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U.S. Treasury Dept.
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TREASURY DEPARTMENT

~~PM~~ ~~Monday~~
FOR RELEASE SUNDAY, NOVEMBER 3, 1952

Release Afternoon Newspapers
Monday, November 3, 1952

5. 32-15

~~MEMORANDUM FOR THE PRESS~~

In answer to inquiries, U. E. Baughman, Chief of the U. S. Secret Service, ~~Treasury Department, revealed~~ ^{said today} that plans have been completed to protect the President-elect when the results of the ~~forthcoming~~ ^{Thursday's} election are definite. Such protection is authorized by Title 18, U. S. Code, Section 3056, which also provides for protection of the President, the members of his immediate family, and the Vice President at his request.

Two groups of Secret Service Agents have been ~~carefully~~ selected to be near each of the candidates on November 4, but no contact will be made by the Secret Service with either candidate until the results of the election are known, Chief Baughman said.

One group of agents in Springfield, Ill., will be in charge of Inspector Russell Daniel. The other, in New York City, will be in charge of Inspector E. A. Wildy. Both Daniel and Wildy are Secret Service veterans and members of Chief Baughman's headquarters staff.

Some of the agents in each group have served on the regular White House Detail, and all have had experience and training in security and protective techniques.

"As soon as we are sure which candidate is the President-elect," the Chief explained, "we will consolidate the two groups of agents to furnish protection for him. The combined detail will then work under the direction of James J. Rowley, who is now Special Agent in Charge of the White House Detail. Under this plan, the President-elect will have essentially the same degree of protection as we provide for the President."

For obvious security reasons, the number of agents assigned to the White House Detail and to the President-elect is confidential, Chief Baughman added.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

2

RELEASE AFTERNOON NEWSPAPERS,
Monday, November 3, 1952.

S-3215

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For obvious security reasons, the number of agents assigned to the White House Detail and to the President-elect is confidential, Chief Baughman added.

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

	Sept. 5, 1952	June 30, 1952	Oct. 10, 1951	: Increase or decrease : since June 30, 1952		: Increase or decrease : since Oct. 10, 1951	
				: Amount	: Percent	: Amount	: Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand.....	\$53,075,645	\$52,234,586	\$51,578,292	\$841,059	1.61	\$1,497,353	2.90
Time.....	20,905,423	20,720,190	19,571,450	185,233	.89	1,333,973	6.82
Deposits of U. S. Government.....	2,803,524	3,668,776	2,731,004	-865,252	-23.58	72,520	2.65
Postal savings deposits.....	13,695	13,134	7,540	561	4.27	6,155	81.63
Deposits of States and political subdivisions.....	5,875,435	6,231,989	5,413,462	-356,554	-5.72	461,973	8.53
Deposits of banks.....	8,657,187	8,587,305	8,859,019	69,882	.81	-201,832	-2.28
Other deposits (certified and cashiers' checks, etc.).....	1,172,936	1,533,710	1,115,190	-360,774	-23.52	57,746	5.18
Total deposits.....	92,503,845	92,989,690	89,275,957	-485,845	-.52	3,227,888	3.62
Bills payable, rediscounts, and other liabilities for borrowed money.....	1,069,238	42,046	148,910	1,027,192	2443.02	920,328	618.04
Other liabilities.....	1,632,854	1,613,765	1,447,511	19,089	1.18	185,343	12.80
Total liabilities, excluding capital accounts.....	95,205,937	94,645,501	90,872,378	560,436	.59	4,333,559	4.77
CAPITAL ACCOUNTS							
Capital stock:							
Preferred.....	6,319	6,373	12,062	-54	-.85	-5,743	-47.61
Common.....	2,201,602	1/2,197,093	2,070,555	4,509	.21	131,047	6.33
Total.....	2,207,921	1/2,203,466	2,082,617	4,455	.20	125,304	6.02
Surplus.....	3,197,085	3,175,879	3,017,550	21,206	.67	179,535	5.95
Undivided profits.....	1,296,349	1/1,252,544	1,286,764	43,805	3.50	9,585	.74
Reserves.....	266,416	264,174	270,007	2,242	.85	-3,591	-1.33
Total surplus, profits, and reserves.....	4,759,850	1/4,692,597	4,574,321	67,253	1.43	185,529	4.06
Total capital accounts.....	6,967,771	6,896,063	6,656,938	71,708	1.04	310,833	4.67
Total liabilities and capital accounts.....	102,173,708	101,541,564	97,529,316	632,144	.62	4,644,392	4.76
RATIOS:							
U.S. Gov't securities to total assets.....	34.24	34.17	34.71				
Loans & discounts to total assets	33.06	32.67	32.16				
Capital accounts to total deposits	7.53	7.42	7.46				

NOTE: Minus sign denotes decrease.
1/ Revised.

Statement showing comparison of principal items of assets and liabilities of active national banks
as of September 5, 1952, June 30, 1952, and October 10, 1951
(In thousands of dollars)

	Sept. 5, 1952	June 30, 1952	Oct. 10, 1951	Increase or decrease since June 30, 1952		Increase or decrease since Oct. 10, 1951	
				Amount	Percent	Amount	Percent
Number of banks.....	4,927	4,932	4,947	-5	-.10	-20	-.40
ASSETS							
Commercial and industrial loans	\$15,509,764	\$15,362,876	\$14,901,392	\$146,888	.96	\$608,372	4.08
Loans on real estate.....	8,006,885	7,848,650	7,419,939	158,235	2.02	586,946	7.91
Consumer loans to individuals..	5,027,742	4,830,366	4,406,036	197,376	4.09	621,706	14.11
Other loans to individuals:							
Single-payment loans of \$3,000 and over.....	1,535,687	1,515,764	1,353,510	19,923	1.31	182,177	13.46
All other loans, including overdrafts.....	4,199,882	4,107,813	3,692,778	92,069	2.24	507,104	13.73
Total gross loans.....	34,279,960	33,665,469	31,773,655	614,491	1.82	2,506,305	7.89
Less valuation reserves...	497,914	495,061	412,504	2,853	.58	85,410	20.71
Net loans.....	33,782,046	33,170,408	31,361,151	611,638	1.84	2,420,895	7.72
U. S. Government securities:							
Direct obligations.....	34,971,610	34,678,113	33,847,660	293,497	.85	1,123,950	3.32
Obligations fully guaranteed..	11,761	16,427	8,898	-4,666	-28.40	2,863	32.18
Total U. S. securities.....	34,983,371	34,694,540	33,856,558	288,831	.83	1,126,813	3.33
Obligations of States and political subdivisions.....	5,988,324	5,810,343	5,168,196	177,981	3.06	820,128	15.87
Other bonds, notes, and de- ventures.....	2,344,284	2,393,571	2,380,837	-49,287	-2.06	-36,553	-1.54
Corporate stocks, including stocks of Fed. Reserve banks..	188,113	187,240	179,671	873	.47	8,442	4.70
Total securities.....	43,504,092	43,085,694	41,585,262	418,398	.97	1,918,830	4.61
Total loans and securities..	77,286,138	76,256,102	72,946,413	1,030,036	1.35	4,339,725	5.95
Currency and coin.....	1,145,096	1,256,363	1,333,012	-111,267	-8.86	-187,916	-14.10
Reserve with Fed. Reserve banks	13,353,314	12,529,551	12,864,033	823,763	6.57	489,281	3.80
Balances with other banks.....	9,055,097	10,205,615	9,223,403	-1,150,518	-11.27	-168,306	-1.82
Total cash, balances with other banks, including re- serve balances and cash items in process of collection.....	23,553,507	23,991,529	23,420,448	-438,022	-1.83	133,059	.57
Other assets.....	1,334,063	1,293,933	1,162,455	40,130	3.10	171,608	14.76
Total assets.....	102,173,708	101,541,564	97,529,316	632,144	.62	4,644,392	4.76

purpose of purchasing and carrying securities, and to banks, etc., amounted to \$5,735,000,000, an increase of 2 percent since June. The percentage of loans and discounts to total assets on September 5, 1952 was 33.06 in comparison with 32.67 on June 30 and 32.16 in October 1951.

Investments of the banks in United States Government obligations (including \$12,000,000 guaranteed obligations) on September 5, 1952 aggregated \$34,984,000,000, which was an increase of \$289,000,000 since June, and an increase of \$1,000,000,000, or 3 percent, since last October. The investments were 34 percent of total assets, compared to 35 percent nearly a year ago. Other bonds, stocks and securities of \$8,520,000,000, which included obligations of States and political subdivisions of \$5,988,000,000, were \$129,000,000, or $1\frac{1}{2}$ percent, more than in June, and \$792,000,000, or 10 percent, more than held in October last year. The total securities held amounted to \$43,500,000,000, an increase of \$418,000,000 since June, and an increase of \$2,000,000,000 since last October.

Cash of \$1,145,000,000, reserve with Federal Reserve banks of \$13,354,000,000 and balances with other banks (including cash items in process of collection) of \$9,055,000,000, a total of \$23,554,000,000, showed a decrease of \$438,000,000, or 2 percent, since June.

Borrowed money of \$1,069,000,000 was up more than \$1,000,000,000 since June.

The unimpaired capital stock of the banks on September 5, 1952 was \$2,208,000,000, including \$6,000,000 of preferred stock. Surplus was \$3,197,000,000, undivided profits \$1,296,000,000 and capital reserves \$267,000,000, or a total of \$4,760,000,000. Total capital accounts were \$6,968,000,000, or 7.53 percent of total deposits, compared to 7.42 percent on June 30.

TREASURY DEPARTMENT
Washington, D. C.

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FOR RELEASE, MORNING NEWSPAPERS

Press Series

Tuesday November 19, 1952

3216

The total assets of national banks on September 5, 1952 amounted to more than \$102,000,000,000, it was announced today by Comptroller of the Currency Preston Delano. The returns covered the 4,927 active national banks in the United States and possessions. The assets were \$632,000,000 more than the amount reported by the 4,932 active banks on June 30, 1952, the date of the previous call, and were nearly \$5,000,000,000 more than reported by the 4,947 active national banks as of October 10, 1951.

The deposits of the banks on September 5 were \$92,500,000,000, a decrease of \$500,000,000 since June, and exceeded by \$3,000,000,000 the amount reported in October last year. Included in the recent deposit figures were demand deposits of individuals, partnerships and corporations of \$53,076,000,000, which increased \$841,000,000 since June, and time deposits of individuals, partnerships and corporations of \$20,905,000,000, which increased \$185,000,000. Deposits of the United States Government of \$2,804,000,000 were down \$865,000,000, and deposits of States and political subdivisions of \$5,875,000,000 were down \$357,000,000 since June. Deposits of banks amounting to \$8,657,000,000 increased \$70,000,000. Postal savings were \$14,000,000 and certified and cashiers' checks, etc., were \$1,173,000,000.

Net loans and discounts on September 5, 1952 were \$33,782,000,000, an all-time high. They were \$612,000,000 above the June figure and \$2,500,000,000, or 8 percent, above the October 10 figure last year. Commercial and industrial loans as of the recent call date were \$15,510,000,000, an increase of 1 percent since June, and loans on real estate of \$8,007,000,000 were up 2 percent. Consumer loans to individuals were \$5,028,000,000, an increase of 4 percent, and all other loans, including loans to farmers, to brokers and dealers and others for the

TREASURY DEPARTMENT



Information Service

WASHINGTON, D. C.

7

RELEASE MORNING NEWSPAPERS,
Tuesday, November 4, 1952.

S-3216

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total assets, compared to 35 percent nearly a year ago. Other bonds, stocks and securities of \$8,520,000,000, which included obligations of States and political subdivisions of \$5,988,000,000, were \$129,000,000, or 1½ percent, more than in June, and \$792,000,000, or 10 percent, more than held in October last year. The total securities held amounted to \$43,500,000,000, an increase of \$418,000,000 since June, and an increase of \$2,000,000,000 since last October.

Cash of \$1,145,000,000, reserve with Federal Reserve banks of \$13,354,000,000 and balances with other banks (including cash items in process of collection) of \$9,055,000,000, a total of \$23,554,000,000, showed a decrease of \$438,000,000, or 2 percent, since June.

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The unimpaired capital stock of the banks on September 5, 1952 was \$2,208,000,000, including \$6,000,000 of preferred stock. Surplus was \$3,197,000,000, undivided profits \$1,295,000,000 and capital reserves \$267,000,000, or a total of \$4,760,000,000. Total capital accounts were \$5,968,000,000, or 7.53 percent of total deposits, compared to 7.42 percent on June 30.

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(In thousands of dollars)

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ASSETS							
Commercial and industrial loans	\$15,509,764	\$15,362,876	\$14,901,392	\$146,888	.96	\$608,372	4.08
Loans on real estate.....	8,006,885	7,848,650	7,419,939	158,235	2.02	586,946	7.91
Consumer loans to individuals..	5,027,742	4,830,366	4,406,036	197,376	4.09	621,706	14.11
Other loans to individuals:							
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All other loans, including overdrafts.....	4,199,882	4,107,813	3,692,778	92,069	2.24	507,104	13.73
Total gross loans.....	34,279,960	33,665,469	31,773,655	614,491	1.82	2,506,305	7.89
Less valuation reserves...	497,914	495,061	412,504	2,853	.58	85,410	20.71
Net loans.....	33,782,046	33,170,408	31,361,151	611,638	1.84	2,420,895	7.72
U. S. Government securities:							
Direct obligations.....	34,971,610	34,678,113	33,847,660	293,497	.85	1,123,950	3.32
Obligations fully guaranteed.	11,761	16,427	8,898	-4,666	-28.40	2,863	32.18
Total U. S. securities.....	34,983,371	34,694,540	33,856,558	288,831	.83	1,126,813	3.33
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Total securities.....	43,504,092	43,085,694	41,585,262	418,398	.97	1,918,830	4.61
Total loans and securities..	77,286,138	76,256,102	72,946,413	1,030,036	1.35	4,339,725	5.95
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Balances with other banks.....	9,055,097	10,205,615	9,223,403	-1,150,518	-11.27	-168,306	-1.82
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Other assets.....	1,334,063	1,293,933	1,162,455	40,130	3.10	171,608	14.76
Total assets.....	102,173,708	101,541,564	97,529,316	632,144	.62	4,614,392	4.76

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(In thousands of dollars)

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Total liabilities and capital accounts.....	102,173,708	101,541,564	97,529,316	632,144	.62	4,644,392	4.76
RATIOS:	Percent	Percent	Percent				
U.S. Gov't securities to total assets.....	34.24	34.17	34.71				
Loans & discounts to total assets	33.06	32.67	32.16				
Capital accounts to total deposits	7.53	7.42	7.46				

NOTE: Minus sign denotes decrease.
1/ Revised.

RELEASE MORNING NEWSPAPERS,
Tuesday, November 4, 1952.

✓ - 3217

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 6, 1952, and to mature February 5, 1953, which were offered on October 30, were opened at the Federal Reserve Banks on November 3.

The details of this issue are as follows:

Total applied for - \$2,116,288,000
 Total accepted - 1,301,003,000 (includes \$218,008,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.546/4 Equivalent rate of discount approx. 1.796% per annum
 Range of accepted competitive bids:
 High - 99.580 Equivalent rate of discount approx. 1.662% per annum
 Low - 99.544 " " " " " " 1.804% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 38,675,000	\$ 29,050,000
New York	1,424,371,000	753,121,000
Philadelphia	46,798,000	30,548,000
Cleveland	36,376,000	28,876,000
Richmond	21,050,000	18,325,000
Atlanta	30,867,000	29,555,000
Chicago	277,098,000	213,250,000
St. Louis	42,260,000	34,910,000
Minneapolis	12,304,000	12,304,000
Kansas City	54,056,000	45,806,000
Dallas	48,794,000	40,094,000
San Francisco	83,639,000	65,164,000
TOTAL	\$2,116,288,000	\$1,301,003,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

12

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Total applied for - \$2,116,288,000
 Total accepted - 1,301,003,000 (includes \$218,008,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.546/ Equivalent rate of discount approx. 1.796% per annum

Range of accepted competitive bids:

High - 99.580 Equivalent rate of discount approx. 1.662% per annum

Low - 99.544 Equivalent rate of discount approx. 1.804% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	\$ 38,675,000	\$ 29,050,000
New York	1,424,371,000	753,121,000
Philadelphia	46,798,000	30,548,000
Cleveland	36,376,000	28,876,000
Richmond	21,050,000	18,325,000
Atlanta	30,867,000	29,555,000
Chicago	277,098,000	213,250,000
St. Louis	42,260,000	34,910,000
Minneapolis	12,304,000	12,304,000
Kansas City	54,056,000	45,806,000
Dallas	48,794,000	40,094,000
San Francisco	83,639,000	65,164,000
TOTAL	\$2,116,288,000	\$1,301,003,000

IMMEDIATE RELEASE,
Wednesday, November 5, 1952.

A-3218

Secretary of the Treasury Snyder announced today that tenders will be accepted on November 13, 1952, of bids to an issue of 210-day Treasury bills in the amount of \$2,000,000,000, to be dated November 21, 1952, and to mature on June 19, 1953. These bills will be designated "Tax Anticipation Series" and will be acceptable at face value in payment of income and profits taxes due on June 15, 1953. Payment for such bills will be made in cash on the date of issue, except that any qualified depository may make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits. Formal invitation for tenders will be issued on November 7, 1952.

These bills are being issued to meet anticipated cash requirements of the Treasury; and to the extent that they are not presented in payment of income and profits taxes due on June 15, 1953, they will be paid in cash at maturity.

This offering is being made pursuant to Secretary Snyder's statement of September 24, 1952, at which time the Secretary stated that the Treasury anticipated that further tax bills would be offered later in the year.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

14

IMMEDIATE RELEASE,
Wednesday, November 5, 1952.

S-3218

Secretary of the Treasury Snyder announced today that tenders will be accepted on November 13, 1952, of bids to an issue of 210-day Treasury bills in the amount of \$2,000,000,000, to be dated November 21, 1952, and to mature on June 19, 1953. These bills will be designated "Tax Anticipation Series" and will be acceptable at face value in payment of income and profits taxes due on June 15, 1953. Payment for such bills will be made in cash on the date of issue, except that any qualified depository may make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits. Formal invitation for tenders will be issued on November 7, 1952.

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This offering is being made pursuant to Secretary Snyder's statement of September 24, 1952, at which time the Secretary stated that the Treasury anticipated that further tax bills would be offered later in the year.

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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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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 November 13, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing November 13, 1952. 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

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TREASURY DEPARTMENT
Washington

S-3219

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 6, 1952.
~~(xxx)~~

The Secretary of the Treasury, by this public notice, invites tenders for \$1,500,000,000, or thereabouts, of 92-day Treasury bills, for cash and in exchange for Treasury bills maturing November 13, 1952, in the amount of \$1,500,759,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated November 13, 1952, and will mature February 13, 1953, 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, November 10, 1952. 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



TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, November 6, 1952.

S-3219

18

The Secretary of the Treasury, by this public notice, invites tenders for \$1,500,000,000, or thereabouts, of 92-day Treasury bills, for cash and in exchange for Treasury bills maturing November 13, 1952, in the amount of \$1,500,759,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated November 13, 1952, and will mature February 13, 1953, 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 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 November 13, 1952, in cash or other immediately available funds or in a like face amount of Treasury bill maturing November 13, 1952. 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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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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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 in cash or other immediately available funds on November 21, 1952, provided, however, any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its District.

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

18

RELEASE MORNING NEWSPAPERS,
Friday, November 7, 1952.

1-3220

The Secretary of the Treasury, by this public notice, invites tenders for \$2,000,000,000, or thereabouts, of 210-day Treasury bills, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be designated Tax Anticipation Series, they will be dated November 21, 1952, and will mature June 19, 1953. They will be accepted at face value in payment of income and profits taxes due on June 15, 1953, and to the extent they are not presented for this purpose the face amount of these bills will be payable without interest at maturity. 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, Thursday, November 13, 1952. 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

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

22

RELEASE MORNING NEWSPAPERS,
Friday, November 7, 1952.

S-3220

The Secretary of the Treasury, by this public notice, invites tenders for \$2,000,000,000, or thereabouts, of 210-day Treasury bills, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be designated Tax Anticipation Series, they will be dated November 21, 1952, and will mature June 19, 1953. They will be accepted at face value in payment of income and profits taxes due on June 15, 1953, and to the extent they are not presented for this purpose the face amount of these bills will be payable without interest at maturity. 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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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 in cash or other immediately available funds on November 21, 1952, provided, however, any qualified depository will be permitted to make payment by credit in its Treasury Tax and Loan Account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its District.

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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.

personal tribute which I shall warmly cherish in the years to come as I recall my many interesting, constructive and inspirational associations with the officers and the cadet corps of the United States Coast Guard.

25

both here and throughout the world, requires able leaders.

It requires men of skill and courage, vision and character.

Such men are being developed at this Academy. They will be equal to the responsibilities placed upon them when they become the leaders of tomorrow.

I am deeply honored that you have designated today as Secretary's Day. This is a

knowledge of more than a century and a half of service, has kept pace in adopting the new techniques made possible by the latest scientific developments. I hope this always will be so, and it is for this reason that I have been so proud of this Academy and of the educational program that it undertakes.

To preserve our own country and to preserve democracy,

navigators of all nations
traversing the military and
civil air and sea routes of the
North Atlantic and the Pacific
Oceans with means for accurate
and quick determination of their
positions, regardless of weather
conditions.

So, while the march of
science has gone ahead at such an
astonishing pace, the Coast Guard,
utilizing all of its accumulated

come to know the United States Coast Guard as one of the most modern of the American Services. Take loran alone. Today there are 36 loran stations, some of them in the United States, and others in such widely separated localities as Greenland, Labrador, Newfoundland, Alaska, the Philippines, and other islands of the Pacific. Day and night they provide

placed in the Coast Guard and with the outbreak of war, the Marine Inspection Service was added to its other responsibilities. Navigational aid and life saving operations have been supplemented and amplified by such devices as radar, loran, racon; by such methods as the air-sea search and rescue teams; and by an ocean station service for weather reporting, navigational aid and emergency assistance. The world itself has

first requested those ten revenue cutters.

But Hamilton could not possibly have foreseen the extent and scope of Coast Guard activities today when he founded the Revenue Marine more than 160 years ago.

The Coast Guard has kept step with the growing needs of the country.

Even recent years have seen dramatic changes and advances in your Service.

In 1939, the Lighthouse Service was

3
Today, you of the Coast Guard have one of the finest educational plants in the Nation, and further improvements are under way. Today, more than 500 cadets are being trained in a program that, under authority of an Act of Congress and the Association of American Universities, leads to the academic degree of Bachelor of Science. Truly, times have changed since Alexander Hamilton

various branches of the Government in that its role is both civilian and military. It was to provide Coast Guard personnel with both the civilian and military training needed, that this Academy was established. The Academy had its real beginning in 1877 as a training ship. The first class had only nine cadets. In 1910, the training school was moved to New London; and in 1932, the cadets occupied the Academy's present building.

trained and disciplined force at hand, ready to provide a highly specialized service in the Navy simply by the issuance of an Executive Order by the President.

Your proud motto of "Semper Paratus" was well chosen, for you have always been ready to respond to every call of the American people.

The Coast Guard occupies a peculiar position among the

Coast Guard patrols the coast, provides navigational aids to maritime commerce and to transoceanic air commerce, and operates the extensive communication system which coordinates all rescue agencies. It provides emergency services -- assistance where tragedy threatens, or to prevent mishaps that would result in disaster. In every war, the Government has been fortunate to have this well

Massachusetts to Georgia. From these humble beginnings, the Coast Guard has grown to its present full stature.

As statutory head of the Coast Guard, I am often asked just what are the responsibilities of the Coast Guard. Its long list of official duties is an impressive tribute to the trust which the Nation has placed on the Service. Among its host of regular duties, the

establishment of the Treasury Department in 1789, at the very beginning of our country, Alexander Hamilton pointed out the need for employing armed cutters to safeguard the Federal revenue against contraband. Through his determined efforts, appropriations were made for ten of these cutters to be assigned to the customs officers from

that a great deal is expected of a Coast Guard officer, and I know from observation that an officer of the Coast Guard ably and loyally meets his responsibilities and discharges his many duties.

The Coast Guard is one of the oldest branches of the Treasury and its roots are in the roots of Government itself. Only six months after the

lesson, that leadership draws its strength from those it leads and that it is worthless without intelligent followers.

If you learn these lessons well, then the Coast Guard, through its cadet corps trained at this Academy, has done its part toward preparing the leaders of tomorrow.

As Secretary of the Treasury, I know from my own experience

behind the Iron Curtain who look to this country for leadership.

Here at New London, it seems to me that you are learning two lessons. The first is the constructive lesson of teamwork and discipline -- for the greatest leaders are those who first learn to be intelligent followers. You are also learning here, as your second

The continued strength of our democratic system is, in the final analysis, our most powerful weapon against communism.

2 / So I say that continuing soundness of our economy is a crushing defeat for the communist leaders. It is also the ultimate hope of all of the free nations and of the millions of freedom-loving people

so long as it does exist, we must combat it with all the spiritual, economic and military force we can muster.

This Nation and its allies have made significant progress in re-creating a powerful military defense. We have, at the same time, maintained a strong and growing economy, drawing its strength from a free people working together for the common good.

on which our country was founded,
the free institutions which
underlie our economy -- in
fact, all that our country stands
for is threatened. I doubt
that any of our people now have
any illusions about the desire
of the communist leadership to
uproot and destroy freedom
wherever it exists. How long
this threat will menace us we
cannot know; but we do know that

that President Truman stressed this need for leadership when he spoke to you here in September.

Why is this so? The answer is simple. Our country's need for competent and effective leaders has never been greater than it is today, because the problems with which we are faced have never been greater.

The principles of democracy

44

done here, and I am sure that the training which centers at this Academy will be the source of an even more efficient and more effective Coast Guard Service in the future.

One special reason for my deep interest in the success of the Academy is this Nation's urgent need for trained men who can qualify as the leaders of tomorrow. You will recall

you for your cordial hospitality.

It is always inspiring to meet with the young men here who very shortly will become part of the corps of highly trained and competent officers responsible for the performance of the Coast Guard Service. I have been very much impressed by the caliber of the men who have entered the Academy and by the splendid work that is being

It is always a pleasure to come to the Coast Guard Academy. Since I became Secretary of the Treasury in 1946, I have enjoyed so many visits here that I feel almost like an "old grad" when I return. I have a warm spot in my heart for the Coast Guard Academy and the cadet corps, and I never miss an opportunity to visit with you. So once again I thank

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The following address by Secretary Snyder ~~before~~

~~the Cadet Corps of the United States Coast Guard~~

~~Academy~~

at a "Secretary's Day" luncheon for the Cadet Corps
of the United States Coast Guard Academy, New London,
Conn., ^{secret} is scheduled for delivery at 1 p.m. EST
Saturday, Nov. 8, 1952, and is for release at that time.

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A-3221

TREASURY DEPARTMENT

Washington

48

The following address by Secretary Snyder at a "Secretary's Day" luncheon for the Cadet Corps of the United States Coast Guard Academy, New London, Connecticut, is scheduled for delivery at 1:00 p.m. EST, Saturday, November 8, 1952, and is for release at that time.

It is always a pleasure to come to the Coast Guard Academy. Since I became Secretary of the Treasury in 1946, I have enjoyed so many visits here that I feel almost like an "old grad" when I return. I have a warm spot in my heart for the Coast Guard Academy and the cadet corps, and I never miss an opportunity to visit with you. So once again I thank you for your cordial hospitality.

It is always inspiring to meet with the young men here who very shortly will become part of the corps of highly trained and competent officers responsible for the performance of the Coast Guard Service. I have been very much impressed by the caliber of the men who have entered the Academy and by the splendid work that is being done here, and I am sure that the training which centers at this Academy will be the source of an even more efficient and more effective Coast Guard Service in the future.

One special reason for my deep interest in the success of the Academy is this Nation's urgent need for trained men who can qualify as the Leaders of tomorrow. You will recall that President Truman stressed this need for leadership when he spoke to you here in September.

Why is this so? The answer is simple. Our country's need for competent and effective leaders has never been greater than it is today, because the problems with which we are faced have never been greater.

The principles of democracy on which our country was founded, the free institutions which underlie our economy -- in fact, all that our country stands for is threatened. I doubt that any of our people now have any illusions about the desire of the communist leadership to uproot and destroy freedom wherever it exists. How long this threat will menace us we cannot know; but we do know that so long as it does exist, we must combat it with all the spiritual, economic and military force we can muster.

This Nation and its allies have made significant progress in re-creating a powerful military defense. We have, at the same time, maintained a strong and growing economy, drawing its strength from a free people working together for the common good.

The continued strength of our democratic system is, in the final analysis, our most powerful weapon against communism.

So I say that continuing soundness of our economy is a crushing defeat for the communist leaders. It is also the ultimate hope of all of the free nations and of the millions of freedom-loving people behind the Iron Curtain who look to this country for leadership.

Here at New London, it seems to me that you are learning two lessons. The first is the constructive lesson of teamwork and discipline -- for the greatest leaders are those who first learn to be intelligent followers. You are also learning here, as your second lesson, that leadership draws its strength from those it leads and that it is worthless without intelligent followers. If you learn these lessons well, then the Coast Guard, through its cadet corps trained at this Academy, has done its part toward preparing the leaders of tomorrow.

As Secretary of the Treasury, I know from my own experience that a great deal is expected of a Coast Guard officer, and I know from observation that an officer of the Coast Guard ably and loyally meets his responsibilities and discharges his many duties.

The Coast Guard is one of the oldest branches of the Treasury and its roots are in the roots of Government itself. Only six months after the establishment of the Treasury Department in 1789, at the very beginning of our country, Alexander Hamilton pointed out the need for employing armed cutters to safeguard the Federal revenue against contraband. Through his determined efforts, appropriations were made for ten of these cutters to be assigned to the customs officers from Massachusetts to Georgia. From these humble beginnings, the Coast Guard has grown to its present full stature.

As statutory head of the Coast Guard, I am often asked just what are the responsibilities of the Coast Guard. Its long list of official duties is an impressive tribute to the trust which the Nation has placed on the Service. Among its host of regular duties, the Coast Guard patrols the coast, provides navigational aids to maritime commerce and to transoceanic air commerce, and operates the extensive communication system which coordinates all rescue agencies. It provides emergency services -- assistance where tragedy threatens, or to prevent mishaps that would result in disaster. In every war, the Government has been fortunate to have this well trained and disciplined force at hand, ready to provide a highly specialized service in the Navy simply by the issuance of an Executive Order by the President. Your proud motto of "Semper Paratus" was well chosen, for you have always been ready to respond to every call of the American people.

The Coast Guard occupies a peculiar position among the various branches of the Government in that its role is both civilian and military. It was to provide Coast Guard personnel with both the civilian and military training needed, that this Academy was established. The Academy had its real beginning in 1877 as a training ship. The first class had only nine cadets. In 1910, the training school was moved to New London; and in 1932, the cadets occupied the Academy's present buildings.

Today, you of the Coast Guard have one of the finest educational plants in the Nation, and further improvements are under way. Today, more than 500 cadets are being trained in a program that, under authority of an Act of Congress and the Association of American Universities, leads to the academic degree of Bachelor of Science. Truly, times have changed since Alexander Hamilton first requested those ten revenue cutters.

But Hamilton could not possibly have foreseen the extent and scope of Coast Guard activities today when he founded the Revenue Marine more than 160 years ago. The Coast Guard has kept step with the growing needs of the country. Even recent years have seen dramatic changes and advances in your Service. In 1939, the Lighthouse Service was placed in the Coast Guard and with the outbreak of war, the Marine Inspection Service was added to its other responsibilities. Navigational aid and life saving operations have been supplemented and amplified by such devices as radar, loran, racon; by such methods as the air-sea search and rescue teams; and by an ocean station service for weather reporting, navigational aid and emergency assistance. The world itself has come to know the United States Coast Guard as one of the most modern of the American Services. Take loran alone. Today there are 36 loran stations, some of them in the United States, and others in such widely separated localities as Greenland, Labrador, Newfoundland, Alaska, the Philippines, and other islands of the Pacific. Day and night they provide navigators of all nations traversing the military and civil air and sea routes of the North Atlantic and the Pacific Oceans with means for accurate and quick determination of their positions, regardless of weather conditions.

So, while the march of science has gone ahead at such an astonishing pace, the Coast Guard, utilizing all of its accumulated knowledge of more than a century and a half of service, has kept pace in adopting the new techniques made possible by the latest scientific developments. I hope this always will be so, and it is for this reason that I have been so proud of this Academy and of the educational program that it undertakes.

To preserve our own country and to preserve democracy, both here and throughout the world, requires able leaders. It requires men of skill and courage, vision and character. Such men are being developed at this Academy. They will be equal to the responsibilities placed upon them when they become the leaders of tomorrow.

I am deeply honored that you have designated today as Secretary's Day. This is a personal tribute which I shall warmly cherish in the years to come as I recall my many interesting, constructive and inspirational associations with the officers and the cadet corps of the United States Coast Guard.

RELEASE MORNING NEWSPAPERS,
Tuesday, November 11, 1952.

The Secretary of the Treasury announced last evening that the tenders for \$1,500,000,000, or thereabouts, of 92-day Treasury bills to be dated November 13, 1952, and to mature February 13, 1953, which were offered on November 6, were opened at the Federal Reserve Banks on November 10.

The details of this issue are as follows:

Total applied for - \$2,222,822,000
Total accepted - 1,500,752,000 (includes \$239,546,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.529/4 Equivalent rate of discount approx. 1.843% per annum

Range of accepted competitive bids:

High - 99.560 Equivalent rate of discount approx. 1.722% per annum
Low - 99.525 " " " " " 1.859% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 19,573,000	\$ 16,033,000
New York	1,555,528,000	904,933,000
Philadelphia	34,666,000	18,896,000
Cleveland	51,200,000	49,815,000
Richmond	20,245,000	18,475,000
Atlanta	30,232,000	30,232,000
Chicago	233,481,000	204,321,000
St. Louis	54,211,000	52,671,000
Minneapolis	15,155,000	15,155,000
Kansas City	46,648,000	46,648,000
Dallas	57,375,000	46,065,000
San Francisco	104,508,000	97,508,000
Total	\$2,222,822,000	\$1,500,752,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

52

RELEASE MORNING NEWSPAPERS,
Tuesday, November 11, 1952.

S-3222

The Secretary of the Treasury announced last evening that the tenders for \$1,500,000,000, or thereabouts, of 92-day Treasury bills to be dated November 13, 1952, and to mature February 13, 1953, which were offered on November 6, were opened at the Federal Reserve Banks on November 10.

The details of this issue are as follows:

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 Average price - 99.529⁷/₈ Equivalent rate of discount approx. 1.843% per annum

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High - 99.560 Equivalent rate of discount approx. 1.722% per annum
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Minneapolis	15,155,000	15,155,000
Kansas City	46,648,000	46,648,000
Dallas	57,375,000	46,065,000
San Francisco	104,508,000	97,508,000
TOTAL	\$2,222,822,000	\$1,500,752,000

"In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

"That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of fire-arms, and the supervision of various angles of the alcoholic beverage business.

"It is the largest bureau of the Treasury Department, and one of the largest in the entire Government.

"What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

"I want to express to the people of the ~~four States and the Territory of Alaska, comprising the Seattle District,~~ ^{three States making up the Philadelphia} and to their local officials, our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

"We have had similar cooperation in every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the 'built-in' assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

"It is my firm belief that this public confidence will prove well placed."

Under Secretary Foley introduced Secretary Snyder as the chief speaker. He referred to Secretary Snyder as "the man who motivated re-organization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment."

every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the "built-in" assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

" It is my firm belief that this public confidence will prove well placed. "

The man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment,

22

" It is the largest bureau of the Treasury Department, and one of the largest in the entire Government.

" What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

" I want to express to the people of the three States comprising the Philadelphia District, and to their local officials, our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

" We have had similar cooperation in

~~every~~

³² on the gains of gamblers, and a long list of other levies.

" In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

" That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of firearms, and the supervision of various angles of the alcoholic beverage business.

Government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

" The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from proprietorships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items, the taxes



82
one of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

" The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's

~~government~~

For Release 10 a.m. EST
Wednesday, Nov 17, 1952
ec

1-322

MR. FOLEY'S REMARKS - PHILADELPHIA DISTRICT

" On behalf of the Treasury Department, I want to welcome all of you warmly to these proceedings, the purpose of which is to institute for the States of Pennsylvania, Delaware and New Jersey, a basic improvement in the organization and methods of the Bureau of Internal Revenue.

" These three States form a region which for purposes of Internal Revenue Service administration will be known hereafter as the Philadelphia District.

" The action which we are taking to reorganize the Revenue Service embodies

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

Philadelphia, Pa. Nov 12 -

Philadelphia High School / ...

FOR RELEASE 10:00 a.m. PST (1:00 p.m. EST),
Friday, October 31, 1952.

S-3212 322

Seattle, Wash., October 31 -- Under Secretary of the Treasury E. H. Foley said today, in opening ceremonies at the Health and Science Auditorium of the University of Washington for the installation of officials of the reorganized Internal Revenue Service for Washington, Oregon, Idaho, Montana and the Territory of Alaska *and New Jersey and Delaware;*

"On behalf of the Treasury Department, I want to welcome all of you warmly to these proceedings, the purpose of which is to institute for the States of Washington, Oregon, Montana and Idaho, and the Territory of Alaska, a basic improvement in the organization and methods of the Bureau of Internal Revenue.

"These four States, and the Territory of Alaska, form a region which for purposes of Internal Revenue Service administration will be known hereafter as the Seattle District.

"The action which we are taking to reorganize the Revenue Service embodies one of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

"The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from proprietorships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items, the taxes on the gains of gamblers, and a long list of other levies.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

61

FOR RELEASE 10:00 A.M. EST
Wednesday, November 12, 1952.

S-3223

Philadelphia, Pa., November 12 -- Under Secretary of the Treasury E. H. Foley said today, in opening ceremonies at the Philadelphia High School for Girls for the installation of officials of the reorganized Internal Revenue Service for Pennsylvania, New Jersey and Delaware:

"On behalf of the Treasury Department, I want to welcome all of you warmly to these proceedings, the purpose of which is to institute for the States of Pennsylvania, Delaware and New Jersey, a basic improvement in the organization and methods of the Bureau of Internal Revenue.

"These three States form a region which for purposes of Internal Revenue Service administration will be known hereafter as the Philadelphia District.

"The action which we are taking to reorganize the Revenue Service embodies one of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

"The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from proprietorships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items, the taxes on the gains of gamblers, and a long list of other levies.

- 2 -

"In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

"That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of firearms, and the supervision of various angles of the alcoholic beverage business.

"It is the largest bureau of the Treasury Department, and one of the largest in the entire Government.

"What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

"I want to express to the people of the three States comprising the Philadelphia District, and to their local officials, our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

"We have had similar cooperation in every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the 'built-in' assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

"It is my firm belief that this public confidence will prove well placed."

Under Secretary Foley introduced Secretary Snyder as the chief speaker. He referred to Secretary Snyder as "the man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment."

oOo

result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity. H

region of America an improvement in a vital service of the Federal Government such as that incorporated in the Internal Revenue Reorganization Plan.

// We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

// It is my firm belief that the

amounted to almost 10 million,
as compared with less than 2-1/2
million in 1940. Total Federal
tax collections from this
three-state region in the past
fiscal year amounted to close to
\$8 billion, or 12 percent of the
country's total Internal Revenue
tax collections.

bl " It is with much satisfaction
that we bring to the enterprising
citizens of such an enterprising

||
As your economy has expanded, so has its importance grown to our country's revenue system.

||
In the 1952 fiscal year there were over 7 million individual income tax returns filed in the three-state area which now comprises the Philadelphia District -- a sixfold increase since 1940. The total number of tax returns filed in this District in fiscal 1952

soon be adding 1,800,000 tons of raw steel to the Nation's annual production capacity.

The economic progress of the people of this region is evidenced by the fact that just since 1940 income payments to individuals in this three-state area have almost tripled. Last year alone, there was a 10 percent increase over the previous year.

Moreover, this region is growing in economic power and productive might every year. An outstanding example which is currently attracting Nation-wide attention is the construction of the huge Fairless steel mill, with its new industrial community, some 25 miles up the Delaware River from Philadelphia. Now nearing completion, this mill will

three main line railroads with connections to a rich continent of raw materials, surrounded by a wealthy agricultural and mineral hinterland, flanked by ever growing markets along the heavily populated seaboard, and endowed with skilled workers, Philadelphia was destined to lead the way in forging this region into the great industrial empire it is.

the city of Philadelphia has been the nerve center for much of this region's spectacular progress.

Philadelphia's port assured the development of commerce, as well as the development of early industries like shipbuilding and sugar refining and modern industries such as petroleum refining and chemical manufacturing. Served also by

Camden, Newark, and Wilmington, will measure up to every expectation.

The region which these officers will serve has long been the keystone to much of our Nation's economic power. Multitudinous industrial developments and equally impressive strides in agriculture and commerce within this area have constantly enriched our country and its people. And from earliest days

our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Philadelphia and the office of Director of Internal Revenue in Philadelphia, Pittsburgh, Scranton,

conduct and watch other Revenue Service activities as well.

" The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

6 L " In placing the Reorganization Plan in effect, we have made it

||
In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee

In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

Commissioner and from the District
Commissioner to the Commissioner in
Washington.

" One of the members of the District
Commissioner's staff will be the
Assistant District Commissioner for
Intelligence. Under his direction
there will be intensified efforts
to see that every fraudulent attempt
to evade Federal taxes will bring
quick investigation and action.

" The task of fighting tax
frauds never was an easy one.

77

established in Philadelphia the office of District Commissioner. This office is a new position in the reorganization. The District Commissioner for Philadelphia has full responsibility for all field activities of the Bureau in the six Directors' offices in the three States of Pennsylvania, New Jersey, and Delaware. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District

assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these six collection districts in 146 presently located offices and posts of duty.

For purposes of general area supervision and coordination of local tax administration, there is being

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In Delaware, there will be one Director, with his office in Wilmington.

|| These six Directors replace the former Collectors of Internal Revenue for the three States, and the offices of the Directors are in the same cities as were the offices of the Collectors.

|| Each Director will maintain supervision over all Federal Revenue Service matters within his particular collection district. Taxpayers are

of supervision.

Here is how the Philadelphia District will be administered.

In the State of Pennsylvania, the office of a Director of Internal Revenue is being established for each of three areas, with the offices located in Philadelphia, Pittsburgh and Scranton.

In New Jersey, there will be two Directors of Internal Revenue with offices in Camden and Newark.

is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

// Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods

S8
completion of the program by
December 1st of this year.

|| Under the skillful direction
of Commissioner of Internal Revenue
John B. Dunlap, and his associates,
the transition is being accomplished
smoothly and without inconvenience
to taxpayers.

|| Reorganization Plan No. 1 is
not a complicated blueprint
understandable only by experts.
It is simple.

|| One of its provisions

88

the changes called for in the plan.

This is the tenth area in which the reorganization plan has been put into effect. I have personally attended all but two of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for

|| In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making

increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

// That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

It was then that the work of modernizing the Bureau of Internal Revenue was started.

³ " Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections

So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

" By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment.

installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

// The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside.

