U.S. Treasury Dept.
Press Releases

H-109

RELEASE MORNING NEWSPAPERS,
Tuesday, May 5, 1953.

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated May 7 and to mature August 6, 1953, which were offered on April 30, were opened at the Federal Reserve Banks on May 4.

The details of this issue are as follows:

Total applied for - $2,166,360,000
Total accepted - 1,500,400,000 (includes $247,734,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.405/ Equivalent rate of discount approx. 2.352% per annum

Range of accepted competitive bids:

High - 99.450 Equivalent rate of discount approx. 2.176% per annum
Low - 99.400 " " " " " 2.374% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 20,696,000	$ 18,696,000
New York	1,489,431,000	919,566,000
Philadelphia	48,964,000	33,454,000
Cleveland	43,234,000	43,234,000
Richmond	17,752,000	16,997,000
Atlanta	27,972,000	27,672,000
Chicago	268,364,000	200,224,000
St. Louis	36,338,000	31,528,000
Minneapolis	15,154,000	14,144,000
Kansas City	80,684,000	77,624,000
Dallas	36,710,000	36,200,000
San Francisco	81,061,000	81,061,000
TOTAL	$2,166,360,000	$1,500,400,000

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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policy for this country. In doing that the Treasury will have a simple objective. We would like to help friendly countries, in the soundest and least expensive way possible, to stand on their own feet. We will be seeking a course of action which will reduce the burden on our taxpayers, but we will want to guard against the creation of new national problems in the form of unnecessary hardship to the industry and agriculture of this country. I believe that a judicious course of action can be worked out, and I recommend that the Act be renewed in its present form to give us time to work it out.

a consciousness of the need for insuring a continuing high-level of employment and a continuing high standard of living in the United States. We will be conscious also of the need for more solidly based economies in friendly countries around the world. A careful balancing of all of the various aspects of this problem will take some time.

What should be our policy in the interim? The President has recommended an extension of the Reciprocal Trade Agreements Act in its present form. I am sure that this is a wise recommendation. Until we have soberly considered the whole problem of our foreign economic policies, it would be highly unwise to make radical changes in either direction. I would not recommend to the Congress any hasty action which ignores the legitimate safeguarding of domestic industries, agriculture and labor standards. By exactly the same token, I would recommend against any action, at this time, to remove the stimulus to foreign exports which has been granted by the Reciprocal Trade Agreements Act. I do not believe that the United States should fall back at a time when we need the cooperation of all of the free world. What this moment requires is a measure to hold the situation open until the whole problem can be looked at. Extension of the Act in its present form is, I believe, the measure required.

If this can be done, we can move forward with completely open minds towards formulating an appropriate foreign economic

The problem of our trade relations with foreign countries has come to my attention with increasing force over the past two months. Just over a week ago I was in Paris with Secretary Dulles and Secretary Wilson and Mr. Stassen. In the weeks before that, in Washington, I talked with representatives of the United Kingdom, Germany, and France.

There is a uniform concern in the minds of these people about the problem of achieving a balance of trade in their dollar accounts. There is full realization on their part that United States assistance just as economic aid cannot, and should not, go on forever. To an increasing degree they are focusing their attention on ways and means of freeing their trade from restrictions and getting themselves into a position where they can stand on their own feet.

I believe we ought to encourage these efforts. I believe it is important to the United States that these countries make as much progress as possible in the direction of easing up their restrictions on trade and payments.

But the problem is complex and it needs a good deal of very careful thought. It needs the kind of study which the President has proposed, before we can establish firmly the line of policy which we wish to set. Both the Executive Branch and the Congress, I am sure, will bring to that study

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STATEMENT BY SECRETARY OF THE TREASURY HUMPHREY
BEFORE COMMITTEE ON WAYS AND MEANS, HOUSE
OF REPRESENTATIVES, ON THE RECIPROCAL
TRADE AGREEMENTS ACT

May 4, 1953

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What should be our policy in the interim? The President has recommended an extension of the Reciprocal Trade Agreements Act in its present form. I am sure that this is a wise recommendation. Until we have soberly considered the whole problem of our foreign economic policies, it would be highly unwise to make radical changes in either direction. I would not recommend to the Congress any hasty action which ignores the legitimate safeguarding of domestic industries, agriculture and labor standards. By exactly the same token, I would recommend against any action, at this time, to remove the stimulus to foreign exports which has been granted by the Reciprocal Trade Agreements Act. I do not believe that the United States should fall back at a time when we need the cooperation of all of the free world. What this moment requires is a measure to hold the situation open until the whole problem can be looked at. Extension of the Act in its present form is, I believe, the measure required.

If this can be done, we can move forward with completely open minds towards formulating an appropriate foreign economic policy for this country. In doing that the Treasury will have a simple objective. We would like to help friendly countries, in the soundest and least expensive way possible, to stand on their own feet. We will be seeking a course of action which will reduce the burden on our taxpayers, but we will want to guard against the creation of new national problems in the form of unnecessary hardship to the industry and agriculture of this country. I believe that a judicious course of action can be worked out, and I recommend that the Act be renewed in its present form to give us time to work it out.

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Meanwhile, we feel that the program which has been presented to you today is the best balance between security for our friends and ourselves and our necessity for reducing expenditures that can be appropriately managed at this time. We are looking forward to making savings wherever possible and further progress in making additional reductions in the future.

~~Thank you very much.~~

whenever and wherever justified. Although expenditures of such magnitude will necessarily create problems, they can be handled under the sound financial principles to which we are committed.

In formulating the foreign assistance program close attention has also been given to the desirability of fostering private investment abroad. This will not only reduce public expenditure but the Government should not undertake activities that can better be carried on by the people themselves. In this direction we will be constantly alert to utilizing the International Bank for Reconstruction and Development and the International Monetary Fund wherever possible. To this end also it is the policy of the Government that interest rates on any governmental loans which may be necessary shall be such as not to discourage private investment.

As we progress throughout the year we will give serious consideration to the problem of the rate of expenditures which we will lay before you next year. We will strive for proper balance between military preparedness in the United States and overseas, and maintenance of economic strength at home. We have already laid the groundwork for establishing that balance. In the NATO meeting in Paris last month my associates and I took steps in that direction. Our friends abroad were fully advised of this policy. As we go through the next year we will build upon that foundation.

to put that policy into practice right now. Changing the practice of the past, we now propose that the Congress authorize new funds for foreign assistance in an amount smaller than the anticipated expenditures during the coming fiscal year. As we do our future planning we will have constantly before us the objective of reducing the overhang of unutilized authorizations. That is a very important objective, and I want you to know that it is not only our objective but is now our determined practice. That is why I have talked first about this problem of new obligational authority.

Now I turn to the problem of actual expenditures during fiscal year 1954. These will be large. There is no question that these expenditures and others necessary to our national security will affect the possibility of balancing the budget and the time when we can look forward to tax reductions. Because this Administration is committed to a program of sound money and of reducing taxation at the earliest possible time, I can assure you that these expenditures have been most carefully studied from the standpoint not only of their effectiveness but also from the point of view of the necessity of making them in the proposed amounts to contribute to essential security. We are committed to the policy of constantly reviewing the necessity of making the expenditures currently during the year and will make reductions or eliminations

This question of continuing new obligational authority has been a matter of deep concern to the Administration. As you know, when President Eisenhower entered office he inherited the problem of $81 billions in outstanding obligations and unsatisfied authorizations to spend Government funds. The expenditures for the fiscal year 1954 -- the expenditures I will talk about in a few minutes -- will come largely from this overhang.

If we are ever going to balance the budget and bring expenditures within the tightest possible control, we must do something about achieving a run-off of the large carryover of unspent authorizations. We cannot continue to ask each year for substantially more money than we will actually spend in the ensuing twelve months, because that means the overhang constitutes a snowballing threat to financial stability.

Now we have tried to do something about this problem in the Bill that is before you. We are changing the direction that has been followed in the past few years. But we are not proposing to do so with unreasoning abruptness. We are trying to strike a proper balance between maintaining an adequate and continuing free world defense and creating the conditions for long-term financial stability in this country.

The way to do that, it seems to me, is to request each year less than will be spent in the next twelve months. You will note from the exhibits before you that we are beginning

~~Mr. Chairman and Members of the Committee~~

You have noted from what has previously been said by the preceding witnesses that the great bulk of the money that is now being requested is to be spent for direct contributions to our security. It will be largely for military-end items or directly contributing to our friends and our own mutual defense. You have also heard it said by the previous witnesses that we will get as much, or more, for our money in security in this way than by making additional direct military expenditures. It is our purpose to secure the maximum of security wherever it may be for the least possible expenditures of money. I believe that the assistance proposed in this legislation meets that requirement. I think it should be rendered and that we can render it advantageously as compared with any equal expenditures elsewhere. It is understood, of course, by all concerned that as time goes on and if conditions change, proposed expenditures will be reduced or omitted wherever that can properly and suitably be done without prejudice to our security, and at all times every effort will be made to fully get our money's worth.

A good part of the money being requested in this Bill will not be spent in the coming fiscal year. Its authorization enables the forward planning and contracting that is necessary when you are engaged in building a defense force. But it is planned for expenditure at a later date.

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STATEMENT BY SECRETARY OF THE TREASURY HUMPHREY BEFORE
JOINT SESSION OF SENATE FOREIGN RELATIONS COMMITTEE
AND HOUSE FOREIGN AFFAIRS COMMITTEE
ON EXTENSION OF THE MUTUAL SECURITY PROGRAM

May 5, 1953

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# TREASURY DEPARTMENT

Information Service WASHINGTON, D. C.

FOR RELEASE
Tuesday, May 12, 1953

Press Service
No. H-112

Secretary of the Treasury Humphrey today made public data from the report, Statistics of Income for 1949, Part 1, compiled from individual income tax returns and from taxable fiduciary income tax returns, for the income year 1949. These data are prepared under the direction of Commissioner of Internal Revenue T. Coleman Andrews.

This release contains five tables: Four showing data for individual returns and one showing data for taxable fiduciary returns. Table 1 shows simple and cumulative distributions for number of individual returns, adjusted gross income, and tax liability tabulated by adjusted gross income classes. Table 2 shows sources of income or loss and tax data for all individual returns and selected items for returns with itemized deductions, by taxable and nontaxable returns and by adjusted gross income classes. Table 3 shows frequency distributions of individual returns for each source of income or loss and for each deduction, in a similar manner. Table 4 presents the number of individual returns, adjusted gross income, amount of exemption, and tax liability by adjusted gross income classes and by marital status of the taxpayer. Table 5, for taxable fiduciary returns, shows sources of income, deductions, and tax liability, by total income classes.

INDIVIDUAL RETURNS

There are 51,814,124 individual returns for the income year 1949. This is one-half of 1 percent less than the number filed for 1948. The current year returns consist of 16,650,600 optional returns Form 1040A; 21,692,580 short-form returns, Form 1040; and 13,470,944 long-form returns, Form 1040. Of the total returns, there are 42,122,784 returns, or 81 percent, on which the standard deduction is used. The tax liability is determined from the optional tax table on 38,343,180 returns, or 74 percent of all returns filed; however, the income and exemptions are such on 14,393,550 of these returns that the tax table designates them to be nontaxable.

The number of taxable returns is 35,628,295 on which the tax liability is $14,538,141,000. The tax liability shows a decrease of $903,388,000, or 5.9 percent, as compared with that of the previous year.

Comparative data, individual returns, 1949 and 1948

(Money figures in thousands of dollars)

	1949	1948	Increase or decrease (-)	
			Number or amount	Percent
All returns:				
Number	51,814,124	52,072,006	-257,882	-.50
Adjusted gross income	161,373,205	164,173,861	-2,800,656	-1.71
Taxable returns:				
Number	35,628,295	36,411,248	-782,953	-2.15
Adjusted gross income	138,566,406	142,056,885	-3,490,479	-2.46
Tax liability	14,538,141	15,441,529	-903,388	-5.85
Nontaxable returns:				
Number of returns	16,185,829	15,660,758	525,071	3.35
With adjusted gross income:				
Number	15,673,615	15,334,449	339,166	2.21
Adjusted gross income	22,806,799	22,116,976	689,823	3.12
With no adjusted gross income:				
Number	512,214	326,309	185,905	56.97
Adjusted gross deficit	799,280	657,847	141,433	21.50

Returns included

The individual income tax returns included in this release are for the calendar year 1949, a fiscal year ending within the period July 1949 through June 1950, and a part year with the greater part of the accounting period in 1949. 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 that $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 1949 with adjusted gross income under $50,000 are estimated on the basis of samples. This is the first year for which data are estimated for the returns with $25,000 under $50,000 adjusted gross income. Description of the samples used and limitations of the data are given on pages 4 and 5.

Statutory Provisions Applicable to Returns for 1949

Returns for the income year 1949 are filed under the provisions of the Internal Revenue Code as amended by the Revenue Act of 1948, which provisions are in general the same as were in effect for the previous year.

Classification of individual returns

For the tables in this release, individual returns are classified by adjusted gross income classes, by taxable and nontaxable returns, and by marital status of the taxpayer; and returns with itemized deductions are identified.

Adjusted gross income, being common to all types of returns, supplies the base for segregating the returns into adjusted gross income classes. Returns with adjusted gross deficit are designated "No adjusted gross income" and are tabulated as a separate class.

Classification of returns as taxable and nontaxable is based on the existence or nonexistence of a tax liability after tax credits for income tax paid at source on interest from tax-free covenant bonds and for income taxes paid to a foreign country or possession of the United States. Such credits are reported only on returns with itemized deductions.

The classification of returns for marital status of taxpayer is based on the marital status of the taxpayer at the close of the income year, or on the date of the death of a spouse. The three classifications are: Joint returns of husbands and wives, separate returns of husbands and wives, and returns of single persons. Separate returns of husbands and wives include separate community property returns.

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

Description of the sample and limitations of data

Tables 1 through 4 in this release are derived from a stratified random sample of individual income tax returns designed to comprise one-half of 1 percent of returns, Form 1040A and Form 1040, with adjusted gross income under $7,000 and with total receipts from business, if any, under $25,000; 10 percent of returns, Form 1040, with adjusted gross income under $7,000 and with total receipts from business of $25,000 or more; 10 percent of returns, Form 1040, with adjusted gross income from $7,000 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. Precise 0.5 percent, 10 percent, and 25 percent representation of returns in the various income classes was not achieved. However, the over-all universes applicable to the separate sampling strata were determined, primarily from administrative reports of returns filed, and the data tabulated from the samples were extended to such universes.

In computing the possible variation of a given frequency due to random sampling, a range of two standard errors was used; chances are 19 out of 20 that the frequency as estimated from the sample tabulation differs from the actual frequency, if the entire universe were tabulated, by less than twice the standard error. Variation beyond the 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 $7,000, 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 40 percent at 10,000. In cells associated with adjusted gross income classes from $7,000 to $25,000, frequencies of the magnitude of 100,000 or more are subject to less than 3 percent variation; variation for lesser frequencies increases to a maximum of 9 percent at 10,000, and a maximum of 28 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 14 percent at 1,000. The degrees of variability noted above relate only to cell frequencies and do not indicate the variability associated with money amounts of income, deductions, or tax.

TAXABLE FIDUCIARY RETURNS

There are 99,577 taxable fiduciary returns for the income year 1949. This is 1,706 returns, or 1.7 percent, less than were filed for the preceding year. The net income taxable to the fiduciary is $462,775,000 and the tax liability is $144,030,000, both of which are considerably less than was reported on taxable fiduciary returns last year.

Comparative data, taxable fiduciary returns, 1949 and 1948

(Money figures in thousands of dollars)

	1949	1948	Decrease: Number or amount	Decrease: Percent
Number of returns..........	99,577	101,283	-1,706	-1.68
Total income..............	926,824	986,806	-59,982	-6.08
Net income taxable to fiduciary..............	462,775	530,360	-67,585	-12.74
Tax liability.............	144,030	176,309	-32,279	-18.31

The taxable fiduciary returns included in this release are for the calendar year 1949, a fiscal year ending within the period July 1949 through June 1950, and a part year with the greater portion of the accounting period in 1949. Fiduciary returns are returns for the income of trusts and returns for the income of estates that are under administration. Tentative returns are not used and amended returns are used only if the original returns are excluded. Statistical data are completely tabulated from each taxable fiduciary return, prior to audit.

Statistics are tabulated only from taxable fiduciary returns; that is, returns showing net income remaining in the hands of the fiduciary in excess of the allowable exemption. However, a return is required to be filed for every estate with gross income of $600 or more, and for every trust with net income taxable to the fiduciary of $100 or more, or with gross income of $600 or more regardless of the amount of net income, and for every estate or trust of which any beneficiary is a nonresident alien.

The rates of tax, the provisions respecting gross income to be reported, the deductions with certain exceptions, and the tax credits provided for the income of individuals apply also to income of estates and trusts. Deductions for contributions without limitation and for the amount distributable to beneficiaries are allowable in computing the net income on which the fiduciary is to be taxed.

An estate is allowed an exemption of $600 and a trust is allowed an exemption of $100 against net income taxable to the fiduciary for purposes of both normal tax and surtax.

Table 5 presents the income or loss from each of the sources comprising total income, the deductions, balance income, amount distributable to beneficiaries, net income taxable to fiduciary, exemption, and tax liability, reported on taxable fiduciary returns. These data are tabulated by total income classes.

Total income classes are based on the amount of total income resulting from the combination of profit or loss from rents and royalties, from trade or business, from partnerships, from sales or exchanges of property, together with income from dividends, interest, other estates and trusts, and miscellaneous income. Total income is an approximation of the adjusted gross income used in tables for individual returns.

Table 1. - Individual returns for 1949, by adjusted gross income classes: Simple and cumulative distributions of number of returns, adjusted gross income, and tax liability, with corresponding percentage distributions

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

	Adjusted gross income classes 1/	Number of returns: Simple distribution: Number	Number of returns: Simple distribution: Percent of total	Number of returns: Cumulative distribution from highest income class: Number	Number of returns: Cumulative distribution from highest income class: Percent of total	Number of returns: Cumulative distribution from lowest income class: Number	Number of returns: Cumulative distribution from lowest income class: Percent of total	Adjusted gross income 2/: Simple distribution: Amount	Adjusted gross income 2/: Simple distribution: Percent of total	Adjusted gross income 2/: Cumulative distribution from highest income class: Amount	Adjusted gross income 2/: Cumulative distribution from highest income class: Percent of total	Adjusted gross income 2/: Cumulative distribution from lowest income class: Amount	Adjusted gross income 2/: Cumulative distribution from lowest income class: Percent of total	Tax liability 3/: Simple distribution: Amount	Tax liability 3/: Simple distribution: Percent of total	Tax liability 3/: Cumulative distribution from highest income class: Amount	Tax liability 3/: Cumulative distribution from highest income class: Percent of total	Tax liability 3/: Cumulative distribution from lowest income class: Amount	Tax liability 3/: Cumulative distribution from lowest income class: Percent of total	
	Returns with adjusted gross income (taxable and nontaxable):																			
1	Under 0.6	3,926,316	7.65	51,301,910	100.00	3,926,316	7.65	1,326,810	.82	161,373,205	100.00	1,326,810	.82	-	-	-	-	-	-	1
2	0.6 under 0.75	1,371,118	2.67	47,375,594	92.35	5,297,434	10.33	924,594	.57	160,046,384	99.18	2,251,404	1.40	2,453	.02	14,538,141	100.00	2,453	.02	2
3	0.75 under 1	2,418,502	4.71	46,004,476	89.67	7,715,936	15.04	2,123,491	1.32	159,121,790	98.60	4,374,895	2.71	35,984	.25	14,535,692	99.98	38,437	.26	3
4	1 under 1.25	2,759,312	5.38	43,585,974	84.96	10,475,248	20.42	3,108,255	1.93	156,998,299	97.29	7,483,150	4.64	80,562	.55	14,499,708	99.74	118,999	.82	4
5	1.25 under 1.5	2,771,030	5.40	40,826,662	79.58	13,246,278	25.82	3,802,401	2.36	153,890,044	95.36	11,285,551	6.99	110,540	.76	14,419,146	99.18	229,539	1.58	5
6	1.5 under 1.75	2,784,338	5.43	38,055,632	74.18	16,030,616	31.25	4,520,311	2.80	150,087,643	93.01	15,805,862	9.79	163,245	1.12	14,308,606	98.42	392,784	2.70	6
7	1.75 under 2	3,007,822	5.86	35,271,294	68.75	19,038,438	37.11	5,640,691	3.50	145,567,332	90.21	21,446,553	13.29	231,228	1.59	14,145,361	97.30	624,012	4.29	7
8	2 under 2.25	3,038,948	5.92	32,263,472	62.89	22,077,386	43.03	6,451,531	4.00	139,926,641	86.71	27,898,084	17.29	294,659	2.03	13,914,133	95.71	918,671	6.32	8
9	2.25 under 2.5	3,068,958	5.98	29,224,524	56.97	25,146,344	49.02	7,284,357	4.51	133,475,110	82.71	35,182,441	21.80	355,421	2.44	13,619,474	93.68	1,274,092	8.76	9
10	2.5 under 2.75	3,127,366	6.10	26,155,566	50.98	28,273,710	55.11	8,205,492	5.08	126,190,753	78.20	43,387,933	26.89	419,876	2.89	13,264,053	91.24	1,693,968	11.65	10
11	2.75 under 3	2,902,374	5.66	23,028,200	44.89	31,176,084	60.77	8,337,245	5.17	117,985,261	73.11	51,725,178	32.05	455,824	3.14	12,844,177	88.35	2,149,792	14.79	11
12	3 under 3.5	5,151,314	10.04	20,125,826	39.23	36,327,398	70.81	16,695,322	10.35	109,648,016	67.95	68,420,500	42.40	953,481	6.56	12,388,353	85.21	3,103,273	21.35	12
13	3.5 under 4	4,051,840	7.90	14,974,512	29.19	40,379,238	78.71	15,137,324	9.38	92,952,694	57.60	83,557,824	51.78	965,921	6.64	11,434,872	78.65	4,069,194	27.99	13
14	4 under 4.5	2,846,680	5.55	10,922,672	21.29	43,225,918	84.26	12,058,390	7.47	77,815,370	48.22	95,616,214	59.25	853,713	5.87	10,468,951	72.01	4,922,907	33.86	14
15	4.5 under 5 4/	2,088,547	4.07	8,075,992	15.74	45,314,465	88.33	9,949,046	6.17	65,756,980	40.75	105,565,260	65.42	755,465	5.20	9,615,238	66.14	5,678,372	39.06	15
16	5 under 6	2,356,936	4.59	5,987,445	11.67	47,671,401	92.92	12,829,253	7.95	55,807,934	34.58	118,394,513	73.37	1,125,993	7.75	8,859,773	60.94	6,804,365	46.80	16
17	6 under 7	1,218,244	2.37	3,630,509	7.08	48,889,645	95.30	7,846,238	4.86	42,978,681	26.63	126,240,751	78.23	765,667	5.27	7,733,780	53.20	7,570,032	52.07	17
18	7 under 8	637,062	1.24	2,412,265	4.70	49,526,707	96.54	4,749,378	2.94	35,132,443	21.77	130,990,129	81.17	502,994	3.46	6,968,113	47.93	8,073,026	55.53	18
19	8 under 9	373,238	.73	1,775,203	3.46	49,899,945	97.27	3,159,307	1.96	30,383,065	18.83	134,149,436	83.13	357,962	2.46	6,465,119	44.47	8,430,988	57.99	19
20	9 under 10	252,314	.49	1,401,965	2.73	50,152,259	97.76	2,386,520	1.48	27,223,758	16.87	136,535,956	84.61	286,690	1.97	6,107,157	42.01	8,717,678	59.96	20
21	10 under 11	185,416	.36	1,149,651	2.24	50,337,675	98.12	1,940,581	1.20	24,837,238	15.39	138,476,537	85.81	243,385	1.67	5,820,467	40.04	8,961,063	61.64	21
22	11 under 12	134,444	.26	964,235	1.88	50,472,119	98.38	1,542,859	.96	22,896,657	14.19	140,019,396	86.77	204,851	1.41	5,577,082	38.36	9,165,914	63.05	22
23	12 under 13	107,744	.21	829,791	1.62	50,579,863	98.59	1,342,481	.83	21,353,798	13.23	141,361,877	87.60	186,196	1.28	5,372,231	36.95	9,352,110	64.33	23
24	13 under 14	84,126	.16	722,047	1.41	50,663,989	98.76	1,134,167	.70	20,011,317	12.40	142,496,044	88.30	165,046	1.14	5,186,035	35.67	9,517,156	65.46	24
25	14 under 15	69,842	.14	637,921	1.24	50,733,831	98.89	1,011,742	.63	18,877,150	11.70	143,507,786	88.93	152,419	1.05	5,020,989	34.54	9,669,575	66.51	25
26	15 under 20	220,420	.43	568,079	1.11	50,954,251	99.32	3,783,153	2.34	17,865,408	11.07	147,290,939	91.27	625,709	4.30	4,868,570	33.49	10,295,284	70.82	26
27	20 under 25	116,446	.23	347,659	.68	51,070,697	99.55	2,588,897	1.60	14,082,255	8.73	149,879,836	92.88	491,165	3.38	4,242,861	29.18	10,786,449	74.19	27
28	25 under 30	65,543	.13	231,213	.45	51,136,240	99.68	1,787,821	1.11	11,493,358	7.12	151,667,657	93.99	378,482	2.60	3,751,696	25.81	11,164,931	76.80	28
29	30 under 40	71,287	.14	165,670	.32	51,207,527	99.82	2,446,523	1.52	9,705,537	6.01	154,114,180	95.50	593,440	4.08	3,373,214	23.20	11,758,371	80.88	29
30	40 under 50	34,431	.07	94,383	.18	51,241,958	99.88	1,529,547	.95	7,259,014	4.50	155,643,727	96.45	429,095	2.95	2,779,774	19.12	12,187,466	83.83	30
31	50 under 60	18,881	.04	59,952	.12	51,260,839	99.92	1,029,247	.64	5,729,467	3.55	156,672,974	97.09	321,978	2.21	2,350,679	16.17	12,509,444	86.05	31
32	60 under 70	11,215	.02	41,071	.08	51,272,054	99.94	724,293	.45	4,700,220	2.91	157,397,267	97.54	245,790	1.69	2,028,701	13.95	12,755,234	87.74	32
33	70 under 80	7,395	.01	29,856	.06	51,279,449	99.96	551,992	.34	3,975,927	2.46	157,949,259	97.88	199,181	1.37	1,782,911	12.26	12,954,415	89.11	33
34	80 under 90	4,982	.01	22,461	.04	51,284,431	99.97	422,375	.26	3,423,935	2.12	158,371,634	98.14	159,445	1.10	1,583,730	10.89	13,113,860	90.20	34
35	90 under 100	3,657	.01	17,479	.03	51,288,088	99.97	346,317	.21	3,001,660	1.86	158,717,951	98.35	135,971	.94	1,424,285	9.80	13,249,831	91.14	35
36	100 under 150	8,028	.02	13,822	.03	51,296,116	99.99	961,006	.60	2,655,243	1.65	159,678,957	98.95	407,379	2.80	1,288,314	8.86	13,657,210	93.94	36
37	150 under 200	2,723	.01	5,794	.01	51,298,839	99.99	466,140	.29	1,694,237	1.05	160,145,097	99.24	216,042	1.49	880,935	6.06	13,873,252	95.43	37
38	200 under 250	1,189	(6)	3,071	.01	51,300,028	99.99	263,958	.16	1,228,097	.76	160,409,055	99.40	130,760	.90	664,893	4.57	14,004,012	96.33	38
39	250 under 300	608	(6)	1,882	(6)	51,300,636	99.99	165,094	.10	964,139	.60	160,574,149	99.50	84,068	.58	534,133	3.67	14,088,080	96.90	39
40	300 under 400	541	(6)	1,274	(6)	51,301,177	99.99	184,812	.11	799,045	.50	160,758,961	99.62	97,470	.67	450,065	3.10	14,185,550	97.57	40
41	400 under 500	234	(6)	733	(6)	51,301,411	99.99	104,392	.06	614,233	.38	160,863,353	99.68	57,671	.40	352,595	2.43	14,243,221	97.97	41
42	500 under 750	280	(6)	499	(6)	51,301,691	99.99	167,972	.10	509,841	.32	161,031,325	99.79	96,429	.66	294,924	2.03	14,339,650	98.63	42
43	750 under 1,000	99	(6)	219	(6)	51,301,790	99.99	86,360	.05	341,869	.21	161,117,685	99.84	52,036	.36	198,495	1.37	14,391,686	98.99	43
44	1,000 under 1,500	58	(6)	120	(6)	51,301,848	99.99	69,688	.04	255,509	.16	161,187,373	99.88	40,342	.28	146,459	1.01	14,432,028	99.27	44
45	1,500 under 2,000	23	(6)	62	(6)	51,301,871	99.99	39,316	.02	185,821	.12	161,226,689	99.91	23,689	.16	106,117	.73	14,455,717	99.43	45
46	2,000 under 3,000	20	(6)	39	(6)	51,301,891	99.99	48,340	.03	146,505	.09	161,275,029	99.94	30,136	.21	82,428	.57	14,485,853	99.64	46
47	3,000 under 4,000	12	(6)	19	(6)	51,301,903	99.99	42,687	.03	98,165	.06	161,317,716	99.97	22,737	.16	52,292	.36	14,508,590	99.80	47
48	4,000 under 5,000	3	(6)	7	(6)	51,301,906	99.99	12,463	.01	55,478	.03	161,330,179	99.97	6,941	.05	29,555	.20	14,515,531	99.84	48
49	5,000 or more	4	(6)	4	(6)	51,301,910	100.00	43,015	.03	43,015	.03	161,373,205	100.00	22,614	.16	22,614	.16	14,538,141	100.00	49
50	Total	51,301,910	100.00	-	-	-	-	161,373,205	100.00	-	-	-	-	14,538,141	100.00	-		-	-	50
51	Returns with no adjusted gross income 5/ (nontaxable)	512,214	(7)	-	-	-	-	8/799,280	(7)	-	-	-	-	-	-	-		-	-	51
52	Grand total	51,814,124	(7)	-	-	-	-	9/160,573,925	(7)	-	-	-	-	14,538,141	100.00	-		-	-	52

For footnotes, see pp. 18-19; for extent to which data are estimated, see pp. 4-5.

Table 2. - Individual returns for 1949, 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	0.6 under 0.75	357,894	221,406	2,786	2,958	(33)	4,146	411	15,377	(33)	4,090	(33)	542	494	1
2	0.75 under 1	1,180,974	919,723	10,880	7,092	2,992	14,852	1,191	47,395	2,250	21,701	450	2,803	1,786	2
3	1 under 1.25	1,225,174	1,254,290	13,525	9,576	2,997	14,924	1,000	47,329	2,697	25,588	559	3,218	1,137	3
4	1.25 under 1.5	1,517,682	1,808,217	24,598	17,515	11,755	31,475	3,042	143,270	5,551	48,777	2,110	6,817	3,536	4
5	1.5 under 1.75	1,665,686	2,522,144	34,952	24,890	21,517	38,117	4,441	177,502	10,636	57,789	1,482	14,028	5,812	5
6	1.75 under 2	1,722,058	2,850,699	37,185	27,522	13,413	40,724	5,795	175,693	8,730	62,895	3,783	9,485	5,572	6
7	2 under 2.25	2,228,352	4,173,732	49,580	26,772	18,084	52,065	6,798	295,117	8,947	83,403	2,558	17,444	5,669	7
8	2.25 under 2.5	2,190,176	4,658,897	52,486	31,492	15,250	58,161	7,652	284,140	11,579	88,470	5,651	19,165	6,995	8
9	2.5 under 2.75	2,306,838	5,456,018	44,862	30,905	14,971	55,213	9,404	327,644	14,359	106,427	5,268	20,848	8,464	9
10	2.75 under 3	2,444,106	6,326,555	55,878	29,153	14,296	68,261	9,655	396,924	16,551	105,578	5,145	27,602	8,558	10
11	3 under 3.5	4,376,112	12,762,387	124,212	62,928	21,830	144,701	22,943	763,198	30,288	256,375	10,420	58,845	16,936	11
12	3.5 under 4	3,700,318	12,484,468	118,514	62,948	23,051	152,514	17,772	658,153	31,792	282,892	9,152	57,418	15,969	12
13	4 under 4.5	2,728,930	10,215,093	106,919	61,657	18,743	127,565	17,123	696,878	19,173	261,876	7,281	63,756	16,342	13
14	4.5 under 5	1,998,548	8,208,190	97,194	56,339	15,390	118,507	11,854	626,012	17,869	270,465	8,767	59,558	13,524	14
15	5 under 6	2,356,956	10,856,636	196,654	105,755	19,820	177,155	17,088	956,521	26,611	407,101	13,683	104,274	23,370	15
16	6 under 7	1,218,244	6,172,543	167,028	72,076	17,708	153,292	11,488	764,733	16,693	385,696	6,163	91,578	16,856	16
17	7 under 8	637,062	3,462,285	138,090	50,374	7,100	99,562	7,167	594,563	10,639	502,455	5,988	67,589	12,571	17
18	8 under 9	373,258	2,083,111	119,910	40,803	5,562	82,976	4,710	480,913	8,601	268,677	4,721	55,159	9,570	18
19	9 under 10	252,514	1,422,122	110,476	34,629	4,266	72,428	5,125	431,352	7,426	244,004	5,714	46,357	8,240	19
20	10 under 11	185,416	1,111,537	104,641	31,472	3,505	61,711	4,941	354,858	6,636	214,825	3,067	39,146	7,683	20
21	11 under 12	154,444	796,666	92,952	27,756	3,385	53,508	2,660	311,924	6,367	204,518	3,069	35,251	6,945	21
22	12 under 13	107,744	686,396	86,914	23,110	2,731	47,544	2,223	277,918	5,299	170,591	2,773	29,972	5,756	22
23	13 under 14	84,126	546,207	81,103	21,273	2,061	39,126	1,742	238,480	4,939	161,941	2,888	26,800	5,009	23
24	14 under 15	69,842	453,093	81,330	20,015	2,355	38,015	1,986	217,828	4,939	156,478	1,901	27,714	4,528	24
25	15 under 20	220,420	1,663,462	334,989	81,961	7,250	141,043	6,861	803,714	24,158	588,482	9,458	96,901	16,540	25
26	20 under 25	116,446	1,044,727	272,469	59,424	4,845	94,706	4,622	525,674	16,656	462,651	7,747	67,610	11,015	26
27	25 under 30	65,543	697,711	213,346	41,571	3,371	69,846	3,215	347,668	12,857	316,233	5,429	51,114	7,491	27
28	30 under 40	71,287	909,007	341,693	60,547	5,984	96,748	4,196	413,615	18,055	468,579	7,214	75,425	9,420	28
29	40 under 50	34,431	529,051	249,621	38,850	3,423	59,669	2,549	233,260	13,345	504,057	4,197	59,295	5,288	29
30	50 under 60	18,881	343,146	196,683	26,793	1,794	39,352	1,712	133,485	8,868	201,379	3,409	41,068	3,170	30
31	60 under 70	11,215	229,087	153,062	18,380	1,516	28,271	1,453	78,265	6,547	147,653	2,599	33,497	1,955	31
32	70 under 80	7,595	170,489	125,050	14,093	1,099	19,704	740	57,265	5,891	105,299	2,065	29,656	1,405	32
33	80 under 90	4,982	122,742	104,693	10,841	809	15,666	748	38,928	5,011	80,795	1,621	23,709	970	33
34	90 under 100	3,657	98,579	92,418	8,514	776	12,138	519	28,956	3,822	61,756	1,040	21,715	746	34
35	100 under 150	8,028	248,736	282,804	25,386	1,867	36,687	1,593	62,852	10,672	158,266	3,508	68,994	1,695	35
36	150 under 200	2,725	98,689	156,844	11,679	988	18,466	1,066	24,904	6,725	66,021	1,412	42,776	605	36
37	200 under 250	1,189	47,777	99,413	6,157	659	8,554	646	11,059	4,308	32,769	1,366	28,182	262	37
38	250 under 300	608	26,508	62,392	3,547	257	5,416	320	5,496	2,512	15,828	1,192	24,318	134	38
39	300 under 400	541	26,185	79,147	3,984	313	6,740	290	7,256	2,517	14,217	854	29,354	116	39
40	400 under 500	234	11,858	48,123	2,182	150	5,722	313	5,320	1,431	6,814	370	15,601	54	40
41	500 under 750	280	15,159	74,834	2,789	224	4,612	322	5,058	2,710	5,237	1,441	32,177	75	41
42	750 under 1,000	99	2,907	36,049	2,317	79	1,951	67	1,861	1,043	7,287	330	14,016	26	42
43	1,000 under 1,500	58	4,124	30,390	1,472	17	2,324	41	3,951	1,564	1,966	314	14,878	18	43
44	1,500 under 2,000	25	828	17,575	1,264	49	200	27	1,078	124	5,458	59	6,081	6	44
45	2,000 under 3,000	20	405	19,015	330	93	78	285	35	479	389	85	5,207	5	45
46	3,000 under 4,000	12	339	11,992	104	46	49	4	-	54	2	-	26,749	1	46
47	4,000 under 5,000	3	11	8,483	25	-	-	19	507	125	-	(34)	3,600	1	47
48	5,000 or more	4	22	21,490	2,220	-	(34)	39	1,781	50	-	27	17,542	1	48
49	Total taxable returns	35,628,295	107,523,942	4,985,238	1,303,015	299,021	2,372,463	209,809	12,051,711	427,501	7,237,727	168,508	1,714,312	272,280	49
	Nontaxable returns: 32/														
50	No adjusted gross income 5/	512,214	84,195	28,021	16,275	1,439	35,417	46,104	16,451	765,734	17,638	189,353	69,061	19,501	50
51	Under 0.6	3,926,316	1,114,198	16,387	16,964	5,216	57,607	8,981	142,904	50,057	29,511	21,654	21,097	13,239	51
52	0.6 under 0.75	1,013,224	466,616	13,611	15,719	7,470	44,041	1,858	101,688	12,072	21,305	5,786	6,159	3,585	52
53	0.75 under 1	1,237,528	681,199	28,465	27,741	16,598	78,567	3,544	221,182	22,190	51,802	6,924	14,641	5,199	53
54	1 under 1.25	1,534,138	1,150,561	28,347	28,863	23,975	87,008	5,136	347,620	21,333	54,602	4,613	13,152	6,151	54
55	1.25 under 1.5	1,253,548	1,144,447	24,084	28,235	22,471	76,937	5,459	336,997	17,544	55,588	4,467	15,326	4,315	55
56	1.5 under 1.75	1,120,650	1,295,921	17,277	21,471	20,322	54,755	4,111	343,688	14,530	55,511	6,472	14,247	4,097	56
57	1.75 under 2	1,285,764	1,784,596	19,084	18,020	16,045	62,487	3,558	411,354	11,317	73,555	3,173	16,175	4,027	57
58	2 under 2.25	810,596	1,286,173	14,725	12,350	10,841	37,547	4,169	292,960	8,132	52,356	2,027	10,928	2,688	58
59	2.25 under 2.5	878,782	1,641,805	11,299	8,459	8,873	31,791	4,208	307,551	8,750	64,860	3,149	10,664	2,646	59
60	2.5 under 2.75	820,528	1,714,623	12,641	8,302	4,712	35,317	2,929	289,360	7,529	61,721	3,615	9,881	2,570	60
61	2.75 under 3	458,266	1,081,148	5,895	3,345	2,463	16,221	1,917	169,441	3,080	29,767	(33)	4,111	2,129	61
62	3 under 3.5	775,202	2,058,582	12,019	6,521	2,019	26,785	5,010	305,342	6,954	69,797	4,482	14,407	3,006	62
63	3.5 under 4	351,522	1,108,294	7,196	3,000	987	17,803	1,582	146,580	4,146	22,151	6,371	7,267	2,156	63
64	4 under 4.5	117,750	402,272	3,070	2,289	(33)	5,761	686	70,271	(33)	13,505	(33)	1,613	855	64
65	4.5 or more	89,999	344,568	18,869	7,255	(33)	19,330	3,929	74,462	17,995	23,031	(33)	12,478	2,247	65
66	Total nontaxable returns	16,185,829	17,359,206	260,989	224,815	144,387	687,169	102,962	3,577,835	971,371	674,501	269,630	241,208	78,413	66
67	Grand total	51,814,124	124,883,148	5,246,227	1,527,830	443,408	3,059,632	312,771	15,629,546	1,398,872	7,912,228	438,138	1,955,520	350,693	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	45,826,679	91,001,017	1,034,559	676,154	339,326	1,588,377	222,000	8,230,463	1,151,236	2,348,824	332,454	602,216	189,205	68
69	Taxable returns with adjusted gross income of $5,000 or more	5,987,445	33,882,125	4,211,671	851,673	104,082	1,471,259	90,775	7,399,078	247,634	5,563,402	105,684	1,353,305	161,487	69

For footnotes, see pp. 18-19; for extent to which data are estimated, see pp. 4-5.

Table 2. - Individual returns for 1949, 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 1949 declaration 22/	Tax due at time of filing	Overpayment (refund, or credit on 1950 tax)	
		Net gain	Net loss										
	Taxable returns:												
1	0.6 under 0.75	. -	(33)	(33)	3,586	254,328	214,736	2,453	15,126	477	455	13,606	1
2	0.75 under 1	(33)	(33)	2,261	11,553	1,035,643	708,584	35,984	62,763	2,824	5,335	54,937	2
3	1 under 1.25	(33)	(33)	1,198	8,491	1,375,923	735,104	80,562	90,691	4,800	11,635	26,567	3
4	1.25 under 1.5	1,236	952	4,407	15,648	2,098,326	1,197,126	110,540	127,742	8,455	14,321	39,979	4
5	1.5 under 1.75	922	803	7,021	23,554	2,699,261	1,405,576	163,245	172,507	13,051	19,855	42,170	5
6	1.75 under 2	1,617	714	8,711	23,175	3,226,328	1,449,934	231,228	231,702	15,891	23,794	40,159	6
7	2 under 2.25	2,373	2,164	9,346	29,255	4,729,038	2,409,602	294,659	309,580	19,807	28,086	62,813	7
8	2.25 under 2.5	2,278	1,003	7,881	31,516	5,197,035	2,444,782	355,421	362,258	22,577	31,544	60,959	8
9	2.5 under 2.75	2,744	1,406	12,106	30,790	6,063,625	2,816,095	419,876	425,571	27,770	35,374	68,839	9
10	2.75 under 3	1,197	2,175	8,737	31,115	7,021,231	3,444,928	455,824	467,340	26,563	36,646	74,725	10
11	3 under 3.5	5,355	5,743	21,644	67,386	14,202,032	6,761,749	953,481	950,825	64,441	82,666	144,450	11
12	3.5 under 4	4,115	3,829	24,243	56,061	13,825,865	6,347,862	965,921	942,026	66,913	85,094	128,110	12
13	4 under 4.5	4,251	4,162	22,467	46,215	11,561,339	5,001,986	853,713	806,824	68,222	82,852	104,186	13
14	4.5 under 5	7,688	4,628	21,982	43,315	9,468,498	3,744,085	755,465	687,626	72,194	78,031	82,384	14
15	5 under 6	8,157	6,288	40,201	64,041	12,829,253	4,434,750	1,125,993	984,998	126,428	118,470	103,903	15
16	6 under 7	5,981	3,811	49,009	43,591	7,846,238	2,302,505	765,667	607,417	122,097	99,450	63,297	16
17	7 under 8	3,798	2,290	35,754	26,458	4,749,378	1,219,490	502,994	357,071	103,273	78,399	35,748	17
18	8 under 9	3,231	1,733	29,613	18,683	3,159,307	719,843	357,962	221,879	94,956	64,946	23,819	18
19	9 under 10	2,088	1,401	28,690	18,014	2,386,520	488,147	286,690	156,875	91,703	57,588	19,477	19
20	10 under 11	1,549	1,417	26,533	14,548	1,940,581	362,580	243,385	123,579	85,297	50,360	15,850	20
21	11 under 12	2,294	1,188	23,108	11,747	1,542,859	264,000	204,851	90,832	83,207	45,304	14,493	21
22	12 under 13	1,176	931	22,649	10,447	1,342,481	212,498	186,196	79,430	76,997	42,489	12,720	22
23	13 under 14	978	776	22,382	9,171	1,134,167	165,896	165,046	64,500	73,515	38,114	11,082	23
24	14 under 15	895	573	20,980	6,968	1,011,742	138,193	152,419	53,701	72,818	36,718	10,816	24
25	15 under 20	4,454	3,467	93,211	28,132	3,783,153	437,945	625,709	205,388	319,481	143,457	42,619	25
26	20 under 25	2,044	1,853	75,011	21,610	2,588,897	234,946	491,165	135,337	277,082	111,099	32,353	26
27	25 under 30	1,919	1,782	63,469	12,349	1,787,821	132,986	378,482	93,478	225,964	82,651	23,612	27
28	30 under 40	1,722	2,072	97,686	16,476	2,446,523	144,541	593,440	126,089	370,475	127,997	31,120	28
29	40 under 50	935	1,595	69,040	9,340	1,529,547	68,261	429,095	75,046	285,994	89,156	21,101	29
30	50 under 60	403	856	56,892	6,270	1,029,247	37,328	321,978	48,911	220,793	65,335	13,062	30
31	60 under 70	370	673	43,750	3,649	724,293	21,980	245,790	33,246	173,220	48,007	8,683	31
32	70 under 80	331	746	36,270	3,581	551,992	14,446	199,181	24,575	142,188	39,103	6,684	32
33	80 under 90	269	398	30,903	1,766	422,375	9,589	159,445	18,173	118,517	28,429	5,673	33
34	90 under 100	117	247	25,956	1,766	346,317	7,048	135,971	14,374	100,683	25,129	4,214	34
35	100 under 150	481	1,142	90,059	3,483	961,006	15,111	407,379	35,520	314,884	69,257	12,283	35
36	150 under 200	302	250	54,246	1,303	466,140	5,015	216,042	13,970	173,710	34,380	6,018	36
37	200 under 250	47	308	35,217	1,013	263,958	2,189	130,760	6,812	108,726	19,098	3,876	37
38	250 under 300	7	159	24,965	677	165,094	1,050	84,068	3,742	69,614	13,157	2,445	38
39	300 under 400	21	80	21,200	252	184,812	978	97,470	3,649	81,145	14,390	1,715	39
40	400 under 500	420	35	13,901	504	104,392	408	57,671	1,675	49,683	7,359	1,046	40
41	500 under 750	24	1,016	33,293	127	167,972	488	96,429	2,157	83,898	12,759	2,385	41
42	750 under 1,000	-	90	21,421	29	86,360	158	52,036	313	46,934	5,371	583	42
43	1,000 under 1,500	129	13	12,337	49	69,688	92	40,342	296	37,565	3,274	793	43
44	1,500 under 2,000	-	-	9,017	4	39,316	37	23,689	101	21,870	1,882	165	44
45	2,000 under 3,000	6	7	23,637	4	48,340	29	30,136	36	26,668	4,064	632	45
46	3,000 under 4,000	-	-	3,464	-	42,687	17	22,737	44	19,450	3,650	407	46
47	4,000 under 5,000	-	20	-	1	12,463	4	6,941	1	5,255	1,685	-	47
48	5,000 or more	-	1	-	77	43,015	7	22,614	1	20,194	2,419	-	48
49	Total taxable returns	78,533	65,457	1,386,195	757,792	138,566,406	50,124,695	14,538,141	9,235,791	4,638,268	2,120,642	1,456,561	49
	Nontaxable returns: 32/												
50	No adjusted gross income 5/	5,602	72,716	8,066	9,965	8/799,280	759,422	-	6,811	25,367	-	32,178	50
51	Under 0.6	1,520	8,368	5,019	18,664	1,326,810	3,388,315	-	72,230	7,466	-	79,695	51
52	0.6 under 0.75	844	2,365	4,485	14,000	670,266	1,193,262	-	21,874	3,086	-	24,959	52
53	0.75 under 1	1,421	2,321	4,479	21,928	1,087,848	1,986,386	-	20,315	5,771	-	26,087	53
54	1 under 1.25	2,354	3,730	6,558	30,249	1,732,332	2,569,087	-	32,770	5,562	-	38,333	54
55	1.25 under 1.5	1,102	1,826	4,029	28,452	1,704,075	2,371,452	-	27,941	5,122	-	33,064	55
56	1.5 under 1.75	2,517	2,210	3,838	24,926	1,821,050	2,430,353	-	26,974	5,013	-	31,988	56
57	1.75 under 2	1,584	2,722	3,870	32,589	2,414,363	2,851,564	-	38,312	5,066	-	43,377	57
58	2 under 2.25	1,334	2,250	2,725	19,820	1,722,493	2,128,438	-	21,028	3,626	-	24,654	58
59	2.25 under 2.5	968	1,793	2,533	19,084	2,087,322	2,368,258	-	28,628	3,672	-	32,299	59
60	2.5 under 2.75	2,677	1,497	960	19,815	2,141,867	2,279,971	-	29,259	4,097	-	33,354	60
61	2.75 under 3	(33)	1,849	3,338	10,376	1,316,014	1,435,319	-	16,136	2,120	-	18,258	61
62	3 under 3.5	2,644	1,351	1,929	14,053	2,493,290	2,336,000	-	32,299	4,654	-	36,954	62
63	3.5 under 4	1,907	(33)	1,005	9,863	1,311,459	1,280,023	-	18,890	3,489	-	22,378	63
64	4 under 4.5	(33)	(33)	(33)	2,557	497,051	464,562	-	7,497	1,603	-	9,100	64
65	4.5 or more	(33)	2,492	(33)	6,657	480,548	367,234	-	9,950	4,847	-	14,795	65
66	Total nontaxable returns	27,959	108,345	57,173	282,997	9/22,007,519	30,409,845	-	410,914	90,560	-	501,472	66
67	Grand total	106,492	173,802	1,443,368	1,040,789	9/160,573,925	80,534,540	14,538,141	9,646,705	4,728,828	2,120,642	1,958,033	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	62,346	136,582	209,500	704,658	9/104,765,980	69,091,795	5,678,372	6,063,493	504,546	535,688	1,425,357	68
69	Taxable returns with adjusted gross income of $5,000 or more	44,146	37,218	1,233,864	336,130	55,807,934	11,442,545	8,859,773	3,583,216	4,224,284	1,584,946	532,674	69

For footnotes, see pp. 18-19 ; for extent to which data are estimated, see pp. 4-5.

