But certainly the importance of the circulation department has gained in recognition, and, thanks in large part to the International Circulation Managers' Association's work, is not far behind in prestige.

To us of the United States Treasury, circulation departments and their complements of newspaper boys are of very special importance, for the reason

Address by Under Secretary of the Treasury Edward H. Foley, Jr.
Before the International Circulation Managers' Association
Hotel Sheraton, Chicago, Illinois
Thursday, June 30, 1949, 1:00 P. M.

Association.

This gathering culminates a half century of extraordinarily effective service by the Association to the profession which it represents, to the publishing business, and to the millions of readers of American newspapers. I congratulate you most heartily on that record of accomplishment; I wish you still greater success for your work in your second half century of cooperative endeavor.

In a larger sense, the association has performed a service of incalculable value to the whole of American life -- for newspaper circulation managers in general have introduced countless young Americans into business, and the International Circulation Managers' Association has seen to it that they began their business careers under the most auspicious and promising circumstances.

Your association has worked for the welfare of newspaper boys just as diligently and earnestly as it has worked for the welfare of circulation managers. The recreational and educational programs which you have encouraged -- the "little merchant" plans, the athletic clubs, the bands, the college scholarships

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The Secretary pointed out that this deficit was a reversal of the trend of the two previous fiscal years when there were budget surpluses of \$754,000,000 in 1947, and \$8,419,000,000 in 1948.

Budget Receipts and Expenditures

The following table shows a summary of budget results for the fiscal year 1949 with a comparison for 1948 (in millions):

	<u>Fiscal Year 1949</u>	<u>Fiscal Year 1948</u>	<u>Change, 1949 compared with 1948</u>
Net receipts	\$38,246	\$42,211	-\$3,965
Expenditures	<u>b/40,057</u>	<u>c/33,791</u>	<u>+6,266</u>
Surplus (+) or Deficit (-)	<u>-1,811</u>	<u>+8,419</u>	<u>-10,231</u>

Net budget receipts (after deducting employment taxes appropriated to the Federal Old-Age and Survivors' Insurance Trust Fund and refunds of taxes) amounted to \$38,246,000,000, a reduction of \$3,965,000,000

- a/ This deficit takes into account expenditures of \$3,000,000,000 which were charged against the Foreign Economic Cooperation Trust Fund.
- b/ Includes Foreign Economic Cooperation Trust Fund expenditures of \$3,000,000,000.
- c/ Excludes transfer to Foreign Economic Cooperation Trust Fund of \$3,000,000,000.

Note: All figures are rounded; therefore, details may not add to totals.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE

Friday, July 1, 1949

S-2044

Secretary of the Treasury John W. Snyder announced today that expenditures of the United States Government exceeded receipts by \$1,811,000,000 during the fiscal year ended June 30, 1949. a/

The Secretary pointed out that this deficit was a reversal of the trend of the two previous fiscal years when there were budget surpluses of \$754,000,000 in 1947, and \$8,419,000,000 in 1948.

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- c/ Excludes transfer to Foreign Economic Cooperation Trust Fund of \$3,000,000,000.

Note: All figures are rounded; therefore, details may not add to totals.

compared with the previous fiscal year. This reduction is accounted for mainly by decreases in withheld taxes of \$1,595,000,000, in proceeds from sales of surplus property of \$1,340,000,000, and in other miscellaneous receipts of \$397,000,000. Another factor was an increase of \$566,000,000 in the deduction from gross receipts due to refunds of taxes. Net receipts of \$38,246,000,000 in the year just completed were approximately 3-1/2% below the estimate of \$39,580,000,000 in the President's Budget of January, 1949.

Budget expenditures in the year just ended amounted to \$40,057,000,000, an increase over the fiscal year 1948 of \$6,266,000,000. This is accounted for principally by increases under Economic Cooperation Administration of \$4,041,000,000 (including \$3,000,000,000 expended from Foreign Economic Cooperation Trust Fund); National Military Establishment, \$1,886,000,000; Commodity Credit Corporation, \$1,789,000,000; and Veterans' Administration, \$409,000,000. The increases were partially offset by decreases in expenditures, principally \$1,700,000,000 under the credit to the United Kingdom, and \$525,000,000 under the Export-Import Bank. Total budget expenditures of \$40,057,000,000 were about 3/10 of 1% lower than the January Budget estimate of \$40,180,000,000.

Public Debt

The gross public debt amounted to \$252,770,000,000 on June 30, 1949, an increase of \$478,000,000 during the year. A summary of the changes during the fiscal year 1949 in the various classes of the public debt, with comparisons for the previous fiscal year, is indicated as follows:

Changes in Public Debt
(In millions of dollars)

Classification	Fiscal Year 1949	Fiscal Year 1948
<u>Public issues:</u>		
Marketable obligations:		
Certificates of indebtedness	+\$6,837	-\$2,725
Treasury bills	-2,211	-2,013
Treasury bonds	-2,086	-6,806
Treasury notes	-7,782	+3,221
Other	-3	-3
Total marketable obligations	-5,245	-8,330
Nonmarketable obligations:		
Armed forces leave bonds	-164	-1,229
Special notes (International Bank and Fund)	-123	-913
Treasury bonds, investment series .	-5	+959
Treasury tax and savings notes	+463	-1,159
U. S. savings bonds	+3,000	+1,926
Other	+39	-35
Total nonmarketable obliga- tions	+3,210	-450
Total public issues	-2,035	-8,781
Special issues	+2,564	+2,845
Other obligations	-52	-58
Total	+478	-5,994

As shown in the table above the marketable debt was reduced \$5,245,000,000 during the year. This was made possible largely through net sales of savings bonds amounting to \$3,000,000,000 and the use of the proceeds of sales of special securities to trust accounts amounting to \$2,564,000,000.

The refinancing of marketable debt (excluding Treasury bills) which matured during the fiscal year 1949 is shown in the attached table.

The following table shows a reconciliation of the budget deficit with the change in the public debt for the fiscal year 1949 (in millions):

Budget deficit <u>a/</u>	\$1,811
Excess of expenditures in trust accounts, etc. <u>b/</u>	<u>128</u>
Sub-total	1,939
Decrease in General Fund balance .	<u>1,461</u>
Increase in gross public debt	<u><u>478</u></u>

The Secretary said that this information is being released prior to the availability of the Daily Treasury Statement for June 30, which will not be available in printed form until July 5.

Attachment

-
- a/ Takes into account expenditures from Foreign Economic Cooperation Trust Fund.
- b/ Takes into account the clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks.

Disposition of Matured Marketable Securities

During Fiscal Year 1949 1/

(In millions of dollars)

Date of maturity or call	Matured or called securities			Payable in Cash	Disposition	
	Class	Rate of Interest	Amount		Exchanged New Security	Amount
7/1/48	Certificates (3 issues)	7/8%	\$6,078	\$295	1 yr. 1-1/8% Cert.	\$5,783
9/15/48	Bonds	2-1/2%	451	451	--	--
9/15/48	Notes	1-1/2%	3,748	152	18 $\frac{1}{2}$ mo. 1-3/8% Note	3,596
10/1/48	Notes	1%	4,092	180)	1 yr. 1-1/4% Cert.	(3,912
10/1/48	Certificates (2 issues)	1%	2,821	198)		(2,623
12/15/48	Bonds	2%	571	52	1 yr. 1-1/4% Cert.	519
1/1/49	Notes	1-1/8%	3,535	236)	1 yr. 1-1/4% Cert.	(3,299
1/1/49	Certificates	1-1/8%	2,592	196)		(2,396
2/1/49	Certificates	1-1/8%	2,189	196	1 yr. 1-1/4% Cert.	1,993
3/1/49	Certificates	1-1/8%	3,553	632	1 yr. 1-1/4% Cert.	2,922
4/1/49	Certificates	1-1/8%	1,055	92	1 yr. 1-1/4% Cert.	963
6/1/49	Certificates	1-1/8%	4,301	195)	1 yr. 1-1/4% Cert.	(4,106
6/15/49	Bonds	2%	1,014	101)		(913
	Total		36,000	2,976		33,024

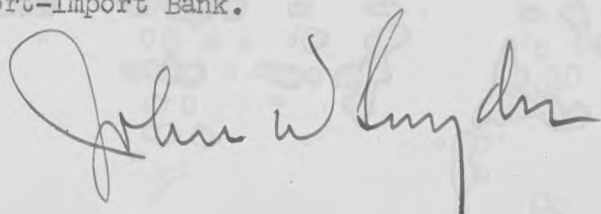
Note: Figures are rounded and will not necessarily add to totals.

1/ This table does not take into account a net reduction of about \$2,200,000,000 in the outstanding Treasury Bills.

The Report points out that other matters considered by the Council include United States Government programs of foreign aid operative during the postwar period, such as those of the National Military Establishment, the Office of the Foreign Liquidation Commissioner and the War Assets Administration, as well as certain financial aspects of the proposed military assistance program.

The Council was also consulted on the lending activities of the Export-Import Bank during this period.

As in prior periods, the current Report contains a comprehensive appendix of statistical tables highlighting various aspects of the United States Government's postwar foreign assistance programs. These tables show not only the amounts made available to each recipient country, but also, in the case of loans, the total postwar commitments made by the major United States Government lending agencies to each foreign country. Information on gold transactions with leading countries is likewise included in this section of the Report. In its analysis of these data, the Council noted that, during the postwar period July 1, 1945, to December 31, 1948, the United States made available \$26.5 billion for foreign assistance, of which \$20.1 billion was utilized or expended, and \$6.4 billion remained as an unutilized balance on December 31, 1948. About one-half of the unutilized balance represented ECA funds largely already committed under contracts for approved purchases, and nearly \$1 billion more constituted uncommitted lending authority of the Export-Import Bank.



The Council, in the exercise of its statutory responsibilities, continued to coordinate the activities of the United States representatives of the International Monetary Fund and the International Bank for Reconstruction and Development with those of other agencies of the Government, by consulting and advising with them on major problems arising in administration of the Fund and the Bank.

In its review of the operations of the International Monetary Fund, the Council noted that further progress had been made in establishing the Fund as the international organization for technical consultation and advice on foreign exchange problems. The Report points out that, during the initial two years of operations -- from March 31, 1947, to March 31, 1949 -- total currency sales of the Fund amounted to \$713,600,000.

With respect to International Bank operations, the Council noted that, from May 9, 1947 (when the Bank made its first loan), through March 31, 1949, loan commitments aggregated slightly over \$650,000,000. Over two-thirds of these funds had been disbursed by the latter date. Uncommitted loanable dollar funds of the Bank amounted to approximately \$385,000,000 on March 31, 1949. The Council pointed out that the Bank now has progressed well into the developmental phase of its lending program and that it may be expected to assume an increasingly greater share of the financial burden of world-wide developmental and modernization programs.

In its discussion of the relationship between United States postwar foreign assistance and changes in gold and short term dollar balances of foreign countries, the Report indicates that the ERP countries, in particular, suffered losses in their monetary reserves during the early postwar years in their efforts to meet the overall deficit in their balance of payments. In order to purchase essential goods from the United States and other countries, the ERP countries drew down over \$2.5 billion from their gold and dollar assets during the 3 1/2 year period from July 1945 through December 1948. Most of these drawings occurred prior to the start of the Recovery Program. According to the Report, it was the view of the Council that further reduction in reserves should not be a requisite to receiving continued United States assistance but that ECA allocations should not be made for the specific purpose of building up foreign exchange reserves.

With respect to financial aspects of the President's Program for Underdeveloped Areas (Point IV), the Report states that the Council considered proposals designed to encourage the flow of private investment capital abroad, particularly relating to the negotiation of treaty provisions covering protection of United States foreign investment, government guaranties to investors against certain risks, and tax incentives.

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Tues

Treasury Department
Office of International Finance

Date June 30, 1949

To: Bob Dillon

From: Sid Wachtel *SW*

Attached are two copies of the draft press
release for the current NAC Semiannual Report.
This draft has been cleared by:

Paul Dickens (as acting Director of OIF)
Elting Arnold
Allan Fisher
Harold Rosen
Emanuel Miuskoff
Walter Woodruff (ECA)
Edward Lynch (EX-IM Bank)

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L. L. & Dillon

Immediate Release
Tuesday, July 5, 1949

Draft Press Release
NAC Report, October 1948 -
March 1949

Secretary Snyder, as Chairman of the National Advisory Council on International Monetary and Financial Problems, today transmitted to the President and to the Congress a Report of the Council's activities during the six months period ending March 31, 1949, including those relating to financial aspects of ERP and other programs, as well as participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

During the six months period, the Council continued to serve as the consultative body on financial aspects of the European Recovery Program. The financial problems of the ERP reviewed by the Council included: policy regarding that part of assistance that may be extended on a credit basis, the utilization of counterpart funds resulting from aid rendered in the form of grants, problems of exchange rates, questions relating to conditional aid, and the ECA guaranty program. The Report notes that many of the participating countries made substantial progress during the first year of ERP in accomplishing some of the initial objectives of expanding production and facilitating trade and in attaining internal financial stability.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
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S-2045

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reduction in reserves should not be a requisite to receiving continued United States assistance but that ECA allocations should not be made for the specific purpose of building up foreign exchange reserves.

With respect to financial aspects of the President's Program for Underdeveloped Areas (Point IV), the Report states that the Council considered proposals designed to encourage the flow of private investment capital abroad, particularly relating to the negotiation of treaty provisions covering protection of United States foreign investment, government guaranties to investors against certain risks, and tax incentives.

The Council, in the exercise of its statutory responsibilities, continued to coordinate the activities of the United States representatives of the International Monetary Fund and the International Bank for Reconstruction and Development with those of other agencies of the Government, by consulting and advising with them on major problems arising in administration of the Fund and the Bank.

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REPORT OF ACTIVITIES OF THE NATIONAL ADVISORY COUNCIL

ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

OCTOBER 1, 1948 - MARCH 31, 1949

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REPORT OF ACTIVITIES OF THE NATIONAL ADVISORY COUNCIL
ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS
OCTOBER 1, 1948 TO MARCH 31, 1949

I. ORGANIZATION OF THE COUNCIL

STATUTORY BASIS

The National Advisory Council on International Monetary and Financial Problems was established by the Congress in the Bretton Woods Agreements Act (59 Stat. 512, 22 U. S. C. 286b), approved July 31, 1945. The statute directed the Council to coordinate the policies and operations of the representatives of the United States on the International Monetary Fund and the International Bank for Reconstruction and Development, the Export-Import Bank of Washington, and all other agencies of the Government "to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions." The Council was also directed to advise and consult with the President and the United States representatives on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank; and to recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and Bank. The Bretton Woods Agreements Act was amended by section 106 of the Foreign Assistance Act of 1948 (62 Stat. Ch. 169, 22 U. S. C. 286b (a)), approved April 3, 1948, to include the Administrator for Economic Cooperation as a member of the Council for the duration of this office. The Council was also given certain additional duties under the Foreign Assistance Act. The relevant portions of the Bretton Woods Agreements Act and of the Foreign Assistance Act of 1948 are presented in appendix A.

REPORTS

Since its first meeting on August 21, 1945, the Council has submitted eight formal reports. ^{1/} The present report covers the activities of the Council from October 1, 1948 to March 31, 1949.

^{1/} These reports were transmitted by the President to the Congress on March 1, 1946 (H. Doc. No. 489, 79th Cong., 2d sess.; subsequently included as appendix B to H. Doc. No. 497, 79th Cong., 2d sess.); March 8, 1946 (H. Doc. No. 497, 79th Cong., 2d sess.); January 13, 1947 (H. Doc. No. 53, 80th Cong., 1st sess.); June 26, 1947 (H. Doc. No. 365, 80th Cong., 1st sess.); January 19, 1948 (H. Doc. No. 501, 80th Cong., 2d sess.); May 17, 1948 (H. Doc. No. 656, 80th Cong., 2d sess.); August 3, 1948 (H. Doc. No. 737, 80th Cong., 2d sess.); and March 14, 1949 (H. Doc. No. 120, 81st Cong., 1st sess.).

MEMBERSHIP

The members of the Council, according to law, during the period under review, were the following:

The Secretary of the Treasury, John W. Snyder,
Chairman.
The Secretary of State, Dean Acheson.
The Secretary of Commerce, Charles Sawyer.
The Chairman of the Board of Governors of the
Federal Reserve System, Thomas B. McCabe.
The Chairman of the Board of Directors of the
Export-Import Bank, Herbert E. Gaston.
The Administrator for Economic Cooperation,
Paul G. Hoffman.

Two changes in the membership of the Council have occurred since the previous report. Mr. Dean Acheson succeeded Mr. George C. Marshall as Secretary of State, and Mr. Herbert E. Gaston succeeded Mr. William McChesney Martin, Jr. as Chairman of the Board of Directors of the Export-Import Bank.

By agreement, the following served as alternates:

William McChesney Martin, Jr., Assistant
Secretary of the Treasury.
Willard L. Thorp, Assistant Secretary of
State for Economic Affairs.
Thomas C. Blaisdell, Jr., Assistant Secretary
of Commerce.
M. S. Szymczak, Member of the Board of Governors
of the Federal Reserve System.
Hawthorne Arey, Vice Chairman of the Board of
Directors of the Export-Import Bank.
Wayne C. Taylor, Assistant to the Administrator,
Economic Cooperation Administration.

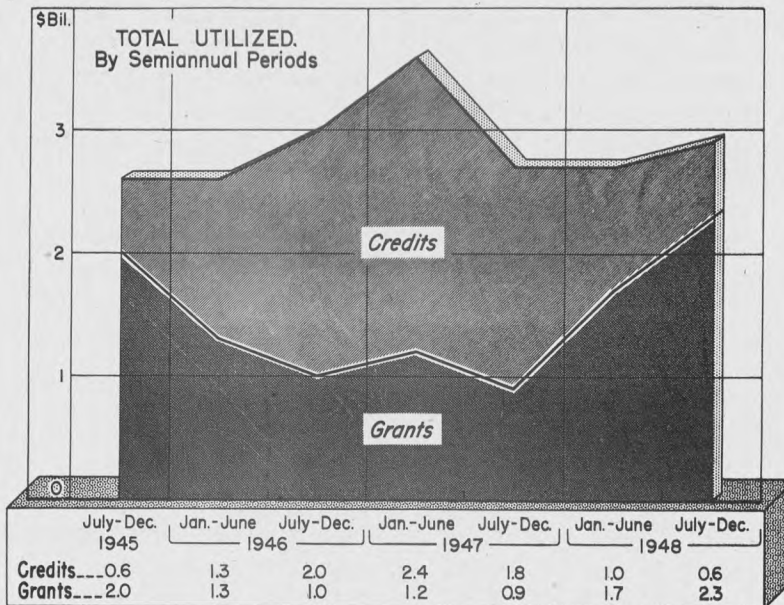
C. Dillon Glendinning is the Secretary of the Council.

The United States Executive Directors on the International Monetary Fund, Frank A. Southard, Jr., and on the International Bank for Reconstruction and Development, Eugene R. Black, or their alternates, Henry J. Tasca and John S. Hooker, respectively, regularly attended the meetings of the Council.

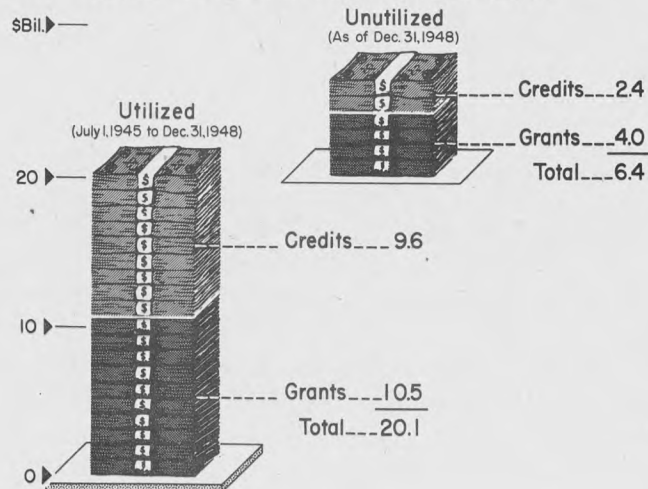
Chart 1

UNITED STATES GOVERNMENT FOREIGN ASSISTANCE

July 1, 1945 to December 31, 1948



TOTAL UTILIZED AND UNUTILIZED



II. UNITED STATES POSTWAR FOREIGN ASSISTANCE^{1/}

Throughout the year 1948, the United States continued to provide foreign countries with substantial assistance both to relieve immediate economic distress and to aid in longer run reconstruction efforts. The year was marked by the inauguration of the European Recovery Program, in which United States assistance became part of a joint program of cooperation with participating European countries. By the end of the year, aid rendered under that program, mainly in the form of grants, totaled about 1.9 billion dollars of the 5.5 billion of aid rendered by all agencies to foreign countries in 1948.

In order to meet certain emergency needs prior to the establishment of the European Recovery Program, assistance to France, Italy, and Austria had been provided under an interim aid program. This program, starting in December, 1947, involved about \$550,000,000 of aid in the form of grants, concentrated in the first half of 1948. The major relief-type program of the United States Government, continuing from previous years, was that of furnishing civilian supplies to areas occupied by our armed forces. Initiated in the war period to prevent civilian disease and unrest prejudicial to our forces abroad, it accounted for about 1.2 billion dollars of aid utilized in 1948. Other aid rendered on a grant basis totaled about \$835,000,000, and included the program started in 1948 for economic and military assistance to China, as well as programs continued from the previous year, such as those for Greek-Turkish assistance, Philippine rehabilitation, the International Refugee Organization, post-UNRRA, and the International Children's Emergency Fund.

Aid on a loan basis in 1948, other than that extended under the European Recovery Program, totaled about 1.1 billion dollars. Export-Import Bank credits utilized were approximately \$430,000,000 of this total, and the remainder was made up, for the most part, of programs that for all practical purposes ended in 1948. The United Kingdom made its final drawings of credit authorized under the Anglo-American financial agreement of 1945, and by the end of the year, utilizations under the various property credit programs such as surplus property, lend-lease and merchant ship disposals were coming to a close.

^{1/} A detailed break-down of the statistical information referred to in this section appears in appendixes B and C.

During the post-war period, July 1, 1945 through December 31, 1948, the United States Government made available 26.5 billion dollars for foreign assistance of which 20.1 billion dollars was utilized or expended, and 6.4 billion dollars remained as an unutilized balance on December 31, 1948. About one-half of all unutilized funds at the end of 1948 were ECA funds, principally earmarked either for specific purposes or for the aid of specific countries and largely already committed under contracts for approved purchases. Somewhat less than a billion dollars represented uncommitted lending authority of the Export-Import Bank. The amount of aid utilized in 1948 (5.5 billion dollars) was approximately equal to that extended in 1946, but somewhat less than the 1947 total of 6.4 billion dollars. The increasing momentum of the European Recovery Program during the latter part of 1948 resulted in increasing the total aid rendered in the final quarter of 1948 to the average quarterly rate prevailing in 1947.

The year 1948 was marked by a larger share of assistance rendered in the form of grants, including (for statistical purposes) aid for which terms of repayment had not been determined, as compared with loans and other credits which call for the repayment of principal and interest to the United States. This situation also holds true in the foreign aid totals for the entire postwar period, during which funds made available through Congressional authorization for grants were 14.5 billion dollars, compared to 12.0 billion dollars for credits. Aggregate grant and credit availabilities from July 1, 1945 through December 31, 1948, distributed by geographical area, are presented in the following table:

Table I - United States Government foreign aid, sum of utilized, July 1, 1945 to December 31, 1948 plus unutilized as of December 31, 1948, by geographical area

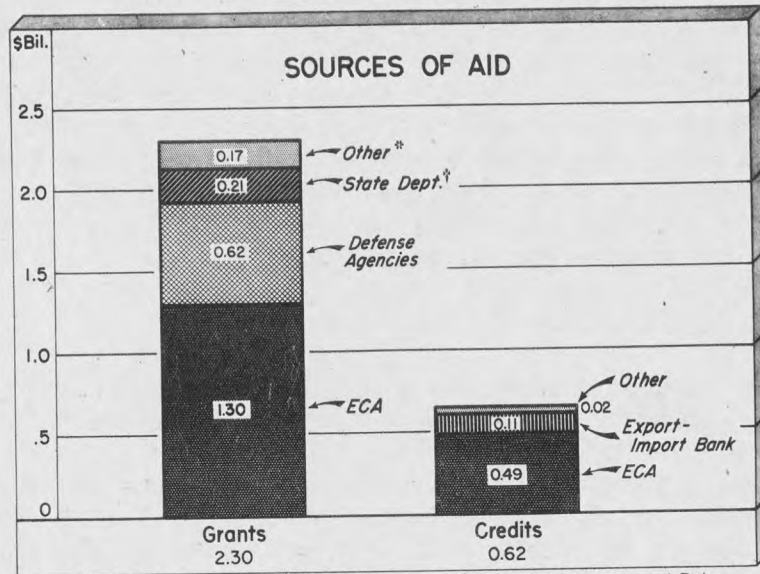
(in millions of dollars)

Area	TOTAL	Grants	Credits
TOTAL, ALL AREAS...	26,522	14,507	12,015
TOTAL, EUROPE.....	19,453	10,052	9,401
ERP Participants	(17,859)	(8,944)	(8,915)
Other Europe.....	(1,594)	(1,108)	(486)
Latin America.....	515	33	482
Asia.....	4,498	3,746	752
Miscellaneous.....	2,056	676	1,380

Chart 2

UNITED STATES GOVERNMENT FOREIGN ASSISTANCE

Utilized, Six Month Period, July 1, to December 31, 1948



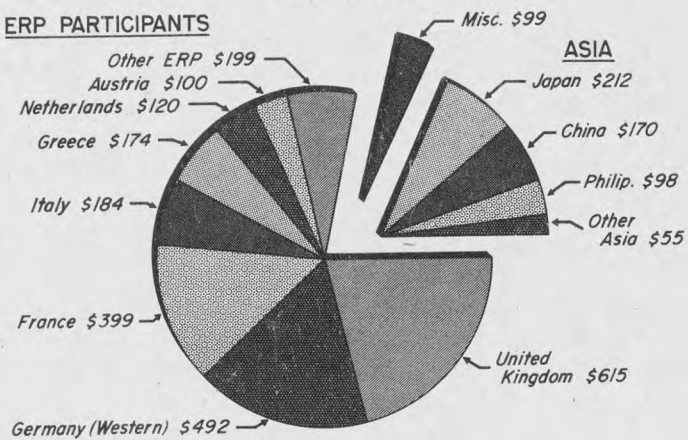
*Principally aid to the Philippines and to China.

**Principally aid to Greece and Turkey.

RECIPIENTS OF AID

(In Millions of Dollars)

ERP PARTICIPANTS



FOREIGN AID DURING THE LAST HALF OF 1948

During the last six months of 1948, actual utilization of United States Government foreign aid was slightly less than 3 billion dollars. Funds for more than three-fifths of this 3 billion dollars were supplied through the Economic Cooperation Administration, with another fifth through the defense agencies, and the balance primarily through the State Department (for Greek-Turkish aid), the Export-Import Bank, and the Philippine War Damage Commission. The share of aid going to the ERP participants in this period constituted almost 80 percent of the total, with the United Kingdom, Western Germany, France, Italy, and Greece the chief recipients. Asiatic countries received slightly less than one-fifth of the total, about the same percentage that they received for the entire postwar period.

PROGRAMS OF POSTWAR ASSISTANCE

The changes over the period July, 1945 to December, 1948 reflect the shifting importance of loans and grants in the various postwar programs of foreign assistance. For example, during the six months ending December, 1945, grants were the dominant factor as a result of the aid furnished through direct lend-lease. In the following year, grant assistance was supplied chiefly through the United Nations Relief and Rehabilitation Administration, followed in importance by civilian supplies provided by military agencies to occupied areas. However, credits became the predominant factor in the foreign financial program in 1946 as a result of the increased activity of the Export-Import Bank, surplus property disposals, and the initial drawings under the Anglo-American financial agreement. In 1947 the bulk of the 3.75 billion dollar loan to the United Kingdom was utilized. This utilization not only was responsible for the high level of foreign assistance rendered during that year, but also had the effect of enlarging the credit portion of the foreign aid program. By 1948 only a small portion of the loan to the United Kingdom remained available for expenditure, with the consequent drop in the proportion of loans as well as in the total of grants and loans extended. In addition, Export-Import Bank credit utilizations decreased significantly from the preceding two years, while at the same time, the European Recovery Program was initiated largely on a grant basis.

GEOGRAPHICAL DISTRIBUTION OF AID

Approximately two out of every three dollars of expenditures for United States foreign aid during the entire postwar period were for countries that are currently participating in the European Recovery Program, and these countries were also scheduled to receive about three-fourths of all unutilized funds that had been allocated as of December 31, 1948. Among the larger European recipients of utilized aid, credits exceeded grants for the United Kingdom, France, the Netherlands, and Belgium. Other countries, such as Italy, Greece, and Austria relied very heavily on grants. Assistance to other European countries resulted chiefly from the extension of grant assistance through UNRRA.

