U.S. Treasury Dept.

Press Releases

AUGUST - SEPTEMBER 1951

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

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

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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 9, 1951 ~~(8)~~, in cash or other immediately available funds or in a like face amount of Treasury bills maturing August 9, 1951. ~~(9)~~ 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

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TREASURY DEPARTMENT
Washington

D-2765

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 2, 1951 ~~(1)~~.

The Secretary of the Treasury, by this public notice, invites tenders for $1,300,000,000 ~~(2)~~, or thereabouts, of 91 ~~(3)~~-day Treasury bills, for cash and in exchange for Treasury bills maturing August 9, 1951 ~~(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 August 9, 1951 ~~(5)~~, and will mature November 8, 1951 ~~(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, August 6, 1951 ~~(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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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RELEASE MORNING NEWSPAPERS,
Thursday, August 2, 1951.

S-2765

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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.

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to our Nation in mobilizing the power of thrift behind our national drive for peace, progress and prosperity, for ourselves and for men of good will the world around.

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And it is upon this constructive power that the peace of the world depends.

As you go out to organize your state and community activities to assure the success of the coming defense bond drive, I should like to ask you to carry to your local workers my sincere thanks for the determined spirit in which they are shouldering responsibility in this great defense effort. They, and you, are rendering a great service of man. For in the final analysis, the power of America is the power of its people working together in common cause.

No finer example of living democracy can be found than in our defense bond program. It is conducted for the people by the people of the United States and gives every American the opportunity to share directly in strengthening the economic power of our Nation.

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their national freedom. It is in this spirit that Americans of succeeding generations have built the dynamic force of American democracy. It is this same spirit, this same dynamic force, which is so necessary now if our Nation is to continue to be a powerful bulwark against dictatorial aggressors who seek now -- as they sought in the past -- to destroy the liberty of the human spirit and the dignity should be put every ounce of the power of every good citizen as a volunteer worker and a voluntary saver for the defense of America and for the future of America.

Our Nation has become the powerful Nation it is because we have recognized that a nation can be strong and free only when its individual citizens are free -- free to work together in cooperative effort to preserve both their personal liberties and

That is, of course, the message -- the purpose -- of the nationwide defense bond drive which we are opening in September, and which you as key men in this great drive will be spearheading.

The symbol of this drive, as you know, is to be our national emblem -- the great American Eagle, standing on guard, ever vigilant, and ever strong. Behind this drive efforts -- will be available this fall in creditable numbers, and with an abundant supply of enthusiasm.

We need to reach into every home and every community throughout our land and bring to every American the personal realization that defense is everybody's job -- and that now is not the time to relax our defense efforts.

of Payroll Savings Plan activity among its employers.

The advertising industry is giving to the Defense Bond Drive support fully comparable to that which it provided so generously and effectively in years gone by. Preliminary reports to us indicate that volunteer salesmen -- those public-spirited people who through personal solicitations really spell the success of all our bond-selling a slogan with truth in it. A single sale of a $25 bond becomes potent indeed as a thrift influence when a thousand or ten thousand volunteers are closing as many more $25 bond sales simultaneously.

Small investors have stepped up the number of $25 and $50 E Bonds they have purchased this year by better than 11 percent. City after city across the country has undertaken successfully in recent months to win a Treasury Flag for expansion course is to confine ourselves to noninflationary spending and to save regularly out of our incomes.

The defense bond program is an essential ingredient of our home front defense. A slogan which has been suggested for the Defense Bond Drive is "Bonds for Power for Peace." These five words sum up the substance and the spirit of the appeal which we are making with all earnestness and all vigor. It is unprecedented in economic history in the incomes of the middle group. This growth has greatly enlarged the market for the products of American agriculture and industry -- and greatly enlarged, also, the possibilities for profitable business operations.

5 Individuals, collectively, after the payment of taxes, still have in their hands large sums to spend or to save. The wise

given -- is that the average per capita income in the United States today, after all taxes, local, State, and Federal, will buy almost 40 percent more in actual goods and services than the average per capita income in 1939.

Moreover, people today can buy things which in earlier years were either not available at all, or were available only to a limited number. There has been a growth but I do want to point out that the pending tax program is not only necessary, but can be absorbed by our economy and leave, after taxes, a good margin of profits and incentives.

We are all aware, of course, that prices have risen greatly since 1939. But incomes after taxes have moved ahead even faster. The truly significant fact -- and one to which little attention has been for pay-as-we-go taxation, laid before committees of the Congress in recent weeks, are not modified in any respect by our intended efforts to increase the sale of bonds substantially during the fall. The tax program and the bond program are both essential to the economic welfare of the country.

I do not at this time want to go into any detailed analysis of our revenue and expenditure prospects, however, that with regard to the Government's fiscal affairs I am complacent about the future.

I want to emphasize that our plans for a Defense Bond drive do not signify any departure from the Treasury's stand in favor of paying-as-we-go for defense as well as for the ordinary costs of government. The recommendations of the Treasury was reduced $15 billion, and commercial bank holdings of Government securities were reduced by more than $25 billion.

That is not deficit financing. It is just the contrary. In the face of those facts we must look in other directions than Government fiscal policy to find inflation's recent causes.

I do not want you to think,

period has been the cause of most of the inflation evils. This attitude simply disregards the facts.

For the five fiscal years which ended last June 30, the United States had a net over-all surplus of receipts over expenditures of approximately $7.5 billion. During the same five years, the debt of the United States

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services, and lessen the difficulty of curbing inflation.

At this point, I should like to comment briefly upon an idea about inflation with which I am sure many of you have been confronted. That is the idea that the rise in the price level which we have experienced since the end of World War II has been due in large part to methods of Government financing -- that deficit financing in the postwar

Our mobilization program will require a substantial portion of our available manpower and materials. Consequently, there will be a considerable gap between the spendable income of individuals and the goods available for them to buy.

By putting our earnings into personal savings rather than into the commodity markets, we help hold down the prices of scarce goods and avert a postwar business recession in 1949. It helped build up the American standard of living to a new all-time high during the past several years.

Today, as we are nearing the peak of the tooling-up period in our all-out national defense effort, the practice of thrift takes on even greater importance.

our economic history that thrift has continued to be an American habit. As a result, Americans accumulated a postwar backlog of $200 billion in liquid savings. These savings are in the form of United States savings bonds, bank deposits, savings accounts and other forms of liquid assets. The great savings reservoir has provided the American public with a tremendous supply of purchasing power. This reserve purchasing power helped great sources of our productive power. The cumulative savings of Americans have created capital to finance over the years[3] a great supply of productive facilities. These facilities have turned the products of our farms, our mines and our forests into the materials and equipment which have made possible a constantly rising standard of living.

It is an encouraging aspect of

we see this power, material and spiritual, growing day by day. If we but resolutely refuse to be diverted from the courses of preparedness on which we so wisely embarked, we may have every hope that no hostile power will dare to try to overcome us.

I spoke of the power of our financial strength. Thrift, individual and collective, is a source of that strength. American thrift has always been one of the

A great deal of progress has already been made toward that mobilization of our power. Other free nations are steadily gaining strength with us. The plans for common action by the free nations on which we have worked so long and so earnestly, and in which so great an investment of our economic resources has been made, are steadily achieving the goals which we had in mind. Power -- power for peace -- power for protection --

of our factories and materials, of our financial strength, and of our faith in human liberty as object lessons for the Soviet rulers. Once they see that power completely organized and activated, these rulers may decide that peace is better for the world after all.

Complacency, relaxation, the lowering of our guard, the idea that by stopping the Korean aggression we have definitely check-mated the Soviet dictatorship's ambitions -- any of these attitudes could be extremely costly to us and to the free nations with which we are allied.

What we have to do is mobilize not only our manpower but also all the power of our productive skills.

shooting in Korea, the Communist threat to the free nations remains. The aggression in Korea was preceded by a chain of other incidents which gave warning of the Kremlin's intentions to dominate the world. An assumption that such incidents will end if a cease-fire is achieved in Korea would disregard the plain, expensive lesson derived from all that has transpired in the postwar years.

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important a role in the conduct of a project which gives every American the opportunity to share in strengthening the power of our Nation.

(2) The strength of this Nation has become the inspiration for the hopes of all the free peoples of the world. Today that strength is being challenged by the continuing threat of communism. Despite the signs of a possible end to the

looked for guidance, for stimulation, and for all-round management of our front-line savings bonds operations.

The Nation has cause to share the Treasury's appreciation of the outstanding manner in which you have accepted and fulfilled your responsibilities. You can take tremendous pride in the fact that you have made such a significant contribution to the greatest organized thrift program in all history -- that you have played so which has provided a great reservoir of power for individual as well as national economic security.

The success of the savings bond program has been due in large measure to your untiring efforts in promoting the program in your states and communities -- not only when a drive has been under way but also in the more routine bond-selling activities of the months between drives. It is to you that we have

It is a real pleasure for me to again welcome you to the council table of our savings bonds family. Our family is a fairly young one in the sense that the great program in which we are engaged was inaugurated but a comparatively few years ago. Yet within just the past decade, our savings bonds program has become a vital American institution. It has become an inspiration for millions who have learned the value of thrift through this program -- that thrift

Treasury Department
Washington

The following address by Secretary Snyder before a conference of State Chairmen and State Directors of the United States Savings Bonds Program in the Statler Hotel, Washington, D. C., is scheduled for delivery at 8:30 p.m., EDT, Friday, August 3, 1951, and is for release at that time.

S-2766

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S-2766

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S-2767

RELEASE, MORNING NEWSPAPERS,
Tuesday, August 7, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated August 9 and to mature November 8, 1951, which were offered on August 2, were opened at the Federal Reserve Banks on August 6.

The details of this issue are as follows:

Total applied for - $1,890,936,000
Total accepted - 1,300,336,000 (includes $144,143,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average Price - 99.583 Equivalent rate of discount approx. 1.652% per annum

Range of accepted competitive bids:

High - 99.637 Equivalent rate of discount approx. 1.436% per annum
Low - 99.579 " " " " " 1.665% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 14,666,000	$ 14,666,000
New York		1,376,109,000	810,909,000
Philadelphia		39,934,000	29,934,000
Cleveland		43,913,000	43,913,000
Richmond		18,980,000	18,530,000
Atlanta		22,203,000	22,203,000
Chicago		179,364,000	164,864,000
St. Louis		20,165,000	19,715,000
Minneapolis		6,591,000	6,591,000
Kansas City		33,919,000	33,919,000
Dallas		59,828,000	59,828,000
San Francisco		75,264,000	75,264,000
	TOTAL	$1,890,936,000	$1,300,336,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Cleveland	43,913,000	43,913,000
Richmond	18,980,000	18,530,000
Atlanta	22,203,000	22,203,000
Chicago	179,364,000	164,864,000
St. Louis	20,165,000	19,715,000
Minneapolis	6,591,000	6,591,000
Kansas City	33,919,000	33,919,000
Dallas	59,828,000	59,828,000
San Francisco	75,264,000	75,264,000
TOTAL	$1,890,936,000	$1,300,336,000

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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.

ALPHA

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 16, 1951, in cash or other immediately available funds or in a like face amount of Treasury bills maturing August 16, 1951. 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

~~Exhibit~~

~~ALPHA~~

TREASURY DEPARTMENT
Washington

S-2768

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 9, 1951 ~~(1)~~.

The Secretary of the Treasury, by this public notice, invites tenders for $ 1,300,000,000 ~~(2)~~, or thereabouts, of 91 ~~(3)~~ -day Treasury bills, for cash and in exchange for Treasury bills maturing August 16, 1951 ~~(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 August 16, 1951 ~~(5)~~, and will mature November 15, 1951 ~~(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, August 13, 1951 ~~(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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

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Thursday, August 9, 1951.

S-2768

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The place of the banks in the Defense Bond program was outlined by William H. Neal, Senior Vice President, Wachovia Bank and Trust Company, Winston Salem, North Carolina. An informal noon luncheon was addressed by Dr. Marcus Nadler, Professor of Finance, New York University, New York City. The afternoon was devoted to discussion groups led by Mr. Hagemann and Ralph Fontaine, President, State Association Section ABA and Executive Secretary of the Kentucky Bankers Association.

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Immediate

FOR RELEASE AUGUST 8, 1951
~~P.M. NEWSPAPERS~~

S-2769

Presidents and secretaries of State bank associations, State chairmen of the American Bankers Association and national officers of the American Bankers Association met with Secretary Snyder today to discuss increased participation by the nation's banks in the Defense Bond program.

The conference considered the part bankers will play in the Defense Bond Drive which the Treasury will launch on Labor Day, September 3, and also studied the development of a continuous effort by banks to increase Defense Bond sales.

Presiding over the conference was H. Frederick Hagemann, Jr., President of the Rockland-Atlas National Bank of Boston, Massachusetts and Chairman of the ABA Savings Bonds Committee.

One of the highlights of the program was a panel discussion of the various phases of the country's defense policy. On the panel were: Winfield W. Riefler, Moderator, Assistant to Chairman of the Board, Federal Reserve System; Francis H. Russell, Director, Office of Public Affairs, Department of State; Brigadier General A. Robert Ginsburgh, USA, Office of the Secretary of Defense; Joseph E. Reeve, Chief, Industry, Housing and Finance Branch, Fiscal Analysis Division, Bureau of the Budget; and Earl A. Nash, Director, Public Liaison Division, Office of Public Information, National Production Authority and Defense Production Administration.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, August 8, 1951. S-2769

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Plant Seized in Illinois

Two new counterfeit $20 bills appeared in circulation on June 16 in Illinois. One week later, on June 23, Secret Service agents arrested Roy Oliver Reime, 37, and Leonard J. Olson, 41, of Creve Coeur, Illinois, as the makers of the notes, and seized the plant and $46,000 in counterfeits which the pair had planned to sell and pass. Both men received sentences of 5 years.

A bus driver for the Niagara Frontier Transit Corporation in Buffalo, New York, was arrested for altering 10-cent coins to the size of a penny. Buffalo bus fare is 12 cents. In making change, the driver would give a mutilated dime and direct the passenger to put 12 ~~20~~ cents into the coin box. The penny-sized dime and the two other pennies would register as 3 cents and the driver would pocket nine cents for himself. The transit company estimated that it lost about $12,000 a month by this practice ~~among its operators~~.

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Kansas City Court Metes Out 40-Year Sentence

The dubious distinction of receiving the heaviest sentence ever imposed for counterfeiting in Kansas City, Missouri, went to Fay C. Harris alias M. L. Cole. Harris left a trail of counterfeit money through Texas, Oklahoma, Kansas and Missouri and used counterfeit $20 bills to buy airline tickets from Fort Worth, Texas, to Kansas City, where Secret Service agents arrested him. They discovered that he had also stolen and forged United States Savings Bonds and that he was wanted by State authorities for armed robberies and other offenses. He was sentenced to 30 years on counterfeiting charges and 10 years for bond forgery, a total sentence of 40 years to serve.

~~Bad money looks bad, says the Secret Service, but~~ Delores Ann Goodwin, ~~discovered that it also tastes bad.~~ ~~She~~ attempted to pass a counterfeit $20 bill in a hosiery store in Lancaster, Pennsylvania. When questioned about the bill she suddenly opened her purse, grabbed seven more counterfeits and crammed them into her mouth. She couldn't chew fast enough to swallow them before officers recovered the evidence, and she was sent to jail for 20 months.

the cash register without looking at the endorsement. Next morning the store cashier found the check in the receipts and got the surprise of her life. The check had once been endorsed, but the endorsement was crossed out, and underneath it were the words: "No good -- this check was stolen."

$1,439,436 in Counterfeits Seized

During the year the Secret Service captured $1,439,436 in counterfeit bills and coins, $521,187.68 of which was successfully passed on retail storekeepers. The balance was seized before the counterfeiters could put it in circulation.

In Los Angeles, California, Secret Service men after several weeks of surveillance arrested Harry Bell and Robert Campus and captured a complete plant for the manufacture of $1 and $5 bills. Campus pleaded guilty and was sentenced to four years. Harry Bell was convicted, but after the conviction Robert Campus revealed that his real name was Charles M. Bell and that Harry Bell was his father. The son assumed full responsibility for the crime and Judge William C. Mathes ordered dismissal of the indictment against Harry Bell.

and commercial checks from the wayside mailboxes. He was arrested after having cashed several of the stolen checks.

Following his arrest, Kovach was questioned about unsolved farmhouse robberies near Erie, resulting in the recovery of several radio and television sets, electrical appliances, shotguns and other articles which he admitted having stolen in the robberies. Kovach was sent to prison for 22 months, after entering a guilty plea.

In Indianapolis, Indiana, three men stole about $50,000 worth of checks, both Government and commercial, before they were rounded up by the Secret Service. Archie P. Harmeson, Ernest Liford, Jr. and Edwin V. Atlee, whose thefts totaled over 200 checks, were sent to prison for terms ranging from one to five years.

Check Marked "No Good" Cashed

The Secret Service believes it has found the ultimate in carelessness on the part of merchants who cash checks. In a midwestern city an unknown woman walked into a furniture store, selected some living room furniture, and gave the salesman a $120 Government check to make a $30 deposit on her purchase. The salesman told the woman to endorse the check. She turned her back and appeared to be writing on the check. When she handed it back to him the salesman counted out the change and put the check in

98.9 Per Cent of Convictions in Cases Brought to Trial

During the year, Chief Baughman reported, special agents of the Secret Service arrested 2,772 persons, including 2,288 for check and bond forgery, 307 for counterfeiting offenses, and 177 for other crimes. There were 2,507 convictions, representing 98.8 per cent of convictions in all cases that went to trial.

Prison sentences during the year aggregated 2,878 years, and additional sentences of 2,590 years were suspended or probated. Fines in criminal cases brought to trial by the Secret Service totaled $141,485.88.

The Secret Service received for investigation 32,738 forged checks and 5,975 forged Government bonds during the period. Forged checks investigated totaled 38,102, involving $2,752,493.94. Agents completed investigation of 6,569 forged bonds with a face value of $411,954.03.

Chief Baughman said the Secret Service still had on hand an accumulation of over 15,000 forgery cases at the close of the fiscal year.

Pennsylvania Man Loots Rural Mailboxes

In one case reviewed in the year-end report, rural mailboxes were the target of a check thief. John M. Kovach of Erie, Pennsylvania, drove his truck along rural routes in the suburban areas of that city and stole Government

Young received a five-year prison sentence, and has been admitted to the United States Public Health Service Hospital, Lexington, Kentucky, for treatment of his addiction.

A tragic story was unfolded in the case of Carl Jones and Benny Wise, New York youths arrested for check forgery. Jones, whose admitted use of marihuana over a ten-year period had caused him to be dishonorably discharged from the Army, switched to heroin about a year before his arrest. Unable to hold regular jobs, he turned to theft and forgery to get money for drugs. His accomplice, Wise, also a heroin addict, was arrested and taken to a Brooklyn police station, where he committed suicide. Jones was sentenced to two years in prison and sent to the Public Health Hospital at Lexington, Kentucky, for treatment.

On June 8 a man and woman, both drug addicts, were arrested in Houston, Texas, for forging thirteen Government checks worth $817. Another couple, arrested in Washington, D. C., on June 15, are charged with having forged $576 in stolen Government checks for the purchase of illicit narcotics. The man, a heroin addict, said that he required five or six shots of the drug daily.

~~SECRET SERVICE RELEASE~~ 5-2-77

Release Sunday Newspapers
August 12, 1951

Evidence that narcotic addicts are stealing and forging Government checks to buy illicit drugs was ~~contained~~ described in a fiscal year-end report submitted to Secretary Snyder today by U. E. Baughman, Chief of the United States Secret Service.

In at least four cases developed by Treasury agents during the twelve-month period ended June 30, drug addiction led to the rifling of mail boxes and the subsequent forgery of Government checks, Chief Baughman said.

An investigation, launched in Cincinnati following the arrest of a professional dancer for the attempted hold-up of a letter carrier, revealed that a group of addicts there had been stealing Government checks from mail boxes to satisfy their craving for narcotics. The dancer, Walter Young, who was under the influence of narcotics at the time of his arrest, said that the group forged and cashed the stolen checks to buy illicit drugs, which cost each addict over $20 a day.

Evidence developed during the investigation, carried on jointly by the Secret Service, the Bureau of Narcotics and Post Office inspectors, indicated that peddlers of heroin and morphine in Cincinnati administered the drugs to minors without cost until they became addicted, then suggested that they steal and forge Government checks to sustain their addiction.

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE SUNDAY NEWSPAPERS,
August 12, 1951. S-2770

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Treasury Department
Washington

IMMEDIATE RELEASE S-2771
Thursday August 7, 1951
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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, 1951, to July 28, 1951, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of July 28, 1951
Buttons	850,000	Gross	308,152
Cigars	200,000,000	Number	656,374
Coconut Oil	448,000,000	Pound	76,556,311
Cordage	6,000,000	"	4,920,886
Rice	1,040,000	"	-
Sugars (refined	1,904,000,000	Pound	-
Sugars (unrefined			1,108,297,933
Tobacco	6,500,000	Pound	73,900

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
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Sugars	(refined	1,904,000,000	Pound	-
	(unrefined			1,108,297,933
Tobacco		6,500,000	Pound	73,900

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Treasury Department
Washington

S-2772

IMMEDIATE RELEASE
Thursday August 7, 1951
9

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under the General Agreement on Tariffs and Trade, from the beginning of the quota periods to July 28, 1951, inclusive, as follows:

Commodity	Period and Quantity		Unit of Quantity	Imports as of July 28, 1951
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	7,694
Cream	Calendar year	1,500,000	Gallon	1,344
Butter..................	(Apr. 1, 1951 - (July 15, 1951	5,000,000	Pound	6,062
	(July 16, 1951- (Oct. 31, 1951	5,000,000	Pound	661
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish ...	Calendar year	29,239,808	Pound	Quota filled (1)
White or Irish Potatoes: certified seed	12 months from Sept. 15, 1950	150,000,000	Pound	Quota filled
other		60,000,000	Pound	Quota filled
Walnuts	Calendar year	5,000,000	Pound	Quota filled
Petroleum and petroleum products	Calendar year			
	Venezuela	2,613,137,096	Gallon	Quota filled
	Netherlands	822,654,271	Gallon	Quota filled
	Other Countries	963,429,333	Gallon	Quota filled

(1) The proviso to item 717 (b) limits the imports for consumption at the quota rate to 21,929,856 pounds during the first nine months of the calendar year.

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, August 9, 1951

S-2772

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under the General Agreement on Tariffs and Trade, from the beginning of the quota periods to July 28, 1951, inclusive, as follows:

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White or Irish Potatoes:				
certified seed	12 months from	150,000,000	Pound	Quota filled
other	Sept. 15, 1950	60,000,000	Pound	Quota filled
Walnuts	Calendar year	5,000,000	Pound	Quota filled
Petroleum and petroleum products	Calendar year			
	Venezuela	2,613,137,096	Gallon	Quota filled
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	Other Countries	963,429,333	Gallon	Quota filled

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Treasury Department
Washington

S-2773

FOR IMMEDIATE RELEASE,
Tuesday, August 7, 1951

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour authorized to be 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 proclamation of April 13, 1942, for the 12 months commencing May 29, 1951, as follows:

Country of Origin	Wheat: Established Quota	Wheat: Imports May 29, 1951, to August 7, 1951	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Established Quota	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Imports May 29, 1951, to August 7, 1951
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	121,615	3,815,000	1,156,826
China	-	-	24,000	-
Hungary	-	--	13,000	-
Hong Kong	-	-	13,000	10,000
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	12
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	292
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	121,615	4,000,000	1,167,130

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, August 9, 1951

S-2773

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour authorized to be 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 proclamation of April 13, 1942, for the 12 months commencing May 29, 1951, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1951, to August 7, 1951	Established Quota	Imports May 29, 1951, to August 7, 1951
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	121,615	3,815,000	1,156,826
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	10,000
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	12
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	292
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	121,615	4,000,000	1,167,130

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. 20,1950 to July 28, 1951	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1950 to July 28, 1951
United Kingdom	4,323,457	1,441,152	1,441,152	1,441,152
Canada	239,690	107,191	-	-
France	227,420	68,155	75,807	68,155
British India	69,627	67,200	-	-
Netherlands	68,240	-	22,747	-
Switzerland	44,388	-	14,796	-
Belgium	38,559	1,854	12,853	1,854
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,156	25,443	24,156
Italy	21,263	-	7,088	-
	5,482,509	1,709,708	1,599,886	1,535,317

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

IMMEDIATE RELEASE
August 7, 1951

Treasury Department
Washington

Thursday 9

S-2774

Preliminary data on imports for consumption of cotton and cotton waste chargeable to the quotas established by the President's Proclamation of September 5, 1939, as amended

COTTON (other than linters) (in pounds)

Cotton under 1-1/8 inches other than rough or harsh under 3/4"
Imports Sept. 20, 1950 to July 28, 1951, inclusive

Country of Origin	Established Quota	Imports	Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan	783,816	2,174	Honduras	752	-
Peru	247,952	161,784	Paraguay	871	-
British India	2,003,483	-	Colombia	124	-
China	1,370,791	-	Iraq	195	-
Mexico	8,883,259	37,669	British East Africa ...	2,240	-
Brazil	618,723	602,956	Netherlands E. Indies	71,388	-
Union of Soviet Socialist Republics	475,124	-	Barbados	-	-
Argentina	5,203	-	1/Other British W. Indies	21,321	-
Haiti	237	-	Nigeria	5,377	-
Ecuador	9,333	-	2/Other British W. Africa	16,004	-
			3/Other French Africa ...	689	-
			Algeria and Tunisia ...	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, to July 28, 1951

Established Quota (Global)	Imports
70,000,000	29,838,723

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, to July 28, 1951

Established Quota (Global)	Imports
45,656,420	Quota filled

Cotton, harsh or rough (except cotton of perished staple, grabbots, and cotton pickings) of 1-3/16 inches or more but less than 1-3/8 inches
Imports July 5, 1951, to July 28, 1951

Established Quota (Global)	Imports
1,500,000	

IMMEDIATE RELEASE
Thursday, August 9, 1951

TREASURY DEPARTMENT
Washington

S-2774

Preliminary data on imports for consumption of cotton and cotton waste chargeable to the quotas established by the President's Proclamation of September 5, 1939, as amended

COTTON (other than linters) (in pounds)

Cotton under 1-1/8 inches other than rough or harsh under 3/4"
Imports Sept. 20, 1950 to July 28, 1951, inclusive

Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan	783,816	2,174
Peru	247,952	161,784
British India	2,003,483	-
China	1,370,791	-
Mexico	8,883,259	37,669
Brazil	618,723	602,956
Union of Soviet Socialist Republics	475,124	-
Argentina	5,203	-
Haiti	237	-
Ecuador	9,333	-

Country of Origin	Established Quota	Imports
Honduras	752	-
Paraguay	871	-
Colombia	124	-
Iraq	195	-
British East Africa ...	2,240	-
Netherlands E. Indies	71,388	-
Barbados	-	-
1/Other British W. Indies	21,321	-
Nigeria	5,377	-
2/Other British W. Africa	16,004	-
3/Other French Africa ...	689	-
Algeria and Tunisia ...	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, to July 28, 1951

Established Quota (Global)	Imports
70,000,000	29,838,723

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, to July 28, 1951

Established Quota (Global)	Imports
45,656,420	Quota filled

Cotton, harsh or rough (except cotton of perished staple, grabbots, and cotton pickings) of 1-3/16 inches or more but less than 1-3/8 inches
Imports July 5, 1951, to July 28, 1951

Established Quota (Global)	Imports
1,500,000	——

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:

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Netherlands	68,240	-	22,747	-
Switzerland	44,388	-	14,796	-
Belgium	38,559	1,854	12,853	1,854
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,156	25,443	24,156
Italy	21,263	-	7,088	-
	5,482,509	1,709,708	1,599,886	1,535,317

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

TREASURY DEPARTMENT
Washington

The following address by Secretary Snyder before a conference of State Payroll Savings Chairmen of the United States Savings Bonds Program at the Treasury, Washington, D. C., is scheduled for delivery at 9:45 a.m., EDT, Friday, August 10, 1951, and is for release at that time.

It is a real pleasure for me to meet with you again and to have this opportunity to discuss how we can bring about increased participation in the Payroll Savings Plan. When I talked with you before, at our first meeting on October 5 of last year, I remarked that the most important approach we have for stimulating thrift among the American people is through increasing payroll savings. That statement, I believe, is just as true today as it was last October. But I would like to point out the fact now that it is even more important this year than it was last year that we really get together and sell the merits of the Payroll Savings Plan just as widely as possible.

As all of you know, our meeting today is part of the preparations for the new defense bond drive that will start on Labor Day, September 3. I want to point out, though, that the long-range, continuing aspects of the Payroll Savings Plan are just as important as the drive aspect, if not more so. Payroll Savings can be of substantial assistance to the success of our national defense effort, provided we all give it energetic support. I don't need to add that I know I can count on you. Your contributions of time and effort within the past year on behalf of the Payroll Savings Plan have proved your public spirit and your devotion to the interests of your country.

The impressive increases in payroll savings participation which have been achieved under your leadership and guidance in just the past nine months are a source of real inspiration. And with your indulgence, I'd like to mention some of the results which your labors have had in so short a time.

You know one of the most popular methods advertisers have for bringing home the merits of their particular products is to show us some "before and after" pictures. Well, I want to cite some "before and after" facts that are mighty impressive evidence of mounting success of your endeavors.

During the recent drive, General Motors in Michigan, one of our largest industrial firms, added some 106,000 new savers to the program for a grand total of 229,000 employees participating. Carnegie-Illinois of Pennsylvania jumped their participation from 19 percent to 77 percent, adding 59,000 new savers. Firestone, Goodrich, and National Tube out in Ohio each show better than 80 percent participation today as compared with a 20 to 30 percent participation before the drive. These three companies alone have added 67,000 new Ohio savers. Out in California, Columbia Steel and Consolidated Western Steel have increased their firms' participation from less than 10 percent to 85 percent with 11,500 new savers. Nor have such solid accomplishments been limited to just the largest of our industrial firms. Hotpoint out in Illinois has shown a 96 percent participation today as compared with 9 percent prior to the drive, adding its contribution of better than 6,000 new savers. Newman Cotton Mills down in Georgia now has a 93 percent participation. Oklahoma, as well as California and Michigan have firms which jumped from no plan at all previous to the drive to 100 percent participation.

The samples I have mentioned are but some of the many success stories that are due to your efforts, and I only wish I had the time to mention them all, but the honor roll is long as well as impressive. But here in a nutshell is the result of your concerted efforts in the past nine months. Since your drive began, around 5-1/2 thousand new payroll savings installations have been made and some 650,000 new savers in our various states have been added to the savings bond family. Based on national averages, this group of new savers is alone investing approximately $13 million every month in United States Defense Bonds. These totals exclude Federal employees for whom we have a separate accounting.

The manner in which you people have taken hold of the payroll savings program, have made it your own, and sold it to others, is unfailing testimony to the worth of the product we have to sell -- American thrift. Now that the need for your leadership is greater than ever, I know that you will respond with even greater effort.

The defense effort is already beginning to take a bigger bite out of our national product, and disposable personal income is at the record annual rate of $220 billion. So I do not need to remind you of what you, as businessmen and industrialists, already know -- that pressure of inflation could seriously cripple our defense effort.

In order to secure our military goals, it is necessary in the next few years to engage in a tremendous industrial expansion program. Once that program reaches its final stages, the productivity of our economy will be high enough that we will be able to maintain our military forces, while at the same time increasing the volume of goods and services available for consumers. In the meantime, however, the expansion program is going to add to the inflationary forces set in motion by expanded military expenditures. Higher taxes, credit restrictions, and direct controls will do only part of the job of mopping up the excess purchasing power that will be generated. We are going to have to rely on savings for a big part of the job. This is why it is so important that the defense bond drive this year be successful. And it is a reason why we've got to keep expanding the Payroll Savings Plan.

In a period like this, when employment is high and incomes are high, individuals are provided a golden opportunity for building up their financial reserves. The smart people are going to seize this opportunity. They know that inflationary conditions, with a lot of excessive money floating around in relation to the amount of goods that can be bought, are temporary, and they know that they can build up their financial reserves more quickly and more easily now than ever before.

Everyone needs financial reserves to provide for emergencies, to meet expenses such as the education of their children or the purchase of a home or automobile, and to provide for a happier and more enjoyable old age. Such a reserve should be invested in the safest possible way, and an excellent investment for this purpose is United States defense bonds.

We don't have to rely on my opinion or your opinion for the truth of that statement. The success of our bond program since the end of the war -- despite the lack of a wartime patriotic motive and the reduction in sales effort -- is ample testimony that nearly all Americans are convinced that it's true. Today, individual Americans own $58 billion of savings bonds, $9 billion more than they owned at the end of World War II. And I suppose, if you'd asked them why they've kept on buying savings bonds, they'd tell you that they like the safety of Government bonds. They like the idea of getting their money back with interest at any time, which means that their bonds are a real reserve for emergencies as well as a long-range investment.

I mentioned the importance of building up a fund of working capital to meet temporary emergencies and to take advantage of promising opportunities. I suspect that every one of you here could tell me from your own experience that at one time or another the successful outcome of a project in which you have been interested has depended on just such a reserve. You know, too, that such a fund cannot be accumulated merely by wishful thinking. It depends on establishing a systematic savings program. Just so, the average man should look to the future and build up a personal reserve by putting aside something regularly from current income. Every dollar that he puts aside now out of current income will be waiting for a later opportunity to serve him.

The habit of thrift which we are selling in the Payroll Savings Plan is a good thing in itself. We know there is no better way to convince people of that fact than by sitting down with them and showing them some of the wonderful things that people have been able to do with their savings. Since the end of the war, Americans have purchased over 20 million new automobiles, 5 million homes, 20 million refrigerators and other electrical equipment items, and a host of other things that are the marks of better living.

The purchasing power that wartime savings put into the hands of the people -- $200 billion worth -- gave them the courage when the end of the war came to go out and spend their current income, so that for the first time in our history after a war we were able to keep our economy on a very high level. The savings that people make at this time are going to mean just as much in the future when we have solved this defense problem, and I hope, the war threat.

A few weeks ago at a luncheon meeting of the Bond Club in Chicago, I startled a number of people with the statement that the average per capita income today, after adjustment for the increase in prices and heavier taxes, will buy 40 percent more than the average per capita income in 1939. That evening, one of the bankers, who had attended the luncheon, came up to me and said, "I doubted that figure. My statistical staff worked all afternoon, and here it is -- 40.12 percent." I made the same statement when I was in Rochester last month presenting a Treasury Flag City award. Marion Folsom of Rochester wrote me a few days ago that a lot of people up there had questioned the accuracy of my statement. So he put his staff to work, and he wrote that "they came out with exactly the same figure you did."

Now I see that the Economic Research Department of the Chamber of Commerce has gotten around to checking up. In their August release, they say that, when 1950 per capita income is deflated to reflect the decreased purchasing power of the dollar, that it is still 45 percent above what it was in 1939. But whichever figure you use -- 40% or 45% -- it is a dramatic illustration of the rising real income generated by our free enterprise economy in a decade of capacity operation and growth. This growth has greatly enlarged the market for the products of American agriculture and industry -- and greatly enlarged, also the possibilities for profitable business operations.

I hardly need to point out to you that the habit of thrift carried on through good times and bad times through the history of the United States, has played a tremendous role in the development of our Nation. The doctrine of "save and invest" has governed the growth of our industrial system, and has insured the development of the vast capacity of private industry, which today is the strongest barrier to the communist aggression against the free world.

Since the end of World War II, American business has alone put over $110 billion into new plant and equipment. I am very impressed by the fact that this tremendous investment has not been just more of the same, but represents a very substantial improvement in the tools with which we produce. I don't suppose that there is one of you who hasn't seen striking changes for the better in the operations of your company. The additions to our capacity to produce have lifted the standard of living of Americans to the highest level in the world.

Savings have made ours a dynamic economy and given us a better land in which to live. The habit of saving and investing has made us a Nation of farm and home owners, of insurance policy holders, of savings account and security owners. It has enabled us to realize the full benefit from the great resources of this country. And at every turn these accomplishments are the direct result of free enterprise -- promoted by individual and collective savings.

In closing, I want again to express my pleasure in meeting with you, and to thank you for coming down here to give us the advantage of your knowledge and experience. I know you're going to make this drive a real success. It is something in which we, as individuals, can believe and something of which we can measure the merits. I know that through your efforts and those of our other volunteer leaders, the results of the drive this fall will be highly gratifying.

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S-2776

RELEASE, MORNING NEWSPAPERS,
Tuesday, August 14, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated August 16 and to mature November 15, 1951, which were offered on August 9, were opened at the Federal Reserve Banks on August 13.

The details of this issue are as follows:

Total applied for - $2,079,693,000
Total accepted - 1,300,388,000 (includes $154,887,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average Price - 99.580/ Equivalent rate of discount approx. 1.660% per annum

Range of accepted competitive bids:

High - 99.637 Equivalent rate of discount approx. 1.436% per annum
Low - 99.577 " " " " " 1.673% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 16,796,000	$ 15,746,000
New York		1,544,148,000	862,898,000
Philadelphia		34,728,000	21,978,000
Cleveland		52,995,000	51,345,000
Richmond		18,915,000	17,590,000
Atlanta		20,764,000	20,214,000
Chicago		182,621,000	143,121,000
St. Louis		21,707,000	18,182,000
Minneapolis		7,015,000	7,015,000
Kansas City		61,605,000	57,050,000
Dallas		33,836,000	28,336,000
San Francisco		84,563,000	56,913,000
	TOTAL	$2,079,693,000	$1,300,388,000

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, August 14, 1951.

S-2776

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Philadelphia	34,728,000	21,978,000
Cleveland	52,995,000	51,345,000
Richmond	18,915,000	17,590,000
Atlanta	20,764,000	20,214,000
Chicago	182,621,000	143,121,000
St. Louis	21,707,000	18,182,000
Minneapolis	7,015,000	7,015,000
Kansas City	61,605,000	57,050,000
Dallas	33,836,000	28,336,000
San Francisco	84,563,000	56,913,000
TOTAL	$2,079,693,000	$1,300,388,000

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STATUTORY DEBT LIMITATION

AS OF JULY 31, 1951

TREASURY DEPARTMENT
Fiscal Service
Washington, Aug. 3, 1951
Aug 15 1951

Section 21 of 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 (Act of June 26, 1946; U.S.C., title 31, sec. 757b), 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	$14,413,148,000		
Certificates of indebtedness	9,524,057,000		
Treasury notes	44,285,464,200	$ 68,222,669,200	
Bonds -			
Treasury	78,829,854,050		
* Savings (current redemp. value)	57,537,933,889		
Depositary	323,736,000		
Armed Forces Leave	28,205,325		
Investment series	13,523,786,000	150,243,515,264	
Special Funds -			
Certificates of indebtedness	20,762,465,000		
Treasury notes	13,944,225,000	34,706,690,000	
Total interest-bearing		253,172,874,464	
Matured, interest-ceased		472,656,237	
Bearing no interest:			
War savings stamps	47,480,215		
Excess profits tax refund bonds	2,321,708		
Special notes of the United States:			
Internat'l Monetary Fund series	1,283,000,000	1,332,801,923	
Total		254,978,332,624	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	26,453,686		
Demand obligations: C.C.C.	-	26,453,686	
Matured, interest-ceased		1,860,050	
		28,313,736	
Grand total outstanding			255,006,646,360
Balance face amount of obligations issuable under above authority			19,993,353,640

Reconcilement with Statement of the Public Debt July 31, 1951 (Date)

(Daily Statement of the United States Treasury, Aug. 1, 1951 (Date))

Outstanding -	
Total gross public debt	255,656,634,000
Guaranteed obligations not owned by the Treasury	28,313,736
Total gross public debt and guaranteed obligations	255,684,947,736
Deduct - other outstanding public debt obligations not subject to debt limitation	678,301,376
	255,006,646,360

S-2777

STATUTORY DEBT LIMITATION AS OF JULY 31, 1951

August 15, 1951

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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................	$ 14,413,148,000		
Certificates of indebtedness...	9,524,057,000		
Treasury notes................	44,285,464,200	$68,222,669,200	
Bonds -			
Treasury....................	78,829,854,050		
Savings (current redemp.value)	57,537,933,889		
Depositary..................	323,736,000		
Armed Forces Leave..........	28,205,325		
Investment series...........	13,523,786,000	150,243,515,264	
Special Funds -			
Certificates of indebtedness.	20,762,465,000		
Treasury notes..............	13,944,225,000	34,706,690,000	
Total interest-bearing.....................		253,172,874,464	
Matured, interest-ceased...........................		472,656,237	
Bearing no interest:			
War savings stamps..............	47,480,215		
Excess profits tax refund bonds .	2,321,708		
Special notes of the United States:			
Internat'l Monetary Fund series	1,283,000,000	1,332,801,923	
Total.......................................		254,978,332,624	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	26,453,686		
Demand obligations: C.C.C.	-	26,453,686	
Matured, interest-ceased.........................		1,860,050	
		28,313,736	
Grand total outstanding...........................			255,006,646,360
Balance face amount of obligations issuable under above authority...			19,993,353,640

Reconcilement with Statement of the Public Debt - July 31, 1951
(Daily Statement of the United States Treasury, August 1, 1951)

Outstanding -	
Total gross public debt..	255,656,634,000
Guaranteed obligations not owned by the Treasury	28,313,736
Total gross public debt and guaranteed obligations................	255,684,947,736
Deduct - other outstanding public debt obligations not subject to debt limitation..	678,301,376
	255,006,646,360

August 6, 1951

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 July, 1951:

Purchases	$5,089,000
Sales	4,852,700
Net purchases	$ 236,300

(Sgd.) E. O. Barnes

Chief, Division of Investments

Wisecarver 8/6/51

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS, ~~Monday, July 16, 1951.~~ Wednesday, August 15, 1951

S-2778 ~~S-2752.~~

During the month of July ~~June~~ 1951, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net purchases of $236,300 ~~$3,494,700~~, Secretary Snyder announced today.

oOo

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Wednesday, August 15, 1951. S-2778

During the month of July 1951, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net purchases of $236,300, Secretary Snyder announced today.

oOo

Immediate Release
Monday, August 13, 1951

S-277

~~Suggested Press Statement on Withholding of State Income Taxes by Federal Agencies~~

The withholding provisions of the Vermont income tax, which became effective July 1, 1951, have raised the question of whether Federal agencies will cooperate with the State governments by withholding State income taxes from salaries of Federal employees. Federal agencies have indicated that under the law they lack authority to withhold the Vermont income tax from the salaries of their employees.

It is the policy of the ~~Treasury Department~~ Federal Government to cooperate with the States in the administration of their tax laws to the fullest extent practicable. To further this objective, legislation is required authorizing Federal agencies to withhold State income taxes. The appropriate form of such legislation is now under consideration with a view to a request for early Congressional action.

Federal withholding of State income taxes, in those instances in which the States employ this method of collection, will constitute a logical development in Federal-State fiscal cooperation. For a number of years, the Federal Government has been furnishing State and local governments imposing income taxes with copies of the Federal withholding receipt (Form W-2) indicating the amount of compensation received by Federal employees. At present only the States of Oregon and Vermont have general withholding provisions.

State and local governments are cooperating generously in the administration of Federal taxes, and ~~it is~~ the Treasury~~'s~~ strongly ~~desire that the Federal Government reciprocate this cooperation.~~ supports Federal cooperation with the States in this matter.

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TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

IMMEDIATE RELEASE,
Monday, August 13, 1951. S-2779

The withholding provisions of the Vermont income tax, which became effective July 1, 1951, have raised the question of whether Federal agencies will cooperate with the State governments by withholding State income taxes from salaries of Federal employees. Federal agencies have indicated that under the law they lack authority to withhold the Vermont income tax from the salaries of their employees.

It is the policy of the Federal Government to cooperate with the States in the administration of their tax laws to the fullest extent practicable. To further this objective, legislation is required authorizing Federal agencies to withhold State income taxes. The appropriate form of such legislation is now under consideration with a view to a request for early Congressional action.

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State and local governments are cooperating generously in the administration of Federal taxes, and the Treasury strongly supports Federal cooperation with the States in this matter.

oOo

TWO AND ONE-QUARTER PERCENT TREASURY BONDS OF 1951-53
(DATED DECEMBER 22, 1939)

NOTICE OF CALL FOR REDEMPTION

To Holders of 2-1/4 percent Treasury Bonds of 1951-53 (dated December 22, 1939), and Others Concerned:

1. Public notice is hereby given that all outstanding 2-1/4 percent Treasury Bonds of 1951-53, dated December 22, 1939, due December 15, 1953, are hereby called for redemption on December 15, 1951, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

John W. Snyder,
Secretary of the Treasury.

TREASURY DEPARTMENT,
Washington, August 14, 1951.

RELEASE MORNING NEWSPAPERS,
Tuesday, August 14, 1951.

S-2780

The Secretary of the Treasury announced today that all outstanding 2-1/4 percent Treasury Bonds of 1951-53, dated December 22, 1939, due December 15, 1953, are called for redemption on December 15, 1951. There are now outstanding $1,118,051,100 of these bonds.

The 2 percent Treasury Bonds of 1951-55, which are also callable on December 15, 1951, will not be called for redemption on that date.

The text of the formal notice of call is as follows:

TWO AND ONE-QUARTER PERCENT TREASURY BONDS OF 1951-53
(DATED DECEMBER 22, 1939)

NOTICE OF CALL FOR REDEMPTION

To Holders of 2-1/4 percent Treasury Bonds of 1951-53 (dated December 22, 1939), and Others Concerned:

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Secretary of the Treasury.

TREASURY DEPARTMENT
Washington, August 14, 1951.

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John W. Snyder
Secretary of the Treasury.

TREASURY DEPARTMENT
Washington, August 14, 1951.

oOo

Volunteers are being organized to conduct personal solicitation of millions of persons in the course of the drive. Women's organizations have indicated that they will actively promote the Bond-a-Member plan, already being featured widely. Civic, fraternal and veterans groups are mobilizing to help make the drive a success.

Secretary Snyder said that award of Treasury flags to cities ~~and counties~~ for special activity and special success in promoting the Payroll Savings Plan would be continued as a feature of the drive. Also, as a sales incentive, county chairmen in their discretion may establish specific sales goals to be achieved in their own territory.

The principal purposes of the Defense Bond Drive ~~campaign~~ will be to encourage continued practice of thrift and savings on the part of every individual; to discourage ~~unwise~~ inflationary spending; ~~thus relieving inflationary pressures;~~ and to maintain and increase the wide distribution of the public debt.

The thousands of volunteers expected to participate in the Drive will seek to enroll more wage and salary earners on the Payroll Savings Plan, and will encourage farmers, professional groups, the self-employed, and all other segments of the population to maintain continuous, planned savings.

To achieve these aims and objectives, every county chairman and his volunteer groups are being asked to stress the advantages of the Payroll Savings Plan in every industry in their territory. Similar efforts will be made to increase participation in the Bond-A-Month Plan, under which bond buyers authorize their banks to make periodic purchases of bonds from their checking accounts.

The county chairmen will urge agricultural volunteers to conduct a vigorous sales effort among the farmers of each community.

Immediate

Tues. Aug 14 1951

93

S-278

Secretary Snyder today invited the 154,000,000 Americans ~~-- every man, woman and child --~~ to become partners in the Defense Bond Drive. The Secretary revealed detailed plans for the Drive, which starts Labor Day, September 3.

The purpose of the campaign is to stimulate purchase of Series E, F, and G Bonds from current income.

The Drive will run from Labor Day through October 27. For accounting purposes, all Defense Bonds sales reported by November 13 will be counted for the campaign period, this arrangement being made to cover the time lag in the transmission of reports.

Secretary Snyder said there would not be a national dollar quota for the Drive.

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
Tuesday, August 14, 1951.

S-2781

Secretary Snyder today invited the 154,000,000 Americans to become partners in the Defense Bond Drive. The Secretary revealed detailed plans for the Drive, which starts Labor Day, September 3.

The Drive will run from Labor Day through October 27. For accounting purposes, all Defense Bonds sales reported by November 13 will be counted for the campaign period, this arrangement being made to cover the time lag in the transmission of reports.

Secretary Snyder said there would not be a national dollar quota for the Drive.

"The Drive will directly aid financial preparedness for defense," Secretary Snyder said. "And it offers an answer to the question so many people have been asking, 'What can I do to help in this emergency? I want my country to survive. I want it to take part in promoting the peace and prosperity of the world. But what can I, as an individual do?' The answer is that every individual can start his own thrift program, and the period of the Defense Bond Drive is an excellent time to begin such programs -- particularly for those who haven't already started one."

The principal purposes of the Defense Bond Drive will be to encourage continued practice of thrift and savings on the part of every individual; to discourage inflationary spending; and to maintain and increase the wide distribution of the public debt.

The thousands of volunteers expected to participate in the Drive will seek to enroll more wage and salary earners on the Payroll Savings Plan, and will encourage farmers, professional groups, the self-employed, and all other segments of the population to maintain continuous, planned savings.

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Bond-A-Month Plan, under which bond buyers authorize their banks to make periodic purchases of bonds from their checking accounts.

The county chairmen will urge agricultural volunteers to conduct a vigorous sales effort among the farmers of each community.

Volunteers are being organized to conduct personal solicitation of millions of persons in the course of the drive. Women's organizations have indicated that they will actively promote the Bond-a-Member plan, already being featured widely. Civic, fraternal and veteran groups are mobilizing to help make the drive a success.

Secretary Snyder said that award of Treasury flags to cities for special activity and special success in promoting the Payroll Savings Plan would be continued as a feature of the drive. Also, as a sales incentive, county chairmen in their discretion may establish specific sales goals to be achieved in their own territory.

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Immediate, Wed. Aug 15

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S-2783

~~PRESS RELEASE~~

Secretary Snyder today announced an amendment of the Foreign Assets Control Regulations to close avenues of evasion ~~which have recently begun to appear,~~ through which goods originating in China (except Formosa) might enter the United States despite the current bar against their importation. Such evasion avenues have recently begun to appear.

The regulations, which were issued on December 17, 1950, prohibited the unlicensed importation into the United States of goods in which nationals of Communist China have had any interest since that date. One purpose of the prohibition has been to deprive the Chinese Communists of needed foreign exchange which they could otherwise earn through the sale of goods to the United States either directly or indirectly. In order to make this prohibition effective, collectors of customs were directed not to allow customs entries and other types of transactions with regard to goods of Chinese origin. To avoid this regulation, goods of Chinese origin have been exported to other countries for processing prior to shipment to the United States. By this maneuver the "country of origin" of some of the goods has technically been changed.

The new regulation, in effect, states that processing in other countries of goods originating in China does not change the "country of origin" for the purposes of the Foreign Assets Control Regulations and, accordingly, these goods, even though processed outside of China, will not be admitted by Customs.

Among the types of goods which will be affected by the new regulation are Chinese fur skins and straw braid, which normally have been imported directly into the United States but which have recently been exported to other countries to be dressed and dyed before shipment to this country. The new regulation, which applies to mail shipments as well as to other types of importations, will also put an end to the importation of handkerchiefs to which Chinese embroideries have been appliqued outside of China.

The new amendment affects goods of North Korean origin equally with Chinese goods.

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Ex 2400

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, August 15, 1951. S-2782

Secretary Snyder today announced an amendment of the Foreign Assets Control Regulations to close avenues of evasion through which goods originating in China (except Formosa) might enter the United States despite the current bar against their importation. Such evasion avenues have recently begun to appear.

The regulations, which were issued on December 17, 1950, prohibited the unlicensed importation into the United States of goods in which nationals of Communist China have had any interest since that date. One purpose of the prohibition has been to deprive the Chinese Communists of needed foreign exchange which they could otherwise earn through the sale of goods to the United States either directly or indirectly. In order to make this prohibition effective, collectors of customs were directed not to allow customs entries and other types of transactions with regard to goods of Chinese origin. To avoid this regulation, goods of Chinese origin have been exported to other countries for processing prior to shipment to the United States. By this maneuver the "country of origin" of some of the goods has technically been changed.

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The new amendment affects goods of North Korean origin equally with Chinese goods.

oOo

The Grand Rapids United Labor Day Celebration Committee, made up of local Labor officials, is completing plans for the September 3 ceremonies. The all-day program will open in the morning with a 3-hour parade, in which each of the armed services ~~Department of Defense forces~~ will participate. A military exhibit will feature an afternoon Labor picnic. The Defense Bond Drive inaugural will take place in the evening. The inaugural will feature a "Power for Peace" military spectacle, and this will be followed by a nation-wide radio program in which President Truman and Secretary Snyder will participate.

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~~Release morn paper Aug 14~~

Release morning newspapers
~~Immediate Release~~ Fri., Aug 17, '14
~~Tuesday, August 14, 1951~~

S-278

Secretary Snyder has received the assurances of top Labor leaders that their organizations will cooperate fully in the forthcoming Defense Bond Drive, which opens Labor Day, September 3, in Grand Rapids, Michigan.

President William Green of the American Federation of Labor has written to the Secretary:

> "I again urge every member of the American Federation of Labor to avail himself of the opportunity that is his to make an investment in his personal future security, while at the same time supporting our nation in its defense effort, through the regular purchase of United States Defense Bonds.
>
> "I wish again to assure the Treasury Department that it has the wholehearted support of the American Federation of Labor in promoting the sale of United States Defense Bonds."

President Philip Murray of the Congress of Industrial Organizations wrote:

> "It is indeed gratifying to learn that Labor Day has been designated by the Treasury Department for launching of the Defense Bond Drive. You may be sure that the Congress of Industrial Organizations will continue to support the Savings Bonds program in the future as in the past, and urge our members to continue the purchase of Savings Bonds for our country's future and their own."

A letter to the Secretary from George E. Leighty, Chairman of the Railway Labor Executives' Association said:

> "We must make certain that America's tremendous productive power is utilized to the fullest possible extent, and we must buy more Defense Bonds to stabilize the economy during this period of expanding military production.
>
> "I urge every railroad worker to increase his participation in the Payroll Savings Plan for the purchase of United States Defense Bonds."

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE MORNING NEWSPAPERS,
Friday, August 17, 1951.

S-2783

Secretary Snyder has received the assurances of top Labor leaders that their organizations will cooperate fully in the forthcoming Defense Bond Drive, which opens Labor Day, September 3, in Grand Rapids, Michigan.

President William Green of the American Federation of Labor has written to the Secretary:

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~~ALPHA~~

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.

ALPHA

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 23, 1951 (8), in cash or other immediately available funds or in a like face amount of Treasury bills maturing August 23, 1951. (9) 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

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 16, 1951 .

A-2784

The Secretary of the Treasury, by this public notice, invites tenders for $ 1,100,000,000 , or thereabouts, of 92 -day Treasury bills, for cash and in exchange for Treasury bills maturing August 23, 1951 , 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 23, 1951 , and will mature November 23, 1951 , 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, August 20, 1951. 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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

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TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE MORNING NEWSPAPERS,
Thursday, August 16, 1951.

S-2784

The Secretary of the Treasury, by this public notice, invites tenders for $1,100,000,000, or thereabouts, of 92-day Treasury bills, for cash and in exchange for Treasury bills maturing August 23, 1951, 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 23, 1951, and will mature November 23, 1951, 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).

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Others than banking institutions will not be permitted to submit tenders except for their own account. 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 amout 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 23, 1951, in cash or other immediately available funds or in a like face amount of Treasury bills maturing August 23, 1951. 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.

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FOR IMMEDIATE RELEASE
August 17, 1951

S-2785

The Bureau of Customs announced today that the 1951 quota on crude petroleum, topped crude petroleum, and fuel oil derived from petroleum including fuel oil known as gas oil, the produce or manufacture of the Kingdom of the Netherlands (including its overseas territories) was filled on March 16, 1951.

Announcement will soon be made as to the dates on which the quota on petroleum and petroleum products for Venezuela and the quota for "other foreign countries" were filled.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
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Announcement will soon be made as to the dates on which the quota on petroleum and petroleum products for Venezuela and the quota for "other foreign countries" were filled.

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emergencies of the present, and to meet the common need to protect the Nation's security.

It is part and parcel of the American ideal -- the belief that we are building for an ever better future, and a peaceful and a prosperous world where freedom and human progress are the rightful heritage of all mankind.

of our Nation when the present emergency is over.

For, despite the present worries and problems which beset us, we must not forget that we must constantly build for the future. It is in that perspective that America has always advanced. It has been the desire and hope for a better future that has given us as individuals the courage and fortitude to adjust to the they had been wanting. But, now, this type of buying has died down; and we must try to keep it under control so that we do not have another inflationary upsurge of prices.

Every individual must realize that the dollars saved today are building power for the Nation -- not only economic power to back up our great defense effort, but a reservoir of purchasing power for the future stability and prosperity bought savings bonds in the first place. They bought them so that they would have the money to use for some future need, pleasure or emergency. For some people that time came after the outbreak of hostilities in Korea. They had been putting off buying an automobile, or a refrigerator, or a washing machine. After Korea, some remembered the shortages of the last war and rushed to buy goods

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talk -- and even some worry -- in recent months because there has been some cashing of savings bonds in connection with the rush to purchase consumer goods following the outbreak in Korea. Actually, the total dollar value of "E" bonds in the hands of individuals has remained practically unchanged. I think we should keep in mind, too, that such talk of liquidation overlooks the reasons why people

Consumer purchases in the postwar period in the aggregate were made out of current income. The total volume of liquid asset holdings never fell off -- it has held steady at a level of around $200 billion. The dollar amount of savings bonds outstanding has, in fact, increased by $9 billion since the end of World War II financing -- $4 billion in "E" bonds alone.

There has been considerable

which encouraged them to go out during the postwar period and buy goods and services which they might not otherwise have felt they could afford to buy. They felt that they could spend their current incomes freely because they had a large reserve of savings. This has been an important factor in the unprecedented prosperity which the country has enjoyed since the end of the war.

of some type.

People were urged to save during World War II. And they did. They built up record holdings of liquid assets -- savings accounts, checking accounts, cash, and holdings of Government securities to a total amount approximating $200 billion.

5 These wartime savings put into the hands of the people of the country a purchasing power potential

a new Defense Bond Drive.

There are many things that each one of us can do to help to keep inflationary pressures under control. Most are little things, but in the aggregate they add up to something big. We can refrain from unnecessary buying of goods or services of the kind that give rise to inflationary pressures on the price level. We can regularly put away an extra portion of our income -- put it into savings act as a direct check on specific inflationary pressures. This program requires that we effect the necessary restraints and controls.

Another program high on the list of effective anti-inflationary measures is a nation-wide savings program directed especially toward individual saving. To accomplish this important objective, the Treasury is going to inaugurate on Labor Day, at Grand Rapids, Michigan, of the Government. It is certain to impair the ability of our economy to function with maximum effectiveness during this critical period in the life of our Nation.

(34)

A balanced budget will not by itself, however, do the whole job of assuring the maintenance of sound economic conditions in the country. We need, in addition, a broad anti-inflationary program which will a balanced budget situation. What is required is an adequate revenue program -- one which will enable us (26) to pay, to the greatest extent possible, for our defense bills as they come in, without resorting to deficit borrowing. To put our defense expenditures on this basis, it is necessary that we have additional revenues this year. Failure to keep our finances on a pay-as-we-go basis is certain to weaken the financial position development that the end of inflationary dangers has come. Indeed, I am certain that every one here fully understands that the planned accelerated expansion of military output in the months ahead will, of necessity, produce new inflationary pressures.

The first and most important single requisite in assuring the maintenance of a stable economy to support our productive power under these circumstances is to maintain

All of us have been acutely aware of the strong inflationary pressures which have threatened our economic stability during the past year and which, if left unchecked, might weaken our productive machinery to such an extent as to interfere seriously with the output of vital defense goods. Fortunately, the upward sweep of prices has encountered some resistance in recent months. But we must not conclude from this

But the full impact of the defense program has not yet been felt. Defense costs are scheduled to increase to an annual rate of nearly $65 billion by the middle of 1952 -- almost double the present rate. Measured by costs and demands upon our economy, this is a vast program, but with wise policies we can support this effort and at the same time keep our economy sound and growing.

economic strength of individual American families give us confidence that we can meet the enlarged demands upon our economic resources to provide the defense needs which communist aggression has forced upon us. Already we have accomplished notable increases in production for mobilization purposes while at the same time maintaining civilian production at high levels.

results of improved techniques, of finer workmanship, of superior materials, of greater emphasis upon functional styling. These improvements are clearly evident in the products of this city.

The evidences of the truly remarkable industrial achievements of this period and the growing industries of St. Louis provide excellent examples of what I am talking about. The shoes from St. Louis factories and the fashions of dress manufacturers and fur fabricators, the products of (39) stove foundries and electrical equipment plants, the processing and packaging of food products, all show the in increasing volume during the postwar period.

And, in addition to being able to buy more actual goods and services than at any time in the past, there is a notable improvement in the quality of the products which we buy and the services at our command. The growing and diversified per capita consumption of eggs and poultry, of fluid milk, and fresh, canned, and frozen vegetables. It is evident in the growing numbers of American families who are able to afford automobiles, refrigerators, radios and television sets, washing machines and clothes dryers, and a host of other new consumer goods which our industries have produced of a higher education. Enrollment in institutions of higher learning -- exclusive of persons taking advantage of GI educational benefits -- is up one-fourth over prewar enrollment. Our higher standard of living shows up in the actual quantity figures of the food we consume and the sales records of the goods we buy. It is reflected in the increase of almost one-fifth in the consumption of meat per person; in the rise in recreation and education. Many more persons each year are able, because of their increased incomes, to enjoy vacations hitherto only dreamed of. The records of the National Park Service, for example, show that the number of visitors to all national park recreation areas last year was more than double the number who enjoyed these facilities in 1939. Today many more persons are able to benefit by the advantages for the products of American agriculture and industry and the possibilities for profitable business operations. Since the end of the war alone, 5 million new homes have been constructed in the United States. This has been an important step in raising the housing standards of our people. This betterment of the way of life of millions of persons extends to many other fields. Consider

Now I see that the United States Chamber of Commerce, in an August release, confirms this same interesting fact. Here is a dramatic illustration of how real income has risen in a free enterprise economy during a single decade.

(3) And we have substantiating evidence that this increase in our national income has been spread broadly among the families of the Nation -- thereby greatly enlarging the market

surprised a great many people, including one of the bankers at the luncheon who wasn't convinced until he had his own statistical staff verify it. A New York State industrialist wrote me a few days ago that a number of people in Rochester had wondered about the 40 percent figure, but that when his staff investigated the matter, they also came up with the same result.

prices -- have moved ahead even faster?