Table 2. - Individual returns for 1949, 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 25/
(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 - Contributions 24/	Interest 25/	Taxes 26/	Losses from fire, storm, etc. 27/	Medical, dental, etc., expenses 28/	Miscellaneous deductions 29/	Total deductions	Net income 30/	Net deficit 31/	Amount of exemptions 21/	Tax liability 5/	Tax withheld	Payments on 1949 declaration 22/	Tax due at time of filing	Overpayment (refunds, or credit on 1950 tax)	
	Taxable returns:																		
1	0.6 under 0.75	3,824	4,091	227	(33)	130	(33)	48	69	510	3,581	-	3,494	65	165	(33)	12	200	1
2	0.75 under 1	80,184	71,462	4,531	717	2,599	218	4,176	1,595	13,837	57,625	-	46,110	1,586	2,800	641	507	2,362	2
3	1 under 1.25	116,180	130,851	8,290	1,771	4,856	634	10,534	4,771	30,856	99,994	-	69,708	4,982	7,340	1,044	1,074	4,477	3
4	1.25 under 1.5	161,850	209,731	12,642	2,859	7,529	1,321	15,167	8,124	47,621	162,110	-	107,112	9,304	11,622	1,656	2,061	6,055	4
5	1.5 under 1.75	217,220	353,386	20,422	5,433	13,207	1,405	24,620	10,281	75,367	278,018	-	190,800	14,439	18,503	2,784	2,542	9,391	5
6	1.75 under 2	271,100	508,697	30,282	8,392	19,685	3,345	32,779	15,701	110,185	398,513	-	245,046	25,162	30,635	4,061	3,475	15,009	6
7	2 under 2.25	300,606	640,843	36,010	12,086	23,973	3,259	41,160	19,005	135,475	505,368	-	308,058	32,744	39,433	4,753	4,097	15,538	7
8	2.25 under 2.5	366,368	870,221	47,011	17,850	34,024	3,508	48,095	24,888	175,374	694,847	-	431,118	43,486	53,076	5,741	5,081	20,414	8
9	2.5 under 2.75	402,750	1,056,275	53,869	26,308	39,699	5,538	56,390	33,887	215,690	840,586	-	507,521	55,098	67,002	8,337	5,539	25,782	9
10	2.75 under 3	452,534	1,302,217	63,179	32,295	49,429	5,370	65,975	37,253	253,502	1,048,714	-	638,333	67,464	80,452	7,601	6,411	27,000	10
11	3 under 3.5	996,528	3,238,577	149,878	97,556	126,295	16,489	139,332	99,636	629,186	2,609,391	-	1,604,502	166,057	198,769	16,457	13,307	62,475	11
12	3.5 under 4	954,622	3,572,244	154,124	111,968	141,886	18,394	137,987	119,753	684,111	2,888,133	-	1,683,650	199,854	228,637	19,863	13,895	62,540	12
13	4 under 4.5	780,324	3,307,843	142,141	111,024	129,698	16,569	113,532	127,022	639,985	2,667,856	-	1,462,501	201,317	220,176	19,615	15,336	53,810	13
14	4.5 under 5	595,150	2,818,967	122,131	94,790	109,408	14,539	88,461	120,359	549,690	2,269,277	-	1,170,342	182,911	194,709	20,978	14,447	47,223	14
15	5 under 6	784,308	4,262,985	174,367	141,362	163,915	20,906	130,229	179,569	810,346	3,452,637	-	1,571,238	314,403	315,582	36,001	26,193	61,373	15
16	6 under 7	403,382	2,600,951	105,159	81,465	103,199	11,580	73,257	128,215	502,875	2,098,076	-	815,526	216,003	200,929	33,267	19,384	37,578	16
17	7 under 8	203,314	1,516,482	62,778	45,127	63,173	7,323	38,705	75,377	292,483	1,224,000	-	409,514	139,112	115,435	29,728	15,245	21,294	17
18	8 under 9	121,126	1,025,537	42,529	29,483	44,203	3,730	23,989	53,446	197,378	828,159	-	245,354	101,439	74,300	28,253	12,840	13,954	18
19	9 under 10	79,630	753,058	31,386	20,258	33,384	2,958	17,464	38,625	144,075	608,982	-	160,729	79,969	53,363	26,213	11,041	10,648	19
20	10 under 11	64,052	670,706	27,899	17,821	30,262	2,239	14,538	34,845	127,605	543,101	-	129,774	74,995	46,634	26,107	11,149	8,895	20
21	11 under 12	49,452	567,620	22,906	14,490	25,464	1,736	10,659	25,671	100,927	466,692	-	100,561	67,869	37,542	28,199	10,169	8,041	21
22	12 under 13	43,980	548,217	21,651	12,600	24,318	1,846	9,431	25,292	95,142	453,076	-	89,233	68,873	37,574	28,068	11,058	7,807	22
23	13 under 14	37,686	508,348	19,957	10,886	22,274	1,421	7,967	20,115	82,619	425,731	-	76,662	67,825	33,136	30,236	11,438	6,985	23
24	14 under 15	32,672	473,655	18,499	8,816	21,147	1,511	7,291	17,744	75,006	398,650	-	65,972	65,952	29,213	32,082	11,577	6,918	24
25	15 under 20	122,442	2,114,293	78,049	39,692	91,608	5,012	22,184	75,162	311,708	1,802,586	-	248,054	328,607	132,277	170,879	55,934	30,484	25
26	20 under 25	76,688	1,708,603	58,872	26,325	72,242	3,261	12,094	50,102	222,896	1,485,707	-	156,474	309,565	100,987	178,494	55,245	25,161	26
27	25 under 30	47,896	1,307,790	42,594	19,052	53,971	2,207	7,165	35,350	160,339	1,147,451	-	98,296	266,819	74,887	163,609	47,884	19,561	27
28	30 under 40	56,598	1,945,713	63,136	26,268	77,826	3,812	7,465	49,483	227,989	1,717,725	-	115,784	458,881	108,232	294,049	84,226	27,626	28
29	40 under 50	29,268	1,301,101	42,002	16,118	50,845	2,390	3,696	33,212	148,262	1,152,838	-	58,213	357,252	67,717	243,455	65,472	19,392	29
30	50 under 60	16,808	916,654	30,257	11,701	35,430	1,104	2,178	21,093	101,764	814,890	-	33,332	282,224	45,752	196,206	52,468	12,204	30
31	60 under 70	10,194	658,467	22,272	7,961	24,948	1,336	1,052	15,655	73,225	585,243	-	20,020	220,446	31,620	156,938	40,071	8,183	31
32	70 under 80	6,807	508,211	18,221	6,176	19,738	822	739	12,007	57,704	450,508	-	13,551	181,074	23,572	131,355	32,476	6,328	32
33	80 under 90	4,702	398,686	14,662	5,185	15,259	721	445	9,594	45,867	352,819	-	9,061	149,284	17,724	111,752	25,255	5,446	33
34	90 under 100	3,489	328,527	12,516	4,381	12,994	447	348	7,846	38,532	289,994	-	6,668	127,971	14,083	95,529	22,475	4,116	34
35	100 under 150	7,701	922,672	38,992	11,283	36,292	1,277	604	25,910	114,356	808,316	-	14,517	388,727	34,888	301,972	63,759	11,892	35
36	150 under 200	2,658	454,887	22,249	5,387	18,714	636	180	15,377	62,543	392,344	-	4,897	209,999	13,800	169,548	32,535	5,884	36
37	200 under 250	1,170	259,811	14,182	2,828	10,327	498	66	8,640	36,539	223,272	-	2,154	128,378	6,800	107,060	18,306	3,788	37
38	250 under 300	594	161,157	9,336	2,366	6,194	259	29	5,686	23,850	137,308	-	1,050	81,768	3,699	68,292	12,222	2,445	38
39	300 under 400	537	183,384	11,416	2,379	7,007	381	39	6,582	27,805	155,580	-	973	96,711	3,639	80,440	14,346	1,715	39
40	400 under 500	232	103,478	7,605	983	3,951	165	4	3,426	16,133	87,345	-	405	57,093	1,668	49,150	7,321	1,046	40
41	500 under 750	278	166,537	10,974	1,526	6,410	327	7	4,746	23,989	142,547	-	484	95,516	2,149	83,171	12,581	2,385	41
42	750 under 1,000	99	86,360	6,142	819	3,048	232	-	1,955	12,195	74,165	-	158	52,036	313	46,934	5,371	583	42
43	1,000 under 1,500	58	69,688	5,747	390	2,890	132	5	2,019	11,184	58,504	-	92	40,342	296	37,585	3,274	793	43
44	1,500 under 2,000	23	39,316	3,514	262	1,458	94	-	886	6,214	33,103	-	37	23,689	101	21,870	1,882	165	44
45	2,000 under 3,000	20	48,340	3,184	333	1,676	78	-	1,786	7,058	41,281	-	29	30,136	36	26,666	4,064	632	45
46	3,000 under 4,000	12	42,687	2,654	23	535	11	-	259	3,482	39,205	-	17	22,737	44	19,450	3,650	407	46
47	4,000 under 5,000	3	12,463	1,319	1	384	43	-	264	2,011	10,452	-	4	6,941	1	5,255	1,685	-	47
48	5,000 or more	4	43,015	5,197	40	1,684	12	-	1,254	8,187	34,828	-	7	22,614	1	20,194	2,419	-	48
49	Total taxable returns	7,899,061	44,794,802	1,896,961	1,096,837	1,789,184	171,071	1,170,087	1,609,536	7,733,676	37,061,125	-	12,918,901	6,159,711	2,779,309	3,191,609	892,781	723,988	49
	Nontaxable returns: 32/																		
50	No adjusted gross income 5/	512,214	8/799,280	2,244	5,244	8,186	1,350	5,111	3,734	25,871	-	825,149	759,422	-	6,811	25,367	-	32,178	50
51	Under 0.6	42,658	17,196	2,235	3,175	3,347	(33)	6,946	2,708	18,710	7,889	9,403	50,784	-	651	1,102	-	1,754	51
52	0.6 under 0.75	52,788	36,505	2,513	1,443	3,444	1,232	5,927	1,925	16,486	22,986	2,967	46,022	-	967	664	-	1,630	52
53	0.75 under 1	101,090	87,764	5,388	2,777	7,577	1,945	14,918	4,912	37,518	52,825	2,579	95,478	-	2,533	1,267	-	3,800	53
54	1 under 1.25	74,594	83,961	5,238	2,571	7,613	637	14,187	5,678	35,925	50,382	2,346	92,372	-	2,015	818	-	2,835	54
55	1.25 under 1.5	136,500	189,440	9,714	6,661	12,856	1,759	26,173	7,996	65,160	126,492	2,212	178,122	-	4,697	1,324	-	6,023	55
56	1.5 under 1.75	109,262	176,155	8,791	6,221	11,104	1,595	26,901	9,863	64,475	112,694	1,014	154,625	-	3,822	1,466	-	5,289	56
57	1.75 under 2	80,748	151,218	7,123	5,156	9,415	3,551	21,852	9,189	56,285	96,207	1,274	130,794	-	3,536	1,145	-	4,680	57
58	2 under 2.25	122,282	258,956	12,019	9,122	15,481	2,944	28,160	12,939	80,666	179,457	1,168	220,000	-	6,750	1,957	-	8,707	58
59	2.25 under 2.5	88,144	208,625	9,423	10,416	9,995	2,861	24,649	12,405	69,749	139,226	(33)	168,076	-	6,313	1,712	-	8,025	59
60	2.5 under 2.75	85,012	224,114	10,203	8,819	11,256	2,847	22,852	11,457	67,427	157,004	(33)	183,305	-	5,699	1,572	-	7,270	60
61	2.75 under 3	99,360	284,646	11,923	12,308	13,245	3,608	23,412	15,789	80,285	205,513	(33)	230,862	-	6,888	1,285	-	8,174	61
62	3 under 3.5	124,552	402,902	18,596	18,688	19,316	8,820	40,098	27,352	132,871	272,145	(33)	310,351	-	10,984	2,796	-	13,780	62
63	3.5 under 4	81,844	303,209	12,691	14,493	14,449	4,998	24,777	28,959	100,366	204,292	(33)	227,004	-	8,391	3,065	-	11,456	63
64	4 under 4.5	41,940	176,420	6,384	7,785	8,111	6,082	11,138	19,950	59,448	117,597	(33)	128,658	-	4,515	1,467	-	5,982	64
65	4.5 or more	39,291	228,776	10,349	17,534	16,339	15,340	20,624	56,500	136,688	106,358	12,271	122,206	-	7,423	4,643	-	12,064	65
66	Total nontaxable returns	1,792,279	9/2,030,618	134,833	132,411	171,733	57,875	317,723	231,354	1,045,933	1,851,069	866,591	3,098,081	-	81,999	51,652	-	133,648	66
67	Grand total	9,691,340	9/46,825,420	2,031,794	1,229,248	1,960,917	228,946	1,487,810	1,840,890	8,779,609	38,912,194	866,591	16,016,981	6,159,711	2,861,308	3,243,261	892,781	857,636	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	7,483,499	9/20,116,012	979,571	655,464	874,152	148,455	1,095,981	853,700	4,607,319	16,375,080	866,591	11,568,356	1,004,464	1,235,312	165,269	87,784	483,903	68
69	Taxable returns with adjusted gross income of $5,000 or more	2,207,841	26,709,399	1,052,223	573,787	1,086,770	80,487	391,830	987,193	4,172,288	22,537,115	-	4,448,625	5,155,250	1,625,994	3,077,989	804,995	373,729	69

For footnotes, see pp. 18 - 19; for extent to which data are estimated, see pp. 4-5.

Table 3. - Individual returns for 1949, by taxable and nontaxable returns and by adjusted gross income classes: Frequency distributions of all returns for each specific source of income or loss comprising adjusted gross income, for each type of tax payment, and for tax overpayment; also distributions of returns with itemized deductions for selected items

PART I. - ALL RETURNS

	Adjusted gross income classes 1/ (Thousands of dollars)	Total number of returns	Number of returns with - Salaries and wages	Dividends 35/	Interest 35/	Annuities and pensions	Rents and royalties		Business and profession		Partnership		
							Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	
	Taxable returns:												
1	0.6 under 0.75	357,894	316,870	37/9,220	15,060	(38)	37/10,280	37/1,810	25,224	(38)	37/6,840	(38)	1
2	0.75 under 1	1,180,974	1,064,010	27,520	47,140	37/5,610	52,000	37/3,450	65,590	37/5,500	29,894	37/1,410	2
3	1 under 1.25	1,225,174	1,133,520	33,520	49,960	37/5,210	51,540	37/5,290	50,104	37/3,270	25,750	37/1,610	3
4	1.25 under 1.5	1,517,682	1,340,024	55,970	81,690	15,020	60,278	37/10,570	120,758	37/11,300	42,600	37/2,450	4
5	1.5 under 1.75	1,663,688	1,461,620	73,780	106,280	22,620	68,274	18,490	131,718	37/13,870	44,280	37/3,990	5
6	1.75 under 2	1,722,058	1,552,390	65,420	108,240	15,610	71,560	16,380	116,678	37/11,780	42,050	37/6,290	6
7	2 under 2.25	2,228,352	2,014,628	86,750	125,672	21,090	92,906	29,880	174,490	17,844	51,820	37/5,350	7
8	2.25 under 2.5	2,190,176	2,001,278	93,130	141,688	17,670	103,424	33,450	157,710	18,784	51,636	37/8,960	8
9	2.5 under 2.75	2,306,858	2,120,470	94,064	148,470	18,050	101,970	40,280	159,506	21,074	58,636	37/7,630	9
10	2.75 under 3	2,444,106	2,255,696	102,288	153,458	17,270	129,130	42,280	186,226	24,812	55,742	37/8,774	10
11	3 under 3.5	4,376,112	4,035,910	254,908	349,510	32,370	265,020	89,924	325,002	39,854	117,214	16,198	11
12	3.5 under 4	3,700,318	3,456,402	230,944	331,798	29,350	257,298	79,194	247,198	39,880	112,348	37/13,370	12
13	4 under 4.5	2,728,930	2,496,724	209,276	288,164	26,694	213,954	68,842	229,018	27,354	97,322	37/12,184	13
14	4.5 under 5	1,998,548	1,807,554	179,852	248,548	17,940	175,704	50,074	185,592	24,094	85,500	37/9,714	14
15	5 under 6	2,356,956	2,096,576	317,826	410,070	27,280	227,274	67,512	238,758	24,864	118,640	15,780	15
16	6 under 7	1,218,244	1,037,404	242,552	274,288	16,160	144,424	35,760	159,978	15,800	92,016	37/9,900	16
17	7 under 8	637,062	515,414	163,654	171,628	8,394	86,056	19,304	105,680	7,202	62,972	5,824	17
18	8 under 9	373,238	284,042	121,112	117,244	6,220	58,062	12,010	73,806	4,798	47,844	4,140	18
19	9 under 10	252,314	179,520	93,424	85,508	4,248	43,730	9,170	58,814	3,584	38,474	3,450	19
20	10 under 11	185,416	129,256	75,692	68,942	3,072	33,902	6,670	43,898	3,114	31,292	2,608	20
21	11 under 12	134,444	88,612	60,288	52,630	2,754	26,962	4,750	34,954	2,410	26,200	2,440	21
22	12 under 13	107,744	70,496	49,280	43,426	2,100	21,824	3,962	28,434	2,302	20,476	1,800	22
23	13 under 14	84,126	53,360	41,710	35,260	2,040	17,844	3,514	22,844	2,006	17,968	1,304	23
24	14 under 15	69,842	42,774	36,154	31,608	1,874	15,410	2,854	19,320	1,524	15,926	1,224	24
25	15 under 20	220,420	136,466	122,740	106,494	5,768	50,760	9,120	61,344	5,254	51,896	4,754	25
26	20 under 25	116,446	70,250	72,280	60,642	3,400	28,306	5,538	30,612	3,078	31,984	2,874	26
27	25 under 30	65,543	40,236	43,648	36,905	2,094	17,946	3,094	17,090	2,334	18,390	1,798	27
28	30 under 40	71,287	44,065	50,933	43,580	2,606	20,255	3,586	16,730	2,940	22,094	2,044	28
29	40 under 50	34,451	21,404	26,312	22,454	1,564	10,525	1,852	7,581	1,613	11,609	986	29
30	50 under 60	18,881	12,114	15,089	12,972	810	5,845	1,061	3,620	1,014	6,393	625	30
31	60 under 70	11,215	7,254	9,260	8,018	610	3,594	646	1,908	710	3,898	455	31
32	70 under 80	7,395	4,925	6,227	5,419	420	2,303	452	1,226	595	2,623	284	32
33	80 under 90	4,982	3,292	4,269	3,729	302	1,594	347	774	386	1,730	233	33
34	90 under 100	3,657	2,506	3,199	2,814	226	1,204	241	512	330	1,211	153	34
35	100 under 150	8,028	5,664	7,176	6,462	577	2,778	555	1,024	810	2,559	370	35
36	150 under 200	2,723	1,971	2,488	2,320	243	999	248	303	350	822	158	36
37	200 under 250	1,189	829	1,101	1,032	117	443	117	115	184	328	98	37
38	250 under 300	608	444	577	531	64	214	68	62	96	184	61	38
39	300 under 400	541	404	510	481	63	212	61	66	93	145	54	39
40	400 under 500	234	171	225	210	31	85	31	27	48	48	25	40
41	500 under 750	280	207	263	251	27	110	35	23	60	53	45	41
42	750 under 1,000	99	62	93	89	9	34	22	9	28	26	12	42
43	1,000 under 1,500	58	44	50	53	3	29	7	6	20	9	5	43
44	1,500 under 2,000	23	16	23	23	3	7	7	3	4	7	3	44
45	2,000 under 3,000	20	12	20	19	2	7	6	2	5	1	1	45
46	3,000 under 4,000	12	11	10	9	4	8	2	-	5	3	-	46
47	4,000 under 5,000	3	2	3	2	-	-	1	1	1	-	1	47
48	5,000 or more	4	3	4	4	-	1	3	1	2	-	2	48
49	Total taxable returns	35,628,295	31,886,700	3,064,194	3,800,575	338,589	2,436,065	682,500	3,100,279	347,380	1,447,335	162,419	49
	Nontaxable returns: 32/												
50	No adjusted gross income 5/	512,214	66,858	29,202	35,566	37/2,642	41,570	27,428	37/13,088	308,918	37/9,524	56,173	50
51	Under 0.6	3,926,316	3,299,290	72,004	120,734	23,820	168,720	23,450	389,892	68,064	71,490	37/13,580	51
52	0.6 under 0.75	1,013,224	723,624	47,672	80,518	16,000	95,584	37/6,660	168,032	14,832	37,634	37/6,424	52
53	0.75 under 1	1,237,528	810,304	80,190	123,234	32,020	143,330	37/11,540	280,694	25,044	43,290	37/5,840	53
54	1 under 1.25	1,534,138	1,065,684	72,104	121,724	35,060	146,604	16,370	348,544	24,130	58,090	37/5,800	54
55	1.25 under 1.5	1,253,348	885,320	62,874	98,824	28,520	116,418	14,448	286,294	20,024	50,150	37/5,150	55
56	1.5 under 1.75	1,120,650	841,674	42,300	75,170	18,850	84,190	37/13,270	241,030	15,700	42,060	37/4,290	56
57	1.75 under 2	1,285,764	1,004,590	47,270	66,152	18,640	92,274	37/11,914	258,460	17,490	49,550	37/2,860	57
58	2 under 2.25	810,596	636,384	29,840	43,600	37/10,650	59,814	37/9,080	161,672	37/11,000	31,604	37/2,710	58
59	2.25 under 2.5	878,782	723,340	24,590	37,118	37/8,430	49,190	37/10,920	153,542	37/11,970	37,080	37/4,220	59
60	2.5 under 2.75	820,528	689,666	22,478	35,510	37/5,410	54,830	37/12,074	137,526	37/11,284	30,280	37/2,380	60
61	2.75 under 3	458,268	390,654	37/11,180	18,380	37/2,040	25,084	37/7,340	70,470	37/4,208	15,090	(38)	61
62	3 under 3.5	775,202	666,340	23,022	29,008	37/2,624	46,224	14,914	120,464	37/9,268	27,150	37/2,610	62
63	3.5 under 4	351,522	307,824	37/13,420	15,160	37/1,400	25,828	37/7,260	50,282	37/3,840	37/10,170	37/1,750	63
64	4 under 4.5	117,750	98,220	37/4,830	37/6,290	(38)	37/10,180	37/1,940	19,040	(38)	37/4,660	(38)	64
65	4.5 or more	89,999	71,359	37/9,412	37/7,004	(38)	37/10,458	37/2,526	18,518	37/2,175	37/5,844	(38)	65
66	Total nontaxable returns	16,185,829	12,281,131	592,388	913,992	207,179	1,170,298	191,136	2,717,548	548,867	523,666	115,873	66
67	Grand total	51,814,124	44,167,831	3,656,582	4,714,567	545,768	3,606,363	873,636	5,817,827	896,247	1,971,001	278,292	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	45,826,679	39,318,027	2,088,590	3,109,650	452,683	2,783,636	681,030	4,888,342	808,683	1,343,280	214,803	68
69	Taxable returns with adjusted gross income of $5,000 or more	5,987,445	4,849,804	1,567,992	1,604,917	93,085	822,727	192,606	929,485	87,564	627,721	63,489	69

For footnotes, see pp. 18-19; for extent to which data are estimated, see pp. 4-5.

Table 3. - Individual returns for 1949, by taxable and nontaxable returns and by adjusted gross income classes: Frequency distributions of all returns for each specific source of income or loss comprising adjusted gross income, for each type of tax payment, and for tax overpayment; also distributions of returns with itemized deductions for selected items - Continued

PART I. - ALL RETURNS - Continued

	Adjusted gross income classes 1/ (Thousands of dollars)	Number of returns with -										
		Sales or exchanges of capital assets		Sales or exchanges of property other than capital assets		Income from estates and trusts	Miscellaneous income 36/	Tax withheld	Payments on 1949 declaration 22/	Tax due at time of filing	Overpayment (refund, or credit on 1950 tax)	
		Net gain	Net loss	Net gain	Net loss							
	Taxable returns:											
1	0.6 under 0.75	37/2,620	37/1,420		(38)	(38)	37/12,610	284,640	37/9,560	70,924	283,970	1
2	0.75 under 1	37/8,640	37/3,640	(38)	(38)	37/3,610	39,250	971,340	49,610	248,904	893,050	2
3	1 under 1.25	37/6,480	37/1,820	(38)	(38)	37/2,410	35,510	1,052,670	59,284	363,670	800,034	3
4	1.25 under 1.5	16,290	37/7,224	37/2,440	37/1,690	37/5,440	50,020	1,232,670	99,472	457,894	984,858	4
5	1.5 under 1.75	22,600	37/11,910	37/1,670	37/1,670	37/5,840	60,040	1,364,270	129,178	516,770	1,029,998	5
6	1.75 under 2	20,240	37/13,110	37/2,440	37/2,540	37/8,030	68,730	1,472,230	136,640	538,498	1,052,750	6
7	2 under 2.25	27,580	14,570	37/3,650	37/3,030	37/8,130	85,854	1,915,444	158,318	694,898	1,370,884	7
8	2.25 under 2.5	31,628	15,820	37/3,140	37/3,250	37/7,520	88,730	1,929,294	161,210	704,480	1,320,856	8
9	2.5 under 2.75	33,542	17,590	37/4,750	37/3,418	37/9,670	96,550	2,057,780	161,950	762,334	1,369,806	9
10	2.75 under 3	39,078	18,734	37/3,570	37/5,640	37/10,910	116,772	2,191,136	167,928	817,616	1,468,540	10
11	3 under 3.5	84,178	39,392	37/7,814	37/10,624	16,160	211,548	3,938,432	348,250	1,725,486	2,487,686	11
12	3.5 under 4	83,718	38,954	37/6,360	37/8,130	17,540	188,910	3,374,110	315,606	1,522,348	2,067,300	12
13	4 under 4.5	79,324	37,874	37/6,160	37/7,844	16,680	146,618	2,449,214	286,420	1,134,674	1,517,906	13
14	4.5 under 5	72,040	29,058	37/7,400	37/6,620	14,264	111,250	1,766,006	253,374	870,732	1,077,742	14
15	5 under 6	117,348	51,814	37/7,088	37/11,448	22,408	94,684	2,057,178	376,054	1,054,254	1,276,022	15
16	6 under 7	93,312	36,698	37/5,690	37/7,120	20,760	58,090	1,009,824	296,170	645,502	562,482	16
17	7 under 8	58,628	26,266	3,190	3,354	14,138	36,348	498,544	199,700	394,058	237,024	17
18	8 under 9	44,752	19,810	2,424	2,400	11,150	23,712	272,530	153,440	248,526	121,092	18
19	9 under 10	34,680	16,150	1,730	1,790	9,248	17,202	171,332	125,570	172,068	77,056	19
20	10 under 11	28,066	14,422	1,380	1,710	7,818	12,650	121,916	102,342	129,288	53,418	20
21	11 under 12	22,624	12,332	1,130	1,590	6,268	10,400	82,616	83,674	94,604	38,440	21
22	12 under 13	18,272	10,104	37/854	1,140	5,442	8,018	65,906	69,212	76,092	30,478	22
23	13 under 14	16,110	8,970	37/740	944	4,792	6,864	49,312	57,728	60,690	22,522	23
24	14 under 15	14,626	7,808	37/604	37/734	4,228	5,256	39,290	50,996	50,864	18,154	24
25	15 under 20	48,676	27,766	2,254	2,464	16,338	19,148	125,802	170,704	156,528	61,164	25
26	20 under 25	29,114	17,550	1,094	1,570	10,494	11,304	63,876	97,968	82,314	33,054	26
27	25 under 30	18,699	11,757	618	1,055	7,198	6,828	36,334	57,721	47,010	18,259	27
28	30 under 40	22,535	13,917	605	1,122	9,249	7,914	39,844	64,785	51,813	19,164	28
29	40 under 50	12,544	7,815	310	700	5,072	4,416	19,293	32,395	25,119	9,180	29
30	50 under 60	7,166	4,499	146	367	3,372	2,455	10,856	18,064	13,884	4,899	30
31	60 under 70	4,715	2,765	110	224	2,246	1,506	6,511	10,824	8,319	2,843	31
32	70 under 80	3,253	1,924	69	179	1,582	1,041	4,368	7,176	5,531	1,836	32
33	80 under 90	2,346	1,286	44	109	1,174	756	2,958	4,855	3,602	1,362	33
34	90 under 100	1,730	979	21	58	907	567	2,227	3,573	2,713	927	34
35	100 under 150	4,058	2,257	78	177	2,514	834	4,796	7,880	5,862	2,119	35
36	150 under 200	1,491	774	35	72	1,022	327	1,618	2,679	1,965	747	36
37	200 under 250	672	334	13	41	494	166	689	1,174	811	372	37
38	250 under 300	369	162	3	22	278	92	347	604	425	181	38
39	300 under 400	343	136	7	19	232	85	336	534	401	139	39
40	400 under 500	150	63	3	10	102	34	140	232	161	73	40
41	500 under 750	170	88	9	15	165	43	162	280	208	71	41
42	750 under 1,000	60	29	-	9	57	18	37	99	70	28	42
43	1,000 under 1,500	32	20	4	1	26	12	26	58	40	18	43
44	1,500 under 2,000	16	7	-	-	9	2	8	23	17	6	44
45	2,000 under 3,000	10	6	1	2	15	3	8	19	14	6	45
46	3,000 under 4,000	11	1	-	-	8	3	9	12	11	1	46
47	4,000 under 5,000	2	1	-	1	-	1	2	3	3	-	47
48	5,000 or more	3	1	-	3	-	3	2	4	4	-	48
49	Total taxable returns	1,134,541	549,627	81,068	96,346	295,610	1,643,174	30,687,933	4,333,352	13,761,999	20,318,517	49
	Nontaxable returns: 32/											
50	No adjusted gross income 5/	31,929	31,558	37/3,404	21,994	37/2,259	14,512	48,710	64,682	-	106,270	50
51	Under 0.6	30,250	23,480	37/4,910	37/9,020	37/6,650	97,824	3,058,324	55,778	-	3,108,982	51
52	0.6 under 0.75	15,390	37/7,644	37/2,030	37/2,740	37/6,634	43,924	551,570	26,162	-	576,052	52
53	0.75 under 1	30,850	37/10,510	37/3,760	37/2,250	37/8,050	57,910	539,254	40,804	-	576,808	53
54	1 under 1.25	27,450	37/11,584	37/4,050	37/4,570	37/8,660	67,540	707,840	47,752	-	751,072	54
55	1.25 under 1.5	29,924	37/9,484	37/3,870	37/3,180	37/4,670	61,970	584,330	44,750	-	624,570	55
56	1.5 under 1.75	25,284	37/8,870	37/3,650	37/2,930	37/3,450	53,654	558,470	38,768	-	592,318	56
57	1.75 under 2	26,294	37/8,414	37/3,700	37/3,730	37/3,680	60,760	698,580	38,380	-	732,250	57
58	2 under 2.25	15,900	37/6,090	37/1,920	37/1,690	37/2,860	35,590	418,844	27,700	-	443,194	58
59	2.25 under 2.5	14,850	37/5,290	37/1,600	37/2,060	37/2,430	35,754	519,700	27,514	-	543,834	59
60	2.5 under 2.75	17,108	37/5,950	37/3,560	37/2,770	37/1,310	36,414	510,618	31,082	-	538,520	60
61	2.75 under 3	37/7,620	37/3,900	(38)	37/1,540	37/1,844	18,600	294,084	37/12,218	-	304,988	61
62	3 under 3.5	16,338	37/5,680	37/2,480	37/2,570	37/2,050	34,614	528,250	26,136	-	551,016	62
63	3.5 under 4	37/7,070	37/3,580	37/1,290	(38)	37/1,810	16,880	248,560	37/8,918	-	256,148	63
64	4 under 4.5	37/1,580	37/1,700	(38)	(38)	(38)	37/3,790	80,440	37/4,330	-	84,290	64
65	4.5 or more	37/6,863	37/3,649	(38)	37/1,329	(38)	37/5,801	58,592	37/6,953	-	63,641	65
66	Total nontaxable returns	304,680	147,383	42,186	63,863	57,737	645,537	9,406,166	501,907	-	9,853,953	66
67	Grand total	1,439,221	697,010	123,254	160,209	353,347	2,288,711	40,094,099	4,835,259	13,761,999	30,172,470	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	832,638	398,499	93,000	119,759	184,541	1,957,929	35,405,402	2,838,707	10,429,228	27,579,333	68
69	Taxable returns with adjusted gross income of $5,000 or more	606,583	298,511	30,254	40,450	168,806	330,782	4,688,697	1,996,552	3,332,771	2,593,137	69

For footnotes, see pp. 18 - 19; for extent to which data are estimated, see pp. 4-5.

Table 3. - Individual returns for 1949, by taxable and nontaxable returns and by adjusted gross income classes: Frequency distributions of all returns for each specific source of income or loss comprising adjusted gross income, for each type of tax payment, and for tax overpayment; also distributions of returns with itemized deductions for selected items - Continued

PART II. - RETURNS WITH ITEMIZED DEDUCTIONS 23/

	Adjusted gross income classes 1/ (Thousands of dollars)	Number of returns	Number of returns with - Deduction for - Contributions	Interest	Taxes	Losses from fire, storm, etc.	Medical, dental, etc., expenses	Miscellaneous deductions	Net income	Net deficit	Tax withheld	Payments on 1949 declaration 22/	Tax due at time of filing	Overpayment (refund, or credit on 1950 tax)	
	Taxable returns:														
1	0.6 under 0.75	37/5,824	37/3,820	(38)	37/3,600	(38)	37/1,200	37/1,824	37/5,824	-	37/3,200	(38)	37/2,204	37/3,620	1
2	0.75 under 1	80,184	69,120	37/13,650	57,900	37/3,000	42,050	27,844	80,184	-	45,840	37/9,460	30,894	48,480	2
3	1 under 1.25	116,180	104,320	23,070	86,840	37/8,010	69,150	50,680	116,180	-	83,800	37/12,370	33,380	82,580	3
4	1.25 under 1.5	151,830	134,230	31,740	120,400	37/11,410	82,980	72,920	151,830	-	105,500	17,400	51,040	100,790	4
5	1.5 under 1.75	217,220	198,570	57,540	178,520	15,030	129,120	104,690	217,220	-	148,620	29,090	64,680	152,130	5
6	1.75 under 2	271,100	253,560	82,520	238,970	21,370	161,340	142,280	271,100	-	202,500	37,840	66,550	202,720	6
7	2 under 2.25	300,606	281,238	112,860	266,828	23,260	182,934	163,420	300,606	-	239,740	38,064	69,502	230,084	7
8	2.25 under 2.5	366,368	342,940	150,956	326,690	27,340	201,276	204,204	366,368	-	293,880	43,492	84,250	280,518	8
9	2.5 under 2.75	402,750	383,670	193,040	372,000	42,964	228,758	248,338	402,750	-	342,148	41,138	83,418	317,888	9
10	2.75 under 3	452,534	427,876	238,526	418,914	46,420	251,502	284,304	452,534	-	385,956	45,040	90,744	360,190	10
11	3 under 3.5	996,528	957,938	599,314	949,712	111,250	542,062	685,558	996,528	-	877,712	93,038	194,008	799,870	11
12	3.5 under 4	954,622	917,754	622,302	917,506	122,818	501,458	694,814	954,622	-	861,420	91,706	183,842	768,250	12
13	4 under 4.5	780,324	754,524	538,162	751,946	102,170	387,924	576,938	780,324	-	698,520	81,666	174,472	605,412	13
14	4.5 under 5	595,150	579,974	414,308	575,810	88,370	286,886	430,828	595,150	-	528,540	68,760	137,946	456,564	14
15	5 under 6	784,308	758,256	558,638	751,308	114,744	365,098	554,300	784,308	-	694,552	107,456	205,544	574,824	15
16	6 under 7	403,382	392,676	284,912	390,316	61,834	159,664	275,422	403,382	-	348,150	82,552	115,548	285,974	16
17	7 under 8	203,314	198,310	142,180	196,494	31,460	76,676	134,132	203,314	-	165,066	54,696	78,520	123,924	17
18	8 under 9	121,126	117,840	82,140	116,820	17,210	41,162	79,088	121,126	-	92,652	42,246	54,984	65,612	18
19	9 under 10	79,630	77,530	52,202	76,664	11,194	26,132	50,576	79,630	-	58,388	34,534	38,882	40,328	19
20	10 under 11	64,052	62,438	41,116	61,988	8,564	20,300	40,196	64,052	-	45,708	30,092	34,588	29,094	20
21	11 under 12	49,432	48,004	31,626	47,938	5,964	13,752	30,566	49,432	-	33,206	27,732	27,734	21,468	21
22	12 under 13	43,980	42,838	27,452	42,668	5,328	11,580	26,722	43,980	-	30,438	25,386	25,220	18,510	22
23	13 under 14	37,686	36,824	23,010	36,490	4,538	9,272	22,180	37,686	-	24,822	23,904	23,176	14,256	23
24	14 under 15	32,672	31,774	18,476	31,384	3,438	7,550	19,122	32,672	-	20,720	22,674	21,240	11,288	24
25	15 under 20	122,442	119,706	70,600	118,838	12,386	21,554	70,744	122,442	-	77,180	92,698	78,156	43,262	25
26	20 under 25	76,686	75,066	42,912	74,520	7,036	9,912	42,782	76,686	-	46,418	64,460	50,410	25,708	26
27	25 under 30	47,896	46,673	26,064	46,594	4,277	5,523	27,083	47,896	-	28,602	42,588	32,673	15,073	27
28	30 under 40	56,598	55,366	30,200	55,170	5,258	5,051	33,251	56,598	-	33,608	52,006	39,460	16,920	28
29	40 under 50	29,268	28,651	15,341	28,499	2,559	2,218	17,958	29,268	-	17,216	27,750	20,809	8,343	29
30	50 under 60	16,808	16,456	9,069	16,362	1,554	1,224	10,475	16,808	-	9,977	16,160	12,147	4,575	30
31	60 under 70	10,194	9,987	5,501	9,965	1,035	565	6,623	10,194	-	6,111	9,868	7,465	2,681	31
32	70 under 80	6,807	6,680	3,826	6,652	670	380	4,553	6,807	-	4,140	6,636	5,013	1,771	32
33	80 under 90	4,702	4,620	2,633	4,591	517	228	3,238	4,702	-	2,850	4,593	3,371	1,313	33
34	90 under 100	3,469	3,385	1,950	3,401	370	158	2,422	3,469	-	2,155	3,392	2,550	905	34
35	100 under 150	7,701	7,588	4,490	7,561	868	303	5,856	7,701	-	4,681	7,570	5,590	2,065	35
36	150 under 200	2,658	2,630	1,647	2,607	353	80	2,153	2,658	-	1,583	2,617	1,910	737	36
37	200 under 250	1,170	1,154	717	1,158	185	27	989	1,170	-	683	1,155	796	368	37
38	250 under 300	594	588	392	587	117	15	513	594	-	339	591	411	181	38
39	300 under 400	537	529	357	527	109	10	466	537	-	332	530	398	138	39
40	400 under 500	232	229	159	231	55	2	202	232	-	138	230	160	72	40
41	500 under 750	278	269	196	276	44	3	245	278	-	161	278	206	71	41
42	750 under 1,000	99	96	67	93	36	-	87	99	-	37	99	70	28	42
43	1,000 under 1,500	58	57	36	57	14	2	51	58	-	26	58	40	18	43
44	1,500 under 2,000	23	23	18	22	6	-	23	23	-	8	23	17	6	44
45	2,000 under 3,000	20	20	16	20	7	-	19	20	-	8	19	14	6	45
46	3,000 under 4,000	12	12	7	12	3	-	12	12	-	9	12	11	1	46
47	4,000 under 5,000	3	3	2	3	2	-	2	3	-	2	3	3	-	47
48	5,000 or more	4	4	4	4	2	-	4	4	-	2	4	4	-	48
49	Total taxable returns	7,899,061	7,555,816	4,556,554	7,395,454	925,329	3,847,041	5,150,697	7,899,061	-	6,567,344	1,394,496	2,154,030	5,716,614	49
	Nontaxable returns: 32/														
50	No adjusted gross income 5/	512,214	37/13,994	37/10,140	18,386	37/1,338	37/7,835	37/4,951	-	512,214	48,710	64,682	-	106,270	50
51	Under 0.6	42,658	31,468	37/10,230	26,064	(38)	19,890	37/6,500	29,154	37/13,504	37/8,964	37/6,604	-	14,948	51
52	0.6 under 0.75	52,788	37,654	37/8,868	35,428	37/2,030	22,470	15,698	47,204	37/5,584	17,240	37/4,998	-	22,238	52
53	0.75 under 1	101,090	77,580	23,120	70,130	37/5,470	57,220	33,580	96,260	37/4,830	36,730	37/9,060	-	44,940	53
54	1 under 1.25	74,594	58,104	16,404	52,534	37/2,450	36,820	25,620	69,434	37/5,160	21,510	37/6,720	-	27,610	54
55	1.25 under 1.5	136,500	107,750	41,990	105,310	37/4,860	78,010	44,870	132,610	37/3,890	53,610	37/11,620	-	63,940	55
56	1.5 under 1.75	109,262	85,388	33,250	82,450	37/6,640	70,430	40,978	107,422	37/1,840	45,410	37/12,608	-	56,518	56
57	1.75 under 2	80,748	68,448	28,544	61,838	37/6,084	45,940	35,104	78,264	37/2,484	33,400	37/7,298	-	59,858	57
58	2 under 2.25	122,282	102,928	53,184	101,884	37/7,530	65,884	56,800	120,432	37/1,850	66,634	37/11,830	-	77,184	58
59	2.25 under 2.5	88,144	76,174	49,440	72,244	37/8,940	54,540	46,830	87,834	(38)	55,360	37/8,440	-	63,350	59
60	2.5 under 2.75	85,012	73,642	46,274	74,138	37/7,100	52,694	43,454	84,142	(38)	54,650	37/10,512	-	64,212	60
61	2.75 under 3	99,360	89,340	62,360	89,930	37/8,950	62,110	58,430	98,900	(38)	69,000	37/6,470	-	74,630	61
62	3 under 3.5	124,552	112,012	76,724	110,562	16,600	79,278	78,780	123,868	(38)	88,290	37/13,952	-	100,352	62
63	3.5 under 4	81,844	74,754	57,450	74,194	37/10,350	47,450	57,040	81,184	(38)	62,450	37/5,374	-	66,744	63
64	4 under 4.5	41,940	38,580	28,210	37,150	37/7,300	23,190	30,000	41,520	(38)	31,000	37/3,350	-	33,880	64
65	4.5 or more	39,291	35,664	28,272	36,609	37/7,538	21,240	30,844	37,541	37/1,750	26,788	37/5,513	-	30,637	65
66	Total nontaxable returns	1,792,279	1,083,280	574,460	1,048,851	103,810	744,801	609,479	1,255,769	556,510	719,746	189,031	-	887,311	66
67	Grand total	9,691,340	8,639,096	5,131,014	8,444,305	1,029,139	4,591,842	5,760,176	9,154,830	556,510	7,287,090	1,583,527	2,154,030	6,603,925	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	7,483,499	6,492,814	3,653,058	6,314,487	727,422	3,813,421	4,298,121	6,926,989	556,510	5,537,122	798,915	1,266,930	5,294,407	68
69	Taxable returns with adjusted gross income of $5,000 or more	2,207,841	2,146,282	1,477,956	2,129,818	301,717	778,421	1,462,055	2,207,841	-	1,749,968	784,612	887,100	1,309,518	69

For footnotes, see pp. 18 - 19; for extent to which data are estimated, see pp. 4-5.

Table 4. - Individual returns for 1949, by taxable and nontaxable returns, by adjusted gross income classes, and by marital status and sex of taxpayer: Number of returns, adjusted gross income, exemption, and tax liability

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

	Adjusted gross income classes 1/	All returns				Joint returns 39/ of husbands and wives				
		Total number of returns	Adjusted gross income 2/	Amount of exemption 21/	Total tax liability 3/	Number of returns	Adjusted gross income 2/	Amount of exemption 21/	Tax liability 3/	
	Taxable returns:									
1	0.6 under 0.75	357,894	254,328	214,736	2,453	-	-	-	-	1
2	0.75 under 1	1,180,974	1,035,643	708,584	35,984	-	-	-	-	2
3	1 under 1.25	1,225,174	1,375,923	735,104	80,562	-	-	-	-	3
4	1.25 under 1.5	1,517,682	2,098,326	1,197,126	110,540	234,458	331,371	281,350	2,916	4
5	1.5 under 1.75	1,663,688	2,699,261	1,405,576	163,245	334,174	542,918	401,009	13,496	5
6	1.75 under 2	1,722,058	3,226,328	1,449,934	231,228	363,238	681,428	435,886	27,054	6
7	2 under 2.25	2,228,352	4,729,038	2,409,602	294,659	802,082	1,704,724	1,218,182	48,895	7
8	2.25 under 2.5	2,190,176	5,197,035	2,444,782	355,421	900,774	2,138,197	1,374,166	84,673	8
9	2.5 under 2.75	2,306,858	6,063,625	2,816,095	419,876	1,090,386	2,874,794	1,782,202	123,722	9
10	2.75 under 3	2,444,106	7,021,231	3,444,928	455,824	1,425,142	4,097,122	2,547,170	176,133	10
11	3 under 3.5	4,376,112	14,202,032	6,761,749	953,481	2,981,926	9,704,628	5,500,818	499,873	11
12	3.5 under 4	3,700,318	13,825,865	6,347,862	965,921	2,895,396	10,825,675	5,597,664	643,431	12
13	4 under 4.5	2,728,930	11,561,339	5,001,986	853,713	2,303,554	9,763,002	4,595,005	651,643	13
14	4.5 under 5	1,998,548	9,468,498	3,744,085	755,465	1,737,392	8,234,333	3,489,078	611,271	14
15	5 under 6	2,356,936	12,829,253	4,434,750	1,125,993	2,121,284	11,548,462	4,203,203	969,026	15
16	6 under 7	1,218,244	7,846,238	2,302,505	765,667	1,100,562	7,087,178	2,187,251	664,870	16
17	7 under 8	637,062	4,749,378	1,219,490	502,994	575,188	4,287,690	1,158,095	437,493	17
18	8 under 9	373,238	3,159,307	719,843	357,962	333,614	2,823,825	679,686	307,656	18
19	9 under 10	252,314	2,386,520	488,147	286,690	223,130	2,110,076	457,877	242,918	19
20	10 under 11	185,416	1,940,581	362,580	243,385	164,068	1,716,878	340,384	206,215	20
21	11 under 12	134,444	1,542,859	264,000	204,851	118,168	1,355,818	247,681	171,768	21
22	12 under 13	107,744	1,342,481	212,488	186,196	94,516	1,177,740	198,857	155,832	22
23	13 under 14	84,126	1,134,167	165,896	165,046	72,860	982,477	154,295	135,531	23
24	14 under 15	69,842	1,011,742	138,193	152,419	60,824	881,046	128,593	126,421	24
25	15 under 20	220,420	3,783,153	437,945	625,709	191,212	3,282,666	407,180	513,612	25
26	20 under 25	116,446	2,588,897	234,946	491,165	101,510	2,257,214	218,802	404,517	26
27	25 under 30	65,543	1,787,821	132,986	378,482	57,175	1,559,712	123,984	311,844	27
28	30 under 40	71,287	2,446,523	144,541	593,440	61,535	2,111,080	133,852	483,351	28
29	40 under 50	34,431	1,529,547	68,261	429,095	29,642	1,316,322	63,211	351,007	29
30	50 under 60	18,881	1,029,247	37,328	321,978	16,185	882,014	34,387	264,077	30
31	60 under 70	11,215	724,293	21,980	245,790	9,602	619,931	20,260	202,338	31
32	70 under 80	7,395	551,992	14,446	199,181	6,253	466,724	13,228	162,028	32
33	80 under 90	4,982	422,375	9,589	159,445	4,220	357,767	8,779	130,364	33
34	90 under 100	3,657	346,317	7,048	135,971	3,088	292,310	6,452	111,055	34
35	100 under 150	8,028	961,006	15,111	407,379	6,704	802,217	13,695	329,517	35
36	150 under 200	2,725	466,140	5,015	216,042	2,216	379,516	4,460	170,550	36
37	200 under 250	1,189	263,958	2,189	130,760	939	208,311	1,907	99,524	37
38	250 under 300	608	165,094	1,050	84,068	465	126,580	896	62,649	38
39	300 under 400	541	184,812	978	97,470	429	146,439	865	74,965	39
40	400 under 500	234	104,392	408	57,671	172	76,682	337	41,113	40
41	500 under 750	280	167,972	488	96,429	199	118,274	403	65,913	41
42	750 under 1,000	99	86,360	158	52,036	59	50,998	117	28,682	42
43	1,000 under 1,500	58	69,688	92	40,342	32	37,369	64	20,670	43
44	1,500 under 2,000	23	39,316	37	23,689	6	9,508	16	5,055	44
45	2,000 under 3,000	20	48,340	29	30,136	4	10,318	6	5,899	45
46	3,000 under 4,000	12	42,687	17	22,737	7	24,476	12	11,986	46
47	4,000 under 5,000	3	12,463	4	6,941	1	4,112	1	2,068	47
48	5,000 or more	4	43,015	7	22,614	1	6,175	2	3,796	48
49	Total taxable returns	35,628,295	138,566,406	50,124,695	14,538,141	20,424,392	100,016,097	38,031,366	10,157,417	49
	Nontaxable returns: 32/									
50	No adjusted gross income 5/	512,214	8/799,280	759,422	-	305,531	8/616,287	593,250	-	50
51	Under 0.6	3,926,316	1,326,810	3,388,315	-	642,224	233,006	1,164,066	-	51
52	0.6 under 0.75	1,013,224	670,266	1,193,262	-	330,602	224,165	616,208	-	52
53	0.75 under 1	1,237,528	1,087,848	1,986,386	-	708,038	622,704	1,313,348	-	53
54	1 under 1.25	1,534,138	1,732,332	2,569,087	-	979,580	1,106,355	1,823,935	-	54
55	1.25 under 1.5	1,253,348	1,704,075	2,371,452	-	905,588	1,236,229	1,845,192	-	55
56	1.5 under 1.75	1,120,650	1,821,050	2,430,353	-	918,970	1,494,354	2,066,201	-	56
57	1.75 under 2	1,285,764	2,414,363	2,851,564	-	1,093,424	2,053,449	2,484,040	-	57
58	2 under 2.25	810,596	1,722,493	2,128,438	-	735,476	1,563,310	1,962,778	-	58
59	2.25 under 2.5	878,782	2,087,322	2,368,258	-	812,762	1,930,802	2,211,442	-	59
60	2.5 under 2.75	820,528	2,141,867	2,279,971	-	768,108	2,005,689	2,147,899	-	60
61	2.75 under 3	458,268	1,316,014	1,435,319	-	433,468	1,244,776	1,366,781	-	61
62	3 under 3.5	775,202	2,493,290	2,536,000	-	752,562	2,421,233	2,475,904	-	62
63	3.5 under 4	351,522	1,311,459	1,280,023	-	342,532	1,278,140	1,252,369	-	63
64	4 under 4.5	117,750	497,051	464,562	-	115,710	488,529	459,648	-	64
65	4.5 or more	89,999	480,548	367,234	-	86,754	458,636	360,514	-	65
66	Total nontaxable returns	16,185,829	9/22,007,519	30,409,645	-	9,931,329	9/17,745,090	24,143,574	-	66
67	Grand total	51,814,124	9/160,573,925	80,534,340	14,538,141	30,355,721	9/117,761,187	62,174,940	10,157,417	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	45,826,679	9/104,765,980	69,091,795	5,678,372	24,999,851	9/68,643,282	51,366,103	2,883,107	68
69	Taxable returns with adjusted gross income of $5,000 or more	5,987,445	55,807,934	11,442,545	8,859,773	5,355,870	49,117,905	10,808,837	7,274,310	69

For footnotes, see pp. 18 - 19; for extent to which data are estimated, see pp. 4-5.

Table 4. - Individual returns for 1949, by taxable and nontaxable returns, by adjusted gross income classes, and by marital status and sex of taxpayer: Number of returns, adjusted gross income, exemption, and tax liability - Continued

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

	Adjusted gross income classes 1/	Separate returns of husbands and wives 40/								
		Men				Women				
		Number of returns	Adjusted gross income 2/	Amount of exemption 21/	Tax liability 3/	Number of returns	Adjusted gross income 2/	Amount of exemption 21/	Tax liability 3/	
1	Taxable returns:									
1	0.6 under 0.75	37/7,490	5,322	4,494	51	17,834	12,649	10,700	147	1
2	0.75 under 1	21,380	18,753	12,828	632	51,714	45,198	31,028	1,577	2
3	1 under 1.25	27,810	31,648	16,686	1,886	54,830	61,162	32,898	3,421	3
4	1.25 under 1.5	39,560	54,851	30,060	3,022	75,590	104,385	54,498	6,268	4
5	1.5 under 1.75	45,020	73,510	36,240	4,696	83,220	135,380	62,082	9,535	5
6	1.75 under 2	48,010	90,334	39,312	6,568	84,450	158,398	60,426	13,172	6
7	2 under 2.25	57,910	122,903	54,000	8,833	98,220	208,345	82,392	16,989	7
8	2.25 under 2.5	72,398	172,119	68,149	13,679	98,480	233,300	77,136	21,430	8
9	2.5 under 2.75	102,410	269,269	96,180	23,368	94,784	248,642	77,798	23,531	9
10	2.75 under 3	101,938	292,645	102,649	25,941	71,140	204,077	56,766	20,682	10
11	3 under 3.5	154,944	501,989	161,288	46,414	91,468	295,764	81,691	30,195	11
12	3.5 under 4	112,794	420,546	130,814	40,123	40,210	150,554	35,502	16,747	12
13	4 under 4.5	63,472	268,250	75,857	26,952	24,520	103,431	21,342	12,134	13
14	4.5 under 5	44,324	209,300	52,421	22,262	17,894	84,533	16,934	9,720	14
15	5 under 6	25,232	137,264	31,524	14,391	37/10,320	56,636	10,146	6,688	15
16	6 under 7	37/9,930	63,716	11,490	8,135	37/5,240	34,196	4,734	4,636	16
17	7 under 8	5,554	41,360	6,464	5,601	3,620	26,932	3,336	3,821	17
18	8 under 9	3,668	31,003	4,410	4,459	2,978	25,273	3,064	3,954	18
19	9 under 10	2,324	22,031	2,672	3,413	2,160	20,505	2,148	3,461	19
20	10 under 11	2,154	22,614	2,492	3,715	1,510	15,800	1,428	2,747	20
21	11 under 12	1,674	19,206	1,820	3,351	1,252	14,389	1,155	2,756	21
22	12 under 13	1,200	14,980	1,465	2,660	900	11,235	952	2,101	22
23	13 under 14	958	12,888	1,141	2,512	37/846	11,380	744	2,310	23
24	14 under 15	37/724	10,466	799	2,123	37/780	11,289	772	2,354	24
25	15 under 20	2,732	46,682	3,234	10,102	1,976	34,321	2,057	8,054	25
26	20 under 25	1,376	30,345	1,642	7,720	1,136	25,051	1,166	6,819	26
27	25 under 30	656	17,881	783	5,241	631	17,210	613	5,185	27
28	30 under 40	820	28,305	991	9,296	663	22,899	605	7,874	28
29	40 under 50	384	17,146	437	6,263	332	14,760	324	5,491	29
30	50 under 60	192	10,504	221	4,073	200	10,958	210	4,355	30
31	60 under 70	147	9,583	165	3,912	120	7,799	114	3,355	31
32	70 under 80	93	6,927	106	2,891	90	6,694	92	2,890	32
33	80 under 90	66	5,559	77	2,425	54	4,602	52	2,123	33
34	90 under 100	49	4,660	54	2,038	42	4,023	38	1,874	34
35	100 under 150	98	11,959	110	5,660	106	12,667	101	6,354	35
36	150 under 200	44	7,523	56	3,727	34	5,841	32	3,040	36
37	200 under 250	15	3,336	21	1,775	23	5,171	24	2,927	37
38	250 under 300	14	3,760	12	2,006	13	3,441	10	1,833	38
39	300 under 400	9	3,069	8	1,796	9	3,100	7	1,915	39
40	400 under 500	4	1,788	4	1,083	10	4,383	11	2,704	40
41	500 under 750	14	8,745	15	4,995	6	3,458	5	2,107	41
42	750 under 1,000	10	8,953	12	5,800	6	5,443	7	3,879	42
43	1,000 under 1,500	14	17,396	14	10,695	1	1,296	2	787	43
44	1,500 under 2,000	7	12,640	10	7,661	4	7,058	5	4,427	44
45	2,000 under 3,000	7	16,768	14	10,467	-	-	-	-	45
46	3,000 under 4,000	2	7,032	2	4,295	-	-	-	-	46
47	4,000 under 5,000	2	8,350	3	4,873	-	-	-	-	47
48	5,000 or more	1	7,146	3	4,324	-	-	-	-	48
49	Total taxable returns	959,634	3,203,024	953,252	397,905	939,416	2,473,628	735,149	298,369	49
	Nontaxable returns: 32/									
50	No adjusted gross income 5/	37/9,138	8/21,996	7,880	-	37/7,142	8/15,498	5,290	-	50
51	Under 0.6	50,550	18,845	38,310	-	159,650	50,533	107,130	-	51
52	0.6 under 0.75	17,620	11,502	15,888	-	25,790	16,887	23,064	-	52
53	0.75 under 1	16,950	14,994	23,472	-	22,830	20,095	29,790	-	53
54	1 under 1.25	18,790	21,416	28,440	-	27,650	31,338	37,626	-	54
55	1.25 under 1.5	37/12,110	16,395	20,088	-	18,040	24,189	28,614	-	55
56	1.5 under 1.75	37/9,840	15,876	19,404	-	37/13,430	21,745	26,082	-	56
57	1.75 under 2	14,860	27,954	28,056	-	37/11,200	21,112	22,080	-	57
58	2 under 2.25	37/6,830	14,725	16,158	-	37/4,210	8,837	9,246	-	58
59	2.25 under 2.5	37/7,420	17,792	18,774	-	37/2,620	6,156	6,276	-	59
60	2.5 under 2.75	37/7,670	20,555	20,676	-	37/2,220	5,807	5,436	-	60
61	2.75 under 3	37/3,450	9,981	9,978	-	(41)	(41)	(41)	-	61
62	3 under 3.5	37/3,230	10,146	9,336	-	(41)	(41)	(41)	-	62
63	3.5 under 4	37/2,030	7,477	6,786	-	(41)	(41)	(41)	-	63
64	4 under 4.5	(41)	(41)	(41)	-	-	-	-	-	64
65	4.5 or more	(41)	(41)	(41)	-	(41)	(41)	(41)	-	65
66	Total nontaxable returns	181,392	9/189,463	264,461	-	296,436	9/196,775	304,814	-	66
67	Grand total	1,141,026	9/3,392,487	1,217,713	397,905	1,235,852	9/2,670,403	1,039,963	298,369	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	1,080,852	9/2,720,902	1,145,440	224,427	1,200,790	9/2,242,593	1,006,008	185,548	68
69	Taxable returns with adjusted gross income of $5,000 or more	60,174	671,585	72,273	173,478	35,062	427,810	33,955	112,821	69

For footnotes, see pp. 18-19; for extent to which data are estimated, see pp. 4-5.