Table II, showing a break-down of utilized as well as unutilized postwar United States Government foreign grants and credits for each geographical area and recipient country, follows:

Chart 3

UNITED STATES GOVERNMENT FOREIGN ASSISTANCE By Major Countries in Each Area

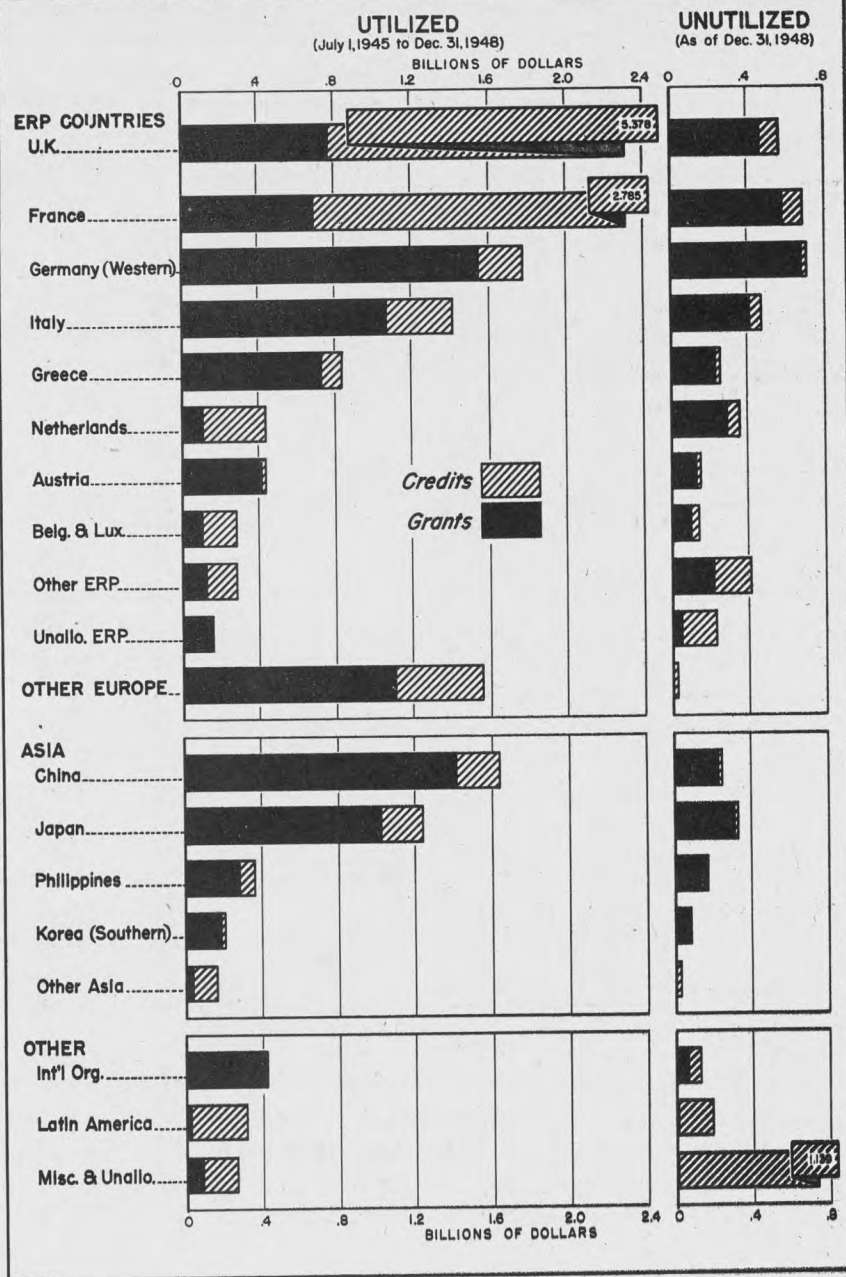


Table II -- U. S. Government foreign grants and credits ; utilized,
July 1, 1945 to December 31, 1948, and unutilized as
of December 31, 1948, by area and country

(In millions of dollars)

Area or Country	U T I L I Z E D			U N U T I L I Z E D		
	TOTAL	Grants	Credits	TOTAL	Grants	Credits
TOTAL, ALL AREAS.....	20,139	10,471	9,668	6,383	4,036	2,347
TOTAL, ERP PARTICIPANTS...	13,845	5,774	8,071	4,014	3,171	843
United Kingdom.....	5,378	773	4,605	578	466	112
France.....	2,785	699	2,086	695	584	111
Germany (western).....	1,781	1,556	225	707	688	19
Italy.....	1,423	1,071	352	477	405	73
Greece.....	841	730	111	258	234	25
Netherlands.....	446	117	330	359	286	73
Austria.....	441	421	19	151	134	17
Belgium & Lux.....	299	108	191	143	103	40
Other ERP.....	286	134	152	413	220	192
Unallocated ERP.....	164	164	—	233	51	182
OTHER EUROPE.....	1,562	1,108	454	32	—	32
TOTAL, ASIA.....	3,629	2,957	672	869	789	80
China.....	1,643	1,416	227	249	232	17
Japan.....	1,242	1,026	216	331	312	19
Philippines.....	365	285	79	169	160	9
Korea (southern).....	214	189	25	86	86	—
Other Asia.....	165	41	124	35	—	35
INT'L ORGANIZATIONS ^{2/}	520	517	3	131	68	62
LATIN AMERICA.....	317	29	288	199	5	194
MISC. & UNALLOCATED.....	267	88	180	1,139	3	1,136 ^{3/}

- Notes: a) Components will not necessarily add to totals because of rounding.
b) A detailed analysis of data appearing in this table, as well as a definition of terms, may be found in appendix C.
c) Grants to ERP participants include conditional aid.

^{1/} Principally shipments to France, Germany and the Low Countries under joint military-civilian supply operations with the United Kingdom and Canada.

^{2/} Represents United States Government contributions to UNRRA (not allocated by country), and a loan to the United Nations. United States Government payments to the International Bank and the International Monetary Fund are not included in this table.

(Footnotes continued on next page)

Footnotes (cont'd)

- 3/ Includes \$967,000,000 representing the uncommitted lending authority of the Export-Import Bank, and \$150,000,000 representing the uncommitted commodity-program credit authority of the Department of the Army on December 31, 1948.

Source: Clearing Office for Foreign Transactions, Office of Business Economics, Department of Commerce.

Total credits utilized by all ERP countries in the postwar period exceeded grants, while total grants utilized by the Asiatic countries were more than four times their total credits. China received 1.6 billion dollars and Japan 1.2 billion dollars of the 3.6 billion dollars of total postwar assistance rendered by the United States to Asia, with the Philippines and Korea receiving most of the remainder.

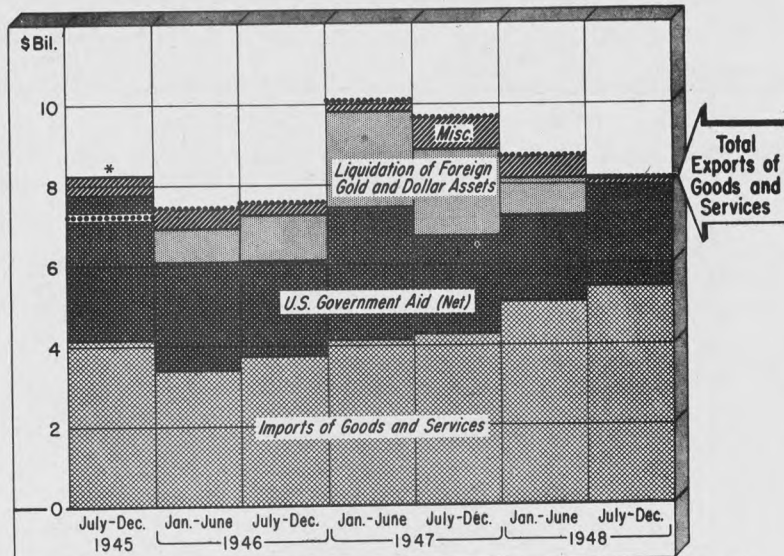
FOREIGN AID AND THE UNITED STATES POSTWAR BALANCE OF PAYMENTS

Total exports of goods and services of the United States amounted to 58.7 billion dollars between July 1945 and December 1948. The United States received 30.3 billion dollars in foreign goods and services, leaving a difference of 28.4 billion dollars to be financed from other sources. To cover their deficit with the United States in the 3-1/2 year period, foreign countries drew a total of 6.3 billion dollars from their gold and dollar assets, and received about 19.0 billion dollars in net United States Government aid. Other elements included assistance from international financial institutions and private financing.

Chart 4

FOREIGN AID IN THE U.S. BALANCE OF PAYMENTS

July 1, 1945 to Dec. 31, 1948, Semiannually



*The means of financing shown for the period July through December 1945, exceed exports by \$1,078,000,000, which represents the net foreign acquisition of dollar assets and purchases of gold from the United States.

3½ Year Period, July 1, 1945 to Dec. 31, 1948
(BILLIONS OF DOLLARS)

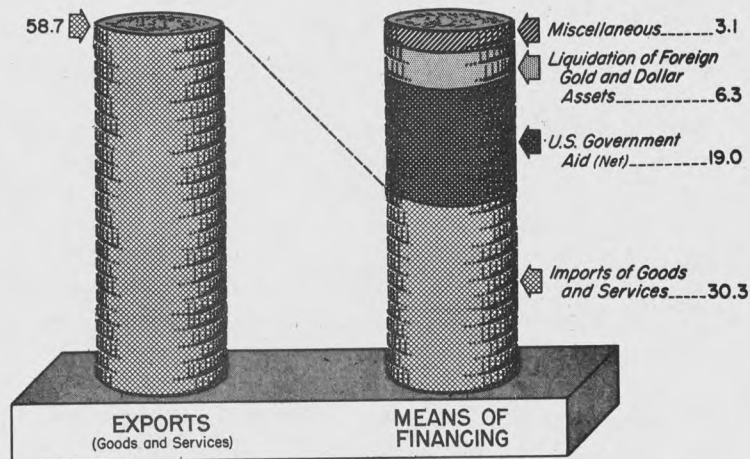


Table III - Foreign aid in the United States balance of payments,
July 1, 1945 to December 31, 1948, by semiannual periods

(In millions of dollars)

Period	Total exports	Total imports	MEANS OF FINANCING		
			U.S. Gov't aid (net) ^{1/}	Liquidation of gold and dollar assets ^{2/}	Other
TOTAL.....	58,698	30,254	19,051	6,260	3,133
<u>1945</u> July-Dec.	7,200	4,143	3,628	-1,078 ^{3/}	507
<u>1946</u> Jan-June.	7,401	3,416	2,681	816	488
July-Dec.	7,565	3,751	2,372	1,152	290
<u>1947</u> Jan-June.	10,093	4,171	3,293	2,340	289
July-Dec.	9,648	4,292	2,419	2,173	764
<u>1948</u> Jan-June.	8,644	5,057	2,130	-891	566
July-Dec.	8,147	5,424	2,528	- 34	229

^{1/} Data on United States Government foreign aid (net) presented in this table and chart 4 differ from those in chart 1 and the statistical appendix for the following reasons:

(a) Aid shown in the above table is net of unilateral transfers to the United States, repayments, etc., whereas gross data appear in chart 1.

(b) Pensions, annuities, claims of individuals, etc., are included in this calculation of net aid, but are excluded in chart 1.

(c) Included in the calculation of net aid are lend-lease shipments and merchant ship deliveries, whereas aid appearing in chart 1 is based on lend-lease billings and mortgages signed, both of which lag. As a result of these lags, net aid figures reported for the earlier period in the above table exceed those appearing in chart 1.

^{2/} Figures in this table differ from those which could be derived from table IV principally because this table includes gold sold out of current production, as well as liquidation of existing holdings.

^{3/} The means of financing shown for the period July through December 1945, exceed exports by \$1,078,000,000, which represents the net foreign acquisition of dollar assets and purchases of gold from the United States.

Source: International Economics Division, Office of Business Economics, Department of Commerce.

From chart 4 and table III, it may be observed that United States exports increased from the latter part of 1945 through the first half of 1947. There followed a moderate decline from the high level of exports reached during the first half of 1947 while imports rose. Exports have increased both in value and physical terms in comparison with the prewar period.

Changes in the United States balance of payments during 1948, compared with 1946 and 1947, were the result of two major developments. The first of these was the continued progress of recovery and production in foreign countries which enabled them to supply a larger portion of their own needs and to increase their exports to the United States. A second major factor in reducing the United States export surplus was the increasing difficulty of countries in making dollar payments. This difficulty appeared acute during 1947 and has continued, with varying degrees of intensity in different countries, throughout 1948.

CHANGES IN FOREIGN GOLD AND DOLLAR RESERVES

Countries which had borne the brunt of the war effort and had not accumulated large reserves have had difficulty since the end of the war in financing their import requirements. By 1948 most of the countries which had built up their reserves during the war had used the bulk of such accumulations, and the shortage of gold and dollars became widespread. The reserves of most countries, furthermore, were at levels so low as seriously to impair their ability to meet contingencies in international payments. The reserves of many countries were far below the levels that would be requisite to the reestablishment of multilateral trade and the relaxation of foreign exchange controls.

Table IV - Estimated foreign gold and short-term dollar balances
June 30, 1945 to December 31, 1948^{1/}

(In millions of dollars)

Area	June 30, 1945	December 31		
		1946	1947	1948
TOTAL, ALL AREAS.....	19,684	19,292	15,136	14,863
ERP countries and Dependencies.....	10,473	9,967	7,762	7,804
Other Europe ^{2/}	1,029	1,104	1,043	840
Asia and Oceania.....	1,980	1,994	1,832	1,969
Latin America.....	3,625	3,642	2,877	2,744
All other.....	2,577	2,585	1,622	1,506

^{1/} Excludes holdings of the International Monetary Fund, the International Bank, and other international organizations; also excludes U.S.S.R. gold holdings.

^{2/} Includes gold held by Tripartite Commission for the Restitution of Monetary Gold.

Source: Treasury Department and Board of Governors of the Federal Reserve System.

A decline in total foreign gold 1/ and short-term dollar balances of about 4.5 billion dollars between June 30, 1945 and December 31, 1947 is reflected in table IV. In 1948, the decline amounted to only about \$273,000,000 for the year. The overall decline of 4.8 billion dollars between July 1945 and December 1948 was accounted for chiefly by a reduction in the balances of ERP countries of 2.7 billion dollars and a decline in Latin American balances of about \$900,000,000. It should be noted that these figures represent net declines after taking into consideration foreign gold production 1/ in the neighborhood of 2.5 billion dollars during the 3 1/2 year period.

The ERP countries, in particular, suffered losses in their monetary reserves during the early postwar years in their efforts to meet the overall deficit in their balance of payments. The dollar needs of the recipient countries have been greatly in excess of the goods and services supplied by these countries to the United States. Direct United States aid has made possible European dollar payments to other areas of the world, as well as purchases from the United States.

1/ Excluding U.S.S.R.

III. ACTIVITIES OF THE COUNCIL FROM OCTOBER 1, 1948, TO
MARCH 31, 1949 (OTHER THAN THOSE RELATING TO THE
INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL
BANK)

EUROPEAN RECOVERY PROGRAM

The first year of ERP

Many of the participating countries made substantial progress during the first year of the recovery program in accomplishing some of the initial objectives of expanding production and facilitating trade and in attaining internal financial stability. Notable signs of financial improvement were reflected in balanced budgets and fairly stable price levels in a number of countries.

In conformity with the Economic Cooperation Act of 1948, the Council worked closely with ECA on the financial problems of the recovery program, and made recommendations on the division of aid by type, i.e. grants (direct or conditional) and loans. The following table summarizes the allotments by country and type of aid for the first year of the program:

Table V - ECA allotments to participating countries
April 1948 - March 1949, by type of aid 1/

(In millions of dollars)

Country	TOTAL ALLOT- MENTS	Loans	Grants	
			Direct	Conditional Aid
ALL ERP COUNTRIES....	4,953.0	972.3	3,449.4	531.3
United Kingdom.....	1,316.0	313.0	773.8	229.2
France.....	1,061.6	172.0	882.5	7.1
Italy.....	585.9	67.0	490.8	28.1
Germany (western)...	507.0	-----	437.8	69.2
Netherlands.....	473.9	146.7	323.1	4.1
Austria.....	238.7	-----	228.7	-----
Belgium-Luxembourg.	206.7	57.4	3.0	146.3
Greece.....	176.8	-----	176.8	-----
Denmark.....	103.0	31.0	68.2	3.8
Ireland.....	88.3	88.3	-----	-----
Norway.....	82.8	35.0	37.0	10.8
Turkey.....	46.7	38.0	-----	8.7
Sweden.....	40.4	21.6	-----	18.8
Trieste.....	13.8	-----	13.8	-----
Iceland.....	10.0	2.3	2.5	5.2

1/ Represents, together with \$27,700,000 set aside for guarantees, complete assignment to countries of loan funds available from the one billion dollar public debt transaction.

Source: Hearings on Foreign Aid Appropriation Bill for 1950,
before Subcommittee of Committee on Appropriations,
House of Representatives, 81st Congress, 1st Session, p.638.

As shown by this table, practically the entire amount of the 5 billion dollar ECA appropriation and authorization had been allotted by the end of the first year of operation. In general, distribution of funds between recipient countries, and determination of the type of assistance, was based upon such factors as the recovery needs of individual nations, prospective balance of payments deficits with the Western Hemisphere, and relative ability to service loans. The conditional aid indicated in column (4) of the table was extended to those countries which anticipated export surpluses in their trade with other participants. (Conditional aid is discussed more fully later in this report.)

Appropriation request for second year program of ERP

The Council concurred in the ECA appropriation request for the April-June quarter of 1949, and for the fiscal year 1949-1950. After review by the Congress, funds were authorized in the following amounts (Public Law 47, Chapter 77-81st Congress, 1st sess.):

(In millions of dollars)

Total ECA Funds Authorized.....	<u>\$5,580</u>
April-June 1949.....	1,150
Fiscal year 1949-50.....	4,280
Guaranties.....	150

The authorization for guaranties is made under Section 6(6) of Public Law 47 "less any amount allocated prior to April 3, 1949, for such purpose, until all liabilities arising under guaranties made pursuant to this authorization have expired or been discharged." Prior to April 3, 1949, \$27,700,000 had been allocated to guaranties.

Pending the passage of legislation appropriating funds to the ECA for the fiscal year 1950, the Reconstruction Finance Corporation was authorized and directed to make advances not to exceed in the aggregate one billion dollars to carry out the provisions of the Economic Cooperation Act.

Financial aspects of European recovery

During November and December 1948, the Council took occasion to review the financial problems raised by ERP during the year and related these problems to the anticipated program for the next fiscal period. In particular, problems relating to the future loan policy of ECA, the use of local currency counterpart funds, ECA guaranties, exchange rates, gold and dollar requirements, and blocked assets were considered.

In its consideration of these problems, the Council recognized the changes taking place in the internal financial situations of the recipient countries. Inflationary rises in prices had been checked in several countries and the monetary authorities of the various governments were in process of carrying out programs of credit restriction. The governments had, to a considerable extent, reduced the rate of inflationary borrowing from the central banks or from other sources by bringing their budgets closer to balance. Furthermore, the fact that there was a greater availability of goods also had the effect of arresting price increases. Difficulties in the future, however, might be faced by those countries which were experiencing "suppressed" inflation -- i.e., countries in which expendable income had increased more than proportionately to the supply of goods but in which price rises had been prevented or minimized by such devices as price controls, rationing, and subsidies. In some instances budgets had been balanced, or budgetary surpluses achieved, but in other cases where budgetary deficits were causing inflationary difficulties more effort was needed, in the Council's opinion, to increase domestic revenues and to eliminate unnecessary expenditures.

Exchange rates

The Council has given continual attention to the problem of the exchange rates of the participating countries. It concluded that in 1948 a general revaluation of the European exchange rates was inadvisable in view of the possible internal repercussions of devaluation on the participating countries in a period when their economies still exhibited serious inflationary tendencies, while their levels of production were not adequate to maintain an expanded volume of international trade. In many of the participating countries these conditions no longer obtain, since substantial progress has been made toward recovery in their levels of production. The Council recognizes that if viability of the European economies is to be attained by 1952, greater progress must be made by the European countries in redressing their balance of payments position with respect to the Western Hemisphere and in attracting private foreign investment. It is the Council's opinion that in some cases the revaluation of currencies may constitute an important means of bringing about the desired expansion of exports to the dollar area which, along with other appropriate measures, will contribute to more normal methods of financing after 1952. While fully aware of the difficulties involved in exchange rate adjustments, the Council believes that the problem should be explored with some of the European countries. Where adjustments of exchange rates are indicated, it is expected that member countries will make appropriate proposals to the International Monetary Fund.

Loan policy

Certain European countries have accumulated a substantial indebtedness to the United States, including debts arising from war account settlements, postwar credits, and loans extended by ECA during its first year of operations. A further large mortgage upon future dollar receipts would in all probability be a deterrent to the objectives of the recovery program. The imposition of further claims against European dollar earnings by the United States Government would lead to a smaller margin of flexibility in the international accounts of the debtor countries, thereby necessitating disproportionate adjustments in vital imports as earnings fluctuate. The probable effect would be to reduce to a corresponding extent the capacity of participating countries to service additional financing which they may require and to pay earnings on direct investments. Therefore, any substantial increases in dollar service charges resulting from the assumption of increased obligations to the United States Government would be scrutinized with particular concern by international lending agencies and private investors.

The Council consequently recommended that the Administrator for Economic Cooperation be authorized, in consultation with the Council, to determine when aid for the fiscal year 1949-50 should be on a loan basis and in what amount. Prudent use of this discretionary power would keep the field open for long-range investment prospects for private capital, for Export-Import Bank financing, and for International Bank loans.

Foreign gold and dollar balances

Prior to the start of ERP, many nations throughout Western Europe had drawn down their gold and dollar reserves in order to purchase essential goods from the United States. When the recovery program began, consideration was given to the problem of whether further reduction in such reserves should be made a requisite to receiving continued United States assistance. The Council considered that such depletion of reserves should not be required, but that ECA allocations should not be made for the specific purpose of building up foreign exchange reserves.

Blocked assets

In conjunction with the initial presentation of the European Recovery Program to the Congress, the Council outlined a program to provide to recipient countries information which would enable them to secure control over the blocked dollar assets of their citizens (see Report of Council activities for the period October 1947-March 1948). Accordingly, a census was taken of all assets which remained blocked in this country as of June 1948. By the end of December appropriate information disclosed by the

census with respect to property worth approximately one-half billion dollars was placed in the hands of the countries to which the United States was extending assistance. In this way, detailed information concerning a considerable portion of the assets was made available to the appropriate governments for the first time. On October 1, 1948, jurisdiction over assets remaining blocked was transferred to the Office of Alien Property in the Department of Justice from Foreign Funds Control of the Treasury Department.

Local currency funds

The Economic Cooperation Act and the bilateral agreements negotiated under the Economic Cooperation Act provide that 95 percent of the local currency counterpart funds resulting from United States assistance furnished on a grant basis shall be held or used in agreement with the United States Government. The policies involved in the use of these funds have been formulated by the ECA in consultation with the Council. In accordance with the terms of the Act, local currency funds are available for the reduction of public debt, expenditures for capital reconstruction, and for other purposes conducive to attaining the purposes of the Act. The status of counterpart funds under the Foreign Assistance Act of 1948 as of April 2, 1949, is shown in the following table:

TABLE VI - Status of European local currency counterpart accounts
under the Foreign Assistance Act of 1948, as of April 2, 1949

(Dollar equivalents of the local currency, in millions of dollars)

Countries receiving grants	Total currency deposited	For use by Recipient Country (95%)			For use by U.S. (5%)
		Approved for program use	With- drawals	Balances on deposit	
ALL ERP Countries..	\$1,733.2	\$1,318.4	\$828.1	\$818.5	\$86.6
France.....	540.7	288.7	288.7	225.0	27.0
United Kingdom..	484.4	435.0	433.2	27.0	24.2
Italy.....	163.9	434.8 ^{1/}	-----	155.7	8.2
Austria.....	143.8	12.5	12.5	124.1	7.2
Bizone.....	103.2	.8	.8	97.2	5.2
Netherlands.....	94.7	-----	-----	90.0	4.7
Greece.....	88.4	111.5 ^{1/}	63.9	20.1	4.4
Norway.....	45.0	22.2	22.2	20.6	2.2
French Zone.....	25.5	-----	-----	24.2	1.3
Denmark.....	32.8	2/	2/	31.2	1.6
Trieste.....	7.8	12.9 ^{1/}	6.8	.6	.4
Belgium.....	3.0	-----	-----	2.8	.2

^{1/} Includes programs approved in advance of deposits of counterpart funds.

^{2/} Less than \$50,000.

Source: Economic Cooperation Administration.

Five percent of the counterpart funds deposited by the European Recovery Program participants is allotted to the use of the United States within the foreign country for the procurement of strategic materials and the payment of local currency expenses of the United States Government, particularly administrative expenses in connection with the program. These allotted funds are subsequently transferred from the deposits of the foreign country to a separate United States account. The difference between the funds transferred to the United States account and 5 percent of the grants reported represents a claim of the United States Government on the foreign government. The status of these funds as of April 2, 1949, is shown by country in table VII:

Table VII - Status of the United States portion (5%) of counterpart funds under the Foreign Assistance Act of 1948, by country, as of April 2, 1949

(Dollar equivalents of the local currency, in thousands of dollars ^{1/})

Country	5% of actual deposits by for. country	Transferred to U.S. accounts	Expenditures		Balance in U.S. accounts
			Admin. and other expenses	Strategic materials	
TOTAL	86,659	32,789	6,639	16,758	9,392
France.....	27,034	3,984	^{2/} 2,150	^{3/} 139	1,695
United Kingdom.....	24,220	17,212	272	16,619	321
Italy.....	8,196	8,196	2,627	--	5,569
Austria.....	7,190	1,200	471	--	729
Bizone (Germany).....	5,160	135	93	--	42
Netherlands.....	4,734	254	93	--	161
Greece.....	4,419	1,000	685	--	315
Norway.....	2,251	130	69	--	61
Denmark.....	1,638	172	110	--	62
French Z. (Germany).....	1,275	52	--	--	52
Trieste.....	392	392	12	--	380
Belgium.....	150	62	57	--	5

^{1/} Dollar equivalents are computed at the actual rates which were used by the respective governments in agreement with the Economic Cooperation Administration in making commensurate deposits of local currency.

^{2/} Includes \$1,566,000 for expenses of the Office of Special Representative.

^{3/} Represents advance for the development of mining facilities in French Africa to be repaid by the delivery of lead and zinc.

Source: Economic Cooperation Administration.

Neither the Council nor ECA considered that a policy of uniform treatment of the local currency accounts was advisable in view of the great differences in progress made by individual countries, differences in financial structure, and differences in economic policy. Therefore, the Council has acted on a country by country basis in its review of the use of local currency counterpart funds for the various participating countries.

The previous Report of the Council dealt with releases of counterpart funds in France, the United Kingdom, Greece, and Trieste. In general, these releases were made for purposes of financing investment and reequipment of public utilities; to stimulate economic activities in industrial and agricultural enterprises and so contribute to the economic recovery of Western Europe; for refugee, public health and welfare programs; and to retire the public debt where the country receiving such aid had progressed toward budgetary equilibrium. During the period under review, the Council considered questions of policy concerning the release of counterpart funds in Austria, Italy, and Norway.

Austria

The Council advised the ECA that it had no objection to the release of 330.5 million schillings from the Austrian counterpart funds to finance expenditures in the last half of 1948 designed to stimulate productive activity through the rehabilitation of basic Austrian utilities. The Council further advised that additional releases be considered only after review of the Austrian financial situation and receipt of evidence that adequate efforts had been made by the Austrian Government to achieve financial stability.

A second request for the release of counterpart funds from ECA and other sources, including GARIOA (Government and Relief in Occupied Areas), was also reviewed by the Council, providing for 1,450 million schillings to retire government debt held by the central bank, 50 million schillings for housing, and 7.58 million schillings for other purposes. The additional program was recommended after extensive review of the new industrial restoration program undertaken by the Austrian Government.

Italy

The Council advised that it had no objection to the Italian Government's proceeding with plans for a broad development program involving the use of counterpart funds up to 250 billion lire. The Council recommended that the Italian Government be advised that approval by the United States of actual releases from counterpart funds would be decided upon after review of the program and of the degree of financial and monetary stability attained. It was anticipated that the use of the funds would be directed toward agricultural rehabilitation, public works construction, expansion of the merchant marine, and improvements to the transportation system.