About two months ago at a luncheon meeting of the Bond Club in Chicago, I made the statement that the average income available per person for spending today will buy 40 percent more goods and services than the average per capita income in 1939, after adjustment for local, state, and federal taxes. That statement which we have made in the postwar period stands out in even sharper light when we compare our present standard of living with that of the prewar years. We all realize that prices have risen sharply since 1939. We all realize that taxes have increased greatly since that time. But how many of us have recognized that incomes -- after all taxes and after taking account of changes in has put more than $110 billion into new plant and equipment. Our industrial plant now has an output a third greater than in the first postwar year. Employment and income have reached successive new records -- with civilian employment last month topping 62-1/2 million, and personal income now exceeding an annual rate of $250 billion.

The measure of economic progress

Maintaining and nourishing the tremendous productive capacity of America is, of course, our primary responsibility. And let me note here that the production record of the postwar period is a chronicle of unprecedented achievement under a free enterprise system, and a demonstration of the vitality and force of a democracy.

Our economic expansion since the close of World War II has truly been unparalleled. Private industry power. So are our friends -- the other free nations. The idea of free nations making common cause against the Communist threat is working, and working well. The economic strength of each free part of the world is bolstering the strength of all parts. The resources in which some free countries are rich and others less well supplied are being balanced through mobilization for the strength of all.

military standpoint and an economic standpoint, that we can always maintain a strong position, whether it be at arms or in constructive negotiations. That is the only language the people we are forced to deal with in the present emergency can understand.

In spite of these harassments, we are entitled, nevertheless, to look ahead with confidence. Day by day we are accumulating more of the sinews of military and economic the freedom of one small nation; it is the defense of the basic principle of freedom everywhere.

We must never allow ourselves to forget that this instance of armed aggression is only one move in the Communist drive against democratic 2 ideas and ideals. We must be especially cautious that we allow nothing to deter us from our determination to so arm ourselves, both from a

Further, these past years have presented a disturbing fact to us. We are faced with strong, undebatable evidence that there is an ideology, opposed to ours, that intends to destroy our hard-earned freedom unless we take positive steps to prevent it.

The Korean situation was an unhappy shock to all of us. The struggle in which we are engaged in Korea is not the defense of not only to our own problems of readjustment here in the United States but also to many problems of world-wide import. We have found ourselves, of necessity, in the role of leader of the world in trying to encourage and help other nations in their efforts to reestablish themselves as members of the commonwealth of peaceful people.

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At the end of the war, all of us were looking forward to the postwar period with at least the hope, if not assurance, that we were entering an era of peaceful life in which to try to readjust our economic affairs to a peacetime pattern. Unfortunately, that has not been our experience. In the swift whirl of great events, we have had to devote our attention nation's investment interests have given to the Treasury Department since I have been there in working out its problems of carrying on the fiscal affairs of the Government.

These problems, unfortunately, do not grow less in number or complexity as the years go by. And, of course, the present emergency poses both new and continuing problems of trying

I was very pleased to receive the invitation of your president, my old friend, Harry Theis, to address the St. Louis Municipal Dealers. For one thing, I welcome every opportunity to return to St. Louis, talk with my Missouri friends, and renew pleasant associations. I also welcome every opportunity to express my deep appreciation of the assistance which all the groups of the

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ADDRESS BY SECRETARY SNYDER

BEFORE THE

MUNICIPAL DEALERS GROUP

ST. LOUIS, MISSOURI

AUGUST 20, 1951

The following address by Secretary before a dinner meeting of the St. Louis Municipal Dealers Group at the Racquet Club, St. Louis, Missouri, is scheduled for delivery at 8:30 p.m.. CDT, Monday, August 20, 1951, and is for release at that time.

5-2786

TREASURY DEPARTMENT

Washington

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I was very pleased to receive the invitation of your president, my old friend, Harry Theis, to address the St. Louis Municipal Dealers. For one thing, I welcome every opportunity to return to St. Louis, talk with my Missouri friends, and renew pleasant associations. I also welcome every opportunity to express my deep appreciation of the assistance which all the groups of the nation's investment interests have given to the Treasury Department since I have been there in working out its problems of carrying on the fiscal affairs of the Government.

These problems, unfortunately, do not grow less in number of complexity as the years go by. And, of course, the present emergency poses both new and continuing problems of trying gravity.

At the end of the war, all of us were looking forward to the postwar period with at least the hope, if not assurance, that we were entering an era of peaceful life in which to try to readjust our economic affairs to a peacetime pattern. Unfortunately, that has not been our experience. In the swift whirl of great events, we have had to devote our attention not only to our own problems of readjustment here in the United States but also to many problems of world-wide import. We have found ourselves, of necessity, in the role of leader of the world in trying to encourage and help other nations in their efforts to reestablish themselves as members of the commonwealth of peaceful people.

Further, these past years have presented a disturbing fact to us. We are faced with strong, undebatable evidence that there is an ideology, opposed to ours, that intends to destroy our hard-earned freedom unless we take positive steps to prevent it.

The Korean situation was an unhappy shock to all of us. The struggle in which we are engaged in Korea is not the defense of the freedom of one small nation; it is the defense of the basic principle of freedom everywhere.

We must never allow ourselves to forget that this instance of armed aggression is only one move in the Communist drive against democratic ideas and ideals. We must be especially cautious that we allow nothing to deter us from our determination to so arm ourselves, both from a military standpoint and an economic standpoint, that we can always maintain a strong position, whether it be at arms or in constructive negotiations. That is the only language the people we are forced to deal with in the present emergency can understand.

In spite of these harassments, we are entitled, nevertheless, to look ahead with confidence. Day by day we are accumulating more of the sinews of military and economic power. So are our friends -- the other free nations. The idea of free nations making common cause against the Communist threat is working, and working well. The economic strength of each free part of the world is bolstering the strength of all parts. The resources in which some free countries are rich and others less well supplied are being balanced through mobilization for the strength of all.

Maintaining and nourishing the tremendous productive capacity of America is, of course, our primary responsibility. And let me note here that the production record of the postwar period is a chronicle of unprecedented achievement under a free enterprise system, and a demonstration of the vitality and force of a democracy.

Our economic expansion since the close of World War II has truly been unparalleled. Private industry has put more than $110 billion into new plant and equipment. Our industrial plant now has an output a third greater than in the first postwar year. Employment and income have reached successive new records -- with civilian employment last month topping 62-1/2 million, and personal income now exceeding an annual rate of $250 billion.

The measure of economic progress which we have made in the postwar period stands out in even sharper light when we compare our present standard of living with that of the prewar years. We all realize that prices have risen sharply since 1939. We all realize that taxes have increased greatly since that time. But how many of us have recognized that incomes -- after all taxes and after taking account of changes in prices -- have moved ahead even faster?

About two months ago at a luncheon meeting of the Bond Club in Chicago, I made the statement that the average income available per person for spending today will buy 40 percent more goods and services than the average per capita income in 1939, after adjustment for local, state, and federal taxes. That statement surprised a great many people, including one of the bankers at the luncheon who wasn't convinced until he had his own statistical staff verify it. A New York State industrialist wrote me a few days ago that a number of people in Rochester had wondered about the 40 percent figure, but that when his staff investigated the matter, they also came up with the same result. Now I see that the United States Chamber of Commerce, in an August release, confirms this same interesting fact. Here is a dramatic illustration of how real income has risen in a free enterprise economy during a single decade.

And we have substantiating evidence that this increase in our national income has been spread broadly among the families of the Nation -- thereby greatly enlarging the market for the products of American agriculture and industry and the possibilities for profitable business operations. Since the end of the war alone, 5 million new homes have been constructed in the United States. This has been an important step in raising the housing standards of our people. This betterment of the way of life of millions of persons extends to many other fields. Consider recreation and education. Many more persons each year are able, because of their increased incomes, to enjoy vacations hitherto only dreamed of. The records of the National Park Service, for example, show that the number of visitors to all national park recreation areas last year was more than double the number who enjoyed these facilities in 1939. Today many more persons are able to benefit by the advantages of a higher education. Enrollment in institutions of higher learning -- exclusive of persons taking advantage of GI educational benefits -- is up one-fourth over prewar enrollment. Our higher standard of living shows up in the actual quantity figures of the food we consume and the sales records of the goods we buy. It is reflected in the increase of almost one-fifth in the consumption of meat per person; in the rise in per capita consumption of eggs and poultry, of fluid milk, and fresh, canned, and frozen vegetables. It is evident in the growing numbers of American families who are able to afford automobiles, refrigerators, radios and television sets, washing machines and clothes dryers, and a host of other new consumer goods which our industries have produced in increasing volume during the postwar period.

And, in addition to being able to buy more actual goods and services than at any time in the past, there is a notable improvement in the quality of the products which we buy and the services at our command. The growing and diversified industries of St. Louis provide excellent examples of what I am talking about. The shoes from St. Louis factories and the fashions of dress manufacturers and fur fabricators, the products of stove foundries and electrical equipment plants, the processing and packaging of food products, all show the results of improved techniques, of finer workmanship, of superior materials, of greater emphasis upon functional styling. These improvements are clearly evident in the products of this city.

The evidences of the truly remarkable industrial achievements of this period and the growing economic strength of individual American families give us confidence that we can meet the enlarged demands upon our economic resources to provide the defense needs which communist aggression has forced upon us. Already we have accomplished notable increases in production for mobilization purposes while at the same time maintaining civilian production at high levels. But the full impact of the defense program has not yet been felt. Defense costs are scheduled to increase to an annual rate of nearly $65 billion by the middle of 1952 -- almost double the present rate. Measured by costs and demands upon our economy, this is a vast program, but with wise policies we can support this effort and at the same time keep our economy sound and growing.

All of us have been acutely aware of the strong inflationary pressures which have threatened our economic stability during the past year and which, if left unchecked, might weaken our productive machinery to such an extent as to interfere seriously with the output of vital defense goods. Fortunately, the upward sweep of prices has encountered some resistance in recent months. But we must not conclude from this development that the end of inflationary dangers has come. Indeed, I am certain that every one here fully understands that the planned accelerated expansion of military output in the months ahead will, of necessity, produce new inflationary pressures.

The first and most important single requisite in assuring the maintenance of a stable economy to support our productive power under these circumstances is to maintain a balanced budget situation. What is required is an adequate revenue program -- one which will enable us to pay, to the greatest extent possible, for our defense bills as they come in, without resorting to deficit borrowing. To put our defense expenditures on this basis, it is necessary that we have additional revenues this year. Failure to keep our finances on a pay-as-we-go basis is certain to weaken the financial position of the Government. It is certain to impair the ability of our economy to function with maximum effectiveness during this critical period in the life of our Nation.

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Another program high on the list of effective anti-inflationary measures is a nation-wide savings program directed especially toward individual saving. To accomplish this important objective, the Treasury is going to inaugurate on Labor Day, at Grand Rapids, Michigan, a new Defense Bond Drive.

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People were urged to save during World War II. And they did. They built up record holdings of liquid assets -- savings accounts, checking accounts, cash, and holdings of Government securities to a total amount approximating $200 billion.

These wartime savings put into the hands of the people of the country a purchasing power potential which encouraged them to go out during the postwar period and buy goods and services which they might not otherwise have felt they could afford to buy. They felt that they could spend their current incomes freely because they had a large reserve of savings. This has been an important factor in the unprecedented prosperity which the country has enjoyed since the end of the war.

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There has been considerable talk -- and even some worry -- in recent months because there has been some cashing of savings bonds in connection with the rush to purchase consumer goods following the outbreak in Korea. Actually, the total dollar value of "E" bonds in the hands of individuals has remained practically unchanged. I think we should keep in mind, too, that such talk of liquidation overlooks the reasons why people bought savings bonds in the first place. They bought them so that they would have the money to use for some future need, pleasure or emergency. For some people that time came after the outbreak of hostilities in Korea. They had been putting off buying an automobile, or a refrigerator, or a washing machine. After Korea, some remembered the shortages of the last war and rushed to buy goods they had been wanting. But, now, this type of buying has died down; and we must try to keep it under control so that we do not have another inflationary upsurge of prices.

Every individual must realize that the dollars saved today are building power for the Nation -- not only economic power to back up our great defense effort, but a reservoir of purchasing power for the future stability and prosperity of our Nation when the present emergency is over.

For, despite the present worries and problems which beset us, we must not forget that we must constantly build for the future. It is in that perspective that America has always advanced. It has been the desire and hope for a better future that has given us as individuals the courage and fortitude to adjust to the emergencies of the present, and to meet the common need to protect the Nation's security.

It is part and parcel of the American ideal -- the belief that we are building for an ever better future, and a peaceful and a prosperous world where freedom and human progress are the rightful heritage of all mankind.

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S-2787

RELEASE, MORNING NEWSPAPERS,
Tuesday, August 21, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,100,000,000, or thereabouts, of 92-day Treasury bills to be dated August 23 and to mature November 23, 1951, which were offered on August 16, were opened at the Federal Reserve Banks on August 20.

The details of this issue are as follows:

Total applied for - $1,992,646,000
Total accepted - 1,100,562,000 (includes $152,660,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average Price - 99.578/ Equivalent rate of discount approx. 1.651% per annum

Range of accepted competitive bids: (Excepting one tender of $100,000)

High - 99.600 Equivalent rate of discount approx. 1.565% per annum
Low - 99.576 " " " " " 1.659% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 17,340,000	$ 16,170,000
New York	1,387,353,000	609,309,000
Philadelphia	35,745,000	20,245,000
Cleveland	50,255,000	41,575,000
Richmond	26,885,000	24,935,000
Atlanta	24,003,000	20,883,000
Chicago	228,589,000	192,709,000
St. Louis	15,934,000	15,044,000
Minneapolis	9,665,000	9,665,000
Kansas City	34,734,000	33,554,000
Dallas	45,770,000	37,380,000
San Francisco	116,373,000	79,093,000
TOTAL	$1,992,646,000	$1,100,562,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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TOTAL	$1,992,646,000	$1,100,562,000

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progress of our State. But may I say, with excusable pride among my home folks, that I still think Missouri's finest product is its people. For nowhere are they finer, nowhere are they friendlier, and nowhere more generous.

I want you to know how I have truly enjoyed the honor and privilege of being here today at this -- the First Annual Old Country Ham Breakfast. After partaking of your gracious hospitality here this morning, I am willing to predict that this annual breakfast will become as famous as the State Fair itself. I share your pride in the many fine products on display here -- products which attest the growing stability and prosperity of our Nation when the present emergency is over.

The days that lie ahead will be decisive ones. We shall be called upon many times to demonstrate our unity of effort and our firmness of purpose. But if our determination and our faith equal the strength of our cause -- the cause of freedom and human progress -- we need have no fears of ultimate success.

launching a full scale defense bond drive starting on Labor Day. The purpose of the drive is to help mobilize the power of thrift in the present emergency.

All of us must recognize that the dollars we save today are building power for the Nation -- not only economic power to back up our great defense effort, but a reservoir of purchasing power for the future individuals as well as our Nation. A striking example of what savings mean to the farmers of our Nation is the fact that today farmers have a financial reserve of some $5-1/4 billion in United States savings bonds alone -- an amount equal to the total net income to farmers from all farming operations in 1940.

In order to stimulate and expand the thrift objectives of our defense program, the Treasury is business man -- can play an important part in keeping our economy healthy and strong. While the role that a particular individual's savings may play may seem small, we must never forget that the all-important aggregate of these individual savings creates a tremendous influence in restraining inflationary pressures.

Moreover, money invested in savings is a powerful reserve for the future financial security of our diversion of manpower and materials to defense purposes will leave many civilian goods and services in shorter supply -- is to confine ourselves to noninflationary spending and to save regularly out of our incomes.

The systematic purchase of United States Defense Bonds offers one of the very best ways in which every American -- farmer or factory worker, industrialist or small and greatly enlarged, also the possibilities of profitable business operations.

The protection of the financial strength of our economy, however, involves more than the question of adequate revenues. Individuals, collectively, after the payment of taxes, will still have in their hands large sums to spend or to save. The wise course in a period like the (5) present -- when the increasing goods and services than the average per capita income in 1939.

Moreover, people today can buy things which in earlier years were either not available at all, or were available only to a limited number. There has been a growth unprecedented in economic history in the incomes of the middle group. This growth has greatly enlarged the market for the products of American agriculture and industry --

necessary, but can be absorbed by our economy and leave, after taxes, a good margin of profits and incentives.

We are all aware, of course, that prices have risen greatly since 1939. But incomes after taxes have moved ahead even faster. It is a truly significant fact that the average per capita income in the United States today, after all taxes, local, state and Federal, will buy almost 40 percent more in actual providing the necessary revenue program as a safeguard against a Federal deficit in the current fiscal year. It is my firm conviction that a soundly financed defense program must be based on a pay-as-we-go policy.

I do not at this time want to go into any detailed analysis of our revenue and expenditure prospects, but I do want to point out that the pending tax program is not only entails is no small task. Yet the inherent power of our democracy is measured not alone by our capacity to build military defenses, but also by our willingness to accept the costs and to make the economic sacrifices which the defense effort imposes. The surest and safest way, the only prudent way, to meet these costs is through commensurate taxation.

That is why I have urged upon the Congress the importance of resilient enough to meet any demands which the defense effort may bring. One of the requirements to this end is that we effectively combat inflation whenever or wherever it threatens our economic stability.

A prime requisite to the financial health of our Nation is, of course, a revenue program aimed at paying for current expenditures out of current income. To meet the increasing financial outlay which our defense program essential that we maintain the stability of our economy while at the same time endeavoring to work out an effective balanced defense program. The individuals of our country, in whom rests the final strength and power of our Nation, must be encouraged to take as active a part as possible in this effort.

It is of vital importance that the financial structure of our Nation remain strong enough and attack. But we must realize that the victory -- the stopping of aggression -- for which our United Nations' forces have been fighting in Korea marks but the beginning of our defense measures. We face an enemy who does not give up easily -- an enemy who will launch other attacks whenever or wherever weakness appears in our defenses.

To insure a successful outcome of our great defense effort, it is designed to wipe out the ideas and ideals which have inspired our lives and which stand as a beacon of hope to other freedom-loving nations.

Ever since the close of World War II there have been dark clouds of communism hanging over us. The aggression in Korea marked the first open attack. With the aid of other countries joined with us in the cause of human freedom, we have built defenses to stem this first

As a Nation we are facing today the most crucial threat that has yet confronted us. Upon the way we unite to meet this threat depends the very existence of our Nation and the freedoms we cherish. The stakes are high, and we can afford no delusions as to the aims of the imperialistic aggressors who seek to engulf the world, and principally us, with a flood tide of communism -- a tide there will be temporary setbacks -- setbacks such as the recent flood disaster in the Kaw and Missouri Valleys. But we have conquered the ravages of nature before, and we can and must do it now. The object lesson of today's disaster is that we must immediately put our intelligence and our united effort behind a constructive program to insure that such peril shall not strike again and find us unprepared.

In the long annals of history, no other nation has made the progress that has been ours in just the past 50 years. That does not mean, however, that we have by any means attained the zenith of individual and national achievement. Far greater achievement may be ours if we heed the lessons of past experience and continue to work together for the common good.

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is not told what he must think or what pattern his life must take. He is still free to hitch his wagon to the star of his own choosing. But that does not mean that here in America we go helter-skelter in all directions. On the contrary, we owe our individual, state and national progress to our ability to cooperate and to work harmoniously together in pursuits and causes of common interest.

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of travel. And we owe much to them for their foresight and vision in the establishment of this annual exposition -- this State institution which has played such an important role in disseminating information and inspiration for the greater productivity of agriculture and industry.

Tractors have replaced horses. Trucks and automobiles have replaced wagons and buggies. New and better undreamed of as little as 50 years ago. Today we can travel to this great exposition from vast distances in a matter of hours by plane or high-powered automobiles. Yet back in 1901 when the Missouri Fair was first inaugurated, it took a full day for families to come by buggy or wagon from as short a distance as 25 miles. Yet many came -- and came from great distances -- despite the hardships an occasional incandescent light in favored spots near the towns. A rotary egg beater or a kitchen sink provided enough of a novelty to cause excited comments.

It seems almost inconceivable to us of the present mid-century generation, who take for granted the many conveniences of farm and home life and all aspects of modern day living, that such conveniences were not only unheard of but advancement by the close of the century. But the mechanical improvements did little to make farm home life less tedious and more interesting. The farm women were still plodding along at back-breaking tasks. About the only thing that made life more interesting for them prior to 1900 was the party line telephone. There was no other electrical equipment of any kind in farm homes except experiences with fellow pioneers, the lack of communication facilities and the dearth of scientific guidance in the choice and management of the land and in the better breeding of livestock brought many disappointments and many failures. As a result, farming in the 19th century progressed slowly.

Farm mechanization, it is true, had shown considerable close to where trees were growing because that was the type of soil most familiar to them. By trial and error method they attempted the growing of crops that had been grown on what looked like similar soil in other areas they had known. For a long time the rich potentialities of the prairie land were completely overlooked.

While the frontiersmen were willing to share their hit-and-miss resourcefulness and ingenuity. It has taken determination and vision. Above all, it has taken education and enlightenment, and the sharing of knowledge of improved agricultural practices with friends, neighbors, and fellow agriculturalists.

When the early settlers came to Missouri from the eastern states, they knew little about the potentialities of the soil of this State. They chose the dark soil

Nature presented Missouri with much fertile soil. Yet contrary to the old legend that attracted pioneers to the Boon's Lick Country a century and a half ago -- "If you plant a tenpenny nail there at night, hit'll sprout crow bars by mornin'!" -- even rich Missouri soil does not deliver up products for the mere asking.

It has taken hard work -- and long hours of it. It has taken with old friends and acquaintances and enjoy the many stellar attractions of the Fair. Its deeper significance lies in the fact that since its establishment 50 years ago, it has served as an educational workshop, providing the opportunity for Missourians to share with each other their experiences and achievements, and thus do their own jobs better in the future.

annual State Fair at Sedalia has most appropriately been named "The Show Window of the Commonwealth". It is truly an inspiring display of agricultural and industrial achievements which have steadily added so much to the sound growth and progress of our State.

This Fair, however, is not simply an occasion for pointing with pride to the bountiful resources of our State. It is not simply an occasion to get together to give credit where credit is most certainly due: to the gifted Missouri ladies who prepared the ham and all its trimmings for this sumptuous breakfast.

The entire Fair is, of course, a fine tribute to the talents and skills of Missourians. I am happy to be here this year and share with you the pride that is all Missouri's in this exposition of the many diversified products of its farms and factories. This

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ADDRESS BY SECRETARY SNYDER

AT THE

FIRST ANNUAL OLD COUNTRY HAM BREAKFAST

MISSOURI STATE FAIR

SEDALIA, MISSOURI
AUGUST 22, 1951
8:00 a. m.

188

The following address by Secretary Snyder at the First Annual Old Country Ham Breakfast of the Missouri State Fair, Sedalia, Missouri, is scheduled for delivery at 9:00 a.m., CST, Wednesday, August 22, 1951, and is for release at that time.

5-2788

TREASURY DEPARTMENT

Washington

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As a Nation we are facing today the most crucial threat that has yet confronted us. Upon the way we unite to meet this threat depends the very existence of our Nation and the freedoms we cherish. The stakes are high, and we can afford no delusions as to the aims of the imperialistic aggressors who seek to engulf the world, and principally us, with a flood tide of communism -- a tide designed to wipe out the ideas and ideals which have inspired our lives and which stand as a beacon of hope to other freedom-loving nations.

Ever since the close of World War II there have been dark clouds of communism hanging over us. The aggression in Korea marked the first open attack. With the aid of other countries joined with us in the cause of human freedom, we have built defenses to stem this first attack. But we must realize that the victory -- the stopping of aggression -- for which our United Nations' forces have been fighting in Korea marks but the beginning of our defense measures. We face an enemy who does not give up easily -- an enemy who will launch other attacks whenever or wherever weakness appears in our defenses.

To insure a successful outcome of our great defense effort, it is essential that we maintain the stability of our economy while at the same time endeavoring to work out an effective balanced defense program. The individuals of our country, in whom rests the final strength and power of our Nation, must be encouraged to take as active a part as possible in this effort.

It is of vital importance that the financial structure of our Nation remain strong enough and resilient enough to meet any demands which the defense effort may bring. One of the requirements to this end is that we effectively combat inflation whenever or wherever it threatens our economic stability.

A prime requisite to the financial health of our Nation is, of course, a revenue program aimed at paying for current expenditures out of current income. To meet the increasing financial outlay which our defense program entails is no small task. Yet the inherent power of our democracy is measured not alone by our capacity to build military defenses, but also by our willingness to accept the costs and to make the economic sacrifices which the defense effort imposes. The surest and safest way, the only prudent way, to meet these costs is through commensurate taxation.

That is why I have urged upon the Congress the importance of providing the necessary revenue program as a safeguard against a Federal deficit in the current fiscal year. It is my firm conviction that a soundly financed defense program must be based on a pay-as-we-go policy.

I do not at this time want to go into any detailed analysis of our revenue and expenditure prospects, but I do want to point out that the pending tax program is not only necessary, but can be absorbed by our economy and leave, after taxes, a good margin of profits and incentives.

We are all aware, of course, that prices have risen greatly since 1939. But incomes after taxes have moved ahead even faster. It is a truly significant fact that the average per capita income in the United States today, after all taxes, local, state and Federal, will buy almost 40 percent more in actual goods and services than the average per capita income in 1939.

Moreover, people today can buy things which in earlier years were either not available at all, or were available only to a limited number. There has been a growth unprecedented in economic history in the incomes of the middle group. This growth has greatly enlarged the market for the products of American agriculture and industry -- and greatly enlarged, also the possibilities of profitable business operations.

The protection of the financial strength of our economy, however, involves more than the question of adequate revenues. Individuals, collectively, after the payment of taxes, will still have in their hands large sums to spend or to save. The wise course in a period like the present -- when the increasing diversion of manpower and materials to defense purposes will leave many civilian goods and services in shorter supply -- is to confine ourselves to noninflationary spending and to save regularly out of our incomes.

The systematic purchase of United States Defense Bonds offers one of the very best ways in which every American -- farmer or factory worker, industrialist or small business man -- can play an important part in keeping our economy healthy and strong. While the role that a particular individual's savings may play may seem small, we must never forget that the all-important aggregate of these individual savings creates a tremendous influence in restraining inflationary pressures.

Moreover, money invested in savings is a powerful reserve for the future financial security of our individuals as well as our Nation. A striking example of what savings mean to the farmers of our Nation is the fact that today farmers have a financial reserve of some $5-1/4 billion in United States savings bonds alone -- an amount equal to the total net income to farmers from all farming operations in 1940.

In order to stimulate and expand the thrift objectives of our defense program, the Treasury is launching a full scale defense bond drive starting on Labor Day. The purpose of the drive is to help mobilize the power of thrift in the present emergency.

All of us must recognize that the dollars we save today are building power for the Nation -- not only economic power to back up our great defense effort, but a reservoir of purchasing power for the future stability and prosperity of our Nation when the present emergency is over.

The days that lie ahead will be decisive ones. We shall be called upon many times to demonstrate our unity of effort and our firmness of purpose. But if our determination and our faith equal the strength of our cause -- the cause of freedom and human progress -- we need have no fears of ultimate success.

I want you to know how I have truly enjoyed the honor and privilege of being here today at this -- the First Annual Old Country Ham Breakfast. After partaking of your gracious hospitality here this morning, I am willing to predict that this annual breakfast will become as famous as the State Fair itself. I share your pride in the many fine products on display here -- products which attest the growing progress of our State. But may I say, with excusable pride among my home folks, that I still think Missouri's finest product is its people. For nowhere are they finer, nowhere are they friendlier, and nowhere more generous.

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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.

ALPHA

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 30, 1951, in cash or other immediately available funds or in a like face amount of Treasury bills maturing August 30, 1951. 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

~~Exhibit x~~

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TREASURY DEPARTMENT
Washington

S-2789

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 23, 1951 .
(1)

The Secretary of the Treasury, by this public notice, invites tenders for $1,100,000,000 (2), or thereabouts, of 91 (3) -day Treasury bills, for cash and in exchange for Treasury bills maturing August 30, 1951 (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 August 30, 1951 (5), and will mature November 29, 1951 (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, August 27, 1951 (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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

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Information Service **WASHINGTON, D.C.**

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future. So long as he and his fellows work together in unity and sureness of purpose, the American of 1951 can face his future with all confidence.

years -- in the war years and in the postwar period -- has been a truly remarkable demonstration of the power and vitality of our free enterprise system. Nowhere else in the world has a comparable record been achieved. The supremacy of our productive power and its potential for defense output is unquestioned.

These facts provide the foundation for our faith in the be available to augment the purchasing power of current incomes, to prolong prosperity by providing markets for our great production capacity.

The outcome of the world-wide struggle for freedom will depend in very large part on the fundamental strength of our economy. The economic expansion in this country in the last ten to twelve of current incomes the vast and varied output of civilian goods which has poured forth from our industries.

The same thing can happen after the present urgent requirements of our defense effort have been met. When labor and materials are released from the defense program, the financial reserves which we put aside out of today's high incomes will are given an exceptional opportunity for building up their financial reserves.

This happened during World War II. The reserves built up during the war years have been an important factor in maintaining the prosperity which we have enjoyed since the end of the war. The feeling of security which this backlog of purchasing power provides has made people willing to buy out of the Nation in which all of us can participate directly. A new stimulus to nation-wide savings will be inaugurated by the Treasury when it opens the new Defense Bond campaign in Grand Rapids, Michigan, on Labor Day.

There is another, a more personal aspect to increasing our savings at this time. When employment and incomes are at record levels -- as they are now -- individual other lenders under authority of the Defense Production Act is a significant step in this direction.

Further, it is most desirable that every American commit himself to a program of increased savings. It is clear that greatly increased savings are required if we are to succeed in cutting down inflationary spending.

This is a part of the program to maintain the economic strength build-up.

In addition to an appropriate revenue system, we must maintain a broad over-all anti-inflation program. An important part of such a program involves measures designed to restrain credit expansion in areas outside the defense program and outside essential civilian requirements. The nationwide voluntary credit restraint program undertaken by banking groups and security to our people without, of necessity, producing new inflationary pressures. If left uncontrolled, these pressures could seriously cripple our defense effort.

The first essential is a pay-as-we-go program for the Federal Government. For this purpose, we will need an adequate revenue program, one which will cover our Federal expenditures to the greatest extent possible during the defense about $15 billion. This rate has more than doubled -- to about $35 billion at the present time; and it is estimated that by another year -- by the middle of 1952 -- expenditures for defense and related items will approach $65 billion. By that time, they will approach one-fifth of the national product of our economy. The meaning of this is clear. We cannot undertake the full program which is necessary to provide adequate expenditures will accelerate rapidly. Military production is just getting into its stride; to date, it has been largely in a preparatory stage. As the mobilization effort is stepped up, a growing portion of the total output of the country will, of necessity, be directed toward the fulfilment of our defense needs.

A year ago, we were spending for defense at an annual rate of

Since the outbreak of aggression in Korea, there has been widespread recognition of the dangers of inflation among our people. Now, however -- because there has been a relative stabilization of prices in recent months -- there is a tendency in some quarters to think that the inflationary trend has ended. This is not the case.

The important fact is that in the months ahead national security

Individually, each of us can perform his job in a number of ways; and under the present circumstances, there is nothing we can do which is more important than to prevent inflation from gaining headway in our economy.

I know that everyone of you is well aware of the undermining influence that inflationary pressures could have on the productive power of the Nation, if left unchecked.

called upon to shoulder arms for the defense of freedom. Not all of us will even have a job here at home which will be marked with the label "military" or "defense." But each of us has a job to help protect and increase the Nation's productive strength and capacity. The productive machinery of this Nation is the most important weapon in the arsenal of the entire free world.

friendship is so important to our defense and to our prospects for world peace. A strong American economy is our basic and most essential resource in a world-wide struggle to make possible the survival of free peoples and to achieve peace.

A few minutes ago I said that each one of us can make a special contribution to our country in this present period of threat to our way of life. Not all of us will be is the reason why the President and I have advocated as strongly as possible payment of defense as well as ordinary government expenditures out of current revenue and have urged taxes that will support that policy. These measures have as their objectives the strengthening of our whole economy.

We have great responsibilities and great duties, both to ourselves and to our neighbors whose to exercise self-control. One indication of this is the fact that so many American families systematically build savings by putting part of their income into savings accounts, insurance, savings bonds and other thrifty investments.

I believe that the overwhelming majority of our citizens not only are willing to support prudent policies but insist upon them. That more in actual goods and services than just prior to World War II. These facts, and others like them, give us confidence that we can meet the tremendous demands that have been and are being made upon our resources by our assumption of great responsibility in world affairs.

Living up to responsibilities often requires the use of self-control and, at times, a real measure of sacrifice. But Americans know how have reenforced our faith by effort. Americans have raised their standard of living by a miracle of production. We accomplished the transition from an all-out war effort to a full peacetime production effort with a minimum of disruption. We now have more people employed than ever before. The average spendable income per person, after taxes and after taking into account changes in prices, buys approximately 40%

the free world to put an end to aggression.

Our program has been to bind free peoples of the world for mutual protection and for advancement of those values which we have learned are essential if individual human beings are to realize their greatest capacities. That program has been successful. We have supported it here at home by practicing what we preach. We militarily for common defense, through the Atlantic Pact, and soon will be strong enough to make any aggressors think well before they attack.

In the Pacific, too, the free nations have been drawn together and steps have been taken for unified defense. The United Nations' action in Korea has demonstrated beyond a shadow of a doubt the determination of the peoples of has given aid to the free peoples of Europe, both economic and, where necessary, military. They have made good use of it. Italy and France turned back the supreme effort of the communists to capture their governments. The Greeks triumphed against communism in a bitter civil war fomented from beyond their borders. Turkey, with American help, stood fast against imminent threats. Now free Europe is united alone. The principle of tyranny is a continuing menace to all.

Our country's practical program is a matter of record. It is not a static thing. It is not a possession of any single group. It expresses the philosophy of a democratic people, acting through their elected representatives. Its objective is the attainment of peace and freedom.

To that end, your Government

individual freedom for ourselves -- freedom to live in peace, to exchange ideas, to advance to higher standards of living -- but we also recognize that opportunities for these freedoms must become ever wider for people everywhere. This is idealism of the most practical kind. Americans have been taught by the experience of war that freedom is not something that can be enjoyed physical capacity to justify confidence in the future.

Let there be no doubt that the United States of America has an unswerving faith in its ideals, a clear mission and a positive program for the days to come.

Our principles are basically the same as the ones that inspired us in 1776. But they have broadened and matured and grown stronger. We not only insist upon

Fortunately we have built well upon the foundations which were laid by men of faith in the past. Our plants and factories have performed miracles of production not only of civilian goods but of every kind of military material. Our farms have never had greater capacity for producing food and other essential fruits of agriculture. Our economy is strong and can be made stronger. No one can dispute that we have the it before in history and Americans have had a long experience in fighting against it. The communist brand is just an ancient menace in a new form. Fortunately we have come to recognize the designs of world communism for what they are -- the spread of imperialistic power and domination and, indeed, the extinction of self-government throughout the world.

overcoming them. Every age has its difficulties and its dangers. Time and again this country has faced a world teeming with menace.

Frequently, in recent months, we have had painted for us a gloomy picture of our present times, stressing the presence of both old dangers and new forebodings. But the threat of tyranny is not new. Men have met

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The history of our democracy is one of meeting obstacles and danger and, in every instance, one of the elements which made possible -- indeed produced -- a happier time.

Faith and energy and American ingenuity such as theirs impelled them to strike out in new directions. It impelled them to seek new means of developing our resources, both material and moral. Thus was generated new strength.

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Such was the situation at the time our fraternity was born. Yet we know now that the faith which, by their act, those three young men expressed in their own future, and in the future of their country, was fully justified by events that followed. Undoubtedly such youthful courage and willingness to start something new in the face of the gloomiest of prospects was over large parts of our country. Villages, towns and cities had experienced the ravages of war. Millions of dollars worth of property had been blasted into rubble, and hundreds of thousands of our best young men had been killed or crippled in battle. Our forefathers knew that future generations would be faced with the burdens of having to build each individual to play an important part.

Next month will see the 86th anniversary of the founding of Alpha Tau Omega. That event occurred on September 11, 1865 in Richmond, Virginia. The three young founders made their pledges to each other at a critical moment in the history of our nation.

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Each one of us can make a special contribution, particularly in present times. We live in a world of uncertainties and threats. The very fact that our times are full of strains and stresses provides a greater opportunity for

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"ECONOMIC STABILITY IS THE
BEDROCK OF DEFENSE"

ADDRESS BY SECRETARY SNYDER

BEFORE THE

ATO CHAPTER OFFICERS CONFERENCE DINNER

GETTYSBURG COLLEGE

GETTYSBURG, PENNSYLVANIA

AUGUST 24, 1951

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TREASURY DEPARTMENT

Washington

The following address by Secretary Snyder before a Chapter Officers Conference of the Alpha Tau Omega Fraternity at Gettysburg College, Gettysburg, Pennsylvania, is scheduled for delivery at 8:00 p.m. E.D.T. Friday, August 24, 1951, and is for release at that time.

"ECONOMIC STABILITY IS THE BEDROCK OF DEFENSE"

S-2790

TREASURY DEPARTMENT

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S-2790

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The history of our democracy is one of meeting obstacles and danger and, in every instance, overcoming them. Every age has its difficulties and its dangers. Time and again this country has faced a world teeming with menace.

Frequently, in recent months, we have had painted for us a gloomy picture of our present times, stressing the presence of both old dangers and new forebodings. But the threat of tyranny is not new. Men have met it before in history and Americans have had a long experience in fighting against it. The communist brand is just an ancient menace in a new form. Fortunately we have come to recognize the designs of world communism for what they are -- the spread of imperialistic power and domination and, indeed, the extinction of self-government throughout the world.

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Our principles are basically the same as the ones that inspired us in 1776. But they have broadened and matured and grown stronger. We not only insist upon individual freedom for ourselves -- freedom to live in peace, to exchange ideas, to advance to higher standards of living -- but we also recognize that opportunities for these freedoms must become ever wider for people everywhere. This is idealism of the most practical kind. Americans have been taught by the experience of war that freedom is not something that can be enjoyed alone. The principle of tyranny is a continuing menace to all.

Our country's practical program is a matter of record. It is not a static thing. It is not a possession of any single group. It expresses the philosophy of a democratic people, acting through their elected representatives. Its objective is the attainment of peace and freedom.

To that end, your Government has given aid to the free peoples of Europe, both economic and, where necessary,military. They have made good use of it. Italy and France turned back the supreme effort of the communists to capture their governments. The Greeks triumphed against communism in a bitter civil war fomented from beyond their borders. Turkey, with American help, stood fast against imminent threats. Now free Europe is united militarily for common defense, through the Atlantic Pact, and soon will be strong enough to make any aggressors think well before they attack.

In the Pacific, too, the free nations have been drawn together and steps have been taken for unified defense. The United Nations' action in Korea has demonstrated beyond a shadow of a doubt the determination of the peoples of the free world to put an end to aggression.

Our program has been to bind free peoples of the world for mutual protection and for advancement of those values which we have learned are essential if individual human beings are to realize their greatest capacities. That program has been successful. We have supported it here at home by practicing what we preach. We have reenforced our faith by effort. Americans have raised their standard of living by a miracle of production. We accomplished the transition from an all-out war effort to a full peacetime production effort with a minimum of disruption. We now have more people employed than ever before. The average spendable income per person, after taxes and after taking into account changes in prices, buys approximately 40% more in actual goods and services than just prior to World War II. These facts, and others like them, give us confidence that we can meet the tremendous demands that have been and are being made upon our resources by our assumption of great responsibility in world affairs.

Living up to responsibilities often requires the use of self-control and, at times, a real measure of sacrifice. But Americans know how to exercise self-control. One indication of this is the fact that so many American families systematically build savings by putting part of their income into savings accounts, insurance, savings bonds and other thrifty investments.

I believe that the overwhelming majority of our citizens not only are willing to support prudent policies but insist upon them. That is the reason why the President and I have advocated as strongly as possible payment of defense as well as ordinary government expenditures out of current revenue and have urged taxes that will support that policy. These measures have as their objectives the strengthening of our whole economy.

We have great responsibilities and great duties, both to ourselves and to our neighbors whose friendship is so important to our defense and to our prospects for world peace. A strong American economy is our basic and most essential resource in a world-wide struggle to make possible the survival of free peoples and to achieve peace.

A few minutes ago I said that each one of us can make a special contribution to our country in this present period of threat to our way of life. Not all of us will be called upon to shoulder arms for the defense of freedom. Not all of us will even have a job here at home which will be marked with the label "military" or "defense." But each of us has a job to help protect and increase the Nation's productive strength and capacity. The productive machinery of this Nation is the most important weapon in the arsenal of the entire free world.

Individually, each of us can perform his job in a number of ways; and under the present circumstances, there is nothing we can do which is more important than to prevent inflation from gaining headway in our economy.

I know that everyone of you is well aware of the undermining influence that inflationary pressures could have on the productive power of the Nation, if left unchecked. Since the outbreak of aggression in Korea, there has been widespread recognition of the dangers of inflation among our people. Now, however -- because there has been a relative stabilization of prices in recent months -- there is a tendency in some quarters to think that the inflationary trend has ended. This is not the case.

The important fact is that in the months ahead national security expenditures will accelerate rapidly. Military production is just getting into its stride; to date, it has been largely in a preparatory stage. As the mobilization effort is stepped up, a growing portion of the total output of the country will, of necessity, be directed toward the fulfilment of our defense needs.

A year ago, we were spending for defense at an annual rate of about $15 billion. T his rate has more than doubled -- to about $35 billion at the present time; and it is estimated that by another year -- by the middle of 1952 -- expenditures for defense and related items will approach $65 billion. By that time, they will approach one-fifth of the national product of our economy. The meaning of this is clear. We cannot undertake the full program which is necessary to provide adequate security to our people without, of necessity, producing new inflationary pressures. If left uncontrolled, these pressures could seriously cripple our defense effort.

The first essential is a pay-as-we-go program for the Federal Government. For this purpose, we will need an adequate revenue program, one which will cover our Federal expenditures to the greatest extent possible during the defense build-up.

In addition to an appropriate revenue system, we must maintain a broad over-all anti-inflation program. An important part of such a program involves measures designed to restrain credit expansion in areas outside the defense program and outside essential civilian requirements. The nationwide voluntary credit restraint program undertaken by banking groups and other lenders under authority of the Defense Production Act is a significant step in this direction.

Further, it is most desirable that every American commit himself to a program of increased savings. It is clear that greatly increased savings are required if we are to succeed in cutting down inflationary spending.

This is a part of the program to maintain the economic strength of the Nation in which all of us can participate directly. A new stimulus to nation-wide savings will be inaugurated by the Treasury when it opens the new Defense Bond campaign in Grand Rapids, Michigan, on Labor Day.

There is another, a more personal aspect to increasing our savings at this time. When employment and incomes are at record levels -- as they are now -- individuals are given an exceptional opportunity for building up their financial reserves.

This happened during World War II. The reserves built up during the war years have been an important factor in maintaining the prosperity which we have enjoyed since the end of the war. The feeling of security which this backlog of purchasing power provides has made people willing to buy out of current incomes the vast and varied output of civilian goods which has poured forth from our industries.

The same thing can happen after the present urgent requirements of our defense effort have been met. When labor and materials are released from the defense program, the financial reserves which we put aside out of today's high incomes will be available to augment the purchasing power of current incomes, to prolong prosperity by providing markets for our great production capacity.

The outcome of the world-wide struggle for freedom will depend in very large part on the fundamental strength of our economy. The economic expansion in this country in the last ten to twelve years -- in the war years and in the postwar period -- has been a truly remarkable demonstration of the power and vitality of our free enterprise system. Nowhere else in the world has a comparable record been achieved. The supremacy of our productive power and its potential for defense output is unquestioned.

These facts provide the foundation for our faith in the future. So long as he and his fellows work together in unity and sureness of purpose, the American of 1951 can face his future with all confidence.

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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.

~~ALPHA~~

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 September 6, 1951 ~~(8)~~, in cash or other immediately available funds or in a like face amount of Treasury bills maturing September 6, 1951. ~~(9)~~ 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

~~EXHIBIT~~

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, August 28, 1951 ~~(1)~~.

A-2791

The Secretary of the Treasury, by this public notice, invites tenders for $ 1,100,000,000 ~~(2)~~, or thereabouts, of 91 ~~(3)~~ -day Treasury bills, for cash and in exchange for Treasury bills maturing September 6, 1951 ~~(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 September 6, 1951 ~~(5)~~, and will mature December 6, 1951 ~~(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, Friday, August 31, 1951 ~~(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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

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TREASURY DEPARTMENT

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Information Service

RELEASE MORNING NEWSPAPERS,
Tuesday, August 28, 1951.

S-2792

The Secretary of the Treasury announced last evening that the tenders for $1,100,000,000, or thereabouts, of 91-day Treasury bills to be dated August 30 and to mature November 29, 1951, which were offered on August 23, were opened at the Federal Reserve Banks on August 27.

The details of this issue are as follows:

Total applied for - $1,998,093,000
Total accepted - 1,100,836,000 (includes $132,424,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.584/ Equivalent rate of discount approx. 1.645% per annum

Range of accepted competitive bids:

High - 99.608 Equivalent rate of discount approx. 1.551% per annum

Low - 99.582 Equivalent rate of discount approx. 1.654% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 10,952,000	$ 9,452,000
New York	1,434,856,000	707,506,000
Philadelphia	26,461,000	10,574,000
Cleveland	44,193,000	36,193,000
Richmond	11,984,000	10,459,000
Atlanta	27,772,000	16,342,000
Chicago	257,850,000	182,065,000
St. Louis	20,353,000	17,278,000
Minneapolis	3,995,000	3,565,000
Kansas City	37,048,000	33,848,000
Dallas	31,189,000	18,089,000
San Francisco	91,440,000	55,465,000
TOTAL	$1,998,093,000	$1,100,836,000

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TOTAL	$1,998,093,000	$1,100,836,000

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coins remained in circulation. During the month of July 74,533,500 pennies were manufactured, with the mints operating on a sixty-hour work week. On this overtime basis, it would require five full months of work to produce the 387,880,000 pennies that could be recovered if American families cooperated even to the extent of ten pennies each returned to circulation."

A similar appeal made by Director Ross last spring brought large quantities of pennies into the channels of trade. One Virginia woman, according to newspaper accounts, deposited into her bank account over 45,000 pennies she had accumulated.

Coins of all denominations delivered by the Mint during the month of July totaled 144,759,892, of which 94,493,000 were pennies. Coin deliveries during the comparable period in 1950, before the impact of the defense effort had been felt, totaled 95,199,575 pieces, of which 59,210,000 were pennies.

After accounting for worn pennies sent back to the Treasury throughout the years for remelting, and making attrition allowances, the Mint estimates that over 17 billion one-cent pieces are now in circulation. These coins contain ~~an~~ approximately ~~estimated~~ 56,000 tons of copper.

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TO: Secretary Snyder

The attached release has been approved by Director Ross of the Mint.

approved

J.E.R

J. E. Rivers

INFORMATION SERVICE

Immediate Release
Wed., Aug 29, 1951

PROPOSED PRESS RELEASE

A-2793

Nellie Tayloe Ross, Director of the Mint, today renewed her plea that all small coins, especially one-cent pieces, now "hiding" in children's banks and other household depositories, be returned to circulation.

The return to business use of these idle coins, Director Ross said, would save the material and manufacturing costs of replacing them and, at the same time, conserve tons of metals vital to the defense effort. She suggested that thrift accumulations of small coins be converted into Defense Savings Stamps and Bonds, turned into banks for other currency, or used in making purchases.

The big worry now is the supply of pennies, described by the Mint as the "Nation's most used and useful coin." The recent heavy demand for one-cent pieces, which reflects the high level of business activity, is requiring the mints to operate on an overtime and extra shift basis. Federal Reserve Banks have also been rationing pennies to their branches.

"If each of the estimated 38,788,000 American families should release from hiding and return to business use just ten one-cent pieces," Director Ross said, "over 1,260 tons of scarce copper would be saved, providing, of course, that th

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

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Nellie Tayloe Ross, Director of the Mint, today renewed her plea that all small coins, especially one-cent pieces, now "hiding" in children's banks and other household depositories, be returned to circulation.

The return to business use of these idle coins, Director Ross said, would save the material and manufacturing costs of replacing them and, at the same time, conserve tons of metals vital to the defense effort. She suggested that thrift accumulations of small coins be converted into Defense Savings Stamps and Bonds, turned into banks for other currency, or used in making purchases.

The big worry now is the supply of pennies, described by the Mint as the "Nation's most used and useful coin." The recent heavy demand for one-cent pieces, which reflects the high level of business activity, is requiring the mints to operate on an overtime and extra shift basis. Federal Reserve Banks have also been rationing pennies to their branches.

"If each of the estimated 38,788,000 American families should release from hiding and return to business use just ten one-cent pieces," Director Ross said, "over 1,260 tons of scarce copper would be saved, providing, of course, that the coins remained in circulation. During the month of July 74,533,500 pennies were manufactured, with the mints operating on a sixty-hour work week. On this overtime basis, it would require five full months of work to produce the 387,880,000 pennies that could be recovered if American families cooperated even to the extent of ten pennies each returned to circulation."

A similar appeal made by Director Ross last spring brought large quantities of pennies into the channels of trade. One Virginia woman, according to newspaper accounts, deposited into her bank account over 45,000 pennies she had accumulated.

Coins of all denominations delivered by the Mint during the month of July totaled 144,759,892, of which 94,493,000 were pennies. Coin deliveries during the comparable period in 1950, before the impact of the defense effort had been felt, totaled 95,199,575 pieces, of which 59,210,000 were pennies.

After accounting for worn pennies sent back to the Treasury throughout the years for remelting, and making attrition allowances, the Mint estimates that over 17 billion one-cent pieces are now in circulation. These coins contain approximately 56,000 tons of copper.

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Representing labor in launching the Defense Bonds Drive will be Walter Reuther, President of the ~~International~~ United Automobile Workers, C.I.O., George Leighty, Chairman, Railway Labor Executives Association, and Lewis Hines, International Representative, A.F. of L. Representatives of the Armed Forces will include Major General Harry A. Johnson of the Air Force, Major General Samuel L. Howard of the U. S. Marine Corps, Rear Admiral Francis P. Old of the Navy, Rear Admiral Roy L. Raney of the Coast Guard, Colonel Mary A. Hallaren of the WAC, Major Elizabeth Roache of the WAF, Lieutenant Commander Nancy B. Long of the WAVES, and Captain Mary MacDonald of the Woman Marines.

Treasury representatives at Grand Rapids, in addition to Secretary Snyder, will be Edward F. Bartelt, Fiscal Assistant Secretary; Nellie Tayloe Ross, Director of the Mint; Mrs. Georgia Neese Clark, Treasurer of the United States, and Vernon L. Clark, national director of the Savings Bonds Division.

~~President Truman and Secretary of the Treasury Snyder will be heard over five radio networks when they speak at~~ ~~the climax of~~ ~~the~~ ~~Labor Day~~ ~~launching of the Defense Bond Drive in Grand Rapids, Michigan, it was announced today. The Defense Bond Drive~~ The ceremonies are ~~ceremonies will be held at Grand Rapids as part of a huge Labor Day celebration~~ to be sponsored jointly by the Defense Department and ~~by three of the nation's largest labor organizations,~~ the American Federation of Labor, the Congress of Industrial Organizations, and the Railroad Brotherhoods.

The radio program~~s~~ will present a variety of features prior to the addresses of the President and the Secretary, including remarks by Korean Medal of Honor winners and by high officers of the Army, Navy and Air Force.

Grand Rapids will have a round of festivities and demonstrations in addition to the radio program. These will include a two-hour parade in the morning, in which 2,000 members of the Armed Forces will march; a great picnic in Ramona Park; exhibitions of weapons and equipment by the Army and the Coast Guard; and a "Power for Peace" military pageant in the evening.

Jet planes from Selfridge Field will form an aerial cover over the parade route, and at night the Army will stage a demonstration of a simulated field attack. During the picnic, the Coast Guard will demonstrate an air-sea rescue by helicopter on the park lake.

Speakers during the day will include labor leaders; Governor G. Mennen Williams and U. S. Senator Blair Moody of Michigan, Mayor Paul G. Goebel ~~P. G. Gobel~~ of Grand Rapids and Lieutenant General ~~Colonel~~ Anthony McAuliffe, Assistant Chief of Staff of the Army.

Immediate Thurs Aug 30, 195

S-2794

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Thursday, August 30, 1951 S-2794

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Major General Harry A. Johnson of the Air Force, Major General Samuel L. Howard of the U. S. Marine Corps, Rear Admiral Francis P. Old of the Navy, Rear Admiral Roy L. Raney of the Coast Guard, Colonel Mary A. Hallaren of the WAC, Major Elizabeth Roache of the WAF, Lieutenant Commander Nancy B. Long of the WAVES, and Captain Mary MacDonald of the Woman Marines.

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S-2795

RELEASE, MORNING NEWSPAPERS,
Saturday, September 1, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,100,000,000, or thereabouts, of 91-day Treasury bills to be dated September 6 and to mature December 6, 1951, which were offered on August 28, were opened at the Federal Reserve Banks on August 31.

The details of this issue are as follows:

Total applied for - $1,917,893,000
Total accepted - 1,102,635,000 (includes $110,369,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average Price - 99.584 Equivalent rate of discount approx. 1.646% per annum

Range of accepted competitive bids:

High - 99.601 Equivalent rate of discount approx. 1.578% per annum
Low - 99.583 " " " " " 1.650% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 21,240,000	$ 12,620,000
New York	1,436,082,000	756,580,000
Philadelphia	22,492,000	5,144,000
Cleveland	41,330,000	33,838,000
Richmond	12,355,000	10,223,000
Atlanta	11,991,000	9,971,000
Chicago	192,859,000	127,762,000
St. Louis	15,606,000	11,010,000
Minneapolis	4,727,000	4,725,000
Kansas City	51,174,000	49,162,000
Dallas	19,920,000	16,880,000
San Francisco	88,117,000	64,720,000
TOTAL	$1,917,893,000	$1,102,635,000

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

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Richmond	12,355,000	10,223,000
Atlanta	11,991,000	9,971,000
Chicago	192,859,000	127,762,000
St. Louis	15,606,000	11,010,000
Minneapolis	4,727,000	4,725,000
Kansas City	51,174,000	49,162,000
Dallas	19,920,000	16,880,000
San Francisco	88,117,000	64,720,000
TOTAL	$1,917,893,000	$1,102,635,000

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Special committees of Bond salesmen have been set up in rural counties of every State to reach farm homes. They intend to point out to farmers ~~particularly~~ the advantage of buying Defense Bonds to set up reserves against the depreciation of farm machinery.

In keeping with the theme of the Drive -- that defense is everybody's job, and that buying Defense Bonds is an excellent means of personal participation in defense -- local military installations throughout the country are cooperating closely with the Bond volunteer organizations.

Organized labor's support of the Defense Bond Drive is being symbolized in the Labor Day ceremonies at Grand Rapids. The ceremonies are being sponsored jointly by the Defense Department, the Treasury Department, the American Federation of Labor, the Railway Labor Executives' Association, and the Congress of Industrial Organizations.

President Truman and Secretary Snyder will be heard over all five networks between ~~9~~10:50 p.m. and ~~10~~11:00 p.m., Eastern ~~Standard~~ Daylight Time.

Savings Bond volunteer organizations throughout the country are ready to conduct a vigorous campaign over the next two months. Their efforts will be directed particularly toward community activity, including campaigns to have scores of cities and towns qualify for the "Defense Bond Flag City" award. Forty-two cities and towns already have won this distinction.

The Payroll Savings Plan will be pushed during the Drive in both large and small concerns in all industries and businesses.

Women's divisions of the volunteer organizations, functioning under the direction of State and county women chairmen, are ready to canvass thousands of offices of professional people for bond sales. Women's clubs are concentrating on promotion of the Bond-A-Member Plan.

Medal of Honor winner, and Gen. J. Lawton Collins, Army Chief of Staff.

The Mutual Network program will present the Air Force Band, with talks by Mrs. Louis Sabille, widow of an Air Force Korean campaign hero, and Gen. Hoyt S. Vandenberg, Air Force Chief of Staff.

The LBS Network program will present the Coast Guard Band, with a talk by Vice Admiral Merlin O'Neill, Commandant of the Coast Guard.

The NBC Network program will present the Marine Corps Band, with talks by Lt. ~~Harry~~ Henry A. Commiskey, Medal of Honor winner, and Gen. Clifton B. Cates, Commandant of the Marine Corps.

The ABC Network program will present the Navy Band, with talks by Lt. Thomas J. Hudner, Medal of Honor winner, and Adm. William Fechteler, Chief of Naval Operations.

Sunday newspapers
Sept 2, 1951
For Sunday release

S-2796 8K

The Defense Bond Drive, most intensive bond campaign since the war, opens on Monday -- Labor Day -- and will continue through October 27. Thousands of persons are expected to witness Labor Day "kick-off" ceremonies ~~on Labor Day~~ for the Drive in Grand Rapids, Michigan, and millions will hear addresses by President Truman and Secretary Snyder on Monday ~~in the~~ evening over five radio networks. President Truman will speak from San Francisco and Secretary Snyder from Grand Rapids.

Radio programs will be carried from ~~9~~ 10:30 p.m. to ~~10~~ 11:00 p.m., Eastern ~~Standard~~ Daylight Time, over the CBS, LBS, MBS, and NBC ~~and LBS~~ networks, and over the ABC Network from ~~9~~ 10:50 p.m. to ~~10:50~~ 11:15 p.m., Eastern ~~Standard~~ Daylight Time. Each network will carry a program by a military band, with talks by Korean heroes and by top officers of the Armed Forces.

The CBS network program will present the Army Band, and talks by Sgt. John A. Pittman, Korean campaign

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE SUNDAY NEWSPAPERS,
September 2, 1951. S-2796

The Defense Bond Drive, most intensive bond campaign since the war, opens on Monday -- Labor Day -- and will continue through October 27. Thousands of persons are expected to witness Labor Day "kick-off" ceremonies for the Drive in Grand Rapids, Michigan, and millions will hear addresses by President Truman and Secretary Snyder on Monday evening over five radio networks. President Truman will speak from San Francisco and Secretary Snyder from Grand Rapids.

Radio programs will be carried from 10:30 p.m. to 11:00 p.m., Eastern Daylight Time, over the CBS, LBS, MBS, and NBC networks, and from 10:50 p.m. to 11:15 p.m., Eastern Daylight Time over the ABC network. Each network will carry a program by a military band, with talks by Korean heroes and by top officers of the Armed Forces.

The CBS network program will present the Army Band, and talks by Sgt. John A. Pittman, Korean campaign Medal of Honor winner, and General J. Lawton Collins, Army Chief of Staff.

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Special committees of bond salesmen have been set up in rural counties of every State to reach farm homes. They intend to point out to farmers the advantage of buying Defense Bonds to set up reserves against the depreciation of farm machinery.

In keeping with the theme of the Drive -- that defense is everybody's job, and that buying Defense Bonds is an excellent means of personal participation in defense -- local military installations throughout the country are cooperating closely with the Bond volunteer organizations.

Organized labor's support of the Defense Bond Drive is being symbolized in the Labor Day ceremonies at Grand Rapids. The ceremonies are being sponsored jointly by the Defense Department, the Treasury Department, the American Federation of Labor, the Railway Labor Executives' Association, and the Congress of Industrial Organizations.

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RELEASE, MORNING NEWSPAPERS,
Tuesday, September 4, 1951.

S-2797

Secretary of the Treasury Snyder today announced the offering, through the Federal Reserve Banks, of 1-7/8 percent Treasury Certificates of Indebtedness of Series C-1952, open on an exchange basis, par for par, in authorized denominations, to holders of 3 percent Treasury Bonds of 1951-55 (dated September 15, 1931) in the amount of $755,429,000, called for redemption on September 15, 1951. Cash subscriptions will not be received.

The certificates now offered will be dated September 15, 1951, and will bear interest from that date at the rate of one and seven-eighths percent per annum, payable with the principal at maturity on August 15, 1952. 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.

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 called bonds. Subject to the usual reservations, all subscriptions will be allotted in full.

The subscription books will close for the receipt of all subscriptions at the close of business Friday, September 7.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight September 7, will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

UNITED STATES OF AMERICA

1-7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES C-1952

Dated and bearing interest from September 15, 1951 Due August 15, 1952

1951
Department Circular No. 892

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, September 4, 1951.

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 1-7/8 percent Treasury Certificates of Indebtedness of Series C-1952, in exchange for 3 percent Treasury Bonds of 1951-55, dated September 15, 1931, due September 15, 1955, called for redemption September 15, 1951.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated September 15, 1951, and will bear interest from that date at the rate of 1-7/8 percent per annum, payable with the principal at maturity on August 15, 1952. 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.

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 September 15, 1951, or on later allotment, and may be made only in Treasury Bonds of 1951-55, called for redemption September 15, 1951, which will be accepted at par, and should accompany the subscription. Final interest due September 15 on the called bonds surrendered will be paid, in the case of coupon bonds, by payment of the September 15, 1951 coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury Bonds of 1951-55 in registered form tendered in payment for certificates offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury Certificates of Indebtedness of Series C-1952 to be delivered to ____________," in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holders.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for 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.