Table 4. - Individual returns for 1949, by taxable and nontaxable returns, by adjusted gross income classes, and by marital status and sex of taxpayer: Number of returns, adjusted gross income, exemption, and tax liability - Continued

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

	Adjusted gross income classes 1/	Returns of single persons								
		Men				Women				
		Number of returns	Adjusted gross income 2/	Amount of exemption 21/	Tax liability 3/	Number of returns	Adjusted gross income 2/	Amount of exemption 21/	Tax liability 3/	
	Taxable returns:									
1	0.6 under 0.75	213,280	151,561	127,968	1,453	119,290	84,794	71,574	804	1
2	0.75 under 1	688,710	605,087	413,226	21,382	419,170	366,604	251,502	12,391	2
3	1 under 1.25	709,790	796,308	425,874	47,191	432,744	486,805	259,646	28,061	3
4	1.25 under 1.5	609,744	836,348	421,844	53,373	558,330	771,373	409,374	44,960	4
5	1.5 under 1.75	552,764	896,243	413,489	63,333	648,510	1,051,208	492,756	72,185	5
6	1.75 under 2	539,250	1,010,097	398,712	82,096	687,110	1,286,072	515,598	102,338	6
7	2 under 2.25	570,960	1,211,460	477,186	99,093	699,180	1,481,603	577,842	120,851	7
8	2.25 under 2.5	547,564	1,299,860	455,033	115,560	570,960	1,353,559	470,298	120,078	8
9	2.5 under 2.75	523,420	1,372,598	444,588	128,139	495,838	1,298,322	415,327	121,116	9
10	2.75 under 3	474,702	1,363,364	418,084	131,189	371,184	1,064,019	320,258	101,880	10
11	3 under 3.5	699,436	2,257,550	628,592	229,788	448,338	1,442,100	389,359	147,213	11
12	3.5 under 4	424,478	1,581,909	382,978	172,908	227,440	847,179	200,904	92,715	12
13	4 under 4.5	220,192	931,759	205,028	106,166	117,192	494,898	104,754	56,816	13
14	4.5 under 5	125,136	590,882	118,350	70,317	73,802	349,451	67,302	41,895	14
15	5 under 6	123,492	671,694	116,540	84,388	76,608	415,193	73,357	51,499	15
16	6 under 7	65,972	425,279	63,888	56,651	36,540	235,869	35,142	51,373	16
17	7 under 8	32,682	244,044	31,504	34,956	20,018	149,350	20,092	21,121	17
18	8 under 9	19,136	162,062	18,455	24,634	13,842	117,144	14,228	17,259	18
19	9 under 10	14,420	136,628	14,584	21,718	10,280	97,281	10,866	15,180	19
20	10 under 11	9,990	104,645	10,126	17,362	7,694	80,644	8,150	13,346	20
21	11 under 12	7,542	86,632	7,300	15,312	5,808	66,813	6,043	11,666	21
22	12 under 13	6,298	78,367	6,060	14,532	4,830	60,159	5,154	11,069	22
23	13 under 14	5,074	68,291	4,973	13,320	4,388	59,132	4,744	11,368	23
24	14 under 15	3,966	57,504	4,014	11,627	3,548	51,437	4,015	9,894	24
25	15 under 20	13,244	226,492	13,436	50,900	11,256	192,993	12,037	45,041	25
26	20 under 25	6,722	149,161	7,009	38,950	5,702	127,126	6,328	33,158	26
27	25 under 30	3,754	102,187	3,917	29,897	3,327	90,830	3,689	26,315	27
28	30 under 40	4,282	146,582	4,666	47,922	3,987	137,660	4,427	44,996	28
29	40 under 50	2,067	91,733	2,125	33,841	2,006	89,585	2,165	32,493	29
30	50 under 60	1,109	60,521	1,187	23,872	1,195	65,249	1,325	25,600	30
31	60 under 70	633	40,935	661	16,951	713	46,046	781	19,253	31
32	70 under 80	446	33,318	469	14,493	513	38,329	551	16,879	32
33	80 under 90	298	25,215	311	11,322	344	29,233	370	13,212	33
34	90 under 100	229	21,749	235	9,964	249	23,576	269	11,040	34
35	100 under 150	510	61,333	542	29,949	610	72,830	663	35,899	35
36	150 under 200	186	31,732	196	16,515	243	41,528	271	22,211	36
37	200 under 250	85	18,915	100	10,365	127	28,224	137	16,167	37
38	250 under 300	47	12,664	51	6,857	69	18,650	80	10,723	38
39	300 under 400	41	13,938	46	7,969	53	18,266	52	10,826	39
40	400 under 500	23	9,992	25	5,983	25	11,546	31	6,787	40
41	500 under 750	31	19,139	34	11,591	30	18,356	31	11,823	41
42	750 under 1,000	7	6,015	8	3,815	17	14,952	15	9,861	42
43	1,000 under 1,500	4	4,767	5	2,930	7	8,860	7	5,261	43
44	1,500 under 2,000	4	6,917	4	4,488	2	3,193	2	2,058	44
45	2,000 under 3,000	4	9,978	5	6,007	5	11,276	4	7,762	45
46	3,000 under 4,000	-	-	-	-	3	11,179	3	6,456	46
47	4,000 under 5,000	-	-	-	-	-	-	-	-	47
48	5,000 or more	2	29,694	2	14,494	-	-	-	-	48
49	Total taxable returns	7,221,726	18,063,149	5,643,426	2,015,543	6,083,127	14,810,496	4,761,502	1,668,895	49
	Nontaxable returns: 32/									
50	No adjusted gross income 5/	120,065	8/91,062	95,262	-	70,358	8/54,435	57,742	-	50
51	Under 0.6	1,855,992	628,254	1,233,139	-	1,217,900	396,174	845,670	-	51
52	0.6 under 0.75	361,602	235,309	293,140	-	277,610	182,403	244,962	-	52
53	0.75 under 1	209,460	183,458	269,532	-	280,250	246,598	350,244	-	53
54	1 under 1.25	240,668	271,736	328,554	-	267,450	301,488	350,532	-	54
55	1.25 under 1.5	144,710	194,057	225,726	-	172,900	233,206	251,832	-	55
56	1.5 under 1.75	84,850	137,251	158,232	-	93,560	151,823	160,434	-	56
57	1.75 under 2	89,020	167,236	176,538	-	77,260	144,614	140,850	-	57
58	2 under 2.25	33,780	71,715	78,300	-	30,300	63,905	61,956	-	58
59	2.25 under 2.5	33,860	80,447	83,394	-	22,120	52,128	48,372	-	59
60	2.5 under 2.75	24,740	64,144	65,904	-	17,590	45,673	40,056	-	60
61	2.75 under 3	14,310	41,161	42,270	-	37/6,240	17,759	13,890	-	61
62	3 under 3.5	37/13,980	44,427	39,144	-	37/4,630	14,798	9,936	-	62
63	3.5 under 4	37/4,900	18,205	16,740	-	37/2,050	7,603	4,122	-	63
64	4 under 4.5	37/1,420	5,975	3,780	-	(41)	(41)	(41)	-	64
65	4.5 or more	37/2,343	15,397	5,584	-	(41)	(41)	(41)	-	65
66	Total nontaxable returns	3,235,700	9/2,067,710	3,115,239	-	2,540,972	9/1,808,496	2,581,557	-	66
67	Grand total	10,457,426	9/20,130,859	8,758,665	2,015,543	8,624,099	9/16,618,992	7,343,059	1,668,895	67
68	Taxable returns with adjusted gross income under $5,000 and nontaxable returns	10,135,126	9/16,972,736	8,446,191	1,321,988	8,410,060	9/14,186,483	7,128,051	1,063,299	68
69	Taxable returns with adjusted gross income of $5,000 or more	322,300	3,158,123	312,474	693,555	214,039	2,432,509	215,007	605,596	69

For footnotes, see pp. 18-19; for extent to which data are estimated, see pp. 4-5.

Table 5. - Taxable fiduciary returns for 1949, by total income classes: Number of returns, income or loss from each of the sources comprising total income, total income, deductions, balance income, amount distributable to beneficiaries, net income, exemption, and tax liability

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

	Total income classes 42/	Total number of returns	Dividends 43/	Interest 44/	Rents and royalties 14/		Trade or business 45/		Partnership 46/		Sales or exchanges of capital assets 47/		Sales or exchanges of property other than capital assets 18/		Income from other fiduciaries 48/	Miscellaneous income 49/	Total income 50/	Deduction for - Interest 51/	Deduction for - Taxes 52/	Deduction for - Miscellaneous deductions 53/	Total deductions	Balance income 54/	Amount distributable to beneficiaries	Net income taxable to the fiduciary 55/	Amount of exemption 56/	Tax liability 57/	
					Net profit	Net loss	Net profit	Net loss	Net profit	Net loss	Net gain	Net loss	Net gain	Net loss													
1	Under 0.6	8,657	1,264	1,070	262	18	24	7	96	4	179	81	5	1	62	58	2,906	9	42	168	220	2,686	173	2,512	866	274	1
2	0.6 under 0.75	4,243	1,112	692	485	17	225	14	112	5	179	60	15	3	46	109	2,875	7	34	83	124	2,751	181	2,569	1,608	159	2
3	0.75 under 1	6,777	2,306	1,353	964	30	410	19	202	9	484	109	26	15	108	223	5,894	22	121	197	340	5,554	440	5,114	2,651	411	3
4	1 under 1.25	5,866	2,614	1,363	1,133	28	486	21	216	7	562	126	24	13	104	261	6,567	37	187	261	485	6,082	651	5,431	2,261	532	4
5	1.25 under 1.5	4,887	2,676	1,321	1,161	26	467	46	282	9	588	109	14	9	123	267	6,700	45	206	310	562	6,138	835	5,303	1,806	578	5
6	1.5 under 1.75	4,332	3,004	1,329	1,082	21	468	34	275	23	625	102	32	15	132	265	7,017	51	204	324	580	6,437	1,051	5,386	1,559	633	6
7	1.75 under 2	3,721	2,769	1,326	1,179	19	418	32	344	16	655	70	32	10	123	268	6,967	62	206	343	611	6,357	1,148	5,209	1,296	645	7
8	2 under 2.25	3,612	3,211	1,315	1,238	53	603	14	279	9	709	83	38	7	180	232	7,641	47	214	370	631	7,010	1,424	5,586	1,244	718	8
9	2.25 under 2.5	3,048	3,178	1,130	1,137	22	520	24	296	7	720	85	12	17	128	256	7,225	58	226	374	658	6,568	1,446	5,122	1,039	680	9
10	2.5 under 2.75	2,848	3,345	1,183	1,052	42	502	26	371	5	793	68	24	10	136	263	7,518	66	220	402	687	6,831	1,711	5,120	933	699	10
11	2.75 under 3	2,589	3,351	1,193	1,106	19	457	4	313	8	727	77	17	12	165	241	7,432	68	217	399	685	6,747	1,702	5,046	841	710	11
12	3 under 3.5	4,482	6,361	2,332	2,175	48	968	51	681	18	1,375	131	48	12	378	459	14,518	113	405	775	1,294	13,224	3,585	9,639	1,405	1,415	12
13	3.5 under 4	3,606	6,220	2,054	1,918	27	833	23	635	22	1,391	111	43	9	184	421	13,506	119	402	702	1,222	12,284	3,538	8,746	1,105	1,324	13
14	4 under 4.5	3,141	6,123	2,044	1,869	35	798	68	681	12	1,354	121	48	4	270	367	13,315	81	352	692	1,125	12,190	3,550	8,640	962	1,346	14
15	4.5 under 5	2,730	6,200	1,986	1,788	25	647	15	632	6	1,323	84	24	18	263	293	13,007	95	340	641	1,077	11,930	3,901	8,030	801	1,290	15
16	5 under 6	4,525	12,147	3,592	3,303	52	1,272	51	1,197	85	2,490	174	69	24	593	683	24,761	216	657	1,251	2,125	22,636	7,577	15,059	1,334	2,515	16
17	6 under 7	3,565	11,398	3,181	2,973	28	1,125	40	1,293	47	2,442	130	23	18	356	527	23,057	191	585	1,163	1,938	21,119	7,174	13,945	1,014	2,434	17
18	7 under 8	2,970	11,529	2,875	2,779	46	1,144	31	1,107	7	2,199	138	46	19	345	505	22,289	183	547	1,158	1,869	20,420	7,452	12,968	836	2,371	18
19	8 under 9	2,529	10,876	2,683	2,798	36	1,027	64	1,340	13	2,068	117	60	10	293	536	21,442	176	547	1,029	1,752	19,689	7,001	12,688	696	2,430	19
20	9 under 10	1,948	9,720	2,291	2,262	26	747	26	929	1	1,974	102	28	8	221	463	18,472	149	435	897	1,481	16,991	6,641	10,350	519	2,050	20
21	10 under 11	1,764	9,344	2,492	2,443	23	772	50	890	15	2,053	94	37	17	188	470	18,488	201	480	924	1,605	16,883	6,491	10,391	490	2,129	21
22	11 under 12	1,460	8,783	1,903	2,160	25	691	16	939	10	1,714	92	35	10	266	426	16,764	210	408	781	1,399	15,366	5,920	9,445	386	2,010	22
23	12 under 13	1,275	8,261	1,790	1,922	19	726	39	1,000	14	1,692	76	32	6	293	319	15,881	150	425	845	1,420	14,461	5,957	8,504	343	1,862	23
24	13 under 14	1,032	7,385	1,521	1,603	14	800	30	731	27	1,492	54	63	28	179	294	13,915	151	373	683	1,187	12,728	5,489	7,240	283	1,628	24
25	14 under 15	1,002	7,876	1,565	1,563	29	547	48	855	3	1,577	56	19	4	406	242	14,510	173	371	721	1,266	13,244	5,651	7,593	257	1,773	25
26	15 under 20	3,681	35,180	6,754	7,540	64	2,014	117	3,724	25	6,411	234	59	16	1,042	1,247	63,514	738	1,552	3,086	5,377	58,136	25,213	32,923	934	8,332	26
27	20 under 25	2,291	29,414	4,593	5,388	32	1,496	136	2,517	79	5,681	145	58	11	1,136	1,152	51,032	576	1,377	2,593	4,546	46,487	20,690	25,797	590	7,354	27
28	25 under 30	1,543	24,991	3,585	4,607	67	1,565	91	1,958	57	4,473	124	76	12	708	679	42,290	473	1,043	2,033	3,549	38,741	17,728	21,013	371	6,581	28
29	30 under 40	1,722	34,298	4,688	6,449	53	2,332	46	3,310	38	5,776	148	154	29	1,428	1,250	59,369	730	1,560	3,424	5,714	53,655	25,042	28,613	420	9,871	29
30	40 under 50	1,024	28,412	3,125	4,754	110	1,428	118	2,303	15	4,574	81	83	33	743	632	45,698	555	1,190	2,666	4,411	41,287	19,448	21,859	253	8,341	30
31	50 under 60	620	19,548	2,311	3,974	30	1,128	139	2,359	39	3,762	65	20	68	585	756	33,906	428	988	1,904	3,398	30,508	15,229	15,280	149	6,225	31
32	60 under 70	422	17,158	1,900	2,173	67	537	-	1,067	16	3,543	37	17	5	616	481	27,368	275	619	1,472	2,366	25,002	13,226	11,776	98	5,083	32
33	70 under 80	326	15,712	1,409	2,194	3	476	34	1,253	24	2,425	35	7	6	551	513	24,439	404	499	1,524	2,427	22,012	12,360	9,652	78	4,370	33
34	80 under 90	218	11,565	1,017	2,025	55	813	45	870	2	1,788	21	-	5	219	283	18,471	196	448	1,073	1,718	16,753	9,047	7,706	56	3,654	34
35	90 under 100	149	8,457	977	1,368	4	551	45	298	2	2,090	14	6	-	13	443	14,139	158	413	967	1,538	12,601	6,612	5,989	38	2,908	35
36	100 under 150	473	34,730	2,780	6,170	65	1,721	102	2,272	4	8,054	40	47	38	1,592	301	57,421	742	1,834	3,037	5,614	51,807	27,490	24,317	115	12,398	36
37	150 under 200	183	21,263	1,523	2,208	25	588	111	909	6	4,825	23	8	76	295	164	31,542	446	725	1,441	2,611	28,931	15,351	13,580	41	7,570	37
38	200 under 250	110	18,365	706	1,020	25	423	19	604	-	3,310	16	(54)	29	65	162	24,562	124	405	1,301	1,850	22,732	14,013	8,719	24	4,956	38
39	250 under 300	52	10,018	446	1,497	1	444	3	52	10	1,551	6	10	(54)	128	34	14,160	72	357	842	1,271	12,889	8,967	3,922	11	2,161	39
40	300 under 400	51	11,591	740	1,812	24	1,030	-	437	16	1,889	5	(54)	(54)	258	58	17,728	80	405	1,094	1,576	16,152	9,955	6,196	11	3,847	40
41	400 under 500	30	5,553	546	1,283	1	-	10	279	-	4,686	2	-	-	1,147	1	13,482	46	145	638	827	12,655	5,215	7,440	7	4,418	41
42	500 under 750	33	14,557	622	2,348	25	492	-	2	-	1,552	8	-	(54)	605	-	20,145	109	267	712	1,067	19,058	13,597	5,461	5	5,465	42
43	750 under 1,000	15	9,257	444	577	5	70	-	26	-	2,578	4	17	-	10	60	18,050	73	195	481	747	12,285	5,755	6,528	5	4,246	43
44	1,000 under 1,500	18	7,314	188	2,806	52	182	3	1,067	-	7,802	3	-	-	1	71	19,392	85	391	561	1,037	18,354	8,590	9,764	4	5,453	44
45	1,500 under 2,000	4	6,893	220	-	56	-	-	-	-	44	2	-	-	-	-	7,099	-	261	135	396	6,703	6,552	151	(54)	76	45
46	2,000 under 3,000	3	7,529	76	10	-	-	18	-	-	15	2	-	-	-	24	7,436	137	124	263	524	6,912	6,827	85	(54)	32	46
47	3,000 under 4,000	1	3,054	17	-	-	-	-	-	-	2	-	-	-	-	3	3,078	(54)	(54)	-	(54)	3,077	3,051	26	1	9	47
48	4,000 under 5,000	1	4,072	13	-	-	-	-	-	-	775	-	-	-	-	-	4,860	10	58	157	225	4,637	4,476	161	(54)	108	48
49	5,000 or more	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49
50	Total	99,577	529,760	84,264	102,559	1,448	33,969	1,852	41,004	715	108,968	3,457	1,372	625	16,260	16,745	928,824	9,119	23,050	46,958	79,126	847,698	384,923	462,775	29,718	144,030	50
51	Taxable returns with total income under $5,000	64,539	53,714	21,691	18,549	430	7,828	398	5,416	160	11,664	1,415	400	155	2,402	3,985	123,068	880	3,376	6,041	10,301	112,789	25,336	87,453	20,355	11,412	51
52	Taxable returns with total income of $5,000 or more	35,038	476,046	62,573	84,009	1,020	26,141	1,452	35,588	555	97,307	2,046	974	472	13,860	12,761	805,759	8,237	19,674	40,916	68,829	734,909	359,586	375,321	9,367	132,618	52

For footnotes, see pp. 18-19.

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Footnotes

1/ Adjusted gross income classes are based on the amount of adjusted gross income (see note 2), regardless of the amount of net income or net deficit when computed; returns with adjusted gross deficit are designated "No adjusted gross income" without regard to the amount and appear as the first class under nontaxable returns.

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

3/ Tax liability after deducting tax credits relating to income tax paid at source on interest from tax-free covenant bonds and to income tax paid to a foreign country or possession of the United States. Such credits are reported on returns, Form 1040, with itemized deductions.

4/ This class includes nontaxable returns with adjusted gross income exceeding the designated class limit.

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

6/ Less than 0.005 percent.

7/ Not computed.

8/ Adjusted gross deficit.

9/ Adjusted gross income less adjusted gross deficit.

10/ Salaries and wages include annuities, pensions, and retirement pay reported in the schedule for salaries, but exclude wages not exceeding $100 per return from which no tax was withheld, reported as other income on Form 1040A (see note 20).

11/ Dividends, foreign and domestic, exclude dividends not exceeding $100 per return reported as other income on Form 1040A (see note 20) and dividends received through partnerships and fiduciaries.

12/ Interest received includes interest on notes, mortgages, bank deposits, and interest (before amortization of bond premium) from corporation bonds and from taxable and partially tax-exempt Government obligations; also, includes, when received through partnerships and fiduciaries, partially tax-exempt Government interest, but excludes interest, not exceeding $100 per return, reported as other income on Form 1040A (see note 20).

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

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

15/ Net profit from business is the excess of gross receipts from business over deductions for business expenses and the net operating loss deduction due to the unabsorbed net operating loss from business, partnership, and common trust funds for the 2 preceding years. Conversely, net loss from business is the excess of business expenses and net operating loss deduction over total receipts from business.

16/ Partnership net profit or loss excludes partially tax-exempt interest on Government obligations, and net gain or loss from sales of capital assets. In computing partnership profit or loss, charitable contributions are not deductible nor is the net operating loss deduction allowed.

17/ Net gain or loss from sales or exchanges of capital assets is the net gain or the allowable loss used in computing adjusted gross income. Each is the result of combining net short- and long-term capital gain and loss and any capital loss carry-over from the years 1944-48, inclusive, not previously deducted. Deduction for the loss, however, is limited to the amount of such loss, or to the net income (adjusted gross income if tax is determined from the tax table) computed without regard to gains and losses from sales of capital assets, or to $1,000, whichever is smallest.

Sales of capital assets include worthless stocks, worthless bonds if they are capital assets, nonbusiness bad debts, certain distributions from employees' trust plans, and each participant's share of net short- and long-term capital gain and loss received through partnerships and common trust funds.

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

19/ Income from estates and trusts excludes 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 $33,948,000 of wages not subject to withholding, dividends, and interest, not exceeding in total $100 per return, reported as other income on 779,600 returns, Form 1040A.

21/ Amount of exemption, allowed for purposes of both normal tax and surtax, includes the $600 per capita exemptions for the taxpayer, his spouse, and each dependent, together with additional exemptions of $600 for blindness and $600 for age 65 or over for the taxpayer and his spouse.

22/ Payments on 1949 declaration of estimated tax, reported on returns, Form 1040, include the credit for overpayment of prior year's tax as well as the aggregate payments made on the declaration, Form 1040-ES. The frequency of returns with such payments includes returns showing credit only, cash payments only, and those showing both.

23/ Returns with itemized deductions are long-form returns, Form 1040, on which nonbusiness 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 adjusted gross deficit 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 or 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 improvements 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;

Footnotes - Continued

taxes deducted in the schedules for business and rent; 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 deduction of $2,500, except 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 adjusted gross income. There is a net deficit on 556,510 returns of which 512,214 show adjusted gross deficit and 44,296 show adjusted gross income of various amounts and itemized deductions of larger amounts.

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 1,280,065 nontaxable returns with adjusted gross income and with itemized deductions include 44,296 returns with net deficit.

33/ 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 pages 4 and 5.

34/ Less than $500.

35/ Excludes returns, Form 1040A, with this source of income reported as other income (see note 20).

36/ Includes 779,600 returns, Form 1040A, showing other income consisting of wages not subject to withholding, dividends, and interest not exceeding in total $100 per return.

37/ 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. 4 and 5.

38/ Number of returns is subject to sampling variation of more than 100 percent and is considered too unreliable for general use; therefore the number is not shown separately, but is included in the totals. For description of sample, see pp. 4 and 5.

39/ Joint returns of husbands and wives include joint returns filed on Form 1040A even though the collector determined the tax on the basis of separate incomes of husband and wife.

40/ Separate returns of husbands and wives include community and noncommunity income returns filed separately by husband and wife; but do not include joint returns, Form 1040A, wherein the collector determined the tax on the basis of separate incomes of husband and wife. Unequal numbers of returns for men and women result from insufficient information to identify returns of married persons and from the use of samples as a basis of estimating data.

41/ Number of returns is subject to sampling variation of more than 100 percent. The number of returns and data associated with such returns 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. 4 and 5.

42/ Total income classes are based on the amount of total income tabulated for taxable fiduciary returns (see note 50).

43/ Dividends, foreign and domestic, exclude dividends received through partnerships and other fiduciaries.

44/ Interest received on bank deposits, notes, corporation bonds, taxable and partially tax-exempt Government obligations, and such Government interest received through partnerships and other fiduciaries.

45/ Trade or business profit or loss is the current year net profit or loss. (Net operating loss deduction is reported in miscellaneous deductions.)

46/ Partnership net profit or loss excludes taxable and partially tax-exempt interest on Government obligations, and net gain or loss from sales of capital assets. In computing partnership profit or loss, charitable contributions are not deductible nor is the net operating loss deduction allowed.

47/ Net gain or loss from sales or exchanges of capital assets is the net gain or the allowable loss used in computing the net income taxable to fiduciary. Each is the result of combining net short- and long-term capital gain and loss and any capital loss carry-over from the years 1944-48, inclusive, not previously deducted. Deduction for the loss, however, is limited to the amount of such loss, or to the net income computed without regard to gains and losses from sales of capital assets, or to $1,000, whichever is smallest.

Sales of capital assets include worthless stock, worthless bonds if they are capital assets, nonbusiness bad debts, certain distributions from employees' trust plans, and each participant's share of net short- and long-term capital gain and loss from partnerships and common trust funds.

48/ Income from other fiduciaries excludes taxable and partially tax-exempt interest on Government obligations.

49/ Miscellaneous income includes taxable income from sources other than those tabulated.

50/ Total income is the amount resulting from the combination of profit or loss from rents and royalties, from trade or business, from partnerships, from sales or exchanges of property, together with income from dividends, interest, other fiduciaries, and from miscellaneous income. (Total income is an approximation of the adjusted gross income tabulated for individual returns.)

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

52/ Taxes paid include State income taxes, certain retail sales taxes, and real estate taxes except those levied for improvements which tend to increase the value of property. This deduction excludes Federal income tax, estate, inheritance, legacy, succession, and gift taxes; taxes imposed upon 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; and income taxes paid to a foreign country or possession of the United States if any portion thereof is claimed as a tax credit.

53/ Miscellaneous deductions include the net operating loss deduction, losses resulting from fire, storm, shipwreck, or other casualty or from theft, not compensated by insurance or otherwise, and other authorized deductions except interest and taxes.

54/ Balance income is the excess of total income over total deductions; that is, income before the amount distributable to beneficiaries is deducted.

55/ Net income taxable to fiduciary is the net income remaining in the hands of the fiduciary after deductions for allowable expenses and amount distributable to beneficiaries.

56/ Amount of exemption is $600 for each estate and $100 for each trust, in the form of a credit against net income for purposes of both normal tax and surtax.

57/ Tax liability after tax credits relating to income tax paid at source on interest from tax-free covenant bonds and to income tax paid to a foreign country or possession of the United States.

collected, in addition to any other duties estimated or determined to be due, countervailing duties in the amount ascertained in accordance with the above estimation and determination.

D. B. STRUBINGER
Acting Commissioner of Customs

Approved:

Secretary of the Treasury

(T. D.)

COUNTERVAILING DUTIES ON IMPORTS OF WOOL TOPS FROM URUGUAY

Notice of countervailing duties to be imposed under section 303, Tariff Act of 1930, by reason of the payment or bestowal of a bounty or grant on exports of wool tops from Uruguay.

TREASURY DEPARTMENT
OFFICE OF THE COMMISSIONER OF CUSTOMS
WASHINGTON, D. C.

TO COLLECTORS OF CUSTOMS AND OTHERS CONCERNED:

The Bureau has received information concerning the export of wool tops to the United States from Uruguay which satisfies the Bureau that such exports receive bounties or grants within the meaning of section 303 of the Tariff Act of 1930 (19 U.S.C. 1303). Accordingly, notice is hereby given that wool tops imported directly or indirectly from Uruguay, except any such importations which are free of duty under the Tariff Act of 1930, if entered for consumption or withdrawn from warehouse for consumption, after the expiration of 30 days after publication of this decision in the weekly Treasury Decisions, will be subject to the payment of countervailing duties equal to the net amount of any bounty or grant determined or estimated to have been paid or bestowed upon their exportation from Uruguay.

In accordance with section 303, it is hereby estimated and determined that under existing conditions the net amount of such bounty or grant is 13 percent of the sum of the invoice value of the wool tops _per se_ and any dutiable charges applicable to 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 in cash or other immediately available funds on June 3, 1953, provided, however, any qualified depositary 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

Draft Press Release

In compliance with provisions of the Tariff Act, ~~the~~ Treasury (Secretary Humphrey) today approved issuance by the Commissioner of Customs of an order levying countervailing duties on imports of wool tops from Uruguay.

The order was approved in conformance with ~~referred to~~ Section 303 of the Tariff Act of 1930. The order gives notice "that wool tops imported directly or indirectly from Uruguay xxxxxx will be subject to payment of countervailing duties equal to the net amount of any bounty or grant determined or estimated to have been paid or bestowed upon their exportation from Uruguay".

The order is being issued after full consideration by the Treasury of all relevant factors. ~~including the trade (in wool) between Uruguay and the United States, in wool, the return received by the Uruguayan sheep raiser (raw wool producer) as well as the Uruguayan wool top manufacturer from export sales in terms of both U. S. dollars and Uruguayan pesos, and the relation of this return to the amounts received for Uruguayan domestic sales of the same products.~~ It was concluded that exports of wool tops from Uruguay to the United States in effect receive the benefit of a bounty.

The decision of the Treasury in accordance with standard procedure will be effective 30 days after publication ~~early next~~ later this week in the Federal Register.

Collectors of customs will be required to collect ~~estimated~~ countervailing duties of 18 percent in addition to all other duties and charges applicable to imports of dutiable wool tops from Uruguay.

#

OKd by Humphrey 4/4/53

Immediate 4/5/53

H-113

In compliance with provisions of the Tariff Act, Secretary of the Treasury George M. Humphrey today approved issuance by the Acting Commissioner of Customs of an order levying countervailing duties on imports of wool tops from Uruguay.

(The Secretary announced to the House Ways and Means Committee on Monday that this action would be taken)

The order was approved in conformance with Section 303 of the Tariff Act of 1930. The order gives notice "that wool tops imported directly or indirectly from Uruguay xxxxx will be subject to the payment of countervailing duties equal to the net amount of any bounty or grant determined or estimated to have been paid or bestowed upon their exportation from Uruguay."

The order is being issued after full consideration by the Treasury of all relevant factors. It was concluded that exports of wool tops from Uruguay to the United States in effect receive the benefit of a bounty.

The decision of the Treasury in accordance with standard procedure will be effective 30 days after publication in the next issue of weekly Treasury Decisions ~~later this week in the Federal Register~~.

Collectors of customs will be required to collect countervailing duties of 18 percent in addition to all other duties and charges applicable to imports of dutiable wool tops from Uruguay.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, May 6, 1953.

H-113

In compliance with provisions of the Tariff Act, Secretary of the Treasury George M. Humphrey today approved issuance by the Acting Commissioner of Customs of an order levying countervailing duties on imports of wool tops from Uruguay.

(The Secretary announced to the House Ways and Means Committee on Monday that this action would be taken.)

The order was approved in conformance with Section 303 of the Tariff Act of 1930. The order gives notice "that wool tops imported directly or indirectly from Uruguay will be subject to the payment of countervailing duties equal to the net amount of any bounty or grant determined or estimated to have been paid or bestowed upon their exportation from Uruguay."

The order is being issued after full consideration by the Treasury of all relevant factors. It was concluded that exports of wool tops from Uruguay to the United States in effect receive the benefit of a bounty.

The decision of the Treasury in accordance with standard procedure will be effective 30 days after publication in the next issue of the weekly Treasury Decisions.

Collectors of customs will be required to collect countervailing duties of 18 percent in addition to all other duties and charges applicable to imports of dutiable wool tops from Uruguay.

oOo

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 **May 14, 1953**, in cash or other immediately available funds or in a like face amount of Treasury bills maturing **May 14, 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

TREASURY DEPARTMENT
Washington

H-114

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, May 7, 1953.

The Secretary of the Treasury, by this public notice, invites tenders for $ **1,500,000,000**, or thereabouts, of **91** -day Treasury bills, for cash and in exchange for Treasury bills maturing **May 14, 1953**, in the amount of $**1,500,475,000**, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated **May 14, 1953**, and will mature **August 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 **Daylight Saving** time, **Monday, May 11, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, May 7, 1953.

H-114

The Secretary of the Treasury, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing May 14, 1953, in the amount of $1,500,475,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated May 14, 1953, and will mature August 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 May 14, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing May 14, 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 of 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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Series J and K Savings Bonds will continue on sale at Federal Reserve banks and branches and at the Treasury Department.

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Immediate
Friday May 8

H—115

Secretary of the Treasury Humphrey today announced that $418,671,500 of the new 3¼% Treasury bonds of 1978-83 have been allotted to holders of Series F and G Savings Bonds maturing May through December 1953 who elected to take advantage of the exchange offering, which terminated April 30.

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

(allotment table)

Secretary Humphrey also announced Savings Bonds sales for the month of April. Sales of Series E and H bonds were $351,300,000 and redemptions were $361,100,000. April sales of all series were $382,700,000 and redemptions of all series were $426,700,000.

The promotional activity of the Savings Bonds Division of the Treasury is now being concentrated exclusively on the sale of Series E and H Savings Bonds. These bonds constitute the heart of the Treasury program to encourage thrift throughout the Nation and to place more of the public debt in the hands of millions of individual investors. There are almost $36 billion of Series E and H bonds outstanding at the present time and the total is growing steadily.

WM

FOR IMMEDIATE RELEASE,
Friday, May 8, 1953.

H-115

Secretary of the Treasury Humphrey today announced that $418,671,500 of the new 3-1/4% Treasury Bonds of 1978-83 have been allotted to holders of Series F and G savings bonds maturing May through December 1953 who elected to take advantage of the exchange offering which terminated on April 30.

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

Federal Reserve District	Series F bonds Exchanged	Series G bonds Exchanged	Total Exchanges
Boston	$ 3,057,100	$ 61,605,700	$ 64,662,800
New York	10,939,100	137,141,600	148,080,700
Philadelphia	3,003,500	47,073,700	50,077,200
Cleveland	2,449,700	28,052,200	30,501,900
Richmond	1,622,600	13,106,800	14,729,400
Atlanta	854,850	5,804,200	6,659,050
Chicago	5,172,400	37,569,300	42,741,700
St. Louis	845,775	12,115,100	12,960,875
Minneapolis	851,500	9,304,900	10,156,400
Kansas City	688,200	7,377,500	8,065,700
Dallas	476,700	4,704,600	5,181,300
San Francisco	1,727,600	19,866,300	21,593,900
Treasury	260,500	2,054,000	2,314,500
Cash Differences	-	-	946,075
TOTAL	$31,949,525	$385,775,900	$418,671,500

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Friday, May 8, 1953.

H-115

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Secretary Humphrey also announced Savings Bonds sales for the month of April. Sales of Series E and H bonds were \$351,300,000 and redemptions were \$361,100,000. April sales of all series were \$382,700,000 and redemptions of all series were \$426,700,000.

The promotional activity of the Savings Bonds Division of the Treasury is now being concentrated exclusively on the sale of Series E and H Savings Bonds. These bonds constitute the heart of the Treasury program to encourage thrift throughout the Nation and to place more of the public debt in the hands of millions of individual investors. There are almost \$36 billion of Series E and H bonds outstanding at the present time and the total is growing steadily.

Series J and K Savings Bonds will continue on sale at Federal Reserve banks and branches and at the Treasury Department.

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H-116

RELEASE MORNING NEWSPAPERS,
Tuesday, May 12, 1953.

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated May 14 and to mature August 13, 1953, which were offered on May 7, were opened at the Federal Reserve Banks on May 11.

The details of this issue are as follows:

Total applied for - $2,230,787,000
Total accepted - 1,500,369,000 (includes $262,349,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.426 Equivalent rate of discount approx. 2.271% per annum

Range of accepted competitive bids:

High - 99.443 Equivalent rate of discount approx. 2.204% per annum
Low - 99.423 " " " " " 2.283% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 16,812,000	$ 15,772,000
New York		1,535,993,000	953,698,000
Philadelphia		44,223,000	26,023,000
Cleveland		32,886,000	29,186,000
Richmond		13,297,000	10,407,000
Atlanta		31,236,000	27,486,000
Chicago		299,550,000	221,037,000
St. Louis		49,014,000	35,714,000
Minneapolis		13,383,000	12,773,000
Kansas City		69,261,000	55,396,000
Dallas		34,271,000	34,071,000
San Francisco		90,861,000	78,806,000
	TOTAL	$2,230,787,000	$1,500,369,000

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

43

RELEASE MORNING NEWSPAPERS,
Tuesday, May 12, 1953.

H-116

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated May 14 and to mature August 13, 1953, which were offered on May 7, were opened at the Federal Reserve Banks on May 11.

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Chicago	299,550,000	221,037,000
St. Louis	49,014,000	35,714,000
Minneapolis	13,383,000	12,773,000
Kansas City	69,261,000	55,396,000
Dallas	34,271,000	34,071,000
San Francisco	90,861,000	78,806,000
TOTAL	$2,230,787,000	$1,500,369,000

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which are cooperating so vigorously in the sale of these bonds. It is largely through all of your voluntary efforts that we have $36 billion of E and H bonds outstanding today.

always be at the end of the queue, and so forced into inflationary bank financing.

Third, the free rider, accustomed to pegged markets, had a wholesome lesson, but must be more carefully screened the next time.

As to the timing of the issue, the question has been raised whether this long-term financing by the Treasury may not be a depression influence at a time when there is danger of deflation.

While there have been declines in certain agricultural prices, and here and there other weak spots in the economy, the fact remains that unemployment is at a minimum, the index of production made a new high record in the latest reported month, personal income for the nation has reached a new high rate of $282,500,000,000 a year, and the cost of living is within one percent of its all-time high. Deflation is as yet a guess, not a reality.

The rest of the money we need before June 30 we are getting by selling more Treasury bills. Considerable corporation money is available to buy these bills, and we hope a relatively small part will go to the banks.

One market not congested is that for U. S. Savings Bonds. They constitute one of the best ways of borrowing money for the Government. They are good for the borrower, too. The Treasury is grateful to savings banks and other organizations

We found we could sell some long-term bonds--about a billion dollars worth--at a $3\frac{1}{4}\%$ rate. We did not make the rate; that was set by the market. The reason it was as high as $3\frac{1}{4}\%$ is that last year and this year more people were trying to borrow long-term money than ever before in the history of the country. Rates have been rising for more than two years. The old law of supply and demand is forcing interest rates higher. Also, the Federal Reserve System, since it partially regained its freedom in 1951, has been keeping the money market tight.

(Memo writing)

This financing has been breaking new ground. The $3\frac{1}{4}\%$ bond was the first long-term marketable issue since 1945, and the first without Federal Reserve price pegs for a much longer period.

Three conclusions may be drawn. First, there is available a substantial amount of investment money which can be reached with a bond carrying a competitive interest rate. Even in the bill market the number of nonbank buyers has risen with the rate.

Second, the long-term market has been overloaded because too many people have been trying to borrow at the same time. A delay of some projects would be wholesome both for the market and the business situation. Time will be needed for absorption of the new issues. In the meantime the Treasury will proceed cautiously, though it should not

The sale of long-term bonds to investors, of course, carries a somewhat higher interest rate than the sale of short-term securities to banks. But this cost will be offset many times over if it lessens the risk of inflation--higher prices for all--or deflation, which has often meant depression. It should be noted that the larger interest payments which the Treasury will be making on these bonds will be going principally to insurance companies, savings banks, pension funds and individuals, and will benefit, in this way, millions of families who have been damaged by inflation and by inadequate return on their savings because of artificially low money rates.

These, then, are the principles of the Treasury in its new program of financing. I can perhaps best illustrate how these principles work by telling you why and how we decided to issue a billion dollars of 30-year 3¼% bonds.

To finance the deficit up to June 30, we needed at least two billion dollars of new money. We had two choices. We could have borrowed it all from the banks--on short term at fairly low rates. That would have increased the money supply--run the risk of further inflation--further cheapening of the dollar, with all of us paying more for the things we buy.

The other choice was to try to borrow from investors outside the banks. We explored that carefully. We canvassed the insurance companies, the savings banks, the pension funds--public and private--and other possible investors.

These simple principles constitute the bases for the program of the Treasury Department for financing the public debt. It was the violation of these principles by the previous administration which was one of the major causes of inflation in the cost of living, which cut the buying power of the dollar in half since just before World War II. The policy of financing the government by placing short-term securities in the banks and then calling upon the Federal Reserve System to support the price of government securities in the market had much the same effect as printing so much money. It made it impossible for the Federal Reserve System to exercise its statutory duties towards stabilizing the economy for the benefit of the people.

The first rule of Treasury policy today is that the Federal Reserve System shall be free to exercise its policy without interference. This means, of course, that the Treasury must sell its securities in the market, at the going rate of interest, and not at an artificial rate supported by the Federal Reserve System.

The second rule is that more government securities must be sold to nonbank investors. Too much of the debt is now concentrated in the banks. This cannot be changed abruptly; but over a period, gradually, it is proposed to distribute the debt more widely as a necessary step for economic stability.

A

Bank borrowing may be cheap in terms of interest cost to the Treasury. But it is exceedingly expensive for the country as a whole, as all Americans who have been hurt by inflationary ~~[illegible]~~ prices in the past decade should know.

The reasons are simple but deserve spelling out.

When the Treasury sells short-term securities to banks the money supply is increased by the amount of the borrowing. There is more money -- but there is no increase in the things people can buy for their own use. Borrowing outside of the banks, on the other hand, reaches genuine savings. Money which might have gone into other investment outlets goes instead into Governments. The Treasury competes for available loan funds rather than creating new money.

This avoids inflation -- it keeps the price of food, clothing, and shelter from going up.

~~EXTRACTS FROM~~ REMARKS BY W. RANDOLPH BURGESS, DEPUTY TO THE SECRETARY OF THE TREASURY, BEFORE NATIONAL ASSOCIATION OF MUTUAL SAVINGS BANKS

Shoreham Hotel, Washington, D. C.
12:30 p.m., E.D.T. May 12, 1953

The question of how governments should borrow money is many centuries old. Should they borrow from investment bankers, as the kings did from the Rothschilds; should they borrow from the banks; or should they go to the people, as in our great War Loan Drives? Should they "rig the market" so as to borrow very cheaply?

The new Administration is fortunate in having for its guidance two recent Congressional inquiries into this subject by subcommittees of the Joint Committee on the Economic Report. The subcommittee of 1950 was headed by Senator Paul Douglas; that of 1952 by Congressman Wright Patman.

Both committees agreed on certain conclusions. One was that the Federal Reserve System should be freed "to restrict credit and raise interest rates for general stabilization purposes--even if the cost should prove to be a significant increase in service charges on the federal debt."

The reports and the testimony brought out the fact that when the Treasury meets a deficit by borrowing from the banks, it is inflationary--creates more money--tends to raise the cost of living.

Insert a

H-117

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These simple principles constitute the bases for the program of the Treasury Department for financing the public debt. It was the violation of these principles by the previous administration which was one of the major causes of inflation in the cost of living, which cut the buying power of the dollar in half since just before World War II. The policy of financing the government by placing short-term securities in the banks and then calling upon the Federal Reserve System to support the price of government securities in the market had much the same effect as printing so much money. It made it impossible for the Federal Reserve System to exercise its statutory duties towards stabilizing the economy for the benefit of the people.

The first rule of Treasury policy today is that the Federal Reserve System shall be free to exercise its policy without interference. This means, of course, that the Treasury must sell its securities in the market, at the going rate of interest, and not at an artificial rate supported by the Federal Reserve System.

The second rule is that more government securities must be sold to nonbank investors. Too much of the debt is now concentrated in the banks. This cannot be changed abruptly; but over a period, gradually, it is proposed to distribute the debt more widely as a necessary step for economic stability.

The sale of long-term bonds to investors, of course, carries a somewhat higher interest rate than the sale of short-term securities to banks. But this cost will be offset many times over if it lessens the risk of inflation -- higher prices for all -- or deflation, which has often meant depression. It should be noted that the larger interest payments which the Treasury will be making on these bonds will be going principally to insurance companies, savings banks, pension funds and individuals, and will benefit, in this way, millions of families who have been damaged by inflation and by inadequate return on their savings because of artificially low money rates.

These, then, are the principles of the Treasury in its new program of financing. I can perhaps best illustrate how these principles work by telling you why and how we decided to issue a billion dollars of 30-year $3\frac{1}{4}\%$ bonds.

To finance the deficit up to June 30, we needed at least two billion dollars of new money. We had two choices. We could have borrowed it all from the banks -- on short term at fairly low rates.

That would have increased the money supply -- run the risk of further inflation -- further cheapening of the dollar, with all of us paying more for the things we buy.

The other choice was to try to borrow from investors outside the banks. We explored that carefully. We canvassed the insurance companies, the savings banks, the pension funds -- public and private -- and other possible investors.

We found we could sell some long-term bonds -- about a billion dollars worth -- at a $3\frac{1}{4}$% rate. We did not make the rate; that was set by the market. The reason it was as high as $3\frac{1}{4}$% is that last year and this year more people were trying to borrow long-term money than ever before in the history of the country. Rates have been rising for more than two years. The old law of supply and demand is forcing interest rates higher. Also, the Federal Reserve System, since it partially regained its freedom in 1951, has been keeping the money market tight.

This financing has been breaking new ground. The $3\frac{1}{4}$% bond was the first long-term marketable issue since 1945, and the first without Federal Reserve price pegs for a much longer period.

Three conclusions may be drawn. First, there is available a substantial amount of investment money which can be reached with a bond carrying a competitive interest rate. Even in the bill market the number of nonbank buyers has risen with the rate.

Second, the long-term market has been overloaded because too many people have been trying to borrow at the same time. A delay of some projects would be wholesome both for the market and the business situation. Time will be needed for absorption of the new issues. In the meantime the Treasury will proceed cautiously, though it should not always be at the end of the queue, and so forced into inflationary bank financing.

Third, the free rider, accustomed to pegged markets, had a wholesome lesson, but must be more carefully screened the next time.

As to the timing of the issue, the question has been raised whether this long-term financing by the Treasury may not be a depressing influence at a time when there is danger of deflation.

While there have been declines in certain agricultural prices, and here and there other weak spots in the economy, the fact remains that unemployment is at a minimum, the index of production made a new high record in the latest reported month, personal income for the nation has reached a new high rate of $282,500,000,000 a year, and the cost of living is within one percent of its all-time high. Deflation is as yet a guess, not a reality.

The rest of the money we need before June 30 we are getting by selling more Treasury bills. Considerable corporation money is available to buy these bills, and we hope a relatively small part will go to the banks.

One market not congested is that for U. S. Savings Bonds. They constitute one of the best ways of borrowing money for the Government. They are good for the borrower, too. The Treasury is grateful to savings banks and other organizations which are cooperating so vigorously in the sale of these bonds. It is largely through all of your voluntary efforts that we have $36 billion of E and H bonds outstanding today.

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IMMEDIATE RELEASE, at 3 pm H-118
Monday, May 11, 1953.

Secretary of the Treasury Humphrey announced today that beginning on May 15 a new series of Treasury Savings Notes will be available for purchase at the Federal Reserve Banks and Branches and at the Treasury Department. The new notes will replace those presently on sale, the terms of which were set May 10, 1951. The new notes will be similar in all respects except as to maturity and interest rate. Their maturity will be two years instead of the present three years. The approximate interest rate will range from 2.16% per annum if held for six months; to 2.33% for one year; to 2.41% for eighteen months, and to 2.47% if held for the full two years to maturity.

Treasury Savings Notes are issued primarily to provide a security in which corporations and other taxpayers can invest their tax reserves as they accumulate during the year. These non-marketable notes are also utilized extensively by corporations for the investment of other short-term funds. In addition, the Treasury issues Tax Anticipation bills from time to time to provide a short-term security for those corporations preferring marketable issues for the investment of their tax reserves.

Since the holders of savings notes have the privilege of using them for tax payments, or redeeming them for cash at any time after holding them for four months, the rate on the new notes is somewhat lower than the current rate on short-term marketable Government securities.

The text of the official circular follows:

1.44 6 mos 2.16
1.62 12" 2.33
1.75 2 yrs. 2.47
1.88 3 yrs.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Monday, May 11,1953.

H-118

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The text of the official circular follows:

UNITED STATES OF AMERICA

TREASURY SAVINGS NOTES
Series B

1953
Department Circular No. 922

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, May 11, 1953.

Fiscal Service
Bureau of the Public Debt

Subpart A: OFFERING OF NOTES

Sec. 334.1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers for sale to the people of the United States, at par and accrued interest as provided in Section 334.12 hereof, an issue of notes of the United States designated Treasury Savings Notes, Series B, which notes, if inscribed in the name of a Federal taxpayer, will be receivable as hereinafter provided at par and accrued interest in payment of income, estate and gift taxes imposed by the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes may also be redeemed for cash at par and accrued interest, with certain exceptions applicable to banking institutions, as provided in Section 334.16 hereof.

Sec. 334.2. Withdrawal of Series A Notes.--The sale of Treasury Savings Notes, Series A, offered under Department Circular No. 889, dated May 10, 1951, is hereby terminated at the close of business May 14, 1953.

Sec. 334.3. Duration of offer.--The sale of notes of Series B offered by this circular will begin on May 15, 1953, and will continue until terminated by the Secretary of the Treasury.

Sec. 334.4. Definitions.--(a) The word "month" as used herein means the period from and including the 15th day of any one calendar month to but not including the 15th day of the next succeeding month.

(b) The words "issue date" mean the date as of which a note is issued and will always be the 15th day of a calendar month.

(c) The words "interest accrual date" or "accrual date" mean the date upon which a month's interest accrues on a note, the first accrual date being the 15th day of the calendar month next following the issue date.

Subpart B: DESCRIPTION OF NOTES

Sec. 334.5. General.--Treasury Savings Notes, Series B, will in each instance be dated as of the 15th day of a calendar month. The issue date will be determined by the day of the month on which payment at par and accrued interest, if any, is received and credited by an agency authorized to issue the notes. For example, payment received and credited on any day during the period from and including May 15, 1953, to and including June 14, 1953, would result in the issue of notes dated May 15, 1953. They will mature two years from that date and may not be called by the Secretary of the Treasury for redemption before maturity. All notes bearing issue dates within any one calendar year shall constitute a separate series indicated by the letter "B" followed by the year of maturity. At the time of issue the issuing agency will inscribe on the face of each note the name and address of the owner, will enter the issue date and will imprint its dating stamp (with current date). The notes will be issued in denominations of $100, $500, $1,000, $5,000, $10,000, $100,000, $500,000 and $1,000,000. Exchange of authorized denominations from higher to lower, but not from lower to higher, may be arranged at any agency that issues Treasury Savings Notes, Series B.

Sec. 334.6. Acceptance for taxes or cash redemption.--If inscribed in the name of an individual, corporation, or other entity paying income, estate or gift taxes imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto, the notes will be receivable, subject to the provisions of Section 334.15 of this circular, at par and accrued interest, in payment of such income, estate or gift taxes assessed against the owner or his estate. If not presented in payment of taxes, or if not inscribed in the name of a taxpayer liable to the above-described taxes, and subject to the provisions of Section 334.16 of this circular, the notes will be payable at maturity, or at the owner's option and request they will be redeemable before maturity at par and accrued interest.

Sec. 334.7. Interest.--Interest on each $1,000 principal amount of Treasury Savings Notes, Series B, will accrue monthly on the 15th calendar day of each month after the issue date on a graduated scale, as follows:

First to Sixth months, inclusive..................$1.80 each month
Seventh to Twelfth months, inclusive..............$2.10 each month
Thirteenth to Eighteenth months, inclusive.........$2.20 each month
Nineteenth to Twenty-fourth months, inclusive......$2.30 each month

The table appended to this circular shows for notes of each denomination, for each consecutive month after issue date to maturity, (a) the amount of interest accrual, (b) the principal amount of the note with accrued interest (cumulative) added, and (c) the approximate investment yields. Subject to the provisions of Sections 334.15 and 334.16 hereof, when Treasury Savings Notes, Series B, are to be paid on an interest accrual date, the payment will include interest accruing on that date; otherwise, interest will be paid only to the interest accrual date next preceding the date of payment. Interest will be paid only with the principal amount, and will not accrue beyond the maturity date of the note.

Sec. 334.8. Forms of inscription.--Treasury Savings Notes, Series B, may be inscribed in the name of an individual, corporation, unincorporated association or society, or a fiduciary (including trustees under a duly established trust where the notes would not be held as security for the performance of a duty or obligation), whether or not the inscribed owner is subject to taxation under the Internal Revenue Code, or laws amendatory or supplementary thereto. They may also be inscribed in the name of a town, city, county or State or other governmental body and in the name of a partnership, but notes in the name of a partnership are not acceptable in payment of taxes, since a partnership is not a taxpaying entity under the Internal Revenue Code. The notes will not be inscribed in the names of two or more persons as joint owners or coowners; or in the name of a public officer, whether or not named as trustee, where the notes would in effect be held as security for the performance of a duty or obligation.

Sec. 334.9. Restrictions on transfer.--Except as otherwise specifically provided herein, the notes may not be transferred, reissued, hypothecated, or pledged as security, may not be paid to any person other than the owner, and may not be accepted in payment of Federal income, estate, or gift taxes assessed against any person other than the owner. The notes will not be acceptable to secure deposits of public moneys.

Sec. 334.10. Taxation.--Income derived from the notes shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

Subpart C: PURCHASE OF NOTES

Sec. 334.11. Official agencies.--In addition to the Treasury Department, the Federal Reserve Banks and their Branches are hereby designated agencies for the issue and redemption of Treasury Savings Notes, Series B. The Secretary of the Treasury, from time to time, in his discretion, may designate other agencies for the issue of the notes, or for accepting applications therefor, or for making payments on account of the redemption thereof.

Sec. 334.12. Applications and payment.--Applications will be received by the Federal Reserve Banks and Branches and by the Treasurer of the United States, Washington, D. C. Banking institutions generally may submit applications for the account of customers but only the Federal Reserve Banks, their Branches and the Treasury Department are authorized to act as official agencies. The use of an official application form is desirable but not necessary. Such forms may be obtained upon request from any Federal Reserve Bank or Branch or the Treasurer of the United States. Every application must be accompanied by payment in full, at par and accrued interest, if any. The amount of accrued interest payable by the purchaser will be computed at the rate at which interest accrues on the notes ($1.80 per month per $1,000 par amount) for the actual number of days from but not including the issue date to and including the date funds are credited to the account of the Treasurer of the United States. For example, if funds are credited on the 20th day of January the issue date will be January 15, and five days' accrued interest must be paid by the purchaser. If collection is delayed so that credit is not given until February 15, the issue date will be February 15, and no accrued interest will be collectible. One day's accrued interest for a thirty-one day period is \$0.05806 per \$1,000, for a thirty day period \$0.06 per \$1,000, for a twenty-nine day period \$0.06207 per \$1,000, and for a twenty-eight day period \$0.06429 per \$1,000. Any form of exchange, including personal checks, will be accepted, subject to collection, and should be drawn to the order of the Federal Reserve Bank or the Treasurer of the United States, as payee, as the case may be. Any depositary qualified pursuant to the provisions of Treasury Department Circular No. 92, Revised, as amended, will be permitted to make payment by credit for notes applied for on behalf of itself or its customers up to any amount for which it shall be qualified in excess of existing deposits.

Sec. 334.13. Reservations.--The Secretary of the Treasury reserves the right to reject any application in whole or in part, and to refuse to issue or permit to be issued hereunder any notes in any case or in any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final. If an application is rejected, in whole or in part, any payment received therefor will be refunded.

Sec. 334.14. Delivery of notes.--Upon acceptance of a full-paid application, notes will be duly inscribed and, unless delivered in person, will be delivered, at the risk and expense of the United States at the address given by the purchaser, by mail, but only within the United States, its Territories and Island Possessions, and the Canal Zone. No deliveries elsewhere will be made.

Subpart D: PRESENTATION IN PAYMENT OF TAXES

Sec. 334.15. At any time after two months from the issue date, during such time and under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe, notes issued hereunder in the name of a Federal taxpayer, may be presented by such taxpayer, his agent or his estate for credit against any income (current and back, personal and corporation taxes, and excess profits taxes) or any estate or gift taxes (current and back) imposed by the Internal Revenue Code, or laws amendatory or supplementary thereto, assessed against the inscribed owner or his estate. For example, a note dated January 15 may be presented for credit against taxes due March 15. The notes will be receivable by the Director of Internal Revenue at par and accrued interest to the day (but no accrual beyond maturity) when the taxes are due, if such day falls on the 15th day of a calendar month, whether the notes are received on or before that day. If the taxes are due on any other day of the month than the 15th, accrued interest will be credited to the accrual date next preceding the day when the taxes are due. Notes are receivable only in payment of taxes equal to or exceeding the entire value of the notes, including accrued interest. The notes must be forwarded to the Director at the risk and expense of the owner and, for his protection, should be forwarded by registered mail, if not presented in person.

Subpart E: CASH REDEMPTION AT OR BEFORE MATURITY

Sec. 334.16. General.--Any Treasury Savings Note, Series B, not presented in payment of taxes will be paid at maturity, or, at the option and request of the owner, and without advance notice, will be redeemed before maturity, at any time after four months from the issue date. For example, a note dated January 15 may be redeemed for cash on or after May 15. If redemption prior to maturity is requested on an interest accrual date the redemption will include interest accruing on that date, otherwise redemption will be at par and accrued interest to the interest accrual date next preceding the redemption date, except in the case of a note inscribed in the name of a bank that accepts demand deposits, in which case payment, whether at or before maturity, will be made only at par, with a refund of any accrued interest which may have been paid at the time of purchase of the note. If a note is acquired by a banking institution through forfeiture of a loan, payment will be made at par and the accrued interest payable as of the date of acquisition.

Sec. 334.17. Execution of request for payment.--The owner in whose name the note is inscribed must appear before one of the officers authorized by the Secretary of the Treasury to witness and certify requests for payment, establish his identity, and in the presence of such officer sign and complete the request for payment appearing on the back of the note. After the request for payment has been executed, the witnessing officer should execute the certificate provided for his use.

Sec. 334.18. Officers authorized to certify requests for payment.--All officers authorized to certify requests for payment of United States Savings Bonds, as set forth in Treasury Department Circular No. 530, Seventh Revision, as amended, are hereby authorized to certify requests for cash redemption of Treasury savings notes issued under this circular. Such officers include, among others, United States postmasters, certain other post office officials, officers of all banks and trust companies incorporated in the United States or its territories, including officers at branches thereof, and commissioned and warrant officers of the Armed Forces of the United States.

Sec. 334.19. Presentation and surrender.--Notes bearing properly executed requests for payment must be presented and surrendered to any Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington 25, D. C., at the expense and risk of the owner. For the owner's protection, notes should be forwarded by registered mail, if not presented in person.

Sec. 334.20. Partial redemption.--Partial cash redemption of a note, corresponding to an authorized denomination, may be made in the same manner as full cash redemption, appropriate changes being made in the request for payment. In case of partial redemption of a note, the remainder will be reissued in the same name and with the same issue date as the note surrendered.

Sec. 334.21. Payment.--Payment of any note, either at maturity or on redemption before maturity, will be made by any Federal Reserve Bank or Branch or the Treasurer of the United States, following clearance with the agency of issue, which will be obtained by the agency to which the note is surrendered. Payment will be made by check drawn to the order of the owner, and mailed to the address given in his request for payment, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its District.

Subpart F: PAYMENT OR REISSUE TO OTHER THAN INSCRIBED OWNER

Sec. 334.22. Presentation and surrender.--A note may be paid or reissued in accordance with any of the provisions of this subpart only upon the presentation and surrender of the note at the risk and expense of the owner to the issuing agency, accompanied by an appropriate request for the particular transaction.

Sec. 334.23. Authorized transfers.--

(a) Between husband and wife.--A note inscribed in the name of a married man may be reissued in the name of his wife, and a note inscribed in the name of a married woman may be reissued in the name of her husband.