Norway

The Council advised ECA that the local currency counterpart of ECA assistance during the first year of the program might appropriately be used by the Norwegian Government for the reduction of debt to the Bank of Norway. Norway's primary problem has been one of suppressed inflation. Steps have been taken to offset inflationary pressures through direct controls and gradually to work off excess purchasing power through fiscal measures. In view of this program, the use of counterpart funds for the purpose indicated above appeared wholly consistent with the ECA Act.

Conditional aid

ECA allots funds to certain countries on the condition that they grant to other participating countries equivalent amounts in their own currencies (called drawing rights). These allotments are called conditional aid. During the first year of ERP, conditional aid amounting to \$531,300,000 was allotted to correspond to drawing rights established by participating countries within the intra-European payments plan. In general, the United Kingdom and Belgium received the larger portion of conditional aid while France received a large portion of the corresponding drawing rights.

In the operation of this program, the Council recommended to ECA that no deposit to the special local currency account be required from the country receiving the conditional aid, but that the country receiving the drawing rights make a commensurate deposit in a special local currency account to be administered under section 115(b) (6) of the Foreign Assistance Act of 1948, five percent of which would be allotted to the United States for its use under the terms of Title I of the Foreign Aid Appropriations Act of 1949. Since a country utilizing drawing rights in effect obtains assistance indirectly from the United States, it is reasonable to require that deposits be made on the same conditions as apply to local currency deposits made against direct grants.

ECA guaranty program

The Economic Cooperation Act of 1948 provided a statutory limit of \$300,000,000 for guaranties of industrial and informational media investments in connection with projects approved by the Administrator. This limit was reduced by \$150,000,000 under Public Law 47, 81st Congress, which amended the Economic Cooperation Act. During the first year of its operations, \$27,700,000 was allocated to the ECA guaranty program, and actual guaranties authorized amounted to \$3,587,814.

By arrangement with the Administrator for Economic Cooperation, the Export-Import Bank acts as his agent for the issuance of industrial guaranties, while the informational media guaranties are issued by the Administrator.

ASSISTANCE FOR ASIA

China

Since the date of the last Council report, further deterioration in the economic and political situation of China necessitated adjustment in the United States Government's program of assistance to that country. During November 1948, therefore, ECA requested the advice of the Council on the use of local currency counterpart funds for emergency purposes consistent with the objectives of the China Aid Act of 1948, and the Council saw no objection to the extension of discretionary authority to the Chief of the ECA China Mission to agree with the Chinese Government regarding the use of these funds.

Japan

The Japanese postwar economy has been characterized by acute inflationary conditions which made difficult effective economic control, and resulted in budgetary imbalance and a low level of trade, both domestic and foreign. The United States authorities recognized the need for more adequate internal stabilization in Japan, and in July 1948, urged upon the Japanese Government a program of more effective controls which was adopted only in part.

Early in December 1948, an appropriation request for economic rehabilitation, prepared by the Department of the Army, was submitted to the Council for consideration. The Council offered no objection to the proposed appropriation, on the basis of assurances from the State Department and the Department of the Army that economic stabilization in Japan would be expedited.

On December 17, 1948, a directive was issued by SCAP to the Japanese Government to carry out an effective economic stabilization program calculated to achieve fiscal, monetary, price, and wage stability in Japan as rapidly as possible, as well as to maximize production for export. The specific objectives of the program were listed as:

- (1) Balancing the budget at the earliest possible date by stringent curtailing of expenditures and maximum expansion in revenues.
- (2) Strengthening the program of tax collection.
- (3) Limiting credit extension to projects contributing to economic recovery.
- (4) Stabilizing wages.

- (5) Strengthening price controls.
- (6) Improving foreign trade and foreign exchange controls.
- (7) Improving the allocation and rationing system.
- (8) Increasing production.
- (9) Improving efficiency of the food collection program.

In conjunction with the announcement of the program, it was stated that "Improvements in the Japanese standard of living will be contingent on the degree to which the Japanese give wholehearted support to the achievement of economic stabilization and recovery. Their performance in carrying out their program will be weighed in connection with future requests for appropriated funds for Japan."

During 1948, a United States mission conducted a survey of the exchange rate situation in Japan, and recommended that a single rate for the yen be established as soon as practicable. The December directive, referred to above, also indicated that the program would be developed to pave the way for the early establishment of such a rate. In March 1949, the Supreme Commander for the Allied Powers requested authorization to establish a general commercial exchange rate for the Japanese yen on April 1, 1949, or as soon thereafter as practicable. The Council concurred in the proposal and recommended that consideration be given to fixing a rate up to 360 yen per dollar. 1/

Ryukyu Islands

The Council gave favorable consideration to the Department of the Army's appropriation request for the Ryukyu Islands for the fiscal year 1950. This program is designed to assist in restoring war damaged industry, to achieve more efficient utilization of indigenous resources, and to improve existing facilities for power and transportation, and thereby to reduce the amount of funds which would otherwise be required for relief purposes from United States appropriated funds.

1/ On April 22, 1949 the Supreme Commander for the Allied Powers in Tokyo fixed the official exchange rate at 360 Japanese yen to the dollar, effective April 25. The rate applied to all permissible foreign trade and exchange transactions, including those for which the military conversion rate had been applicable. Exchange rates of the yen with other currencies were based on the official parities of those currencies with the dollar agreed with the International Monetary Fund. The action did not change existing restrictions on conversion of yen to foreign currencies or on the holding of foreign currencies.

Korea

The United States authorities in Korea have been confronted, since the end of the war, with difficulties by reason of currency inflation, the excess of expenses over incomes, tax collection problems, and disruption of normal economic relations between North Korea and South Korea. An ECA appropriation request for the fiscal year 1950 was presented to the Council for consideration, and the Council gave favorable consideration to this request in view of the special responsibilities of the United States Government in South Korea. This program will continue and extend programs previously administered by the Department of the Army.

EXPORT-IMPORT BANK CREDITS

During the period under review, the Council continued to work closely with the Export-Import Bank to facilitate coordination of the Bank's operations with those of other agencies concerned with foreign lending. New credits authorized by the Bank during this period totaled \$148,390,560.

Wood processing industry in Finland

The Council approved consideration by the Export-Import Bank of a loan to Finland in an amount not to exceed \$10,000,000 for the import of essential equipment and raw materials for the wood-working industry, in order to promote a substantial increase in the export of pulp, paper, and other essential wood products to the Western Hemisphere and to ERP countries. The credit, unconditionally guaranteed by the Government of Finland, was established in favor of the Bank of Finland, which undertook to control and supervise the allocation of credits among Finnish firms to assure that they would be used for the specific purpose of bringing about further recovery in Finnish exports of wood products. This credit is available until December 31, 1949, bears interest at 3-1/2 percent per annum, and is to be repaid in six years after January 1, 1953.

Power development in Brazil

The Council approved consideration by the Export-Import Bank of a loan of \$8,278,000 to twelve of the operating subsidiaries of the American and Foreign Power Company under guaranty of the Brazilian Electric Power Company, its Brazilian holding company, to finance the expansion of power production and related distribution facilities in Brazil. The obligation is evidenced by notes bearing interest at 4-1/2 percent per annum and maturing in twenty semiannual installments beginning in March 1950. The companies had invested \$25,000,000 in the construction of new facilities during the period 1945-1947 and the current loan was designed to cover a portion of the external costs of that part of an additional program of expansion which would be completed in 1949. The Brazilian borrowing companies had demonstrated high earning capacity as a group, and had secured from the Brazilian exchange control authority a registration for priority of the exchange required for the service of the credit.

Another expansion program in Brazil, that of the Brazilian Traction Light and Power Company for a credit of \$75,000,000 to expand power production and telephone facilities, is discussed in the section of this report dealing with the International Bank.

Agricultural development in Haiti

The Council approved consideration by the Export-Import Bank of a credit not to exceed \$4,000,000 to the Republic of Haiti for financing the development of the Artibonite Valley. Terms of the credit provide for repayment in thirty approximately equal semi-annual installments, commencing three years after the date of the first advance of funds for the project.

The funds obtained from this loan will be used to assist in financing the construction of flood control, irrigation and drainage works, as well as settlement and agricultural development of the approximately 62,500 acres of lands to be irrigated. The credits will be used to finance the purchase of United States equipment, materials and services required for construction in an amount not in excess of \$3,200,000, and to finance the purchase of up to \$800,000 of other United States equipment required in the settlement and development of the irrigated area.

Steel expansion in Chile

The Council approved consideration by the Export-Import Bank of a credit of \$20,000,000, with a maturity of twenty years, to Corporacion de Fomento de la Produccion of Chile, to supplement the existing credit of the Bank for financing construction of an integrated steel mill at Concepcion, Chile. The initial credit, of \$28,000,000, was established by the Bank in September, 1945.

A rise in prices and necessary modifications in plans since the project was first submitted resulted in a substantial upward revision in estimated total cost, from \$56,000,000 to about \$83,000,000. Of this total \$48,000,000 will be covered by Export-Import Bank financing, \$4,000,000 by credits obtained from United States suppliers, and the balance of \$31,000,000 will be supplied by Chile.

Economic development of Israel

The Council approved consideration by the Export-Import Bank of credits of \$100,000,000 to the State of Israel to finance projects contributing to the balanced economic development of the country. In January, 1949, the Export-Import Bank announced the authorization of a credit of \$35,000,000 to assist in the financing of agricultural projects, and the earmarking of \$65,000,000, to be available until December 31, 1949, for credits to finance projects in the fields of transportation and communication, manufacturing, housing, and public works. These various projects are part of the overall

program of the State of Israel designed to establish a self-sustaining economy. The State of Israel expects to finance this total investment program in large part from local savings, Jewish contributions from various parts of the world, and private foreign capital investment.

During March 1949, the Export-Import Bank announced allocations from the \$65,000,000 of \$16,000,000 for buses and trucks, materials and equipment for developing low cost housing, and telecommunications equipment.

The Israeli credits carry a rate of interest of 3-1/2 percent per annum and are to be amortized over a period of 15 years.

Highway construction in Bolivia

The Council approved consideration by the Export-Import Bank of a credit to Bolivia not to exceed \$16,000,000 with a maturity of about 20 years and an interest rate of not more than 4 percent per annum to assist in financing the completion of the Cochabamba-Santa Cruz highway. The proposed credit would be supplementary to an earlier credit of \$10,000,000 extended in March 1942.

Other credits

In addition to the credits specified above, the Export-Import Bank, during the period under review, extended other credits in small amounts, including credits for certain projects in the Latin American Republics and for the development of iron ore deposits in Canada.

The Export-Import Bank also acts as the loan administering agency for loan agreements negotiated on behalf of ECA under the Foreign Assistance Act of 1948. Loans to participants in the European Recovery Program have been considered earlier in this Report.

As of March 31, 1949, the resources of the Export-Import Bank were distributed as follows:

(in millions of dollars)

<u>TOTAL LENDING AUTHORITY.....</u>	<u>\$3,500.0</u>
Loans outstanding.....	2,144.7
Undisbursed commitments.....	425.9
Uncommitted lending authority.....	929.4

The following table shows the distribution of net credits authorized by country and object of financing. Actual utilization of Export-Import Bank credits by country, through December 31, 1948, may be found in appendix C.

TABLE VIII - Net credits authorized by the Export-Import Bank,^{1/}
July 1, 1945 to March 31, 1949

(In millions of dollars)

Area and Country	TOTAL	Recon- struc- tion	Devel- opment	Lend Lease requi- sitions	Cotton pur chases ^{2/}	Other
TOTAL, ALL AREAS.....	2,597.3	1,008.6	754.6	655.0	159.0	20.1
TOTAL, EUROPE.....	2,005.5	971.9	261.0	655.0	100.0	17.6
France.....	1,200.0	650.0	---	550.0	---	---
Netherlands.....	205.3	152.23/	3.1	50.0	---	---
Belgium.....	132.0	45.0	32.03/	55.0	---	---
Italy.....	131.8	---	101.9	---	25.0	4.94/
Finland.....	100.2	---	73.2	---	17.0	10.05/
Norway.....	50.2	50.0	---	---	---	.2
Poland.....	40.0	40.0	---	---	---	---
Turkey.....	35.6	---	35.6	---	---	---
Czechoslovakia.....	22.0	---	---	---	20.0	2.04/
Denmark.....	20.0	20.0	---	---	---	---
Germany.....	19.0	---	---	---	19.0	---
Greece.....	14.7	14.7	---	---	---	---
Austria.....	13.5	---	13.0	---	---	.5
Sweden.....	2.2	---	2.2	---	---	---
Unallotted Cotton Credits.....	19.0	---	---	---	19.0	---
TOTAL, LATIN AMERICA.	231.5	---	231.5	---	---	---
Brazil.....	73.6	---	73.6	---	---	---
Mexico.....	57.0	---	57.0	---	---	---
Chile.....	63.7	---	63.7	---	---	---
Colombia.....	20.1	---	20.1	---	---	---
Haiti.....	4.0	---	4.0	---	---	---
Ecuador.....	3.8	---	3.8	---	---	---
Bolivia.....	3.3	---	3.3	---	---	---
Venezuela.....	3.0	---	3.0	---	---	---
Panama.....	2.0	---	2.0	---	---	---
Argentina.....	.2	---	.2	---	---	---
Uruguay.....	.1	---	.1	---	---	---
Other L. A.....	.7	---	.7	---	---	---

TABLE VIII - Net credits authorized by the Export-Import Bank, 1/
July 1, 1945 to March 31, 1949 (continued)

(In millions of dollars)

Area and Country	TOTAL	Recon- struc- tion	Devel- opment	Lend Lease requi- sitions	Cotton pur chases ^{2/}	Other
TOTAL, ASIA AND AFRICA.....	212.8	36.7	117.1	---	59.0	---
Israel.....	100.0	---	100.0	---	---	---
China.....	66.7	33.7	---	---	33.0	---
Japan.....	26.0	---	---	---	26.0 ^{3/6/}	---
Saudi Arabia.....	10.0	---	10.0	---	---	---
Egypt.....	7.1	---	7.1	---	---	---
Ethiopia.....	3.0	3.0	---	---	---	---
CANADA.....	145.0	---	145.0	---	---	---
OTHER.....	2.5	---	---	---	---	2.5

1/ Cancellations and expirations deducted. Numerous small exporter-importer loans extended by the Bank, July 1, 1945, through March 31, 1949, excluded. Also excluded are Mexican authorizations of \$30,000,000 and a Peruvian authorization of \$400,000 approved prior to June 30, 1945, but recorded on the Bank's books subsequent to June 30, 1945.

2/ Credits extended by Export-Import Bank under general approval of the Council. Hungarian credit of \$7,000,000 cancelled April 2, 1947.

3/ Excludes participation by private banks.

4/ For financing tobacco purchases.

5/ For financing food purchases.

6/ Revolving credits.

Source: Export-Import Bank.

WAR ASSETS ADMINISTRATION CREDIT AGREEMENTS

As indicated in the previous Report of the Council, War Assets Administration credit agreements with foreign governments were originally inaugurated at a time when the agency held in its inventory large amounts of property which it appeared could not then be absorbed by the national economy. Thereafter, when certain of the credit agreements were scheduled to expire, the Administrator of WAA requested the advice of the Council as to the desirability of extending them and the Council approved consideration of their extension until December 31, 1948.

In December 1948, War Assets Administration brought to the attention of the Council the fact that certain credit agreements would expire before February 28, 1949, the scheduled date for the liquidation of WAA, and requested the advice of the Council as to the desirability of renewing until this date these credit agreements upon application. Since there was no material change in factors considered at the time of the earlier requests, the Council approved consideration by WAA of the renewal to February 28, 1949, of credit agreements with the Governments of Finland, the Philippines, the Netherlands, Haiti, Norway, Austria, and France upon receipt of applications from these governments.

TABLE IX — War Assets Administration credit agreements with foreign governments, as of February 28, 1949

Country	TOTAL CREDIT AGREEMENTS	Credit approvals Feb. 28, 1949	Unused balances Feb. 28, 1949
TOTAL.....	\$117,255,000	\$19,849,383	\$97,405,616
France.....	50,000,000	6,972,390	43,027,609
Netherlands.....	15,000,000	969,997	14,030,003
Norway.....	12,000,000	631,443	11,368,557
Austria.....	10,000,000	3,346,778	6,653,222
Finland.....	10,000,000	6,565,756	3,434,244
Philippines.....	10,000,000	1,074,633	8,925,367
Pakistan.....	10,000,000	136,464 ^{1/}	9,863,536
Haiti.....	255,000	151,922	103,078

Note: The purchasing period under the Pakistan agreement expired on April 14, 1949. No further purchases have been made under the agreement. The purchasing period under the other agreements expired on February 28, 1949.

^{1/} Paid in full with interest on November 10, 1948.

Source: War Assets Administration.

PRESIDENT'S PROGRAM FOR UNDERDEVELOPED AREAS

In his inaugural address before the Congress on January 20, 1949, the President stated that "We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas." The Point IV program, outlined by the President, called for United States Government participation in the form of technical assistance, development loans by United States Government and international lending agencies, and the fostering of United States private investment abroad.

The Point IV program is broadly economic in nature. It recognizes that the greatest contribution to the economic development of underdeveloped areas will have to come from within such territories. By sharing their knowledge and skills, the nations engaged in this joint effort would promote and encourage foreign investments and international trade.

The financial problems relative to the Point IV program have been under consideration by the Council. In particular, the relationship between the capital investment aspects of this program and methods of developing technical cooperation between nations have been studied. Proposals designed to encourage the flow of private investment capital abroad, particularly relating to (1) the negotiation of treaty provisions covering protection of United States foreign investment, (2) government guaranties to investors against certain risks, and (3) tax incentives, have received attention during this initial stage of exploration into the possibilities of implementing the program. The President's Committee for Financing Foreign Trade, under the chairmanship of Mr. Winthrop W. Aldrich, has consulted with the Council on those aspects of the program in which there is mutual interest.

FINANCIAL ASPECTS OF MILITARY ASSISTANCE

In March 1949, the Council reviewed, with particular reference to the possible impact on the European Recovery Program, certain of the financial aspects of the military assistance program which was under consideration by the Executive Branch of the United States Government.

JOINT BRAZIL - UNITED STATES TECHNICAL COMMISSION

As indicated in the previous Report of the Council, the Joint Brazil-United States Technical Commission was created under the authority of President Truman and President Dutra pursuant to the request of Brazil that technicians of the United States Government collaborate with technicians of the Brazilian Government in an analysis of the factors in Brazil which tended to promote or to retard the economic development of the country. The Commission, engaged in this task since September 1948, completed and submitted its report to the two Governments in February 1949. The report was subsequently made public. Terms of reference to guide the Commission in its study were cited in the preceding Report of the Council.

IV. ACTIVITIES OF THE COUNCIL FROM OCTOBER 1, 1948 to MARCH 31, 1949,
RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL
BANK FOR RECONSTRUCTION AND DEVELOPMENT

The National Advisory Council, in accordance with statutory authority, continued to coordinate the activities of the United States representatives of the Fund and the Bank with those of other agencies of the Government, by consulting and advising with them on major problems arising in administration of the Fund and the Bank. The United States Executive Directors of these institutions, or their Alternates, have attended the Council's meetings regularly, and have participated continuously in the work of its Staff Committee.

MEMBERSHIP CHANGES IN THE FUND AND THE BANK

During the period under review, no new countries were admitted to membership in the Fund or the Bank. In October 1948, the Governors of both institutions considered the membership application of Liberia, and, without meeting, voted to accept the Liberian application, providing for a quota in the Fund of \$500,000 and a like amount as a subscription to the Bank. As of March 31, 1949, Liberia had not yet accepted membership in either the Fund or the Bank.

On March 31, 1949, forty-seven countries were members of the Fund and the Bank. The members, with their quotas and capital subscriptions as of March 31, 1949, are listed in appendix D.

ORGANIZATIONAL CHANGES

On October 30, 1948, the Fund announced the appointment of Mr. Andrew N. Overby to the position of Deputy Managing Director of the Fund. Mr. Overby subsequently resigned as United States Executive Director, and assumed his new duties on February 9, 1949. On February 8, 1949, the President of the United States, with the advice and consent of the United States Senate, appointed Mr. Frank A. Southard, Jr., as United States Executive Director of the Fund. Mr. Southard took office on March 1, 1949.

THE FUND

During the period under review, the Fund not only provided assistance to its members in appropriate instances to meet balance of payments deficits on current account, but also utilized extensively the technical skills of its personnel in the solution of complex exchange problems. Thus, further progress was made in establishing the Fund as the international organization for technical consultation and advice on foreign exchange problems.

Par values

On December 17, 1948, the Fund announced a change in the par value of the Colombian peso from approximately 1.75 pesos to the

United States dollar, to approximately 1.95 pesos to the United States dollar. On March 22, 1949, the Fund also announced that it had concurred in a proposal by the Government of France to change the par value of the currency of French Somaliland from 126 Djibouti francs per United States dollar, to 214.392 Djibouti francs per United States dollar.^{1/} The United States Executive Director, acting with the approval of the Council, supported these decisions.

Exchange restrictions

France

On October 16, 1948, the Fund reported the results of consultations with the French Government relating to changes in the French exchange system in order to reduce the multiplicity of exchange rates and to unify the procedure applicable to commercial transactions. Under the agreed proposals, exchange rates for trade transactions are based on the effective rate for the dollar, with cross rates for currencies of other members conforming closely to the accepted Fund parities. Differential rates continue only for non-trade transactions in dollars, Swiss francs, and escudos.

Colombia

The change in par value of the Colombian peso in December 1948 was accompanied by certain modifications in the country's existing multiple currency system. These measures were concurred in by the Fund, which stated that they were an improvement upon the system which Colombia introduced in June 1948, and should have the effect of curbing imports, thereby tending to lessen the drain on Colombia's foreign exchange resources. The measures were designed to assist in the solution of Colombia's balance of payments problem and to remove some of the features of the existing system considered to be in conflict with Fund policies. The new measures provided, among other things, for the abolition of exchange premia for certain major exports, for reducing the exchange surcharges on two of the three categories of private imports, for the provision of exchange for official imports at the parity rate, and for the maintenance of exchange licensing and certain quantitative import controls. Colombia and the Fund have continued consultations with a view to the adoption of measures in the financial and monetary field designed to lead toward further unification, simplification, and strengthening of the Colombian exchange system.

^{1/} The par value initially agreed with the Fund of 70 Djibouti francs per United States dollar had been changed to 126 francs to the dollar when the Government of France instituted its new exchange system on January 25, 1948.

Peru

On December 10, 1948, the Fund approved further changes in Peru's exchange system which were intended to encourage exports and reduce import demand so as to achieve a better balance in Peru's international payments. At the same time, the Fund urged Peru to study policies looking toward greater unification of its exchange system.

Union of South Africa

In order to meet a serious drain on its convertible exchange reserves, the Union of South Africa, in November 1948, put into force restrictions on exchange for imports from countries outside the sterling area. In January 1949, after considering the substance of the measures and the circumstances of the member, the Fund agreed to approve the imposition of the restrictions and authorized their maintenance and adaptation to changing circumstances as long as the Fund remains satisfied that they are necessary to safeguard South Africa's external financial position. In its action the Fund gave particular attention to certain discriminatory aspects involved in the South African measures, and is keeping the questions under constant review. In respect to the South African import restrictions imposed in November 1948, the Fund has been in consultation with the Contracting Parties under the General Agreement on Tariffs and Trade (GATT).

Gold sales at premium prices

In February 1949, the Government of South Africa announced that it had contracted to sell abroad 100,000 ounces of semi-processed gold for industrial purposes at a price in excess of \$35 an ounce. The Fund's policy on such transactions has been that external sales are allowable only if adequate safeguards exist to ensure that the gold is, in fact, used for bona fide and customary artistic, industrial or professional purposes, and not for speculation and hoarding, and that it is imported in accordance with the gold or exchange laws of the countries concerned. The Fund emphasized that there had been no change in this established policy.

The Fund noted that it had advised South Africa in October 1948, of the desirability of instituting safeguards on external gold sales, similar to those employed by the United States and the United Kingdom. The United States regulations, for example, require that the exporter furnish complete information on the bona fide disposition of the gold, and further, that the proposed importation and payment are in conformity with the laws of the importing country.

During the remainder of the period under review, discussions continued between Fund and South African officials in an attempt to work out a mutually satisfactory solution to this problem.

During the past year, the Fund also consulted with the United Kingdom, which has accepted the Fund Agreement in respect of Southern Rhodesia, regarding a gold subsidy arrangement which had been established by the territorial government. It was agreed that the arrangement was inconsistent with the Fund's policy, and the Fund was informed in October 1948, that Southern Rhodesia would undertake to modify its legislation to conform with the Fund's principles.

During the period under review, various other members consulted with the Fund regarding steps which might be taken internally to alleviate the difficulties faced by gold producers, without infringing upon the basic policy respecting international transactions in gold at premium prices.

Fund exchange transactions

During the 6 months, October 1, 1948 through March 31, 1949, the Fund sold \$73,700,000 to five of its member countries. Of the aggregate amount, \$6,100,000 represented a sale to Norway of United States dollars for gold. This was the first time a member country had used the Fund's facilities for the purpose of exchanging gold for another member's currency.

The following table presents a detailed break-down of all Fund currency sales through March 31, 1949:

Table X - Currency Sales of the International Monetary Fund
from March 31, 1947 through March 31, 1949

(In millions of United States dollars)

Country	TOTAL TO MAR. 31, 1949	SIX MONTH PERIOD ending—			
		Mar. 31 1949	Sept. 30 1948	Mar. 31 1948	Sept. 30 1947
TOTAL, ALL COUNTRIES....	713.6	73.7	39.8	391.1	309.0
TOTAL, EUROPE.....	570.2	6.1	23.3	356.8	184.0
United Kingdom.....	300.0	—	—	240.0	60.0
France.....	125.0	—	—	25.0	100.0
Netherlands.....	75.3	—	6.8 ^{1/}	44.5	24.0 ^{2/}
Belgium.....	33.0	—	—	33.0	—
Norway.....	15.7	6.1 ^{3/}	7.1 ^{4/}	2.5	—
Denmark.....	10.2	—	3.4	6.8	—
Czechoslovakia.....	6.0	—	6.0	—	—
Turkey.....	5.0	—	—	5.0	—
TOTAL, OTHER COUNTRIES..	143.4	67.6	16.5	34.3	25.0
India.....	100.1	55.9	16.2	28.0	—
Mexico.....	22.5	—	—	—	22.5
U. of South Africa...	10.0	10.0	—	—	—
Chile.....	8.8	—	—	6.3	2.5
Ethiopia.....	0.3	—	0.3	—	—
Costa Rica.....	1.2	1.2	—	—	—
Nicaragua.....	0.5	0.5	—	—	—

Note: Except where otherwise indicated, all sales were of United States dollars in exchange for the currency of the purchasing country.

- 1/ Sale of Belgian francs.
- 2/ Includes \$6,000,000 of pounds sterling.
- 3/ United States dollars sold for an equivalent in gold.
- 4/ Includes \$4,600,000 of Belgian francs.

Source: International Monetary Fund.

THE BANK

In furtherance of its primary function of facilitating the flow of international investment funds, the International Bank has done much, during the period under review, to assist members to draw up practical long-range programs adapted to their needs, as well as to suggest measures for improving their credit standing and financial stability.

Loans and disbursements

On January 6, 1949, the Bank granted two loans totalling \$34,100,000 for electric power development in Mexico. The joint borrowers in each case were the Comision Federal de Electricidad (Federal Electricity Commission) and Nacional Financiera, and both loans were guaranteed by the Mexican Government. The larger loan of \$24,100,000, to be used directly by the Federal Electricity Commission, is for a term of 25 years at an interest rate of $3\frac{1}{2}$ percent, plus a 1 percent annual commission charge to be set aside in the Bank's special reserve fund in accordance with its articles of agreement. Amortization payments, calculated to retire the loan by maturity, will begin in the fifth year. The smaller loan, \$10,000,000, was to be re-lent to the Mexican Light and Power Company, Limited. Due to an impending reorganization of the Light and Power Company, this loan is expected to cover expenditures for company expansion plans only to December 31, 1949, and is due for repayment on that date. As in the case of the larger loan, it carries an interest rate of $3\frac{1}{2}$ percent, plus the usual 1 percent commission charge. The Bank stated that, should the reorganization be satisfactorily completed in 1949, and other conditions warrant, it would consider negotiating a long-term loan to finance the remainder of the foreign exchange costs of the program and refunding the short-term credit.