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

	June 30, 1951	Apr. 9, 1951	June 30, 1950	Increase or decrease since Apr. 9, 1951 Amount	Percent	Increase or decrease since June 30, 1950 Amount	Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand	$48,785,259	$48,671,446	$46,787,942	$113,813	.23	$1,997,317	4.27
Time	19,212,936	18,998,878	19,218,390	214,058	1.13	-5,454	-.03
Deposits of U. S. Government	3,909,306	4,213,269	2,396,693	-303,963	-7.21	1,512,613	63.11
Postal savings deposits	7,209	6,502	5,416	707	10.87	1,793	33.11
Deposits of States and political subdivisions	6,040,298	5,609,334	5,683,478	430,964	7.68	356,820	6.28
Deposits of banks	7,626,529	7,759,253	7,363,254	-132,724	-1.71	263,275	3.58
Other deposits (certified and cashiers' checks, etc.)	1,255,277	1,143,094	1,204,618	112,183	9.81	50,659	4.21
Total deposits	86,836,814	86,401,776	82,659,791	435,038	.50	4,177,023	5.05
Bills payable, rediscounts, and other liabilities for borrowed money	32,890	160,202	24,783	-127,312	-79.47	8,107	32.71
Other liabilities	1,269,031	1,276,344	1,056,971	-7,313	-.57	212,060	20.06
Total liabilities, excluding capital accounts	88,138,735	87,838,322	83,741,545	300,413	.34	4,397,190	5.25
CAPITAL ACCOUNTS							
Capital stock:							
Preferred	12,447	13,753	16,567	-1,306	-9.50	-4,120	-24.87
Common	2,054,708	2,017,699	1,963,374	37,009	1.83	91,334	4.65
Total	2,067,155	2,031,452	1,979,941	35,703	1.76	87,214	4.40
Surplus	2,994,486	2,948,622	2,770,630	45,864	1,56	223,856	8.08
Undivided profits	1,193,499	1,183,453	1,133,190	10,046	.85	60,309	5.32
Reserves	264,886	269,581	311,306	-4,695	-1.74	-46,420	-14.91
Total surplus, profits, and reserves	4,452,871	4,401,656	4,215,126	51,215	1.16	237,745	5.64
Total capital accounts	6,520,026	6,433,108	6,195,067	86,918	1.35	324,959	5.25
Total liabilities and capital accounts	94,658,761	94,271,430	89,936,612	387,331	.41	4,722,149	5.25
RATIOS:	Percent	Percent	Percent				
U.S.Gov't securities to total assets	34.92	35.20	41.86				
Loans and discounts to total assets	32.31	32.18	27.43				
Capital accounts to total deposits	7.51	7.45	7.49				

NOTE: Minus sign denotes decrease.

Statement showing comparison of principal items of assets and liabilities of active national banks as of June 30, 1951, April 9, 1951, and June 30, 1950
(In thousands of dollars)

	June 30, 1951	Apr. 9, 1951	June 30, 1950	Increase or decrease since Apr. 9, 1951 Amount	Increase or decrease since Apr. 9, 1951 Percent	Increase or decrease since June 30, 1950 Amount	Increase or decrease since June 30, 1950 Percent
Number of banks	4,953	4,959	4,977	-6	-.12	-24	-.48
ASSETS							
Commercial and industrial loans	$14,331,830	$14,393,117	$10,271,043	-$61,287	-.43	$4,060,787	39.54
Loans on real estate	7,279,042	7,123,701	6,374,733	155,341	2.18	904,309	14.19
Consumer loans to individuals	4,397,651	1/4,372,134	1/3,961,946	25,517	.58	435,705	11.00
Other loans to individuals: Single-payment loans of $3,000 and over	1,371,375	1,332,917	1,100,509	38,458	2.89	270,866	24.61
All other loans, including overdrafts	3,612,021	3,522,579	3,301,028	89,442	2.54	310,993	9.42
Total gross loans	30,991,919	30,744,448	25,009,259	247,471	.80	5,982,660	23.92
Less valuation reserves	407,683	403,318	337,379	4,365	1.08	70,304	20.84
Net loans	30,584,236	30,341,130	24,671,880	243,106	.80	5,912,356	23.96
U. S. Government securities:							
Direct obligations	33,051,114	33,182,052	37,649,227	-130,938	-.39	-4,598,113	-12.21
Obligations fully guaranteed	2,660	2,360	2,019	300	12.71	641	31.75
Total U. S. securities	33,053,774	33,184,412	37,651,246	-130,638	-.39	-4,597,472	-12.21
Obligations of States and political subdivisions	4,968,271	4,930,776	4,294,138	37,495	.76	674,133	15.70
Other bonds, notes, and debentures	2,434,656	2,436,304	2,127,187	-1,648	-.07	307,469	14.45
Corporate stocks, including stocks of Federal Reserve banks	178,597	177,664	172,098	933	.53	6,499	3.78
Total securities	40,635,298	40,729,156	44,244,669	-93,858	-.23	-3,609,371	-8.16
Total loans and securities	71,219,534	71,070,286	68,916,549	149,248	.21	2,302,985	3.34
Currency and coin	985,074	1,179,527	959,569	-194,453	-16.49	25,505	2.66
Reserve with Federal Reserve banks	12,370,480	12,618,576	10,451,764	-248,096	-1.97	1,918,716	18.36
Balances with other banks	8,897,587	8,218,238	8,550,839	679,349	8.27	346,748	4.06
Total cash, balances with other banks, including reserve balances and cash items in process of collection	22,253,141	22,016,341	19,962,172	236,800	1.08	2,290,969	11.48
Other assets	1,186,086	1,184,803	1,057,891	1,283	.11	128,195	12.12
Total assets	94,658,761	94,271,430	89,936,612	387,331	.41	4,722,149	5.25

1/ Adjusted to exclude single-payment loans of $3,000 and over.

All other gross loans, including loans to farmers, to brokers and dealers and others for the purpose of purchasing and carrying securities, and to banks, etc., amounted to $4,983,000,000, an increase of 2½ percent since April. The percentage of loans and discounts to total assets on June 30, 1951 was 32.31 in comparison with 32.18 on April 9 and 27.43 in June 1950.

Investments of the banks in United States Government obligations (including $2,660,000 guaranteed obligations) on June 30, 1951 aggregated $33,054,000,000, which was a small decrease since April, but a decrease of nearly $5,000,000,000, or 12 percent, in the year. These investments were 35 percent of total assets, compared to nearly 42 percent a year ago. Other bonds, stocks and securities of $7,582,000,000 which included obligations of States and political subdivisions of $4,968,000,000, were $37,000,000, or one-half percent more than in April, and $988,000,000, or 15 percent, more than held in June last year. The total of securities held amounting to $41,000,000,000 was slightly less than the figure reported for April, but 8 percent less than the amount held at the end of June 1950.

Cash of $985,000,000, reserve with Federal Reserve banks of $12,370,000,000 and balances with other banks (including cash items in process of collection) of $8,898,000,000, a total of $22,253,000,000, showed an increase of $237,000,000, or 1 percent, in the quarter.

The unimpaired capital stock of the banks on June 30, 1951 was $2,067,000,000, including $12,000,000 of preferred stock. Surplus was $2,994,000,000, undivided profits $1,194,000,000 and capital reserves $265,000,000, or a total of $4,453,000,000. Total capital accounts of $6,520,000,000, which were 7.51 percent of total deposits, were $87,000,000 more than in April when they were about the same percentage ratio to total deposits.

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TREASURY DEPARTMENT
Washington, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, September 6, 1951

News Service

The total assets of national banks on June 30, 1951 amounted to nearly $95,000,000,000, it was announced today by Comptroller of the Currency Preston Delano. The returns covered the 4,953 active national banks in the United States and possessions. The assets were nearly $400,000,000 more than the amount reported by the 4,959 active banks on April 9, 1951, the date of the previous call, and were nearly $5,000,000,000 more than reported by the 4,977 active national banks as of June 30, 1950.

The deposits of the banks on June 30 were nearly $87,000,000,000, an increase of over $400,000,000 since April, and exceeded by $4,000,000,000 the amount reported at the end of June last year. Included in the recent deposit figures were demand deposits of individuals, partnerships and corporations of $48,785,000,000, which increased $114,000,000 since April, and time deposits of individuals, partnerships and corporations of $19,213,000,000, an increase of $214,000,000. Deposits of the United States Government of $3,910,000,000 were down $304,000,000 since April; deposits of States and political subdivisions of $6,040,000,000 showed an increase of $431,000,000, or more than 7 percent; and deposits of banks amounting to $7,627,000,000 were down $133,000,000 since April. Postal savings were $7,000,000 and certified and cashiers' checks were $1,255,000,000.

Net loans and discounts at the end of June 1951 were $30,584,000,000, an all-time high. They were $243,000,000 above the April figure and almost $6,000,000,000, or 24 percent, above the June 30 figure last year. Commercial and industrial loans as of the recent call date were $14,332,000,000, a decrease of $61,000,000 since April. Loans on real estate of $7,279,000,000 were up 2 percent in the period. Consumer loans to individuals were $4,398,000,000, exclusive of single-payment loans to individuals of $3,000 and over which were included with this class of loans at previous call dates.

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE MORNING NEWSPAPERS,
Thursday, September 6, 1951. S-2798

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Statement showing comparison of principal items of assets and liabilities of active national banks
as of June 30, 1951, April 9, 1951, and June 30, 1950
(In thousands of dollars)

	June 30, 1951	Apr. 9, 1951	June 30, 1950	Increase or decrease since Apr. 9, 1951		Increase or decrease since June 30, 1950	
				Amount	Percent	Amount	Percent
Number of banks....................	4,953	4,959	4,977	-6	-.12	-24	-.48
ASSETS							
Commercial and industrial loans....	$14,331,830	$14,393,117	$10,271,043	-$61,287	-.43	$4,060,787	39.54
Loans on real estate...............	7,279,042	7,123,701	6,374,733	155,341	2.18	904,309	14.19
Consumer loans to individuals......	4,397,651	1/4,372,134	1/3,961,946	25,517	.58	435,705	11.00
Other loans to individuals: Single-payment loans of $3,000 and over.	1,371,375	1,332,917	1,100,509	38,458	2.89	270,866	24.61
All other loans, including overdrafts..........................	3,612,021	3,522.579	3,301,028	89,442	2.54	310,993	9.42
Total gross loans..............	30,991,919	30,744,448	25,009,259	247,471	.80	5,982,660	23.92
Less valuation reserves.......	407,683	403,318	337,379	4,365	1.08	70,304	20.84
Net loans.................	30,584,236	30,341,130	24,671,880	243,106	.80	5,912,356	23.96
U. S. Government securities:							
Direct obligations...............	33,051,114	33,182,052	37,649,227	-130,938	-.39	-4,598,113	-12.21
Obligations fully guaranteed....	2,660	2,360	2,019	300	12.71	641	31.75
Total U. S. securities........	33,053,774	33,184,412	37,651,246	-130,638	-.39	-4,597,472	-12.21
Obligations of States and political subdivisions.........................	4,968,271	4,930,776	4,294,138	37,495	.76	674,133	15.70
Other bonds, notes, and debentures.	2,434,656	2,436,304	2,127,187	-1,648	-.07	307,469	14.45
Corporate stocks, including stocks of Federal Reserve banks..........	178,597	177,664	172,098	933	.53	6,499	3.78
Total securities...............	40,635,298	40,729,156	44,244,669	-93,858	-.23	-3,609,371	-8.16
Total loans and securities....	71,219,534	71,070,286	68,916,549	149,248	.21	2,302,985	3.34
Currency and coin..................	985,074	1,179,527	959,569	-194,453	-16.49	25,505	2.66
Reserve with Federal Reserve banks.	12,370,480	12,618,576	10,451,764	-248,096	-1.97	1,918,716	18.36
Balances with other banks..........	8,897,587	8,218,238	8,550,839	679,349	8.27	346,748	4.06
Total cash, balances with other banks, including reserve balances and cash items in process of collection..................	22,253,141	22,016,341	19,962,172	236,800	1.08	2,290,969	11.48
Other assets.......................	1,186,086	1,184,803	1,057,891	1,283	.11	128,195	12.12
Total assets.................	94,658,761	94,271,430	89,936,612	387,331	.41	4,722,149	5.25

1/ Adjusted to exclude single-payment loans of $3,000 and over.

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

	June 30, 1951	Apr. 9, 1951	June 30, 1950	Increase or decrease since Apr. 9, 1951		Increase or decrease since June 30, 1950	
				Amount	Percent	Amount	Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand	$48,785,259	$48,671,446	$46,787,942	$113,813	.23	$1,997,317	4.27
Time	19,212,936	18,998,878	19,218,390	214,058	1.13	-5,454	-.03
Deposits of U. S. Government	3,909,306	4,213,269	2,396,693	-303,963	-7.21	1,512,613	63.11
Postal savings desposits	7,209	6,502	5,416	707	10.87	1,793	33.11
Deposits of States and political subdivisions	6,040,298	5,609,334	5,683,478	430,964	7.68	356,820	6.28
Deposits of banks	7,626,529	7,759,253	7,363,254	-132,724	-1.71	263,275	3.58
Other deposits (certified and cashiers' checks, etc.)	1,255,277	1,143,094	1,204,618	112,183	9.81	50,659	4.21
Total deposits	86,836,814	86,401,776	82,659,791	435,038	.50	4,177,023	5.05
Bills payable, rediscounts, and other liabilities for borrowed money	32,890	160,202	24,783	-127,312	-79.47	8,107	32.71
Other liabilities	1,269,031	1,276,344	1,056,971	-7,313	-.57	212,060	20.06
Total liabilities, excluding capital accounts	88,138,735	87,838,322	83,741,545	300,413	.34	4,397,190	5.25
CAPITAL ACCOUNTS							
Capital stock:							
Preferred	12,447	13,753	16,567	-1,306	-9.50	-4,120	-24.87
Common	2,054,708	2,017,699	1,963,374	37,009	1.83	91,334	4.65
Total	2,067,155	2,031,452	1,979,941	35,703	1.76	87,214	4.40
Surplus	2,994,486	2,948,622	2,770,630	45,864	1.56	223,856	8.08
Undivided profits	1,193,499	1,183,453	1,133,190	10,046	.85	60,309	5.32
Reserves	264,886	269,581	311,306	-4,695	-1.74	-46,420	-14.91
Total surplus, profits, and reserves	4,452,871	4,401,656	4,215,126	51,215	1.16	237,745	5.64
Total capital accounts	6,520,026	6,433,108	6,195,067	86,918	1.35	324,959	5.25
Total liabilities and capital accounts	94,658,761	94,271,430	89,936,612	387,331	.41	4,722,149	5.25
RATIOS:	Percent	Percent	Percent				
U. S. Gov't securities to total assets	34.92	35.20	41.86				
Loans and discounts to total assets	32.31	32.18	27.43				
Capital accounts to total deposits	7.51	7.45	7.49				

NOTE: Minus sign denotes decrease.

TREASURY DEPARTMENT

Washington

The following address by Secretary Snyder at Grand Rapids, Michigan, opening the Defense Bond Drive, is scheduled for delivery and for broadcasting over five radio networks at 9:50 p.m. EST, Monday, September 3, 1951 and is for release at that time.

I wish that every American could see the "Power for Peace" military pageant that we are witnessing here in Grand Rapids today as we launch our nation-wide Defense Bond Drive. It is truly a heartening display of the military might of our Armed Forces.

The planes and tanks, the guns and equipment that are being displayed here before the joint Labor Day celebration and the opening of the new Defense Bond Drive are symbols -- symbols that we, as free men and women, are answering, through our defense program, the challenge of communism. They are a demonstration of the ability and willingness of Americans to work together voluntarily in the common cause of defense of justice and right.

The purpose of this Defense Bond Drive is to emphasize to every American the fact that defense is everybody's job. We cannot all serve in the armed forces. We cannot all work in factories to produce the military armaments needed to defend our freedoms. But every one of us can play an important role in this great defense effort by helping to mobilize the power of individual thrift behind the productive might of our Nation.

American thrift has always been one of the great sources of our productive power. Savings have made ours a dynamic economy and given us a better land in which to live. The habit of savings and investment has made us a Nation of farm and home owners, of insurance policyholders, of savings account and security owners. It has enabled us to realize the full benefit from the great resources of this country. These accomplishments are the direct result of free enterprise promoted by individual and collective thrift,

Today the practice of thrift has taken on an even greater importance to our economy, and to our national security. Today as we are nearing the peak of the tooling-up period in our national defense effort, the thrift dollar as never before is a defense dollar.

The defense bond program is a program in which all of us can work together to achieve personal financial independence and to preserve our national freedom. And, in the modern world, freedom will survive only if we cooperate with other freedom-loving nations in building a common defense against aggression.

That is why we need to build up our military power and to keep it ready for any emergency. That is why it is necessary to invest so much money in the cause of peace. That is why it is so important that you -- each of you -- buy bonds now during this drive -- and keep them as an investment.

A slogan which has been suggested for this new drive is "Bonds for Power for Peace". These five words sum up the substance and the spirit of the appeal which we are making. It is a slogan with much truth in it. Your purchases of Defense Bonds will be building power for the Nation -- not only military power and economic power, but also purchasing power for your future, and for the future stability and prosperity of our Nation when the present emergency is over. We must continue to build our Nation toward a goal of economic and moral power. We must continue to build, as we have always built, for the future.

One of the real inspirations of the success of the Savings Bond Program in the postwar years has been the continuing interest of President Truman.

Ladies and gentlemen: The President of the United States speaking to you from San Francisco.

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Treasury Department
Washington

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I want again to express my pleasure in being here, and I want again to thank you for the honor you have given me.

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I know that we will go forward with the traditional optimism for the future that is characteristic of Americans. As I said before, we have the courage and we have the strength that is needed. By working together unselfishly we can build a better world -- a peaceful and a prosperous world where freedom and justice are the shared heritage of all mankind. I know that you will be in the vanguard.

to take any chance of losing it.

We are engaged in a critical struggle between the forces of liberty and justice, on the one side, and the forces of tyranny and hate, on the other. The stand our Nation has taken is evidence of the eternal faith and unrelaxing determination with which Americans have always opposed oppression in whatever form it might show itself. As a Nation -- and as individuals -- we have dedicated ourselves.

our ability to build up our defenses. The success of our mobilization program is everyone's personal responsibility. The future isn't something we can leave to the men fighting for us in Korea or to the troops on guard in Europe. Our national defense isn't something that any one of us can shirk; it isn't something that any one of us should want to shirk -- freedom is too important for us

This evening, I will join with the President in speaking over a nationwide radio program urging Americans to get behind the new Defense Bond savings program, which opens today, by signing up for the payroll savings plan or the bond-a-month club.

The decision of individuals to save more and spend less will make a tremendous difference in capital. That they have taken this lesson to heart is clearly evidenced by the growth in the volume of their savings. The nest egg of the average American family in the form of liquid assets and its equity in life insurance has grown to approximately $6,000 today from about $2,250 at the start of World War II.

be the stimulation of increased individual saving on a nationwide basis.

I don't think we are going to have to sell thrift to the American people. They are already good students of Benjamin Franklin, who taught that with individuals, as well as with businesses, financial soundness and the promise of a prosperous future depend to an important degree on an early accumulation of adequate working weaken our productive machinery to the extent that the output of vital defense goods would be endangered.

We should strive at this time to increase revenues to the extent that we can put our defense expenditures on a pay-as-we-go basis. We need also to continue allocations and priorities and to maintain appropriate controls over prices, wages, rents, and credit.

Another fundamentally important part of our general program should conclude, however, that the end of inflationary dangers has come.

The sharp increase in defense expenditures that is anticipated will necessarily produce additional pressure on the price level and lead to inflation unless we continue, and improve, our anti-inflationary program. The importance of anti-inflationary action, is, I think, very apparent. Inflation would threaten our economic stability and might of demands on our resources. This industrial expansion, however, will provide us with the increased productive power we vitally need for defense and for civilian purposes.

In the past few months inflationary pressures fortunately encountered some resistance. This development probably was to some extent a reaction to the flurry of over-buying that followed the Korean invasion. We should not defense effort successful will also require a substantial share of our national product. For in order to meet the defense goals, in many instances we will have to expand capacity, and in order to get the materials with which to expand capacity, we will have to cut back in other places.

The program on which we have embarked is vast -- measured in terms of dollar costs or in terms

According to present plans, by the middle of 1952, we will have diverted approximately one-fifth of our total production to defense purposes. In dollar terms that means we will be spending for defense at an annual rate of about $65 billion, which is nearly twice the present rate of defense expenditures. In addition to direct defense expenditures, the industrial expansion program that is needed to make our

I am glad to say that we have already made substantial strides toward that accomplishment, while at the same time maintaining civilian production at a high level.

The defense effort, however, is still in its expansion stage and has not yet had its full impact on our economy. Plans are still far in advance of performance, and the months ahead will be critical.

individuals to spend their current incomes on goods and services. To this feeling of assurance that the owners of the savings have enjoyed, I attribute largely our success in avoiding the kind of postwar slump that has followed after every other major war in which our Nation has been involved.

This truly remarkable story of the achievements of our free enterprise economy should give us confidence that we can meet the goals of our defense program.

If anything, their holdings of liquid assets have increased, and individual holdings of one particular form of liquid asset -- United States savings bonds -- have increased substantially. The total outstanding amount of E bonds alone now is nearly $4 billion greater than at the end of World War II financing.

A principal role of this backlog of savings has been to give courage to were scarce and hard to get. Savings are encouraged, along with other reasons, with that purpose in mind -- to build up a backlog of purchasing power which will be available for spending when presently scarce consumer goods return to the market in quantity.

I should like to point out, also, that, on balance, individuals have not reduced their holdings of liquid assets from the level reached at the end of the war.

Another result of our economic progress is the rise in the percent of American homes with electric lighting from 79 percent in 1940 to 94 percent in 1950. In fact, many things we once considered luxuries are now taking on the status of necessities.

Many of these postwar purchases of consumer goods were financed with the savings that individuals accumulated during the course of World War II when civilian goods

The postwar purchases of durable consumer goods are another indication of the economic progress we have made in the past few years. Since the end of the war we have built 5 million new homes. Individual Americans have purchased 12 million television sets, a product that wasn't even available before the war. The number of refrigerators in use in homes has more than doubled since 1939, reflecting higher incomes.

Another factor which has contributed to better living is the great improvement in the quality of the goods and services that are available today. New products, too -- products that were not available at any price a few years ago -- have also contributed to the rise in the American standard of living.

This, however, does not tell the full story. The increase in our national income which has accompanied the postwar expansion has been widely distributed. This means that the potential market for the products of American industry and agriculture has been greatly widened and that our ability to maintain continued prosperity has been increased.

by an economic expansion unparalleled in history. Private industry, alone, during the postwar period has invested over $110 billion in new plant and equipment. As a result of this tremendous expansion, the output of our industrial plant is now one-third higher than in the first year of the postwar period and more than twice its prewar level.

our hope for the future. Those records are a chronicle of the possibilities of achievement in a free enterprise system and, more than that, are a demonstration of the force and vitality of a democratic way of life.

Our wartime achievements are a matter of common knowledge. It is not so widely realized however that the postwar period has been marked

The economic strength of one part of the world, however, depends to a considerable extent on the economic strength of other parts. That is why the defense objectives of the free nations are inseparable.

The production records we set during World War II and in the postwar period convince me that if we continue to work together with the other free nations, we will have the ability to back up comes, despite our efforts, our military preparedness in the defense of our national interest and the cause of freedom will then stand us in good stead.

The key to our national strength, and to our ability to fulfil our world responsibilities, is our capacity to produce. That productive power is the fruit of the hard work and thrift of succeeding generations of Americans.

If we fail ourselves and the rest of the free world, all of us will suffer beneath communist brutality.

By accepting the challenge, we have given further evidence that American courage today is as it has ever been. We know that power is the only language the communist leaders understand. By determining to meet force with force ~~By drawing the line~~ we have done the most we can do to lessen the chance of all-out war. But, if all-out war

But it would have been far more tragic if we -- the most powerful of the free nations -- had refused to take up the communist challenge to our free and democratic way of life.

Free men in free nations, and the freedom-loving peoples now locked behind the Iron Curtain, look to the United States for the defense leadership that will make them capable of self-protection.

optimism are characteristic of our American people.

It is a sad fact that our efforts have had to be turned from peaceful ways to the production of arms. It is tragic that we should be forced to use our resources and our intelligence and industry in making instruments of destruction rather than instruments for the steady upward rise in our living standard.

the world depends on our ability and willingness to oppose force with force in the defense of democracy whenever ~~and wherever~~ it may be necessary.

It took courage back in 1913 to plan for the future, as your founders did when they organized Alpha Epsilon Pi. It will take courage and optimism now to plan and to work for success when the future looks dark. But courage and years after the dissolution of the Comintern -- the establishment of the Cominform, apparently for the sole purpose of stirring up trouble and international hatred, confirmed our doubts. Finally, it became necessary ~~we were forced~~ to physically meet and stop ~~into action by~~ the brutal communist assault on the Republic of Korea.

We learned the hard way. The free world will never be safe as long as the threat of communist aggression exists. The peace of foundation for that cooperation.

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We had a right to hope that the wartime cooperation among the great powers would continue and increase in peacetime after we had secured victory. The United Nations organization, with 51 original signers, was intended as the not fully realized we did make progress toward restoration of a high level of employment.

Then in 1939 World War II broke out when Hitler marched his troops into Poland.

World War II was the most destructive war in which ~~we~~ the United States had ever engaged. We and ~~along with~~ our allies won it, at a tremendous cost, by outfighting and sharp, though fortunately fairly short, recession -- a recession such as had followed every major war up to that time.

Coming out of that depression, we entered into a period of seeming prosperity that came to an abrupt end with the collapse of the stock market in October 1929.

In the decade of the '30's, we found that while prosperity was at a "golden era", but were worrying about the future.

World War I broke in the next year and less than three years later we were involved in a war to save democracy. We helped win that war, but when the fighting ceased we elected to withdraw to a state of isolation.

During the next three years, we enjoyed great prosperity. In 1921, however, we were struck by a efforts of individual citizens working together not only for their personal advancement or for group advancement, but for the advancement of all.

Back in November, 1913, when your fraternity was founded, the European world was in turmoil. Political and social strife were pressing problems, and the clouds of war were on the horizon. In this country we were looking back in regard to our united effort in the cause of world-wide peace, liberty and justice.

Fraternity means brotherhood. Your fraternity, and others like it, are fine examples of good citizenship and valuable reminders that the well-being of our Nation is based, fundamentally, on voluntary cooperation. Our Nation has, in fact, been made the stronghold of democracy through the

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sincere men united by mutual ties of friendship and by common high ideals. Indeed, the principles of fraternity, which you are carrying out through Alpha Epsilon Pi, are excellent guides for actions -- both in regard to our personal relationships with one another and immediate, assigned jobs. We need to join in common cause to work for the day when all men will possess the priceless privileges of freedom that we in America enjoy now.

I was pleased to receive the invitation from your Supreme Master, Mr. Teich, to be here with you at your annual convention. It is a wonderful experience to meet with a group such as yours, composed of

I deeply appreciate the signal honor that Alpha Epsilon Pi Fraternity has bestowed on me today. I accept this citation in a spirit of sincere humility and with a pledge that I shall continue to make every effort to justify the confidence you have placed in me.

I feel very strongly that in these perilous times, our responsibilities go far beyond our

TREASURY DEPARTMENT

Washington

The following address by Secretary Snyder before the Supreme Council and Annual Convention of the Alpha Epsilon Pi Fraternity at the Hotel Hollenden, Cleveland, Ohio (accepting a citation for services to the U. S.) is scheduled for delivery at 1:00 p.m., EDT, Monday, September 3, 1951 and is for release at that time.

S-2800

TREASURY DEPARTMENT

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We learned the hard way. The free world will never be safe as long as the threat of communist aggression exists. The peace of the world depends on our ability and willingness to oppose force with force in the defense of democracy whenever it may be necessary.

It took courage back in 1913 to plan for the future, as your founders did when they organized Alpha Epsilon Pi. It will take courage and optimism now to plan and to work for success when the future looks dark. But courage and optimism are characteristic of our American people.

It is a sad fact that our efforts have had to be turned from peaceful ways to the production of arms. It is tragic that we should be forced to use our resources and our intelligence and industry in making instruments of destruction rather than instruments for the steady upward rise in our living standard.

But it would have been far more tragic if we -- the most powerful of the free nations -- had refused to take up the communist challenge to our free and democratic way of life.

Free men in free nations, and the freedom-loving peoples now locked behind the Iron Curtain, look to the United States for the defense leadership that will make them capable of self-protection. If we fail ourselves and the rest of the free world, all of us will suffer beneath communist brutality.

By accepting the challenge, we have given further evidence that American courage today is as it has ever been. We know that power is the only language the communist leaders understand. By determining to meet force with force we have done the most we can do to lessen the chance of all-out war. But, if all-out war comes, despite our efforts, our military preparedness in the defense of our national interest and the cause of freedom will then stand us in good stead.

The key to our national strength, and to our ability to fulfil our world responsibilities, is our capacity to produce. That productive power is the fruit of the hard work and thrift of succeeding generations of Americans.

The economic strength of one part of the world, however, depends to a considerable extent on the economic strength of other parts. That is why the defense objectives of the free nations are inseparable.

The production records we set during World War II and in the postwar period convince me that if we continue to work together with the other free nations, we will have the ability to back up our hope for the future. Those records are a chronicle of the possibilities of achievement in a free enterprise system and, more than that, are a demonstration of the force and vitality of a democratic way of life.

Our wartime achievements are a matter of common knowledge. It is not so widely realized however that the postwar period has been marked by an economic expansion unparalleled in history. Private industry, alone, during the postwar period has invested over $110 billion in new plant and equipment. As a result of this tremendous expansion, the output of our industrial plant is now one-third higher than in the first year of the postwar period and more than twice its prewar level.

This, however, does not tell the full story. The increase in our national income which has accompanied the postwar expansion has been widely distributed. This means that the potential market for the products of American industry and agriculture has been greatly widened and that our ability to maintain continued prosperity has been increased.

Another factor which has contributed to better living is the great improvement in the quality of the goods and services that are available today. New products, too -- products that were not available at any price a few years ago -- have also contributed to the rise in the American standard of living.

The postwar purchases of durable consumer goods are another indication of the economic progress we have made in the past few years. Since the end of the war we have built 5 million new homes. Individual Americans have purchased 12 million television sets, a product that wasn't even available before the war. The number of refrigerators in use in homes has more than doubled since 1939, reflecting higher incomes. Another result of our economic progress is the rise in the percent of American homes with electric lighting from 79 percent in 1940 to 94 percent in 1950. In fact, many things we once considered luxuries are now taking on the status of necessities.

Many of these postwar purchases of consumer goods were financed with the savings that individuals accumulated during the course of World War II when civilian goods were scarce and hard to get. Savings are encouraged, along with other reasons, with that purpose in mind -- to build up a backlog of purchasing power which will be available for spending when presently scarce consumer goods return to the market in quantity.

I should like to point out, also, that, on balance, individuals have not reduced their holdings of liquid assets from the level reached at the end of the war. If anything, their holdings of liquid assets have increased, and individual holdings of one particular form of liquid asset -- United States savings bonds -- have increased substantially. The total outstanding amount of E bonds alone now is nearly $4 billion greater than at the end of World War II financing.

A principal role of this backlog of savings has been to give courage to individuals to spend their current incomes on goods and services. To this feeling of assurance that the owners of the savings have enjoyed, I attribute largely our success in avoiding the kind of postwar slump that has followed after every other major war in which our Nation has been involved.

This truly remarkable story of the achievements of our free enterprise economy should give us confidence that we can meet the goals of our defense program. I am glad to say that we have already made substantial strides toward that accomplishment, while at the same time maintaining civilian production at a high level.

The defense effort, however, is still in its expansion stage and has not yet had its full impact on our economy. Plans are still far in advance of performance, and the months ahead will be critical.

According to present plans, by the middle of 1952, we will have diverted approximately one-fifth of our total production to defense purposes. In dollar terms that means we will be spending for defense at an annual rate of about $65 billion, which is nearly twice the present rate of defense expenditures. In addition to direct defense expenditures, the industrial expansion program that is needed to make our defense effort successful will also require a substantial share of our national product. For in order to meet the defense goals, in many instances we will have to expand capacity, and in order to get the materials with which to expand capacity, we will have to cut back in other places.

The program on which we have embarked is vast -- measured in terms of dollar costs or in terms of demands on our resources. This industrial expansion, however, will provide us with the increased productive power we vitally need for defense and for civilian purposes.

In the past few months inflationary pressures fortunately encountered some resistance. This development probably was to some extent a reaction to the flurry of over-buying that followed the Korean invasion. We should not conclude, however, that the end of inflationary dangers has come.

The sharp increase in defense expenditures that is anticipated will necessarily produce additional pressure on the price level and lead to inflation unless we continue, and improve, our anti-inflationary program. The importance of anti-inflationary action, is, I think, very apparent. Inflation would threaten our economic stability and might weaken our productive machinery to the extent that the output of vital defense goods would be endangered.

We should strive at this time to increase revenues to the extent that we can put our defense expenditures on a pay-as-we-go basis. We need also to continue allocations and priorities and to maintain appropriate controls over prices, wages, rents, and credit.

Another fundamentally important part of our general program should be the stimulation of increased individual saving on a nationwide basis.

I don't think we are going to have to sell thrift to the American people. They are already good students of Benjamin Franklin, who taught that with individuals, as well as with businesses, financial soundness and the promise of a prosperous future depend to an important degree on an early accumulation of adequate working capital. That they have taken this lesson to heart is clearly evidenced by the growth in the volume of their savings. The nest egg of the average American family in the form of liquid assets and its equity in life insurance has grown to approximately $6,000 today from about $2,250 at the start of World War II.

This evening, I will join with the President in speaking over a nationwide radio program urging Americans to get behind the new Defense Bond savings program, which opens today, by signing up for the payroll savings plan or the bond-a-month club.

The decision of individuals to save more and spend less will make a tremendous difference in our ability to build up our defenses. The success of our mobilization program is everyone's personal responsibility. The future isn't something we can leave to the men fighting for us in Korea or to the troops on guard in Europe. Our national defense isn't something that any one of us can shirk; it isn't something that any one of us should want to shirk -- freedom is too important for us to take any chance of losing it.

We are engaged in a critical struggle between the forces of liberty and justice, on the one side, and the forces of tyranny and hate, on the other. The stand our Nation has taken is evidence of the eternal faith and unrelaxing determination with which Americans have always opposed oppression in whatever form it might show itself. As a Nation -- and as individuals -- we have dedicated ourselves.

I know that we will go forward with the traditional optimism for the future that is characteristic of Americans. As I said before, we have the courage and we have the strength that is needed. By working together unselfishly we can build a better world -- a peaceful and a prosperous world where freedom and justice are the shared heritage of all mankind. I know that you will be in the vanguard.

I want again to express my pleasure in being here, and I want again to thank you for the honor you have given me.

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S-2800

of customs at the port of exportation; the requirement for customs inspection and supervision of the loading of the articles for export; and the requirement for the filing of the export bill of lading (or a copy) in support of the drawback claims.

In general, the new procedure provides for the filing of a "notice of exportation" with the collector of customs at the time the shipper's export declaration is filed. In lieu of customs inspection and supervision of lading, the collector will examine the records of his office to determine the fact of exportation and certify on the notice of exportation as to the fact of exportation and the name of the exporter. This procedure will obviate the need for a bill of lading to support the drawback entry.

After certification, the notice of exportation will be returned to the exporter for subsequent filing with the drawback entry. This procedure will enable ~~permit~~ the claimant to ~~have in his possession all the documents necessary to~~ prepare his drawback entry without having to examine the collector's records ~~to determine whether the notice of intent was~~ whether have been ~~timely filed, and the articles inspected and laden under customs supervision or an opportunity afforded the customs to inspect the articles and supervise their lading.~~

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AWP 8-29-51

Pettinger

The Bureau of Customs today proposed revisions of its drawback regulations. These revisions eliminate certain requirements, and make it easier for commercial firms to obtain "drawback," which is a refunding of customs duties collected on imported merchandise, usually because of its in the manufacture of goods in the United States that xxx subsequently are exported. Similar refunds of internal revenue taxes are authorized in the case of flavoring extracts and medicinal or toilet preparations manufactured with the use of domestic tax-paid alcoho; and then exported.

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S-2801

Proposed Press Release

The Bureau of Customs announced today [~~as a part of its continuing program of simplification of customs procedures~~,] proposed revisions of its drawback regulations, ~~governing the allowance of drawback to~~ They revisions eliminate certain requirements and make it easier for commercial firms ~~business men~~ to [~~do business with Customs~~] obtain "drawback"

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Refunds of 99 percent of the customs duties paid are permitted under proper circumstances in the first class of exports; while in the case of the products containing domestic tax-paid alcohol, the entire amount of such taxes may be refunded.

Notice of proposed rule making, under the Administrative Procedures Act, was published in the Federal Register of September 1, 1951, together with the text of the proposed amendments. Interested persons have 60 days from the date of publication to make representations to the Commissioner of Customs. No hearings will be held.

David B. Strubinger, Acting Commissioner of Customs, said the proposed revision of procedures that have been in effect some 50 years should result in [~~substantial~~] some savings in time and paper work for both the drawback claimant and customs offices.

Among other changes, the proposed revisions will eliminate the requirement for the timely filing of a "notice of intent to export" with the collector

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Tuesday, September 4, 1951. S-2801

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In general, the new procedure provides for the filing of a "notice of exportation" with the collector of customs at the time the shipper's export declaration is filed. In lieu of customs inspection and supervision of lading, the collector will examine the records of his office to determine the fact of exportation and certify on the notice of exportation as to the fact of exportation and the name of the exporter. This procedure will obviate the need for a bill of lading to support the drawback entry.

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ALPHA

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.

~~ALPHA~~

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 September 13, 1951 ~~(8)~~, in cash or other immediately available funds or in a like face amount of Treasury bills maturing September 13, 1951 ~~(9)~~. 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

~~Exhibit 1~~

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, September 6, 1951.
~~(1)~~

S-2802

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000 ~~(2)~~, or thereabouts, of 91 ~~(3)~~ -day Treasury bills, for cash and in exchange for Treasury bills maturing September 13, 1951 ~~(4)~~, in the amount of $1,001,228,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated September 13, 1951 ~~(5)~~, and will mature December 13, 1951 ~~(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, September 10, 1951 ~~(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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Thursday, September 6, 1951. S-2802

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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

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IMMEDIATE RELEASE,
Friday, September 7, 1951. S-2803

Secretary Snyder, in his capacity as United States Governor of the International Monetary Fund and the International Bank for Reconstruction and Development, today made public the composition of the United States delegation to the Sixth Annual Meeting of the Boards of Governors of the Bank and Fund, scheduled to be held at the Shoreham Hotel in Washington, D. C., commencing on Monday, September 10, 1951. Membership of the delegation is as follows:

John W. Snyder, United States Governor of the International Bank and the International Monetary Fund; James E. Webb, Alternate, United States Governor of the International Bank and the International Monetary Fund; Burnet R. Maybank, Chairman of the Banking and Currency Committee, U. S. Senate, Adviser; Homer E. Capehart, Banking and Currency Committee, U. S. Senate, Adviser; Brent Spence, Chairman of the Banking and Currency Committee, U. S. House of Representatives, Adviser; Jesse P. Wolcott, Banking and Currency Committee, U. S. House of Representatives, Adviser; Charles Sawyer, Secretary of Commerce, Adviser; William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System and U. S. Executive Director of the International Bank, Adviser;

William C. Foster, The Administrator for Economic Cooperation, Adviser; Harry A. McDonald, Chairman of the Securities and Exchange Commission, Adviser; Willard L. Thorp, Assistant Secretary of State for Economic Affairs, Adviser; Hawthorne Arey, Vice Chairman of the Board of Directors of the Export-Import Bank, Adviser; Allan Sproul, President of the Federal Reserve Bank of New York, Adviser; Frank A. Southard, Jr., U. S. Executive Director of the International Monetary Fund, Adviser; John S. Hooker, Alternate U. S. Executive Director of the International Bank and the International Monetary Fund, Adviser; Thomas J. Lynch, General Counsel, Treasury Department, Adviser; George H. Willis, Director of the Office of International Finance, Treasury Department, Adviser; James J. Saxon, Assistant to the Secretary, Treasury Department, Adviser.

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TREASURY DEPARTMENT

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Friday, September 7, 1951. S-2803

Secretary Snyder, in his capacity as United States Governor of the International Monetary Fund and the International Bank for Reconstruction and Development, today made public the composition of the United States delegation to the Sixth Annual Meeting of the Boards of Governors of the Bank and Fund, scheduled to be held at the Shoreham Hotel in Washington, D.C., commencing on Monday, September 10, 1951. Membership of the delegation is as follows:

John W. Snyder, United States Governor of the International Bank and the International Monetary Fund; James E. Webb, Alternate, United States Governor of the International Bank and the International Monetary Fund; Burnet R. Maybank, Chairman of the Banking and Currency Committee, U. S. Senate, Adviser; Homer E. Capehart, Banking and Currency Committee, U. S. Senate, Adviser; Brent Spence, Chairman of the Banking and Currency Committee, U. S. House of Representatives, Adviser; Jesse P. Wolcott, Banking and Currency Committee, U. S. House of Representatives, Adviser; Charles Sawyer, Secretary of Commerce, Adviser; William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System and U. S. Executive Director of the International Bank, Adviser;

William C. Foster, The Administrator for Economic Cooperation, Adviser; Harry A. McDonald, Chairman of the Securities and Exchange Commission, Adviser; Willard L. Thorp, Assistant Secretary of State for Economic Affairs, Adviser; Hawthorne Arey, Vice Chairman of the Board of Directors of the Export-Import Bank, Adviser; Allan Sproul, President of the Federal Reserve Bank of New York, Adviser; Frank A. Southard, Jr., U. S. Executive Director of the International Monetary Fund, Adviser; John S. Hooker, Alternate U. S. Executive Director of the International Monetary Fund, Adviser; Thomas J. Lynch, General Counsel, Treasury Department, Adviser; George H. Willis, Director of the Office of International Finance, Treasury Department, Adviser; James J. Saxon, Assistant to the Secretary, Treasury Department, Adviser.

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TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington 25, D. C.

Com.-Mimeograph
Coll. No.

Filing of Returns by Corporations for Taxable Years Ending After June 30, 1950 and Before February 1, 1951

COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE,
AND OTHERS CONCERNED:

1. Due to the problems facing corporations as the result of the enactment of the Excess Profits Tax Act of 1950, ~~meritorious~~ extensions of time have been secured by many corporations for filing their income tax returns for taxable years ending after June 30, 1950 and before February 1, 1951, to September 15, 1951, or October 15, 1951 in the case of fiscal years ending January 31, 1951.

2. Since section 53(a)(2) of the Internal Revenue Code limits extensions of time for filing returns to six months, no extension of time beyond September 15, 1951, or October 15, 1951 as the case may be, may be granted with respect to such taxable years. However, proposed legislation is pending which would extend the period for which the Commissioner may grant extensions of time for such taxable years in the case of corporations subject to the excess profits tax imposed by the Excess Profits Tax Act of 1950. Accordingly, in the case of a corporation subject to the excess profits tax which has been granted an extension of time to September 15, 1951, or October 15, 1951 as the case may be, with respect to a taxable year described in paragraph 1, above, collectors may entertain applications for an extension of time, not beyond November 15, 1951, for filing returns of the taxes imposed by chapter 1 of the Code for such taxable year. Collectors may grant such extensions conditioned, however, upon the enactment of legislation authorizing such extensions. The extension will take effect only if such legislation is enacted.

3. All corporations are subject to excess profits tax within the meaning of paragraph 2 except those specifically exempted under section 454 of the Code.

4. Correspondence regarding this mimeograph should refer to its number and the symbols IT:P:CA.

(Signed) John B. Dunlap

JOHN B. DUNLAP
Commissioner

Limited Distribution

PRESS RELEASE

The Commissioner of Internal Revenue today issued instructions to collectors of internal revenue with respect to the granting of extensions of time for the filing of income tax returns by corporations for taxable years ending after June 30, 1950, and before February 1, 1951.

The law now provides that extensions of time for filing returns may be granted up to six months beyond the due date. The Commissioner has granted such extensions to September 15 in the case of many corporations. Legislation is now pending before the Senate which would give the Commissioner authority to grant further extensions of time to November 15, 1951. In the light of such pending legislation, the Commissioner has informed collectors that they may entertain applications for further extensions of time, but not beyond November 15, 1951, for the filing of income tax returns by corporations subject to the excess profits tax for any taxable year ending after June 30, 1950, and before February 1, 1951, where an extension has already been granted until September 15, 1951.

Such extensions will be conditioned upon the enactment of ~~appropriate~~ authorizing legislation and will take effect only if such legislation is enacted.

Ok

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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IMMEDIATE RELEASE,
Thursday, September 6, 1951 S-2804

The Commissioner of Internal Revenue today issued instructions to collectors of internal revenue with respect to the granting of extensions of time for the filing of income tax returns by corporations for taxable years ending after June 30, 1950 and before February 1, 1951.

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8PE Immediate Release
Thursday, Sept. 6 1951

~~PRESS RELEASE~~

A-280

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TREASURY DEPARTMENT

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Immediate Release
Thurs, Sept 6, 1951

S-2805

The women of Cedar City, Utah have lost no time in putting that western community in the forefront of the Defense Bond Drive news. Women residents of Cedar City, encouraged by their county Savings Bonds Chairman, young Sheldon Olds, decided to show the men folks of the town how a Defense Bonds campaign should be conducted, and succeeded so well that Cedar City over-subscribed on the first day of the drive the quota which it had set for itself.

The women campaigners extended their efforts to all of Iron County, in which Cedar City is located, and are now busily engaged in making house to house bond-selling calls.

County Chairman Olds first got together about 20 wives, mothers, sisters and sweethearts of Cedar City men now fighting in Korea, and put the Defense Bond Drive question up to them. They agreed to take over the job — after first pledging to buy bonds for themselves. Soon the movement had gained such momentum that a county-wide organization of women was formed.

The one bank in Cedar City stayed open all of Labor Day to sell Defense Bonds, and total sales passed the $18,000 mark, against a $15,000 quota which the women had decided upon.

Cedar City has 104 men in the 213th Field Artillery Battalion, which has been federalized and sent into action. ~~Their~~ Their women relatives pledged themselves to buy a bond for each artilleryman.

Cedar City took an active part in an earlier U. S. Savings Bonds campaign. In 1949, Mayor Parry arranged to supply the covered wagons that were used to advertise the "Opportunity Drive" of that year.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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a manner that will reflect credit on the Bureau and on the Government. I assure you of my deep personal interest in all of your endeavors, and my appreciation of the privilege of meeting with you here tonight.

and Senate. Appropriations for the Service for the current fiscal year will enable the Service to carry on its activities on an adequate scale.

To the expectations of the Congress, of the public, and all of the officials directly responsible for Bureau of Internal Revenue activities, I am sure you and your fellow Revenue Service workers will measure up fully, in among all Revenue Service personnel, in Washington and in the field.

Valuable suggestions and recommendations for Revenue Service improvement have come from the Congress. A great deal of information concerning the work of the Service has been laid before Congressional committees, and helpful comments have come from committee sources as well as individual members of the House

The Revenue Service has made another notable advance in the establishment of an inspection service. The Director, Edgar E. Hoppe, previously a member of the Commissioner's management staff, is responsible directly to the Commissioner for the functioning of this organization, which will work toward the objective of insuring the maintenance of high standards of conduct and efficiency free from any suspicion of dishonesty or from any deliberate cheating. That is a tremendous tribute to American spirit and American character. It is this record which enables the Revenue Service to collect each $100 of Federal Revenue at an over-all cost of only a little over 1/2 of one percent of the total collected. Just think of that. Isn't that a splendid record?

will be well. If the time ever came when they lost confidence in it, disaster could follow.

The Revenue Service has enjoyed public confidence in the past, and enjoys it now. We may look to the records of the Service itself for evidence to support this statement.

An overwhelming majority of the income tax returns received by the Revenue Service each year are of taxation. Her citizens figure out their own assessments, and to a really amazing degree, they pay what they owe without any compulsion.

Naturally, in the course of this voluntary payment process, people want to know that the system is free from laxity, from favoritism, from fraud. So long as they consider the system deserving of their confidence, all

I do not want you to believe -- nor the American public generally to think -- that the activities of the racket squads affect directly any considerable percent of American taxpayers. Most people pay their taxes honestly and fairly. As in no other country on earth, the United States depends for the major support of its Federal Government on a voluntary system

The Revenue Service welcomes information from any person which might aid the present effort against the tax dodging by racketeer elements, and anyone having information is urged to make it available to the Director, Special Tax Fraud Drive, Bureau of Internal Revenue, Washington. The identity of individuals supplying such information is always fully safeguarded.

running down evaders of the income tax, the Alcohol Tax Unit also has been busy. From late April through July 31 the Alcohol Tax Unit seized 3,430 stills and arrested 3,171 persons. In the same period 2,337 persons were indicted and 2,181 convictions were obtained.

I want to make special mention of the fact that many of the leads followed by the Special Racket Squads are supplied by the public.

delayed, of the tax liability before taking action for collection. From the beginning of the Special Tax Fraud Drive in April through July 31, jeopardy assessments were made in 34 cases, with the combined taxes and penalties totaling $7,220,623.73.

It is not a very far cry, of course, from income tax frauds to liquor tax frauds. While the Special Racket Squads have been already been obtained.

In practically all racketeer tax cases, the Bureau makes use of jeopardy assessments. As you know, such an assessment becomes effective immediately as a lien against real estate or as a basis of authority to seize bank deposits or other property to satisfy the assessment. This is in contrast to the leisurely process of awaiting a final determination, perhaps long been fruitful. Thus from April to the end of July, while the Special Racket Squads were recommending 24 cases for prosecution, the Department of Justice was forwarding 92 cases, developed earlier by the Revenue Service, to the several U. S. Attorneys for prosecution action. And during that same period, indictments have been returned in 89 cases, and 10 convictions have of them, the Revenue Service investigators have worked painstakingly for years, seeking the full facts and determining whether there is sufficient evidence to warrant prosecution recommendation. The Special Tax Fraud Drive has brought about an intensification of the campaign against underworld tax dodgers, but it did not originate such a campaign; we have been conducting one all along, and it has which is under way. I am informed that 19,740 cases have been assigned to the Special Racket Squads so far, and that active investigation already is under way in 6,175 of these. I am referring only to cases that are considered as coming within the racketeer classification.

A great many of these investigations are, of course, of longer standing than the life of the Special Racket Squads. On some additional tax assessments, including penalties, totaling $5,627,345.34. In 24 cases, criminal prosecution was recommended. These additional assessments and prosecution recommendations were the outgrowth of 474 completed investigations.

These results for such a short period are certainly impressive. But they do not, by any means, indicate the full scope of the work squads totals about 2400 persons, and includes many of our most expert personnel.

I am glad to be able to report to you that in the few months since they began operations, the special racket squads have produced excellent results.

For the period beginning in late April and ending July 31, of this year, the Special Tax Fraud Drive of the racket squads yielded attention to such tax dodgers as gamblers and racketeers, and we had not only collected large sums in additional taxes but also had made many of these people feel the full weight of criminal penalties for tax delinquency. In order to get still better results, General Dunlap was assigned the task of setting up 117 special racket squads in Revenue Service offices throughout the country. The manpower of these service in the Armed Forces. His abilities already have won conspicuous recognition, and I am sure they will win more. He has my fullest confidence. Only a few months ago General Dunlap was called from Texas to Washington to direct the more effective coordination of the work of the Revenue Service in running down tax evaders of the professional criminal type. We had, of course, always given special in his work, alert to its needs and getting satisfaction from it. And he was well entitled to the recognition he received.

I am gratified that this convention gives to those of you who did not already know him a chance to become acquainted with the new Commissioner of Internal Revenue, General Dunlap. He is a product of long and varied experience in the Revenue Service, plus outstanding

Collector's office. It was a large award as awards go and the winner, who made his suggestion under the impression that he was just turning in a small idea, was considerably surprised when he learned of the award. When it was explained to him that his idea, applied nationally, caused savings of $37,000, he said, "Well, I never knew so little could mean so much."

He was a craftsman, interested

their work and proud of their efficiency. They have the pride of good craftsmen and they make good management programs succeed. Given encouragement, they make suggestions that, taken together, total millions of dollars in savings and solid advances in efficiency.

I want to call to your attention an incident in our Incentive Award Program. Recently, we awarded $375 to an employee in the Arkansas are put into use, increasing numbers of our people will be released from the performance of routine tasks, and will be able to devote their time and efforts to work that requires a higher degree of individual skill and individual thinking.

The improvement in the Revenue Service which we have seen would not be possible if Government employees were not interested in

As a matter of greater efficiency, more and more functions have been delegated to the field services, particularly to offices of collectors. To most taxpayers, you, in our local offices, <u>are</u> the Bureau of Internal Revenue.

New techniques and new devices are being developed and installed to minimize the drudgery involved in the administration of this vast and complex organization. As these you respond, you will be playing a vital, personal part in protecting the United States and in preserving the sort of world in which we want to live.

The Bureau has, of course, become better and better equipped in every way for its tremendous task. A great many improvements have been made during the past few years in the management and operations of the Revenue Service.

Communist aggression, we are all particularly conscious of our responsibility. The defense effort is tremendously costly. It creates collateral problems having to do with the stability of the whole American economy. To meet increased Government costs, increased tax programs are under consideration. To whatever extent taxes rise, the obligation of the Revenue Service becomes still more urgent. As

Service that the closest scrutiny finds only a relatively insignificant number of departures from honest and loyal discharge of duty. That tradition is something of which we are all proud, something which we all cherish, and something which we are determined to preserve.

In the present period, when the nation is engaged, with other free nations, in strengthening our defenses against the threat of

The performance record of the Revenue Service must of necessity stand the closest scrutiny. This could not be otherwise -- and none of us would expect it to be otherwise -- in view of the huge size and variety of the revenue collections with which the Service has come to be charged by law, and the great number of citizens from whom these collections are made. It has become tradition in the possible extent as we proceed with the defense of America and the free world.

The employees of the Collectors of Internal Revenue form a very large segment of the staff of what I think is undoubtedly one of the most important of all Government bureaus. The personnel of the Internal Revenue Service has a responsibility which extends considerably beyond that of collecting the Federal

This group is a cross section of a body of men and women who in a very real sense represent the home front of the present emergency. It gives me great pleasure to meet with you tonight, to acknowledge your conscientious and effective service to the Government and to the public, and to remark on the vital necessity of not only continuing but further improving that service to the greatest

Remarks by Secretary Snyder

at the

Convention of the National Association of

Employees of Collectors of Internal Revenue (NAECIR)

Cleveland, Ohio

September 8, 1951

TREASURY DEPARTMENT
Washington

The following address by Secretary Snyder before the annual convention of the National Association of Employees of Collectors of Internal Revenue in Public Hall, Cleveland, Ohio, is scheduled for delivery at 8 P.M. EDT Saturday, September 8, 1951, and is for release at that time.

A-2806

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The employees of the Collectors of Internal Revenue form a very large segment of the staff of what I think is undoubtedly one of the most important of all Government bureaus. The personnel of the Internal Revenue Service has a responsibility which extends considerably beyond that of collecting the Federal revenues, great as that primary responsibility is. Probably few other large groups of Federal employees come so closely and so constantly into personal contact with the American public. In effect, that means every Revenue Service officer and employee is a Government public relations representative. I am glad to say that your success in this role down the years since 1913 has been of a high order.

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New techniques and new devices are being developed and installed to minimize the drudgery involved in the administration of this vast and complex organization. As these are put into use, increasing numbers of our people will be released from the performance of routine tasks, and will be able to devote their time and efforts to work that requires a higher degree of individual skill and individual thinking.

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I am glad to be able to report to you that in the few months since they began operations, the special racket squads have produced excellent results.

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These results for such a short period are certainly impressive. But they do not, by any means, indicate the full scope of the work which is under way. I am informed that 19,740 cases have been assigned to the Special Racket Squads so far, and that active investigation already is under way in 6,175 of these. I am referring only to cases that are considered as coming within the racketeer classification.

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Valuable suggestions and recommendations for Revenue Service improvement have come from the Congress. A great deal of information concerning the work of the Service has been laid before Congressional committees, and helpful comments have come from committee sources as well as individual members of the House and Senate.

To the expectations of the Congress, of the public, and all of the officials directly responsible for Bureau of Internal Revenue activities, I am sure you and your fellow Revenue Service workers will measure up fully, in a manner that will reflect credit on the Bureau and on the Government. I assure you of my deep personal interest in all of your endeavors, and my appreciation of the privilege of meeting with you here tonight.

oOo

Dillon
Can you get this to Bill
– for setting up immediately?

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Immediate Release
Friday, Sept 7, 1951

2807

~~STATEMENT FOR THE PRESS~~

The Treasury issued the

~~Secretary~~ [redacted] Snyder, ~~made the~~ follow-ing statement today after Secretary Snyder's ~~his~~ meetings with Chancellor ~~of the~~ Exchequer Hugh Gaitskell:

" Chancellor Gaitskell, who is in Washington for the Annual Meetings of the Boards of Governors of the International Monetary Fund and the International Bank, took advantage of the occasion to call on Secretary of the Treasury [redacted] Snyder. Mr. Gaitskell brought the Secretary up to date on the British financial situation.

" These conversations provided an opportunity for the two ok cabinet officers ~~officials~~ to review generally the financial developments in the world since their last meeting in September 1950. They discussed the financial problems arising out of the defense efforts of the free world, and exchanged views informally on the general problem of rising prices resulting from defense preparations. They also reviewed, in a general way, the financial outlook of the two countries in the immediate period ahead. "

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~~September 7, 1951~~

2807

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Friday, September 7, 1951

S-2807

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TREASURY DEPARTMENT

Washington

FOR RELEASE
Thursday, September 20, 1951

Press Service
No. S-2808

Secretary of the Treasury Snyder today made public a series of tabulations which will appear in the report "Statistics of Income for 1948, Part 2," compiled from corporation income tax returns and personal holding company returns. These data are prepared under the direction of Commissioner of Internal Revenue John B. Dunlap.

SUMMARY DATA

The number of corporation income tax returns for 1948 is 630,670, of which 395,860 show net income of $36,273,250,000, while 198,383 show deficit of $1,848,226,000, and 36,427 have no income data (inactive corporations).

The income tax liability reported on these returns is $11,920,260,000, representing an increase of 9 percent as compared with the total for 1947. The amount of income tax does not take into account any credit claimed for income and profits taxes paid to a foreign country or United States possession.

A comparison of the 1948 returns with the 1947 returns is provided in the following summary:

Corporation income tax returns, 1/ 1948 and 1947: Summary data

(Money figures in thousands of dollars)

	1948	1947	Increase or decrease (-)	
			Number or amount	Percent
Total number of returns	630,670	587,683	42,987	7
Returns with net income: 2/				
Number	395,860	382,531	13,329	3
Net income 2/	36,273,250	33,381,291	2,891,959	9
Income tax 3/	11,920,260	10,981,482	938,778	9
Returns with no net income: 2/				
Number	198,383	169,276	29,107	17
Deficit 2/	1,848,226	1,958,563	-110,337	-6
Number of returns of inactive corporations	36,427	35,876	551	2

For footnotes, see pp. 25-26.

RETURNS INCLUDED

The returns included in this release are the corporation income tax returns filed for the calendar year ending December 31, 1948, a fiscal year ending within the period July 1948 through June 1949, and a part year with the greater portion of the accounting period in 1948.

The data are from corporation income tax returns, Form 1120; life insurance company income tax returns, Form 1120L; and mutual insurance company income tax returns, Form 1120M. Included for this purpose in addition to returns filed by domestic corporations are the returns filed by foreign corporations engaged in business within the United States. The complete report, Statistics of Income for 1948, Part 2, will contain more detailed statistics from corporation income tax returns as well as data from personal holding company returns, Form 1120H.

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

COMPARABILITY OF DATA

The provisions of the Internal Revenue Code as amended by the Revenue Act of 1945 continue in effect for the calendar year 1948 and fiscal years ending in the period July 1948 through June 1949. Accordingly, the data for 1948 are generally comparable with those for 1947.

CLASSIFICATIONS PRESENTED

The first three tables of this release show data from corporation income tax returns, classified by industrial groups. The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications.

For 1948, changes have been made in the contents of certain industry groups to conform, generally, with recent changes in the Standard Industrial Classification. A chart, showing the comparison of the major industrial groups employed for 1948 with those for 1947, appeared in the preliminary report issued July 18, 1951. A similar chart, showing the comparison of the minor industrial groups, will appear in the complete report "Statistics of Income for 1948, Part 2."

Table 4 shows data from returns with balance sheets, classified according to size of total assets as of December 31, 1948, or close of fiscal year nearest thereto. The total assets classes are based on the net amount of total assets after reserves for depreciation, depletion, amortization, and bad debts.

The classification of the returns by net income and deficit classes, shown in table 5, and the classification by returns with net income and returns with no net income, shown in tables 1, 3, and 5, are based on the amount of net income or deficit which is the difference between the total income and the total deductions as reported on the return, exclusive of the net operating loss deduction.

CREDIT ALLOWED LIFE INSURANCE COMPANIES

In analyzing the data compiled from returns classified under the major group "Insurance carriers, agents, etc," it should be noted that life insurance companies, in reporting their income for tax purposes, are required to include only their investment income, i.e., interest, dividends, and rents. Beginning 1942, life insurance companies are allowed a "reserve and other policy liability credit" equal to a flat proportion of net investment income less tax-exempt interest. This credit, which is deducted after arriving at net income and is reported only on returns with net income, takes the place of the deductions for reserve earnings, deferred dividends, and interest paid, which formerly were allowed in computing net income.

For 1948 the credit ratio is 1.0243 and for normal tax purposes the aggregate amount of reserve and other policy liability credit is $1,464,450,025, of which $1,463,167,788 is reported on returns with balance sheets. As an offset to this credit, adjustment for certain nonlife insurance reserves is reported in total amount of $10,578,781, of which $10,550,721 is reported on returns with balance sheets. The latter adjustment, which is made in order to include in the tax base the interest received on nonlife insurance reserves, applies only to life insurance companies deriving a portion of their income from contracts other than life insurance, annuities, or noncancellable health and accident insurance.

DATA PREVIOUSLY RELEASED

A tabulation, prepared from consolidated income tax returns filed for 1948 by affiliated corporations, was included with other tabulations in a preliminary release dated June 19, 1951, (Press Service No. S-2721) and is omitted from this release. Table 1-A of the preliminary release shows by major industrial groups the number of consolidated income tax returns filed by affiliated corporations, with the corresponding amount of total compiled receipts, net income, income tax, and dividends paid. Although the above-mentioned table is not shown here, the data from consolidated returns are included in all tables of this release.

A chart, showing the comparison of the major industrial groups employed for 1948 with those for 1947, appeared in the Preliminary Report, Statistics of Income for 1948, Part 2, dated July 18, 1951.