(b) Between affiliated corporations.--A note inscribed in the name of a parent corporation, which is hereby defined as a corporation owning more than 50 percent of the stock,with voting power, of another corporation,may be reissued in the name of a subsidiary, and a note registered in the name of a subsidiary may be reissued in the name of the parent corporation.

Sec. 334.24. Authorized pledge.--A note may be pledged as collateral for a loan from a banking institution, and if title thereto is acquired by the institution because of default in the payment of the loan, the notes will be redeemed at par and accrued interest to the interest accrual date next preceding the date of such acquisition, unless acquired on an interest accrual date, in which case redemption will be made at par and accrued interest to that date. Proof of the date of acquisition must be furnished, and payment must be requested by the pledgee under a power of attorney given by the pledgor in whose name the note is inscribed. The note will not be transferred to the pledgee.

Sec. 334.25. Payment to representatives of deceased or incompetent owners and payment or reissue to heirs or legatees of deceased owners.--In case of the death or disability of an individual owner, if the notes are not be presented in payment of taxes, payment will be made to the duly constituted representative of his estate, or they may be reissued to one or more of his heirs or legatees upon satisfactory proof of their right; but no reissue will be made in the names of two or more persons jointly or as coowners.

Sec. 334.26. Payment or reissue to successors of corporations, unincorporated associations or partnerships.--If a corporation or unincorporated body in whose name notes are inscribed is dissolved, consolidated, merged or otherwise changes its organization, the notes may be paid to, or reissued in the name of, those persons or organizations lawfully entitled to the assets of such corporation or body by reason of such changes in organization.

Sec. 334.27. Payment to representatives of bankrupt or insolvent owners.--If an owner of notes is declared bankrupt or insolvent, payment, but not reissue, will be made to the duly qualified trustee, receiver or similar representative if the notes are submitted with satisfactory proof of his appointment and qualification.

Sec. 334.28. Payment as a result of judicial proceedings.--Payment, but not reissue, will be made as a result of judicial proceedings in a court of competent jurisdiction, if the notes are submitted with proper proof of such proceedings and their finality.

Sec. 334.29. Instructions and information.--Before executing the request for payment or submitting the notes under the provisions of this subpart, instructions should be obtained from a Federal Reserve Bank or Branch or from the Treasury Department, Division of Loans and Currency, Washington 25, D. C.

Subpart G: GENERAL PROVISIONS

Sec. 334.30. Regulations.--Except as provided in this circular, the notes issued hereunder will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing bonds and notes of the United States; the regulations currently in force are contained in Department Circular No. 300, as amended.

Sec. 334.31. Loss, theft or destruction.--In case of the loss, theft or destruction of a savings note immediate notice (which should include a full description of the note) should be given the agency which issued the note and instructions should be requested as to the procedure necessary to secure a duplicate.

Sec. 334.32. Fiscal agents.--Federal Reserve Banks and their Branches, as fiscal agents of the United States, are authorized to perform such services or acts as may be appropriate and necessary under the provisions of this circular and under any instructions given by the Secretary of the Treasury, and they may issue interim receipts pending delivery of the definitive notes.

Sec. 334.33. Amendments.--The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, or of any amendments or supplements thereto, and may at any time or from time to time prescribe amendatory rules and regulations governing the offering of the notes, information as to which will promptly be furnished to the Federal Reserve Banks.

G. M. HUMPHREY,
Secretary of the Treasury.

TREASURY SAVINGS NOTES - SERIES B

TABLE OF TAX-PAYMENT OR REDEMPTION VALUES AND INVESTMENT YIELDS

The table below shows for each month from issue date to maturity date the amount of interest accrual; the principal amount with accrued interest added, for notes of each denomination; the approximate investment yield on the par value from issue date to the 15th of each month following the issue date; and the approximate investment yield on the current redemption value from the 15th of the month indicated to the maturity date.

Note. The word "month" as used in this table means the period from and including the 15th day of any one calendar month to but not including the 15th day of the next succeeding month.

Par value	$100.00	$500.00	$1,000.00	$5,000.00	$10,000.00	$100,000.00	$500,000.00	$1,000,000.00	Approximate investment yield on par value from issue date to beginning of each monthly period thereafter	Approximate investment yield on current tax-payment or redemption values from beginning of each monthly period to maturity
Amount of interest accrual each month after issue month	Tax-payment or redemption values during each monthly period after issue month 1/								Percent	Percent
Interest accrues at rate of $1.80 per month per $1,000 par amount:										2.47 2/
First month	$100.18	$500.90	$1,001.80	$5,009.00	$10,018.00	$100,180.00	$500,900.00	$1,001,800.00	2.16	2.49
Second month	100.36	501.80	1,003.60	5,018.00	10,036.00	100,360.00	501,800.00	1,003,600.00	2.16	2.50
Third month	100.54	502.70	1,005.40	5,027.00	10,054.00	100,540.00	502,700.00	1,005,400.00	2.16	2.52
Fourth month	100.72	503.60	1,007.20	5,036.00	10,072.00	100,720.00	503,600.00	1,007,200.00	2.16	2.54
Fifth month	100.90	504.50	1,009.00	5,045.00	10,090.00	100,900.00	504,500.00	1,009,000.00	2.16	2.56
Sixth month	101.08	505.40	1,010.80	5,054.00	10,108.00	101,080.00	505,400.00	1,010,800.00	2.16	2.58
Interest accrues at rate of $2.10 per month per $1,000 par amount:										
Seventh month	101.29	506.45	1,012.90	5,064.50	10,129.00	101,290.00	506,450.00	1,012,900.00	2.21	2.58
Eighth month	101.50	507.50	1,015.00	5,075.00	10,150.00	101,500.00	507,500.00	1,015,000.00	2.25	2.59
Ninth month	101.71	508.55	1,017.10	5,085.50	10,171.00	101,710.00	508,550.00	1,017,100.00	2.27	2.59
Tenth month	101.92	509.60	1,019.20	5,096.00	10,192.00	101,920.00	509,600.00	1,019,200.00	2.30	2.60
Eleventh month	102.13	510.65	1,021.30	5,106.50	10,213.00	102,130.00	510,650.00	1,021,300.00	2.31	2.61
Twelfth month	102.34	511.70	1,023.40	5,117.00	10,234.00	102,340.00	511,700.00	1,023,400.00	2.33	2.62
Interest accrues at rate of $2.20 per month per $1,000 par amount:										
Thirteenth month	102.56	512.80	1,025.60	5,128.00	10,256.00	102,560.00	512,800.00	1,025,600.00	2.35	2.62
Fourteenth month	102.78	513.90	1,027.80	5,139.00	10,278.00	102,780.00	513,900.00	1,027,800.00	2.36	2.63
Fifteenth month	103.00	515.00	1,030.00	5,150.00	10,300.00	103,000.00	515,000.00	1,030,000.00	2.38	2.63
Sixteenth month	103.22	516.10	1,032.20	5,161.00	10,322.00	103,220.00	516,100.00	1,032,200.00	2.39	2.64
Seventeenth month	103.44	517.20	1,034.40	5,172.00	10,344.00	103,440.00	517,200.00	1,034,400.00	2.40	2.65
Eighteenth month	103.66	518.30	1,036.60	5,183.00	10,366.00	103,660.00	518,300.00	1,036,600.00	2.41	2.66
Interest accrues at rate of $2.30 per month per $1,000 par amount:										
Nineteenth month	103.89	519.45	1,038.90	5,194.50	10,389.00	103,890.00	519,450.00	1,038,900.00	2.42	2.66
Twentieth month	104.12	520.60	1,041.20	5,206.00	10,412.00	104,120.00	520,600.00	1,041,200.00	2.44	2.66
Twenty-first month	104.35	521.75	1,043.50	5,217.50	10,435.00	104,350.00	521,750.00	1,043,500.00	2.45	2.65
Twenty-second month	104.58	522.90	1,045.80	5,229.00	10,458.00	104,580.00	522,900.00	1,045,800.00	2.46	2.65
Twenty-third month	104.81	524.05	1,048.10	5,240.50	10,481.00	104,810.00	524,050.00	1,048,100.00	2.47	2.65
MATURITY	105.04	525.20	1,050.40	5,252.00	10,504.00	105,040.00	525,200.00	1,050,400.00	2.47	

1/ Not acceptable in payment of taxes until after the second month from issue date, and not redeemable for cash until after the fourth month from issue date.
2/ Approximate investment yield for entire period from issue date to maturity.

TREASURY DEPARTMENT
Fiscal Service
Washington, May 1, 1953

STATUTORY DEBT LIMITATION
AS OF April 30, 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	$19,312,429,000		
Certificates of indebtedness	15,958,626,000		
Treasury notes	35,172,411,500	$ 70,443,466,500	
Bonds -			
Treasury	80,363,426,250		
Savings (current redemp. value)	58,413,169,296		
Depositary	392,543,000		
Armed Forces Leave	-		
Investment series	13,340,151,000	152,509,289,546	
Special Funds -			
Certificates of indebtedness	24,437,188,000		
Treasury notes	15,036,404,400	39,473,592,400	
Total interest-bearing		262,426,348,446	
Matured, interest-ceased		248,288,400	
Bearing no interest:			
War savings stamps	50,230,861		
Excess profits tax refund bonds	1,462,558		
Special notes of the United States:			
Internat'l Monetary Fund series	1,258,000,000	1,309,693,419	
Total		263,984,330,265	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	51,146,136		
Demand obligations: C.C.C.	-	51,146,136	
Matured, interest-ceased		1,225,925	
		52,372,061	
Grand total outstanding			264,036,702,326
Balance face amount of obligations issuable under above authority			10,963,297,674

Reconcilement with Statement of the Public Debt April 30, 1953
(Date)
(Daily Statement of the United States Treasury, May 1, 1953)
(Date)

Outstanding -	
Total gross public debt	264,589,809,078
Guaranteed obligations not owned by the Treasury	52,372,061
Total gross public debt and guaranteed obligations	264,642,181,139
Deduct - other outstanding public debt obligations not subject to debt limitation	605,478,813
	264,036,702,326

WSY H-119

TD - OAS - DC

STATUTORY DEBT LIMITATION
AS OF APRIL 30, 1953

May 12, 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."

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Interest-bearing:			
Treasury bills	$19,312,429,000		
Certificates of indebtedness	15,958,626,000		
Treasury notes	35,172,411,500	$ 70,443,466,500	
Bonds -			
Treasury	80,363,426,250		
Savings (current redemp. value)	58,413,169,296		
Depositary	392,543,000		
Armed Forces Leave	-		
Investment series	13,340,151,000	152,509,289,546	
Special Funds -			
Certificates of indebtedness	24,437,188,000		
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(Daily Statement of the United States Treasury, May 1, 1953)

Outstanding -	
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Deduct - other outstanding public debt obligations not subject to debt limitation	605,478,813
	264,036,702,326

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Treasury Department
Washington

H-120

IMMEDIATE RELEASE
Wed, May ~~12~~ 13, 1953

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, 1953, to May 2, 1953, inclusive, as follows:

Products of the Philippines		Established Quota Quantity	Unit of Quantity	Imports as of May 2, 1953
Buttons		850,000	Gross	300,412
Cigars		200,000,000	Number	719,812
Coconut Oil		448,000,000	Pound	27,467,480
Cordage		6,000,000	Pound	1,892,836
Rice		1,040,000	Pound	2,500
Sugars	(Refined	1,904,000,000	Pound	-
	(Unrefined			521,098,188
Tobacco		6,500,000	Pound	657,377

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, May 13, 1953

H-120

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, 1953, to May 2, 1953, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of May 2, 1953
Buttons....................	850,000	Gross	300,412
Cigars.....................	200,000,000	Number	719,812
Coconut Oil................	448,000,000	Pound	27,467,480
Cordage....................	6,000,000	Pound	1,892,836
Rice.......................	1,040,000	Pound	2,500
Sugars (Refined..			-
Sugars	1,904,000,000	Pound	
Sugars (Unrefined..........			521,098,188
Tobacco....................	6,500,000	Pound	657,377

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 May 12, 1953	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1952, to May 12, 1953
United Kingdom	4,323,457	77,856	1,441,152	77,249
Canada	239,690	239,495	-	-
France	227,420	13,032	75,807	13,032
British India	69,627	48,162	-	-
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	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	425,308	1,599,886	137,044

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

Treasury Department Washington

H-121

IMMEDIATE RELEASE
May 12, 1953
13

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 May 12, 1953, inclusive

Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan	783,816	-
Peru	247,952	587
British India	2,003,483	-
China	1,370,791	-
Mexico	8,883,259	8,883,259
Brazil	618,723	-
Union of Soviet Socialist Republics	475,124	-
Argentina	5,203	1,382
Haiti	237	-
Ecuador	9,333	-
Honduras	752	-
Paraguay	871	-
Colombia	124	-
Iraq	195	-
British East Africa	2,240	-
Netherlands E. Indies	71,388	-
Barbados	-	-
1/Other British W. Indies	21,321	-
Nigeria	5,377	-
2/Other British W. Africa	16,004	-
3/Other French Africa	689	-
Algeria and Tunisia	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, 1952, to May 2, 1953

Established Quota (Global)	Imports
70,000,000	13,957,695

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1953, to May 12, 1953

Established Quota (Global)	Imports
45,656,420	24,819,909

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, May 13, 1953

H-121

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 May 12, 1953, 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	8,883,259	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 May 2, 1953

Established Quota (Global)	Imports
70,000,000	13,957,695

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1953, to May 12, 1953

Established Quota (Global)	Imports
45,656,420	24,819,909

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 May 12, 1953	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1952 to May 12, 1953
United Kingdom	4,323,457	77,856	1,441,152	77,249
Canada	239,690	239,495	-	-
France	227,420	13,032	75,807	13,032
British India	69,627	48,162	-	-
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	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	425,308	1,599,886	137,044

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

Treasury Department
Washington

H-123

Wed, FOR IMMEDIATE RELEASE,
May ~~12~~ 13, 1953.

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 May 12, 1953	Established Quota	Imports May 29, 1952, to May 12, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	794,576	3,815,000	2,658,350
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	-	-	-
	800,000	794,576	4,000,000	2,658,394

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, May 13, 1953

H-123

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 May 12, 1953	Established Quota	Imports May 29, 1952, to May 12, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	794,576	3,815,000	2,658,350
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	-	-	-
	800,000	794,576	4,000,000	2,658,394

TREASURY DEPARTMENT

Information Service

WASHINGTON, D. C.

FOR RELEASE
Wednesday, May 20, 1953

PRESS SERVICE
NO. H-124

Preliminary statistics from corporation income tax returns for 1950 were today made public by Secretary of the Treasury G. M. Humphrey. These data, prepared under the direction of Commissioner of Internal Revenue T. Coleman Andrews, will be published in the preliminary report, "Statistics of Income for 1950, Part 2."

SUMMARY DATA

The number of corporation income tax returns for 1950 is 659,665 of which 423,677 show net income of $44,086,748,000, while 199,893 show deficit of $1,506,118,000, and 36,095 have no income data (inactive corporations). As compared with corporation income tax returns for 1949, the net income reflects an increase of 44 percent and the deficit shows a decrease of 37 percent.

The income and excess profits tax liability reported on the returns for 1950 is $17,296,260,000, representing an increase of 76 percent as compared with the tax liability for 1949, which consisted of income tax only. The excess profits tax portion of the tax liability for 1950 amounts to $1,385,481,000, reported on 50,200 returns. The amounts of income tax and excess profits tax do not take into account any credit claimed for income and profits taxes paid to a foreign country or United States possession.

A comparison of the 1950 returns with the 1949 returns is provided in the following summary:

Corporation income tax returns, 1/ 1950 and 1949: Summary data

(Money figures in thousands of dollars)

	1950 (preliminary)	1949 (complete)	Increase or decrease (-): Number or amount	Increase or decrease (-): Percent
Total number of returns	659,665	649,957	9,708	1
Returns with net income: 2/				
Number	423,677	384,772	38,905	10
Net income 2/	44,086,748	30,576,517	13,510,231	44
Tax liability:				
Income tax 3/	15,910,779	9,817,308	6,093,471	62
Excess profits tax 4/	1,385,481	-	1,385,481	100
Total	17,296,260	9,817,308	7,478,952	76
Returns with no net income: 2/				
Number	199,893	230,070	-30,177	-13
Deficit 2/	1,506,118	2,381,680	-875,562	-37
Number of returns of inactive corporations	36,095	35,115	980	3

For footnotes, see p. 20

Allowance of the net operating loss deduction reduced the net income for tax computation by $341,642,000 on 53,302 returns filed for 1950, as compared with $196,304,000 on 39,709 returns filed for 1949. See note 21, page 20.

RETURNS INCLUDED

The returns included in this release are the corporation income tax returns filed for the calendar year ending December 31, 1950, a fiscal year ending within the period July 1950 through June 1951, and a part year with the greater portion of the accounting period in 1950.

The data are from corporation income tax returns, Form 1120; life insurance company income tax returns, Form 1120L; and mutual insurance company income tax returns, Form 1120M. Included for this purpose in addition to returns filed by domestic corporations are the returns filed by foreign corporations engaged in business within the United States. The complete report, Statistics of Income for 1950, Part 2, will contain more detailed statistics from corporation income tax returns as well as data from personal holding company returns, Form 1120H.

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

CHANGES IN LAW AFFECTING CORPORATION RETURNS

The Revenue Act of 1950, the Excess Profits Tax Act of 1950, and the Revenue Act of 1951 provide for certain changes in the Internal Revenue Code which affect the comparability of the figures tabulated from the 1950 returns with those from the 1949 returns. The most significant changes are as follows:

(1) Increase in income tax rates and imposition of excess profits tax. - (a) The Revenue Act of 1950 increases corporate income tax rates for the calendar year 1950 to 42 percent (a normal tax rate of 23 percent, and a surtax rate of 19 percent applicable to net income in excess of $25,000); and for taxable years beginning after June 30, 1950, to 45 percent (a normal tax rate of 25 percent, and a surtax rate of 20 percent on net income in excess of $25,000).

(b) The Excess Profits Tax Act of 1950 imposes a tax at the rate of 30 percent on excess profits, effective July 1, 1950. As in the case of World War II excess profits tax, the taxpayer is given the choice of the higher of two alternative bases in determining what proportion, if any, of its income is to be subjected to excess profits tax. The primary credit is an average earnings credit, based on the average income for 3 out of the 4 years 1946 to 1949. The alternative is a credit based on a rate of return on invested capital. (For further explanation of credit method, see pages 5-7.) The act also increases the surtax rate under the regular corporate income tax by

2 percentage points, effective with respect to taxable years beginning on or after July 1, 1950, making a total income and profits tax rate of 77 percent when fully effective (25 percent normal tax, plus 22 percent surtax, plus an additional 30 percent upon that part of the income representing excess profits). However, the aggregate income and excess profits taxes are limited to a 62 percent ceiling rate, applied to the excess profits net income. This act is only partially effective for taxable years beginning before and ending after July 1, 1950 (including the calendar year 1950); for such years, corporations pay a prorated amount of excess profits tax and are unaffected by the 2-point rate increase, mentioned above.

(c) The Revenue Act of 1951 increases the normal tax rate from 25 to 30 percent; leaves unchanged the surtax rate of 22 percent; and makes provision for an 18 percent ceiling on excess profits tax. For large corporations subject to the general combined normal and surtax rate of almost 52 percent, the new ceiling amounts to approximately 70 percent. These rates apply to all corporations with taxable years beginning after March 31, 1951; thus, the fiscal year returns for taxable years ending within the period between April 1, 1951, and June 30, 1951, are the only returns included in this report which are affected by these rates.

(2) Proration of taxes in the case of fiscal year taxpayers. - Corporations filing returns for taxable years beginning before July 1, 1950, and ending after June 30, 1950 (other than calendar year 1950) are required to compute two, or, in some instances, three tentative taxes as follows: one under the provisions applicable prior to July 1, 1950; a second under the provisions applicable to the period from July 1, 1950, through March 31, 1951; and a third under the provisions applicable beginning April 1, 1951. The tentative taxes are then prorated on the basis of the number of days in the accounting period before July 1, 1950, the number of days after June 30, 1950, and before April 1, 1951, and the number of days after March 31, 1951, respectively. The prorated portions of the tentative taxes are then combined to determine the actual liability, which is the amount tabulated in this report. Such fiscal year taxpayers are unaffected by the 2-point surtax rate increase, provided by the Excess Profits Tax Act of 1950.

Corporations filing returns for taxable years beginning on or after July 1, 1950, and before April 1, 1951 (other than calendar year 1951) are required to compute two tentative taxes: one under the provisions applicable to the period from July 1, 1950, through March 31, 1951; the other under the provisions applicable beginning April 1, 1951. The tentative taxes are then prorated on the basis of the number of days in the accounting period before April 1, 1951, and the number of days after March 31, 1951, respectively. The prorated portions of the two tentative taxes are then combined to determine the actual liability, which is the amount tabulated in this report. Such fiscal year taxpayers are affected by the 2-point surtax rate increase, provided by the Excess Profits Tax Act of 1950.

(3) Credits of corporations. - In lieu of exemptions, percentage credits are provided under the 1950 Act rate structure for dividends received from public utilities on certain preferred stock, for dividends paid by a public utility on certain preferred stock, and for Western Hemisphere trade corporations.

(4) Amortization of emergency facilities. - Provision is made in the 1950 Act for the amortization over a 60-month period of emergency facilities constructed or acquired after December 31, 1949, and certified as necessary in the national defense.

Taxpayers selling emergency facilities on which special amortization deductions are taken are required to pay tax at ordinary rates, rather than at capital gains rates, on the difference between the special amortization deductions and ordinary depreciation.

(5) Lengthening of the carry-forward for net operating losses. - Provision is made in the 1950 Act to reduce the carry-back of net operating losses to one year and to lengthen the carry-forward to five years, effective for taxable years beginning after December 31, 1949, in which losses occur.

CLASSIFICATIONS PRESENTED

The first two tables of this release show data from corporation income tax returns for 1950 by major and minor industrial groups. Table 1 includes all returns, i.e., returns with net income, returns with no net income, and returns of inactive corporations, while table 2 includes only returns with excess profits tax liability. Table 3 shows data for all returns by net income and deficit classes (Part I), and for returns with excess profits tax liability by net income classes and by method of credit computation (Part II). The classifications employed in these tables are described below:

Industrial classification. - The industrial classification is based on the business activity reported on the return. When multiple businesses are reported on a return, the classification is determined by the business activity which accounts for the largest percentage of total receipts. Therefore, the industrial groups do not reflect pure industry classifications. There is no change in the groups between 1949 and 1950.

In analyzing the data compiled from returns classified as "Life insurance companies," it should be noted that such insurance companies, in reporting their income for tax purposes, are required to include only their investment income, i.e., interest, dividends, and rents. In lieu of deductions for reserve earnings, deferred dividends, and interest paid, life insurance companies are allowed a "reserve and other policy liability credit" equal to a flat proportion of net investment income less tax-exempt interest. This credit is deducted after arriving at net income and is reported only on returns with net income. An amendment introduced by the Revenue Act of 1950 lowered the credit ratio for 1949 and 1950, pending further revisions in the method of taxing life insurance companies. For 1950 the credit ratio is .9063 and for normal tax purposes the aggregate amount of reserve and other policy liability credit is $1,570,622,801. As an offset to this credit, adjustment for certain non-life insurance reserves is reported in total amount of $14,702,766. The latter adjustment, which is made in order to include in the tax base the interest received on non-life insurance reserves, applies only to life insurance companies deriving a portion of their income from contracts other than life insurance, annuities, or noncancellable health and accident insurance.

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

Method of excess profits credit computation. - The excess profits credit is the rule, established by law, for determining that portion of the corporation's net income, if any, which is to be subjected to excess profits tax. A domestic corporation subject to excess profits tax (other than certain regulated public utilities) has the choice of computing its excess profits credit under the income method or under the invested capital method, whichever results in the lesser amount of excess profits tax. The income credit method is based primarily on the corporation's income experience during the four base period years (1946-49), while the credit based on invested capital allows designated rates of return on the amount of its invested capital. These two methods as well as alternative methods are described in the following paragraphs:

Income method:

(a) General average. - In general, the excess profits credit based on income is the sum of the following:

(1) 85 percent of the average base period net income (generally, the average excess profits net income for the three highest years in the base period 1946 through 1949);

(2) 12 percent of the amount of the base period capital addition; and

(3) 12 percent of the net capital addition or (minus 12 percent of the net capital reduction) for the taxable year.

(b) Alternative based on growth. - In lieu of the average base period net income computed under the general rule, a growing corporation with total assets of $20,000,000 or less as of the first day of its base period may use a special base period net income, computed, in general, upon the basis of the average income of the last 12 months of the base period, or the last 24 months of the base period, or on the adjusted average for the 12 months ended June 30, 1950, whichever is highest. To qualify as a growing corporation, the taxpayer must meet certain tests with respect to increased gross receipts or payroll during the last half of the base period, or with respect to sales of a product not available prior to 1946. If the alternative average base period net income based on growth is employed, no base period capital addition is allowed as under the general average method. However, new capital and retained earnings added after the base period are allowed at 12 percent.

(c) Industry rate of return. - The Excess Profits Tax Act of 1950 also provides for the determination of an average base period net income computed, in general, on the basis of an industry rate of return, in lieu of the taxpayer's own experience, in certain cases which may be characterized as follows:

(1) A corporation commencing business after the beginning of its base period;

(2) A corporation experiencing certain types of abnormalities during its base period;

(3) A corporation making a substantial change in products or services during the last 3 years of its base period;

(4) A corporation making a substantial increase in its capacity for production or operation during the last 3 years of its base period; and

(5) A corporation which for its base period was a member of a depressed industry subgroup.

A corporation adjusting only one of its three best years uses the rate of return for the industry to which is attributable the largest amount of its gross receipts in that year. A corporation using the industry rate of return for the entire base period uses the rate for the industry accounting for the largest amount of the corporation's gross receipts in the appropriate period. If the average base period net income is computed under any of the provisions relating to the use of the industry rate of return, no base period capital addition is allowed except in certain cases involving abnormalities in the base period. However, new capital and retained earnings added after the base period are allowed at 12 percent.

Invested capital method:

(a) Asset method. - The excess profits credit based on invested capital is, in general, computed by applying the following specified rates to the amount of invested capital:

First $5,000,000, 12 percent;
Next $5,000,000, 10 percent; and
Over $10,000,000, 8 percent.

Invested capital determined under the "asset" method consists generally of the sum of (1) the excess at the beginning of the year of total assets over total liabilities, (2) 75 percent of the average amount of borrowed capital for the year, and (3) the recent loss adjustment. The sum thus determined is increased by the average amount of money and property paid in for stock, or as paid-in surplus, or as a contribution to capital during the taxable year and is reduced by distributions made during the year which are not out of earnings and profits of the current year. An adjustment is made in the case of a corporation having an invested capital of more than $5,000,000 in order that capital added after the beginning of its first taxable year ending after June 30, 1950, will be included in invested capital at the 12 percent rate. No such adjustment is necessary where the invested capital does not exceed $5,000,000 since the 12 percent rate is applied to the entire invested capital.

(b) Historical method. - The "historical" method for determining invested captial is similar to the method used in the invested capital credit under the World War II excess profits tax law. The historical method, in substance, includes in invested capital money and property previously paid in for stock, or as paid-in surplus, or as a contribution to capital, plus the accumulated earnings and profits of the corporation as of the beginning of the taxable year. The excess profits credit is computed at the same rates as indicated above for the asset method.

Alternative excess profits credit of regulated public utilities. - The Excess Profits Tax Act of 1950 provides an alternative excess profits credit for certain regulated public utilities. This credit, in general, consists of the amount of the corporation's normal tax and surtax plus an amount determined as follows:

(a) By computing 6 percent or 7 percent (depending upon the type of utility) of the sum of the adjusted invested capital and the average borrowed capital for the taxable year; (b) by reducing the amount determined under (a) by the amount of interest on indebtedness included in borrowed capital. The amount computed under (a), as reduced by (b), is subject to an adjustment for inadmissible assets.

Minimum credit method. - The Excess Profits Tax Act of 1950 provides for a minimum credit of $25,000. When the amount of excess profits credit, computed under any of the above-described methods, is less than $25,000, the credit may be raised to this amount.

HISTORICAL SUMMARY

A historical summary for each of the years 1940 - 1950 is presented in table 4, page 19. In comparing the data throughout the 11-year period, the various changes in law must be taken into consideration, especially the discontinuance for 1934 - 1941 of the privilege of filing consolidated returns for income tax purposes (except by railroad corporations and their related holding or leasing companies and, in 1940 and 1941, by Pan-American trade corporations) and the restoration of this privilege beginning 1942.

Table 1. - Corporation income tax returns, 1/ 1950, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Total tax, income tax, and excess profits tax

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/	Total number of returns 6/	Returns with net income 2/						Returns with no net income 2/			
			Number of returns	Net income 2/	Taxes: Total tax	Taxes: Income tax 3/	Taxes: Excess profits tax 4/	Dividends paid in cash and assets other than own stock	Number of returns	Deficit 2/	Dividends paid in cash and assets other than own stock	
1	All industrial groups	659,665	425,677	44,086,748	17,296,260	15,910,779	1,385,481	11,640,757	199,893	1,506,118	117,760	1
2	Agriculture, forestry, and fishery	8,555	5,008	520,132	102,690	97,377	5,313	105,475	3,227	25,943	1,058	2
3	Farms and agricultural services	7,776	4,618	504,587	98,362	93,083	5,279	102,687	2,881	21,273	927	3
4	Forestry	315	195	12,993	3,618	3,604	14	2,542	98	1,628	84	4
5	Fishery	464	195	2,552	710	690	20	246	248	3,042	27	5
6	Mining and quarrying	10,514	5,017	1,175,035	447,427	430,516	16,911	542,924	3,964	83,479	9,731	6
7	Metal mining	1,546	208	288,228	108,932	105,467	3,465	157,411	611	6,953	102	7
8	Iron	96	39	45,629	17,215	15,979	1,236	22,086	38	98	-	8
9	Copper, lead, zinc, gold, silver	1,140	130	212,212	79,965	77,777	2,188	123,169	458	5,276	98	9
10	Other metal mining	310	39	30,387	11,752	11,711	41	12,156	115	1,579	4	10
11	Anthracite mining	229	104	26,085	7,075	6,932	143	14,669	112	3,911	186	11
12	Bituminous coal and lignite mining	2,113	1,104	180,350	69,423	67,618	1,805	62,134	884	17,162	794	12
13	Crude petroleum and natural gas production	4,345	2,360	539,839	202,756	196,179	6,577	266,199	1,717	48,670	8,598	13
14	Crude petroleum, natural gas, and natural gasoline	3,136	1,690	465,262	171,960	168,257	3,703	250,877	1,289	41,364	8,106	14
15	Oil- and gas-field contract services	1,209	670	74,577	30,796	27,922	2,874	15,322	428	7,306	492	15
16	Nonmetallic mining and quarrying	2,281	1,241	140,533	59,241	54,320	4,921	42,511	640	6,783	51	16
17	Stone, sand, and gravel	1,526	1,066	87,604	35,466	32,663	2,803	13,041	401	3,594	48	17
18	Other nonmetallic mining and quarrying	755	175	52,929	23,775	21,657	2,118	29,470	239	3,189	3	18
19	Construction	28,784	17,741	649,469	246,204	228,229	17,975	81,074	9,660	86,865	1,408	19
20	General building contractors	8,519	4,964	173,565	65,625	60,573	5,052	19,335	2,900	27,648	555	20
21	General contractors other than building	4,072	2,650	275,867	109,875	102,113	7,762	39,624	1,503	25,246	452	21
22	General contractors not allocable	432	188	5,156	1,846	1,700	146	355	174	1,516	91	22
23	Special trade contractors	14,742	9,594	190,992	66,870	61,991	4,879	21,423	4,912	30,506	307	23
24	Other construction	1,019	345	5,891	1,988	1,852	136	339	371	1,947	3	24
25	Manufacturing	117,848	78,762	24,199,457	10,625,691	9,555,141	1,070,550	6,013,512	36,199	494,855	51,573	25
26	Beverages	3,328	1,765	491,650	204,474	195,651	8,823	108,006	1,390	30,014	573	26
27	Nonalcoholic beverages	2,515	1,321	73,399	27,099	26,231	868	23,585	1,119	9,296	69	27
28	Malt liquors and malt	408	226	244,947	106,197	100,941	5,256	57,888	157	17,818	445	28
29	Wines	163	99	8,334	3,026	2,687	339	264	61	1,260	30	29
30	Distilled, rectified, and blended liquors	242	119	164,970	68,152	65,792	2,360	26,469	53	1,640	29	30
31	Food and kindred products	11,251	7,130	1,440,989	610,023	572,842	37,181	365,193	3,794	53,254	16,545	31
32	Meat products	1,436	992	121,344	48,058	46,341	1,717	17,941	404	9,424	14,217	32
33	Dairy products	1,786	1,175	180,446	78,424	73,134	5,290	45,929	574	4,582	280	33
34	Canning fruits, vegetables, and sea foods	1,827	1,185	258,569	102,850	93,601	9,249	43,580	573	10,757	317	34
35	Grain mill products, except cereal preparations	1,245	913	146,098	65,313	60,620	4,693	29,046	303	3,657	179	35
36	Bakery products	1,823	1,164	182,963	76,670	73,161	3,509	48,931	595	7,133	221	36
37	Sugar	130	105	116,299	47,132	44,429	2,703	34,200	22	1,649	8	37
38	Confectionery	753	406	115,458	49,117	46,646	2,471	37,660	328	5,021	211	38
39	Cereal preparations	51	27	36,327	16,454	15,981	473	16,084	3	227	-	39
40	Other food, including manufactured ice and flavoring sirups	1,990	1,050	211,549	84,008	80,397	3,611	66,548	913	8,205	1,092	40
41	Food and kindred products not allocable	210	113	91,936	41,997	38,532	3,465	25,474	79	2,619	18	41
42	Tobacco manufactures	203	128	291,634	131,419	120,400	11,019	95,933	72	899	47	42
43	Cigars	122	68	16,675	6,667	6,559	108	4,225	52	526	39	43
44	Other tobacco manufactures	81	60	274,959	124,752	113,841	10,911	91,708	20	373	8	44
45	Textile-mill products	5,867	4,366	1,268,008	537,986	507,182	30,804	255,184	1,390	27,678	1,321	45
46	Yarn and thread (cotton, wool, silk, and synthetic fiber)	618	504	202,179	91,180	81,724	9,456	37,765	104	2,799	216	46
47	Broad-woven fabrics (woolen and worsted)	323	218	85,463	36,509	35,075	1,434	13,477	101	5,960	275	47
48	Broad-woven fabrics (cotton)	418	354	313,442	128,418	125,859	2,559	73,566	60	1,985	150	48
49	Narrow fabrics and other smallwares (cotton, wool, silk, and synthetic fiber)	420	306	23,651	9,413	8,562	851	4,582	111	1,658	21	49
50	Knit goods	1,995	1,497	159,249	65,521	61,197	4,324	22,458	461	4,375	245	50
51	Dyeing and finishing textiles, except knit goods	625	424	61,314	25,161	23,932	1,229	11,563	191	4,177	69	51
52	Carpets and other floor coverings	158	109	113,246	51,477	46,759	4,718	22,402	43	1,824	145	52
53	Hats, except cloth and millinery	198	120	8,953	3,610	3,406	204	1,768	75	699	1	53
54	Other textile-mill products	944	736	196,048	82,566	77,472	5,094	38,687	191	2,712	18	54
55	Textile-mill products not allocable	168	98	104,463	44,131	43,196	935	26,958	53	1,489	188	55
56	Apparel and products made from fabrics	14,345	8,522	327,881	125,354	119,157	6,197	48,702	5,645	49,115	1,134	56
57	Men's clothing	2,717	1,907	139,418	55,700	52,891	2,809	20,170	776	9,522	392	57
58	Women's clothing	6,970	3,810	111,599	41,520	39,391	2,129	18,429	3,080	28,517	658	58
59	Millinery	497	263	1,960	496	496	-	157	230	1,521	51	59
60	Fur goods	1,017	523	2,660	496	486	10	93	487	2,082	18	60
61	Other apparel and accessories	724	465	14,938	5,436	5,168	268	2,180	252	1,773	-	61
62	Other fabricated textile products	2,029	1,354	47,055	17,722	16,897	825	5,589	643	4,318	18	62
63	Apparel and products made from fabrics not allocable	391	200	10,251	3,984	3,828	156	2,084	177	1,982	2	63
64	Lumber and wood products, except furniture	5,866	4,260	673,855	267,426	244,812	22,614	106,168	1,459	17,005	1,375	64
65	Logging camps, logging contractors, sawmills, and planing mills	3,019	2,284	462,676	177,026	163,732	13,294	76,218	647	7,929	395	65
66	Millwork, plywood, and prefabricated structural wood products	1,252	930	156,533	70,053	61,832	8,221	20,526	297	4,655	870	66
67	Wooden containers	546	402	27,499	10,306	9,823	483	4,718	136	1,353	62	67
68	Other wood products	1,049	644	27,147	10,041	9,425	616	4,706	379	3,066	48	68
69	Furniture and fixtures	4,507	3,134	253,517	108,395	97,619	10,776	43,953	1,314	15,568	142	69
70	Furniture - household, office, public building, and professional	3,244	2,329	225,058	97,100	87,245	9,855	40,126	874	10,075	75	70
71	Partitions, shelving, lockers; and office and store fixtures	617	390	12,061	4,564	4,306	258	1,796	221	1,873	47	71
72	Window and door screens, shades, and venetian blinds	515	334	14,056	5,903	5,255	648	1,706	174	1,149	20	72
73	Other furniture and fixtures	131	81	2,342	828	813	15	325	45	471	-	73
74	Paper and allied products	2,618	2,137	1,015,819	451,959	410,943	41,016	174,262	452	6,912	69	74
75	Pulp, paper, and paperboard	443	386	691,820	311,091	283,689	27,402	121,206	50	2,554	26	75
76	Paper bags and paperboard containers and boxes	1,272	1,052	181,509	78,258	71,291	6,967	28,481	214	2,130	24	76
77	Pulp goods and other converted paper products	903	699	140,490	62,610	55,963	6,647	24,575	188	2,228	19	77
78	Printing, publishing, and allied industries	13,164	8,899	629,276	248,117	235,383	12,734	152,560	3,987	44,208	1,164	78
79	Newspapers	2,975	2,139	289,978	115,651	110,533	5,118	74,947	798	16,556	145	79
80	Periodicals	1,256	703	79,567	33,182	30,914	2,268	25,490	519	9,400	56	80
81	Books	744	447	50,402	19,397	18,666	731	12,856	276	3,363	514	81
82	Commercial printing, including lithographing	5,185	3,805	147,400	56,551	53,224	3,327	26,720	1,323	8,971	277	82
83	Other printing and publishing	2,467	1,547	38,302	13,436	12,827	609	9,893	870	5,045	172	83
84	Printing, publishing, and allied industries not allocable	537	258	23,627	9,900	9,219	681	2,654	201	873	-	84

For footnotes, see p. 20.

Table 1. - Corporation income tax returns, 1/ 1950, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Total tax, income tax, and excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/ - Continued	Total number of returns 6/	Returns with net income 2/: Number of returns	Returns with net income 2/: Net income 2/	Taxes: Total tax	Taxes: Income tax 3/	Taxes: Excess profits tax 4/	Dividends paid in cash and assets other than own stock	Returns with no net income 2/: Number of returns	Returns with no net income 2/: Deficit 2/	Returns with no net income 2/: Dividends paid in cash and assets other than own stock	
	Manufacturing - Continued											
85	Chemicals and allied products	7,552	4,824	2,790,924	1,257,734	1,106,993	150,741	772,166	2,500	21,797	601	85
86	Industrial inorganic chemicals	273	198	137,418	62,174	55,746	6,428	30,042	73	760	25	86
87	Industrial organic chemicals, including plastic materials, synthetic rubber, and synthetic fibers	520	351	879,694	372,582	321,936	50,646	299,609	152	2,616	3	87
88	Drugs and medicines	1,451	786	325,204	144,288	131,270	13,018	88,479	605	3,824	392	88
89	Soap and glycerin, cleaning and polishing preparations, etc.	954	572	157,415	77,511	69,789	7,722	44,898	363	2,329	42	89
90	Paints, varnishes, lacquers, etc.	1,166	878	180,296	77,161	70,581	6,580	43,308	260	1,952	5	90
91	Perfumes, cosmetics, and other toilet preparations	662	320	39,718	16,348	14,908	1,440	8,170	321	2,565	8	91
92	Fertilizers	365	282	54,290	25,300	22,917	2,383	14,489	74	813	46	92
93	Oils and fats, animal and vegetable, except edible cooking oils	529	404	110,428	47,260	44,853	2,407	19,065	110	2,332	64	93
94	Other chemical products	1,188	777	233,927	106,921	93,632	13,289	46,989	382	2,998	9	94
95	Chemicals and allied products not allocable	444	256	672,534	328,189	281,361	46,828	177,117	160	1,608	7	95
96	Petroleum and coal products	679	516	1,826,015	616,709	603,304	13,405	951,138	143	4,405	159	96
97	Petroleum refining	279	216	1,725,890	573,142	563,237	9,905	930,313	55	3,151	62	97
98	Other petroleum and coal products	400	299	100,125	43,567	40,067	3,500	20,825	88	1,254	97	98
99	Rubber products	669	532	436,848	196,512	174,381	22,131	73,927	129	2,133	19	99
100	Tires and inner tubes	40	37	337,695	151,934	134,704	17,230	60,645	3	26	-	100
101	Other rubber products, including rubberized fabrics and clothing	629	495	99,153	44,578	39,677	4,901	13,282	126	2,107	19	101
102	Leather and products	2,793	1,823	169,931	68,512	64,978	3,534	38,070	931	12,372	490	102
103	Leather, tanned, curried, and finished	416	317	39,506	15,928	15,433	495	8,300	96	3,125	262	103
104	Footwear, except rubber	1,034	673	101,449	41,490	39,317	2,173	25,380	344	5,705	131	104
105	Other leather products	1,343	833	28,976	11,094	10,228	866	4,390	491	3,542	97	105
106	Stone, clay, and glass products	4,315	3,087	857,715	392,669	345,941	46,728	181,989	1,125	10,092	216	106
107	Glass and glass products	601	399	215,848	102,856	89,022	13,834	47,538	194	2,137	64	107
108	Cement (hydraulic)	86	75	157,477	73,666	65,370	8,296	37,571	11	38	-	108
109	Structural clay products	756	596	100,082	43,683	38,974	4,709	18,950	143	1,073	19	109
110	Pottery and related products	332	213	30,158	12,992	11,848	1,144	4,084	117	1,871	49	110
111	Concrete, gypsum, and plaster products	1,575	1,097	142,641	63,316	56,056	7,260	29,237	429	2,986	44	111
112	Cut-stone and stone products	355	257	8,992	3,386	3,135	251	1,279	90	641	20	112
113	Abrasives, asbestos, and other nonmetallic mineral products	610	450	202,517	92,770	81,536	11,234	43,330	141	1,346	20	113
114	Primary metal industries	3,042	2,382	2,427,456	1,130,292	998,130	132,162	534,698	588	13,380	1,297	114
115	Blast furnaces, steel works, and rolling mills	165	135	1,524,899	719,836	635,634	84,202	338,954	20	4,724	10	115
116	Iron and steel foundries	1,034	799	159,628	69,856	63,331	6,525	34,032	218	5,106	96	116
117	Smelting, refining, rolling, drawing, and alloying of nonferrous metals	377	326	512,072	236,459	206,711	29,748	118,496	35	317	10	117
118	Nonferrous foundries	781	579	47,251	19,892	17,971	1,921	7,063	194	1,584	17	118
119	Other primary metal industries	586	489	167,174	75,271	67,332	7,939	34,849	90	1,376	1,164	119
120	Primary metal industries not allocable	99	54	16,432	8,978	7,151	1,827	1,304	31	273	-	120
121	Fabricated metal products, except ordnance, machinery, and transportation equipment	9,975	7,426	1,257,989	556,987	500,134	56,853	240,942	2,371	43,044	548	121
122	Tin cans and other tinware	90	68	99,948	42,566	39,124	3,442	26,406	19	55	17	122
123	Cutlery, hand tools, and general hardware	1,097	771	174,725	80,605	71,330	9,275	37,979	308	4,305	14	123
124	Heating apparatus (except electrical) and plumbers' supplies	1,103	794	260,780	115,849	104,790	11,059	55,159	280	3,840	27	124
125	Fabricated structural metal products	2,587	2,006	227,428	96,226	88,565	7,661	35,802	560	22,733	217	125
126	Metal stamping, coating, and engraving	2,165	1,621	175,254	75,509	68,099	7,410	30,196	506	6,357	81	126
127	Lighting fixtures	593	411	20,460	8,377	7,592	785	2,627	176	1,357	-	127
128	Fabricated wire products	561	451	82,744	37,539	33,196	4,343	13,501	101	608	7	128
129	Other fabricated metal products	1,446	1,054	155,996	73,118	63,281	9,837	27,366	350	3,062	170	129
130	Fabricated metal products not allocable	333	249	60,655	27,198	24,157	3,041	11,906	71	727	15	130
131	Machinery, except transportation equipment and electrical	10,073	7,100	2,083,767	917,941	838,958	78,983	441,102	2,756	42,801	1,199	131
132	Engines and turbines, except automotive, aircraft, and railway	92	53	51,729	23,262	21,197	2,065	9,840	34	2,199	2	132
133	Agricultural machinery and tractors	636	404	388,836	172,923	157,479	15,444	83,478	212	5,667	12	133
134	Construction and mining machinery	554	432	209,095	91,414	85,279	6,135	38,148	109	4,975	174	134
135	Metal-working machinery, including machine tools	2,339	1,768	235,509	104,260	93,221	11,039	50,662	548	4,801	113	135
136	Special industry machinery	1,593	1,143	217,279	91,524	85,775	5,749	48,499	410	6,091	345	136
137	General industry machinery	1,332	938	243,707	105,823	97,643	8,180	55,528	365	6,316	167	137
138	Office and store machines	321	202	198,558	88,160	81,573	6,587	44,216	108	1,523	13	138
139	Service-industry and household machines	726	513	301,299	136,476	122,856	13,620	60,292	194	3,618	60	139
140	Other machinery parts, and machine shops	2,056	1,365	155,047	69,636	61,391	8,245	30,855	651	4,938	166	140
141	Machinery, except transportation equipment and electrical, not allocable	424	282	82,708	34,463	32,544	1,919	19,584	125	2,673	147	141
142	Electrical machinery and equipment	3,158	2,140	1,434,476	658,123	574,591	83,532	311,397	946	21,274	415	142
143	Electrical generating, transmission, distribution, and industrial apparatus	969	740	547,326	246,169	214,679	31,490	136,386	215	4,000	72	143
144	Electrical appliances	292	171	66,881	31,503	27,633	3,870	10,761	111	1,520	-	144
145	Insulated wire and cable	98	87	54,182	25,443	22,356	3,087	5,960	9	125	-	145
146	Electrical equipment for motor vehicles, aircraft, and railway locomotives and cars	129	81	49,306	22,026	19,324	2,702	13,425	44	627	36	146
147	Electric lamps	81	52	2,185	822	776	46	413	27	260	-	147
148	Radio, radar, and television equipment (except radio tubes), and phonographs	680	476	354,115	171,842	146,377	25,465	44,360	189	5,139	161	148
149	Other communication equipment and related products	367	199	132,679	57,340	53,411	3,929	56,050	162	6,112	49	149
150	Other electrical products, including batteries	387	233	43,174	19,163	17,029	2,134	8,422	146	1,873	-	150
151	Electrical machinery and equipment not allocable	155	101	184,628	83,815	73,006	10,809	35,620	43	1,618	97	151
152	Transportation equipment, except motor vehicles	1,012	565	386,280	162,146	149,047	13,099	107,195	405	16,372	3,348	152
153	Aircraft and parts, including aircraft engines	253	153	239,675	99,753	90,546	9,207	58,810	85	4,116	11	153
154	Ship and boat building and repairing	588	299	40,526	17,848	15,958	1,890	7,969	266	8,325	3,193	154
155	Railroad equipment, including locomotives and streetcars	103	76	98,796	41,459	39,609	1,850	39,017	26	1,983	144	155
156	Motorcycles, bicycles, and parts	43	22	6,507	2,760	2,635	125	1,282	20	1,773	-	156
157	Other transportation equipment, except motor vehicles	25	15	776	326	299	27	127	8	175	-	157
158	Motor vehicles and equipment, except electrical	1,304	879	3,319,961	1,624,729	1,373,197	251,532	847,314	390	24,067	381	158
159	Motor vehicles, including bodies and truck trailers	472	321	2,961,780	1,459,607	1,226,216	233,391	769,518	145	19,096	2	159
160	Motor vehicle parts and accessories, and passenger trailers	832	558	358,181	165,122	146,981	18,141	77,796	245	4,971	379	160

For footnotes, see p. 20.

Table 1. - Corporation income tax returns, 1/ 1950, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Total tax, income tax, and excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/ - Continued	Total number of returns 6/	Returns with net income 2/						Returns with no net income 2/			
			Number of returns	Net income 2/	Taxes			Dividends paid in cash and assets other than own stock	Number of returns	Deficit 2/	Dividends paid in cash and assets other than own stock	
					Total tax	Income tax 3/	Excess profits tax 4/					
	Manufacturing - Continued											
161	Ordnance and accessories	61	37	45,239	21,086	18,303	2,783	10,072	20	264	-	161
162	Guns, howitzers, mortars, and related equipment, including small arms	43	24	9,493	4,107	3,730	377	2,473	16	197	-	162
163	Small arms ammunition	10	8	33,380	15,794	13,564	2,230	7,398	2	43	-	163
164	Other ordnance and accessories	8	5	2,366	1,185	1,009	176	201	2	24	-	164
165	Scientific instruments; photographic equipment; watches, clocks	1,948	1,250	311,148	140,053	125,124	14,929	78,930	649	10,136	328	165
166	Professional, scientific, and controlling instruments, including photographic and optical goods	1,830	1,178	279,275	125,916	111,943	13,973	69,312	604	7,999	287	166
167	Watches, clocks and clockwork-operated devices	118	72	31,873	14,137	13,181	956	9,618	45	2,137	41	167
168	Other manufacturing	10,138	5,862	461,079	197,045	178,071	18,974	76,611	3,743	30,065	204	168
169	Jewelry (precious metal), silverware, plated ware	827	516	38,964	16,100	15,412	688	7,307	301	2,444	24	169
170	Costume jewelry, except precious metal	409	238	5,670	1,986	1,871	115	624	167	1,346	6	170
171	Fabricated plastic products, except plastic materials	1,209	739	42,770	18,208	15,750	2,458	2,215	444	3,580	25	171
172	Manufacturing not elsewhere classified	7,693	4,369	373,675	160,751	145,038	15,713	66,465	2,851	22,695	149	172
173	Public utilities	27,470	16,363	4,442,437	1,762,193	1,726,283	35,910	1,843,474	9,704	113,330	15,370	173
174	Transportation	19,680	11,546	2,169,345	861,867	835,442	26,425	465,922	7,170	98,209	4,821	174
175	Railroads, railway express	679	435	1,366,455	547,666	541,530	6,136	276,644	162	26,670	458	175
176	Urban, suburban, and interurban railways (with or without buses)	100	53	9,984	3,774	3,754	20	3,474	39	8,318	1,217	176
177	Trucking and warehousing	10,081	6,812	246,100	96,042	87,162	8,880	28,295	2,934	14,117	642	177
178	Other motor vehicle transportation, including taxicabs and buses	3,903	1,667	80,183	27,312	26,765	547	34,066	2,083	13,004	406	178
179	Pipe line transportation	168	119	123,555	53,927	50,133	3,794	50,666	30	256	105	179
180	Water transportation	1,685	980	184,548	71,457	66,984	4,473	46,690	567	20,085	1,348	180
181	Air transportation and allied services	950	261	98,749	38,649	36,956	1,693	11,051	582	7,725	461	181
182	Services incidental to transportation	1,961	1,168	57,062	22,038	21,201	837	12,486	712	7,735	121	182
183	Other transportation	153	51	2,709	1,002	957	45	570	61	299	63	183
184	Communication	4,424	2,651	740,026	282,771	280,816	1,955	566,527	1,564	7,964	109	184
185	Telephone (wire or radio)	2,754	1,563	673,155	258,402	258,117	285	544,285	1,075	1,003	70	185
186	Telegraph (wire and radio)	20	9	8,836	2,077	2,076	1	3,168	7	529	-	186
187	Radio broadcasting and television	1,627	1,071	57,898	22,249	20,580	1,669	19,064	469	6,405	39	187
188	Other communication	23	8	137	43	43	-	10	13	27	-	188
189	Electric and gas utilities	1,336	999	1,500,209	606,468	599,020	7,448	798,481	258	5,130	10,385	189
190	Electric light and power	664	523	1,172,876	474,719	469,247	5,472	610,249	100	1,118	9,695	190
191	Gas production and distribution, except natural gas production	672	476	327,333	131,749	129,773	1,976	188,232	158	4,012	690	191
192	Other public utilities	2,030	1,167	32,857	11,087	11,005	82	14,544	712	2,027	55	192
193	Water supply	1,631	970	29,371	10,039	9,994	45	13,803	549	1,462	46	193
194	Public utilities not elsewhere classified	399	197	3,486	1,048	1,011	37	741	163	565	9	194
195	Trade	211,217	147,847	6,607,171	2,613,447	2,426,051	187,396	1,133,846	59,817	300,218	12,353	195
196	Wholesale	69,731	50,791	2,912,650	1,161,151	1,071,482	89,669	474,228	17,590	116,717	5,200	196
197	Commission merchants	9,756	6,360	196,406	71,552	66,139	5,413	33,005	3,170	14,433	743	197
198	Other wholesalers	59,975	44,431	2,716,244	1,089,599	1,005,343	84,256	441,223	14,420	102,284	4,457	198
199	Food	8,786	5,979	257,300	99,401	93,230	6,171	49,654	2,677	20,619	725	199
200	Alcoholic beverages	2,266	1,475	155,721	60,457	58,636	1,821	18,092	734	6,155	238	200
201	Apparel and dry goods	5,504	3,847	173,134	65,174	62,143	3,031	21,749	1,578	11,772	321	201
202	Chemicals, paints, and drugs	2,773	1,839	124,374	53,169	47,807	5,362	24,304	867	4,744	33	202
203	Hardware, electrical goods, plumbing and heating equipment	6,174	5,110	470,382	200,000	182,164	17,836	74,929	983	6,689	238	203
204	Lumber, millwork, and construction materials	3,729	3,116	171,650	67,322	61,229	6,093	17,667	541	2,963	51	204
205	Machinery and equipment	5,719	4,378	249,833	98,451	91,371	7,080	29,101	1,260	8,807	233	205
206	Farm products (raw materials)	3,181	2,629	139,913	55,179	51,268	3,911	20,956	513	4,432	596	206
207	Wholesalers not elsewhere classified	19,392	14,588	896,450	359,892	329,196	30,696	172,196	4,465	31,042	1,966	207
208	Wholesalers not allocable	2,451	1,470	77,487	30,554	28,299	2,255	12,575	802	5,061	76	208
209	Retail	126,097	86,869	3,386,883	1,338,067	1,247,658	90,409	614,703	37,564	160,967	6,524	209
210	Food	9,212	5,408	334,561	141,789	132,157	9,632	64,837	3,660	14,517	199	210
211	General merchandise	7,691	5,641	1,249,274	551,794	509,303	42,491	301,893	1,941	11,455	199	211
212	Department stores	2,626	2,288	994,217	446,771	407,872	38,899	222,761	310	4,417	80	212
213	Mail-order houses	549	248	20,483	8,695	8,092	603	4,089	279	1,919	4	213
214	Variety stores	722	487	195,975	83,385	80,965	2,420	68,780	228	703	1	214
215	Other general merchandise	3,794	2,618	38,599	12,943	12,374	569	6,263	1,124	4,416	114	215
216	Apparel and accessories	16,473	11,045	213,569	73,025	71,288	1,737	42,155	5,239	26,281	365	216
217	Furniture and house furnishings	11,530	8,304	154,331	51,134	49,278	1,856	15,349	5,112	15,971	202	217
218	Automotive dealers and filling stations	23,982	19,705	871,546	331,930	307,244	24,686	101,225	3,928	18,331	1,217	218
219	Automobiles and trucks	18,952	16,374	791,290	301,008	278,832	22,176	85,936	2,349	13,659	1,137	219
220	Parts, accessories, tires, batteries	2,302	1,617	39,839	15,121	13,679	1,442	5,245	640	2,654	55	220
221	Filling stations	2,728	1,714	40,417	15,801	14,733	1,068	10,044	939	2,018	25	221
222	Drug stores	5,387	3,707	53,843	18,176	17,653	523	13,923	1,599	4,924	104	222
223	Eating and drinking places	15,576	6,849	58,989	18,592	17,919	673	12,327	8,452	30,803	3,226	223
224	Building materials and hardware	14,270	11,689	264,748	91,017	85,278	5,739	36,893	2,487	9,948	337	224
225	Lumber and building materials	8,544	7,196	209,980	73,975	69,129	4,846	30,777	1,286	5,860	152	225
226	Hardware and farm equipment	5,726	4,493	54,768	17,042	16,149	893	6,116	1,201	4,088	185	226
227	Other retail trade	21,976	14,521	186,022	60,610	57,538	3,072	26,101	7,146	28,737	675	227
228	Liquor stores	2,669	1,659	5,786	1,374	1,360	14	525	984	2,295	18	228
229	Jewelry stores	2,844	1,812	28,063	9,619	9,034	585	3,449	1,007	6,394	92	229
230	Other retail stores	13,244	8,675	111,617	36,346	34,561	1,785	16,213	4,387	16,359	486	230
231	Retail trade not allocable	3,219	2,375	40,556	13,271	12,583	688	5,914	768	3,689	79	231
232	Trade not allocable	15,389	10,187	307,638	114,229	106,911	7,318	44,915	4,663	22,534	629	232
233	Finance, insurance, real estate, and lessors of real property	177,863	121,853	5,984,176	1,254,063	1,212,436	41,627	1,749,616	48,204	271,957	40,299	233
234	Finance	37,752	29,552	2,572,976	689,390	667,491	21,899	1,252,973	7,226	91,178	11,514	234
235	Banks and trust companies	14,943	14,248	1,214,705	423,504	408,709	14,795	414,292	547	4,510	1,005	235
236	Credit agencies other than banks	15,528	8,799	414,592	160,921	155,234	5,687	107,113	4,203	17,916	4,552	236
237	Personal credit agencies	3,929	3,041	197,763	72,619	70,856	1,763	52,049	709	3,556	233	237
238	Business credit agencies	2,793	1,910	171,365	73,905	70,250	3,655	43,818	801	2,733	781	238
239	Other credit agencies	1,194	904	24,602	8,578	8,419	159	4,042	230	760	182	239
240	Credit agencies and finance not allocable	5,612	2,944	20,862	5,819	5,709	110	7,204	2,463	10,867	3,356	240

For footnotes, see p. 20.