The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

Collection methods were drastically changed by the

Secretary of the Treasury.

|| Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era.

not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became

and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

11 The preparation of the Reorganization Plan was a tremendous task, and it was

Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

The goals of this action are a maximum of operating efficiency and economy, fast, convenient,

" From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, the Treasury Staff, Commissioner Dunlap and his associates in the Revenue Bureau.

2L" The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the

two of its Commissioners since the establishment of that office.

I know that we can count on the citizens of this State and region to continue their efforts to strengthen the financial structure of our Government and to make the reorganized Revenue Service which is being instituted here today a model in good government administration.

played a conspicuous role in directing our Nation's finances.

Since the post of the Secretary of the Treasury was created in 1789, it has been occupied more than one-fifth of the time by

Pennsylvania citizens. Their total tenure in that office has been longer than that of the representatives of any other state. Likewise, you have given to the Internal Revenue Service

Revenue activities located
in Philadelphia. Down through
the years, from Revolutionary
War days when Philadelphia's
distinguished citizen,

Robert Morris, was nicknamed
the "Financier" in recognition
of his financial prowess.

Pennsylvanians have

- 2 -

is also an expression of confidence that, through the operation of the new plan, we shall bring to the taxpayers a Revenue Service fully adequate to meet its increased responsibilities and fully meriting the confidence of the public.

I am deeply aware of the significance to you and to our Government of having the principal office for this region's Internal

ee

We are gathered here today to bring to the States of Pennsylvania, New Jersey and Delaware, under the authority of the President's Reorganization Plan No. 1 of 1952, a reorganized, modernized, and revitalized Internal Revenue Service.

Your presence indicates that you appreciate the importance of the progressive action which we are taking. Your presence

Info Service heading

002
Release 10 a.m. EST
Wednesday, November 12, 1952

Philadelphia, Nov. 12 -- Secretary of the Treasury John W. Snyder, speaking at ceremonies in the Philadelphia High School for Girls for the installation of officials of the reorganized Internal Revenue Service for Pennsylvania, New Jersey and Delaware, said today:

S- 3224

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

101

Release 10 a.m. EST
Wednesday, November 12, 1952

S-3224

Philadelphia, Nov. 12 -- Secretary of the Treasury John W. Snyder, speaking at ceremonies in the Philadelphia High School for Girls for the installation of officials of the reorganized Internal Revenue Service for Pennsylvania, New Jersey and Delaware, said today:

"We are gathered here today to bring to the States of Pennsylvania, New Jersey and Delaware, under the authority of the President's Reorganization Plan No. 1 of 1952, a reorganized, modernized, and revitalized Internal Revenue Service. Your presence indicates that you appreciate the importance of the progressive action which we are taking. Your presence is also an expression of confidence that, through the operation of the new plan, we shall bring to the taxpayers a Revenue Service fully adequate to meet its increased responsibilities and fully meriting the confidence of the public.

"I am deeply aware of the significance to you and to our Government of having the principal office for this region's Internal Revenue activities located in Philadelphia. Down through the years, from Revolutionary War days when Philadelphia's distinguished citizen Robert Morris, was nicknamed the 'Financier' in recognition of his financial prowess, Pennsylvanians have played a conspicuous role in directing our Nation's finances. Since the post of the Secretary of the Treasury was created in 1789, it has been occupied more than one-fifth of the time by Pennsylvania citizens. Their total tenure in that office has been longer than that of the representatives of any other state. Likewise, you have given to the Internal Revenue Service two of its Commissioners since the establishment of that office.

"I know that we can count on the citizens of this State and region to continue their efforts to strengthen the financial structure of our Government and to make the reorganized Revenue Service which is being instituted here today a model in good government administration.

"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, the Treasury Staff, Commissioner Dunlap and his associates in the Revenue Bureau.

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

"By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

- 3 -

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the tenth area in which the reorganization plan has been put into effect. I have personally attended all but two of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

"Under the skillful direction of Commissioner of Internal Revenue John B. Dunlap, and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

"Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

"Here is how the Philadelphia District will be administered.

"In the State of Pennsylvania, the office of a Director of Internal Revenue is being established for each of three areas, with the offices located in Philadelphia, Pittsburgh and Scranton.

"In New Jersey, there will be two Directors of Internal Revenue with offices in Camden and Newark.

"In Delaware, there will be one Director, with his office in Wilmington.

"These six Directors replace the former Collectors of Internal Revenue for the three States, and the offices of the Directors are in the same cities as were the offices of the Collectors.

"Each Director will maintain supervision over all Federal Revenue Service matters within his particular collection district. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these six collection districts in 146 presently located offices and posts of duty.

"For purposes of general area supervision and coordination of local tax administration, there is being established in Philadelphia the office of District Commissioner. This office is a new position in the reorganization. The District Commissioner for Philadelphia has full responsibility for all field activities of the Bureau in the six Directors' offices in the three States of Pennsylvania, New Jersey, and Delaware. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick investigation and action.

"The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

- 5 -

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Philadelphia and the office of Director of Internal Revenue in Philadelphia, Pittsburgh, Scranton, Camden, Newark, and Wilmington, will measure up to every expectation.

"The region which these officers will serve has long been the keystone to much of our Nation's economic power. Multitudinous industrial developments and equally impressive strides in agriculture and commerce within this area have constantly enriched our country and its people. And from earliest days the city of Philadelphia has been the nerve center for much of this region's spectacular progress.

"Philadelphia's port assured the development of commerce, as well as the development of early industries like shipbuilding and sugar refining and modern industries such as petroleum refining and chemical manufacturing. Served also by three main line railroads with connections to a rich continent of raw materials, surrounded by a wealthy agricultural and mineral hinterland, flanked by ever growing markets along the heavily populated seaboard, and endowed with skilled workers, Philadelphia was destined to lead the way in forging this region into the great industrial empire it is.

"Moreover, this region is growing in economic power and productive might every year. An outstanding example which is currently attracting Nation-wide attention is the construction of the huge Fairless steel mill, with its new industrial community, some 25 miles up the Delaware River from Philadelphia. Now nearing completion, this mill will soon be adding 1,800,000 tons of raw steel to the Nation's annual production capacity.

"The economic progress of the people of this region is evidenced by the fact that just since 1940 income payments to individuals in this three-state area have almost tripled. Last year alone, there was a 10 percent increase over the previous year.

"As your economy has expanded, so has its importance grown to our country's revenue system.

"In the 1952 fiscal year there were over 7 million individual income tax returns filed in the three-state area which now comprises the Philadelphia District -- a sixfold increase since 1940. The total number of tax returns filed in this District in fiscal 1952 amounted to almost 10 million, as compared with less than 2-1/2 million in 1940. Total Federal tax collections from this three-state region in the past fiscal year amounted to close to \$8 billion, or 12 percent of the country's total Internal Revenue tax collection.

- 6 -

"It is with much satisfaction that we bring to the enterprising citizens of such an enterprising region of America an improvement in a vital service of the Federal Government such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

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ALPHA

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.

ALPHA

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 November 20, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing November 20, 1952. 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

Exhibit

ALPHA

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 13, 1952 .

✓-3225

The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000 , or thereabouts, of 91 -day Treasury bills, for cash and in exchange for Treasury bills maturing November 20, 1952 , in the amount of \$1,300,266,000 , to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated November 20, 1952 , and will mature February 19, 1953 , 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, November 17, 1952. 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

110

RELEASE MORNING NEWSPAPERS,
Thursday, November 13, 1952.

S-3225

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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 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

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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.

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.

Treasury Department
Washington

S-3226

IMMEDIATE RELEASE
November 12, 1952

Thursday, 3

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within tariff-rate quota limitations from the beginning of the quota periods to November 1, 1952, inclusive, as follows:

Commodity	Period and Quantity	Unit	Imports as of November 1, 1952
Whole milk, fresh or sour	Calendar year	3,000,000 Gallon	22,221
Cream	Calendar year	1,500,000 Gallon	850
Butter	(July 16, 1952- Oct. 31, 1952)	5,000,000 Pound	304,892
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	31,472,108 Pound	Quota filled
White or Irish potatoes: certified seed	12 months from	150,000,000 Pound	2,582,400
other	Sept. 15, 1952	798,900,000 Pound	3,478,622
Walnuts	Calendar year	5,000,000 Pound	Quota filled
Petroleum and petroleum products	Calendar year		
	Venezuela	2,956,841,949 Gallon	Quota filled
	Netherlands	930,857,651 Gallon	Quota filled
	Other Countries	1,090,148,800 Gallon	Quota filled
Almonds: shelled	12 months from	4,500,000 Pound	3,990,996
prepared	October 1, 1951		3,990,996 498,109
Almonds: shelled	12 months from	7,000,000 Pound	185,593
prepared	October 1, 1952		46,819

* Of the total, not more than 500,000 pounds shall be blanched, roasted, or otherwise prepared or preserved almonds (not including almond paste).

† Imports through September 30, 1952.

TREASURY DEPARTMENT
Washington

112

IMMEDIATE RELEASE
Thursday, November 13, 1952

S-3226

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	Venezuela	930,857,651 Gallon	Quota filled
	Netherlands		
	Other Countries	1,090,148,800 Gallon	Quota filled
Almonds: shelled.....	12 months from	*4,500,000 Pound	3,990,996
prepared	October 1, 1951		498,109
Almonds: shelled.....	12 months from	7,000,000 Pound	185,593
prepared.....	October 1, 1952		46,819

* Of the total, not more than 500,000 pounds shall be blanched, roasted, or otherwise prepared or preserved almonds (not including almond paste).

† Imports through September 30, 1952.

Treasury Department
Washington

1-3227

IMMEDIATE RELEASE
November 12, 1952

Thursday,

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, 1952, to November 1, 1952, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of November 1, 1952
Buttons	850,000	Gross	576,714
Cigars	200,000,000	Number	1,275,302
Coconut Oil	448,000,000	Pound	89,628,872
Cordage	6,000,000	Pound	3,351,641
Rice	1,040,000	Pound	-
(Refined)	1,904,000,000		-
Sugars	1,904,000,000	Pound	1,584,453,011
(Unrefined)			
Tobacco	6,500,000	Pound	2,231,413

TREASURY DEPARTMENT
Washington

114

IMMEDIATE RELEASE
Thursday, November 13, 1952

S-3227

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Coconut Oil.....	448,000,000	Pound	89,628,872
Cordage.....	6,000,000	Pound	3,351,641
Rice.....	1,040,000	Pound	-
(Refined.....			-
Sugars	1,904,000,000	Pound	1,584,453,011
(Unrefined...			
Tobacco.....	6,500,000	Pound	2,231,413

*Treasury Department
Washington*

S-3228

FOR IMMEDIATE RELEASE,

November 12, 1952

Thursday

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, 1952 as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1952, to November 12, 1952	Established Quota	Imports May 29, 1952, to November 12, 1952
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	794,609	3,815,000	1,211,760
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	44
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>794,609</u>	<u>4,000,000</u>	<u>1,211,804</u>

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TREASURY DEPARTMENT
Washington

116

FOR IMMEDIATE RELEASE
Thursday, November 13, 1952

S-3228

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Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established: Quota (Bushels)	Imports :May 29, 1952 to :November 12, 1952: (Bushels)	Established: Quota (Pounds)	Imports :May 29, 1952 to :November 12, 1952 (Pounds)
Canada	795,000	794,609	3,815,000	1,211,760
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	44
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	1,000	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>794,609</u>	<u>4,000,000</u>	<u>1,211,804</u>

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, 1952 to : November 12, 1952	: Established : : 33-1/3% of : : Total Quota :	Imports : Sept. 20, 1952 : to November 12, 1952	<u>1/</u>
United Kingdom	4,323,457	-	1,441,152	-	
Canada	239,690	140,404	-	-	
France	227,420	13,111	75,807	13,111	
British India	69,627	8,964	-	-	
Netherlands	68,240	15,929	22,747	15,929	
Switzerland	44,388	-	14,796	-	
Belgium	38,559	-	12,853	-	
Japan	341,535	-	-	-	
China	17,322	-	-	-	
Egypt	8,135	-	-	-	
Cuba	6,544	-	-	-	
Germany	76,329	-	25,443	-	
Italy	21,263	6,430	7,088	6,430	
	5,482,509	184,838	1,599,886	35,470	

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

A-3229

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, 1952, to November 12, 1952, inclusive

<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>	<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>
Egypt and the Anglo-Egyptian Sudan	783,816	-	Honduras	752	-
Peru	247,952	59,790	Paraguay	871	-
British India	2,003,483	-	Colombia	124	-
China	1,370,791	-	Iraq	195	-
Mexico	8,883,259	3,274,975	British East Africa ...	2,240	-
Brazil	618,723	-	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, 1952, to November 1, 1952

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1952, to November 12, 1952

<u>Established Quota (Global)</u>	<u>Imports</u>
70,000,000	1,057,027

<u>Established Quota (Global)</u>	<u>Imports</u>
45,656,420	23,309,406

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, November 13, 1952

S-3229

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, 1952, to November 12, 1952, inclusive

<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>	<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>
Egypt and the Anglo-Egyptian Sudan...	783,816	-	Honduras.....	752	-
Peru.....	247,952	59,790	Paraguay.....	871	-
British India.....	2,003,483	-	Colombia.....	124	-
China.....	1,370,791	-	Iraq.....	195	-
Mexico.....	8,883,259	3,274,975	British East Africa...	2,240	-
Brazil.....	618,723	-	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, 1952, to November 1, 1952

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1952, to November 12, 1952

Established Quota (Global) Imports
70,000,000 1,057,027

Established Quota (Global) Imports
45,656,420 23,309,406

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, 1952 to November 12, 1952	Established : 33-1/3% of Total Quota	Imports ^{1/} :Sept. 20, 1952 to November 12, 1952
United Kingdom	4,323,457	-	1,441,152	-
Canada	239,690	140,404	-	-
France	227,420	13,111	75,807	13,111
British India	69,627	8,964	-	-
Netherlands	68,240	15,929	22,747	15,929
Switzerland	44,388	-	14,796	-
Belgium	38,559	-	12,853	-
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	-	25,443	-
Italy	21,263	6,430	7,088	6,430
	5,482,509	184,838	1,599,886	35,470

^{1/} Included in total imports, column 2.
Prepared by the Bureau of Customs

051

A-3230

RELEASE MORNING NEWSPAPERS,
Friday, November 14, 1952.

The Secretary of the Treasury announced last evening that the tenders for \$2,000,000,000, or thereabouts, of Tax Anticipation Series 210-day Treasury bills to be dated November 21, 1952, and to mature June 19, 1953, which were offered on November 7, were opened at the Federal Reserve Banks on November 13.

The details of this issue are as follows:

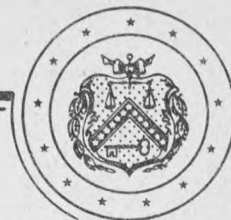
Total applied for - \$3,923,115,000
 Total accepted - 2,001,987,000 (includes \$225,725,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average Price - 98.923/ Equivalent rate of discount approx. 1.846% per annum
 Range of accepted competitive bids: (Excepting one tender of \$50,000)
 High - 99.000 Equivalent rate of discount approx. 1.714% per annum
 Low - 98.915 " " " " 1.860% per annum

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 153,530,000	\$ 88,320,000
New York	1,942,675,000	837,321,000
Philadelphia	112,705,000	47,410,000
Cleveland	234,100,000	109,751,000
Richmond	134,080,000	81,281,000
Atlanta	147,377,000	98,372,000
Chicago	145,053,000	312,433,000
St. Louis	108,332,000	60,577,000
Minneapolis	101,765,000	56,034,000
Kansas City	148,862,000	91,649,000
Dallas	94,826,000	72,301,000
San Francisco	299,810,000	146,538,000
TOTAL	\$3,923,115,000	\$2,001,987,000

Em *Walsh*

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Friday, November 14, 1952.

S-3230

121

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TOTAL	\$3,923,115,000	\$2,001,987,000

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

122

RELEASE, MORNING NEWSPAPERS,
Monday, November 17, 1952.

S-3231

Secretary of the Treasury Snyder today announced the offering through the Federal Reserve Banks of an additional amount of 2 percent Treasury Certificates of Indebtedness of Series C-1953, open on an exchange basis, at par and accrued interest, to holders of 1-7/8 percent Treasury Certificates of Indebtedness of Series F-1952, maturing December 1, 1952, in the amount of \$1,062,634,000. Cash subscriptions will not be received.

At the same time Secretary Snyder announced that the option to call the 2 percent Treasury Bonds of 1951-53 for redemption on March 15, 1953, was not exercised.

The certificates of Series C-1953 now offered will be an addition to and will form a part of the series issued pursuant to Department Circular No. 912, dated August 4, 1952. They are identical in all respects with such certificates, with which they will be freely interchangeable. The certificates of this series are dated August 15, 1952, and will bear interest from that date at the rate of 2 percent per annum, payable with the principal at maturity on August 15, 1953. 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 certificates. The full amount of interest due on the maturing certificates will be credited, accrued interest from August 15, 1952, to December 1, 1952, on the certificates to be issued (\$5.91781 per \$1,000) will be charged, and the difference will be paid to subscribers following acceptance of the maturing certificates. 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, November 20.

Subscriptions addressed to a Federal Reserve Bank or Branch or to the Treasury Department, and placed in the mail before midnight November 20, 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

2 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES C-1953

Dated and bearing interest from August 15, 1952

Due August 15, 1953

ADDITIONAL ISSUE

1952
Department Circular No. 917

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, November 17, 1952.

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 and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated 2 percent Treasury Certificates of Indebtedness of Series C-1953, in exchange for 1-7/8 percent Treasury Certificates of Indebtedness of Series F-1952, maturing December 1, 1952.

II. DESCRIPTION OF CERTIFICATES

1. The certificates now offered will be an addition to and will form a part of the series of 2 percent Treasury Certificates of Indebtedness of Series C-1953 issued pursuant to Department Circular No. 912, dated August 4, 1952, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 912:

"1. The certificates will be dated August 15, 1952, and will bear interest from that date at the rate of 2 percent per annum, payable with the principal at maturity on August 15, 1953. 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 and accrued interest from August 15, 1952, to December 1, 1952, for certificates allotted hereunder must be made on or before December 1, 1952, or on later allotment. Payment of the principal amount may be made only in Treasury Certificates of Indebtedness of Series F-1952, maturing December 1, 1952, which will be accepted at par and should accompany the subscription. The full amount of interest due on the maturing certificates will be credited, accrued interest from August 15, 1952, to December 1, 1952, on the certificates to be issued (\$5.91781 per \$1,000) will be charged, and the difference will be paid to the subscribers following acceptance of the maturing certificates.

V. GENERAL PROVISIONS

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

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

JOHN W. SNYDER,
Secretary of the Treasury.

STATUTORY DEBT LIMITATION

TREASURY DEPARTMENT
Fiscal Service

AS OF October 31, 1952

Washington, Nov. 5, 1952

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	\$19,711,686,000		
Certificates of indebtedness	16,901,934,000		
Treasury notes	36,272,037,100	\$ 72,885,657,100	
Bonds -			
Treasury	79,781,527,900		
Savings (current redemp. value)	57,793,710,121		
Depository	393,190,500		
Armed Forces Leave	-		
Investment series	13,441,708,000	151,410,136,521	
Special Funds -			
Certificates of indebtedness	23,466,215,000		
Treasury notes	14,924,230,400	38,390,445,400	
Total interest-bearing		262,686,239,021	
Matured, interest-ceased		292,764,389	
Bearing no interest:			
War savings stamps	47,870,875		
Excess profits tax refund bonds	1,617,400		
Special notes of the United States:			
Internat'l Monetary Fund series	1,263,000,000	1,312,488,275	
Total		264,291,491,685	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	43,195,336		
Demand obligations: C.C.C.	268,003	43,463,339	
Matured, interest-ceased		1,339,800	
		44,803,139	
Grand total outstanding			264,336,294,824
Balance face amount of obligations issuable under above authority			10,663,705,176

Reconciliation with Statement of the Public Debt October 31, 1952

(Daily Statement of the United States Treasury, Nov. 3, 1952)

Outstanding -			
Total gross public debt			264,919,493,093
Guaranteed obligations not owned by the Treasury			44,803,139
Total gross public debt and guaranteed obligations			264,964,296,232
Deduct - other outstanding public debt obligations not subject to debt limitation			628,001,408
			264,336,294,824

Handwritten signature and number: 3232

STATUTORY DEBT LIMITATION
AS OF OCTOBER 31, 1952

November 18, 1952 126

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		264,336,294,824

It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity.

improvement in a vital service of the Federal Government such as that incorporated in the Internal Revenue Reorganization Plan.

^ We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

year 1952. Total Federal tax collections for this district in the past fiscal year amounted to more than \$2.6 billion.

^ It has given me a great deal of personal satisfaction to meet here today with the enterprising and courageous citizens of the St. Louis District, and to bring to a region so progressive and a people so forward-looking, an

filed about 260,000 income tax returns. A decade later the population had increased to only about 7.8 million. Yet by fiscal 1952 the number of individual income tax returns filed had increased to well over 2.8 million -- a tenfold increase since 1940. During this same period, the total number of tax returns filed in the St. Louis District increased from 834,000 in 1940 to almost 4-1/2 million in the fiscal

181

that year that a large portion of this area experienced the most costly and destructive flood in all its history, with attendant loss to the productivity of many of your farms and some of your industries.

As your economy has been expanding, so has its importance to our country's revenue system been growing.

In the 1940 fiscal year, the St. Louis District embraced a population of about 7.5 million individuals who

prosperity have been recorded for this region and its people.

While income payments to individuals in the country as a whole have tripled since 1940, this pivotal region has done even better. The percentage gain in these three States was 9 percent greater than that for the Nation. Last year alone, this region showed a 12 percent increase over the previous year. The gain in 1951 is all the more significant because it was in

and the Far West, St. Louis has grown in size until it is now the eighth largest city in the United States. Through the years it has assimilated successive groups of settlers, blending them into the rich cultural pattern and the thriving industrial community it is today.

" The development of these States since pioneer days has been spectacular. But progress has not ceased. During the past decade many new heights of

the great trading areas of our country.

The city of St. Louis, which has been chosen as the location for the headquarters of this Internal Revenue District, was the first real gateway between the East and the West. For more than fifty years before Missouri became a state, St. Louis had been an outpost of civilization in the western wilderness. Since the days when pioneers streamed through the town on their eager ventures to settle the West

I am proud, as I know you are, of the economic importance of this three-state region. It includes a substantial part of the wheat belt, a substantial part of the cotton belt, and a substantial part of the great industrial enterprises that have marked the forward progress of our Nation. Occupying as this region does an important geographical position between the East and the West and the North and the South, it is also one of

persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in St. Louis and the offices of Director of Internal Revenue in Kansas City, Wichita, Little Rock, and here, will measure up to every expectation.

Service activities as well.

^The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

^In placing the Reorganization Plan in effect, we have made it our objective that only the most capable

In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue

even greater enforcement
diligence. The Assistant
District Commissioner for
Intelligence will see that
the full limit of available
manpower is applied to the
tax evasion problem.

investigation and action.

The task of fighting tax frauds never was an easy one.

In recent years the criminal element has attempted tax evasion with greater persistence than ever before.

It is our determination that this persistence will be met by the special agents of the Revenue Service with

of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick

is being established in St. Louis
the office of District Commissioner.
This office is a new provision
in the reorganization. The
District Commissioner for St. Louis
has full responsibility for all
field activities of the Bureau
in the four Directors' offices in
the three ⁴ states. Under this
reorganization there are clear and
direct lines of authority and
accountability from the Directors

the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these three states in 101 presently located offices and posts of duty.

For purposes of general area supervision and coordination of local tax administration, there

the former Collectors of Internal Revenue for the three States, and the offices of the Directors are in the same cities as were the offices of the Collectors.

ⁿ Each Director will maintain supervision over all Federal Revenue Service matters within his particular collection district. Taxpayers are assured of improved service and greater convenience because henceforth

^ In the State of Missouri, the office of a Director of Internal Revenue is being established for each of two areas, with the offices located in St. Louis and Kansas City.

^ In Arkansas there will be one Director with his office in Little Rock, and in Kansas there will be one Director with his office in Wichita.

^ These four Directors replace

of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

Here is how the St. Louis District will be administered.

John B. Dunlap, and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

ⁿ Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

ⁿ One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner

of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

ⁿ Under the skillful direction of Commissioner of Internal Revenue

or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

³
[ⁿThis is the eleventh area in which the reorganization plan has been put into effect. I have personally attended all but two

reached the record sum of \$65 billion.

^ That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

" In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week

with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections

had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

ⁿ Even as we took the first steps, our rapid postwar reconversion,

⁴The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

ⁿBy 1946, the situation

for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

ⁿ Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight

^{L2}
^ The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at ^{Secretary} [^] ~~his~~ direction in 1946, soon after ^{he} he became Secretary of the Treasury.

^ Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years,

confidence that these goals will be realized.

" The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

capable consultants available.


The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every

The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most

its increased responsibilities
and fully meriting the confidence
of the public.

^ From the very beginning of
the reorganization task ^{we} have
had enthusiastic cooperation --
from the President, ~~and~~

~~Secretary Foley~~ the Treasury
Staff, Commissioner Dunlap and
his associates in the Revenue
Bureau.



appreciate the importance
of progressive action in all
lines of national as well as
personal endeavor. We are
confident that the progressive
action being taken here today,
under the authority of the
President's Reorganization
Plan No. 1 of 1952, will bring
to the taxpayers of Missouri,
Arkansas and Kansas a Revenue
Service fully adequate to meet

"I am delighted to be with you for these ceremonies which bring to ~~my home~~ ^{the} State of Missouri, ~~my native State of~~ Arkansas, and ~~our neighboring State of~~ Kansas a modernized and revitalized Federal Revenue Service.

"This entire region is identified closely with the pioneering era of our country's history, and because of that background, I know that you

Info Service heading

881
Release 10 a.m. CST (11 a.m. EST)
Tuesday, November 18, 1952

Mo.,
St. Louis, Nov. 18 - Under Secretary of the Treasury
Edward H. Foley, speaking at ceremonies in the Municipal
Auditorium for the installation of officials of the
reorganized Internal Revenue Service for Missouri, Arkansas
and Kansas, said today:

~~Release 10 a.m. CST (11 a.m. EST)
Wednesday, November 19, 1952~~

~~Dallas, Tex., Nov. 19 - Under Secretary~~

S-3233

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

164

Release 10 a.m. CST (11 a.m. EST)
Tuesday, November 18, 1952

S-3233

St. Louis, Mo., Nov. 18 - Under Secretary of the Treasury Edward H. Foley, speaking at ceremonies in the Municipal Auditorium for the installation of officials of the reorganized Internal Revenue Service for Missouri, Arkansas and Kansas, said today:

"I am delighted to be with you for these ceremonies which bring to the States of Missouri, Arkansas, and Kansas a modernized and revitalized Federal Revenue Service.

"This entire region is identified closely with the pioneering era of our country's history, and because of that background, I know that you appreciate the importance of progressive action in all lines of national as well as personal endeavor. We are confident that the progressive action being taken here today, under the authority of the President's Reorganization Plan No. 1 of 1952, will bring to the taxpayers of Missouri, Arkansas and Kansas a Revenue Service fully adequate to meet its increased responsibilities and fully meriting the confidence of the public.

"From the very beginning of the reorganization task we have had enthusiastic cooperation -- from the President, the Treasury staff, Commissioner Dunlap and his associates in the Revenue Bureau.

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at Secretary Snyder's direction in 1946, soon after he became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

"By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the eleventh area in which the reorganization plan has been put into effect. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

"Under the skillful direction of Commissioner of Internal Revenue John B. Dunlap, and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

"Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

"Here is how the St. Louis District will be administered.

"In the State of Missouri, the office of a Director of Internal Revenue is being established for each of two areas, with the offices located in St. Louis and Kansas City.

"In Arkansas there will be one Director with his office in Little Rock, and in Kansas there will be one Director with his office in Wichita.

"These four Directors replace the former Collectors of Internal Revenue for the three States, and the offices of the Directors are in the same cities as were the offices of the Collectors.

"Each Director will maintain supervision over all Federal Revenue Service matters within his particular collection district. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these three states in 101 presently located offices and posts of duty.

"For purposes of general area supervision and coordination of local tax administration, there is being established in St. Louis the office of District Commissioner. This office is a new provision in the reorganization. The District Commissioner for St. Louis has full responsibility for all field activities of the Bureau in the four Directors' offices in the three

States. Under this reorganization there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick investigation and action.

"The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in St. Louis and the offices of Director of Internal Revenue in Kansas City, Wichita, Little Rock, and here, will measure up to every expectation.

"I am proud, as I know you are, of the economic importance of this three-state region. It includes a substantial part of the wheat belt, a substantial part of the cotton belt, and a substantial part of the great industrial enterprises that have marked the forward progress of our Nation. Occupying as this region does an important geographical position between the East and the West and the North and the South, it is also one of the great trading areas of our country.

"The city of St. Louis, which has been chosen as the location for the headquarters of this Internal Revenue District, was the first real gateway between the East and the West. For more than fifty years before

Missouri became a state, St. Louis had been an outpost of civilization in the western wilderness. Since the days when pioneers streamed through the town on their eager ventures to settle the West and the Far West, St. Louis has grown in size until it is now the eighth largest city in the United States. Through the years it has assimilated successive groups of settlers, blending them into the rich cultural pattern and the thriving industrial community it is today.

"The development of these States since pioneer days has been spectacular. But progress has not ceased. During the past decade many new heights of prosperity have been recorded for this region and its people.

"While income payments to individuals in the country as a whole have tripled since 1940, this pivotal region has done even better. The percentage gain in these three States was 9 percent greater than that for the Nation. Last year alone, this region showed a 12 percent increase over the previous year. The gain in 1951 is all the more significant because it was in that year that a large portion of this area experienced the most costly and destructive flood in all its history, with attendant loss to the productivity of many of your farms and some of your industries.

"As your economy has been expanding, so has its importance to our country's revenue system been growing.

"In the 1940 fiscal year, the St. Louis District embraced a population of about 7.5 million individuals who filed about 260,000 income tax returns. By fiscal 1952 the number of individual income tax returns filed had increased to well over 2.8 million -- a tenfold increase since 1940. During this same period, the total number of tax returns filed in the St. Louis District increased from 834,000 in 1940 to almost 4-1/2 million in the fiscal year 1952. Total Federal tax collections for this district in the past fiscal year amounted to more than \$2.6 billion.

"It has given me a great deal of personal satisfaction to meet here today with the enterprising and courageous citizens of the St. Louis District, and to bring to a region so progressive and a people so forward-looking, an improvement in a vital service of the Federal Government such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

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 RELEASE MORNING NEWSPAPERS,
 Tuesday, November 18, 1952.

A-3234

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated November 20, 1952, and to mature February 19, 1953, which were offered on November 13, were opened at the Federal Reserve Banks on November 17.

The details of this issue are as follows:

Total applied for - \$1,905,075,000
 Total accepted - 1,300,719,000 (includes \$231,706,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.526 Equivalent rate of discount approx. 1.877% per annum
 Range of accepted competitive bids:
 High - 99.562 Equivalent rate of discount approx. 1.733% per annum
 Low - 99.520 " " " " " " 1.899% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 17,043,000	\$ 17,043,000
New York	1,360,943,000	816,803,000
Philadelphia	28,895,000	13,895,000
Cleveland	35,845,000	35,845,000
Richmond	30,039,000	30,039,000
Atlanta	23,856,000	23,856,000
Chicago	167,652,000	124,732,000
St. Louis	34,512,000	33,392,000
Minneapolis	16,689,000	16,689,000
Kansas City	44,607,000	44,607,000
Dallas	44,291,000	44,235,000
San Francisco	100,703,000	99,583,000
TOTAL	\$1,905,075,000	\$1,300,719,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

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S-3234

170

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San Francisco	100,703,000	99,583,000
TOTAL	\$1,905,075,000	\$1,300,719,000

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was the Honorable John W. Snyder, Secretary
of the Treasury. It is my pleasure to
present him to you now."

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Under Secretary Foley introduced Secretary Snyder as the principal speaker. He referred to the Secretary as "the man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment."

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STI " We have had similar cooperation in every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the ⁴built-in² assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

" It is my firm belief that this public confidence will prove well placed."

(INSERT)

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871
It is the largest Bureau of the Treasury Department, and one of the largest in the entire government.

"What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

"I want to express to the people of the five States of Arizona, Colorado, New Mexico, Utah and Wyoming, comprising the Denver District, and to their local officials our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

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gamblers, and a long list of other levies.

" In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

" That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of firearms, and the supervision of various angles of the alcoholic beverage business.

government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from partnerships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items, the taxes on the gains of ~~gamblers,~~

one^{of} of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

"The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's

~~GOVERNMENT~~

~~MR. FOLEY'S REMARKS - DENVER DISTRICT~~

On behalf of the Treasury Department, I want to welcome all of you warmly to these proceedings, the purpose of which is to institute for the States of Arizona, Colorado, New Mexico, Utah and Wyoming, a basic improvement in the organization and methods of the Bureau of Internal Revenue.

"These five States form a region which for purposes of Internal Revenue Service administration will be known hereafter as the Denver District.

"The action which we are taking to reorganize the Revenue Service embodies

Release 10:00 a.m. MST (12:00 noon EST)
Tuesday, November 25, 1952

S- 3235

Denver, Colo., Nov. 25 - Under Secretary of the Treasury Edward H. Foley, speaking at ceremonies in the Barnes School of Commerce Auditorium for the installation of officials of the reorganized Internal Revenue Service for Arizona, Colorado, New Mexico, Utah and Wyoming, said today:

"On behalf of the

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

Release 10:00 a.m. MST (12:00 noon EST)
Tuesday, November 25, 1952

S-3235

179

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881

the fact that total income payments to individuals in this two-state area amounted to \$14 billion last year, as compared with a little over \$3-1/2 billion in 1940. The increase in this region was 32 percent greater than for the country as a whole during the same period.

"It is with real satisfaction that we bring to the enterprising citizens of such an enterprising region of America an improvement in

income tax returns filed in the two-state area which now comprises the Dallas District -- an almost tenfold increase since 1940. The total number of tax returns filed in this district in fiscal 1952 amounted to over 5 million, as compared with 962,000 in fiscal 1940. Federal tax collections from these States in the past fiscal year were over \$2-3/4 billion

// The economic progress of the people of this region is evidenced by

our great producers of aircraft and aircraft parts, barges and boats, trailers, tractors, and numerous other items so essential to the successful outcome of our defense effort.

"Equally impressive is the ever growing importance of these two States to our country's revenue system.

"In the 1952 fiscal year there were almost 3-1/2 million individual

been more vital than in the present defense emergency. Once again your rich resources and your increasingly skilled labor force are being utilized in substantial part to build impregnable defenses for our Nation. Your petroleum, chemical and nonferrous metal industries are being rapidly expanded to meet urgent defense needs. Military and naval construction likewise are rapidly expanding. Texas is one of

Director of Internal Revenue in Austin, Oklahoma City, and here, will also measure up to every expectation.

"Better service to the American citizens and better service to the Nation have real meaning for the people of Texas and Oklahoma, whose history is replete with contributions to America's progress. Certainly at no time in our history have your contributions to America's strength

Director of Internal Revenue, and
other supervisory posts. / It gives
me extreme pleasure to tell you
that a native son of Texas, and one
of Dallas' distinguished ^{Lunt}
citizens, John B. Dunlap, who has
served so excellently as Commissioner
of Internal Revenue in Washington,
will now become the District
Commissioner for the new Dallas
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421

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Our wartime experience in

the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

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River, Dallas has grown to a great manufacturing, financial and distribution center. It is the largest inland cotton market in the country and it is the center of the Nation's oil production. It is fitting that this progressive city should constantly be enlarging the many ways in which it serves this most progressive region.

"From the very beginning of the

its increased responsibilities
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" Dallas, as you know, has
been selected as the home of
the principal headquarters for *the*
Texas - Oklahoma
~~this~~ Internal Revenue district.

This city is typical of the
kind of achievement for which
this section of the country is
noted. From a log hut built in
1841 on the bank of the Trinity

a mere slogan.

Such people appreciate the importance of progressive action in all lines of endeavor -- national as well as personal.

We are confident that the progressive action being taken here today, under the authority of the President's Reorganization Plan No. 1 of 1952, will bring to the taxpayers ^{of Texas and Oklahoma} a Revenue Service fully adequate to meet

" It is a great pleasure for me to be here in Dallas to take a personal part in the installation of our modernized and revitalized Federal Revenue Service for the States of Texas and Oklahoma.

" This part of the country is well known for the enterprising vigor and the capacity for great accomplishment of its people. It is a section where the "dare to do" is more than

318

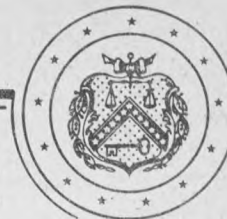
Info Service heading

RELEASE 10 A.M. CST
Wednesday, Nov. 19, 1952

S- 3236
(same as foley version)

Dallas, Tex., Nov. 19 - Secretary of the Treasury John W. Snyder, speaking at ceremonies in the Auditorium of the Scottish Rite Temple for the installation of new Internal Revenue Service officials for Texas and Oklahoma, said today:

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

217

RELEASE 10 A.M. CST
Wednesday, Nov. 19, 1952

S-3236

Dallas, Tex., Nov. 19 - Secretary of the Treasury John W. Snyder, speaking at ceremonies in the Auditorium of the Scottish Rite Temple for the installation of new Internal Revenue Service officials for Texas and Oklahoma, said today:

"It is a great pleasure for me to be here in Dallas to take a personal part in the installation of our modernized and revitalized Federal Revenue Service for the States of Texas and Oklahoma.

"This part of the country is well known for the enterprising vigor and the capacity for great accomplishment of its people. It is a section where the 'dare to do' is more than a mere slogan.

"Such people appreciate the importance of progressive action in all lines of endeavor -- national as well as personal. We are confident that the progressive action being taken here today, under the authority of the President's Reorganization Plan No. 1 of 1952, will bring to the taxpayers of Texas and Oklahoma a Revenue Service fully adequate to meet its increased responsibilities and fully meriting the confidence of the public.

"Dallas, as you know, has been selected as the home of the principal headquarters for the Texas-Oklahoma Internal Revenue district. This city is typical of the kind of achievement for which this section of the country is noted. From a log hut built in 1841 on the bank of the Trinity River, Dallas has grown to a great manufacturing, financial and distribution center. It is the largest inland cotton market in the country and it is the center of the Nation's oil production. It is fitting that this progressive city should constantly be enlarging the many ways in which it serves this most progressive region.

"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, the Treasury Staff, Commissioner Dunlap and his associates in the Revenue Bureau.

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing

the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

"By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately.

Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the twelfth area in which the reorganization plan has been put into effect. I have personally attended all but three of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

"Under the skillful direction of Commissioner of Internal Revenue John B. Dunlap, and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

"Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

"Here is how the Dallas District will be administered.

"In the State of Texas, the office of a Director of Internal Revenue is being established for each of two areas, with the offices located in Dallas and Austin.

"In Oklahoma there will be one Director, with his office in Oklahoma City.

"The three Directors replace the former Collectors of Internal Revenue for the two states, and the offices of the Directors are in the same cities as were the offices of the Collectors.

"Each Director will maintain active supervision over all Federal Revenue Service matters within his particular collection district. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these three collection districts in 97 presently located offices and posts of duty.

"For purposes of general area supervision and coordination of local tax administration, there is being established in Dallas the office of District Commissioner. This office is a new provision in the reorganization. The District Commissioner for Dallas has full responsibility for all field activities of the Bureau in the two States of Texas and Oklahoma. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick investigation and action.

"The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. It gives me extreme pleasure to tell you that a native son of Texas, and one of Dallas' distinguished citizens, John B. Dunlap, who has served so excellently as Commissioner of Internal Revenue in Washington, will now become the District Commissioner for the new Dallas District. I am confident that

our selections for the offices of Director of Internal Revenue in Austin, Oklahoma City, and here, will also measure up to every expectation.

"Better service to the American citizens and better service to the Nation have real meaning for the people of Texas and Oklahoma, whose history is replete with contributions to America's progress. Certainly at no time in our history have your contributions to America's strength been more vital than in the present defense emergency. Once again your rich resources and your increasingly skilled labor force are being utilized in substantial part to build impregnable defenses for our Nation. Your petroleum, chemical and nonferrous metal industries are being rapidly expanded to meet urgent defense needs. Military and naval construction likewise are rapidly expanding. Texas is one of our great producers of aircraft and aircraft parts, barges and boats, trailers, tractors, and numerous other items so essential to the successful outcome of our defense effort.

"Equally impressive is the ever growing importance of these two States to our country's revenue system.

"In the 1952 fiscal year there were almost 3-1/2 million individual income tax returns filed in the two-state area which now comprises the Dallas District -- an almost tenfold increase since 1940. The total number of tax returns filed in this district in fiscal 1952 amounted to over 5 million, as compared with 962,000 in fiscal 1940. Federal tax collections from these States in the past fiscal year were over \$2-3/4 billion.

"The economic progress of the people of this region is evidenced by the fact that total income payments to individuals in this two-state area amounted to \$14 billion last year, as compared with a little over \$3-1/2 billion in 1940. The increase in this region was 32 percent greater than for the country as a whole during the same period.

"It is with real satisfaction that we bring to the enterprising citizens of such an enterprising region of America an improvement in a vital service of the Federal Government such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

job of District Commissioner
right here in his own home town.

"I can only wish for him health
and happiness commensurate with the
success he has already attained and
which I am sure he will continue to
have in this new and very important
assignment."

courage, and determination.

"His love for the Bureau of Internal Revenue is, I am sure, matched only by his affection for Texas. So from today it is no longer necessary for him to choose between his desire to serve the Bureau in a position of key importance and his yearning to return to the Lone Star State, for he will now be able to devote his tireless drive and energy to the

carrying out the management improvement program for the Bureau of Internal Revenue that had been developed since World War II, and which culminated in Reorganization Plan Number 1 of 1952, which we are today effectuating for this area by installation of the officials of the Dallas District.

"Throughout his labors in Washington, Commissioner Dunlap has performed his duties with candor,

been upon him as he guided the Bureau of Internal Revenue through one of the most perilous periods in its history. With firm resolve he set out to identify and remove the relatively few officials and employees unworthy of their high public trust and to establish permanent safeguards to insure a thoroughly honest career service. He cooperated fully with the officials of the Treasury Department in

Commissioner of Internal Revenue.

"With this record of superior career service in every major area of tax administration in mind, it was an easy decision for me to recommend him to the President as the best possible man for appointment as Commissioner of Internal Revenue -- which office he assumed on August 1, 1951.

"From that day to this, not only the eyes of Texas, but the piercing scrutiny of the entire country, have

"In April 1947, Mr. Dunlap became Acting Collector of Internal Revenue and in March 1949, he was appointed Collector of Internal Revenue at Dallas.

"Less than a year later he was appointed Internal Revenue Agent in Charge, Dallas Division, in February 1950, and from this post he was called to Washington in April of 1951 to become the Director of the Special Tax Fraud Drive in the office of the

the rank which he now holds with the 22nd Armored Division of the active reserve; and, the intimate knowledge about the field operations of the Bureau of Internal Revenue which he had acquired on the front line from his service as deputy collector in the office of the Collector of Internal Revenue, Dallas, beginning in 1934, and his subsequent service as Assistant Chief and Chief of the Field Division.