Table 1. - Corporation income tax returns, 1/ 1948, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income, the income tax

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 4/	Total number of returns 5/	Returns with net income 2/: Number of returns	Returns with net income 2/: Total compiled receipts 6/	Returns with net income 2/: Net income 2/	Returns with net income 2/: Income tax 3/	Returns with net income 2/: Dividends paid in cash and assets other than own stock	Returns with no net income 2/: Number of returns	Returns with no net income 2/: Total compiled receipts 6/	Returns with no net income 2/: Deficit 2/	Returns with no net income 2/: Dividends paid in cash and assets other than own stock	
1	All industrial groups	630,670	395,860	379,309,471	36,273,250	11,920,260	9,278,836	198,383	31,656,177	1,848,226	107,639	1
2	Agriculture, forestry, and fishery	8,122	4,553	1,642,670	245,694	79,060	61,941	3,141	219,272	26,148	1,209	2
3	Farms and agricultural services	7,408	4,213	1,582,246	233,092	75,559	59,178	2,808	198,577	23,819	1,150	3
4	Forestry	272	157	30,280	9,269	2,488	2,251	102	4,015	657	6	4
5	Fishery	442	183	30,144	3,333	1,013	512	231	16,680	1,672	53	5
6	Mining and quarrying	10,962	5,503	7,337,631	1,221,825	413,678	457,796	3,582	569,364	68,842	6,274	6
7	Metal mining	1,774	230	1,190,474	282,277	88,281	155,839	670	84,697	10,823	683	7
8	Iron	113	40	268,107	27,547	8,335	14,778	43	45,719	201	50	8
9	Copper, lead, zinc, gold, silver	1,300	149	840,334	243,862	76,428	133,933	494	31,558	8,039	557	9
10	Other metal mining	361	41	82,033	10,868	3,518	7,128	133	7,420	2,583	76	10
11	Anthracite mining	210	117	525,375	42,107	12,631	18,666	86	63,466	2,332	3	11
12	Bituminous coal and lignite mining	2,297	1,434	2,542,354	318,597	113,038	75,796	729	171,980	8,971	1,089	12
13	Crude petroleum and natural gas production	4,291	2,563	2,362,031	460,206	157,417	171,529	1,424	204,496	40,718	4,325	13
14	Crude petroleum, natural gas, and natural gasoline	3,272	1,951	1,839,336	392,685	133,406	164,593	1,119	132,436	32,721	3,848	14
15	Oil- and gas-field contract services	1,019	612	522,695	67,521	24,011	6,936	305	72,060	7,997	477	15
16	Nonmetallic mining and quarrying	2,390	1,159	717,397	118,638	42,311	35,966	673	44,725	5,998	174	16
17	Stone, sand, and gravel	1,458	993	506,946	73,976	25,680	10,637	389	31,044	3,659	126	17
18	Other nonmetallic mining and quarrying	932	166	210,451	44,662	16,631	25,329	284	13,681	2,339	48	18
19	Construction	24,826	16,155	8,518,903	625,246	210,111	66,518	7,325	870,132	48,226	963	19
20	General building contractors	5,962	3,388	2,467,690	142,942	49,313	15,605	2,019	258,962	13,631	88	20
21	General contractors other than building	3,056	2,178	2,125,815	203,164	69,567	24,970	774	195,276	9,736	608	21
22	General contractors not allocable	1,878	1,187	893,032	61,657	20,740	5,653	569	87,745	5,034	52	22
23	Special trade contractors	12,713	8,904	2,895,051	206,188	67,050	19,346	3,546	305,425	18,045	206	23
24	Other construction	1,217	498	137,335	11,295	3,441	944	417	22,724	1,780	9	24
25	Manufacturing	120,367	73,638	185,981,909	18,928,473	6,821,585	4,603,273	43,108	14,029,497	814,485	33,499	25
26	Beverages	3,605	1,751	4,820,625	510,994	189,181	106,556	1,627	516,677	43,043	1,790	26
27	Nonalcoholic beverages	2,678	1,306	664,819	80,848	28,011	23,287	1,273	167,013	17,159	372	27
28	Malt liquors and malt	480	269	2,271,933	259,589	97,266	46,898	162	205,505	15,569	983	28
29	Wines	181	69	64,241	5,298	1,927	499	101	52,469	4,669	-	29
30	Distilled, rectified, and blended liquors	266	107	1,819,632	165,259	61,977	35,872	91	91,690	5,646	435	30
31	Food and kindred products	11,528	6,931	26,177,784	1,222,361	443,412	347,482	4,264	5,408,370	114,355	10,542	31
32	Meat products	1,318	899	8,599,289	184,606	66,608	41,370	384	3,733,057	25,775	7,075	32
33	Dairy products	1,727	1,104	3,588,885	133,270	49,097	36,345	562	254,030	5,294	122	33
34	Canning fruits, vegetables, and sea foods	1,832	936	2,141,866	158,531	57,913	36,703	825	346,097	31,809	412	34
35	Grain mill products, except cereal preparations	1,304	786	3,747,215	103,166	37,469	26,455	476	448,765	10,208	983	35
36	Bakery products	1,874	1,176	2,407,174	172,635	63,703	45,140	660	187,433	10,249	117	36
37	Sugar	130	73	1,078,813	75,110	26,173	25,976	52	110,934	7,458	656	37
38	Confectionery	816	411	1,214,556	113,135	41,538	33,608	384	145,682	12,336	706	38
39	Cereal preparations	47	21	335,874	34,736	13,171	12,504	15	1,730	54	-	39
40	Other food, including manufactured ice and flavoring sirups	2,096	1,307	2,084,163	185,853	64,869	70,376	752	128,986	8,342	437	40
41	Food and kindred products not allocable	384	218	979,949	61,319	22,871	19,005	154	51,656	2,830	34	41
42	Tobacco manufactures	230	123	3,007,437	243,782	91,426	89,049	102	33,023	2,048	63	42
43	Cigars	148	68	263,044	18,515	6,782	4,919	77	26,207	1,465	63	43
44	Other tobacco manufactures	82	55	2,744,393	225,267	84,644	84,130	25	6,816	583	-	44
45	Textile-mill products	6,205	4,161	11,828,790	1,554,012	576,468	292,227	1,917	615,101	46,317	1,338	45
46	Yarn and thread (cotton, wool, silk, and synthetic fiber)	621	477	1,486,455	200,147	74,802	35,596	135	44,989	4,160	44	46
47	Broad-woven fabrics (woolen and worsted)	372	224	1,205,003	131,275	48,521	26,344	143	108,502	9,973	234	47
48	Broad-woven fabrics (cotton)	439	353	3,071,271	523,605	195,488	100,152	74	47,312	3,521	13	48
49	Narrow fabrics and other smallwares (cotton, wool, silk, and synthetic fiber)	388	276	253,519	22,787	7,806	4,848	109	27,691	1,512	171	49
50	Knit goods	2,057	1,378	1,542,003	141,889	51,551	24,826	639	155,440	9,699	381	50
51	Dyeing and finishing textiles, except knit goods	682	424	634,441	66,844	24,286	11,813	246	65,559	5,555	76	51
52	Carpets and other floor coverings	179	100	843,770	105,784	39,663	23,256	72	12,481	690	11	52
53	Hats, except cloth and millinery	276	131	146,852	5,751	2,025	1,613	140	42,683	2,277	7	53
54	Other textile-mill products	910	644	1,595,924	213,381	79,123	31,944	250	89,178	6,401	354	54
55	Textile-mill products not allocable	281	154	1,049,552	142,549	53,203	31,835	109	21,266	2,529	47	55
56	Apparel and products made from fabrics	14,851	8,595	7,096,988	349,645	121,764	58,744	6,077	1,309,971	71,740	1,425	56
57	Men's clothing	2,832	1,766	2,416,214	137,208	48,996	22,689	1,023	350,981	18,253	581	57
58	Women's clothing	7,128	4,210	3,204,761	145,023	50,043	16,824	2,837	579,252	31,278	284	58
59	Millinery	470	248	74,971	2,116	596	396	219	25,891	1,178	22	59
60	Fur goods	972	393	100,487	1,713	409	194	571	81,185	4,784	15	60
61	Other apparel and accessories	730	415	271,959	14,139	4,832	3,017	311	60,660	3,580	38	61
62	Other fabricated textile products	2,044	1,187	757,314	36,685	12,548	12,670	832	159,866	9,296	381	62
63	Apparel and products made from fabrics not allocable	675	376	271,282	12,761	4,340	2,954	284	52,136	3,371	102	63
64	Lumber and wood products, except furniture	6,022	3,879	4,160,633	567,813	196,147	98,817	1,986	406,489	29,265	753	64
65	Logging camps, logging contractors, sawmills, and planing mills	3,147	2,076	2,537,342	398,197	135,427	73,141	978	208,690	14,532	379	65
66	Millwork, plywood, and prefabricated structural wood products	1,175	828	945,034	120,767	43,896	17,100	323	81,884	8,066	277	66
67	Wooden containers	536	341	348,114	21,573	7,466	3,709	189	51,520	2,288	59	67
68	Other wood products	1,164	634	330,143	27,276	9,358	4,867	496	64,395	4,379	38	68
69	Furniture and fixtures	4,400	2,724	2,147,137	195,005	70,244	34,252	1,603	304,450	22,275	414	69
70	Furniture - household, office, public building, and professional	3,132	1,930	1,777,912	164,935	59,816	30,184	1,154	237,747	15,796	203	70
71	Partitions, shelving, lockers; and office and store fixtures	612	426	173,735	15,519	5,314	1,850	178	26,883	2,786	198	71
72	Window and door screens, shades, and venetian blinds	509	296	143,957	10,864	3,794	1,696	200	34,088	3,355	10	72
73	Other furniture and fixtures	147	72	51,533	3,687	1,320	522	71	5,732	338	3	73
74	Paper and allied products	2,603	1,898	5,737,079	798,787	295,838	170,226	658	268,652	14,789	617	74
75	Pulp, paper, and paperboard	474	372	3,416,056	570,690	212,118	120,997	90	95,373	4,658	313	75
76	Paper bags and paperboard containers and boxes	1,254	889	1,326,504	142,404	52,208	30,209	345	87,195	5,751	243	76
77	Pulp goods and other converted paper products	875	637	994,519	85,693	31,512	19,020	223	86,084	4,380	61	77
78	Printing, publishing, and allied industries	12,849	8,978	5,795,347	616,198	215,974	154,815	3,519	484,388	38,385	1,272	78
79	Newspapers	2,816	2,073	2,019,062	262,703	93,752	75,259	696	143,682	12,595	246	79
80	Periodicals	1,301	702	855,526	78,127	27,564	25,571	549	109,190	10,243	102	80
81	Books	674	383	435,431	44,424	15,321	10,488	261	45,830	4,448	137	81
82	Commercial printing, including lithographing	4,408	3,295	1,565,043	143,699	49,750	27,125	1,032	107,044	6,320	132	82
83	Other printing and publishing	2,312	1,608	510,266	52,464	17,646	11,666	651	49,304	3,269	166	83
84	Printing, publishing, and allied industries not allocable	1,338	917	410,019	34,781	11,941	4,706	330	29,338	1,510	489	84

For footnotes, see pp. 25-26.

Table 1. - Corporation income tax returns, 1/ 1948, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income, the income tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 4/ - Continued	Total number of returns 5/	Returns with net income 2/					Returns with no net income 2/				
			Number of returns	Total compiled receipts 6/	Net income 2/	Income tax 3/	Dividends paid in cash and assets other than own stock	Number of returns	Total compiled receipts 6/	Deficit 2/	Dividends paid in cash and assets other than own stock	
	Manufacturing - Continued											
85	Chemicals and allied products	7,742	4,323	13,696,104	1,728,534	609,526	537,538	3,088	558,489	46,566	1,686	85
86	Industrial inorganic chemicals	206	138	547,992	85,284	30,348	21,088	62	13,838	1,244	5	86
87	Industrial organic chemicals, including plastic materials, synthetic rubber, and synthetic fibers	464	262	2,740,424	558,324	195,033	170,636	186	105,051	7,655	513	87
88	Drugs and medicines	1,523	720	1,378,988	246,595	89,120	73,949	703	49,120	5,066	257	88
89	Soap and glycerin, cleaning and polishing preparations, etc.	862	429	1,560,884	60,225	22,388	40,801	416	50,826	4,813	264	89
90	Paints, varnishes, lacquers, etc.	1,075	732	1,755,518	134,354	48,921	31,003	313	54,317	5,053	43	90
91	Perfumes, cosmetics, and other toilet preparations	719	271	229,942	25,288	8,721	3,138	411	34,197	4,592	132	91
92	Fertilizers	322	243	496,205	46,553	16,768	13,743	68	7,949	607	19	92
93	Oils and fats, animal and vegetable, except edible cooking oils	529	356	1,665,304	100,923	37,494	17,619	150	147,191	8,198	306	93
94	Other chemical products	1,114	699	1,313,659	156,869	57,381	40,333	382	56,423	4,270	92	94
95	Chemicals and allied products not allocable	928	473	2,007,188	314,119	103,352	125,228	397	39,577	5,068	55	95
96	Petroleum and coal products	668	453	19,738,277	2,000,180	660,044	702,739	181	228,900	17,142	370	96
97	Petroleum refining	325	231	18,802,752	1,904,177	625,062	683,916	75	184,830	15,213	274	97
98	Other petroleum and coal products	343	222	935,525	96,003	34,982	18,823	106	44,070	1,929	96	98
99	Rubber products	670	431	3,307,856	262,315	92,297	65,718	220	81,937	7,345	105	99
100	Tires and inner tubes	56	35	2,680,351	204,154	70,822	53,537	18	35,274	4,042	19	100
101	Other rubber products, including rubberized fabrics and clothing	614	396	627,505	58,161	21,475	12,181	202	46,663	3,303	86	101
102	Leather and products	3,047	1,734	2,734,855	158,434	57,448	41,287	1,271	426,264	26,397	931	102
103	Leather, tanned, curried, and finished	437	285	742,129	47,409	17,551	11,122	148	63,180	4,918	145	103
104	Footwear, except rubber	1,121	638	1,590,061	90,956	33,307	25,496	463	253,498	13,965	729	104
105	Other leather products	1,489	811	402,665	20,069	6,590	4,669	660	109,586	7,514	57	105
106	Stone, clay, and glass products	4,310	2,851	3,982,753	549,486	202,687	124,836	1,342	157,056	18,977	333	106
107	Glass and glass products	607	355	943,456	96,197	35,720	29,466	241	67,417	7,352	168	107
108	Cement (hydraulic)	95	77	448,294	106,158	39,999	25,469	16	391	175	-	108
109	Structural clay products	787	569	504,451	75,243	27,553	14,684	195	16,524	1,982	30	109
110	Pottery and related products	335	210	304,270	35,539	13,119	5,382	123	20,676	2,164	62	110
111	Concrete, gypsum, and plaster products	1,515	954	686,744	103,695	37,959	18,902	510	27,727	4,492	21	111
112	Cut-stone and stone products	383	303	90,750	7,727	2,457	1,378	74	4,340	278	2	112
113	Abrasives, asbestos, and other nonmetallic mineral products	588	383	1,004,788	124,927	45,880	29,555	183	19,981	2,534	50	113
114	Primary metal industries	3,138	2,169	16,746,046	1,746,435	644,825	364,967	884	264,080	17,191	1,678	114
115	Blast furnaces, steel works, and rolling mills	169	133	10,126,687	1,025,978	385,698	188,014	26	44,317	3,691	1,134	115
116	Iron and steel foundries	1,033	779	1,520,793	163,434	60,189	34,386	236	60,367	3,748	57	116
117	Smelting, refining, rolling, drawing, and alloying of nonferrous metals	387	298	3,544,979	370,441	130,193	105,611	75	56,300	2,009	341	117
118	Nonferrous foundries	759	414	382,506	37,360	13,553	6,540	329	46,483	5,001	93	118
119	Other primary metal industries	618	465	1,085,688	143,248	53,045	29,426	142	46,097	1,915	48	119
120	Primary metal industries not allocable	172	80	85,393	5,974	2,147	990	76	10,516	827	5	120
121	Fabricated metal products, except ordnance, machinery, and transportation equipment	9,564	6,320	9,009,132	1,070,028	390,510	216,237	3,020	460,252	46,413	1,396	121
122	Tin cans and other tinware	95	70	858,039	74,612	26,224	19,918	23	4,154	226	24	122
123	Cutlery, hand tools, and general hardware	1,144	704	944,435	119,549	42,361	33,102	403	57,585	6,161	343	123
124	Heating apparatus (except electrical) and plumbers' supplies	1,160	709	1,996,094	246,979	90,751	56,748	410	121,134	9,873	504	124
125	Fabricated structural metal products	2,302	1,844	1,963,123	260,663	95,878	29,586	428	64,699	10,285	130	125
126	Metal stamping, coating, and engraving	1,989	1,201	1,151,099	131,872	48,414	23,810	743	84,809	7,107	92	126
127	Lighting fixtures	630	346	240,126	15,923	5,644	2,862	267	38,492	3,918	18	127
128	Fabricated wire products	510	375	592,609	64,012	23,606	14,216	127	15,662	1,492	11	128
129	Other fabricated metal products	1,333	811	823,756	105,415	38,837	24,112	491	57,836	5,859	256	129
130	Fabricated metal products not allocable	401	260	439,871	51,003	18,795	11,883	128	15,881	1,492	18	130
131	Machinery, except transportation equipment and electrical	9,940	6,362	14,472,780	1,800,259	668,698	382,133	3,296	591,588	58,795	1,834	131
132	Engines and turbines, except automotive, aircraft, and railway	95	55	474,596	48,269	17,930	6,751	35	14,927	1,569	402	132
133	Agricultural machinery and tractors	594	368	2,666,153	290,869	108,049	59,523	205	51,313	5,354	22	133
134	Construction and mining machinery	501	405	1,507,245	218,251	81,319	32,709	81	25,191	1,798	170	134
135	Metal-working machinery, including machine tools	2,143	1,351	1,425,713	170,188	62,196	46,830	753	118,455	10,834	394	135
136	Special industry machinery	1,471	1,069	1,679,776	222,689	81,848	49,167	363	54,482	4,693	81	136
137	General industry machinery	1,239	869	1,819,960	225,291	83,819	45,982	334	62,059	6,995	133	137
138	Office and store machines	338	178	1,029,249	169,285	63,524	39,203	133	36,689	3,929	29	138
139	Service-industry and household machines	705	412	1,848,587	214,798	81,419	55,105	266	72,372	9,097	109	139
140	Other machinery parts, and machine shops	2,179	1,253	943,798	120,475	44,052	27,932	882	84,041	7,735	59	140
141	Machinery, except transportation equipment and electrical, not allocable	675	402	1,077,703	120,144	44,542	18,931	244	72,059	6,791	435	141
142	Electrical machinery and equipment	3,126	1,645	8,362,169	923,936	339,091	205,684	1,364	450,781	47,804	1,946	142
143	Electrical generating, transmission, distribution, and industrial apparatus	916	579	2,912,018	394,264	145,038	81,580	319	95,610	8,371	341	143
144	Electrical appliances	317	141	339,359	40,896	14,850	9,918	156	34,052	6,169	42	144
145	Insulated wire and cable	81	57	451,359	37,816	14,283	8,553	22	21,893	1,621	4	145
146	Electrical equipment for motor vehicles, aircraft, and railway locomotives and cars	107	48	251,754	28,511	10,758	10,072	56	9,862	757	8	146
147	Electric lamps	75	36	91,585	7,289	2,628	2,024	37	5,632	543	-	147
148	Radio, radar, and television equipment (except radio tubes), and phonographs	609	287	1,186,573	100,330	36,746	20,732	299	134,135	16,360	703	148
149	Other communication equipment and related products	260	127	1,487,659	147,275	54,436	41,305	127	40,388	3,118	124	149
150	Other electrical products, including batteries	349	178	450,077	35,334	12,811	7,671	152	24,495	2,425	15	150
151	Electrical machinery and equipment not allocable	412	192	1,191,785	132,221	47,541	23,829	196	84,714	8,440	709	151
152	Transportation equipment, except motor vehicles	1,117	563	3,345,171	270,965	96,628	96,543	493	441,310	38,532	1,150	152
153	Aircraft and parts, including aircraft engines	232	104	1,291,627	108,061	37,892	46,105	105	258,118	22,390	558	153
154	Ship and boat building and repairing	684	346	713,189	58,503	20,736	11,170	314	85,785	9,729	163	154
155	Railroad equipment, including locomotives and street cars	115	73	1,245,313	96,554	35,075	37,262	33	80,807	3,821	358	155
156	Motorcycles, bicycles, and parts	36	20	83,907	6,863	2,581	1,764	16	13,329	2,279	-	156
157	Other transportation equipment, except motor vehicles	50	20	11,135	984	344	242	25	3,271	313	71	157

For footnotes, see pp. 25-26.

Table 1. - Corporation income tax returns, 1/ 1948, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income, the income tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 4/ - Continued	Total number of returns 5/	Returns with net income 2/					Returns with no net income 2/				
			Number of returns	Total compiled receipts 6/	Net income 2/	Income tax 3/	Dividends paid in cash and assets other than own stock	Number of returns	Total compiled receipts 6/	Deficit 2/	Dividends paid in cash and assets other than own stock	
	Manufacturing - Continued											
158	Motor vehicles and equipment, except electrical	1,405	867	13,533,798	1,708,263	628,472	361,479	486	214,470	25,186	1,199	158
159	Motor vehicles, including bodies and truck trailers	517	349	11,299,454	1,449,897	531,811	305,290	148	136,874	18,038	1,137	159
160	Motor vehicle parts and accessories, and passenger trailers	888	518	2,234,344	258,366	96,661	56,189	338	77,596	7,148	62	160
161	Ordnance and accessories	59	26	219,769	33,100	12,427	7,476	27	17,950	1,927	-	161
162	Guns, howitzers, mortars, and related equipment, including small arms	33	17	48,459	7,161	2,690	1,450	14	8,308	511	-	162
163	Small arms ammunition	14	4	159,795	24,372	9,171	5,990	6	66	9	-	163
164	Other ordnance and accessories	12	5	11,515	1,567	566	36	7	9,576	1,407	-	164
165	Scientific instruments; photographic equipment; watches, clocks	1,714	999	1,828,678	227,655	80,499	69,259	673	118,333	14,942	174	165
166	Professional, scientific, and controlling instruments, including photographic and optical goods	1,593	930	1,574,938	194,581	68,075	59,404	625	76,416	10,836	81	166
167	Watches, clocks, and clockwork-operated devices	121	69	253,740	33,074	12,424	9,855	48	41,917	4,106	93	167
168	Other manufacturing	11,574	5,855	4,232,701	390,266	137,979	75,209	5,010	670,966	65,051	2,485	168
169	Jewelry (precious metal), silverware, plated ware	994	527	447,580	44,690	16,366	9,560	450	74,510	5,367	166	169
170	Costume jewelry, except precious metal	312	134	49,922	3,369	1,120	404	173	13,973	1,312	1	170
171	Fabricated plastic products, except plastic materials	1,200	577	269,517	19,492	6,556	1,658	602	67,401	6,653	30	171
172	Other manufacturing	9,068	4,617	3,465,682	322,735	113,937	63,587	3,785	515,082	51,719	2,288	172
173	Public utilities	26,917	15,304	27,482,955	3,594,232	1,204,804	1,437,658	9,921	2,193,465	146,212	14,918	173
174	Transportation	19,173	10,995	17,105,238	1,846,225	649,661	407,609	7,060	1,946,229	126,596	10,281	174
175	Railroads, railway express	725	425	10,725,249	1,231,267	442,519	274,908	187	367,165	34,827	202	175
176	Urban, suburban, and interurban railways (with or without buses)	101	50	224,186	13,533	4,659	5,309	42	260,350	12,895	1,344	176
177	Trucking and warehousing	9,409	6,092	2,224,945	179,402	59,261	21,174	2,928	271,551	13,037	238	177
178	Other motor vehicle transportation, including taxicabs and buses	3,735	1,890	909,359	100,680	31,459	39,400	1,711	240,292	14,686	961	178
179	Pipe line transportation	166	112	306,424	67,690	24,635	13,212	54	41,478	851	234	179
180	Water transportation	1,725	968	1,746,031	175,097	61,725	37,510	610	340,480	24,485	5,562	180
181	Air transportation and allied services	1,175	330	480,874	19,330	5,263	1,952	721	315,579	18,462	1,546	181
182	Services incidental to transportation	1,920	1,062	458,066	56,468	19,191	13,832	762	104,598	6,840	191	182
183	Other transportation	217	66	30,104	2,758	949	512	65	4,736	513	3	183
184	Communication	4,386	2,265	3,776,284	539,006	135,611	400,014	1,819	107,629	12,472	276	184
185	Telephone (wire or radio)	2,827	1,444	3,204,151	489,005	118,088	387,348	1,251	24,285	2,345	144	185
186	Telegraph (wire and radio)	29	9	212,397	1,099	278	1,268	15	24,846	1,768	3	186
187	Radio broadcasting and television	1,507	801	358,712	48,743	17,205	11,384	544	58,333	8,340	129	187
188	Other communication	23	11	1,024	159	40	14	9	165	19	-	188
189	Electric and gas utilities	1,358	969	6,436,644	1,177,202	409,692	618,749	306	124,907	5,486	4,290	189
190	Electric light and power	736	535	5,052,023	942,787	324,976	479,093	143	71,802	2,694	3,731	190
191	Gas production and distribution, except natural gas production	622	434	1,384,621	234,415	84,716	139,656	163	53,105	2,792	559	191
192	Other public utilities	2,000	1,075	164,789	31,799	9,840	11,286	736	14,700	1,658	71	192
193	Water supply	1,607	892	117,518	27,136	8,603	10,677	575	9,846	914	53	193
194	Other public utilities	393	183	47,271	4,663	1,237	609	161	4,854	744	18	194
195	Trade	201,161	138,304	126,237,227	6,128,574	2,127,938	1,065,634	58,444	11,268,073	370,213	12,280	195
196	Wholesale	66,362	44,144	61,360,756	2,415,560	840,185	409,799	20,696	6,501,204	186,272	7,077	196
197	Commission merchants	9,551	5,779	3,402,481	175,272	56,600	34,574	3,504	469,702	20,057	799	197
198	Other wholesalers	56,811	38,365	57,958,275	2,240,288	783,585	375,225	17,192	6,031,502	166,215	6,278	198
199	Food	8,666	5,628	11,058,320	210,649	68,694	46,984	2,859	2,032,516	29,804	891	199
200	Alcoholic beverages	2,146	1,329	3,976,241	153,941	56,311	14,770	756	353,611	12,047	409	200
201	Apparel and dry goods	5,973	3,672	3,779,164	201,355	70,675	28,642	2,208	583,762	24,654	1,180	201
202	Chemicals, paints, and drugs	2,494	1,482	2,409,697	99,318	34,253	23,663	946	176,736	8,465	727	202
203	Hardware, electrical goods, plumbing and heating equipment	5,308	4,039	6,368,942	371,573	134,862	63,348	1,186	254,608	11,536	247	203
204	Lumber, millwork, and construction materials	3,078	2,410	2,615,894	130,840	45,456	16,675	608	122,931	4,795	225	204
205	Machinery and equipment	3,920	2,687	2,519,220	163,330	58,087	17,831	1,163	184,976	10,981	228	205
206	Farm products (raw materials)	2,955	2,123	5,540,180	107,811	37,313	18,094	772	521,093	8,562	483	206
207	Other wholesalers	17,973	12,368	16,029,045	688,149	238,951	126,662	5,262	1,429,022	44,377	1,330	207
208	Wholesalers not allocable	4,298	2,627	3,661,572	113,322	38,985	18,556	1,432	372,247	10,994	558	208
209	Retail	112,772	79,067	55,563,939	3,246,640	1,132,177	568,580	31,748	3,870,917	149,241	3,999	209
210	Food	8,821	5,006	11,426,685	271,382	97,900	53,403	3,604	692,206	16,562	545	210
211	General merchandise	6,990	5,291	14,954,673	1,131,960	419,563	289,435	1,561	265,391	9,043	592	211
212	Department stores	2,538	2,211	11,607,660	869,586	323,440	205,754	292	144,758	3,697	378	212
213	Mail-order houses	514	228	396,487	22,136	8,124	4,446	257	21,987	1,256	1	213
214	Variety stores	561	382	2,095,953	198,665	74,877	71,509	170	18,976	676	6	214
215	Other general merchandise	3,377	2,470	834,573	41,573	13,122	7,726	842	79,670	3,414	207	215
216	Apparel and accessories	15,070	10,847	5,007,662	261,267	85,276	48,290	3,971	445,509	21,888	386	216
217	Furniture and house furnishings	9,262	6,647	2,087,874	125,533	39,105	15,073	2,518	289,185	13,056	386	217
218	Automotive dealers and filling stations	21,837	18,136	12,017,520	937,847	330,272	81,612	3,284	506,955	15,265	223	218
219	Automobiles and trucks	17,678	15,519	10,996,238	879,765	310,982	70,063	1,859	390,336	10,132	142	219
220	Parts, accessories, tires, batteries	2,075	1,284	500,872	26,730	8,646	3,442	748	68,836	4,022	69	220
221	Filling stations	2,084	1,333	520,410	31,352	10,644	8,107	677	47,783	1,111	12	221
222	Drug stores	5,006	3,521	1,346,633	47,940	14,769	11,995	1,384	130,921	8,479	126	222
223	Eating and drinking places	14,304	6,563	1,406,114	60,871	18,322	12,299	7,442	663,439	30,090	645	223
224	Building materials and hardware	9,672	8,120	2,691,787	191,341	60,651	26,822	1,474	151,966	6,100	141	224
225	Lumber and building materials	5,946	4,987	2,058,059	149,947	48,893	23,013	906	110,468	4,339	106	225
226	Hardware and farm equipment	3,726	3,133	633,728	41,394	11,758	3,809	568	41,498	1,761	35	226
227	Other retail trade	21,810	14,936	4,644,991	218,499	66,319	29,651	6,510	725,345	28,758	955	227
228	Liquor stores	2,487	1,607	234,975	6,918	1,564	628	847	86,603	2,919	58	228
229	Other retail trade	13,549	8,991	2,656,573	124,478	37,742	16,540	4,342	475,565	20,109	718	229
230	Retail trade not allocable	5,774	4,338	1,753,443	87,103	27,013	12,483	1,321	163,177	5,730	179	230
231	Trade not allocable	22,027	15,093	9,312,532	466,374	155,576	87,255	6,000	895,952	34,700	1,204	231
232	Finance, insurance, real estate, and lessors of real property	169,032	112,038	14,548,902	4,761,579	813,575	1,422,396	48,605	925,567	236,402	26,512	232
233	Finance	38,406	28,843	5,419,035	1,902,977	424,743	1,028,913	8,255	181,870	89,074	19,119	233
234	Banks and trust companies	15,104	14,212	3,514,051	931,498	272,283	335,525	660	67,883	10,134	6,552	234
235	Credit agencies other than banks	13,946	8,577	791,442	233,591	77,341	89,278	4,663	49,244	30,938	7,240	235
236	Personal credit agencies	3,050	2,361	426,381	125,664	42,759	41,412	570	11,437	2,320	149	236
237	Business credit agencies	3,597	2,357	279,882	77,395	26,327	35,309	1,108	11,002	8,899	378	237
238	Other credit agencies	620	432	32,236	8,260	2,527	1,334	141	1,874	465	24	238
239	Credit agencies and finance not allocable	6,679	3,427	52,943	22,272	5,728	11,223	2,844	24,931	19,256	6,689	239
240	Holding and other investment companies	7,759	5,267	984,657	715,851	69,809	597,154	2,233	18,627	39,122	4,844	240
241	Operating-holding companies	1,156	861	238,635	109,876	19,357	89,019	286	4,313	5,121	605	241
242	Other investment and holding companies	6,603	4,406	746,022	605,975	50,452	508,135	1,947	14,314	34,001	4,239	242

For footnotes, see pp. 25-26.

Table 1. - Corporation income tax returns, 1/ 1948, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, total compiled receipts, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income, the income tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 4/ - Continued	Total number of returns 5/	Returns with net income 2/: Number of returns	Returns with net income 2/: Total compiled receipts 6/	Returns with net income 2/: Net income 2/	Returns with net income 2/: Income tax 3/	Returns with net income 2/: Dividends paid in cash and assets other than own stock	Returns with no net income 2/: Number of returns	Returns with no net income 2/: Total compiled receipts 6/	Returns with no net income 2/: Deficit 2/	Returns with no net income 2/: Dividends paid in cash and assets other than own stock	
	Finance, insurance, real estate, and lessors of real property - Continued											
	Finance - Continued											
243	Security and commodity-exchange brokers and dealers	1,597	787	128,885	22,037	5,310	6,956	699	46,116	8,880	483	243
244	Insurance carriers and agents	9,605	7,232	6,086,930	1,970,356	133,035	162,776	2,101	210,989	18,541	2,183	244
245	Insurance carriers	2,527	2,097	5,706,382	1,897,948	111,449	140,227	355	173,488	15,523	2,116	245
246	Life insurance companies	846	775	1,685,276	1,492,471	2,007	45,294	61	1,093	133	97	246
247	Mutual insurance, except life or marine or fire insurance companies issuing perpetual policies	610	565	37,192	30,129	11,624	358	45	291	222	7	247
248	Other insurance carriers	1,071	757	3,983,914	375,348	97,818	94,575	249	172,104	15,168	2,012	248
249	Insurance agents and brokers	7,078	5,135	380,548	72,408	21,586	22,549	1,746	37,501	3,018	67	249
250	Real estate, except lessors of real property other than buildings	114,580	72,099	2,746,361	724,966	198,490	133,073	36,002	497,584	115,518	4,622	250
251	Real estate operators including lessors of buildings	85,749	59,929	2,286,080	578,167	157,282	115,849	24,881	421,016	76,640	3,496	251
252	Developers of real property, including traders on own account	12,681	6,948	236,044	94,461	26,967	7,264	4,744	36,759	25,913	434	252
253	Real estate agents, brokers, and managers	3,762	2,099	101,729	16,268	4,319	2,348	1,477	23,255	2,808	152	253
254	Title abstract companies	1,335	799	44,242	10,866	3,220	3,927	460	4,348	410	8	254
255	Other real estate, except lessors of real property other than buildings	11,053	2,324	78,266	25,204	6,702	3,685	4,440	12,206	9,747	532	255
256	Lessors of real property, except buildings	6,441	3,864	296,576	163,280	57,307	97,634	2,247	35,124	13,269	588	256
257	Agricultural, forest, and similar properties	957	536	18,262	10,006	2,903	4,150	390	2,593	1,752	170	257
258	Mining, oil, and similar properties	2,851	1,981	164,245	87,008	30,255	56,765	781	5,958	4,560	321	258
259	Railroad property	371	186	78,556	48,310	18,142	31,908	134	24,326	4,445	34	259
260	Public-utility property	148	88	25,689	12,326	4,616	2,851	55	345	311	17	260
261	Other real property, except buildings	2,114	1,073	9,824	5,630	1,391	1,960	887	1,902	2,201	46	261
262	Services	54,173	29,412	7,460,049	755,282	245,907	162,070	21,044	1,557,925	124,931	10,788	262
263	Hotels and other lodging places	6,027	3,667	1,314,562	131,851	43,739	22,836	2,160	231,131	16,608	578	263
264	Personal services	11,599	6,796	1,206,188	80,430	23,180	14,483	4,467	285,781	15,150	217	264
265	Laundries, cleaners, and dyers	6,221	3,749	926,817	56,616	17,055	9,334	2,267	208,065	9,186	137	265
266	Photographic studios, including commercial photography	1,156	577	66,440	3,823	904	601	547	27,316	2,165	29	266
267	Other personal services	4,222	2,470	212,931	19,991	5,221	4,548	1,653	50,400	3,799	51	267
268	Business services	10,500	5,811	1,714,722	152,735	51,151	32,170	4,083	269,707	15,273	244	268
269	Advertising	2,804	1,774	1,095,468	76,308	26,637	15,070	907	88,389	4,628	84	269
270	Other business services	7,696	4,037	619,254	76,427	24,514	17,100	3,176	181,318	10,645	160	270
271	Automotive repair services and garages	4,139	2,598	309,205	33,489	9,356	2,568	1,407	62,007	3,684	61	271
272	Miscellaneous repair services, hand trades	2,133	1,232	214,880	16,110	5,071	929	854	33,575	3,310	8	272
273	Motion pictures	5,491	3,551	1,630,955	211,410	70,885	64,344	1,606	404,461	38,503	9,467	273
274	Motion picture production	1,150	401	892,511	93,530	33,111	34,079	583	332,299	34,478	9,174	274
275	Motion picture theaters	4,341	3,150	738,444	117,880	37,774	30,265	1,023	72,162	4,025	293	275
276	Amusement, except motion pictures	6,548	2,498	532,702	76,507	26,178	16,536	3,312	142,924	17,653	117	276
277	Other services, including schools	7,736	3,259	536,835	52,750	16,347	8,204	3,155	128,339	14,750	96	277
278	Nature of business not allocable	15,110	953	99,225	12,345	3,602	1,550	3,213	22,882	12,767	1,196	278

For footnotes, see pp. 25-26.

Table 2. - Corporation income tax returns, 1/ 1948, by major industrial groups: Number of returns, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend

(Money figures in thousands of dollars)

		Major industrial groups 4/: All industrial groups	Agriculture, forestry, and fishery: Total agriculture, forestry, and fishery	Farms and agricultural services	Forestry	Fishery	Mining and quarrying: Total mining and quarrying	Metal mining	Anthracite mining	Bituminous coal and lignite mining	Crude petroleum and natural gas production	Nonmetallic mining and quarrying	Construction	Manufacturing: Total manufacturing	Beverages	Food and kindred products	Tobacco manufactures	Textile-mill products	Apparel and products made from fabrics	
1	Number of returns 7/	594,243	7,694	7,021	259	414	9,085	900	203	2,163	3,987	1,832	23,480	116,746	3,378	11,195	225	6,078	14,672	1
	Receipts:																			
2	Gross sales 8/	339,081,072	1,442,208	1,397,817	18,444	25,947	6,495,729	1,178,021	500,202	2,346,540	1,810,549	660,417	2,356,035	193,377,108	5,253,054	31,212,410	3,024,069	12,093,262	8,110,849	2
3	Gross receipts from operations 9/	56,484,248	341,377	316,533	4,910	19,934	1,101,197	38,500	59,314	294,502	625,577	83,304	6,871,519	3,738,057	21,946	139,912	5,264	210,273	242,503	3
	Interest on Government obligations (less amortizable bond premium):																			
4	Wholly taxable 10/	1,476,728	731	627	65	39	7,796	3,740	294	1,797	1,323	642	1,498	81,952	1,893	4,391	120	6,931	1,305	4
5	Subject to surtax only 11/	230,482	224	222	-	2	361	59	31	120	97	54	79	4,604	111	452	48	148	107	5
6	Wholly tax-exempt 12/	162,972	110	94	16	-	186	70	5	66	16	29	303	3,395	152	385	47	236	24	6
7	Other interest	3,556,503	3,496	3,155	307	34	8,847	2,739	534	2,089	2,828	657	4,264	138,711	4,277	12,110	811	7,648	1,933	7
8	Rents 13/	3,056,563	13,922	13,577	281	64	30,759	3,468	5,185	12,286	6,852	2,968	22,699	274,941	4,653	21,627	3,060	16,208	5,333	8
9	Royalties 14/	451,701	7,258	6,995	263	-	59,815	2,018	10,555	14,501	31,446	1,295	1,571	143,115	377	4,823	12	2,003	8,430	9
10	Excess of net short-term capital gain over net long-term capital loss 15/	22,392	448	225	210	13	1,593	156	9	179	1,232	17	489	4,363	502	601	-	770	60	10
11	Excess of net long-term capital gain over net short-term capital loss 15/	826,707	22,258	14,148	7,720	390	36,164	1,720	1,691	9,107	19,472	4,174	20,079	327,306	11,264	28,405	1,283	17,699	3,796	11
12	Net gain, sales other than capital assets 16/	364,514	3,061	1,864	1,192	5	6,005	315	84	785	4,432	389	3,434	21,782	1,444	4,291	55	1,986	1,017	12
13	Dividends, domestic corporations 17/	2,193,956	6,168	5,937	154	77	102,303	38,358	9,516	17,418	34,823	2,188	10,785	716,388	5,808	28,691	2,842	24,598	4,948	13
14	Dividends, foreign corporations 18/	382,425	2,793	2,789	4	-	914	576	-	72	236	30	685	267,386	527	22,036	230	3,247	188	14
15	Other receipts	2,675,385	17,888	16,840	729	319	55,326	5,431	1,421	14,872	27,644	5,958	95,595	912,298	31,294	106,020	2,619	58,882	26,466	15
16	Total compiled receipts 6/	410,965,648	1,861,942	1,780,823	34,295	46,824	7,906,995	1,275,171	588,841	2,714,334	2,566,527	762,122	9,389,035	200,011,406	5,337,302	31,586,154	3,040,460	12,443,891	8,406,959	16
	Deductions:																			
17	Cost of goods sold 19/	261,404,073	951,280	914,784	16,099	20,397	4,124,246	708,773	421,015	1,719,135	878,411	396,912	1,808,866	145,925,265	3,393,222	26,538,600	2,501,047	9,219,319	6,597,607	17
18	Cost of operations 19/	32,819,603	158,507	146,668	1,521	10,318	728,775	27,368	41,900	205,930	405,709	47,868	5,647,202	2,386,007	7,399	66,803	1,171	131,301	180,201	18
19	Compensation of officers	26/6,733,267	42,722	40,186	838	1,698	88,305	5,490	3,425	28,634	30,848	19,908	321,235	2,469,913	51,503	197,188	9,066	171,513	260,320	19
20	Rent paid on business property	3,524,957	28,299	27,928	61	310	39,901	6,194	2,730	9,096	17,894	3,987	34,099	759,334	13,649	73,866	1,786	35,259	66,008	20
21	Repairs 20/	3,826,381	34,190	32,314	118	1,758	114,593	11,310	11,906	48,479	17,779	25,119	45,967	2,920,591	40,599	254,622	4,663	148,971	16,176	21
22	Bad debts	711,500	2,347	2,238	69	40	6,540	589	743	1,005	2,585	1,618	12,204	160,014	2,492	17,303	253	5,525	8,169	22
23	Interest paid	2,758,685	12,606	11,496	792	318	45,881	4,102	2,960	8,612	26,114	4,093	23,042	581,550	20,913	65,853	23,107	33,375	17,344	23
24	Taxes paid 21/	7,481,725	31,074	29,071	1,217	786	196,030	50,528	12,317	48,026	69,403	15,756	85,062	3,568,001	621,908	261,095	78,866	174,266	68,708	24
25	Contributions or gifts 22/	239,337	1,038	1,001	11	26	3,447	204	227	1,109	1,385	522	4,849	119,450	3,142	8,828	628	21,013	8,942	25
26	Depreciation	6,298,641	49,422	47,144	524	1,754	258,661	29,690	11,211	67,865	118,835	31,060	127,840	2,807,967	71,561	257,121	10,011	147,266	34,397	26
27	Depletion	1,711,272	3,248	2,343	905	-	553,733	105,139	13,542	88,691	323,943	22,418	1,216	1,057,378	2,821	918	-	-	-	27
28	Amortization 23/	38,939	41	41	-	-	3,756	389	-	227	3,061	79	138	10,054	46	1,751	6	102	108	28
29	Advertising	3,465,984	8,815	8,702	41	72	5,752	247	1,052	1,099	1,623	1,731	20,741	1,940,855	145,384	366,868	77,011	59,648	62,959	29
30	Amounts contributed under pension plans, etc. 24/	1,153,499	3,345	3,279	31	35	17,349	2,554	651	5,869	7,496	779	9,693	658,927	10,761	52,407	6,290	28,176	7,794	30
31	Net loss, sales other than capital assets 16/	239,468	2,397	1,972	247	178	12,117	1,168	957	4,684	4,691	617	1,852	62,161	4,282	7,103	35	7,887	1,918	31
32	Other deductions	43,970,321	312,955	302,289	3,193	7,473	554,740	49,902	24,425	166,181	237,246	76,986	667,706	16,466,556	479,517	2,307,437	84,739	752,339	798,379	32
33	Total compiled deductions	27/376,377,652	1,642,286	1,571,456	25,667	45,163	6,753,826	1,003,647	549,061	2,404,642	2,147,023	649,453	8,811,712	181,894,023	4,869,199	30,477,763	2,798,679	10,935,960	8,129,030	33
34	Compiled net profit or net loss (16 less 33)	34,587,996	219,656	209,367	8,628	1,661	1,153,169	271,524	39,780	309,692	419,504	112,669	577,323	18,117,383	468,103	1,108,391	241,781	1,507,931	277,929	34
35	Net income or deficit 2/ (34 less 6)	34,425,024	219,546	209,273	8,612	1,661	1,152,983	271,454	39,775	309,626	419,488	112,640	577,020	18,113,988	467,951	1,108,006	241,734	1,507,695	277,905	35
36	Net operating loss deduction 25/	203,835	4,770	4,370	194	206	7,164	1,419	233	916	3,716	880	10,861	60,942	993	4,111	8	2,253	2,613	36
37	Income tax 3/	11,920,260	79,060	75,559	2,488	1,013	413,678	88,281	12,631	113,038	157,417	42,311	210,111	6,821,585	189,181	443,412	91,426	576,468	121,764	37
38	Compiled net profit less income tax (34 less 37)	22,667,736	140,596	133,808	6,140	648	739,491	183,243	27,149	196,654	262,087	70,358	367,212	11,295,798	278,922	664,979	150,355	931,463	156,165	38
	Dividends paid:																			
39	Cash and assets other than own stock	9,386,475	63,150	60,328	2,257	565	464,070	156,522	18,669	76,885	175,854	36,140	67,481	4,636,772	108,346	358,024	89,112	293,565	60,167	39
40	Corporation's own stock	1,024,707	4,906	4,356	-	550	25,891	-	45	7,498	15,475	2,873	37,155	637,282	16,502	22,056	16	70,479	18,641	40

For footnotes, see pp. 25-26.

Table 2. - Corporation income tax returns, 1/ 1948, by major industrial groups: Number of returns, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued																		
		Manufacturing - Continued																		
		Lumber and wood products, except furniture	Furniture and fixtures	Paper and allied products	Printing, publishing, and allied industries	Chemicals and allied products	Petroleum and coal products	Rubber products	Leather and products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products, except ordnance, machinery, and transportation equipment	Machinery, except transportation equipment and electrical	Electrical machinery and equipment	Transportation equipment, except motor vehicles	Motor vehicles and equipment, except electrical	Ordnance and accessories	Scientific instruments; photographic equipment; watches, clocks	Other manufacturing	
1	Number of returns 7/	5,865	4,327	2,556	12,497	7,411	634	651	3,005	4,193	3,053	9,340	9,658	3,009	1,056	1,353	53	1,672	10,865	1
	Receipts:																			
2	Gross sales 8/	4,333,526	2,409,189	5,903,462	5,678,977	13,885,314	18,801,166	3,315,622	3,126,013	4,053,140	16,230,078	9,280,691	14,616,489	8,663,701	2,951,497	13,509,839	234,515	1,899,999	4,790,246	2
3	Gross receipts from operations 9/	79,292	19,110	16,795	473,438	86,659	610,021	7,426	11,061	25,806	604,807	61,220	241,496	38,921	770,144	8,646	648	8,585	54,084	3
	Interest on Government obligations (less amortizable bond premium):																			
4	Wholly taxable 10/	2,193	703	3,845	4,109	6,979	8,642	1,154	828	2,487	11,291	3,349	7,743	2,343	2,357	6,906	291	796	1,296	4
5	Subject to surtax only 11/	89	24	208	486	480	354	18	29	219	209	268	523	149	38	379	37	122	106	5
6	Wholly tax-exempt 12/	146	26	178	276	396	172	9	28	117	167	172	422	175	35	121	21	25	65	6
7	Other interest	2,406	787	6,175	4,949	17,680	11,309	1,313	1,184	2,730	25,144	5,639	10,837	10,094	3,424	4,309	357	1,259	2,336	7
8	Rents 13/	7,676	2,196	7,386	18,191	14,336	89,019	1,832	1,993	4,914	18,481	11,394	23,373	6,212	3,281	4,637	462	1,062	7,615	8
9	Royalties 14/	4,809	402	3,686	11,243	20,731	25,545	4,063	256	3,178	8,012	4,369	17,448	11,603	3,811	3,908	77	1,961	2,368	9
10	Excess of net short-term capital gain over net long-term capital loss 15/	184	23	111	49	407	189	2	9	46	244	151	565	204	44	26	1	2	173	10
11	Excess of net long-term capital gain over net short-term capital loss 15/	93,160	2,807	14,028	11,426	11,257	40,161	924	1,771	5,018	17,628	14,820	12,870	17,541	8,423	3,094	224	1,411	8,296	11
12	Net gain, sales other than capital assets 16/	1,654	222	1,123	1,015	1,186	972	102	152	337	472	1,360	1,751	534	1,010	72	17	154	876	12
13	Dividends, domestic corporations 17/	10,264	1,522	11,782	22,358	125,510	246,594	20,891	1,956	6,417	43,037	22,098	22,472	22,386	10,330	59,793	291	14,607	7,193	13
14	Dividends, foreign corporations 18/	171	1,262	7,923	2,645	22,553	58,041	23,217	93	10,961	14,050	11,938	19,257	12,079	2,930	47,248	40	3,750	3,000	14
15	Other receipts	31,552	13,314	29,029	50,573	61,105	74,992	13,220	15,746	24,439	36,506	51,915	89,122	27,008	29,157	99,290	738	13,298	26,013	15
16	Total compiled receipts 6/	4,567,122	2,451,587	6,005,731	6,279,735	14,254,593	19,967,177	3,389,793	3,161,119	4,139,809	17,010,126	9,469,384	15,064,368	8,812,950	3,786,481	13,748,268	237,719	1,947,011	4,903,667	16
	Deductions:																			
17	Cost of goods sold 19/	3,216,826	1,801,904	4,235,455	3,862,185	9,570,383	13,561,399	2,470,280	2,579,573	2,786,303	12,669,542	6,683,026	10,197,889	6,384,654	2,440,048	10,395,343	164,044	1,252,182	3,404,434	17
18	Cost of operations 19/	51,014	12,914	6,091	258,345	49,277	428,081	1,391	7,072	14,382	448,737	36,044	34,853	8,094	609,236	4,214	575	3,363	25,449	18
19	Compensation of officers	88,640	73,437	85,257	218,045	154,510	33,158	20,499	65,715	76,942	113,895	223,581	256,969	81,908	31,111	49,968	2,432	38,023	166,233	19
20	Rent paid on business property	12,897	15,238	23,241	56,976	43,907	120,920	13,171	18,355	12,316	49,699	35,745	47,874	33,789	15,933	23,221	341	10,875	34,268	20
21	Repairs 20/	42,211	16,098	148,644	33,227	231,899	324,058	62,155	22,772	105,784	582,638	143,487	253,138	119,878	71,601	221,281	7,652	26,252	42,785	21
22	Bad debts	7,364	3,424	3,656	18,639	10,544	14,971	2,438	2,171	3,643	10,799	10,284	14,614	6,542	1,884	2,255	194	1,827	11,023	22
23	Interest paid	15,204	6,620	18,113	18,226	43,220	66,498	13,438	6,998	12,767	74,475	21,877	41,736	28,361	12,527	18,247	476	5,596	16,579	23
24	Taxes paid 21/	65,835	30,509	85,568	76,350	205,964	405,954	99,779	31,713	58,116	241,922	121,614	216,144	181,833	60,151	351,659	5,122	56,504	68,421	24
25	Contributions or gifts 22/	2,912	2,285	5,279	7,440	5,681	4,685	999	2,702	2,459	6,490	7,548	12,289	4,133	1,346	4,166	304	2,268	3,911	25
26	Depreciation	77,488	23,409	107,687	75,245	272,940	461,133	53,321	19,581	91,653	317,187	127,358	224,169	120,082	49,048	172,580	3,167	29,719	61,844	26
27	Depletion	89,475	155	4,954	32	17,622	871,470	34	-	2,361	63,194	257	894	288	69	1,006	-	2	1,826	27
28	Amortization 23/	63	13	33	131	886	3,261	261	7	74	1,321	289	275	57	92	493	-	56	729	28
29	Advertising	9,917	21,977	23,754	34,676	391,572	76,696	36,846	25,728	25,751	35,802	77,305	143,422	115,705	12,198	76,157	2,227	46,029	73,223	29
30	Amounts contributed under pension plans, etc. 24/	4,540	3,223	24,524	27,149	69,529	108,042	7,391	8,305	12,048	50,121	29,566	62,585	83,488	14,528	18,338	3,483	15,862	10,777	30
31	Net loss, sales other than capital assets 16/	2,006	667	1,250	1,702	3,139	1,190	1,026	815	2,360	4,692	3,987	6,338	2,617	3,310	600	2	498	4,757	31
32	Other deductions	342,036	266,958	448,049	1,013,278	1,501,156	1,502,451	351,785	237,547	402,224	610,201	923,629	1,809,293	765,214	230,931	725,542	16,506	245,217	652,128	32
33	Total compiled deductions	4,028,428	2,278,831	5,221,555	5,701,646	12,572,229	17,983,967	3,134,814	3,029,054	3,609,183	15,280,715	8,445,597	13,322,482	7,936,643	3,554,013	12,065,070	206,525	1,734,273	4,578,367	33
34	Compiled net profit or net loss (16 less 33)	538,694	172,756	784,176	578,089	1,682,364	1,983,210	254,979	132,065	530,626	1,729,411	1,023,787	1,741,886	876,307	232,468	1,683,198	31,194	212,738	325,300	34
35	Net income or deficit 2/ (34 less 6)	538,548	172,730	783,998	577,813	1,681,968	1,983,038	254,970	132,037	530,509	1,729,244	1,023,615	1,741,464	876,132	232,433	1,683,077	31,173	212,713	325,235	35
36	Net operating loss deduction 25/	2,159	1,642	926	3,248	3,688	3,067	430	807	1,844	2,242	3,468	8,673	3,865	7,291	1,693	37	569	5,315	36
37	Income tax 3/	196,147	70,244	295,838	215,974	609,526	660,044	92,297	57,448	202,687	644,825	390,510	668,698	339,091	96,628	628,472	12,427	80,499	137,979	37
38	Compiled net profit less income tax (34 less 37)	342,547	102,512	488,338	362,115	1,072,838	1,323,166	162,682	74,617	327,939	1,084,586	633,277	1,073,188	537,216	135,840	1,054,726	18,767	132,239	187,321	38
	Dividends paid:																			
39	Cash and assets other than own stock	99,570	34,666	170,843	156,087	539,224	703,109	65,823	42,218	125,169	366,645	217,633	383,967	207,630	97,693	362,678	7,476	69,433	77,694	39
40	Corporation's own stock	9,897	11,264	29,616	12,453	35,918	168,971	2,186	3,665	13,673	59,714	45,140	45,934	14,448	4,705	6,328	-	31,000	14,676	40

For footnotes, see pp. 25-26.

Table 2. - Corporation income tax returns, 1/ 1948, by major industrial groups: Number of returns, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

(Money figures in thousands of dollars)

Major industrial groups 4/ - Continued

		Public utilities					Trade
		Total public utilities	Transportation	Communication	Electric and gas utilities	Other public utilities	Total trade
1	Number of returns 7/	25,225	18,055	4,084	1,275	1,811	196,748
	Receipts:						
2	Gross sales 8/	514,239	370,918	11,705	127,147	4,469	133,054,746
3	Gross receipts from operations 9/	28,017,442	18,001,729	3,605,456	6,243,999	166,258	2,806,410
	Interest on Government obligations (less amortizable bond premium):						
4	Wholly taxable 10/	25,350	14,965	4,481	5,745	159	18,513
5	Subject to surtax only 11/	1,650	1,553	23	69	5	844
6	Wholly tax-exempt 12/	707	439	30	152	86	694
7	Other interest	108,641	61,709	13,598	32,886	448	80,735
8	Rents 13/	386,163	332,241	27,537	25,280	1,105	211,906
9	Royalties 14/	12,503	9,413	1,267	1,563	260	14,537
10	Excess of net short-term capital gain over net long-term capital loss 15/	1,334	1,240	10	84	-	3,919
11	Excess of net long-term capital gain over net short-term capital loss 15/	68,000	48,198	4,456	12,883	2,463	84,343
12	Net gain, sales other than capital assets 16/	7,585	6,891	139	394	161	14,559
13	Dividends, domestic corporations 17/	390,417	102,214	205,953	80,280	1,970	101,876
14	Dividends, foreign corporations 18/	12,872	5,643	1,529	5,698	2	43,083
15	Other receipts	129,517	94,314	7,729	25,371	2,103	1,069,135
16	Total compiled receipts 6/	29,676,420	19,051,467	3,883,913	6,561,551	179,489	137,505,300
	Deductions:						
17	Cost of goods sold 19/	357,699	259,939	5,355	89,403	3,002	107,124,055
18	Cost of operations 19/	18,475,032	12,942,561	2,153,881	3,303,766	74,824	1,602,947
19	Compensation of officers	238,279	182,981	19,819	31,569	3,910	2,376,762
20	Rent paid on business property	776,121	663,313	65,892	44,604	2,312	1,339,163
21	Repairs 20/	52,946	44,619	5,504	1,431	1,392	348,043
22	Bad debts	24,598	8,298	10,771	5,335	194	206,885
23	Interest paid	873,802	442,528	119,266	296,259	15,749	235,812
24	Taxes paid 21/	1,698,660	895,524	235,251	551,342	16,543	960,150
25	Contributions or gifts 22/	16,025	3,952	2,582	9,371	120	66,088
26	Depreciation	1,659,835	775,182	332,310	536,409	15,934	666,873
27	Depletion	33,929	13,465	15	20,375	74	16,253
28	Amortization 23/	19,367	17,816	254	1,294	3	3,197
29	Advertising	84,419	48,982	20,712	14,518	207	1,171,336
30	Amounts contributed under pension plans, etc. 24/	210,639	28,761	112,349	69,028	501	143,150
31	Net loss, sales other than capital assets 16/	25,555	17,256	317	7,798	184	16,050
32	Other deductions	1,680,787	986,222	273,071	407,181	14,313	15,469,481
33	Total compiled deductions	26,227,693	17,331,399	3,357,349	5,389,683	149,262	131,746,245
34	Compiled net profit or net loss (16 less 33)	3,448,727	1,720,068	526,564	1,171,868	30,227	5,759,055
35	Net income or deficit 2/ (34 less 6)	3,448,020	1,719,629	526,534	1,171,716	30,141	5,758,361
36	Net operating loss deduction 25/	21,654	18,333	1,243	986	1,092	27,648
37	Income tax 3/	1,204,804	649,661	135,611	409,692	9,840	2,127,938
38	Compiled net profit less income tax (34 less 37)	2,243,923	1,070,407	390,953	762,176	20,387	3,631,117
	Dividends paid:						
39	Cash and assets other than own stock	1,452,576	417,890	400,290	623,039	11,357	1,077,914
40	Corporation's own stock	38,300	10,466	1,932	25,132	770	198,964

	Trade - Wholesale			Trade - Retail									
	Total wholesale	Commission merchants	Other wholesalers	Total retail	Food	General merchandise	Apparel and accessories	Furniture and house furnishings	Automotive dealers and filling stations	Drug stores	Eating and drinking places	Building materials and hardware	
Number of returns 7/	64,840	9,283	55,557	110,815	8,610	6,852	14,818	9,165	21,420	4,905	14,005	9,594	1
Receipts:													
Gross sales 8/	65,489,853	3,026,926	62,462,927	57,726,327	11,994,035	14,864,164	5,248,696	2,226,436	12,087,781	1,441,758	1,935,020	2,772,421	2
Gross receipts from operations 9/	1,774,075	764,236	1,009,839	808,292	78,586	52,288	67,832	33,337	319,382	13,646	104,875	24,327	3
Interest on Government obligations (less amortizable bond premium):													
Wholly taxable 10/	8,415	1,267	7,148	8,866	404	3,718	1,161	642	1,091	114	430	491	4
Subject to surtax only 11/	311	52	259	468	29	151	41	20	64	13	18	15	5
Wholly tax-exempt 12/	340	35	305	249	26	71	19	19	14	8	22	8	6
Other interest	31,573	5,824	25,749	41,770	1,892	13,782	2,032	4,383	10,128	415	495	2,821	7
Rents 13/	46,038	3,880	42,158	145,765	9,772	62,632	26,053	4,969	13,604	4,927	7,932	4,320	8
Royalties 14/	9,817	1,371	8,446	2,309	381	350	142	34	346	137	137	468	9
Excess of net short-term capital gain over net long-term capital loss 15/	1,715	399	1,316	1,852	100	42	35	51	1,054	2	262	83	10
Excess of net long-term capital gain over net short-term capital loss 15/	33,384	2,414	30,970	39,546	5,125	4,241	2,141	1,742	12,231	1,423	3,315	4,840	11
Net gain, sales other than capital assets 16/	4,659	430	4,229	7,876	917	415	528	580	1,832	113	1,158	802	12
Dividends, domestic corporations 17/	56,527	10,564	45,963	38,936	2,164	15,766	7,486	1,189	3,796	2,541	927	2,047	13
Dividends, foreign corporations 18/	24,803	561	24,242	10,633	700	9,441	2	59	1	334	85	5	14
Other receipts	380,450	54,224	326,226	601,967	24,760	173,003	97,003	103,598	73,151	12,123	14,877	31,105	15
Total compiled receipts 6/	67,861,960	3,872,183	63,989,777	59,434,856	12,118,891	15,200,064	5,453,171	2,377,059	12,524,475	1,477,554	2,069,553	2,843,753	16
Deductions:													
Cost of goods sold 19/	57,163,555	2,805,199	54,358,356	42,132,279	9,892,219	9,893,926	3,495,433	1,414,530	9,423,091	991,328	1,097,265	2,107,910	17
Cost of operations 19/	1,001,992	287,571	714,421	488,325	58,100	20,039	36,279	10,888	209,180	5,334	62,227	16,239	18
Compensation of officers	990,511	125,999	864,512	1,169,104	72,294	118,701	153,511	97,616	347,708	57,010	73,299	93,581	19
Rent paid on business property	229,388	21,652	207,736	1,028,789	98,307	274,950	248,539	57,346	101,425	49,291	92,580	16,541	20
Repairs 20/	87,332	3,109	84,223	230,713	38,405	68,060	17,674	8,412	37,692	7,113	24,228	9,093	21
Bad debts	75,869	5,782	70,087	110,555	4,655	27,842	14,808	13,039	17,614	429	813	10,955	22
Interest paid	108,765	8,793	99,972	104,433	11,276	22,101	9,377	9,193	21,820	2,907	5,452	7,443	23
Taxes paid 21/	313,021	15,480	297,541	565,607	73,511	190,881	52,258	26,093	85,615	18,467	38,082	26,704	24
Contributions or gifts 22/	26,388	2,149	24,239	35,328	3,639	11,403	5,105	2,058	7,482	676	735	1,692	25
Depreciation	195,196	10,000	185,196	402,863	67,132	97,477	38,820	14,933	66,345	13,040	38,547	20,501	26
Depletion	14,533	542	13,991	978	56	41	45	9	85	-	-	623	27
Amortization 23/	732	37	695	2,190	81	74	424	143	715	66	323	73	28
Advertising	274,664	19,409	255,255	818,277	56,955	333,888	134,629	67,140	112,470	19,265	13,640	15,764	29
Amounts contributed under pension plans, etc. 24/	49,411	5,287	44,124	87,272	11,530	58,230	5,287	1,297	4,089	1,482	1,269	1,036	30
Net loss, sales other than capital assets 16/	5,265	903	4,362	8,903	1,300	671	1,355	601	1,301	123	1,558	514	31
Other deductions	5,095,710	405,021	4,690,689	9,151,592	1,474,585	2,958,792	1,000,229	541,265	1,165,247	291,554	588,732	329,835	32
Total compiled deductions	65,632,332	3,716,933	61,915,399	56,337,208	11,864,045	14,077,076	5,213,773	2,264,563	11,601,879	1,438,085	2,038,750	2,658,504	33
Compiled net profit or net loss (16 less 33)	2,229,628	155,250	2,074,378	3,097,648	254,846	1,122,988	239,398	112,496	922,596	39,469	30,803	185,249	34
Net income or deficit 2/ (34 less 6)	2,229,288	155,215	2,074,073	3,097,399	254,820	1,122,917	239,379	112,477	922,582	39,461	30,781	185,241	35
Net operating loss deduction 25/	13,888	2,233	11,655	11,270	967	732	1,669	1,045	1,372	323	2,309	367	36
Income tax 3/	840,185	56,600	783,585	1,132,177	97,900	419,563	85,276	39,105	330,272	14,769	18,322	60,651	37
Compiled net profit less income tax (34 less 37)	1,389,443	98,650	1,290,793	1,965,471	156,946	703,425	154,122	73,391	592,324	24,700	12,481	124,598	38
Dividends paid:													
Cash and assets other than own stock	416,876	35,373	381,503	572,579	53,948	290,027	48,676	15,459	81,835	12,121	12,944	26,963	39
Corporation's own stock	97,219	4,649	92,570	86,382	3,696	11,663	5,482	4,581	42,517	695	1,835	8,298	40

For footnotes, see pp. 25-26.