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Table 1. - Corporation income tax returns, 1/ 1950, by major industrial groups and minor industrial groups, for returns with net income and returns with no net income: Number of returns, net income or deficit, and dividends paid in cash and assets other than own stock; also, for returns with net income: Total tax, income tax, and excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/ - Continued	Total number of returns 6/	Returns with net income 2/						Returns with no net income 2/			
			Number of returns	Net income 2/	Taxes			Dividends paid in cash and assets other than own stock	Number of returns	Deficit 2/	Dividends paid in cash and assets other than own stock	
					Total tax	Income tax 3/	Excess profits tax 4/					
	Finance, insurance, real estate, and lessors of real property - Continued											
	Finance - Continued											
241	Holding and other investment companies	7,690	5,457	900,477	93,370	92,693	677	723,320	2,006	65,148	5,356	241
242	Operating-holding companies	1,034	809	127,473	24,750	24,633	117	112,351	210	3,875	1,550	242
243	Other investment and holding companies	6,656	4,648	773,004	68,620	68,060	560	610,969	1,796	61,273	3,806	243
244	Security and commodity-exchange brokers and dealers	1,591	1,048	43,202	11,595	10,855	740	8,248	470	3,604	603	244
245	Insurance carriers and agents	10,710	7,882	2,380,138	247,157	239,272	7,885	250,633	2,572	33,021	19,416	245
246	Insurance carriers	2,754	2,278	2,314,551	226,936	220,005	6,931	229,401	407	27,785	19,278	246
247	Life insurance companies	875	827	1,813,324	72,999	72,998	1	85,990	34	180	93	247
248	Mutual insurance, except life or marine or fire insurance companies issuing perpetual policies	689	639	44,764	15,371	15,370	1	145	50	215	2	248
249	Other insurance carriers	1,190	812	456,463	138,566	131,637	6,929	143,266	323	27,390	19,183	249
250	Insurance agents and brokers	7,956	5,604	65,587	20,221	19,267	954	21,232	2,165	5,236	138	250
251	Real estate, except lessors of real property other than buildings	123,836	80,903	881,015	260,077	249,711	10,366	161,329	36,518	138,830	8,725	251
252	Real estate operators, including lessors of buildings	91,212	64,413	618,443	174,009	170,876	3,133	134,841	25,674	99,094	6,538	252
253	Developers of real property, including traders on own account	14,654	9,349	180,689	62,548	56,491	6,057	10,018	4,364	23,549	625	253
254	Real estate agents, brokers, and managers	3,788	2,339	20,395	5,720	5,465	255	3,033	1,278	2,345	81	254
255	Title abstract companies	1,311	826	14,739	5,261	4,752	509	4,852	402	183	19	255
256	Other real estate, except lessors of real property other than buildings	12,871	3,976	46,749	12,539	12,127	412	8,585	4,800	13,659	1,462	256
257	Lessors of real property, except buildings	5,565	3,516	150,047	57,439	55,962	1,477	84,681	1,888	8,928	644	257
258	Agricultural, forest, and similar properties	835	493	6,606	1,948	1,896	52	2,048	331	832	67	258
259	Mining, oil, and similar properties	2,661	1,809	80,537	31,056	29,743	1,313	58,381	788	4,182	403	259
260	Railroad property	327	177	39,122	15,606	15,557	49	18,846	104	1,406	43	260
261	Public-utility property	94	56	16,638	6,894	6,841	53	2,979	33	589	-	261
262	Other real property, except buildings	1,648	981	7,144	1,935	1,925	10	2,427	632	1,919	131	262
263	Services	57,966	29,950	691,796	240,026	230,366	9,660	167,642	24,619	119,392	4,284	263
264	Hotels and other lodging places	6,354	3,574	117,113	41,015	39,671	1,344	24,566	2,610	19,034	1,502	264
265	Personal services	11,788	6,544	73,821	22,605	21,848	757	14,504	4,941	15,948	421	265
266	Laundries, cleaners, and dyers	6,448	3,597	53,579	17,357	16,728	629	10,279	2,681	10,634	281	266
267	Photographic studios, including commercial photography	1,010	521	2,982	758	728	30	255	461	1,546	27	267
268	Other personal services	4,330	2,426	17,260	4,490	4,392	98	3,970	1,799	3,768	113	268
269	Business services	11,846	6,624	179,446	65,679	61,650	4,029	42,468	4,641	16,326	878	269
270	Advertising	2,951	1,828	77,859	30,952	28,926	2,026	16,965	1,011	4,498	73	270
271	Other business services	8,895	4,796	101,587	34,727	32,724	2,003	25,503	3,630	11,828	805	271
272	Automotive repair services and garages	4,452	2,707	32,866	9,891	9,491	400	3,764	1,618	4,059	75	272
273	Miscellaneous repair services, hand trades	2,577	1,444	18,872	6,358	6,054	304	2,376	1,099	4,617	101	273
274	Motion pictures	6,097	3,308	156,347	53,341	52,548	793	55,427	2,528	24,362	586	274
275	Motion picture production	1,284	517	72,100	26,223	25,840	383	36,158	629	12,308	17	275
276	Motion picture theaters	4,813	2,791	84,247	27,118	26,708	410	19,269	1,899	12,054	569	276
277	Amusement, except motion pictures	7,359	2,670	61,251	23,090	22,277	813	16,062	3,984	19,245	512	277
278	Other services, including schools	7,493	3,079	52,080	18,047	16,827	1,220	8,475	3,198	15,801	209	278
279	Nature of business not allocable	19,448	1,136	17,075	4,519	4,380	139	3,194	4,499	10,083	1,704	279

For footnotes, see p. 20.

Table 2. - Corporation income tax returns with excess profits tax liability, 1/ 1950, by major industrial groups and minor industrial groups: Number of returns, net income, excess profits net income, excess profits credit, adjusted excess profits net income, total tax, income tax, and excess profits tax

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/	Number of returns	Net income 2/	Excess profits net income 7/	Excess profits credit 8/	Adjusted excess profits net income 9/	Taxes: Total tax	Taxes: Income tax 3/	Taxes: Excess profits tax 4/	
1	All industrial groups	50,200	26,834,918	25,631,120	16,649,335	8,975,503	12,197,523	10,812,042	1,385,481	1
2	Agriculture, forestry, and fishery	539	169,955	124,037	91,160	32,977	61,281	55,968	5,313	2
3	Farms and agricultural services	525	169,003	123,125	90,451	32,774	60,916	55,637	5,279	3
4	Forestry	6	358	317	233	84	126	112	14	4
5	Fishery	8	594	595	476	119	239	219	20	5
6	Mining and quarrying	868	577,455	496,552	366,836	129,702	237,826	220,915	16,911	6
7	Metal mining	54	171,164	139,902	100,698	39,204	70,210	66,745	3,465	7
8	Iron	22	32,410	26,414	17,966	8,448	13,670	12,434	1,236	8
9	Copper, lead, zinc, gold, silver	26	119,384	94,306	78,129	16,177	48,410	46,222	2,188	9
10	Other metal mining	6	19,370	19,182	4,603	14,579	8,130	8,089	41	10
11	Anthracite mining	13	1,373	1,378	506	872	666	523	143	11
12	Bituminous coal and lignite mining	143	65,781	60,148	47,259	12,901	28,051	26,246	1,805	12
13	Crude petroleum and natural gas production	308	226,021	185,613	140,577	45,010	88,464	81,887	6,577	13
14	Crude petroleum, natural gas, and natural gasoline	149	170,677	131,444	105,683	25,735	63,269	59,566	3,703	14
15	Oil- and gas-field contract services	159	55,344	54,169	34,894	19,275	25,195	22,321	2,874	15
16	Nonmetallic mining and quarrying	350	113,116	109,511	77,796	31,715	50,435	45,514	4,921	16
17	Stone, sand, and gravel	304	65,269	61,753	43,924	17,829	28,443	25,640	2,803	17
18	Other nonmetallic mining and quarrying	46	47,847	47,758	33,872	13,886	21,992	19,874	2,118	18
19	Construction	2,014	337,733	324,058	196,841	126,692	147,972	129,997	17,975	19
20	General building contractors	640	96,547	95,327	60,559	34,716	42,271	37,219	5,052	20
21	General contractors other than building	527	146,377	135,522	78,877	56,204	65,092	57,330	7,762	21
22	General contractors not allocable	20	2,573	2,340	1,447	893	1,065	919	146	22
23	Special trade contractors	798	89,486	88,263	54,329	33,902	38,411	33,532	4,879	23
24	Other construction	29	2,750	2,606	1,629	977	1,133	997	136	24
25	Manufacturing	17,060	18,889,095	17,938,310	11,043,582	6,891,952	8,775,388	7,704,838	1,070,550	25
26	Beverages	286	300,934	301,904	236,775	65,129	131,377	122,554	8,823	26
27	Nonalcoholic beverages	183	34,629	33,885	27,445	6,440	14,240	13,372	868	27
28	Malt liquors and malt	52	165,974	168,340	133,055	35,285	74,286	69,030	5,256	28
29	Wines	15	4,076	4,252	2,745	1,507	2,069	1,730	339	29
30	Distilled, rectified, and blended liquors	36	96,255	95,427	73,530	21,897	40,782	38,422	2,360	30
31	Food and kindred products	1,244	979,100	931,265	706,154	224,475	440,458	403,257	37,181	31
32	Meat products	176	43,468	46,293	34,268	11,732	19,118	17,401	1,717	32
33	Dairy products	112	151,037	146,487	112,458	34,022	68,532	63,242	5,290	33
34	Canning fruits, vegetables, and sea foods	278	175,879	172,273	117,165	55,111	80,966	71,717	9,249	34
35	Grain mill products, except cereal preparations	158	91,038	90,701	65,638	25,063	43,283	38,590	4,693	35
36	Bakery products	257	133,919	128,255	106,827	21,429	58,729	55,220	3,509	36
37	Sugar	41	64,994	60,269	45,945	14,324	29,444	26,741	2,703	37
38	Confectionery	48	83,046	76,109	59,501	16,608	36,302	33,831	2,471	38
39	Cereal preparations	10	35,578	31,504	28,659	2,845	16,191	15,718	473	39
40	Other food, including manufactured ice and flavoring sirups	133	135,911	117,185	90,637	26,548	57,014	53,403	3,611	40
41	Food and kindred products not allocable	31	64,230	62,189	45,056	16,791	30,859	27,394	3,465	41
42	Tobacco manufactures	29	278,588	273,241	206,068	67,173	126,593	115,574	11,019	42
43	Cigars	9	5,988	6,101	5,394	707	2,563	2,455	108	43
44	Other tobacco manufactures	20	272,600	267,140	200,674	66,466	124,050	113,119	10,911	44
45	Textile-mill products	929	656,207	643,784	444,150	199,584	299,122	268,318	30,804	45
46	Yarn and thread (cotton, wool, silk, and synthetic fiber)	118	142,265	141,517	82,844	58,673	68,735	59,279	9,456	46
47	Broad-woven fabrics (woolen and worsted)	43	39,643	39,710	31,424	8,286	18,207	16,773	1,434	47
48	Broad-woven fabrics (cotton)	71	96,675	91,242	74,891	16,351	41,590	39,031	2,559	48
49	Narrow fabrics and other smallwares (cotton, wool, silk, and synthetic fiber)	59	15,095	13,743	8,528	5,164	6,578	5,727	851	49
50	Knit goods	261	93,011	91,118	64,061	27,058	41,934	37,610	4,324	50
51	Dyeing and finishing textiles, except knit goods	112	29,130	28,492	20,141	8,351	12,756	11,527	1,229	51
52	Carpets and other floor coverings	41	89,073	88,420	58,273	30,147	41,874	37,156	4,718	52
53	Hats, except cloth and millinery	8	5,808	5,730	3,804	1,926	2,529	2,325	204	53
54	Other textile-mill products	194	121,963	120,209	82,908	37,301	54,176	49,082	5,094	54
55	Textile-mill products not allocable	22	23,544	23,603	17,276	6,327	10,743	9,808	935	55
56	Apparel and products made from fabrics	741	150,379	151,507	109,110	42,389	65,920	59,723	6,197	56
57	Men's clothing	241	70,676	70,449	51,608	18,838	31,128	28,319	2,809	57
58	Women's clothing	310	50,990	52,313	37,011	15,297	22,296	20,167	2,129	58
59	Millinery	2	54	54	50	4	14	14	-	59
60	Fur goods	8	297	311	258	53	101	91	10	60
61	Other apparel and accessories	37	7,645	7,644	5,690	1,954	3,278	3,010	268	61
62	Other fabricated textile products	130	18,803	18,827	13,473	5,354	8,188	7,363	825	62
63	Apparel and products made from fabrics not allocable	13	1,914	1,909	1,020	889	915	759	156	63
64	Lumber and wood products, except furniture	1,233	410,196	363,136	225,632	137,150	181,625	159,011	22,614	64
65	Logging camps, logging contractors, sawmills, and planing mills	768	265,410	218,254	136,147	81,934	113,405	100,109	13,294	65
66	Millwork, plywood, and prefabricated structural wood products	299	120,244	120,616	72,141	48,294	57,566	49,345	8,221	66
67	Wooden containers	78	11,401	11,273	8,122	3,151	4,883	4,400	483	67
68	Other wood products	88	13,141	12,993	9,222	3,771	5,773	5,157	616	68
69	Furniture and fixtures	651	190,932	188,746	122,513	65,942	88,228	77,452	10,776	69
70	Furniture - household, office, public building, and professional	556	175,464	173,240	113,029	60,211	81,150	71,295	9,855	70
71	Partitions, shelving, lockers; and office and store fixtures	39	5,908	5,964	4,337	1,627	2,581	2,323	258	71
72	Window and door screens, shades, and venetian blinds	51	9,215	9,198	4,899	4,008	4,360	3,712	648	72
73	Other furniture and fixtures	5	345	344	248	96	137	122	15	73
74	Paper and allied products	786	815,585	768,994	528,873	240,122	376,647	335,631	41,016	74
75	Pulp, paper, and paperboard	194	567,653	525,516	371,072	154,444	262,185	234,783	27,402	75
76	Paper bags and paperboard containers and boxes	350	132,995	130,514	87,219	43,296	60,988	54,021	6,967	76
77	Pulp goods and other converted paper products	242	114,937	112,964	70,582	42,382	53,474	46,827	6,647	77
78	Printing, publishing, and allied industries	1,117	378,601	352,557	271,008	81,568	161,267	148,533	12,734	78
79	Newspapers	406	186,556	168,866	135,739	33,121	78,271	73,153	5,118	79
80	Periodicals	89	49,885	46,467	33,662	12,805	22,188	19,920	2,268	80
81	Books	60	26,081	24,522	19,319	5,203	10,739	10,008	731	81
82	Commercial printing, including lithographing	396	82,517	79,858	57,814	22,049	35,595	32,268	3,327	82
83	Other printing and publishing	128	15,539	15,119	11,344	3,775	6,447	5,838	609	83
84	Printing, publishing, and allied industries not allocable	38	18,023	17,745	13,130	4,615	8,027	7,346	681	84

For footnotes, see p. 20.

Table 2. - Corporation income tax returns with excess profits tax liability, 1/ 1950, by major industrial groups and minor industrial groups: Number of returns, net income, excess profits net income, excess profits credit, adjusted excess profits net income, total tax, income tax, and excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/ - Continued	Number of returns	Net income 2/	Excess profits net income 7/	Excess profits credit 8/	Adjusted excess profits net income 9/	Taxes: Total tax	Taxes: Income tax 3/	Taxes: Excess profits tax 4/	
	Manufacturing - Continued									
85	Chemicals and allied products	1,219	2,502,731	2,282,709	1,363,341	919,336	1,151,260	1,000,519	150,741	85
86	Industrial inorganic chemicals	79	125,360	121,590	81,568	40,022	57,887	51,459	6,428	86
87	Industrial organic chemicals, including plastic materials, synthetic rubber, and synthetic fibers	139	853,916	718,123	383,157	334,966	363,177	312,531	50,646	87
88	Drugs and medicines	151	265,814	251,835	171,769	80,066	121,944	108,926	13,018	88
89	Soap and glycerin, cleaning and polishing preparations, etc.	101	137,811	132,584	101,717	30,867	70,532	62,810	7,722	89
90	Paints, varnishes, lacquers, etc.	219	140,612	133,458	84,842	48,616	62,772	56,192	6,580	90
91	Perfumes, cosmetics, and other toilet preparations	54	25,310	23,509	13,808	9,701	11,275	9,835	1,440	91
92	Fertilizers	77	39,029	38,359	28,928	9,431	19,666	17,283	2,383	92
93	Oils and fats, animal and vegetable, except edible cooking oils	83	50,953	51,030	36,647	14,383	24,160	21,753	2,407	93
94	Other chemical products	238	204,646	198,199	112,841	85,326	96,543	83,254	13,289	94
95	Chemicals and allied products not allocable	78	659,280	614,022	348,064	265,958	323,304	276,476	46,828	95
96	Petroleum and coal products	143	580,133	503,377	412,397	90,955	242,260	228,855	13,405	96
97	Petroleum refining	56	492,956	419,057	351,332	67,701	202,859	192,954	9,905	97
98	Other petroleum and coal products	87	87,177	84,320	61,065	23,254	39,401	35,901	3,500	98
99	Rubber products	229	415,731	363,432	211,036	152,396	188,794	166,663	22,131	99
100	Tires and inner tubes	27	332,459	280,762	161,801	118,961	149,811	132,581	17,230	100
101	Other rubber products, including rubberized fabrics and clothing	202	83,272	82,670	49,235	33,435	38,983	34,082	4,901	101
102	Leather and products	303	99,586	99,246	73,221	26,025	43,276	39,742	3,534	102
103	Leather, tanned, curried, and finished	48	9,903	9,871	6,303	3,568	4,401	3,906	495	103
104	Footwear, except rubber	157	72,585	72,201	55,762	16,439	31,317	29,144	2,173	104
105	Other leather products	98	17,098	17,174	11,156	6,018	7,558	6,692	866	105
106	Stone, clay, and glass products	1,047	781,204	741,245	437,898	303,357	367,045	320,317	46,728	106
107	Glass and glass products	92	198,050	194,571	103,508	91,063	96,211	82,377	13,834	107
108	Cement (hydraulic)	57	155,966	150,127	97,777	52,350	73,138	64,842	8,296	108
109	Structural clay products	314	88,605	86,545	56,123	30,422	39,926	35,217	4,709	109
110	Pottery and related products	55	22,051	21,877	14,689	7,188	10,126	8,982	1,144	110
111	Concrete, gypsum, and plaster products	315	123,687	118,337	71,060	47,287	57,593	50,333	7,260	111
112	Cut-stone and stone products	36	5,152	5,146	3,475	1,671	2,247	1,996	251	112
113	Abrasives, asbestos, and other nonmetallic mineral products	178	187,693	164,642	91,266	73,376	87,804	76,570	11,234	113
114	Primary metal industries	917	2,279,386	2,183,364	1,337,522	845,336	1,074,939	942,777	132,162	114
115	Blast furnaces, steel works, and rolling mills	91	1,474,889	1,417,337	876,733	540,604	699,885	615,683	84,202	115
116	Iron and steel foundries	271	116,440	115,455	73,980	40,969	53,957	47,432	6,525	116
117	Smelting, refining, rolling, drawing, and alloying of nonferrous metals	169	492,813	459,507	268,480	191,027	229,251	199,503	29,748	117
118	Nonferrous foundries	157	38,412	38,377	25,721	12,656	17,343	15,422	1,921	118
119	Other primary metal industries	212	141,322	137,465	87,493	49,972	65,809	57,870	7,939	119
120	Primary metal industries not allocable	17	15,510	15,223	5,115	10,108	8,694	6,867	1,827	120
121	Fabricated metal products, except ordnance, machinery, and transportation equipment	2,104	1,013,953	980,349	628,825	351,373	471,844	414,991	56,853	121
122	Tin cans and other tinware	30	96,374	84,868	60,979	23,889	41,323	37,881	3,442	122
123	Cutlery, hand tools, and general hardware	243	154,293	142,187	89,722	52,465	73,653	64,378	9,275	123
124	Heating apparatus (except electrical) and plumbers' supplies	261	193,424	188,571	117,237	71,292	90,626	79,567	11,059	124
125	Fabricated structural metal products	505	155,137	153,342	104,899	48,335	70,540	62,879	7,661	125
126	Metal stamping, coating, and engraving	435	144,908	143,680	94,070	49,611	65,933	58,523	7,410	126
127	Lighting fixtures	69	13,672	13,488	8,399	5,089	6,226	5,441	785	127
128	Fabricated wire products	160	73,775	72,490	45,010	27,480	34,540	30,197	4,343	128
129	Other fabricated metal products	308	132,356	132,925	79,159	53,764	65,649	55,812	9,837	129
130	Fabricated metal products not allocable	93	50,014	48,798	29,350	19,448	23,354	20,313	3,041	130
131	Machinery, except transportation equipment and electrical	1,800	1,634,582	1,592,535	1,067,105	525,203	749,702	670,719	78,983	131
132	Engines and turbines, except automotive, aircraft, and railway	18	37,995	37,569	24,774	12,795	18,041	15,976	2,065	132
133	Agricultural machinery and tractors	109	368,449	357,916	236,696	121,220	165,112	149,668	15,444	133
134	Construction and mining machinery	164	118,865	115,541	78,406	37,135	55,080	48,945	6,135	134
135	Metal-working machinery, including machine tools	416	175,470	172,547	108,841	63,706	83,383	72,344	11,039	135
136	Special industry machinery	264	149,807	142,348	108,534	33,814	66,124	60,375	5,749	136
137	General industry machinery	277	189,483	181,188	130,789	50,399	85,643	77,463	8,180	137
138	Office and store machines	68	170,561	165,378	123,957	41,421	77,462	70,875	6,587	138
139	Service-industry and household machines	140	257,400	255,269	153,312	101,924	120,012	106,392	13,620	139
140	Other machinery parts, and machine shops	265	124,855	123,911	72,066	51,651	59,723	51,478	8,245	140
141	Machinery, except transportation equipment and electrical, not allocable	79	41,697	40,868	29,730	11,138	19,122	17,203	1,919	141
142	Electrical machinery and equipment	711	1,267,950	1,215,751	670,083	545,558	596,668	513,136	83,532	142
143	Electrical generating, transmission, distribution, and industrial apparatus	268	511,209	473,208	265,535	207,673	233,039	201,549	31,490	143
144	Electrical appliances	38	56,927	56,310	31,766	24,544	27,842	23,972	3,870	144
145	Insulated wire and cable	48	44,629	44,308	25,762	18,546	21,753	18,666	3,087	145
146	Electrical equipment for motor vehicles, aircraft, and railway locomotives and cars	28	46,010	43,390	25,178	18,212	21,622	18,920	2,702	146
147	Electric lamps	5	1,313	1,246	942	304	556	510	46	147
148	Radio, radar, and television equipment (except radio tubes), and phonographs	195	342,930	344,460	176,165	168,185	168,409	142,944	25,465	148
149	Other communication equipment and related products	51	51,415	51,823	27,193	24,630	25,252	21,323	3,929	149
150	Other electrical products, including batteries	45	32,012	31,318	20,097	11,221	15,462	13,328	2,134	150
151	Electrical machinery and equipment not allocable	33	181,505	169,688	97,445	72,243	82,733	71,924	10,809	151
152	Transportation equipment, except motor vehicles	137	269,531	263,929	164,055	99,874	125,451	110,352	15,099	152
153	Aircraft and parts, including aircraft engines	71	194,096	190,084	115,086	74,998	87,719	78,512	9,207	153
154	Ship and boat building and repairing	40	25,454	25,305	13,210	12,095	12,465	10,575	1,890	154
155	Railroad equipment, including locomotives and street cars	20	46,963	45,539	33,558	11,981	21,818	19,968	1,850	155
156	Motorcycles, bicycles, and parts	3	2,469	2,453	1,822	631	1,205	1,080	125	156
157	Other transportation equipment, except motor vehicles	3	549	548	379	169	244	217	27	157

For footnotes, see p. 20.

Table 2. - Corporation income tax returns with excess profits tax liability, 1/ 1950, by major industrial groups and minor industrial groups: Number of returns, net income, excess profits net income, excess profits credit, adjusted excess profits net income, total tax, income tax, and excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/ - Continued	Number of returns	Net income 2/	Excess profits net income 7/	Excess profits credit 8/	Adjusted excess profits net income 9/	Taxes: Total tax	Taxes: Income tax 3/	Taxes: Excess profits tax 4/	
	Manufacturing - Continued									
158	Motor vehicles and equipment, except electrical	253	3,258,621	3,136,519	1,453,297	1,683,180	1,602,224	1,350,692	251,532	158
159	Motor vehicles, including bodies and truck trailers	67	2,921,888	2,804,280	1,251,544	1,552,695	1,444,915	1,211,524	233,391	159
160	Motor vehicle parts and accessories, and passenger trailers	186	336,733	332,239	201,753	130,485	157,309	139,168	18,141	160
161	Ordnance and accessories	13	42,033	40,674	22,208	18,466	19,973	17,190	2,783	161
162	Guns, howitzers, mortars, and related equipment, including small arms	7	6,460	6,456	3,965	2,491	3,047	2,670	377	162
163	Small arms ammunition	3	33,220	31,899	16,821	15,078	15,744	13,514	2,230	163
164	Other ordnance and accessories	3	2,353	2,319	1,422	897	1,182	1,006	176	164
165	Scientific instruments; photographic equipment; watches, clocks	258	259,733	247,007	147,494	99,513	121,382	106,453	14,929	165
166	Professional, scientific, and controlling instruments, including photographic and optical goods	246	241,962	229,354	136,255	93,099	113,040	99,067	13,973	166
167	Watches, clocks and clockwork-operated devices	12	17,771	17,653	11,239	6,414	8,342	7,386	956	167
168	Other manufacturing	910	323,399	313,059	204,817	107,850	151,353	132,379	18,974	168
169	Jewelry (precious metal), silverware, plated ware	38	17,503	17,387	13,519	3,868	8,041	7,353	688	169
170	Costume jewelry, except precious metal	14	2,322	2,246	1,709	537	1,028	913	115	170
171	Fabricated plastic products, except plastic materials	170	32,533	32,344	17,703	14,462	15,463	13,005	2,458	171
172	Manufacturing not elsewhere classified	688	271,041	261,062	171,886	88,983	126,821	111,108	15,713	172
173	Public utilities	2,142	1,456,288	1,424,305	1,175,843	247,700	622,749	586,839	35,910	173
174	Transportation	1,661	894,171	872,101	687,688	183,769	388,037	361,612	26,425	174
175	Railroads, railway express	138	473,119	461,540	411,804	49,736	200,315	194,179	6,136	175
176	Urban, suburban, and interurban railways (with or without buses)	4	595	608	470	138	250	230	20	176
177	Trucking and warehousing	1,020	162,725	160,535	101,036	58,866	71,996	63,116	8,880	177
178	Other motor vehicle transportation, including taxicabs and buses	78	13,132	12,756	9,076	3,680	5,587	5,040	547	178
179	Pipe line transportation	46	97,472	95,177	70,232	24,945	44,104	40,310	3,794	179
180	Water transportation	242	102,336	97,552	67,922	29,630	45,048	40,575	4,473	180
181	Air transportation and allied services	8	28,650	28,197	17,341	10,845	13,762	12,069	1,693	181
182	Services incidental to transportation	118	15,507	15,078	9,485	5,593	6,711	5,874	837	182
183	Other transportation	7	635	658	322	336	264	219	45	183
184	Communication	252	51,167	50,812	37,476	13,336	22,007	20,052	1,955	184
185	Telephone (wire or radio)	76	17,280	17,371	15,466	1,905	7,123	6,838	285	185
186	Telegraph (wire and radio)	1	57	46	41	5	16	15	1	186
187	Radio broadcasting and television	175	33,830	33,395	21,969	11,426	14,868	13,199	1,669	187
188	Other communication	-	-	-	-	-	-	-	-	188
189	Electric and gas utilities	196	508,026	498,422	448,242	50,062	211,552	204,104	7,448	189
190	Electric light and power	88	404,050	402,340	365,865	36,358	168,205	162,733	5,472	190
191	Gas production and distribution, except natural gas production	108	103,976	96,082	82,377	13,704	43,347	41,371	1,976	191
192	Other public utilities	33	2,924	2,970	2,437	533	1,153	1,071	82	192
193	Water supply	15	1,690	1,771	1,465	306	688	643	45	193
194	Public utilities not elsewhere classified	18	1,234	1,199	972	227	465	428	37	194
195	Trade	18,665	3,950,367	3,910,840	2,720,897	1,188,765	1,756,327	1,568,931	187,396	195
196	Wholesale	8,363	1,709,474	1,686,169	1,112,445	572,875	767,591	677,922	89,669	196
197	Commission merchants	655	102,704	98,401	61,744	36,655	44,185	38,772	5,413	197
198	Other wholesalers	7,708	1,606,770	1,587,768	1,050,701	536,220	723,406	639,150	84,256	198
199	Food	695	128,662	129,409	90,207	39,147	57,528	51,357	6,171	199
200	Alcoholic beverages	236	93,733	93,631	75,096	18,538	38,398	36,577	1,821	200
201	Apparel and dry goods	412	64,005	65,445	43,455	21,946	28,186	25,155	3,051	201
202	Chemicals, paints, and drugs	323	84,684	83,773	57,370	26,401	41,024	35,662	5,362	202
203	Hardware, electrical goods, plumbing and heating equipment	1,419	347,052	341,566	230,897	110,589	157,882	140,046	17,836	203
204	Lumber, millwork, and construction materials	910	115,264	113,942	76,039	37,814	50,322	44,229	6,093	204
205	Machinery and equipment	807	167,161	162,703	117,506	45,206	72,655	65,575	7,080	205
206	Farm products (raw materials)	278	61,408	60,614	34,760	25,851	28,064	24,153	3,911	206
207	Wholesalers not elsewhere classified	2,433	504,902	496,713	299,069	197,058	231,069	200,373	30,696	207
208	Wholesalers not allocable	195	39,899	39,972	26,302	13,670	18,278	16,023	2,255	208
209	Retail	9,229	2,084,439	2,070,874	1,499,740	570,359	920,547	830,138	90,409	209
210	Food	521	248,464	244,815	188,267	56,491	112,105	102,473	9,632	210
211	General merchandise	524	936,412	923,852	675,103	248,749	431,590	389,099	42,491	211
212	Department stores	347	785,953	776,269	550,516	225,753	366,263	327,364	38,899	212
213	Mail-order houses	25	12,098	11,942	7,644	4,298	5,543	4,940	603	213
214	Variety stores	60	123,400	121,636	106,282	15,354	53,577	51,157	2,420	214
215	Other general merchandise	92	14,961	14,005	10,661	3,344	6,207	5,638	569	215
216	Apparel and accessories	429	57,759	54,972	43,536	11,417	22,970	21,233	1,737	216
217	Furniture and house furnishings	611	53,630	55,659	43,689	11,920	21,725	19,869	1,856	217
218	Automotive dealers and filling stations	4,785	548,200	555,605	376,643	178,544	232,950	208,264	24,686	218
219	Automobiles and trucks	4,542	490,381	498,436	348,447	149,571	207,464	185,288	22,176	219
220	Parts, accessories, tires, batteries	153	25,873	26,023	16,611	9,412	11,667	10,225	1,442	220
221	Filling stations	90	31,946	31,146	11,585	19,561	13,819	12,751	1,068	221
222	Drug stores	79	21,854	19,007	15,496	3,511	8,320	7,797	523	222
223	Eating and drinking places	186	20,798	20,198	15,076	5,108	8,304	7,631	673	223
224	Building materials and hardware	1,448	132,328	131,045	93,947	36,995	54,692	48,953	5,739	224
225	Lumber and building materials	1,246	114,202	112,424	81,256	31,065	47,022	42,176	4,846	225
226	Hardware and farm equipment	202	18,126	18,621	12,691	5,930	7,670	6,777	893	226
227	Other retail trade	646	64,994	65,721	47,983	17,624	27,891	24,819	3,072	227
228	Liquor stores	8	483	491	372	119	186	172	14	228
229	Jewelry stores	81	9,632	10,400	7,340	3,060	4,436	3,851	585	229
230	Other retail stores	408	40,078	39,912	29,803	10,109	17,009	15,224	1,785	230
231	Retail trade not allocable	149	14,801	14,918	10,468	4,336	6,260	5,572	688	231
232	Trade not allocable	1,073	156,454	153,797	108,712	45,531	68,189	60,871	7,318	232
233	Finance, insurance, real estate, and lessors of real property	7,122	1,192,108	1,155,807	862,281	292,752	485,359	443,732	41,627	233
234	Finance	3,802	725,728	708,548	561,331	146,809	294,291	272,392	21,899	234
235	Banks and trust companies	3,066	480,743	462,608	364,768	97,839	191,068	176,273	14,795	235
236	Credit agencies other than banks	596	202,441	214,341	174,819	39,115	88,959	83,272	5,687	236
237	Personal credit agencies	459	72,168	70,097	58,003	12,094	29,476	27,713	1,763	237
238	Business credit agencies	57	122,109	134,971	109,756	24,808	56,160	52,505	3,655	238
239	Other credit agencies	49	4,845	5,385	4,217	1,168	1,985	1,826	159	239
240	Credit agencies and finance not allocable	51	3,319	3,888	2,843	1,045	1,338	1,228	110	240

For footnotes, see p. 20.

Table 2. - Corporation income tax returns with excess profits tax liability, 1/ 1950, by major industrial groups and minor industrial groups: Number of returns, net income, excess profits net income, excess profits credit, adjusted excess profits net income, total tax, income tax, and excess profits tax - Continued

(Money figures in thousands of dollars)

	Major industrial groups and minor industrial groups 5/ - Continued	Number of returns	Net income 2/	Excess profits net income 7/	Excess profits credit 8/	Adjusted excess profits net income 9/	Taxes: Total tax	Taxes: Income tax 3/	Taxes: Excess profits tax 4/	
	Finance, insurance, real estate, and lessors of real property - Continued									
	Finance - Continued									
241	Holding and other investment companies	51	28,698	18,466	13,609	4,857	8,759	8,082	677	241
242	Operating-holding companies	11	13,142	3,265	2,256	1,009	1,998	1,881	117	242
243	Other investment and holding companies	40	15,556	15,201	11,353	3,848	6,761	6,201	560	243
244	Security and commodity-exchange brokers and dealers	89	13,846	13,133	8,135	4,998	5,505	4,765	740	244
245	Insurance carriers and agents	465	184,550	157,241	101,159	55,927	74,897	67,012	7,885	245
246	Insurance carriers	188	159,996	133,475	84,010	49,463	65,129	58,198	6,931	246
247	Life insurance companies	1	137	49	42	6	23	22	1	247
248	Mutual insurance, except life or marine or fire insurance companies issuing perpetual policies	2	310	61	54	6	45	44	1	248
249	Other insurance carriers	185	159,549	133,365	83,914	49,451	65,061	58,132	6,929	249
250	Insurance agents and brokers	277	24,554	23,766	17,149	6,464	9,768	8,814	954	250
251	Real estate, except lessors of real property other than buildings	2,731	230,432	241,630	161,701	79,718	94,163	83,797	10,366	251
252	Real estate operators, including lessors of buildings	1,423	111,300	114,011	94,128	19,892	43,117	39,984	3,133	252
253	Developers of real property, including traders on own account	1,035	95,627	104,994	52,801	51,976	41,680	35,623	6,057	253
254	Real estate agents, brokers, and managers	90	5,503	5,444	3,755	1,689	2,142	1,887	255	254
255	Title abstract companies	68	9,895	8,969	5,656	3,313	4,045	3,536	509	255
256	Other real estate, except lessors of real property other than buildings	115	8,107	8,212	5,361	2,848	3,179	2,767	412	256
257	Lessors of real property, except buildings	124	51,398	48,388	38,090	10,298	22,008	20,531	1,477	257
258	Agricultural, forest, and similar properties	15	1,116	968	589	379	388	336	52	258
259	Mining, oil, and similar properties	92	44,458	42,580	33,362	9,218	19,188	17,875	1,313	259
260	Railroad property	3	2,496	2,355	2,031	324	1,034	985	49	260
261	Public-utility property	3	2,902	2,071	1,757	314	1,261	1,208	53	261
262	Other real property, except buildings	11	426	414	351	63	137	127	10	262
263	Services	1,757	259,472	254,808	190,322	64,133	109,593	99,933	9,660	263
264	Hotels and other lodging places	243	47,920	47,344	38,606	8,738	20,010	18,666	1,344	264
265	Personal services	263	26,388	26,107	20,543	5,564	10,497	9,740	757	265
266	Laundries, cleaners, and dyers	182	21,893	21,755	17,051	4,702	8,886	8,257	629	266
267	Photographic studios, including commercial photography	13	794	774	612	162	296	266	30	267
268	Other personal services	68	3,701	3,580	2,880	700	1,315	1,217	98	268
269	Business services	514	97,989	95,412	69,664	25,703	42,355	38,326	4,029	269
270	Advertising	189	54,004	52,557	39,306	13,251	23,508	21,482	2,026	270
271	Other business services	325	43,985	42,855	30,358	12,452	18,847	16,844	2,003	271
272	Automotive repair services and garages	146	11,513	10,607	7,980	2,627	4,442	4,042	400	272
273	Miscellaneous repair services, hand trades	48	9,351	9,382	7,321	2,061	4,032	3,728	304	273
274	Motion pictures	215	21,347	20,944	15,184	5,728	8,787	7,994	793	274
275	Motion picture production	44	8,951	8,692	6,030	2,662	4,013	3,630	383	275
276	Motion picture theaters	171	12,396	12,252	9,154	3,066	4,774	4,364	410	276
277	Amusement, except motion pictures	96	19,579	19,569	14,290	5,003	8,751	7,918	813	277
278	Other services, including schools	232	25,385	25,443	16,734	8,709	10,739	9,519	1,220	278
279	Nature of business not allocable	33	2,465	2,403	1,573	830	1,028	889	139	279

For footnotes, see p. 20.

Table 3. - Corporation income tax returns, 1/ 1950 - Part I, all returns, by net income and deficit classes: Number of returns, net income or deficit, total tax, income tax, and excess profits tax; Part II, returns with excess profits tax liability, by net income classes and by method of credit computation: Number of returns, net income, excess profits net income, excess profits credit, adjusted excess profits net income, total tax, income tax, and excess profits tax

PART I. - ALL RETURNS

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

Net income classes 2/	Returns with net income 2/				
	Number of returns	Net income 2/	Taxes		
			Total tax	Income tax 3/	Excess profits tax 4/
Under 1	79,480	32,728	6,206	6,202	4
1 under 2	39,817	58,241	11,323	11,323	-
2 under 3	28,066	69,310	13,867	13,864	3
3 under 4	21,688	75,297	15,374	15,374	-
4 under 5	17,712	79,431	16,395	16,395	-
5 under 10	57,805	416,988	88,687	88,656	31
10 under 15	34,087	419,362	91,572	91,515	57
15 under 20	25,115	436,028	97,021	96,863	158
20 under 25	24,616	553,705	126,244	125,837	407
25 under 50	37,059	1,290,851	375,383	354,851	20,532
50 under 100	24,141	1,687,955	616,547	571,820	44,727
100 under 250	18,490	2,866,972	1,148,078	1,062,707	85,371
250 under 500	7,201	2,492,221	1,027,925	951,017	76,908
500 under 1,000	3,980	2,769,486	1,148,071	1,060,277	87,794
1,000 under 5,000	3,426	7,113,720	2,921,252	2,706,107	215,145
5,000 under 10,000	472	3,275,777	1,331,721	1,233,571	98,150
10,000 and over	522	20,448,676	8,260,594	7,504,400	756,194
Total	423,677	44,086,748	17,296,260	15,910,779	1,385,481

Deficit classes 2/	Returns with no net income 2/	
	Number of returns	Deficit 2/
Under 1	90,574	26,938
1 under 2	26,023	37,729
2 under 3	15,975	39,328
3 under 4	11,025	38,243
4 under 5	8,100	36,256
5 under 10	21,381	150,989
10 under 15	9,150	111,411
15 under 20	4,910	84,661
20 under 25	2,859	63,772
25 under 50	5,633	193,951
50 under 100	2,624	180,770
100 under 250	1,178	175,355
250 under 500	270	91,799
500 under 1,000	124	86,437
1,000 under 5,000	61	114,018
5,000 under 10,000	1	5,003
10,000 and over	5	69,458
Total	199,893	1,506,118
No income data (inactive corporations)	36,095	-
Grand total	659,665	-

For footnotes, see p. 20.

Table 3. - Corporation income tax returns, 1/ 1950 - Part I, all returns, by net income and deficit classes: Number of returns, net income or deficit, total tax, income tax, and excess profits tax; Part II, returns with excess profits tax liability, by net income classes and by method of credit computation: Number of returns, net income, excess profits net income, excess profits credit, adjusted excess profits net income, total tax, income tax, and excess profits tax - Continued

PART II. - RETURNS WITH EXCESS PROFITS TAX LIABILITY
(Net income classes and money figures in thousands of dollars)

Net income classes 2/	Number of returns	Net income 2/	Excess profits net income 7/	Excess profits credit 8/	Adjusted excess profits net income 9/	Taxes		
						Total tax	Income tax 3/	Excess profits tax 4/
AGGREGATE 10/								
Under 1	1	-	134	108	26	4	-	4
1 under 2	-	-	-	-	-	-	-	-
2 under 3	2	4	86	55	31	4	1	3
3 under 4	1	3	36	25	11	1	1	-
4 under 5	3	12	115	95	20	3	3	-
5 under 10	51	369	2,232	1,602	626	128	97	31
10 under 15	61	745	2,450	1,688	752	247	190	57
15 under 20	165	2,855	6,560	4,464	2,089	847	689	158
20 under 25	629	14,350	21,505	16,813	4,691	3,946	3,539	407
25 under 50	16,909	595,735	613,669	475,215	138,128	194,477	173,945	20,532
50 under 100	12,477	876,268	881,735	592,848	288,179	358,288	313,561	44,727
100 under 250	10,468	1,635,417	1,624,342	1,076,813	546,173	724,032	638,661	85,371
250 under 500	4,279	1,482,851	1,463,776	972,724	489,688	676,977	600,069	76,908
500 under 1,000	2,402	1,665,477	1,638,244	1,079,348	558,056	770,910	683,116	87,794
1,000 under 5,000	2,122	4,466,521	4,305,233	2,931,587	1,372,847	2,045,179	1,830,034	215,145
5,000 under 10,000	297	2,058,515	1,966,032	1,360,715	605,317	950,238	852,088	98,150
10,000 and over	333	14,037,816	13,104,971	8,135,235	4,968,869	6,472,242	5,716,048	756,194
Total	50,200	26,834,918	25,631,120	16,649,335	8,975,503	12,197,523	10,812,042	1,385,481
INCOME METHOD - GENERAL AVERAGE								
Under 1	1	-	134	108	26	4	-	4
1 under 2	-	-	-	-	-	-	-	-
2 under 3	-	-	-	-	-	-	-	-
3 under 4	-	-	-	-	-	-	-	-
4 under 5	-	-	-	-	-	-	-	-
5 under 10	8	62	562	478	80	22	18	4
10 under 15	3	55	139	100	29	12	11	1
15 under 20	12	216	541	449	92	64	54	10
20 under 25	33	760	1,382	1,165	217	207	191	16
25 under 50	4,611	179,082	181,869	149,038	32,862	59,814	54,867	4,947
50 under 100	7,139	507,353	506,778	372,796	133,985	203,678	182,438	21,240
100 under 250	6,776	1,064,086	1,054,372	739,888	315,073	467,411	417,006	50,405
250 under 500	2,857	987,843	974,235	676,955	297,278	449,062	401,016	48,046
500 under 1,000	1,574	1,090,785	1,070,866	726,655	343,888	503,100	448,300	54,800
1,000 under 5,000	1,378	2,925,757	2,815,482	1,950,647	864,654	1,338,545	1,201,916	136,629
5,000 under 10,000	207	1,438,870	1,372,756	939,113	433,643	667,981	597,419	70,562
10,000 and over	242	11,138,251	10,319,417	6,153,790	4,165,285	5,148,730	4,515,808	632,922
Total	24,841	19,333,100	18,298,533	11,711,182	6,587,112	8,838,630	7,819,044	1,019,586
INCOME METHOD - ALTERNATIVE BASED ON GROWTH								
Under 1	-	-	-	-	-	-	-	-
1 under 2	-	-	-	-	-	-	-	-
2 under 3	-	-	-	-	-	-	-	-
3 under 4	-	-	-	-	-	-	-	-
4 under 5	-	-	-	-	-	-	-	-
5 under 10	1	9	109	67	42	5	4	1
10 under 15	1	12	73	42	31	5	3	2
15 under 20	4	64	316	174	142	23	15	8
20 under 25	4	87	403	270	133	30	24	6
25 under 50	578	22,875	24,667	19,229	5,425	7,876	7,105	771
50 under 100	1,465	106,329	107,183	74,433	32,751	43,676	38,651	5,025
100 under 250	1,736	275,390	274,473	180,567	93,906	122,780	108,197	14,583
250 under 500	795	280,470	276,238	179,942	96,302	128,593	113,665	14,928
500 under 1,000	486	335,951	334,129	213,273	120,856	158,454	138,969	19,485
1,000 under 5,000	429	899,866	886,445	576,518	309,927	422,642	373,382	49,260
5,000 under 10,000	49	336,518	332,768	213,749	119,019	160,208	141,030	19,178
10,000 and over	24	481,499	478,138	282,878	195,260	228,109	199,724	28,385
Total	5,572	2,739,070	2,714,942	1,741,142	973,794	1,272,401	1,120,769	151,632
INCOME METHOD - INDUSTRY RATE OF RETURN								
Under 1	-	-	-	-	-	-	-	-
1 under 2	-	-	-	-	-	-	-	-
2 under 3	1	2	59	30	29	3	-	3
3 under 4	-	-	-	-	-	-	-	-
4 under 5	-	-	-	-	-	-	-	-
5 under 10	-	-	-	-	-	-	-	-
10 under 15	3	37	171	108	63	15	11	4
15 under 20	4	68	375	155	220	26	17	9
20 under 25	14	306	890	495	395	107	85	22
25 under 50	449	17,528	20,057	14,638	5,419	6,249	5,522	727
50 under 100	714	50,970	53,062	30,826	22,232	21,719	18,497	3,222
100 under 250	656	100,168	98,884	48,102	50,726	46,494	38,917	7,577
250 under 500	239	81,698	79,761	38,746	41,015	39,037	32,933	6,104
500 under 1,000	113	78,619	75,589	39,138	36,451	37,741	32,129	5,612
1,000 under 5,000	92	194,628	187,718	114,224	73,494	91,202	80,125	11,077
5,000 under 10,000	15	108,599	102,054	75,920	26,134	48,961	44,933	4,028
10,000 and over	32	1,528,580	1,442,897	960,792	482,105	715,988	636,936	79,052
Total	2,332	2,161,003	2,061,517	1,323,174	738,283	1,007,542	890,105	117,437

For footnotes, see p. 20.

Table 3. - Corporation income tax returns, 1/ 1950 - Part I, all returns, by net income and deficit classes: Number of returns, net income or deficit, total tax, income tax, and excess profits tax; Part II, returns with excess profits tax liability, by net income classes and by method of credit computation: Number of returns, net income, excess profits net income, excess profits credit, adjusted excess profits net income, total tax, income tax, and excess profits tax - Continued

PART II. - RETURNS WITH EXCESS PROFITS TAX LIABILITY - Continued
(Net income classes and money figures in thousands of dollars)

Net income classes 2/	Number of returns	Net income 2/	Excess profits net income 7/	Excess profits credit 8/	Adjusted excess profits net income 9/	Taxes: Total tax	Taxes: Income tax 3/	Taxes: Excess profits tax 4/
INVESTED CAPITAL METHOD - ASSETS								
Under 1	-	-	-	-	-	-	-	-
1 under 2	-	-	-	-	-	-	-	-
2 under 3	-	-	-	-	-	-	-	-
3 under 4	-	-	-	-	-	-	-	-
4 under 5	1	4	45	45	-	1	1	-
5 under 10	1	7	35	32	3	2	2	-
10 under 15	9	113	378	313	65	34	29	5
15 under 20	10	178	373	307	59	49	43	6
20 under 25	45	1,013	1,743	1,531	212	256	236	20
25 under 50	976	36,970	41,113	34,053	7,060	12,143	11,070	1,073
50 under 100	1,030	72,047	75,382	55,998	19,358	28,241	25,156	3,085
100 under 250	748	115,697	117,663	78,999	38,659	49,963	43,919	6,044
250 under 500	252	86,502	87,135	57,299	29,833	38,661	34,021	4,640
500 under 1,000	150	104,769	101,443	68,876	32,567	46,059	41,356	4,703
1,000 under 5,000	135	265,398	246,580	168,620	77,961	113,739	102,544	11,195
5,000 under 10,000	8	52,163	44,221	32,865	11,356	21,449	19,360	2,089
10,000 and over	5	158,864	164,532	121,557	42,568	69,942	65,541	4,401
Total	3,370	893,725	880,643	620,495	259,681	380,519	343,258	37,261
INVESTED CAPITAL METHOD - HISTORICAL								
Under 1	-	-	-	-	-	-	-	-
1 under 2	-	-	-	-	-	-	-	-
2 under 3	-	-	-	-	-	-	-	-
3 under 4	-	-	-	-	-	-	-	-
4 under 5	-	-	-	-	-	-	-	-
5 under 10	-	-	-	-	-	-	-	-
10 under 15	-	-	-	-	-	-	-	-
15 under 20	1	15	30	29	1	3	3	-
20 under 25	7	155	219	183	36	43	37	6
25 under 50	99	3,573	3,826	3,263	563	1,087	1,002	85
50 under 100	135	9,411	9,793	7,482	2,311	3,572	3,221	351
100 under 250	112	17,829	17,813	13,481	4,332	7,376	6,697	679
250 under 500	49	17,362	17,207	11,248	5,959	7,508	6,717	791
500 under 1,000	38	27,008	26,217	18,691	7,526	11,898	10,843	1,055
1,000 under 5,000	40	70,431	62,051	43,317	18,734	29,939	26,930	3,009
5,000 under 10,000	1	6,352	4,049	2,963	1,086	2,145	1,981	164
10,000 and over	3	55,811	44,421	27,158	17,263	26,384	23,773	2,611
Total	485	207,947	185,626	127,815	57,811	89,955	81,204	8,751
INVESTED CAPITAL METHOD - REGULATED PUBLIC UTILITIES								
Under 1	-	-	-	-	-	-	-	-
1 under 2	-	-	-	-	-	-	-	-
2 under 3	-	-	-	-	-	-	-	-
3 under 4	-	-	-	-	-	-	-	-
4 under 5	-	-	-	-	-	-	-	-
5 under 10	-	-	-	-	-	-	-	-
10 under 15	-	-	-	-	-	-	-	-
15 under 20	-	-	-	-	-	-	-	-
20 under 25	-	-	-	-	-	-	-	-
25 under 50	7	269	337	283	54	85	80	5
50 under 100	35	2,716	2,660	1,578	1,082	1,116	958	158
100 under 250	54	8,827	8,663	5,680	2,983	3,855	3,410	445
250 under 500	29	10,116	9,999	6,627	3,372	4,631	4,108	523
500 under 1,000	21	14,853	15,268	10,129	5,128	6,806	6,061	745
1,000 under 5,000	40	97,191	96,542	77,723	18,200	42,529	39,840	2,689
5,000 under 10,000	17	116,213	110,184	96,105	14,079	49,494	47,365	2,129
10,000 and over	27	674,811	655,566	589,060	66,388	283,089	274,266	8,823
Total	230	924,996	899,219	787,185	111,286	391,605	376,088	15,517
MINIMUM CREDIT METHOD								
Under 1	-	-	-	-	-	-	-	-
1 under 2	-	-	-	-	-	-	-	-
2 under 3	1	2	27	25	2	1	1	-
3 under 4	1	3	36	25	11	1	1	-
4 under 5	2	8	70	50	20	2	2	-
5 under 10	41	291	1,526	1,025	501	99	73	26
10 under 15	45	548	1,689	1,125	564	181	136	45
15 under 20	134	2,314	4,925	3,350	1,575	682	557	125
20 under 25	522	11,933	16,724	13,050	3,673	3,275	2,942	333
25 under 50	10,146	331,813	339,752	253,638	86,160	106,640	93,797	12,843
50 under 100	1,912	124,277	123,745	47,827	75,915	55,032	43,512	11,520
100 under 250	363	50,133	49,216	9,075	40,131	24,584	19,189	5,395
250 under 500	48	15,758	16,062	1,200	14,862	7,982	6,326	1,656
500 under 1,000	14	9,448	10,801	350	10,451	4,967	3,822	1,145
1,000 under 5,000	7	11,051	8,216	175	8,041	5,187	4,242	945
5,000 under 10,000	-	-	-	-	-	-	-	-
10,000 and over	-	-	-	-	-	-	-	-
Total	13,236	557,579	572,789	330,915	241,906	208,633	174,600	34,033

For footnotes, see p. 20.