Service as a special task force on postwar field management problems. His work as a member of this group reflected his training in Business Administration at Southern Methodist University; his business experience while engaged in highway construction work; his leadership while in military service in World War II, during which he rose from the rank of Major in the 56th Cavalry Brigade, Texas National Guard, to that of Brigadier General,

ago, in his rapid, steady rise in the military and civilian service of his country are outstanding -- even for a native of Texas.

"I had been Secretary of the Treasury but a short time when his capabilities first came to my attention. In 1947, we summoned Mr. Dunlap, then Assistant to the Collector of Internal Revenue at Dallas, to meet with other key personnel of the Internal Revenue

RECORD OF SERVICE OF COMMISSIONER DUNLAP

"I take this opportunity publicly to commend Commissioner of Internal Revenue John B. Dunlap and to express personally and officially my appreciation for the service which he has rendered the Bureau of Internal Revenue and the Treasury Department. The accomplishments of Mr. Dunlap, who was born in Dallas just 49 years

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

232

FOR RELEASE 11:00 a.m. EST
Wednesday, November 19, 1952

S-3237

Secretary Snyder today issued the following statement concerning Commissioner of Internal Revenue John B. Dunlap, who leaves that position today to become District Commissioner for the States of Texas and Oklahoma in the reorganized Revenue Service:

"I take this opportunity publicly to commend Commissioner of Internal Revenue John B. Dunlap and to express personally and officially my appreciation for the service which he has rendered the Bureau of Internal Revenue and the Treasury Department. The accomplishments of Mr. Dunlap, who was born in Dallas just 49 years ago, in his rapid, steady rise in the military and civilian service of his country are outstanding -- even for a native of Texas.

"I had been Secretary of the Treasury but a short time when his capabilities first came to my attention. In 1947, we summoned Mr. Dunlap, then Assistant to the Collector of Internal Revenue at Dallas, to meet with other key personnel of the Internal Revenue Service as a special task force on postwar field management problems. His work as a member of this group reflected his training in Business Administration at Southern Methodist University; his business experience while engaged in highway construction work; his leadership while in military service in World War II, during which he rose from the rank of Major in the 56th Cavalry Brigade, Texas National Guard, to that of Brigadier General, the rank which he now holds with the 22nd Armored Division of the active reserve; and, the intimate knowledge about the field operations of the Bureau of Internal Revenue which he had acquired on the front line from his service as deputy collector in the office of the Collector of Internal Revenue, Dallas, beginning in 1934, and his subsequent service as Assistant Chief and Chief of the Field Division.

"In April 1947, Mr. Dunlap became Acting Collector of Internal Revenue and in March 1949, he was appointed Collector of Internal Revenue at Dallas.

- 2 -

"Less than a year later he was appointed Internal Revenue Agent in Charge, Dallas Division, in February 1950, and from this post he was called to Washington in April of 1951 to become the Director of the Special Tax Fraud Drive in the office of the Commissioner of Internal Revenue.

"With this record of superior career service in every major area of tax administration in mind, it was an easy decision for me to recommend him to the President as the best possible man for appointment as Commissioner of Internal Revenue -- which office he assumed on August 1, 1951.

"From that day to this, not only the eyes of Texas, but the piercing scrutiny of the entire country, have been upon him as he guided the Bureau of Internal Revenue through one of the most perilous periods in its history. With firm resolve he set out to identify and remove the relatively few officials and employees unworthy of their high public trust and to establish permanent safeguards to insure a thoroughly honest career service. He cooperated fully with the officials of the Treasury Department in carrying out the management improvement program for the Bureau of Internal Revenue that had been developed since World War II, and which culminated in Reorganization Plan Number 1 of 1952, which we are today effectuating for Texas and Oklahoma by installation of the officials of the Dallas District.

"Throughout his labors in Washington, Commissioner Dunlap has performed his duties with candor, courage, and determination.

"His love for the Bureau of Internal Revenue is, I am sure, matched only by his affection for Texas. So from today it is no longer necessary for him to choose between his desire to serve the Bureau in a position of key importance and his yearning to return to the Lone Star State, for he will now be able to devote his tireless drive and energy to the job of District Commissioner right in his own home town.

"I can only wish for him health and happiness commensurate with the success he has already attained and which I am sure he will continue to have in this new and very important assignment."

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efficiency and operating economy,
manned by employees of unquestioned
integrity. ((

We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum

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3 million, as compared with
500,000 in 1940. Federal tax
collections from these States
in fiscal 1952 amounted to
\$1 billion.

\\ It is with much satisfaction
that we bring to such a
revitalized segment of America
a modernized and revitalized
Federal Revenue Service such as
that incorporated in the Internal
Revenue Reorganization Plan.

As your economy is expanding, so is its importance growing to our country's revenue system.

In the 1952 fiscal year there were over 1-3/4 million individual income tax returns filed in the three states which now form the Birmingham District -- a seventeenfold increase since 1940. The total number of tax returns filed in this district in fiscal 1952 amounted to approximately

spirit with which you look to the future. The Southern Research Institute, conceived in Birmingham, is a product of that new spirit. Bringing together the biggest collection of scientific brains in the South, its laboratories are ever seeking new ways of giving added value to southern raw materials and better ways to make the things you now produce.

of living which you enjoy.

It is evidenced also by the enlarged opportunities which increased industrialization has brought to the people in your cities and towns, and the new era in agricultural productivity which has come to your farmers as a result of farm mechanization and new farming techniques.

Your progress is significantly evident in the new

While income payments to individuals in the country as a whole have tripled since 1940, these three southern States have done even better. The percentage gains in these States was 25 percent greater than that for the Nation.

Your economic advance is not evidenced solely by greater incomes and the higher standards

up to every expectation.

✓ 52 The region which these officers will serve is, as I mentioned earlier, a tremendously revitalized economic area in our country and one which holds great promise in the future progress of our Nation. The resurgence of its economy has been particularly noteworthy in just the past decade.

most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Birmingham and the offices of Director of Internal Revenue in Jackson, New Orleans and here, will measure

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\\ The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust.

The work of ~~C~~ongressional investigative groups has had, and will continue to have, our full cooperation.

\\ In placing the Reorganization Plan in effect, we have made it our objective that only the

provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence.

The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

// In streamlining the Revenue Bureau's operations, we have

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Under his direction there will be
intensified efforts to see that
every fraudulent attempt to
evade Federal taxes will bring
quick investigation and action.

The task of fighting tax
frauds never was an easy one. In
recent years the criminal element
has attempted tax evasion with
greater persistence than ever

745

of Alabama, Mississippi and Louisiana. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

One of the members of the District Commissioner's staff will

offices and posts of duty.

For purposes of general area supervision and coordination of local tax administration, there is being established in Birmingham the office of District Commissioner. This office is a new provision in the reorganization. The District Commissioner for Birmingham has full responsibility for all field activities in the three States

42 II
Each Director will maintain supervision over all Federal Revenue Service matters within his State. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these three States in 41 presently located

// Here is how the Birmingham District will be administered.

// In each of the three States of this district there is being established the office of a Director of Internal Revenue. The headquarters of the Directors will be in the same locations -- Birmingham, Jackson and New Orleans -- as were the headquarters of the former Collectors of Internal Revenue whom the Directors replace.

the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

// Under the skillful direction of the Commissioner of Internal Revenue and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

// Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

// One of its provisions is to eliminate all non-career offices in

ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

This is the thirteenth area in which the reorganization plan has been put into effect.

I have personally attended all
but three of the reorganization

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^ That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

^ In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old

prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

↳ // Even as we took the first steps, our rapid postwar reconversion, with its attendant

11 The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

11 By 1946, the situation had changed. More men and women became

of taxes, and the application of sharply increased rates on those taxes already in existence.

Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds

|| The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at ~~my~~ ^{my} direction in 1946, soon after ~~I~~ ^I became Secretary of the Treasury.

|| Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively

be realized.

|| The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

consultants available.

|| The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will

The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing ² the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable

brought to you pursuant to the provisions of the President's Reorganization Plan No. 1 of 1952.

\\ From the very beginning of the reorganization task ^I have had enthusiastic cooperation --

from the President, ~~Under~~ ^{Under Secretary}

^{Foley,} ~~Secretary Foley,~~ the Treasury Staff, ^{and the personnel of} ~~Commissioner Dunlap and~~

~~his associates in the Revenue Bureau.~~

nonetheless authentic, is the record of the development of the Bureau of Internal Revenue into one of the world's largest business organizations, and of our efforts in recent years to improve the Bureau's structure and operating methods so as to keep it fully abreast of its great responsibilities. These efforts culminate in today's reorganization proceedings,

steel centers, in little more than the span of one man's life, attests the resourcefulness and vision of a people. Today the tempo of this youngest of the world's great cities¹ is the pulsative tempo of a new South -- young, vibrant, and eager to constantly open up new economic frontiers for a region and for a nation.

// Somewhat more prosaic, but

building a strong, diversified, and productive economy.

\ The key to much of your progress lies in cities like Birmingham, whose expansion in industrial lines has brought new vitality to an economy too long dependent upon the whims of King Cotton and other crops of the soil. The emergence of Birmingham from a cotton field crossed by two railroads into one of the world's foremost

I am happy to participate in these ceremonies today which bring to Alabama, Mississippi, and Louisiana a modernized and revitalized Internal Revenue Service.

Modernization and revitalization are words which have real meaning for the people of the South, who are themselves so dramatically demonstrating the practical application of these words in

Info Service heading

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3238

RELEASE 10 A.M. CST (11 A.M. EST)
Thursday, Nov. 20, 1952

S- (same as foley)

Birmingham , Ala., Nov. 20 - Secretary of the Treasury
John W. Snyder, speaking at ceremonies in Munger Hall of
Birmingham-Southern College for the installation of new Internal
Revenue Service officials for Alabama, Mississippi and Louisiana,
said today:

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

271

RELEASE 10 A.M. CST (11 A.M. EST)
Thursday, Nov. 20, 1952

S-3238

Birmingham, Ala., Nov. 20 - Secretary of the Treasury John W. Snyder, speaking at ceremonies in Munger Hall of Birmingham-Southern College for the installation of new Internal Revenue Service officials for Alabama, Mississippi and Louisiana, said today:

"I am happy to participate in these ceremonies today which bring to Alabama, Mississippi, and Louisiana a modernized and revitalized Internal Revenue Service.

"Modernization and revitalization are words which have real meaning for the people of the South, who are themselves so dramatically demonstrating the practical application of these words in building a strong, diversified, and productive economy.

"The key to much of your progress lies in cities like Birmingham, whose expansion in industrial lines has brought new vitality to an economy too long dependent upon the whims of King Cotton and other crops of the soil. The emergence of Birmingham from a cotton field crossed by two railroads into one of the world's foremost steel centers, in little more than the span of one man's life, attests the resourcefulness and vision of a people. Today the tempo of this 'youngest of the world's great cities' is the pulsative tempo of a new South -- young, vibrant, and eager to constantly open up new economic frontiers for a region and for a nation.

"Somewhat more prosaic, but nonetheless authentic, is the record of the development of the Bureau of Internal Revenue into one of the world's largest business organizations, and of our efforts in recent years to improve the Bureau's structure and operating methods so as to keep it fully abreast of its great responsibilities. These efforts culminate in today's reorganization proceedings, brought to you pursuant to the provisions of the President's Reorganization Plan No. 1 of 1952.

"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, the Treasury Staff, and the personnel of the Revenue Bureau.

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing

the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

"By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the thirteenth area in which the reorganization plan has been put into effect. I have personally attended all but three of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

"Under the skillful direction of the Commissioner of Internal Revenue and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

"Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

"Here is how the Birmingham District will be administered.

"In each of the three States of this district there is being established the office of a Director of Internal Revenue. The headquarters of the Directors will be in the same locations -- Birmingham, Jackson and New Orleans -- as were the headquarters of the former Collectors of Internal Revenue whom the Directors replace.

"Each Director will maintain supervision over all Federal Revenue Service matters within his State. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these three States in 41 presently located offices and posts of duty.

"For purposes of general area supervision and coordination of local tax administration, there is being established in Birmingham the office of District Commissioner. This office is a new provision in the reorganization. The District Commissioner for Birmingham has full responsibility for all field activities in the three States of Alabama, Mississippi and Louisiana. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick investigation and action.

"The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of congressional investigative groups has had, and will continue to have, our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Birmingham and the offices of Director of Internal Revenue in Jackson, New Orleans and here, will measure up to every expectation.

"The region which these officers will serve is, as I mentioned earlier, a tremendously revitalized economic area in our country and one which holds great promise in the future progress of our Nation. The resurgence of its economy has been particularly noteworthy in just the past decade.

"While income payments to individuals in the country as a whole have tripled since 1940, these three southern States have done even better. The percentage gains in these States was 25 percent greater than that for the Nation.

"Your economic advance is not evidenced solely by greater incomes and the higher standards of living which you enjoy. It is evidenced also by the enlarged opportunities which increased industrialization has brought to the people in your cities and towns, and the new era in agricultural productivity which has come to your farmers as a result of farm mechanization and new farming techniques.

"Your progress is significantly evident in the new spirit with which you look to the future. The Southern Research Institute, conceived in Birmingham, is a product of that new spirit. Bringing together the biggest collection of scientific brains in the South, its laboratories are ever seeking new ways of giving added value to southern raw materials and better ways to make the things you now produce.

"As your economy is expanding, so is its importance growing to our country's revenue system.

"In the 1952 fiscal year there were over 1-3/4 million individual income tax returns filed in the three States which now form the Birmingham District -- a seventeenfold increase since 1940. The total number of tax returns filed in this district in fiscal 1952 amounted to approximately 3 million, as compared with 500,000 in 1940. Federal tax collections from these States in fiscal 1952 amounted to \$1 billion.

"It is with much satisfaction that we bring to such a revitalized segment of America a modernized and revitalized Federal Revenue Service such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

"The naming of Mr. Graham as Acting Commissioner permits the career officials of the Bureau of Internal Revenue to energetically apply themselves to the furthering of reorganization," Secretary Snyder said.

O. D.

EPS

Release ^{many newspapers}
Tuesday, Nov 18, 1952

3239

Secretary Snyder announced today that Assistant Secretary of the Treasury John S. Graham will assume the functions of Acting Commissioner of Internal Revenue, effective Wednesday, November 19, 1952. The designation of Mr. Graham as Acting Commissioner is in addition to his present duties as Assistant Secretary.

The present Commissioner of Internal Revenue, John B. Dunlap, will be sworn in on Wednesday as District Commissioner for the States of Texas and Oklahoma in the reorganized Internal Revenue Service.

The action of the Secretary in designating Mr. Graham as Acting Commissioner was taken under the authority vested in the Secretary by Reorganization Plan No. 26 of 1950.

and continuing until the appointment of a Commissioner by the new administration

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

278

RELEASE MORNING NEWSPAPERS,
Tuesday, November 18, 1952.

S-3239

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"The naming of Mr. Graham as Acting Commissioner permits the career officials of the Bureau of Internal Revenue to energetically apply themselves to the furthering of reorganization," Secretary Snyder said.

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NOV 12 1952

MEMORANDUM 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 October, 1952:

Purchases	\$16,885,000
Sales	<u>341,500</u>
Net purchases	<u><u>\$16,543,500</u></u>

Charles T. Brannan

Chief, Division of Investments

D. of I. No. 36

Wisecarver/mih/11/12/52

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Wednesday, ~~October 15~~, 1952.

3240
~~S-3197~~

November 19,

During the month of *October* ~~September~~, 1952

market transactions in direct and
guaranteed securities of the Government
for Treasury investment and other
accounts resulted in net purchases of
\$16,543,500
~~\$3,545,450~~, Secretary Snyder announced
today.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

281

RELEASE MORNING NEWSPAPERS,
Wednesday, November 19, 1952

S-3240

During the month of October, 1952 market transactions in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net purchases of \$16,543,500, Secretary Snyder announced today.

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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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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 November 28, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing November 28, 1952. 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

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 20, 1952.

5-3241

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The Secretary of the Treasury, by this public notice, invites tenders for \$1,300,000,000, or thereabouts, of 90-day Treasury bills, for cash and in exchange for Treasury bills maturing November 28, 1952, in the amount of \$1,299,887,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated November 28, 1952, and will mature February 26, 1953, 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, November 24, 1952. 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

285

RELEASE MORNING NEWSPAPERS,
Thursday, November 20, 1952

S-3241

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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 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 November 28, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing November 28, 1952. 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 an 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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resolve saw it through to accomplishment,
was the Honorable John W. Snyder, Secretary
of the Treasury. It is my pleasure to
present him to you now. "

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Under Secretary Foley introduced Secretary Snyder as the principal speaker. He referred to the Secretary as "the man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment."

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785 We have had similar cooperation in every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the "built-in" assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

"It is my firm belief that this public confidence will prove well placed."

(INSERT)

~~"The man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm~~

~~resolve~~

" It is the largest Bureau of the Treasury Department, and one of the largest in the entire government.

What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

" I want to express to the people of the States of California and Nevada, and the Territory of Hawaii, comprising the Los Angeles District, and to their local officials our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

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gamblers, and a long list of other levies.

22 "In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

"That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of firearms, and the supervision of various angles of the alcoholic beverage business.

~~It is~~

government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from partnerships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items, the taxes on the gains of ~~gamblers,~~

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one of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

"The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's

~~government~~

MR. FOLEY'S REMARKS - LOS ANGELES DISTRICT
SES

"On behalf of the Treasury Department, I want to welcome all of you warmly to these proceedings, the purpose of which is to institute for the States of California and Nevada and the Territory of Hawaii, a basic improvement in the organization and methods of the Bureau of Internal Revenue.

"These two States and the Territory of Hawaii form a region which for purposes of Internal Revenue Service administration will be known hereafter as the Los Angeles District.

"The action which we are taking to reorganize the Revenue Service embodies

Release 10:00 a.m. PST (1:00 p.m. EST)
Wednesday, November 26, 1952

S- 3242

Los Angeles, Cal., Nov. 26 - Under Secretary of the Treasury Edward H. Foley, speaking at ceremonies in the Hancock Auditorium, University of Southern California, for the installation of officials of the reorganized Internal Revenue Service for California, ~~and~~ Nevada and the Territory of Hawaii, said today:

"On behalf of the

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

294

Release 10:00 a.m. PST (1:00 p.m. EST)
Wednesday, November 26, 1952

S-3242

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"On behalf of the Treasury Department, I want to welcome all of you warmly to these proceedings, the purpose of which is to institute for the States of California and Nevada and the Territory of Hawaii, a basic improvement in the organization and methods of the Bureau of Internal Revenue.

"These two States and the Territory of Hawaii form a region which for purposes of Internal Revenue Service administration will be known hereafter as the Los Angeles District.

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"The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from partnerships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items, the taxes on the gains of gamblers, and a long list of other levies.

- 2 -

"In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

"That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of fire-arms, and the supervision of various angles of the alcoholic beverage business.

"It is the largest Bureau of the Treasury Department, and one of the largest in the entire government.

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"I want to express to the people of the States of California and Nevada, and the Territory of Hawaii, comprising the Los Angeles District, and to their local officials our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

"We have had similar cooperation in every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the 'built-in' assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

"It is my firm belief that this public confidence will prove well placed."

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RELEASE MORNING NEWSPAPERS,
Tuesday, November 25, 1952.

S- 3243

The Secretary of the Treasury announced last evening that the tenders for \$1,300,000,000, or thereabouts, of 90-day Treasury bills to be dated November 28, 1952, and to mature February 26, 1953, which were offered on November 20, were opened at the Federal Reserve Banks on November 24.

The details of this issue are as follows:

Total applied for - \$1,862,552,000
 Total accepted - 1,300,013,000 (includes \$190,389,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.517 1/2 Equivalent rate of discount approx. 1.931% per annum

Range of accepted competitive bids:

High - 99.545 Equivalent rate of discount 1.820% per annum
 Low - 99.513 " " " " 1.948% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 19,322,000	\$ 19,310,000
New York	1,348,033,000	836,538,000
Philadelphia	30,527,000	15,527,000
Cleveland	54,455,000	49,155,000
Richmond	22,362,000	20,362,000
Atlanta	19,275,000	19,269,000
Chicago	183,452,000	154,972,000
St. Louis	28,008,000	27,882,000
Minneapolis	12,542,000	12,542,000
Kansas City	43,806,000	43,806,000
Dallas	34,113,000	34,113,000
San Francisco	66,657,000	66,537,000
TOTAL	\$1,862,552,000	\$1,300,013,000

[Handwritten signatures]

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

297

RELEASE MORNING NEWSPAPERS,
Tuesday, November 25, 1952.

S-3243

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Minneapolis	12,542,000	12,542,000
Kansas City	43,806,000	43,806,000
Dallas	34,113,000	34,113,000
San Francisco	66,657,000	66,537,000
TOTAL	\$1,862,552,000	\$1,300,013,000

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ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

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in 1940. Total Federal tax collections from these States in the past fiscal year amounted to over \$1 billion.

"It is with much satisfaction that we bring to this magnificent and ever growing section of America a modernized and revitalized Federal Revenue Service such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's

008 "As your economy is expanding, so is its importance growing to our country's revenue system.

"In the 1952 fiscal year there were close to 1-1/2 million individual income tax returns filed in this five-state area -- a ninefold increase since 1940. The total number of tax returns filed in this district in fiscal 1952 amounted to over 2 million, as compared with less than 400,000

five States were more than four times as large as they were in 1940 and the percentage increase was 36 percent higher than the national average.

Your economic progress is not evidenced, however, simply by the greater incomes which you enjoy.

It is evidenced also by the enlarged opportunities which increased industrialization has brought to the people in your cities and towns.

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6L Since 1940 the population of the five States included in the Denver District has increased by over 30 percent. During the same period, the increase for the country as a whole was only 18 percent. While income payments to individuals in the country as a whole have tripled since 1940, this region has shown an even greater increase. Last year income payments to individuals in these

808

our national defense, and the activities at Los Alamos are making this resource an effective element of the defense program. The power and water supply provided by the Hoover Dam have expanded agricultural and industrial enterprises in large portions of this district as well as in other neighboring States. Throughout this region the past decade has been one of unparalleled progress and prosperity.

and the offices of Director of Internal Revenue in Cheyenne, Salt Lake City, Albuquerque, Phoenix, and here, will measure up to every expectation.

"The five States which these officers will serve are, as I mentioned earlier, of tremendous importance to our defense effort and to the productive power of our economy. The vast deposits of uranium are ~~alone~~ a keystone of

has had, and will continue to have, our full cooperation.

In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Denver

an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups

708

District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established

evade Federal taxes will bring quick investigation and action.

The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant

direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to

" For purposes of general area supervision and coordination of local tax administration, there is being established in Denver the office of District Commissioner. This office is a new provision in the reorganization

4L The District Commissioner for Denver has full responsibility for all field activities in the five States of Colorado, Wyoming, Utah, Arizona and New Mexico. Under this reorganization, there are clear and

Service matters within his State. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these five States in 63 presently located offices and posts of duty.

Here is how the Denver District will be administered. In each of the five States of this district, there is being established an office of Director of Internal Revenue. The office of each Director will be in the same location as that of the State's former Collector of Internal Revenue whom the Director replaces.

Each Director will maintain supervision over all Federal Revenue

the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

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" Under the skillful direction of the Commissioner of Internal Revenue and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

" Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

" One of its provisions is to eliminate all non-career offices in

318 huge daily job, while making the changes called for in the plan.

" This is the fourteenth area in which the reorganization plan has been put into effect. I have personally attended all but three of the reorganization ceremonies. In addition we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

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3 L " That, in brief, is the historical background against which reorganization of the Revenue Service is being effected

" In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its

problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the

Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

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few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply

from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

" Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively

that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots

consultants available.

2L" The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable

service to the American public, and help make certain that the Revenue Service will enjoy the public's full confidence.

" From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, Assistant Secretary Graham, the Treasury Staff, the Commissioner of Internal Revenue and his associates in the Revenue Bureau.

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They modernize the Internal Revenue Service, remove weaknesses from its organizational structure, provide for speedier, more convenient and more accurate

and grazing enterprises and its increasing industrial development are building powerful resources for human welfare and hold great promise for the future progress of our Nation.

7 We are proud to be able to bring to this vital region a new era in ^a progressive Federal Revenue Service. The changes which are being instituted here today, under the authority of

the grandeur of its mountains.
It is also becoming increasingly well-known for the importance it bears to the strategic defenses and the productive might of our country. Its rare mineral resources and the natural advantages of its terrain are playing a dynamic role in the development of atomic and other weapons of national defense. Its outstanding agricultural

" I am delighted to be here in Denver for these ceremonies which install a modernized Federal Revenue Service for the five States of Colorado, Wyoming, Utah, New Mexico and Arizona.

"This majestic section of our country is known throughout the land for the wonder of its natural formations, for the beauty of its deserts, and for

Info service heading

Release 10 a.m. MST (12 noon EST)
Tuesday, Nov. 25, 1952

S- 3244

Denver, Colo., Nov. 25 - Secretary of the Treasury John W. Snyder, speaking at ceremonies in the Auditorium of the Barnes School of Commerce for the installation of new Internal Revenue Service officials for Colorado, Arizona, New Mexico, Utah and Wyoming, said today:

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

332

Release 10 a.m. MST (12 noon EST)
Tuesday, Nov. 25, 1952

S-3244

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"This majestic section of our country is known throughout the land for the wonder of its natural formations, for the beauty of its deserts, and for the grandeur of its mountains. It is also becoming increasingly well-known for the importance it bears to the strategic defenses and the productive might of our country. Its rare mineral resources and the natural advantages of its terrain are playing a dynamic role in the development of atomic and other weapons of national defense. Its outstanding agricultural and grazing enterprises and its increasing industrial development are building powerful resources for human welfare and hold great promise for the future progress of our Nation.

"We are proud to be able to bring to this vital region a new era in a progressive Federal Revenue Service. The changes which are being instituted here today, under the authority of the President's Reorganization Plan No. 1 of 1952, are significant as a long step toward better government, and they are advantageous in many respects to every taxpayer. They modernize the Internal Revenue Service, remove weaknesses from its organizational structure, provide for speedier, more convenient and more accurate service to the American public, and help make certain that the Revenue Service will enjoy the public's full confidence.

"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, Assistant Secretary Graham, the Treasury Staff, the Commissioner of Internal Revenue and his associates in the Revenue Bureau.

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

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"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

"By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the fourteenth area in which the reorganization plan has been put into effect. I have personally attended all but three of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

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"Each Director will maintain supervision over all Federal Revenue Service matters within his State. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these five States in 63 presently located offices and posts of duty.

"For purposes of general area supervision and coordination of local tax administration, there is being established in Denver the office of District Commissioner. This office is a new provision in the reorganization.

The District Commissioner for Denver has full responsibility for all field activities in the five States of Colorado, Wyoming, Utah, Arizona and New Mexico. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick investigation and action.

"The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Denver and the offices of Director of Internal Revenue in Cheyenne, Salt Lake City, Albuquerque, Phoenix, and here, will measure up to every expectation.

"The five States which these officers will serve are, as I mentioned earlier, of tremendous importance to our defense effort and to the productive power of our economy. The vast deposits of uranium are a keystone of our national defense, and the activities at Los Alamos are making this resource an effective element of the defense program. The power and water supply provided by the Hoover Dam have expanded agricultural and industrial enterprises in large portions of this district as well as in other neighboring States. Throughout this region the past decade has been one of unparalleled progress and prosperity.

"Since 1940 the population of the five States included in the Denver District has increased by over 30 percent. During the same period, the increase for the country as a whole was only 18 percent. While income payments to individuals in the country as a whole have tripled since 1940, this region has shown an even greater increase. Last year income payments to individuals in these five States were more than four times as large as they were in 1940 and the percentage increase was 36 percent higher than the national average.

"Your economic progress is not evidenced, however, simply by the greater incomes which you enjoy. It is evidenced also by the enlarged opportunities which increased industrialization has brought to the people in your cities and towns.

"As your economy is expanding, so is its importance growing to our country's revenue system.

"In the 1952 fiscal year there were close to 1-1/2 million individual income tax returns filed in this five-state area -- a ninefold increase since 1940. The total number of tax returns filed in this district in fiscal 1952 amounted to over 2 million, as compared with less than 400,000 in 1940. Total Federal tax collections from these States in the past fiscal year amounted to over \$1 billion.

"It is with much satisfaction that we bring to this magnificent and ever growing section of America a modernized and revitalized Federal Revenue Service such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

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888

1.5 million in 1940. Total Federal tax collections from California, Nevada, and the Territory of Hawaii amounted to over \$4-3/4 billion in the past fiscal year.

"It is with much satisfaction that we bring to an area which is ever adding new horizons to the agricultural and industrial might of our Nation an improvement in a vital service of the Federal Government such as that incorporated

and the Territory of Hawaii bear little resemblance to those of as short a time ago as 1940.

" In the 1940 fiscal year there were less than 700,000 individual income tax returns filed in this district. In the 1952 fiscal year there were over 4-1/2 million such returns filed. The total number of tax returns filed in this district in fiscal 1952 amounted to close to 7 million, as compared with

148

have almost quadrupled and the percentage increase was 27 percent higher than the national average. Last year alone, income payments to individuals in California and Nevada totaled over \$21-1/2 billion.

" As your economy has continued to expand, so has its importance grown to our country's revenue system. In size alone, Federal revenue operations in the two States of California and Nevada

population, ranks second among all States. Nevada ranks fourth with a 53 percent increase. By comparison, the United States average was only an 18 percent increase.

// The economic importance of this area is also evidenced by the upward surge of its business activity and the higher individual prosperity which has come to its people. Since 1940, income payments to individuals in these two States

and here, will measure up to every expectation.

"The economic importance of the area which these officers will serve is evidenced by the fact that it is one of the fastest growing areas, populationwise, in the entire country. Since 1940, California and Nevada have been among the top states in percentage gain in population. California, with a 58 percent rise in

our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Los Angeles and the offices of Director of Internal Revenue in San Francisco, Reno, Honolulu,

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Commissioner for Los Angeles has full responsibility for all field activities of the Bureau in the two States of California and Nevada and the Territory of Hawaii. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

that city. For convenience, local representatives will be stationed throughout California, Nevada and Hawaii in 77 local offices and posts of duty.

For purposes of general area supervision and coordination of local tax administration, there is being established in Los Angeles the office of District Commissioner. This office is a new provision in the reorganization. The District

Each Director will maintain active supervision over all Federal Revenue Service matters within his particular collection district. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. As an exception to this rule in the State of California, the permissive functions of the Alcohol and Tobacco Tax operations now located in San Francisco will be continued in

offices of Director of Internal Revenue are being established.

In addition, one Director's office will be established in the State of Nevada and one in the Territory of Hawaii. The headquarters of the Directors will be in the same cities as were the headquarters of the former Collectors of Internal Revenue whom the Directors replace.

323

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historical background against which reorganization of the Revenue Service is being effected.

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108

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"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished

product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

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region's spectacular progress should ever be enlarging the scope of its service.

" Under the authority of the President's Reorganization Plan No. 1 of 1952, Los Angeles has been selected as a regional center for the supervision of a large share of the business affairs of the Internal Revenue Bureau -- one of the world's largest

of Los Angeles stands today as an impressive tribute to Secretary Walker's sage prediction. From a sleepy pueblo, Los Angeles has risen to the third largest metropolitan area in our Nation and one of the most important trade and industrial areas of the world. It is fitting that this city which has been the key to much of this

of the Treasury Walker had predicted that the 'acquisition of our immense coast upon the Pacific' would 'revolutionize in our favor the commerce of the world, and more rapidly advance our greatness, wealth, and power, than any event which has occurred since the adoption of the Constitution.'

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to the commerce and revenues of our Nation. Old records show that the Treasury was doing business almost as soon as the treaty with Mexico was signed. Within three weeks after California attained statehood, six separate collection districts were authorized for the State.

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I am happy to be here in Los Angeles to take a personal part in these ceremonies which install a modernized Federal Revenue Service for California, Nevada, and the Territory of Hawaii.

It is not a new thing, of course, for a Secretary of the Treasury to be taking a personal interest in this Pacific territory and its strategic importance

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Release 10 a.m. PST (1 p.m. EST)
Wednesday, Nov. 26, 1952

5-3245

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

375

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"It is not a new thing, of course, for a Secretary of the Treasury to be taking a personal interest in this Pacific territory and its strategic importance to the commerce and revenues of our Nation. Old records show that the Treasury was doing business almost as soon as the treaty with Mexico was signed. Within three weeks after California attained statehood, six separate collection districts were authorized for the State.

"As early as 1848, Secretary of the Treasury Walker had predicted that the 'acquisition of our immense coast upon the Pacific' would 'revolutionize in our favor the commerce of the world, and more rapidly advance our greatness, wealth, and power, than any event which has occurred since the adoption of the Constitution.'

"Certainly this dynamic city of Los Angeles stands today as an impressive tribute to Secretary Walker's sage prediction. From a sleepy pueblo, Los Angeles has risen to the third largest metropolitan area in our Nation and one of the most important trade and industrial areas of the world. It is fitting that this city which has been the key to much of this region's spectacular progress should ever be enlarging the scope of its service.

"Under the authority of the President's Reorganization Plan No. 1 of 1952, Los Angeles has been selected as a regional center for the supervision of a large share of the business affairs of the Internal Revenue Bureau -- one of the world's largest business organizations. Your presence here indicates that you appreciate the importance of the progressive action we are taking. Your presence is also an expression of confidence that, through the operation of the Reorganization Plan, we shall bring to the taxpayers a Revenue Service fully adequate to meet its greatly increased responsibilities and fully meriting the confidence of the public.

"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, Assistant Secretary Graham, the Treasury Staff, the Commissioner of Internal Revenue and his associates in the Revenue Bureau.

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates on those taxes already in existence.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

"By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the fifteenth area in which the reorganization plan has been put into effect. I have personally attended all but three of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. We shall proceed with reorganization in other districts, on a schedule which calls for completion of the program by December 1st of this year.

"Under the skillful direction of the Commissioner of Internal Revenue and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

"Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

"Here is how the Los Angeles District will be administered. In the State of California, two offices of Director of Internal Revenue are being established. In addition, one Director's office will be established in the State of Nevada and one in the Territory of Hawaii. The headquarters of the Directors will be in the same cities as were the headquarters of the former Collectors of Internal Revenue whom the Directors replace.

"Each Director will maintain active supervision over all Federal Revenue Service matters within his particular collection district. Tax-payers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. As an exception to this rule in the State of California, the permissive functions of the Alcohol and Tobacco Tax operations now located in San Francisco will be continued in that city. For convenience, local representatives will be stationed throughout California, Nevada and Hawaii in 77 local offices and posts of duty.

"For purposes of general area supervision and coordination of local tax administration, there is being established in Los Angeles the office of District Commissioner. This office is a new provision in the reorganization. The District Commissioner for Los Angeles has full responsibility for all field activities of the Bureau in the two States of California and Nevada and the Territory of Hawaii. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick investigation and action.

"The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of another Assistant Commissioner, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Los Angeles and the offices of Director of Internal Revenue in San Francisco, Reno, Honolulu, and here, will measure up to every expectation.

"The economic importance of the area which these officers will serve is evidenced by the fact that it is one of the fastest growing areas, populationwise, in the entire country. Since 1940, California and Nevada have been among the top states in percentage gain in population. California, with a 58 percent rise in population, ranks second among all States. Nevada ranks fourth with a 53 percent increase. By comparison, the United States average was only an 18 percent increase.

"The economic importance of this area is also evidenced by the upward surge of its business activity and the higher individual prosperity which has come to its people. Since 1940, income payments to individuals in these two States have almost quadrupled and the percentage increase was 27 percent higher than the national average. Last year alone, income payments to individuals in California and Nevada totaled over \$21-1/2 billion.

"As your economy has continued to expand, so has its importance grown to our country's revenue system. In size alone, Federal revenue operations in the two States of California and Nevada and the Territory of Hawaii bear little resemblance to those of as short a time ago as 1940.

"In the 1940 fiscal year there were less than 700,000 individual income tax returns filed in this district. In the 1952 fiscal year there were over 4-1/2 million such returns filed. The total number of tax returns filed in this district in fiscal 1952 amounted to close to 7 million, as compared with 1.5 million in 1940. Total Federal tax collections from California, Nevada, and the Territory of Hawaii amounted to over \$4-3/4 billion in the past fiscal year.

"It is with much satisfaction that we bring to an area which is ever adding new horizons to the agricultural and industrial might of our Nation an improvement in a vital service of the Federal Government such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those held or to be held throughout the Nation, will be to give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

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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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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 December 4, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 4, 1952. 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

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, November 27, 1952 .

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The Secretary of the Treasury, by this public notice, invites tenders for ~~xxx~~ \$1,300,000,000 , or thereabouts, of ~~xxx~~ 91 -day Treasury bills, for cash and in exchange for Treasury bills maturing ~~xxx~~ December 4, 1952 , in the amount of \$ 1,300,311,000 , to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated December 4, 1952 , and will mature ~~xxx~~ March 5, 1953 , 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, December 1, 1952. ~~xxx~~ 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

383

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Thursday, November 27, 1952.

S-3246

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~~The man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment,~~

" It is the largest bureau of the Treasury Department, and one of the largest in the entire Government.

"What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

" I want to express to the people of the State of Ohio, and to their local officials, our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

" We have had similar cooperation in

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288

the taxes on the gains of gamblers, and a long list of other levies.

In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of firearms, and the supervision of various angles of the alcoholic beverage business.

††

government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from partnerships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items,

one of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's

~~government~~

" On behalf of the ~~Secretary, and the other members of the~~ Treasury Department, I want to welcome all of you cordially to these proceedings, the purpose of which is to institute for the State of Ohio a basic improvement in the organization and methods of the Bureau of Internal Revenue.

" This State forms a region which for purposes of Internal Revenue Service administration will be known hereafter as the Cleveland District.

" The action which we are taking to reorganize the Revenue Service embodies

Release 10 a.m. EST
Monday, Dec. 1, 1952

S- 32 47

Cleveland, Ohio, Dec. 1 - Under Secretary of the
Treasury Edward H. Foley, speaking at ceremonies ~~xxxxxxxx~~
in the
Cleveland Public Auditorium Music Hall for the installation
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"On behalf of the Treasury Department, I

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

391

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S-3247

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- 2 -

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288

about 4 million, as compared with 1 million in 1940. Total tax collections from this state in the past fiscal year amounted to \$4-1/2 billion, or 7 percent of the country's total Internal Revenue tax collections.

"It is with much satisfaction that we bring to such an outstanding state a modernized Federal Revenue Service such as that incorporated in the Internal Revenue Reorganization Plan.

see revenue system.

"In the 1952 fiscal year there were over 3-1/2 million individual income tax returns filed in the Ohio collection areas which now comprise the Cleveland District. This was approximately 7 times the number filed in 1940. The total number of tax returns filed in this district in fiscal 1952 was

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productive arsenal for our Nation in World War II is once again in the national spotlight for its many contributions to our current defense effort. A recent example is the selection of the Portsmouth area for the site of one of our most vital atomic energy projects.

"As you have been constantly expanding the productivity of your economy, so has its importance been growing to our country's

in a peacetime economy and vital in times of national defense. Likewise, agriculture is a highly developed enterprise in this State. During the first six months of 1952, cash receipts from farm marketings in Ohio represented over 3-1/2 percent of the total for the country.

"This State which was a great

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enterprises, is one of great importance to the economic strength of our Nation.

"Throughout the State, highly developed industrial centers contribute to America's productive power through the manufacture of rubber products, machine tools, machinery and metal products, aircraft and many other items essential

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804

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stationed throughout these four collection districts in 65 local offices and posts of duty.

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Columbus, Cincinnati and Toledo.

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"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

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of the installation ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. Later today, with a similar ceremony in Detroit, we will complete our reorganization program.

"Under the skillful direction of the Commissioner of Internal Revenue and his associates, the transition is being accomplished smoothly and

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plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

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of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns

be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

" By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to

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unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates in those taxes already in existence.

methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational

consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable

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structure of our Government and to make the reorganized Revenue Service which is being instituted here in Cleveland today a model in good government administration.

"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, Assistant Secretary Graham, the Treasury Staff, the Commissioner of Internal Revenue and his associates in the Revenue Bureau.

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of strength. Ohio has given our Nation six of its Presidents and five of its Secretaries of the Treasury. Since the creation of the office of Commissioner of Internal Revenue in 1862, three Ohioans have served in this top post of the Revenue Service.

" I know that we can count on the people of Ohio to continue their efforts to strengthen the financial

Nation have real meaning for the people of this city and State, whose history is replete with contributions to America's progress and leadership. Since the early years of the Republic, when the site of this city was carved out of the western wilderness, Cleveland has grown steadily to become one of our Nation's great industrial, intellectual and spiritual towers

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that you appreciate the importance of the progressive action which we have taken. Your presence is also an expression of confidence that, through the operation of the new plan, we shall bring to the taxpayers a Revenue Service fully adequate to meet its greatly increased responsibilities and fully meriting the confidence of the public.

" Better service to the American citizens and better service to the

" I am happy to be here today to participate in these ceremonies which bring to the State of Ohio a modernized Internal Revenue Service, with District headquarters in Cleveland. This ceremony marks one of our final installations to complete throughout the country the reorganization of the Bureau of Internal Revenue, pursuant to the provisions of the President's Reorganization Plan No. 1 of 1952.

" Your presence here indicates

Info service heading

Release 10 a.m. EST
Monday, Dec. 1, 1952

S- 3248

Cleveland, Ohio, Dec. 1 - Secretary of the Treasury
John W. Snyder, speaking at ceremonies in the Cleveland Public
Auditorium for the installation of new officials of the
Internal Revenue Service for Ohio, said today:

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

427

Release 10:00 a.m. EST
Monday, Dec. 1, 1952

S-3248

Cleveland, Ohio, Dec. 1 - Secretary of the Treasury John W. Snyder, speaking at ceremonies in the Cleveland Public Auditorium for the installation of new officials of the Internal Revenue Service for Ohio, said today:

"I am happy to be here today to participate in these ceremonies which bring to the State of Ohio a modernized Internal Revenue Service, with District headquarters in Cleveland. This ceremony marks one of our final installations to complete throughout the country the reorganization of the Bureau of Internal Revenue, pursuant to the provisions of the President's Reorganization Plan No. 1 of 1952.

"Your presence here indicates that you appreciate the importance of the progressive action which we have taken. Your presence is also an expression of confidence that, through the operation of the new plan, we shall bring to the taxpayers a Revenue Service fully adequate to meet its greatly increased responsibilities and fully meriting the confidence of the public.

"Better service to the American citizens and better service to the Nation have real meaning for the people of this city and State, whose history is replete with contributions to America's progress and leadership. Since the early years of the Republic, when the site of this city was carved out of the western wilderness, Cleveland has grown steadily to become one of our Nation's great industrial, intellectual and spiritual towers of strength. Ohio has given our Nation six of its Presidents and five of its Secretaries of the Treasury. Since the creation of the office of Commissioner of Internal Revenue in 1862, three Ohioans have served in this top post of the Revenue Service.

"I know that we can count on the people of Ohio to continue their efforts to strengthen the financial structure of our Government and to make the reorganized Revenue Service which is being instituted here in Cleveland today a model in good government administration.

"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, Assistant Secretary Graham, the Treasury Staff, the Commissioner of Internal Revenue and his associates in the Revenue Bureau.