On January 27, 1949, the Bank announced a loan of \$75,000,000 to the Brazilian Traction, Light and Power Company, Limited, a Canadian corporation, to assist in financing the expansion of hydroelectric power and telephone facilities in Brazil. The total cost of the expansion program is estimated at about the equivalent of \$195,000,000 over the next four or five

years, of which it is anticipated that approximately \$120,000,000, principally local currency costs, will be financed from the company's own resources. The loan, guaranteed by the United States of Brazil, is for a term of 25 years, and carries an interest rate of $3\frac{1}{2}$ percent, plus a commission of 1 percent. Amortization of principal will begin on July 1, 1953, and is calculated to retire the loan by maturity. In connection with this loan, the Canadian Government gave its consent to the use of an amount not exceeding eight million Canadian dollars out of Canada's subscription to the Bank's capital, and the Government of the United Kingdom gave its consent to the use of an amount not exceeding £ 500,000 out of the United Kingdom's subscription. The Bank expects to disburse these sums for purchases made by the Company in Canada and the United Kingdom, respectively. The Brazilian Traction loan became effective on May 9, 1949, subsequent to ratification by the Brazilian Government.

On February 28, 1949, the Bank granted a loan of \$16,000,000 to the Kingdom of Belgium for the purchase of steel and electric power equipment. This loan will be used to finance the foreign exchange costs for the construction of steel mill facilities and the erection of a power plant in the Liege industrial district. The loan is for a term of 20 years, and carries an interest rate of $3\frac{1}{4}$ percent, plus 1 percent commission. Amortization payments, calculated to retire the loan by maturity, start in the fifth year. The Bank pointed out that the extension of this loan was in conformity with its policy of supplementing the European Recovery Program by financing permanent additions to European productive capacity reflected in projects affording reasonable prospects of repayment.

From May 9, 1947, when the Bank made its first loan, through March 31, 1949, loan commitments of the International Bank aggregated slightly over \$650,000,000. As shown in the following tabulation, more than two-thirds of this amount had been disbursed by March 31, 1949:

TABLE XI - Status of International Bank loans as of Mar. 31, 1949

Borrower	Loan Commitment	Disbursement	Unused Balance of Commitment
TOTAL, ALL LOANS.....	\$650,100,000	\$508,342,928	\$141,757,072
Credit National (France).....	250,000,000	250,000,000	-----
Kingdom of the Netherlands.....	195,000,000	195,000,000	-----
Brazilian Traction, Light & Power Co. <u>1/</u>	75,000,000	-----	75,000,000
Kingdom of Denmark.....	40,000,000	40,000,000	-----
Financiera and Comision (Mexico) <u>2/</u>	34,100,000	1,832,818	32,267,182
Kingdom of Belgium.....	16,000,000	-----	16,000,000
Corporacion de Fomento (Republic of Chile) <u>3/</u>	16,000,000	-----	16,000,000
Grand Duchy of Luxembourg.....	12,000,000	9,510,110	2,489,890
Netherlands shipping companies <u>4/</u>	12,000,000	12,000,000	-----

- 1/ Loan guaranteed by the United States of Brazil, and effective May 9, 1949, after ratification by the Brazilian Government.
- 2/ Loans guaranteed by the Government of Mexico. Nacional Financiera and Comision Federal de Electricidad are joint borrowers.
- 3/ Effective April 7, 1949, after ratification by the Chilean Government.
- 4/ Loan guaranteed by the Kingdom of the Netherlands.

Source: International Bank for Reconstruction and Development.

Sales of guaranteed obligations

In January 1949, the Bank announced the private sale with its guaranty of \$2,200,000 in 2 1/2 percent serial mortgage notes which had been held in its portfolio since August 1948, when a \$12,000,000 loan was made to four Netherlands shipping companies. Of the latter amount, \$8,100,000 of guaranteed notes had been purchased from the Bank immediately by a group of ten United States commercial and savings banks. A similar transaction occurred on March 28, 1949, when the Bank guaranteed and sold to private investors the \$16,000,000 of 3 percent bonds of the Kingdom of Belgium, which it had received in connection with the loan to Belgium. In accordance with the articles of agreement, all of these guaranteed obligations were sold in the United States only after obtaining the consent of the United States Government.

In view of the fact that the \$12,000,000 loan to the Netherlands shipping companies was made out of the 18 percent United States capital subscription, a further United States consent was required. In response

to a request from the Bank, the United States Government informed the Bank that it would interpose no objection to the use by the Bank in making loans with all or any part of the proceeds of the guaranteed securities arising from this transaction. The United States, however, expressed its desire to be consulted in the future before the Bank relends any of the funds originally derived from the 18 percent subscription of the United States and recovered by the Bank through the sale of other securities.

Repayments

On January 15, 1949, four Netherlands shipping companies made a payment of \$600,000 to the banks holding the 2 1/2 percent guaranteed serial mortgage notes which had been received by the International Bank in connection with the loans made to these companies, and which were subsequently sold with the Bank's guaranty. This represents the first repayment of principal by a borrower under one of the Bank's loan contracts.

Legislation

As previously reported, the Council agreed to support, by appropriate steps, amendment of the Securities Act of 1933 and the Securities Exchange Act of 1934, so as to exempt securities issued or guaranteed by the International Bank from those acts, and to support the amendment of the National Bank Act so as to permit dealing in these securities by member banks of the Federal Reserve System (subject to existing limitations on the total amount of securities of any one obligor that a member bank may hold at any one time). Bills to accomplish this purpose were introduced in the Eighty-first Congress.

Fiscal operations

For the nine months period ending March 31, 1949, the Bank reported a net income of approximately \$7,400,000 plus \$3,700,000 placed into the special reserve. During the comparable period ending March 31, 1948, the Bank's net income was \$2,200,000 exclusive of \$2,000,000 set aside in the special reserve. As of March 31, 1949, the Bank had an earned surplus of over \$10,400,000, and nearly \$6,800,000 in its special reserve.

Future lending

As of March 31, 1949, the Bank had uncommitted loanable dollar funds amounting to approximately \$385,000,000, and had on hand numerous loan requests at various stages of investigation and completion. As evidenced by its activities during the period under review, the Bank now has progressed well into the developmental phase of its lending program. Additional use also has been made of the Bank's guaranty power, which serves the same purpose as would an increase in available loan funds. The Bank may be expected, in the future, to assume an increasingly greater share of the financial burden of world-wide developmental and modernization programs.

(Signed) John W. Snyder
Secretary of the Treasury,
Chairman of the National Advisory
Council on International Monetary
and Financial Problems.

(Signed) Dean Acheson
Secretary of State

(Signed) Thomas B. McCabe
Chairman of the Board of
Governors of the Federal
Reserve System

(Signed) Charles Sawyer
Secretary of Commerce

(Signed) Herbert E. Gaston
Chairman of the Board of
Directors of the Export-
Import Bank of Washington

(Signed) Paul G. Hoffman
Administrator for Economic Cooperation

APPENDIXES

Report of Activities of the National Advisory Council
on International Monetary and Financial Problems

October 1, 1948-March 31, 1949

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APPENDIXES

Appendix A

Sections of the Bretton Woods Agreements Act Relating to the
National Advisory Council

(59 Stat. 512; 22 U. S. C. 286b)

National Advisory Council on International Monetary and Financial
Problems

Sec. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the "Council"), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of Directors of the Export-Import Bank of Washington.

(b) (1) The Council, after consultation with the representatives of the United States on the Fund and the Bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and the Bank.

(2) The Council shall advise and consult with the President and the representatives of the United States on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank.

(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the Fund and the Bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions.

(4) Whenever, under the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the approval, consent or agreement of the United States is required before an act may be done by the respective institutions, the decision as to whether such approval, consent, or agreement, shall be given or refused shall (to the extent such decision is not prohibited by section 5 of this Act) be made by the Council, under the general direction of the President. No governor, executive director, or alternate representing the United States shall vote in favor of any waiver of condition under article V, section 4, or in favor of any declaration of the United States dollar as a scarce currency under article VII, section 3, of the Articles of Agreement of the Fund, without prior approval of the Council.

(5) The Council from time to time, but not less frequently than every six months, shall transmit to the President and to the Congress a report with respect to the participation of the United States in the Fund and the Bank.

(6) The Council shall also transmit to the President and to the Congress special reports on the operations and policies of the Fund and the Bank, as provided in this paragraph. The first report shall be made not later than two years after the establishment of the Fund and the Bank, and a report shall be made every two years after the making of the first report. Each such report shall cover and include: The extent to which the Fund and the Bank have achieved the purposes for which they were established; the extent to which the operations and policies of the Fund and the Bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; the extent to which the operations and policies of the Fund and the Bank have been coordinated, and the Council's recommendations in connection therewith; recommendations on whether the resources of the Fund and the Bank should be increased or decreased; recommendations as to how the Fund and the Bank may be made more effective; recommendations on any other necessary or desirable changes in the Articles of Agreement of the Fund and of the Bank or in this Act; and an over-all appraisal of the extent to which the operations and policies of the Fund and the Bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

(7) The Council shall make such reports and recommendations to the President as he may from time to time request, or as the Council may consider necessary to more effectively or efficiently accomplish the purposes of this Act or the purposes for which the Council is created.

(c) The representatives of the United States on the Fund and the Bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions) shall keep the Council fully informed of their activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under this Act.

Further Promotion of International Economic Relations

Sec. 14. In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the Fund and the Bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade,

eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the Fund and the Bank, particularly in conducting exchange transactions, the Council and the United States representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

Sections of the Foreign Assistance Act of 1948 Relating to the
National Advisory Council

(62 Stat. 169; 22 U. S. C. 286b (a), 1509, 1513)

Sec. 106. Section 4 (a) of the Bretton Woods Agreements Act (59 Stat. 512, 513) is hereby amended to read as follows:

"Sec. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the 'Council'), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Board of Directors of the Export-Import Bank of Washington, and during such period as the Economic Cooperation Administration shall continue to exist, the Administrator for Economic Cooperation."

Sec. 111. (c) (1) The Administrator may provide assistance for any participating country, in the form and under the procedures authorized in subsections (a) and (b), respectively, of this section, through grants or upon payment in cash, or on credit terms, or on such other terms of payment as he may find appropriate, including payment by the transfer to the United States (under such terms and in such quantities as may be agreed to between the Administrator and the participating country) of materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources. In determining whether such assistance shall be through grants or upon terms of payment, and in determining the terms of payment, he shall act in consultation with the National Advisory Council on International Monetary and Financial Problems, and the determination whether or not a participating country should be required to make payment for any assistance furnished to such country in furtherance of the purposes of this title, and the terms of such payment, if required, shall depend upon the character and purpose of the assistance and upon whether there is reasonable assurance of repayment considering the capacity of such country to make such payments without jeopardizing the accomplishment of the purposes of this title.

(2) When it is determined that assistance should be extended under the provisions of this title on credit terms, the Administrator shall allocate funds for the purpose to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945 (59 Stat. 526), as amended, make and administer the credit on terms specified by the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems...

[Section 115 (b) provides for the establishment of bilateral and multilateral agreements between the United States and the various recipient countries. Such agreements shall provide for the adherence of such country to the purposes of this title and shall, where applicable, make appropriate provision, among others, for---...

[Subsection] (6) placing in a special account a deposit in the currency of such country, in commensurate amounts and under such terms and conditions as may be agreed to between such country and the Government of the United States, when any commodity or service is made available through any means authorized under this title, and is furnished to the participating country on a grant basis. Such special account, together with the unencumbered portions of any deposits which may have been made by such country pursuant to section 6 of the joint resolution providing for relief assistance to the people of countries devastated by war (Public Law 84, Eightieth Congress) and section 5 (b) of the Foreign Aid Act of 1947 (Public Law 389 Eightieth Congress), shall be held or used within such country for such purposes as may be agreed to between such country and the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems, and the Public Advisory Board provided for in section 107 (a), for purposes of internal monetary and financial stabilization, for the stimulation of productive activity and the exploration for and development of new sources of wealth, or for such other expenditures as may be consistent with the purposes of this title, including local currency administrative expenditures of the United States incident to operations under this title, and under agreement that any unencumbered balance remaining in such account on June 30, 1952, shall be disposed of within such country for such purposes as may, subject to approval by Act of joint resolution of the Congress, be agreed to between such country and the Government of the United States...

Table 1.--Estimated gold and short-term dollar resources of foreign countries, as of December 31, 1948
(In millions of dollars)

Area and country	TOTAL	Gold 1/	Short-term dollar balances
TOTAL, ALL AREAS. ^{2/}	14,863	9,049	5,814
TOTAL, EUROPE (excl. Sterling Area).....	6,196	4,214	1,982
TOTAL, ERP PARTICIPANTS (excl. Sterling Area).....	5,355	3,535	1,820
Austria.....	61	49	12
Belgium, Luxembourg and Belgian Congo.....	821	647	174
Denmark.....	77	32	45
France and Dependencies.....	792	571	221
(France).....	744	551	193
(Dependencies). ^{3/}	48	20	28
Germany.....	179	--	179
Greece.....	27	6	21
Italy.....	422	96	326
Netherlands, N.W.I., and Surinam.....	361	214	147
Norway.....	130	52	78
Portugal and Dependencies.....	285	238	47
Sweden.....	130	81	49
Switzerland.....	1,886	1,387	499
Trieste.....	4	--	4
Turkey.....	180	162	18
TOTAL, OTHER EUROPE.....	841	679	162
Bulgaria.....	26	25	1
Czechoslovakia.....	46	17	29
Finland.....	25	6	19
Hungary.....	36	35	1
Poland.....	71	60	11
Rumania.....	223	216	7
Spain and Dependencies.....	125	111	14
Union of Soviet Socialist Republics.....	21	4/	21
Yugoslavia.....	45	25	20
Other Europe and Unidentified. ^{3/}	223	184	39

Table 1.--Estimated gold and short-term dollar resources of foreign countries, as of December 31, 1948--Continued
(In millions of dollars)

Area and country	TOTAL	Gold <u>1/</u>	Short-term dollar balances
TOTAL, BRITISH COMMONWEALTH (incl. Other Sterling Area)...	4,090	2,574	1,516
Sterling Area Countries in ERP.....	2,231	1,602	629
Iceland.....	2	1	1
Ireland.....	23	11	12
United Kingdom.....	2,136	1,590	546
United Kingdom Dependencies.....	70	<u>4/</u>	70
Other Sterling Area.....	672	562	110
Australia.....	108	86	22
Burma.....	1	<u>4/</u>	1
Ceylon.....	1	<u>4/</u>	1
India.....	308	256	52
Iraq.....	3	<u>4/</u>	3
New Zealand.....	28	23	5
Pakistan.....	24	14	10
Union of South Africa.....	199	183	16
Canada and Newfoundland.....	1,187	410	777
TOTAL, AFRICA. <u>6/</u>	102	55	47
Egypt and Anglo-Egyptian Sudan.....	81	53	28
Ethiopia.....	4	2	2
Tangier.....	17	<u>4/</u>	17
TOTAL, ASIA. <u>3/ 6/</u>	1,715	719	996
Afghanistan.....	41	37	4
Indonesia.....	218	177	41
Iran.....	163	140	23
Israel.....	16	<u>4/</u>	16
Japan.....	288	206 <u>7/</u>	82
Korea (south).....	25	<u>4/</u>	25
Palestine (Arabian).....	2	<u>4/</u>	2
Philippine Republic.....	489	1	488
Saudi Arabia.....	17	<u>4/</u>	17

Table 1.--Estimated gold and short-term dollar resources of foreign countries, as of December 31, 1948--Continued
(In millions of dollars)

Area and country	TOTAL	Gold ^{1/}	Short-term dollar balances
<u>ASIA--Con.</u>			
Siam.....	94	34	60
Other Asia and Unidentified.....	362	124	238
<u>TOTAL, LATIN AMERICA ^{6/}</u>	<u>2,744</u>	<u>1,487</u>	<u>1,257</u>
Argentina.....	357	141	216
Bolivia.....	40	23	17
Brazil.....	441	317	124
Chile.....	99	43	56
Colombia.....	105	51	54
Cuba.....	508	289	219
Dominican Republic.....	40	4	36
Ecuador.....	31	21	10
El Salvador.....	34	15	19
Guatemala.....	55	27	28
Honduras.....	4	--	4
Panama.....	72	--	72
Paraguay.....	3	--	3
Peru.....	73	20	53
Uruguay.....	202	164	38
Venezuela.....	444	322	122
Other Latin America and Unidentified.....	236	50	186
<u>UNIDENTIFIED, ALL AREAS.....</u>	<u>16</u>	<u>1</u>	<u>16</u>

- ^{1/} Official gold holdings: For countries whose current holdings have not been published, available estimates have been used, or the figures previously published or estimated have been carried forward.
- ^{2/} Excludes holdings of the International Monetary Fund, the International Bank for Reconstruction and Development and other international organizations. Total gold and short-term dollar balances of international organizations on this date were \$3,376,000,000, consisting of \$1,472,000,000 in gold and \$1,904,000,000 in short-term dollar balances. Also excludes gold holdings of the U.S.S.R.
- ^{3/} French Indo-China is included under French Dependencies.

- 4/ No estimate made.
- 5/ Includes gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold to claimant countries, including European Recovery Program countries, in accordance with the Paris Reparations Agreement.
- 6/ Excludes sterling area countries and dependencies of European countries.
- 7/ Includes approximately \$82,000,000 in gold which other countries claim Japan held on earmark for them.

NOTE:

GOLD: Data represent total holdings of governments, central banks, and other official institutions without regard to location of holdings.

SHORT-TERM DOLLAR BALANCES: Composed principally of deposits in United States banks and holdings of U.S. Government Treasury bills and certificates.

Source: Treasury Department and Board of Governors of the Federal Reserve System.

Table 2.--Gold transactions between the United States and other countries, January 1, 1945, through December 31, 1948--Continued

($\frac{1}{2}$ equals net purchases; $\frac{1}{2}$ - equals net sales $\frac{1}{2}$)
(In millions of dollars at \$35 per fine troy ounce)

Area and country	NET TOTAL 4 years	Year ending December 31--			
		1948	1947	1946	1945
NORTH AMERICA: CANADA.....	$\frac{1}{2}$ 685.9	($\frac{2}{2}$)	$\frac{1}{2}$ 311.2	$\frac{1}{2}$ 337.9	$\frac{1}{2}$ 36.8
AFRICA: UNION OF S. AFRICA..	$\frac{1}{2}$ 848.9	$\frac{1}{2}$ 498.6	$\frac{1}{2}$ 256.0	$\frac{1}{2}$ 94.3	--
INTERNATIONAL BANK.....	$\frac{1}{2}$ 18.8	$\frac{1}{2}$ 1.2	$\frac{1}{2}$ 1.5	$\frac{1}{2}$ 16.1	--
UNALLOCATED.....	$\frac{1}{2}$ 27.2	$\frac{1}{2}$ 6.3	$\frac{1}{2}$ 10.4	$\frac{1}{2}$ 6.8	$\frac{1}{2}$ 3.7

$\frac{1}{2}$ By the United States.

$\frac{2}{2}$ Less than \$50,000.

Note: Figures will not necessarily add to totals because of rounding.

Source: Treasury Department.

APPENDIX C

STATISTICAL TABLES ON UNITED STATES GOVERNMENT
POSTWAR FOREIGN LOANS AND OTHER CREDITS, AND GRANTS

Explanatory Note

The data in this appendix relate to loans and other credits and to grants provided by the United States Government to foreign governments and entities from July 1, 1945, through December 31, 1948. Because there were some credits and grants of a peacetime character between July 1, 1945, and VJ-day, and data are readily available only on a quarterly basis, a beginning date of July 1, 1945. (except for lend-lease data, which have a beginning date of September 2, 1945), has been adopted for the postwar period.

The statistical tables presented in this appendix and this explanatory note were prepared by the Clearing Office for Foreign Transactions, Office of Business Economics, Department of Commerce, in consultation with the International Statistics Division, Office of International Finance, Treasury Department, on the basis of the latest information available from Government agencies reporting to the Clearing Office.

Items which are necessarily based on estimates, particularly all lend-lease grants and some lend-lease and surplus-property credits, have been adjusted or qualified on the basis of information received to the date of preparation of these tables, and are subject to future adjustments.

Foreign aid has in some instances been extended subject to future settlement which may or may not ultimately result in repayments. Aid rendered on this basis is included with grants in this appendix, and constitutes approximately half of the total grants during the postwar period.

The following credits are excluded from the data in the tables: short-term credits (less than 6 months for credits of the Office of the Foreign Liquidation Commissioner and the War Assets Administration; and 90 days or less for all other agencies), the revolving special exporter-importer credits of the Export-Import Bank, and advance payments on commodity-procurement contracts. Also excluded are several operations of the United States Government abroad which are sometimes called grants, including the waiver to France of vessels intended as reparations to the United States from Germany, the return of reparation vessels to Italy, payments to the joint commission fighting foot-and-mouth disease in Mexico, and payments abroad of pensions, annuities, dependency allotments, and certain claims.

Transactions covered

The following types of United States Government transactions are included in this appendix:

1. CREDITS. -- These include:

(a) Loans.--These (except for loans extended by the Economic Cooperation Administration) represent cash loans to foreign governments, and to private entities in foreign countries, which

result in debtor-creditor relationships, anticipating repayments of principal and usually payments of interest. Direct loans by the Export-Import Bank and other Government agencies and disbursements of agent banks on loans fully guaranteed by the Export-Import Bank are included. In the case of the Economic Cooperation Administration, loans represent the aid extended to European Recovery Program participants on a credit basis.

Loans of the Economic Cooperation Administration originate in commitments made by the Administrator but the loans are made by the Export-Import Bank as agent for the Economic Cooperation Administration.

Loans of the Export-Import Bank originate in commitments or authorizations resulting from approval of loans by the Board of Directors. These included, as of December 31, 1948, certain loans which had not been formalized by executed contracts or agreements. These commitments, included in the appendix tables, are as follows:

TOTAL.....	\$131,668,076
<u>ERP Countries:</u>	
Turkey.....	10,152,507
Unallotted European cotton credits	19,402,969
<u>Latin America:</u>	
Brazil.....	27,396,000
Chile.....	21,575,000
Haiti.....	4,000,000
Mexico.....	24,000,000
Venezuela.....	2,337,697
Uruguay.....	141,600
Unallotted Latin America.....	22,662,303

(b) Property credits.— These represent credits extended abroad in the disposal of surplus property, including merchant ships, and in the settlement for lend-lease articles and services. These extensions of credit result in debtor-creditor relationships, anticipating payments of principal and, in most cases, of interest.

In analyzing surplus-property and lend-lease credits, consideration should be given to the Special Notes on Property Credits which appear subsequently in this Explanatory Note.

Certain property-credit settlements and agreements provide for undertakings by the foreign government, other than in the form of payment of United States dollars, which, when completed will constitute a discharge of the whole or a part of its obligation to the United States Government. Provisions governing the collection of principal and interest vary and may call for payment in the form of different combinations of United States

dollars, real property, improvements to real property, services, and foreign currencies. Collections shown in the tables do not include the undertakings of foreign governments, except to the extent that they have been reported as completed. Reporting usually lags behind actual deliveries of real property and foreign currencies.

(c) Commodity programs.--These are included with property credits and represent credits resulting from commodity shipments by the United States Government to the military governments for Western Germany and Japan. The major commodity advanced to Germany and the only commodity advanced to Japan under these programs was raw cotton, made available by the Commodity Credit Corporation of the Agriculture Department through the U.S. Commercial Company, a subsidiary of the Reconstruction Finance Corporation. The final shipments were made to Germany in July 1947, and to Japan in January 1948. In December 1947, the programs were transferred from the U.S. Commercial Company to the Army Department. As of December 31, 1948, payment in full for all shipments, handling charges, and administrative expenses had been reported.

A commodity program, intended to replace the programs described above, was authorized in Public Law 820, approved June 29, 1948. This act authorized a revolving fund of \$150,000,000 for the Army Department, as a public-debt transaction, for the purchase of natural fibers (and materials used in processing and finishing such fibers), to be processed in occupied areas and sold. Through March 31, 1949, no commitments had been made under this Congressional authorization.

2. GRANTS.--These represent aid by the United States Government to foreign governments or other entities for which no repayment is expected or for which repayment terms are currently indeterminate. Supplies furnished to foreign governments or entities are shown at actual or estimated "landed cost" abroad, which is defined to include all costs chargeable to the United States Government for delivery at the end of ship's tackle at the port of final debarkation. Services generally are reported at the estimated cost.

Specifically, the grants included in this appendix are the following:

(a) Economic cooperation.--These represent aid provided by the Economic Cooperation Administration, on other than a credit basis, furnished under title I and section 404(a) of title IV of the Foreign Assistance Act of 1948. Title I of this Act, Public Law 472, authorizes the European Recovery Program, and title IV is the authority for the Chinese assistance program. Where goods have been shipped to a dependent area, the aid has been shown as rendered to the parent country. The amount shown as utilized for "Unallocated ERP" represents the dollar administrative expenses of the ECA.

(b) Relief (other than civilian supplies).--These represent grants furnished by the United States Government for relief abroad directly to a recipient area or to international or national agencies (in particular to UNRRA, the International Children's Emergency Fund, the Intergovernmental Committee on Refugees, the International Refugee Organization, and the American Red Cross).

The data included as relief and rehabilitation provided through UNRRA cover only those goods, services, and funds provided by the United States Government. In most cases UNRRA shipments were destined for the country where they were to be used, and data are reported accordingly. In some instances, however, goods were later transshipped and the country of destination, which is reported in these tables, was not the country actually utilizing the supplies. The dollar value of supplies, as transshipped, is small relative to the total. Included in "Unallocated, International Organizations" in the tables, is the aggregate of approximately \$365,000,000, representing the administrative costs and unclassified shipments of UNRRA plus the contributions in dollars given UNRRA for use wherever needed.

The State Department administers contributions to the International Children's Emergency Fund, authorized under Public Law 84 and title II of Public Law 472. Appropriations and President's Emergency Fund allocations have been available to the State Department for transfer to the Intergovernmental Committee on Refugees, and appropriations have been made for participation in the International Refugee Organization. These are shown in the tables as "Unallocated, International Organizations."

The data included for American Red Cross cover only supplies provided by United States Government procuring agencies with appropriated funds. Included also in relief are data on the post-UNRRA relief programs authorized by Public Law 84, approved May 31, 1947, and on the interim-aid program authorized by Public Law 389, approved December 17, 1947. Terminal administration of these two programs is under the Economic Cooperation Administration. In the appendix tables, \$2,000,000 of the \$10,000,000 total American Red Cross aid, and \$3,000,000 of the total \$278,000,000 post-UNRRA relief is shown as "Unallocated, All Areas." These represent undistributable American Red Cross aid, administrative expenses of the post-UNRRA program, and reimbursements under the post-UNRRA program to American voluntary relief organizations for ocean freight expenditures incurred in sending aid abroad.

Goods, services, and funds provided by private persons or organizations, even though furnished through Government-approved organizations, are excluded from these data.

(c) Civilian supplies.---These represent principally supplies furnished by the United States Army for civilian use abroad to prevent disease and unrest in occupied areas; issues of supplies by the Navy Department on the Pacific Islands; and supplies financed out of lend-lease appropriations and furnished to the Army Department for Italian relief.

Army Department data include all reported shipments of civilian supplies plus net diversions abroad from military stocks. Also included is the value of incentive materials provided Germany and

Japan. Services rendered to civilians are not included because of the infeasibility of segregating the cost of such services from the cost of regular military operations. Shipments have been shown by individual country, except for the United States and British zones of the European theater, which have been shown in the appendix tables as "Unallocated ERP."

Navy Department figures show deliveries of civilian supplies to reported areas. An adjustment of these figures has been made by the Navy Department to cover diversions to or from other stocks.

To assist the United States Army in furnishing relief and rehabilitation supplies for Italy, \$100,000,000 of lend-lease funds was made available in 1945. Since Italy had not been designated as eligible for lend-lease aid, these supplies were turned over to the Army as an intermediary in distribution. To pay for the transportation of these lend-lease financed supplies, an additional \$40,000,000 was earmarked from lend-lease funds. The data in these tables have been adjusted to exclude these transactions from lend-lease, and to include them under civilian supplies.

(d) Lend-lease.--The figures in this appendix for lend-lease aid represent the estimated value of such aid furnished on a grant basis (often referred to as "straight" lend-lease) during the period September 2, 1945, to March 31, 1948. (Lend-lease data as of March 31, 1948, were the most recent available at the time of compilation of these appendix tables.) Lend-lease grants are broken down by requisitioning governments and are shown only against the United Kingdom for the British Commonwealth, against France for all French areas, etc.

Although governments of other nations provided some aid in the postwar period to the United States in the form of reverse lend-lease, such assistance received has not been offset against the assistance furnished because complete reverse lend-lease data are not available.

The amount shown as "Unallocated, All Areas" represents principally losses on inventories and facilities, and miscellaneous charges, including administrative expenses.

(e) Other grants.--The remaining other grants include:

1. Aid in cultural and economic programs for the American Republics, representing principally programs instituted by agencies whose functions have been consolidated in the Institute of Inter-American Affairs in the State Department.
2. Financial aid to China under Public Law 442, approved February 7, 1942, which directed that \$500,000,000 be provided to China to assist in prosecuting the war against Japan and in stabilizing the Chinese economy. This program was administered by the Treasury Department and approximately \$120,000,000 of aid was provided in the post-war period.