Table 4. - Corporation returns, 1/ 1940-1950: Historical summary of selected items from income and declared value excess-profits tax returns, and excess profits tax returns

(Money figures in thousands of dollars)

		1950 11/	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	
	INCOME AND DECLARED VALUE EXCESS-PROFITS TAX RETURNS												
	All income and declared value excess-profits tax returns:												
1	Number (excluding returns of inactive corporations)	623,570	614,842	594,243	551,807	491,152	421,125	412,467	420,521	442,665	468,906	473,042	1
2	Net income less deficit 2/	42,580,630	28,194,837	34,425,024	31,422,728	25,192,886	21,138,957	26,304,481	27,819,245	23,051,611	16,332,542	8,919,429	2
3	Total tax liability	17,296,260	9,817,308	11,920,260	10,981,482	8,874,840	10,794,750	14,884,050	15,925,582	12,256,396	7,167,902	2,548,546	3
4	Income tax	15,910,779	9,817,308	11,920,260	10,981,482	8,606,695	4,182,705	4,353,620	17/4,479,166	17/4,337,728	18/3,744,568	19/2,144,292	4
5	Declared value excess-profits tax	-	-	-	-	(15)	55,039	98,668	154,934	66,854	64,149	20/30,744	5
6	Excess profits tax 4/ 12/	1,385,481	-	-	-	268,145	6,557,006	10,431,762	11,291,483	7,851,814	3,359,186	373,511	6
7	Dividends paid in cash and assets other than own stock	11,758,517	9,569,092	9,386,475	8,365,046	7,496,733	6,080,766	6,057,043	5,727,676	5,607,085	6,700,787	6,088,781	7
	Returns with net income: 2/												
8	Number	423,677	384,772	395,860	382,531	359,310	303,019	288,904	283,735	269,942	264,628	220,977	8
9	Net income 2/	44,086,748	30,576,517	36,273,250	33,381,291	27,184,592	22,165,206	27,123,741	28,717,966	24,052,358	18,111,095	11,203,224	9
10	Total tax liability	17,296,260	9,817,308	11,920,260	10,981,482	8,874,840	10,794,750	14,884,050	15,925,582	12,256,396	7,167,902	2,548,546	10
11	Income tax	15,910,779	9,817,308	11,920,260	10,981,482	8,606,695	4,182,705	4,353,620	17/4,479,166	17/4,337,728	18/3,744,568	19/2,144,292	11
12	Declared value excess-profits tax	-	-	-	-	(15)	55,039	98,668	154,934	66,854	64,149	20/30,744	12
13	Excess profits tax 4/ 12/	1,385,481	-	-	-	268,145	6,557,006	10,431,762	11,291,483	7,851,814	3,359,186	373,511	13
14	Dividends paid in cash and assets other than own stock	11,640,757	9,409,065	9,278,836	8,222,121	7,241,416	5,917,615	5,968,526	5,631,023	5,490,167	6,518,177	5,888,325	14
	Returns with no net income: 2/												
15	Number	199,893	230,070	198,383	169,276	131,842	118,106	123,563	136,786	172,723	204,278	252,065	15
16	Deficit 2/	1,506,118	2,381,680	1,848,226	1,958,563	1,991,706	1,026,250	819,260	898,722	1,000,746	1,778,553	2,283,795	16
17	Dividends paid in cash and assets other than own stock	117,760	160,027	107,639	142,925	255,317	163,152	88,517	96,653	116,918	182,610	200,457	17
	Returns of inactive corporations:												
18	Number	36,095	35,115	36,427	35,876	35,211	33,335	34,329	35,373	37,012	40,160	43,741	18
	EXCESS PROFITS TAX RETURNS												
	Returns with excess profits tax:												
19	Number	50,200	-	-	-	11,053	52,097	55,912	68,202	54,002	42,412	13,440	19
20	Excess profits net income 7/ 13/	25,631,120	-	-	-	2,191,222	14,165,367	20,471,652	22,306,883	17,084,370	12,072,516	2,997,937	20
21	Adjusted excess profits net income 9/ 14/	8,975,503	-	-	-	1,474,490	8,367,927	16/12,935,510	14,552,878	10,494,667	6,334,864	911,603	21
22	Excess profits tax	(See line 13 above)											22

For footnotes, see p. 20.

Footnotes for tables in this release

1/ The information contained in this release is compiled from the returns as filed, prior to revisions that may be made as a result of audit by the Bureau of Internal Revenue. Data are likewise prior to any other changes made after the returns were filed, as the result of carry-backs and, for 1940 through 1945, relief granted under section 722 of the Internal Revenue Code as applicable to those years, recomputation of amortization of emergency facilities, or the renegotiation of war contracts. The effect of renegotiation settlements reached after the returns were filed is shown in special tabulations which appear in the complete reports, "Statistics of Income, Part 2," for each of the years 1942 through 1945.

2/ "Net income" or "Deficit" for 1946-50 is the difference between the total income and the total deductions reported, exclusive of the net operating loss deduction; for 1944 and 1945 is the amount reported for declared value excess-profits tax computation, adjusted by excluding net operating loss deduction and adding Government interest subject to surtax only and excess of net long-term capital gain over net short-term capital loss; for 1940-43 is the amount reported for declared value excess-profits tax computation, adjusted by excluding net operating loss deduction. Net income or deficit as here defined is the basis for classification of the returns by those with net income and those with no net income.

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

4/ The excess profits tax, imposed by the Excess Profits Tax Act of 1950, takes effect as of July 1, 1950. The tax is imposed on the adjusted excess profits net income at the rate of 30 percent. The aggregate income and excess profits taxes are limited to a 62 percent ceiling rate, applied to the corporation's excess profits net income. For taxable years beginning before and ending after July 1, 1950, (including the calendar year 1950), corporations pay a prorated amount of excess profits tax, depending on the number of days in the portion of the taxable year subsequent to June 30, 1950.

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

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

7/ The excess profits net income for taxable year ending after June 30, 1950, is obtained from the net income by eliminating or adjusting special items of income and deductions, consisting principally of the exclusion of capital gains and losses, both long- and short-term, and dividends received from domestic corporations.

8/ The excess profits credit is the rule, established by law, for determining that portion of the corporation's net income, if any, which is to be subjected to excess profits tax. For methods of excess profits credit computation, see pp. 5-7.

9/ The adjusted excess profits net income for 1950 is the excess profits net income less the excess profits credit. For part year returns, the amounts of excess profits net income and adjusted excess profits net income have been placed on an annual basis.

10/ Data from incomplete returns showing (1) excess profits tax liability but no excess profits tax schedule or (2) an excess profits tax credit in excess of $25,000 with credit method not shown are included in aggregate only.

11/ Preliminary.

12/ The excess profits tax shown for the years 1940-46 was that imposed by section 710 of the Internal Revenue Code. This section was added by the Second Revenue Act of 1940, effective for taxable years beginning after December 31, 1939, and was amended by later acts. The amount of excess profits tax tabulated for 1940 is the liability reported on corporation excess profits tax returns (item 32, page 1, Form 1121) for the calendar year 1940 and for fiscal years beginning in 1940 with the greater part of the accounting period in 1940. The amount tabulated for 1941 is the excess profits tax deduction (item 35, page 1, Form 1120 for 1941) allowed in the computation of normal-tax net income, except that for fiscal years beginning in 1940, with the greater part of the accounting period in 1941, there is tabulated the amount of excess profits tax liability (item 32, page 1, Form 1121 for 1940). The amount tabulated for the years 1942 through 1944 is the excess profits tax liability reported on corporation excess profits tax returns, less the credit for debt retirement and the net post-war refund. For 1945 and 1946 the amount tabulated is the excess profits tax reported on corporation excess profits tax returns, less the 10 percent credit. Effective January 1, 1946, the corporate excess profits tax was repealed by the Revenue Act of 1945. The amount of tax shown for 1946 is limited to 11,053 taxable excess profits tax returns, filed for fiscal years ending within the period July through November 1946, on which an excess profits tax liability is reported for the portion of the accounting period in 1945. The amounts for 1943-46 are before the amount deferred under section 710(a) (5) (relating to abnormalities under section 722) and after any adjustments reported on the returns under other relief provisions. The amount for 1942 is after both the section 710(a) (5) deferment and any adjustments reported on the returns under other relief provisions. For all years, the amount tabulated is before deduction of credit for tax paid to foreign countries or United States possessions.

13/ The excess profits net income for 1942 through 1945 is obtained from the normal-tax net income (computed without allowance of credit for income subject to excess profits tax and without allowance of dividends received credit) by making certain adjustments, consisting principally of the exclusion of long-term capital gains and losses, and dividends received from domestic corporations.

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

14/ The adjusted excess profits net income, as reported on Form 1121, for the years 1940-46 is the excess profits net income less the sum of the specific exemption, excess profits credit, and unused excess profits credit adjustment. For part year returns, the amounts of excess profits net income and adjusted excess profits net income have been placed on an annual basis.

15/ The declared value excess-profits tax was repealed, effective with respect to income-tax taxable years ending after June 30, 1946.

16/ The total amount of adjusted excess profits net income for 1944 does not include a deficit of $6,579,233 reported on 2,556 taxable excess profits tax returns with no adjusted excess profits net income.

17/ "Income tax" for the years 1942 and 1943 consists of normal tax, surtax, and for taxable years beginning after December 31, 1941, alternative tax reported in lieu of normal tax and surtax where the income includes an excess of net long-term capital gain over net short-term capital loss, if and only if such tax is less than the normal tax and surtax. Tabulated with the income tax for returns with net income is a small amount of tax reported on returns with no net income, under the special provisions applicable to certain mutual insurance companies, other than life or marine, or where receipts for the taxable year include interest on obligations of certain instrumentalities of the United States, subject to surtax only.

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

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

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

21/ The net operating loss deduction tabulated herein is the amount originally reported, consisting only of the net operating loss carry-over reduced by certain adjustments, and does not take into account whatever revisions may subsequently be made as the result of any carry-back of net operating loss from the succeeding tax year. For any taxable year beginning after December 31, 1941, and before January 1, 1950, a net operating loss could be carried back to the two preceding taxable years and could be included in computing the net operating loss deduction for each such preceding taxable year. The net operating loss for any such taxable year was first used as a carry-back and, to the extent not so used, could be used as a carry-over to (a) the two succeeding years if the net operating loss occurred in a taxable year beginning prior to January 1, 1948, or (b) the three succeeding years if the net operating loss occurred in a taxable year beginning after December 31, 1947, and before January 1, 1950. Effective for taxable years beginning after December 31, 1949, in which losses occur, provision is made to reduce the carry-back of net operating loss to one year and to lengthen the carry-forward to five years.

the Western Grain and Feed Co. and the Western Grain Co. of Bismarck, N.D. He is a director of the Chamber of Commerce of the United States representing District VIII, and a member of its agriculture and education committees. He is a past president of the Fargo Chamber of Commerce. A former member of the executive council of the American Bankers Association, he is now on the ABA federal legislation committee. He is county director of the Greater North Dakota Association; director of the Fargo Emergency Housing Corporation; treasurer and trustee of the North Dakota Agricultural College Memorial Foundation; trustee of St. Mary's Hall, Episcopal school for girls at Faribault, Minn.; and was regional director of the North Dakota State Savings Bonds Advisory Committee when he was appointed chairman.

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Release Morning Newspapers
Thursday, January 14, 1953

H-125

Secretary of the Treasury Humphrey today announced the appointment of Clarke Bassett, banker, of Fargo, N.D., as State Chairman of the United States Savings Bonds Advisory Committee for North Dakota.

Mr. Bassett succeeds LeRoy Pease, of Fargo, executive secretary of the Greater North Dakota Association, who resigned as chairman because of the pressure of other work. Secretary Humphrey, accepting his resignation reluctantly, expressed the warm appreciation of the Treasury for the time and effort he had contributed to the bond program since 1941.

Clarke Bassett was born November 8, 1898, at Minneapolis. He is a graduate of Lake Forest Academy, Illinois, and of Dartmouth College. He was married in 1923 to Marjorie Milligan of Aberdeen, S. D., a graduate of Sweet Briar College. Their three children are: Mrs. E. A. Simonson of Fargo; Mrs. Edwin L. Price, a senior at the University of Arizona, and Clarke Bassett, Jr., Lieutenant, j.g., U.S. Navy, a Dartmouth graduate of 1950.

From 1921 to 1931, Mr. Bassett was associated in banking in South Dakota with his father, John C. Bassett, who was a director of the Federal Reserve Bank of Minneapolis and president of the Aberdeen National Bank during that period.

Clarke Bassett is now president and director of the Merchants National Bank and Trust Co. of Fargo, N. D., president of the First National Bank of Lidgerwood, N.D., and director of

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, May 14, 1953.

H-125

Secretary of the Treasury Humphrey today announced the appointment of Clarke Bassett, banker, of Fargo, N.D., as State Chairman of the United States Savings Bonds Advisory Committee for North Dakota.

Mr. Bassett succeeds LeRoy Pease, of Fargo, executive secretary of the Greater North Dakota Association, who resigned as chairman because of the pressure of other work. Secretary Humphrey, accepting his resignation reluctantly, expressed the warm appreciation of the Treasury for the time and effort he had contributed to the bond program since 1941.

Clarke Bassett was born November 8, 1898, at Minneapolis. He is a graduate of Lake Forest Academy, Illinois, and of Dartmouth College. He was married in 1923 to Marjorie Milligan of Aberdeen, S. D., a graduate of Sweet Briar College. Their three children are: Mrs. E. A. Simonson of Fargo; Mrs. Edwin L. Price, a senior at the University of Arizona, and Clarke Bassett, Jr., Lieutenant, j.g., U.S. Navy, a Dartmouth graduate of 1950.

From 1921 to 1931, Mr. Bassett was associated in banking in South Dakota with his father, John C. Bassett, who was a director of the Federal Reserve Bank of Minneapolis and president of the Aberdeen National Bank during that period.

Clarke Bassett is now president and director of the Merchants National Bank and Trust Co. of Fargo, N.D., president of the First National Bank of Lidgerwood, N.D., and director of the Western Grain and Feed Co. and the Western Grain Co. of Bismarck, N.D. He is a director of the Chamber of Commerce of the United States representing District VIII, and a member of its agriculture and education committees. He is a past president of the Fargo Chamber of Commerce. A former member of the executive council of the American Bankers Association, he is now on the ABA federal legislation committee. He is county director of the Greater North Dakota Association; director of the Fargo Emergency Housing Corporation; treasurer and trustee of the North Dakota Agricultural College Memorial Foundation; trustee of St. Mary's Hall, Episcopal school for girls at Faribault, Minn.; and was regional director of the North Dakota Savings Bonds Advisory Committee when he was appointed State Chairman.

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H-126

May 6, 1953

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 April, 1953:

Purchases	36,248,000
Sales	36,200
Net Purchases	36,211,800

(Sgd) Charles T. Brannan

Chief, Investments Branch
Division of Deposits & Investments

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Friday, May 15, 1953. H-126

During the month of April, 1953 market transactions in direct and guaranteed securities of the government for Treasury investment and other accounts resulted in net purchases of $36,211,800, Secretary Humphrey 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.

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 May 21, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing May 21, 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

TREASURY DEPARTMENT
Washington

H-127

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, May 14, 1953.

The Secretary of the Treasury, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing May 21, 1953, in the amount of $1,301,247,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated May 21, 1953, and will mature August 20, 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 Daylight Saving/~~Standard~~ time, Monday, May 18, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
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H-127

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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 May 21, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing May 21, 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.

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American goods returned, and commingled merchandise; free entry under bond for non-commercial exhibitions and for samples, containers, and other articles; consular invoices and informal entries; the amendment of entries; the imposition of under-valuation duties; the correction of errors and mistakes; the repeal of obsolete provisions; and other matters.

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In a statement on details of the bill, a Treasury spokesman said:

"There are a number of provisions in the Jenkins bill which the Treasury feels are of major importance. They include:

"1. Provisions which, in our opinion, would simplify and make more equitable the formulas for appraising merchandise for the assessment of ad valorem duties.

"2. Provisions which would eliminate 'special marking' requirements and require only such marking as will indicate to the ultimate consumer the country of origin of imported merchandise and also add authority for the relief of hardship cases that may occur.

"3. Provisions which would permit the modernization of the internal accounting procedures of the Customs Bureau.

"4. Provisions which would provide a simpler and more modern method for converting foreign currencies into dollar values.

"5. Provisions which would increase the existing administrative exemptions from \$5 to \$10 for accompanied merchandise and from \$1 to \$3 in all other cases in order to cut down unproductive customs work and to reflect some approximation of the change in the purchasing power of the dollar since these exemptions were fixed."

Other provisions of the bill, which were also stated by the Treasury spokesman to be cumulatively of substantial importance in simplifying Customs procedures, deal with: the effective dates of rates of duty; certain special provisions regarding the importation of lead bearing and zinc bearing ore; provisions governing drawback of customs duties, ~~free~~.

H-128

~~TREASURY DEPARTMENT~~

Immediate Release ~~Washington~~
Wednesday, May 13, 1953

In answer to inquiries, Secretary of the Treasury George Humphrey today said that the Treasury has completed examination of H.R. 5106, the Customs Simplification Bill introduced in the House of Representatives Monday by Representative Jenkins (R-Ohio).

"The proposed act will to a large extent modernize administrative and procedural laws, in order to give improved service to the public with the least possible cost to the taxpayer, while still fully protecting the customs revenue," Secretary Humphrey said.

Secretary Humphrey said that the bill incorporated most of the suggestions made recently by the Treasury to the House Ways and Means Committee. These Treasury suggestions were described by Secretary Humphrey as representing the best current thinking of the executive department for simplifying Customs procedures. Mr. Humphrey also noted that hearings have been scheduled beginning June 1, and that a similar bill was extensively considered by the Ways and Means Committee and the Senate Finance Committee at the last session of Congress.

"I am confident that, with the help of testimony from all interested parties, including representatives of both importers and domestic industry, Congress will be able to develop a workable bill which will have the effect of simplifying Customs procedures in accordance with the President's program announced in his State of the Union Message", Secretary Humphrey said.

TREASURY DEPARTMENT

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

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"3 Provisions which would permit the modernization of the internal accounting procedures of the Customs Bureau.

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Other provisions of the bill, which were also stated by the Treasury spokesman to be cumulatively of substantial importance in simplifying Customs procedures, deal with: the effective dates of rates of duty; certain special provisions regarding the importation of lead bearing and zinc bearing ore; provisions governing drawback of customs duties, American goods returned, and commingled merchandise; free entry under bond for non-commercial exhibitions and for samples, containers, and other articles, consular invoices and informal entries; the amendment of entries; the imposition of under-valuation duties, the correction of errors and mistakes; the repeal of obsolete provisions; and other matters.

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RELEASE MORNING NEWSPAPERS,
Tuesday, May 19, 1953.

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated May 21 and to mature August 20, 1953, which were offered on May 14, were opened at the Federal Reserve Banks on May 18.

The details of this issue are as follows:

Total applied for - $2,340,199,000
Total accepted - 1,501,112,000 (includes $256,033,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.471/ Equivalent rate of discount approx. 2.092% per annum

Range of accepted competitive bids: (Excepting three tenders totaling $2,500,000)

High - 99.477 Equivalent rate of discount approx. 2.069% per annum
Low - 99.469 " " " " " 2.101% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 16,432,000	$ 15,232,000
New York	1,676,250,000	1,014,564,000
Philadelphia	33,801,000	13,555,000
Cleveland	42,293,000	41,607,000
Richmond	16,814,000	14,103,000
Atlanta	30,428,000	23,023,000
Chicago	258,796,000	192,351,000
St. Louis	53,635,000	25,207,000
Minneapolis	18,037,000	14,497,000
Kansas City	66,944,000	41,176,000
Dallas	39,249,000	28,570,000
San Francisco	87,520,000	77,227,000
	$2,340,199,000	$1,501,112,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, May 19, 1953.

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Dallas	39,249,000	28,570,000
San Francisco	87,520,000	77,227,000
TOTAL	$2,340,199,000	$1,501,112,000

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IMMEDIATE RELEASE
Monday, May 18, 1953

H-130

Secretary of the Treasury Humphrey announced today that holders of the $4,963,000,000 of certificates of indebtedness maturing on June 1, and the $725,000,000 of Treasury Bonds of 1953-55 called for redemption on June 15, will be offered in exchange one-year 2-5/8 percent certificates of indebtedness, to be dated June 1. The certificates of indebtedness will be exchanged as of June 1. The called bonds will be exchanged as of June 15, subject to an interest adjustment on the new certificates from June 1.

The subscription books on this exchange will open on Wednesday, May 20, and will be closed in three days at the close of business Friday, May 22.

Full details of the offering will be given in the press statement and official circular, which will be made public Wednesday morning, May 20.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Monday, May 18, 1953. H-130

Secretary of the Treasury Humphrey announced today that holders of the $4,963,000,000 of certificates of indebtedness maturing on June 1, and the $725,000,000 of Treasury Bonds of 1953-55 called for redemption on June 15, will be offered in exchange one-year 2-5/8 percent certificates of indebtedness, to be dated June 1.

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assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holders.

VI. GENERAL PROVISIONS

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

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

G. M. HUMPHREY,
Secretary of the Treasury.

IV. PAYMENT

1. Payment for certificates allotted hereunder must be made on or before June 1, 1953, or on later allotment, in the case of maturing certificates tendered in exchange, and on or before June 15, 1953, or on later allotment, in the case of called bonds tendered in exchange. The new certificates will be delivered on or after June 1 in the case of certificates exchanged, and on or after June 15 in the case of called bonds exchanged. Payment of the principal amount may be made only in Treasury Certificates of Indebtedness of Series B-1953, maturing June 1, 1953, or in Treasury Bonds of 1953-55, called for redemption on June 15, 1953, which will be accepted at par and should accompany the subscription. The full amount of interest due on the certificates surrendered will be paid to the subscriber following acceptance of the certificates. In the case of the called bonds in coupon form, payment of accrued interest on the new certificates from June 1, 1953 to June 15, 1953 ($1.00685 per $1,000) should be made when the subscription is tendered. In the case of called registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due June 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of June 15, 1953 coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury Bonds of 1953-55 in registered form tendered in payment for certificates offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury Certificates of Indebtedness of Series B-1954 to be delivered to ____________," in accordance with the general regulations of the Treasury Department governing

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.

UNITED STATES OF AMERICA

2-5/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES B-1954

Dated and bearing interest from June 1, 1953 — Due June 1, 1954

1953
Department Circular No. 923

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, May 20, 1953.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for certificates of indebtedness of the United States, designated 2-5/8 percent Treasury Certificates of Indebtedness of Series B-1954, in exchange for 1-7/8 percent Treasury Certificates of Indebtedness of Series B-1953, maturing June 1, 1953, or 2 percent Treasury Bonds of 1953-55, dated October 7, 1940, due June 15, 1955, called for redemption June 15, 1953. Exchanges will be made par for par on June 1 in the case of the certificates of indebtedness of Series B-1953, and par for par on June 15, with an adjustment of interest on that date, in the case of the called bonds.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated June 1, 1953, and will bear interest from that date at the rate of 2-5/8 percent per annum, payable with the principal at maturity on June 1, 1954. They will not be subject to call for redemption prior to maturity.

RELEASE, MORNING NEWSPAPERS,
Wednesday, May 20, 1953.

H-213

Secretary of the Treasury Humphrey today announced the details of the offering, through the Federal Reserve Banks, of 2-5/8 percent Treasury Certificates of Indebtedness of Series B-1954, open on an exchange basis to holders of 1-7/8 percent Treasury Certificates of Indebtedness of Series B-1953, in the amount of $4,962,885,000, maturing June 1, 1953, or 2 percent Treasury Bonds of 1953-55, in the amount of $724,677,900, called for redemption on June 15, 1953. Exchanges will be made par for par on June 1 in the case of the maturing certificates, and par for par on June 15, with an adjustment of interest on that date, in the case of the called bonds. The new certificates will be delivered on or after June 1 in the case of certificates exchanged, and on or after June 15 in the case of called bonds exchanged. Cash subscriptions will not be received.

The certificates now offered will be dated June 1, 1953, and will bear interest from that date at the rate of 2-5/8 percent per annum, payable with the principal at maturity on June 1, 1954. They will be issued in bearer form only, in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000.

Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, and should be accompanied by a like face amount of the securities to be exchanged, and where called bonds in coupon form are presented by payment of accrued interest on the new certificates from June 1 to June 15, at the rate of $1.00685 per $1,000. In the case of registered bonds surrendered, final interest will be computed on the same basis and will be paid to the registered holders or their assignees. The full amount of interest due on the maturing certificates will be paid to the subscribers following acceptance of the certificates.

The subscription books will close for the receipt of all subscriptions at the close of business Friday, May 22. Subscriptions addressed to a Federal Reserve Bank or Branch, or to the Treasurer of the United States, and placed in the mail before midnight May 22 will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Wednesday, May 20, 1953. H-131

Secretary of the Treasury Humphrey today announced the details of the offering, through the Federal Reserve Banks, of 2-5/8 percent Treasury Certificates of Indebtedness of Series B-1954, open on an exchange basis to holders of 1-7/8 percent Treasury Certificates of Indebtedness of Series B-1953, in the amount of $4,962,885,000, maturing June 1, 1953, or 2 percent Treasury Bonds of 1953-55, in the amount of $724,677,900, called for redemption on June 15, 1953. Exchanges will be made par for par on June 1 in the case of the maturing certificates, and par for par on June 15, with an adjustment of interest on that date, in the case of the called bonds. The new certificates will be delivered on or after June 1 in the case of certificates exchanged, and on or after June 15 in the case of called bonds exchanged. Cash subscriptions will not be received.

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The text of the official circular follows:

UNITED STATES OF AMERICA

2-5/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES B-1954

Dated and bearing interest from June 1,1953 Due June 1, 1954

1953
Department Circular No. 923

TREASURY DEPARTMENT,
Office of the Secretary
Washington, May 20,1953

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for certificates of indebtedness of the United States, designated 2-5/8 percent Treasury Certificates of Indebtedness of Series B-1954, in exchange for 1-7/8 percent Treasury Certificates of Indebtedness of Series B-1953, maturing June 1, 1953, or 2 percent Treasury Bonds of 1953-55, dated October 7, 1940, due June 15, 1955, called for redemption June 15, 1953. Exchanges will be made par for par on June 1 in the case of the certificates of indebtedness of Series B-1953, and par for par on June 15, with an adjustment of interest on that date, in the case of the called bonds.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated June 1, 1953, and will bear interest from that date at the rate of 2-5/8 percent per annum, payable with the principal at maturity on June 1, 1954. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all taxes, now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

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

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

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

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

IV. PAYMENT

1. Payment for certificates allotted hereunder must be made on or before June 1, 1953, or on later allotment, in the case of maturing certificates tendered in exchange, and on or before June 15, 1953, or on later allotment, in the case of called bonds tendered in exchange. The new certificates will be delivered on or after June 1 in the case of certificates exchanged, and on or after June 15 in the case of called bonds exchanged. Payment of the principal amount may be made only in Treasury Certificates of Indebtedness of Series B-1953, maturing June 1, 1953, or in Treasury Bonds of 1953-55, called for redemption on June 15, 1953, which will be accepted at par and should accompany the subscription. The full amount of interest due on the certificates surrendered will be paid to the subscriber following acceptance of the certificates. In the case of the called bonds in coupon form, payment of accrued interest on the new certificates from June 1, 1953 to June 15, 1953 ($1.00685 per $1,000) should be made when the subscription is tendered. In the case of called registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due June 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of June 15, 1953 coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury Bonds of 1953-55 in registered form tendered in payment for certificates offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury Certificates of Indebtedness of Series B-1954 to be delivered to ____________________," in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holders.

VI. GENERAL PROVISIONS

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

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

G. M. HUMPHREY,
Secretary of the Treasury.

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~~TREASURY'S POSITION ON LOANS TO SMALL BUSINESS~~

1. Under present conditions, there should be some single Governmental Agency authorized to make loans to small business, acting as a lender of last resort and as a kind of safety valve for the review of exceptional cases.

2. This Agency should not compete with other lenders, but should support and supplement them.

3. Loans by this Agency should avoid subsidizing marginal concerns which might offer unfair and dangerous competition to other business.

4. This Agency should use the minimum amount of Government money, and to that end should - as far as possible - extend credit in the form of guarantees to other lenders, and should use the available credit machinery of the banks and the Federal Reserve Banks.

5. The Reconstruction Finance Corporation should be terminated.

6. The lending policy of the Government's lending Agencies should be consistent with national credit and fiscal policies.

7. As an aid in accomplishing these objectives, loans by the Agency should be under the general supervision of the Loan Policy Board, of which the Secretaries of the Treasury and Commerce should be members.

Statement by W. Randolph Burgess, Deputy to the Secretary of the Treasury, Before Senate Banking Committee, on the Treasury's Position on Loans to Small Business

May 20, 1953

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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.

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 May 28, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing May 28, 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, May 21, 1953.

The Secretary of the Treasury, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing May 28, 1953, in the amount of $1,300,725,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated May 28, 1953, and will mature August 27, 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 Daylight Saving/~~Standard~~ time, Monday, May 25, 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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Information Service WASHINGTON, D.C.

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I. Reduction of Tax barriers to growth

A. Excess profits tax

The excess profits tax highlights the interrelated economic and budgetary aspects of the problem. This tax is of concern to many small businesses. Because of the need to maintain revenue until expenditures are reduced, President Eisenhower, in his message to the Congress on May 20, recommended the extension of the excess profits tax for six months beyond its present expiration date of June 30. In doing so, he stated that:

> "... This action seems necessary in spite of the fact that this is an undesirable way of taxing corporate profits.
>
> "Though the name suggests that only excessive profits are taxed, the tax actually penalizes thrift and efficiency and hampers business expansion. Its impact is especially hard on successful small businesses which must depend on retained earnings for growth. These disadvantages of the tax are now widely recognized. I would not advocate its extension for more than a matter of months. However, under existing circumstances, the extension of the present law is preferable to the increased deficit caused by its immediate expiration or to any short-term substitute tax.
>
> "The scheduled expiration of the tax in June would be misleading in its consequences. It would simply mean that the tax would be applied at half the full rate, 15 percent, to all of this year's business income. Therefore, its bad effects in penalizing efficiency and encouraging waste will continue through this year in any event. The extension of the tax through December 1953 would maintain the full 30 percent rate for the entire year and would produce a gain in revenue of 800 million dollars in the fiscal year 1954."

The termination of the excess profits tax at the end of this year, in accordance with the schedule recommended by the President, will remove one of the major tax problems of small business.

He noted further that:

"The reductions in excise taxes, which would take place next April 1 under present law, should be rescinded pending the development of a better system of excise taxation."

The interest of small business in the relative emphasis to be placed on excise taxes and the selection of items to be

H. Excise taxes

One of the specific questions which your Committee has raised relates to the effects of the present system of excise taxation on small business.

The excises are the third largest source of Federal revenue and are now imposed on a variety of goods and services, some of which are true luxuries and others ordinary necessities. Some of the items taxed are produced by prosperous industries; others are supplied by industries that are experiencing economic distress, even at a time when the level of business activity in general is very high. Some of the items taxed are produced by industries in which the business unit is comparatively small.

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As President Eisenhower stated in his message of May 20 to the Congress:

"The wide variety of existing excise rates makes little economic sense and leads to improper discrimination between industries and among consumers. Specific proposals for a modified system of excise taxation will be included in the recommendations for tax revisions that will be submitted to the Congress next January."

I can assure you that in our investigation and planning on tax matters in the Treasury we welcome the type of information and suggestions developed by your Committee. We are working in close cooperation with the Congressional tax committees and staffs. In addition to drawing upon the results of past studies and proposals on tax policy affecting small business, we are also consulting with various groups outside the Government which have been examining the operation of the tax system as well as informal groups which we have asked for assistance in our efforts to improve the tax laws and administrative procedures.

With this broad base of information and guidance, we are striving to do our part in helping to solve the difficult problems confronting us. At the proper time, recommendations for legislative revision will be submitted to the Congress through the Committee on Ways and Means, which has primary responsibility in revenue matters.

It would be false optimism to assume that all the problems of small business could be solved by revisions in the tax law, or that quick and easy solutions to the tax aspects of the problem which confronts small business are readily available and can be put into effect immediately. However, we are determined to bring to the solution of these problems the best available skill and knowledge and to proceed with corrective rules and legislation as rapidly as budgetary and other limitations will permit.

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Steps have already been taken to facilitate compliance with the excise tax laws. The audit of excise and income tax liabilities is being combined in one coordinated operation so as to minimize the interference with business operating routine. A new simplified excise tax return, Form 720, is in process of preparation. It will cover all of the Federal excises and will replace 8 different excise returns now being used. Quarterly excise returns are already scheduled to replace monthly returns after July 1 of this year. Consideration is being given to a further simplification by substituting annual for quarterly returns.

Small business has a special interest in the rules governing the deduction of such items as reasonable salary compensation and research and development expenses.

Criticism is frequently made that there is too much inquiry by revenue agents as to the reasonableness of wage or salary deductions. Present law specifies as trade or business expenditures ordinary and necessary expenses in carrying on the business, including a reasonable allowance for salaries or other compensation for personal services actually rendered. The test of reasonableness has frequently been a source of irritating controversy. This is a matter which merits sympathetic consideration.

On the other hand, business has an obligation on its part not to load tax returns with extravagant and unnecessary deductions in the nature of disguised compensation for business executives. Widespread publicity has been given to the misuse of expense deductions under high tax rates. This is a matter receiving careful attention.

Research and development expenditures are frequently essential to the success of small, growing businesses. Over a period of years, the Bureau of Internal Revenue has generally allowed taxpayers incurring research and development costs to follow a consistent practice to expense or capitalize them at their option. The option to expense, however, does not ordinarily apply to capital items having a substantial life beyond one year or adaptable for other use, or to the cost of obtaining patents. While the expensing of research and development costs has definite advantages, it is not always feasible for small business which does not have a regular research and development budget. Measures to clarify and liberalize the present treatment, particularly with a view to insuring that the expensing option is fully available to small business, will receive comprehensive study.

III. Simplification and administrative attitudes

Small business, in common with all taxpayers, has a right to expect complete honesty and integrity in the tax collection service. It should be able to rely on the justice and the fairness of the Government's attitude. There are also a number of more specific ways in which the Government's attitude and treatment of the taxpayers can accomplish much in lightening the practical load of tax payment.

One of these is the matter of certainty. We are seeking ways in which we can give the taxpayer assurance that his tax planning will not be arbitrarily upset or that the same type of questions will not be raised over and over again.

Clarity and simplicity in the tax rules and their application are also of peculiar importance to small business which is not well equipped to cope with complex provisions, to avoid possible penalties, or to take full advantage of favorable treatment.

It should also be possible to reduce interference with the management of business and unnecessary sources of dispute and friction. Controversy over such technical matters as the allocation of income and deductions among different tax years can be reduced.

An illustration of an area which we are examining with a view to clarification and simplification is the tax treatment of pension and retirement plans and so-called fringe benefits. Illogical and discriminatory results have developed in recent years under existing law and regulations. These are frequently detrimental to small business which cannot fully realize the benefits available without expensive technical guidance and counsel.

Another example is in the determination of depreciation and related allowances on fixed assets. Administrative attitudes are most important in giving the taxpayer some assurance that irritating and useless adjustments will not be made in his depreciation rates and that his allowance will conform broadly with reasonable managerial judgments as to the appropriate rate of write-off. Commissioner Andrews has recently announced the establishment of a new administrative policy with respect to depreciation, to reduce controversies with taxpayers. Under the new policy the taxpayer is entitled to reasonable assurance of stability in depreciation rates consistent with fair and effective enforcement of the statutes.

In view of total revenue needs, continuing reliance will have to be placed on excise taxation. The percentage of the tax revenues which the excises produce in the United States is relatively small. In the fiscal year 1952, all the excises combined produced only 13.7 percent of total tax revenues, as compared with 24.2 percent in Canada. The greater reliance which Canada places on the excises is not unrelated to its ability to reduce income tax rates substantially.

The interest of small business in the relative emphasis to be placed on excise taxes and the selection of items to be taxed is appreciated in the Treasury Department. Moreover, we are fully aware of the importance, particularly for the small business, of reducing the tasks of compliance imposed on manufacturers and retailers to the minimum consistent with fair and uniform enforcement. Some of the steps being taken in this direction will be mentioned later.

II. Independent existence of small business

The problem of encouraging vigorous small business is two-fold. It is not enough merely to facilitate the growth of such business. Encouragement for its continued independent existence is equally important.

In this connection, attention must be given to the problems of financing estate tax liabilities and the tax treatment of the recapitalization of a corporation which arise from the partial withdrawal of the investment of an important shareholder who seeks to give his estate greater liquidity, diversify his investments during his declining years, or to effect an orderly transition to new active management.

While various limited provisions have been developed to meet these problems, much remains to be done in order to prevent adverse effects on the flow of business investment. The existing rules governing the tax status of recapitalizations and partial liquidation are highly technical, rigorous, and uncertain. Complete sale or merger, usually with a larger corporation, is frequently preferred to avoid these risks and complexities. The consequence is the extinction of the business as an independent entity. Amendments to the law and changes in administrative policy which may reduce the existing tax impetus to mergers deserve careful study.

E. Double taxation of dividends

The fundamental problem of the double taxation of dividend income raises special problems in connection with small closely held companies. The small business aspect will necessarily be considered carefully in the work on methods of coordinating corporate and individual income taxes to alleviate double taxation. Here again the loss of revenue may be large, and desirable changes may have to be delayed or adopted on a limited scale.

F. Individual income taxes

The level of individual income tax rates is of crucial importance for small business. The existing high individual rates threaten to dry up the chief sources of risk capital funds and to reduce the willingness of potential investors to bear the type of risk associated with small, new business.

G. Investment loss deduction

One of the most signigicant proposals for the modification of the tax law to encourage investment in small business and other risky ventures would provide more liberal recognition of capital losses as offsets against ordinary income. Under present law, investment losses of individuals are treated as capital losses and as such are deductible only against capital gains plus $1,000 annually of ordinary income. Many feel that this tax treatment results in a "heads I win, tails you lose" situation which reduces the relative attractiveness of the type of risk investment involved in a small business undertaking. One possible remedy would be to increase the extent to which investment losses can be offset against ordinary income.

H. Excise taxes

One of the specific questions which your Committee has raised relates to the effects of the present system of excise taxation on small business.

The excises are the third largest source of Federal revenue and are now imposed on a variety of goods and services, some of which are true luxuries and others ordinary necessities. Some of the items taxed are produced by prosperous industries; others are supplied by industries that are experiencing economic distress, even at a time when the level of business activity in general is very high. Some of the items taxed are produced by industries in which the business unit is comparatively small.

C. Section 102 surtax on surplus accumulation

Another provision of the tax laws of special interest to small business is the Section 102 surtax on improper accumulation of surplus. While it is generally recognized that some device of this nature is indispensable to prevent tax avoidance, Section 102 has been an important source of controversy, primarily in its application to small business. Critics have charged that Section 102 discriminates against small business retaining earnings in the form of liquid cash reserves for future use; occasions fear and uncertainty; retards expansion or causes premature or unwise expansion; and promotes undesirable business practices to divert profits which would otherwise be vulnerable to the penalty tax.

This whole area is being carefully studied with a view to improved administration and possible legislative recommendations. The rate and basic structure of the tax penalty as well as the statutory criteria for its application need to be reviewed. A specific administrative aspect which will need attention is the so-called "immediacy test" which makes it difficult for a small business to accumulate earnings gradually from year to year for ultimate use on sizeable expansion projects. Large businesses, which can finance complete investment projects out of current earnings or justify an accumulation on the basis of definite and more or less formal plans, have been reasonably free from this problem.

D. Corporate surtax exemption

The present surtax exemption assures corporate business a reduced rate on the first $25,000 of its earnings and a substantial reduction of the over-all effective rate over a considerable range of income above that level. The surtax exemption was introduced in 1950 as a means of eliminating the high notch rates previously applied to income between $25,000 and $50,000.

Basically, the reduced rate on small corporate incomes is designed for the assistance of small businesses dependent primarily on retained earnings for growth. A graduated tax for corporations cannot be justified on the same basis as progressive taxation of individuals since the size of the income of the business is not necessarily related to that of the individual owner. Whether the present surtax exemption is adequate for its intended purpose under present conditions is subject to review. Attractive as it may appear as a means of easing the tax impact on small concerns, even a moderate increase in the surtax exemption involves a substantial revenue loss.

B. Depreciation

One of the positive steps that may be taken to reduce obstacles to the dynamic flow of investment is an improved treatment of depreciation in computing taxable income. This is of particular importance to small business.

The depreciation allowance is essentially a matter of timing of deductions, but the speed of the tax-free recovery of costs is of critical importance with respect to the willingness to incur risk, the working capital position, and ability of the business to borrow.

A liberalization of the present rules governing depreciation so as to allow management greater discretion would increase total investment, particularly in risky ventures, stimulate a generally higher level of national income and economic activity, and incidentally, but not less important, remove sources of irritation and fruitless controversy in the administration of the tax laws.

A more liberal depreciation policy would also ease the financial problems of many small businesses. Working capital which the business could plough back into its operations or use to write off bank loans would be increased.

Investment risk would be reduced by a quicker tax-free recovery of such outlays. The credit position of the small business would be improved, since more liberal depreciation allowances would give the business and its creditors a claim to receipts which is prior to the tax liability. This would tend to provide better access to bank funds for hard-pressed businesses which have no recourse to the ordinary sources of equity capital.

One of the most direct ways of encouraging what is broadly termed "investment incentive" is to provide the capital necessary to back up a potential investment decision. All the incentive in the world will be futile unless business has adequate funds.

While the Administration's objectives and sympathies in this area are clearly defined, there remain many questions as to methods and extent of change. Some liberalization may be effected through regulations issued under existing statutory provisions. More extensive changes may require legislation. The adoption of a substantial program in this character would require careful planning, and the initiation of the new rules must be related to the general budgetary situation.

I can assure you that in our investigation and planning on tax matters in the Treasury we welcome the type of information and suggestions developed by your Committee. We are working in close cooperation with the Congressional tax committees and staffs. In addition to drawing upon the results of past studies and proposals on tax policy affecting small business, we are also consulting with various groups outside the Government which have been examining the operation of the tax system as well as informal groups which we have asked for assistance in our efforts to improve the tax laws and administrative procedures.

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III. Simplification and administrative attitudes

Small business, in common with all taxpayers, has a right to expect complete honesty and integrity in the tax collection service. It should be able to rely on the justice and the fairness of the Government's attitude. There are also a number of more specific ways in which the Government's attitude and treatment of the taxpayers can accomplish much in lightening the practical load of tax payment.

One of these is the matter of certainty. We are seeking ways in which we can give the taxpayer assurance that his tax planning will not be arbitrarily upset or that the same type of questions will not be raised over and over again.

Clarity and simplicity in the tax rules and their application are also of peculiar importance to small business which is not well equipped to cope with complex provisions, to avoid possible penalties, or to take full advantage of favorable treatment.

It should also be possible to reduce interference with the management of business and unnecessary sources of dispute and friction. Controversy over such technical matters as the allocation of income and deductions among different tax years can be reduced.

An illustration of an area which we are examining with a view to clarification and simplification is the tax treatment of pension and retirement plans and so-called fringe benefits. Illogical and discriminatory results have developed in recent years under existing law and regulations. These are frequently detrimental to small business which cannot fully realize the benefits available without expensive technical guidance and counsel.

Another example is in the determination of depreciation and related allowances on fixed assets. Administrative attitudes are most important in giving the taxpayer some assurance that irritating and useless adjustments will not be made in his depreciation rates and that his allowance will conform broadly with reasonable managerial judgments as to the appropriate rate of write-off. Commissioner Andrews has recently announced the establishment of a new administrative policy with respect to depreciation, to reduce controversies with taxpayers. Under the new policy the taxpayer is entitled to reasonable assurance of stability in depreciation rates consistent with fair and effective enforcement of the statutes.

In view of total revenue needs, continuing reliance will have to be placed on excise taxation. The percentage of the tax revenues which the excises produce in the United States is relatively small. In the fiscal year 1952, all the excises combined produced only 13.7 percent of total tax revenues, as compared with 24.2 percent in Canada. The greater reliance which Canada places on the excises is not unrelated to its ability to reduce income tax rates substantially.

The interest of small business in the relative emphasis to be placed on excise taxes and the selection of items to be taxed is appreciated in the Treasury Department. Moreover, we are fully aware of the importance, particularly for the small business, of reducing the tasks of compliance imposed on manufacturers and retailers to the minimum consistent with fair and uniform enforcement. Some of the steps being taken in this direction will be mentioned later.

II. Independent existence of small business

The problem of encouraging vigorous small business is two-fold. It is not enough merely to facilitate the growth of such business. Encouragement for its continued independent existence is equally important.

In this connection, attention must be given to the problems of financing estate tax liabilities and the tax treatment of the recapitalization of a corporation which arise from the partial withdrawal of the investment of an important shareholder who seeks to give his estate greater liquidity, diversify his investments during his declining years, or to effect an orderly transition to new active management.

While various limited provisions have been developed to meet these problems, much remains to be done in order to prevent adverse effects on the flow of business investment. The existing rules governing the tax status of recapitalizations and partial liquidation are highly technical, rigorous, and uncertain. Complete sale or merger, usually with a larger corporation, is frequently preferred to avoid these risks and complexities. The consequence is the extinction of the business as an independent entity. Amendments to the law and changes in administrative policy which may reduce the existing tax impetus to mergers deserve careful study.

E. Double taxation of dividends

The fundamental problem of the double taxation of dividend income raises special problems in connection with small closely held companies. The small business aspect will necessarily be considered carefully in the work on methods of coordinating corporate and individual income taxes to alleviate double taxation. Here again the loss of revenue may be large, and desirable changes may have to be delayed or adopted on a limited scale.

F. Individual income taxes

The level of individual income tax rates is of crucial importance for small business. The existing high individual rates threaten to dry up the chief sources of risk capital funds and to reduce the willingness of potential investors to bear the type of risk associated with small, new business.

G. Investment loss deduction

One of the most signigicant proposals for the modification of the tax law to encourage investment in small business and other risky ventures would provide more liberal recognition of capital losses as offsets against ordinary income. Under present law, investment losses of individuals are treated as capital losses and as such are deductible only against capital gains plus $1,000 annually of ordinary income. Many feel that this tax treatment results in a "heads I win, tails you lose" situation which reduces the relative attractiveness of the type of risk investment involved in a small business undertaking. One possible remedy would be to increase the extent to which investment losses can be offset against ordinary income.

H. Excise taxes

One of the specific questions which your Committee has raised relates to the effects of the present system of excise taxation on small business.

The excises are the third largest source of Federal revenue and are now imposed on a variety of goods and services, some of which are true luxuries and others ordinary necessities. Some of the items taxed are produced by prosperous industries; others are supplied by industries that are experiencing economic distress, even at a time when the level of business activity in general is very high. Some of the items taxed are produced by industries in which the business unit is comparatively small.

C. Section 102 surtax on surplus accumulation

Another provision of the tax laws of special interest to small business is the Section 102 surtax on improper accumulation of surplus. While it is generally recognized that some device of this nature is indispensable to prevent tax avoidance, Section 102 has been an important source of controversy, primarily in its application to small business. Critics have charged that Section 102 discriminates against small business retaining earnings in the form of liquid cash reserves for future use; occasions fear and uncertainty; retards expansion or causes premature or unwise expansion; and promotes undesirable business practices to divert profits which would otherwise be vulnerable to the penalty tax.

This whole area is being carefully studied with a view to improved administration and possible legislative recommendations. The rate and basic structure of the tax penalty as well as the statutory criteria for its application need to be reviewed. A specific administrative aspect which will need attention is the so-called "immediacy test" which makes it difficult for a small business to accumulate earnings gradually from year to year for ultimate use on sizeable expansion projects. Large businesses, which can finance complete investment projects out of current earnings or justify an accumulation on the basis of definite and more or less formal plans, have been reasonably free from this problem.

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Basically, the reduced rate on small corporate incomes is designed for the assistance of small businesses dependent primarily on retained earnings for growth. A graduated tax for corporations cannot be justified on the same basis as progressive taxation of individuals since the size of the income of the business is not necessarily related to that of the individual owner. Whether the present surtax exemption is adequate for its intended purpose under present conditions is subject to review. Attractive as it may appear as a means of easing the tax impact on small concerns, even a moderate increase in the surtax exemption involves a substantial revenue loss.

B. Depreciation

One of the positive steps that may be taken to reduce obstacles to the dynamic flow of investment is an improved treatment of depreciation in computing taxable income. This is of particular importance to small business.

The depreciation allowance is essentially a matter of timing of deductions, but the speed of the tax-free recovery of costs is of critical importance with respect to the willingness to incur risk, the working capital position, and ability of the business to borrow.

A liberalization of the present rules governing depreciation so as to allow management greater discretion would increase total investment, particularly in risky ventures, stimulate a generally higher level of national income and economic activity, and incidentally, but not less important, remove sources of irritation and fruitless controversy in the administration of the tax laws.

A more liberal depreciation policy would also ease the financial problems of many small businesses. Working capital which the business could plough back into its operations or use to write off bank loans would be increased.

Investment risk would be reduced by a quicker tax-free recovery of such outlays. The credit position of the small business would be improved, since more liberal depreciation allowances would give the business and its creditors a claim to receipts which is prior to the tax liability. This would tend to provide better access to bank funds for hard-pressed businesses which have no recourse to the ordinary sources of equity capital.

One of the most direct ways of encouraging what is broadly termed "investment incentive" is to provide the capital necessary to back up a potential investment decision. All the incentive in the world will be futile unless business has adequate funds.

While the Administration's objectives and sympathies in this area are clearly defined, there remain many questions as to methods and extent of change. Some liberalization may be effected through regulations issued under existing statutory provisions. More extensive changes may require legislation. The adoption of a substantial program in this character would require careful planning, and the initiation of the new rules must be related to the general budgetary situation.

A. Excess profits tax

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Second, the continued independent existence of established small business must be encouraged. Those features of the law and regulations which relate to financing the estate taxes due when important members of the business die are of particular interest. The tax effect of the recapitalization which occurs in connection with the partial withdrawal of the investment of the original owners is also of special importance.

The third major approach is one not directly related to the actual dollar load of tax but is concerned primarily with lightening the burden of compliance for small business through simplification of the tax laws and regulations and improvement in administrative attitudes. Such an improvement would go a long way toward reducing arbitrary interference with business decisions, minimizing areas of unnecessary dispute and controversy, and eliminating painful uncertainties in the final determination of tax liability as well as needless adjustments of income and deductions from one taxable year to another.

The specific areas of difficulty and corrective suggestions which I shall mention must be considered only as examples of the problems and alternative solutions now under study. They do not in any sense indicate definite policy recommendations or conclusions.

Some of the revisions involved are essentially technical and have little revenue significance. Others, unfortunately -- including some of greatest importance incentive-wise -- carry revenue losses of varying amounts and the existing tight budget situation imposes severe limitations on the actions which may be undertaken now.

Regardless of the immediate promise of each particular measure, we must not lose sight of the fact that over-all tax reduction is justified only as we show that we can succeed in bringing the budget under control. As the budget is balanced, the tax burden can be eased. But, as Secretary Humphrey has indicated, both taxes and expenditures should come down together. Sound policy requires careful and coordinated timing of tax and expenditure reduction to avoid either inflation or depression.

The Treasury's review of the tax system will, we are sure, develop a number of practical measures which can contribute to the growth and continued independent existence of small business, including (1) simplification and clarification, (2) the removal of provisions which serve as a trap for the unwary, and (3) the reduction of paper work involved in the payment of taxes by small businessmen.

Secretary Humphrey in his statement before the Treasury Subcommittee on Appropriations stated the goal of the Treasury as follows:

> "It is our purpose in the Treasury to help provide the proper economic climate in America. The fiscal policy is very important in determining that climate which is intangible but has a direct effect upon the lives of each of us every day. It is our purpose to establish and maintain such fiscal policies as will permit America to continue to grow and reach even higher standards of living for all its people."

Whatever suggestions the Administration makes to Congress for tax legislation will be the result of the most careful possible study in an effort to determine what is for the good of the entire Nation. I wish that we could foresee enough reduction in expenditures in the immediate future to permit us to recommend all the adjustments which we find desirable. However, as the President stated in his recent message on the Budget: "The Treasury must be assured of adequate revenues to finance necessary expenditures for national security and other essential purposes."

We shall proceed as promptly as we can with recognition that our recommendations must be consistent with our primary objective of maintaining a sound budget position.

It should be emphasized that we do not believe that the tax revisions needed to promote the sound development of small business should be regarded as special favors but rather as a method of preserving a dynamic, progressive, and competitive economic system.

The broad objective of providing a tax system under which small business will flourish has three major aspects:

First, small business must be permitted to grow. An ample supply of available funds from the business' own earnings and from outside sources is essential to finance

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TREASURY DEPARTMENT
Washington

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Under Secretary of the Treasury Folsom
before
Subcommittee No. 2 of the Select Committee on Small Business
House of Representatives

May 21, 1953

~~I.~~ Introduction

I am glad to have this opportunity to discuss with members of the Subcommittee of the House Select Committee on Small Business some of the major tax problems which confront small business and to outline Treasury viewpoints and objectives in this important area. The invitation to appear before you, extended by your Chairman, comes at a most opportune time. The Treasury Department is now engaged in an intensive study of the entire tax system; the material which is developed in these hearings may be helpful in our own work. Though it is not now possible to indicate specific recommendations which will be made to the Congress at a later time through the Ways and Means Committee, I can note some of the major areas of interest and indicate the point of view from which we approach our examination of the tax law.

This Administration is vitally interested in encouraging small business which is so important an element in the balanced and dynamic development of the American economy. We need small business, as well as medium-sized and big businesses. Each has its role to fulfill; each has its special contribution to make towards meeting our economic needs. Policies to reduce the tax barriers to the growth of small business are especially important to maintain the traditional American pattern of economic organization.

As President Eisenhower said in his State of the Union Message:

> "... We must develop a system of taxation which will impose the least possible obstacle to the dynamic growth of the country. This includes particularly real opportunity for the growth of small business. Many readjustments in existing taxes will be necessary to serve these objectives and also to remove existing inequities. Clarification and simplification in the tax laws as well as the regulations will be undertaken."

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I. Reduction of tax barriers to growth

A. Excess profits tax

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As President Eisenhower stated in his message of May 20 to the Congress:

> "The wide variety of existing excise rates makes little economic sense and leads to improper discrimination between industries and among consumers. Specific proposals for a modified system of excise taxation will be included in the recommendations for tax revisions that will be submitted to the Congress next January."

He noted further that:

> "The reductions in excise taxes, which would take place next April 1 under present law, should be rescinded pending the development of a better system of excise taxation."

The interest of small business in the relative emphasis to be placed on excise taxes and the selection of items to be taxed is appreciated in the Treasury Department. Moreover, we are fully aware of the importance, particularly for the small business, of reducing the tasks of compliance imposed on manufacturers and retailers to the minimum consistent with fair and uniform enforcement. Some of the steps being taken in this direction will be mentioned later.

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Steps have already been taken to facilitate compliance with the excise tax laws. The audit of excise and income tax liabilities is being combined in one coordinated operation so as to minimize the interference with business operating routine. A new simplified excise tax return, Form 720, is in process of preparation. It will cover all of the Federal excises and will replace 8 different excise returns now being used. Quarterly excise returns are already scheduled to replace monthly returns after July 1 of this year. Consideration is being given to a further simplification by substituting annual for quarterly returns.

Small business has a special interest in the rules governing the deduction of such items as reasonable salary compensation and research and development expenses.

Criticism is frequently made that there is too much inquiry by revenue agents as to the reasonableness of wage or salary deductions. Present law specifies as trade or business expenditures ordinary and necessary expenses in carrying on the business, including a reasonable allowance for salaries or other compensation for personal services actually rendered. The test of reasonableness has frequently been a source of irritating controversy. This is a matter which merits sympathetic consideration.

On the other hand, business has an obligation on its part not to load tax returns with extravagant and unnecessary deductions in the nature of disguised compensation for business executives. Widespread publicity has been given to the misuse of expense deductions under high tax rates. This is a matter receiving careful attention.

Research and development expenditures are frequently essential to the success of small, growing businesses. Over a period of years, the Bureau of Internal Revenue has generally allowed taxpayers incurring research and development costs to follow a consistent practice to expense or capitalize them at their option. The option to expense, however, does not ordinarily apply to capital items having a substantial life beyond one year or adaptable for other use, or to the cost of obtaining patents. While the expensing of research and development costs has definite advantages, it is not always feasible for small business which does not have a regular research and development budget. Measures to clarify and liberalize the present treatment, particularly with a view to insuring that the expensing option is fully available to small business, will receive comprehensive study.

I can assure you that in our investigation and planning on tax matters in the Treasury we welcome the type of information and suggestions developed by your Committee. We are working in close cooperation with the Congressional tax committees and staffs. In addition to drawing upon the results of past studies and proposals on tax policy affecting small business, we are also consulting with various groups outside the Government which have been examining the operation of the tax system as well as informal groups which we have asked for assistance in our efforts to improve the tax laws and administrative procedures.

With this broad base of information and guidance, we are striving to do our part in helping to solve the difficult problems confronting us. At the proper time, recommendations for legislative revision will be submitted to the Congress through the Committee on Ways and Means, which has primary responsibility in revenue matters.

It would be false optimism to assume that all the problems of small business could be solved by revisions in the tax law, or that quick and easy solutions to the tax aspects of the problem which confronts small business are readily available and can be put into effect immediately. However, we are determined to bring to the solution of these problems the best available skill and knowledge and to proceed with corrective rules and legislation as rapidly as budgetary and other limitations will permit.

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Print No. 1 of S. 589. Under those provisions, the Corporation would have no capital stock; capital stock serves little useful purpose in a Government corporation and is a form of subsidy. The Corporation would finance its activities by issuing its obligations to the Secretary of the Treasury in an amount not to exceed $100 million outstanding at any one time. Each obligation would bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on current marketable obligations of the United States of comparable maturities. Thus, the cost of money to the Corporation would approximate its cost to the Government.