- 2 -

"The Reorganization Plan is the product of earnest study and diligent effort not only by administrative experts of the Treasury Department and the Revenue Service itself but also by individuals and groups representing the Congress, other Government agencies, business management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Bureau. I have every confidence that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series of preparatory steps had been taken.

"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it collected comparatively modest amounts of taxes from relatively few people, had been almost overwhelmed by the unprecedented demands made on it in the World War II era. The Service suddenly had to handle millions of returns from taxpayers who never before had been required to pay Federal income taxes. It had to assume responsibility almost overnight for the collection of new kinds of taxes, and the application of sharply increased rates in those taxes already in existence.

"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

"By 1946, the situation had changed. More men and women became available for civilian employment as the strength of the Armed Forces declined. More machinery became available with the reduction in the demands for military equipment. It was then that the work of modernizing the Bureau of Internal Revenue was started.

"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about 90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the sixteenth area in which the reorganization plan has been put into effect. I have personally attended all but three of the installation ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington. Later today, with a similar ceremony in Detroit, we will complete our reorganization program.

"Under the skillful direction of the Commissioner of Internal Revenue and his associates, the transition is being accomplished smoothly and without inconvenience to taxpayers.

"Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

"Here is how the Cleveland District will be administered. In this District, four offices of Director of Internal Revenue are being established. These four offices of the Director will be located in the cities of Cleveland, Columbus, Cincinnati and Toledo.

"In general, the Directors will maintain supervision over all Federal Revenue Service matters within their collection districts. Taxpayers are assured of improved service and greater convenience because henceforth the Director, or his local representative, will be responsible for complete handling of all Federal tax matters in his locality. For convenience, local representatives will be stationed throughout these four collection districts in 65 local offices and posts of duty.

"For purposes of general area supervision and coordination of local tax administration, there is being established in Cleveland the office of District Commissioner. This office is a new provision in the reorganization. The District Commissioner for Cleveland has full responsibility for all field activities in the four collection districts. Under this reorganization, there are clear and direct lines of authority and accountability from the Directors of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"One of the members of the District Commissioner's staff will be the Assistant District Commissioner for Intelligence. Under his direction there will be intensified efforts to see that every fraudulent attempt to evade Federal taxes will bring quick investigation and action.

"The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The Assistant District Commissioner for Intelligence will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of an Assistant Commissioner for Inspection, which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have, our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the office of District Commissioner here in Cleveland and the offices of Director of Internal Revenue in Columbus, Cincinnati, Toledo and here, will measure up to every expectation.

"The State of Ohio which these officers will serve, providing as it does a wide variety of basic enterprises, is one of great importance to the economic strength of our Nation.

"Throughout the State, highly developed industrial centers contribute to America's productive power through the manufacture of rubber products, machine tools, machinery and metal products, aircraft and many other items essential in a peacetime economy and vital in times of national defense. Likewise, agriculture is a highly developed enterprise in this State. During the first six months of 1952, cash receipts from farm marketings in Ohio represented over 3-1/2 percent of the total for the country.

"This State which was a great productive arsenal for our Nation in World War II is once again in the national spotlight for its many contributions to our current defense effort. A recent example is the selection of the Portsmouth area for the site of one of our most vital atomic energy projects.

"As you have been constantly expanding the productivity of your economy, so has its importance been growing to our country's revenue system.

"In the 1952 fiscal year there were over 3-1/2 million individual income tax returns filed in the Ohio collection areas which now comprise the Cleveland District. This was approximately 7 times the number filed in 1940. The total number of tax returns filed in this district in fiscal 1952 was about 4 million, as compared with 1 million in 1940. Total tax collections from this state in the past fiscal year amounted to \$4-1/2 billion, or 7 percent of the country's total Internal Revenue tax collections.

"It is with much satisfaction that we bring to such an outstanding state a modernized Federal Revenue Service such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that today's reorganization proceedings, and those already held throughout the Nation, will give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

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every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the "built-in" assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

"It is my firm belief that this public confidence will prove well placed."

INSERT:

Under Secretary Foley introduced Secretary Snyder as the principal speaker. He referred to the Secretary as "the man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment."

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Release 2:00

SEA

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" It is the largest bureau of the Treasury Department, and one of the largest in the entire Government.

" What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

" I want to express to the people of the State of Michigan, and to their local officials, our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

" We have had similar cooperation in

~~every~~

the taxes on the gains of gamblers, and a long list of other levies.

"In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

"That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of firearms, and the supervision of various angles of the alcoholic beverage business.

284
government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from partnerships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items,

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one of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

"The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's

~~government~~

784 MR. FOLEY'S REMARKS - DETROIT DISTRICT

"On behalf of the ~~Secretary, and the other members of the~~ Treasury Department, I want to welcome all of you cordially to these proceedings, the purpose of which is to institute for the State of Michigan a basic improvement in the organization and methods of the Bureau of Internal Revenue.

"This State forms a region which for purposes of Internal Revenue Service administration will be known hereafter as the Detroit District.

"The action which we are taking to reorganize the Revenue Service embodies

Release 2 p.m. EST
Monday, Dec. 1, 1952

S- 3249

Detroit, Mich., Dec. 1 - Under Secretary of the Treasury Edward H. Foley, speaking at ceremonies in the Veterans Memorial Building for the installation of officials of the reorganized Internal Revenue Service for Michigan, said today:

"On behalf of the Treasury Department, I

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

439

RELEASE 2 p.m. EST
Monday, December 1, 1952.

S-3249

Detroit, Mich., Dec. 1 - Under Secretary of the Treasury Edward H. Foley, speaking at ceremonies in the Veterans Memorial Building for the installation of officials of the reorganized Internal Revenue Service for Michigan, said today:

"On behalf of the Treasury Department, I want to welcome all of you cordially to these proceedings, the purpose of which is to institute for the State of Michigan a basic improvement in the organization and methods of the Bureau of Internal Revenue.

"This State forms a region which for purposes of Internal Revenue Service administration will be known hereafter as the Detroit District.

"The action which we are taking to reorganize the Revenue Service embodies one of the most progressive steps in good government in the history of this country. As you know, the Reorganization Plan now being placed in effect received a few months ago the overwhelming approval of the Congress. Your support of it, as indicated by your presence here this morning, is gratifying to all who have had a hand in making this action possible.

"The manner in which the Bureau of Internal Revenue functions is of direct concern to every taxpayer. Its activities affect the welfare of the taxpayer's government as well as the financial affairs of the taxpayer himself. Therefore, it is very much to the taxpayer's interest that we are now inaugurating a new and better manner of administering the Revenue Bureau's responsibilities.

"The duties of the Bureau involve not only receiving and processing the tax reports of tens of millions of Americans each year, but also the handling of tax returns from partnerships and corporations, excess profits taxes, the excises on cigarettes and liquor and jewelry and many other items, the taxes on the gains of gamblers, and a long list of other levies.

"In addition to collecting and recording these taxes, the Bureau checks the accuracy of returns, investigates a large number of them in detail, collects billions in taxes not voluntarily reported and makes refunds on overpayments running into billions.

"That is still not the last of the Bureau's duties. It has additional tasks such as issuing permits for distillers and the manufacture of firearms, and the supervision of various angles of the alcoholic beverage business.

"It is the largest bureau of the Treasury Department, and one of the largest in the entire Government.

"What we are to do here today is bring up to date the structure and the operating procedures of this very vital arm of the Government.

"I want to express to the people of the State of Michigan, and to their local officials, our appreciation of your hospitality and of the cooperation which we have had in arranging for this ceremony.

"We have had similar cooperation in every locality where these installations have taken place. This signifies to me that the improved procedures, the forward-looking personnel policy, the advanced design for operating efficiency, and the 'built-in' assurances of trustworthy performance which the Reorganization Plan provides have won full public confidence.

"It is my firm belief that this public confidence will prove well placed."

Under Secretary Foley introduced Secretary Snyder as the principal speaker. He referred to the Secretary as "the man who motivated reorganization of the Revenue Service from the very start, and whose guidance, inspiration and firm resolve saw it through to accomplishment."

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of the Nation, will give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

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such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those previously held throughout the rest

returns filed in this State in fiscal 1952 was close to 4 million, as compared with about 800,000 in 1940. Total tax collections from this State in the past fiscal year amounted to over \$5 billion, or almost 8 percent of the country's total Internal Revenue tax collections.

"It is with much satisfaction that we bring to such a vital State a modernized Federal Revenue Service

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industrialized area is inevitably sensitive to even minor fluctuations in the Nation's economy.

"As your economy has been expanding, so has its importance been growing to our country's revenue system.

"In the 1952 fiscal year there were almost 3 million individual income tax returns filed in Michigan. This was over 6 times the number filed in 1940. The total number of tax

442

civilian production. In fact, the
6 record of these industries during
World War II, with their skillful
conversion to the production of
war materiel, and their subsequent
reconversion, almost overnight, to
full peacetime production is one of
the great sagas of our industrial
history. The new heights of
prosperity which have been recorded
here in the past decade are all the
more notable because such a highly

associates represents, as I mentioned earlier, one of the most highly industrialized sections of the country. Michigan produces over one-third of the transportation equipment manufactured in the United States. The manufacture of other metal products and durable goods is also highly concentrated in this area. This means a vast supply of skilled labor is readily available to be utilized in defense or essential

744

named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the offices of District Commissioner and Director of Internal Revenue, here in Detroit, will measure up to every expectation.

"The area which will be served by these officers and their

activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be

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"In streamlining the Revenue Bureau's operations, we have also provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of an Assistant Commissioner (for Inspection), which will maintain a constant check on employee conduct and watch other Revenue Service

attempt to evade Federal taxes brings quick investigation and action. The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The District Commissioner will see that the full limit of available manpower is applied to the

administrative management problems.

"Under this reorganization, there are clear and direct lines of authority and accountability from the Director of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"An important responsibility of the District Commissioner will be to intensify efforts to see that every fraudulent

425

new ⁴ provision in the reorganization.

The District Commissioner will

have full responsibility

for all Federal revenue operations

in Michigan. Serving on the

District Commissioner's staff

will be three Assistant District

Commissioners who will be

responsible for the District's

appellate activities, functions

relating to the alcohol and

tobacco tax activities, and

this District. For the convenience of the taxpayers, local representatives will be stationed throughout the State in 41 presently located offices and posts of duty.

"For purposes of general area supervision and contact with the headquarters office in Washington, there is also being established in Detroit the Office of District Commissioner. This office is a

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of Internal Revenue. The
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“Here is how the Detroit District will be administered.

“The greater part of the public's transactions of Federal tax matters in the State of Michigan will be carried on

It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

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"This is the seventeenth and final area in which the reorganization plan has been put into effect. I have personally attended all but three of the reorganization ceremonies. In addition,

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right

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to the dimensions of the problem. The period from 1946 to 1952 saw a large increase in the number of income tax returns, both individual and corporate, and tax collections increased proportionately. Today the Bureau of Internal Revenue receives about ³90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

124

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"Even as we took the first steps, our rapid postwar reconversion, with its attendant prosperity, added

S84

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But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

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"Collection methods were drastically changed by the installation of the income tax withholding system. Still another complication was the fact that the rapid rise in wartime incomes fostered tax evasions that had to be discovered and rectified.

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284

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"The elimination of weak spots from the Internal Revenue Service, and improvements in its operational methods, began at my direction in 1946, soon after I became Secretary of the Treasury.

"Our wartime experience in the Service had demonstrated the necessity for such action. An organization which had worked fairly well in its earlier years, when it

334

maintenance of unquestioned integrity among the employees of the Revenue Service. I have every confidence that these goals will be realized.

"The preparation of the Reorganization Plan was a tremendous task, and it was not accomplished overnight. The study given to the problem covered several years of intensive work, and the final drafting of the plan was not completed until after a long series

management firms, and taxpayer organizations -- in short, the composite of the most capable consultants available.

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"From the very beginning of the reorganization task I have had enthusiastic cooperation -- from the President, Under Secretary Foley, Assistant Secretary Graham, the Treasury Staff,

the Nation's automotive industry. It is also a cornerstone of our country's productive power and a citadel of our defense mobilization. It is a city well suited to be the center of the modernized Revenue Service which is being installed today in this vital State.

"We are confident that the progressive action being taken

to the provisions of the President's Reorganization Plan No. 1 of 1952.

That plan, as you know, received the emphatic approval of the Congress.

" It is fitting that this unique city of Detroit has been selected as the home of the principal headquarters for this important district. With approximately half of all of the Nation's workers in motor vehicles located in the Detroit area, this city is justly known as the hub of

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"It is a great pleasure for me to be here today to take a personal part in the inauguration of the new era in Revenue Service affairs for the State of Michigan. This ceremony marks the completion of the reorganization of the Bureau of Internal Revenue throughout the entire country. This reorganization has been effected pursuant

Release 2 p.m. EST
Monday, Dec. 1, 1952

S- 3250

Detroit, Mich., Dec. 1 - Secretary of the Treasury
John W. Snyder, speaking at ceremonies in the Veterans Memorial
Building for the installation of new officials of the Internal
Revenue Service ~~XXXXXX~~ for Michigan, said today:

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

474

Release 2 p.m. EST
Monday, Dec. 1, 1952

S-3250

Detroit, Mich., Dec. 1 - Secretary of the Treasury John W. Snyder, speaking at ceremonies in the Veterans Memorial Building for the installation of new officials of the Internal Revenue Service for Michigan, said today:

"It is a great pleasure for me to be here today to take a personal part in the inauguration of the new era in Revenue Service affairs for the State of Michigan. This ceremony marks the completion of the reorganization of the Bureau of Internal Revenue throughout the entire country. This reorganization has been effected pursuant to the provisions of the President's Reorganization Plan No. 1 of 1952. That plan, as you know, received the emphatic approval of the Congress.

"It is fitting that this unique city of Detroit has been selected as the home of the principal headquarters for this important district. With approximately half of all of the Nation's workers in motor vehicles located in the Detroit area, this city is justly known as the hub of the Nation's automotive industry. It is also a cornerstone of our country's productive power and a citadel of our defense mobilization. It is a city well suited to be the center of the modernized Revenue Service which is being installed today in this vital State.

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"The goals of this action are a maximum of operating efficiency and economy, fast, convenient, and accurate service to all persons transacting business with the Bureau, scrupulous protection of the Government revenues, and the maintenance of unquestioned integrity among the employees of the Revenue Service. I have every confidence that these goals will be realized.

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"The inadequacy of the Revenue Service's equipment and methods was plainly apparent, and the need for a thorough overhauling was conspicuous. But temporarily, the problem had to be put aside. So long as the war continued we had neither the time, the men, nor the machinery to accomplish the necessary overhauling.

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90 million tax returns of all kinds annually, and in the latest fiscal year its collections reached the record sum of \$65 billion.

"That, in brief, is the historical background against which reorganization of the Revenue Service is being effected.

"In going about this task, we had to remember constantly that the Bureau of Internal Revenue is not like a factory, or an assembly plant. It could not be closed down for a week or a month while an old system was abolished and a new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

"This is the seventeenth and final area in which the reorganization plan has been put into effect. I have personally attended all but three of the reorganization ceremonies. In addition, we have extensively reorganized the headquarters of the Bureau of Internal Revenue in Washington.

"Under the skillful direction of the Commissioner of Internal Revenue and his associates, the transition has been accomplished smoothly and without inconvenience to taxpayers.

"Reorganization Plan No. 1 is not a complicated blueprint understandable only by experts. It is simple.

"One of its provisions is to eliminate all non-career offices in the Revenue Service, with the single exception of the Commissioner of Internal Revenue. Every post in the service, with that one exception, will now be filled by Civil Service appointees.

"Another important feature is the simplification and streamlining of administrative authority, so as to eliminate complexities for the taxpayer and improve methods of supervision.

"Here is how the Detroit District will be administered.

"The greater part of the public's transactions of Federal tax matters in the State of Michigan will be carried on through the Office of Director of Internal Revenue. The responsibilities of the Director who will be stationed here in Detroit will include those of the former Collector whom he replaces. In addition to collection activities, there are also being established in the Director's Office divisions to handle the audit and intelligence activities of this District. For the convenience of the taxpayers, local representatives will be stationed throughout the State in 41 presently located offices and posts of duty.

"For purposes of general area supervision and contact with the headquarters office in Washington, there is also being established in Detroit the Office of District Commissioner. This office is a new

provision in the reorganization. The District Commissioner will have full responsibility for all Federal revenue operations in Michigan. Serving on the District Commissioner's staff will be three Assistant District Commissioners who will be responsible for the District's appellate activities, functions relating to the alcohol and tobacco tax activities, and administrative management problems.

"Under this reorganization, there are clear and direct lines of authority and accountability from the Director of Internal Revenue to the District Commissioner and from the District Commissioner to the Commissioner in Washington.

"An important responsibility of the District Commissioner will be to intensify efforts to see that every fraudulent attempt to evade Federal taxes brings quick investigation and action. The task of fighting tax frauds never was an easy one. In recent years the criminal element has attempted tax evasion with greater persistence than ever before. It is our determination that this persistence will be met by the special agents of the Revenue Service with even greater enforcement diligence. The District Commissioner will see that the full limit of available manpower is applied to the tax evasion problem.

"In streamlining the Revenue Bureau's operations, we have also provided for improved supervision of employee conduct, and helped eliminate the temptations to which some employees have succumbed in the past. There has been established an independent Inspection Service, under the direction of an Assistant Commissioner (for Inspection), which will maintain a constant check on employee conduct and watch other Revenue Service activities as well.

"The Treasury and the Revenue Bureau have taken positive steps to eliminate from the Service those employees who have failed in their public trust. The work of Congressional investigative groups has had, and will continue to have our full cooperation.

"In placing the Reorganization Plan in effect, we have made it our objective that only the most capable persons available would be named to the positions of District Commissioner of Internal Revenue, Director of Internal Revenue, and other supervisory posts. I am confident that our selections for the offices of District Commissioner and Director of Internal Revenue, here in Detroit, will measure up to every expectation.

"The area which will be served by these officers and their associates represents, as I mentioned earlier, one of the most highly industrialized sections of the country. Michigan produces over one-third of the transportation equipment manufactured in the United States. The manufacture of other metal products and durable goods is also highly concentrated in this area. This means a vast supply of skilled labor is readily available to be utilized in defense or essential civilian production. In fact, the

- 5 -

record of these industries during World War II, with their skillful conversion to the production of war materiel, and their subsequent reconversion, almost overnight, to full peacetime production is one of the great sagas of our industrial history. The new heights of prosperity which have been recorded here in the past decade are all the more notable because such a highly industrialized area is inevitably sensitive to even minor fluctuations in the Nation's economy.

"As your economy has been expanding, so has its importance been growing to our country's revenue system.

"In the 1952 fiscal year there were almost 3 million individual income tax returns filed in Michigan. This was over 6 times the number filed in 1940. The total number of tax returns filed in this State in fiscal 1952 was close to 4 million, as compared with about 800,000 in 1940. Total tax collections from this State in the past fiscal year amounted to over \$5 billion, or almost 8 percent of the country's total Internal Revenue tax collections.

"It is with much satisfaction that we bring to such a vital State a modernized Federal Revenue Service such as that incorporated in the Internal Revenue Reorganization Plan.

"We have had most generous cooperation in arranging today's ceremony. I want to express our warm appreciation to all those who have taken a part in making this occasion possible.

"It is my firm belief that the result of today's reorganization proceedings here, and those previously held throughout the rest of the Nation, will give the American people a Revenue Service of maximum efficiency and operating economy, manned by employees of unquestioned integrity."

oOo

ETA

IMMEDIATE RELEASE,
Friday, November 28, 1952.

5-3257

The Secretary of the Treasury today announced the subscription and allotment figures with respect to the offering of additional amounts of the 2 percent Treasury Certificates of Indebtedness of Series C-1953, dated August 15, 1952, open to the holders of Treasury Certificates of Indebtedness of Series F-1952, maturing December 1, 1952.

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

<u>Federal Reserve District</u>	<u>Total Subscriptions Received and Allotted</u>
Boston	\$ 37,200,000
New York	426,710,000
Philadelphia	14,096,000
Cleveland	73,503,000
Richmond	20,684,000
Atlanta	21,817,000
Chicago	117,330,000
St. Louis	44,770,000
Minneapolis	29,644,000
Kansas City	24,794,000
Dallas	10,712,000
San Francisco	45,262,000
Treasury	<u>6,601,000</u>
TOTAL	\$873,123,000

For

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

480

IMMEDIATE RELEASE,
Friday, November 28, 1952.

S-3251

The Secretary of the Treasury today announced the subscription and allotment figures with respect to the offering of additional amounts of the 2 percent Treasury Certificates of Indebtedness of Series C-1953, dated August 15, 1952, open to the holders of Treasury Certificates of Indebtedness of Series F-1952, maturing December 1, 1952.

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thousands of Revenue workers my sincere respects.

And so today marks the commemoration of the completion of the initial phase of the operation of the President's Reorganization Plan No. 1 of 1952. From today forward, we take up the arduous program of Phase 2, with determination and assurance that henceforth the American people will have an efficient, competent Revenue Service of which they can be truly proud.

competent Revenue Service officials and employees who kept the Bureau of Internal Revenue going through tough, gruelling years despite all the obstacles and roadblocks that were encountered. But for those loyal people, reorganization never could have been accomplished. For their constant, unwavering fidelity to duty in very trying times, I am glad to take this opportunity to pay those tens of

have done our best to place in these posts of high responsibility the most capable persons available.

All of them had to meet rigid Civil Service standards. All of them are under the merit system, which now governs appointments and promotions throughout the reorganized Revenue Service below the office of Commissioner of Internal Revenue.

In closing, I want to pay tribute to the loyal, tireless,

too highly the job that he has
done. *A few days ago* ~~This month~~ it was my privilege
to appoint him as the District
Commissioner at Dallas, so that he
might continue in his home city the
brilliant Civil Service career which
he started there almost 20 years ago.

The character and effectiveness
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1947 when he was called from the field to help us improve the business operations of the Bureau. I later called him to Washington to direct a chain of "racket squads" assigned to run down tax evaders in the field of professional crime -- and he did an outstanding job. Because of his high capabilities and grass roots experience in the Revenue field, I prevailed upon him to take the post of Commissioner, and I cannot praise

totals more than 29 years. It may interest you to know that about 70 percent of the persons selected as key officials in the reorganized Revenue Service throughout the country have been Revenue career men. Together they average better than 20 years of service to the Bureau.

A career man -- John B. Dunlap -- was my right arm in this entire reorganization. His capabilities first came to my attention back in

These men are typical of the kind of officials that we have selected for all 17 districts -- career men with long experience in tax work and ⁵exceptional administrative ability. Next January, Mr. Neal will have completed 40 years of service in the Internal Revenue Bureau, more than 25 years of which he has spent as Internal Revenue Agent in Charge at Detroit. Mr. Menninger's service in the Bureau

on various reorganization assignments in addition to their already heavy responsibilities, and local citizens and groups who volunteered their assistance.

I have been happy today to hear the many expressions of your satisfaction in having career man George Neal as your District Commissioner for Michigan and career man Albert Menninger as your State Director.

Revenue Service were but some of the many problems we had to meet in less than nine months' time, while carrying on the regular operations of the Bureau.

I can assure you that this tremendous task could never have been accomplished without the wholehearted cooperation of all our Internal Revenue employees, the Civil Service Commission, Treasury and Revenue staff members who took

revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

The recruitment of top flight personnel to fill top supervisory posts, the consolidation and reorganization of far-flung offices, the indoctrination of employees in their new responsibilities, housing and space problems, new accounting and reporting procedures, and acquainting the public with the new

organization in the world, with more than 1,250 offices and posts of duty located throughout 48 States, Alaska, Hawaii and Puerto Rico.

Moreover, as I said this afternoon, unlike a factory or assembly plant, the Bureau could not be closed down for a week or a month while the old system was abolished and the new system installed. The Bureau had to go right on collecting the Nation's

into effect once it had the approval of Congress. The President submitted the plan to Congress on January 14th of this year. The plan became effective last March 15th, and between then and today, December 1st, the entire reorganization had to be completed.

You can get some idea of the magnitude of the job when you stop to think that the Bureau of Internal Revenue is the largest business

Another feature of the reorganization is the establishment of a strong, independent Inspection Service to assure thorough, continuing checks on the conduct of Bureau employees and the performance of the Bureau's field offices.

While the plan is in essence a very simple one, it is hard to imagine the thought and energy which went into planning the details of this reorganization and putting it

REP

Service a career service, by eliminating all political appointees with the single exception of the Commissioner.

*L It provides a strong and responsive field organization which will eliminate complexities for the taxpayer and improve methods of supervision. Today, for the most part, a taxpayer need not travel outside his home state to take care of any tax matter before the Revenue Service.

continued improvement in its operations. The new reorganization does, however, provide an excellent framework around which future adjustments can be fitted, and it is to my mind one of the most progressive steps in Government administration which has been taken in many years.

Here, in brief, is what the new reorganization does.

It makes the Federal Revenue

deal of study went into consideration of the best features of these differing proposals before the new plan of organization finally was evolved.

The plan finally adopted was the composite result of the best thinking obtainable. With a business organization the size of the Bureau of Internal Revenue, employing more than 57,000 persons, there will, of course, always have to be

know that no haphazardly run organization could do such a job.

Nevertheless, our postwar studies made it increasingly apparent to me and to outside groups studying the Bureau's problems, that we could render even better service to the public if we had a more efficient organizational framework. Needless to say, no two groups came up with the same answers to the problem, and a great

As a result of our various management improvements, I have been able to report to the Congress the saving of millions of dollars' worth of man-hours, permitting the release of many of our people from routine work to front line enforcement of our revenue laws. Today it costs less than half a cent to collect each tax dollar. This is a figure that businessmen can readily appreciate, for they

to solve the war-born problems of tax collection.

The results of the management improvement efforts were many and varied. To mention just a few -- voluntary compliance by taxpayers was increased by the simplification of tax forms and instructions; routine functions were decentralized; tax collection procedures were streamlined; and tabulating and other modern office equipment were installed.

overhaul of the Bureau's operations.

Shortly after taking office, I called to Washington in October 1946 all key Revenue officials to plan and initiate an intensive program to overhaul, streamline, and modernize the tax collection system. Management skill and experience from every source were tapped -- from the lower ranking Bureau employees to the most skilled management experts in the country --

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Between 1940 and 1946, revenue collections increased sevenfold and tax returns to be processed quadrupled. The Bureau had to meet this increased workload the best it could, for in the midst of war there was neither the time, the men, nor the machinery to

and defense production, but we have had to raise unprecedented sums of money to finance the continuing fight for freedom.

This latter responsibility placed a tremendous strain on the business operations of the Bureau of Internal Revenue which, prior to our current reorganization, had been trying to function under a century-old organizational framework -- an organizational structure never

placing into effect since 1946.

I know that I need not remind this audience of businessmen, bankers, industrialists, lawyers, accountants, tax authorities and Government officials of the tremendous impact that the events of the past decade have had on every segment of our economy. We have not only had to greatly expand the productivity of our farms and factories to meet the needs of war

Committee on Internal Revenue
Taxation, the Senate Finance
Committee, [the House Ways and
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of plans for an improved tax administration service in which I have been actively interested almost from the first day I became Secretary of the Treasury. It is the result of intensive study of the operations of the Bureau by Treasury and Bureau officials, private management engineering experts, the House Appropriations Committee staff, the Advisory Group of the Joint

best possible advantage to the taxpayer and the Government. It includes continuing study of all reorganized operations and the making of such adjustments as are found necessary.

While the reorganization plan bears the date of 1952, the new era in the Federal Revenue Service which it inaugurates is by no means the product of one year's efforts. It is the culmination

As Phase 1 of reorganization -- the effecting of organizational changes and the assignment of personnel -- was completed in one after another of the 17 new districts across the country, Phase 2 was started immediately.

Phase 2 of the reorganization plan is the "follow through" phase. It is the phase of detailed measures at all levels to make certain that reorganization is working with the

Service affairs in their localities. Under Secretary Foley has had the same experience. The newspapers, newsreels, radio and television services have been generous with their reports of our progress.

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ceremonies. Civic leaders, school and college authorities, local and State officials, judges, members of Congress and others have shown an active, enthusiastic interest in every installation program.

Numberless people have come to me at the conclusion of the ceremonies to say they were impressed with the obviously high character of the men chosen to direct Revenue

of new officers in as many new Internal Revenue districts over the country under the reorganization plan, beginning with the one in Chicago on May 20 and ending with the one held this afternoon in this same beautiful memorial structure. I have had the privilege of personally participating in all but three of them. In every instance we have had the finest cooperation in holding these

you should place your stamp of approval on what has been done in the Internal Revenue Bureau to better serve the American public. Yours is expert opinion, and for this expression of it you have our warmest appreciation.

I am pleased to say that we have had similar expressions throughout the Nation.

Seventeen ceremonies in all have been held for the installation

- 2 -

defective mechanisms, excel in every manner of undertaking for human advancement. That has been true through the years as Detroit emerged from the limitations of frontier life and began developing the imposing community of today.

It is exceptionally gratifying, therefore, to me and to my associates in the Treasury Department that in gathering here tonight,

I am happy to join with you at this dinner, given in recognition of a marked achievement in the public service. That achievement is the completion here today in the great city of Detroit of Phase 1 of the reorganization of the Bureau of Internal Revenue.

Detroit is well accustomed to achievements of major magnitude. Your leaders, never content with inadequate organizations and

ADDRESS BY SECRETARY SNYDER

AT

TESTIMONIAL DINNER FOR
INTERNAL REVENUE DISTRICT COMMISSIONER
FOR THE STATE OF MICHIGAN

"THE COMPLETION OF REVENUE SERVICE
REORGANIZATION, PHASE 1."

VETERANS' MEMORIAL BUILDING
DETROIT, MICHIGAN
DECEMBER 1, 1952
8:30 p.m.

SECRET

218

The following address by Secretary Snyder before
 a dinner given by the Detroit Board of Commerce in recognition
 of the completion of reorganization of the Internal Revenue
 Service, is scheduled for delivery at 8:30 p.m. ^{EST, Monday, December 1}
in the Veterans' Memorial Building, Detroit, and is for release
at that time.

THE COMPLETION OF REVENUE SERVICE REORGANIZATION, PHASE I

5-3252

TREASURY DEPARTMENT
Washington

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THE COMPLETION OF REVENUE SERVICE REORGANIZATION, PHASE I

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Detroit is well accustomed to achievements of major magnitude. Your leaders, never content with inadequate organizations and defective mechanisms, excel in every manner of undertaking for human advancement. That has been true through the years as Detroit emerged from the limitations of frontier life and began developing the imposing community of today.

It is exceptionally gratifying, therefore, to me and to my associates in the Treasury Department that in gathering here tonight, you should place your stamp of approval on what has been done in the Internal Revenue Bureau to better serve the American public. Yours is expert opinion, and for this expression of it you have our warmest appreciation.

I am pleased to say that we have had similar expressions throughout the Nation.

Seventeen ceremonies in all have been held for the installation of new officers in as many new Internal Revenue districts over the country under the reorganization plan, beginning with the one in Chicago on May 20 and ending with the one held this afternoon in this same beautiful memorial structure. I have had the privilege of personally participating in all but three of them. In every instance we have had the finest cooperation in holding these ceremonies. Civic leaders, school and college authorities, local and State officials, judges, members of Congress and others have shown an active, enthusiastic interest in every installation program. Numberless people have come to me at the conclusion of the ceremonies to say they were impressed with the obviously high character of the men chosen to direct Revenue Service affairs in their localities. Under Secretary Foley has had the same experience. The newspapers, newsreels, radio and television services have been generous with their reports of our progress.

It is reassuring that the public regards the reorganization undertaking as a sound, progressive and praiseworthy improvement in our governmental system.

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While the reorganization plan bears the date of 1952, the new era in the Federal Revenue Service which it inaugurates is by no means the product of one year's efforts. It is the culmination of plans for an improved tax administration service in which I have been actively interested almost from the first day I became Secretary of the Treasury. It is the result of intensive study of the operations of the Bureau by Treasury and Bureau officials, private management engineering experts, the House Appropriations Committee staff, the Advisory Group of the Joint Committee on Internal Revenue Taxation, the Senate Finance Committee, the House Ways and Means Committee, the Hoover Commission, and many others. The plan approved by Congress is the capstone of a long series of studies, suggestions, and actual operating improvements which the Treasury and the Bureau management staffs have been considering and placing into effect since 1946.

I know that I need not remind this audience of businessmen, bankers, industrialists, lawyers, accountants, tax authorities and Government officials of the tremendous impact that the events of the past decade have had on every segment of our economy. We have not only had to greatly expand the productivity of our farms and factories to meet the needs of war and defense production, but we have had to raise unprecedented sums of money to finance the continuing fight for freedom.

This latter responsibility placed a tremendous strain on the business operations of the Bureau of Internal Revenue which, prior to our current reorganization, had been trying to function under a century-old organizational framework -- an organizational structure never designed to meet the heavy responsibilities and increased workload that the Bureau had to assume.

Between 1940 and 1946, revenue collections increased sevenfold and tax returns to be processed quadrupled. The Bureau had to meet this increased workload the best it could, for in the midstream of war there was neither the time, the men, nor the machinery to accomplish the necessary overhauling.

At the close of the War there was still a gigantic job ahead. Individual tax returns were being received twice as fast as they could be handled, and there was a steadily mounting backlog of returns to be checked and processed. But with manpower and machinery once more becoming available, it was possible to start a thorough overhaul of the Bureau's operations.

Shortly after taking office, I called to Washington in October 1946 all key Revenue officials to plan and initiate an intensive program to overhaul, streamline, and modernize the tax collection system. Management skill and experience from every source were tapped -- from the lower ranking Bureau employees to the most skilled management experts in the country -- to solve the war-born problems of tax collection.

The results of the management improvement efforts were many and varied. To mention just a few -- voluntary compliance by taxpayers was increased by the simplification of tax forms and instructions; routine functions were decentralized; tax collection procedures were streamlined; and tabulating and other modern office equipment were installed.

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The plan finally adopted was the composite result of the best thinking obtainable. With a business organization the size of the Bureau of Internal Revenue, employing more than 57,000 persons, there will, of course, always have to be continued improvement in its operations. The new reorganization does, however, provide an excellent framework around which future adjustments can be fitted, and it is to my mind one of the most progressive steps in Government administration which has been taken in many years.

Here, in brief, is what the new reorganization does.

It makes the Federal Revenue Service a career service, by eliminating all political appointees with the single exception of the Commissioner.

It provides a strong and responsive field organization which will eliminate complexities for the taxpayer and improve methods of supervision. Today, for the most part, a taxpayer need not travel outside his home state to take care of any tax matter before the Revenue Service.

Another feature of the reorganization is the establishment of a strong, independent Inspection Service to assure thorough, continuing checks on the conduct of Bureau employees and the performance of the Bureau's field offices.

While the plan is in essence a very simple one, it is hard to imagine the thought and energy which went into planning the details of this reorganization and putting it into effect once it had the approval of Congress. The President submitted the plan to Congress on January 14th of this year. The plan became effective last March 15th, and between then and today, December 1st, the entire reorganization had to be completed.

You can get some idea of the magnitude of the job when you stop to think that the Bureau of Internal Revenue is the largest business organization in the world, with more than 1,250 offices and posts of duty located throughout 48 States, Alaska, Hawaii and Puerto Rico.

Moreover, as I said this afternoon, unlike a factory or assembly plant, the Bureau could not be closed down for a week or a month while the old system was abolished and the new system installed. The Bureau had to go right on collecting the Nation's revenues and doing the rest of its huge daily job, while making the changes called for in the plan.

The recruitment of top flight personnel to fill top supervisory posts, the consolidation and reorganization of far-flung offices, the indoctrination of employees in their new responsibilities, housing and space problems, new accounting and reporting procedures, and acquainting the public with the new Revenue Service were but some of the many problems we had to meet in less than nine months' time, while carrying on the regular operations of the Bureau.

I can assure you that this tremendous task could never have been accomplished without the wholehearted cooperation of all our Internal Revenue employees, the Civil Service Commission, Treasury and Revenue staff members who took on various reorganization assignments in addition to their already heavy responsibilities, and local citizens and groups who volunteered their assistance.

I have been happy today to hear the many expressions of your satisfaction in having career man George Neal as your District Commissioner for Michigan and career man Albert Menninger as your State Director.

These men are typical of the kind of officials that we have selected for all 17 districts -- career men with long experience in tax work and

exceptional administrative ability. Next January, Mr. Neal will have completed 40 years of service in the Internal Revenue Bureau, more than 25 years of which he has spent as Internal Revenue Agent in Charge at Detroit. Mr. Menninger's service in the Bureau totals more than 29 years. It may interest you to know that about 70 percent of the persons selected as key officials in the reorganized Revenue Service throughout the country have been Revenue career men. Together they average better than 20 years of service to the Bureau.

A career man -- John B. Dunlap -- was my right arm in this entire reorganization. His capabilities first came to my attention back in 1947 when he was called from the field to help us improve the business operations of the Bureau. I later called him to Washington to direct a chain of "racket squads" assigned to run down tax evaders in the field of professional crime -- and he did an outstanding job. Because of his high capabilities and grass roots experience in the Revenue field, I prevailed upon him to take the post of Commissioner, and I cannot praise too highly the job that he has done. A few days ago it was my privilege to appoint him as the District Commissioner at Dallas, so that he might continue in his home city the brilliant Civil Service career which he started there almost 20 years ago.

The character and effectiveness of Federal tax administration are dependent directly upon the caliber of men and women chosen for key administrative positions. We have done our best to place in these posts of high responsibility the most capable persons available.

All of them had to meet rigid Civil Service standards. All of them are under the merit system, which now governs appointments and promotions throughout the reorganized Revenue Service below the office of Commissioner of Internal Revenue.

In closing, I want to pay tribute to the loyal, tireless, competent Revenue Service officials and employees who kept the Bureau of Internal Revenue going through tough, gruelling years despite all the obstacles and roadblocks that were encountered. But for those loyal people, reorganization never could have been accomplished. For their constant, unwavering fidelity to duty in very trying times, I am glad to take this opportunity to pay those tens of thousands of Revenue workers my sincere respects.

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1-3253

RELEASE MORNING NEWSPAPERS,
Tuesday, December 2, 1952.

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 December 4, 1952, and to mature March 5, 1953, which were offered on November 27, were opened at the Federal Reserve Banks on December 1.

The details of this issue are as follows:

Total applied for - \$1,835,680,000
 Total accepted - 1,300,050,000 (includes \$181,992,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.482 1/2 Equivalent rate of discount approx. 2.049% per annum
 Range of accepted competitive bids:
 High - 99.550 Equivalent rate of discount approx. 1.780% per annum
 Low - 99.469 " " " " " 2.101% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 11,100,000	\$ 11,100,000
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Cleveland	39,051,000	39,051,000
Richmond	16,893,000	16,803,000
Atlanta	25,244,000	25,144,000
Chicago	230,834,000	224,534,000
St. Louis	23,435,000	21,255,000
Minneapolis	10,371,000	10,371,000
Kansas City	46,723,000	46,723,000
Dallas	40,067,000	40,067,000
San Francisco	95,959,000	95,059,000
TOTAL	\$1,835,680,000	\$1,300,050,000

Erno M. E. J. B.

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

523

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S-3253

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TOTAL	\$1,835,680,000	\$1,300,050,000

and its some 300 companion
associations throughout the
country are making a vital
contribution to our democracy
by your cooperative and
continuing efforts to improve
the efficiency, increase the
output, and lower the costs
of Government service.

administration field are seldom headlined. Yet they represent actions of importance to every citizen. As I mentioned at the beginning of my talk, sound business administration is the interwoven thread which determines to a great extent the success with which we carry out all the major functions of Government.

Your Federal Business
Association here in Pittsburgh

business management field during the postwar years, I would be here all afternoon. Neither my time nor your patience permits that. I have tried, however, to outline some of the problems with which we have dealt. I know that you have had to face comparable problems.

⁶
The results of our various endeavors in the business

have traveled to various parts of the country in recent weeks to complete our new revenue installations, to have many citizens come up to me and tell me how delighted they are at the high caliber of the officials chosen to direct the revenue affairs of their district.

If I were to give you a complete synopsis of all the Treasury's activities in the

Service to assure thorough, continuing checks on the conduct of Bureau employees and the performance of the Bureau's field offices.

In those districts where the plan has been in operation for a number of months, we have been receiving many commendations from tax practitioners and the general public on the way it has been working out. I have also been pleased, as I

of the office of Commissioner of Internal Revenue, is now filled by Civil Service appointees.

Second, it provides a strong and responsible field organization which will eliminate complexities for the taxpayer and improve methods of supervision.

Third, it establishes a strong, independent inspection

reorganization of the Bureau to remove structural weaknesses, provide for speedier, more efficient and more accurate service, and help make certain that the Revenue Service will enjoy the public's full confidence. Principal advantages of the reorganization are these:

First, every post in the service, with the one exception

permitted us to release many of our people from routine collection work to frontline enforcement of our revenue laws. Today, it costs less than one-half a cent to collect a tax dollar.

Moreover, in addition to management improvements in the Bureau, we have just completed, pursuant to the President's Reorganization Plan No. 1 of 1952, a major

232

taxpayers has been increased by the simplification of tax forms and instructions; routine functions have been centralized; tax collection procedures have been simplified; tabulating and other modern office equipment have been installed on a large scale. These improvements have not only resulted in savings of millions of dollars, they have also

233

agencies of Government and
have expedited making funds
available for disbursement.

Still another example,
and one which has real
meaning for every taxpayer,
is the many improvements which
have been made in the business
operations of the Bureau
of Internal Revenue. Again
to mention just a few,
voluntary compliance by

Director of the Budget, and myself, and which is now being carried on at the direction of the Congress under the Budget and Accounting Procedures Act of 1950. The new procedures which we have been able to institute under this Act have eliminated a substantial amount of paper work in the several departments and

After a series of successful pilot test studies, these procedures, commonly referred to as "dual screening," were permanently installed wherever feasible at border ports.

Another example is the progress we have made under the joint program to improve accounting in the Federal Government which was started about five years ago by the Comptroller General, the

of the Bureau of Customs and the Bureau of Immigration, as a result of recommendations made by a private management engineering study. The principal objective of this particular recommendation was to have one officer of either service perform the duties for both services in the preliminary screening of passengers and vehicles at border ports and stations.

savings have been utilized in meeting increased workloads, reducing appropriation requests, strengthening the enforcement work of some of the bureaus, and covering the cost of installing mechanized and other improved procedures.

One illustration of the improvements in departmental operations is the coordination of the inspection activities

the Treasury management improvement programs since June 1946, there have been monetary savings of many millions of dollars. Employee suggestions alone have resulted in estimated dollar savings of over \$2 million. Other savings, the value of which cannot readily be measured in terms of dollars, have also been effected. These

programs have been based on management efficiency studies within the Department, management surveys by private management engineering firms, and participation of all employees through a system of cash awards for efficiency, superior accomplishment, and management improvement suggestions.

As the direct result of

was one important difference, however. Manpower and equipment once more were becoming available and it was possible to start a thorough overhauling of the Department's business operations.

During my tenure of office, we have carried on aggressive management improvement programs to strengthen and modernize the operations of every bureau and office in the Treasury. These

facilities of a Department geared to a prewar volume of operations.

At the close of the war, there was still a gigantic job ahead. Backlogs of work had piled up in almost every bureau and office, and there was little, if any, diminution in service demands upon the Treasury as business and Government set out to meet reconversion problems. There

- 14 -

we have taken in the Treasury to improve and modernize its business operations.