Table 2. - Corporation income tax returns, 1/ 1948, by major industrial groups: Number of returns, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued														
		Trade - Continued		Finance, insurance, real estate, and lessors of real property												
		Retail-Cont.			Finance					Insurance carriers and agents						
		Other retail trade	Trade not allocable	Total finance, insurance, real estate, and lessors of real property	Total finance	Banks and trust companies	Credit agencies other than banks	Holding and other investment companies	Security and commodity exchange brokers and dealers	Total insurance carriers and agents	Insurance carriers	Insurance agents and brokers	Real estate, except lessors of real property other than buildings	Lessors of real property, except buildings	
1	Number of returns 7/	21,446	21,093	160,643	37,098	14,872	13,240	7,500	1,486	9,333	2,452	6,881	108,101	6,111	1
	Receipts:														
2	Gross sales 8/	5,156,016	9,838,566	63,661	30,524	-	-	30,524	-	-	-	-	33,137	-	2
3	Gross receipts from operations 9/	114,019	224,043	6,691,992	1,177,264	569,223	471,819	60,508	75,714	4,313,887	3,921,490	392,397	1,200,841	-	3
	Interest on Government obligations (less amortizable bond premium):														
4	Wholly taxable 10/	815	1,232	1,337,040	809,976	786,875	3,003	13,650	6,448	514,785	514,302	483	10,913	1,366	4
5	Subject to surtax only 11/	117	65	222,513	202,791	200,689	214	1,237	651	19,201	19,164	37	404	117	5
6	Wholly tax-exempt 12/	62	105	157,454	121,993	117,328	212	2,231	2,222	34,675	34,649	26	691	95	6
7	Other interest	5,822	7,392	3,200,451	2,094,884	1,694,763	298,721	97,791	3,609	1,065,860	1,064,177	1,683	38,034	1,673	7
8	Rents 13/	11,556	20,103	1,917,430	134,986	110,679	3,950	18,811	1,546	108,234	105,655	2,579	1,509,527	164,683	8
9	Royalties 14/	314	2,411	199,651	54,984	2,237	202	52,469	76	266	59	207	5,163	139,238	9
10	Excess of net short-term capital gain over net long-term capital loss 15/	223	352	8,847	5,390	2,055	388	2,438	509	503	300	203	2,731	223	10
11	Excess of net long-term capital gain over net short-term capital loss 15/	4,488	11,413	231,849	127,618	38,117	14,360	70,618	4,523	8,506	7,439	1,067	86,784	8,941	11
12	Net gain, sales other than capital assets 16/	1,531	2,024	301,072	78,734	2,625	5,011	6,937	64,161	655	213	442	220,222	1,461	12
13	Dividends, domestic corporations 17/	3,020	6,413	836,979	618,945	18,167	12,390	580,689	7,699	188,061	182,978	5,083	27,130	2,843	13
14	Dividends, foreign corporations 18/	6	7,647	49,996	47,215	200	2,231	44,535	249	1,918	1,277	641	855	8	14
15	Other receipts	72,347	86,718	255,534	95,601	38,976	28,185	20,846	7,594	41,368	28,167	13,201	107,513	11,052	15
16	Total compiled receipts 6/	5,370,336	10,208,484	15,474,469	5,600,905	3,581,934	840,686	1,003,284	175,001	6,297,919	5,879,870	418,049	3,243,945	331,700	16
	Deductions:														
17	Cost of goods sold 19/	3,816,577	7,828,221	41,669	24,169	-	-	24,169	-	-	-	-	17,500	-	17
18	Cost of operations 19/	70,039	112,630	70,440	22,786	-	-	22,786	-	-	-	-	47,654	-	18
19	Compensation of officers	175,384	217,147	26/787,466	459,302	352,320	48,406	23,458	35,118	26/114,182	26/26,456	87,726	207,107	6,875	19
20	Rent paid on business property	89,810	80,986	230,318	78,459	49,273	18,872	4,051	6,263	34,740	21,573	13,167	112,260	4,859	20
21	Repairs 20/	20,036	29,998	167,373	28,880	24,822	1,823	1,815	420	4,637	3,921	716	131,353	2,503	21
22	Bad debts	20,400	20,461	281,269	266,709	198,752	62,813	4,862	282	3,706	1,467	2,239	9,945	909	22
23	Interest paid	14,864	22,614	912,834	537,911	336,831	126,646	66,838	7,596	3,304	2,013	1,291	325,224	46,395	23
24	Taxes paid 21/	53,996	81,522	743,146	171,430	132,693	18,512	15,257	4,968	134,658	128,254	6,404	408,654	28,404	24
25	Contributions or gifts 22/	2,538	4,372	20,170	12,927	9,754	1,144	1,819	210	1,754	970	784	5,259	230	25
26	Depreciation	46,068	68,814	452,036	79,905	61,366	8,629	7,988	1,922	27,435	23,770	3,665	334,009	10,687	26
27	Depletion	119	742	45,116	6,553	368	4	6,155	26	16	16	-	799	37,748	27
28	Amortization 23/	291	275	497	-	-	-	-	-	-	-	-	474	23	28
29	Advertising	64,526	78,395	97,163	61,742	39,263	18,305	1,559	2,615	13,678	9,049	4,629	21,641	102	29
30	Amounts contributed under pension plans, etc. 24/	3,052	6,467	81,070	61,133	49,880	3,116	6,404	1,733	16,653	14,635	2,018	3,030	254	30
31	Net loss, sales other than capital assets 16/	1,480	1,882	106,097	62,253	51,286	6,707	3,549	711	858	744	114	35,717	7,269	31
32	Other deductions	801,353	1,222,179	6,755,174	1,790,850	1,236,634	322,844	133,614	97,758	3,955,808	3,729,928	225,880	973,180	35,336	32
33	Total compiled deductions	5,180,533	9,776,705	27/10,791,838	3,665,009	2,543,242	637,821	324,324	159,622	27/4,311,429	27/3,962,796	348,633	2,633,806	181,594	33
34	Compiled net profit or net loss (16 less 33)	189,803	431,779	4,682,631	1,935,896	1,038,692	202,865	678,960	15,379	1,986,490	1,917,074	69,416	610,139	150,106	34
35	Net income or deficit 2/ (34 less 6)	189,741	431,674	4,525,177	1,813,903	921,364	202,653	676,729	13,157	1,951,815	1,882,425	69,390	609,448	150,011	35
36	Net operating loss deduction 25/	2,486	2,490	57,077	7,066	2,091	2,362	2,156	457	31,008	30,328	680	17,984	1,019	36
37	Income tax 3/	66,319	155,576	813,575	424,743	272,283	77,341	69,809	5,310	133,035	111,449	21,586	198,490	57,307	37
38	Compiled net profit less income tax (34 less 37)	123,484	276,203	3,869,056	1,511,153	766,409	125,524	609,151	10,069	1,853,455	1,805,625	47,830	411,649	92,799	38
	Dividends paid:														
39	Cash and assets other than own stock	30,606	88,459	1,448,908	1,048,032	342,077	96,518	601,998	7,439	164,959	142,343	22,616	137,695	98,222	39
40	Corporation's own stock	7,615	15,363	66,855	52,561	42,864	5,941	3,284	472	2,609	1,105	1,504	7,517	4,168	40

For footnotes, see pp. 25-26.

Table 2. - Corporation income tax returns, 1/ 1948, by major industrial groups: Number of returns, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued										
		Services										
		Total services	Hotels and other lodging places	Personal services	Business services	Automotive repair services and garages	Miscellaneous repair services, hand trades	Motion pictures	Amusement, except motion pictures	Other services, including schools	Nature of business not allocable	
1	Number of returns 7/	50,456	5,827	11,263	9,894	4,005	2,086	5,157	5,810	6,414	4,166	1
	Receipts:											
2	Gross sales 8/	1,695,658	535,223	407,312	212,884	160,439	129,317	75,351	78,584	96,548	81,688	2
3	Gross receipts from operations 9/	6,887,810	874,023	1,065,260	1,702,972	178,024	117,006	1,838,508	564,689	547,328	28,444	3
	Interest on Government obligations (less amortizable bond premium):											
4	Wholly taxable 10/	3,783	699	261	758	123	24	1,117	406	395	65	4
5	Subject to surtax only 11/	178	19	21	79	3	-	23	12	21	29	5
6	Wholly tax-exempt 12/	114	13	20	26	-	-	6	3	46	9	6
7	Other interest	10,506	1,829	507	1,155	264	52	5,130	524	1,045	852	7
8	Rents 13/	196,054	106,577	3,777	19,345	14,881	413	38,815	9,282	2,964	2,689	8
9	Royalties 14/	12,844	218	70	3,794	67	70	5,580	2,275	770	407	9
10	Excess of net short-term capital gain over net long-term capital loss 15/	1,289	492	79	140	312	2	109	87	68	110	10
11	Excess of net long-term capital gain over net short-term capital loss 15/	34,610	7,036	2,877	4,839	9,559	170	6,550	2,355	1,224	2,098	11
12	Net gain, sales other than capital assets 16/	6,550	1,253	862	1,306	780	103	539	1,237	470	466	12
13	Dividends, domestic corporations 17/	27,646	3,419	1,885	3,400	105	7	16,065	1,775	990	1,394	13
14	Dividends, foreign corporations 18/	4,688	20	37	769	-	-	3,747	2	113	8	14
15	Other receipts	136,244	14,872	9,001	32,962	6,655	1,291	43,876	14,395	13,192	3,848	15
16	Total compiled receipts 6/	9,017,974	1,545,693	1,491,969	1,984,429	371,212	248,455	2,035,416	675,626	665,174	122,107	16
	Deductions:											
17	Cost of goods sold 19/	1,008,908	304,080	219,600	144,431	104,622	86,640	47,272	44,797	57,466	62,085	17
18	Cost of operations 19/	3,740,817	325,429	607,417	997,296	85,324	80,321	1,128,129	278,494	238,407	9,876	18
19	Compensation of officers	401,873	31,068	90,683	120,457	21,548	14,732	42,421	26,120	54,844	6,712	19
20	Rent paid on business property	315,976	65,466	37,825	38,942	25,474	3,691	99,267	26,569	18,742	1,746	20
21	Repairs 20/	141,316	64,058	21,163	10,918	4,598	1,581	20,663	12,235	6,100	1,362	21
22	Bad debts	16,920	2,770	2,942	4,172	911	830	1,548	1,560	2,187	723	22
23	Interest paid	71,218	31,494	6,150	4,811	3,090	658	16,901	5,093	3,021	1,940	23
24	Taxes paid 21/	197,071	62,044	27,495	20,401	8,082	3,589	40,882	24,073	10,505	2,531	24
25	Contributions or gifts 22/	8,164	1,394	1,285	1,207	246	78	1,763	1,699	492	106	25
26	Depreciation	272,421	73,659	42,992	42,772	22,061	3,752	49,517	25,356	12,312	3,586	26
27	Depletion	206	19	20	20	-	-	16	127	4	193	27
28	Amortization 23/	1,876	148	157	60	46	11	1,204	188	62	13	28
29	Advertising	136,164	19,330	21,182	10,094	2,707	1,626	57,145	12,665	11,415	739	29
30	Amounts contributed under pension plans, etc. 24/	29,135	782	1,127	15,160	269	186	8,553	1,228	1,830	191	30
31	Net loss, sales other than capital assets 16/	6,504	2,722	684	429	424	95	469	927	754	6,735	31
32	Other deductions	2,038,940	445,974	345,947	435,771	62,005	37,865	346,753	155,638	208,987	23,982	32
33	Total compiled deductions	8,387,509	1,430,437	1,426,669	1,846,941	341,407	235,655	1,862,503	616,769	627,128	122,520	33
34	Compiled net profit or net loss (16 less 33)	630,465	115,256	65,300	137,488	29,805	12,800	172,913	58,857	38,046	28/ 413	34
35	Net income or deficit 2/ (34 less 6)	630,351	115,243	65,280	137,462	29,805	12,800	172,907	58,854	38,000	23/ 422	35
36	Net operating loss deduction 25/	13,245	2,889	1,794	2,232	390	348	1,986	1,820	1,786	474	36
37	Income tax 3/	245,907	43,739	23,180	51,151	9,356	5,071	70,885	26,178	16,347	3,602	37
38	Compiled net profit less income tax (34 less 37)	384,558	71,517	42,120	86,337	20,449	7,729	102,028	32,679	21,699	29/4,015	38
	Dividends paid:											
39	Cash and assets other than own stock	172,858	23,414	14,700	32,414	2,629	937	73,811	16,653	8,300	2,746	39
40	Corporation's own stock	13,044	1,286	1,172	2,142	449	119	835	5,668	1,373	2,310	40

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend

PART I. - ALL RETURNS WITH BALANCE SHEETS
(Money figures in thousands of dollars)

		Major industrial groups 4/																	
			Agriculture, forestry, and fishery				Mining and quarrying							Manufacturing					
		All industrial groups	Total agriculture, forestry, and fishery	Farms and agricultural services	Forestry	Fishery	Total mining and quarrying	Metal mining	Anthracite mining	Bituminous coal and lignite mining	Crude petroleum and natural gas production	Nonmetallic mining and quarrying	Construction	Total manufacturing	Beverages	Food and kindred products	Tobacco manufactures	Textile-mill products	
1	Number of returns with balance sheets 30/	536,833	6,539	5,973	205	361	8,025	721	196	1,855	3,583	1,670	21,293	110,078	3,194	10,451	204	5,843	1
	Assets:																		
2	Cash 31/	65,736,507	159,837	148,788	8,072	2,977	971,299	223,966	42,346	249,159	371,913	83,935	523,064	11,778,114	274,935	1,007,814	94,834	796,133	2
3	Notes and accounts receivable	85,895,688	178,272	160,020	13,949	4,303	1,001,995	196,459	40,856	296,831	373,785	94,064	1,894,664	17,539,865	381,924	1,405,617	431,592	999,066	3
4	Less: Reserve for bad debts	1,298,567	2,695	2,557	92	46	11,187	924	919	3,646	3,263	2,435	13,655	449,400	8,764	32,592	2,941	23,851	4
5	Inventories	48,293,412	266,334	256,917	4,735	4,682	551,240	161,997	25,001	93,021	210,319	60,902	475,186	30,354,578	946,762	2,778,723	1,509,028	2,090,285	5
6	Investments, Government obligations 32/	104,819,408	89,721	81,596	5,893	2,232	894,061	333,825	28,169	166,649	326,008	39,410	97,945	7,547,778	155,683	359,676	12,645	593,105	6
7	Other investments 33/	84,201,909	166,445	148,791	13,560	4,094	1,128,890	268,517	112,121	306,658	360,973	80,621	266,079	11,136,764	277,807	795,255	69,274	559,890	7
8	Gross capital assets 34/ (except land)	180,561,966	1,010,489	935,948	45,724	28,817	8,296,677	1,813,688	531,666	1,636,742	3,643,540	671,041	1,214,791	71,983,292	1,517,087	5,529,616	320,640	3,900,452	8
9	Less: Reserves	64,224,879	387,882	367,505	12,734	7,643	4,152,932	1,105,501	265,429	757,500	1,723,040	301,462	476,615	32,789,177	481,832	2,278,500	112,812	1,730,343	9
10	Land	9,312,955	311,854	295,996	14,099	1,759	127,151	31,029	2,708	24,101	44,384	24,929	72,155	2,032,908	71,674	291,926	9,396	82,602	10
11	Other assets	11,837,616	62,548	59,286	1,540	1,722	234,960	77,301	16,660	36,095	79,976	24,928	149,218	2,572,851	104,959	263,632	16,655	148,594	11
12	Total assets 35/	525,136,015	1,854,923	1,717,280	94,746	42,897	9,042,154	2,000,357	533,179	2,048,090	3,684,595	775,933	4,202,812	121,707,573	3,240,235	10,121,167	2,348,311	7,415,933	12
	Liabilities:																		
13	Accounts payable	26,302,071	167,095	151,646	9,978	5,471	642,592	110,527	41,455	167,995	274,674	47,941	756,131	11,402,625	589,265	814,518	54,538	515,948	13
	Bonds, notes, mortgages payable:																		
14	Maturity less than 1 year	12,225,163	110,830	104,703	4,072	2,055	273,068	17,598	6,273	50,464	172,391	26,342	264,344	5,850,501	145,112	667,502	291,529	229,896	14
15	Maturity 1 year or more	57,325,532	205,292	178,846	17,303	9,143	1,176,288	80,823	94,724	163,033	758,921	78,787	296,561	11,757,077	447,211	1,111,028	642,542	435,070	15
16	Other liabilities	232,063,777	107,632	89,916	15,517	2,199	771,697	207,994	34,504	179,854	297,328	52,017	968,933	10,613,681	329,801	646,872	132,181	682,387	16
17	Capital stock, preferred	14,957,008	36,612	34,086	2,056	470	218,921	54,703	20,205	30,298	78,976	34,739	74,008	6,763,113	152,749	699,884	223,302	427,110	17
18	Capital stock, common	76,773,782	717,508	673,957	29,477	14,074	2,307,038	597,626	139,113	531,087	831,129	208,083	674,524	26,814,245	456,398	2,287,260	454,423	1,523,411	18
19	Surplus reserves	11,344,695	93,112	90,506	1,013	1,593	345,166	80,952	15,140	97,756	107,806	43,512	116,130	6,438,526	89,859	594,492	33,107	453,499	19
20	Surplus and undivided profits 36/	102,262,350	549,959	501,588	36,257	12,114	3,748,115	948,458	203,086	878,309	1,403,997	314,265	1,128,722	45,307,420	1,314,973	3,413,001	521,389	3,203,456	20
21	Less: Deficit 37/	8,118,363	133,117	107,968	20,927	4,222	440,731	98,324	21,321	50,706	240,627	29,753	76,541	1,259,615	85,133	113,390	4,700	54,844	21
22	Total liabilities 35/	525,136,015	1,854,923	1,717,280	94,746	42,897	9,042,154	2,000,357	533,179	2,048,090	3,684,595	775,933	4,202,812	121,707,573	3,240,235	10,121,167	2,348,311	7,415,933	22
	Receipts:																		
23	Gross sales 8/	334,987,536	1,415,799	1,372,429	18,019	25,351	6,417,637	1,165,873	498,734	2,320,111	1,778,831	654,088	2,292,518	191,749,157	5,196,445	30,940,745	2,990,967	12,000,756	23
24	Gross receipts from operations 9/	55,394,243	321,742	298,600	4,442	18,700	1,060,910	37,664	59,038	270,148	612,778	81,282	6,748,542	3,650,665	21,112	123,062	5,000	206,754	24
	Interest on Government obligations (less amortizable bond premium):																		
25	Wholly taxable 10/	1,464,506	693	590	64	39	7,777	3,740	294	1,790	1,311	642	1,493	81,516	1,868	4,289	104	6,866	25
26	Subject to surtax only 11/	229,763	221	219	-	2	358	59	31	117	97	54	79	4,596	108	451	48	148	26
27	Wholly tax-exempt 12/	162,194	107	91	16	-	186	70	5	66	16	29	299	3,370	152	384	47	236	27
28	Other interest	3,529,044	3,391	3,056	302	33	8,771	2,737	534	2,085	2,765	650	4,123	137,724	4,260	11,809	772	7,553	28
29	Rents 13/	2,937,159	13,378	13,048	272	58	30,340	3,462	5,165	12,185	6,594	2,934	22,373	272,456	4,599	21,307	3,059	15,968	29
30	Royalties 14/	438,102	7,159	6,902	257	-	58,370	1,987	10,555	14,421	30,120	1,287	1,521	142,593	377	4,612	12	1,995	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	21,227	430	222	195	13	1,556	156	9	152	1,222	17	478	4,226	471	598	-	769	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	780,620	20,681	13,382	7,018	281	33,978	1,712	1,672	8,613	17,859	4,122	19,655	314,740	8,616	26,944	1,265	17,246	32
33	Net gain, sales other than capital assets 16/	338,939	2,837	1,703	1,129	5	5,425	312	84	712	3,940	377	3,290	19,500	1,388	3,113	55	1,741	33
34	Dividends, domestic corporations 17/	2,148,512	5,668	5,472	154	42	101,874	38,358	9,516	17,407	34,405	2,188	9,254	713,870	5,802	23,660	2,818	24,449	34
35	Dividends, foreign corporations 18/	374,968	2,792	2,788	4	-	913	576	-	72	235	30	685	262,870	527	22,056	250	3,247	35
36	Other receipts	2,622,777	17,329	16,322	695	312	54,202	5,309	1,414	14,488	27,098	5,893	93,740	902,904	30,865	103,380	2,479	58,351	36
37	Total compiled receipts 6/	405,429,590	1,812,227	1,734,824	32,567	44,836	7,782,297	1,262,015	587,051	2,662,367	2,517,271	753,595	9,198,030	198,260,167	5,276,590	31,291,590	3,006,856	12,346,059	37
	Deductions:																		
38	Cost of goods sold 19/	258,169,216	932,086	896,344	15,760	19,982	4,074,973	697,897	419,896	1,699,975	864,373	392,832	1,761,055	144,668,709	3,352,607	26,303,804	2,475,864	9,149,540	38
39	Cost of operations 19/	32,236,448	147,094	136,250	1,325	9,519	703,284	26,603	41,778	189,333	398,913	46,657	5,555,140	2,326,575	6,925	52,681	950	128,994	39
40	Compensation of officers	26/6,594,293	40,507	38,111	767	1,629	85,974	5,437	3,361	27,502	30,176	19,498	313,127	2,440,859	50,853	194,480	9,039	170,196	40
41	Rent paid on business property	3,461,794	27,841	27,488	54	299	39,129	6,176	2,727	8,732	17,558	3,936	53,044	748,324	13,444	72,541	1,757	34,815	41
42	Repairs 20/	3,785,912	33,191	31,417	106	1,668	113,481	11,277	11,876	48,033	17,596	24,699	45,126	2,906,944	40,252	252,272	4,292	147,590	42
43	Bad debts	699,501	2,254	2,148	66	40	5,149	582	788	964	1,254	1,611	11,658	157,712	2,430	17,108	253	5,407	43
44	Interest paid	2,896,939	12,046	11,036	703	307	44,746	4,001	2,955	8,516	25,247	4,027	22,464	575,058	20,630	65,163	22,902	32,997	44
45	Taxes paid 21/	7,367,545	30,048	28,138	1,163	747	193,954	50,422	12,291	46,995	68,661	15,585	82,951	3,558,443	617,759	255,639	75,997	172,611	45
46	Contributions or gifts 22/	236,715	1,006	973	7	26	3,405	202	227	1,096	1,363	517	4,777	118,673	3,135	8,767	628	20,951	46
47	Depreciation	6,200,601	47,844	45,698	459	1,687	253,787	29,555	11,128	66,262	116,198	30,644	124,745	2,785,714	70,463	254,353	9,862	145,765	47
48	Depletion	1,698,864	3,078	2,241	837	-	546,511	104,814	13,493	87,311	318,492	22,401	1,212	1,055,264	2,821	915	-	-	48
49	Amortization 23/	38,533	38	38	-	-	3,747	389	-	220	3,059	79	136	9,972	46	1,748	6	98	49
50	Advertising	3,429,222	8,675	8,563	41	71	5,668	246	1,052	1,090	1,561	1,719	20,276	1,928,558	144,162	364,081	76,851	59,288	50
51	Amounts contributed under pension plans, etc. 24/	1,143,324	3,215	3,149	31	35	17,270	2,554	651	5,851	7,447	767	9,599	655,673	10,703	51,769	6,250	28,100	51
52	Net loss, sales other than capital assets 16/	208,440	1,853	1,506	197	150	11,413	858	953	4,557	4,563	482	1,672	56,369	4,049	6,709	21	6,784	52
53	Other deductions	43,214,383	304,951	294,919	2,980	7,052	537,179	48,638	24,147	159,205	229,610	75,579	641,770	16,302,304	472,315	2,283,641	83,265	745,411	53
54	Total compiled deductions	27/371,181,730	1,595,727	1,528,019	24,496	43,212	6,639,670	989,651	547,273	2,355,642	2,106,071	641,033	8,628,732	180,275,131	4,812,594	30,185,671	2,767,915	10,848,547	54
55	Compiled net profit or net loss (37 less 54)	34,247,860	216,500	206,805	8,071	1,624	1,142,627	272,364	39,778	306,725	411,200	112,560	569,298	17,985,036	463,996	1,105,919	238,941	1,497,512	55
56	Net income or deficit 2/ (55 less 27)	34,085,666	216,393	206,714	8,055	1,624	1,142,441	272,294	39,773	306,659	411,184	112,531	568,999	17,981,666	463,844	1,105,535	238,894	1,497,276	56
57	Net operating loss deduction 25/	194,790	4,464	4,077	185	202	6,638	1,416	233	870	3,250	869	10,264	59,321	964	3,808	8	2,168	57
58	Income tax 3/	11,771,279	77,602	74,302	2,321	979	407,931	87,988	12,613	111,614	153,643	42,073	206,931	6,760,415	187,140	440,727	90,301	571,499	58
59	Compiled net profit less income tax (55 less 58)	22,476,581	138,898	132,503	5,750	645	734,696	184,376	27,165	195,111	257,557	70,487	362,367	11,224,621	276,856	665,192	148,640	926,013	59
	Dividends paid:																		
60	Cash and assets other than own stock	9,304,748	62,442	59,878	2,074	490	462,760	156,475	18,669	76,565	174,973	36,078	67,256	4,616,865	107,974	356,744	88,105	291,851	60
61	Corporation's own stock	1,021,918	4,906	4,356	-	550	25,891	-	45	7,498	15,475	2,873	37,119	637,150	16,502	22,052	16	70,479	61

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART I. - ALL RETURNS WITH BALANCE SHEETS - Continued
(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued																	
		Manufacturing - Continued																	
		Apparel and products made from fabrics	Lumber and wood products, except furniture	Furniture and fixtures	Paper and allied products	Printing, publishing, and allied industries	Chemicals and allied products	Petroleum and coal products	Rubber products	Leather and products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products, except ordnance, machinery, and transportation equipment	Machinery, except transportation equipment and electrical	Electrical machinery and equipment	Transportation equipment, except motor vehicles	Motor vehicles and equipment, except electrical	Ordnance and accessories	
1	Number of returns with balance sheets 30/	13,804	5,369	4,117	2,472	11,586	6,893	597	624	2,877	3,935	2,924	8,925	9,274	2,857	991	1,288	45	1
	Assets:																		
2	Cash 31/	395,548	248,583	127,075	361,559	493,872	1,000,337	1,256,605	157,938	155,705	318,862	1,133,001	613,072	1,123,915	555,909	329,337	869,840	32,351	2
3	Notes and accounts receivable	704,806	567,322	231,261	482,384	794,827	1,293,005	2,315,299	385,240	297,275	418,000	1,351,228	902,839	1,676,675	1,033,078	524,419	756,381	17,542	3
4	Less: Reserve for bad debts	18,657	8,582	7,784	14,201	27,746	40,036	52,315	11,862	7,812	11,077	35,094	25,835	54,772	22,660	4,825	9,743	826	4
5	Inventories	1,106,128	645,648	366,105	781,380	526,004	2,205,791	2,286,372	610,202	503,128	575,371	2,303,704	1,593,956	3,441,523	1,754,690	935,397	1,990,966	78,667	5
6	Investments, Government obligations 32/	77,174	173,751	56,599	319,375	279,057	743,892	661,563	114,194	58,061	224,696	1,008,566	285,176	640,970	306,291	205,376	1,089,695	19,049	6
7	Other investments 33/	142,747	199,764	49,073	527,658	556,629	1,340,330	2,882,827	152,754	94,638	204,459	666,358	309,362	513,337	763,762	140,332	525,345	12,078	7
8	Gross capital assets 34/ (except land)	520,482	1,691,318	497,809	3,027,166	2,180,354	6,365,338	16,064,093	1,144,425	394,402	2,289,047	10,332,202	2,734,159	4,550,778	2,054,924	1,280,794	3,789,789	110,650	8
9	Less: Reserves	205,443	592,599	203,315	1,283,602	773,524	2,721,441	7,846,933	592,148	186,156	1,004,092	5,603,924	1,173,264	2,009,688	846,735	635,413	1,734,538	64,844	9
10	Land	22,481	69,537	22,932	73,809	120,724	187,652	346,711	18,926	14,974	72,738	130,689	113,001	142,628	56,731	40,062	75,148	2,184	10
11	Other assets	67,882	95,596	25,883	109,864	165,845	202,035	228,580	18,345	36,675	59,448	212,531	113,337	189,936	128,559	151,462	118,999	15,289	11
12	Total assets 35/	2,815,148	2,890,338	1,165,638	4,385,392	4,316,042	10,576,903	18,142,802	1,998,014	1,360,890	3,147,452	11,499,261	5,465,803	10,215,302	5,804,549	2,966,941	7,471,882	222,120	12
	Liabilities:																		
13	Accounts payable	467,021	240,247	120,285	232,637	439,788	730,055	1,819,347	162,263	155,800	198,636	1,300,713	500,533	970,831	612,337	316,362	962,816	9,155	13
	Bonds, notes, mortgages payable:																		
14	Maturity less than 1 year	205,984	147,885	56,250	80,958	129,605	300,683	142,640	17,351	63,986	75,444	219,005	176,389	282,021	190,250	100,039	131,096	1,115	14
15	Maturity 1 year or more	159,568	234,746	86,456	505,880	385,959	994,982	2,377,826	429,406	89,341	303,757	1,088,624	334,776	749,948	685,975	166,511	198,049	2,232	15
16	Other liabilities	256,475	267,338	117,939	350,673	505,572	898,333	939,703	155,141	111,189	263,501	1,040,450	556,156	1,113,744	728,053	413,294	642,252	30,999	16
17	Capital stock, preferred	142,385	64,919	47,389	344,447	278,974	901,148	440,696	221,647	78,406	143,005	834,104	232,392	548,998	193,905	128,274	425,165	20,453	17
18	Capital stock, common	672,121	737,191	289,852	848,635	780,048	2,145,849	5,239,546	288,834	320,271	856,588	2,862,779	1,277,575	2,198,208	1,222,055	504,597	830,464	23,494	18
19	Surplus reserves	70,309	71,141	31,150	208,312	181,648	595,035	860,709	144,190	82,148	111,937	481,243	227,488	669,192	350,023	159,860	834,685	29,723	19
20	Surplus and undivided profits 36/	891,070	1,196,138	445,738	1,830,345	1,711,865	4,079,234	6,371,243	593,499	483,183	1,249,860	3,699,954	2,223,319	3,772,831	1,889,577	1,268,437	3,482,112	105,794	20
21	Less: Deficit 37/	51,785	69,267	29,401	16,475	97,415	68,416	48,908	14,317	23,434	55,276	27,591	62,825	90,471	67,626	90,433	34,757	845	21
22	Total liabilities 35/	2,815,148	2,890,338	1,165,638	4,385,392	4,316,042	10,576,903	18,142,802	1,998,014	1,360,890	3,147,452	11,499,261	5,465,803	10,215,302	5,804,549	2,966,941	7,471,882	222,120	22
	Receipts:																		
23	Gross sales 8/	7,980,693	4,265,498	2,396,981	5,846,721	5,639,886	13,771,910	18,754,169	3,314,063	3,110,173	4,038,502	16,022,773	9,107,623	14,424,321	8,626,696	2,941,683	13,503,461	233,271	23
24	Gross receipts from operations 9/	232,598	72,792	18,180	16,765	456,810	84,963	609,628	7,364	10,484	23,928	603,803	59,456	259,224	38,104	781,271	8,356	179	24
	Interest on Government obligations (less amortizable bond premium):																		
25	Wholly taxable 10/	1,294	2,180	702	3,835	4,098	6,917	8,641	1,154	827	2,486	11,252	3,321	7,709	2,341	2,357	6,906	291	25
26	Subject to surtax only 11/	107	88	24	208	486	478	354	18	29	219	208	268	523	149	38	379	37	26
27	Wholly tax-exempt 12/	24	146	26	178	276	396	172	9	28	117	167	158	412	175	35	121	21	27
28	Other interest	1,921	2,388	782	6,128	4,937	17,651	11,245	1,313	1,183	2,728	25,075	5,353	10,722	10,086	3,374	4,306	352	28
29	Rents 13/	5,265	7,554	2,184	7,342	18,104	14,266	88,916	1,832	1,991	4,900	18,101	11,314	22,671	6,196	3,256	4,635	461	29
30	Royalties 14/	8,430	4,791	402	3,629	11,222	20,721	25,530	4,063	256	3,144	7,953	4,364	17,214	11,593	3,611	3,908	77	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	51	182	23	111	48	406	186	2	9	46	197	121	557	204	44	26	1	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	3,493	90,949	2,735	13,916	11,231	11,053	39,603	918	1,664	4,738	15,449	13,893	12,517	12,302	8,370	3,014	222	32
33	Net gain, sales other than capital assets 16/	786	1,541	218	1,113	938	1,165	972	101	140	323	349	1,308	1,716	492	1,010	72	5	33
34	Dividends, domestic corporations 17/	4,273	10,155	1,514	11,782	22,354	124,864	246,593	20,891	1,954	6,417	42,948	22,048	22,354	22,386	10,268	59,793	291	34
35	Dividends, foreign corporations 18/	184	171	1,262	7,923	2,645	22,553	58,041	23,217	93	10,961	9,850	11,935	18,948	12,079	2,930	47,248	40	35
36	Other receipts	25,683	31,169	13,261	28,780	50,310	60,649	74,866	13,219	15,594	24,270	35,820	51,226	88,377	26,798	28,959	99,244	639	36
37	Total compiled receipts 6/	8,264,802	4,489,604	2,438,294	5,948,431	6,223,345	14,137,992	19,918,918	3,388,164	3,144,425	4,122,779	16,793,745	9,292,588	14,867,285	8,774,601	3,757,406	13,741,469	235,887	37
	Deductions:																		
38	Cost of goods sold 19/	6,488,225	3,165,649	1,792,498	4,194,307	3,835,376	9,490,938	13,525,422	2,469,130	2,566,041	2,775,515	12,512,943	6,554,152	10,058,353	6,353,517	2,432,069	10,390,392	162,884	38
39	Cost of operations 19/	174,048	47,490	12,295	6,091	249,200	48,343	427,803	1,368	6,636	13,101	447,834	34,955	33,574	7,729	594,545	4,082	80	39
40	Compensation of officers	255,824	86,872	72,831	84,780	214,890	152,580	32,988	20,441	65,112	76,415	112,441	220,690	254,712	81,077	30,532	49,757	2,365	40
41	Rent paid on business property	64,499	12,586	15,009	21,316	56,259	43,466	120,774	13,151	18,156	12,215	49,476	34,566	47,287	33,408	15,723	23,175	341	41
42	Repairs 20/	15,763	41,710	16,042	148,265	32,704	230,557	323,509	62,130	22,714	105,626	581,498	142,535	251,389	119,368	71,595	221,225	7,437	42
43	Bad debts	7,698	7,140	3,405	3,647	18,484	10,458	14,914	2,455	2,140	3,611	10,716	10,040	14,461	6,401	1,857	2,247	191	43
44	Interest paid	17,028	14,981	6,569	17,592	18,021	42,821	66,309	13,407	6,960	12,686	73,671	21,332	40,910	23,212	12,591	18,225	380	44
45	Taxes paid 21/	67,358	64,541	30,313	84,911	75,645	203,363	405,488	99,749	31,496	57,866	240,651	119,708	215,592	161,212	59,953	351,505	5,022	45
46	Contributions or gifts 22/	8,807	2,880	2,275	5,276	7,295	5,629	4,674	999	2,695	2,456	6,451	7,440	12,236	4,125	1,343	4,166	304	46
47	Depreciation	33,797	75,981	23,242	106,912	74,550	270,614	460,132	53,291	19,410	91,089	314,057	125,993	221,605	119,282	48,934	172,489	3,053	47
48	Depletion	-	87,927	155	4,898	32	17,622	871,092	34	-	2,339	63,090	257	894	288	69	1,003	-	48
49	Amortization 23/	101	63	13	33	131	828	3,261	261	4	73	1,320	289	273	57	92	493	-	49
50	Advertising	62,310	9,844	21,836	23,708	34,499	369,275	76,548	36,841	25,675	25,715	35,695	76,174	141,503	115,258	12,150	78,116	2,223	50
51	Amounts contributed under pension plans, etc. 24/	7,670	4,486	3,223	24,472	27,144	69,259	108,019	7,391	8,295	12,032	49,287	29,158	62,313	83,405	14,443	18,333	3,483	51
52	Net loss, sales other than capital assets 16/	1,552	1,747	820	971	1,640	2,904	1,136	1,026	706	1,713	4,053	3,772	5,870	2,436	3,277	587	1	52
53	Other deductions	784,460	334,300	265,171	444,820	1,001,664	1,487,180	1,499,483	351,537	235,952	393,977	600,200	906,339	1,787,999	760,282	228,688	724,750	15,547	53
54	Total compiled deductions	7,989,140	3,958,197	2,265,497	5,171,999	5,647,534	12,465,857	17,939,349	3,133,191	3,011,992	3,592,429	15,103,363	8,287,380	13,146,971	7,896,055	3,527,661	12,058,525	203,309	54
55	Compiled net profit or net loss (37 less 54)	275,662	531,407	172,797	776,432	575,811	1,672,135	1,979,567	254,973	132,433	530,350	1,690,382	1,005,208	1,720,294	878,546	229,745	1,682,944	32,578	55
56	Net income or deficit 2/(55 less 27)	275,638	531,261	172,771	776,254	575,535	1,671,739	1,979,395	254,964	132,405	530,253	1,690,215	1,005,050	1,719,882	878,371	229,710	1,682,823	32,557	56
57	Net operating loss deduction 25/	2,470	2,096	1,598	895	3,107	3,671	3,023	430	766	1,805	2,229	3,243	8,477	3,813	7,233	1,683	36	57
58	Income tax 3/	119,584	193,073	70,025	292,530	214,933	605,292	658,712	92,255	57,226	202,204	630,087	383,113	659,726	338,604	95,402	628,305	12,427	58
59	Compiled net profit less income tax (55 less 58)	156,078	338,334	102,772	483,902	360,878	1,066,843	1,320,855	162,718	75,207	328,146	1,060,295	622,095	1,060,568	539,942	134,343	1,054,639	20,151	59
	Dividends paid:																		
60	Cash and assets other than own stock	59,315	98,787	34,521	170,789	155,303	537,249	702,477	65,823	42,167	124,980	366,339	215,804	381,511	207,354	97,554	362,661	7,476	60
61	Corporation's own stock	18,536	9,897	11,264	29,616	12,453	35,917	368,971	2,186	2,841	13,673	59,714	45,095	45,954	14,446	4,705	6,528	-	61

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

Table 3. – Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups – Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend – Continued

PART I. – ALL RETURNS WITH BALANCE SHEETS – Continued
(Money figures in thousands of dollars)

	Major industrial groups 4/ – Continued																
	Manufacturing – Cont'd.		Public utilities					Trade									
									Wholesale			Retail					
	Scientific instruments; photographic equipment; watches, clocks	Other manufacturing	Total public utilities	Transportation	Communication	Electric and gas utilities	Other public utilities	Total trade	Total wholesale	Commission merchants	Other wholesalers	Total retail	Food	General merchandise	Apparel and accessories	Furniture and house furnishings	Automotive dealers and filling stations
1 Number of returns with balance sheets 30/	1,590	10,218	21,749	16,157	2,932	1,157	1,503	181,353	61,227	8,493	52,734	100,731	7,544	6,315	13,920	8,585	20,074
Assets:																	
2 Cash 31/	127,676	303,213	2,875,849	1,877,918	202,967	761,853	33,111	5,321,610	2,197,526	299,720	1,897,806	2,789,207	323,022	907,209	330,471	89,138	648,996
3 Notes and accounts receivable	250,236	519,849	2,613,915	1,544,879	428,962	613,594	26,480	10,717,656	5,741,552	615,973	5,125,579	3,991,371	173,190	1,311,407	431,700	546,253	517,193
4 Less: Reserve for bad debts	7,607	19,818	48,877	10,095	3,972	34,061	749	363,973	146,659	11,221	135,438	184,851	5,078	96,354	14,530	19,717	14,724
5 Inventories	458,785	865,963	2,058,549	1,105,603	191,708	744,050	17,188	14,015,772	6,075,417	140,082	5,935,335	6,673,176	692,769	2,109,176	762,137	430,200	1,101,789
6 Investments, Government obligations 32/	66,422	96,762	1,941,731	1,093,169	424,055	412,072	12,435	1,233,142	489,448	67,234	422,214	682,432	28,684	352,043	79,686	30,497	97,741
7 Other investments 33/	134,317	198,768	12,051,531	5,543,350	4,034,371	2,438,273	35,537	2,886,600	1,395,247	204,554	1,190,693	1,156,991	105,605	503,060	148,673	56,864	128,375
8 Gross capital assets 34/ (except land)	576,738	1,111,029	66,574,768	32,799,948	10,334,970	22,415,260	1,024,590	9,860,923	2,776,352	131,349	2,645,003	6,110,877	932,694	2,031,426	504,794	186,568	880,219
9 Less: Reserves	268,585	439,446	17,040,443	8,808,656	3,097,633	4,939,193	194,961	3,548,835	970,403	41,257	929,146	2,208,914	342,358	786,388	185,764	63,584	219,777
10 Land	17,010	49,393	467,017	217,950	20,881	208,222	19,964	1,105,347	249,663	12,916	236,747	733,815	60,644	289,981	32,363	26,413	161,704
11 Other assets	23,430	75,315	2,210,778	1,464,967	153,500	565,220	27,091	1,042,076	375,558	46,950	328,608	592,751	85,091	199,218	61,205	27,191	80,597
12 Total assets 35/	1,378,422	2,761,028	73,704,818	36,829,033	12,689,809	23,185,290	1,000,686	42,270,318	18,183,701	1,466,300	16,717,401	20,336,855	2,054,263	6,820,778	2,150,735	1,309,823	3,382,113
Liabilities:																	
13 Accounts payable	100,693	288,837	2,709,838	1,804,161	391,562	488,876	25,239	7,051,558	4,032,297	482,042	3,550,255	2,454,857	376,525	619,988	332,447	140,510	325,304
Bonds, notes, mortgages payable:																	
14 Maturity less than 1 year	40,721	155,060	862,738	363,669	124,384	358,315	16,370	2,718,309	1,505,096	74,787	1,430,309	954,348	78,685	147,720	72,131	114,739	256,019
15 Maturity 1 year or more	88,555	238,635	26,124,523	11,967,095	4,146,236	9,560,935	450,257	3,087,885	1,260,100	81,122	1,178,978	1,552,591	187,596	455,470	158,508	88,482	231,424
16 Other liabilities	154,603	277,045	5,146,423	3,323,647	557,738	1,204,924	60,114	3,882,304	1,494,172	112,592	1,381,580	2,066,991	160,106	649,930	207,099	185,007	447,242
17 Capital stock, preferred	80,803	132,958	4,048,314	1,440,425	179,860	2,337,366	90,663	1,483,083	574,501	38,601	535,900	789,578	102,441	374,734	108,450	38,680	34,105
18 Capital stock, common	351,507	643,139	21,780,135	9,278,413	6,131,294	6,162,332	208,096	9,021,738	3,641,517	292,886	3,348,631	4,536,778	371,519	1,460,951	432,742	332,182	698,595
19 Surplus reserves	69,038	89,760	1,021,368	433,820	53,819	514,371	19,358	1,184,729	462,324	24,611	437,713	629,248	71,169	318,089	41,575	36,325	87,617
20 Surplus and undivided profits 36/	514,580	1,045,822	13,182,255	9,231,137	1,130,557	2,673,337	147,224	14,480,199	5,498,998	394,221	5,104,777	7,646,252	739,748	2,813,271	830,326	398,172	1,324,770
21 Less: Deficit 37/	22,078	110,228	1,170,776	1,013,334	25,641	115,166	16,635	639,487	285,304	34,562	250,742	293,788	33,526	19,375	32,545	24,274	22,963
22 Total liabilities 35/	1,378,422	2,761,028	73,704,818	36,829,033	12,689,809	23,185,290	1,000,686	42,270,318	18,183,701	1,466,300	16,717,401	20,336,855	2,054,263	6,820,778	2,150,735	1,309,823	3,382,113
Receipts:																	
23 Gross sales 8/	1,881,551	4,760,269	503,830	364,499	11,485	123,586	4,260	130,825,624	64,461,170	2,979,263	61,481,907	56,715,913	11,843,741	14,715,802	5,189,487	2,177,948	11,795,800
24 Gross receipts from operations 9/	8,394	52,638	27,640,795	17,868,826	3,594,856	6,012,412	164,701	2,661,662	1,729,953	742,445	987,508	720,266	60,990	51,212	65,753	30,544	304,747
Interest on Government obligations (less amortizable bond premium):																	
25 Wholly taxable 10/	794	1,284	25,197	14,931	4,475	5,633	158	18,268	8,349	1,262	7,087	8,694	388	3,697	1,156	632	1,057
26 Subject to surtax only 11/	122	106	1,646	1,552	20	69	5	835	309	52	257	462	24	151	40	20	64
27 Wholly tax-exempt 12/	25	65	707	439	30	152	86	690	337	35	302	248	26	71	18	19	14
28 Other interest	1,255	2,331	101,725	55,422	13,593	32,264	446	79,586	31,089	5,754	25,335	41,182	1,884	13,681	2,025	4,246	9,935
29 Rents 13/	1,041	7,474	381,699	328,906	27,083	24,623	1,087	208,349	45,292	3,722	41,570	143,308	9,563	61,789	25,895	4,853	13,276
30 Royalties 14/	1,922	2,367	12,488	9,413	1,253	1,563	259	14,078	9,641	1,365	8,276	2,283	381	350	140	34	331
31 Excess of net short-term capital gain over net long-term capital loss 15/	2	172	1,327	1,234	10	83	-	3,696	1,600	394	1,206	1,756	93	42	34	40	1,019
32 Excess of net long-term capital gain over net short-term capital loss 15/	1,411	8,191	66,470	47,043	4,398	12,638	2,391	79,711	32,252	2,385	29,867	36,823	4,809	4,202	1,925	1,643	11,551
33 Net gain, sales other than capital assets 16/	128	826	7,024	6,337	138	393	156	13,139	4,260	401	3,879	6,976	850	406	453	528	1,606
34 Dividends, domestic corporations 17/	14,070	7,186	388,598	100,814	205,953	79,861	1,970	95,189	49,959	10,391	39,568	38,862	2,159	15,758	7,482	1,176	3,769
35 Dividends, foreign corporations 18/	3,750	3,000	12,831	5,602	1,529	5,698	2	43,080	24,800	561	24,239	10,633	700	9,441	2	59	1
36 Other receipts	13,187	25,798	127,898	93,414	7,410	25,001	2,073	1,048,389	373,874	53,057	320,817	589,003	23,883	169,990	96,141	99,544	71,288
37 Total compiled receipts 6/	1,927,652	4,871,707	29,272,235	18,898,432	3,872,233	6,323,976	177,594	135,092,296	66,772,905	3,801,087	62,971,818	58,316,409	11,949,491	15,046,592	5,390,551	2,321,286	12,214,508
Deductions:																	
38 Cost of goods sold 19/	1,239,401	3,382,102	352,157	256,384	5,283	87,611	2,879	105,303,683	56,268,451	2,763,069	53,505,382	41,362,086	9,781,221	9,788,850	3,453,925	1,383,282	9,187,372
39 Cost of operations 19/	3,283	24,588	18,262,544	12,862,673	2,149,075	3,176,588	74,208	1,504,037	975,724	278,325	697,399	425,490	43,128	19,667	35,051	9,252	197,936
40 Compensation of officers	37,604	164,402	232,384	178,577	19,372	30,639	3,796	2,322,980	974,607	122,486	852,121	1,136,238	69,607	116,664	150,806	95,665	340,447
41 Rent paid on business property	10,606	33,754	770,042	658,597	65,681	43,488	2,276	1,312,075	223,139	20,991	202,148	1,009,778	96,508	273,357	245,775	56,230	98,919
42 Repairs 20/	26,183	42,488	49,649	42,320	5,019	1,043	1,267	340,656	85,775	2,971	82,804	225,541	37,709	67,194	17,477	8,156	36,881
43 Bad debts	1,796	10,873	24,150	8,038	10,740	5,181	191	203,096	74,483	5,464	69,019	108,618	4,563	27,433	14,662	12,786	17,187
44 Interest paid	5,407	16,444	854,732	434,009	119,172	285,870	15,681	230,674	106,590	8,651	97,939	101,950	11,069	21,688	9,296	8,953	21,259
45 Taxes paid 21/	56,144	67,900	1,669,086	889,475	234,417	528,752	16,442	941,771	308,104	15,149	292,955	553,783	72,674	189,001	51,623	25,342	83,503
46 Contributions or gifts 22/	2,258	3,903	15,892	3,920	2,566	9,286	120	65,072	26,056	2,111	23,945	34,702	3,587	11,182	5,071	2,003	7,350
47 Depreciation	29,548	61,292	1,632,675	767,388	331,773	517,748	15,766	653,385	191,609	9,715	181,894	394,496	66,004	96,478	38,377	14,592	64,874
48 Depletion	2	1,826	33,756	13,465	15	20,202	74	16,007	14,330	542	13,788	962	56	29	43	9	85
49 Amortization 23/	56	726	19,356	17,806	253	1,294	3	3,071	696	37	659	2,111	72	74	409	143	701
50 Advertising	45,832	72,974	82,739	47,951	20,661	13,934	193	1,154,737	270,665	19,107	251,558	806,709	56,356	330,891	133,211	65,593	110,183
51 Amounts contributed under pension plans, etc. 24/	15,678	10,765	206,429	28,295	112,295	65,338	501	141,988	48,920	5,172	43,748	86,679	11,405	58,060	5,263	1,136	4,030
52 Net loss, sales other than capital assets 16/	465	4,330	23,248	15,142	286	7,648	172	13,991	4,870	871	3,999	7,560	1,099	513	1,098	524	1,014
53 Other deductions	242,746	646,579	1,630,213	957,742	269,423	389,275	13,773	15,204,370	5,012,062	395,082	4,616,980	8,992,229	1,460,651	2,930,297	989,060	527,732	1,140,322
54 Total compiled deductions	1,717,009	4,544,946	25,859,052	17,181,782	3,346,031	5,183,897	147,342	129,411,593	64,586,081	3,649,743	60,936,338	55,248,932	11,695,689	13,931,278	5,151,167	2,211,398	11,312,073
55 Compiled net profit or net loss (37 less 54)	210,643	326,761	3,413,183	1,716,650	526,202	1,140,079	30,252	5,680,703	2,186,824	151,344	2,035,480	3,067,477	253,802	1,115,314	239,384	109,888	902,435
56 Net income or deficit 2/ (55 less 27)	210,618	326,696	3,412,476	1,716,211	526,172	1,139,927	30,166	5,680,013	2,186,487	151,309	2,035,178	3,067,229	253,776	1,115,243	239,366	109,869	902,421
57 Net operating loss deduction 25/	560	5,238	21,292	18,032	1,208	966	1,086	24,979	12,274	2,161	10,113	10,414	883	696	1,606	987	1,272
58 Income tax 3/	79,778	137,472	1,188,609	645,984	135,221	397,604	9,800	2,093,557	824,009	55,044	768,965	1,116,579	97,130	416,411	84,628	37,935	323,026
59 Compiled net profit less income tax (55 less 58)	130,865	189,289	2,224,574	1,070,666	390,981	742,475	20,452	3,587,146	1,362,815	96,300	1,266,515	1,950,898	156,672	698,903	154,756	71,953	579,409
Dividends paid:																	
60 Cash and assets other than own stock	65,094	76,987	1,431,930	416,718	400,151	603,738	11,323	1,062,531	408,660	34,904	373,756	566,204	53,620	288,667	43,336	15,136	78,582
61 Corporation's own stock	31,000	14,663	38,217	10,383	1,952	25,132	770	197,187	96,391	4,649	91,742	85,692	3,667	11,663	5,452	4,581	42,460

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART I. - ALL RETURNS WITH BALANCE SHEETS - Continued
(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued																
		Trade - Continued					Finance, insurance, real estate, and lessors of real property											
		Retail - Continued						Finance					Insurance carriers and agents					
		Drug stores	Eating and drinking places	Building materials and hardware	Other retail trade	Trade not allocable	Total finance, insurance, real estate, and lessors of real property	Total finance	Banks and trust companies	Credit agencies other than banks	Holding and other investment companies	Security and commodity-exchange brokers and dealers	Total insurance carriers and agents	Insurance carriers	Insurance agents and brokers	Real estate, except lessors of real property other than buildings	Lessors of real property, except buildings	
1	Number of returns with balance sheets 30/	4,169	11,383	9,085	19,656	19,395	140,872	34,035	14,567	11,457	6,621	1,390	8,093	1,981	6,112	93,800	4,944	1
	Assets:																	
2	Cash 31/	71,073	95,431	110,668	213,199	334,877	43,254,055	40,278,175	38,965,706	639,647	562,632	110,190	2,090,359	1,932,791	157,568	787,139	98,382	2
3	Notes and accounts receivable	41,277	43,719	329,876	596,756	984,733	51,081,115	49,456,605	43,387,285	5,031,643	817,942	219,735	315,498	-	315,498	1,217,417	91,595	3
4	Less: Reserve for bad debts	933	367	9,624	23,524	32,463	382,419	364,931	257,560	83,813	23,201	357	2,853	-	2,853	13,366	1,269	4
5	Inventories	224,580	74,995	489,506	788,024	1,267,179	10,806	10,806	-	-	10,806	-	-	-	-	-	-	5
6	Investments, Government obligations 32/	7,511	16,858	25,549	43,863	61,262	92,784,727	69,597,195	68,010,336	147,792	872,020	567,047	22,805,139	22,781,338	23,801	311,535	70,858	6
7	Other investments 33/	20,604	32,681	57,168	103,961	334,362	55,739,712	15,060,848	4,746,349	784,625	9,094,063	435,811	38,406,477	38,309,432	97,045	2,030,875	241,512	7
8	Gross capital assets 34/ (except land)	178,060	497,244	275,479	624,393	973,694	16,863,014	1,807,906	1,223,050	181,782	357,689	45,385	532,184	457,192	74,992	11,153,823	3,369,101	8
9	Less: Reserves	74,530	189,518	106,469	240,526	369,518	3,949,447	388,919	185,433	69,962	111,250	22,274	28,732	14,671	14,061	3,118,484	415,312	9
10	Land	7,578	46,049	49,017	60,066	121,869	4,466,600	248,665	96,884	52,086	83,829	15,866	18,147	12,599	5,548	3,951,112	248,676	10
11	Other assets	17,754	38,791	20,826	62,078	73,767	5,256,049	1,498,681	1,179,684	94,429	193,701	30,867	3,242,665	3,203,363	39,302	426,677	88,026	11
12	Total assets 35/	492,974	655,883	1,241,996	2,228,290	3,749,762	265,124,212	177,205,031	157,166,301	6,778,229	11,858,231	1,402,270	67,378,884	66,682,044	696,840	16,746,728	3,793,569	12
	Liabilities:																	
13	Accounts payable	74,991	99,565	138,391	347,136	564,404	2,868,471	1,484,254	-	525,896	634,466	323,892	344,419	-	344,419	951,704	88,094	13
	Bonds, notes, mortgages payable:																	
14	Maturity less than 1 year	19,532	36,376	73,557	150,589	258,865	3,759,721	2,709,706	-	2,145,532	214,792	349,382	14,005	-	14,005	1,006,922	29,088	14
15	Maturity 1 year or more	62,406	111,961	68,290	188,454	275,194	13,142,532	3,577,684	-	1,839,376	1,370,207	368,101	23,356	-	23,356	7,928,315	1,613,177	15
16	Other liabilities	33,046	66,522	85,062	232,977	321,141	209,875,270	147,876,638	145,994,296	647,385	1,163,849	71,108	60,820,619	60,760,417	60,202	1,002,098	175,916	16
17	Capital stock, preferred	22,986	22,200	22,369	63,613	119,004	2,078,379	1,526,865	91,503	324,350	1,063,852	47,160	38,855	17,186	21,669	351,709	160,950	17
18	Capital stock, common	104,403	180,527	373,634	582,225	843,443	13,849,588	8,107,948	3,324,889	862,259	3,823,381	97,419	965,936	866,895	99,041	3,356,674	1,419,030	18
19	Surplus reserves	12,421	7,054	18,914	36,084	93,157	1,930,523	1,669,570	1,021,421	131,550	500,272	16,327	19,401	-	19,401	212,182	29,370	19
20	Surplus and undivided profits 36/	190,845	183,365	473,503	692,252	1,334,949	21,523,988	12,339,548	6,836,830	743,737	4,603,195	155,786	5,402,920	5,274,870	128,050	3,143,578	637,942	20
21	Less: Deficit 37/	27,656	51,687	16,724	65,040	60,395	3,904,260	2,087,182	102,638	441,856	1,515,783	26,905	250,627	237,324	13,303	1,206,454	359,997	21
22	Total liabilities 35/	492,974	655,883	1,241,996	2,228,290	3,749,762	265,124,212	177,205,031	157,166,301	6,778,229	11,858,231	1,402,270	67,378,884	66,682,044	696,840	16,746,728	3,793,569	22
	Receipts:																	
23	Gross sales 8/	1,390,981	1,846,406	2,726,067	5,029,681	9,648,541	61,925	30,114	-	-	30,114	-	-	-	-	31,811	-	23
24	Gross receipts from operations 9/	10,415	72,939	22,980	100,686	211,443	6,579,061	1,167,142	562,892	469,095	60,237	74,918	4,243,444	3,860,148	383,296	1,168,475	-	24
	Interest on Government obligations (less amortizable bond premium):																	
25	Wholly taxable 10/	111	357	487	809	1,225	1,325,800	800,688	779,357	2,766	12,121	6,444	513,319	512,838	481	10,444	1,349	25
26	Subject to surtax only 11/	13	18	15	117	64	221,828	202,257	200,195	187	1,224	651	19,082	19,045	37	387	102	26
27	Wholly tax-exempt 12/	8	22	8	62	105	156,713	121,570	116,947	187	2,218	2,218	34,417	34,391	26	632	94	27
28	Other interest	400	484	2,781	5,696	7,315	3,182,522	2,079,903	1,685,832	294,094	96,435	3,542	1,064,596	1,062,966	1,630	36,474	1,549	28
29	Rents 13/	4,786	7,576	4,258	11,312	19,749	1,817,027	133,896	110,448	3,788	18,241	1,419	107,511	104,999	2,512	1,418,015	157,605	29
30	Royalties 14/	137	133	468	309	2,154	188,788	52,364	2,116	194	49,978	76	266	59	207	4,871	131,287	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	2	236	80	210	340	8,166	4,982	1,784	377	2,314	507	503	300	203	2,466	215	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	1,336	2,551	4,596	4,210	10,636	212,438	120,863	37,166	11,507	67,688	4,502	8,395	7,369	1,026	75,112	8,068	32
33	Net gain, sales other than capital assets 16/	82	904	766	1,381	1,883	281,387	77,733	2,543	4,431	6,774	63,985	526	212	314	202,062	1,066	33
34	Dividends, domestic corporations 17/	2,541	926	2,042	3,009	6,368	805,527	590,052	17,591	11,558	553,244	7,659	186,199	181,140	5,059	26,542	2,734	34
35	Dividends, foreign corporations 18/	334	85	5	6	7,647	47,101	44,334	200	2,231	41,654	249	1,906	1,266	640	853	8	35
36	Other receipts	11,920	14,322	30,768	71,147	85,512	243,673	92,630	38,170	27,574	19,743	7,143	40,284	27,724	12,560	99,913	10,846	36
37	Total compiled receipts 6/	1,423,066	1,946,959	2,795,321	5,228,635	10,002,982	15,131,956	5,518,528	3,555,241	827,989	961,985	173,313	6,220,448	5,812,457	407,991	3,078,057	314,923	37
	Deductions:																	
38	Cost of goods sold 19/	954,201	1,044,341	2,071,396	3,717,498	7,673,146	40,350	23,793	-	-	23,793	-	-	-	-	16,557	-	38
39	Cost of operations 19/	3,541	41,780	15,392	59,763	102,823	67,189	22,779	-	-	22,779	-	-	-	-	44,410	-	39
40	Compensation of officers	34,128	66,713	91,866	170,342	212,135	26/764,722	454,668	349,651	47,438	22,752	34,827	26/109,740	26/25,360	84,380	193,952	6,362	40
41	Rent paid on business property	47,911	87,632	16,065	87,381	79,158	223,429	77,267	48,469	18,664	3,974	6,160	33,993	21,242	12,751	107,528	4,641	41
42	Repairs 20/	6,899	22,793	8,967	19,465	29,340	158,449	28,698	24,730	1,774	1,788	406	4,602	3,913	689	122,763	2,386	42
43	Bad debts	404	765	10,821	19,997	19,995	278,340	264,499	198,045	62,080	4,097	277	3,580	1,446	2,134	9,447	814	43
44	Interest paid	2,841	5,099	7,305	14,440	22,134	886,408	530,123	333,971	124,583	64,023	7,546	3,207	1,955	1,252	310,417	42,661	44
45	Taxes paid 21/	17,765	35,099	26,237	52,539	79,884	717,949	169,556	132,010	17,996	14,741	4,910	132,316	126,053	6,263	388,454	27,523	45
46	Contributions or gifts 22/	644	695	1,673	2,487	4,314	19,794	12,825	9,719	1,126	1,772	208	1,711	949	762	5,034	224	46
47	Depreciation	12,654	36,473	20,171	44,873	67,280	435,463	79,319	61,111	8,520	7,793	1,895	27,249	23,658	3,591	318,639	10,256	47
48	Depletion	-	-	623	117	715	42,703	6,447	337	4	6,080	26	14	14	-	738	35,504	48
49	Amortization 23/	63	292	73	284	264	469	-	-	-	-	-	-	-	-	446	23	49
50	Advertising	18,941	12,993	15,491	63,270	77,363	95,412	61,343	39,067	18,159	1,550	2,567	13,292	8,822	4,470	20,677	100	50
51	Amounts contributed under pension plans, etc. 24/	1,473	1,229	1,025	3,035	6,389	80,107	60,472	49,301	3,039	6,399	1,733	16,438	14,449	1,989	2,951	246	51
52	Net loss, sales other than capital assets 16/	119	1,259	492	1,342	1,561	94,153	60,268	50,204	5,919	3,467	678	853	743	110	26,232	6,800	52
53	Other deductions	278,019	567,435	324,737	783,976	1,200,079	6,815,385	1,766,586	1,224,238	317,898	127,782	96,668	3,892,620	3,671,325	221,295	922,469	33,510	53
54	Total compiled deductions	1,379,606	1,914,578	2,612,334	5,040,809	9,576,580	27/10,520,322	3,618,743	2,520,853	627,199	312,790	157,901	27/4,239,815	27/3,900,129	339,686	2,490,714	171,050	54
55	Compiled net profit or net loss (37 less 54)	43,460	32,381	182,987	187,826	426,402	4,611,634	1,899,785	1,034,388	200,790	649,195	15,412	1,980,633	1,912,328	68,305	587,343	143,873	55
56	Net income or deficit 2/ (55 less 27)	43,452	32,359	182,979	187,764	426,297	4,454,921	1,778,216	917,441	200,603	646,977	13,194	1,946,216	1,877,937	68,279	586,711	143,779	56
57	Net operating loss deduction 25/	285	2,015	346	2,324	2,291	54,921	6,714	2,071	2,194	2,005	444	30,876	30,282	594	16,357	974	57
58	Income tax 3/	14,459	17,840	59,908	65,242	152,969	792,125	417,740	270,355	76,174	66,026	5,185	131,800	110,525	21,275	187,660	54,925	58
59	Compiled net profit less income tax (55 less 58)	29,001	14,541	123,079	122,584	273,433	3,819,509	1,482,045	764,033	124,616	583,169	10,227	1,848,833	1,801,803	47,030	399,683	88,948	59
	Dividends paid:																	
60	Cash and assets other than own stock	12,001	12,792	26,801	30,269	87,687	1,427,713	1,033,485	337,924	92,948	595,179	7,434	164,129	141,530	22,599	132,789	97,300	60
61	Corporation's own stock	682	1,833	7,742	7,612	15,104	66,286	52,318	42,771	5,829	3,246	472	2,898	1,103	1,490	7,208	4,168	61