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would result in revenues sufficient to defray the cost to the Corporation of its operations, including amortization of the principal of its debts over a period not to exceed fifty years.

Another of the bills, S. 1065, contains the same provisions for financing the project. Still another, S. J. Res. 45, contains similar provisions, although under it the capital stock of the Corporation would be $2 million, the Corporation could issue obligations in an amount not to exceed $385 million outstanding at any one time, and interest on the obligations could not exceed 3 percent. This measure does not contain the provisions for self-liquidation included in S. 589 and S. 1065.

The Treasury does not look with favor on the issuance and sale of guaranteed obligations by Government corporations in the market. We believe that Government corporations engaged in revenue-producing programs should obtain their funds by borrowing directly from the Treasury. Centralized financing by the Treasury avoids competition in the investment market between the Treasury and other Government agencies. It thus makes for fiscal efficiency and economy. This is especially important in view of the magnitude of the problems involved in the management of the public debt at the present time.

These difficulties would be avoided by financing provisions along the lines of those contained in Committee

TREASURY DEPARTMENT
Washington

Statement of
W. Randolph Burgess,
Deputy to the Secretary of the Treasury,
Before the Senate Committee on Foreign Relations on
S. 589, S. 1065, and S.J. Res 45
May 21, 1953.

Mr. Chairman and Members of the Committee:

The Bills before you concern primarily departments and agencies other than the Treasury. I have no comments, therefore, on the general merits of the proposed project. The method of financing it, however, is a matter of concern to the Treasury.

Each of the measures before the Committee would create a Corporation to construct the part of the seaway project in United States territory. As originally introduced by the Chairman for himself and others, S. 589 would create a St. Lawrence Seaway Development Corporation with a capital stock of $5 million which would be subscribed by the United States. To finance its activities, the Corporation would be authorized to issue obligations in an amount not to exceed $100 million outstanding at any one time. These obligations would mature in not more than fifty years; they would bear interest at rates determined by the Corporation after consultation with the Secretary of the Treasury; and they would be fully and unconditionally guaranteed both as to interest and principal by the United States. They could not, however, be purchased by the United States. The project would be made self-liquidating under the bill through provision for tolls which

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These difficulties would be avoided by financing provisions along the lines of those contained in Committee Print No. 1 of S. 589. Under those provisions, the Corporation would have no capital stock; capital stock serves little useful purpose in a Government corporation and is a form of subsidy. The Corporation would finance its activities by issuing its obligations to the Secretary of the Treasury in an amount not to exceed $100 million outstanding at any one time. Each obligation would bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on current marketable obligations of the United States of comparable maturities. Thus, the cost of money to the Corporation would approximate its cost to the Government.

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For Immediate Release - May 22, 1953

H-136

A group of State Treasurers and other State Fiscal officers met today with W. Randolph Burgess, Deputy to the Secretary of the Treasury, for an exchange of views and a general discussion of mutual financial problems.

The fiscal officers of the state are responsible for the over-all financial programs of the states, including investment of public funds, and are, therefore, among the largest purchasers of Federal securities, Mr. Burgess said.

Treasury Under Secretary Marion B. Folsom gave a short briefing on the Administration's budget and tax programs.

Also present from the Treasury were Assistant Secretary Andrew N. Overby and Fiscal Assistant Secretary Edward F. Bartelt.

Present at the meeting today were:

D. Hal Brake, State Treasurer, and J. Dean Stanley, Investment Counsel, State of Michigan.

Miss Pearl Runyon, State Treasurer of Kentucky.

J. R. McGovern, Comptroller, State of New York.

Charles Foster, Executive Secretary, State Investment Board of Minnesota.

Jeff B. Bates, State Treasurer of South Carolina.

Charles H. Smith, Director, Virginia Supplemental Retirement System.

H. D. Defenbacher, Director of Finance, Ohio.

Walter T. Margetts, Jr., State Treasurer, New Jersey.

C. M. Gay, Comptroller, Florida.

Theodore Driscoll, Assistant Executive Director, Council of State Governments, Chicago, Illinois.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Miss Cleary was born at Madison, Wisconsin, on December 19, 1916. She was graduated from the University of Chicago in 1937, and received her law degree from the University of Wisconsin Law School in 1943. She was elected to Order of the Coif, an honorary legal society.

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(Note - Biographical sketch will be attached)

DRAFT

IMMEDIATE RELEASE,
Monday, May 25, 1953. H-137

Secretary Humphrey today administered the oath of office to Miss Catherine B. Cleary as Assistant Treasurer of the United States.

Mrs. Ivy Baker Priest, Treasurer of the United States, and other government officials and friends were present at the ceremony.

Miss Cleary was nominated by President Eisenhower on May 6, 1953, and confirmed by the Senate on May 13, 1953.

A resident of Milwaukee, Wisconsin, Miss Cleary was a trust officer of the First Wisconsin Trust Company in that city until she was designated as Assistant Treasurer of the United States.

Miss Cleary is a member of the Wisconsin and Illinois state bars, and American Bar Association. She served on the Milwaukee Bar Association Executive Committee, and as chairman of the Committee on Federal Legislation of the Wisconsin Bar Association. She has also served as president of the Association of Bank Women, a national organization of women holding executive positions in banks.

Before entering the legal profession, Miss Cleary taught school for two years, and in 1942 became secretary to Justice Edward T. Fairchild of the Wisconsin Supreme Court.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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CATHERINE B. CLEARY
Assistant Treasurer of the United States

Miss Catherine B. Cleary was born at Madison, Wisconsin, on December 19, 1916, the daughter of Mrs. Bonnie B. and the late Michael J. Cleary of Milwaukee, Wisconsin.

Miss Cleary attended the training school of Milwaukee State Teachers College (now Wisconsin State College), and graduated in 1933 from Milwaukee Downer Seminary. From 1933 to 1935, she attended Scripps College, Claremont, California. She received an A.B. degree from the University of Chicago in 1937. After an apprentice teaching course at the Shady Hill School, Cambridge, Massachusetts, Miss Cleary attended the University of Wisconsin Law School, receiving an LL.B. degree with high honors in 1943. She was elected to Order of the Coif, an honorary legal society.

After teaching school for two years in New England Miss Cleary in 1942 became secretary to Justice Edward T. Fairchild of the Wisconsin Supreme Court, a position she held for one year before joining the legal department of the Kohler Co., Kohler, Wisconsin. In 1944 Miss Cleary became an associate in the law firm of Defrees, Fiske, O'Brien & Thomson, of Chicago, and in 1947 she joined the First Wisconsin Trust Company of Milwaukee. Miss Cleary was appointed an Assistant Trust Officer of the First Wisconsin in January, 1949, and Trust Officer in December, 1950, her work being primarily in personal trust administration and legal problems.

She has spoken on the subject of wills, trusts and taxes at a number of forums throughout the country sponsored by banks and women's clubs, and at meetings of men's service clubs.

Miss Cleary was admitted to the Wisconsin and Illinois state bars, and is a member of the Milwaukee Bar Association, Wisconsin Bar Association, and American Bar Association. She served on the Milwaukee Bar Association Executive Committee, and as chairman of the Committee on Federal Legislation of the Wisconsin Bar Association. Miss Cleary has been a guest lecturer at the University of Wisconsin Law School, on estate planning and will drafting.

From September 1952 to May 1953, Miss Cleary served as president of the Association of Bank Women, a national organization of women holding executive positions in banks. She also served as a member of the Wisconsin Bankers Association Committee on Banking Forms and Procedures, and was the speaker at its 1953 mid-winter meeting. In April and May 1953, Miss Cleary attended the regional and local group meetings of the Association of Bank Women in Houston, Phoenix, Los Angeles, San Francisco, Portland, Spokane and Salt Lake City.

In addition to service on various banking committees, Miss Cleary has been active in Milwaukee community activities.

Miss Cleary was an alternate delegate to the 1948 Republican National Convention.

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May, 1953.

RELEASE MORNING NEWSPAPERS,
Tuesday, May 26, 1953.

H-138

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated May 28 and to mature August 27, 1953, which were offered on May 21, were opened at the Federal Reserve Banks on May 25.

The details of this issue are as follows:

Total applied for - $2,087,058,000
Total accepted - 1,500,797,000 (includes $208,016,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.473/ Equivalent rate of discount approx. 2.084% per annum

Range of accepted competitive bids:

High	- 99.502	Equivalent rate of discount approx. 1.970% per annum
Low	- 99.470	" " " " " 2.097% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 22,887,000	$ 16,887,000
New York	1,492,332,000	1,000,082,000
Philadelphia	26,446,000	11,246,000
Cleveland	40,179,000	39,002,000
Richmond	15,215,000	14,645,000
Atlanta	28,830,000	23,754,000
Chicago	203,504,000	163,314,000
St. Louis	46,462,000	27,024,000
Minneapolis	11,244,000	10,519,000
Kansas City	72,204,000	69,454,000
Dallas	40,626,000	39,052,000
San Francisco	87,129,000	85,818,000
Total	$2,087,058,000	$1,500,797,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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H-139

IMMEDIATE RELEASE,
Monday, May 25, 1953.

Secretary Humphrey announced today that preliminary reports of subscriptions for the new certificates of indebtedness to be dated June 1, 1953, amount to $4,790,000,000. This represents the exchange of about 84 percent of the maturing certificates and called bonds eligible for the exchange.

Further details regarding the exchange will be announced later this week.

TREASURY DEPARTMENT

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RELEASE MORNING NEWSPAPERS,
Tuesday, May 26, 1953.

H-140

The Secretary of the Treasury, by this public notice, invites tenders for $800,000,000, or thereabouts, of 107-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 June 3, 1953, and will mature September 18, 1953. They will be accepted at face value in payment of income and profits taxes due on September 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. Taxpayers desiring to apply these bills in payment of September 15, 1953, income and profits taxes have the privilege of surrendering them to any Federal Reserve Bank or Branch not more than fifteen days before September 15, 1953, and receiving receipts therefor showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before September 15, 1953, to the Director of Internal Revenue for the district in which such taxes are payable. 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, one o'clock p.m., Eastern Daylight Saving time, Friday, May 29, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, May 26, 1953. H-140 188

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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 in cash or other immediately available funds on June 3, 1953, provided, however, any qualified depositary 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 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, or the amount of income or profits taxes paid by means of the bills, 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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subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

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Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 4, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 4, 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

TREASURY DEPARTMENT
Washington

H-141

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, May 28, 1953.

The Secretary of the Treasury, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing June 4, 1953, in the amount of $1,301,388,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 4, 1953, and will mature September 3, 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 Daylight Saving time, Monday, June 1, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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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 June 4, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 4, 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.

Los Angeles

Chicago

New York

Washington

Boston

Lynn

Philadelphia

Atlanta

St. Louis

Kansas City

DeMoines

Minnespolis

St. Paul

Dallas

Ft. Worth

Denver

Salt Lake City

Ogden

Saxxx

Pgt

Portland

Pendleton

The Dalles

Salem

Corvalus

Eugene

San Francisco

25

Miss Pickford, you have done your country a real service in the last eight weeks in impressing on millions of people the importance of saving.

Or I might say the importance -- the decisive importance -- of a sound dollar.

I am sure your Savings Bonds message, which reached ~~[illegible]~~ so many ~~[illegible]~~ American people during your ~~14~~ 15-State tour, helped everyone realize that saving and a sound dollar go hand in hand.

I believe the country has worried ~~[illegible]~~ more about an unstable dollar -- one that buys less and less as time goes by -- than even about high taxes, which we all dislike.

Regular and persistent saving checks inflation and therefore helps stop depreciation of the dollar.

Also, as you pointed out to your listeners, regular bond-buying on the Bond-A-Month Plan where they bank or the Payroll Savings Plan where they work is a sure way of helping strengthen our defenses and assuring peace, as well as a sure assistance to personal security.

You made your bond tour at no small personal cost in time and effort and inconvenience. In expressing our appreciation I am glad to have the privilege of presenting to you this Treasury Department citation "for distinguished service."

Immediate

H-142

Secretary of the Treasury Humphrey today presented to Mary Pickford a Treasury Department citation "for distinguished service" to the United States Savings Bonds program.

Miss Pickford recently completed a bond-selling tour in the course of which she visited ~~17~~ 25 cities. The tour began in Washington on March 30 and ended in San Francisco on May 13.

In presenting the citation to the motion picture star, the Secretary said:

(pick up Secretary's statement)

Miss Pickford's tour was made in connection with the Savings Bonds program Bond-A-Month campaign, which is being supported by club women representing 21 national organizations throughout America. Her personal appearances on the tour stimulated Bond-A-Month activities effectively.

~~The cities in which she spoke were Washington, Los Angeles, Chicago, New York, Boston, Philadelphia, Atlanta, St. Louis, Kansas City, Des Moines, Minneapolis-St. Paul, Dallas, Fort Worth, Denver, Salt Lake City, Portland (Ore.) and San Francisco.~~

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, May 27, 1953. H-142

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"Miss Pickford, you have done your country a real service in the last eight weeks in impressing on millions of people the importance of saving.

"Or I might say the importance -- the decisive importance -- of a sound dollar.

"I am sure your Savings Bonds message, which reached so many American people during your 15-State tour, helped everyone realize that saving and a sound dollar go hand in hand.

"I believe the country has worried more about an unstable dollar -- one that buys less and less as time goes by -- than even about high taxes, which we all dislike.

"Regular and persistent saving checks inflation and therefore helps stop depreciation of the dollar.

"Also, as you pointed out to your listeners, regular bond-buying on the Bond-A-Month Plan where they bank or the Payroll Savings Plan where they work is a sure way of helping strengthen our defenses and assuring peace, as well as a sure assistance to personal security.

"You made your bond tour at no small personal cost in time and effort and inconvenience. In expressing our appreciation I am glad to have the privilege of presenting to you this Treasury Department citation 'for distinguished service'."

The citation itself read:

"FOR DISTINGUISHED SERVICE

MARY PICKFORD

Whose dedication to Public Service to the

UNITED STATES SAVINGS BONDS PROGRAM

Has been an inspiring example to Americans in all walks of life who have seen and heard her message on her personal tour or through the mass media of communications

For this valuable contribution the

TREASURY DEPARTMENT

proclaims the gratitude of the Nation.

G.M. Humphrey
Secretary of the Treasury

(SEAL) Washington, D.C., May 12, 1953."

oOo

Dallas - Arkansas, Louisiana, New Mexico, Oklahoma, Texas

New York - New York State

Omaha - Colorado, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wyoming

Philadelphia - Delaware, Maryland, New Jersey, Pennsylvania, the Territory of Puerto Rico, and the District of Columbia

San Francisco - Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, Washington, and the Territories of Alaska and Hawaii

Attachments:

A. District Regrouping
B. Map of Districts

"Third, giving more authority to the field means that taxpayers will get faster service hereafter on matters that have been delayed by having to come to Washington.

"Fourth, more money can quite profitably be spent in finding people who have not been paying their taxes. The steps we are taking will help a great deal in that job of enforcement."

The nine districts were established, Commissioner Andrews said, after an extensive examination into population, workload, transportation, geographic, and communication factors. Cities centrally located from the standpoint of area and population were chosen for District headquarters to facilitate travel and communication to the Directors' offices supervised.

Some of the personnel of the abolished offices will be transferred to other districts to augment their management staffs since some additions will be necessary in view of the greater areas assigned and also since staffing of the 17 offices had not been finally completed.

[redacted]

The new district offices and the states which they will include are as follows:

Atlanta - Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Canal Zone

Boston - Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

Chicago - Illinois, Michigan, Wisconsin

already out

Cincinnati - Indiana, Kentucky, Ohio, Virginia, West Virginia

being done in these positions either has been deemed to be unnecessary or will be decentralized to the field under schedules expected to be completed by early fall.

In connection with the streamlining program both in the field and in Washington, the Bureau plans more enforcement work. There will be additional agents put on to audit tax returns, and consequently tax receipts to the Government should go up.

Cities where District Commissioners' offices will remain are: Boston, New York City, Philadelphia, Chicago, Atlanta, and Dallas , Texas. In addition, new District offices will be opened at San Francisco, Omaha, and Cincinnati.

Cities where District Commissioners' offices will be closed are: Buffalo, Baltimore, Cleveland, Detroit, Louisville, Birmingham, St. Louis, St. Paul, Denver, Los Angeles, and Seattle, Wash.

Commissioner Andrews emphasized four basic points:

"First, the individual taxpayer will still file his returns at the same office, but he will have the advantage of ~~even~~ better and faster assistance in his tax problems.

"Second, District Commissioner offices are needed for good management of the field operations. Our trouble was that we had too many. We are satisfied we can give more authority to fewer people and get better management.

~~FOR~~ RELEASE ~~A.M.~~ morning NEWSPAPERS
FRIDAY, MAY 29, 1953

H-143

Secretary of the Treasury Humphrey today announced his approval of a plan of Commissioner of Internal Revenue T. Coleman Andrews which will reduce from 17 to 9 the number of Bureau of Internal Revenue regions throughout the country, effective July 1, 1953, and which will reduce personnel by 25% in the Bureau's Washington headquarters. The two steps will effect ultimate savings of $6 million a year.

The plan, initiated by Commissioner Andrews and today approved by Secretary Humphrey, will cut costs in the Internal Revenue field service by about $2 million by a streamlining of the overall administrative setup. Commissioner Andrews said that the relationship of the taxpayer to the Bureau will be improved as the 64 district collection offices with which taxpayers deal will remain as now located but be able to serve taxpayers more efficiently.

Elimination of the 8 regional offices will reduce unnecessary overhead by abolishing 400 positions, and represents a first step in concentration on a businesslike management program of benefit both to the Government and the taxpayer, Commissioner Andrews said.

The reduction in the Bureau's Washington headquarters will eliminate 900 positions in the next few months and ultimately lead to a saving of $4 million. The work now

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS
FRIDAY, MAY 29, 1953

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Chicago - Illinois, Michigan, Wisconsin

Cincinnati - Indiana, Kentucky, Ohio, Virginia, West Virginia

Dallas - Arkansas, Louisiana, New Mexico, Oklahoma, Texas

New York - New York State

Omaha - Colorado, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wyoming

Philadelphia - Delaware, Maryland, New Jersey, Pennsylvania, the Territory of Puerto Rico, and the District of Columbia

San Francisco - Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, Washington, and the Territories of Alaska and Hawaii

Attachments:

A. District Regrouping
B. Map of Districts

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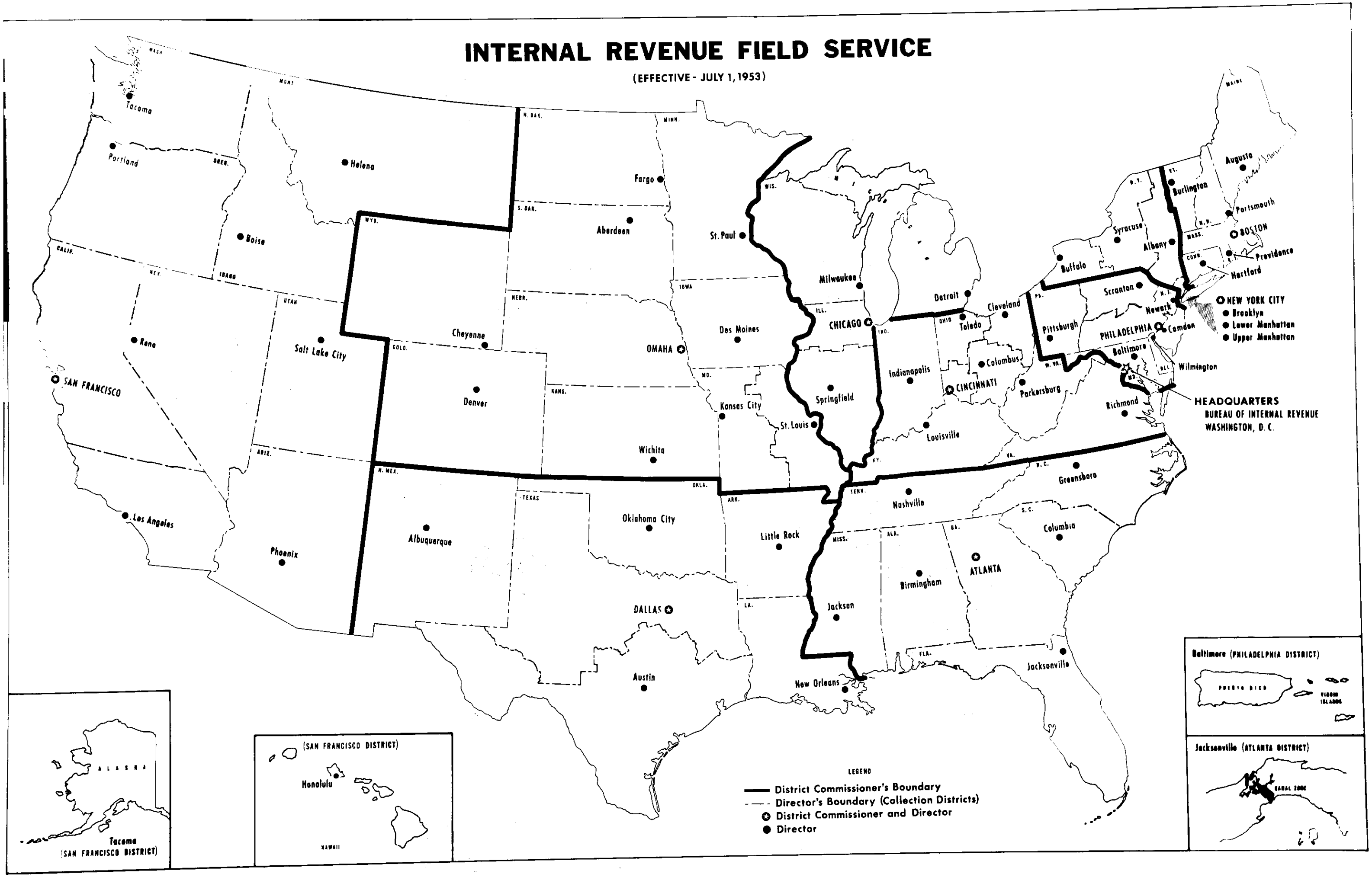
REGROUPING OF INTERNAL REVENUE DISTRICT OFFICES

Present	
Boston	Maine, Vermont, New Hampshire, Massachusetts, Connecticut, Rhode Island
Buffalo	New York State outside New York City
New York City	Metropolitan New York
Philadelphia	Pennsylvania, New Jersey, Delaware
Baltimore	Maryland, Virginia, West Virginia, Puerto Rico District of Columbia
Detroit	Michigan
Cleveland	Ohio
Birmingham	Alabama, Mississippi, Louisiana
St. Paul	Minnesota, Iowa, North Dakota, South Dakota, Nebraska
Denver	Wyoming, Colorado, Utah, New Mexico, Arizona
Seattle	Washington, Oregon, Idaho, Montana, Alaska
Los Angeles	California, Nevada, Hawaii
Dallas	Texas, Oklahoma
Atlanta	Georgia, South Carolina, North Carolina, Florida, Canal Zone
St. Louis	Missouri, Kansas, Arkansas
Chicago	Illinois, Wisconsin
Louisville	Kentucky, Indiana, Tennessee

	Effective July 1, 1953
Atlanta	Alabama, Florida, Georgia, Mississippi North Carolina, South Carolina, Tennessee, Canal Zone
Boston	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
Chicago	Illinois, Michigan, Wisconsin
Cincinnati	Indiana, Kentucky, Ohio, Virginia, West Virginia
Dallas	Arkansas, Louisiana, New Mexico, Oklahoma, Texas
New York	New York State
Omaha	Colorado, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wyoming
Philadelphia	Delaware, Maryland, New Jersey, Pennsylvania, District of Columbia, Puerto Rico
San Francisco	Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, Washington, Alaska, Hawaii

INTERNAL REVENUE FIELD SERVICE

(EFFECTIVE - JULY 1, 1953)



75 copies Kilby

IMMEDIATE RELEASE,
Thursday, May 28, 1953.

H-144

Secretary of the Treasury Humphrey today announced the subscription and allotment figures with respect to the current offering of 2-5/8 percent Treasury Certificates of Indebtedness of Series B-1954, to be dated June 1, 1953, open to the holders of Treasury Certificates of Indebtedness of Series B-1953, maturing June 1, 1953, and Treasury Bonds of 1953-55, called for redemption on June 15, 1953.

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

Federal Reserve District	Certificates Exchanged	Bonds Exchanged	Total Exchanges
Boston	$ 69,566,000	$ 6,999,000	$ 76,565,000
New York	2,633,592,000	145,246,000	2,778,838,000
Philadelphia	94,607,000	9,548,000	104,155,000
Cleveland	212,895,000	47,637,000	260,532,000
Richmond	58,385,000	3,502,000	61,887,000
Atlanta	130,729,000	2,895,000	133,624,000
Chicago	503,645,000	117,076,000	620,721,000
St. Louis	141,446,000	26,404,000	167,850,000
Minneapolis	89,408,000	13,044,000	102,452,000
Kansas City	171,783,000	24,115,000	195,898,000
Dallas	63,490,000	10,313,000	73,803,000
San Francisco	237,416,000	32,637,000	270,053,000
Treasury	4,192,000	7,941,000	12,133,000
TOTAL	$4,411,154,000	$447,357,000	$4,858,511,000

Par The final figures show acceptance of the exchange offer by holders of 85% of the maturing (maturing) securities

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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~~SUGGESTED TREASURY RELEASE~~
~~for FRIDAY A.M. PAPER~~

Release Morning Newspapers
Friday, May 29, 1953

H-145

~~Washington, May 29:~~ The Treasury Department announced today that the Lockheed Aircraft Corporation's California employees have a record of 95.7 per cent participation in their U. S. Savings Bonds 1953 Payroll Savings drive. The Lockheed record tops Payroll Savings sales for any company of its size in the country. The previous national mark of 92 per cent was established by Lockheed's Georgia Division at Marietta, Ga., last April.

A week-long drive closed with 36,419 of the 38,037 employees of Lockheed's eleven Southern California plants signed to authorize the purchase of Savings Bonds regularly from their salaries.

Robert E. Gross, President of Lockheed is serving as national chairman of the 1953 Aircraft Industry Payroll Savings drive. Mr. Gross said that three Lockheed plants achieved a perfect score by signing 100 per cent of their employees on the Payroll Savings Plan. They were the Special Projects Development Center in Burbank, the Bakersfield Feeder Plant, and the Lockheed Air Terminal at Burbank.

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Distribution: Press room; 500 copies
to John Knapp

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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RELEASE MORNING NEWSPAPERS,
Saturday, May 30, 1953.

H-146

The Secretary of the Treasury announced last evening that the tenders for $800,000,000, or thereabouts, of Tax Anticipation Series 107-day Treasury bills to be dated June 3 and to mature September 18, 1953, which were offered on May 26, were opened at the Federal Reserve Banks on May 29.

The details of this issue are as follows:

Total applied for - $1,675,707,000
Total accepted - 800,064,000 (includes $117,267,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.292 Equivalent rate of discount approx. 2.383% per annum

Range of accepted competitive bids:

High	- 99.479	Equivalent rate of discount approx. 1.753% per annum
Low	- 99.274	" " " " " 2.443% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 29,840,000	$ 22,208,000
New York	981,051,000	303,866,000
Philadelphia	74,527,000	36,617,000
Cleveland	99,040,000	58,240,000
Richmond	25,472,000	19,908,000
Atlanta	50,892,000	38,392,000
Chicago	188,309,000	148,609,000
St. Louis	56,510,000	44,670,000
Minneapolis	21,085,000	18,485,000
Kansas City	43,747,000	34,107,000
Dallas	34,679,000	30,043,000
San Francisco	70,555,000	44,919,000
TOTAL	$1,675,707,000	$800,064,000

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Dallas	34,679,000	30,043,000
San Francisco	70,555,000	44,919,000
TOTAL	$1,675,707,000	$800,064,000

oOo

Proposed Press Release

H-147

The Bureau of Customs announced today ~~sweeping~~ changes in its regulations to eliminate, insofar as can be accomplished by administrative action, requirements for the verification under oath of customs documents. The elimination of affidavit requirements in more than 100 specific sections of the Customs Regulations of 1943, amended, is expected to result in substantial savings of time and paper work for both foreign traders and customs officers. The move is a part of the Bureau's continuing program of simplification of procedures.

David B. Strubinger, Acting Commissioner of Customs, pointed out that section 1001, title 18, United States Code, protects the Government against knowing and willful falsification of material facts or fraud and misrepresentation as to any matter within the jurisdiction of any department or agency of the United States. The acceptance by Customs of statements, declarations, verifications, acknowledgments, etc., signed without appearance before an oath administering officer, will not, therefore, lessen the protection afforded the Government.

Mr. Strubinger said further consideration will be given in respect to eliminating oath requirements that are statutory in nature if authority proposed in the pending Customs Simplification Bill becomes law.

The changes announced today are embodied in Treasury Decision 53268, text of which appears in the Federal Register of Friday, May 29, 1953, and are effective immediately.

GHC:iv
5-27-53

Friday

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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It will lessen a gamble with national economic security.

We are convinced that this is a sound program. The overwhelming editorial support from all sections of the country is very gratifying. We are satisfied that the country as a whole is back of the President's program.

I urge, therefore, that the tax be extended without modification for six months and that we then get rid of it once and for all. In the meantime we will devote ourselves to further reducing current expenditures so that the reduction in individual income taxes for all the people can justifiably be made a reality. Then all of our efforts will be used in developing a better tax structure under which the elimination of many of the inequities and injustices for all tax payers, both corporate and individual, can be made at the same time as the excess profits tax expires. In that way justice and fair dealing can be done equally and contemporaneously for all.

Thank you, Mr. Chairman and gentlemen, for this opportunity to appear before you. I will gladly attempt to answer any question.

Since the vast majority of companies are on a calendar-year basis, the end of the calendar year is the logical time for the tax to expire. I would feel entirely differently about extending the tax even for one month into another year.

A while ago I mentioned the fact that we had had to reduce the earlier estimates of tax receipts. For this year, with only a month left, we know that receipts will be at least $1.5 billion below the estimate made last January. For next year, the reduction is $1.2 billion. Our figure for next year's receipts differs by only $100 million from that made independently by the staff of your Joint Committee.

The reductions in estimates do not mean that tax collections are falling off. It just means that the original estimates were too high. Collections this year will be several billion dollars more than in any previous year in the history of the country. Next year, even with the tax reductions proposed in the President's program, receipts will be higher than this year.

The extension of the excess profits tax for six months, without modification or amendment, is a necessary first step towards economic security. It will give us time to get control of the budget. It will help in maintaining a sound dollar. It will make it possible for tax reductions and revisions affecting everyone to take place at the same time next year.

The significant point to me from these figures is that though the tax is a very serious barrier to growth for rapidly expanding small companies, it does not affect the vast majority of companies. It falls most heavily on profitable large companies.

I want to be sure that my position on this point is clear. The present distribution of the corporate tax burden is bad because of the tax barriers to growth and the tax penalties on efficiency. But for the rest of this calendar year, most of the bad effects are present anyway.

As the President has noted, the expiration of the tax on June 30 would be misleading in many respects. Regardless of the date of expiration, the tax is computed on a full-year basis. Even though it expires on July 1, its provisions are applicable to the rest of the year. The expiration of the tax in the middle of the year simply means that the rate is lower on the income for the entire year. Thus, if a company lost money through June and made large profits in the last part of the year, it would still be subject through December to all of the peculiar, damaging effects of excess profits taxation on business judgments, even though the tax had supposedly expired some months previously.

I shall not elaborate on the disadvantages and bad effects of this form of tax. They are familiar to all of us. It will be a relief when the tax is off the books. I want to emphasize that the recommendation is for a six-months' extension. We would object to any extension beyond that time.

In considering the excess profits tax, it is important to see what corporations pay it. Complete data on returns filed in 1951, for 1950 income, show that 50,200 corporations paid an excess profits tax. This was less than 12 percent of the 424,000 corporations with taxable income in that year. Preliminary figures for returns on 1951 income, filed in 1952, show that the percentage was even smaller in that year.

Furthermore, most of the tax was paid by large companies. The 1950 returns showed a total excess profits tax of $1,385,000,000. Of this total, $1,234,000,000 were from corporations with net incomes of more than $250,000 each. This means that only $151,000,000 or 11 percent of the total tax came from companies with incomes below $250,000. The incomplete figures for 1951 income show that this same relationship between large and small companies continued in that year. The full details on the 1950 returns are being filed with the Committee today.

In the same message, the President referred to the need to revise the whole tax structure "to remove existing inequities...simplify the needless complications which have developed over the years in tax laws, and generally secure a better balance of tax revenues.... At the same time, we must develop a system of taxation which, to the greatest extent possible, will not discourage work, savings and investment, but will permit and encourage initiative and the sound growth of our free economy."

As you have said on various occasions, Mr. Chairman, the present system has developed in a patchwork manner over many years. It needs a thorough overhauling. We are pleased to know that you have directed your staff and the staff of the Joint Committee to work on this revision.

We in the Treasury are also hard at work on the same subject. We appreciate the opportunity for cooperation in various ways. We already have set up ten joint committees with representatives of your staffs and the Treasury.

With this statement on the general background, I turn to the President's recommendation for the extension of the excess profits tax, without amendment or modification, for six months through December 31, 1953. It should be clear from the President's statement that we disapprove in principle of so-called excess profits taxation.

"The old-age and survivors trust fund has now reached almost 18 billion dollars. Receipts at present tax rates are currently well in excess of expenditures. The further addition to the fund which would flow from the projected tax increase is not required.

* * * * * * * *

"(4) The wide variety of existing excise rates makes little economic sense and leads to improper discrimination between industries and among consumers. Specific proposals for a modified system of excise taxation will be included in the recommendations for tax revisions that will be submitted to the Congress next January.

"The reductions in excise taxes, which would take place next April 1 under present law, should be rescinded pending the development of a better system of excise taxation.

"(5) I believe that a reduction in personal income taxes can and should be made effective next January 1. This reduction will amount to about 10 percent on the lower and middle incomes, graduating down to between one and two percent on the highest brackets. While this reduction is in accordance with existing law, it would have been impossible to accomplish on the basis of the previous Administration's budget without additional deficit financing with its resultant inflationary pressures. A reduction will be justified next January only because of reductions in proposed expenditures which the present Administration has already been able to make and because of additional economies we expect to achieve in the future."

"The scheduled expiration of the tax in June would be misleading in its consequences. It would simply mean that the tax would be applied at half the full rate, 15 percent, to all of this year's business income. Therefore its bad effects in penalizing efficiency and encouraging waste will continue through this year in any event. The extension of the tax through December 1953 would maintain the full 30 percent rate for the entire year and would produce a gain in revenue of 800 million dollars in the fiscal year 1954.

"(2) The reduction in the regular corporate tax rate from 52 percent to 47 percent, now scheduled to go into effect on April 1, 1954, should be rescinded. A continuation of these extra five percentage points on the corporate tax will bring in about 2 billion dollars a year, about the same amount as will be lost annually by the expiration of the excess profits tax at the end of this calendar year.

"Though a 52 percent corporate tax rate is too high for the long run, the budget will not now permit a reduction in both individual and regular corporate tax rates. A reduction in individual taxes must come first, for the benefit of the entire economy.

"(3) The increase in the old-age insurance tax from 1-1/2 to 2 percent on both employees and employers, now scheduled to go into effect next January 1, should be postponed until January 1, 1955.

Individual income taxes need to be reduced. There are many defects in the excise taxes and many inequities affecting both corporations and individuals under many provisions of the tax laws which need to be corrected. Much though I dislike the excess profits tax, it should not be singled out as the only one for special treatment now.

On the basis of all of these facts, and taking into account the need for maintaining military security and economic security, the President has made the following recommendations to the Congress concerning immediate tax legislation. In his message to the Congress of May 20, the President said:

"(1) The excess profits tax should be extended as now drawn for six months beyond its present expiration date of June 30. This action seems necessary in spite of the fact that this is an undesirable way of taxing corporate profits.

"Though the name suggests that only excessive profits are taxed, the tax actually penalizes thrift and efficiency and hampers business expansion. Its impact is especially hard on successful small businesses which must depend on retained earnings for growth. These disadvantages of the tax are now widely recognized. I would not advocate its extension for more than a matter of months. However, under existing circumstances the extension of the present law is preferable to the increased deficit caused by its immediate expiration or to any short-term substitute tax.

The individual income tax rates are planned to go down at the beginning of next January by amounts ranging from about 10 percent in the lower and middle brackets to between 1 percent and 2 percent in the highest brackets. This will involve a loss of $3.0 billion on a full-year basis and $1.1 billion in fiscal 1954.

On April 1, 1954, the normal corporation income tax is to be reduced from 30 percent to 25 percent, with the surtax remaining at 22 percent. This will reduce the total regular rate on the bulk of corporate income from 52 percent to 47 percent. It will mean a loss of $2.0 billion in a full year, with only a small loss in fiscal 1954.

At the same time, April 1, 1954, various excise taxes are also scheduled to be reduced, for a loss of $1.0 billion on an annual basis and $200 million in fiscal 1954.

These reductions all add up to $8.0 billion for a full year and $2.1 billion for fiscal 1954.

Two things are wrong with this schedule of tax reductions. First, with a deficit of $6.6 billion, no immediate tax reduction can be safely made. And second, there are many inequities and hardships which occur from various provisions of the several tax laws. These affect many corporations and a great many individuals. In the present situation, it does not seem fair to let the first reduction benefit only a relatively small group of corporations at least six months ahead of any relief for any other taxpayers.

Much though we dislike the level of Government spending and taxation, we are not willing to gamble with the Nation's defense by too rapid cuts in defense outlays which might leave us open to attack.

There is a second gamble we cannot take. With a deficit of $6.6 billion, it is not safe to gamble with the country's economic security by making immediate cuts ~~in~~ in taxes. This would simply increase the deficit, again build up inflationary pressures and further postpone the time when a sound economy, sound money and a balanced budget can be attained.

The projected deficit of $6.6 billion for fiscal 1954 is after taking into account four major tax reductions which are scheduled to occur under present law during the year. The sequence of these reductions was fixed by legislation adopted some time ago, without reference to the military or economic situations which might exist when the tax cuts were to become effective. A sensible financial plan cannot possibly be made now out of such a schedule in view of present conditions.

At the start of the next fiscal year, that is, on next July 1, the excess profits tax expires. This will involve a loss of revenue of $2.0 billion in a full year and $800 million in fiscal 1954.

In his Message of May 20 to the Congress, President Eisenhower showed a reduction of $4.5 billion in the proposed expenditures; this would bring the projected deficit down to $6.6 billion. I personally am disappointed that we have not been able to make greater reductions in expenditures.

I had hoped until a few weeks ago that it would be possible to cut back Government spending fast enough to justify a reduction in individual income taxes and the end of the excess profits tax on July 1. Unfortunately, that is not possible.

I am confident that further cuts can be made as the year progresses. But I am also satisfied that the reductions now proposed are all that can be made safely at this time.

We live, as the President has said, in an age of peril. The danger of an atomic Pearl Harbor is real. Reductions in defense spending must be made only after full account is taken of all the security factors involved. We can, in time, secure more defense for less money. Action to date gives me confidence that this result can be accomplished.

In business, a management can drastically cut back on some activity and later rebuild it if the original cut turns out to be too large. On matters affecting national security, we cannot take this risk. The chance for second guessing may never come.

H-148

Mr. Chairman and Members of the Committee on Ways and Means:

I appreciate this opportunity to appear before you.

The immediate problem is the extension of the excess profits tax for six months through December 31. I am here to urge this extension in spite of the fact that I dislike the excess profits tax and think it is a bad tax.

The basic problem is that of national security -- which means military security and economic security. The country must be kept safe from aggression from abroad. And further inflation must be stopped and the dollar must be kept sound to provide a solid base for a healthy economy. Military security and economic security are the chief responsibilities of the nation. They must take precedence over everything else.

A few financial facts will show just what we are up against.

Last January the budget filed for the fiscal year 1954 showed total estimated receipts of $68.7 billion and expenditures of $78.6 billion, with a prospective deficit of $9.9 billion. On the basis of our present information, it appears that revenue receipts will be $1.2 billion less than had originally been estimated for that year. This would make the deficit $11.1 billion.

H-148

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Secretary of the Treasury George M. Humphrey

before the

House Ways and Means Committee

on Extension of the Excess Profits Tax

June 1, 1953

TREASURY DEPARTMENT
Washington

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Since the vast majority of companies are on a calendar-year basis, the end of the calendar year is the logical time for the tax to expire. I would feel entirely differently about extending the tax even for one month into another year.

A while ago I mentioned the fact that we had had to reduce the earlier estimates of tax receipts. For this year, with only a month left, we know that receipts will be at least $1.5 billion below the estimate made last January. For next year, the reduction is $1.2 billion. Our figure for next year's receipts differs by only $100 million from that made independently by the staff of your Joint Committee.

The reductions in estimates do not mean that tax collections are falling off. It just means that the original estimates were too high. Collections this year will be several billion dollars more than in any previous year in the history of the country. Next year, even with the tax reductions proposed in the President's program, receipts will be higher than this year.

The extension of the excess profits tax for six months, without modification or amendment, is a necessary first step towards economic security. It will give us time to get control of the budget. It will help in maintaining a sound dollar. It will make it possible for tax reductions and revisions affecting everyone to take place at the same time next year. It will lessen a gamble with national economic security.

We are convinced that this is a sound program. The overwhelming editorial support from all sections of the country is very gratifying. We are satisfied that the country as a whole is back of the President's program.

I urge, therefore, that the tax be extended without modification for six months and that we then get rid of it once and for all. In the meantime we will devote ourselves to further reducing current expenditures so that the reduction in individual income taxes for all the people can justifiably be made a reality. Then all of our efforts will be used in developing a better tax structure under which the elimination of many of the inequities and injustices for all tax payers, both corporate and individual, can be made at the same time as the excess profits tax expires. In that way justice and fair dealing can be done equally and contemporaneously for all.

Thank you, Mr. Chairman and gentlemen, for this opportunity to appear before you. I will gladly attempt to answer any question.

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RELEASE MORNING NEWSPAPERS,
Tuesday, June 2, 1953.

H-149

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated June 4 and to mature September 3, 1953, which were offered on May 28, were opened at the Federal Reserve Banks on June 1.

The details of this issue are as follows:

Total applied for - $1,782,821,000
Total accepted - 1,500,701,000 (includes $183,002,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.389 Equivalent rate of discount approx. 2.416% per annum

Range of accepted competitive bids:

High - 99.485 Equivalent rate of discount approx. 2.037% per annum
Low - 99.346 " " " " " 2.587 " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 14,210,000	$ 14,210,000
New York	1,237,606,000	1,005,486,000
Philadelphia	36,055,000	36,055,000
Cleveland	41,377,000	41,377,000
Richmond	9,763,000	9,763,000
Atlanta	25,999,000	25,999,000
Chicago	211,061,000	161,061,000
St. Louis	21,086,000	21,086,000
Minneapolis	7,266,000	7,266,000
Kansas City	54,500,000	54,500,000
Dallas	25,605,000	25,605,000
San Francisco	98,293,000	98,293,000
Total	$1,782,821,000	$1,500,701,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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The continued modernization of the Bureau's equipment and processes is in keeping with the law requiring the Bureau to print currency and securities as safely, as cheaply, and as perfectly as could be done in industry. It is also in keeping with the expressed desire of Congress that the Bureau intensify its efforts to improve equipment and processes, thereby effecting economies, and bring about better utilization of manpower.

Secretary Humphrey said that this program is in line with the Administration's policy of bringing about economy in the Government service. Bureau management has been instructed to actively pursue further means of improving methods and equipment to the end that the Nation's currency and securities will be manufactured as efficiently and as economically as possible, without in any way jeopardizing the high quality printing standards of the Bureau.

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H.-~~149~~ 150

PROPOSED PRESS RELEASE for AM Papers Sunday, June 2

Clearance Wagner

Secretary Humphrey announced today that the program of modernization of equipment and processes in the Bureau of Engraving and Printing will make possible savings of $5,000,000 during the next fiscal year.

For several years the Bureau has been conducting engineering studies and tests for modernization of its operations. Among improvements resulting from these studies are the successful development of new types of ink for printing currency; mechanical devices to eliminate manual feeding of sheets to the currency presses; devices to eliminate the manual removal and stacking of the printed sheets of currency; and automatic polishers for printing plates, which were formerly polished by hand. All of these improvements aided in the development of printing the currency 18 notes to the sheet instead of 12.

This latest development has increased the production of notes from each press by 50%, a factor which will result in a recurring annual saving of approximately $5,000,000 and the elimination of more than 1300 positions in the Bureau during the next year. The positions include skilled and unskilled workers, plate printers and the 70 apprentice plate printers. (30 colored) The Secretary emphasized that wherever possible surplus personnel would be assigned to other positions in the Bureau and in other agencies in accordance with Civil Service regulations and procedures.

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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 June 11, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 11, 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, June 4, 1953 .

H - 151

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 June 11, 1953 , in the amount of $1,201,879,000 , to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 11, 1953 , and will mature September 10, 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 Daylight Saving ~~Standard~~ time, Monday, June 8, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, June 4, 1953. H-151

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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 June 11, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 11, 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.

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H-152

IMMEDIATE RELEASE
June 3, 1953

The Bureau of Customs announced today that the absolute quota of 795,000 bushels of Canadian wheat (other than wheat unfit for human consumption) prescribed in the President's Proclamation of May 28, 1941, as modified, was filled at the opening moment of the quota year on May 29, 1953.

The Bureau of Customs also announced that as of the close of business on June 2 a total of 289,600 pounds of wheat flour has been authorized for entry under the quota of 3,815,000 pounds of Canadian wheat flour, semolina, crushed or cracked wheat and similar wheat products which opened on May 29, 1953.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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so in the light of the plans and recommendations of professional military men. Basically, the (day-to-day) job of tightly and economically ~~planning and~~ administering ~~([illegible])~~ our national military effort - of making sure that for every ounce of that effort we get an ounce of performance or of muscle, and not half an ounce of fat - that is a job ~~([illegible])~~ that must be done primarily within the armed services themselves.

It is a hard task. Short of an all-out war, it is the hardest task that ever faced this country's military men. For the rules for success cannot be read in any book.

But hard though this task may be, I have every confidence that it will be successfully accomplished. The quality and the numbers of the men who are entering the military profession as their career are higher than ever in our history. You who have chosen this career have not done so because it was easy, but because you sought thus to serve your country. As one of its citizens, I honor you for your choice, I thank you for having made it, and I wish every one of you God speed.

an individual or a nation. It is a test that many individuals and some nations have failed to meet. It is a test that America must not and will not fail to meet.

It is because the philosophy, the attitude, and the approach of the professional military men will have so important a bearing on how we meet that test that I emphasize the added responsibility that you will carry who are entering that profession as your career.

For, in the long run, we as a nation will be willing to reimpose this burden on ourselves year after year, only if we are continuously convinced that the men and the dollars we invest in the effort are being well and wisely used. In a period like this, which may last a long while, we lack the stimulation of the emotional upsurge that we have seen in time of all-out war, and we lack, too, the tolerance of mistakes which exists at such a time. Our sense of the danger in which we may stand cannot over long periods be relied on to prevail over the day to day criticism of any important degree of waste or folly. Our programs must be adequate, they must be rational, and they must be well and economically managed.

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In large measure, ~~this is a job for~~ the professionals. A national tradition that is wise and sound subjects the military to civilian control. The civilian authority ~~can~~ gives general guidance and direction to military affairs; but it cannot administer them in detail. It ~~can~~ decides ultimate questions of policy, but it must do

Now the fact that needs constant reemphasis is this: In our free society, we have as a people to vote every two years and every four years to reimpose that burden on ourselves. Our adversaries, on the other hand, with the techniques of the police state at their command, merely take, from the efforts of their people, as high a proportion for military purposes as they think they need from time to time. Our people must at regular intervals ~~[illegible]~~ freely elect to continue to carry the load; their people, short of rebellion, have no means of laying it down.

I personally have no fear of the outcome of this struggle that we are engaged in. I have faith that the greater productivity, the greater fertility in ideas, the greater resourcefulness and faith of men and women, which are the fruits of a free society, will in the short run and the long run outweigh and outlast those who use a whip to drive their people into the army or the war plant. But I have no illusions about how hard and bitter the struggle will be. And I have no illusions about the terribly exacting quality of the demand we must make upon ourselves as a nation, to remain willing, year after year for a period the end of which no man can surely foresee, voluntarily to shoulder this burden, We must freely Elect ~~and by our own votes~~ to postpone pleasant things that we might have today, because of the stern necessities of tomorrow or next year or the next decade. The willingness to do this is the supreme test of the maturity, the steadiness, and the faith of

as it then was called, had less than 25,000; the Navy only 95,000 and the Coast Guard 10,000. A military career, in the atmosphere of that day, was not widely thought of as one of the major professions - except in time of war, when we always quite suddenly acquired a very different feeling.

The United States has not been alone in this fluctuating attitude toward the military. Kipling described the same thing in Victorian England in his poem about Tommy Atkins, the British version of the G.I., who was so badly pushed around in time of peace and then treated with the greatest deference in time of war. You remember the lines:
"Oh it's Tommy this and Tommy that, and 'Tommy, stand behind,'
"But it's 'Please to step up front, sir.' when there's trouble in the wind."

The day of those swings of opinion about the military is over. Our world-wide contest with another way of life forces upon us a degree of continuous military readiness that we never before contemplated in a time of relative peace. As we all know, the cost of past wars and present military preparation is taking more than two-thirds of our national budget, and nearly one-sixth of all the goods and services that this country ~~can~~ produces. We are sure that, in time and with greater efficiency, more defense can be secured more economically, and that we can do this in a way that will not threaten the economic stability of our free way of life. But, even when we succeed in this, the burden will remain very heavy, in relation to anything we have known before except in time of all out war, so long as world conditions remain as they are today.

perhaps because it is no larger than it is, of a special morale all its own. It has something of the quality of the morale and spirit of the small English army just before its victory on the battlefield of Agincourt, which Shakespeare described in that unforgettable line spoken by Henry V: "We few, we happy few, we band of brothers."

The Coast Guard has from the first been in the Treasury Department in time of peace. It has always been part of the Navy in time of war. At all times, in the Treasury or the Navy, it has been a military service. It is in your character of commissioned officers in the armed forces of the United States that I want particularly to speak to you of the class of 1953, because what has happened in the world has so greatly enlarged the responsibility that falls upon you who have chosen a professional military career.

Of necessity, many more of your generation are making this choice than was true of my generation. When I stood on a graduation platform at Princeton in June just twenty-five years ago, perhaps a third of us received our reserve commissions in the Army along with our diplomas, but I remember only one of that group of perhaps 150 men who planned to enter the regular Army.

That proportion reflected the national attitude at that time toward a professional military career. After the enormous effort of the First World War, our military establishment had shrunk to figures that in this day are hard to believe. The whole Army - then and down into the middle of the 1930's - numbered only about 250,000 men; the Air Corps,

Admiral O'Neill, Admiral Hall, members of the class of 1953, distinguished guests, ladies and gentlemen:

It is a great privilege for me to have been asked to come here to speak to you of the class of 1953, on this day when you receive your commissions in the United States Coast Guard. You know (-- probably much) better than I - what a proud service it is that you are entering; but it is fitting that those of us who are gathered here as guests should remind ourselves that its tradition stretches back to the very beginning of our life as a nation, to 1789 and 1790 when Alexander Hamilton recommended the founding of the Light House Service and the Revenue Marine.

We who have lived near the Great Lakes know at first hand a part, but only a part, of what the Coast Guard does. It has been a thrilling experience for me, since I went to Washington in January, to see the full ~~picture~~ scope of its activities: light houses and life boat stations along the coast, ships on station far out in both the oceans to serve and protect air and sea traffic, the Loran navigation network that covers a large part of this hemisphere, and the search and rescue units scattered from Newfoundland and Bermuda to the Philippines. Since January, I have learned much, too, that I should have known before of what the Coast Guard did during the war, from anti-submarine duty to the landing of troops on invasion beachheads. All of this has helped me to understand another thing that I have also begun to sense - and nowhere more keenly than here today - the existence in the Coast Guard,

~~TREASURY DEPARTMENT~~
~~WASHINGTON~~

TREASURY DEPARTMENT
Washington

FOR RELEASE 2:00 P.M., EDT
Friday, June 5, 1953

H - 153

Address by Assistant Secretary of the Treasury H. Chapman Rose at the 67th Commencement Exercises of the United States Coast Guard Academy, New London, Connecticut, June 5, 1953, 2:00 p.m. EDT.

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January 1, 1953 - March 31, 1953

UNITED STATES GOLD TRANSACTIONS WITH FOREIGN COUNTRIES

(In millions of dollars at $35 per ounce)

Negative figures represent net sales by the United States; positive figures, net purchases.

Country	First Quarter 1953 *	Calendar 1952
Afghanistan	--	-$2.5
Argentina	-$54.9	-20.0
Belgium	-36.5	-3.8
Belgian Congo	--	-2.0
Bolivia	--	--
Canada	--	7.2
Chile	--	1.8
Colombia	-3.5	-22.8
Denmark	-13.2	-7.0
Germany	-30.0	-10.0
Greece	--	-12.3
Lebanon	-1.0	-3.1
Mexico	-28.1	87.7
Netherlands	-25.0	-100.0
~~Philippines~~ Norway	-5.0	--
Portugal	-15.0	-5.0
Salvador	--	-4.0
Sweden	-10.0	--
Switzerland	-20.0	22.5
Switzerland-Bank for International Settlements	-23.5	--
Syria	--	-2.5
South Africa	--	11.5
Turkey	-3.3	2.1
United Kingdom	-320.0	440.0
Uruguay	-10.0	14.9
All Other	-.1	.9
TOTAL	-$599.1	$393.6

~~Some figures will not add to totals because of rounding.~~

* There were no purchases of monetary gold by the United States in the first quarter of 1953.

IMMEDIATE RELEASE,
Monday, June 8, 1953

H- 154

The Treasury Department today made public a report of monetary gold transactions with foreign governments and central banks for the first quarter of 1953. There were no purchases of monetary gold by the United States in this period; total sales amounted to $599 million.

A table showing net transactions, by country, for the first quarter of 1953 and calendar 1952 is attached.

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Chile	--	1.8
Colombia	-3.5	-22.8
Denmark	-13.2	-7.0
Germany	-30.0	-10.0
Greece	--	-12.3
Lebanon	-1.0	-3.1
Mexico	-28.1	87.7
Netherlands	-25.0	-100.0
Norway	-5.0	--
Portugal	-15.0	-5.0
Salvador	--	-4.0
Sweden	-10.0	--
Switzerland	-20.0	22.5
Switzerland-Bank for International Settlements	-23.5	--
Syria	--	-2.5
South Africa	--	11.5
Turkey	-3.3	2.1
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Uruguay	-10.0	14.9
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RELEASE MORNING NEWSPAPERS,
Tuesday, June 9, 1953.

H-155

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 June 11 and to mature September 10, 1953, which were offered on June 4, were opened at the Federal Reserve Banks on June 8.

The details of this issue are as follows:

Total applied for - $2,290,690,000
Total accepted - 1,400,368,000 (includes $231,246,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.413 Equivalent rate of discount approx. 2.324% per annum

Range of accepted competitive bids:

High	- 99.440	Equivalent rate of discount approx. 2.215% per annum
Low	- 99.407	" " " " " 2.346% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 30,020,000	$ 24,592,000
New York	1,651,615,000	928,948,000
Philadelphia	37,100,000	17,540,000
Cleveland	51,863,000	42,763,000
Richmond	23,991,000	21,891,000
Atlanta	29,558,000	25,424,000
Chicago	210,342,000	136,482,000
St. Louis	50,854,000	26,054,000
Minneapolis	12,258,000	8,528,000
Kansas City	49,294,000	41,144,000
Dallas	23,973,000	23,673,000
San Francisco	119,822,000	103,329,000
TOTAL	$2,290,690,000	$1,400,368,000

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Average price - 99.413 Equivalent rate of discount approx. 2.324% per annum

Range of accepted competitive bids:

High - 99.440 Equivalent rate of discount approx. 2.215% per annum

Low - 99.407 Equivalent rate of discount approx. 2.346% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 30,020,000	$ 24,592,000
New York	1,651,615,000	928,948,000
Philadelphia	37,100,000	17,540,000
Cleveland	51,863,000	42,763,000
Richmond	23,991,000	21,891,000
Atlanta	29,558,000	25,424,000
Chicago	210,342,000	136,482,000
St. Louis	50,854,000	26,054,000
Minneapolis	12,258,000	8,528,000
Kansas City	49,294,000	41,144,000
Dallas	23,973,000	23,673,000
San Francisco	119,822,000	103,329,000
TOTAL	$2,290,690,000	$1,400,368,000

oOo

Release 1 P.M. EDT
Tuesday June 9 1953

~~RESTRICTED~~

~~[illegible]~~

H-156

~~DRAFT PRESS RELEASE~~

Secretary Humphrey, Mexican Ambassador Manuel Tello and Senor Raul Martinez-Ostos as the representative of the Banco de Mexico today signed a new Stabilization Agreement between the United States and Mexico. The Agreement, which becomes effective July 1, 1953, provides for ~~increases~~ an increase from $50 to $75 million in the amount available in the United States Stabilization Fund for the purchase of Mexican pesos to stabilize the dollar-peso rate of exchange.