While the war was going on, it had not been possible to modernize operations on the basis of new mechanical procedures. Personnel recruitment likewise was severely restricted. The tremendous increase in Treasury operations consequently had to be handled by the restricted

the splendid example you have set.

No matter in which direction you may be looking in Pittsburgh these days, you will find many evidences of its spectacular new beauty and the new era of importance it has assumed in the productive power of our Nation.

Somewhat more prosaic, but nonetheless important, is the record of progressive measures

talking to some experts in
the field. The progressive
measures which your business
and civic groups have taken
in recent years to modernize,
beautify, and revitalize
Pittsburgh have not only brought
your city new renown, but the
success of your cooperative
efforts has inspired many other
industrial communities
throughout America to follow

242
you for a few minutes about
some of the steps we have
taken in the Treasury, not
only to keep up with our
increased responsibilities, but
to cut the costs of our
business operations, while at
the same time, rendering
better service to the public.

When I speak in Pittsburgh
about management improvement
programs, I realize I am

examples of many ways in which our expanding economy has multiplied the workloads of the Government agencies or private business firms with which you are associated. You also know from personal experience that multiplied workloads bring in their wake a multiplicity of new problems in business management.

I should like to talk with

issues around 200 million checks every year. As for currency items, the figures are of stupendous magnitude -- 1-1/2 billion pennies, nickels, and dimes, and nearly 2 billion pieces of paper currency are issued annually to replace money which has become worn out or mutilated.

I have no doubt that each of you here today could cite from your experience, spectacular

As the financial arm of the Government, the Treasury, for example, now processes around 90 million tax returns of all kinds annually and in the last fiscal year collected tax revenues in the record sum of more than \$65 billion. Each year, it issues millions of separate savings bonds. It issues and redeems tens of billions of dollars of marketable securities. It

- 7 -

was far less than it is today.

I am sure that it would have staggered the imagination of many of my predecessors in office, as it would many of yours, if they had tried to conceive of the volume of business transactions that would one day flow through Government offices.

reconversion, and now defense needs has had tremendous repercussions on all phases of business operation in this country. The very magnitude of many of the essential business activities we are called upon to perform today has outmoded management techniques and business procedures once considered adequate to handle these activities when the volume

affairs has always been an important responsibility of those of us in Federal service, at no time in our history has this responsibility been greater or the management problems with which we have been confronted been more complex.

The unprecedented expansion of our economy in the past decade to meet first war, then

always had unusual responsibilities in this regard. Government business is the people's business. The taxes they pay finance its necessary and varied functions. The many services which the Government renders in return affect directly or indirectly the daily lives of every American.

While the efficient administration of governmental

you know, is an important factor in all Government operations. It is the interwoven thread which determines to a large extent the strength of the entire Government fabric. For in Government, as in private enterprise, you can carry out your major assignments successfully only if you have an efficient business organization.

Government officials have

justly proud.

Your primary objectives --
greater economy and efficiency
in Government administration,
and better service to the
American people -- are objectives
which have been close to my
heart throughout my term of
office as Secretary of the
Treasury.

Business administration, as

It is a real pleasure to meet with the members of the Federal Business Association of Pittsburgh. This would, I presume, be termed a "white collar" group, and I understand that white collars are more in evidence in Pittsburgh now that the "smog" has been banished from your city. But whatever the color of the collars, you represent an organization of which the Government can be

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228

ADDRESS BY SECRETARY SNYDER
AT LUNCHEON MEETING OF
THE FEDERAL BUSINESS ASSOCIATION
OF PITTSBURGH

"MANAGEMENT IN GOVERNMENT"

SHERATON HOTEL
PITTSBURGH, PENNSYLVANIA
DECEMBER 2, 1952
12:00 NOON

221

The following address by Secretary Snyder before the Federal Business Association of Pittsburgh at a luncheon meeting in the Sheraton Hotel, Pittsburgh, is scheduled for delivery at 1 p.m. EST Tuesday, December 2, 1952, and is for release at that time.

MANAGEMENT IN GOVERNMENT

5-3254

TREASURY DEPARTMENT
Washington

The following address by Secretary Snyder before the Federal Business Association of Pittsburgh at a luncheon meeting in the Sheraton Hotel, Pittsburgh, is scheduled for delivery at 1 p.m. EST, Tuesday, December 2, 1952, and is for release at that time.

MANAGEMENT IN GOVERNMENT

It is a real pleasure to meet with the members of the Federal Business Association of Pittsburgh. This would, I presume, be termed a "white collar" group, and I understand that white collars are more in evidence in Pittsburgh now that the "smog" has been banished from your city. But whatever the color of the collars, you represent an organization of which the Government can be justly proud.

Your primary objectives -- greater economy and efficiency in Government administration, and better service to the American people -- are objectives which have been close to my heart throughout my term of office as Secretary of the Treasury.

Business administration, as you know, is an important factor in all Government operations. It is the interwoven thread which determines to a large extent the strength of the entire Government fabric. For in Government, as in private enterprise, you can carry out your major assignments successfully only if you have an efficient business organization.

Government officials have always had unusual responsibilities in this regard. Government business is the people's business. The taxes they pay finance its necessary and varied functions. The many services which the Government renders in return affect directly or indirectly the daily lives of every American.

While the efficient administration of governmental affairs has always been an important responsibility of those of us in Federal service, at no time in our history has this responsibility been greater or the management problems with which we have been confronted been more complex.

The unprecedented expansion of our economy in the past decade to meet first war, then reconversion, and now defense needs has had tremendous repercussions on all phases of business operation in this country. The very magnitude of many of the essential business activities we are called

upon to perform today has outmoded management techniques and business procedures once considered adequate to handle these activities when the volume was far less than it is today.

I am sure that it would have staggered the imagination of many of my predecessors in office, as it would many of yours, if they had tried to conceive of the volume of business transactions that would one day flow through Government offices.

As the financial arm of the Government, the Treasury, for example, now processes around 90 million tax returns of all kinds annually and in the last fiscal year collected tax revenues in the record sum of more than \$65 billion. Each year, it issues millions of separate savings bonds. It issues and redeems tens of billions of dollars of marketable securities. It issues around 200 million checks every year. As for currency items, the figures are of stupendous magnitude -- 1-1/2 billion pennies, nickels, and dimes, and nearly 2 billion pieces of paper currency are issued annually to replace money which has become worn out or mutilated.

I have no doubt that each of you here today could cite from your experience, spectacular examples of many ways in which our expanding economy has multiplied the workloads of the Government agencies or private business firms with which you are associated. You also know from personal experience that multiplied workloads bring in their wake a multiplicity of new problems in business management.

I should like to talk with you for a few minutes about some of the steps we have taken in the Treasury, not only to keep up with our increased responsibilities, but to cut the costs of our business operations, while at the same time rendering better service to the public.

When I speak in Pittsburgh about management improvement programs, I realize I am talking to some experts in the field. The progressive measures which your business and civic groups have taken in recent years to modernize, beautify, and revitalize Pittsburgh have not only brought your city new renown, but the success of your cooperative efforts has inspired many other industrial communities throughout America to follow the splendid example you have set.

No matter in which direction you may be looking in Pittsburgh these days, you will find many evidences of its spectacular new beauty and the new era of importance it has assumed in the productive power of our Nation.

Somewhat more prosaic, but nonetheless important, is the record of progressive measures we have taken in the Treasury to improve and modernize its business operations.

While the war was going on, it had not been possible to modernize operations on the basis of new mechanical procedures. Personnel recruitment likewise was severely restricted. The tremendous increase in Treasury operations consequently had to be handled by the restricted facilities of a Department geared to a prewar volume of operations.

At the close of the war, there was still a gigantic job ahead. Backlogs of work had piled up in almost every bureau and office, and there was little, if any, diminution in service demands upon the Treasury as business and Government set out to meet reconversion problems. There was one important difference, however. Manpower and equipment once more were becoming available and it was possible to start a thorough overhauling of the Department's business operations.

During my tenure of office, we have carried on aggressive management improvement programs to strengthen and modernize the operations of every bureau and office in the Treasury. These programs have been based on management efficiency studies within the Department, management surveys by private management engineering firms, and participation of all employees through a system of cash awards for efficiency, superior accomplishment, and management improvement suggestions.

As the direct result of the Treasury management improvement programs since June 1946, there have been monetary savings of many millions of dollars. Employee suggestions alone have resulted in estimated dollar savings of over \$2 million. Other savings, the value of which cannot readily be measured in terms of dollars, have also been effected. These savings have been utilized in meeting increased workloads, reducing appropriation requests, strengthening the enforcement work of some of the bureaus, and covering the cost of installing mechanized and other improved procedures.

One illustration of the improvements in departmental operations is the coordination of the inspection activities of the Bureau of Customs and the Bureau of Immigration, as a result of recommendations made by a private management engineering study. The principal objective of this particular recommendation was to have one officer of either service perform the duties for both services in the preliminary screening of passengers and vehicles at border ports and stations. After a series of successful pilot test studies, these procedures, commonly referred to as "dual screening," were permanently installed wherever feasible at border ports.

Another example is the progress we have made under the joint program to improve accounting in the Federal Government which was started about five years ago by the Comptroller General, the Director of the Budget, and myself, and which is now being carried on at the direction of the Congress under the Budget and Accounting Procedures Act of 1950. The new procedures which we have been able to institute under this Act have eliminated a substantial amount of paper work in the several departments and

agencies of Government and have expedited making funds available for disbursement.

Still another example, and one which has real meaning for every taxpayer, is the many improvements which have been made in the business operations of the Bureau of Internal Revenue. Again to mention just a few, voluntary compliance by taxpayers has been increased by the simplification of tax forms and instructions; routine functions have been centralized; tax collection procedures have been simplified; tabulating and other modern office equipment have been installed on a large scale. These improvements have not only resulted in savings of millions of dollars, they have also permitted us to release many of our people from routine collection work to frontline enforcement of our revenue laws. Today, it costs less than one-half a cent to collect a tax dollar.

Moreover, in addition to management improvements in the Bureau, we have just completed, pursuant to the President's Reorganization Plan No. 1 of 1952, a major reorganization of the Bureau to remove structural weaknesses, provide for speedier, more efficient and more accurate service, and help make certain that the Revenue Service will enjoy the public's full confidence. Principal advantages of the reorganization are these:

First, every post in the service, with the one exception of the office of Commissioner of Internal Revenue, is now filled by Civil Service appointees.

Second, it provides a strong and responsible field organization which will eliminate complexities for the taxpayer and improve methods of supervision.

Third, it establishes a strong, independent Inspection Service to assure thorough, continuing checks on the conduct of Bureau employees and the performance of the Bureau's field offices.

In those districts where the plan has been in operation for a number of months, we have been receiving many commendations from tax practitioners and the general public on the way it has been working out. I have also been pleased, as I have traveled to various parts of the country in recent weeks to complete our new revenue installations, to have many citizens come up to me and tell me how delighted they are at the high caliber of the officials chosen to direct the revenue affairs of their district.

If I were to give you a complete synopsis of all the Treasury's activities in the business management field during the postwar years, I would be here all afternoon. Neither my time nor your patience permits that. I have tried, however, to outline some of the problems with which we have dealt. I know that you have had to face comparable problems.

- 5 -

The results of our various endeavors in the business administration field are seldom headlined. Yet they represent actions of importance to every citizen. As I mentioned at the beginning of my talk, sound business administration is the interwoven thread which determines to a great extent the success with which we carry out all the major functions of Government.

Your Federal Business Association here in Pittsburgh and its some 300 companion associations throughout the country are making a vital contribution to our democracy by your cooperative and continuing efforts to improve the efficiency, increase the output, and lower the costs of Government service.

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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.

ALPHA

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 December 11, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 11, 1952. 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

Exhibit

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TREASURY DEPARTMENT
Washington

5-3255

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, December 4, 1952 .
(1)

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 December 11, 1952 , in the amount of \$1,200,934,000 , to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated December 11, 1952 , and will mature March 12, 1953 , 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, December 8, 1952. 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

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



568

RELEASE MORNING NEWSPAPERS,
Thursday, December 4, 1952

S-3255

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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 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 on completed at the Federal Reserve Bank on December 11, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 11, 1952. 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.

Of the 21 Directors named from Civil Service registers, 7 were Collectors of Internal Revenue who did not have Civil Service status ^{until they passed examinations;} one was an Acting Collector; 5 were Revenue Service employees; 8 were candidates from without the Revenue Service.

Five of the Directors were appointed on an acting basis, pending permanent appointments. They went on duty at Los Angeles, Calif.; Hartford, Conn.; Reno, Nev.; Pittsburgh, Pa., and Parkersburg, W. Va.

"The Revenue Service has now been given an excellent framework," said Secretary Snyder. "From this point on, the public can look forward to years of steady improvement in this vital arm of the Government as new and better ways of doing business are developed in response to the demands of a growing national economy."

The headquarters offices of the 17 new District Commissioners are located in Chicago, New York, Baltimore, Buffalo, Boston, Atlanta, ~~San Diego~~ Louisville, St. Paul, Philadelphia, St. Louis, Dallas, Birmingham, ~~Denver~~ Seattle, Denver, Los Angeles, Cleveland and Detroit.

582

7

A selection board of top Treasury career officials was created to review the qualifications of individuals both within and without the Revenue Service who were eligible for consideration for appointment. In those

instances where positions were filled without Civil Service examinations, ^{because the candidates already had Civil Service status,} the selection board made recommendations to the Commissioner of Internal Revenue and

the Secretary of the Treasury on the candidates for these positions. ^{In turn, the Secretary made recommendations to the Civil Service Commission} In instances where Civil Service examinations were held, the selection board reviewed the qualifications of the people highest on the Civil Service registers. ^{per final approval}

In the final appointive action, all 17 new District Commissioners of Internal Revenue were chosen from among career employees of the Bureau of Internal Revenue. They were men whose long years of outstanding service in the Bureau fitted them exceptionally well for the new and wider duties. Many of them could boast of a round a quarter of a century or more of experience in Revenue Service responsibilities of a high order.

The 64 Directors of Internal Revenue were chosen as follows: 41 were career employees in the Bureau -- 10 of them Collectors or Acting Collectors; 21 were named from Civil Service registers; 2 were transferred from other Government agencies (one from the General Accounting Office and one from the Savings Bonds Division of the ~~of the~~ Treasury.)

With reference to inquiries as to why only 17 new districts were created this year, although the reorganization plan provided for a maximum of 25, Secretary Snyder pointed out that the present limitation anticipates future expansion needs. Population growth and shifts in the location of great industrial centers may alter the requirements on the Revenue Service in future years. If important changes occur, it will be possible for the Revenue Service to modify the arrangement of districts accordingly, so as to maintain a service of maximum efficiency and convenience to taxpayers.

A prime objective of the Treasury and the Revenue Bureau *and* ~~the Civil Service Commission~~ has been to see that only the most capable men available were named to the Civil Service posts of district commissioner, director of internal revenue, and other supervisory and staff positions.

There is a stronger and more responsive field organization, with improved supervision at all levels.

An independent inspection service is operating throughout the Revenue Bureau, making a thorough, continuous check on the conduct of all Bureau employees and the performance of field offices.

As evidence of public approval of reorganization, Secretary Snyder pointed today to the enthusiastic cooperation which he said had been given to the Treasury and Bureau officials at every point where ceremonies to install the new officials were held.

Governors, members of Congress, judges, other local and State officials, school and college authorities, and civic leaders and groups participated with active interest in the arrangements for the installation programs. Chambers of Commerce, city governments, and other organizations voiced their endorsement of reorganization. The State House was the scene of the ceremony in Boston; many of the programs were held in high school or college auditoriums. There were generous reports of the ceremonies by the press, radio, television and newsreel facilities.

4

For the taxpayer, an important feature of reorganization is the fact that hereafter he may conduct all his Federal tax business with a single office -- that of his director of internal revenue, or the office of a local representative of the director. Heretofore, administrative responsibility has had to be so dispersed in the field service of the Revenue Bureau that a taxpayer with a variety of tax troubles might have to take them to several different offices for adjustment. "One stop service" is the goal of the reorganized Revenue Service.

~~With the elimination of complexities for the taxpayer~~

But elimination of complexities for the taxpayer is only one of many benefits of reorganization to which Treasury and Bureau of Internal Revenue officials have pointed.

The entire Revenue Service is now a career service, except for the one office of Commissioner of Internal Revenue at Washington. ~~Every politically-appointed collector of internal revenue is now out of office; the~~ new district commissioners and directors are all under Civil Service.

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272

"follow through" phase, embodying detailed measures at all levels of responsibility to make certain that reorganization is working with the best possible advantage to the taxpayer and the Government. It includes continuous study of all reorganized Revenue Service operations, with the making of such adjustments as are found necessary.

Reorganization of the Revenue Service -- or technically speaking, of the Bureau of Internal Revenue of the Treasury Department -- was effected under the authority of the President's Reorganization Plan No. 1 of 1952. This plan was submitted to Congress by the President on Secretary Snyder's recommendation last January, and was given the emphatic approval of Congress in March.

Secretary Snyder ordered full speed ahead in the implementing of the plan, and personally participated in a program at Chicago on May 20 for creation of the first new district -- the State of Illinois. The second new district was created a short time later, to serve the City of New York. Boundaries of the remaining 15 new districts were fixed, personnel chosen under Civil Service rules to fill the top positions in each, and the installation ceremonies conducted with such speed that Monday, December 1, saw the entire operation completed. *Secretary Snyder attended all but three of the installation ceremonies, and Under Secretary Foley attended all of them.*

Secretary Snyder described the effecting of organizational changes and assignment of personnel as Phase 1 of the reorganization undertaking.

Phase 2 is now under way throughout the nation. This is described by Bureau of Internal Revenue officials as the

278

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The plan was the capstone of six years of intensive study ~~made~~ of Revenue Bureau operations, and of a long series of preparatory steps , including many actual operating improvements. During the six years the Treasury received suggestions from many sources for betterment of Revenue Service equipment and methods.

Sunday release

*Release Sunday Newspapers
December 7, 1952*

5-3256

A new, thoroughly modernized and streamlined Federal Internal Revenue Service is now functioning throughout the United States. Transformation of the Service into an organization better designed and equipped to meet its heavy present-day responsibilities was completed with a ceremony at Detroit -- the last of 17 such programs -- for the installation of newly-^{appointed} Internal Revenue field officials.

Each installation ceremony marked the setting up of a new Internal Revenue district, with a district commissioner of internal revenue in charge as the chief supervisory official for the area. Serving under each district commissioner, and handling practically all the Federal tax affairs of the public, are one to five directors of internal revenue. The directors replace the former collectors of internal revenue, and in every instance have their headquarters in the same cities as did the collectors.

TREASURY DEPARTMENT

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Information Service

WASHINGTON, D.C.

576

RELEASE SUNDAY NEWSPAPERS
December 7, 1952

S-3256

A new, thoroughly modernized and streamlined Federal Internal Revenue Service is now functioning throughout the United States. Transformation of the Service into an organization better designed and equipped to meet its heavy present-day responsibilities was completed with a ceremony at Detroit -- the last of 17 such programs -- for the installation of newly-appointed Internal Revenue field officials.

Each installation ceremony marked the setting up of a new Internal Revenue District, with a District Commissioner of Internal Revenue in charge as the chief supervisory official for the area. Serving under each District Commissioner, and handling practically all the Federal tax affairs of the public, are one to five Directors of Internal Revenue. The Directors replace the former Collectors of Internal Revenue, and in every instance have their headquarters in the same cities as did the Collectors.

Reorganization of the Revenue Service -- or technically speaking, of the Bureau of Internal Revenue of the Treasury Department -- was effected under the authority of the President's Reorganization Plan No. 1 of 1952. This plan was submitted to Congress by the President on Secretary Snyder's recommendation last January, and was given the emphatic approval of Congress in March.

The plan was the capstone of six years of intensive study of Revenue Bureau operations, and of a long series of preparatory steps, including many actual operating improvements. During the six years the Treasury received suggestions from many sources for betterment of Revenue Service equipment and methods.

Secretary Snyder ordered full speed ahead in the implementing of the plan, and personally participated in a program at Chicago on May 20 for creation of the first new district -- the State of Illinois. The second new district was created a short time later, to serve the City of New York. Boundaries of the remaining 15 new districts were fixed, personnel chosen under Civil Service rules to fill the top positions in each, and the installation ceremonies conducted with such speed that Monday, December 1, saw the entire operation completed. Secretary Snyder attended all but three of the installation ceremonies, and Under Secretary Foley attended all of them.

Secretary Snyder described the effecting of organizational changes and assignment of personnel as Phase 1 of the reorganization undertaking.

Phase 2 is now under way throughout the nation. This is described by Bureau of Internal Revenue officials as the "follow through" phase, embodying detailed measures at all levels of responsibility to make certain that reorganization is working with the best possible advantage to the taxpayer and the Government. It includes continuous study of all reorganized Revenue Service operations, with the making of such adjustments as are found necessary.

For the taxpayer, an important feature of reorganization is the fact that hereafter he may conduct all his Federal tax business with a single office -- that of his Director of Internal Revenue, or the office of a local representative of the Director. Heretofore, administrative responsibility has had to be so dispersed in the field service of the Revenue Bureau that a taxpayer with a variety of tax troubles might have to take them to several different offices for adjustment. "One stop service" is the goal of the reorganized Revenue Service.

But elimination of complexities for the taxpayer is only one of many benefits of reorganization to which Treasury and Bureau of Internal Revenue officials have pointed.

The entire Revenue Service is now a career service, except for the one office of Commissioner of Internal Revenue at Washington. The new District Commissioners and Directors are all under Civil Service.

There is a stronger and more responsive field organization, with improved supervision at all levels.

An independent inspection service is operating throughout the Revenue Bureau, making a thorough, continuous check on the conduct of all Bureau employees and the performance of field offices.

As evidence of public approval of reorganization, Secretary Snyder pointed today to the enthusiastic cooperation which he said had been given to the Treasury and Bureau officials at every point where ceremonies to install the new officials were held.

Governors, members of Congress, judges, other local and State officials, school and college authorities, and civic leaders and groups participated with active interest in the arrangements for the installation programs. Chambers of Commerce, city governments, and other organizations voiced their endorsement of reorganization. The State House was the scene of the ceremony in Boston; many of the programs were held in high school or college auditoriums. There were generous reports of the ceremonies by the press, radio, television and newsreel facilities.

With reference to inquiries as to why only 17 new districts were created this year, although the reorganization plan provided for a maximum of 25, Secretary Snyder pointed out that the present limitation anticipates future expansion needs. Population growth and shifts in the location of great industrial centers may alter the requirements on the Revenue Service in future years. If important changes occur, it will be possible for the Revenue Service to modify the arrangement of districts accordingly, so as to maintain a service of maximum efficiency and convenience to taxpayers.

A prime objective of the Treasury and the Revenue Bureau and the Civil Service Commission has been to see that only the most capable men available were named to the Civil Service posts of District Commissioner, Director of Internal Revenue, and other supervisory and staff positions.

A selection board of top Treasury career officials was created to review the qualifications of individuals both within and without the Revenue Service who were eligible for consideration for appointment. In those instances where positions were filled without Civil Service examinations because the candidates already had Civil Service status, the selection board made recommendations to the Commissioner of Internal Revenue and the Secretary of the Treasury on the candidates for these positions. In turn, the Secretary made recommendations to the Civil Service Commission per final approval. In instances where Civil Service examinations were held, the selection board reviewed the qualifications of the people highest on the Civil Service registers.

In the final appointive action, all 17 new District Commissioners of Internal Revenue were chosen from among career employees of the Bureau of Internal Revenue. They were men whose long years of outstanding service in the Bureau fitted them exceptionally well for the new and wider duties. Many of them could boast of around a quarter of a century or more of experience in Revenue Service responsibilities of a high order.

The 64 Directors of Internal Revenue were chosen as follows: 41 were career employees in the Bureau -- 10 of them Collectors or Acting Collectors; 21 were named from Civil Service registers; 2 were transferred from other Government agencies (one from the General Accounting Office and one from the Savings Bonds Division of the Treasury.)

Of the 21 Directors named from Civil Service registers, 7 were Collectors of Internal Revenue who did not have Civil Service status until they passed examinations; one was an Acting Collector; 5 were Revenue Service employees; 8 were candidates from without the Revenue Service.

The headquarters offices of the 17 new District Commissioners are located in Chicago, New York, Baltimore, Buffalo, Boston, Atlanta, Louisville, St. Paul, Philadelphia, St. Louis, Dallas, Birmingham, Seattle, Denver, Los Angeles, Cleveland and Detroit.

"The Revenue Service has now been given an excellent framework," said Secretary Snyder. "From this point on, the public can look forward to years of steady improvement in this vital arm of the Government as new and better ways of doing business are developed in response to the demands of a growing national economy."

872
Immediate

IMMEDIATE RELEASE
Friday, December 5, 1952.

S-3257

A portrait of Chief Justice Fred M. Vinson of the Supreme Court was added today to the Treasury's collection of portraits of former Secretaries of the Treasury.

With the Chief Justice, Secretary Snyder, and numerous Treasury officials and friends looking on, the Vinson portrait was placed in the office of the Secretary, ~~Friday afternoon~~ *facing his desk.*

The portrait was painted by Thomas E. Stephens, whose studio is in New York City.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

580

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oOo

RELEASE MORNING NEWSPAPERS,
Tuesday, December 9, 1952.

L-3258

The Secretary of the Treasury announced last evening that the tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated December 11, 1952, and to mature March 12, 1953, which were offered on December 4, were opened at the Federal Reserve Banks on December 8.

The details of this issue are as follows:

Total applied for - \$1,943,514,000
 Total accepted - 1,200,142,000 (includes \$234,059,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.471/4 Equivalent rate of discount approx. 2.091% per annum

Range of accepted competitive bids:

High - 99.517 Equivalent rate of discount approx. 1.911% per annum
 Low - 99.466 " " " " " 2.113% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 22,107,000	\$ 20,477,000
New York	1,367,389,000	706,824,000
Philadelphia	33,200,000	16,200,000
Cleveland	31,298,000	31,298,000
Richmond	31,184,000	28,924,000
Atlanta	25,569,000	25,443,000
Chicago	202,007,000	166,858,000
St. Louis	40,262,000	32,502,000
Minneapolis	16,985,000	16,985,000
Kansas City	49,015,000	44,015,000
Dallas	40,630,000	37,878,000
San Francisco	83,868,000	72,738,000
Total	\$1,943,514,000	\$1,200,142,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
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S-3258

582

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San Francisco	83,868,000	72,738,000
TOTAL	\$1,943,514,000	\$1,200,142,000

serious problems which confront us, taking full courage from the record of our accomplishments in the past, and toward this end let us move with fortitude and confidence, determined in a united effort to build a peaceful world in which liberty and justice are the common property of all mankind.

To you members of the
Outdoor Advertising Association,
I particularly want to express
my warm thanks for the
imaginative and stimulating
part that you have taken in
making our thrift program
efforts so successful.

Today, as we face the
future it is of the greatest
importance that we, all of us,
make every effort to solve the

or so important in the economy.

It is to convincing advertising that I attribute a major credit for the fact that today over one-fifth of our public debt is in the form of savings bonds.

Advertising has, indeed, been one of the primary forces in the achievement of our sales goals through the years and will remain a key force in the future.

it was in June 1946.

The tremendous part which advertising has played in making the Savings Bonds Program a success cannot adequately be measured, although its results are obvious. Advertising holds a position in the United States which, in comparison to its position in other countries, is unique. Nowhere else is advertising so highly developed

during the postwar years.

You know the Results of
our Nation-wide efforts.

Despite the fact that many
bonds were redeemed to buy
homes, household furnishings,
automobiles, to provide
higher education for our youth,
and to meet various emergency
expenses, the volume of savings
bonds outstanding today is
nearly \$9 billion more than

to work to add your industry's
resources in a great volunteer
effort to bring the thrift

message to every community in

our land. It is ^{genuine evidence of} ~~a real~~

~~tribute to~~ the high esteem ^{in which}

~~evidenced toward~~ this objective ^{is help}

that the advertising industry

has made it possible for the

Savings Bonds Program to

receive some \$40 to \$50 million

annually in donated advertising

of purchasing power and at the same time, in the defense period, act as a deterrent to inflationary forces.

It was in this spirit that we have carried on in the postwar years, with your invaluable help and cooperation, a number of national thrift campaigns. You were given the blueprints and you went

In formulating our debt management policy during recent years, considerable stress has been laid on the encouragement of individual thrift. The Treasury Department, through its Savings Bonds Program, has continuously endeavored to stimulate savings which in turn would serve both to build up a strong backlog

maintaining continued public confidence in the credit of the United States has been made easier because of the financial policies we pursued earlier, and because increased revenues and strengthened tax laws have enabled us to finance our defense needs to a much greater extent out of current income.

taken as a whole. Now, however, the expanded requirements of national defense have so greatly raised the necessary level of Federal expenditures that, despite the increased taxes enacted by the Congress, we are faced with the problems attendant upon a substantial budget deficit. Nevertheless, the job of financing the defense effort and of

responsibility of the Government to reduce its expenditures in every possible way, to maintain adequate tax rates . . . and to achieve a balanced budget -- or better" We made progress on this account, for we were able to show an over-all budget surplus of nearly \$3-3/4 billion during the six completed fiscal years ended last June 30,

confidence in the Government's credit.

The principles of sound fiscal policy are not difficult to comprehend. I have tried to recognize those principles at all times in my recommendations to the Congress and to the President.

For example, when I took the oath as Secretary of the Treasury in June 1946, I made this statement: "It is the

282 that, in peace or war, any
substantial impairment of
the credit of the Federal
Government would be a major
blow to the maintenance of
high-level production and
employment and to the
orderly operation of our
private enterprise system.
Every effort has been made,
therefore, by succeeding
secretaries to maintain

in the original Act of 1789
establishing the Department,
to "...prepare plans for the
improvement and management of
the revenue, and for the
support of the public credit..."

In the broadest sense, confidence
in the credit of the United
States Government and a healthy
growing economy are synonymous.
For this reason, every Secretary
of the Treasury has recognized

I have, throughout what I have said about our future prospects, assumed that we, as a Nation, will be alert to adopt fiscal and other economic policies appropriate to changing economic circumstances.

It is, as you know, the primary responsibility of the Secretary of the Treasury, as provided by the Congress

were strong influences in our economic advance prior to the Korean invasion. In the future, equal possibilities are clearly present, and will contribute to our future economic expansion when the slackening in defense requirements releases productive resources in large volume to peacetime uses.

advantage of the opportunity.

Moreover, in our free economy, the competition of business for the favor of the consumer provides yet another spur to progress. We are living in the midst of a tremendous period of new discovery and invention. The application of new methods and techniques and the production of new products

006

a multitude of other goods and services as well. This past year alone, 2-3/4 million persons were added to our population. This was the equivalent of adding a new state as large as Iowa. The result has been to open a new frontier offering increased rewards to those who are willing to take

These factors include,
for one, a broad distribution
of income which has created
a mass market for the products
of American industries and
agriculture.

For another, our rapidly
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dynamic economy is providing
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community facilities, and for

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defense-related industries,
but the fundamental basis of
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derived from the more permanent
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will continue to create, a
solid and expanding demand for
both goods and services.

808

sustained beyond the period of high-level defense production.

Among those persons are the communist leaders who have predicated the success of their plans for world conquest on the imminent collapse of our free enterprise system.

It is undeniably true, of course, that the defense program has increased production and

402 this necessary preparation places a burden on our economy. It has been a most remarkable experience that through the ingenuity, the will to do and the clarity of thinking of the American people that while we have met the demands of the defense program, we have at the same time enjoyed unprecedented prosperity in this country.

Now, I am aware that many persons have felt that this record of accomplishment cannot be

new jet engines, developing as much as 25,000 horsepower -- 2-1/2 times the power of the combined four engines of a B-29 Superfortress -- have required the use of new heat-resisting alloys demanding larger amounts of metals already in short supply.

I need not tell you then, when we consider the defense program as a whole, that all of this is expensive; that all of

many of them electronic -- to provide the pilot with greater and more accurate fire power or bombing performance, more maneuverability, day and night combat capability, and a better chance of combat success, require tons of equipment in a plane where a few hundred pounds used to be enough. The stronger construction needed to withstand high-speed conditions demands tougher and heavier materials, while

708

particularly significant example.

The first B-47 "stratojet" medium

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Today's Navy or Air Force

jet fighter weighs nearly as much

as the old B-17 bomber, and today's

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older B-29. Automatic devices --

808

our productive strength, has risen over 50 percent to 7.8 million barrels per day.

We should not, however, underestimate the magnitude of the job still before us. National security in these troubled times does not come cheaply or without effort. This fact is apparent, if only because of the growing complexity of military weapons, of which our aircraft is a

e0a than it was at the end of World War II. Our steel capacity, already by far the greatest in the world, has risen by 23 percent, with almost two-thirds of the increase achieved since the Korean invasion. Our electric power capacity has increased 64 percent, and 59 percent of this increase has also taken place since the Korean invasion. And our petroleum capacity, another basic element in

018

of our basic resources and increased our basic industrial capacity. Since V-J Day, approximately \$170 billion of private capital has been put into new plant and equipment. This is a far greater sum -- both in dollars and in real terms -- than in any other comparable time in our country's history, and as a result our manufacturing capacity today is over 65 percent greater

118

producing this model, B-47's are being turned out at a rate of better than one per day, while the combined output of F-84 fighter-bombers and F-86 fighter-interceptors has reached 250 a month, or more than four times the production rate of 2 years earlier.

We have, as well, already built some of the reserve production capacity that is needed, and we have expanded the output

ago, and the first production models of a new heavy tank will shortly be delivered. The output of electronic equipment, including some of the largest and most complicated items, is more than double that of a year ago. Aircraft deliveries also are increasing rapidly. Two years ago, production of the B-47, our principal medium bomber had barely started; today, at one plant alone, of the three

freedom and decency in the world.

We have, I think, made substantial progress in that direction in the two and one-half years since the invasion of Korea.

Our national defense program is well advanced. Deliveries of all military procurement items have risen steadily. The production of tanks and other combat vehicles is now at a rate seven times higher than a year

policy or program, to be successful, must represent the will of individual citizens acting jointly.

This present situation -- one short of all-out war, but with many of the burdens of actual war -- requires a tough and long-lasting brand of patriotism. It requires a new degree of statemanship on the part of all of us. It requires courage to face the facts and to hold to our purpose of preventing another full-scale war by preserving

made it clearly apparent that in order to assure our defense of peace, we shall have to rely upon our own and our allies' military preparedness and our allied economies to provide that protection.

This means that we are faced now with a new test of our citizenship. Our form of Government rests squarely upon the concept of individual responsibility in the formation of national policies and programs. And every national

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products of American industry and agriculture. As this key has opened the door to ever-increasing productivity, it has likewise opened the door to new opportunities for our people and an unparalleled personal and national prosperity.

In recent years, the indispensability of advertising has taken on even greater meaning, when consideration is given to the many ways in which you have volunteered

I appreciate the opportunity to appear before this annual convention of the Outdoor Advertising Association of America. As a group and as individuals, you represent one of the most potent factors in the business progress of this Nation -- the advertising industry. The effective techniques in national advertising, including those which your Association has developed, have served as a key to open up vast new markets for the

058

Treasury Department
Washington

The following address by Secretary Snyder before
~~the annual convention of the~~
the National Convention of the Outdoor Advertising
Association of America at the Conrad Hilton Hotel,
Chicago, Illinois, is scheduled for delivery at 2 p.m.
CST Tuesday, December 9, 1952, and is for release
at that time.

56-

5-3259

TREASURY DEPARTMENT
Washington

621

The following address by Secretary Snyder before the National Convention of the Outdoor Advertising Association of America at the Conrad Hilton Hotel, Chicago, Illinois, is scheduled for delivery at 2:00 p.m. CST, Tuesday, December 9, 1952, and is for release at that time.

I appreciate the opportunity to appear before this annual convention of the Outdoor Advertising Association of America. As a group and as individuals, you represent one of the most potent factors in the business progress of this Nation -- the advertising industry. The effective techniques in national advertising, including those which your Association has developed, have served as a key to open up vast new markets for the products of American industry and agriculture. As this key has opened the door to ever-increasing productivity, it has likewise opened the door to new opportunities for our people and an unparalleled personal and national prosperity.

In recent years, the indispensability of advertising has taken on even greater meaning, when consideration is given to the many ways in which you have volunteered the talents and resources of the advertising industry to promote public service programs. A most notable example of your industry's public service activities has, of course, been the enthusiastic and unstinted support you have given the United States Savings Bonds Program. Your industry-wide efforts have not only helped assure the success of this program, but have helped make it a great bulwark to the financial and economic stability and strength of our country.

It is an established fact that never before in history has the economic strength of a nation been so important to its military power. The communist invasion of the Republic of Korea, in an attempt to destroy the hard-won liberties of a free people, has made it clearly apparent that in order to assure our defense of peace, we shall have to rely upon our own and our allies' military preparedness and our allied economies to provide that protection.

This means that we are faced now with a new test of our citizenship. Our form of Government rests squarely upon the concept of individual responsibility in the formation of national policies and programs. And every national policy or program, to be successful, must represent the will of individual citizens acting jointly.

This present situation -- one short of all-out war, but with many of the burdens of actual war -- requires a tough and long-lasting brand of patriotism. It requires a new degree of statemanship on the part of all of us. It requires courage to face the facts and to hold to our purpose of preventing another full-scale war by preserving freedom and decency in the world.

We have, I think, made substantial progress in that direction in the two and one-half years since the invasion of Korea.

Our national defense program is well advanced. Deliveries of all military procurement items have risen steadily. The production of tanks and other combat vehicles is now at a rate seven times higher than a year ago, and the first production models of a new heavy tank will shortly be delivered. The output of electronic equipment, including some of the largest and most complicated items, is more than double that of a year ago. Aircraft deliveries also are increasing rapidly. Two years ago, production of the B-47, our principal medium bomber had barely started; today, at one plant alone, of the three producing this model, B-47's are being turned out at a rate of better than one per day, while the combined output of F-84 fighter-bombers and F-86 fighter-interceptors has reached 250 a month, or more than four times the production rate of 2 years earlier.

We have, as well, already built some of the reserve production capacity that is needed, and we have expanded the output of our basic resources and increased our basic industrial capacity. Since V-J Day, approximately \$170 billion of private capital has been put into new plant and equipment. This is a far greater sum -- both in dollars and in real terms -- than in any other comparable time in our country's history, and as a result our manufacturing capacity today is over 65 percent greater than it was at the end of World War II. Our steel capacity, already by far the greatest in the world, has risen by 23 percent, with almost two-thirds of the increase achieved since the Korean invasion. Our electric power capacity has increased 64 percent, and 59 percent of this increase has also taken place since the Korean invasion. And our petroleum capacity, another basic element in our productive strength, has risen over 50 percent to 7.8 million barrels per day.

We should not, however, underestimate the magnitude of the job still before us. National security in these troubled times does not come cheaply or without effort. This fact is apparent, if only because of the growing complexity of military weapons, of which our aircraft is a particularly significant example. The first B-47 "stratojet" medium bomber required 3-1/2 million engineering man-hours, compared to only 85,000 man-hours for the first production model of the B-17 -- our standard heavy bomber during most of World War II.

Today's Navy or Air Force jet fighter weighs nearly as much as the old B-17 bomber, and today's B-36 weighs 2-1/2 times as much as the older B-29. Automatic devices -- many of them electronic -- to provide the pilot with greater and more accurate fire power or bombing performance, more maneuverability, day and night combat capability, and a better chance of combat success, require tons of equipment in a plane where a few hundred pounds used to be enough. The stronger construction needed to withstand high-speed conditions demands tougher and heavier materials, while new jet engines, developing as much as 25,000 horsepower -- 2-1/2 times the power of the combined four engines of a B-29 Superfortress -- have required the use of new heat-resisting alloys demanding larger amounts of metals already in short supply.

I need not tell you then, when we consider the defense program as a whole, that all of this is expensive; that all of this necessary preparation places a burden on our economy. It has been a most remarkable experience that through the ingenuity, the will to do and the clarity of thinking of the American people that while we have met the demands of the defense program, we have at the same time enjoyed unprecedented prosperity in this country.

Now, I am aware that many persons have felt that this record of accomplishment cannot be sustained beyond the period of high-level defense production. Among those persons are the communist leaders who have predicated the success of their plans for world conquest on the imminent collapse of our free enterprise system.

It is undeniably true, of course, that the defense program has increased production and employment in the defense and defense-related industries, but the fundamental basis of our present prosperity is derived from the more permanent factors which have created, and will continue to create, a solid and expanding demand for both goods and services.

These factors include, for one, a broad distribution of income which has created a mass market for the products of American industries and agriculture.

For another, our rapidly growing population in our dynamic economy is providing a continuously expanding demand for housing, for community facilities, and for a multitude of other goods and services as well. This past year alone, 2-3/4 million persons were added to our population. This was the equivalent of adding a new state as large as Iowa. The result has been to open a new frontier offering increased rewards to those who are willing to take advantage of the opportunity.

Moreover, in our free economy, the competition of business for the favor of the consumer provides yet another spur to progress. We are living in the midst of a tremendous period of new discovery and invention. The application of new methods and techniques and the production of new products were strong influences in our economic advance prior to the Korean invasion. In the future, equal possibilities are clearly present, and will contribute to our future economic expansion when the slackening in defense requirements releases productive resources in large volume to peacetime uses.

I have, throughout what I have said about our future prospects, assumed that we, as a Nation, will be alert to adopt fiscal and other economic policies appropriate to changing economic circumstances.

It is, as you know, the primary responsibility of the Secretary of the Treasury, as provided by the Congress in the original Act of 1789 establishing the Department, to "...prepare plans for the improvement and management of the revenue, and for the support of the public credit..." In the broadest sense, confidence in the credit of the United States Government and a healthy growing economy are synonymous. For this reason, every Secretary of the Treasury has recognized that, in peace or war, any substantial impairment of the credit of

- 4 -

the Federal Government would be a major blow to the maintenance of high-level production and employment and to the orderly operation of our private enterprise system. Every effort has been made, therefore, by succeeding Secretaries to maintain confidence in the Government's credit.

The principles of sound fiscal policy are not difficult to comprehend. I have tried to recognize those principles at all times in my recommendations to the Congress and to the President.

For example, when I took the oath as Secretary of the Treasury in June 1946, I made this statement: "It is the responsibility of the Government to reduce its expenditures in every possible way, to maintain adequate tax rates ... and to achieve a balanced budget -- or better" We made progress on this account, for we were able to show an over-all budget surplus of nearly \$3-3/4 billion during the six completed fiscal years ended last June 30, taken as a whole. Now, however, the expanded requirements of national defense have so greatly raised the necessary level of Federal expenditures that, despite the increased taxes enacted by the Congress, we are faced with the problems attendant upon a substantial budget deficit. Nevertheless, the job of financing the defense effort and of maintaining continued public confidence in the credit of the United States has been made easier because of the financial policies we pursued earlier, and because increased revenues and strengthened tax laws have enabled us to finance our defense needs to a much greater extent out of current income.

In formulating our debt management policy during recent years, considerable stress has been laid on the encouragement of individual thrift. The Treasury Department, through its Savings Bonds Program, has continuously endeavored to stimulate savings which in turn would serve both to build up a strong backlog of purchasing power and at the same time, in the defense period, act as a deterrent to inflationary forces.