3. Aid to China under section 404(b) of Public Law 472, approved April 3, 1948, which authorized the President to provide \$125,000,000 in military aid to China.

4. Military and economic aid to Greece and military aid to Turkey under Public Law 75, approved May 22, 1947, and military aid to both countries under title III of Public Law 472, approved April 3, 1948.

5. Aid to the Philippines under the first three titles of the Philippine Rehabilitation Act of 1946 which authorizes disbursements for compensation for private war-damage claims under title I, surplus property transfers under title II, and disbursements for the restoration and improvement of public property and essential public service under title III.

Definitions

Because of the wide variety of transactions and differences in the accounting procedures of the various Government agencies, it is not possible to prepare simple definitions applicable to all cases, but the classifications used are as consistent in principle as could be achieved.

1. UTILIZED represents for--

(a) Loans:

1. Economic Cooperation Administration.—The amount of aid extended on a credit basis, based upon calculations by the Economic Cooperation Administration. This aid, except to Iceland, was extended originally on an indeterminate basis out of appropriated funds. While the utilization shown does not represent either (1) disbursements out of public-debt funds (except in the case of Iceland), as reported by the Export-Import bank, or (2) reimbursements of advances from appropriated funds, as reported by the Economic Cooperation Administration, it is eventually incorporated into the fiscal records of both agencies by the disbursement of public-debt funds and the reimbursement of appropriated funds. Subsequent to December 31, 1948, the allocations between loan and grant utilizations, particularly in the case of Belgium, were subject to minor adjustments, due to pending amendatory loan agreements.

2. All other agencies.—The amounts disbursed under the terms of the agreements.

(b) Property credits, including commodity programs:

1. Lend-lease.—The inventories of lend-lease goods in the

hands of civilian agencies of recipient governments at VJ-day and billings to foreign governments for post-VJ-day shipments under pipe-line agreements. In many cases these amounts have been determined by war-account settlement agreements. In the case of Liberia, utilization represents expenditures reported by the Navy Department to the Treasury Department.

2. Office of the Foreign Liquidation Commissioner surplus-property credits.--The full amount of bulk-sale credit agreements plus the amounts involved in sales contracts signed under other credit agreements, regardless of the time of delivery of the property. In most cases, however, these amounts are subject to adjustment upon final delivery of the property and final documentation and accounting.

3. Maritime Commission ship-sale credits.--The principal amount of mortgages received by the Commission from foreign purchasers of merchant ships.

4. War Assets Administration surplus-property credits.--The amounts involved in sales contracts signed under credit agreements, regardless of the time of delivery of the property. In some cases, these amounts are subject to adjustment, pending final delivery and accounting.

5. Commodity programs for Germany (western) and Japan.--The value of the raw materials shipped, plus shipping costs, handling charges, and administrative expenses.

(c) Grants:

1. Economic Cooperation Administration.--Shipments in the case of United States Government procurement, and expenditures in the case of cash reimbursements to foreign countries or to United States banks extending credits to foreign countries under an ECA letter of commitment.

2. Other grants.--Shipments in the case of United States Government procurement, and expenditures in the case of cash disbursements to foreign countries.

2. UNUTILIZED represents for--

- (a) Loans and other credits: The difference between net agency authorizations (cumulative gross authorizations less cumulative expirations and cancellations) and the amount utilized.

In addition, there is included, as unallocated on a country basis, for the:

1. Economic Cooperation Administration.--The uncommitted loan and guaranty authority. This is the difference between the \$1,000,000,000 authorized by title I of the Foreign Assistance Act of 1948 (Public Law 472) as a public-debt transaction and the loans authorized or committed by the Economic Cooperation Administration. This \$1,000,000,000 (authorized for the purpose of extending assistance to European Recovery Program participating countries on a credit basis and of making guaranties), has been considered as the amount available for credits. Of the amount shown as unallocated at December 31, 1948, there is included a maximum contingent liability of \$1,259,800 on guaranty contracts signed.
2. Export-Import Bank.--The uncommitted lending authority, i.e., the difference between the statutory lending authority of the Bank, and the sum of the outstanding indebtedness to the Bank plus the unutilized authorizations of the Bank.
3. Army Department.--The uncommitted commodity-program credit authority.

(b) Grants:

1. Civilian supplies.--An estimate based on the unexpended appropriation programmed for this purpose.
2. Post-UNRRA program.--The unexpended obligation for ocean transportation of supplies donated to or purchased by American voluntary relief agencies.
3. Interim-aid program.--The \$1,000,000 known to have been transferred between December 31, 1948, and March 31, 1949, to augment the economic-cooperation program for Trieste.
4. Institute of Inter-American Affairs.--The difference between the agreed aid and the amount utilized (agreements have been signed to provide specific amounts of aid).
5. Other active programs.--The difference between the appropriation and the amount utilized. In the case of the Economic Cooperation Administration, the \$4,000,000,000 appropriated in Public Law 793 for the purpose of extending assistance to European Recovery Program participating countries on a grant or (under certain conditions) credit basis has been considered as the amount available for grants.

In those instances where programs have been obviously completed, although the recorded grants utilized are short of the final total, the computed unutilized amount has been adjusted to zero.

3. OUTSTANDING INDEBTEDNESS represents the net of credits utilized less repaid. The data necessarily include the results of transactions taking place before July 1, 1945. Indebtedness arising out of World War I, however, is excluded.

4. AUTHORIZED represents, for the period July 1, 1945, through December 31, 1948, the gross amount of loans and other credits authorized or committed, as well as any increase in prior authorizations or commitments. This includes all loans and other credits approved by the responsible officials of Government agencies from available funds even if they had not been formalized by signed credit agreements. Because the lack of formal agreement may become important in some instances, the amounts in this category as of December 31, 1948, included in table 6 are tabulated under Trans - actions Covered of this Explanatory Note. Included also in authorized are (1) the increase between July 1, 1945, and December 31, 1948, in the uncommitted lending authority of the Export-Import Bank, (2) the uncommitted loan and guaranty authority of the Economic Cooperation Administration at December 31, 1948, and (3) the uncommitted commodity-program credit authority of the Army Department at December 31, 1948.

5. EXPIRED AND CANCELLED represents all expirations and cancellations of authorizations or commitments occurring during the period from July 1, 1945, through December 31, 1948, regardless of whether the loan or other credit was authorized prior or subsequent to July 1, 1945.

6. REPAID represents payments on principal only, including repayments on loans and other credits utilized prior to July 1, 1945, but excluding repayments on debts arising out of World War I.

Special Notes on Property Credits

As previously pointed out, the data presented in the tables under surplus-property and lend-lease credits, are subject to the following qualifications for individual countries:

1. Belgium.--The final amount of the Foreign Liquidation Commissioner credit will depend on the proceeds received from the resale of surplus property by the Belgian Government. The figures shown for credit committed and utilized (\$49,000,000) are based upon original estimates. These figures may ultimately be revised downward by approximately \$10,000,000, based on current estimates of the proceeds from resale of United States surplus property by the Belgian Government for the joint account of the two countries.

2. France.--The \$420,000,000 credit, assignable to lend-lease under the war-account settlement agreement of May 28, 1946, was not a fixed amount but was an estimate subject to later adjustment pending final determination of the amount of goods delivered. The utilization shown in the tables (\$370,705,946),

represents the net billings to December 31, 1948, under the agreement of May 28, 1946. A final determination was subsequently made in the agreement signed March 14, 1949, which fixed the obligation of France assignable to lend-lease at \$353,300,000.

3. Germany (western).--The Foreign Liquidation Commissioner credit of \$183,750,000 for bizonal Germany shown as committed and utilized will ultimately be adjusted downward due to a substantial deficiency of deliverable property under the bulk-sale agreement, dated January 23, 1948. This deficiency is due in a large degree to the withdrawal of property previously declared surplus by the Army because of a reclassification of arms, ammunition, and implements of war in Presidential Proclamation 2776, effective April 15, 1948. Tables have not been adjusted to reflect the current estimate of total utilization under this bulk-sale which is approximately \$85,000,000, subject to further revision in final accounting.

4. Italy.--The Foreign Liquidation Commissioner credit to Italy shown as committed and utilized in the amount of \$178,000,000 will ultimately be adjusted downward due to a deficiency in deliveries under the first bulk-sale agreement (\$160,000,000), dated September 9, 1946. The current estimate of total utilization on both bulk sales is approximately \$141,000,000. Tables have not been adjusted accordingly.

5. Netherlands.--Lend-Lease credits committed and utilized are stated in the amount of \$48,000,000, the agreed net indebtedness established by the war-account settlement with the Netherlands dated May 28, 1947. This includes \$840,000 due for surplus property sold by the Foreign Liquidation Commissioner in January, 1947. The difference between the \$65,000,000 unutilized lend-lease credit reported as of June 30, 1945, and the \$48,000,000 war-account settlement credit, has been shown as a cancellation of credit commitments.

6. United Kingdom.--The lend-lease credit commitment shown in the amount of \$590,000,000 represents the amount assigned to lend-lease in the war-account settlement agreements with the United Kingdom dated December 6, 1945, and March 27, 1946. This amount was composed of \$472,000,000, regarded as the "fixed" amount, and \$118,000,000, subject to future accounting adjustments representing the net estimated amount of the lend-lease and reverse lend-lease pipe lines, less the net claims.

A later agreement with the United Kingdom, signed July 12, 1948, set \$90,446,911 as the amount to be paid to the United States Government to replace the previous estimated amount of \$118,000,000. This reduction of \$27,553,089 has been shown as a cancellation of the original commitment.

7. U.S.S.R.---The gross lend-lease commitment represents the original estimated value of articles and services on order and not transferred as of VJ-day, which were designated for transfer on a credit basis; the cancellation represents a downward revision in the original estimate.

8. China.---The gross lend-lease commitment represents the original estimated value of lend-lease articles and services on order and not transferred as of VJ-day, which were designated for transfer on a credit basis; the cancellation represents a downward revision in the original estimate.

The \$20,000,000 shown as a credit for the Army Department represents the estimated amount of surplus property delivered to China by the Army subject to future settlement.

9. India.---The exact amount of the Foreign Liquidation Commissioner credit will depend on the proceeds received from the resale of surplus property by the Government of India for the joint account of the United States and India. The figures shown for credit commitment and utilization are based on the latest estimates.

10. Latin America.---Lend-lease mutual-aid agreements were signed with all the American Republics except Argentina and Panama. Combined data for these lend-lease credits are shown in "Unallocated, Latin America."

Presentation of Data in Tables

The presentation of the data for foreign credits and grants of the United States Government in the tables of this appendix, while not identical with that in previous reports of the National Advisory Council, is similar and comparable.

Table 1 shows foreign credits and grants utilized in the $3\frac{1}{2}$ -year postwar period in various combinations with amounts unutilized as of the end of the period. Table 2 is a summary of the status of foreign credits as of June 30, 1945, and as of December 31, 1948, and of the activity during the intervening $3\frac{1}{2}$ -year period. Table 3 is in three parts and presents, by type or program, grants (1) utilized in the $3\frac{1}{2}$ -year postwar period, (2) utilized in the 6-month period ended December 31, 1948, and (3) unutilized as of December 31, 1948. Tables 4, 5, 6, 7, 8, and 10 present a breakdown by credit-extending agency of the credit data (as of December 31, 1948, and during the $3\frac{1}{2}$ -year period), summarized in table 2. Table 9 shows a breakdown by credit-extending agency of the credits utilized in the 6-month period from July 1, 1948, through December 31, 1948. All tables present the data by geographical area and country.

The figures in each of the tables are rounded to whole millions of dollars; components will not necessarily add to totals because of rounding. In the "ERP Participants" area, each country having any data has been shown individually. In all other areas, any country whose total

or largest dollar amount cannot be rounded to more than \$5,000,000 has been combined with other countries in that area whose dollar amounts cannot be rounded to more than \$5,000,000 and the total has been rounded and shown as "Other." In determining whether a country should be shown individually or in combination with other countries in an area, each table has been **treated** separately.

Whenever the country detail to be shown for an area is one item only (one country or, in accordance with the above, exclusively "Other"), only the area total appears. For each item shown (area, country, other, or unallocated), the figures for that item in any column are presented, even though the figure is \$5,000,000 or less.

The unallocated items are aid or potential aid that cannot be allocated by country. In most instances such items have been allocated by area. The composition of the unallocated items is covered either elsewhere in this Explanatory Note or in footnotes to the tables.

Table 1.--Summary of U.S. Government foreign credits and grants:
Utilized, July 1, 1945, to December 31, 1948; and unutilized as of
December 31, 1948, by area and country 1/

(In millions of dollars)

Area and country	GRAND TOTAL	Credits plus Grants		Utilized plus Unutilized		
		Utilized	Unutilized	Loans	Property credits	Grants
TOTAL, ALL AREAS.....	26,522	20,139	6,383	8,628	3,387	14,507
TOTAL, EUROPE.....	19,453	15,407	4,046	6,796	2,605	10,052
TOTAL, ERP PARTICIPANTS...	17,859	13,845	4,014	6,633	2,282	8,944
Austria.....	591	441	151	14	22	555
Belgium & Luxembourg....	442	299	143	182	49	211
Denmark.....	133	56	77	45	10	78
France.....	3,481	2,785	695	1,370	827	1,284
Germany (western).....	2,487	1,781	707	24	221	2,243
Greece.....	1,100	841	258	15	121	964
Iceland.....	6	2	4	2	(2/)	4
Ireland.....	77	(2/)	77	60	--	17
Italy.....	1,901	1,423	477	181	243	1,476
Netherlands.....	806	446	359	300	103	403
Norway.....	181	102	79	85	47	49
Sweden.....	35	4	31	12	--	23
Switzerland.....	2	2	--	--	--	2
Trieste.....	28	21	7	--	--	28
Turkey.....	237	99	138	66	16	155
United Kingdom.....	5,956	5,378	578	4,095	622	1,238
Unallocated ERP.....	397	164	233	182	--	215
TOTAL, OTHER EUROPE.....	1,594	1,562	32	163	323	1,108
Albania.....	20	20	--	--	--	20
Czechoslovakia.....	213	213	--	22	8	183
Finland.....	140	111	28	101	36	2
Hungary.....	18	18	--	--	16	2
Poland.....	443	442	1	40	38	365
U.S.S.R.....	460	458	2	--	224	236
Yugoslavia.....	300	300	--	--	1	299
TOTAL, LATIN AMERICA.....	515	317	199	438	44	33
Bolivia.....	21	18	3	19	--	2
Brazil.....	118	82	36	97	16	5
Chile.....	86	39	47	82	--	4
Colombia.....	39	19	20	37	1	1
Cuba.....	11	11	--	10	--	(2/)
Ecuador.....	16	7	9	14	(2/)	2

Table 1.--Summary of U.S. Government foreign credits and grants:
Utilized, July 1, 1945, to December 31, 1948; and unutilized as
of December 31, 1948, by area and country 1/--Continued
(In millions of dollars)

Area and country	GRAND TOTAL	Credits plus Grants		Utilized plus Unutilized		
		Utilized	Unutilized	Loans	Property Credits	Grants
<u>LATIN AMERICA--Con.</u>						
Haiti.....	7	2	4	4	(2/)	2
Mexico.....	138	89	49	132	--	6
Peru.....	8	8	1	(2/)	5	2
Uruguay.....	10	10	1	7	2	1
Venezuela.....	6	3	3	5	--	1
Other Latin America.....	10	8	3	4	(2/)	6
Unallocated L.A.....	45	21	23	24	19	2
TOTAL, ASIA.....	4,498	3,629	869	205	547	3,746
China.....	1,892	1,643	249	99	146	1,648
India.....	15	15	--	--	15	--
Indonesia.....	67	67	--	--	63	4
Iran.....	39	21	18	--	39	--
Japan.....	1,573	1,242	331	26	208	1,338
Korea (southern).....	299	214	86	--	25	274
Pakistan.....	10	(2/)	10	--	10	--
Philippines.....	533	365	169	70	18	445
Ryukyu Islands.....	35	35	--	--	--	35
Saudi Arabia.....	14	14	--	10	2	2
Siam.....	10	6	4	--	10	--
Other Asia.....	11	7	3	--	11	(2/)
CANADA.....	145	140	5	145	--	--
TOTAL, AFRICA.....	39	28	11	10	28	1
Egypt.....	18	13	5	7	11	(2/)
Liberia.....	16	12	4	--	16	--
Other Africa.....	5	3	2	3	2	(2/)
TOTAL, OCEANIA.....	17	17	--	--	13	5
Australia.....	8	8	--	--	8	(2/)
Other Oceania.....	9	9	--	--	4	4
UNALLOCATED, INT'L ORGAN..	650	520	131	65	--	585
UNALLOCATED, ALL AREAS....	1,204	82	1,123	970	150	85

(Footnotes to above table appear on following page).

- 1/ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.
- 2/ Less than \$500,000.

Table 2.--Summary of U. S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area and country 1/
 (In millions of dollars)

Area and country	December 31, 1948		Activity July 1, 1945, to December 31, 1948				June 30, 1945 2/	
	Outstand- ing in- debted- ness	Unuti- lized credits	Author- ized	Expired and can- celled	Utilized	Repaid	Outstand- ing in- debted ness	Unuti- lized credits
TOTAL, ALL AREAS.....	9,331	2,347	12,239	934	9,668	893	556	710
TOTAL, EUROPE.....	8,502	875	9,594	368	8,525	322	299	174
TOTAL, ERP PARTICIPANTS...	8,046	843	8,990	241	8,071	298	272	166
Austria.....	19	17	37	1	19	(3/)	--	--
Belgium & Luxembourg.....	179	40	231	55	191	12	--	55
Denmark.....	38	17	55	--	38	--	--	--
France.....	2,042	111	2,246	49	2,086	44	--	--
Germany (western).....	184	19	252	8	225	41	--	--
Greece.....	105	25	147	11	111	6	--	--
Iceland.....	2	1	3	--	2	--	--	--
Ireland.....	--	60	60	--	--	--	--	--
Italy.....	323	73	428	3	352	29	--	--
Netherlands.....	314	73	381	43	330	16	--	65
Norway.....	81	48	142	20	84	3	--	11
Sweden.....	2	10	12	--	2	--	--	--
Turkey.....	22	56	82	(3/)	26	4	--	--
United Kingdom.....	4,735	113	4,710	28	4,605	142	272	35
Unallocated ERP.....	--	182	205	22	--	--	--	--

Table 2.--Summary of U.S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area and country 1/--Continued
 (In millions of dollars)

Area and country	December 31, 1948		Activity July 1, 1945, to December 31, 1948				June 30, 1945 2/	
	Outstand- ing in- debted- ness	Unuti- lized credits	Author- ized	Expired and can- celled	Utilized	Repaid	Outstand- ing in- debted- ness	Unuti- lized credits
TOTAL, OTHER EUROPE.....	456	32	604	127	454	25	27	9
Czechoslovakia.....	23	--	72	42	30	7	--	--
Finland.....	117	28	136	8	109	16	24	9
Hungary.....	14	--	30	14	16	2	--	--
Poland.....	79	1	90	12	77	1	3	--
U.S.S.R.....	222	2	275	51	222	--	--	--
Other.....	1	--	1	--	1	--	--	--
TOTAL, LATIN AMERICA.....	364	194	353	268	288	107	183	337
Bolivia.....	17	3	3	--	16	1	2	18
Brazil.....	112	35	111	26	79	23	56	28
Chile.....	33	46	69	(3/)	36	17	14	13
Colombia.....	21	20	16	1	18	8	10	23
Costa Rica.....	7	--	--	(3/)	(3/)	(3/)	7	(3/)
Cuba.....	11	--	--	7	10	2	3	18
Ecuador.....	9	9	5	1	6	1	5	10
Haiti.....	6	4	4	(3/)	(3/)	3	9	(3/)
Mexico.....	70	48	91	8	84	25	11	49
Peru.....	5	--	7	26	6	1	--	25
Uruguay.....	15	1	3	18	9	1	7	25
Other Latin America.....	12	5	8	2	4	8	16	3

Table 2.--Summary of U.S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area and country 1/--Continued
 (In millions of dollars)

Area and country	December 31, 1948		Activity July 1, 1945, to December 31, 1948				June 30, 1945 2/	
	Outstand- ing in- debted- ness	Unuti- lized credits	Author- ized	Expired and can- celled	Utilized	Repaid	Outstand- ing in- debted- ness	Unuti- lized credits
LATIN AMERICA--Con.								
Unallocated L.A.....	45	23	36	118	20	18	44	125
TOTAL, ASIA.....	425	80	903	183	672	313	65	32
Bahrein Islands.....	--	--	--	--	--	16	16	--
China.....	199	17	235	22	227	77	49	32
India.....	13	--	15	--	15	2	--	--
Indonesia.....	63	--	200	137	63	(3/)	--	--
Iran.....	13	18	40	1	21	8	--	--
Japan.....	23	19	234	(3/)	216	192	--	--
Korea.....	25	--	25	(3/)	25	--	--	--
Pakistan.....	--	10	10	--	(3/)	(3/)	--	--
Philippines.....	66	9	89	1	79	13	--	--
Saudi Arabia.....	11	--	32	20	12	1	--	--
Siam.....	6	4	10	--	6	(3/)	--	--
Other Asia.....	6	3	12	1	7	2	--	--
CANADA AND NEWFOUNDLAND....	6	5	311	166	140	140	7	--

Table 2.--Summary of U.S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area and country 1/--Continued
 (In millions of dollars)

Area and country	December 31, 1948		Activity July 1, 1945, to December 31, 1948				June 30, 1945 <u>2/</u>	
	Outstand- ing in- debted- ness	Unuti- lized credits	Author- ized	Expired and can- celled	Utilized	Repaid	Outstand- ing in- debted- ness	Unuti- lized credits
TOTAL, AFRICA.....	19	11	31	3	27	10	2	11
Egypt.....	3	5	18	--	13	10	--	--
Liberia.....	13	4	7	2	12	--	2	11
Other Africa.....	3	2	6	1	3	(3/)	(3/)	(3/)
TOTAL, OCEANIA.....	13	--	14	1	13	--	--	--
Australia.....	8	--	8	--	8	--	--	--
New Zealand.....	4	--	6	1	4	--	--	--
UNALLOCATED, INT'L ORGAN..	3	62	65	--	3	--	--	--
UNALLOCATED, ALL AREAS....	--	1,120	968	5	--	--	--	156 <u>4/</u>

1/ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note. For agency break-down of the first six columns of this table and for footnotes, see tables 4, 5, 6, 7, 8, and 10. Outstanding indebtedness at December 31, 1948, is equivalent to the sum of outstanding indebtedness at June 30, 1945, plus the difference between the amount utilized and the amount repaid during the period July 1, 1945, to December 31, 1948. Unutilized credits at December 31, 1948, is equivalent to the sum of unutilized credits at June 30, 1945, and the amount authorized during the period July 1, 1945, to December 31, 1948, less the sum of the amount expired and cancelled and the amount utilized during the period July 1, 1945, to December 31, 1948.

- 2/ Most items in the two columns as of June 30, 1945, relate to loans by the Export-Import Bank. Major other agency credits are as follows: Belgium, \$55 million unutilized lend-lease property credit; Netherlands, \$65 million unutilized lend-lease property credit; United Kingdom, \$272 million outstanding and \$35 million unutilized loan by the Reconstruction Finance Corporation; Unallocated Latin America, \$44 million outstanding and \$52 million unutilized lend-lease property credits; Bahrein Islands, \$16 million outstanding loan by the Reconstruction Finance Corporation; Canada and Newfoundland, \$7 million outstanding loan by the Reconstruction Finance Corporation; Liberia, \$2 million outstanding and \$11 million unutilized lend-lease property credit.
- 3/ Less than \$500,000.
- 4/ Uncommitted lending authority of the Export-Import Bank.

Table 3.--U.S. Government foreign grants: Utilized July 1, 1945, to December 31, 1948, and July 1, 1948, to December 31, 1948; and unutilized as of December 31, 1948, by area, country, and type 1/

(In millions of dollars)

AMOUNTS UTILIZED July 1, 1945, to December 31, 1948						
Area and country	TOTAL	Economic coopera- tion	Relief	Civilian supplies	Lend- lease	Other grants
TOTAL, ALL AREAS.....	10,471	1,481	3,596	3,219	1,285	890
TOTAL, EUROPE.....	6,882	1,385	2,659	1,934	482	422
TOTAL, ERP PARTICIPANTS...	5,774	1,385	1,598	1,934	434	422
Austria.....	421	99	228	94	--	--
Belgium & Luxembourg....	108	47	1	--	60	--
Denmark.....	18	18	(2/)	--	--	--
France.....	699	319	320	--	61	--
Germany (western).....	1,556	118	4	1,434	--	--
Greece.....	730	58	317	--	6	349
Iceland.....	(2/)	(2/)	--	--	--	--
Ireland.....	(2/)	--	(2/)	--	--	--
Italy.....	1,071	125	702	244	--	--
Netherlands.....	117	87	2	--	28	--
Norway.....	18	17	1	--	--	--
Sweden.....	2	1	1	--	--	--
Switzerland.....	2	--	2	--	--	--
Trieste.....	21	6	12	3	--	--
Turkey.....	73	--	--	--	--	73
United Kingdom.....	773	485	8	--	279	--
Unallocated ERP.....	164	5	--	158	--	(2/)
TOTAL, OTHER EUROPE.....	1,108	--	1,060	--	48	--
Albania.....	20	--	20	--	--	--
Czechoslovakia.....	183	--	183	--	--	--
Poland.....	365	--	365	--	(2/)	--
U.S.S.R.....	236	--	188	--	48	--
Yugoslavia.....	299	--	299	--	--	--
Other.....	4	--	4	--	--	--
LATIN AMERICA.....	29	--	(2/)	--	2	27
TOTAL, ASIA.....	2,957	96	414	1,281	724	441
China.....	1,416	96	406	--	722	192
Japan.....	1,026	--	--	1,026	--	--
Korea (southern).....	189	--	1	188	--	--

Table 3.--U.S. Government foreign grants: Utilized July 1, 1945, to December 31, 1948, and July 1, 1948, to December 31, 1948; and unutilized as of December 31, 1948, by area, country, and type 1/--Continued

(In millions of dollars)

AMOUNTS UTILIZED July 1, 1945, to December 31, 1948						
Area and country	TOTAL	Economic coopera- tion	Relief	Civilian supplies	Lend- lease	Other grants
<u>ASIA--Con.</u>						
Philippines.....	285	---	8	28	---	249
Ryukyu Islands.....	35	---	(2/)	35	---	---
Other Asia.....	6	---	(2/)	4	2	---
AFRICA.....	1	---	1	---	---	---
OCEANIA.....	5	---	(2/)	4	---	---
UNALLOCATED, INT'L ORGAN.	517	---	517	---	---	---
UNALLOCATED, ALL AREAS....	82	---	5	---	77	---

AMOUNTS UTILIZED July 1, 1948, to December 31, 1948					
Area and country	TOTAL	Economic coopera- tion	Relief	Civilian supplies	Other grants
TOTAL, ALL AREAS.....	2,301	1,276	69	622	333
TOTAL, ERP PARTICIPANTS.....	1,741	1,181	23	374	162
Austria.....	94	91	3	(2/)	---
Belgium & Luxembourg.....	47	47	---	---	---
Denmark.....	17	17	---	---	---
France.....	269	261	8	---	---
Germany (western).....	492	118	---	374	---
Greece.....	174	46	---	---	127
Iceland.....	(2/)	(2/)	---	---	---
Italy.....	129	116	13	---	---
Netherlands.....	72	72	---	---	---
Norway.....	17	17	---	---	---
Sweden.....	1	1	---	---	---
Trieste.....	6	6	---	---	---
Turkey.....	35	---	---	---	35
United Kingdom.....	383	383	---	---	---
Unallocated ERP.....	5	5	---	---	(2/)

Table 3.--U.S. Government foreign grants: Utilized July 1, 1945, to December 31, 1948, and July 1, 1948, to December 31, 1948; and unutilized as of December 31, 1948, by area, country, and type 1/--Continued
(In millions of dollars)

AMOUNTS UTILIZED July 1, 1948, to December 31, 1948					
Area and country	TOTAL	Economic coopera- tion	Relief	Civilian supplies	Other grants
LATIN AMERICA.....	3	--	--	--	3
TOTAL, ASIA.....	511	95	--	248	168
China.....	167	95	--	--	72
Japan.....	202	--	--	202	--
Korea (southern).....	43	--	--	43	--
Philippines.....	96	--	--	--	96
Other Asia.....	4	--	--	4	--
UNALLOCATED, INT'L ORGAN..	45	--	45	--	--
UNALLOCATED, ALL AREAS....	2	--	2	--	--

UNUTILIZED BALANCES, December 31, 1948					
Area and country	TOTAL	Economic coopera- tion	Relief	Civilian supplies	Other grants
TOTAL, ALL AREAS.....	4,036	2,803	72	740	420
TOTAL, ERP PARTICIPANTS...	3,171	2,624	1	342	203
Austria.....	134	131	--	3	--
Belgium & Luxembourg....	103	103	--	--	--
Denmark.....	60	60	--	--	--
France.....	584	584	--	--	--
Germany (western).....	688	348	--	340	--
Greece.....	234	113	--	--	121
Iceland.....	3	3	--	--	--
Ireland.....	17	17	--	--	--
Italy.....	405	405	--	--	--
Netherlands.....	286	286	--	--	--
Norway.....	30	30	--	--	--
Sweden.....	21	21	--	--	--

Table 3.--U.S. Government foreign grants: Utilized July 1, 1945, to December 31, 1948, and July 1, 1948; to December 31, 1948; and unutilized as of December 31, 1948, by area, country, and type 1/--Continued

(In millions of dollars)

UNUTILIZED BALANCES, December 31, 1948					
Area and country	TOTAL	Economic coopera- tion	Relief	Civilian supplies	Other grants
<u>ERP PARTICIPANTS--Con.</u>					
Trieste.....	7	6	1	--	--
Turkey.....	82	--	--	--	82
United Kingdom.....	466	466	--	--	--
Unallocated ERP.....	51	51	--	--	(2/)
LATIN AMERICA.....	5	--	--	--	5
TOTAL, ASIA.....	789	179	--	398	212
China.....	232	179	--	--	53
Japan.....	312	--	--	312	--
Korea (southern).....	86	--	--	86	--
Philippines.....	160	--	--	--	160
UNALLOCATED, INT'L ORGAN..	68	--	68	--	--
UNALLOCATED, ALL AREAS....	3	--	3	--	--

1/ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.