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART I. - ALL RETURNS WITH BALANCE SHEETS - Continued
(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued										
		Services										
		Total services	Hotels and other lodging places	Personal services	Business services	Automotive repair services and garages	Miscellaneous repair services, hand trades	Motion pictures	Amusement, except motion pictures	Other services, including schools	Nature of business not allocable	
1	Number of returns with balance sheets 30/	43,882	5,172	10,088	8,717	3,573	1,846	4,758	4,505	5,223	3,042	1
	Assets:											
2	Cash 31/	827,336	134,710	76,682	185,717	24,754	12,067	236,035	89,823	67,548	25,343	2
3	Notes and accounts receivable	804,249	76,987	101,658	279,203	32,462	29,236	154,289	39,456	90,958	63,957	3
4	Less: Reserve for bad debts	25,408	2,068	2,275	6,105	537	536	7,918	553	5,416	953	4
5	Inventories	545,539	44,278	56,094	46,202	16,776	23,183	333,410	8,347	17,249	15,408	5
6	Investments, Government obligations 32/	224,830	32,965	16,454	44,622	2,652	1,528	77,127	26,380	23,102	5,473	6
7	Other investments 33/	765,429	112,745	49,949	128,973	10,601	3,352	381,310	42,991	35,508	60,459	7
8	Gross capital assets 34/ (except land)	4,660,645	1,662,135	675,190	517,135	187,665	44,636	994,240	375,956	203,688	97,367	8
9	Less: Reserves	1,851,106	661,949	281,593	190,496	60,894	17,639	430,108	133,242	75,185	28,442	9
10	Land	706,320	316,615	41,446	20,429	30,290	1,911	209,328	68,743	17,558	23,623	10
11	Other assets	292,167	60,577	38,547	60,455	10,282	4,124	73,261	23,497	21,424	16,969	11
12	Total assets 35/	6,950,001	1,776,995	772,152	1,086,135	254,051	101,862	2,020,974	541,398	396,434	279,204	12
	Liabilities:											
13	Accounts payable	670,437	96,306	76,100	196,989	27,297	18,462	154,724	51,217	49,342	33,324	13
	Bonds, notes, mortgages payable:											
14	Maturity less than 1 year	364,066	90,259	42,665	46,096	22,183	7,224	103,203	31,693	20,743	21,586	14
15	Maturity 1 year or more	1,493,067	683,724	106,408	103,506	66,039	8,861	390,251	93,557	40,721	42,307	15
16	Other liabilities	672,612	126,752	67,088	157,916	24,423	13,221	172,686	54,370	56,156	25,225	16
17	Capital stock, preferred	240,217	71,711	30,063	45,327	8,550	1,157	40,996	16,677	25,736	14,361	17
18	Capital stock, common	1,448,745	315,975	223,581	232,101	51,556	28,220	327,815	153,761	115,736	160,261	18
19	Surplus reserves	211,419	38,472	6,594	28,742	3,236	1,091	100,183	11,968	21,133	3,722	19
20	Surplus and undivided profits 36/	2,252,757	467,856	257,722	318,477	68,427	30,132	817,557	170,689	121,897	88,935	20
21	Less: Deficit 37/	403,319	114,060	38,069	43,019	17,660	6,506	86,441	42,534	55,030	110,517	21
22	Total liabilities 35/	6,950,001	1,776,995	772,152	1,086,135	254,051	101,862	2,020,974	541,398	396,434	279,204	22
	Receipts:											
23	Gross sales 8/	1,642,897	521,170	393,997	206,522	153,160	125,888	73,671	74,715	93,774	78,149	23
24	Gross receipts from operations 9/	6,705,440	852,046	1,034,441	1,676,402	171,190	114,487	1,805,928	544,080	506,866	25,426	24
	Interest on Government obligations (less amortizable bond premium):											
25	Wholly taxable 10/	3,697	646	259	752	122	22	1,110	404	382	65	25
26	Subject to surtax only 11/	178	19	21	79	3	-	23	12	21	22	26
27	Wholly tax-exempt 12/	113	12	20	26	-	-	6	3	46	9	27
28	Other interest	10,376	1,796	480	1,137	260	52	5,113	522	1,016	826	28
29	Rents 13/	189,040	101,885	3,681	18,804	14,488	405	38,079	8,828	2,870	2,517	29
30	Royalties 14/	12,716	213	67	3,720	67	70	5,550	2,273	756	389	30
31	Excess of net short-term cpaital gain over net long-term capital loss 15/	1,276	492	79	139	310	2	102	84	68	72	31
32	Excess of net long-term cpaital gain over net short-term capital loss 15/	31,038	5,604	2,657	4,750	8,373	165	6,332	2,026	1,131	1,909	32
33	Net gain, sales other than capital assets 16/	5,951	1,181	683	1,243	718	98	439	1,127	462	386	33
34	Dividends, domestic corporations 17/	27,454	3,334	1,862	3,398	103	7	15,989	1,773	988	1,098	34
35	Dividends, foreign corporations 18/	4,688	20	37	769	-	-	3,747	2	113	8	35
36	Other receipts	131,235	14,444	8,618	31,082	6,581	1,272	42,909	13,712	12,617	3,407	36
37	Total compiled receipts 6/	8,766,099	1,502,862	1,446,902	1,948,823	355,375	242,468	1,998,998	649,561	621,110	114,283	37
	Deductions:											
38	Cost of goods sold 19/	976,966	295,709	212,965	140,063	99,376	84,420	45,950	42,646	55,837	59,237	38
39	Cost of operations 19/	3,661,752	317,497	591,753	985,676	82,158	79,008	1,108,547	268,590	228,523	8,833	39
40	Compensation of officers	387,478	29,724	87,330	117,198	20,543	14,115	41,482	24,852	52,234	6,262	40
41	Rent paid on business property	306,367	63,420	36,354	37,987	24,462	3,538	97,670	25,330	17,606	1,543	41
42	Repairs 20/	137,131	62,464	20,571	10,754	4,442	1,526	20,244	11,402	5,728	1,285	42
43	Bad debts	16,526	2,694	2,889	4,092	867	818	1,523	1,528	2,115	636	43
44	Interest paid	69,111	30,407	5,976	4,701	2,989	647	16,570	4,904	2,917	1,720	44
45	Taxes paid 21/	191,107	60,489	26,588	19,841	7,751	3,488	40,035	22,935	9,980	2,236	45
46	Contributions or gifts 22/	7,998	1,350	1,253	1,189	239	76	1,752	1,675	464	98	46
47	Depreciation	263,785	71,493	41,445	42,199	21,072	3,660	48,264	23,921	11,731	3,203	47
48	Depletion	199	14	19	19	-	-	16	127	4	134	48
49	Amortization 23/	1,734	144	153	57	45	11	1,079	185	60	10	49
50	Advertising	132,513	18,715	20,634	9,733	2,622	1,586	56,410	11,941	10,872	644	50
51	Amounts contributed under pension plans, etc. 24/	28,853	768	1,117	14,999	264	186	8,548	1,211	1,760	190	51
52	Net loss, sales other than capital assets 16/	4,677	1,898	606	309	324	84	242	689	525	1,064	52
53	Other deductions	1,956,714	432,426	332,573	424,005	59,417	36,410	341,236	147,832	182,815	21,497	53
54	Total compiled deductions	8,142,911	1,389,212	1,382,226	1,812,822	326,571	229,573	1,829,568	589,768	583,171	108,592	54
55	Compiled net profit or net loss (37 less 54)	623,188	113,650	64,676	136,001	28,804	12,895	169,430	59,793	37,939	5,691	55
56	Net income or deficit 2/ (55 less 27)	623,075	113,638	64,656	135,975	28,804	12,895	169,424	59,790	37,893	5,682	56
57	Net operating loss deduction 25/	12,549	2,822	1,673	2,145	350	336	1,839	1,667	1,717	362	57
58	Income tax 3/	240,702	42,737	22,657	50,231	8,974	5,017	69,375	25,935	15,776	3,407	58
59	Compiled net profit less income tax (55 less 58)	382,486	70,913	42,019	85,770	19,830	7,878	100,055	33,858	22,163	2,284	59
	Dividends paid:											
60	Cash and assets other than own stock	171,517	23,041	14,547	32,245	2,588	934	73,357	16,553	8,252	1,754	60
61	Corporation's own stock	12,875	1,151	1,160	2,142	448	119	835	5,647	1,373	2,287	61

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART II. - RETURNS WITH NET INCOME 2/
(Money figures in thousands of dollars)

		Major industrial groups 4/																	
			Agriculture, forestry, and fishery				Mining and quarrying							Manufacturing					
		All industrial groups	Total agriculture, forestry, and fishery	Farms and agricultural services	Forestry	Fishery	Total mining and quarrying	Metal mining	Anthracite mining	Bituminous coal and lignite mining	Crude petroleum and natural gas production	Nonmetallic mining and quarrying	Construction	Total manufacturing	Beverages	Food and kindred products	Tobacco manufactures	Textile-mill products	
1	Number of returns with balance sheets 30/	370,056	4,051	3,754	130	167	5,113	213	114	1,309	2,354	1,123	15,185	71,282	1,703	6,672	119	4,056	1
	Assets:																		
2	Cash 31/	63,732,953	143,048	134,171	6,665	2,192	923,690	215,214	41,672	241,400	344,517	80,887	490,074	11,342,079	254,758	932,245	93,320	774,356	2
3	Notes and accounts receivable	81,882,986	142,874	128,536	11,466	2,872	913,626	181,049	37,625	282,736	324,535	87,681	1,700,646	16,472,008	350,351	1,196,643	427,529	951,926	3
4	Less: Reserve for bad debts	1,198,508	1,330	1,208	89	33	10,075	546	899	3,423	3,102	2,105	11,404	415,962	7,661	29,556	2,846	22,645	4
5	Inventories	44,714,108	229,200	223,103	4,466	1,631	514,812	153,349	23,712	87,726	193,178	56,847	405,405	28,417,792	848,699	2,405,377	1,496,498	1,984,349	5
6	Investments, Government obligations 32/	103,243,251	85,385	77,413	5,864	2,108	886,676	331,355	27,859	164,782	324,026	38,654	95,706	7,459,963	151,383	350,159	12,634	587,880	6
7	Other investments 33/	81,451,625	124,330	113,724	7,986	2,620	1,071,863	249,521	111,472	302,548	331,596	76,726	235,947	10,756,331	267,194	695,497	67,687	541,526	7
8	Gross capital assets 34/ (except land)	165,981,293	824,924	773,870	34,532	16,522	7,160,109	1,469,180	515,037	1,506,914	3,083,725	585,253	1,048,252	68,266,775	1,257,674	4,774,302	312,736	3,688,444	8
9	Less: Reserves	59,944,007	326,150	311,447	10,428	4,275	3,678,771	929,468	257,716	706,952	1,508,427	276,208	416,659	31,411,975	584,584	2,045,640	110,317	1,646,609	9
10	Land	7,828,102	239,630	226,852	11,577	1,201	99,852	20,107	2,551	19,351	37,899	19,944	60,957	1,876,893	56,641	252,264	9,004	76,935	10
11	Other assets	10,584,852	51,616	48,976	1,395	1,245	188,050	56,522	16,065	33,097	62,524	19,842	129,727	2,274,730	85,481	221,054	15,336	153,993	11
12	Total assets 35/	498,256,655	1,513,527	1,413,990	73,454	26,083	8,069,832	1,746,283	517,378	1,928,179	3,190,471	687,521	3,734,651	115,038,634	2,859,936	8,754,345	2,321,581	7,070,657	12
	Liabilities:																		
13	Accounts payable	25,023,630	120,870	110,484	7,545	2,841	518,312	88,968	33,912	150,511	207,316	37,605	644,495	10,390,319	335,927	678,145	51,735	462,253	13
	Bonds, notes, mortgages payable:																		
14	Maturity less than 1 year	9,944,691	77,813	73,512	3,437	864	185,587	12,137	4,695	43,246	105,874	19,635	204,811	3,075,061	89,656	496,695	286,270	193,185	14
15	Maturity 1 year or more	49,748,246	139,872	123,072	13,284	3,516	933,713	56,456	91,085	132,527	596,324	57,321	217,076	10,650,540	381,550	826,498	639,665	596,607	15
16	Other liabilities	227,015,777	91,360	77,066	12,750	1,544	695,254	185,443	29,811	168,460	267,829	43,711	875,033	10,134,866	306,412	595,876	131,634	659,870	16
17	Capital stock, preferred	13,661,368	28,598	26,750	1,645	203	187,165	47,530	20,110	27,482	62,480	29,563	61,207	6,379,666	135,992	605,889	218,085	406,349	17
18	Capital stock, common	69,605,147	557,102	530,224	19,589	7,289	1,949,107	449,584	134,844	492,851	699,763	172,285	569,483	24,996,207	550,794	2,008,425	446,990	1,406,788	18
19	Surplus reserves	10,765,524	90,259	87,781	953	1,525	316,456	73,812	14,794	95,106	92,745	39,999	109,488	6,236,610	85,719	518,780	32,926	447,898	19
20	Surplus and undivided profits 36/	97,410,524	465,913	431,998	24,668	9,247	3,507,145	863,453	201,212	853,633	1,289,982	298,865	1,070,769	43,545,794	1,210,081	3,059,329	514,499	3,114,674	20
21	Less: Deficit 37/	2,916,252	58,260	46,897	10,417	946	222,907	31,100	13,085	35,017	132,242	11,463	17,713	370,429	36,195	35,290	225	16,967	21
22	Total liabilities 35/	498,256,655	1,513,527	1,413,990	73,454	26,083	8,069,832	1,746,283	517,378	1,928,179	3,190,471	687,521	3,734,651	115,038,634	2,859,936	8,754,345	2,321,581	7,070,657	22
	Receipts:																		
23	Gross sales 8/	310,249,156	1,278,302	1,245,620	15,475	17,207	6,047,144	1,095,640	446,850	2,215,629	1,665,435	623,610	1,988,288	178,464,739	4,713,120	25,689,549	2,961,208	11,423,996	23
24	Gross receipts from operations 9/	50,536,296	263,218	248,122	3,774	11,322	903,486	32,721	48,542	215,746	516,797	89,680	6,245,133	3,335,091	14,203	90,469	4,801	190,582	24
	Interest on Government obligations (less amortizable bond premium):																		
25	Wholly taxable 10/	1,444,256	625	527	63	35	7,590	3,694	290	1,773	1,195	638	1,433	79,815	1,762	4,085	100	6,726	25
26	Subject to surtax only 11/	227,585	210	208	-	2	332	37	28	116	97	54	66	4,475	85	437	47	146	26
27	Wholly tax-exempt 12/	156,547	85	67	16	-	185	70	5	65	16	29	248	3,278	151	372	47	232	27
28	Other interest	3,451,821	3,000	2,686	299	15	7,920	2,568	529	2,063	2,549	611	3,721	131,597	4,091	10,810	750	7,352	28
29	Rents 13/	2,572,624	11,138	10,862	224	52	28,048	3,284	5,089	11,183	5,718	2,774	19,077	252,525	3,769	16,849	2,924	14,956	29
30	Royalties 14/	416,546	6,791	6,545	246	-	54,898	1,872	10,437	13,779	27,549	1,261	1,419	136,615	355	4,602	12	1,959	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	18,326	385	178	194	13	1,329	156	9	117	1,031	16	382	5,520	450	548	-	725	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	742,710	19,662	12,532	6,861	269	31,755	1,513	1,667	8,462	16,425	3,688	17,747	299,709	7,754	24,922	1,137	16,437	32
33	Net gain, sales other than capital assets 16/	280,615	2,286	1,182	1,104	-	3,210	194	48	448	2,260	260	2,443	11,183	1,043	947	18	997	33
34	Dividends, domestic corporations 17/	2,129,864	4,904	4,750	154	20	101,402	38,265	9,514	17,340	34,099	2,184	9,052	710,632	5,736	27,672	2,816	24,318	34
35	Dividends, foreign corporations 18/	371,925	2,787	2,783	4	-	912	576	-	72	234	30	677	260,904	527	21,254	225	3,247	35
36	Other receipts	2,354,271	13,937	13,062	629	246	47,475	4,284	1,122	13,551	23,039	5,479	88,169	832,279	26,550	87,779	2,312	54,436	36
37	Total compiled receipts 6/	374,954,342	1,607,328	1,549,104	29,043	29,181	7,235,686	1,184,674	524,110	2,500,344	2,316,244	710,314	8,377,855	184,526,364	4,779,574	25,980,275	2,976,597	11,746,109	37
	Deductions:																		
38	Cost of goods sold 19/	237,119,135	817,845	791,579	13,660	12,606	3,795,030	646,725	572,855	1,615,177	789,445	370,828	1,516,687	133,100,634	3,055,095	21,429,139	2,451,302	8,633,441	38
39	Cost of operations 19/	28,997,098	106,072	99,920	1,063	5,089	587,550	22,856	32,705	144,497	348,197	39,295	5,115,329	2,101,388	3,266	34,522	881	116,137	39
40	Compensation of officers	26/5,745,181	52,538	50,849	541	1,148	75,181	4,604	2,790	24,947	24,916	17,924	278,391	2,114,681	40,727	162,552	8,099	151,379	40
41	Rent paid on business property	3,021,667	25,370	25,209	35	126	33,018	5,802	2,361	7,470	13,875	3,510	27,877	645,147	10,818	59,816	1,574	29,286	41
42	Repairs 20/	3,569,248	28,974	28,100	71	803	102,380	9,096	11,545	43,944	15,316	22,479	39,255	2,806,628	35,810	219,929	4,219	142,117	42
43	Bad debts	598,190	1,548	1,512	20	16	3,694	502	506	844	855	1,387	8,860	123,976	1,650	12,095	231	4,800	43
44	Interest paid	2,337,527	8,854	8,067	613	174	33,666	2,886	2,788	7,544	17,362	3,286	17,758	501,589	16,207	48,801	22,484	29,090	44
45	Taxes paid 21/	6,826,025	25,884	24,452	978	454	178,107	44,812	11,241	43,907	63,466	14,681	74,114	3,311,049	547,842	229,800	73,858	164,858	45
46	Contributions or gifts 22/	233,594	959	927	7	25	3,353	202	219	1,079	1,336	517	4,718	117,951	3,102	8,679	627	20,895	46
47	Depreciation	5,593,404	37,904	36,658	283	963	223,116	25,945	10,177	60,227	99,625	27,142	107,193	2,590,279	55,015	216,580	9,595	135,911	47
48	Depletion	1,655,169	2,686	2,121	565	-	514,569	98,466	15,335	84,941	294,788	22,039	1,183	1,046,031	2,371	874	-	-	48
49	Amortization 23/	34,004	16	16	-	-	3,377	182	-	172	3,010	13	95	7,965	51	194	8	92	49
50	Advertising	3,144,268	6,777	6,706	31	40	5,272	238	1,017	1,045	1,424	1,548	17,542	1,799,083	126,085	356,929	76,324	56,985	50
51	Amounts contributed under pension plans, etc. 24/	1,112,044	2,927	2,891	29	7	17,012	2,524	650	5,751	7,342	745	9,306	842,873	10,149	47,905	6,250	27,886	51
52	Net loss, sales other than capital assets 16/	102,683	662	642	4	16	2,959	373	950	546	811	279	912	25,203	1,101	3,067	12	5,110	52
53	Other deductions	58,919,762	268,110	261,050	2,515	4,545	452,666	37,095	19,106	143,966	185,815	66,684	545,169	14,852,522	385,558	1,955,046	80,073	687,619	53
54	Total compiled deductions	27/339,006,819	1,367,106	1,320,679	20,415	26,012	6,030,950	903,108	482,045	2,185,857	1,867,593	592,357	7,764,367	165,766,799	4,274,807	24,765,728	2,735,733	10,205,404	54
55	Compiled net profit (37 less 54)	35,947,523	240,222	228,425	8,628	3,169	1,204,736	281,566	42,065	314,487	448,651	117,957	613,488	18,759,565	504,767	1,214,547	240,864	1,540,705	55
56	Net income 2/ (55 less 27)	35,790,876	240,137	228,358	8,612	3,169	1,204,551	281,496	42,060	314,422	448,645	117,928	613,240	18,756,287	504,616	1,214,175	240,817	1,540,473	56
57	Net operating loss deduction 25/	194,790	4,464	4,077	185	202	6,638	1,416	233	870	3,250	869	10,264	59,321	964	5,808	8	2,168	57
58	Income tax 3/	11,771,279	77,602	74,302	2,321	979	407,931	87,988	12,613	111,614	153,643	42,073	206,931	6,760,415	187,140	440,727	90,301	571,499	58
59	Compiled net profit less income tax (55 less 58)	24,176,244	162,620	154,123	6,307	2,190	796,805	193,578	29,452	202,873	295,018	75,884	406,557	11,999,150	317,627	773,820	150,563	969,206	59
	Dividends paid:																		
60	Cash and assets other than own stock	9,207,775	61,375	58,870	2,068	437	456,558	155,801	18,686	75,476	170,649	35,966	66,302	4,584,519	106,184	346,550	88,101	290,684	60
61	Corporation's own stock	1,006,567	4,817	4,267	-	550	24,588	-	45	7,468	14,802	2,273	56,958	627,528	16,323	21,916	16	69,770	61

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART II. - RETURNS WITH NET INCOME 2/ - Continued

Table 5. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART II. - RETURNS WITH NET INCOME 2/ - Continued
(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued																	
		Manufacturing - Continued																	
		Apparel and products made from fabrics	Lumber and wood products, except furniture	Furniture and fixtures	Paper and allied products	Printing, publishing, and allied industries	Chemicals and allied products	Petroleum and coal products	Rubber products	Leather and products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products, except ordnance, machinery, and transportation equipment	Machinery, except transportation equipment and electrical	Electrical machinery and equipment	Transportation equipment, except motor vehicles	Motor vehicles and equipment, except electrical	Ordnance and accessories	
1	Number of returns with balance sheets 30/	8,331	3,662	2,658	1,866	8,555	4,155	439	423	1,698	2,776	2,113	6,155	6,225	1,596	550	847	25	1
	Assets:																		
2	Cash 31/	349,906	236,122	119,451	351,655	472,506	976,376	1,242,839	154,935	141,487	311,885	1,123,729	[illegible]	1,092,879	531,840	300,042	880,929	30,064	2
3	Notes and accounts receivable	596,543	329,721	204,244	457,999	729,781	1,241,652	2,292,719	376,440	258,030	401,528	1,325,531	856,418	1,603,512	980,626	470,059	730,757	13,355	3
4	Less: Reserve for bad debts	15,929	7,661	6,687	13,346	24,557	38,053	51,300	11,367	6,903	10,747	34,434	21,067	51,567	19,383	4,326	8,762	809	4
5	Inventories	930,874	577,556	306,458	742,741	487,421	2,118,682	2,252,703	597,816	436,600	551,849	2,262,880	1,498,177	3,285,282	1,648,969	820,548	1,929,853	74,385	5
6	Investments, Government obligations 32/	71,329	172,030	55,838	315,787	270,130	740,916	661,499	113,611	56,228	222,860	1,004,529	282,891	631,147	304,274	193,288	1,088,712	13,859	6
7	Other investments 33/	124,473	187,013	44,636	514,381	530,545	1,321,620	2,872,725	151,590	79,834	198,212	658,591	299,948	490,862	749,908	125,494	515,444	11,851	7
8	Gross capital assets 34/ (except land)	424,288	1,523,819	416,231	2,899,530	2,051,351	6,150,967	15,841,478	1,102,482	333,352	2,171,056	10,208,619	2,538,181	4,277,576	1,921,691	1,149,208	3,721,290	95,948	8
9	Less: Reserves	169,682	545,481	174,737	1,232,568	732,277	2,648,553	7,718,030	572,654	161,784	969,391	5,553,165	1,105,593	1,893,832	795,192	575,896	1,706,275	57,370	9
10	Land	19,293	60,928	17,895	69,834	114,091	176,730	341,725	16,228	12,959	67,636	125,369	106,150	134,212	53,619	35,624	71,390	2,058	10
11	Other assets	49,357	84,524	18,783	104,708	148,983	177,077	221,867	16,297	29,140	53,669	203,339	95,293	166,586	113,467	134,503	115,151	13,769	11
12	Total assets 35/	2,380,452	2,618,571	1,002,092	4,210,721	4,047,974	10,217,414	17,958,225	1,945,378	1,178,943	2,998,557	11,324,988	5,140,853	9,736,657	5,489,819	2,648,744	7,318,489	197,090	12
	Liabilities:																		
13	Accounts payable	370,410	182,321	91,829	209,169	391,053	680,592	1,769,365	152,375	122,867	180,151	1,272,211	449,265	904,049	565,438	274,414	940,363	8,060	13
	Bonds, notes, mortgages payable:																		
14	Maturity less than 1 year	153,964	110,982	34,751	65,349	103,431	264,982	151,786	14,294	44,407	255,934	200,642	138,597	255,689	148,133	187,703	120,400	507	14
15	Maturity 1 year or more	111,833	173,339	59,240	479,139	339,818	932,870	2,332,966	422,065	74,460	278,831	1,063,145	274,017	673,971	648,518	132,684	171,426	863	15
16	Other liabilities	224,432	251,458	107,357	343,197	462,183	876,997	934,931	151,780	100,140	254,649	1,029,230	534,784	1,069,406	690,425	362,341	631,512	29,087	16
17	Capital stock, preferred	121,504	53,414	39,479	334,539	261,127	876,243	434,914	220,385	60,732	136,287	823,759	212,346	521,890	173,322	119,367	419,952	20,441	17
18	Capital stock, common	523,919	664,277	230,090	802,236	715,751	2,014,448	5,216,218	276,890	261,812	806,563	2,811,309	1,170,757	2,052,076	1,138,203	460,559	802,323	17,005	18
19	Surplus reserves	67,592	68,355	29,500	205,602	176,427	591,245	845,900	142,609	77,044	110,388	477,907	224,027	651,991	342,173	143,555	816,401	29,241	19
20	Surplus and undivided profits 36/	811,537	1,146,632	417,721	1,778,465	1,637,447	3,991,950	6,321,041	574,987	440,196	1,196,365	3,651,869	2,151,197	3,648,229	1,791,516	1,141,935	3,418,229	92,335	20
21	Less: Deficit 37/	4,739	32,207	7,875	6,975	39,263	11,913	28,894	10,007	2,715	18,611	5,084	14,137	20,644	5,909	53,814	2,117	449	21
22	Total liabilities 35/	2,380,452	2,618,571	1,002,092	4,210,721	4,047,974	10,217,414	17,958,225	1,945,378	1,178,943	2,998,557	11,324,988	5,140,853	9,736,657	5,489,819	2,648,744	7,318,489	197,090	22
	Receipts:																		
23	Gross sales 8/	6,779,141	3,889,168	2,106,477	5,587,937	5,251,028	13,236,386	18,531,578	3,233,788	2,699,411	3,889,693	15,772,587	8,672,537	13,865,018	8,205,376	2,557,834	13,294,550	217,445	23
24	Gross receipts from operations 9/	171,718	61,510	12,255	15,206	388,423	75,659	606,873	6,511	4,836	21,772	600,882	49,031	226,225	32,895	704,262	7,055	175	24
	Interest on Government obligations (less amortizable bond premium):																		
25	Wholly taxable 10/	1,136	2,138	678	3,742	3,944	6,859	8,639	1,134	782	2,453	11,191	3,266	7,576	2,275	2,212	6,900	244	25
26	Subject to surtax only 11/	94	83	24	208	461	472	354	18	29	218	207	266	523	148	38	378	23	26
27	Wholly tax-exempt 12/	24	141	25	178	222	394	172	9	28	117	167	158	411	175	35	121	12	27
28	Other interest	1,716	2,162	669	6,047	4,679	17,381	10,934	1,292	1,103	2,662	24,974	5,333	10,233	9,408	2,517	3,904	332	28
29	Rents 13/	4,472	6,682	1,683	6,884	16,792	12,036	88,223	1,743	1,613	4,401	17,860	10,352	21,288	5,581	2,413	4,466	459	29
30	Royalties 14/	8,405	4,718	394	3,594	8,503	20,468	25,457	4,059	227	3,076	7,947	4,187	16,736	10,631	3,667	3,893	67	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	23	171	16	111	40	356	184	2	8	32	197	109	150	182	43	24	1	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	2,619	89,740	2,497	13,668	10,830	10,484	39,472	840	1,349	4,621	15,218	13,131	11,170	15,860	6,851	2,847	222	32
33	Net gain, sales other than capital assets 16/	309	1,141	144	972	612	572	929	62	46	184	211	586	964	402	433	38	4	33
34	Dividends, domestic corporations 17/	4,192	10,029	1,398	11,625	22,139	124,444	246,565	20,891	1,830	6,359	42,956	21,912	22,175	22,246	10,184	59,787	291	34
35	Dividends, foreign corporations 18/	184	3	1,262	7,923	2,400	22,509	58,041	23,217	93	10,958	9,850	11,935	18,798	11,909	2,889	47,172	40	35
36	Other receipts	22,143	27,187	11,068	27,417	46,057	57,618	73,911	12,977	13,064	23,408	34,456	47,561	83,594	22,263	25,919	98,161	447	36
37	Total compiled receipts 6/	6,996,176	4,094,873	2,138,590	5,685,512	5,756,130	13,585,638	19,691,332	3,306,543	2,724,419	3,969,954	16,538,683	8,840,364	14,284,661	8,339,351	3,319,297	13,529,296	219,762	37
	Deductions:																		
38	Cost of goods sold 19/	5,451,905	2,838,384	1,549,116	3,976,483	3,546,618	9,072,092	13,332,841	2,403,669	2,202,324	2,649,915	12,293,374	6,197,348	9,609,690	5,997,725	2,057,396	10,207,782	150,347	38
39	Cost of operations 19/	126,709	39,693	7,857	5,130	202,810	40,098	426,065	1,227	2,202	11,785	445,644	27,538	26,383	6,163	552,129	3,294	80	39
40	Compensation of officers	203,799	76,206	61,830	76,941	193,051	134,620	31,430	17,994	51,216	70,434	104,883	198,478	226,081	67,938	25,158	45,120	1,923	40
41	Rent paid on business property	47,363	10,286	11,109	18,669	48,135	38,528	119,501	12,551	13,128	10,954	47,975	28,604	41,618	28,513	13,935	19,416	296	41
42	Repairs 20/	12,918	37,440	14,512	144,658	30,753	227,179	319,529	60,421	21,014	103,186	577,030	138,341	245,824	115,498	67,135	218,452	6,728	42
43	Bad debts	5,108	5,654	2,762	3,152	13,467	9,202	12,551	2,284	1,328	3,123	10,068	8,561	11,725	4,113	1,178	1,681	185	43
44	Interest paid	12,011	11,559	4,674	16,052	15,633	39,332	65,178	12,889	5,074	11,040	72,156	17,759	35,641	24,573	9,159	16,218	335	44
45	Taxes paid 21/	56,128	59,143	26,289	81,904	70,580	174,269	402,726	96,785	26,911	55,126	237,005	112,699	204,053	173,393	54,416	347,938	4,547	45
46	Contributions or gifts 22/	8,700	2,841	2,247	5,259	7,248	5,598	4,667	990	2,674	2,442	6,422	7,390	12,199	4,103	1,334	4,151	304	46
47	Depreciation	25,992	65,300	18,951	101,565	69,076	260,206	452,838	50,987	15,617	85,061	308,029	114,669	205,788	109,939	43,553	168,445	2,664	47
48	Depletion	-	86,282	143	4,842	32	17,606	865,313	34	-	2,300	62,998	256	889	2	59	1,003	-	48
49	Amortization 23/	79	22	9	28	127	810	3,261	260	4	66	1,307	238	210	53	89	460	-	49
50	Advertising	53,380	8,929	19,098	22,220	30,510	374,217	75,824	36,118	22,166	24,571	34,808	70,098	133,566	109,003	9,955	73,042	2,152	50
51	Amounts contributed under pension plans, etc. 24/	6,962	4,256	3,111	24,273	26,475	68,290	107,470	7,323	8,124	11,826	48,940	28,785	61,710	82,998	13,002	18,299	3,483	51
52	Net loss, sales other than capital assets 16/	556	350	195	679	713	1,650	1,046	174	378	1,475	2,502	1,179	2,732	479	229	291	1	52
53	Other deductions	641,934	289,958	222,382	413,512	887,949	1,404,971	1,474,478	340,648	194,512	378,546	578,623	838,556	1,690,117	692,213	202,937	695,873	13,606	53
54	Total compiled deductions	6,653,544	3,536,303	1,944,285	4,895,367	5,143,177	11,868,668	17,694,720	3,044,354	2,566,672	3,421,850	14,831,764	7,790,497	12,508,226	7,416,706	3,051,664	11,821,445	186,651	54
55	Compiled net profit (37 less 54)	342,632	558,570	194,305	790,145	612,953	1,716,970	1,996,612	262,189	157,747	548,104	1,706,919	1,049,867	1,776,435	922,645	267,633	1,707,851	33,111	55
56	Net income 2/ (55 less 27)	342,608	558,429	194,280	789,967	612,731	1,716,576	1,996,440	262,180	157,719	547,987	1,706,752	1,049,709	1,776,024	922,470	267,598	1,707,750	33,099	56
57	Net operating loss deduction 25/	2,470	2,096	1,598	895	3,107	3,671	3,025	430	766	1,805	2,229	3,243	8,477	3,813	7,233	1,683	36	57
58	Income tax 3/	119,584	193,073	70,025	292,530	214,933	605,292	658,712	92,255	57,226	202,204	630,087	383,113	659,726	338,604	95,402	628,305	12,427	58
59	Compiled net profit less income tax (55 less 58)	223,048	365,497	124,280	497,615	398,020	1,111,678	1,337,900	169,934	100,521	345,900	1,076,832	666,754	1,116,709	584,041	172,231	1,079,546	20,684	59
	Dividends paid:																		
60	Cash and assets other than own stock	57,986	98,138	34,160	170,176	154,032	535,595	702,107	65,718	41,245	124,648	364,661	214,444	379,739	205,417	96,522	361,466	7,476	60
61	Corporations's own stock	17,741	9,685	10,608	26,574	12,373	35,438	168,672	2,186	3,626	12,980	59,694	44,908	45,194	14,073	4,705	6,328	-	61

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART II. - RETURNS WITH NET INCOME 2/ - Continued

(Money figures in thousands of dollars)

Major industrial groups 4/ - Continued

		Manufacturing - Cont'd.		Public utilities					Trade										
										Wholesale			Retail						
		Scientific instruments; photographic equipment; watches, clocks	Other manufacturing	Total public utilities	Transportation	Communication	Electric and gas utilities	Other public utilities	Total trade	Total wholesale	Commission merchants	Other wholesalers	Total retail	Food	General merchandise	Apparel and accessories	Furniture and house furnishings	Automotive dealers and filling stations
1	Number of returns with balance sheets 30/	973	5,685	13,976	10,208	1,905	907	956	130,880	42,564	5,415	37,149	74,002	4,559	5,003	10,386	6,361	17,308
	Assets:																	
2	Cash 31/	121,550	275,770	2,660,093	1,688,092	192,289	749,895	29,817	5,026,568	2,026,286	270,486	1,755,800	2,688,737	311,997	897,696	312,243	81,499	640,359
3	Notes and accounts receivable	231,705	442,939	2,350,300	1,326,906	409,652	590,383	23,359	9,833,132	5,218,317	541,999	4,676,318	3,718,950	154,129	1,287,895	394,634	484,263	495,147
4	Less: Reserve for bad debts	6,942	16,416	44,954	7,642	3,402	33,252	658	338,259	131,965	10,292	121,673	175,894	4,677	95,203	13,449	17,186	14,079
5	Inventories	429,385	730,190	1,952,887	1,023,060	183,937	729,848	16,042	12,813,741	5,465,116	115,735	5,349,381	6,186,753	654,990	2,064,305	677,710	371,567	1,050,632
6	Investments, Government obligations 32/	65,886	93,093	1,844,963	1,038,056	420,619	374,518	11,770	1,201,706	472,562	65,279	407,283	669,731	27,360	351,215	74,739	29,378	97,304
7	Other investments 33/	131,156	176,164	11,823,134	5,397,259	4,027,486	2,368,930	29,459	2,651,849	1,245,747	185,297	1,060,450	1,098,839	100,197	497,972	142,394	52,658	123,282
8	Gross capital assets 34/ (except land)	532,195	894,357	63,092,866	29,973,267	10,125,826	22,064,004	929,769	8,862,196	2,453,971	107,583	2,346,388	5,543,967	827,516	1,991,042	455,250	162,125	840,095
9	Less: Reserves	248,976	363,569	16,086,727	8,045,172	3,013,969	4,856,455	171,131	3,235,039	881,038	35,375	845,663	2,023,860	308,755	774,024	169,280	56,399	209,988
10	Land	15,917	40,391	415,064	180,074	16,763	202,147	16,080	1,022,864	224,718	10,599	214,119	686,945	53,498	284,273	30,082	23,460	156,162
11	Other assets	19,088	53,265	1,955,033	1,256,314	144,159	534,085	20,475	890,922	301,599	34,142	267,457	528,685	77,850	194,877	54,217	21,752	74,189
12	Total assets 35/	1,290,964	2,326,184	69,962,659	33,830,214	12,503,360	22,724,103	904,982	38,729,680	16,395,313	1,285,453	15,109,860	18,922,853	1,894,105	6,700,048	1,958,540	1,153,117	3,253,103
	Liabilities:																	
13	Accounts payable	89,465	208,864	2,392,083	1,538,843	372,927	465,079	15,234	6,212,192	3,571,434	411,137	3,160,297	2,154,869	339,489	599,356	282,052	114,683	302,530
	Bonds, notes, mortgages payable:																	
14	Maturity less than 1 year	22,813	98,891	739,999	275,244	112,519	338,536	13,700	2,265,397	1,241,063	58,455	1,182,608	802,533	64,360	138,408	56,391	93,423	230,389
15	Maturity 1 year or more	76,468	160,567	24,642,113	10,783,792	4,109,484	9,329,277	419,560	2,612,146	1,063,856	65,100	998,756	1,324,772	158,052	432,334	141,958	69,544	209,366
16	Other liabilities	146,584	240,581	4,541,787	2,813,804	538,172	1,136,113	53,698	3,598,039	1,379,224	92,182	1,287,042	1,935,068	149,757	642,809	191,886	163,307	436,901
17	Capital stock, preferred	73,513	110,137	3,805,288	1,236,146	168,876	2,314,544	85,722	1,326,416	487,978	33,051	454,927	728,035	92,686	369,120	95,107	35,012	31,835
18	Capital stock, common	327,043	491,733	20,769,565	8,462,835	6,069,682	6,058,865	178,183	7,887,779	3,108,295	240,785	2,867,510	4,047,271	313,358	1,420,529	365,646	279,729	654,149
19	Surplus reserves	68,175	83,155	914,157	350,044	47,159	498,077	18,877	1,150,573	441,623	22,763	418,860	619,222	70,875	317,252	40,602	34,136	87,030
20	Surplus and undivided profits 36/	488,749	946,811	12,612,141	8,760,602	1,091,343	2,635,705	124,491	13,893,972	5,187,387	371,494	4,815,893	7,423,115	718,102	2,789,784	795,262	372,954	1,310,067
21	Less: Deficit 37/	1,846	14,555	454,474	391,096	6,802	52,093	4,483	216,834	85,547	9,514	76,033	112,032	12,572	9,544	10,364	9,671	9,164
22	Total liabilities 35/	1,290,964	2,326,184	69,962,659	33,830,214	12,503,360	22,724,103	904,982	38,729,680	16,395,313	1,285,453	15,109,860	18,922,853	1,894,105	6,700,048	1,958,540	1,153,117	3,253,103
	Receipts:																	
23	Gross sales 8/	1,766,792	4,120,120	435,997	304,407	8,073	120,010	3,507	120,616,808	58,531,484	2,647,880	55,883,604	53,264,601	11,208,754	14,475,168	4,778,148	1,921,957	11,348,209
24	Gross receipts from operations 9/	6,859	42,889	25,644,616	16,099,567	3,497,351	5,895,278	152,420	2,313,629	1,501,405	638,062	863,343	618,710	47,407	46,678	58,893	24,084	289,740
	Interest on Government obligations (less amortizable bond premium):																	
25	Wholly taxable 10/	779	1,194	24,200	13,980	4,460	5,607	153	17,583	7,978	1,232	6,746	8,427	349	3,658	1,092	607	1,045
26	Subject to surtax only 11/	121	97	1,622	1,528	20	69	5	773	273	52	221	449	19	149	39	20	64
27	Wholly tax-exempt 12/	25	62	614	348	28	152	86	674	330	32	298	245	23	71	18	19	14
28	Other interest	1,211	2,037	98,523	52,894	13,265	32,074	290	74,743	29,016	5,461	23,555	38,707	1,758	13,215	1,925	3,662	9,650
29	Rents 13/	917	6,162	353,944	301,960	26,651	24,397	956	186,765	39,527	3,046	36,481	129,857	7,754	60,099	23,734	4,243	12,191
30	Royalties 14/	1,742	1,916	11,672	8,765	1,242	1,550	115	13,161	9,257	1,305	7,952	1,921	363	278	133	31	317
31	Excess of net short-term capital gain over net long-term capital loss 15/	2	146	1,057	964	10	83	-	3,033	1,226	368	858	1,526	74	41	34	37	984
32	Excess of net long-term capital gain over net short-term capital loss 15/	1,236	6,804	62,497	43,527	4,238	12,491	2,241	74,429	29,748	2,238	27,510	34,756	4,378	4,149	1,721	1,410	11,325
33	Net gain, sales other than capital assets 16/	69	502	5,394	4,836	106	371	81	9,426	2,974	238	2,736	5,164	401	370	265	475	1,236
34	Dividends, domestic corporations 17/	14,057	7,030	387,812	100,057	205,929	79,856	1,970	94,054	49,190	10,234	38,956	38,586	2,139	15,691	7,422	1,166	3,750
35	Dividends, foreign corporations 18/	3,750	2,738	12,703	5,595	1,529	5,577	2	42,892	24,704	561	24,143	10,543	700	9,441	2	58	1
36	Other receipts	12,611	21,560	106,734	74,159	6,284	24,350	1,941	947,972	326,646	41,409	285,237	541,962	21,338	165,583	88,315	87,569	67,185
37	Total compiled receipts 6/	1,810,171	4,213,257	27,147,385	17,012,587	3,769,186	6,201,865	163,747	124,395,942	60,553,758	3,352,118	57,201,640	54,695,454	11,295,457	14,794,591	4,961,741	2,045,338	11,745,711
	Deductions:																	
38	Cost of goods sold 19/	1,144,736	2,869,912	307,225	216,888	3,094	84,992	2,251	96,733,325	50,911,780	2,453,041	48,458,739	38,843,009	9,235,854	9,612,981	3,175,822	1,214,609	8,802,941
39	Cost of operations 19/	2,553	19,222	16,760,756	11,507,011	2,089,369	3,096,782	67,594	1,265,187	814,937	217,397	597,540	359,848	32,408	17,069	32,118	6,127	186,789
40	Compensation of officers	32,338	132,484	192,850	143,674	16,280	29,575	3,321	2,045,188	849,197	102,384	746,813	1,007,384	57,633	110,683	131,037	82,680	327,590
41	Rent paid on business property	8,929	24,343	706,141	599,044	61,612	43,337	2,148	1,146,421	185,803	16,650	169,153	892,071	86,726	266,520	216,203	46,552	92,295
42	Repairs 20/	25,652	38,303	35,482	30,331	3,480	878	793	309,433	77,192	2,533	74,659	205,878	34,288	66,205	16,165	7,211	35,277
43	Bad debts	1,517	7,541	20,882	5,427	10,292	4,997	166	177,335	60,189	3,685	56,504	99,678	4,138	26,474	13,478	11,250	15,777
44	Interest paid	4,097	11,627	793,702	384,862	117,140	277,763	13,937	192,514	86,701	7,413	79,288	87,342	9,495	20,563	7,971	7,006	18,981
45	Taxes paid 21/	53,899	56,882	1,579,320	813,066	230,238	520,871	15,145	865,315	280,367	13,515	266,852	511,614	67,425	186,002	47,209	22,252	80,440
46	Contributions or gifts 22/	2,253	3,826	15,708	3,770	2,558	9,262	118	63,513	24,925	2,087	22,838	34,358	3,551	11,163	5,030	1,969	7,333
47	Depreciation	26,836	47,664	1,489,951	642,682	324,508	508,580	14,181	575,663	166,106	8,038	158,068	349,830	58,408	94,111	34,025	12,465	61,282
48	Depletion	2	1,025	33,307	13,142	15	20,116	34	15,763	14,229	534	13,695	906	36	28	43	9	85
49	Amortization 23/	25	594	19,047	17,573	215	1,257	2	2,363	504	27	477	1,625	59	64	265	87	658
50	Advertising	42,277	60,826	69,099	35,475	19,760	13,770	94	1,055,792	238,536	15,974	222,562	747,277	52,979	321,286	119,441	55,979	105,718
51	Amounts contributed under pension plans, etc. 24/	15,553	10,005	201,515	24,693	111,293	65,032	497	138,660	46,762	4,888	41,874	85,901	11,288	57,894	5,196	1,067	5,987
52	Net loss, sales other than capital assets 16/	284	998	14,423	6,867	183	7,345	28	6,325	1,920	170	1,750	3,458	483	477	719	300	565
53	Other deductions	225,899	539,332	1,358,994	733,504	241,367	372,377	11,746	13,785,270	4,431,334	333,498	4,097,836	8,269,520	1,371,859	2,879,675	898,126	453,930	1,090,103
54	Total compiled deductions	1,584,850	3,824,584	23,598,402	15,178,009	3,231,404	5,056,934	132,055	118,378,067	55,190,482	3,181,834	55,008,648	51,498,699	11,026,630	13,671,195	4,702,847	1,923,473	10,829,821
55	Compiled net profit (37 less 54)	225,321	388,673	3,548,983	1,834,578	537,782	1,144,931	31,692	6,017,875	2,363,276	170,284	2,192,992	3,196,755	268,827	1,123,396	258,894	121,865	915,890
56	Net income 2/ (55 less 27)	225,298	388,611	3,548,369	1,834,230	537,754	1,144,779	31,606	6,017,201	2,362,946	170,252	2,192,694	3,196,510	268,804	1,123,325	258,876	121,846	915,876
57	Net operating loss deduction 25/	560	5,238	21,292	18,052	1,208	966	1,086	24,979	12,274	2,161	10,113	10,414	885	696	1,606	987	1,272
58	Income tax 3/	79,778	137,472	1,188,609	645,984	135,221	397,604	9,800	2,093,557	824,009	55,044	768,965	1,116,579	97,130	416,411	84,628	57,955	323,026
59	Compiled net profit less income tax (55 less 58)	145,543	251,201	2,360,374	1,188,594	402,561	747,327	21,892	3,924,318	1,539,267	115,240	1,424,027	2,080,176	171,697	706,985	174,266	63,930	592,864
	Dividends paid:																	
60	Cash and assets other than own stock	64,920	74,570	1,417,129	406,554	399,875	599,448	11,252	1,051,657	402,388	54,214	368,174	562,581	53,117	288,097	48,014	14,795	78,418
61	Corporation's own stock	31,000	13,718	38,116	10,361	1,853	25,132	770	194,545	94,849	4,606	90,243	84,903	3,654	11,632	5,048	4,563	42,390

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

60	Cash and assets other than own stock	64,920	74,570	1,417,129	406,554	399,875	598,448	11,252	1,051,657	402,588	54,214	368,174	562,581	53,117	288,097	48,014	14,795	78,418 60
61	Corporation's own stock	31,000	13,718	38,116	10,361	1,853	25,132	770	194,545	94,849	4,606	90,243	84,905	3,654	11,632	5,048	4,563	42,390 61

For footnotes, see pp. 25-26.

Table 5. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART II. - RETURNS WITH NET INCOME 2/ - Continued
(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued																
		Trade - Continued					Finance, insurance, real estate, and lessors of real property											
		Retail - Continued						Finance					Insurance carriers, agents					
		Drug stores	Eating and drinking places	Building materials and hardware	Other retail trade	Trade not allocable	Total finance, insurance, real estate, and lessors of real property	Total finance	Banks and trust companies	Credit agencies other than banks	Holding and other investment companies	Security and commodity-exchange brokers and dealers	Total insurance carriers and agents	Insurance carriers	Insurance agents and brokers	Real estate, except lessors of real property other than buildings	Lessors of real property, except buildings	
1	Number of returns with balance sheets 30/	3,064	5,471	7,798	14,052	14,314	101,864	27,238	14,024	7,692	4,764	758	6,470	1,736	4,734	64,965	3,191	1
	Assets:																	
2	Cash 31/	68,449	78,723	106,783	190,988	311,545	42,407,045	39,629,165	38,486,242	548,374	515,804	78,745	2,034,492	1,887,087	147,405	658,302	85,086	2
3	Notes and accounts receivable	38,544	34,096	314,488	515,754	895,865	49,785,536	48,458,728	42,811,650	4,742,148	716,261	188,669	287,884	-	287,884	964,674	74,250	3
4	Less: Reserve for bad debts	877	306	9,173	20,944	30,400	361,987	348,564	251,761	74,347	22,285	171	2,653	-	2,653	9,593	1,177	4
5	Inventories	205,175	50,144	458,643	653,587	1,161,872	10,206	10,206	-	-	10,206	-	-	-	-	-	-	5
6	Investments, Government obligations 32/	7,299	15,509	25,250	41,677	59,413	91,468,735	68,513,148	67,078,364	127,645	809,491	497,648	22,604,346	22,581,111	23,235	283,634	67,607	6
7	Other investments 33/	19,337	24,061	53,129	85,809	307,263	54,122,403	14,038,259	4,637,018	661,603	8,440,830	298,808	38,299,420	38,207,587	91,833	1,577,961	206,763	7
8	Gross capital assets 34/ (except land)	161,461	326,670	255,301	524,507	864,258	12,914,547	1,561,615	1,183,378	82,411	283,185	12,641	513,302	447,556	65,746	8,474,087	2,365,543	8
9	Less: Reserves	68,723	132,257	100,497	203,937	330,141	3,212,146	299,498	178,291	26,174	90,429	4,604	24,963	12,679	12,284	2,577,303	310,382	9
10	Land	7,284	34,793	45,763	51,630	111,201	3,491,113	178,173	93,401	17,769	65,971	1,032	17,091	12,252	4,839	3,140,595	155,254	10
11	Other assets	16,227	22,526	18,627	48,420	60,638	4,880,357	1,334,237	1,165,493	67,012	77,811	23,921	3,196,330	3,162,328	34,002	301,477	48,313	11
12	Total assets 35/	454,176	453,959	1,168,314	1,887,491	3,411,514	255,505,809	173,075,469	155,025,494	6,146,441	10,806,845	1,096,689	66,925,249	66,285,242	640,007	12,813,834	2,691,257	12
	Liabilities:																	
13	Accounts payable	64,953	56,306	123,334	272,166	485,889	2,256,761	1,268,425	-	412,141	579,011	277,273	310,932	-	310,932	637,634	39,770	13
	Bonds, notes, mortgages payable:																	
14	Maturity less than 1 year	16,297	17,724	69,746	115,795	221,801	3,177,115	2,457,687	-	2,074,117	153,443	230,127	11,671	-	11,671	693,539	14,218	14
15	Maturity 1 year or more	57,123	56,627	58,046	141,722	223,518	9,451,240	2,871,642	-	1,603,954	937,605	330,083	19,175	-	19,175	5,654,438	905,985	15
16	Other liabilities	30,241	44,154	80,032	195,981	283,747	206,546,314	145,366,154	143,988,794	503,370	812,841	61,149	60,342,128	60,286,686	55,442	723,474	114,558	16
17	Capital stock, preferred	22,034	11,570	19,975	50,696	110,403	1,682,367	1,247,926	76,709	265,740	871,367	34,110	35,702	15,620	20,082	269,303	129,436	17
18	Capital stock, common	89,207	113,073	346,423	465,159	732,213	11,771,779	7,161,954	3,225,188	639,802	3,229,438	67,526	916,809	829,126	87,683	2,575,344	1,117,672	18
19	Surplus reserves	12,262	5,996	18,614	32,455	89,728	1,763,061	1,556,515	996,740	105,789	440,242	13,744	17,449	-	17,449	163,758	25,339	19
20	Surplus and undivided profits 36/	185,320	157,240	459,179	635,207	1,283,470	20,277,165	11,738,227	6,747,851	644,497	4,257,561	88,318	5,314,225	5,190,592	123,633	2,701,580	523,133	20
21	Less: Deficit 37/	23,261	8,731	7,035	21,690	19,255	1,419,993	593,061	9,788	102,969	474,663	5,641	42,842	36,782	6,060	605,236	178,854	21
22	Total liabilities 35/	454,176	453,959	1,168,514	1,887,491	3,411,514	255,505,809	173,075,469	155,025,494	6,146,441	10,806,845	1,096,689	66,925,249	66,285,242	640,007	12,813,834	2,691,257	22
	Receipts:																	
23	Gross sales 8/	1,278,586	1,284,643	2,586,717	4,382,419	8,820,723	55,197	30,083	-	-	30,083	-	-	-	-	25,114	-	23
24	Gross receipts from operations 9/	8,636	42,271	19,846	81,153	193,514	6,162,825	1,109,379	548,317	448,777	59,733	52,552	4,057,741	3,706,653	351,088	995,705	-	24
	Interest on Government obligations (less amortizable bond premium):																	
25	Wholly taxable 10/	103	328	482	763	1,178	1,309,677	787,612	768,539	2,474	11,065	5,534	511,046	510,583	463	9,706	1,313	25
26	Subject to surtax only 11/	12	14	15	117	51	219,971	201,175	199,265	91	1,197	622	18,405	18,371	34	295	96	26
27	Wholly tax-exempt 12/	8	22	8	62	99	151,565	116,948	113,757	138	1,942	1,111	33,755	33,729	26	580	82	27
28	Other interest	384	409	2,717	4,987	7,020	3,123,052	2,026,265	1,658,856	272,376	93,274	1,779	1,063,338	1,061,812	1,526	32,001	1,448	28
29	Rents 13/	4,398	5,109	3,935	8,394	17,381	1,565,310	128,157	107,629	3,114	17,268	146	106,642	104,364	2,278	1,197,719	132,792	29
30	Royalties 14/	137	123	518	221	1,983	181,385	49,231	1,928	172	47,111	20	205	59	146	4,190	127,759	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	2	115	57	182	281	7,414	4,664	1,742	353	2,177	392	446	247	199	2,094	210	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	1,305	2,147	4,487	3,834	9,925	205,865	118,194	36,623	10,992	66,274	4,305	7,086	6,142	944	72,714	7,871	32
33	Net gain, sales other than capital assets 16/	75	647	623	1,072	1,288	241,805	62,364	2,459	3,901	5,946	50,058	469	208	261	177,987	985	33
34	Dividends, domestic corporations 17/	2,538	917	2,009	2,954	6,278	795,395	583,526	17,021	11,401	548,909	6,195	183,550	178,520	5,030	25,602	2,717	34
35	Dividends, foreign corporations 18/	334	-	5	2	7,645	46,808	44,099	194	2,231	41,430	244	1,871	1,231	640	830	8	35
36	Other receipts	10,959	9,802	29,537	61,674	79,364	213,936	84,392	36,703	24,780	18,065	4,844	36,488	25,564	10,924	83,074	9,982	36
37	Total compiled receipts 6/	1,307,479	1,346,547	2,650,756	4,547,834	9,146,730	14,280,005	5,346,089	3,493,013	780,800	944,474	127,802	6,021,042	5,647,483	373,559	2,627,611	285,263	37
	Deductions:																	
38	Cost of goods sold 19/	872,861	727,473	1,961,700	3,238,768	6,978,536	38,314	25,738	-	-	25,738	-	-	-	-	12,576	-	38
39	Cost of operations 19/	2,320	22,818	12,936	47,263	90,402	57,017	22,689	-	-	22,689	-	-	-	-	34,328	-	39
40	Compensation of officers	28,359	41,639	85,875	141,888	188,607	26/691,680	427,601	342,304	41,359	19,586	24,352	26/99,385	26/23,963	75,422	159,217	5,477	40
41	Rent paid on business property	43,312	59,571	13,769	67,123	68,547	191,497	70,686	46,769	16,960	3,340	3,617	31,441	20,379	11,062	85,841	3,529	41
42	Repairs 20/	6,358	15,750	8,383	16,241	26,363	129,980	27,508	24,150	1,525	1,640	193	4,155	3,540	615	96,329	1,988	42
43	Bad debts	559	325	10,297	17,580	17,468	248,959	242,214	189,611	49,658	2,812	133	3,067	1,290	1,777	3,500	178	43
44	Interest paid	2,539	2,897	6,523	11,367	18,471	737,791	476,997	326,538	111,199	33,431	5,829	2,464	1,433	1,031	233,151	25,179	44
45	Taxes paid 21/	16,374	22,737	24,703	44,492	73,334	628,966	162,370	129,791	15,978	13,736	2,865	128,532	122,812	5,720	316,232	21,832	45
46	Contributions or gifts 22/	626	626	1,659	2,401	4,230	19,487	12,756	9,690	1,111	1,758	197	1,691	940	751	4,817	223	46
47	Depreciation	11,423	22,607	18,517	36,992	59,727	357,507	73,102	59,513	6,474	6,290	825	26,547	23,346	3,201	250,243	7,615	47
48	Depletion	-	-	588	117	628	41,340	6,320	285	4	6,005	26	14	14	-	640	34,366	48
49	Amortization 23/	56	162	69	205	234	350	-	-	-	-	-	-	-	-	350	-	49
50	Advertising	17,966	8,179	14,189	51,540	69,979	85,499	57,509	38,038	17,007	1,070	1,394	12,385	8,459	3,926	15,516	89	50
51	Amounts contributed under pension plans, etc. 24/	1,460	1,153	980	2,877	5,997	78,382	59,550	48,877	2,972	6,336	1,365	15,956	14,055	1,901	2,638	238	51
52	Net loss, sales other than capital assets 16/	47	191	330	346	947	50,770	46,964	45,613	265	1,038	48	327	282	45	3,075	404	52
53	Other deductions	256,833	362,038	301,590	654,366	1,085,416	6,110,540	1,660,325	1,192,940	287,918	115,278	64,189	3,697,064	3,500,082	196,982	725,130	28,021	53
54	Total compiled deductions	1,260,893	1,288,166	2,462,108	4,333,566	8,688,886	27/9,466,079	3,370,329	2,454,119	552,430	258,747	105,033	27/4,023,028	27/3,720,595	302,433	1,943,583	129,139	54
55	Compiled net profit (37 less 54)	46,586	58,381	188,648	214,268	457,844	4,813,926	1,975,760	1,038,894	228,370	685,727	22,769	1,998,014	1,926,888	71,126	684,028	156,124	55
56	Net income 2/ (55 less 27)	46,578	58,359	188,640	214,206	457,745	4,662,561	1,858,812	925,137	228,252	683,785	21,658	1,964,259	1,893,159	71,100	683,448	156,042	56
57	Net operating loss deduction 25/	285	2,015	346	2,324	2,291	54,921	6,714	2,071	2,194	2,005	444	30,876	30,282	594	16,357	974	57
58	Income tax 3/	14,459	17,840	59,908	65,242	152,969	792,125	417,740	270,355	76,174	66,026	5,185	131,800	110,525	21,275	187,660	54,925	58
59	Compiled net profit less income tax (55 less 58)	32,127	40,541	128,740	149,026	304,875	4,021,801	1,558,020	768,539	152,196	619,701	17,584	1,866,214	1,816,363	49,851	496,368	101,199	59
	Dividends paid:																	
60	Cash and assets other than own stock	11,923	12,176	26,660	29,381	86,688	1,407,770	1,020,120	335,002	86,780	591,384	6,954	161,946	139,414	22,532	128,937	96,767	60
61	Corporation's own stock	673	1,814	7,684	7,445	14,793	64,969	51,195	42,321	5,604	2,816	454	2,543	1,055	1,488	7,063	4,168	61

For footnotes, see pp. 25-26.