It was in this spirit that we have carried on in the postwar years, with your invaluable help and cooperation, a number of national thrift campaigns. You were given the blueprints and you went to work to add your industry's resources in a great volunteer effort to bring the thrift message to every community in our land. It is genuine evidence of the high esteem in which this objective is held that the advertising industry has made it possible for the Savings Bonds Program to receive some \$40 to \$50 million annually in donated advertising during the postwar years.

You know the results of our Nation-wide efforts. Despite the fact that many bonds were redeemed to buy homes, household furnishings, automobiles, to provide higher education for our youth, and to meet various emergency expenses, the volume of savings bonds outstanding today is nearly \$9 billion more than it was in June 1946.

The tremendous part which advertising has played in making the Savings Bonds Program a success cannot adequately be measured, although its results are obvious. Advertising holds a position in the United States which, in

comparison to its position in other countries, is unique. Nowhere else is advertising so highly developed or so important in the economy. It is to convincing advertising that I attribute a major credit for the fact that today over one-fifth of our public debt is in the form of savings bonds. Advertising has, indeed, been one of the primary forces in the achievement of our sales goals through the years and will remain a key force in the future.

To you members of the Outdoor Advertising Association, I particularly want to express my warm thanks for the imaginative and stimulating part that you have taken in making our thrift program efforts so successful.

Today, as we face the future it is of the greatest importance that we, all of us, make every effort to solve the serious problems which confront us, taking full courage from the record of our accomplishments in the past, and toward this end let us move with fortitude and confidence, determined in a united effort to build a peaceful world in which liberty and justice are the common property of all mankind.

oOo

STATUTORY DEBT LIMITATION

AS OF November 30, 1952

TREASURY DEPARTMENT
Fiscal Service
Washington, December 4, 1952

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	\$21,715,086,000	
Certificates of indebtedness	16,901,934,000	
Treasury notes	36,342,103,400	\$ 74,959,123,400
Bonds -		
Treasury	79,767,978,900	
Savings (current redemp. value)	57,850,235,848	
Depository	395,654,500	
Armed Forces Leave	-	
Investment series	13,449,536,000	151,463,405,248
Special Funds -		
Certificates of indebtedness	23,808,215,000	
Treasury notes	14,980,030,400	38,788,245,400
Total interest-bearing		265,210,774,048
Matured, interest-ceased		282,005,013
Bearing no interest:		
War savings stamps	48,810,322	
Excess profits tax refund bonds	1,601,763	
Special notes of the United States:		
Internat'l Monetary Fund series	1,263,000,000	1,313,412,085
Total		266,806,191,146
Guaranteed obligations (not held by Treasury):		
Interest-bearing:		
Debentures: F.H.A.	48,854,586	
Demand obligations: C.C.C.	415,461	49,270,047
Matured, interest-ceased		1,322,375
		50,592,422
Grand total outstanding		266,856,783,568
Balance face amount of obligations issuable under above authority		8,143,216,432

Reconciliation with Statement of the Public Debt Nov. 30, 1952

(Daily Statement of the United States Treasury, Dec. 1, 1952)

Outstanding -		
Total gross public debt		267,432,234,929
Guaranteed obligations not owned by the Treasury		50,592,422
Total gross public debt and guaranteed obligations		267,482,827,351
Deduct - other outstanding public debt obligations not subject to debt limitation		626,043,783
		266,856,783,568

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STATUTORY DEBT LIMITATION
AS OF NOVEMBER 30, 1952

627

December 10, 1952

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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Certificates of indebtedness...	16,901,934,000	
Treasury notes.....	<u>36,342,103,400</u>	\$ 74,959,123,400
Bonds -		
Treasury.....	79,767,978,900	
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Armed Forces Leave.....	-	
Investment series.....	<u>13,449,536,000</u>	151,463,405,248
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Certificates of indebtedness.	23,808,215,000	
Treasury notes.....	<u>14,980,030,400</u>	38,788,245,400
Total interest-bearing.....		265,210,774,048
Matured, interest-ceased.....		282,005,013
Bearing no interest:		
War savings stamps.....	48,810,322	
Excess profits tax refund bonds..	1,601,763	
Special notes of the United States:		
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Total.....		266,806,191,146
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Grand total outstanding.....		266,856,783,568
Balance face amount of obligations issuable under above authority...		<u>8,143,216,432</u>
Reconciliation with Statement of the Public Debt - November 30, 1952 (Daily Statement of the United States Treasury, December 1, 1952)		
Outstanding -		
Total gross public debt		267,432,234,929
Guaranteed obligations not owned by the Treasury		50,592,422
Total gross public debt and guaranteed obligations		<u>267,482,827,351</u>
Deduct - other outstanding public debt obligations not subject to debt limitation.....		<u>626,043,783</u>
		266,856,783,568

Treasury Department
Washington

S-3261

IMMEDIATE RELEASE
December 9, 1952

Wed,

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, 1952, to November 29, 1952, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of November 29, 1952
Buttons	850,000	Gross	717,921
Cigars	200,000,000	Number	1,605,524
Coconut Oil	448,000,000	Pound	106,817,297
Cordage	6,000,000	Pound	4,018,867
Rice	1,040,000	Pound	-
Sugars (Refined)	1,904,000,000	Pound	-
(Unrefined)			1,600,281,001
Tobacco	6,500,000	Pound	2,690,907

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, December 10, 1952

S-3261

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, 1952, to November 29, 1952, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of November 29, 1952
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Cigars.....	200,000,000	Number	1,605,524
Coconut Oil.....	448,000,000	Pound	106,817,297
Cordage.....	6,000,000	Found	4,018,867
Rice.....	1,040,000	Pound	-
(Refined.....)			-
Sugars	1,904,000,000	Pound	1,600,281,001
(Unrefined.....)			
Tobacco.....	6,500,000	Pound	2,690,907

*Treasury Department
Washington*

A-3262

IMMEDIATE RELEASE
December 9, 1952
10

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within tariff-rate quota limitations from the beginning of the quota periods to November 29, 1952, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of November 29, 1952
Whole milk, fresh or sour	Calendar year	3,000,000 Gallon	22,834
Cream	Calendar year	1,500,000 Gallon	899
Butter	Nov. 1, 1952- March 31, 1953	50,000,000 Pound	1,497
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	31,472,108 Pound	Quota Filled
White or Irish potatoes: certified seed	12 months from	150,000,000 Pound	20,064,930
other	Sept. 15, 1952	798,900,000 Pound	18,165,799
Walnuts	Calendar year	5,000,000 Pound	Quota Filled
Petroleum and petroleum products	Calendar year		
	Venezuela	2,956,841,949 Gallon	Quota Filled
	Netherlands	930,857,651 Gallon	Quota Filled
	Other Countries	1,090,148,800 Gallon	Quota Filled
Almonds: shelled	12 months from	7,000,000 Pound	1,096,595
prepared	October 1, 1952		130,959

TREASURY DEPARTMENT
Washington

631

IMMEDIATE RELEASE

Wednesday, December 10, 1952

S-3262

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within tariff-rate quota limitations from the beginning of the quota periods to November 29, 1952, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of November 29, 1952
Whole milk, fresh or sour.....	Calendar year	3,000,000 Gallon	22,834
Cream.....	Calendar year	1,500,000 Gallon	899
Butter.....	Nov. 1, 1952- March 31, 1953	50,000,000 Pound	1,497
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish.....	Calendar year	31,472,108 Pound	Quota Filled
White or Irish potatoes: certified seed.....	12 months from	150,000,000 Pound	20,064,930
other.....	Sept. 15, 1952	798,900,000 Pound	18,165,799
Walnuts.....	Calendar year	5,000,000 Pound	Quota Filled
Petroleum and petroleum products.....	Calendar year		
	Venezuela	2,956,841,949 Gallon	Quota Filled
	Netherlands	930,857,651 Gallon	Quota Filled
	Other Countries	1,090,148,800 Gallon	Quota Filled
Almonds: Shelled.....	12 months from	7,000,000 Pound	1,096,595
Prepared.....	October 1, 1952		130,959

*Treasury Department
Washington*

S-3263

used,

~~FOR IMMEDIATE RELEASE,~~
December 9, 1952

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, 1952, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports	Established Quota	Imports
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	794,576	3,815,000	1,219,676
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	44
Australia	-	-	1,000	-
Germany	100	2	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>794,578</u>	<u>4,000,000</u>	<u>1,219,720</u>

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE

S-3263

Wednesday, December 10, 1952

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, 1952, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established : Quota (Bushels)	Imports : May 29, 1952, to December 9, 1952 (Bushels)	Established : Quota (Pounds)	Imports : May 29, 1952, to December 9, 1952 (Pounds)
Canada	795,000	794,576	3,815,000	1,219,676
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	44
Australia	-	-	1,000	-
Germany	100	2	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>794,578</u>	<u>4,000,000</u>	<u>1,219,720</u>

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, 1952, to : December 9, 1952	: Established : : 33-1/3% of : : Total Quota :	Imports : Sept. 20, 1952, : to December 9, 1952	1/
United Kingdom	4,323,457	607	1,441,152	-	-
Canada	239,690	211,686	-	-	-
France	227,420	13,111	75,807	13,111	-
British India	69,627	8,964	-	-	-
Netherlands	68,240	15,929	22,747	15,929	-
Switzerland	44,388	-	14,796	-	-
Belgium	38,559	-	12,853	-	-
Japan	341,535	-	-	-	-
China	17,322	-	-	-	-
Egypt	8,135	-	-	-	-
Cuba	6,544	-	-	-	-
Germany	76,329	-	25,443	-	-
Italy	21,263	6,430	7,088	6,430	-
	5,482,509	256,727	1,599,886	35,470	

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

IMMEDIATE RELEASE

December 9, 1952

S-3264

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, 1952, to December 9, 1952, inclusive

Country of Origin	Established Quota	Imports	Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan	783,816	-	Honduras	752	-
Peru	247,952	587	Paraguay	871	-
British India	2,003,483	-	Colombia	124	-
China	1,370,791	-	Iraq	195	-
Mexico	8,883,259	4,432,824	British East Africa ...	2,240	-
Brazil	618,723	-	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, 1952, to November 29, 1952

Cotton 1-1/8" or more, but less than 1-11/16" Imports Feb. 1, 1952, to December 9, 1952

Established Quota (Global)	Imports
70,000,000	2,361,627

Established Quota (Global)	Imports
45,656,420	29,585,233

TRFASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, December 10, 1952

S-3264

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, 1952, to December 9, 1952, inclusive

<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>	<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>
Egypt and the Anglo-Egyptian Sudan	783,816	-	Honduras	752	-
Peru.....	247,952	587	Paraguay	871	-
British India	2,003,483	-	Colombia.....	124	-
China	1,370,791	-	Iraq	195	-
Mexico	8,883,259	4,432,824	British East Africa ...	2,240	-
Brazil	618,723	-	Netherlands E. Indies .	71,388	-
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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, 1952, to November 29, 1952

<u>Established Quota (Global)</u>	<u>Imports</u>
70,000,000	2,361,627

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1952, to December 9, 1952

<u>Established Quota (Global)</u>	<u>Imports</u>
45,656,420	29,585,233

636

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 imports : Sept. 20, 1952, to:	: Established : 33-1/3% of	: Imports : September 20, 1952,
	: TOTAL QUOTA	: December 9, 1952	: Total Quota	: to December 9, 1952
United Kingdom	4,323,457	607	1,441,152	-
Canada	239,690	211,686	-	-
France	227,420	13,111	75,807	13,111
British India	69,627	8,964	-	-
Netherlands	68,240	15,929	22,747	15,929
Switzerland	44,388	-	14,796	-
Belgium	38,559	-	12,853	-
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	-	25,443	-
Italy	21,263	6,430	7,088	6,430
	5,482,509	256,727	1,599,886	35,470

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

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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.

ALPHA

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 December 18, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 18, 1952. 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

~~EXHIBIT~~

~~ALPHA~~

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, December 11, 1952

5-3265-

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 December 18, 1952, in the amount of \$ 1,202,812,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated December 18, 1952, and will mature March 19, 1953, 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, December 15, 1952. 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

640

RELEASE MORNING NEWSPAPERS,
Thursday, December 11, 1952.

S-3265

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 December 18, 1952, in the amount of \$1,202,812,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated December 18, 1952, and will mature March 19, 1953, 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, December 15, 1952. 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 December 18, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 18, 1952. 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 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.

*Pms
Friday 12th*

RELEASE AFTERNOON NEWSPAPERS
Friday, December 12, 1952.

S- 3966

~~PRESS RELEASE ON DEPARTURE FROM WASHINGTON~~

~~John H. Snyder~~, Secretary ^{Snyder} ~~of the Treasury~~, departed ~~from~~
~~Washington~~ Friday by air to attend the Tenth Session of the North
Atlantic Council in Paris. The U. S. delegation to the NATO conference
will be composed of Dean Acheson, Secretary of State; Robert Lovett,
Secretary of Defense; Averell Harriman, Director for Mutual Security;
and ~~John H. Snyder~~, Secretary ^{Snyder} ~~of the Treasury~~. The coming session
will open on Monday, December 15, and is scheduled to conclude on
Friday, December 19.

Secretary Snyder, who attended previous meetings of the Council
in Ottawa, Rome, and Lisbon, said; "These meetings have given us a real
opportunity to understand each other's problems and develop a spirit
of cooperation in solving them. This has made it possible for us to
move much more effectively toward establishing an unchallengeable
basis of strength for our free world.

"There have been encouraging signs in the past year ~~that~~
~~many~~ that many countries are determined to face their
difficult financial problems in a realistic manner. Without sound
finance, there cannot be sound economies, and without sound economies,
there cannot be military security. I am encouraged by the developments
of the past year, and look forward to discussing the present situation
with my friends and colleagues in Paris."

The meeting of the North Atlantic Council will be attended by
the Foreign Ministers, Finance Ministers, and Ministers of Defense of
the fourteen countries participating in the North Atlantic Treaty
Organization.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

642

RELEASE AFTERNOON NEWSPAPERS
Friday, December 12, 1952.

S-3266

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"There have been encouraging signs in the past year that many countries are determined to face their difficult financial problems in a realistic manner. Without sound finance, there cannot be sound economies, and without sound economies, there cannot be military security. I am encouraged by the developments of the past year, and look forward to discussing the present situation with my friends and colleagues in Paris."

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and energy that have marked their participation in this vital phase of America's economic life throughout my tenure as Secretary of the Treasury."

Members of the Magazine Publishers' Advertising Committee in addition to Chairman Bowen ^{and} Bernard Barnes, Time, Inc.; Frank Braucher, President, Periodical Publishers Association, New York; John R. Buckley, Vice President and Publisher, Good Housekeeping, New York; William B. Carr, Vice President and Advertising Director, McCall's, New York; Malcolm Delacorte, Dell Publishing Company, Inc., New York; Arthur W. Kohler, Vice President and Advertising Director, the Curtis Publishing Co., Philadelphia, Pa.; O. G. Schaefer, Meredith Publishing Company, New York; Chester Van Tassel, Conde Nast Publications, Inc., New York; Albert E. Winger, Chairman of the Board, the Crowell-Collier Publishing Company, New York; Arch Crawford, ^{President,} ~~National Association of~~ Magazine Publishers[?] Inc., New York.

The enclosure to which Mr. Bowen referred -- a letter which he had sent to fellow members of the Magazine Publishers' Association -- said, in part:

"I want to ask you, personally, as a publisher and a patriotic citizen, emphatically to reaffirm this fact to our Government (~~be it Republican or Democratic~~)

-- that we magazine publishers believe in the idea of thrift:

-- that we believe we should continue to sell the idea of thrift to the American people.

~~"The U. S. Savings Bond Program has, thanks to all our help, achieved tremendous results. But we must not let down."~~

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Secretary Snyder has written Mr. Bowen as follows:

"I want to express to you, and through you to the entire membership of the Advertising Committee of the Magazine Publishers' Association, my warm appreciation of the splendid public spirit so manifest in the Committee's pledge of continued support for the United States Savings Bonds Program.

"The assurances contained in your recent letter advising me of the Committee's action certainly are stimulating. I must say, however, that after so many years of close association with your group, I ~~am not in the least surprised by~~ your decision to carry right on with the job of selling the idea of thrift to the American people.

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"The national magazines for which the Committee speaks deserve the highest praise for their fine record of public service as thrift advocates, and for their verdict as expressed through your Committee that 'We must not let down.'

"I deeply appreciate the personal references in the resolution adopted by the Committee. The most generous compliment that could be paid to me and to the Treasury, however, is implicit in the word that the National Magazines intend to devote to the Savings Bonds Program in the future the same zeal

243

The enclosure to which Mr. Bowen referred -- a letter which he had sent to fellow members of the Magazine Publishers' Association -- ~~asked the publishers to~~ called on the publishers to reaffirm their belief in the idea of thrift, and said that "We must not let down."

~~Proposed Release~~

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343

Release Sunday Newspapers
December 14, 1952

5-3267

The Advertising Committee of the Magazine Publishers' Association has notified Secretary Snyder that the Association will continue during 1953 its staunch support of the United States Savings Bonds Program.

Renewal of the pledge means that for the eighth successive year national magazines will back the Bond Program as their exclusive public service undertaking. This support has resulted in an average of more than \$12 million per year of Savings Bonds advertising at no cost to the Treasury.

The pledge was communicated to the Secretary by Raymond B. Bowen, Advertising Director of The New Yorker magazine and Chairman of the Advertising Committee of the Magazine Publishers' Association. He wrote:

"At a meeting of the Advertising Committee of the Magazine Publishers' Association, a resolution was passed expressing thanks and appreciation from the entire Committee to you personally for your efforts in behalf of the welfare of the people of America. We have considered it a privilege to be associated with you during the past several years, and we wish you well in all of your future life.

"At the same meeting, we decided to continue the cooperative efforts of all national magazines with the Treasury Department in the promotion of the sale of United States Savings Bonds. As a matter of interest, I am enclosing a copy of a letter which I sent to all members a short time ago. Scores of replies to this letter have already been received and all answers have pledged continuing support to the campaign. This has been a great project of benefit to the whole country, and we hope it will continue for many years to come."

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

647

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December 14, 1952

S-3267

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"I deeply appreciate the personal references in the resolution adopted by the Committee. The most generous compliment that could be paid to me and to the Treasury, however, is implicit in the word that the national magazines intend to devote to the Savings Bonds Program in the future the same zeal and energy that have marked their participation in this vital phase of America's economic life throughout my tenure as Secretary of the Treasury."

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

649

IMMEDIATE RELEASE
Friday, December 12, 1952

S-3268

The Treasury Department today made public a report of monetary gold transactions with foreign governments and central banks for the third quarter of 1952. U.S. gold sales of \$2.2 million and gold purchases of \$.9 million brought to \$1.3 million the net sale for the third quarter.

In the first three quarters of this year United States gold transactions resulted in a net purchase of \$662 million.

A table showing net transactions by country for the first three quarters of 1952 and calendar 1951 is attached.

UNITED STATES GOLD TRANSACTIONS WITH FOREIGN COUNTRIES
 January 1, 1952 - September 30, 1952, and Calendar 1951
 (in millions of dollars at \$35 per ounce)

650

Negative figures represent net sales by the
 United States; positive figures, net purchases.*

Country	3rd Quarter * 1952	2nd Quarter * 1952	1st Quarter * 1952	Calendar 1951
Afghanistan	--	--	-\$2.5	--
Argentina	--	--	--	-\$49.9
Belgium	--	--	20.2	-10.3*
Belgian Congo	--	--	--	-8.0
Bolivia	-\$2.0	--	--	--
Canada3	\$6.9	--	-10.0
Chile	--	1.8	--	-4.8*
Colombia	--	-5.2	-17.5	17.5
Cuba	--	--	--	-20.0
Denmark	--	--	--	-19.7
Dominican Republic	--	--	--	-8.0
Ecuador	--	--	--	-3.5
Egypt	--	--	--	-76.0
Fiji Islands	--	--	--	3.6
Finland	--	--	--	-4.8
France	--	--	--	-20.0*
Greece	--	--	-12.3	-10.3
Indonesia	--	--	--	-45.0
Lebanon	--	-1.3	-1.1	-5.4
Mexico	--	101.4	11.3	-60.3*
Netherlands	--	--	--	-4.5
Peru	--	--	--	-15.0
Philippines4	.4	.3	3.5
Portugal	--	--	--	-34.9
Salvador	--	-4.0	--	-3.0
Saudi Arabia	--	--	--	-.8
Sweden	--	--	--	-32.0
Switzerland	--	--	22.5	-15.0
Switzerland-Bank for Inter- national Settlements	--	--	2.3	-30.4*
Syria	--	-1.5	--	-6.3
South Africa	--	7.2	4.3	52.1
United Kingdom	--	--	520.0	469.9*
Uruguay	--	--	10.0	22.2*
Vatican City	--	--	--	5.0
Venezuela	--	--	--	-.9
All Other	-.1	--	-.2	.1
Total	-\$1.3	\$105.7	\$557.3	\$75.2

* The figures shown for each country for the three quarters of 1952 are both gross and net. In other words, each individual country engaging in gold transactions with the U.S. either bought gold from the U.S. or sold gold to it but did not do both. The country figures for 1951 are also both gross and net except that for the countries marked with an asterisk, the 1951 figures are the net of their sale and purchase transactions with the U.S. during the whole year.

RELEASE MORNING NEWSPAPERS,
Tuesday, December 16, 1952.

S-3269

The Secretary of the Treasury announced last evening that the tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated December 18, 1952, and to mature March 19, 1953, which were offered on December 11, were opened at the Federal Reserve Banks on December 15.

The details of this issue are as follows:

Total applied for - \$1,713,330,000
Total accepted - 1,200,217,000 (includes \$240,940,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.460 Equivalent rate of discount approx. 2.138% per annum

Range of accepted competitive bids:

High - 99.555 Equivalent rate of discount approx. 1.760% per annum
Low - 99.450 " " " " " 2.176% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 18,366,000	\$ 18,366,000
New York	1,213,834,000	741,334,000
Philadelphia	35,988,000	20,988,000
Cleveland	37,576,000	37,576,000
Richmond	22,033,000	21,738,000
Atlanta	34,636,000	34,636,000
Chicago	142,063,000	117,063,000
St. Louis	36,120,000	35,861,000
Minneapolis	15,015,000	15,015,000
Kansas City	46,704,000	46,704,000
Dallas	43,188,000	43,129,000
San Francisco	67,807,000	67,807,000
TOTAL	\$1,713,330,000	\$1,200,217,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, December 16, 1952.

S-3269

652

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Minneapolis	15,015,000	15,015,000
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Dallas	43,188,000	43,129,000
San Francisco	67,807,000	67,807,000
TOTAL	\$1,713,330,000	\$1,200,217,000

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Wednesday, ~~November 19~~, 1952

A-3270

S-3240

December 17

During the month of ~~October~~, ^{*November*} 1952
market transactions in direct and
guaranteed securities of the Government
for Treasury investment and other
accounts resulted in net purchases of
~~\$16,543,500~~, ^{*\$11,696,750*} Secretary Snyder announced
today.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

654

RELEASE MORNING NEWSPAPERS,
Wednesday, December 17, 1952. S-3270

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822
Immediate Release ~~PRESS RELEASE~~
Tuesday, December 16, 1952

5-3271

The Treasury Department published in the Federal Register for September 5, 1952, a notice that it proposed to issue regulations requiring information returns with respect to payments of interest amounting to \$100 or more for the year 1953 and subsequent years. The present regulations require such information returns for payments of interest amounting to \$600 or more. Pursuant to the Administrative Procedure Act, numerous interested persons submitted protests with respect to the proposed revision. *J* Secretary of the Treasury John W. Snyder announced today that, after consideration of all relevant matter presented by interested persons, a more detailed study should be made of the information reporting requirement before any change is made. The notice of a proposed change in the regulations, as published in the Federal Register is, therefore, being withdrawn pending further study.

Secretary Snyder stated that prior to the enactment of the Revenue Act of 1951 the \$600 figure was prescribed by law. That Revenue Act gave the Treasury Department discretion to prescribe the amount which must be reported. In exercising that discretion, Secretary Snyder said that the Department is desirous of insuring full consideration of the results to the revenue from any proposed change and the burden which would be imposed on persons making payments of interest. The Secretary stated that information submitted in response to the publication of the proposed regulation will be most helpful in making a further study of all the factors involved.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

656

IMMEDIATE RELEASE,
Tuesday, December 16, 1952.

S-3271

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ALPHA

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.

~~ALPHA~~

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 December 26, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 26, 1952. 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

Exhibit 1

ALPHA

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, December 18, 1952

A-3272

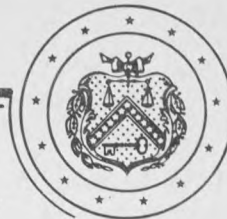
The Secretary of the Treasury, by this public notice, invites tenders for \$1,200,000,000, or thereabouts, of 90-day Treasury bills, for cash and in exchange for Treasury bills maturing December 26, 1952, in the amount of \$1,200,432,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated December 26, 1952, and will mature March 26, 1953, 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, December 22, 1952. 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

660

RELEASE MORNING NEWSPAPERS,
Thursday, December 18, 1952.

S-3272

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Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, December 22, 1952. 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 December 26, 1952, in cash or other immediately available funds or in a like face amount of Treasury bills maturing December 26, 1952. 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.

133
"Secretary Acheson has again ably led the United States Delegation and Secretary Lovett and Mr. Harriman have given him their experienced and judicious assistance in the work of the Meeting. The Foreign Minister/ of Denmark, Mr. Kraft, chaired the meetings with courtesy and skill.

"The Ministers have been honored by the gracious reception accorded to them by the French Government and the people of France."

Dictated via long-distance telephone
(Paris) by Judd Polk to E. Hepner
December 18, 1952.

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realistic manner. On the basis of this review, military, financial, and economic decisions and forward planning can be undertaken. In the Council's considerations the United States Delegation made clear the limits of the programs which have been authorized by the United States Congress. It has been careful to emphasize that no commitments of a financial character outside these limits could be taken.

"Real progress has been made in the past two years toward building a solid foundation for the defense of the West against aggression by military attack or by political subversion. A great deal, however, remains to be done.

"There is much clearer recognition now than a year or so ago that the only way to reach our goal of unassailable Western security is to take one step at a time, starting from where we are and making sure that each step forward is onto solid ground.

"Since the war the Western world has moved forward by such solid forward steps. Broadly, the first forward steps were those which took the countries of the free world out of the devastation and misery of the early postwar years. That led to hope and mutual confidence in place of despair and dangerous unrest. The next stage led us through a period of reconstruction to new high levels of production both in industry and in agriculture. The present period is one in which defense demands are being made on the productive resources and on the financial resources of all the NATO countries.

"This record of progress in the recovery and expansion of the Western world since the end of the war gives us assurance that we will continue to move forward in strengthening our defenses.

Immediate Release
Paris, Dec 18, 1952.

S-3273

633

Secretary Snyder ^{made} ~~reads~~ the following statement in Paris today, upon the adjournment of the Ministerial Meeting of the North Atlantic Council, which he has been attending:

^{77 Since} ~~Since~~ the last Ministerial Meeting, the organization has been substantially strengthened as the result of carrying out the Lisbon decision to establish a ~~Permanent Council~~ in which highly competent and responsible representatives of all the member countries remain in continuous session with Headquarters in Paris. The American Delegation was impressed with the evidence it received of the excellent quality of the representation which Ambassador Draper has provided for the United States in the Permanent Council. It was also decided at Lisbon that a permanent staff be created to contribute to the efficient handling of the work which the organization has to do. This staff has been organized and placed under the able direction of Lord Ismay.

"Because of these improvements in organization the Ministers were able to focus on the broad problem: namely -- assessing the present status of the defense program; exchanging appraisals of the current international situation from the military, political, and economic points of view; and providing broad guidance for the continuing task of reconciling the militarily desirable with the economically practicable.

"In this current meeting the Council ~~has~~ established lines of guidance for the completion of the Annual Review of national programs in the light of NATO objectives after taking account of political and economic considerations. While much preparatory work has already been carried out, the review by the Ministerial Meeting should facilitate the completion of this review in an orderly, comprehensive, and

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

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IMMEDIATE RELEASE,
Thursday, December 18, 1952.

S-3273

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"Since the last Ministerial Meeting, the organization has been substantially strengthened as the result of carrying out the Lisbon decision to establish a permanent council in which highly competent and responsible representatives of all the member countries remain in continuous session with Headquarters in Paris. The American Delegation was impressed with the evidence it received of the excellent quality of the representation which Ambassador Draper has provided for the United States in the Permanent Council. It was also decided at Lisbon that a permanent staff be created to contribute to the efficient handling of the work which the organization has to do. This staff has been organized and placed under the able direction of Lord Ismay.

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"Real progress has been made in the past two years toward building a solid foundation for the defense of the West against aggression by military attack or by political subversion. A great deal, however, remains to be done.

"There is much clearer recognition now than a year or so ago that the only way to reach our goal of unassailable Western security is to take one step at a time, starting from where we are and making sure that each step forward is onto solid ground.

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"This record of progress in the recovery and expansion of the Western world since the end of the war gives us assurance that we will continue to move forward in strengthening our defenses.

"Secretary Acheson has again ably led the United States Delegation and Secretary Lovett and Mr. Harriman have given him their experienced and judicious assistance in the work of the Meeting. The Foreign Minister of Denmark, Mr. Kraft, chaired the meeting with courtesy and skill.

"The Ministers have been honored by the gracious reception accorded to them by the French Government and the people of France."

Immediate Release
Friday, December 19, 1952

5-3274

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Proposed Press Release - For newspapers Friday, December 19, 1952.

Frank Dow, Commissioner of Customs, today announced regulations changing methods hitherto followed in determining the "clean content" of imported wool and hair, the basis upon which duties on these commodities are assessed.

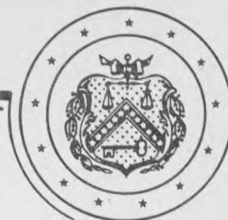
The new procedures are effective immediately. Their purpose is to bring Customs practices into line with recent court decisions holding that the term, "clean content," as employed in the Tariff Act of 1930, was intended by Congress to mean "commercial yield" of imported wool, that is taking into account the loss of fibers through commercially applied cleaning processes as well as the weight of grease and foreign material present.

The new procedures set up, by formula, allowances to cover estimated fiber losses in processing various types of wool and hair. As finally issued, they also provide that importers may elect to submit proof of actual, irrecoverable losses of wool and hair fibers resulting from commercial cleaning operations, in lieu of the Customs estimate by formula. While the new regulations are of general application, their greatest impact will be on the assessment of duties on burry wools, those containing a large amount of vegetable matter and requiring additional cleaning operations.

The Bureau of Customs gave notice on September 9, 1952, by publication in the Federal Register, that it had under consideration changes in the practices followed in determining clean content of wool and hair importations. Mr. Dow said the regulations issued today were drafted after careful consideration of representations made by various trade interests. Text of the new regulations, identified as Treasury Decision 53159, appear in the Federal Register of Friday, December 19, 1952.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

667

IMMEDIATE RELEASE,
Friday, December 19, 1952.

S-3274

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822
 RELEASE MORNING NEWSPAPERS,
 Tuesday, December 23, 1952.

A-3275

The Secretary of the Treasury announced last evening that the tenders for \$1,200,000,000, or thereabouts, of 90-day Treasury bills to be dated December 26, 1952, and to mature March 26, 1953, which were offered on December 18, were opened at the Federal Reserve Banks on December 22.

The details of this issue are as follows:

Total applied for - \$1,774,952,000
 Total accepted - 1,200,112,000 (includes \$222,996,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.443 Equivalent rate of discount approx. 2.228% per annum
 Range of accepted competitive bids:
 High - 99.498 Equivalent rate of discount approx. 2.008% per annum
 Low - 99.433 " " " " " " 2.263% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 24,421,000	\$ 24,221,000
New York	1,212,620,000	699,130,000
Philadelphia	30,891,000	25,741,000
Cleveland	62,500,000	62,500,000
Richmond	19,148,000	19,148,000
Atlanta	19,373,000	19,373,000
Chicago	178,643,000	123,643,000
St. Louis	35,575,000	35,575,000
Minneapolis	14,647,000	14,647,000
Kansas City	66,930,000	65,930,000
Dallas	45,349,000	45,349,000
San Francisco	64,855,000	64,855,000
TOTAL	\$1,774,952,000	\$1,200,112,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

669

RELEASE MORNING NEWSPAPERS,
Tuesday, December 23, 1952.

S-3275

The Secretary of the Treasury announced last evening that the tenders for \$1,200,000,000, or thereabouts, of 90-day Treasury bills to be dated December 26, 1952, and to mature March 26, 1953, which were offered on December 18, were opened at the Federal Reserve Banks on December 22.

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Average price - 99.443 Equivalent rate of discount approx. 2.228% per annum

Range of accepted competitive bids:

High - 99.498 Equivalent rate of discount approx. 2.008% per annum

Low - 99.433 Equivalent rate of discount approx. 2.268% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	\$ 24,421,000	\$ 24,221,000
New York	1,212,620,000	699,130,000
Philadelphia	30,891,000	25,741,000
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St. Louis	35,575,000	35,575,000
Minneapolis	14,647,000	14,647,000
Kansas City	66,930,000	65,930,000
Dallas	45,349,000	45,349,000
San Francisco	64,855,000	64,855,000
TOTAL	\$1,774,952,000	\$1,200,112,000

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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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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 January 2, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 2, 1953. 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

EXHIBIT

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, December 24, 1952 .

S-3276

The Secretary of the Treasury, by this public notice, invites tenders for \$1,200,000,000 , or thereabouts, of 90 -day Treasury bills, for cash and in exchange for Treasury bills maturing January 2, 1953 , in the amount of \$1,199,990,000 , to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 2, 1953 , and will mature April 2, 1953 , 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, December 29, 1952. 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

673

RELEASE MORNING NEWSPAPERS,
Wednesday, December 24, 1952.

S-3276

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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.

*Amendment
For Release
Dec. 24 1952*

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PRESS RELEASE

5-327

The Treasury Department today announced the incorporation into the Foreign Assets Control Regulations of lists of merchandise in connection with the importation of which Foreign Assets Control licenses have, for some time, been required. A few changes have also been made in the lists.

Previously the Regulations specified that licenses were required in connection with goods of Communist Chinese or North Korean origin but lists of specific merchandise affected by the licensing requirement were not set forth in the Regulations. The lists were disseminated through Bureau of Customs Circular Letters which, in addition to their ordinary circulation, were sent directly by the Foreign Assets Control to importers, banks, trade associations and other interested persons and organizations.

The import restrictions are a part of the Foreign Assets Control program for prohibiting trade and financial transactions with Communist China and North Korea. One of the major aspects of the program is to prevent those countries from obtaining foreign exchange through the sale of their products to this country directly or indirectly. The Treasury Department's original action in listing specific types of merchandise in connection with which import licenses are required was taken after observing that typically Chinese goods were beginning to enter the United States in significant volume under false descriptions of country of origin.

The amendment was effected by the addition of sections 500.204, 500.536, 500.537 and 500.538, and by the revision of section 500.808 of the Regulations.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

675

IMMEDIATE RELEASE,
Wednesday, December 24, 1952.

S-3277

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Friday ^{AMs}

Release Morning Newspapers

5-3278

Friday, December 26, 1952
John W. Snyder

before the Treasury

The Secretary of the Treasury announced today the amendment of regulations of the Treasury Department relating to the enrollment and disbarment of practitioners, by consolidating in one officer the functions heretofore carried out separately by the Committee on Practice and the Attorney for the Government. The officer will be known as the Director of Practice.

This amendment will carry out the recommendation made by the King Subcommittee in its report released today, as follows:

"The Subcommittee recommends that the Treasury Department end this division of responsibility and authority for administration of the practitioner program. The Secretary should designate one full time official of the Treasury whose job it would be to establish the qualifications for enrollment and to make sure that all practitioners meet such requirements, both at the time of enrollment and thereafter."

Friday

The amendment will be published in the Federal Register.

The staff of the Director of Practice to assist him to control enrollment and enforce disciplinary action will be augmented within the limits of available appropriations.

The Treasury Department will recommend to the Congress the grant of additional legislative authority necessary to discharge more effectively the functions of the Director of Practice. An example is the present lack of subpoena power to compel the attendance of witnesses to testify in disbarment proceedings and the lack of authority to pay travel expenses to such witnesses.

Further amendment of the regulations governing practice before the Treasury Department is in process. The other recommendations and suggestions of the King Committee will be considered in connection with these further proposed amendments.

Subcommittee

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

677

RELEASE MORNING NEWSPAPERS
Friday, December 26, 1952

S-3278

Secretary of the Treasury John W. Snyder announced today the amendment of regulations of the Treasury Department relating to the enrollment and disbarment of practitioners before the Treasury, by consolidating in one officer the functions heretofore carried out separately by the Committee on Practice and the Attorney for the Government. The officer will be known as the Director of Practice.

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Further amendment of the regulations governing practice before the Treasury Department is in process. The other recommendations and suggestions of the King Subcommittee will be considered in connection with these further proposed amendments.

A-3279

The Secretary of the Treasury announced last evening that the tenders for \$1,200,000,000, or thereabouts, of 90-day Treasury bills to be dated January 2 and to mature April 2, 1953, which were offered on December 24, were opened at the Federal Reserve Banks on December 29.

The details of this issue are as follows:

Total applied for - \$2,098,195,000
 Total accepted - 1,200,662,000 (includes \$209,305,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.452 1/2 Equivalent rate of discount approx. 2.191% per annum
 Range of accepted competitive bids: (Excepting two tenders totalling \$500,000)
 High - 99.463 Equivalent rate of discount 2.148% per annum
 Low - 99.447 " " " " 2.212% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 22,867,000	\$ 19,117,000
New York	1,244,699,000	558,374,000
Philadelphia	33,372,000	15,772,000
Cleveland	34,486,000	28,946,000
Richmond	19,940,000	18,550,000
Atlanta	23,649,000	16,799,000
Chicago	523,327,000	394,457,000
St. Louis	59,127,000	43,407,000
Minneapolis	9,718,000	9,368,000
Kansas City	52,510,000	37,680,000
Dallas	32,465,000	24,525,000
San Francisco	42,035,000	33,667,000
TOTAL	\$2,098,195,000	\$1,200,662,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

679

RELEASE MORNING NEWSPAPERS,
Tuesday, December 30, 1952.

S-3279

The Secretary of the Treasury announced last evening that the tenders for \$1,200,000,000, or thereabouts, of 90-day Treasury bills to be dated January 2 and to mature April 2, 1953, which were offered on December 24, were opened at the Federal Reserve Banks on December 29.

The details of this issue are as follows:

Total applied for - \$2,098,195,000
 Total accepted - 1,200,662,000 (includes \$209,305,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.452/ Equivalent rate of discount approx. 2.191% per annum

Range of accepted competitive bids: (Excepting two tenders totalling \$500,000)

High - 99.463 Equivalent rate of discount 2.148% per annum
 Low - 99.447 Equivalent rate of discount 2.212% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	\$ 22,867,000	\$ 19,117,000
New York	1,244,699,000	558,374,000
Philadelphia	33,372,000	15,772,000
Cleveland	34,486,000	28,946,000
Richmond	19,940,000	18,550,000
Atlanta	23,649,000	16,799,000
Chicago	523,327,000	394,457,000
St. Louis	59,127,000	43,407,000
Minneapolis	9,718,000	9,368,000
Kansas City	52,510,000	37,680,000
Dallas	32,465,000	24,525,000
San Francisco	42,035,000	33,667,000
TOTAL	\$2,098,195,000	\$1,200,662,000

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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.

~~ALPHA~~

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 January 8, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 8, 1953. 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

EXHIBIT

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Wednesday, December 31, 1952

~~(X)~~

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,400,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing January 8, 1953, in the amount of \$ 1,400,115,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 8, 1953, and will mature April 9, 1953, 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, January 5, 1953. 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

683

RELEASE MORNING NEWSPAPERS,
Wednesday, December 31, 1952.

S-3280

The Secretary of the Treasury, by this public notice, invites tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing January 8, 1953, in the amount of \$1,400,115,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 8, 1953, and will mature April 9, 1953, 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, January 5, 1953. 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 January 8, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 8, 1953. 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.

A Release Planning Newspaper
Friday, January 2, 1953
PROPOSED RELEASE

MW Selver -
Sec'y says OK
5-3287
12/31/52

188 A change in the method of production of ~~1~~ and \$5 United States notes and \$5 and \$10 silver certificates, to standardize the physical appearance of United States paper money and, when a new Secretary or a new Treasurer is appointed, to expedite the issuance of notes carrying the new facsimile signatures, was approved by Secretary Snyder today.

The \$2 and \$5 United States notes carry a red seal, and the \$5 and \$10 silver certificates a blue seal.

Heretofore, the plates used for printing these issues included the engraved facsimile signatures of the Secretary of the Treasury and the Treasurer of the United States. Whenever one of these officers was changed, it was necessary to re-engage the plates with new signatures. Under the proposed change, facsimile signatures will be overprinted on the face of the notes simultaneously with the seal and serial number, making re-engraving unnecessary.

This simplified method is already in use on \$1 silver certificates of the series of 1935 and on green-seal Federal Reserve notes of all denominations of the series of 1950, which has resulted in savings at the Bureau of Engraving and Printing.

The faces of the bills will be changed to conform to the 1935 series \$1 silver certificates. The only noticeable changes in the appearance of the bills will be that the serial numbers and the colored Treasury seal will be smaller and a large shaded denominational numeral will be inserted to the left of the oval portrait. The backs of the bills will not be changed.

Work on the change will begin at once, and it is expected that the first finished bills will be shipped to banks about February 1, 1953.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

685

RELEASE MORNING NEWSPAPERS
Friday, January 2, 1953

S-3281

A change in the method of production of \$2 and \$5 United States notes and \$5 and \$10 silver certificates, to standardize the physical appearance of United States paper money and, when a new Secretary or a new Treasurer is appointed, to expedite the issuance of notes carrying the new facsimile signatures, was approved by Secretary Snyder today.

The \$2 and \$5 United States notes carry a red seal, and the \$5 and \$10 silver certificates a blue seal.

Heretofore, the plates used for printing these issues included the engraved facsimile signatures of the Secretary of the Treasury and the Treasurer of the United States. Whenever one of these officers was changed, it was necessary to re-engage the plates with new signatures. Under the proposed change, facsimile signatures will be overprinted on the face of the notes simultaneously with the seal and serial number, making re-engraving unnecessary.

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Work on the change will begin at once, and it is expected that the first finished bills will be shipped to banks about February 1, 1953.

RELEASE MORNING NEWSPAPERS,
 Tuesday, January 6, 1953.

A-3282

The Secretary of the Treasury announced last evening that the tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills to be dated January 8 and to mature April 9, 1953, which were offered on December 31, 1952, were opened at the Federal Reserve Banks on January 5.