2/ Less than \$500,000.

Table 4.--Outstanding indebtedness 1/ of foreign countries on U.S. Government credits:
as of December 31, 1948, by area, country, and agency

(In millions of dollars)

Area and country	TOTAL <u>2/</u>	LOANS		PROPERTY CREDITS			Other loans and property credits <u>2/</u>
		Export- Import Bank <u>2/</u>	Economic Cooperation Admin.	Lend- Lease	Foreign Liquida- tion Com- missioner <u>2/</u>	Maritime Commis- sion	
TOTAL, ALL AREAS.....	9,331	2,145	486	1,314	1,180	212	3,995
TOTAL, EUROPE.....	8,502	1,768	486	1,205	958	182	3,904
TOTAL, ERP PARTICIPANTS...	8,046	1,617	486	982	881	181	3,899
Austria.....	19	7	--	--	8	--	3 <u>3/</u>
Belgium & Luxembourg....	179	123	10	--	46	--	--
Denmark.....	38	20	17	--	1	--	--
France.....	2,042	1,159	128	371	328	53	4 <u>3/</u>
Germany (western).....	184	--	--	--	184	--	--
Greece.....	105	15	--	--	55	35	--
Iceland.....	2	--	2	--	(<u>4/</u>)	--	--
Italy.....	323	47	38	--	177	61	--
Netherlands.....	314	190	48	48	18	10	(<u>3/</u> <u>4/</u>)
Norway.....	81	42	12	6	4	16	1 <u>3/</u>
Sweden.....	2	2	--	--	--	--	--
Turkey.....	22	12	--	--	5	6	--
United Kingdom.....	4,735	--	232	557	54	--	3,891 <u>5/</u>

Table 4.--Outstanding indebtedness 1/ of foreign countries on U.S. Government credits:
as of December 31, 1948, by area, country, and agency--Continued

(In millions of dollars)

Area and country	TOTAL <u>2/</u>	LOANS		PROPERTY CREDITS			Other loans and property credits <u>2/</u>
		Export- Import Bank <u>2/</u>	Economic Cooperation Admin.	Lend- Lease	Foreign Liquida- tion Com- missioner <u>2/</u>	Maritime Commis- sion	
TOTAL, OTHER EUROPE.....	456	151	--	223	77	1	5
Czechoslovakia.....	23	15	--	--	8	--	--
Finland.....	117	93	--	--	18	1	5 <u>3/</u>
Hungary.....	14	--	--	--	14	--	--
Poland.....	79	42	--	--	37	--	--
U.S.S.R.....	222	--	--	222	--	--	--
Other.....	1	--	--	1	--	--	--
TOTAL, LATIN AMERICA.....	364	298	--	45	8	12	1
Bolivia.....	17	16	--	--	--	--	1 <u>6/</u>
Brazil.....	112	100 <u>7/</u>	--	--	6	6	(<u>4/</u> <u>6/</u>)
Chile.....	33	33	--	--	--	--	--
Colombia.....	21	20	--	--	(<u>4/</u>)	--	(<u>4/</u> <u>6/</u>)
Costa Rica.....	7	7	--	--	--	--	--
Cuba.....	11	11	--	--	--	--	--
Ecuador.....	9	9	--	--	(<u>4/</u>)	--	(<u>4/</u> <u>6/</u>)
Haiti.....	6	6	--	--	--	--	(<u>3/</u> <u>4/</u>)
Mexico.....	70	70	--	--	--	--	(<u>4/</u> <u>8/</u>)
Uruguay.....	15	13	--	--	--	2	--
Other Latin America.....	17	12	--	--	1	4	--
Unallocated L.A.....	45	--	--	45	--	--	--

Table 4.--Outstanding indebtedness 1/ of foreign countries on U.S. Government credits:
as of December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL <u>2/</u>	LOANS		PROPERTY CREDITS			Other loans and property credits <u>2/</u>
		Export-Import Bank <u>2/</u>	Economic Cooperation Admin.	Lend-Lease	Foreign Liquidation Commissioner <u>2/</u>	Maritime Commission	
TOTAL, ASIA.....	425	77	--	50	199	18	81
China.....	199	57	--	47	59	16	20 <u>2/</u>
India.....	13	--	--	2	11	--	--
Indonesia.....	63	--	--	--	63	--	--
Iran.....	13	--	--	1	13	--	--
Japan.....	23	10	--	--	13	--	--
Korea (southern).....	25	--	--	--	25	--	--
Philippines.....	66	--	--	--	3	2	61 <u>10/</u>
Saudi Arabia.....	11	9	--	--	2	--	--
Siam.....	6	--	--	--	6	--	--
Other Asia.....	6	--	--	--	6	--	--
CANADA AND NEWFOUNDLAND...	6	--	--	--	--	--	6 <u>6/</u>
TOTAL, AFRICA.....	19	3	--	13	3	--	--
Liberia.....	13	--	--	13	--	--	--
Other Africa.....	6	3	--	--	3	--	--

Table 4.--Outstanding indebtedness ^{1/} of foreign countries on U.S. Government credits:
as of December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL ^{2/}	LOANS		PROPERTY CREDITS			Other loans and property credits ^{2/}
		Export- Import Bank ^{2/}	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner ^{2/}	Maritime Commis- sion	
TOTAL, OCEANIA.....	13	--	--	1	12	--	--
Australia.....	8	--	--	1	8	--	--
Other Oceania.....	4	--	--	--	4	--	--
UNALLOCATED, INT'L ORGAN..	3	--	--	--	--	--	3 ^{11/}

^{1/} For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.

^{2/} Includes \$3,980,258 of loans and property credits due and unpaid for 90 days or more, as follows:
(a) Export-Import Bank, \$429,465 in the following countries--Poland, \$3,492; Brazil, \$142,980; Uruguay, \$51,488; Other Latin America (Venezuela), \$200,000; Other Africa (Angola), \$31,505;
(b) Reconstruction Finance Corporation, \$1,092,517 in the following countries--Bolivia, \$1,032,816; Brazil, \$30,613; Colombia, \$28,170; Ecuador, \$918; and (c) Office of the Foreign Liquidation Commissioner, \$2,458,276 in the following countries--Ecuador, \$96,855; Other Latin America (Peru), \$106,094; Iran, \$64,473; Siam, \$619,328; Other Asia (Burma), \$500,000; Other Africa, \$1,071,526 (Egypt, \$858,588 and Ethiopia, \$212,938).

^{3/} Property Credits by the War Assets Administration.

^{4/} Less than \$500,000.

- 5/ Loans - \$3,750 million by the Treasury Department and \$141 million by the Reconstruction Finance Corporation.
- 6/ Loans by the Reconstruction Finance Corporation.
- 7/ Includes \$7 million participation by another agency in loans of the Export-Import Bank to Brazil.
- 8/ Loan by the State Department (Institute of Inter-American Affairs).
- 9/ Property Credit by the Army Department.
- 10/ Loan of \$60 million by the Reconstruction Finance Corporation and property credit of \$1 million by the War Assets Administration.
- 11/ Loan to the United Nations by the State Department.

Table 5.--Unutilized balances $\frac{1}{2}$ of U.S. Government foreign credits:
as of December 31, 1948, by area, country, and agency
(In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and Property Credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, ALL AREAS.....	2,347	1,361	514	7	114	(2/)	351
TOTAL, EUROPE.....	875	153	514	2	86	(2/)	120
TOTAL, ERP PARTICIPANTS...	843	134	514	--	80	(2/)	114
Austria.....	17	6	--	--	4	--	7 $\frac{3}{4}$
Belgium & Luxembourg....	40	--	40	--	--	--	--
Denmark.....	17	--	8	--	9	--	--
France.....	111	--	42	--	22	--	46 $\frac{3}{4}$
Germany (western).....	19	19	--	--	--	--	--
Greece.....	25	--	--	--	25	--	--
Iceland.....	1	--	(2/)	--	(2/)	--	--
Ireland.....	60	--	60	--	--	--	--
Italy.....	73	60	12	--	--	(2/)	--
Netherlands.....	73	--	47	--	11	--	15 $\frac{3}{4}$
Norway.....	48	8	23	--	6	--	11 $\frac{3}{4}$
Sweden.....	10	--	10	--	--	--	--
Turkey.....	56	22	30	--	4	--	--
United Kingdom.....	112	--	78	--	--	--	35 $\frac{4}{5}$
Unallocated ERP.....	182	19	163 $\frac{5}{8}$	--	--	--	--

Table 5.--Unutilized balances 1/ of U.S. Government foreign credits:
as of December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, OTHER EUROPE.....	32	18	--	2	6	--	5
Finland.....	28	17	--	--	6	--	5 2/
Other.....	4	1	--	2	--	--	--
TOTAL, LATIN AMERICA.....	194	193	--	1	--	--	(2/)
Brazil.....	35	35	--	--	--	--	--
Chile.....	46	46	--	--	--	--	--
Colombia.....	20	20	--	--	--	--	--
Ecuador.....	9	9	--	--	--	--	--
Mexico.....	48	48	--	--	--	--	(2/ 3/)
Other Latin America.....	13	12	--	--	--	--	--
Unallocated L. A.....	23	23	--	1	--	--	--
TOTAL, ASIA.....	80	33	--	(2/)	28	--	19
China.....	17	17	--	(2/)	--	--	--
Iran.....	18	--	--	--	18	--	--
Japan.....	19	16	--	--	3	--	--
Pakistan.....	10	--	--	--	--	--	10 3/
Philippines.....	9	--	--	--	--	--	9 3/
Other Asia.....	7	--	--	--	7	--	--

Table 5.--Unutilized balances ^{1/} of U.S. Government foreign credits:
as of December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
CANADA.....	5	5	--	--	--	--	--
AFRICA.....	11	7	--	4	--	--	--
UNALLOCATED, INT'L ORGAN..	62	--	--	--	--	--	62 ^{6/}
UNALLOCATED, ALL AREAS....	1,120	970 ^{7/}	--	--	--	--	150 ^{8/}

- ^{1/} For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.
- ^{2/} Less than \$500,000.
- ^{3/} Property credits by the War Assets Administration.
- ^{4/} Loan by the Reconstruction Finance Corporation.
- ^{5/} Uncommitted loan and guaranty authority of the Economic Cooperation Administration.
- ^{6/} Loan to the United Nations by the State Department.
- ^{7/} Includes the \$967 million uncommitted lending authority of the Export-Import Bank.
- ^{8/} Uncommitted commodity-program credit authority of the Army Department.

Table 6.--Authorizations 1/ of U.S. Government foreign credits:
July 1, 1945, to December 31, 1948, by area, country, and agency
(In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, ALL AREAS.....	12,239	3,697	1,000	1,406	1,453	262	4,421
TOTAL, EUROPE.....	9,594	2,051	1,000	1,292	1,129	220	3,902
TOTAL, ERP PARTICIPANTS...	8,990	1,889	1,000	1,016	974	219	3,892
Austria.....	37	14	--	--	12	--	10 <u>2</u> /
Belgium & Luxembourg....	231	132	50	--	49	--	--
Denmark.....	55	20	25	--	10	--	--
France.....	2,246	1,200	170	420	350	56	50 <u>2</u> /
Germany (western).....	252	24	--	--	184	--	45 <u>3</u> /
Greece.....	147	25	--	--	80	42	--
Iceland.....	3	--	2	--	(4/)	--	--
Ireland.....	60	--	60	--	--	--	--
Italy.....	428	134	50	--	178	66	--
Netherlands.....	381	210	95	--	30	21	25 <u>2</u> /
Norway.....	142	50	35	6	10	29	12 <u>2</u> /
Sweden.....	12	2	10	--	--	--	--
Turkey.....	82	36	30	--	10	6	--
United Kingdom.....	4,710	--	310	590	60	--	3,750 <u>5</u> /
Unallocated ERP.....	205	42	163 <u>6</u> /	--	--	--	--

Table 6.--Authorizations 1/ of U.S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area, country, and agency--Continued
 (In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, OTHER EUROPE.....	604	162	--	276	155	1	19
Czechoslovakia.....	72	22	--	--	50	--	--
Finland.....	136	100	--	--	25	1	10 <u>2</u> /
Hungary.....	30	--	--	--	30	--	--
Poland.....	90	40	--	--	50	--	--
U.S.S.R.....	275	--	--	275	--	--	--
Other.....	1	--	--	1	--	--	--
TOTAL, LATIN AMERICA.....	353	284	--	37	12	18	2
Brazil.....	111	92	--	--	8	9	2 <u>7</u> /
Chile.....	69	69	--	--	--	--	--
Colombia.....	16	15	--	--	1	--	(<u>4</u> / <u>7</u> /)
Mexico.....	91	89	--	--	--	2	--
Peru.....	7	(<u>4</u> /)	--	--	1	5	--
Other Latin America.....	23	19	--	--	2	2	(<u>4</u> / <u>8</u> /)
Unallocated L.A.....	37	--	--	37	--	--	--
TOTAL, ASIA.....	903	223	--	70	285	23	302
China.....	235	67	--	59	70	19	20 <u>9</u> /
India.....	15	--	--	2	13	--	--
Indonesia.....	200	100	--	--	100	--	--

Table 6.--Authorizations 1/ of U.S. Government foreign credits:
July 1, 1945, to December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
ASIA--Con.							
Iran.....	40	--	--	9	31	1	--
Japan.....	234	26	--	--	16	--	192 <u>10/</u>
Korea (southern).....	25	--	--	--	25	--	--
Pakistan.....	10	--	--	--	--	--	10 <u>2/</u>
Philippines.....	89	--	--	--	6	3	80 <u>11/</u>
Saudi Arabia.....	32	30	--	--	2	--	--
Siam.....	10	--	--	--	10	--	--
Other Asia.....	12	--	--	--	12	--	--
CANADA.....	311	311	--	--	--	--	--
TOTAL, AFRICA.....	31	10	--	7	14	--	--
Egypt.....	18	7	--	--	11	--	--
Liberia.....	7	--	--	7	--	--	--
Other Africa.....	6	3	--	--	3	--	--
TOTAL, OCEANIA.....	14	--	--	1	13	--	--
Australia.....	8	--	--	1	8	--	--
New Zealand.....	6	--	--	--	6	--	--

Table 6.--Authorizations 1/ of U.S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area, country, and agency--Continued
 (In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and Property Credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
UNALLOCATED, INT'L. ORGAN..	65	--	--	--	--	--	65 <u>12/</u>
UNALLOCATED, ALL AREAS.....	968	818 <u>13/</u>	--	--	--	--	150 <u>14/</u>

- 1/ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.
- 2/ Property credits by the War Assets Administration.
- 3/ Property credits (commodity programs) by the Agriculture Department of \$34 million, and by the Reconstruction Finance Corporation of \$11 million.
- 4/ Less than \$500,000.
- 5/ Loan by the Treasury Department.
- 6/ Uncommitted loan and guaranty authority of the Economic Cooperation Administration.
- 7/ Loans by the Reconstruction Finance Corporation.
- 8/ Loans by the State Department (Institute of Inter-American Affairs) and the Reconstruction Finance Corporation and property credits by the War Assets Administration.
- 9/ Property credit by the Army Department.

- 10/ Property credits (commodity programs) by the Agriculture Department of \$180 million, and by the Reconstruction Finance Corporation of \$12 million.
- 11/ Loan of \$70 million by the Reconstruction Finance Corporation, and property credit of \$10 million by the War Assets Administration.
- 12/ Loan to the United Nations by the State Department.
- 13/ Includes increase of \$811 million in the uncommitted lending authority of the Export-Import Bank.
- 14/ Uncommitted commodity-program credit authority of the Army Department.

Table 7.--Expirations and cancellations 1/ of U.S. Government foreign credits:
July 1, 1945, to December 31, 1948, by area, country, and agency

(In millions of dollars)

Area and country	TOTAL	LOANS	PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Lend- Lease	Foreign Liquida- tion Com- missioner	Mari- time Com- mission	
TOTAL, ALL AREAS.....	934	481	281	121	33	18
TOTAL, EUROPE.....	368	60	200	69	22	18
TOTAL, ERP PARTICIPANTS..	241	52	149	--	22	18
Austria.....	1	1	--	--	--	--
Belgium & Luxembourg...	55	--	55	--	--	--
France.....	49	--	49	--	(2/)	--
Germany (western).....	8	--	--	--	--	8 3/
Greece.....	11	10	--	--	(2/)	--
Italy.....	3	3	--	--	(2/)	--
Netherlands.....	43	5	17	--	11	10 4/
Norway.....	20	11	--	--	10	--
Turkey.....	(2/)	(2/)	--	--	(2/)	(2/)
United Kingdom.....	28	--	28	--	--	--
Unallocated ERP.....	22	22	--	--	--	--
TOTAL, OTHER EUROPE.....	127	8	51	69	(2/)	--
Czechoslovakia.....	42	(2/)	--	42	--	--
Finland.....	8	8	--	--	(2/)	--
Hungary.....	14	--	--	14	--	--
Poland.....	12	--	--	12	--	--
U.S.S.R.....	51	--	51	--	--	--
TOTAL, LATIN AMERICA.....	208	131	71	1	6	(2/)
Brazil.....	26	23	--	(2/)	3	--
Cuba.....	7	7	--	--	--	--
Mexico.....	8	6	--	--	2	--
Peru.....	26	25	--	(2/)	1	--
Uruguay.....	18	18	--	(2/)	(2/)	(2/ 5/)
Other Latin America.....	5	4	--	(2/)	--	--
Unallocated L.A.....	118	48	71	--	--	--

Table 7.--Expirations and cancellations ^{1/} of U.S. Government foreign credits: July 1, 1945, to December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL	LOANS	PROPERTY CREDITS			Other loans and property credits
		Export-Import Bank	Lend-Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, ASIA.....	183	120	9	49	5	--
China.....	22	(2/)	9	11	2	--
Indonesia.....	137	100	--	37	--	--
Saudi Arabia.....	20	20	--	--	--	--
Other Asia.....	3	--	--	1	2	--
CANADA.....	166	166	--	--	--	--
AFRICA.....	3	(2/)	2	1	--	--
OCEANIA.....	1	--	--	1	--	--
UNALLOCATED, ALL AREAS...	5	5	--	--	--	--

- ^{1/} For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.
- ^{2/} Less than \$500,000.
- ^{3/} Property credits (commodity programs) by the Reconstruction Finance Corporation.
- ^{4/} Property credit by the War Assets Administration.
- ^{5/} Loan by the State Department (Institute of Inter-American Affairs).

Table 8.--Utilizations 1/ of U.S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area, country, and agency
 (In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, ALL AREAS.....	9,668	2,348	486	1,301	1,217	229	4,088
TOTAL, EUROPE.....	8,525	1,859	486	1,210	974	198	3,799
TOTAL, ERP PARTICIPANTS...	8,071	1,713	486	987	894	197	3,794
Austria.....	19	7	--	--	9	--	3 <u>2/</u>
Belgium & Luxembourg....	191	132	10	--	49	--	--
Denmark.....	38	20	17	--	1	--	--
France.....	2,086	1,200	128	371	328	56	4 <u>2/</u>
Germany (western).....	225	5	--	--	184	--	37 <u>3/</u>
Greece.....	111	15	--	--	55	41	--
Iceland.....	2	--	2	--	(4/)	--	--
Italy.....	352	72	38	--	178	65	--
Netherlands.....	330	205	48	48	19	10	(<u>2/</u> <u>4/</u>)
Norway.....	84	42	12	6	4	19	1 <u>2/</u>
Sweden.....	2	2	--	--	--	--	--
Turkey.....	26	14	--	--	6	6	--
United Kingdom.....	4,605	--	232	562	60	--	3,750 <u>5/</u>

Table 8.--Utilizations 1/ of U.S. Government foreign credits:
July 1, 1945, to December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, OTHER EUROPE.....	454	145	--	223	80	1	5
Czechoslovakia.....	30	22	--	--	8	--	--
Finland.....	109	84	--	--	19	1	5 <u>2/</u>
Hungary.....	16	--	--	--	16	--	--
Poland.....	77	39	--	--	38	--	--
U.S.S.R.....	222	--	--	222	--	--	--
Other.....	1	--	--	1	--	--	--
TOTAL, LATIN AMERICA.....	288	244	--	18	11	12	2
Bolivia.....	16	16	--	--	--	--	(<u>4/</u> <u>6/</u>)
Brazil.....	79	62	--	--	8	6	2 <u>6/</u>
Chile.....	36	36	--	--	--	--	--
Colombia.....	18	17	--	--	1	--	(<u>4/</u> <u>6/</u>)
Cuba.....	10	10	--	--	--	--	--
Ecuador.....	6	5	--	--	(<u>4/</u>)	--	(<u>4/</u> <u>6/</u>)
Mexico.....	84	84	--	--	--	--	--
Peru.....	6	(<u>4/</u>)	--	--	1	4	--
Uruguay.....	9	7	--	--	(<u>4/</u>)	2	(<u>4/</u> <u>7/</u>)
Other Latin America.....	5	4	--	--	(<u>4/</u>)	--	(<u>2/</u> <u>4/</u> <u>6/</u>)
Unallocated L.A.....	20	2	--	18	--	--	--

Table 8.--Utilizations 1/ of U.S. Government foreign credits:
July 1, 1945, to December 31, 1948, by area, country, and agency--Continued
(In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, ASIA.....	672	102	--	61	207	18	283
China.....	227	81	--	50	59	16	20 <u>8/</u>
India.....	15	--	--	2	13	--	--
Indonesia.....	63	--	--	--	63	--	--
Iran.....	21	--	--	9	13	--	--
Japan.....	216	10	--	--	13	--	192 <u>9/</u>
Korea (southern).....	25	--	--	--	25	--	--
Philippines.....	79	--	--	--	6	2	71 <u>10/</u>
Saudi Arabia.....	12	10	--	--	2	--	--
Siam.....	6	--	--	--	6	--	--
Other Asia.....	8	--	--	--	7	--	(<u>2/ 4/</u>)
CANADA.....	140	140	--	--	--	--	--
TOTAL, AFRICA.....	27	3	--	12	13	--	--
Egypt.....	13	2	--	--	11	--	--
Liberia.....	12	--	--	12	--	--	--
Other Africa.....	3	1	--	--	2	--	--

Table 8.--Utilizations ^{1/} of U.S. Government foreign credits:
 July 1, 1945, to December 31, 1948, by area, country, and agency--Continued
 (In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, OCEANIA.....	13	--	--	1	12	--	--
Australia.....	8	--	--	1	8	--	--
Other Oceania.....	4	--	--	--	4	--	--
UNALLOCATED, INT'L ORGAN..	3	--	--	--	--	--	3 ^{11/}

^{1/} For important qualifications affecting this table and for definitions of terms, see the Explanatory note.

^{2/} Property credits by the War Assets Administration.

^{3/} Property credits (commodity programs) by the Agriculture Department of \$34 million and by the Reconstruction Finance Corporation of \$3 million.

^{4/} Less than \$500,000.

^{5/} Loan by the Treasury Department.

^{6/} Loans by the Reconstruction Finance Corporation.

^{7/} Loan by the State Department (Institute of Inter-American Affairs).

^{8/} Property credit by the Army Department.

- 9/ Property credits (commodity programs) by the Agriculture Department of \$180 million and by the Reconstruction Finance Corporation of \$12 million.
- 10/ Loan of \$70 million by the Reconstruction Finance Corporation and property credit of \$1 million by the War Assets Administration.
- 11/ Loan to the United Nations by the State Department.

Table 9.--Utilizations ^{1/} of U.S. Government foreign credits:
 July 1, 1948, to December 31, 1948, by area, country, and agency
 (In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Economic Cooperation Admin.	Lend- Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, ALL AREAS.....	617	107	486	2	11	4	7
TOTAL, EUROPE.....	555	63	486	1	1	1	4
TOTAL, ERP PARTICIPANTS...	542	52	486	--	1	1	3
Austria.....	6	6	--	--	--	--	(2/ 3/)
Belgium & Luxembourg....	10	--	10	--	--	--	--
Denmark.....	17	--	17	--	(2/)	--	--
France.....	130	--	128	--	(2/)	--	2 3/
Iceland.....	2	--	2	--	(2/)	--	--
Italy.....	55	17	38	--	--	1	--
Netherlands.....	48	--	48	--	(2/)	--	--
Norway.....	35	22	12	--	(2/)	--	(2/ 3/)
Sweden.....	2	2	--	--	--	--	--
Turkey.....	5	5	--	--	--	--	--
United Kingdom.....	232	--	232	--	--	--	--
TOTAL, OTHER EUROPE.....	12	10	--	1	--	--	1
Finland.....	8	7	--	--	--	--	1 3/
Other.....	4	3	--	1	--	--	--

Table 9.--Utilizations 1/ of U.S. Government foreign credits:
 July 1, 1948, to December 31, 1948, by area, country, and agency--Continued
 (In millions of dollars)

Area and country	TOTAL	LOANS		PROPERTY CREDITS			Other loans and property credits
		Export-Import Bank	Economic Cooperation Admin.	Lend-Lease	Foreign Liquidation Commissioner	Maritime Commission	
TOTAL, LATIN AMERICA.....	31	31	--	(2/)	--	--	(2/)
Chile.....	13	13	--	--	--	--	--
Mexico.....	7	7	--	--	--	--	--
Other Latin America.....	11	11	--	--	--	--	(2/ 3/)
Unallocated L.A.....	(2/)	--	--	(2/)	--	--	--
TOTAL, ASIA.....	25	12	--	--	9	3	(2/)
Iran.....	8	--	--	--	8	--	--
Japan.....	10	10	--	--	(2/)	--	--
Other Asia.....	6	2	--	--	1	3	(2/ 3/)
AFRICA.....	2	2	--	(2/)	--	--	--
OCEANIA.....	1	--	--	--	1	--	--
UNALLOCATED, INT'L ORGAN..	3	--	--	--	--	--	3 4/

1/ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.

2/ Less than \$500,000.

3/ Property credits by the War Assets Administration.

4/ Loan to the United Nations by the State Department.