Table 3. - Corporation income tax returns with balance sheets, 1/ 1948, by major industrial groups - Part I, all returns; Part II, returns with net income: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend - Continued

PART II. - RETURNS WITH NET INCOME 2/ - Continued
(Money figures in thousands of dollars)

		Major industrial groups 4/ - Continued										
		Services										
		Total services	Hotels and other lodging places	Personal services	Business services	Automotive repair services and garages	Miscellaneous repair services, hand trades	Motion pictures	Amusement, except motion pictures	Other services, including schools	Nature of business not allocable	
1	Number of returns with balance sheets 30/	26,953	3,391	6,302	5,375	2,421	1,138	3,363	2,105	2,858	752	1
	Assets:											
2	Cash 31/	729,112	119,570	68,526	162,536	22,692	10,905	205,275	80,866	58,742	11,244	2
3	Notes and accounts receivable	652,419	66,828	85,197	240,772	26,726	25,810	102,413	31,311	73,362	32,445	3
4	Less: Reserve for bad debts	14,046	1,783	1,911	5,201	462	463	964	503	2,759	491	4
5	Inventories	361,593	37,653	47,496	39,260	13,256	19,530	186,266	5,816	12,316	10,472	5
6	Investments, Government obligations 32/	198,159	30,914	15,316	40,373	2,443	1,453	62,788	24,374	20,495	3,958	6
7	Other investments 33/	626,508	96,427	44,231	111,388	9,306	2,209	301,202	34,959	26,786	19,260	7
8	Gross capital assets 34/ (except land)	3,777,178	1,407,397	539,050	391,104	162,936	36,930	816,655	277,791	145,315	34,446	8
9	Less: Reserves	1,566,054	579,724	225,905	157,304	53,542	15,503	378,020	101,627	54,429	10,486	9
10	Land	611,076	275,908	35,388	14,917	27,481	1,643	190,496	52,093	13,150	10,653	10
11	Other assets	209,391	47,250	28,825	43,751	8,265	3,360	49,205	16,775	11,960	5,026	11
12	Total assets 35/	5,585,336	1,500,440	636,213	881,596	219,104	85,874	1,535,316	421,855	304,938	116,527	12
	Liabilities:											
13	Accounts payable	477,898	70,207	53,676	160,792	21,055	14,833	90,278	31,966	35,091	10,700	13
	Bonds, notes, mortgages payable:											
14	Maturity less than 1 year	208,895	53,864	27,693	32,076	18,371	5,464	39,672	19,411	12,344	10,013	14
15	Maturity 1 year or more	1,084,890	544,319	74,324	76,454	55,881	6,751	241,013	60,141	26,007	16,654	15
16	Other liabilities	521,157	101,060	54,079	130,839	20,950	11,372	115,464	42,822	44,571	11,967	16
17	Capital stock, preferred	187,957	64,353	25,035	34,750	7,963	728	25,754	11,024	18,350	2,704	17
18	Capital stock, common	1,065,302	256,228	170,277	153,804	58,438	18,702	243,675	106,597	77,581	36,823	18
19	Surplus reserves	183,559	37,003	6,034	24,594	3,117	936	86,368	10,516	14,991	1,361	19
20	Surplus and undivided profits 36/	2,003,409	427,335	236,964	280,862	64,918	28,155	712,514	149,839	102,822	34,216	20
21	Less: Deficit 37/	147,731	53,929	11,869	12,575	11,589	1,067	19,422	10,461	26,819	7,911	21
22	Total liabilities 35/	5,585,336	1,500,440	636,213	881,596	219,104	85,874	1,535,316	421,855	304,938	116,527	22
	Receipts:											
23	Gross sales 8/	1,295,291	438,036	301,562	170,945	116,748	103,628	47,052	49,557	67,763	67,390	23
24	Gross receipts from operations 9/	5,650,658	743,721	860,539	1,469,035	154,731	105,987	1,447,240	447,498	421,907	19,640	24
	Interest on Government obligations (less amortizable bond premium):											
25	Wholly taxable 10/	3,291	584	259	690	120	21	921	364	352	42	25
26	Subject to surtax only 11/	129	10	19	55	3	-	15	8	19	7	26
27	Wholly tax-exempt 12/	92	9	20	26	-	-	6	3	28	8	27
28	Other interest	8,521	1,608	417	928	247	47	4,073	364	837	744	28
29	Rents 13/	153,840	79,108	2,889	16,075	12,253	291	34,335	6,945	1,944	1,977	29
30	Royalties 14/	10,260	105	61	2,527	64	2	5,064	2,033	404	345	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	1,157	486	65	127	271	2	101	78	27	49	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	29,434	5,373	2,440	4,560	8,220	141	6,124	1,605	971	1,612	32
33	Net gain, sales other than capital assets 16/	4,510	989	483	1,002	586	40	230	862	318	356	33
34	Dividends, domestic corporations 17/	25,692	3,250	1,849	3,288	101	7	14,744	1,532	921	721	34
35	Dividends, foreign corporations 18/	4,237	17	37	712	-	-	3,357	2	112	5	35
36	Other receipts	100,986	10,987	7,225	19,016	5,708	1,108	37,997	9,499	9,446	2,783	36
37	Total compiled receipts 6/	7,288,098	1,284,283	1,177,845	1,688,986	299,052	211,274	1,601,259	520,350	505,049	95,679	37
	Deductions:											
38	Cost of goods sold 19/	760,827	248,073	159,595	115,298	74,657	68,967	27,977	27,708	38,552	51,248	38
39	Cost of operations 19/	2,997,336	273,221	491,591	842,427	75,127	72,591	836,918	220,782	184,679	6,463	39
40	Compensation of officers	308,088	24,375	68,570	98,607	16,619	11,121	28,627	19,099	41,070	4,584	40
41	Rent paid on business property	245,108	48,268	25,845	31,713	20,038	2,444	85,666	18,051	13,083	1,088	41
42	Repairs 20/	116,058	53,442	16,505	9,506	3,610	1,352	18,589	8,635	4,419	1,058	42
43	Bad debts	12,468	2,268	2,464	3,081	692	609	504	1,191	1,659	468	43
44	Interest paid	50,521	24,277	4,305	3,527	2,499	463	9,979	3,523	1,948	952	44
45	Taxes paid 21/	161,762	52,312	21,430	16,918	6,595	2,929	35,173	18,291	8,114	1,528	45
46	Contributions or gifts 22/	7,821	1,308	1,211	1,168	227	72	1,740	1,650	445	86	46
47	Depreciation	209,715	58,661	32,058	35,105	17,935	2,976	39,219	15,561	8,200	2,076	47
48	Depletion	181	14	12	19	-	-	16	116	4	109	48
49	Amortization 23/	781	117	116	49	41	10	321	99	28	10	49
50	Advertising	104,760	14,738	16,497	7,601	2,089	1,231	45,027	8,769	8,808	444	50
51	Amounts contributed under pension plans, etc. 24/	21,190	717	988	10,949	110	176	5,543	1,115	1,592	179	51
52	Net loss, sales other than capital assets 16/	1,380	266	290	148	119	28	110	248	171	49	52
53	Other deductions	1,552,876	354,007	257,987	362,968	46,805	30,437	259,118	100,107	141,447	13,835	53
54	Total compiled deductions	6,550,872	1,156,064	1,099,464	1,539,084	267,163	195,406	1,394,527	444,945	454,219	84,177	54
55	Compiled net profit (37 less 54)	737,226	128,219	78,381	149,902	31,889	15,868	206,732	75,405	50,830	11,502	55
56	Net income 2/ (55 less 27)	737,134	128,210	78,361	149,876	31,889	15,868	206,726	75,402	50,802	11,494	56
57	Net operating loss deduction 25/	12,549	2,822	1,673	2,145	350	336	1,839	1,667	1,717	362	57
58	Income tax 3/	240,702	42,737	22,657	50,231	8,974	5,017	69,375	25,935	15,776	3,407	58
59	Compiled net profit less income tax (55 less 58)	496,524	85,482	55,724	99,671	22,915	10,851	137,357	49,470	35,054	8,095	59
	Dividends paid:											
60	Cash and assets other than own stock	161,088	22,622	14,330	32,066	2,560	928	63,966	16,438	8,178	1,377	60
61	Corporation's own stock	12,759	1,151	1,159	2,087	448	89	835	5,642	1,348	2,287	61

Table 4. - Corporation income tax returns with balance sheets, 1/ 1948, by total assets classes: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax,

Table 4. - Corporation income tax returns with balance sheets, 1/ 1948, by total assets classes: Number of returns, assets and liabilities, compiled receipts, compiled deductions, compiled net profit or net loss, net income or deficit, net operating loss deduction, income tax, compiled net profit less income tax, and dividends paid by type of dividend

(Total assets classes and money figures in thousands of dollars)

		Total assets classes 35/											
		Total	Under 50	50 under 100	100 under 250	250 under 500	500 under 1,000	1,000 under 5,000	5,000 under 10,000	10,000 under 50,000	50,000 under 100,000	100,000 and over	
1	Number of returns with balance sheets 30/	536,833	234,590	96,747	100,341	43,366	24,803	27,414	4,733	3,709	529	601	1
	Assets:												
2	Cash 31/	65,736,507	719,405	843,518	1,767,097	1,681,230	2,047,712	8,352,668	4,868,718	10,390,479	4,759,685	30,305,995	2
3	Notes and accounts receivable	85,895,688	966,781	1,382,713	3,195,141	3,109,622	3,670,827	12,503,339	6,627,881	12,997,338	5,437,067	36,004,979	3
4	Less: Reserve for bad debts	1,298,567	20,880	31,168	76,062	71,067	77,733	199,230	104,158	203,223	79,050	435,996	4
5	Inventories	48,293,412	919,869	1,366,022	3,085,509	2,924,121	3,118,700	7,539,553	3,641,005	7,665,761	3,442,593	14,590,279	5
6	Investments, Government obligations 32/	104,819,408	41,505	91,773	315,127	500,267	1,233,264	11,427,645	8,223,413	17,450,538	7,911,329	57,624,547	6
7	Other investments 33/	84,201,909	219,348	321,841	836,725	1,020,774	1,484,641	5,303,885	3,115,603	9,284,712	5,503,331	57,111,046	7
8	Gross capital assets 34/ (except land)	180,561,966	2,463,490	3,282,874	7,379,193	6,740,929	7,110,795	17,657,073	8,947,771	23,835,450	13,639,600	89,504,791	8
9	Less: Reserves	64,224,879	871,068	1,088,720	2,433,905	2,344,946	2,630,041	6,804,869	3,519,449	9,051,978	4,779,792	30,700,111	9
10	Land	9,312,955	321,052	516,116	1,216,151	1,092,684	1,015,778	1,980,376	725,684	1,120,349	286,121	1,038,644	10
11	Other assets	11,837,616	247,017	263,509	547,111	491,863	387,718	1,036,909	534,700	1,555,381	1,047,766	5,725,642	11
12	Total assets 35/	525,136,015	5,006,519	6,948,478	15,832,087	15,145,477	17,361,661	58,797,349	33,061,168	75,044,807	37,168,650	260,769,819	12
	Liabilities:												
13	Accounts payable	26,302,071	935,152	1,018,300	2,115,221	1,889,253	1,807,687	3,937,034	1,647,061	3,268,824	1,583,300	8,100,239	13
	Bonds, notes, mortgages payable:												
14	Maturity less than 1 year	12,225,163	411,873	493,331	1,050,766	983,073	1,089,874	2,388,358	988,110	1,635,485	558,232	2,626,061	14
15	Maturity 1 year or more	57,325,532	796,806	1,136,583	2,828,752	2,510,228	2,410,051	5,261,324	2,222,331	6,688,409	4,442,144	29,028,904	15
16	Other liabilities	232,063,777	513,782	593,488	1,417,022	1,599,382	2,880,289	22,593,483	15,449,314	33,780,905	16,412,368	136,823,744	16
17	Capital stock, preferred	14,957,008	127,811	149,632	369,740	422,687	565,628	1,626,059	816,232	2,603,977	1,571,699	6,703,543	17
18	Capital stock, common	76,773,782	2,335,326	2,312,278	4,361,180	3,619,607	3,567,813	8,445,945	3,911,820	8,852,242	4,691,732	34,675,839	18
19	Surplus reserves	11,344,695	31,878	53,937	170,792	234,233	330,371	1,260,148	812,736	2,016,644	1,016,799	5,417,157	19
20	Surplus and undivided profits 36/	102,262,350	1,146,800	1,802,795	4,394,775	4,523,484	5,334,516	14,953,899	7,754,240	16,971,721	7,648,790	37,751,330	20
21	Less: Deficit 37/	8,118,363	1,292,909	611,866	876,161	636,470	624,568	1,668,901	520,676	773,400	756,414	356,998	21
22	Total liabilities 35/	525,136,015	5,006,519	6,948,478	15,832,087	15,145,477	17,361,661	58,797,349	33,061,168	75,044,807	37,168,650	260,769,819	22
	Receipts:												
23	Gross sales 8/	334,987,536	10,137,246	12,947,553	28,761,155	26,287,224	26,731,056	57,131,289	24,772,305	47,899,262	19,054,246	81,266,200	23
24	Gross receipts from operations 9/	55,394,243	2,603,350	2,092,041	3,767,126	3,306,449	3,495,587	6,980,649	2,572,979	6,205,622	4,042,117	20,328,323	24
	Interest on Government obligations (less amortizable bond premium):												
25	Wholly taxable 10/	1,464,506	1,927	2,764	7,977	10,321	18,629	156,410	109,096	222,951	102,197	832,254	25
26	Subject to surtax only 11/	229,763	179	140	446	541	1,308	11,982	10,714	30,352	16,760	157,341	26
27	Wholly tax-exempt 12/	162,194	61	160	418	554	2,464	26,128	18,171	32,484	11,872	69,882	27
28	Other interest	3,529,044	11,066	15,774	46,062	48,392	74,883	404,496	242,158	501,859	206,255	1,978,099	28
29	Rents 13/	2,937,159	241,066	269,005	554,982	415,024	153,273	278,920	106,170	193,178	98,176	627,363	29
30	Royalties 14/	438,102	12,863	9,736	24,473	27,218	32,068	75,563	49,337	107,128	30,892	68,824	30
31	Excess of net short-term capital gain over net long-term capital loss 15/	21,227	1,610	1,027	2,642	2,866	1,839	3,856	2,295	2,380	720	1,992	31
32	Excess of net long-term capital gain over net short-term capital loss 15/	780,620	25,346	24,833	57,524	59,481	66,658	150,139	67,645	129,881	55,792	143,321	32
33	Net gain, sales other than capital assets 16/	338,939	42,261	36,568	59,570	47,239	51,002	54,175	11,038	19,874	1,513	15,699	33
34	Dividends, domestic corporations 17/	2,148,512	3,485	5,834	21,622	26,641	48,618	212,314	118,990	363,005	214,413	1,133,590	34
35	Dividends, foreign corporations 18/	374,968	413	95	937	1,065	1,341	10,776	9,950	57,989	54,295	238,107	35
36	Other receipts	2,622,777	133,628	138,956	300,700	276,579	220,942	498,030	200,662	368,072	96,070	389,138	36
37	Total compiled receipts 6/	405,429,590	13,214,501	15,544,486	33,605,654	30,509,594	30,899,670	65,994,727	28,291,510	56,134,017	23,985,318	107,250,133	37
	Deductions:												
38	Cost of goods sold 19/	258,169,216	7,711,881	10,083,448	22,717,760	20,843,530	21,207,167	44,825,730	19,031,369	36,130,625	14,251,148	61,366,558	38
39	Cost of operations 19/	32,236,448	1,438,018	1,209,421	2,303,582	2,140,769	2,144,871	4,211,788	1,344,996	3,191,876	2,115,574	12,135,553	39
40	Compensation of officers	6,594,293	877,103	753,397	1,269,850	891,196	703,534	1,035,498	298,626	392,859	102,860	269,370	40
41	Rent paid on business property	3,461,794	353,989	240,158	356,819	251,578	220,736	401,065	158,849	314,980	188,922	974,698	41
42	Repairs 20/	3,785,912	85,674	87,103	173,039	152,199	154,822	448,100	254,566	668,137	296,832	1,465,440	42
43	Bad debts	699,501	28,429	35,572	74,015	56,826	54,418	110,245	46,973	89,116	32,890	171,017	43
44	Interest paid	2,696,939	51,119	68,713	162,900	143,160	143,777	340,126	153,953	339,597	193,452	1,100,342	44
45	Taxes paid 21/	7,367,545	178,492	192,118	393,168	351,458	379,893	954,198	517,186	1,131,154	550,875	2,719,003	45
46	Contributions or gifts 22/	236,715	4,030	6,540	17,197	18,568	21,642	53,792	21,666	38,512	11,081	43,687	46
47	Depreciation	6,200,601	190,300	209,949	423,229	356,171	357,945	779,480	340,722	794,135	408,749	2,339,921	47
48	Depletion	1,698,864	4,933	5,518	16,090	21,432	40,801	126,131	72,483	245,227	89,734	1,076,515	48
49	Amortization 23/	38,533	1,246	1,363	2,874	2,218	260	1,294	230	4,514	1,394	23,140	49
50	Advertising	3,429,222	105,945	112,710	230,832	211,127	233,502	566,240	310,008	560,225	239,361	859,272	50
51	Amounts contributed under pension plans, etc. 24/	1,143,324	4,399	4,047	10,262	15,116	29,166	113,517	71,447	203,407	103,774	588,189	51
52	Net loss, sales other than capital assets 16/	208,440	26,692	13,545	19,609	12,976	11,439	31,607	13,252	26,326	13,742	39,252	52
53	Other deductions	43,214,383	2,098,721	2,049,527	4,046,401	3,465,955	3,334,728	7,018,208	3,110,057	6,350,660	2,878,153	8,863,973	53
54	Total compiled deductions	371,181,730	13,160,971	15,073,129	32,217,627	28,932,279	29,038,701	61,017,019	25,746,383	50,481,150	21,478,541	94,035,930	54
55	Compiled net profit or net loss (37 less 54)	34,247,860	53,530	471,357	1,388,007	1,577,315	1,860,969	4,977,708	2,545,127	5,652,867	2,506,777	13,214,203	55
56	Net income or deficit 2/ (55 less 27)	34,085,666	53,469	471,197	1,387,589	1,576,761	1,858,505	4,951,580	2,526,956	5,620,383	2,494,905	13,144,321	56
57	Net operating loss deduction 25/	194,790	31,379	18,811	25,213	16,738	13,953	25,862	10,570	14,520	23,004	14,740	57
58	Income tax 3/	11,771,279	84,177	151,705	480,233	603,034	720,741	1,859,784	926,724	2,002,373	865,710	4,076,798	58
59	Compiled net profit less income tax (55 less 58)	22,476,581	29/30,647	319,652	907,774	974,281	1,140,228	3,117,924	1,618,403	3,650,494	1,641,067	9,137,405	59
	Dividends paid:												
60	Cash and assets other than own stock	9,304,748	79,799	92,072	235,643	261,733	346,413	1,053,534	603,950	1,623,819	848,602	4,159,183	60
61	Corporation's own stock	1,021,918	5,680	14,340	50,021	64,606	92,712	217,254	98,478	160,436	33,960	284,431	61

For footnotes, see pp. 25-26.

Table 5. - Corporation income tax returns, 1/ 1948, by net income and deficit classes, for returns with net income and returns with no net income: Number of returns, and net income or deficit; also, for returns with net income, the income tax

(Net income and deficit classes and money figures in thousands of dollars)

Net income and deficit classes 2/	Returns with net income 2/			Returns with no net income 2/	
	Number of returns	Net income 2/	Income tax 3/	Number of returns	Deficit 2/
Under 1	74,248	30,419	5,483	86,967	25,746
1 under 2	37,465	54,773	10,164	24,470	35,519
2 under 3	26,349	65,297	12,377	15,416	38,078
3 under 4	20,389	70,983	13,592	10,923	37,916
4 under 5	17,257	77,514	15,053	8,048	36,031
5 under 10	54,533	394,052	80,155	22,119	156,702
10 under 15	31,987	393,774	83,458	9,644	117,762
15 under 20	22,489	391,366	84,434	5,361	92,688
20 under 25	20,221	455,811	100,925	3,255	72,749
25 under 50	35,284	1,227,329	360,665	6,715	232,766
50 under 100	23,291	1,638,322	587,407	3,174	219,384
100 under 250	17,930	2,783,257	999,583	1,577	236,550
250 under 500	6,815	2,371,864	842,652	444	151,415
500 under 1,000	3,612	2,512,794	881,216	167	118,864
1,000 under 5,000	3,149	6,494,787	2,252,495	92	175,283
5,000 under 10,000	422	2,933,395	992,884	7	49,666
10,000 and over	419	14,377,513	4,597,540	4	51,107
Total	395,860	36,273,250	38/11,920,260	198,383	1,848,226
No income data (inactive corporations)	-	-	-	36,427	-

For footnotes, see pp. 25-26.

Footnotes for tables in this release

1/ The information contained in this release is compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue and prior to changes resulting from carry-backs after the returns were filed.

2/ "Net income" or "Deficit" is the difference between the total income and the total deductions reported, exclusive of the net operating loss deduction. See note 25.

3/ "Income tax" consists of normal tax, surtax, and alternative tax reported in lieu of normal tax and surtax where the income includes an excess of net long-term capital gain over net short-term capital loss, if and only if such tax is less than the normal tax and surtax. Tabulated with the income tax for returns with net income is a small amount of tax reported on returns with no net income, under the special provisions applicable to certain mutual insurance companies, other than life or marine.

4/ The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. A chart, showing the comparison of the major industrial groups employed for 1948 with those for 1947, appeared in the preliminary report issued July 18, 1951. A similar chart, showing the comparison of the minor industrial groups, will appear in the complete report "Statistics of Income for 1948, Part 2."

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

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

7/ Number of returns shown excludes returns of inactive corporations.

8/ "Gross sales" consists of amounts received for goods, less returns and allowances, in transactions where inventories are an income-determining factor. For "Cost of goods sold," see "Deductions."

9/ "Gross receipts from operations" consists of amounts received from transactions in which inventories are not an income-determining factor. For "Cost of operations," see "Deductions."

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

11/ "Interest received on Government obligations, subject to surtax only" consists of interest on United States savings bonds and Treasury bonds owned in principal amount of over $5,000 issued prior to March 1, 1941, reported as item 9(a), page 1, Form 1120; and interest on obligations of instrumentalities of the United States (other than obligations of Federal land banks, joint stock land banks, and Federal intermediate credit banks) issued prior to March 1, 1941, reported as item 9(b), page 1, Form 1120.

12/ "Interest received on Government obligations, wholly tax-exempt" consists of interest on obligations of States, Territories, or political subdivisions thereof, the District of Columbia, and United States possessions; obligations of the United States issued on or before September 1, 1917; all postal savings bonds; Treasury notes issued prior to December 1, 1940; Treasury bills issued prior to March 1, 1941; United States savings bonds and Treasury bonds owned in principal amount of $5,000 or less issued prior to March 1, 1941; and obligations issued prior to March 1, 1941, by Federal land banks, joint stock land banks, and Federal intermediate credit banks. Interest from such sources is reported under item 19(a), (b), and (c) of schedule M, page 4, Form 1120.

13/ Amount shown as "Rents" consists of gross amounts received. The amounts of depreciation, repairs, interest, taxes, and other expenses, which are deductible from the gross amount received for rents, are included in the respective deduction items.

14/ Amount shown as "Royalties" consists of gross amounts received. The amount of depletion, which is deductible from the gross amount of royalties received, is included in the item of "Depletion" in deductions.

15/ Capital gain or loss is the amount of gain or loss arising from the sale or exchange of capital assets. (A net loss from this source is not deductible for the current year, but may be carried over and applied against capital gains in the five succeeding taxable years to the extent not allowed as a deduction against any net capital gains of any taxable year intervening between the taxable year in which the net capital loss was sustained and the taxable year to which carried.) The term "Capital assets" means property held by the taxpayer (whether or not connected with trade or business), but excludes (1) stock in trade or other property which would properly be included in inventory if on hand at the close of the taxable year, (2) property held primarily for sale to customers in the ordinary course of trade or business, (3) property used in trade or business, of a character which is subject to the allowance for depreciation, (4) Government obligations 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 the date of issue, and (5) real property used in the trade or business of the taxpayer. Beginning 1942 gains and losses from (a) sale or exchange of depreciable property and real property, used in the trade or business and held for more than 6 months, and from (b) involuntary conversion of such property and of capital assets held for more than 6 months are treated as long-term capital gains and losses, if the gains exceed the losses. If the losses exceed the gains, the net loss is deductible as an ordinary loss. For taxable years beginning after December 31, 1941, "short-term" applies to gains or losses on the sale or exchange of capital assets held six months or less; "long-term" applies to gains or losses on capital assets held over six months.

16/ "Net gain or loss, sales other than capital assets" is the net amount of gain or loss arising from the sale or exchange of depreciable and real property used in trade or business and short-term noninterest-bearing

Footnotes for tables in this release - Continued

Government obligations issued on or after March 1, 1941, on a discount basis. If the property used in trade or business has been held for more than 6 months, special treatment of the gain or loss is provided as described in note 15 above.

17/ "Dividends, domestic corporations" consists of dividends received from domestic corporations subject to income taxation under chapter 1 of the Internal Revenue Code. This item is reported in column 2, schedule E, page 2, Form 1120, and is the amount used for computation of the dividends received credit.

18/ "Dividends, foreign corporations" is the amount reported in column 3, schedule E, page 2, Form 1120, and is not used for the computation of dividends received credit.

19/ Where the amount reported as "Cost of goods sold" or "Cost of operations" includes items of deductions such as depreciation, taxes, etc., these items ordinarily are not transferred to their specific headings. However, an exception is made with respect to amounts reported in costs and identifiable as "Amortization of emergency facilities" and "Amounts contributed under pension plans, etc.," such amounts being transferred to the respective deduction items.

20/ Amount shown as "Repairs" is the cost of incidental repairs, including labor and supplies, which do not add materially to the value of the property or appreciably prolong its life.

21/ The item "Taxes paid" excludes (1) Federal income tax and Federal excess profits taxes, (2) estate, inheritance, legacy, succession, and gift taxes, (3) income taxes paid to a foreign country or possession of the United States if any portion is claimed as a tax credit, (4) taxes assessed against local benefits, (5) Federal taxes paid on tax-free covenant bonds, and (6) taxes reported in "Cost of goods sold" and "Cost of operations."

22/ The deduction claimed for "Contributions or gifts" is limited to 5 percent of net income as computed without the benefit of this deduction.

23/ Amount shown as "Amortization" is the deduction provided by section 124 of the Internal Revenue Code as amended with respect to the amortization of the cost of emergency facilities necessary for national defense.

24/ "Amounts contributed under pension plans, etc.," consists of deductions claimed under section 23(p) of the Internal Revenue Code for amounts contributed by employers under pension, annuity, stock-bonus, or profit-sharing plans, or other deferred compensation plans.

25/ The net operating loss deduction tabulated herein is the amount originally reported, consisting only of the net operating loss carryover reduced by certain adjustments, and does not take into account whatever revisions may subsequently be made as the result of any carry-back of net operating loss from the two succeeding tax years. In general, the net operating loss carryover is the sum of the net operating losses, if any, for the two preceding taxable years. If there is net income in the first preceding taxable year, the net operating loss for the second preceding taxable year is reduced to the extent such loss has been absorbed by such net income.

26/ Amount shown as "Compensation of officers" excludes compensation of officers of life insurance companies which file Form 1120L. Data not available.

27/ See note 26.

28/ Compiled net loss or deficit.

29/ Compiled net loss after income tax payment.

30/ "Number of returns with balance sheets" excludes returns of inactive corporations and returns of active corporations for which balance sheet data are lacking.

31/ Amount shown as "Cash" includes bank deposits.

32/ Amount shown as "Investments, Government obligations" consists of obligations of the United States or agency or instrumentality thereof as well as obligations of States, Territories, and political subdivisions thereof, the District of Columbia, and United States possessions. See note 33.

33/ Where investments are not segregated as between "Government obligations" and "Other," the entire amount is included in "Other investments."

34/ Amount shown as "Capital assets" consists of (1) depreciable tangible assets such as buildings, fixed mechanical equipment, manufacturing facilities, transportation facilities, and furniture and fixtures, (2) depletable tangible assets — natural resources, and (3) intangible assets such as patents, franchises, formulas, copyrights, leaseholds, goodwill, and trade-marks. (Amounts in tables 3 and 4 of this release exclude land.)

35/ Assets and liabilities are tabulated as of December 31, 1948, or close of fiscal year nearest thereto. Total assets classes are based on the net amount of total assets after reserves for depreciation, depletion, amortization, and bad debts. Adjustments are made in tabulating the data as follows: (1) Reserves, when shown under liabilities, are used to reduce corresponding asset accounts, and "Total assets" and "Total liabilities" are decreased by the amount of such reserves, and (2) a deficit in surplus, shown under assets, is transferred to liabilities, and "Total assets" and "Total liabilities" are decreased by the amount of the deficit.

36/ Amount shown as "Surplus and undivided profits" consists of paid-in or capital surplus and earned surplus and undivided profits. See note 37.

37/ Amount shown as "Deficit" consists of negative amounts of earned surplus and undivided profits.

38/ Included in the total, but not in the detail, under "Income tax," is $177,000 of tax reported on returns with no net income. See note 3.

TREASURY DEPARTMENT

Information Service   WASHINGTON

RELEASE MORNING NEWSPAPERS,
Tuesday, September 11, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated September 13 and to mature December 13, 1951, which were offered on September 6, were opened at the Federal Reserve Banks on September 10.

The details of this issue are as follows:

Total applied for - $1,913,013,000
Total accepted - 1,202,609,000 (includes $164,138,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average Price - 99.584 Equivalent rate of discount approx. 1.646% per annum

Range of accepted competitive bids:

High - 99.610 Equivalent rate of discount approx. 1.543% per annum

Low - 99.583 Equivalent rate of discount approx. 1.650% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 23,866,000	$ 21,336,000
New York	1,397,280,000	816,937,000
Philadelphia	25,728,000	10,848,000
Cleveland	70,656,000	39,565,000
Richmond	36,535,000	31,763,000
Atlanta	20,746,000	20,152,000
Chicago	189,374,000	150,772,000
St. Louis	19,421,000	16,599,000
Minneapolis	9,050,000	9,050,000
Kansas City	47,920,000	28,672,000
Dallas	50,893,000	37,996,000
San Francisco	20,544,000	18,919,000
TOTAL	$1,913,013,000	$1,202,609,000

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S-2809

RELEASE, MORNING NEWSPAPERS,
Tuesday, September 11, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated September 13 and to mature December 13, 1951, which were offered on September 6, were opened at the Federal Reserve Banks on September 10.

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Atlanta	20,746,000	20,152,000
Chicago	189,374,000	150,772,000
St. Louis	19,421,000	16,599,000
Minneapolis	9,050,000	9,050,000
Kansas City	47,920,000	28,672,000
Dallas	50,893,000	37,996,000
San Francisco	20,544,000	18,919,000
TOTAL	$1,913,013,000	$1,202,609,000

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TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE MORNING NEWSPAPERS,
Tuesday, September 11, 1951.

S-2809

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San Francisco	20,544,000	18,919,000
TOTAL	$1,913,013,000	$1,202,609,000

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TREASURY DEPARTMENT
Fiscal Service
Washington, Sept. 6, 1951

STATUTORY DEBT LIMITATION

AS OF August 31, 1951

Section 21 of 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 (Act of June 26, 1946; U.S.C., title 31, sec. 757b), 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	$ 15,011,620,000		
Certificates of indebtedness	14,739,926,000		
Treasury notes	39,050,809,400	$ 68,802,355,400	
Bonds -			
Treasury	78,827,280,550		
Savings (current redemp. value)	57,509,409,007		
Depositary	333,716,500		
Armed Forces Leave	27,729,275		
Investment series	13,522,246,000	150,220,381,332	
Special Funds -			
Certificates of indebtedness	21,283,915,000		
Treasury notes	13,862,537,000	35,146,452,000	
Total interest-bearing		254,169,188,732	
Matured, interest-ceased		457,621,430	
Bearing no interest:			
War savings stamps	46,838,927		
Excess profits tax refund bonds	2,294,322		
Special notes of the United States:			
Internat'l Monetary Fund series	1,293,000,000	1,342,133,249	
Total		255,968,943,411	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	30,601,086		
Demand obligations: C.C.C.	-	30,601,086	
Matured, interest-ceased		1,803,325	
		32,404,411	
Grand total outstanding			256,001,347,822
Balance face amount of obligations issuable under above authority			18,998,652,178

Reconcilement with Statement of the Public Debt Aug. 31, 1951 (Date)

(Daily Statement of the United States Treasury, Sept. 4, 1951) (Date)

Outstanding -	
Total gross public debt	256,644,152,296
Guaranteed obligations not owned by the Treasury	32,404,411
Total gross public debt and guaranteed obligations	256,676,556,707
Deduct - other outstanding public debt obligations not subject to debt limitation	675,208,885
	256,001,347,822

X-2810

STATUTORY DEBT LIMITATION
AS OF AUGUST 31, 1951

September 11, 1951

Section 21 of 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 (Act of June 26, 1946; U.S.C., title 31, sec. 757b), 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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Treasury notes	13,862,537,000	35,146,452,000	
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Matured, interest-ceased		457,621,430	
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		32,404,411	
Grand total outstanding			256,001,347,822
Balance face amount of obligations issuable under above authority			18,998,652,178

Reconcilement with Statement of the Public Debt - August 31, 1951
(Daily Statement of the United States Treasury, September 4, 1951)

Outstanding -	
Total gross public debt	256,644,152,296
Guaranteed obligations not owned by the Treasury	32,404,411
Total gross public debt and guaranteed obligations	256,676,556,707
Deduct - other outstanding public debt obligations not subject to debt limitation	675,208,885
	256,001,347,822

S-2810

ALPHA

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.

ALPHA

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 September 20, 1951, in cash or other immediately available funds or in a like face amount of Treasury bills maturing September 20, 1951. 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

~~Exhibit~~

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TREASURY DEPARTMENT
Washington

S-2811

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, September 13, 1951 .

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000 , or thereabouts, of 91 -day Treasury bills, for cash and in the amount of $ 1,000,902,000, in exchange for Treasury bills maturing September 20, 1951 ,/to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated September 20, 1951 , and will mature December 20, 1951 , 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, September 17, 1951. 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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, September 13, 1951. S-2811

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing September 20, 1951, in the amount of $1,000,902,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated September 20, 1951, and will mature December 20, 1951, 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, September 17, 1951. 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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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 September 20, 1951, in cash or other immediately available funds or in a like face amount of Treasury bills maturing September 20, 1951. 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.

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Immediate Release
Wed., Sept 12, 1951

413

S-2912

Secretary Snyder said today, upon hearing the announcement of the resignation of Secretary Marshall:

"The privilege which I have had of close association with Secretary Marshall in national affairs has inspired the highest possible esteem and respect for him on my part.

"I am sure this is true of all who have worked with him in his capacities as Chief of Staff, as Secretary of State, and as Secretary of Defense.

"His successor Secretary Lovett is excellently equipped to carry forward the program of the Defense Department."

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, September 12, 1951. S-2812

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"I am sure this is true of all who have worked with him in his capacities as Chief of Staff, as Secretary of State and as Secretary of Defense.

"His successor Secretary Lovett is excellently equipped to carry forward the program of the Defense Department."

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Treasury department
Washington

415

S-2813

FOR IMMEDIATE RELEASE,
~~September 11,~~ 13, 1951

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour authorized to be 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 proclamation of April 13, 1942, for the 12 months commencing May 29, 1951, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1951, to Sept. 11, 1951	Established Quota	Imports May 29, 1951, to Sept. 11, 1951
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	444,780	3,815,000	3,519,226
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	10,400
Japan	-	-	8,000	-
United Kingdom	100		75,000	62
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	386
Cuba	-	-	12,000	-
France	1,000	-	1,000	115
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	444,780	4,000,000	3,530,189

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE,
Thursday, September 13, 1951

S-2813

The Bureau of Customs announced todaypreliminary figures showing the quantities of wheat and wheat flour authorized to be 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 proclamation of April 13, 1942, for the 12 months commencing May 29, 1951, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1951, to Sept. 11, 1951	Established Quota	Imports May 29, 1951, to Sept. 11, 195
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	444,780	3,815,000	3,519,226
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	10,400
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	62
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	386
Cuba	-	-	12,000	-
France	1,000	-	1,000	115
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	444,780	4,000,000	3,530,189

Treasury Department
Washington

S-2814

IMMEDIATE RELEASE
September ~~11,~~ 1951
Thursday 13,

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within quota limitations provided for under the General Agreement on Tariffs and Trade, from the beginning of the quota periods to September 1, 1951, inclusive, as follows:

Commodity	Period and Quantity		Unit of Quantity	Imports as of Sept. 1, 1951
Whole milk, fresh or sour	Calendar year	3,000,000	Gallon	9,855
Cream	Calendar year	1,500,000	Gallon	1,499
Butter	July 16, 1951 Oct. 31, 1951	5,000,000	Pound	4,804
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish ...	Calendar year	29,239,808	Pound	(1) Quota filled
White or Irish Potatoes: certified seed	12 months from	150,000,000	Pound	Quota filled
other	Sept. 15, 1950	60,000,000	Pound	Quota filled
Walnuts	Calendar year	5,000,000	Pound	Quota filled
Petroleum and petroleum products	Calendar year			
	Venezuela	2,613,137,096	Gallon	Quota filled
	Netherlands	822,654,271	Gallon	Quota filled
	Other Countries	963,429,333	Gallon	Quota filled

(1) The proviso to item 717 (b) limits the imports for consumption at the quota rate to 21,929,856 pounds during the first nine months of the calendar year.

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, September 13, 1951

S-2814

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Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish ...	Calendar year	29,239,808	Pound	Quota filled (1)
White or Irish Potatoes:				
certified seed	12 months from	150,000,000	Pound	Quota filled
other	Sept. 15, 1950	60,000,000	Pound	Quota filled
Walnuts	Calendar year	5,000,000	Pound	Quota filled
Petroleum and petroleum products	Calendar year			
	Venezuela	2,613,137,096	Gallon	Quota filled
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Treasury Department
Washington

(419)

IMMEDIATE RELEASE

S-2815

Thursday,
September ~~11~~, 1951
13

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, 1951, to September 1, 1951, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of Sept. 1, 1951
Buttons	850,000	Gross	400,672
Cigars	200,000,000	Number	762,240
Coconut Oil	448,000,000	Pound	83,002,739
Cordage	6,000,000	Pound	5,264,805
Rice	1,040,000	Pound	-
Sugars (refined	1,904,000,000	Pound	-
Sugars (unrefined			1,246,877,336
Tobacco	6,500,000	Pound	84,041

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TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, September 13, 1951

S-2815

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Rice	1,040,000	Pound	-
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Sugars (unrefined			1,246,877,336
Tobacco	6,500,000	Pound	84,041

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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, 1950 to Sept. 1, 1951	Established 33-1/3% of Total Quota	Imports Sept. 20, 1950 to Sept. 1, 1951 1/
United Kingdom	4,323,457	1,441,152	1,441,152	1,441,152
Canada	239,690	107,191	-	-
France	227,420	68,155	75,807	68,155
British India	69,627	67,200	-	-
Netherlands	68,240	-	22,747	-
Switzerland	44,388	-	14,796	-
Belgium	38,559	1,854	12,853	1,854
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,156	25,443	24,156
Italy	21,263	-	7,088	-
	5,482,509	1,709,708	1,599,886	1,535,317

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

IMMEDIATE RELEASE
~~September 11, 1951~~ Thursday, 13

- 1 -

S-2816

Preliminary data on imports for consumption of cotton and cotton waste chargeable to the quotas established by the President's Proclamation of September 5, 1939, as amended

COTTON (other than linters) (in pounds)

Cotton under 1-1/8 inches other than rough or harsh under 3/4"
Imports Sept. 20, 1950 to September 1, 1951, inclusive

Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan	783,816	2,174
Peru	247,952	161,784
British India	2,003,483	-
China	1,370,791	-
Mexico	8,883,259	37,669
Brazil	618,723	602,956
Union of Soviet Socialist Republics	475,124	-
Argentina	5,203	-
Haiti	237	-
Ecuador	9,333	-

Country of Origin	Established Quota	Imports
Honduras	752	-
Paraguay	871	-
Colombia	124	-
Iraq	195	-
British East Africa ...	2,240	-
Netherlands E. Indies	71,388	-
Barbados	-	-
1/Other British W. Indies	21,321	-
Nigeria	5,377	-
2/Other British W. Africa	16,004	-
3/Other French Africa ...	689	-
Algeria and Tunisia ...	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, 1950 to Sept. 1, 1951

Established Quota (Global)	Imports
70,000,000	31,003,435

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, to Sept. 1, 1951

Established Quota (Global)	Imports
45,656,420	Quota filled

Cotton, harsh or rough (except cotton of perished staple, grabbots, and cotton pickings) of 1-3/16 inches or more but less than 1-3/8 inches
Imports July 5, 1951, to Sept. 1, 1951

Established Quota (Global)	Imports
1,500,000	50,411

IMMEDIATE RELEASE
Thursday, September 13, 1951

TREASURY DEPARTMENT
Washington

S-2816

Preliminary data on imports for consumption of cotton and cotton waste chargeable to the quotas established by the President's Proclamation of September 5, 1939, as amended

COTTON (other than linters) (in pounds)

Cotton under 1-1/8 inches other than rough or harsh under 3/4"
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Algeria and Tunisia ...	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, 1950 to Sept. 1, 1951

Established Quota (Global)	Imports
70,000,000	31,003,435

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, to Sept. 1, 1951

Established Quota (Global)	Imports
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Cotton, harsh or rough (except cotton of perished staple, grabbots, and cotton pickings) of 1-3/16 inches or more but less than 1-3/8 inches
Imports July 5, 1951, to Sept. 1, 1951

Established Quota (Global)	Imports
1,500,000	50,411

423

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 33-1/33 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:

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Italy	21,263	-	7,088	-
	5,482,509	1,709,708	1,599,886	1,535,317

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

447

423

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.

424

IMMEDIATE RELEASE,
Friday, September 14, 1951.

The Secretary of the Treasury today announced the subscription and allotment figures with respect to the current offering of 1-7/8 percent Treasury Certificates of Indebtedness of Series C-1952, to be dated September 15, 1951.

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

Federal Reserve District	Total Subscriptions Received and Allotted
Boston	$ 39,719,000
New York	334,316,000
Philadelphia	13,202,000
Cleveland	55,885,000
Richmond	3,716,000
Atlanta	2,029,000
Chicago	76,221,000
St. Louis	32,075,000
Minneapolis	4,114,000
Kansas City	9,867,000
Dallas	1,907,000
San Francisco	9,402,000
Treasury	591,000
TOTAL	$582,994,000

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5-2817

IMMEDIATE RELEASE,
Friday, September 14, 1951.

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Chicago		76,221,000
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Kansas City		9,867,000
Dallas		1,907,000
San Francisco		9,402,000
Treasury		591,000
	TOTAL	$582,994,000

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Friday, September 14, 1951. S-2817

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Kansas City	9,867,000
Dallas	1,907,000
San Francisco	9,402,000
Treasury	591,000
TOTAL	$582,994,000

oOo

September 6, 1951

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 August, 1951:

Purchases	$5,800,000
Sales	1,148,200
Net purchases	$4,651,800

(Sgd.) E. O. Barnes

Chief, Division of Investments

Wisecarver 9/6/51

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

S-2818

RELEASE MORNING NEWSPAPERS,
~~Wednesday, August 15, 1951.~~ S-~~2778~~
Monday, September 17, 1951

During the month of ~~July~~ August 1951, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net purchases of ~~$236,300~~ $4,651,800, Secretary Snyder announced today.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Monday, September 17, 1951. S-2818

During the month of August 1951, market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net purchases of $4,651,800, Secretary Snyder announced today.

oOo

Sales goals have been set in many industries, and in some fields there is rivalry in competitions for the highest percentage of Payroll Savings enrollments. Among the railroads, for instance, Erie leads with about 65 per cent of its 15,000 employes enrolled. Its nearest competitors are the New York, New Haven & Hartford, the Pennsylvania and Santa Fe lines.

The large Curtis-Wright plant at Woodridge, N. J., has tripled its enrollment from 1,200 to 3,700, out of 5,000 employes.

~~In New Jersey also~~ the Roebling Company, bridge manufacturers of Trenton, has set a goal of 75 per cent in a person-to-person canvass among its 5,000 workers, and a similar drive is under way among the 20,000 employes of the Public Service Corporation.

Pennsylvania's 65,000 State employes are being urged to join in the Payroll Savings Plan, as suggested in a letter to them from Gov. John S. Fine.

At the General Electric Company in New York, where 80,000 of the 200,000 total personnel are already enrolled as regular bond purchasers, campaign volunteers have undertaken the ~~immense~~ task of reaching every non-participant personally, and increasing the company's ~~representation~~ participation by many more thousands.

~~From Minnesota came word that~~ The Oliver Iron Mining Company of Minnesota will launch a drive ~~of its own~~ among ~~the~~ its 7,415 employes on Sept. 17, ~~and that~~ among other activities in that State, Payroll Savings campaigns ~~are~~ enlisting many of the 8,000 employes of the Minnesota Mining & Manufacturing Co. and the ~~2,000 employes of the~~ Northern States Power Co., which has over 2,000 employees.

Minnesota are

In Michigan, the U. S. Rubber Co. has already enrolled 55.2 per cent of its 7,002 employes, ~~with the drive still under way~~, and the Nash-Kelvinator Co. has launched a campaign among the 25,000 on its payroll.

Among other firms reporting are ~~Progress in enrolling employes was also reported by the~~ Columbia Steel, Consolidated Western Steel, Lummus Co., Robert Gair Co., Radio Marine Corp. of America, Equitable Life Assurance Society of the U. S., DeVoe & Raynolds, Best & Co., ~~and~~ Arma Corp., Jones & Laughlin Steel Co., Bessemer & Lake Erie Railroad, Harbison-Walker, and Blaw-Knox Companies.

Civic activities in the Defense Bond Drive included the dedication of one of the busiest intersections of the Bronx, New York City, as "Defense Bond Square". The location is Fordham Road and Grand Concourse, where a "Heroes Honor Roll" has been set up, inscribed with the names of eight Bronx veterans of the Korean hostilities who have been awarded medals for gallantry in action. ~~Two of the veterans so honored attended the ceremony. Speakers at the dedication ceremony emphasized the necessity of bond purchases to back up the fighting men.~~

Release Morning Newspapers Monday, September 17, 1951

1-2819

~~FOR IMMEDIATE RELEASE~~

imperialism

of employees to those

In an appeal to the nation today to increase its fighting and economic strength through the purchase of Defense Savings Bonds, Director of Defense Mobilization Charles E. Wilson warned of Communist designs for world ~~aggression.~~ conquest.

His warning came simultaneously with announcement by the Treasury of stepped-up activities to add millions ~~were to the 6,000,000 employes~~ already enrolled in the Payroll Savings bond-buying plan. The person-to-person canvass in the country's largest industrial plants is the most extensive since World War II.

"I do not believe there is any fundamental change in the ruthless Communist aim eventually to capture the free world and our country in particular," declared Mr. Wilson. "We must remain steadfast in our purpose to arm and prepare for whatever might come. We know that only an imposing array of might on our part will deter ~~the~~ Communist ~~world~~ from aggression against us or our allies. Nothing has changed; let us not be lulled by a false sense that all is well."

Concluding his bond appeal, Mr. Wilson added: "Our might must be built of men and guns and a strong economy. Our men are being called to military service and many have given lives and limbs already for the defense of our principles.

"To back them up - to buy the guns and at the same time build our nation's economic strength---buy U. S. Defense Bonds regularly and systematically. Payroll savings is one of the best ways to save your money and, in so doing, build America's might."

In ~~about 17,000~~ thousands of the larger industrial plants throughout America, progress of the ~~current~~ Defense Bond Drive is being accelerated by voluntary sales ~~groups~~ Treasury's within the plants. Where the Payroll Savings plan had previously existed, workers are striving to increase the number of employes enrolled. Where ~~there was~~ no plan was in operation before, it is being inaugurated with as large an enrollment as possible.

An indication of the intense activity under way came to the Treasury's attention from the Ford assembly plant in Dearborn, Mich., where many employes have signed up to purchase a bond out of each week's pay. This "Bond-A-Pay" plan, though not new, since many workers have been saving that way for years, is gaining in others sections under the impetus of the present drive.

So far, the Payroll Savings drive at Ford has increased by 40,000 the number of employes enrolled in the plan, bringing the total to about 66,000, an increase of 154 per cent. This represents increased savings of $23,000,000 a year through the systematic purchase of bonds. The campaign is continuing at Ford and it is expected about 3,000 more will be signed up among the group yet to be canvassed.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Monday, September 17, 1951. S-2819

In an appeal to the nation today to increase its fighting and economic strength through the purchase of Defense Savings Bonds, Director of Defense Mobilization Charles E. Wilson warned of Communist designs for world conquest.

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The Oliver Iron Mining Company of Minnesota will launch a drive among its 7,415 employes on September 17. Among other activities in Minnesota are Payroll Savings campaigns enlisting many of the 8,000 employes of the Minnesota Mining & Manufacturing Company, and the Northern States Power Company, which has over 2,000 employes.

In Michigan, the United States Rubber Company has already enrolled 55.2 per cent of its 7,002 employes, and the Nash-Kelvinator Company has launched a campaign among the 25,000 on its payroll.

Among other firms reporting progress in enrolling employes are Columbia Steel, Consolidated Western Steel, Lummus Company, Robert Gair Company, Radio Marine Corporation of America, Equitable Life Assurance Society of the United States, DeVoe and Raynolds, Best and Company, Arma Corporation, Jones and Laughlin Steel Company, Bessemer and Lake Erie Railroad, Harbison-Walker, and Blaw-Knox Companies.

Civic activities in the Defense Bond Drive included the dedication of one of the busiest intersections of the Bronx, New York City, as "Defense Bond Square". The location is Fordham Road and Grand Concourse, where a "heroes honor roll" has been set up, inscribed with the names of eight Bronx veterans of the Korean hostilities who have been awarded medals for gallantry in action.

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J-2820

RELEASE, MORNING NEWSPAPERS,
Tuesday, September 18, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated September 20 and to mature December 20, 1951, which were offered on September 13, were opened at the Federal Reserve Banks on September 17.

The details of this issue are as follows:

Total applied for - $1,929,824,000
Total accepted - 1,202,399,000 (includes $162,726,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average Price - 99.584/ Equivalent rate of discount approx. 1.644% per annum

Range of accepted competitive bids:

High	- 99.610	Equivalent rate of discount approx.	1.543% per annum
Low	- 99.583	" " " " "	1.650% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 25,721,000	$ 24,866,000
New York	1,350,402,000	722,552,000
Philadelphia	33,330,000	17,760,000
Cleveland	74,103,000	67,846,000
Richmond	27,673,000	24,845,000
Atlanta	29,739,000	27,374,000
Chicago	187,687,000	148,487,000
St. Louis	20,174,000	18,347,000
Minneapolis	8,014,000	7,748,000
Kansas City	21,338,000	21,224,000
Dallas	57,544,000	47,231,000
San Francisco	94,099,000	74,119,000
TOTAL	$1,929,824,000	$1,202,399,000

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TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE MORNING NEWSPAPERS,
Tuesday, September 18, 1951. S-2820

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Atlanta	29,739,000	27,374,000
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TOTAL	$1,929,824,000	$1,202,399,000

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE, MORNING NEWSPAPERS,
Tuesday, September 18, 1951.

S-2821

Secretary of the Treasury Snyder today announced the offering, through the Federal Reserve Banks, of 1-7/8 percent Treasury Certificates of Indebtedness of Series D-1952, open on an exchange basis, par for par, to holders of 1-1/4 percent Treasury Notes of Series A-1951, in the amount of $1,918,367,000, which will mature on October 1, 1951. Cash subscriptions will not be received.

The certificates now offered will be dated October 1, 1951, and will bear interest from that date at the rate of one and seven-eighths percent per annum, payable with the principal at maturity on September 1, 1952. 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.

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 notes. Subject to the usual reservations, all subscriptions will be allotted in full.

The subscription books will close for the receipt of all subscriptions at the close of business Friday, September 21.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight September 21, will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

UNITED STATES OF AMERICA

1-7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES D-1952

Dated and bearing interest from October 1, 1951 Due September 1, 1952

1951
Department Circular No. 893

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, September 18, 1951.

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 1-7/8 percent Treasury Certificates of Indebtedness of Series D-1952, in exchange for Treasury Notes of Series A-1951, maturing October 1, 1951.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated October 1, 1951, and will bear interest from that date at the rate of 1-7/8 percent per annum, payable with the principal at maturity on September 1, 1952. 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.

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 October 1, 1951, or on later allotment, and may be made only in Treasury Notes of Series A-1951, maturing October 1, 1951, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for 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.

Approved by Blending

Immediate 9/18/51
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1-2822

Draft Press Release
NAC Report

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 ending March 31, 1951.

The report reviews the impact of the defense program on the United States balance of payments, with special emphasis on changes in exports and imports, terms of trade, government aid, and gold and dollar assets.

The Council points out that under the stimulus of the rearmament program, including strategic material stockpiling, United States foreign trade expanded vigorously during the period under review -- the value of merchandise imports showing a 50 percent increase, and exports a 25 percent increase over the level existing in the first half of 1950.

With the advent of hostilities in Korea, the United States -- as well as other major industrial countries -- experienced a marked deterioration in terms of trade, the report states. The index of United States prices of imported commodities rose by almost 60 percent from June 1950 to March 1951. The Council notes that it has maintained a careful scrunity of the impact of general price movements on the United States balance of payments during this period.

The report shows that, during the six months under review, the Council considered pertinent monetary and financial questions relating to the Mutual Security Program for fiscal 1952, which includes military and economic aid to western Europe, military assistance to certain other countries, and a broad program of aid to underdeveloped areas. Among the topics so reviewed were local currency counterpart, loan-grant policy, and gold and dollar reserves.

The report notes, with reference to foreign exchange rates, that the Council expressed the opinion that any general appreciation of foreign currencies at this time was not warranted.

The report contains a review of the lending activities of the Export-Import Bank, and also a review of the financial and technical assistance activities of the International Bank for Reconstruction and Development and the International Monetary Fund.

As in the past, the report is accompanied by comprehensive statistics on various aspects of United States Government foreign assistance in the postwar period, as well as on gold and short-term dollar resources of foreign countries, and gold transactions between the United States and foreign countries. The Council reports that on March 31, 1951 total world gold reserves (excluding the U.S.S.R.), were estimated at $35.8 billion, of which the United States had $21.9 billion, or more than three-fifths.

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TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

440

IMMEDIATE RELEASE
Tuesday, September 18, 1951 S-2822

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 ending March 31, 1951.

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ALPHA

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.

ALPHA

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 September 27, 1951 (8), in cash or other immediately available funds or in a like face amount of Treasury bills maturing September 27, 1951 (9). 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

Exhibit 1

ALPHA

TREASURY DEPARTMENT
Washington

A-2823

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, September 20, 1951 .
(1)

The Secretary of the Treasury, by this public notice, invites tenders for $1,200,000,000 (2), or thereabouts, of 91 (3) -day Treasury bills, for cash and in exchange for Treasury bills maturing September 27, 1951 (4), in the amount of $1,000,372,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated September 27, 1951 (5), and will mature December 27, 1951 (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, September 24, 1951 (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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, September 20, 1951. S-2823

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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 September 27, 1951, in cash or other immediately available funds or in a like face amount of Treasury bills maturing September 27, 1951. 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.

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Hess Brothers, Pennsylvania; Butler Brothers, Illinois; Montgomery Ward & Co., Illinois; Julius Kayser & Co., New York; B. Altman & Co., New York.

in Fort Wayne, Foley Brothers in Houston, J. L. Hudson in Detroit, and Herpolsheimer's in Grand Rapids.

Chain establishments which have ~~been listed~~ enlisted in the drive include such companies as F. W. Woolworth, W. T. Grant, McCrory, S. S. Kresge, H. L. Green, Western Auto Supply, S. H. Kress, McLellan, Ben Franklin, Scott & Burr, J. J. Newberry, M. H. Charles, G. C. Murphy, G. M. Najarian & Sons, Neisner Brothers, Van H. Priest, H. B. Thomas, Danner Brothers, M. H. Fishman, Lamston, Germain, Rose 10 & 25¢ Stores.

Retailers in large numbers are active ~~also~~ in promoting the sale of Defense Bonds to their own employees under the Payroll Savings Plan. Numerous widely known concerns have reported attainment of, or close approach to, an informal goal of 50% enrollment under the Payroll Savings Plan for their workers. Stores with 1,000 or more employees that have already surpassed this percentage include Goldblatt Brothers & Co., Chicago, 71.7 per cent; Strawbridge & Clothier, Philadelphia, 63.7; Lit Brothers, Philadelphia, 52.7; Colonial Stores, Inc., Georgia, 51.5; and Walker, Ely Dry Goods Co., Missouri, 51.3.

Rapidly approaching the 50% mark are these stores: L. Greif & Brothers, Maryland; Fashion Park, New York; Forbes & Wallace, Massachusetts; W. F. Schrafft Sons Corp., Massachusetts; Joseph Horne Co., Pennsylvania; Kaufmann Dept. Stores, Pennsylvania; Meier & Frank Co., Oregon;

~~Sunday Adv~~ Release Sunday Newspapers
September 23, 1951

5-2824

The retail stores of America are shown by reports to Secretary Snyder to be united heavily in support of the Defense Bond Drive. Not since ~~the~~ WORLD war II have the retailers ~~not been on~~ ENGAGED IN such an extensive bond-selling ~~campaign~~ PROMOTION. ~~Great~~ LARGE chains and small independents alike are cooperating with the Treasury in the campaign to expand Defense Bonds sales.

The participation of the retail establishments in the Drive goes far beyond the usual window displays, although these remain an important feature of their cooperation. ~~Large numbers of~~ MANY stores throughout the country have set up booths at which orders for bonds are taken, the booths being staffed generally by members of women's clubs or other civic and patriotic organizations. Some stores are selling bonds over their regular counters.

Among the larger retail stores, three special dates have been set aside in October for vigorous bond-selling efforts, and store managers are prepar~~ed~~ing to give special assistance on these occasions. The dates are October 12, Columbus Day; October 24, United Nations Day; and October 27, the final day of the Defense Bond Drive.

Trade organizations of all branches of retail selling are helping stimulate the participation of the retailers. Chambers of Commerce and retail merchants associations also are aiding.

Some of the country's ~~great~~ LEADING department stores which are backing the bond drive strongly are John Wan~~n~~amaker and McCreery's in New York, the Hecht Company in Washington, Wolfe-Dessauer

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE SUNDAY NEWSPAPERS,
September 23, 1951. S-2824

The retail stores of America are shown by reports to Secretary Snyder to be united heavily in support of the Defense Bond Drive. Not since World War II have the retailers engaged in such an extensive bond-selling promotion. Large chains and small independents alike are cooperating with the Treasury in the campaign to expand Defense Bonds sales.

The participation of the retail establishments in the Drive goes far beyond the usual window displays, although these remain an important feature of their cooperation. Many stores throughout the country have set up booths at which orders for bonds are taken, the booths being staffed generally by members of women's clubs or other civic and patriotic organizations. Some stores are selling bonds over their regular counters.

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Trade organizations of all branches of retail selling are helping stimulate the participation of the retailers. Chambers of Commerce and retail merchants associations also are aiding.

Some of the country's leading department stores which are backing the bond drive strongly are John Wanamaker and McCreery's in New York, the Hecht Company in Washington, Wolfe-Dessauer in Fort Wayne, Foley Brothers in Houston, J. L. Hudson in Detroit, and Herpolsheimer's in Grand Rapids.

Chain establishments which have enlisted in the drive include such companies as F. W. Woolworth, W. T. Grant, McCrory, S. S. Kresge, H. L. Green, Western Auto Supply, S. H. Kress, McLellan, Ben Franklin, Scott & Burr, J. J. Newberry, M. H. Charles, G. C. Murphy, G. M. Najarian & Sons, Neisner Brothers, Van H. Priest, H. B. Thomas, Danner Brothers, M. H. Fishman, Lamston, Germain, Rose 10 and 25¢ Stores.

Retailers in large numbers are active in promoting the sale of Defense Bonds to their own employees under the Payroll Savings Plan. Numerous widely known concerns have reported attainment of, or close approach to, an informal goal of 50% enrollment under the Payroll Savings Plan for their workers. Stores with 1,000 or more employees that have already surpassed this percentage include Goldblatt Brothers & Company, Chicago, 717 per cent; Strawbridge & Clothier, Philadelphia, 63.7; Lit Brothers, Philadelphia, 52.7; Colonial Stores, Incorporated, Georgia, 51.5; and Walker, Ely Dry Goods Company, Missouri, 51.3.