The details of this issue are as follows:

Total applied for - \$2,058,616,000
 Total accepted - 1,400,231,000 (includes \$233,886,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.498 Equivalent rate of discount approx. 1.986% per annum
 Range of accepted competitive bids: (Excepting one tender of \$50,000)
 High - 99.525 Equivalent rate of discount approx. 1.879% per annum
 Low - 99.493 " " " " " " 2.006% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 24,694,000	\$ 22,844,000
New York	1,404,432,000	821,887,000
Philadelphia	47,552,000	31,822,000
Cleveland	34,157,000	33,757,000
Richmond	19,299,000	17,789,000
Atlanta	35,465,000	32,815,000
Chicago	263,113,000	226,213,000
St. Louis	38,610,000	31,990,000
Minneapolis	13,172,000	12,672,000
Kansas City	53,813,000	50,693,000
Dallas	67,410,000	60,850,000
San Francisco	56,899,000	56,899,000
TOTAL	\$2,058,616,000	\$1,400,231,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, January 6, 1953.

S-3282

687

The Secretary of the Treasury announced last evening that the tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills to be dated January 8 and to mature April 9, 1953, which were offered on December 31, 1952, were opened at the Federal Reserve Banks on January 5.

The details of this issue are as follows:

Total applied for - \$2,058,616,000
Total accepted - 1,400,231,000 (includes \$233,886,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Average price - 99.498 Equivalent rate of discount approx. 1.986% per annum

Range of accepted competitive bids: (Excepting one tender of \$50,000)

High - 99.525 Equivalent rate of discount approx. 1.879% per annum

Low - 99.493 Equivalent rate of discount approx. 2.006% per annum

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<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 24,694,000	\$ 22,844,000
New York	1,404,432,000	821,887,000
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St. Louis	38,610,000	31,990,000
Minneapolis	13,172,000	12,672,000
Kansas City	53,813,000	50,693,000
Dallas	67,410,000	60,850,000
San Francisco	56,899,000	56,899,000
TOTAL	\$2,058,616,000	\$1,400,231,000

Immediate Release
Thursday, January 8, 1953

Gerald T. Smothers, of Albuquerque, New Mexico, President of the Bank of New Mexico, has been appointed ^{by Secretary of the Treasury John W. Snyder to be} Chairman of the U. S. Treasury Advisory Committee on Savings Bonds in that State ~~by Secretary of the Treasury John W. Snyder.~~ Mr. Smothers succeeds the late George M. Bloom, who was President of the First National Bank of Santa Fe.

In announcing the appointment, Secretary Snyder said: "The success of our program ^{Savings Bonds} is assured by leaders of the stature of Mr. Smothers, and ^{the Treasury} ~~our~~ entire department welcomes him."

Mr. Smothers was born in Ridgeway, Missouri. After graduation from the Ridgeway public schools he attended Missouri University and is a graduate of the American Institute of Banking and of Central Business College.

Mr. Smothers served, after graduation, in various responsible positions in mid-west banks including; Omaha (Neb.) National Bank, Bartley Trust Co., St. Joseph, Mo.; Farmers National Bank, Ridgeway, Mo.; Central Surety and Insurance Co., Kansas City, Mo.; President, Manufacturers and Mechanics Bank, Kansas City, Mo.; Examiner, State Banking Department of Missouri, and Executive Vice President, Merchants Bank, Kansas City, Mo. He ^{went} ~~came~~ to Albuquerque in 1951.

Among his many affiliations are: Masonic Shrine, Skyline Country Club, Past President, Optimist Club of Kansas City, former member of the Advertising Club and the Lions Club, Kansas City. He has conducted and assisted in ^{many charitable enterprises} ~~several charity fund raising drives~~ in Kansas City. He was recently invited to conduct a graduate course in banking at the University of New Mexico.

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Accepted by [Signature]

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

689

IMMEDIATE RELEASE,
Thursday, January 8, 1953.

S-3283

Gerald T. Smothers, of Albuquerque, New Mexico, President of the Bank of New Mexico, has been appointed by Secretary of the Treasury John W. Snyder to be Chairman of the U. S. Treasury Advisory Committee on Savings Bonds in that State. Mr. Smothers succeeds the late George M. Bloom, who was President of the First National Bank of Santa Fe.

In announcing the appointment, Secretary Snyder said: "The success of our Savings Bonds program is assured by leaders of the stature of Mr. Smothers, and the entire Treasury Department welcomes him."

Mr. Smothers was born in Ridgeway, Missouri. After graduation from the Ridgeway public schools he attended Missouri University and is a graduate of the American Institute of Banking and of Central Business College.

Mr. Smothers served, after graduation, in various responsible positions in mid-west banks including; Omaha (Neb.) National Bank, Bartley Trust Company, St. Joseph, Missouri; Farmers National Bank, Ridgeway, Missouri; Central Surety and Insurance Company, Kansas City, Missouri; President, Manufacturers and Mechanics Bank, Kansas City, Missouri; Examiner, State Banking Department of Missouri, and Executive Vice President, Merchants Bank, Kansas City, Missouri. He went to Albuquerque in 1951.

Among his many affiliations are: Masonic Shrine, Skyline Country Club, Past President, Optimist Club of Kansas City, former member of the Advertising Club and the Lions Club, Kansas City. He has conducted and assisted in many charitable enterprises in Kansas City. He was recently invited to conduct a graduate course in banking at the University of New Mexico.

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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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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 January 15, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 15, 1953. 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

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, January 8, 1953

A-328

The Secretary of the Treasury, by this public notice, invites tenders for \$ 1,400,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing January 15, 1953, in the amount of \$ 1,401,185,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 15, 1953, and will mature April 16, 1953, 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, January 12, 1953. 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

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

693

RELEASE MORNING NEWSPAPERS,
Thursday, January 8, 1953.

S-3284

The Secretary of the Treasury, by this public notice, invites tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing January 15, 1953, in the amount of \$1,401,185,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 15, 1953, and will mature April 16, 1953, 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, January 12, 1953. 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 January 15, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 15, 1953. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value or 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.

particular commodity, the procedure will be the same as heretofore, namely, applicants for importation licenses will be required to submit to the Treasury full documentary proof that the goods are not of Communist Chinese origin.

Applications may also be filed on Form TFAC-1 with the Federal Reserve Bank of New York for the release from Customs custody of merchandise of Hong Kong origin now in Customs or en route from Hong Kong to the United States. Such applications should describe the merchandise and give the port of entry and must be accompanied by an appropriate letter from the Hong Kong Department of Commerce and Industry in support of the application for release of the particular shipment. These support letters will attest that the merchandise involved is not of Communist Chinese origin and will be issued by the Department of Commerce and Industry only with respect to those kinds of products to which the certification procedure applies at the time of issuance.

Discussions along the lines of those which have been held with the Hong Kong Government by Foreign Assets Control are also in progress with several other Far Eastern countries.

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The actual operation of the new certification system will be a matter of continuing close consultation with the Hong Kong authorities.

The certification procedure which has been placed in operation by the Hong Kong authorities does not yet apply to all commodities of Chinese type produced in Hong Kong. The commodities presently covered are;

- cotton waste,
- hard-wood furniture,
- ivory manufactures,
- preserved plums,
- salt fish in oil,
- silk manufactures,
- tungsten ore and concentrates,
- water chestnuts.*

It is contemplated that in the near future certification will be available for most of the principal exports of Hong Kong origin to the United States.

Persons who desire to import any goods from Hong Kong to which the certification procedure applies may file applications for this purpose on Form TEAC-1 with the Federal Reserve Bank of New York setting forth the product to be imported, the purchase price, and the names and addresses of all persons who it is contemplated will be involved as sellers, shippers, agents, or intermediaries of any sort. Licenses granted upon such applications will authorize the importation on condition that the importer presents to the Collector of Customs at the time of entry an appropriate certificate of origin issued by the Hong Kong Department of Commerce and Industry under the new arrangements.

In cases where the Hong Kong authorities are not able to certify the

United States unless Treasury approval was obtained.

From time to time, amendments and interpretations of the Foreign Assets Control Regulations have been promulgated in an effort to achieve maximum effectiveness while producing the minimum of interference with normal trade practices of Free World countries. Under the Regulations, licenses are now required for the importation of merchandise of Chinese type even when it is alleged to have been produced elsewhere than in Communist China. Relatively few licenses have been granted because importers have found it difficult to advance satisfactory proof that specific merchandise of Chinese type offered for importation is not of Communist Chinese origin.

The geography, location and trade patterns of the countries adjacent to the China Mainland have posed special problems in the enforcement of a system of controls which would be at once sufficiently stringent to accomplish the objective of denying to the Chinese Communists foreign exchange realized from the importation of goods of Communist Chinese origin into the United States and sufficiently flexible to permit a flow of trade between friendly areas, such as the British Crown Colony of Hong Kong, and the United States and other Free World countries.

For some time authorities of the United States Government and those of Hong Kong have been discussing measures to meet this problem. The arrangements announced today have resulted from these discussions.

123

~~PRESS RELEASE~~

*Release of Hunsan Newspapers
Friday, January 9, 1953*

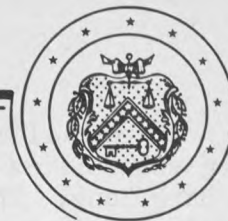
5-3285

In order to facilitate trade in goods of legitimate Hong Kong origin and at the same time prevent Communist Chinese exports from entering the United States, arrangements have been concluded for the issuance by the Hong Kong Government of certificates which will permit the importation into the United States of goods of Chinese type produced in Hong Kong which are subject to the Foreign Assets Control Regulations of the Treasury Department.

The basic purpose of the Foreign Assets Control is to prevent Communist China and North Korea from obtaining foreign exchange with which to further their aggression in Korea. On December 16, 1950, following the unprovoked aggression by the Chinese Communists in Korea, the United States Government, in support of the objectives of the United Nations' action in Korea, announced measures designed to place under control all economic relations with Communist China in order that the Chinese Communists should be denied access to United States supplies or assets in the United States. An essential part of this program was the issuance by the United States Treasury Department, under the Trading with the Enemy Act, of the Foreign Assets Control Regulations of December 17, 1950, which forbade all trade and financial transactions involving the Communist Chinese and North Korean regimes and their nationals by persons subject to the jurisdiction of the

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE AFTERNOON NEWSPAPERS
Friday, January 9, 1953

69
S-3285

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From time to time, amendments and interpretations of the Foreign Assets Control Regulations have been promulgated in an effort to achieve maximum effectiveness while producing the minimum of interference with normal trade practices of Free World countries. Under the Regulations, licenses are now required for the importation of merchandise of Chinese type even when it is alleged to have been produced elsewhere than in Communist China. Relatively few licenses have been granted because importers have found it difficult to advance satisfactory proof that specific merchandise of Chinese type offered for importation is not of Communist Chinese origin.

The geography, location and trade patterns of the countries adjacent to the China Mainland have posed special problems in the enforcement of a system of controls which would be at once sufficiently stringent to accomplish the objective of denying to the Chinese Communists foreign exchange realized from the importation of goods of Communist Chinese origin into the United States and sufficiently flexible to permit a flow of trade between friendly areas, such as the British Crown Colony of Hong Kong, and the United States and other Free World countries.

For some time authorities of the United States Government and those of Hong Kong have been discussing measures to meet this problem. The arrangements announced today have resulted from these discussions. The actual operation of the new certification system will be a matter of continuing close consultation with the Hong Kong authorities.

The certification procedure which has been placed in operation by the Hong Kong authorities does not yet apply to all commodities of Chinese type produced in Hong Kong. The commodities presently covered are: cotton waste, hard-wood furniture, ivory manufactures, preserved plums, salt fish in oil, silk manufactures, tungsten ore and concentrates, and water chestnuts. It is contemplated that in the near future certification will be available for most of the principal exports of Hong Kong origin to the United States.

Persons who desire to import any goods from Hong Kong to which the certification procedure applies may file applications for this purpose on Form TFAC-1 with the Federal Reserve Bank of New York setting forth the product to be imported, the purchase price, and the names and addresses of all persons who it is contemplated will be involved as sellers, shippers, agents, or intermediaries of any sort. Licenses granted upon such applications will authorize the importation on condition that the importer presents to the Collector of Customs at the time of entry an appropriate certificate of origin issued by the Hong Kong Department of Commerce and Industry under the new arrangements.

In cases where the Hong Kong authorities are not able to certify the particular commodity, the procedure will be the same as heretofore, namely, applicants for importation licenses will be required to submit to the Treasury full documentary proof that the goods are not of Communist Chinese origin.

Applications may also be filed on Form TFAC-1 with the Federal Reserve Bank of New York for the release from Customs custody of merchandise of Hong Kong origin now in Customs or en route from Hong Kong to the United States. Such applications should describe the merchandise and give the port of entry and must be accompanied by an appropriate letter from the Hong Kong Department of Commerce and Industry in support of the application for release of the particular shipment. These support letters will attest that the merchandise involved is not of Communist Chinese origin and will be issued by the Department of Commerce and Industry only with respect to those kinds of products to which the certification procedure applies at the time of issuance.

Discussions along the lines of those which have been held with the Hong Kong Government by Foreign Assets Control are also in progress with several other Far Eastern countries.

STATUTORY DEBT LIMITATION

AS OF December 31, 1952

TREASURY DEPARTMENT
Fiscal Service
Washington, January 6, 1953

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	\$21,712,601,000	
Certificates of indebtedness	16,712,423,000	
Treasury notes	36,035,778,000	\$ 74,460,802,000
Bonds -		
Treasury	79,755,466,900	
Savings (current redemp. value)	57,940,080,012	
Depository	402,844,500	
Armed Forces Leave	-	
Investment series	13,449,877,000	151,548,268,412
Special Funds -		
Certificates of indebtedness	24,147,365,000	
Treasury notes	15,002,329,400	39,149,694,400
Total interest-bearing		265,158,764,812
Matured, interest-ceased		300,244,296
Bearing no interest:		
War savings stamps	48,707,809	
Excess profits tax refund bonds	1,579,908	
Special notes of the United States:		
Internat'l Monetary Fund series	1,258,000,000	1,308,287,717
Total		266,767,296,825
Guaranteed obligations (not held by Treasury):		
Interest-bearing:		
Debentures: F.H.A.	52,202,536	
Demand obligations: C.C.C.	456,679	52,659,215
Matured, interest-ceased		1,310,350
		53,969,565
Grand total outstanding		266,821,266,390
Balance face amount of obligations issuable under above authority		8,178,733,610

Reconciliation with Statement of the Public Debt Dec. 31, 1952
(Date)

(Daily Statement of the United States Treasury, Jan. 2, 1953)
(Date)

Outstanding -		
Total gross public debt		267,391,155,980
Guaranteed obligations not owned by the Treasury		53,969,565
Total gross public debt and guaranteed obligations		267,445,125,545
Deduct - other outstanding public debt obligations not subject to debt limitation		623,859,155
		266,821,266,390

File
S-3286

STATUTORY DEBT LIMITATION
AS OF DECEMBER 31, 1952

January 9, 1953

700

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		<u>266,821,266,390</u>

Under the terms of the new regulations, decisions by hearing examiners recommending disbarment of Treasury practitioners may be appealed to the Secretary of the Treasury, as at present. Also, decisions of the Director of Practice denying enrollment, and decisions of the Commissioner of Customs denying licensing as a custom-house broker, may be appealed to the Secretary.

Mr. Carpenter, who has had many years of service in the Internal Revenue Service and other Government agencies, as well as experience in private law practice, returns to the Treasury from the Office of Price Stabilization where he has been serving as a general attorney in the Office of Enforcement.

Mr. Carpenter is a certified public accountant as well as a member of the Bar. His first duty with the Internal Revenue Service was as auditor in the Income Tax Unit, in which he served from 1920 to 1927. He was assigned to the office of the Chief Counsel of the Internal Revenue from 1927 until 1941, when he entered on active duty as a Lieutenant Commander in the Navy. He left the Naval service in 1946 with the rank of Captain.

He again served in the office of the Chief Counsel of the Revenue Service from 1947 until 1952, when he joined the ~~enforcement~~ staff of the Office of Price Stabilization.

Handwritten signature and initials, possibly "D.H." and "H.H.", in dark ink.

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Immediate

1/10/53

Immediate Release
Thursday, January 8, 1953

5-3287

Secretary Snyder today announced the appointment of Irvin W. Carpenter, Washington attorney, to the newly created Treasury position of Director of Practice. The Director will exercise functions relating to the enrollment and disbarment of practitioners before the Treasury. These functions heretofore have been vested in the Treasury's Committee on Practice and the office of the Attorney for the Government. The Committee on Practice and the office of Attorney for the Government are abolished.

The office of Director of Practice is being established in the Bureau of Internal Revenue. Secretary Snyder has signed amendments to Treasury regulations putting the changes into effect immediately.

In transferring the duties of the former Committee on Practice and the former Attorney for the Government to the new Director of Practice, the new regulations make one exception. This exception is that duties relating to customhouse brokers will hereafter be exercised under the direction of the Commissioner of Customs.

The work of the Director of Practice will be under the supervision of the Commissioner of Internal Revenue. However, decisions of the Director in individual cases relating to enrollment, disbarment or disciplinary measures will not be subject to change by the Commissioner.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

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Thursday, January 8, 1953.

S-3287

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- 2 -

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oOo

Continuing the policy of an orderly transfer of Government responsibility from the present to the ~~incoming~~ Administration, Secretary ^{John W} Snyder and ~~incoming~~ Secretary ^{Designate George M} Humphrey announced today the joint appointment of a 4-man committee to review plans for transfer of the Government's vast stock of gold and silver bullion and other assets in custody of the Treasury to the officials of the incoming Administration.

A thorough review will be made by the committee for the purpose of determining ~~upon~~ ^{recommendations for} the procedures to be followed in making the transfer.

The membership of the committee is as follows:

Chairman:

W. L. Hemingway, Chairman of the Board, Mercantile ~~Commerce Bank and~~ Trust Company, St. Louis, Missouri

Members:

~~William F~~ ^{Walter} Kurtz, Chairman of the Board, The Pennsylvania Company, Philadelphia, Pennsylvania

Sidney B. Congdon, President, National City Bank of Cleveland, Cleveland, Ohio

James L. Robertson, Member, Board of Governors, Federal Reserve System, Washington, D. C.

Immediate Release
Friday, Jan 9, 1935

D-3288

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James L. Robertson, Member, Board of Governors,
Federal Reserve System, Washington, D. C.

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

IMMEDIATE RELEASE,
Friday, January 9, 1953.

S-3288

707

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James L. Robertson, Member, Board of Governors,
Federal Reserve System, Washington, D. C.

RELEASE MORNING NEWSPAPERS,
 Tuesday, January 13, 1953.

S-3289

The Secretary of the Treasury announced last evening that the tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills to be dated January 15 and to mature April 16, 1953, which were offered on January 8, were opened at the Federal Reserve Banks on January 12.

The details of this issue are as follows:

Total applied for - \$2,035,956,000
 Total accepted - 1,400,121,000 (includes \$257,027,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.463/4 Equivalent rate of discount approx. 2.124% per annum

Range of accepted competitive bids:

High - 99.550 Equivalent rate of discount approx. 1.780% per annum
 Low - 99.454 " " " " " 2.160% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 15,005,000	\$ 14,805,000
New York	1,386,028,000	809,343,000
Philadelphia	32,924,000	19,474,000
Cleveland	56,398,000	56,398,000
Richmond	27,941,000	27,441,000
Atlanta	40,428,000	40,428,000
Chicago	206,685,000	161,685,000
St. Louis	54,997,000	54,997,000
Minneapolis	14,119,000	14,119,000
Kansas City	71,791,000	71,791,000
Dallas	62,759,000	62,759,000
San Francisco	66,881,000	66,881,000
Total	\$2,035,956,000	\$1,400,121,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

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Tuesday, January 13, 1953.

S-3289

709

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Dallas	62,759,000	62,759,000
San Francisco	66,881,000	66,881,000
TOTAL	\$2,035,956,000	\$1,400,121,000

TREASURY DEPARTMENT



Information Service

WASHINGTON, D. C.

710

FOR RELEASE
Monday, January 19, 1953

Press Service
No. S-3290

Secretary of the Treasury Snyder today made public data from the preliminary report, Statistics of Income for 1950, Part 1, compiled from individual income tax returns for the income year 1950. These data are prepared under the direction of Acting Commissioner of Internal Revenue John S. Graham.

The total number of individual income tax returns filed for the income year 1950 is 53,060,098 of which 38,186,682 are taxable and 14,873,416 are nontaxable.

Of the total number filed, 42,739,800 returns show use of the optional standard deduction. On 38,007,271 of these returns, the tax liability is determined from the optional tax table; however, the income and exemptions on 13,277,664 of the latter returns are such that the table designates them to be nontaxable.

The adjusted gross income reported is \$179,874,478,000 and the adjusted gross deficit is \$726,202,000. The income tax liability is \$18,374,922,000, which is an increase of \$3,836,781,000 over the tax for 1949. The increase is due to the change in tax rates under the Revenue Act of 1950 and to the increase of more than 11 percent in the amount of adjusted gross income reported.

Individual returns, comparative data 1950 and 1949

(Money figures in thousands of dollars)

	Preliminary		Increase or decrease(-)	
	1950	1949	Number or amount	Percent
Total number of returns	53,060,098	51,814,124	1,245,974	2.40
Taxable returns	38,186,682	35,628,295	2,558,387	7.18
Nontaxable returns	14,873,416	16,185,829	-1,312,413	-8.11
Adjusted gross income	179,874,478	161,373,205	18,501,273	11.46
Adjusted gross deficit	726,202	799,280	-73,078	-9.14
Tax liability	18,374,922	14,538,141	3,836,781	26.39

Returns included

The individual income tax returns included in this release are for the calendar year 1950, a fiscal year ending within the period July 1950 through June 1951, and a part year with the greater part of the accounting period in 1950. The returns are Forms 1040A and 1040, filed by citizens and resident aliens. Tentative returns are not included and amended returns are used only if the original returns are excluded. Statistics are taken from the returns as filed, prior to revisions that may be made as a result of audit.

Form 1040A is the employee's optional return which may be filed by persons whose total income is less than \$5,000 consisting of wages reported on Form W-2 and not more than a total of \$100 from other wages, dividends, and interest. The tax liability on Form 1040A is determined by the collector of internal revenue on the basis of the income reported, in accordance with a tax table provided under Supplement T of the Internal Revenue Code, which allows for the exemptions claimed and also allows for deductions and tax credits approximating 10 percent of the income. The optional return cannot be used as a separate return for community income of husband or wife. A joint return of husband and wife may be filed on Form 1040A if their combined income meets the requirements for use of this form. On a joint return, the tax liability, determined from the tax table by the collector, is the lower of two taxes: an aggregate of the two taxes on the separate incomes of husband and wife or a tax on the combined income, which tax is the liability under the split-income method.

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

Data tabulated for individual returns for 1950 with adjusted gross income under \$50,000 are estimated on the basis of samples. Description of the samples used and limitations of the data are given on pages 3 and 4.

Changes in the Internal Revenue Code

The Revenue Act of 1950 amended the Internal Revenue Code in many respects. The major change applicable to individual returns is the increase in tax rates effected by eliminating the percentage reductions from tentative tax which were in effect during 1948 and 1949.

(a) Although the normal tax rate of 3 percent of normal tax net income and the surtax rates ranging from 17 percent of the first \$2,000 of surtax net income to 88 percent of such income in excess of \$200,000 are retained, the 1950 act eliminates, as of October 1, 1950, the series of percentage reductions ranging from 17 percent of the first \$400 of combined tentative taxes to 9.75 percent of such taxes in excess of \$100,000. The total tax liability is now limited to 87 percent of net income, as compared to the previous limit of 77 percent.

For 1950 calendar year returns, a series of percentage reductions amounting to approximately three-fourths of those previously allowed is provided, with a limitation of the tax liability to 80 percent of the net income.

(b) On returns for fiscal years ending after September 30, 1950, the tax liability is the sum of (1) that portion of a tentative tax, computed at rates in effect before October 1, 1950, which the number of calendar months in such fiscal year before October 1, 1950, bears to the total number of calendar months in the fiscal year, and (2) that portion of a tentative tax, computed at the rates in effect after September 30, 1950, which the number of calendar months in such fiscal year after September 30, 1950, bears to the total number of calendar months in the fiscal year.

(c) The optional tax table under Supplement T is revised to reflect the increased tax liability resulting from the decrease in percentage reductions applied to the aggregate tentative normal tax and surtax for the calendar year. Also, for taxable years beginning after September 30, 1950, an optional tax table is provided wherein no percentage reductions are applied.

(d) New income tax withholding tables provide increased withholding of income tax at source on wages paid on and after October 1, 1950; and the percentage method of withholding is increased from 15 percent to 18 percent of wages paid in excess of the amount of withholding exemption.

(e) Provision is made for enlisted personnel to exclude from gross income all compensation and commissioned officers to exclude not more than \$200 per month of compensation received for active service in the armed forces of the United States in a combat zone after June 24, 1950.

(f) The definition of capital asset is changed for taxable years beginning after September 30, 1950, to exclude a copyright and a literary, musical, or artistic composition, created by the taxpayer.

Description of the sample and limitations of data

Tables 1 and 2 in this release are derived from a stratified random sample of individual income tax returns designed to comprise three-tenths of 1 percent of returns, Form 1040A and Form 1040 with adjusted gross income under \$8,000 and with total receipts from business, if any, under \$50,000; 10 percent of returns, Form 1040 with adjusted gross income under \$8,000 and with total receipts from business of \$50,000 or more;

10 percent of returns, Form 1040 with adjusted gross income from \$8,000 to \$25,000; 25 percent of returns, Form 1040 with adjusted gross income from \$25,000 to \$50,000; and 100 percent of returns, Form 1040 with adjusted gross income of \$50,000 or more.

The decrease in sample size as compared with the preceding year, from one-half of one percent to three-tenths of one percent, for returns, Form 1040A, and Form 1040 with adjusted gross income under \$8,000 and total receipts from business under \$50,000, is believed to be offset by the added efficiency of the sample design. Specifically, the 0.5 percent sample for 1949 comprised the first fifty returns in each successive hundredth block of one hundred returns, whereas the 0.3 percent sample for 1950 comprised the first return in three of every ten successive blocks. Use of the return as the unit of sampling instead of the block or partial block, is more efficient, in view of the increasing use of sorting procedures in the administrative processing of the returns, prior to their arrangement in blocks.

In computing the possible variation of a given frequency due to random sampling, a range of two standard errors was used; chances are 19 out of 20 that the frequency as estimated from the sample tabulation differs from the actual frequency, if the entire universe were tabulated, by less than twice the standard error. Variation beyond the two-error limit would occur only 1 time in 20 and would be sufficiently rare to justify a two-error range in defining sampling variability. Accordingly, in cells associated with taxable or nontaxable adjusted gross income classes under \$8,000, frequencies of the magnitude of 1 million or more are subject to variation of less than 4 percent; variation for lesser frequencies increases to a maximum of 12 percent at 100,000, and a maximum of 36 percent at 10,000. In cells associated with adjusted gross income classes from \$8,000 to \$25,000, frequencies of the magnitude of 100,000 or more are subject to less than 2 percent variation; variation for lesser frequencies increases to a maximum of 6 percent at 10,000, and a maximum of 20 percent at 1,000. In cells associated with adjusted gross income classes from \$25,000 to \$50,000, frequencies of the magnitude of 10,000 or more are subject to less than 4 percent variation; variation for lesser frequencies increases to a maximum of 12 percent at 1,000. The degrees of variability noted above relate only to cell frequencies and do not indicate the variability associated with money amounts of income, deductions, or tax.

Preliminary report

The preliminary report, Statistics of Income for 1950, Part 1, is being prepared. It will include a table for taxable fiduciary returns showing sources of income, as well as additional tables for individual returns.

Table 1. - Individual returns for 1950, by adjusted gross income classes: Simple and cumulative distributions of number of returns, adjusted gross income, and tax liability, with corresponding percentage distributions

Adjusted gross income classes 1/		(Adjusted gross income classes and money figures in thousands of dollars)																	
		Number of returns						Adjusted gross income 2/						Tax liability 3/					
		Simple distribution		Cumulative distribution from highest income class		Cumulative distribution from lowest income class		Simple distribution		Cumulative distribution from highest income class		Cumulative distribution from lowest income class		Simple distribution		Cumulative distribution from highest income class		Cumulative distribution from lowest income class	
		Number	Percent of total	Number	Percent of total	Number	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total
Returns with adjusted gross income (taxable and nontaxable):																			
1	Under 0.6	3,780,015	7.18	52,655,564	100.00	3,780,015	7.18	1,265,068	0.70	179,874,478	100.00	1,265,068	0.70	-	-	-	-	-	
2	0.6 under 0.75	1,269,012	2.41	48,875,551	92.82	5,049,025	9.59	855,027	.48	178,609,410	99.50	2,120,095	1.18	2,470	0.01	18,574,922	100.00	2,470	0.01
3	0.75 under 1	2,312,757	4.39	47,606,539	90.41	7,361,782	13.98	2,025,416	1.13	177,754,383	98.82	4,145,511	2.50	37,867	.21	18,572,452	99.99	40,537	.22
4	1 under 1.25	2,490,866	4.75	45,293,782	86.02	9,852,648	18.71	2,804,033	1.56	175,728,967	97.70	6,949,544	3.86	79,410	.43	18,534,585	99.78	119,747	.65
5	1.25 under 1.5	2,585,836	4.91	42,802,916	81.29	12,438,484	23.62	3,547,057	1.97	172,924,954	96.14	10,496,601	5.84	117,669	.64	18,255,175	99.55	237,416	1.29
6	1.5 under 1.75	2,710,960	5.15	40,217,080	76.38	15,149,444	28.77	4,399,771	2.45	189,377,877	94.16	14,896,372	8.28	179,800	.98	18,137,506	98.71	417,218	2.27
7	1.75 under 2	2,761,917	5.25	37,506,120	71.23	17,911,361	34.02	5,179,221	2.88	164,978,106	91.72	20,075,593	11.16	235,325	1.27	17,957,706	97.73	650,541	3.54
8	2 under 2.25	2,779,358	5.28	34,744,203	65.98	20,690,719	39.29	5,902,352	3.29	159,798,885	88.84	25,977,945	14.44	290,776	1.58	17,724,381	96.46	941,517	5.12
9	2.25 under 2.5	2,885,987	5.44	31,964,845	60.71	25,554,706	44.75	6,801,749	3.78	155,896,533	85.56	32,779,694	18.22	357,094	1.94	17,433,605	94.88	1,298,411	7.07
10	2.5 under 2.75	2,908,028	5.52	29,100,858	55.27	26,462,734	50.26	7,632,680	4.24	147,094,784	81.78	40,412,374	22.47	416,807	2.27	17,076,511	92.95	1,715,218	9.55
11	2.75 under 3	2,877,768	5.47	26,192,830	49.74	29,340,502	55.72	8,289,488	4.60	159,462,104	77.53	48,681,962	27.06	474,177	2.58	16,659,704	90.67	2,189,395	11.92
12	3 under 3.5	5,388,329	10.23	23,315,082	44.28	34,728,831	65.95	17,470,300	9.71	151,192,618	72.94	66,152,162	36.78	1,061,886	5.78	18,185,527	88.09	3,251,281	17.69
13	3.5 under 4	4,448,471	8.45	17,926,735	34.05	59,177,302	74.40	16,656,892	9.25	113,722,316	63.22	82,789,054	46.03	1,115,355	6.07	15,123,641	82.31	4,366,656	23.76
14	4 under 4.5	3,445,029	6.54	13,478,262	25.60	42,822,351	80.95	14,600,391	8.12	97,085,424	53.97	97,889,445	54.14	1,502,595	8.07	14,008,286	78.24	5,445,231	29.65
15	4.5 under 5 4/	2,540,356	4.82	10,053,253	19.05	45,182,687	85.77	12,107,160	6.73	82,485,053	45.86	109,496,605	60.87	965,188	5.25	12,929,691	70.37	6,410,419	34.69
16	5 under 6	3,025,105	5.75	7,492,877	14.23	48,187,792	91.52	16,486,505	9.17	70,877,875	39.15	125,885,110	70.04	1,502,335	8.18	11,964,505	65.11	7,812,754	43.06
17	6 under 7	1,523,868	2.89	4,467,772	8.48	49,711,660	94.41	9,820,005	5.46	53,891,369	29.96	135,803,115	75.50	999,266	5.44	10,462,168	56.94	8,812,020	48.50
18	7 under 8	797,054	1.51	2,943,904	5.59	50,508,714	95.92	5,937,515	3.30	44,071,363	24.50	141,740,630	78.80	654,927	3.56	9,462,902	51.50	9,566,947	52.07
19	8 under 9	469,495	.89	2,146,850	4.08	50,978,209	96.81	3,970,911	2.21	38,133,848	21.20	145,711,541	81.01	472,667	2.57	8,807,975	47.95	10,089,614	54.64
20	9 under 10	299,177	.57	1,677,355	3.19	51,277,386	97.38	2,831,132	1.57	34,162,937	18.99	148,542,673	82.58	354,505	1.93	8,335,308	45.36	10,694,117	56.57
21	10 under 11	215,904	.41	1,378,178	2.62	51,495,290	97.79	2,261,011	1.26	31,331,805	17.42	150,805,684	83.84	296,894	1.62	7,980,805	43.45	10,391,011	58.18
22	11 under 12	156,347	.30	1,162,274	2.21	51,649,637	98.09	1,795,885	1.00	29,070,794	16.16	152,599,567	84.84	246,567	1.34	7,685,911	41.82	10,957,578	59.52
23	12 under 13	125,378	.24	1,005,927	1.91	51,775,015	98.35	1,563,720	.87	27,274,911	15.16	154,165,287	85.71	225,583	1.23	7,437,344	40.48	11,165,161	60.75
24	13 under 14	99,119	.19	880,549	1.67	51,874,154	98.52	1,335,375	.74	25,711,191	14.29	155,498,862	86.45	201,507	1.10	7,211,761	39.25	11,364,668	61.85
25	14 under 15	82,366	.16	781,450	1.48	51,966,500	98.67	1,192,951	.66	24,375,816	13.55	156,691,615	87.11	166,828	1.02	7,010,254	36.15	11,551,486	62.87
26	15 under 20	256,019	.49	699,064	1.35	52,212,519	99.16	4,396,990	2.44	25,182,865	12.89	161,088,605	89.56	577,996	3.15	6,823,426	37.15	12,309,492	66.99
27	20 under 25	139,837	.27	443,045	.84	52,252,356	99.42	3,110,483	1.75	18,785,875	10.44	164,199,086	91.29	615,381	3.35	6,065,450	33.01	12,924,875	70.54
28	25 under 30	85,645	.16	305,208	.58	52,436,001	99.58	2,281,391	1.27	15,675,392	8.71	166,480,487	92.55	505,658	2.75	5,450,049	29.66	15,430,751	78.09
29	30 under 40	91,105	.17	219,565	.42	52,527,106	99.76	3,126,875	1.74	15,394,011	7.45	169,607,342	94.29	791,446	4.31	4,944,191	26.81	14,222,177	77.40
30	40 under 50	45,357	.09	128,458	.24	52,572,465	99.84	2,017,205	1.12	10,267,136	5.71	171,624,547	95.41	590,640	3.21	4,152,745	22.60	14,812,817	80.61
31	50 under 60	25,064	.05	85,101	.16	52,597,527	99.89	1,367,067	.76	8,249,931	4.59	172,991,614	96.17	446,682	2.43	3,562,105	19.89	15,259,499	85.05
32	60 under 70	15,535	.03	58,057	.11	52,613,062	99.92	1,005,761	.56	6,862,864	3.85	173,995,375	96.75	357,167	1.94	3,115,425	16.95	15,616,666	84.99
33	70 under 80	9,995	.02	42,502	.08	52,623,057	99.94	746,954	.42	5,879,103	3.27	174,742,329	97.15	281,649	1.53	2,758,256	15.01	15,898,315	86.52
34	80 under 90	7,085	.01	32,507	.06	52,630,140	99.95	599,859	.33	5,132,149	2.85	175,342,188	97.74	236,069	1.28	2,476,607	13.48	16,154,404	87.81
35	90 under 100	5,012	.01	25,424	.05	52,635,152	99.96	474,878	.26	4,532,290	2.52	175,817,064	97.74	195,419	1.06	2,240,518	12.19	16,329,823	88.87
36	100 under 150	11,564	.02	20,412	.04	52,646,716	99.98	1,386,519	.77	4,057,414	2.28	177,205,585	98.52	613,196	3.34	2,045,099	11.13	16,945,019	92.21
37	150 under 200	5,948	.01	8,848	.02	52,650,864	99.99	676,791	.36	2,670,895	1.48	177,680,574	98.69	528,814	1.79	1,451,903	7.79	17,271,933	94.00
38	200 under 250	1,872	(6)	4,900	(.01)	52,652,536	99.99	414,803	(.25)	1,994,104	1.11	178,295,177	99.12	209,588	1.14	1,102,969	6.00	17,481,321	95.14
39	250 under 300	896	(6)	3,028	(.01)	52,653,432	99.99	244,253	(.14)	1,579,301	.88	178,559,450	99.28	129,818	.71	893,601	4.86	17,681,259	95.84
40	300 under 400	891	(6)	2,132	(6)	52,654,325	99.99	304,533	(.17)	1,555,046	.74	178,845,963	99.43	165,728	.90	763,683	4.16	17,776,965	96.75
41	400 under 500	399	(6)	1,241	(6)	52,654,722	99.99	177,646	(.10)	1,030,515	.57	179,021,609	99.53	97,528	.53	597,957	3.25	17,874,491	97.28
42	500 under 750	446	(6)	842	(6)	52,655,189	99.99	268,645	(.15)	852,869	.47	179,290,254	99.68	152,615	.83	500,451	2.72	18,027,106	98.11
43	750 under 1,000	177	(6)	396	(6)	52,655,345	99.99	150,817	(.08)	584,224	.32	179,441,071	99.76	87,266	.47	347,816	1.89	18,114,372	98.58
44	1,000 under 1,500	114	(6)	219	(6)	52,655,459	99.99	158,581	(.08)	453,407	.24	179,579,652	99.84	82,542	.45	280,550	1.42	18,196,714	99.05
45	1,500 under 2,000	41	(6)	105	(6)	52,655,500	99.99	72,105	(.04)	294,826	.16	179,651,757	99.88	44,275	.24	178,208	.97	18,240,989	99.27
46	2,000 under 3,000	35	(6)	64	(6)	52,655,535	99.99	63,457	(.03)	222,721	.12	179,735,214	99.92	48,833	.27	133,953	.73	18,289,822	99.54
47	3,000 under 4,000	12	(6)	29	(6)	52,655,547	99.99	41,676	(.02)	159,264	.08	179,776,890	99.95	25,401	.14	85,100	.46	18,315,223	99.88
48	4,000 under 5,000	9	(6)	17	(6)	52,655,558	99.99	59,599	(.03)	97,588	.05	179,816,469							

Table 2. - Individual returns for 1950, by taxable and nontaxable returns and by adjusted gross income classes: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, exemption, tax liability, tax payments, and tax overpayment for all returns; also selected items for returns with itemized deductions