Table 10.--Repayments 1/ on U.S. Government foreign credits:
July 1, 1945, to December 31, 1948, by area, country, and
agency

(In millions of dollars)

Area and country	TOTAL	LOANS	PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Lend- Lease	Foreign Liquida- tion Com- missioner	Maritime Com- mission	
TOTAL, ALL AREAS.....	893	416	33	37	17	390
TOTAL, EUROPE.....	322	118	5	16	16	168
TOTAL, ERP PARTICIPANTS..	298	96	5	13	16	168
Austria.....	(2/)	--	--	(2/)	--	(2/ 3/)
Belgium & Luxembourg...	12	9	--	3	--	--
France.....	44	41	--	--	3	(2/ 3/)
Germany (western).....	41	5	--	--	--	37 4/
Greece.....	6	--	--	(2/)	6	--
Italy.....	29	25	--	1	4	--
Netherlands.....	16	15	--	1	--	(2/ 3/)
Norway.....	3	--	--	(2/)	3	(2/ 3/)
Turkey.....	4	2	--	2	(2/)	--
United Kingdom.....	142	--	5	6	--	131 5/ 6.
TOTAL, OTHER EUROPE.....	25	22	--	3	(2/)	(2/)
Czechoslovakia.....	7	7	--	(2/)	--	--
Finland.....	16	15	--	1	(2/)	(2/ 3/)
Other.....	2	--	--	2	--	--
TOTAL, LATIN AMERICA.....	107	84	16	3	1	4 7/
Brazil.....	23	19	--	2	(2/)	2 5/
Chile.....	17	17	--	--	--	--
Colombia.....	8	7	--	(2/)	--	--
Mexico.....	25	25	--	--	--	(2/ 8/)
Other Latin America.....	17	14	--	1	(2/)	2 7/ 9
Unallocated L.A.	18	2	16	--	--	--
TOTAL, ASIA.....	313	74	11	8	(2/)	219
Bahrein Islands.....	16	--	--	--	--	16 5/
China.....	77	73	3	(2/)	(2/)	--
Iran.....	8	--	8	(2/)	--	--
Japan.....	192	--	--	--	--	192 10/
Phillipines.....	13	--	--	3	--	10 11/
Other Asia.....	6	1	--	5	--	(2/ 3/)

Table 10.--Repayments 1/ on U.S. Government foreign credits:
July 1, 1945, to December 31, 1948, by area, country, and
agency--Continued (In millions of dollars)

Area and country	TOTAL	LOANS	PROPERTY CREDITS			Other loans and property credits
		Export- Import Bank	Lend- Lease	Foreign Liquida- tion Com- missioner	Maritime Com- mission	
CANADA & NEWFOUNDLAND..	140	140	--	--	--	(2/ 5/)
TOTAL, AFRICA.....	10	(2/)	--	10	--	--
Egypt.....	10	--	--	10	--	--
Other Africa.....	(2/)	(2/)	--	(2/)	--	--

- 1/ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.
- 2/ Less than \$500,000.
- 3/ Property credits by the War Assets Administration.
- 4/ Property credits (commodity programs): \$34 million paid to the Agriculture Department, and \$3 million to the Reconstruction Finance Corporation.
- 5/ Loans by the Reconstruction Finance Corporation.
- 6/ Does not include \$6,936,333 held in a sinking fund for payment of principal.
- 7/ Includes portions of loans to individuals charged off as uncollectible by the Reconstruction Finance Corporation, as follows: Total, Latin America, \$1,321,301; Bolivia, \$888,987; British Honduras, \$430,835; Ecuador, \$1,479.
- 8/ Loans by the State Department (Institute of Inter-American Affairs).
- 9/ Loans by the Reconstruction Finance Corporation, \$1,553,176; loan of the State Department (Institute of Inter-American Affairs), \$30,000.
- 10/ Property credits (commodity programs): \$180 million paid to the Agriculture Department and \$12 million to the Reconstruction Finance Corporation.
- 11/ Loan by the Reconstruction Finance Corporation, \$10 million; property credit by the War Assets Administration, \$57,884.

Appendix D

Table 1.--Membership and quotas in the International Monetary Fund, and membership and subscriptions in the International Bank for Reconstruction and Development, as of March 31, 1949

(In millions of dollars)

Member	Fund Quota	Bank Subscription	Member	Fund Quota	Bank Subscription
TOTAL.....	8,034.0	8,336.0	India.....	400.0	400.0
Australia.....	200.0	200.0	Iran.....	35.0	33.6
Austria.....	50.0	50.0	Iraq.....	8.0	6.0
Belgium.....	225.0	225.0	Italy.....	180.0	180.0
Bolivia.....	10.0	7.0	Lebanon.....	4.5	4.5
Brazil.....	150.0	105.0	Luxembourg.....	10.0	10.0
Canada.....	300.0	325.0	Mexico.....	90.0	65.0
Chile.....	50.0	35.0	Netherlands.....	275.0	275.0
China.....	550.0	600.0	Nicaragua.....	2.0	.8
Colombia.....	50.0	35.0	Norway.....	50.0	50.0
Costa Rica.....	5.0	2.0	Panama.....	.5	.2
Cuba.....	50.0	35.0	Paraguay.....	3.5	1.4
Czechoslovakia.....	125.0	125.0	Peru.....	25.0	17.5
Denmark.....	68.0	68.0	Philippines.....	15.0	15.0
Dominican Republic..	5.0	2.0	Poland.....	125.0	125.0
Ecuador.....	5.0	3.2	Syria.....	6.5	6.5
Egypt.....	60.0	53.3	Turkey.....	43.0	43.0
El Salvador.....	2.5	1.0	Union of S. Africa..	100.0	100.0
Ethiopia.....	6.0	3.0	United Kingdom.....	1,300.0	1,300.0
Finland.....	38.0	38.0	United States.....	2,750.0	3,175.0
France.....	525.0	525.0	Uruguay.....	15.0	10.5
Greece.....	40.0	25.0	Venezuela.....	15.0	10.5
Guatemala.....	5.0	2.0	Yugoslavia.....	60.0	40.0
Honduras.....	0.5	1.0			
Iceland.....	1.0	1.0			

ALPHA

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.

ALPHA

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 14, 1949⁽²⁾, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 14, 1949⁽²⁾. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

EXHIBIT XI

ALPHA

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, July 8, 1949.

(1)

A 2046

The Secretary of the Treasury, by this public notice, invites tenders for \$ 900,000,000 ⁽²⁾, or thereabouts, of 91 ⁽³⁾-day Treasury bills, for cash and in exchange for Treasury bills maturing July 14, 1949 ⁽⁴⁾, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 14, 1949 ⁽⁵⁾, and will mature October 13, 1949 ⁽⁶⁾, 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 ^{Daylight Saving} ~~Standard~~ time, Monday, July 11, 1949 ⁽⁷⁾. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

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Any Service
TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



RELEASE, MORNING NEWSPAPERS,
Friday, July 8, 1949.

S-2046

The Secretary of the Treasury, by this public notice, invites tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 14, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 14, 1949, and will mature October 13, 1949, 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 Daylight Saving time, Monday, July 11, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or

completed at the Federal Reserve Bank on July 14, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 14, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

STATUTORY DEBT LIMITATION

AS OF June 30, 1949

TREASURY DEPARTMENT
Fiscal Service
Washington, July 8, 1949

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

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		\$275,000,000,000
Outstanding		
Obligations issued under Second Liberty Bond Act, as amended		
Interest-bearing:		
Treasury bills.....	\$ 11,536,196,000	
Certificates of indebtedness.....	29,427,496,000	
Treasury notes.....	8,456,202,800	49,419,894,800
Bonds -		
Treasury.....	110,425,523,550	
Savings (current redemp.value)...	56,259,766,908	
Depository.....	368,582,000	
Armed Forces Leave.....	396,146,025	
Investment series.....	954,030,000	168,404,048,483
Special Funds -		
Certificates of indebtedness.....	17,666,563,000	
Treasury notes.....	15,109,094,000	32,775,657,000
Total interest-bearing.....		250,599,600,283
Matured, interest-ceased.....		240,424,322
Bearing no interest:		
War savings stamps.....	51,816,999	
Excess profits tax refund bonds....	4,810,573	
Special notes of the United States:		
Internat'l Bank for Reconst. and Development series.....	40,785,000	
Internat'l Monetary Fund series..	1,063,000,000	1,160,412,572
Total.....		252,000,437,177
Guaranteed obligations (not held by Treasury):		
Interest-bearing:		
Debentures: F.H.A.	12,953,486	
Demand obligations: C.C.C.	10,908,897	23,862,383
Matured, interest-ceased.....		3,413,025
		27,275,408
Grand total outstanding.....		252,027,712,585
Balance face amount of obligations issuable under above authority.....		22,972,287,415
Reconciliation with Statement of the Public Debt - <u>June 30, 1949</u> (Daily Statement of the United States Treasury, <u>July 1, 1949</u>)		
Outstanding -		
Total gross public debt.....		252,770,359,860
Guaranteed obligations not owned by the Treasury.....		27,275,408
Total gross public debt and guaranteed obligations.....		252,797,635,268
Deduct - other outstanding public debt obligations not subject to debt limitation.....		769,922,683
		252,027,712,585

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STATUTORY DEBT LIMITATION
AS OF JUNE 30, 1949

July 11, 1949

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), "shall not exceed in the aggregate \$275,000,000,000 outstanding at any one time. For purposes of this section the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount."

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Outstanding

Obligations issued under Second Liberty Bond Act, as amended

Interest-bearing

Treasury bills.....	\$ 11,536,196,000	
Certificates of indebtedness	29,427,496,000	
Treasury notes.....	<u>8,456,202,800</u>	\$ 49,419,894,800

Bonds

Treasury.....	110,425,523,550	
Savings (current redemp. value)	56,259,766,908	
Depository.....	368,582,000	
Armed Forces Leave.....	396,146,025	
Investment series.....	<u>954,030,000</u>	<u>168,404,048,483</u>

Special Funds

Certificates of indebtedness.	17,666,563,000	
Treasury notes.....	<u>15,109,094,000</u>	<u>32,775,657,000</u>
Total interest-bearing.....		250,599,600,283

Matured, interest-ceased.....		240,424,322
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Bearing no interest

War savings stamps.....	51,816,999	
Excess profits tax refund bonds.	4,810,573	

Special notes of the United States:

Internat'l Bank for Reconst. and Development series.....	40,785,000	
Internat'l Monetary Fund series	<u>1,063,000,000</u>	<u>1,160,412,572</u>

Total.....		252,000,437,177
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Guaranteed obligations (not held by Treasury):

Interest-bearing:

Debentures: F.H.A.	12,953,486	
Demand obligations: C.C.C. .	<u>10,908,897</u>	23,862,383

Matured, interest-ceased.....		<u>3,413,025</u>
		27,275,408

Grand total outstanding.....		<u>252,027,712,585</u>
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Balance face amount of obligations issuable under above authority...		<u>22,972,287,415</u>
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Reconciliation with Statement of the Public Debt - June 30, 1949
(Daily Statement of the United States Treasury, July 1, 1949)

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Total gross public debt.....	252,770,359,860
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Total gross public debt and guaranteed obligations.....	252,797,635,268
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Deduct - other outstanding public debt obligations not subject to debt limitation.....	<u>769,922,683</u>
	252,027,712,585

RELEASE, MORNING NEWSPAPERS,
Tuesday, July 12, 1949.

✓-2048

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated July 14 and to mature October 13, 1949, which were offered on July 8, were opened at the Federal Reserve Banks on July 11.

The details of this issue are as follows:

Total applied for - \$1,799,471,000
Total accepted - 900,684,000 (includes \$105,443,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.767 Equivalent rate of discount approx. 0.923% per annum

Range of accepted competitive bids:

High - 99.785 Equivalent rate of discount approx. 0.851% per annum
Low - 99.763 " " " " " " 0.938% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 27,240,000	\$ 16,016,000
New York	1,253,534,000	583,572,000
Philadelphia	34,180,000	7,308,000
Cleveland	41,714,000	23,729,000
Richmond	9,305,000	7,760,000
Atlanta	10,649,000	6,649,000
Chicago	198,879,000	120,029,000
St. Louis	27,784,000	13,994,000
Minneapolis	35,785,000	35,185,000
Kansas City	39,113,000	24,364,000
Dallas	34,699,000	22,919,000
San Francisco	86,589,000	39,159,000
TOTAL	\$1,799,471,000	\$900,684,000

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



RELEASE, MORNING NEWSPAPERS,
Tuesday, July 12, 1949.

S-2048

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated July 14 and to mature October 13, 1949, which were offered on July 8, were opened at the Federal Reserve Banks on July 11.

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Total accepted - 900,684,000 (includes \$105,443,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.767 Equivalent rate of discount approx. 0.923% per annum

Range of accepted competitive bids:

High - 99.785 Equivalent rate of discount approx. 0.851% per annum

Low - 99.763 Equivalent rate of discount approx. 0.938% per annum

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 27,240,000	\$ 16,016,000
New York	1,253,534,000	583,572,000
Philadelphia	34,180,000	7,308,000
Cleveland	41,714,000	23,729,000
Richmond	9,305,000	7,760,000
Atlanta	10,649,000	6,649,000
Chicago	198,879,000	120,029,000
St. Louis	27,784,000	13,994,000
Minneapolis	35,785,000	35,185,000
Kansas City	39,113,000	24,364,000
Dallas	34,699,000	22,919,000
San Francisco	86,589,000	39,159,000
 TOTAL	 \$1,799,471,000	 \$900,684,000

*Release, afternoon newspapers
Thursday, July 14, 1949*

For Thursday p.m.

S-2049

acting

Ramsey S. Black, former Third Assistant Postmaster General, has been appointed State Director for Pennsylvania for the United States Savings Bonds Division, Under Secretary of the Treasury Foley announced today.

Mr. Black has been active in Pennsylvania affairs for many years. His most recent official position was that of State Treasurer. As Third Assistant Postmaster General, a position he held from 1938 to 1945, before becoming Pennsylvania State Treasurer, Mr. Black directed the Postal Savings System with such success that the System added 1,000,000 depositors and nearly doubled its deposits. He also was in charge of the money order, registry, insured mail and C.O.D. services, and the printing and sale of postage stamps.

During the war years he served as chairman of the organization responsible for the sale of Savings Bonds in post offices.

In 1938 Mr. Black promoted the "Silver Jubilee of Parcel Post". He also instituted national letter writing week, a campaign to stimulate letter writing and increase the use of first-class mail by business mail users.

there
A life-long resident of Harrisburg, Pennsylvania, Mr. Black formerly was postmaster and also served his community as County Commissioner. He is a veteran of the Spanish American War. He has been Chairman of the Harrisburg Community Chest and director of the Welfare Association, as well as president of the Railroad Y.M.C.A. and the Travelers Aid Society. He is a director of the Polyclinic Hospital in Harrisburg. He is a member of the Order of Railroad Conductors, the Brotherhood of Railroad Trainmen, Spanish War Veterans, Veterans of Foreign Wars, and the Moose, Eagles, and Royal Arcanum.

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500 copies to Angelenos

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, AFTERNOON NEWSPAPERS,
Thursday, July 14, 1949.

S-2049

Ramsey S. Black, former Third Assistant Postmaster General, has been appointed State Director for Pennsylvania for the United States Savings Bonds Division, Acting Secretary of the Treasury Foley announced today.

Mr. Black has been active in Pennsylvania affairs for many years. His most recent official position was that of State Treasurer. As Third Assistant Postmaster General, a position he held from 1938 to 1945, before becoming Pennsylvania State Treasurer, Mr. Black directed the Postal Savings System with such success that the System added 1,000,000 depositors and nearly doubled its deposits. He also was in charge of the money order, registry, insured mail and C.O.D. services, and the printing and sale of postage stamps.

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FOR IMMEDIATE RELEASE,

July 12, 1949

S-2050

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, 1949, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established : Quota	Imports : May 29, 1949, to : July 2, 1949	Established : Quota	Imports : May 29, 1949, : to July 2, 1949
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	3,815,000
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			
	<u>800,000</u>	<u>795,000</u>	<u>4,000,000</u>	<u>3,815,000</u>

TREASURY DEPARTMENT
Washington

Inf. Service

IMMEDIATE RELEASE
Wednesday, July 13, 1949

S-2050

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, 1949, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1949 to July 2, 1949	Established Quota	Imports May 29, 1949 to July 2, 1949
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	3,815,000
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			
	<u>800,000</u>	<u>795,000</u>	<u>4,000,000</u>	<u>3,815,000</u>

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IMMEDIATE RELEASE,
July 12, 1949

S-2051
The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under the General Agreements on Tariffs and Trade, from the beginning of the quota periods to July 2, 1949, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of July 2, 1949
Whole milk, fresh or sour	Calendar year 3,000,000	Gallon	834
Cream, fresh or sour	Calendar year 1,500,000	Gallon	404
Butter	Quota ineffective for the period April through October		
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year 26,881,369 ⁽¹⁾	Pound	14,496,656
White or Irish Potatoes:			
certified seed	12 months from 150,000,000	Pound	Quota filled
other	Sept. 15, 1948 60,000,000	Pound	Quota filled
Walnuts	Calendar year 5,000,000	Pound	1,562,548

(1) The proviso to Item 717(b) limits the imports for consumption at the quota rate to 20,161,026 pounds during the first nine months of the calendar year.

Due to a provision of the President's Proclamation No. 2769 of January 30, 1948, in which the entry of a specified quantity of Cuban filler tobacco, unstemmed or stemmed (other than cigarette leaf tobacco) and scrap tobacco, affects the rate of duty on such tobacco from countries other than Cuba, a record is maintained of imports from Cuba. 12,635,064 pounds of such Cuban tobacco were imported for consumption during the period January 1 to July 2, 1949, inclusive.

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE

Wednesday, July 13, 1949

S-2051

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under the General Agreements on Tariffs and Trade, from the beginning of the quota periods to July 2, 1949, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of July 2, 1949
Whole milk, fresh or sour	Calendar year 3,000,000	Gallon	834
Cream, fresh or sour	Calendar year 1,500,000	Gallon	404
Butter	Quota ineffective for the period April through October		
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	(1) Calendar year 26,881,369	Pound	14,496,656
White or Irish Potatoes:			
certified seed	12 months from 150,000,000	Pound	Quota filled
other	Sept. 15, 1948 60,000,000	Pound	Quota filled
Walnuts	Calendar year 5,000,000	Pound	1,562,548

(1) The proviso to Item 717 (b) limits the imports for consumption at the quota rate to 20,161,026 pounds during the first nine months of the calendar year.

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✓-2052

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July 12,
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Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of July 2, 1949
Buttons	850,000	Gross	229,994
Cigars	200,000,000	Number	252,150
Coconut Oil	448,000,000	Pound	46,161,483
Cordage	6,000,000	"	824,635
Rice	1,040,000	"	-
(refined			-
Sugars	1,904,000,000	Pound	
(unrefined			729,584,698
Tobacco	6,500,000	"	326,000

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, July 13, 1949

S-2052

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities on which quotas were prescribed by the Philippine Trade Act of 1946, from January 1, 1949, to July 2, 1949, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of July 2, 1949
Buttons	850,000	Gross	229,994
Cigars	200,000,000	Number	252,150
Coconut Oil	448,000,000	Pound	46,161,483
Cordage	6,000,000	"	824,635
Rice	1,040,000	"	-
(refined			-
Sugars	1,904,000,000	Pound	
(unrefined			729,584,698
Tobacco	6,500,000	"	326,000

COTTON WASTES
(In pounds)

COTTON CARD STRIPS made from cotton 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: Provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than 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:

Country of Origin	Established TOTAL QUOTA	Total imports Sept. 20, 1948, to July 2, 1949	Established 33-1/3% of Total Quota	Imports Sept. 20, 1948, to July 2, 1949
United Kingdom.....	4,323,457	21,845	1,441,152	21,845
Canada.....	239,690	234,971	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	64,460	-	-
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	321,276	1,599,886	21,845

1/ Included in total imports, column 2.

IMMEDIATE RELEASE
July 12, 1949

- 1 -

2053

The Bureau of Customs announced today that preliminary data on imports of cotton and cotton waste chargeable to the quotas established by the President's proclamation of September 5, 1939, as amended, for the period September 20, 1948, to July 2, 1949, inclusive, are as follows:

COTTON (other than linters)
(In pounds)

Country of Origin	Established Quota	Imports Sept. 20, 1948, to July 2, 1949	Imports Sept. 20, 1948, to July 2, 1949	Imports Sept. 20, 1948, to July 2, 1949
Egypt and the Anglo-Egyptian Sudan.....	783,816	-	44,117,797	-
Peru.....	247,952	247,952	932,440	-
British India....	2,003,483	292,269	-	20,621,900
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	4,933,123	606,183	-
Brazil.....	618,723	460,040	-	-
Union of Soviet Socialist Republics.....	475,124	283,349	-	-
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	6,216,733	45,656,420	20,621,900

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

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

4/ Established Quota - 45,656,420.

5/ Established Quota - 70,000,000.

Out Service

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE

Wednesday, July 13, 1949

S-2053

The Bureau of Customs announced today that preliminary data on imports of cotton and cotton waste chargeable to the quotas established by the President's proclamation of September 5, 1939, as amended, for the period September 20, 1948, to July 2, 1949, inclusive, are as follows:

COTTON (other than linters)
(In pounds)

Country of Origin	Under 1-1/8" other than rough or harsh under 3/4"	1-1/8" or more but less than 1-11/16" ^{4/}	Less than 3/4" harsh or rough ^{5/}
	Established: Imports Sept. 20, 1948, to July 2, 1949	Imports Sept. 20, 1948, to July 2, 1949	Imports Sept. 20, 1948, to July 2, 1949

Egypt and the
Anglo-Egyptian

Sudan.....	783,816	-	44,117,797	-
Peru.....	247,952	247,952	932,440	-
British India..	2,003,483	292,269	-	20,621,900
China.....	1,370,791	-	-	-
Mexico.....	8,883,259	4,933,123	606,183	-
Brazil.....	618,723	460,040	-	-
Union of Soviet Socialist Repub- lics.....	475,124	283,349	-	-
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	6,216,733	45,656,420	20,621,900
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1/ Other than Barbados, Bermuda, Jamaica, Trinidad, and Tobago.

2/ Other than Gold Coast and Nigeria.

3/ Other than Algeria, Tunisia, and Madagascar.

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Country of Origin	: Total imports		: Established:	
	: Established:	: Sept. 20, 1948,	: 33-1/3% of:	: Sept. 20, 1948,
	: TOTAL QUOTA:	: to July 2, 1949	: Total Quota:	: to July 2, 1949 <u>1/</u>
United Kingdom.....	4,323,457	21,845	1,441,152	21,845
Canada.....	239,690	234,971	-	-
France.....	227,420	-	75,807	-
British India.....	69,627	64,460	-	-
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	321,276	1,599,886	21,845

1/ Included in total imports, column 2.

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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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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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 21, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 21, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

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TREASURY DEPARTMENT
Washington

1-2054

FOR RELEASE, MORNING NEWSPAPERS,
Friday, July 15, 1949.

~~(1)~~

The Secretary of the Treasury, by this public notice, invites tenders for \$ 900,000,000 ~~(1)~~, or thereabouts, of 91 ~~(1)~~-day Treasury bills, for cash and in exchange for Treasury bills maturing July 21, 1949 ~~(1)~~, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 21, 1949 ~~(1)~~, and will mature October 20, 1949 ~~(1)~~, 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 Daylight Saving closing hour, two o'clock p.m., Eastern ~~Standard~~ time, Monday, July 18, 1949 ~~(1)~~. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Friday, July 15, 1949.

S-2054

The Secretary of the Treasury, by this public notice, invites tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 21, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 21, 1949, and will mature October 20, 1949, 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 Daylight Saving time, Monday, July 18, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for

accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 21, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 21, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

July 11, 1949

TO MR. BARTELT:

The following transactions were made in direct and guaranteed securities of the Government for Treasury investment and other accounts during the month of June, 1949:

Sales	\$116,292,600
Purchases	<u>27,939,550</u>
Net Sales	\$ 88,353,050

SGD. C. L. NORMAN

Ant. Chief, Division of Investments*Wst*

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



Immediate Release
~~RELEASE, MORNING NEWSPAPERS,~~
~~Wednesday, June 15, 1949.~~

S-2053

~~S-2025~~

Monday, June 18, 1949

During the month of ^{*June,*} ~~May,~~ 1949
market transactions in direct and
guaranteed securities of the
Government for Treasury investment
and other accounts resulted in net
sales of ~~\$54,659,950~~ ^{*\$88,353,050*}, Secretary
Snyder announced today.

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



IMMEDIATE RELEASE,
Monday, June 18, 1949.

S-2055

During the month of June, 1949 market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of \$88,353,050, Secretary Snyder announced today.

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RELEASE, MORNING NEWSPAPERS,
Tuesday, July 19, 1949.

S-2056

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated July 21 and to mature October 20, 1949, which were offered on July 15, were opened at the Federal Reserve Banks on July 18.

The details of this issue are as follows:

Total applied for - \$1,625,606,000
Total accepted - 901,722,000 (includes \$85,047,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.766 Equivalent rate of discount approx. 0.928% per annum

Range of accepted competitive bids:

High - 99.800 Equivalent rate of discount approx. 0.791% per annum
Low - 99.763 " " " " " 0.938% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 14,762,000	\$ 14,762,000
New York	1,296,553,000	627,554,000
Philadelphia	26,648,000	16,648,000
Cleveland	30,075,000	22,858,000
Richmond	4,764,000	4,764,000
Atlanta	10,064,000	10,064,000
Chicago	126,556,000	97,906,000
St. Louis	7,788,000	7,098,000
Minneapolis	8,460,000	8,322,000
Kansas City	21,895,000	21,205,000
Dallas	21,752,000	21,152,000
San Francisco	56,289,000	49,389,000
TOTAL	\$1,625,606,000	\$901,722,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Tuesday, July 19, 1949.

S-2056

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated July 21 and to mature October 20, 1949, which were offered on July 15, were opened at the Federal Reserve Banks on July 18.

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Boston	\$ 14,762,000	\$ 14,762,000
New York	1,296,553,000	627,554,000
Philadelphia	26,648,000	16,648,000
Cleveland	30,075,000	22,858,000
Richmond	4,764,000	4,764,000
Atlanta	10,064,000	10,064,000
Chicago	126,556,000	97,906,000
St. Louis	7,788,000	7,098,000
Minneapolis	8,460,000	8,322,000
Kansas City	21,895,000	21,205,000
Dallas	21,752,000	21,152,000
San Francisco	56,289,000	49,389,000
TOTAL	\$1,625,606,000	\$901,722,000

For the fidelity with which Lions International has given its support to the Savings Bonds Program, it is my pleasure, President Briggs, on behalf of the people of the United States and for the Secretary of the Treasury, to award this citation:

" United States Treasury Department

Distinguished Service Award

To Lions International

For leadership in building security

for the people and the Nation

through United States Savings Bonds.

Awarded under my hand and seal, July 19, 1949,

John W. Snyder, Secretary of the Treasury."

I think it important, too, that a man who, in the exercise of thrift, provides for his own and his family's future by acquiring Savings Bonds is certain to gain personal dignity and to broaden his understanding through his bond-owning experience. The stature of his citizenship increases. He is a better American.

It is most significant that the Savings Bonds Program always has been a great volunteer effort. The paid staff of the Treasury's Savings Bonds Division is microscopic in size in comparison to the volunteer staffs which carry on the bond promotion and bond selling tasks throughout the country. I think that the volunteers are proud of the splendid job they have done; certainly they have a right to be, and certainly we of the Treasury Department are proud of them almost beyond words. The success of their efforts is an inspiring example of democracy in action for the common good. I think there can be read into that example a very impressive meaning, and translated into words it might be: "Men can be free. Men's rights can be respected. Men can live in peace and happiness with each other. Men can have peace and opportunity and security."

To recall these facts about Savings Bonds is to provide a ready answer, I think, to the question which I propounded ~~earlier~~ ~~in my remarks~~ --- "Have we been wise in giving all-out support to the Savings Bonds Program, and should we continue our active support?" I know that your answer ^{will be} ~~is~~ an emphatic yes.

the United States Savings Bonds Program and the strengthening of our free way of life. This is no forced nor labored correlation. It is there; it is real; it is valid.

It is there, first, because the "isms" which we do not accept have never been known to thrive in sound economic soil. They flourish in the midst of poverty and suffering, in economic demoralization and frustration. The immunizer against "isms" is the feeling of having, of owning -- the sense of proprietorship. It is the feeling a man has when he owns a home, his own business, a satisfying job, a bank account, shares of stock in a sound company, an insurance policy. It is the feeling a ~~Payroll Savings~~ ~~Plan~~ bond purchaser has when he looks at his accumulation of Savings Bonds and realizes that the profit system works for him. Few people with dollars invested in Savings Bonds would be interested in having an "ism" Government in this country. So there is your first correlation between the Savings Bonds program and the preserving and strengthening of our way of life.

In addition to being valuable intrinsically, a United States Savings Bond is a share in the greatest free enterprise on earth -- the United States Government. The bond holder, like any other shareholder, tends to become resistant to those influences which would undermine the structure of the enterprise in which he now has a financial interest.

in the Opportunity Drive just closed was a factor of considerable importance in achieving the national sales we sought, and in numerous states and communities the effective work of your clubs contributed ^{much} ~~heavily~~ to the Drive's success.

Having mentioned your support of the Bond Program, I should like to ask a question and then answer it. The question is: "Have we been wise in giving all-out support to the Savings Bonds program, and should we continue our active support?"

The United States Savings Bonds Program is really the most amazing sales success story ever written. Today, approximately ⁴⁸ ~~56~~ billion dollars worth of Savings Bonds are held by ^{individuals,} ~~the people~~ ⁴³ ~~of this Nation,~~ compared with ~~46~~ billion dollars worth held ^{by individuals} at the end of the war. Redemptions are currently running less than ~~1/10th of~~ 1 percent per month of the amount outstanding, ^{and} Sales have been exceeding redemptions for many months consecutively.