Rapidly approaching the 50% mark are these stores: L. Greif & Brothers, Maryland; Fashion Park, New York; Forbes & Wallace, Massachusetts; W. F. Schrafft Sons Corporation, Massachusetts; Joseph Horne Company, Pennsylvania; Kaufmann Department Stores, Pennsylvania; Meier & Frank Company, Oregon; Hess Brothers, Pennsylvania; Butler Brothers, Illinois; Montgomery Ward & Company, Illinois; Julius Kayser & Company, New York; B. Altman & Company, New York.

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Immediate Release
Thursday, Sept. 20, 1951

S-2825

Secretary Snyder, at the conclusion of the Seventh Session of the North Atlantic Treaty Council in Ottawa, stated:

"In my opinion the meeting of the Council was a most successful one. I was impressed not only with the atmosphere of solidarity but by the determination of the member governments to make the maximum use of their countries' resources as part of a free world mobilization against the threat of Soviet aggression.

"I should like to say that Secretary Acheson did a magnificent job in presenting the views of the United States government. I should also like to emphasize that the U. S. Delegation made no commitments, or even suggestions, of any kind that any additional aid would be forthcoming. Obviously many of the member countries have economic and financial problems which makes the task of meeting military requirements difficult. The Council has agreed to study these problems and to attempt to devise means for solving them. But I repeat that there was no commitment or suggestion that additional U. S. aid could be looked to as a solution to these problems."

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

IMMEDIATE RELEASE,
Thursday, September 20, 1951. S-2825

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S-2826

RELEASE MORNING NEWSPAPERS
Tuesday, September 25, 1951.

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated September 27 and to mature December 27, 1951, which were offered on September 20, were opened at the Federal Reserve Banks on September 24.

The details of this issue are as follows:

Total applied for - $1,772,727,000
Total accepted - 1,200,926,000 (includes $142,639,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.584 Equivalent rate of discount approx. 1.647% per annum

Range of accepted competitive bids:

High - 99.612 Equivalent rate of discount approx. 1.535% per annum
Low - 99.581 " " " " " 1.658% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 13,162,000	$ 13,062,000
New York	1,294,316,000	747,316,000
Philadelphia	27,728,000	13,528,000
Cleveland	45,178,000	45,178,000
Richmond	33,096,000	33,096,000
Atlanta	17,472,000	17,472,000
Chicago	173,118,000	163,043,000
St. Louis	14,475,000	14,291,000
Minneapolis	7,407,000	7,407,000
Kansas City	36,350,000	36,208,000
Dallas	43,208,000	43,108,000
San Francisco	~~67,217,000~~	~~67,217,000~~
Total	$1,772,727,000	$1,200,926,000

TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE MORNING NEWSPAPERS,
Tuesday, September 25, 1951.

S-2826

The Secretary of the Treasury announced last evening that the tenders for $1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated September 27 and to mature December 27, 1951, which were offered on September 20, were opened at the Federal Reserve Banks on September 24.

The details of this issue are as follows:

Total applied for - $1,772,727,000
Total accepted - 1,200,926,000 (includes $142,639,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.584 Equivalent rate of discount approx. 1.647% per annum

Range of accepted competitive bids:

High - 99.612 Equivalent rate of discount approx. 1.535% per annum
Low - 99.581 Equivalent rate of discount approx. 1.658% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 13,162,000	$ 13,062,000
New York	1,294,316,000	747,316,000
Philadelphia	27,728,000	13,528,000
Cleveland	45,178,000	45,178,000
Richmond	33,096,000	33,096,000
Atlanta	17,472,000	17,472,000
Chicago	173,118,000	163,043,000
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San Francisco	67,217,000	67,217,000
TOTAL	$1,772,727,000	$1,200,926,000

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play in our great defense effort. When people throughout the Nation share in a united effort toward a common goal, past experience tells us that the goal will be reached. In this light, we have every reason to look forward with confidence to success in maintaining a stable and prosperous economy.

of inflation in the civilian economy. In the efforts of your organization to maintain a sound banking system, I know you will keep in mind the importance of the various operations of state

to

banks in the economic welfare of this country. I know that you will take advantage of the many opportunities you have for bringing about a better understanding of the role that banking and bankers can added to the spending stream. If the individual funds are spent, prices will be bid up, and another round of inflation will get under way. If the money is saved, price advances may be forestalled, and the funds will be available for spending later over a more extended period.

During this defense emergency, we can do much toward maintaining sound and stable conditions by avoiding the many potential sources the existing revenue tax laws, not including the tax bill being considered by the Congress, a budget deficit of about $10 billion is indicated for the current fiscal year. In the following year, with current tax rates, the deficit may be twice this figure, or more, under the present schedule for defense expenditures.

A Government deficit, of course, means that excess funds are being

The effect of these pressures on prices and living costs may be held back for a time, however, while present excess supplies of various consumer goods are being liquidated. But the most intensive phase of our rearmament effort lies ahead of us. In the coming months we will inevitably see an increasing impact of military production on the civilian economy -- a situation in which inflation thrives. Under for defense. Rapidly expanding defense expenditures have shifted the Federal Budget heavily to the deficit side, even on a cash basis. Bank credit, after leveling out for several months, has again started to expand. Business loans, real estate loans, and "other" loans of weekly reporting member banks, in recent weeks, have all reached new record high levels.

from its extreme peak, and has shown practically no further decline since July. Very definite and positive inflationary forces account for this firmness in the price index.

Personal income is steadily rising, while the production of civilian goods, to be bought with this income, is affected by increasing restrictions on the use of critical materials needed adjusted, and the goods that were bought in excess of needs are being digested, while consumer buying lags.

But the underlying inflationary forces are already making themselves felt. Despite all the talk about current deflationary pressures, the broad wholesale price index of the United States Department of Labor -- made up of nearly 900 commodities -- has declined no more than 4 percent

The surprising thing is that both of these statements are largely true. When consumers and distributors over-bought last fall and early this year, in fear of imminent shortages, they overlooked two important things; the length of the tooling-up period required for defense production, and the immense productive power of American factories. The prices that were forced too high are now being fallen off; that stores are having difficulty moving their stocks; that lack of demand has caused cutbacks in consumer goods production; and that these and other indications point to a deflationary situation.

On the other hand, we are warned that the situation is actually inflationary, and that the important thing is to look ahead to shortages of consumer goods when the defense program gets fully under way.

today than the related problems of inflation and deflation, particularly in view of their importance in bankers' decisions on investment and loan programs.

For instance, today, on the one hand, we read in the papers that commodity prices have fallen; that warehouses are bulging with inventories; that retail buying has of Banking, as well as by various others. An increase in demand for such facilities would undoubtedly give rise to many more schools throughout the country designed to meet the special needs of bank employees.

Modern day banking calls for a working knowledge of many aspects of economics as well as finance and business. Probably no one problem is giving our bankers more concern be worth money to the individual bank, but would benefit the entire banking industry.

Bank supervisors can have considerable influence toward such improvement. Excellent work is being done today in providing advanced training by such institutions as the American Institute of Banking, the Rutgers Graduate School of Banking, the University of Wisconsin School of Banking, the Pacific School

There is one other matter in which banks might well take better advantage of their present opportunities. That is in developing a better trained personnel. To raise the level of understanding of banking and financial matters among bank employees, I believe, would not only when incomes are high and nearly everyone has a job, presents a golden opportunity to every individual to accumulate a financial reserve.

The development of a habit of systematic saving contributes to economic stability in both booms and recessions.

make people "savings conscious." Our objective, as you know, has been not merely to sell savings bonds, but to promote the habit of thrift. The tremendous increase in all forms of personal savings during the past ten years, I believe, has reflected in part the effectiveness of this program.

In our present campaign, we are stressing the fact that a period of high economic activity like this, personal saving in the second quarter of this year increased by a greater amount than in any quarter since 1945. While this may have reflected an unusual situation, there is little doubt that savings are easier to accumulate today than they are likely to be in more normal times.

Our Defense bond campaign this fall, with its nation-wide advertising program, is doing a great deal to close to those at the top of two major speculative credit booms should warn the banking system of the need for rebuilding capital accounts.

A third opportunity for banks today lies in the better prospect of encouraging savings during this period of full employment and high incomes. Department of Commerce estimates indicate that the war, but the increase has not kept pace with the rise in risk assets. Last year, capital accounts of insured commercial banks increased by $632 million, the major part coming from additions to surplus. But risk assets in the same period rose by more than $11 billion.

Deposit insurance should not be regarded as a substitute for adequate capital. The fact that the present low capital ratio is commercial banks have been climbing since 1938. They amounted to over 8 percent of capital accounts last year, a figure exceeded only during the war years.

Capital accounts have, in fact, been expanding steadily since before sale of capital stock. Bank operations recently have profited from the high demand for loans, and banks generally are now in a very favorable position for building up capital funds.

Gross earnings of all insured

banking institutions.

The present financial situation offers an opportunity seldom equalled for improving a bank's loan position.

Secondly, conditions have become more favorable for building up bank capital, both through retention of earnings and through of their participation in this effort. Moreover, you can point out to them how they, by accepting their responsibilities, not only have an opportunity to serve their Nation but at the same time have unusual opportunities for strengthening the future security of their own figure of over 27 percent in 1939.

I have spoken of some of the increasing responsibilities which are falling on the banking system in assuring the effective functioning of our great defense effort. You, as bank supervisors, can do much to bring to the many bankers with whom you come in contact the vital importance

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The responsibility of bank supervisors is increased by the fact that bank capital in relation to risk assets is lower than at any previous time in the past two decades. The proportion of capital accounts to risk assets last December 30, for all insured commercial banks, averaged less than 18 percent. This compares with a prewar inflationary forces arising from the defense program, creates an unusual variety of risks. Inventory losses may be suffered by some businesses, where demand has suddenly fallen off or prices have dropped sharply, while other businesses may reap unusual profits. Under such circumstances, an unusually careful selection of loans and a diversification of risks is clearly called for.

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The buying boom of the past year has brought new problems in appraising the soundness of loan collateral. This responsibility of the banking system is made much more difficult this year by the many uncertainties in the present business outlook. The conflict between deflationary factors in some parts of the civilian economy, and conditions, nearly everyone wants to borrow money in order to buy something, build something, or expand his business. This human tendency has undoubtedly been responsible for a substantial part of the great loan expansion of the past year. When everyone has the urge to borrow, there is probably more than usual danger that bad loans will get into bank portfolios, since lenders are likewise affected of $12 billion in a single year. Some of this borrowing was basically of a speculative nature.

As experience has demonstrated, when prices are rising and business profits are high there is often a tendency to assume that those trends will continue. Both borrowers and lenders are inclined to evaluate the high profits as if they are more or less permanent. Under such that our defense industries be provided with the necessary capital. But as defense loans increase, loans for less essential civilian purposes must be reduced if we are to avoid the inflationary consequences of an over-expansion of bank credit.

You are no doubt aware that total bank loans in the 12 months ended June 30 showed the largest increase ever recorded for a comparable period -- an increase banking industry has a grave responsibility to shape its loan and investment policies toward assuring the financial soundness of our national economy.

A primary requisite now is to hold unnecessary borrowing to a minimum. As the defense effort broadens -- and it is expanding rapidly now -- the volume of bank loans needed for defense uses may be expected to rise. It is essential

In this effort it is not enough that we strive to keep our economy strong and stable during the years of the defense program alone. It is highly important that we build the foundation now for a continued healthy economy after the security of our Nation is assured.

In the fight to preserve a stable economy, the banking industry holds a frontline position. As the principal suppliers of credit, the task of building a powerful military establishment to forestall threats to our national security, is that of building a sound economy to combat threats to our economic security.

Those who are able to contribute to the actual strengthening of our economy may well feel that they are fighting shoulder to shoulder with their sons at the front in the war against communist aggression.

of our great defense effort we must all share in the responsibilities which are ours, as groups and as individuals, in preserving our democracy. Not only the selected few who are asked to risk their lives on the battlefront, but all of us on the homefront, must be willing to assume an increased responsibility in developing our national strength.

Closely paralleling the importance of the of our Nation and the freedoms we cherish. The stakes are high, and we can afford no delusions as to the aims of the aggressors who seek to engulf the world, and principally us, with a flood tide of communism -- a tide designed to wipe out the ideas and ideals which have inspired the life of our Nation and which stand as a beacon of hope to other freedom-loving nations.

To insure a successful outcome

emergency has placed an increased strain on the Nation's economy, this sharing of common aims and common policies in the banking field will contribute much to the over-all success of our defense effort.

As a Nation we are facing today the most crucial threat that has yet confronted us. Upon the way we unite to meet this threat depends the very existence sounder banking practices, to which our banking structure owes much of its present strength.

I appreciate especially the part you have played in welding our dual banking system into a smooth-working unit, through the coordination of your thinking and policies with those of the Federal authorities, especially with the Comptroller's office, which is part of the Treasury. Today, when the international a friendly informality about your meetings, which strikes me as perhaps one of the reasons why you are able to get so many things done.

This fiftieth annual meeting of your Association marks a full half century in which your group has devoted itself to promoting the ideals of better banking. Over this long period you have played a substantial role in the development of more efficient, more uniform, and

RESPONSIBILITY AND OPPORTUNITY

I was very pleased to be asked by your President to speak on this program, for it gives me a chance to visit with you again and to talk over matters of mutual interest. I recall with great pleasure the many happy associations I have had with your group in past years, and especially the last meeting I attended in Reno, Nevada, two years ago. I always find

ADDRESS BY SECRETARY SNYDER

BEFORE THE

50TH ANNUAL CONVENTION OF THE

NATIONAL ASSOCIATION OF SUPERVISORS OF STATE BANKS

ST. LOUIS, MISSOURI
SEPTEMBER 27, 1951

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The following address by Secretary Snyder before the Fiftieth Annual Convention of the National Association of Supervisors of State Banks at the Jefferson Hotel, St. Louis, Missouri, is scheduled for delivery at 2:15 p.m. CDT (3:15 p.m. EDT) Thursday, September 27, and is for release at that time.

S-2827

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Washington

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In the fight to preserve a stable economy, the banking industry holds a frontline position. As the principal suppliers of credit, the banking industry has a grave responsibility to shape its loan and investment policies toward assuring the financial soundness of our national economy.

A primary requisite now is to hold unnecessary borrowing to a minimum. As the defense effort broadens -- and it is expanding rapidly now -- the volume of bank loans needed for defense uses may be expected to rise. It is essential that our defense industries be provided with the necessary capital. But as defense loans increase, loans for less essential civilian purposes must be reduced if we are to avoid the inflationary consequences of an over-expansion of bank credit.

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The buying boom of the past year has brought new problems in appraising the soundness of loan collateral. This responsibility of the banking system is made much more difficult this year by the many uncertainties in the present business outlook. The conflict between deflationary factors in some parts of the civilian economy, and inflationary forces arising from the defense program, creates an unusual variety of risks. Inventory losses may be suffered by some businesses, where demand has suddenly fallen off or prices have dropped sharply, while other businesses may reap unusual profits. Under such circumstances, an unusually careful selection of loans and a diversification of risks is clearly called for.

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A third opportunity for banks today lies in the better prospect of encouraging savings during this period of full employment and high incomes. Department of Commerce estimates indicate that personal saving in the second quarter of this year increased by a greater amount than in any quarter since 1945. While this may have reflected an unusual situation, there is little doubt that savings are easier to accumulate today than they are likely to be in more normal times.

Our Defense bond campaign this fall, with its nation-wide advertising program, is doing a great deal to make people "savings conscious." Our objective, as you know, has been not merely to sell savings bonds, but to promote the habit of thrift. The tremendous increase in all forms of personal savings during the past ten years, I believe, has reflected in part the effectiveness of this program.

In our present campaign, we are stressing the fact that a period of high economic activity like this, when incomes are high and nearly everyone has a job, presents a golden opportunity to every individual to accumulate a financial reserve.

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Modern day banking calls for a working knowledge of many aspects of economics as well as finance and business. Probably no one problem is giving our bankers more concern today than the related problems of inflation and deflation, particularly in view of their importance in bankers' decisions on investment and loan programs.

For instance, today, on the one hand, we read in the papers that commodity prices have fallen; that warehouses are bulging with inventories; that retail buying has fallen off; that stores are having difficulty moving their stocks; that lack of demand has caused cutbacks in consumer goods production; and that these and other indications point to a deflationary situation.

On the other hand, we are warned that the situation is actually inflationary, and that the important thing is to look ahead to shortages of consumer goods when the defense program gets fully under way.

The suprising thing is that both of these statements are largely true. When consumers and distributors over-bought last fall and early this year, in fear of imminent shortages, they overlooked two important things; the length of the tooling-up period required for defense production, and the immense productive power of American factories. The prices that were forced too high are now being adjusted, and the goods that were bought in excess of needs are being digested, while consumer buying lags.

But the underlying inflationary forces are already making themselves felt. Despite all the talk about current deflationary pressures, the broad wholesale price index of the United States Department of Labor -- made up of nearly 900 commodities -- has declined no more than 4 percent from its extreme peak, and has shown practically no further decline since July. Very definite and positive inflationary forces account for this firmness in the price index.

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The effect of these pressures on prices and living costs may be held back for a time, however, while present excess supplies of various consumer goods are being liquidated. But the most intensive phase of our rearmament effort lies ahead of us. In the coming months we will inevitably see an increasing impact of military production on the civilian economy -- a situation in which inflation thrives. Under the existing revenue tax laws, not including the tax bill being considered by the Congress, a budget deficit of about $10 billion is indicated for the current fiscal year. In the following year, with current tax rates, the deficit may be twice this figure, or more, under the present schedule for defense expenditures.

A Government deficit, of course, means that excess funds are being added to the spending stream. If the individual funds are spent, prices will be bid up, and another round of inflation will get under way. If the money is saved, price advances may be forestalled, and the funds will be available for spending later over a more extended period.

During this defense emergency, we can do much toward maintaining sound and stable conditions by avoiding the many potential sources of inflation in the civilian economy. In the efforts of your organization to maintain a sound banking system, I know you will keep in mind the importance of the various operations of state banks in the economic welfare of this country.

I know that you will take advantage of the many opportunities you have for bringing about a better understanding of the role that banking and bankers can play in our great defense effort. When people throughout the Nation share in a united effort toward a common goal, past experience tells us that the goal will be reached. In this light, we have every reason to look forward with confidence to success in maintaining a stable and prosperous economy.

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realization that defense is everybody's job. This is no time to relax our efforts. It is a time for full partnership for the job ahead.

the dollars we save today are building power for the Nation -- not only economic power to back up our great defense effort, but a reservoir of purchasing power for the future stability and prosperity of our Nation when the present emergency is over. We need to reach into every home and every community throughout our land and bring to every American the personal savings bonds; help sell bonds to others. ~~(Ad lib -- composite effect)~~

With the opening of this new Defense Bond Drive, we are again marshalling all our forces in the cause of thrift. Behind this Drive should be put every ounce of the power of every good citizen as a volunteer worker and a voluntary saver for the defense of America and for the future of America.

All of us must recognize that

out an effective balanced defense program. The individuals of our country, in whom rests the final strength and power of our Nation, must be encouraged to take as active a part as possible in this effort. Everybody, of course, wants to help in the defense of our country; but many people do not know what they, personally, can do. The Defense Bond Drive is giving those people their answer: Buy United States the very existence of our Nation and the freedoms we cherish -- freedom of thought and action, freedom of worship, freedom to govern ourselves; in fact, all those freedoms that make up liberty of the human spirit.

To insure a successful outcome of our great defense effort, it is essential that we maintain the stability of our economy while at the same time we endeavor to work shortages of the last war and rushed to buy goods they had been wanting or that they might want. But now this type of buying has died down; and we must try to keep it under control so that we do not have another inflationary upsurge of prices.

As a Nation we are facing today the most crucial threat that has yet confronted us. Upon the way we unite to meet this threat depends in mind, too, that such talk of liquidation overlooks the reasons why people bought savings bonds in the first place. They bought them so that they would have the money to use for some future need, pleasure or emergency. For some people, that time came during the past year. They had been putting off buying an automobile, or a radio, or a washing machine. After Korea, some remembered the of World War II financing.

There has been considerable talk -- and even some worry -- in recent months because there has been some cashing of savings bonds in connection with the rush to purchase consumer goods following the outbreak of hostilities in Korea. Actually, the total cashable value of E bonds in the hands of individuals has remained practically unchanged. I think we should keep never declined -- it has held steady at a level of around $200 billion. I am especially pleased to note the substantial increase 7/ in holdings of one particular type of liquid asset -- United States savings bonds; individuals now hold approximately $49 billion, of all series, out of a total of $57-1/2 billion outstanding. The total outstanding amount of E bonds alone is about $34-1/2 billion, or $4 billion greater than at the end could spend their current incomes freely because they had a large reserve of savings. This has been an important factor in the unprecedented prosperity which the country has enjoyed since the end of the war.

Consumer purchases in the postwar period in the aggregate were made out of current income. The total volume of liquid asset holdings of individuals liquid assets -- bank accounts, cash, and holdings of Government securities -- to a record level approximating $200 billion.

These wartime savings put into the hands of the people of the country a purchasing power potential which encouraged them to go out during the postwar period and buy goods and services which otherwise they might not have felt they could afford to buy. They felt that they but, in the aggregate, they assume great importance. We can refrain from unnecessary buying of goods or services when such buying would give rise to inflationary pressures on the price level. We can regularly put away an extra portion of our income -- put it into savings of some type.

People were urged to save during World War II. And they did save. They built up their holdings of conclude from this development that the end of inflationary dangers has come. Indeed, I am certain that every one here fully understands that the planned accelerated expansion of military output in the months ahead will, of necessity, produce new inflationary pressures.

There are many things that each one of us can do to help to keep inflationary pressures under control. Most are little things in themselves;

aware of the strong inflationary pressures which have threatened our economic stability during the past year and which, if left unchecked, might weaken our productive machinery to such an extent as to interfere seriously with the output of vital defense goods -- besides greatly increasing the cost of living. Fortunately, the upward sweep of prices has encountered some resistance in recent months. But we must not partnership of women and it has received a strong impetus from their cooperation.

The present Drive has three main objectives: To encourage continued practice of thrift and savings on the part of every individual; to maintain and increase the wide distribution of the public debt; and to discourage inflationary spending.

All of us have been acutely

In all its aspects, the Defense Bond program is an essential ingredient of our home-front defense. It is a defense activity which offers a wide field of service for women. Many women are not so situated that they can join the armed services or work in defense plants. But all women can take part in this type of defense service. As I have already suggested, the savings bond program has leaned heavily upon the savings stamps, primarily to school children. More important than their actual buying of the stamps and bonds is the fact that they learn something about thrift. If they redeemed every stamp they bought to buy bicycles or roller skates, they would still learn something about the value of putting money away in small amounts in order to buy something which may be wanted in the future.

happens that they were experiencing a heavy rainstorm.

Another important activity -- and one which is being carried on primarily by women -- is the job being done in the schools. Millions of school children throughout the country study about savings bonds and savings stamps in their grammar school classes. Every month we sell more than six million separate United States citation to Miss Vivian Emigh, president of the Business and Professional Women's Club of Las Cruces, for the fine work done by the Club in that Drive.

The Flag City idea has taken hold in many other cities and towns. Why, just the other day, in Galveston, Texas, 102 women went out and signed up 214 firms in one afternoon. Their patriotic spirit was truly inspiring, for it so

New Mexico, by a few energetic, progressive businessmen and women who had visualized what could be done to sell thrift to their fellow-townspeople. In a period of 30 days, the citizens of Las Cruces placed the Payroll Savings Plan in 93-1/2 percent of the firms in town, both large and small. Women carried an important share of the sales load; and it was the Treasury's pleasure to award a

Savings Plan is the Flag City promotion, designed to get a large percentage of all the firms of every city or town signed up for the Payroll Savings Plan. To qualify as a Flag City, either 80 percent of all the firms, or a sufficient number of firms to account for 80 percent of the total working population, must be enrolled in the Payroll Savings Plan. The idea was developed at Las Cruces, Savings Plan; and a large percentage of these purchasers are women. The upward trend of payroll savings during a period of uncertainty in our national life is a notable achievement. It is an achievement of which the many thousands of volunteers who have been working to promote the payroll savings plan can be justly proud.

An outgrowth of the Payroll

program. Women have taken an active interest in all of these plans.

5/ The Payroll Savings Plan is one of the important methods of promotion in a program for selling bonds to small investors. During the war, it had tremendous success. At the present time, between five and six million people employed in thousands of companies are buying savings bonds under the Payroll advertising agencies, national and local advertisers, and various promotional media.

The major objective of the savings bond program is to increase the sales of savings bonds to small purchasers. Various promotion plans have been designed to accomplish this objective -- the Bond-a-Month plan, the Payroll Savings Plan, the Defense Bond Flag City enterprise, the school savings volunteers, under the direction of State and local advisory chairmen and aided by more than 25 national advisory committees, carries forward the sales activities for United States savings bonds. They donate their time and energy. Every savings bond advertisement is donated -- from the inception of the idea, through production and final publication or broadcast. The advertising is provided by the voluntary cooperation of

Defense Bond Drive.

No finer example of living democracy can be found than in our Defense Bond program. It is conducted for the people by the people of the United States, and gives every American the opportunity to share directly in strengthening the economic power of our Nation. The volunteers are the heart and core of the savings bond program. A nation-wide organization of is an important achievement in a great democracy such as ours, where every individual counts and where the individual citizens are the source of our national strength. Because of this achievement, it is possible for me today to discuss with your organization full partnership for the job ahead -- full partnership in the defense of our country through furtherance of the have not, are aware of the contribution made by Dr. Lillian Gilbreth, a management engineer, in the field of efficiency in industry.

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But it is not only in the field of public service that the importance of women has increased. Fifty years ago, women represented only 18 percent of all workers; whereas at the present time, the proportion is 30 percent. This great increase reflects the changing economic and social conditions which have made it increasingly customary for women to work outside of the home. The development of new labor-saving products and techniques for the home has, of course, helped first woman to become Treasurer of the United States. Women long have occupied seats in the Senate and the House of Representatives, and in the United States Courts. Such honors are now accepted as normal and natural. This is a far cry from the hostile attitude against which Mrs. Catt and Miss Anthony waged their militant campaign.

Texas and Wyoming -- the first women in our history to be elected to this important office. One of these women -- Nellie Tayloe Ross of Wyoming -- is now Director of the Mint. In 1933, the same year that Mrs. Ross became Director of the Mint, Frances Perkins became the first woman cabinet member in our history. The speaker at your annual banquet last year -- Georgia Neese Clark -- was the both through their accepting political offices and by organizing groups -- such as the League of Women Voters, the National Council of Jewish Women, the National Council of Catholic Women, and the National Council of Negro Women -- all working for the betterment of moral, cultural and political life.

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A few weeks ago, I had the pleasure of meeting, in Washington, with the Executive Committee of the National Women's Advisory Committee for Savings Bonds. That meeting was most inspiring. The National Committee has been doing an excellent job. Your own Miss Margaret Hickey is one of its prominent members, as is your National President, Judge Sarah T. Hughes, of Dallas, Texas. Throughout the entire country, business and professional women have been of Cedar City, Utah, decided to show the men folks of the town how a Defense Bond campaign should be conducted. They succeeded so well that, on the first day of the Drive, Cedar City over-subscribed the quota which it had set for itself. This is but a simple demonstration of the accomplishment that women can achieve when they have aroused their determination.

~~[Ad lib -- gazette]~~

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In connection with the present Defense Bond Drive, women residents schedule is to have two fine Treasury films -- "Power Behind the Nation," and "America the Beautiful" -- shown at public meetings all over Kansas. We have a supply of those films for anyone else who wants to make similar use of them.

We had a report from a woman volunteer down in Texas (~~I don't think it was~~ Marshall, Texas) --

the challenge of the Soviet threat. I'm sure your St. Louis group subscribes wholeheartedly to her words.

In Newton, Kansas, Miss Hazel Kirk is serving as public relations chairman for The Business and Professional Women's State Federation, and she's doing a splendid job in seeing to it that the entire State understands why it's important to buy Defense Bonds. Part of her

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new Drive, your national executive secretary, Miss Laura Lorraine, sent us a fine telegram pledging anew your cooperation. We are grateful for her message, and for the sincerity that we know is back of it. We know that business and professional women are properly careful with their commitments, but that when they do give one, they fulfil it.

When she goes out to sell bonds, she knows her product. She has faith in bonds, and she conveys that faith to others. That's a most effective combination.

Your great organization, with its more than 160,000 members in 2,700 clubs, and its informed interest in economic problems, has always been strongly committed to the savings bonds cause. At the start of the of this week -- "Full Partnership for the Job Ahead" -- in its application to the Defense Bond Drive which has just been opened.

There are sound reasons why the Savings Bonds Program depends on the woman volunteer so heavily.

She has vision. She has ideals, and the vigor to carry them out. She knows how to organize; how to get people to work together.

It is an unusual privilege for me to address such an outstanding group of American women. You are assembled here to celebrate National Business Women's Week, which calls attention to the activities, the achievements and the responsibilities of women in the business and professional world. I am honored that you of the St. Louis Club have invited me to discuss with you the theme

ADDRESS BY SECRETARY SNYDER

AT THE

ANNUAL BANQUET OF THE BUSINESS AND PROFESSIONAL WOMEN'S CLUB

OF

ST. LOUIS

St. Louis, Missouri
September 27, 1951
6:30 p.m.

Treasury Dept
Wash.

The following address by Secretary Snyder before the Business and Professional Women's Club of St. Louis at the Chase Hotel, St. Louis, Missouri, is scheduled for delivery at 8:00 p.m. CDT (9:00 p.m. EDT) Thursday, September 27, 1951, and is for release at that time.

"Business Women's Week" meeting of the

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TREASURY DEPARTMENT

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No finer example of living democracy can be found than in our Defense Bond program. It is conducted for the people by the people of the United States, and gives every American the opportunity to share directly in strengthening the economic power of our Nation. The volunteers are the heart and core of the savings bond program. A nation-wide organization of volunteers, under the direction of State and local advisory chairmen and aided by more than 25 national advisory committees, carries forward the sales activities for United States savings bonds. They donate their time and energy. Every savings bond advertisement is donated -- from the inception of the idea, through production and final publication or broadcast. The advertising is provided by the voluntary cooperation of advertising agencies, national and local advertisers, and various promotional media.

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The Payroll Savings Plan is one of the important methods of promotion in a program for selling bonds to small investors. During the war, it had tremendous success. At the present time, between five and six million people employed in thousands of companies are buying savings bonds under the Payroll Savings Plan; and a large percentage of these purchasers are women. The upward trend of payroll savings during a period of uncertainty in our national life is a notable achievement. It is an achievement of which the many thousands of volunteers who have been working to promote the payroll savings plan can be justly proud.

An outgrowth of the Payroll Savings Plan is the Flag City promotion, designed to get a large percentage of all the firms of every city or town signed up for the Payroll Savings Plan. To qualify as a Flag City, either 80 percent of all the firms, or a sufficient number of firms to account for 80 percent of the total working population, must be enrolled in the Payroll Savings Plan. The idea was developed at Las Cruces, New Mexico, by a few energetic, progressive businessmen and women who had visualized what could be done to sell thrift to their fellow-townspeople. In a period of 30 days, the citizens of Las Cruces placed the Payroll Savings Plan in 93-1/2 percent of the firms in town, both large and small. Women carried an important share of the sales load; and it was the Treasury's pleasure to award a citation to Miss Vivian Emigh, president of the Business and Professional Women's Club of Las Cruces, for the fine work done by the Club in that Drive.

The Flag City idea has taken hold in many other cities and towns. Why, just the other day, in Galveston, Texas, 102 women went out and signed up 214 firms in one afternoon. Their patriotic spirit was truly inspiring, for it so happens that they were experiencing a heavy rainstorm.

Another important activity -- and one which is being carried on primarily by women -- is the job being done in the schools. Millions of school children throughout the country study about savings bonds and savings stamps in their grammar school classes. Every month we sell more than six million separate United States savings stamps, primarily to school children. More important than their actual buying of the stamps and bonds is the fact that they learn something about thrift. If they redeemed every stamp they bought to buy bicycles or roller skates, they would still learn something about the value of putting money away in small amounts in order to buy something which may be wanted in the future.

In all its aspects, the Defense Bond program is an essential ingredient of our home-front defense. It is a defense activity which offers a wide field of service for women. Many women are not so situated that they can join the armed services or work in defense plants. But all women can take part in this type of defense service. As I have already suggested, the savings bond program has leaned heavily upon the partnership of women and it has received a strong impetus from their cooperation.

The present Drive has three main objectives: To encourage continued practice of thrift and savings on the part of every individual; to maintain and increase the wide distribution of the public debt; and to discourage inflationary spending.

All of us have been acutely aware of the strong inflationary pressures which have threatened our economic stability during the past year and which, if left unchecked, might weaken our productive machinery to such an extent as to interfere seriously with the output of vital defense goods -- besides greatly increasing the cost of living. Fortunately, the upward sweep of prices has encountered some resistance in recent months. But we must not conclude from this development that the end of inflationary dangers has come. Indeed, I am certain that every one here fully understands that the planned accelerated expansion of military output in the months ahead will, of necessity, produce new inflationary pressures.

There are many things that each one of us can do to help to keep inflationary pressures under control. Most are little things in themselves; but, in the aggregate, they assume great importance. We can refrain from unncessary buying of goods or services when such buying would give rise to inflationary pressures on the price level. We can regularly put away an extra portion of our income -- put it into savings of some type.

People were urged to save during World War II. And they did save. They built up their holdings of liquid assets -- bank accounts, cash, and holdings of Government securities -- to a record level approximating $200 billion.

These wartime savings put into the hands of the people of the country a purchasing power potential which encouraged them to go out during the postwar period and buy goods and services which otherwise they might not have felt they could afford to buy. They felt that they could spend their current incomes freely because they had a large reserve of savings. This has been an important factor in the unprecedented prosperity which the country has enjoyed since the end of the war.

Consumer purchases in the postwar period in the aggregate were made out of current income. The total volume of liquid asset holdings of individuals never declined -- it has held steady at a level of around $200 billion. I am especially pleased to note the substantial increase in holdings of one particular type of liquid asset -- United States savings bonds; individuals now hold approximately $49 billion, of all series, out of a total of $57-1/2 billion outstanding. The total outstanding amount of E bonds alone is about $34-1/2 billion, or $4 billion greater than at the end of World War II financing.

There has been considerable talk -- and even some worry -- in recent months because there has been some cashing of savings bonds in connection with the rush to purchase consumer goods following the outbreak of hostilities in Korea. Actually, the total cashable value of E bonds in the hands of individuals has remained practically unchanged. I think we should keep in mind, too, that such talk of liquidation overlooks the reasons why people bought savings bonds in the first place. They bought them so that they would have the money to use for some future need, pleasure or emergency. For some people, that time came during the past year. They had been putting off buying an automobile, or a radio, or a washing machine. After Korea, some remembered the shortages of the last war and rushed to buy goods they had been wanting or that they might want. But now this type of buying has died down; and we must try to keep it under control so that we do not have another inflationary upsurge of prices.

As a Nation we are facing today the most crucial threat that has yet confronted us. Upon the way we unite to meet this threat depends the very existence of our Nation and the freedoms we cherish -- freedom of thought and action, freedom of worship, freedom to govern ourselves; in fact, all those freedoms that make up liberty of the human spirit.

To insure a successful outcome of our great defense effort, it is essential that we maintain the stability of our economy while at the same time we endeavor to work out an effective balanced defense program. The individuals of our country, in whom rests the final strength and power of our Nation, must be encouraged to take as active a part as possible in this effort. Everybody, of course, wants to help in the defense of our country; but many people do not know what they, personally, can do. The Defense Bond Drive is giving those people their answer: Buy United States savings bonds; help sell bonds to others.

With the opening of this new Defense Bond Drive, we are again marshalling all our forces in the cause of thrift. Behind this Drive should be put every ounce of the power of every good citizen as a volunteer worker and a voluntary saver for the defense of America and for the future of America.

All of us must recognize that the dollars we save today are building power for the Nation -- not only economic power to back up our great defense effort, but a reservoir of purchasing power for the future stability and prosperity of our Nation when the present emergency is over. We need to reach into every home and every community throughout our land and bring to every American the personal realization that defense is everybody's job. This is no time to relax our efforts. It is a time for full partnership for the job ahead.

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~~ALPHA~~

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.

~~ALPHA~~

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 October 4, 1951, in cash or other immediately available funds or in a like face amount of Treasury bills maturing October 4, 1951. 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

~~Exhibit~~

~~ALPHA~~

TREASURY DEPARTMENT
Washington

S-2829

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, September 27, 1951 .
~~(1)~~

The Secretary of the Treasury, by this public notice, invites tenders for $ 1,200,000,000 ~~(2)~~, or thereabouts, of 91 ~~(3)~~ -day Treasury bills, for cash and in the amount of $ 1,200,829,000, in exchange for Treasury bills maturing October 4, 1951 ~~(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 October 4, 1951 ~~(5)~~, and will mature January 3, 1952 ~~(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 time, Monday, October 1, 1951 ~~(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.

Others than banking institutions will not be permitted to submit tenders except for their own account. 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,

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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.

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Flag Cities certified to the Treasury to date are: Las Cruces, N. M., Richland, Wash., Independence, Mo., Keokuk, Ia., Linden, N. J., Salem, Ore., Duluth, Minn., Grants Pass, Ore., Henryetta, Okla., Vineland, N. J., Torrance, Calif., Oak Ridge, Tenn., Kingsport, Tenn., Hammond, Ind., Vallejo, Calif., Bradenton, Fla., Kewanee, Ill., Bend, Ore., Watertown, S. D., Greenwood, S. C., Anadarko, Okla., LaGrange, Ga., Boulder, Col., Columbus, Nebr., Rochester, N.Y., Faulkner County, Ark., Duncan, Okla., Belvidere, Ill., Pauls Valley, Okla., La Crosse, Wisc., Pikeville, Ky., Chickasha, Okla., Fremont, Nebr., Pueblo, Col., Gresham, Ore., Konawa, Okla., Altus, Okla., Elk City, Okla., Weirton, W. Va., Donalsonville, Ga., The Dalles, Ore., Plymouth, Mass., Sulphur, Okla., Okmulgee , Okla., Decatur, Ill., El Reno, Okla., Tahlequah, Okla., Quincy, Ill., Durham, N. C., Klamath Falls, Ore., ~~and~~ Griffin, Ga., Monroe, Utah, Panguitch, Utah, Parowan, Utah, Muskogee, Okla., Garfield, Utah, Huntington, Utah, Tooele, Utah, Helper, Utah, Morgan, Utah, and Redmond, Oregon.

Oklahoma's intensive campaigning, which brought that State the honor of having more "Flag Cities" than any other State, ~~all the rest,~~ is being headed by Dr. C. Dan Procter, president of the Oklahoma College for Women at Chickasha, which has won a flag. The ~~other~~ qualifying cities are Henryetta, Duncan, Anadarko, Pauls Valley, Konawa, Altus, Elk City, Sulphur, Okmulgee, El Reno, Tahlequah, and Muskogee. The drive to increase this number is continuing.

"Operation Flag City" is proceeding in Utah with outstanding results under the direction of Nelson W. Aldrich, of the Kennecott Copper Corp., ~~who is State chairman of Community Activities.~~ More than sixty Utah cities and towns are participating, ~~competing to be first in the drive for flags, and~~ there will be special plaque awards to the first winner in various population groups. ~~The Utah volunteers were commended recently by the Treasury.~~

Goals to establish at least 20 Flag Cities this Fall have been set in Iowa, California, Missouri, Oklahoma, Indiana, Illinois and Wisconsin. In most other States and Hawaii, campaigns are under way.

An example of the enthusiasm of some of the volunteers in the drive came from Galveston, Texas, where a group of 102 women recently refused to let a torrential rain dampen their ardor. Galoshed and raincoated, they called on 520 business firms, and signed up 214 of them for the Payroll Savings Plan. These plants have enrolled 4,027 employees in the program.

"The weather helped rather than hindered," said Mrs. Jack Hopkins, leader of the group and mother of five children. "The sight of those rain-drenched women convinced many employers of our determination, and helped win many ~~turned many employers into~~ acceptances."

Mrs. Hopkins has been a leader in every U. S. Bond Drive in Galveston since 1942.

~~(Editors: For your information, a complete list of the Flag Cities to date is attached.)~~

What a flag represents to a city was explained by Secretary of the Treasury John W. Snyder when he presented one to Rochester, N.Y., recently. It's value, he pointed out, lies in its representation of the fact that the city possessing it "has mobilized the spirit of community thrift behind the power for defense - the power for peace - that this nation is now bringing to bear in world affairs."

Veterans of the Korean hostilities have figured largely in the flag presentation ceremonies to date. In some cases, the program is tied in with a tribute to Medal of Honor heroes.

This was true at Griffin, Ga., ~~last week~~ where a flag was presented to City Manager Hill R. Healan by Maj. Gen. W. A. Beiderlinden, formerly of Gen. MacArthur's staff in Tokyo, now Deputy Commanding General of the Third Army. A contingent of Korean veterans from Fort Benning participated in the large parade, and an Army helicopter delivered the flag to the city. The Griffin Kiwanis Club sponsored the event. Two other Georgia cities, LaGrange and Donalsonville, have won Treasury Flags.

Durham, N. C., ~~will honor~~ honored one of its own sons, Sgt. James B. Nash, at flag raising ceremonies ~~next Tuesday (Sept. 25)~~. The sergeant, a veteran of the Korean fighting, escaped from the Reds after being held prisoner for six months.

The flag ~~will be~~ was presented to Mayor E. James Evans of Durham by Assistant Secretary of the Treasury John S. Graham, a native North Carolinian, who ~~will be~~ was participating in the first Treasury flag-raising in his own State. ~~After a luncheon sponsored by the Sertoma Club there will be a parade. Sgt. Nash will raise the flag over the Court House.~~

Immediate Release
Thursday, September 27, 1951

5-2830

If you happen to be driving through any of America's Main Streets these days and find the town bedecked and in holiday mood, the chances are you have arrived in another "Flag City." And if you follow the crowd to City Hall, or some other public site, you perhaps will witness a parade, hear a band, and view a program of various other demonstrations of lively and understandable local pride.

These "Flag City" programs, which are climaxed by the presentation of a U. S. Treasury Flag, mark intensive campaigns initiated and carried through by thousands of men and women serving as volunteer workers to increase the sale of Defense Bonds under the Payroll Savings Plan. The flag, a four by six foot blue banner with the figure of a Minute Man in red on a large white "T", signifies that a great majority of a town's business firms and their employees are participating in the plan.

There are now 61 cities, with a total population of more than 1,500,000, qualified to fly the flag, and the list is growing constantly. Oklahoma was leading the States with 13 cities this week. Campaigns are now under way in 300 cities from coast to coast.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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IMMEDIATE RELEASE,
Thursday, September 27, 1951. S-2830

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Flag Cities certified to the Treasury to date are: Las Cruces, New Mexico, Richland, Washington, Independence, Missouri, Keokuk, Iowa, Linden, New Jersey, Salem, Oregon, Duluth, Minnesota, Grants Pass, Oregon, Henryetta, Oklahoma, Vineland, New Jersey, Torrance, California, Oak Ridge, Tennessee, Kingsport, Tennessee, Hammond, Indiana, Vallejo, California, Bradenton, Florida, Kewanee, Illinois, Bend, Oregon, Watertown, South Dakota, Greenwood, South Carolina, Anadarko, Oklahoma, LaGrange, Georgia, Boulder, Colorado, Columbus, Nebraska, Rochester, New York, Faulkner County, Arkansas, Duncan, Oklahoma, Belvidere, Illinois, Pauls Valley, Oklahoma, La Crosse, Wisconsin, Pikeville, Kentucky, Chickasha, Oklahoma, Fremont, Nebraska, Pueblo, Colorado, Gresham, Oregon, Konawa, Oklahoma, Altus, Oklahoma, Elk City, Oklahoma, Weirton, West Virginia, Donalsonville, Georgia, The Dalles, Oregon, Plymouth, Massachusetts, Sulphur, Oklahoma, Okmulgee, Oklahoma, Decatur, Illinois, El Reno, Oklahoma, Tahlequah, Oklahoma, Quincy, Illinois, Durham, North Carolina, Klamath Falls, Oregon, Griffin, Georgia, Monroe, Utah, Panguitch, Utah, Parowan, Utah, Muskogee, Oklahoma, Garfield, Utah, Huntington, Utah, Tooele, Utah, Helper, Utah, Morgan, Utah, and Redmond, Oregon.

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5-2831

IMMEDIATE RELEASE,
Friday, September 28, 1951.

The Secretary of the Treasury today announced the subscription and allotment figures with respect to the current offering of 1-7/8 percent Treasury Certificates of Indebtedness of Series D-1952, to be dated October 1, 1951.

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

Federal Reserve District	Total Subscriptions Received and Allotted
Boston	$ 39,553,000
New York	773,313,000
Philadelphia	77,967,000
Cleveland	70,123,000
Richmond	18,271,000
Atlanta	97,392,000
Chicago	263,580,000
St. Louis	89,774,000
Minneapolis	62,947,000
Kansas City	98,703,000
Dallas	46,170,000
San Francisco	178,197,000
Treasury	16,032,000
TOTAL	$1,832,022,000

In exchange for $1,918,367,000 of Series A-1951 Notes maturing Oct 1, 1951

Form

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Friday, September 28, 1951.

S-2831

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Treasury	16,032,000
TOTAL	$1,832,022,000

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TREASURY DEPARTMENT

Information Service **WASHINGTON, D.C.**

RELEASE, MORNING NEWSPAPERS,
Monday, October 1, 1951. S-2832

Secretary of the Treasury Snyder today announced the offering, through the Federal Reserve Banks, of 1-7/8 percent Treasury Certificates of Indebtedness of Series E-1952, open on an exchange basis to holders of 1-1/4 percent Treasury Notes of Series F-1951, in the amount of $5,940,578,000, maturing October 15, 1951, or 1-1/4 percent Treasury Notes of Series G-1951, in the amount of $5,253,075,000, maturing November 1, 1951. Exchanges will be made par for par in the case of the notes of Series F-1951, and at par with an adjustment of interest as of October 15, 1951, in the case of the notes of Series G-1951. Cash subscriptions will not be received.

The certificates now offered will be dated October 15, 1951, and will bear interest from that date at the rate of one and seven-eighths percent per annum, payable with the principal at maturity on October 1, 1952. 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.

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 notes. Subject to the usual reservations, all subscriptions will be allotted in full.

The subscription books will close for the receipt of all subscriptions at the close of business Thursday, October 4.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight October 4, will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

UNITED STATES OF AMERICA

1-7/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES E-1952

Dated and bearing interest from October 15, 1951 Due October 1, 1952

1951
Department Circular No. 894

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, October 1, 1951.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for certificates of indebtedness of the United States, designated 1-7/8 percent Treasury Certificates of Indebtedness of Series E-1952, in exchange for 1-1/4 percent Treasury Notes of Series F-1951, maturing October 15, 1951, or 1-1/4 percent Treasury Notes of Series G-1951, maturing November 1, 1951. Exchanges will be made par for par in the case of the notes of Series F-1951, and at par with an adjustment of interest as of October 15, 1951, in the case of the notes of Series G-1951.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated October 15, 1951, and will bear interest from that date at the rate of 1-7/8 percent per annum, payable with the principal at maturity on October 1, 1952. 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.

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 for certificates allotted hereunder must be made on or before October 15, 1951, or on later allotment. Payment of the principal amount may be made only in Treasury Notes of Series F-1951, maturing October 15, 1951, or in Treasury Notes of Series G-1951, maturing November 1, 1951, which will be accepted at par and should accompany the subscription. The full amount of interest due on the notes of Series F-1951 surrendered will be paid to the subscriber following acceptance of the notes. In the case of the notes of Series G-1951, accrued interest from October 1, 1950, to October 15, 1951 ($12.97945 per $1,000) will be paid to the subscriber following acceptance of the notes.

V. GENERAL PROVISIONS

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

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

JOHN W. SNYDER,
Secretary of the Treasury.

S - 2833

~~Immediate Release~~
Immediate Release
Friday, September 28, 1951

~~PRESS RELEASE~~

After thorough discussions, the International Monetary Fund has issued today a statement on external transactions in gold. The United States concurred in this statement, which accords with its own gold policy. The Treasury plans to continue in effect existing gold practices and procedures.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

S-2833

IMMEDIATE RELEASE
Friday, September 28, 1951

After thorough discussions, the International Monetary Fund has issued today a statement on external transactions in gold. The United States concurred in this statement, which accords with its own gold policy. The Treasury plans to continue in effect existing gold practices and procedures.

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5-77-A

U.S. Practices and Procedures Governing the Exportation of Industrial Gold

Under the United States gold regulations, the Director of the Mint is authorized to permit the exportation of semi-processed gold, provided the Mint is satisfied that the gold to be exported is semi-processed gold and that its export from the continental United States is for a specific and customary industrial, professional or artistic use and not for the purpose of holding or disposing of such semi-processed gold beyond the limits of the continental United States as, or in lieu of money, or for the value of the gold content.

A gold article which has been processed or manufactured in good faith for some one or more specific and customary industrial, professional, or artistic use and which has more than 80 percent of its total domestic value attributable to the gold content falls within the category of "semi-processed gold."

The only persons or concerns eligible to export semi-processed gold are those licensed to deal in gold in the United States. These licenses are issued primarily to dental manufacturers producing dental alloys, casting gold, solder, and various other types of gold, usually having a high gold content. Also eligible for export licenses are refiners producing semi-processed gold in the form of sheet, wire, tubing, etc., for use in the manufacture of jewelry.

The application submitted to the Mint by a United States firm holding a basic gold license must give a description of the gold for which an export permit is requested, total gold content, use for which intended, and sale price, in addition to other data. It must also be accompanied by the consignee's import permit when required by the country of destination, and any other data the applicant may have regarding the consignee or this particular shipment.

EARNINGS, EXPENSES, AND DIVIDENDS OF NATIONAL BANKS IN THE SIX MONTH PERIODS ENDED JUNE 30, 1951 AND JUNE 30, 1950, AND THE YEAR ENDED DECEMBER 31, 1950 - Continued

(Amounts in thousands of dollars)

	6 months ended June 30, 1951	6 months ended June 30, 1950	Year ended Dec. 31, 1950
Recoveries, transfers from valuation reserves, and profits:			
On Securities:			
Recoveries	$ 3,638	$ 4,856	$ 9,670
Transfers from valuation reserves	3,871	2,700	28,999
Profits on securities sold or redeemed	13,679	20,659	60,951
On loans:			
Recoveries	5,156	7,057	15,401
Transfers from valuation reserves	4,157	4,603	13,333
All other	8,956	14,891	25,378
TOTAL RECOVERIES, TRANSFERS FROM VALUATION RESERVES AND PROFITS	39,457	54,766	153,732
Losses, charge-offs, and transfers to valuation reserves:			
On securities:			
Losses and charge-offs	20,780	10,756	24,010
Transfers to valuation reserves	8,608	7,634	41,360
On loans:			
Losses and charge-offs	4,072	5,200	10,909
Transfers to valuation reserves	42,812	41,921	109,258
All other	12,628	12,931	30,740
TOTAL LOSSES, CHARGE-OFFS AND TRANSFERS TO VALUATION RESERVES	88,900	78,442	216,277
PROFITS BEFORE INCOME TAXES	423,128	383,566	793,100
Taxes on net income:			
Federal	158,503	108,255	241,949
State	8,009	6,591	13,541
TOTAL TAXES ON NET INCOME	166,512	114,846	255,490
NET PROFITS BEFORE DIVIDENDS	256,616	268,720	537,610
Cash dividends declared:			
On preferred stock	331	378	712
On common stock	114,889	102,666	228,792
TOTAL CASH DIVIDENDS DECLARED	115,220	103,044	229,504
Number of banks 3/	4,953	4,977	4,965
Annual rate of net profits:	Percent	Percent	Percent
To capital funds	7.99	8.86	8.74
Annual rate of cash dividends:			
To capital funds	3.59	3.40	3.73

1/ Averages of amounts reported for the June call date in year indicated and the December call date in the previous year.

2/ Averages of amounts reported for the June and December call dates in year indicated and the December call date in the previous year.

3/ At end of period.

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EARNINGS, EXPENSES, AND DIVIDENDS OF NATIONAL BANKS IN THE SIX MONTH PERIODS ENDED JUNE 30, 1951 AND JUNE 30, 1950, AND THE YEAR ENDED DECEMBER 31, 1950

(Amounts in thousands of dollars)

	6 months ended June 30, 1951	6 months ended June 30, 1950	Year ended Dec. 31, 1950
Capital stock, par value:			
Preferred	$ 13,775	$ 16,568	$ 16,079
Common	2,020,628	1,931,573	1,949,898
TOTAL CAPITAL STOCK	1/2,034,403	1/ 1,948,141	2/1,965,977
Capital funds	1/6,424,508	1/ 6,064,704	2/6,152,799
Earnings from current operations:			
Interest and dividends:			
On U. S. Government obligations	277,947	296,227	590,533
On other securities	72,444	63,090	132,330
Interest and discount on loans	644,415	515,159	1,103,360
Service charges on deposit accounts	64,284	58,362	119,604
Other service charges, commissions, fees, and collection and exchange charges	34,036	29,670	63,856
Trust department	33,296	30,631	70,092
Other current earnings	61,513	53,829	112,938
TOTAL EARNINGS FROM CURRENT OPERATIONS	1,187,935	1,046,968	2,192,713
Current operating expenses:			
Salaries and wages:			
Officers	118,132	107,029	230,331
Employees other than officers	227,941	196,762	421,741
Fees paid to directors and members of executive, discount, and advisory committees	6,018	5,474	11,775
Interest on time deposits (including savings deposits)	104,290	94,993	190,374
Taxes other than on net income	39,106	36,437	74,416
Recurring depreciation on banking house, furniture and fixtures	16,855	15,158	33,619
Other current operating expenses	203,022	183,873	374,812
TOTAL CURRENT OPERATING EXPENSES	715,364	639,726	1,337,068
NET EARNINGS FROM CURRENT OPERATIONS	472,571	407,242	855,645

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TREASURY DEPARTMENT
Comptroller of the Currency
Washington

RELEASE, MORNING NEWSPAPERS,
Friday, September 28, 1951

5-2834

Comptroller of the Currency Preston Delano announced today that the national banks in the United States and possessions reported net operating earnings of $473,000,000 for the six months ended June 30, 1951, an increase of $66,000,000 over the first half of 1950.

Gross earnings were $1,188,000,000. This was an increase of $141,000,000 over the gross earnings for the first six months of 1950. The principal item of operating earnings in the first half of 1951 was $644,000,000 from interest and discount on loans, which was an increase of $129,000,000 compared with the corresponding period in 1950. Other principal items of operating earnings were $278,000,000 from interest on United States Government obligations and $73,000,000 interest and dividends on other securities, a total of $351,000,000, which was a decrease of $8,000,000 compared to the first half of the previous year, and $64,000,000 from service charges on deposit accounts, an increase of $6,000,000. Operating expenses, excluding taxes on net income, were $715,000,000 as against $640,000,000 for the first half of 1950. The principal operating expenses were $352,000,000 for salaries and wages of officers and employees and fees paid to directors, an increase of $43,000,000 over the first half of 1950, and $104,000,000 expended for interest on time and savings deposits, an increase of $9,000,000.

Adding to the net operating earnings profits on securities sold of $14,000,000 and recoveries on loans and investments, etc. (including adjustments in valuation reserves) of $25,000,000, and deducting losses and charge-offs (including current additions to valuation reserves) of $89,000,000, and taxes on net income of $166,000,000, the net profits of the banks before dividends for the six months ended June 30, 1951 were $257,000,000, which at an annual rate amounts to 7.99 percent of average capital funds. Net profits for the same period of the previous year were $269,000,000, or 8.86 percent of average capital funds.

Cash dividends declared on common and preferred stock totaled $115,000,000 in comparison with $103,000,000 in the first half of 1950. The annual rate of cash dividends was 3.59 percent of average capital funds and was 44.75 percent of the net profits available. The remaining 55.25 percent of net profits, or $142,000,000 was retained by the banks in their capital accounts.

On June 30, 1951 there were 4,953 national banks in operation, which was a decrease of 24 banks since June 30, 1950.

TREASURY DEPARTMENT
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Gross earnings were $1,188,000,000. This was an increase of $141,000,000 over the gross earnings for the first six months of 1950. The principal item of operating earnings in the first half of 1951 was $644,000,000 from interest and discount on loans, which was an increase of $129,000,000 compared with the corresponding period in 1950. Other principal items of operating earnings were $278,000,000 from interest on United States Government obligations and $73,000,000 interest and dividends on other securities, a total of $351,000,000, which was a decrease of $8,000,000 compared to the first half of the previous year, and $64,000,000 from service charges on deposit accounts, an increase of $6,000,000. Operating expenses, excluding taxes on net income, were $715,000,000 as against $640,000,000 for the first half of 1950. The principal operating expenses were $352,000,000 for salaries and wages of officers and employees and fees paid to directors, an increase of $43,000,000 over the first half of 1950, and $104,000,000 expended for interest on time and savings deposits, an increase of $9,000,000.

Adding to the net operating earnings profits on securities sold of $14,000,000 and recoveries on loans and investments, etc. (including adjustments in valuation reserves) of $25,000,000, and deducting losses and charge-offs (including current additions to valuation reserves) of $89,000,000, and taxes on net income of $166,000,000, the net profits of the banks before dividends for the six months ended June 30, 1951 were $257,000,000, which at an annual rate amounts to 7.99 percent of average capital funds. Net profits for the same period of the previous year were $269,000,000, or 8.86 percent of average capital funds.

Cash dividends declared on common and preferred stock totaled $115,000,000 in comparison with $103,000,000 in the first half of 1950. The annual rate of cash dividends was 3.59 percent of average capital funds and was 44.75 percent of the net profits available. The remaining 55.25 percent of net profits, or $142,000,000 was retained by the banks in their capital accounts.

On June 30, 1951 there were 4,953 national banks in operation, which was a decrease of 24 banks since June 30, 1950.

EARNINGS, EXPENSES, AND DIVIDENDS OF NATIONAL BANKS IN THE SIX MONTH PERIODS ENDED JUNE 30, 1951 AND JUNE 30, 1950, AND THE YEAR ENDED DECEMBER 31, 1950

(Amounts in thousands of dollars)

	6 months ended June 30, 1951	6 months ended June 30, 1950	Year ended Dec. 31, 1950
Capital stock, par value:			
Preferred	$ 13,775	$ 16,568	$ 16,079
Common	2,020,628	1,931,573	1,949,898
TOTAL CAPITAL STOCK	1/2,034,403	1/1,948,141	2/1,965,977
Capital funds	1/6,424,508	1/6,064,704	2/6,152,799
Earnings from current operations:			
Interest and dividends:			
On U. S. Government obligations	277,947	296,227	590,533
On other securities	72,444	63,090	132,330
Interest and discount on loans	644,415	515,159	1,103,360
Service charges on deposit accounts	64,284	58,362	119,604
Other service charges, commissions, fees, and collection and exchange charges	34,036	29,670	63,856
Trust department	33,296	30,631	70,092
Other current earnings	61,513	53,829	112,938
TOTAL EARNINGS FROM CURRENT OPERATIONS	1,187,935	1,046,968	2,192,713
Current operating expenses:			
Salaries and wages:			
Officers	118,132	107,029	230,331
Employees other than officers	227,941	196,762	421,741
Fees paid to directors and members of executive, discount, and advisory committees	6,018	5,474	11,775
Interest on time deposits (including savings deposits)	104,290	94,993	190,374
Taxes other than on net income	39,106	36,437	74,416
Recurring depreciation on banking house, furniture and fixtures	16,855	15,158	33,619
Other current operating expenses	203,022	183,873	374,812
TOTAL CURRENT OPERATING EXPENSES	715,364	639,726	1,337,068
NET EARNINGS FROM CURRENT OPERATIONS	472,571	407,242	855,645

EARNINGS, EXPENSES, AND DIVIDENDS OF NATIONAL BANKS IN THE SIX MONTH PERIODS ENDED JUNE 30, 1951 AND JUNE 30, 1950, AND THE YEAR ENDED DECEMBER 31, 1950 -- Continued

(Amounts in thousands of dollars)

	6 months ended June 30, 1951	6 months ended June 30, 1950	Year ended Dec. 31, 1950
Recoveries, transfers from valuation reserves, and profits:			
On Securities:			
Recoveries	$ 3,638	$ 4,856	$ 9,670
Transfers from valuation reserves	3,871	2,700	28,999
Profits on securities sold or redeemed	13,679	20,659	60,951
On loans:			
Recoveries	5,156	7,057	15,401
Transfers from valuation reserves	4,157	4,603	13,333
All other	8,956	14,891	25,378
TOTAL RECOVERIES, TRANSFERS FROM VALUATION RESERVES AND PROFITS	39,457	54,766	153,732
Losses, charge-offs, and transfers to valuation reserves:			
On securities:			
Losses and charge-offs	20,780	10,756	24,010
Transfers to valuation reserves	8,608	7,634	41,360
On loans:			
Losses and charge-offs	4,072	5,200	10,909
Transfers to valuation reserves	42,812	41,921	109,258
All other	12,628	12,931	30,740
TOTAL LOSSES, CHARGE-OFFS AND TRANSFERS TO VALUATION RESERVES	88,900	78,442	216,277
PROFITS BEFORE INCOME TAXES	423,128	383,566	793,100
Taxes on net income:			
Federal	158,503	108,255	241,949
State	8,009	6,591	13,541
TOTAL TAXES ON NET INCOME	166,512	114,846	255,490
NET PROFITS BEFORE DIVIDENDS	256,616	268,720	537,610
Cash dividends declared:			
On preferred stock	331	378	712
On common stock	114,889	102,666	228,792
TOTAL CASH DIVIDENDS DECLARED	115,220	103,044	229,504
Number of banks 3/	4,953	4,977	4,965
Annual rate of net profits:	Percent	Percent	Percent
To capital funds	7.99	8.86	8.74
Annual rate of cash dividends:			
To capital funds	3.59	3.40	3.73

1/ Averages of amounts reported for the June call date in year indicated and the December call date in the previous year.

2/ Averages of amounts reported for the June and December call dates in year indicated and the December call date in the previous year.

3/ At end of period.

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