PART I. - ALL RETURNS (adjusted gross income classes and money figures in thousands of dollars)													
Adjusted gross income classes 1/	Total number of returns	Salaries and wages 10/	Dividends 11/	Interest 12/	Annuities and pensions 13/	Rents and royalties 14/		Business and profession 15/		Partnership 16/		Sales or exchanges of capital assets 17/	
						Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	Net gain	Net loss
Taxable returns:													
1 0.8 under 0.75	568,453	227,528	2,139	1,065	454	3,136	(83)	19,959	(53)	4,858	(33)	817	959
2 0.75 under 1	1,201,660	640,360	6,746	6,472	2,873	14,975	1,592	49,376	1,714	15,333	125	3,881	(35)
3 1 under 1.25	1,155,515	1,178,077	10,756	6,992	2,166	17,579	1,158	48,156	2,364	19,591	(33)	4,203	1,390
4 1.25 under 1.5	1,507,951	1,807,877	13,246	14,139	8,120	31,594	3,559	149,346	9,265	39,472	905	12,451	2,745
5 1.5 under 1.75	1,693,586	2,397,459	23,799	23,422	20,721	43,691	5,213	172,221	8,865	44,681	6,365	17,779	5,295
6 1.75 under 2	1,640,026	2,745,411	23,771	23,512	11,030	45,885	5,271	162,762	10,947	46,027	605	10,407	2,599
7 2 under 2.25	2,067,053	3,856,034	33,055	22,922	12,109	56,612	5,536	298,648	14,148	82,054	1,914	17,566	4,032
8 2.25 under 2.5	2,065,115	4,563,584	39,353	25,124	8,371	57,462	7,816	299,354	15,360	87,727	1,569	19,894	7,177
9 2.5 under 2.75	2,163,146	5,124,594	44,198	23,795	15,069	54,521	6,461	313,616	22,883	90,686	3,173	27,143	6,186
10 2.75 under 3	2,422,594	6,226,120	43,350	14,132	14,132	68,507	10,925	414,263	23,366	124,459	4,449	37,148	6,000
11 3 under 3.5	4,593,597	13,545,057	93,094	59,560	20,360	132,131	17,375	773,894	41,422	228,214	7,280	65,066	14,941
12 3.5 under 4	4,075,219	13,679,034	95,600	62,602	12,842	127,756	18,477	749,013	52,492	267,017	7,310	66,303	16,662
13 4 under 4.5	3,900,418	12,632,244	102,733	63,953	17,966	154,437	19,410	727,082	54,094	244,900	8,802	85,777	17,323
14 4.5 under 5	2,459,982	10,324,141	102,622	53,218	16,140	115,722	12,791	630,373	22,072	260,990	5,725	72,819	15,181
15 5 under 6	3,025,105	14,438,833	196,690	98,959	21,574	205,828	20,401	936,512	40,973	441,614	8,326	132,642	22,801
16 6 under 7	1,523,888	8,126,991	163,166	75,356	12,697	144,854	13,352	784,798	29,370	372,958	11,832	135,665	18,665
17 7 under 8	797,054	4,519,041	146,476	53,619	11,598	121,502	8,223	642,378	18,096	512,280	11,679	113,340	11,809
18 8 under 9	469,465	2,701,875	142,672	49,837	7,187	89,085	9,439	571,854	16,185	291,215	4,601	92,503	6,677
19 9 under 10	299,177	1,723,593	131,142	41,150	5,619	75,045	5,040	498,411	12,991	253,397	3,602	74,110	7,600
20 10 under 11	215,904	1,268,760	117,553	35,784	4,078	67,391	3,608	420,179	12,786	233,600	2,872	69,856	6,654
21 11 under 12	156,347	946,827	107,774	33,476	4,569	57,598	4,057	365,716	9,145	202,961	3,555	56,585	5,751
22 12 under 13	125,378	777,951	102,103	27,474	3,599	47,400	2,790	333,793	16,415	195,431	3,470	52,168	5,052
23 13 under 14	99,119	621,657	99,819	25,242	2,684	47,400	2,570	289,013	9,318	179,585	3,036	49,896	4,218
24 14 under 15	82,366	540,199	91,459	25,245	2,463	45,416	2,549	263,407	7,928	167,469	2,845	43,462	3,828
25 15 under 20	256,019	1,855,309	598,190	92,049	6,740	157,472	9,165	980,517	29,575	655,394	9,770	178,163	15,040
26 20 under 25	139,837	1,205,394	335,540	66,683	5,460	106,199	7,014	657,762	22,685	531,980	7,026	134,689	9,397
27 25 under 30	83,645	847,817	267,081	53,721	3,911	65,523	4,665	466,571	16,447	396,470	5,278	101,002	6,178
28 30 under 40	91,105	1,068,371	423,495	77,503	6,045	116,100	6,174	580,594	25,650	581,963	6,505	180,529	8,217
29 40 under 50	45,357	679,946	335,441	49,212	3,267	70,646	4,057	335,050	15,146	363,973	7,025	114,755	4,646
30 50 under 60	25,064	434,430	247,861	32,531	2,445	47,678	2,205	195,024	10,682	260,795	3,549	85,765	2,816
31 60 under 70	15,535	306,763	198,534	25,707	1,568	34,651	1,952	127,431	7,843	193,956	3,205	69,888	1,852
32 70 under 80	9,995	221,305	160,905	17,691	1,442	25,546	1,167	87,543	6,490	140,859	2,600	53,555	1,251
33 80 under 90	7,083	166,137	139,496	13,825	966	20,993	820	64,949	5,690	110,688	2,322	51,152	902
34 90 under 100	5,012	128,253	120,079	10,939	671	14,343	1,269	45,704	4,846	84,306	1,452	44,374	666
35 100 under 150	11,564	330,615	386,392	31,302	2,377	46,093	3,012	106,929	16,664	232,832	4,863	156,605	1,496
36 150 under 200	3,948	133,105	205,692	14,514	1,116	20,212	1,270	45,033	10,310	104,599	2,672	98,251	570
37 200 under 250	1,872	71,382	136,449	9,277	854	11,106	841	19,243	4,470	52,803	1,315	68,851	217
38 250 under 300	896	35,825	88,187	4,470	544	6,976	457	8,113	2,985	26,424	1,117	47,469	117
39 300 under 400	891	37,678	109,525	5,437	456	7,407	1,015	12,167	3,308	30,334	1,312	67,952	118
40 400 under 500	399	19,980	74,661	2,57	257	6,125	215	2,947	3,118	10,613	755	45,697	52
41 500 under 750	446	20,904	98,206	4,348	248	4,597	398	5,972	3,698	16,593	1,728	88,787	55
42 750 under 1,000	177	6,923	60,616	2,696	103	3,468	121	4,033	2,459	4,282	1,115	43,591	36
43 1,000 under 1,500	114	3,632	50,153	1,618	85	1,478	60	4,147	1,514	4,715	590	49,920	15
44 1,500 under 2,000	41	1,479	32,057	625	50	1,139	47	99	494	612	251	16,178	10
45 2,000 under 3,000	55	1,962	29,744	993	128	1,910	49	1,093	1,803	1,284	50	31,355	6
46 3,000 under 4,000	12	229	12,585	172	11	17	1	-	451	2,890	177	15,328	4
47 4,000 under 5,000	9	221	16,928	56	86	479	22	5	273	5	42	8,100	1
48 5,000 or more	8	170	37,736	2,384	31	5	5	-	118	9	20	12,402	2
49 Total taxable returns	38,186,682	122,555,987	5,917,919	1,593,372	279,210	2,592,408	233,053	15,665,394	608,792	8,014,876	168,274	3,000,445	245,392
50 Nontaxable returns: 32/													
51 No adjusted gross income 5/	404,534	116,988	26,795	12,706	2,046	40,797	47,295	16,785	758,250	21,058	187,740	77,520	16,742
52 Under 0.8	5,780,013	1,093,015	15,255	10,571	4,206	50,527	11,600	114,250	47,672	6,935	16,430	14,405	51
53 0.8 under 0.75	900,559	435,324	11,478	11,474	6,924	34,811	3,074	81,526	14,058	5,145	5,455	2,866	52
54 0.75 under 1	1,111,097	644,536	23,640	15,341	15,341	70,570	2,453	173,139	23,243	25,481	4,447	15,024	5,000
55 1 under 1.25	1,335,351	1,005,022	27,396	27,651	30,871	83,899	3,975	282,635	21,069	36,375	7,398	18,710	7,833
56 1.25 under 1.5	1,077,985	1,012,875	26,704	25,526	20,526	60,752	4,551	280,333	32,373	45,721	4,599	16,728	6,716
57 1.5 under 1.75	1,017,574	1,167,709	17,734	17,316	21,327	48,741	1,365	524,054	11,570	45,312	6,304	16,042	5,507
58 1.75 under 2	1,121,891	1,556,346	21,952	15,616	14,822	55,261	2,636	369,651	20,385	60,058	5,805	16,365	4,946
59 2 under 2.25	712,305	1,149,845	11,142	11,757	8,725	38,948	4,505	246,843	9,780	39,816	2,211	12,969	4,974
60 2.25 under 2.5	798,872	1,510,805	10,406	6,263	9,015	39,660	2,212	269,989	11,755	48,734	5,715	10,462	5,059
61 2.5 under 2.75	744,882	1,558,890	8,440	7,540	5,841	30,055	2,056	265,247	6,145	48,329	1,949	9,625	4,403
62 2.75 under 3	455,174	1,087,241	5,631	3,821	1,749	15,782	757	155,472	9,587	52,781	2,922	8,441	4,323
63 3 under 3.5	794,942	2,113,357	4,582	5,245	2,529	24,372	1,849	513,802	6,779	66,273	1,187	11,897	1,355
64 3.5 under 4	373,252	1,179,737	8,691	2,989	(55)	13,944	1,467	151,106	4,992	29,500	(53)	7,532	1,359
65 4 under 4.5	144,611	511,424	3,170	2,464	2,750	8,130	1,832	71,194	2,491	10,185	(33)	3,805	63
66 4.5 or more	100,374	394,014	18,966	6,729	3,423	15,994	3,595	84,014	10,049	17,653	3,077	6,932	1,716
67 Total nontaxable returns	14,875,416	16,337,158	239,780	202,032	152,605	632,043	95,220	3,198,040	989,878	560,631	243,013	258,126	85,236
68 Grand total	53,062,098	138,893,145	6,157,709	1,595,804	431,815	3,224,452	328,273	18,863,434	1,598,670	8,575,507	411,287	3,258,571	330,628

Table 2. - Individual returns for 1950, by taxable and nontaxable returns and by adjusted gross income classes; Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, exemption, tax liability, tax payments, and tax overpayment for all returns; also selected items for returns with itemized deductions - Continued

PART I. - ALL RETURNS - Continued
(Adjusted gross income classes and money figures in thousands of dollars)

	Adjusted gross income classes 1/	Sales or exchanges of property other than capital assets 18/		Income from estates and trusts 19/	Miscellaneous income 20/	Adjusted gross income 2/	Amount of exemption 21/	Tax liability 3/	Tax withheld	Payments on 1950 declaration 22/	Tax due at time of filing	Overpayment (refund, or credit on 1951 tax)
		Net gain	Net loss									
1	Taxable returns:											
2	0.6 under 0.75	(33)	-	778	2,520	261,501	221,072	2,470	17,847	380	445	16,205
3	0.75 under 1	(55)	(33)	1,619	10,789	1,049,309	720,996	37,867	75,824	1,764	5,456	45,179
4	1 under 1.25	(33)	(33)	2,860	13,116	1,297,733	695,309	79,410	96,057	2,949	10,986	50,582
5	1.25 under 1.5	(33)	1,597	2,618	17,161	2,083,811	1,176,730	117,669	140,305	4,820	14,287	41,742
6	1.5 under 1.75	1,446	844	8,590	16,593	2,745,812	1,401,377	179,800	193,803	8,148	22,306	44,456
7	1.75 under 2	1,481	2,727	9,552	17,237	3,073,123	1,367,139	233,325	236,839	11,444	25,148	40,105
8	2 under 2.25	2,744	1,716	10,146	23,388	4,387,731	2,204,618	290,776	308,632	14,609	28,791	61,258
9	2.25 under 2.5	899	1,493	7,747	26,582	4,905,162	2,269,988	357,094	366,316	17,053	34,430	60,705
10	2.5 under 2.75	1,377	2,345	6,896	30,443	5,691,285	2,617,902	416,807	427,592	16,688	37,094	66,347
11	2.75 under 3	2,139	1,247	12,568	32,863	6,961,107	3,424,319	474,177	489,495	23,323	41,558	80,196
12	3 under 3.5	2,961	854	22,195	50,765	14,912,416	7,020,651	1,061,886	1,080,258	50,617	90,855	159,844
13	3.5 under 4	3,227	7,473	16,955	54,654	15,242,570	7,001,100	1,115,355	1,115,113	55,625	98,847	154,251
14	4 under 4.5	4,191	4,729	19,614	41,496	13,988,086	6,085,282	1,078,595	1,050,390	59,751	99,246	150,791
15	4.5 under 5	6,067	6,581	14,948	32,812	11,569,605	4,607,426	965,188	911,340	61,244	95,555	100,890
16	5 under 6	8,417	8,323	14,849	66,406	16,486,505	5,789,533	1,502,535	1,379,121	119,659	142,953	159,380
17	6 under 7	3,503	4,221	28,217	49,445	9,820,005	2,886,491	999,268	845,568	114,397	117,805	78,504
18	7 under 8	5,167	3,219	26,653	57,219	5,937,515	1,525,013	654,927	495,008	105,343	100,288	45,691
19	8 under 9	4,065	2,590	34,252	27,763	3,970,911	894,334	472,667	506,245	99,551	91,585	24,696
20	9 under 10	3,184	1,719	31,410	20,213	2,851,132	474,950	354,503	340,407	200,313	94,797	19,523
21	10 under 11	2,976	1,986	32,154	16,567	2,261,011	417,728	296,894	152,468	89,541	70,417	15,562
22	11 under 12	1,605	1,296	30,423	12,257	1,795,883	306,145	246,567	113,241	84,072	62,584	13,330
23	12 under 13	2,070	1,299	29,393	11,641	1,565,720	246,200	225,583	96,128	83,592	58,872	13,008
24	13 under 14	1,192	1,551	28,599	10,782	1,335,375	195,755	201,507	77,402	77,402	55,359	9,466
25	14 under 15	1,785	1,117	25,084	11,233	1,192,951	162,712	186,828	66,993	77,056	51,551	8,771
26	15 under 20	4,368	4,245	99,243	55,555	4,396,990	1,500,469	757,996	239,521	340,407	210,556	32,489
27	20 under 25	5,571	5,226	88,526	22,025	5,110,485	282,271	615,381	165,560	306,669	170,233	25,082
28	25 under 30	2,109	1,945	73,612	18,078	2,281,581	169,716	505,858	118,588	262,115	141,186	16,027
29	30 under 40	2,392	2,998	117,563	21,864	3,126,875	184,005	791,446	157,919	436,873	218,904	22,248
30	40 under 50	1,453	2,721	84,373	12,709	2,017,205	91,333	590,640	100,985	545,624	158,263	14,251
31	50 under 60	1,095	1,632	71,009	9,099	1,567,067	49,927	446,682	66,524	272,042	117,417	9,301
32	60 under 70	662	964	56,493	5,745	1,005,761	30,520	357,167	46,807	224,532	107,569	6,342
33	70 under 80	662	785	44,539	5,406	746,954	19,560	281,649	34,626	185,576	68,987	5,592
34	80 under 90	150	519	38,086	3,650	599,859	13,776	236,089	26,092	156,488	67,602	4,094
35	90 under 100	151	529	33,020	3,417	474,876	9,621	195,419	19,890	132,686	46,019	3,175
36	100 under 150	416	1,159	114,135	5,822	1,386,519	21,937	615,196	50,332	430,396	141,912	9,445
37	150 under 200	450	818	67,868	1,746	676,761	7,370	328,914	20,229	242,149	71,417	4,861
38	200 under 250	54	227	51,258	693	414,803	5,461	209,388	10,762	161,564	40,292	3,250
39	250 under 300	117	181	50,706	278	244,253	1,591	129,918	5,481	101,570	24,360	1,495
40	300 under 400	63	448	39,316	398	504,533	1,577	165,726	5,622	150,776	31,689	2,362
41	400 under 500	18	362	17,807	201	177,646	691	97,526	2,850	79,705	16,461	1,487
42	500 under 750	40	40	34,621	247	268,645	779	152,615	3,117	124,617	26,858	1,977
43	750 under 1,000	8	1,065	29,855	47	150,817	290	87,266	1,032	74,455	12,748	945
44	1,000 under 1,500	14	197	24,815	80	139,581	188	82,342	520	70,474	12,293	949
45	1,500 under 2,000	-	32	20,588	133	72,105	59	44,275	193	40,761	5,365	82
46	2,000 under 3,000	4	4	17,301	75	85,457	58	48,833	129	45,517	5,889	501
47	3,000 under 4,000	-	-	13,070	6	41,676	14	25,401	82	21,115	4,331	76
48	4,000 under 5,000	-	61	13,809	21	39,599	13	23,309	12	23,158	2,140	-
49	5,000 or more	-	-	5,380	14	57,989	15	54,390	16	31,114	5,321	60
49	Total taxable returns	80,287	88,332	1,840,429	788,476	158,545,122	55,209,968	18,374,922	11,317,585	5,314,977	3,108,883	1,566,492
50	Nontaxable returns; 32/											
51	No adjusted gross income 5/	1,694	55,140	10,318	10,262	8,726,202	605,557	-	9,787	20,677	-	50,464
52	Under 0.6	1,167	7,204	5,084	13,776	1,265,068	5,159,405	-	81,114	8,275	-	88,896
53	0.6 under 0.75	749	1,162	4,388	10,883	593,526	1,020,398	-	22,278	1,170	-	23,445
54	0.75 under 1	1,502	3,981	5,035	16,108	976,107	1,764,810	-	22,185	3,362	-	25,548
55	1 under 1.25	1,085	5,341	5,742	28,651	1,506,800	2,175,248	-	53,508	3,447	-	56,955
56	1.25 under 1.5	2,409	5,729	6,208	21,106	1,465,246	2,047,816	-	28,076	4,055	-	32,131
57	1.5 under 1.75	1,156	4,919	2,558	21,494	1,653,959	2,182,362	-	23,705	4,031	-	32,738
58	1.75 under 2	4,415	2,878	5,717	24,506	2,106,098	2,501,823	-	37,931	4,498	-	42,428
59	2 under 2.25	2,061	5,245	950	17,300	1,514,621	1,856,708	-	20,665	2,812	-	23,497
60	2.25 under 2.5	(33)	5,285	1,353	16,471	1,898,587	2,140,965	-	27,554	2,128	-	29,683
61	2.5 under 2.75	678	1,395	4,859	17,641	1,941,397	2,053,949	-	28,083	1,515	-	29,599
62	2.75 under 3	-	340	(33)	13,853	1,308,861	1,457,433	-	16,380	1,187	-	17,567
63	3 under 3.5	2,580	1,045	1,853	19,763	2,557,884	2,633,760	-	33,782	3,565	-	37,347
64	3.5 under 4	1,466	(33)	1,844	9,986	1,394,322	1,378,972	-	19,495	1,511	-	20,995
65	4 under 4.5	(33)	(33)	(33)	4,977	612,305	576,253	-	10,808	1,056	-	11,864
66	4.5 or more	(33)	(33)	(33)	5,841	537,555	426,028	-	10,815	5,366	-	16,172
66	Total nontaxable returns	22,951	97,094	59,643	250,598	9,200,303,154	27,983,093	-	432,974	68,451	-	501,416
67	Grand total	103,238	185,426	1,900,072	1,039,074	9,179,148,276	83,193,061	18,374,922	11,750,559	5,383,428	3,108,883	2,067,908
68	Taxable returns with adjusted gross income under \$5,000 and nontaxable returns	51,457	133,813	196,699	620,807	9,108,770,403	68,794,985	6,410,419	6,942,535	398,846	602,984	1,533,983
69	Taxable returns with adjusted gross income of \$5,000 or more	51,731	51,828	1,503,373	398,267	70,377,873	14,398,079	11,964,503	4,807,954	5,184,582	2,505,899	533,925

For footnotes, see pp. 9-10; for extent to which data are estimated, see pp. 3-4.

Table 2. - Individual returns for 1950, by taxable and nontaxable returns and by adjusted gross income classes: Number of returns, income or loss from each of the sources comprising adjusted gross income, adjusted gross income, exemption, tax liability, tax payments, and tax overpayment for all returns; also selected items for returns with itemized deductions - Continued

PART II. - RETURNS WITH ITEMIZED DEDUCTIONS 23/
(Adjusted gross income classes and money figures in thousands of dollars)

Adjusted gross income classes 1/	Number of returns	Adjusted gross income 2/	Deduction for -							Total deductions	Net income 30/	Net deficit 31/	Amount of exemption 23/	Tax liability 3/	Tax withheld	Payments on 1950 declaration 22/	Tax due at time of filing	Overpayment (or refund, or credit on 1951 tax)
			Contributions 24/	Interest 25/	Taxes 26/	Losses from fire, storm, etc. 27/	Medical, dental, etc., expenses 28/	Miscellaneous deductions 29/										
Taxable returns:																		
1 0.6 under 0.75	34/5,402	3,804	184	-	88	-	168	(53)	595	3,410	-	3,241	27	140	(33)	18	138	
2 0.75 under 1	71,648	84,122	4,097	574	2,406	562	3,852	1,876	12,646	51,476	-	42,929	1,615	3,013	214	502	2,215	
3 1 under 1.25	114,457	129,082	8,892	1,890	5,810	646	10,482	3,244	30,665	98,418	-	68,674	5,082	7,345	747	1,328	4,336	
4 1.25 under 1.5	124,677	171,688	10,123	2,822	6,717	1,170	14,349	5,160	40,339	151,548	-	86,380	7,837	10,595	755	1,623	4,859	
5 1.5 under 1.75	211,165	345,783	20,471	4,639	12,891	1,373	23,748	10,429	71,052	272,731	-	183,751	15,860	19,887	1,458	3,504	8,998	
6 1.75 under 2	259,231	486,542	28,432	9,887	18,906	2,867	28,207	15,329	104,129	432,415	-	236,162	24,748	30,913	2,674	5,487	12,504	
7 2 under 2.25	296,816	631,187	34,733	13,145	25,456	3,631	38,227	19,373	134,547	496,640	-	295,507	34,875	42,322	2,941	4,458	14,847	
8 2.25 under 2.5	341,223	810,802	44,427	18,541	31,401	4,714	56,040	26,399	189,620	640,782	-	394,465	42,938	53,451	4,008	5,221	19,724	
9 2.5 under 2.75	384,857	1,011,489	51,654	25,019	39,778	4,668	54,115	32,688	207,799	805,699	-	467,562	59,276	69,188	4,949	5,852	21,712	
10 2.75 under 3	420,166	1,210,257	57,303	34,295	49,162	6,676	55,891	32,469	233,801	976,457	-	592,023	65,809	79,088	5,840	4,444	26,663	
11 3 under 3.5	1,026,623	3,353,041	151,847	106,751	133,723	13,296	148,234	105,063	683,932	2,669,108	-	1,609,498	184,268	222,024	14,564	14,782	67,112	
12 3.5 under 4	1,055,123	3,961,838	170,581	132,641	159,698	20,278	146,930	127,651	757,679	3,194,160	-	1,870,403	250,761	271,970	16,169	18,888	74,276	
13 4 under 4.5	936,077	3,967,851	168,088	139,158	187,398	22,517	133,789	136,067	757,016	3,210,837	-	1,742,028	256,162	287,161	19,619	18,598	69,204	
14 4.5 under 5	716,843	3,401,476	135,648	124,387	136,342	16,890	101,675	133,386	647,179	2,754,299	-	1,410,651	234,631	266,090	17,262	16,633	55,354	
15 5 under 6	1,035,154	5,634,187	220,948	192,832	225,847	29,129	146,294	235,462	1,060,213	4,583,974	-	2,053,641	442,913	456,256	56,218	53,010	82,600	
16 6 under 7	623,336	3,369,749	134,914	113,984	134,621	18,466	87,118	187,208	646,211	2,723,539	-	1,048,182	294,666	288,078	36,226	33,145	49,188	
17 7 under 8	261,086	1,871,509	72,059	60,445	76,188	12,164	47,320	95,206	363,379	1,507,930	-	600,248	179,424	167,966	30,828	28,500	44,662	
18 8 under 9	144,596	1,221,725	49,423	37,247	50,376	6,770	29,560	64,179	238,353	985,372	-	288,228	126,908	97,240	26,226	25,005	41,086	
19 9 under 10	92,965	879,343	34,999	26,381	36,395	4,286	20,489	47,861	170,422	708,942	-	186,236	96,777	67,378	25,411	24,008	39,306	
20 10 under 10	70,365	577,556	29,979	20,897	30,718	4,360	15,544	41,024	142,622	535,033	-	141,484	85,574	55,187	24,519	14,405	8,936	
21 11 under 12	58,033	665,823	25,136	17,994	26,194	3,069	13,558	36,450	124,281	641,544	-	119,033	81,192	48,283	27,223	15,922	8,234	
22 12 under 13	50,498	650,330	24,832	16,808	26,082	2,730	11,539	30,835	112,625	637,706	-	101,860	81,723	45,321	29,837	14,957	6,490	
23 13 under 14	41,668	590,299	20,896	13,562	23,483	2,497	8,912	24,925	94,065	566,234	-	84,920	76,657	38,360	28,970	15,179	5,619	
24 14 under 15	36,692	551,850	19,783	11,608	22,456	2,115	7,384	22,459	86,753	444,897	-	73,937	76,140	35,944	31,474	14,342	2,854	
25 15 under 20	133,997	2,313,443	81,240	44,501	92,432	8,344	25,189	86,061	337,768	1,975,675	-	274,470	371,564	160,152	186,567	77,898	18,758	
26 20 under 25	86,071	1,919,600	65,293	50,991	75,934	6,454	16,387	59,933	249,971	1,669,628	-	177,011	369,962	116,157	183,986	78,668	15,485	
27 25 under 30	56,809	1,551,569	48,291	22,090	57,726	4,796	8,802	42,013	185,718	1,365,852	-	117,120	329,713	90,233	178,298	76,669	12,485	
28 30 under 40	68,733	2,364,539	70,631	31,436	84,221	6,920	9,761	57,954	260,914	2,103,627	-	139,817	581,662	131,458	329,954	139,038	18,773	
29 40 under 50	37,400	1,665,542	48,832	20,266	57,450	4,733	5,163	39,807	176,220	1,489,320	-	76,879	476,560	89,901	285,233	118,841	18,425	
30 50 under 60	21,667	1,182,450	34,688	14,456	39,705	3,896	2,743	27,179	122,143	1,060,307	-	43,299	379,676	60,808	336,167	91,204	8,602	
31 60 under 70	13,728	887,232	26,390	10,773	29,249	2,562	1,806	20,062	90,330	796,902	-	27,045	310,915	43,750	198,643	74,894	6,752	
32 70 under 80	9,119	681,669	20,919	7,859	22,179	2,297	888	15,992	69,534	612,136	-	17,863	254,072	32,642	167,921	56,826	6,517	
33 80 under 90	6,514	551,939	17,376	6,636	18,077	1,949	633	13,996	56,667	495,028	-	12,879	214,815	24,996	143,972	49,708	3,859	
34 90 under 100	4,657	441,231	14,554	5,026	14,302	1,723	541	9,632	45,667	395,574	-	8,939	180,054	19,065	123,696	40,434	3,041	
35 100 under 150	10,951	1,314,296	46,844	15,634	43,091	4,848	915	32,495	145,827	1,170,469	-	20,788	577,472	49,008	409,387	128,132	9,056	
36 150 under 200	3,803	651,945	26,801	7,332	20,609	2,305	243	16,417	78,607	678,358	-	7,108	316,619	19,889	233,956	66,432	4,708	
37 200 under 250	1,888	407,301	18,842	4,916	12,903	1,589	107	13,968	52,324	354,977	-	5,400	205,192	10,720	168,660	39,032	3,220	
38 250 under 300	876	238,817	11,292	2,654	7,631	1,009	39	6,999	29,423	209,396	-	1,565	126,945	5,346	100,419	22,685	1,486	
39 300 under 400	980	300,847	15,447	3,168	9,303	1,645	26	8,559	38,547	262,300	-	1,568	163,700	5,609	129,428	31,024	2,362	
40 400 under 500	393	174,316	9,828	2,180	5,505	879	11	6,409	24,613	160,503	-	683	96,921	2,856	78,691	15,882	1,487	
41 500 under 750	440	285,252	14,447	2,647	7,112	1,138	11	6,223	31,578	253,674	-	770	150,722	3,103	122,927	26,667	1,964	
42 750 under 1,000	176	149,030	9,877	1,105	4,284	617	1	5,291	21,175	127,855	-	286	86,396	1,023	73,616	12,698	942	
43 1,000 under 1,500	114	139,581	7,747	841	4,038	411	3	2,546	15,368	123,194	-	188	82,542	520	70,474	12,293	945	
44 1,500 under 2,000	41	72,108	4,864	842	1,663	157	61	2,710	9,806	62,299	-	58	44,275	193	40,781	3,563	62	
45 2,000 under 3,000	33	79,051	5,434	212	2,246	862	-	1,192	9,935	69,116	-	49	46,644	124	43,514	3,507	601	
46 3,000 under 4,000	12	41,676	3,389	53	829	16	-	863	4,900	36,776	-	14	25,401	38	21,116	4,351	76	
47 4,000 under 5,000	8	39,699	2,686	53	965	14	-	619	4,368	35,331	-	13	25,309	12	25,168	2,140	-	
48 5,000 or more	8	57,989	6,956	134	1,282	139	-	1,471	9,353	49,058	-	16	34,390	16	31,114	3,321	60	
49 Total taxable returns	8,724,542	33,079,091	2,128,327	1,360,029	2,045,803	246,418	1,260,182	1,881,295	6,821,344	24,187,166	-	14,556,543	3,145,810	3,600,537	3,982,797	1,451,937	741,445	
Nontaxable returns: 32/																		
50 No adjusted gross income 5/	404,654	8/78,202	2,333	4,084	5,376	1,228	4,164	2,021	19,208	-	745,408	603,367	-	9,787	20,877	-	30,464	
51 Under 0.5	28,652	11,504	1,600	2,005	2,768	(53)	4,808	851	12,331	5,120	5,945	27,995	-	704	897	-	1,600	
52 0.5 under 0.75	44,541	30,474	2,000	1,267	3,460	298	4,758	5,859	19,197	6,396	39,162	17,673	-	1,064	156	-	1,178	
53 0.75 under 1	84,752	75,180	5,136	3,041	7,055	216	13,373	3,664	32,468	48,946	2,133	80,651	-	2,668	965	-	3,185	
54 1 under 1.25	76,592	86,810	4,699	3,400	7,654	3,466	14,245	4,281	37,764									

Footnotes - Continued

payable without interest at a fixed maturity date not exceeding 1 year from date of issue, and (5) real property used in trade or business.

19/ Income from estates and trusts exclude partially tax-exempt interest on Government obligations. (The net operating loss deduction is allowed to estates and trusts and is deducted in computing the distributable income.)

20/ Miscellaneous income includes alimony received, prizes, rewards, sweepstakes winnings, gambling profits, recoveries of bad debts or insurance received as reimbursement for medical expenses if deduction for either was taken in a prior year. For returns with standard deduction, there are included \$31,965,000 of wages not subject to withholding, dividends, and interest, not exceeding in total \$100 per return, reported as other income on 661,338 returns, Form 1040A.

21/ Amount of exemption, allowed for purposes of both normal tax and surtax, includes \$600 per capita exemption for the taxpayer, his spouse, and each dependent, together with additional exemptions for the taxpayer and/or his spouse, of \$600 if blind, and \$600 if 65 years of age or over.

22/ Payments on 1950 declaration of estimated tax, reported on returns, Form 1040, include the credit for overpayment of prior year tax as well as the aggregate payments made on the declaration, Form 1040-ES.

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

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

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

26/ Taxes paid, reported on returns with itemized deductions, include personal property taxes, State income taxes, certain retail sales taxes, and real estate taxes except those levied for improvement which tend to increase the value of property. This deduction excludes Federal income taxes; estate, inheritance, legacy, succession and gift taxes; taxes on shares in a corporation which are paid by the corporation without reimbursement from the taxpayer; taxes deducted in the schedules for business and rent income; income taxes paid to a foreign country or possession

of the United States if any portion thereof is claimed as tax credit; and Federal social security and employment taxes paid by or for the employee.

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

28/ Medical and dental expenses, reported on returns with itemized deductions, paid for the care of the taxpayer, his spouse, or dependents, not compensated by insurance or otherwise, which exceed 5 percent of the adjusted gross income. The deduction cannot exceed an amount equal to \$1,250 multiplied by the number of exemptions other than age and blindness, with a maximum of \$2,500, except that on a joint return of husband and wife the maximum is \$5,000.

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

30/ Net income reported on long-form returns, Form 1040, which have adjusted gross income in excess of itemized deductions.

31/ Net deficit, reported on nontaxable returns, Form 1040, classified as returns with itemized deductions, consists of adjusted gross deficit on short-form returns and the net deficit on long-form returns resulting from the combination of adjusted gross deficit and itemized deductions or from the excess of itemized deductions over the adjusted gross income.

32/ Nontaxable returns are those with no adjusted gross income and those with adjusted gross income which income when reduced by deductions, standard or itemized, and exemptions, results in no tax liability. The 1,191,218 nontaxable returns with adjusted gross income and with itemized deductions include 42,776 returns with net deficit.

33/ The number of returns associated with this item is subject to sampling variation of more than 100 percent. Such items are not shown separately since they are considered too unreliable for general use; however, they are included in totals. For description of sample, see pp. 3 and 4.

34/ Number of returns is subject to maximum sampling variation of 30 to 100 percent, depending on the number in the cell. For description of sample, see pp. 3 and 4.

ALPHA

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.

ALPHA

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 January 22, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 22, 1953. 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

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TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, January 13, 1953

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✓-3291

The Secretary of the Treasury, by this public notice, invites tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing January 22, 1953, in the amount of \$ 1,401,548,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 22, 1953, and will mature April 23, 1953, 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, Friday, January 16, 1953. 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

Bus

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

718

RELEASE MORNING NEWSPAPERS,
Tuesday, January 13, 1953.

S-3291

The Secretary of the Treasury, by this public notice invites tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing January 22, 1953, in the amount of \$1,401,548,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated January 22, 1953, and will mature April 23, 1953, 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, Friday, January 16, 1953. 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 January 22, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing January 22, 1953. 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.

Treasury Department
Washington

1-3292

FOR IMMEDIATE RELEASE,

January 14, 1953

*Thousand
Quintal*

The Bureau of Customs announced today preliminary figures showing the quantities of wheat and wheat flour/entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's proclamation of May 28, 1941, as modified by the President's proclamation of April 13, 1942, for the 12 months commencing May 29, 1952, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports	Established Quota	Imports
	May 29, 1952, to January 14, 1953	May 29, 1952, to January 14, 1953	May 29, 1952, to January 14, 1953	May 29, 1952, to January 14, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	794,576	3,815,000	1,219,126
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	44
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>794,576</u>	<u>4,000,000</u>	<u>1,219,170</u>

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE

Friday, January 16, 1953

S-3292

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, 1952, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established : Quota (Bushels)	Imports :May 29, 1952, to :January 14, 1953 (Bushels)	Established : Quota (Pounds)	Imports :May 29, 1952, to :January 14, 1953 (Pounds)
Canada	795,000	794,576	3,815,000	1,219,126
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	44
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	<u>800,000</u>	<u>794,576</u>	<u>4,000,000</u>	<u>1,219,170</u>

LST

Treasury Department
Washington

S- 3293

IMMEDIATE RELEASE
January 14, 1953

Friday 16

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, 1952, to December 31, 1952, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of December 31, 1952
Buttons	850,000	Gross	754,249
Cigars	200,000,000	Number	1,902,797
Coconut Oil	448,000,000	Pound	119,246,953
Cordage	6,000,000	Pound	4,505,399
Rice	1,040,000	Pound	150
(Refined)			-
Sugars (Unrefined)	1,904,000,000	Pound	1,647,927,728
Tobacco	6,500,000	Pound	3,350,953

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Friday, January 16, 1953

S-3293

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, 1952, to December 31, 1952, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of December 31, 1952
Buttons.....	850,000	Gross	754,249
Cigars.....	200,000,000	Number	1,902,797
Coconut Oil.....	448,000,000	Pound	119,246,953
Cordage.....	6,000,000	Pound	4,505,399
Rice.....	1,040,000	Pound	150
Sugars (Refined.....)			-
(Unrefined....)	1,904,000,000	Pound	1,647,927,728
Tobacco.....	6,500,000	Pound	3,350,953

857
 IMMEDIATE RELEASE
 January 14, 1953

*Treasury Department
 Washington*

4-3294

Friday 16

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within tariff-rate quota limitations from the beginning of the quota periods to December 31, 1952, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of December 31, 1952
Whole milk, fresh or sour.....	Calendar Year Calendar year	3,000,000 Gallon	23,414
Cream	Calendar year	1,500,000 Gallon	1,126
Butter	Nov. 1, 1952- March 31, 1953	50,000,000 Pound	2,649
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	31,472,108 Pound	Quota Filled
White or Irish potatoes: certified seed	12 months from	150,000,000 Pound	60,579,905
other.....	Sept. 15, 1952	798,900,000 Pound	38,016,046
Walnuts	Calendar year	5,000,000 Pound	Quota Filled
Petroleum and petroleum products	Calendar year		
	Venezuela	2,956,841,949 Gallon	Quota Filled
	Netherlands	930,857,651 Gallon	Quota Filled
	Other Countries	1,090,148,800 Gallon	Quota Filled
Almonds: shelled	12 months from	7,000,000 Pound	1,796,408
prepared	October 1, 1952		218,386

TREASURY DEPARTMENT
Washington

724

IMMEDIATE RELEASE
Friday, January 16, 1953

S-3294

The Bureau of Customs announced today preliminary figures showing the imports for consumption of commodities within tariff-rate quota limitations from the beginning of the quota periods to December 31, 1952, inclusive, as follows:

Commodity	Period and Quantity	Unit of Quantity	Imports as of December 31, 1952
Whole milk, fresh or sour.....	Calendar year	3,000,000 Gallon	23,414
Cream.....	Calendar year	1,500,000 Gallon	1,126
Butter	Nov. 1, 1952- March 31, 1953	50,000,000 Pound	2,649
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish.....	Calendar year	31,472,108 Pound	Quota Filled
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other.....	Sept. 15, 1952	798,900,000 Pound	38,016,046
Walnuts.....	Calendar year	5,000,000 Pound	Quota Filled
Petroleum and petroleum products.....	Calendar year		
	Venezuela	2,956,841,949 Gallon	Quota Filled
	Netherlands	930,857,651 Gallon	Quota Filled
	Other countries	1,090,148,800 Gallon	Quota Filled
Almonds: shelled.....	12 months from	7,000,000 Pound	1,796,408
prepared.....	October 1, 1952		218,386

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, 1952, to : January 14, 1953	: Established : : 33-1/3% of : : Total Quota :	Imports <u>1/</u> : Sept. 20, 1952, : to January 14, 1953
United Kingdom	4,323,457	607	1,441,152	-
Canada	239,690	211,091	-	-
France	227,420	13,111	75,807	13,111
British India	69,627	8,964	-	-
Netherlands	68,240	15,715	22,747	15,715
Switzerland	44,388	-	14,796	-
Belgium	38,559	-	12,853	-
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	25,054	25,443	25,054
Italy	21,263	6,430	7,088	6,430
	5,482,509	280,972	1,599,886	60,310

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

Washington
- 1 -

3295

IMMEDIATE RELEASE

January 14, 1953

Friday

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, 1952, to January 14, 1953, inclusive

<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>	<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>
Egypt and the Anglo- Egyptian Sudan	783,816	-	Honduras	752	-
Peru	247,952	587	Paraguay	871	-
British India	2,003,483	-	Colombia	124	-
China	1,370,791	-	Iraq	195	-
Mexico	8,883,259	5,972,663	British East Africa ...	2,240	-
Brazil	618,723	-	Netherlands E. Indies	71,388	-
Union of Soviet Socialist Republics	475,124	-	Barbados	-	-
Argentina	5,203	1,382	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, 1952, to January 3, 1953

<u>Established Quota (Global)</u>	<u>Imports</u>
70,000,000	3,397,639

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1952, to January 12, 1953

<u>Established Quota (Global)</u>	<u>Imports</u>
45,656,420	Quota Filled

IMMEDIATE RELEASE
 Friday, January 16, 1953

TREASURY DEPARTMENT
 Washington

S-3295

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 September 20, 1952, to January 14, 1953, inclusive

<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>	<u>Country of Origin</u>	<u>Established Quota</u>	<u>Imports</u>
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Peru.....	247,952	587	Paraguay.....	871	-
British India.....	2,003,483	-	Colombia.....	124	-
China.....	1,370,791	-	Iraq.....	195	-
Mexico.....	8,883,259	5,972,663	British East Africa....	2,240	-
Brazil.....	618,723	-	Netherlands E. Indies..	71,388	-
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Argentina.....	5,203	1,382	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"
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<u>Established Quota (Global)</u>	<u>Imports</u>
70,000,000	3,397,639

<u>Established Quota (Global)</u>	<u>Imports</u>
45,656,420	Quota Filled

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, 1952, to January 14, 1953	Established : 33-1/3% of Total Quota	Imports : Sept. 20, 1952, to January 14, 1953	1/
United Kingdom.....	4,323,457	607	1,441,152	-	-
Canada.....	239,690	211,091	-	-	-
France.....	227,420	13,111	75,807	13,111	-
British India.....	69,627	8,964	-	-	-
Netherlands.....	68,240	15,715	22,747	15,715	-
Switzerland.....	44,388	-	14,796	-	-
Belgium.....	38,559	-	12,853	-	-
Japan.....	341,535	-	-	-	-
China.....	17,322	-	-	-	-
Egypt.....	8,135	-	-	-	-
Cuba.....	6,544	-	-	-	-
Germany.....	76,329	25,054	25,443	25,054	-
Italy.....	21,263	6,430	7,088	6,430	-
	5,482,509	280,972	1,599,886	60,310	

1/ Included in total imports, column 2.

Prepared by the Bureau of Customs

TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
~~Wednesday, December 17, 1952.~~

S-3296

S-3270

Monday, January 19, 1953

During the month of ~~November~~ *December*, 1952

market transactions in direct and
guaranteed securities of the Government
for Treasury investment and other
accounts resulted in net purchases of
~~\$11,696,750~~ *\$8,238,200.00*, Secretary Snyder announced
today.

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.



729

RELEASE MORNING NEWSPAPERS,
Monday, January 19, 1953.

S-3296

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S-3297

RELEASE MORNING NEWSPAPERS,
Saturday, January 17, 1953.

The Secretary of the Treasury announced last evening that the tenders for \$1,400,000,000, or thereabouts, of 91-day Treasury bills to be dated January 22 and to mature April 23, 1953, which were offered on January 13, were opened at the Federal Reserve Banks on January 16.

The details of this issue are as follows:

Total applied for - \$2,127,340,000
 Total accepted - 1,400,603,000 (includes \$240,139,000 entered on a non-competitive basis and accepted in full at the average price shown below)
 Average price - 99.470/ Equivalent rate of discount approx. 2.097% per annum
 Range of accepted competitive bids:
 High - 99.520 Equivalent rate of discount approx. 1.899% per annum
 Low - 99.464 " " " " " 2.120% " "

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

<u>Federal Reserve District</u>	<u>Total Applied for</u>	<u>Total Accepted</u>
Boston	\$ 35,860,000	\$ 29,940,000
New York	1,486,122,000	856,776,000
Philadelphia	36,126,000	17,646,000
Cleveland	63,938,000	61,442,000
Richmond	16,688,000	14,148,000
Atlanta	21,358,000	20,558,000
Chicago	243,767,000	191,887,000
St. Louis	52,588,000	47,338,000
Minneapolis	10,574,000	10,574,000
Kansas City	41,850,000	36,695,000
Dallas	53,244,000	50,594,000
San Francisco	65,225,000	63,005,000
TOTAL	\$2,127,340,000	\$1,400,603,000

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

731

RELEASE MORNING NEWSPAPERS,
Saturday, January 17, 1953.

S-3297

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Atlanta	21,358,000	20,558,000
Chicago	243,767,000	191,887,000
St. Louis	52,588,000	47,338,000
Minneapolis	10,574,000	10,574,000
Kansas City	41,850,000	36,695,000
Dallas	53,244,000	50,594,000
San Francisco	65,225,000	63,005,000
TOTAL	\$2,127,340,000	\$1,400,603,000

broadcast radio warnings of the operations of the gang.



The Export-Import Bank of Washington has collection, remittance and money-transfer relationships with a number of banks in New York and elsewhere, but in no instance does the Export-Import Bank disburse funds from these accounts.

The Export-Import Bank Act of 1945 created the Export-Import Bank of Washington as an independent agency of the United States of America, ~~and it is the only foreign lending agency of this Government.~~ It does a general banking business within specific limitations. Its capital of one billion dollars was subscribed by the United States through the Secretary of the Treasury.

At the Export-Import Bank
Agency banks have been notified of this fraud, as it is expected that the forgers have a supply of printed ~~blank~~ blank checks which they will try to negotiate for large sums in other European cities.

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The ~~single~~ check for \$20,000 was drawn November 5, 1952, payable to the order of one Luis Penalver Sanz, and carried the ~~blank~~ endorsement of Kunz & Weyeneth Bankers, Ltd., Zurich. *As in the case of the other checks,* Payment was refused by the Bank of the Manhattan Company because the signatures were unknown and there was no authority to pay *- them*.

*Cleared with
Mr. Anderson, Export-Import Bank*

Amidante Release
January 16, 1953

PRESS RELEASE
U. S. SECRET SERVICE

5- ~~SECRET~~
3298

An international police dragnet ~~is~~ has been thrown across Europe to trap a gang of forgers ~~whose~~ whose bold maneuvers *may* have netted them ^{as much as} ~~nearly~~ \$60,000 through the fraudulent negotiation of 12 bogus checks purporting to be drawn on the Export-Import Bank of Washington, according to U. E. Baughman, Chief of the U. S. Secret Service.

The checks ranged in amount from \$1,000 to \$20,000 and were ~~all~~ cashed in Switzerland, Spain, ~~and probably in~~ Germany and Portugal, Chief Baughman said. The checks carry the printed heading, "EXPORT-IMPORT BANK OF WASHINGTON, Washington 25, D. C.". The line for the name of the payee is prefixed by the printed script words, "Pay to the ~~the~~ Order of (duplicate unpaid)". Printed titles of the ~~the~~ officials purporting to sign the checks are shown as "Manager" and "Accountant," but the signatures above the titles are undecipherable. In the lower left corner of each check is the printed inscription, "Bank of the Manhattan Co. 40 Wall Street, New York, N. Y. Lit Moore Bros."

The first check to appear ^{numbered N 24668, and was} dated August 12, 1952, ^{and it} was ^{made} payable to "Charles J. Fielding," for \$4,800. It bore an endorsement of the Credit Suisse, Basle, to the Bank of the Manhattan

Company. The 12 checks received to date total \$56,300. *They were turned over to the U.S. Secret Service after being sent to New York banks for clearance.*

The Secret Service promptly requested an investigation by the Treasury Representative stationed in Paris, and ~~the cooperation~~ police in Switzerland and other European countries ~~have been~~

are making intense investigations to track down the forgers. The International Criminal Police Commission, Paris (Interpol), of which the Treasury Department is a member, has notified its representatives throughout Europe and has

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TREASURY DEPARTMENT



Information Service

WASHINGTON, D.C.

734

IMMEDIATE RELEASE,
Friday, January 16, 1953.

S-3298

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- 2 -

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