This record of success, in itself, is striking evidence of the value of the Savings Bonds program, which is a powerful force in wise debt management; in the stabilization of the economy, in the inculcation and advancement of the thrift habit, so vital ~~to~~ to the development of our individual and national resources; and in the attainment of individual and national economic security. But there is still another value in the correlation between the

Remarks
~~PROPOSED ADDRESS BY UNDER SECRETARY~~
FOLEY BEFORE ANNUAL CONVENTION
LIONS INTERNATIONAL, MADISON
SQUARE GARDEN, NEW YORK
CITY, JULY 19, 1949

of The Treasury Street N

2:40 p.m. E.D.J.

President Briggs, Mr. Jones, Distinguished Officers, Ladies
and Gentlemen of the Convention:

It is inspiring to know that in this great audience today
there are many good friends and neighbors from other lands. It
is even more inspiring to realize that in this room, political
boundaries are non-existent, and that all of you have but one
common purpose -- that of serving your fellow-man. Here indeed
are the seeds of peace. Here indeed is a practical demonstration
to the whole world / that men can live in peace and amity with each
other.

The world is not unmindful of your great contributions to
the under-privileged, to the blind, and the countless hours given
to community service -- but time may well prove that your greatest
contribution will be in the field of better understanding among
men. So, in these difficult and trying days, it is refreshing to
come into this atmosphere and to talk with you for these few
minutes.

As one reviews the work of your organization, he is impressed
by the fact that this work, in addition to being idealistic, is
also most practical. We in the Treasury Department, for example,
have noted with great interest and appreciation your support of
our Savings Bonds Program -- a fine demonstration of the practical
side of your endeavors. I might well add that your cooperation

TO:

Mr. Bartelt
Mr. Bray
Mr. Dillon
Mrs. Dubinsky
Mr. Haas
Mr. Graham
Mr. Foley
Miss Kelly

Mr. Thomas Lynch
Mr. Martin
Mr. Parsons
Mr. Rivers ✓
Mr. Siler
Miss Simpson
Mrs. Eliz. Smith

CASURY

25 copies to Mr. Hunneltan,
Savoy Bldg. Dist —
~~Atk & Mathew at~~
~~Hughes's Office has many~~

FROM: James J. Saxon

12 copies to Hughes's
Office

L 2057

REMARKS BY UNDER SECRETARY OF THE TREASURY
EDWARD H. FOLEY, JR., BEFORE ANNUAL
CONVENTION OF LIONS INTERNATIONAL,
MADISON SQUARE GARDEN, NEW YORK
CITY, 2:40 P.M. EDT JULY 19, 1949

✓
Tuesday,

L- 2057

Remarks by Assistant Secretary of the Treasury
John S. Graham, Before Annual Convention
of Lions International, Madison Square
Garden, New York City, 2:40 P.M. EDT,
Tuesday, July 19, 1949.

President Briggs, Mr. Jones, Distinguished Officers,
Ladies and Gentlemen of the Convention:

It is inspiring to know that in this great audience today there are many good friends and neighbors from other lands. It is even more inspiring to realize that in this room, political boundaries are non-existent, and that all of you have but one common purpose -- that of serving your fellow-man. Here indeed are the seeds of peace. Here indeed is a practical demonstration to the whole world that men can live in peace and amity with each other.

The world is not unmindful of your great contributions to the under-privileged, to the blind, and the countless hours given to community service -- but time may well prove that your greatest contribution will be in the field of better understanding among men. So, in these difficult and trying days, it is refreshing to come into this atmosphere and to talk with you for these few minutes.

As one reviews the work of your organization, he is impressed by the fact that this work, in addition to being idealistic, is also most practical. We in the Treasury Department, for example, have noted with great interest and appreciation your support of our Savings Bonds Program -- a fine demonstration of the practical side of your endeavors. I might well add that your cooperation in the highly successful Opportunity Drive just closed was a factor of considerable importance in achieving the national sales we sought, and in numerous states and communities the effective work of your clubs contributed much to the Drive's success.

Having mentioned your support of the Bond Program, I should like to ask a question and then answer it. The question is: "Have we been wise in giving all-out support to the Savings Bonds program, and should we continue our active support?"

The United States Savings Bonds Program is really the most amazing sales success story ever written. Today, approximately 48 billion dollars worth of Savings Bonds are held by individuals, compared with 43 billion dollars worth held by individuals at the end of the war. Redemptions are currently running less than 1 percent per month of the amount outstanding, and sales have been exceeding redemptions for many months consecutively.

This record of success, in itself, is striking evidence of the value of the Savings Bonds program, which is a powerful force in wise debt management; in the stabilization of the economy, in the inculcation and advancement of the thrift habit, so vital to the development of our individual and national resources; and in the attainment of individual and national economic security. But there is still another value in the correlation between the United States Savings Bonds Program and the strengthening of our free way of life. This is no forced nor labored correlation. It is there; it is real; it is valid.

It is there, first, because the "isms" which we do not accept have never been known to thrive in sound economic soil. They flourish in the midst of poverty and suffering, in economic demoralization and frustration. The immunizer against "isms" is the feeling of having -- of owning -- the sense of proprietorship. It is the feeling a man has when he owns a home, his own business, a satisfying job, a bank account, shares of stock in a sound company, an insurance policy. It is the feeling a bond purchaser has when he looks at his accumulation of Savings Bonds and realizes that the profit system works for him. Few people with dollars invested in Savings Bonds would be interested in having an "ism" Government in this country. So there is your first correlation between the Savings Bonds program and the preserving and strengthening of our way of life.

In addition to being valuable intrinsically, a United States Savings Bond is a share in the greatest free enterprise on earth -- the United States Government. The bond holder, like any other shareholder, tends to become resistant to those influences which would undermine the structure of the enterprise in which he now has a financial interest.

I think it important, too, that a man who, in the exercise of thrift, provides for his own and his family's future by acquiring Savings Bonds is certain to gain personal dignity and to broaden his understanding through his bond-owning experience. The stature of his citizenship increases. He is a better American.

It is most significant that the Savings Bonds Program always has been a great volunteer effort. The paid staff of the Treasury's Savings Bonds Division is microscopic in size in comparison to the volunteer staffs which carry on the bond promotion and bond selling tasks throughout the country. I think that the volunteers are proud of the splendid job they have done; certainly they have a right to be, and certainly we of the Treasury Department are proud of them almost beyond words. The success of their efforts is an inspiring example of democracy in action for the common good. I think there can be read into that example a very impressive meaning, and translated into words it might be: "Men can be free. Men's rights can be respected. Men can live in peace and happiness with each other. Men can have peace and opportunity and security."

To recall these facts about Savings Bonds is to provide a ready answer, I think, to the question which I propounded -- "Have we been wise in giving all-out support to the Savings Bonds Program, and should we continue our active support?" I know that your answer will be an emphatic yes.

For the fidelity with which Lions International has given its support to the Savings Bonds Program, it is my pleasure, President Briggs, on behalf of the people of the United States and for the Secretary of the Treasury, to award this citation:

"United States Treasury Department
Distinguished Service Award
To Lions International
For leadership in building security
for the people and the Nation
through United States Savings Bonds.
Awarded under my hand and seal, July 19, 1949,
John W. Snyder, Secretary of the Treasury."

5-205-8

~~FOR IMMEDIATE RELEASE~~
July 19, 1949

Tuesday

The Bureau of Customs announced today that the Mexican quota of 8,883,259 pounds of cotton having a staple length less than 1-1/8 inches, other than rough or harsh cotton less than 3/4 inch in staple, and linters for the quota year ending September 19, 1949, was approximately 60 percent filled as of July 19, 1949.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
Tuesday, July 19, 1949

S-2058

The Bureau of Customs announced today that the Mexican quota of 8,883,259 pounds of cotton having a staple length less than 1-1/8 inches, other than rough or harsh cotton less than 3/4 inch in staple, and linters for the quota year ending September 19, 1949, was approximately 60 percent filled as of July 19, 1949.

oOo

ALPHA

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.

ALPHA

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 28, 1949^(a), in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 28, 1949^(a). Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, July 22, 1949.
(1)

S-2059

The Secretary of the Treasury, by this public notice, invites tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 28, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 28, 1949, and will mature October 27, 1949, 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/Daylight Saving Standard time, Monday, July 25, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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

for

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Friday, July 22, 1949.

S-2059

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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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for

accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 28, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 28, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

IMMEDIATE RELEASE
Thursday, July 21, 1949

B- 2060

Acting Secretary of the Treasury Foley announced today that sales of Series E Savings Bonds in the recent Opportunity Savings Bonds Drive reached \$1,216,230,000. This was 117 percent of the national quota of \$1,040,000,000.

The Acting Secretary said:

"The Nation is to be congratulated on this ^{further} ~~new~~ evidence that the spirit of thrift ~~still~~ is very much alive in America.

"The success of the Drive was due primarily to the work of the hundreds of thousands of volunteers who gave it their energetic support. These volunteers included representatives of practically every field of ^{activity} ~~business~~. National Director Vernon L. Clark of the Treasury's Savings Bonds Division joins me in extending hearty thanks to these volunteers as individuals as well as to their community, ^{and National} ~~and~~ State organizations."

WMS

[Handwritten signature]

[Handwritten signature] JTC
7/21/49

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9-7

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



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FOR IMMEDIATE RELEASE
July 25, 1949

S-2061

The Bureau of Customs announced today that the tariff-rate quota for the third quarter of the calendar year 1949 on fish, fresh or frozen (whether or not packed in ice), filleted, skinned, boned, sliced, or divided into portions, not specially provided for: cod, haddock, hake, pollock, cusk, and rosefish, was approximately 90 percent filled as of July 22, 1949. Collectors of customs have been instructed to require importers of such fish to deposit estimated duties at the full tariff rate on all entries for consumption of quota-class fish during the period July 26 through September 30, 1949, pending determination of the quota status of such importations.

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



IMMEDIATE RELEASE,
Monday, July 25, 1949.

S-2061

The Bureau of Customs announced today that the tariff-rate quota for the third quarter of the calendar year 1949 on fish, fresh or frozen (whether or not packed in ice), filleted, skinned, boned, sliced, or divided into portions, not specially provided for: cod, haddock, hake, pollock, cusk, and rosefish, was approximately 90 percent filled as of July 22, 1949. Collectors of customs have been instructed to require importers of such fish to deposit estimated duties at the full tariff rate on all entries for consumption of quota-class fish during the period July 26 through September 30, 1949, pending determination of the quota status of such importations.

oOo

RELEASE MORNING NEWSPAPERS,
Tuesday, July 26, 1949.

S-2062

The Secretary of the Treasury announced last evening that the tenders for \$900,000,000, or thereabouts, of 91-day Treasury bills to be dated July 28 and to mature October 27, 1949, which were offered on July 22, were opened at the Federal Reserve Banks on July 25.

The details of this issue are as follows:

Total applied for - \$1,428,487,000

Total accepted - 900,467,000 (includes \$66,327,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.743 Equivalent rate of discount approx. 1.017% per annum

Range of accepted competitive bids:

High - 99.775 Equivalent rate of discount approx. 0.890% per annum
Low - 99.739 " " " " " " 1.033% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 14,650,000	\$ 12,395,000
New York	1,165,594,000	676,714,000
Philadelphia	22,168,000	19,618,000
Cleveland	16,558,000	16,558,000
Richmond	3,697,000	3,697,000
Atlanta	13,921,000	13,921,000
Chicago	88,964,000	67,689,000
St. Louis	5,446,000	5,446,000
Minneapolis	3,140,000	3,140,000
Kansas City	17,749,000	17,749,000
Dallas	14,930,000	14,930,000
San Francisco	61,670,000	48,610,000
Total	\$1,428,487,000	\$900,467,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Tuesday, July 26, 1949.

S-2062

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Federal Reserve District	Total Applied for	Total Accepted
Boston	\$ 14,650,000	\$ 12,395,000
New York	1,165,594,000	676,714,000
Philadelphia	22,168,000	19,618,000
Cleveland	16,558,000	16,558,000
Richmond	3,697,000	3,697,000
Atlanta	13,921,000	13,921,000
Chicago	88,964,000	67,689,000
St. Louis	5,446,000	5,446,000
Minneapolis	3,140,000	3,140,000
Kansas City	17,749,000	17,749,000
Dallas	14,930,000	14,930,000
San Francisco	61,670,000	48,610,000
TOTAL	\$1,428,487,000	\$900,467,000

In connection with his conversations in London, the Secretary stated it was the consensus that the problems raised there required further consideration. It was accordingly agreed that a meeting would be held in Washington in early September to continue these discussions. ~~The~~ Canadian financial authorities participated in the London talks and will also participate in the Washington talks.

Mr. Snyder left Washington Saturday, July 2nd and returned early Monday morning, July 25th. The Secretary's first visit was to Paris, followed in the order named by London, Brussels, Stockholm, Geneva, Rome, Ankara, Cairo, and Athens.

2063

PRESS RELEASE NO. 2063
FOR IMMEDIATE RELEASE

In his first statement made since his return from a three week tour of European capitals, Secretary Snyder said today that the progress of European recovery has in many respects exceeded earlier expectations. Western Europe, he said, had made substantial progress in increasing production and in raising levels of consumption. Europe as a whole, the Secretary said, does not appear to be encountering difficulties in meeting its payments outside the dollar area.

But he emphasized that Europe must concentrate its efforts on increasing dollar earnings.

In all of his talks, the Secretary stated that he reaffirmed the importance of the role of the International Monetary Fund as the appropriate forum for the discussion of exchange rates.

The Secretary repeated that, as announced before his departure, the primary purpose of his visit was to consult with U. S. Treasury Representatives, E.C.A. officials, U. S. Diplomatic Representatives and Foreign Government authorities in order to obtain a first-hand picture of current economic and financial developments in Europe and of the present thinking of European leaders.

With this purpose in mind, Mr. Snyder said he met and talked with responsible financial officials in each capital visited. The Secretary said that the officials with whom he talked assisted him in obtaining a clearer understanding of economic and financial developments.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
Monday, July 25, 1949.

S-2063

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IMMEDIATE RELEASE
July 27, 1949

1-2064

The Bureau of Customs announced today that the Mexican quota of 8,883,259 pounds of cotton of less than 1-1/8 inches in staple length (other than harsh or rough cotton of less than 3/4 inch in staple length, and other than linters) for the quota year ending September 19, 1949, was approximately 98 percent filled by cotton authorized entry at the close of business as of July 27, 1949.

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



IMMEDIATE RELEASE,
Wednesday, July 27, 1949.

S-2064

The Bureau of Customs announced today that the Mexican quota of 8,883,259 pounds of cotton of less than 1-1/8 inches in staple length (other than harsh or rough cotton of less than 3/4 inch in staple length, and other than linters) for the quota year ending September 19, 1949, was approximately 98 percent filled by cotton authorized entry at the close of business as of July 27, 1949.

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

ITEM

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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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on August 4, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing August 4, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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

~~EXHIBIT~~

~~ALPHA~~

~~TREASURY DEPARTMENT~~
~~Washington~~

FOR RELEASE, MORNING NEWSPAPERS,
Friday, July 29, 1949.
~~(X)~~

1-2065

The Secretary of the Treasury, by this public notice, invites tenders for \$1,000,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing August 4, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated August 4, 1949, and will mature November 3, 1949, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern/~~Standard~~ Daylight Saving time, Monday, August 1, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



RELEASE, MORNING NEWSPAPERS,
Friday, July 29, 1949.

S-2065

The Secretary of the Treasury, by this public notice, invites tenders for \$1,000,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing August 4, 1949, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated August 4, 1949, and will mature November 3, 1949, 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 Daylight Saving time, Monday, August 1, 1949. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

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, non-competitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for

accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on August 4, 1949, in cash or other immediately available funds or in a like face amount of Treasury bills maturing August 4, 1949. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

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 the Internal Revenue Code, or laws amendatory or supplementary thereto. 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.

PROPOSED PRESS RELEASE

Commissioner Frank Dow today appointed David B. Strubinger to be Assistant Commissioner of Customs.

Mr. Strubinger, a career employee with 29 years of Government service, has been with Customs since 1939, and his appointment today is a promotion from the position of Chief of the Division of Budget and Management.

Mr. Strubinger is 48 years old. He is a native of York, Pennsylvania, but he has been a resident of the District of Columbia for many years. He received his education at the George Washington University, Benjamin Franklin University and National University, and holds the degrees of Bachelor of Science and Bachelor of Laws.

The new Assistant Commissioner entered the Government service with the Bureau of Census in 1920, moved to the Interior Department in 1922, and the next year entered Treasury, in the Bureau of Internal Revenue. He held a position of Chief Administrative Investigator in that Bureau at the time he transferred to Customs in 1939, as liaison officer. He later served as the Bureau's Budget Officer.

Mr. Strubinger is married and has one son, David B. Strubinger, Jr., who is a student at the College of William and Mary, Williamsburg, Va. The family resides at 4031 South Dakota Avenue, N.E.

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



IMMEDIATE RELEASE,
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During the year the Secret Service completed investigations in 45,384 criminal cases and 1,735 non-criminal cases. There were 2,346 persons arrested for all offenses under Secret Service jurisdiction, and a total of 2,125 convictions, which included convictions in cases pending from prior years.

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Victims of forged Government checks paid heavily for failure to insist upon full identification of strangers cashing checks. The Secret Service received for investigation 34,160 forged checks and 7,312 forged Government bonds. Agents completed investigations of 33,427 forged checks totalling \$2,255,829.63 and of 9,105 forged bonds with a maturity value of \$617,767. ~~There were no losses to bond purchasers whose bonds had been stolen and fraudulently negotiated, since the Government replaces all such bonds, making them safer than cash to hold.~~ There were 2001 persons arrested for check and bond forgery.

One bond forgery case turned up a murder and a confessed killer. James Thomas Nolan, 24, was arrested by police at Romney, W. Va., after a garage mechanic reported that Nolan carried a .32 calibre automatic pistol in the 1947 Cadillac sedan which he drove. Nolan admitted that he had stolen \$400 from his employers at Arlington, Va., and was returned to Arlington to face embezzlement charges.

Investigation revealed that the Cadillac was owned by Belmont Woodridge, a wealthy resident of Arlington, and that Nolan had cashed \$150 in Savings Bonds registered to Woodridge. Secret Service agents investigating the bond forgeries questioned Nolan, who said he had borrowed the car from Woodridge when Woodridge went to Florida on a vacation. Finally agents suggested that tests be made to determine whether or not he had recently fired the weapon found in the car. Nolan then confessed that while riding with Woodridge on November 11, 1948, he told Woodridge that he was a fugitive and demanded that Woodridge give him the automobile. When Woodridge objected, Nolan shot him six times and dragged his body into the underbrush. He robbed Woodridge

thrown there the evening before following an argument with Thomas L. Coffey. Riley had hidden the coins in Coffey's house and Coffey threatened to report him. In the ensuing quarrel Coffey, who had served prison terms for murder and robbery, shot Riley in the back, but wounded him only superficially. Riley has already served three sentences for coin counterfeiting. He pleaded guilty April 7 and was given a suspended sentence of 13 months, but protested to the Court that because of ill health he would be better off in jail. The judge revoked the suspension and sent Riley to the penitentiary for 13 months.

In California, two sets of brothers, all ex-convicts, were arrested January 21 by Secret Service agents from Los Angeles for manufacturing counterfeit \$20 notes in Hanford, California. Plates and plant were captured in the basement of a sign shop operated by Gordon and Clifford Vincent, both of whom had served prison terms as bank robbers. In the plant agents also arrested Kenneth and Jack Alkire, who had served time on grand theft charges. All pleaded guilty March 7 at Fresno. Each of the Vincent brothers was sentenced to five years and the Alkire brothers to terms of one year each.

Another counterfeiter was caught in California when Los Angeles police arrested Robert H. White for check forgery and found a counterfeit \$100 bill in his pocket. Secret Service agents questioned White, who finally admitted that he and James T. Haines had manufactured the counterfeits. On several occasions White was called upon to reimburse victims of his worthless checks, and paid them off with counterfeit \$100 notes. White was sentenced March 21 in Los Angeles to serve 15 years, later reduced to 10 years. Haines was sentenced May 16 to serve five years.

In another case in Chicago on May 3 one man was shot by a Secret Service agent and a second man was arrested, both charged with possession of \$100,000 in counterfeit \$20 bills. The wounded man, Dixie Richmond, 42, was in a parked taxicab at the time of arrest. ^{when he was} ~~Agents~~ ordered ~~him~~ out of the vehicle he made a move as though reaching for a gun, ^{and} an agent shot him, ~~just above the right eye.~~ [?] Also arrested was Irving Morris, alias Irving Cohen, owner of the Tropical Nights Tavern, 2430 N. Clark Street, Chicago.

^{The} Arrest of the two men, according to Chief Baughman, was accomplished after an undercover Secret Service agent won Richmond's confidence and successfully negotiated a delivery by Richmond of \$100,000 in the counterfeit \$20 notes. Prosecution is pending.

Most unusual case of the year was the capture, April 4, in New York City of 105,400 counterfeit (3¢) postage stamps and the arrest of one woman and two men charged with their possession. Lillian Mizell, Philip Bonadonna and Nicholas Ungano sold 20,000 of the stamps to an undercover agent and delivered an additional 85,400 at the time of their arrest in a midtown hotel. All are awaiting prosecution. This was the first case of postage-stamp counterfeiting encountered by the Secret Service in several years.

One coin-counterfeiting case was solved by the counterfeiter after an acquaintance had shot him in the back with a shotgun. Joe Ernest Riley, 59, gave himself up to Houston, Texas, police on March 13, claiming that he had made and passed bogus half-dollars in Houston. He led officers to a vacant lot where they recovered 21 counterfeit (50¢) coins which Riley said he had

Release, morning newspapers
Sat, July 30, 1949
PRESS RELEASE
U. S. SECRET SERVICE -- FISCAL YEAR 1949

S-2067

Big-time counterfeiters responsible for a marked increase in the circulation of bogus bills have not yet learned that there is little or no profit in home-made money, according to U. E. Baughman, Chief of the U. S. Secret Service, in his yearly report to Treasury Secretary John W. Snyder, made public today.

While storekeepers and cashiers lost \$338,062.84 to passers of counterfeit bills and coins, Secret Service agents captured another \$611,679.26 before it could be circulated, and arrested 207 persons for counterfeiting offenses, Chief Baughman reported. Arrests increased 31% over the previous year.

"Although a few old offenders may still be active," he declared, "the principals arrested in major cases were new to the currency counterfeiting racket. Gradually the manufacturers will discover that after paying 'commissions' to distributors and other middlemen their net is too small to risk 15 years in prison. The passers, who take most of the chances, pay highest prices for the counterfeits and always get caught sooner or later. The only thing they may safely count on is substantial prison sentences."

The arrest in Washington on June 27 of four men and a woman charged with making about \$150,000 in counterfeit \$20 bills, bore out his statement, Chief Baughman said. Although they had a worthless fortune they managed to pass only about \$2,000 worth of the notes in a whirlwind air tour to several cities, barely making traveling expenses. The Secret Service captured a suitcase full of notes, and the five are now awaiting prosecution.

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U. S. Secret Service

Mr. James J. Maloney
Chief Coordinator
U. E. Baughman
Chief, Secret Service
Secret Service Press Release
Fiscal Year 1949

July 20, 1949

As requested in your memorandum of June 29, 1949, there is attached a summary, in duplicate, of Secret Service activity for the Fiscal Year 1949, for transmittal to the Information Service for the press release.

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CHIEF COORDINATOR
TREASURY ENFORCEMENT
AGENCIES

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Saturday, July 30, 1949.

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During the year the Secret Service completed investigations in 45,384 criminal cases and 1,735 non-criminal cases. There were 2,346 persons arrested for all offenses under Secret Service jurisdiction, and a total of 2,125 convictions, which included convictions in cases pending from prior years.

Enforcement of export control regulations of the Office of International Trade, Department of Commerce, brought seizures of numerous shipments of strategic and scarce commodities, ranging from streptomycin to carbon black. More than a million pounds of the latter commodity, valued at \$150,000, was seized at Houston, Texas, on April 7, 1949. ~~Several seizures of airplanes, munitions, and fire-arms were made for attempted exportation without licensing by the Department of State. One such seizure made at Norfolk, consisted of 700 rounds of pistol ammunition and 500 rounds of rifle ammunition being stowed on a vessel preparing to depart.~~

Then there was the youth who rode a stolen bicycle across the Canadian line at an unguarded point, and embarked on a one-man crime wave, one of his victims being a Customs officer whose home was looted. The officer got some personal satisfaction when police ended the soiree by seizing the bicycle for forfeiture to Uncle Sam -- unless the rightful owner can be found.

Other Customs investigations involved livestock and grain smuggling on both borders, illegal halibut catches (under the North Pacific halibut fishing regulations of the International Fisheries Commission), and numerous instances of suspected undervaluation of merchandise. Typical of the latter was a case in which 630 petit point hand bags were entered at a value of \$900, and proved to be worth \$25,000. The importer paid \$22,000 in penalties.

Enforcement of maritime laws produced seizure of several yachts licensed as pleasure craft, which were put to commercial use without proper documentation, and one craft valued at a quarter of a million dollars was detained for suspected false documentation and sale and charter to an alien without authority of the United States Maritime Commission.

Heroin and cocaine figured prominently in Customs seizures of narcotic drugs, more than 18 pounds of Peruvian cocaine having been captured, compared to 10 ounces in 1948. Marihuana seizures showed a large increase over those of the previous year, captures of the weed by Customs ~~alone~~ on the Mexican border, ^{alone having} ~~about~~ ^{been almost} doubling the quantity seized throughout the United States in fiscal year 1948.

In the Customs "why will they do it" category were numerous seizures of meat products, plants and fruit which Mexican border travelers tried to ^{import} ~~slip in~~ in violation of Department of Agriculture regulations designed to prevent introduction of plant and animal diseases, or insects.

Parrots, ^{which are} prohibited entry under Public Health laws, also proved irresistible to some border-crossers. In one case, "two red-headed parrots under one year of age" were walked across in the coat pockets of a youth, who parked the garment in a cafe and then returned to Mexico for his car and his mother for regular customs clearance. He neglected to remove facilities for carrying the birds from his luggage, and questioning uncovered the facts. Another tourist tried to run "Poor Polly" in under the hood of his automobile.

United States from Hong Kong. She failed to declare goods having a value of more than \$4,000 which were in her baggage and on her person. A large part of the seizure consisted of jewelry which had been sewn into shoulder pads and linings of clothing.

In San Francisco, Customs officers seized 16 packages of goods from the Orient which a crew member of an American vessel attempted to enter by subterfuge to avoid duty, allegedly for sale in a store he owns. He attempted to take advantage of exemptions by splitting up the goods, and enlisting fellow crew members who at first identified the merchandise as their own purchases abroad.

There was little evidence of any large-scale smuggling of liquor, but numerous "amateurs" with a bottle or two of undeclared spirits concealed in cars and in luggage paid penalties at border points.

Sentencing of two offenders on pleas of guilty in Federal Court at San Juan closed out a smuggling case that did have many of the characteristics of the old rum-running days, ^{except that} ~~only~~ in this case the contraband consisted of untaxed cigarettes. The investigation involved cooperation with the Coast Guard in ship's surveillance at sea, and boarding and seizure of the vessel as it entered United States waters.

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Attached is the draft of the Annual Report of the Customs Bureau on enforcement activities which is submitted herewith for the Secretary's clearance.

I have deleted a section on page 5 having to do with confiscation of arms shipments.

James J. Saxon

Recd. AM. papers.

INFORMATION SERVICE

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PROPOSED CUSTOMS PRESS RELEASE

*Release Maximum newspaper
Wed. Aug 3, 1949*

S-2068

Diamond and jewelry seizures of commercial proportions figured prominently in Customs law enforcement activities during the fiscal year ended June 30, 1949, Commissioner of Customs Frank Dow reported to Secretary Snyder today. An interesting feature of Customs investigations during the year is the fact that women were offenders in many of the more important cases.

Three large diamond seizures made at the port of New York involved women passengers arriving by air, all employing variations of the old false-bottomed luggage technique.

In the final month of the year, one of these offenders was given a sentence in Federal Court of a year in prison, in a case involving gems worth \$73,000. Also in June, two parcels of cut diamonds valued at \$13,000 were found underneath a false bottom of a suitcase brought in by a woman plane passenger. A third case arising from the seizure of \$190,000 worth of diamonds is awaiting trial.

Oriental merchandise in "wholesale" quantities figured in two Pacific area seizures, one case developing at Honolulu, and one at San Francisco. In each instance jewelry and novelty items of high dutiability were involved. In the Honolulu case the would-be smuggler was a Chinese woman returning by plane to her home in the

TREASURY DEPARTMENT

Information Service

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