The United States Stabilization Fund undertakes until December 31, 1955, to purchase under the terms of the Agreement signed today Mexican pesos up to the equivalent of $75 million for the purpose of stabilizing the dollar-peso rate of exchange if the occasion for such use should arise. The Agreement continues arrangements that have been in effect since 1941 and will, as in the past, be operated in close coordination with the activities of the International Monetary Fund. The increase in the amount from $50 million to $75 million, it was explained, is in keeping with the growth of Mexican production and the increase in trade and financial transactions between Mexico and the United States.

Secretary Humphrey noted that Mexico has achieved a substantial increase in its national output in recent years, while maintaining in full its traditional freedom of exchange transactions. He pointed out that the present strength and stability of the peso and the satisfactory condition of Mexico's gold and foreign exchange reserves stem in large part from the internal financial stability which Mexico has attained during the last ~~two~~ few years.

~~RESTRICTED~~

LMK

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE 4 P.M. EDT
Tuesday, June 9, 1953. H-156

Secretary Humphrey, Mexican Ambassador Manuel Tello and Senor Raul Martinez-Ostos as the representative of the Banco de Mexico today signed a new Stabilization Agreement between the United States and Mexico. The Agreement, which becomes effective July 1, 1953, provides for an increase from $50 to $75 million in the amount available in the United States Stabilization Fund for the purchase of Mexican pesos to stabilize the dollar-peso rate of exchange.

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STATUTORY DEBT LIMITATION

AS OF May 31, 1953

TREASURY DEPARTMENT
Fiscal Service
Washington, June 4, 1953
9

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	$19,912,569,000		
Certificates of indebtedness	15,958,626,000		
Treasury notes	35,203,328,100	$71,074,523,100	
Bonds –			
Treasury	81,918,358,400		
Savings (current redemp. value)	57,920,423,778		
Depositary	393,838,000		
Armed Forces Leave	-		
Investment series	13,303,847,000	153,536,467,178	
Special Funds –			
Certificates of indebtedness	24,737,188,000		
Treasury notes	14,972,784,400	39,709,972,400	
Total interest-bearing		264,320,962,678	
Matured, interest-ceased		242,197,500	
Bearing no interest:			
War savings stamps	50,234,813		
Excess profits tax refund bonds	1,453,522		
Special notes of the United States:			
Internat'l Monetary Fund series	1,302,000,000	1,353,688,335	
Total		265,916,848,513	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	51,104,336		
Demand obligations: C.C.C.	-	51,104,336	
Matured, interest-ceased		1,206,450	
		52,310,786	
Grand total outstanding			265,969,159,299
Balance face amount of obligations issuable under above authority			9,030,840,701

Reconcilement with Statement of the Public Debt May 31, 1953
(Date)

(Daily Statement of the United States Treasury, June 1, 1953)
(Date)

Outstanding –	
Total gross public debt	266,519,913,328
Guaranteed obligations not owned by the Treasury	52,310,786
Total gross public debt and guaranteed obligations	266,572,224,114
Deduct – other outstanding public debt obligations not subject to debt limitation	603,064,815
	265,969,159,299

H-157

STATUTORY DEBT LIMITATION
AS OF MAY 31, 1953

June 9, 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." 248

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(Daily Statement of the United States Treasury, June 1, 1953)

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	265,969,159,299

H-157

Redemptions 7/344 m

Savings Bonds Division
APPROVAL

Elihu E. Harris Date

Charles Shaeffer Date

Section Chief Date

SUGGESTED TREASURY RELEASE

ALL PAPERS
IMMEDIATE RELEASE

Washington, --date--: Secretary of the Treasury Humphrey today announced that U. S. Savings Bonds series E and H sales during the month of May were $340 million. This was an increase of $90 million or 36 percent over the $250 million series E sold in May a year ago.

Retention of the matured E bonds continued to stay at 75 percent. The people who held their matured E bonds took advantage of the maturity option to earn 3 percent for the period held beyond maturity up to a ten year maximum. Cash redemptions of matured bonds continued to rise as the dollar volume coming due increases. There were $121 million cash redemptions of matured E bonds during May 1953, as against $69 million in the same month a year ago.

Sales of E and H bonds in the first five months of this year totaled $1.9 billion. That was an increase of 30 percent over the Series E sales during the corresponding months last year.

Redemptions of matured and unmatured series E and H bonds totaled $1.7 billion during the first five months of 1953. That total was 4 percent lower than the $1.8 billion amount for Series E in the first five months of 1952.

The Treasury points out that the value of U. S. Savings Bonds does not fluctuate. The holder of series E and H bonds is guaranteed full return of his original investment, plus earned interest, regardless of any conditions which may otherwise affect the market.

Immediate 6/9/53

H-158

Sales of Series E and H Savings Bonds in the first five months of 1953 totaled $1,900,000,000, the Treasury announced today. Redemptions of matured and unmatured bonds in the same pe[riod] totaled $1,700,000,000. Sales were up 30 percent and redemptions down 4 percent from the totals for the corresponding months of 1952.

Sales of Series E and H bonds in May were $340,000,000, up 36 percent over E bond sales in ~~from~~ May, 1952, and redemptions were $344,000,000, up 1 percent from May, 1952.

Owners of approximately three-fourths of the Series E bonds so far matured are continuing to hold their matured bonds under the optional extension plan.

~~The Treasury points out that the value of U. S. Savings Bonds does not fluctuate. The holder of series E and H bonds is guaranteed full return of his original investment, plus earned interest, regardless of any conditions which may otherwise affect the market.~~

NO

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Tuesday, June 9, 1953. H-158

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Owners of approximately three-fourths of the Series E bonds so far matured are continuing to hold their matured bonds under the optional extension plan.

oOo

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 June 18, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 18, 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

TREASURY DEPARTMENT
Washington

H-159

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, June 11, 1953.

The Secretary of the Treasury, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing June 18, 1953, in the amount of $1,200,500,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 18, 1953, and will mature September 17, 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~~ Daylight Saving time, Monday, June 15, 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

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, June 11, 1953.

H-159

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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 June 18, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 18, 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.

oOo

Immediate

~~FOR RELEASE A.M. PAPERS~~
~~Wednesday, June 10~~

H-160

Secretary Humphrey today announced his acceptance of the resignation of Charles W. Davis as Chief Counsel of the Bureau of Internal Revenue, and designated Kenneth W. Gemmill, an Assistant to the Secretary, as Acting Chief Counsel of the Bureau until selection of a new Chief Counsel is made.

Secretary Humphrey said that Mr. Gemmill will serve~~d~~ as Acting Chief Counsel in addition to his other duties, which include heading-up the Legal Advisory Staff of the General Counsel's Office, as well as being legal advisor on tax matters to the Under Secretary of the Treasury.

Prior to his designation in May 1952 as Chief Counsel of the Revenue Bureau, Mr. Davis was for three years Clerk of the Committee on Ways and Means of the House of Representatives. He also served as an Assistant General Counsel of the Treasury. A resident of Vandalia, Illinois, Mr. Davis ~~received his law degree from the University of Illinois and following private practice was appointed to the staff of the Tax Legislative~~ as Counsel of the Treasury.

Mr. Gemmill came to the Treasury in April 1953. He is a graduate of Princeton University and the University of Pennsylvania Law School. At the time of his appointment as Assistant to the Secretary, Mr. Gemmill was a practicing lawyer ~~member of the law firm of Barnes, Dechert, Price, Myers and Rhoads of Philadelphia.~~ in Philadelphia

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, June 10, 1953. H-160

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Mr. Gemmill came to the Treasury in April 1953. He is a graduate of Princeton University and the University of Pennsylvania Law School. At the time of his appointment as Assistant to the Secretary, Mr. Gemmill was a practicing lawyer in Philadelphia.

Prior to his designation in May 1952 as Chief Counsel of the Revenue Bureau, Mr. Davis was for three years Clerk of the Committee on Ways and Means of the House of Representatives. A resident of Vandalia, Illinois, he also served as an Assistant General Counsel of the Treasury.

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H-161

~~6-9-53~~

FOR IMMEDIATE RELEASE

Secret Service agents arrested 550 check forgers during April and May, Chief U. E. Baughman said today. Because of intensified forgery activities which the number of arrests reflected, he warned retail merchants to be doubly alert in asking for identification before cashing Government checks for strangers.

New York agents led the country with 83 arrests for the two-month period. Second was Chicago with 37, followed by Detroit with 32, Cincinnati 24, Philadelphia 23, and St. Louis and Atlanta tied with 20 each. Arrests were made in all but five of the 57 Secret Service field districts. [redacted] In Washington, D. C., where thousands of Government employees are paid by check, 19 forgers were jailed.

Most of the forged Government checks were cashed in retail stores by merchants who failed to insist upon proper identification of the payees, Baughman said. In Illinois a 20-year-old offender [redacted] stole and forged checks worth $2,275, including several payable to women whose names he endorsed. He said he negotiated the checks at stores and banks and was [redacted] not asked, as a rule, for any identification. In a few stores where he was asked to identify himself, [redacted] he merely retrieved the check and took it to other stores until he was able to cash it without proving his identity.

Chief Baughman pointed out that many merchants proceed on the theory [redacted] that a Government check is as good as gold. "It is," Baughman said, "provided it is in the hands of the person who is entitled to it. A Government check with a forged endorsement is as worthless as any forged commercial or personal check, and the storekeeper who cashes it is the loser."

~~The Secret Service received 5,037 forged checks for investigation during the month of May, Chief Baughman said, representing an increase of 1,020 above the number received in April.~~

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, June 10, 1953. H-161

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COTTON WASTES
(In pounds)

COTTON CARD STRIPS made from cotton having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE: Provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

Country of Origin	Established TOTAL QUOTA	Total Imports Sept. 20, 1952, to June 10, 1953	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1952, to June 10, 1953
United Kingdom	4,323,457	77,856	1,441,152	77,249
Canada	239,690	239,495	-	-
France	227,420	13,032	75,807	13,032
British India	69,627	48,162	-	-
Netherlands	68,240	15,715	22,747	15,715
Switzerland	44,388	-	14,796	-
Belgium	38,559	12,853	12,853	12,853
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	438,161	1,599,886	149,897

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

Treasury Department
Washington

H-162

IMMEDIATE RELEASE
June 10, 1953

Thursday 11

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 June 10, 1953, 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	586	Paraguay	871	-
British India	2,003,483	-	Colombia	124	-
China	1,370,791	-	Iraq	195	-
Mexico	8,883,259	8,883,259	British East Africa	2,240	-
Brazil	618,723	124,891	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 May 30, 1953

Established Quota (Global)	Imports
70,000,000	16,871,339

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1953, to June 10, 1953

Established Quota (Global)	Imports
45,656,420	28,654,615

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, June 11, 1953

H-162

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 June 10, 1953, inclusive

Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan	783,816	-
Peru	247,952	586
British India	2,003,483	-
China	1,370,791	-
Mexico	8,883,259	8,883,259
Brazil	618,723	124,891
Union of Soviet Socialist Republics	475,124	-
Argentina	5,203	1,382
Haiti	237	-
Ecuador	9,333	-
Honduras	752	-
Paraguay	871	-
Colombia	124	-
Iraq	195	-
British East Africa	2,240	-
Netherlands E. Indies	71,388	-
Barbados	-	-
1/Other British W. Indies	21,321	-
Nigeria	5,377	-
2/Other British W. Africa	16,004	-
3/Other French Africa	689	-
Algeria and Tunisia	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, 1952, to May 30, 1953

Established Quota (Global)	Imports
70,000,000	16,871,339

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1953, to June 10, 1953

Established Quota (Global)	Imports
45,656,420	28,654,615

282

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 June 10, 1953	Established 33-1/3% of Total Quota	Imports Sept. 20, 1952, to June 10, 1953 1/
United Kingdom	4,323,457	77,856	1,441,152	77,249
Canada	239,690	239,495	-	-
France	227,420	13,032	75,807	13,032
British India	69,627	48,162	-	-
Netherlands	68,240	15,715	22,747	15,715
Switzerland	44,388	-	14,796	-
Belgium	38,559	12,853	12,853	12,853
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	438,161	1,599,886	149,897

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

Treasury Department
Washington

IMMEDIATE RELEASE
June ~~10~~ 11, 1953

H-163

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, 1953, to May 30, 1953, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of May 30, 1953
Buttons	850,000	Gross	329,591
Cigars	200,000,000	Number	1,235,777
Coconut Oil	448,000,000	Pound	35,538,852
Cordage	6,000,000	Pound	2,259,200
Rice	1,040,000	Pound	2,500
Sugars (Refined	1,904,000,000	Pound	-
Sugars (Unrefined			704,431,359
Tobacco	6,500,000	Pound	907,377

TREASURY DEPARTMENT

Washington

IMMEDIATE RELEASE
Thursday, June 11, 1953

H-163

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Rice.......................	1,040,000	Pound	2,500
Sugars (Refined............	1,904,000,000	Pound	-
Sugars (Unrefined..........			704,431,359
Tobacco....................	6,500,000	Pound	907,377

Treasury Department
Washington

FOR IMMEDIATE RELEASE,

H - 164

Tuesday
June 10, 1953

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, 1953, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1953, to June 10, 1953	Established Quota	Imports May 29, 1953, to June 10, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	358,200
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000		,200

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, June 11, 1953

H-164

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Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1953, to June 10, 1953	Established Quota	Imports May 29, 1953 to June 10, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	358,200
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000	4,000,000	358,200

Treasury department
Washington

71-165

FOR IMMEDIATE RELEASE,

June 10, 1953

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: Established Quota (Bushels)	Wheat: Imports May 29, 1952, to May 28, 1953 (Bushels)	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Established Quota (Pounds)	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Imports May 29, 1952, to May 28, 1953 (Pounds)
Canada	795,000	794,576	3,815,000	3,815,000
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	-	-	-
	800,000	794,576		815,044

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Thursday, June 11, 1953

H-165

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 May 29, 1952, to May 28, 1953	Established Quota	Imports May 29, 1952, to May 28, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	794,576	3,815,000	3,815,000
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	-	-	-
	800,000	794,576	4,000,000	3,815,044

Treasury Department Washington

H-166

IMMEDIATE RELEASE
June 10, 1953

Thursday, 11

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 May 30, 1953, inclusive, as follows:

Commodity	Period and Quantity		Unit of Quantity	Imports as of May 30, 1953
Whole milk, fresh or sour . . .	Calendar year	3,000,000	Gallon	3,521
Cream	Calendar year	1,500,000	Gallon	478
Butter	Apr. 1, 1953- July 15, 1953	5,000,000	Pound	2,600
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	33,866,287	Pound	(1) Quota Filled
White or Irish potatoes:				
certified seed	12 months from	150,000,000	Pound	113,641,958
other	Sept. 15, 1952	798,900,000 +	Pound	79,407,988
Walnuts	Calendar year	5,000,000	Pound	4,127,960
Almonds, shelled, blanched, roasted, or otherwise prepared or preserved	12 months from Oct. 1, 1952	7,000,000	Pound	5,489,323
Cattle, less than 200 pounds each	12 months from April 1, 1953	200,000	Head	2,277
Cattle, 700 pounds or more each (other than dairy cows)	April 1, 1953- June 30, 1953	120,000	Head	9,757

(1) Imports for consumption at the quota rate are limited to 16,933,144 pounds during the first six months of the calendar year.

TREASURY DEPARTMENT

Washington

IMMEDIATE RELEASE
Thursday, June 11, 1953

H-166

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N. Brown, Jr.
for the Register of the
Treasury

D. C. Whitman
for the Treasurer
of the United
States

Act of July 17, 1861

Convertible into 20 year~~s~~ 6 percent U. S. Bond~~s~~

In accepting the relic from the Riggs Bank, Secretary Humphrey said: "The Treasury is proud to have this historic~~al~~ document as evidence of the people's support of their government, dating back almost a hundred years. Now as then the soundness of the Government rests with the willing cooperation of its citizens. Today nearly fifty million Americans are holders of Government Bonds."

Mr. Fleming serves as chairman of the Government Borrowing Committee of the American Bankers Association, and has been an active volunteer in U. S. Savings Bond program~~s~~ for many years.

~~For Release at 11:30 a.m. Thursdaym June 11, 1953~~

Washington, June 11 --- Robert V. Fleming, president and chairman of the board of the Riggs National Bank of Washington today presented the first Federal Government ~~bond~~ note sold during the Civil War to the Treasury Department for its permanent possession. The historic document was ac-~~cepted for the Treasury by Secretary of the Treasury Humphrey.~~

The ~~Civil War bond,~~ notes dated August 19, 1861, was purchased by the late Franck Taylor of Washington, and has been in the ~~hands~~ possession of his descendants, who have done business with the Riggs National Bank for four generations. It was recently acquired by the bank from a grandson, also named Franck Taylor, of Pulaski, Virginia, for presentation to the Treasury. The bond had been redeemed, canceled, and returned years ago to its original purchaser.

The face of the ~~bond~~ note reads:

~~American Bank Note Co. New York~~

Interest Ten Cents Per Day

Washington August 19th, 1861

500 No. 1 No. 1 500

Three years (Photograph of George Washington) After Date

The United States A

Promise to pay to the order of

A Franck Taylor

FIVE HUNDRED DOLLARS

With 7 3/10 per cent interest payable semi-annually

Release 11:30 AM EDT!
June 11

H-167

Robert V. Fleming, president and chairman of the board of the Riggs National Bank of Washington, today presented to the Treasury Department for its permanent possession a [redacted] Treasury note identified as the first Federal security sold to finance the Civil War. The historic document was accepted for the Treasury by Secretary Humphrey. It will be placed in the Treasury archives.

~~The note, dated August 19, 1861, was purchased~~

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE 11:30 A.M. EDT
Thursday, June 11, 1953. H-167

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Convertible into 20 year 6 percent U.S. Bonds

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The objectives of this study are ~~would be~~ the removal of existing inequities, ~~in the tax structure, the~~ simplification, and the development of a tax system ~~structure~~ which will impose the least obstacle to the economic growth of the country.

* * *

individual tax reduction and the expiration of the excess profits tax will be justified next January. They should take place together, and they cannot be justified earlier.

Third, the regular corporate tax should be continued at 52 percent. This had been scheduled to go down to 47 percent next April. The country cannot yet afford the loss of approximately $2 billion which this would involve.

Fourth, the excise tax reduction scheduled for next April should be rescinded. The present combination of rates makes little economic sense and produces unjustified discriminations among consumers and between industries. A new system of excise taxation should be developed to take the place of the existing haphazard rate structure. Recommendations for this will be made next January. But the country cannot afford to lose revenue from this tax source. The rate of reduction should be rescinded pending the development of a better system.

The fifth recommendation was for the maintenance of the existing 1 1/2 percent old age insurance tax of both employers and employees in the calendar year 1954.

The sixth part of the President's program calls for a study of the entire tax structure with a view to making recommendations to the Congress by the first of the year.

We are still convinced, after the discussions which have taken place since the President's tax program was announced, that it offers the most sensible solution to our present tax and budget problems. We are greatly pleased with the response of the public to the President's plea that we put national security and a sound dollar ahead of tax reduction. We are still confident that the Congress, when it has studied all the facts, will adopt this program as being fair and in the best interest of all.

* * *

Many people have lost sight of the fact that the recommendation for the extension of the excess profits tax for six months was only part of the President's tax program. The program should be considered as a complete package. The six points of the President's program are:

First, the extension of the excess profits tax for six months.

Second, individual income taxes will be reduced at the same time that the excess profit tax is ended, that is, January 1st, 1954. The reduction in individual rates is already scheduled to go into effect at that time, but it would have been unsound financially without the substantial reduction in expenditures which the President has recommended. With the curtailment of outlays,

EXCERPTS FROM STATEMENT MADE BY UNDER SECRETARY OF THE TREASURY, M. B. FOLSOM, BEFORE THE MACHINERY AND ALLIED PRODUCTS INSTITUTE AT THE STATLER HOTEL AT 10:00 a.m., Friday, June ~~12~~, 1953

Before discussing the six points of the President's tax program, I should emphasize that a truce in Korea would not affect this program. Secretary Wilson cautioned a Congressional Committee this week against any further reduction in defense spending if a truce is signed in Korea.

You will recall that the President has cut expenditures $4.5 billion from the budget submitted by the past Administration. With these reductions and with the President's tax recommendations, there will still be a deficit of $5.6 billion for the next fiscal year.

The President has recommended reduction in individual income tax on January 1st and elimination of the excess profits tax at that time. These reductions are justified only on the assumption that further expenditure ~~reductions~~ cuts will be made in the next fiscal year. ~~Strenuous efforts will be required to bring about reductions to the extent of~~

17-168 xxxx

TREASURY DEPARTMENT
Washington

Excerpts from remarks by Under Secretary of the Treasury Marion B. Folsom before the Machinery and Allied Products Institute, Statler Hotel, Washington, D.C., 10 a.m. EDT, Friday, June 12,1953.

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* * * *

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* * * *

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H-168

Second, individual income taxes will be reduced at the same time that the excess profits tax is ended, that is, January 1st, 1954. The reduction in individual rates is already scheduled to go into effect at that time, but it would have been unsound financially without the substantial reduction in expenditures which the President has recommended. With the curtailment of outlays, individual tax reduction and the expiration of the excess profits tax will be justified next January. They should take place together, and they cannot be justified earlier.

Third, the regular corporate tax should be continued at 52 percent. This had been scheduled to go down to 47 percent next April. The country cannot yet afford the loss of approximately $2 billion which this would involve.

Fourth, the excise tax reduction scheduled for next April should be rescinded. The present combination of rates makes little economic sense and produces unjustifed discriminations among consumers and between industries. A new system of excise taxation should be developed to take the place of the existing haphazard rate structure. Recommendations for this will be made next January. But the country cannot afford to lose revenue from this tax source. The rate of reduction should be rescinded pending the development of a better system.

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The sixth part of the President's program calls for a study of the entire tax structure with a view to making recommendations to the Congress by the first of the year. The objectives of this study are the removal of existing inequities, simplification, and the development of a tax system which will impose the least obstacle to the economic growth of the country.

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RELEASE MORNING NEWSPAPERS,
Tuesday, June 16, 1953.

H-169

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated June 18 and to mature September 17, 1953, which were offered on June 11, were opened at the Federal Reserve Banks on June 15.

The details of this issue are as follows:

Total applied for - $2,206,694,000
Total accepted - 1,500,018,000 (includes $281,456,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.437 Equivalent rate of discount approx. 2.229% per annum

Range of accepted competitive bids: (Excepting two tenders totaling $1,000,000)

High - 99.444 Equivalent rate of discount approx. 2.200% per annum
Low - 99.432 " " " " " 2.247% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 33,108,000	$ 30,268,000
New York	1,460,383,000	867,193,000
Philadelphia	14,003,000	13,503,000
Cleveland	77,253,000	54,353,000
Richmond	23,855,000	21,005,000
Atlanta	48,617,000	42,807,000
Chicago	250,923,000	206,138,000
St. Louis	40,663,000	27,736,000
Minneapolis	17,024,000	16,594,000
Kansas City	57,569,000	47,765,000
Dallas	64,257,000	56,927,000
San Francisco	119,034,000	115,729,000
TOTAL	$2,206,694,000	$1,500,018,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, June 16, 1953.

H-169

The Secretary of the Treasury announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated June 18 and to mature September 17, 1953, which were offered on June 11, were opened at the Federal Reserve Banks on June 15.

The details of this issue are as follows:

Total applied for - $2,206,694,000
Total accepted - 1,500,018,000 (includes $281,456,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.437 Equivalent rate of discount approx. 2.229% per annum

Range of accepted competitive bids: (Excepting two tenders totaling $1,000,000)

High - 99.444 Equivalent rate of discount approx. 2.200% per annum
Low - 99.432 Equivalent rate of discount approx. 2.247% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 33,108,000	$ 30,268,000
New York	1,460,383,000	867,193,000
Philadelphia	14,003,000	13,503,000
Cleveland	77,253,000	54,353,000
Richmond	23,855,000	21,005,000
Atlanta	48,617,000	42,807,000
Chicago	250,928,000	206,138,000
St. Louis	40,663,000	27,736,000
Minneapolis	17,024,000	16,594,000
Kansas City	57,569,000	47,765,000
Dallas	64,257,000	56,927,000
San Francisco	119,034,000	115,729,000
TOTAL	$2,206,694,000	$1,500,018,000

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

H-170

RELEASE MORNING NEWSPAPERS,
~~Friday, May 15, 1953.~~
Tuesday, June 16, 1953

H-126

During the month of ~~April~~ May, 1953 market transactions in direct and guaranteed securities of the government for Treasury investment and other accounts resulted in net purchases of $35,881,000, Secretary Humphrey announced today.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, June 16, 1953.

H-170

During the month of May, 1953 market transactions in direct and guaranteed securities of the government for Treasury investment and other accounts resulted in net purchases of $35,881,000, Secretary Humphrey announced today.

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~~PROPOSED FOR RELEASE 12:45 p.m. June 16, 1953~~

Immediate Release

H-171-A

Mrs. Dwight D. Eisenhower today received from Treasury Secretary Humphrey an illuminated engrossment of the President's inaugural prayer framed with wood from the platform upon which he stood to take his oath of office. The presentation was made at the White House.

Ten thousand framed copies of this original engrossment of the prayer will be used as achievement awards to volunteer workers in the U. S. Savings Bonds program throughout the country.

When the Secretary presented the framed prayer to Mrs. Eisenhower, he said: "Not only is this an award for volunteers, it is an award created by volunteers. Public-spirited citizens from all over the nation have made possible the framing of beautifully engrossed copies of President Eisenhower's inaugural prayer in wood from the platform from which he took the oath of office. Most of those volunteer sponsors are present. On their behalf, I commission an enterprising young boy from Burlington, Vermont to help me present to you the original engrossment of the prayer. Donald Fleury, 13, of the Burlington Boys Club, represents all eight sponsoring groups of the Treasury Achievement Award."

The distinctive U. S. Savings Bonds Award, made possible through the cooperative efforts of individuals, associations and commercial concerns, at no cost to the Treasury Department, will be used for exceptional volunteer service in the Savings Bonds program. The illuminated embossed reproductions of the prayer are each framed in wood from 6,800 feet of Southern pine planking used in the inaugural stand.

June 15, 1953

MEMORANDUM

TO: Mr. Murray Snyder
White House
FROM: Nils A. Lennartson

Per our conversation this morning, attached is a possible press release on the Inaugural Prayer presentation scheduled for 12:45 p.m. Tuesday, June 16.

I understand that the arrangements for Mrs. Eisenhower to receive the framed prayer have been made through Miss McCaffrey by Mrs. Robinson of the Savings Bonds Division. The exact location for the presentation, as well as the names of the ten or twelve people who will participate in the project, and who should be passed into the White House for the ceremonies, will be handled by Mrs. Robinson with Miss McCaffrey.

The framed prayer will be brought by the people accompanying Secretary Humphrey and the others when they arrive for the presentation at 12:45 p.m.

A separate Treasury release based on a luncheon at the Statler Hotel which follows the presentation will give more details as to the eight sponsors of the award.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Tuesday, June 16, 1953.

H-171-A

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W. Randolph Burgess, Deputy to the Secretary of the Treasury, paid tribute at a luncheon at the Hotel Statler to the eight groups of volunteer workers who made possible the new U.S. Savings Bonds Achievement Award.

The group of volunteer workers met at a special luncheon in their honor immediately following the White House ceremony. The volunteer groups had been congratulated by Secretary Humphrey in his office earlier in the day.

The luncheon was in the Presidential suite of the Hotel Statler, in which President Eisenhower wrote the "little prayer of my own" before he rode to the Capitol to be inaugurated.

The Rev. Edward L. R. Elson, minister of the National Presbyterian Church, of which the President and Mrs. Eisenhower are members, dedicated the Achievement Award to national service.

Contributors to the project are: The National Association of Greeting Card Publishers (design, engrossment of the original presented to Mrs. Eisenhower, and reproductions of it); The State of Vermont Development Commission, (which arranged for industries of Burlington and Winooski, Vt., to make the frames, and the Boys Club of Burlington to assemble the whole); the Pittsburgh Plate Glass Co. (glass); the District of Columbia Trucking Association and New England affiliates (hauling 6,800 board feet of wood and other materials); Massachusetts industries (boxes and cartons); the David Taylor Model Basin of the Navy, near Washington, which kiln-dried the wood; and the U. S. Coast Guard, which took custody of the wood after the Hechinger Co. of Washington and Francis V. Keesling, Jr., of San Francisco donated the salvaged platform planks for this use. The frame was designed by Thomas Hall Locraft, Fellow of the American Institute of Architects, in conjunction with the National Gallery of Art.

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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.

dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 25, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 25, 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

H-172

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, June 18, 1953.

The Secretary of the Treasury, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing June 25, 1953, in the amount of $1,200,652,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated June 25, 1953, and will mature September 24, 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 Daylight Saving ~~Standard~~ time, Monday, June 22, 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

TREASURY DEPARTMENT

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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 June 25, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 25, 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.

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H-173

RELEASE MORNING NEWSPAPERS,
Tuesday, June 23, 1953.

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The details of this issue are as follows:

Total applied for - $1,985,339,000
Total accepted - 1,500,229,000 (includes $238,360,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.506/ Equivalent rate of discount approx. 1.954% per annum

Range of accepted competitive bids:

High - 99.523 Equivalent rate of discount approx. 1.887% per annum
Low - 99.490 " " " " " 2.018% " "

(93% of the amount bid for at the low price was accepted)

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 30,613,000	$ 30,013,000
New York	1,404,763,000	982,838,000
Philadelphia	36,323,000	20,623,000
Cleveland	74,303,000	73,003,000
Richmond	15,192,000	15,192,000
Atlanta	16,141,000	15,211,000
Chicago	192,534,000	152,284,000
St. Louis	30,932,000	30,632,000
Minneapolis	9,880,000	9,380,000
Kansas City	69,927,000	68,122,000
Dallas	28,103,000	27,303,000
San Francisco	76,628,000	75,628,000
Total	$1,985,339,000	$1,500,229,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Atlanta	16,141,000	15,211,000
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St. Louis	30,932,000	30,632,000
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Dallas	28,103,000	27,303,000
San Francisco	76,628,000	75,628,000
TOTAL	$1,985,339,000	$1,500,229,000

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Mr. Thompson was with the Newton Trust Company 1928-1930. He became assistant cashier of the Providence National Bank in 1937, vice-president and cashier in 1941, first vice-president and director in 1942, and president in 1943. He ~~is~~ has been executive vice-president of the Providence Union National Bank since ~~the position he has held since~~ 1951, when the Providence National Bank and the Union Trust Company merged.

Mr. Thompson holds directorates with Almardon Mills, Inc., Blackstone Mutual Fire Insurance Company, Equitable Fire and Marine Insurance Company, Firemen's Mutual Insurance Company, The New York, New Haven & Hartford Railroad Company, Providence Union National Bank and the Union Mutual Fire Insurance Company. His civic trusteeships or directorates are: Greater Providence YMCA, Junior Achievement of Rhode Island, Inc., of which he also is treasurer; Providence Boys Club, Providence Community Fund, Inc., of which he also is treasurer; Rhode Island Public Expenditure Council, of which he also is treasurer; Rhode Island Society for the Prevention of Cruelty to Animals, of which he also is treasurer, and Rhode Island Charities Trust.

Mr. Thompson served as General Chairman of the Rhode Island United War Fund in 1943. He is a member of the Newcomen Society, the Rhode Island Bankers Association, of which he was president in 1945, and the Rhode Island Dartmouth Association, of which he was president in 1949-50. ~~His clubs are: Acoaxet, Agawam Hunt, Hope, Providence Art, Turks Head and the Squantum Association. He is a member of Phi Gamma Delta.~~

Mr. Thompson's office is at 100 Westminster Street, Providence, and he lives at 208 Bowen Street, Providence.

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Release Morning Newspapers

~~PROPOSED TREASURY RELEASE~~

~~AM PAPERS - JUNE 23~~

Tuesday, June 23, 1953

H-174

~~Washington, [illegible]~~ Secretary of the Treasury Humphrey today announced the appointment of Rupert C. Thompson, Jr., banker of Providence, Rhode Island, as State Chairman of the U. S. Savings Bonds Advisory Committee for Rhode Island.

Mr. ~~Campbell~~ Thompson succeeds Chester R. Martin, retired vice-president of the Industrial Trust Co., of Providence, who resigned as chairman because of increasing pressure of other public service duties. Secretary Humphrey, accepting ~~his~~ Mr Martin's resignation reluctlantly, expressed the appreciation of the Treasury for the unselfish contribution he had made to the Savings Bonds program since 1941.

Secretary Humphrey wrote the new Rhode Island State Chairman as follows: "I am pleased to learn of your willingness to be our Chairman of the Savings Bonds Program for the State of Rhode Island, and I am happy to appoint you to that position.

"It is gratifying to have a man of your proved leadership on our team, in such an important capacity." ~~and we shall endeavor to keep our demands on you at a minimum."~~

Rupert C. Thompson, Jr., was born in Newton, Mass., July 5, 1905. He is a graduate of Dartmouth College and of the Suffolk Law School. He was married to Eleanor Beatrice Ball in 1930. They have two sons, Peter Campbell and David Carlisle.

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Mr. Thompson served as General Chairman of the Rhode Island United War Fund in 1943. He is a member of the Newcomen Society, the Rhode Island Bankers Association, of which he was president in 1945, and the Rhode Island Dartmouth Association, of which he was president in 1949-50.

Mr. Thompson's office is at 100 Westminster Street, Providence, and he lives at 208 Bowen Street, Providence.

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"In countries like Communist China, Burma, Thailand and Mexico, where opium is grown illegally, those Governments must take firm measures to cope with this illegal production. Communist China is the chief offender, and is systematically fostering and exploiting the production of opium and heroin for the illicit market on a gigantic scale."

The 34 countries represented at the United Nations Opium Conference which signed the Protocol were:

Argentina, Belgium, Burma, Canada, Chile, China, Denmark, Dominican Republic, Ecuador, Egypt, France, Federal Republic of Germany, Haiti, India, Indonesia, Iran, Iraq, Israel, Japan, Korea, Lebanon, Mexico, Monaco, Netherlands, Pakistan, Philippines, Spain, Sweden, Thailand, Vietnam, Turkey, United Kingdom, United States and Yugoslavia.

The Protocol will come into force when 25 countries have ratified it.

have often been suggested as a pattern which should be applied to the control of gun-running, atomic raw materials, or any obnoxious or dangerous commodity in international trade.

However, the overproduction of opium and the opportunities it offers for the clandestine manufacture of drugs directly for the illicit traffic constitutes a danger to the progress which has been made through the application of the conventions in force. The Protocol will close these gaps.

The Protocol represents a great advance over previous treaties on narcotic drugs of which there are eight in number. For the first time there is no provision for smoking opium which has now become outlawed except for a very few areas in Pakistan and India which will be a temporary situation. In the past treaties relating to opium have served as protection for countries like Great Britain, France, the Netherlands, Portugal and Japan which maintained smoking opium monopolies in the Far East. This Protocol recognizes the abolition of these monopolies which was accomplished through representations made by the United States Government during World War II. Several of these countries had large commercial interests at stake, but our Government received from all of them a tribute of admiration for its leadership in this diplomatic, economic and moral reform.

test of time and have served as the basis for far-reaching restrictive legislation, including our own Federal Harrison Narcotic Act, it became evident that it did not go far enough. Some sort of international watch-dog was essential to keep recalcitrant nations in line. This was later provided by the 1925 and 1931 international narcotic conventions in the form of two semi-autonomous international bodies, the Permanent Central Opium Board and the Supervisory Body, which through an elaborate estimating and accounting system--including the power of embargo for offending nations--insures that all cooperating countries live up to their agreement to manufacture drugs for medical needs only, as provided by the 1931 Limitation Convention. The total medical and scientific requirements, as well as the amounts needed by each separate country are now known, and the quantities of narcotic drugs manufactured legitimately have been stabilized at the level of the world medical and scientific requirements under this 1931 Convention. (Before the 1931 Convention came into full force, at least 100 tons of narcotic drugs passed into the illicit traffic from authorized factories in a five-year period, and seizures on our shores aggregated as much as 3½ tons in a single year.) This international system of control of the legal manufacture of drugs has met with such signal success that the principles applied

This is a new departure and marks the most important step in advance made thus far in the never-ending fight against drug addiction. For the first time, the solution gets at the crux of the narcotic problem, and limits the source of the evil, the cultivation of the opium poppy. The main purpose of the Protocol is to reduce overproduction of opium from 2,000 to 500 tons, which represents the medical needs of the world.

For the better part of two centuries most countries of the world have been in unanimous and complete agreement that the exploitation of narcotics is morally indefensible, and an economic blunder for which no financial gain can compensate. Nevertheless it has been permitted to flourish, and there are few nations whose subjects did not at one time or another take part in the trade. A final solution of the problem has challenged the best intellects both here and abroad.

This same idea of limiting the use of narcotic drugs to medical needs was incorporated in The Hague Convention of 1912, which also was championed by the United States, but unfortunately no working machinery was provided by the Convention for carrying out its intentions. International cooperation on such a vast scale was a new thing, and the eminent statesmen who conceived the idea relied solely on the good faith of nations to see to its implementation. While many of the provisions of this first international opium convention have well stood the

PROTOCOL TO LIMIT WORLD-WIDE PRODUCTION OF OPIUM SIGNED IN NEW YORK

After forty-one years of long drawn out negotiations at international opium conferences, during which the United States Government has always maintained leadership and taken a large part, success was finally achieved in our highest goal in the campaign against drug addiction when at New York on June 23, 1953, the delegates of 34 countries there assembled in attendance at an International Opium Conference, signed a Protocol which provides for world-wide limitation of the production of opium. The United States stands to be one of the chief beneficiaries from this agreement because it is the tremendous overproduction of opium abroad which feeds our illicit narcotic smuggling traffic.

This far-sighted idea would have been a dead issue except for the untiring zeal of United States delegates to international narcotic conferences. They have animated the principle when it seemed visionary and impossible of accomplishment, and have lost no opportunity to pave the way for its acceptance at every international conference which has been held since the first Convention was signed at The Hague in 1912. U. S. Commissioner of Narcotics H. J. Anslinger, who has represented the United States at these conferences since 1930, signed the Protocol on behalf of the United States.

which maintained smoking opium monopolies in the Far East. This Protocol recognizes the abolition of these monopolies which was accomplished through representations made by the United States Government during World War II. Several of these countries had large commercial interests at stake, but our Government received cooperation ~~from all of them a tribute of admiration for its leadership~~ in this diplomatic, economic and moral reform.

"In countries like Communist China, Burma, Thailand and Mexico, where opium is grown illegally, those Governments must take firm measures to cope with this illegal production. Communist China is the chief offender, and is systematically fostering and exploiting the production of opium and heroin for the illicit market on a gigantic scale."

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"Before the 1931 Convention came into full force, at least 100 tons of narcotic drugs passed into the illicit traffic from authorized factories in a five-year period, and seizures on our shores ~~aggregated~~ totaled as much as 3½ tons in a single year. This international system of control of the legal manufacture of drugs has met with ~~such~~ signal success. ~~that the principles applied have often been suggested as a pattern which should be applied to the control of gun-running, atomic raw materials, or any obnoxious or dangerous commodity in international trade.~~

"~~However,~~ the overproduction of opium and the opportunities it offers for the clandestine manufacture of drugs directly for the illicit traffic constitutes a danger to the progress which has been made through the application of the conventions in force. The Protocol signed today will help close these gaps.

"The Protocol represents a great advance over the eight previous treaties on narcotic drugs. ~~For the first time~~ In this Protocol for the use of there is no ~~provision for~~ exception smoking ~~opium which has now~~ become outlawed except for a very few areas in Pakistan and India which will be a temporary situation. In the past, treaties relating to opium have served as protection for countries like Great Britain, France, the Netherlands, Portugal and Japan

No ¶ "This is a new departure and marks ~~the~~ a most important step ~~made thus far~~ in the ~~never-ending~~ fight against drug addiction. For the first time, the solution gets at the crux of the narcotic problem, and limits the source of the evil, the cultivation of the opium poppy," he ~~said.~~ said,

Limiting the use of narcotic drugs to medical needs was incorporated in The Hague Convention of 1912, as advocated by the United States, but no working machinery was provided by the Convention for carrying out its intentions, Mr. Anslinger pointed out. ¶ Commissioner Anslinger said: "While many of the provisions of this first international opium convention have ~~well~~ stood the test of time and have served as the basis for far-reaching restrictive legislation, including enactment of the Federal Harrison Narcotic Act, in the United States, ~~the Commissioner said,~~ it became evident that it did not go far enough. Some sort of international watch-dog was essential to keep recalcitrant nations in line. This was later provided by the 1925 and 1931 international narcotic conventions in the form of two semi-autonomous international bodies, the Permanent Central Opium Board and the Supervisory Body, which through an elaborate estimating and accounting system--including the power of embargo for offending nations--insures that all cooperating countries live up to their agreement to manufacture drugs for medical needs only, as provided by the 1931 Limitation Convention. The total medical and scientific require-

[illegible]

Thirty-four countries represented at the United Nations Opium Conference in New York today signed a Protocol ~~provid-~~ under which [redacted] production of opium is [redacted] reduced [redacted] from 2,000 to 500 tons which represents the medical needs of the world.

(Of the Treasury Department's Bureau of) Commissioner ~~of~~ Narcotics, H. J. Anslinger, who signed the Protocol on behalf of the United States, said that this country will be one of the chief beneficiaries of the agreement because overproduction of opium abroad feeds the illicit narcotic smuggling traffic into the United States.

Other countries which signed the protocol, which goes into force when 25 countries have ratified it, were:

Argentina, Belgium, Burma, Canada, Chile, China, Denmark, Dominican Republic, Ecuador, Egypt, France, Federal Republic of Germany, Haiti, India, Indonesia, Iran, Iraq, Israel, Japan, Korea, Lebanon, Mexico, Monaco, Netherlands, Pakistan, Philippines, Spain, Sweden, Thailand, Vietnam, Turkey, United Kingdom, and Yugoslavia.

United States delegates to international narcotic conferences for the past forty-~~one~~ four years have ~~lost no opportunity to work for~~ been working toward acceptance of an agreement to limit opium production, Mr. Anslinger said.

which maintained smoking opium monopolies in the Far East. This Protocol recognizes the abolition of these monopolies which was accomplished through representations made by the United States Government during World War II. Several of these countries had large commercial interests at stake, but our Government received cooperation ~~[illegible]~~ in this diplomatic, economic and moral reform.

"In countries like Communist China, Burma, Thailand and Mexico, where opium is grown illegally, those Governments must take firm measures to cope with this illegal production. Communist China is the chief offender, and is systematically fostering and exploiting the production of opium and heroin for the illicit market on a gigantic scale."

ments, as well as the amounts needed by each separate country are now known, and the quantities of narcotic drugs manufactured legitimately have been stabilized at the level of the world medical and scientific requirements under this 1931 Convention.

"Before the 1931 Convention came into full force, at least 100 tons of narcotic drugs passed into the illicit traffic from authorized factories in a five-year period, and seizures on our shores totaled [redacted] as much as 3½ tons in a single year. This international system of control of the legal manufacture of drugs has met with [redacted] signal success. [redacted].

[redacted], "The overproduction of opium and the opportunities it offers for the clandestine manufacture of drugs directly for the illicit traffic constitutes a danger to the progress which has been made through the application of the conventions in force. The Protocol signed today will help close these gaps.

"The Protocol represents a great advance over the eight previous treaties on narcotic drugs. [redacted] There is no exception in this Protocol [redacted] for smoking opium which has now become outlawed except for a very few areas in Pakistan and India. [redacted] In the past, treaties relating to opium have served as protection for countries like Great Britain, France, the Netherlands, Portugal and Japan

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Immediate Release
Tues, June 23, 1953.

H-175

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Commissioner of the Treasury Department's Bureau of Narcotics, Harry J. Anslinger who signed the Protocol on behalf of the United States, said that this country will be one of the chief beneficiaries of the agreement because overproduction of opium abroad feeds the illicit narcotic smuggling traffic into the United States.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

314

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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 July 2, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 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

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TREASURY DEPARTMENT
Washington

H-176

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, June 25, 1953.

The ~~Secretary of the~~ Treasury Department, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 2, 1953, in the amount of $1,200,547,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 2, 1953, and will mature October 1, 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 Daylight Saving time, Monday, June 29, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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H-176

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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 July 2, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 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.

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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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7:20 PM
June 24, 1953

H-17

STATEMENT BY Secretary Humphrey

In answer to inquiries on the Federal Reserve's reduction of reserve requirements Treasury Secretary Humphrey said tonight:

The Federal Reserve Board acted on its own responsibility but after full consultation with the Treasury, its action is an orderly continuation of the standing policy of providing the reserves needed for seasonal demands of business and finance ~~including~~ and for necessary Treasury financing. The action is entirely ~~in keeping~~ consistent with the policy of restraint of inflation without too drastic credit restrictions.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, June 24, 1953.

H-177

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H-178

For Immediate Release Monday, June 29, 1953

Persons in the United States are prohibited from participating in the purchase or sale of certain important commodities for ultimate shipment from anywhere in the outside world to the countries of the Soviet bloc, under regulations issued today by Secretary Humphrey.

This action, taken by the Treasury as a part of its Foreign Assets Control program, supplements the United States export control laws. The export control laws cover exportations from the United States to the Soviet bloc, but (under these laws) it is not illegal for persons in this country to participate in the supplying of strategic goods to a Soviet bloc country from a third country.

The new order by the Treasury prohibits persons in the United States from purchasing or selling, or arranging the purchase or sale, of commodities outside the United States for ultimate shipment to the Soviet bloc, when the transaction would be inconsistent with the controls of this country and of friendly foreign nations.

This version approved by State + ODMS (Slosson)
File NAL's office.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Comparison of principal items of assets and liabilities of national banks - continued

(In thousands of dollars)

	Apr. 20, 1953	Dec. 31, 1952	Mar. 31, 1952	Increase or decrease since Dec. 31, 1952		Increase or decrease since Mar. 31, 1952	
				Amount	Percent	Amount	Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand....................	$53,713,797	$56,682,902	$50,606,189	-$2,969,105	-5.24	$3,107,608	6.14
Time......................	21,881,788	21,517,160	20,162,908	364,628	1.69	1,718,880	8.52
Deposits of U. S. Government....	2,376,278	3,238,050	3,677,691	-861,772	-26.61	-1,301,413	-35.39
Postal savings deposits.........	13,423	13,588	12,639	-165	-1.21	784	6.20
Deposits of States and political subdivisions...............	6,451,277	6,271,676	6,059,489	179,601	2.86	391,788	6.47
Deposits of banks...............	8,428,765	9,920,522	8,471,774	-1,491,757	-15.04	-43,009	-.51
Other deposits (certified and cashiers' checks, etc.).......	1,470,809	1,613,878	1,326,451	-143,069	-8.86	144,358	10.88
Total deposits.............	94,336,137	99,257,776	90,317,141	-4,921,639	-4.96	4,018,996	4.45
Bills payable, rediscounts, and other liabilities for borrowed money..............	626,840	75,921	247,937	550,919	725.65	378,903	152.82
Other liabilities...............	1,797,933	1,739,825	1,658,687	58,108	3.34	139,246	8.39
Total liabilities, excluding capital accounts.........	96,760,910	101,073,522	92,223,765	-4,312,612	-4.27	4,537,145	4.92
CAPITAL ACCOUNTS							
Capital stock:							
Preferred..................	5,619	5,666	7,007	-47	-.83	-1,388	-19.81
Common.....................	2,249,223	2,219,186	2,173,744	30,037	1.35	75,479	3.47
Total....................	2,254,842	2,224,852	2,180,751	29,990	1.35	74,091	3.40
Surplus.........................	3,357,960	3,334,218	3,123,756	23,742	.71	234,204	7.50
Undivided profits...............	1,300,877	1,225,731	1,226,047	75,146	6.13	74,830	6.10
Reserves........................	264,011	274,420	260,648	-10,409	-3.79	3,363	1.29
Total surplus, profits, and reserves................	4,922,848	4,834,369	4,610,451	88,479	1.83	312,397	6.78
Total capital accounts....	7,177,690	7,059,221	6,791,202	118,469	1.68	386,488	5.69
Total liabilities and capital accounts........	103,938,600	108,132,743	99,014,967	-4,194,143	-3.88	4,923,633	4.97
RATIOS:	Percent	Percent	Percent				
U.S.Gov't securities to total assets....................	32.20	33.23	34.30				
Loans & discounts to total assets	35.18	33.40	32.67				
Capital accounts to total deposits	7.61	7.11	7.52				

NOTE: Minus sign denotes decrease.

Statement showing comparison of principal items of assets and liabilities of active national banks as of April 20, 1953, December 31, 1952, and March 31, 1952

(In thousands of dollars)

	Apr. 20, 1953	Dec. 31, 1952	Mar. 31, 1952	Increase or decrease since Dec. 31, 1952		Increase or decrease since Mar. 31, 1952	
				Amount	Percent	Amount	Percent
Number of banks	4,890	4,916	4,933	-26	-.53	-43	-.87
ASSETS							
Commercial and industrial loans	$16,785,508	1/$16,895,489	$15,646,240	-$109,981	-.65	$1,139,268	7.28
Loans on real estate	8,391,963	1/ 8,264,630	7,624,519	127,333	1.54	767,444	10.07
All other loans, including overdrafts	11,920,912	11,477,850	9,569,771	443,062	3.86	2,351,141	24.57
Total gross loans	37,098,383	36,637,969	32,840,530	460,414	1.26	4,257,853	12.97
Less valuation reserves	531,577	518,296	487,788	13,281	2.56	43,789	8.98
Net loans	36,566,806	36,119,673	32,352,742	447,133	1.24	4,214,064	13.03
U. S. Government securities:							
Direct obligations	33,449,868	35,921,239	33,948,307	-2,471,371	-6.88	-498,439	-1.47
Obligations fully guaranteed	21,283	15,203	9,670	6,080	39.99	11,613	120.09
Total U. S. securities	33,471,151	35,936,442	33,957,977	-2,465,291	-6.86	-486,826	-1.43
Obligations of States and political subdivisions	6,314,550	5,982,753	5,607,202	331,797	5.55	707,348	12.61
Other bonds, notes, and debentures	2,068,282	2,176,230	2,284,860	-107,948	-4.96	-216,578	-9.48
orporate stocks, including stocks of Fed. Reserve banks	199,290	196,860	185,284	2,430	1.23	14,006	7.56
Total securities	42,053,273	44,292,285	42,035,323	-2,239,012	-5.06	17,950	.04
Total loans and securities	78,620,079	80,411,958	74,388,065	-1,791,879	-2.23	4,232,014	5.69
urrency and coin	1,289,432	1,446,134	1,217,406	-156,702	-10.84	72,026	5.92
eserve with Fed. Reserve banks	13,013,129	12,956,212	12,774,343	56,917	.44	238,786	1.87
alances with other banks	9,678,259	11,997,057	9,325,429	-2,318,798	-19.33	352,830	3.78
Total cash, balances with other banks, including reserve balances and cash items in process of collection	23,980,820	26,399,403	23,317,178	-2,418,583	-9.16	663,642	2.85
ther assets	1,337,701	1,321,382	1,309,724	16,319	1.23	27,977	2.14
Total assets	103,938,600	108,132,743	99,014,967	-4,194,143	-3.88	4,923,633	4.97

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$11,921 million, an increase of nearly 4 percent since December, and 24 percent in the year. The percentage of loans and discounts to total assets on April 20, 1953 was 35.18 in comparison with 33.40 on December 31 and 32.67 in March 1952.

Investments of the banks in United States Government obligations on April 20, 1953 aggregated $33,471 million (including $21 million guaranteed obligations), a decrease of $2,465 million, or 7 percent, since December. These investments were 32 percent of total assets, compared to 34 percent in March a year ago. Other bonds, stocks and securities of $8,582 million, which included obligations of States and political subdivisions of $6,315 million, were $226 million, or nearly 3 percent, more than in December, and $505 million, or 6 percent, more than held in March last year. The total securities held amounting to $42,053 million was $2,239 million, or 5 percent, below the amount reported at the end of December last.

Cash of $1,290 million, reserve with Federal Reserve banks of $13,013 million and balances with other banks (including cash items in process of collection) of $9,678 million, a total of $23,981 million, showed a decrease of $2,419 million, or more than 9 percent, since December.

The [redacted] capital stock of the banks on April 20, 1953 was $2,255 million, including less than $6 million of preferred stock. Surplus was $3,358 million, undivided profits $1,301 million and capital reserves $264 million, or a total of $4,923 million. Total capital accounts of $7,178 million, which were 7.61 percent of total deposits, were $118 million more than in December when they were 7.11 percent of total deposits.

TREASURY DEPARTMENT
Washington, D. C.

~~Press Series~~ H-179

RELEASE MORNING NEWSPAPERS
June 29, 1953

The total assets of national banks on April 20, 1953 amounted to $103,939 ~~million~~, it was announced today by Comptroller of the Currency R. M. Gidney. The returns covered the 4,890 active national banks in the United States and possessions. The assets were $4,194 million below the amount reported as of the end of 1952, but were $4,924 million over the aggregate reported as of March 31, 1952, the date of the spring call a year ago.

The deposits of the banks on April 20 this year were $94,336 ~~million~~, a decrease of $4,922 ~~million~~, or 5 percent, since December, but an increase of over $4,019 ~~million~~, or 4½ percent, in the year. Included in the recent deposit figures were demand deposits of individuals, partnerships and corporations of $53,714 ~~million~~, which decreased $2,969 ~~million~~, or more than 5 percent, since December, and time deposits of individuals, partnerships and corporations of $21,882 ~~million~~, an increase of $365 ~~million~~. Deposits of the United States Government of $2,376 million were down $862 ~~million~~ since December; deposits of States and political subdivisions of $6,451 ~~million~~ showed an increase of $180 ~~million~~; and deposits of banks amounted to $8,429 million, a decrease of $1,492 ~~million~~, or 15 percent, since December. Postal savings were $13 ~~million~~ and certified and cashiers' checks, etc., were $1,471 ~~million~~.

Net loans and discounts on April 20, 1953 were $36,567 ~~million~~, an increase of $447 million since December, but $4,214 million, or 13 percent, above the March 31, 1952 figure. Commercial and industrial loans as of the recent call date were $16,785 million, a decrease of $110 ~~million~~ since December. Loans on real estate of $8,392 ~~million~~ were up 1½ percent in the period. All other loans, including consumer loans to individuals, loans to farmers, to brokers and dealers and others for the purpose of purchasing and carrying securities, and to banks, etc., amounted to

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Monday, June 29, 1953.

H-179

The total assets of national banks on April 20, 1953 amounted to \$103,939,000,000, it was announced today by Comptroller of the Currency Ray M. Gidney. The returns covered the 4,890 active national banks in the United States and possessions. The assets were \$4,194,000,000 below the amount reported as of the end of 1952, but were \$4,924,000,000 over the aggregate reported as of March 31, 1952, the date of the spring call a year ago.

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Investments of the banks in United States Government obligations on April 20, 1953 aggregated \$33,471,000,000 (including \$21,000,000 guaranteed obligations), a decrease of \$2,465,000,000, or 7 percent, since December. These investments were 32 percent of total assets, compared to 34 percent in March a year ago. Other bonds, stocks and securities of $8,582,000,000, which included obligations of States and political subdivisions of $6,315,000,000, were $226,000,000, or nearly 3 percent, more than in December, and $505,000,000, or 6 percent, more than held in March last year. The total securities held amounting to $42,053,000,000 was $2,239,000,000, or 5 percent, below the amount reported at the end of December last.

Cash of $1,290,000,000, reserve with Federal Reserve banks of $13,013,000,000 and balances with other banks (including cash items in process of collection) of $9,678,000,000, a total of $23,981,000,000, showed a decrease of $2,419,000,000, or more than 9 percent, since December.

The capital stock of the banks on April 20, 1953 was $2,255,000,000, including less than $6,000,000 of preferred stock. Surplus was $3,358,000,000, undivided profits $1,301,000,000 and capital reserves $264,000,000, or a total of $4,923,000,000. Total capital accounts of $7,178,000,000, which were 7.61 percent of total deposits, were $118,000,000 more than in December when they were 7.11 percent of total deposits.

Statement showing comparison of principal items of assets and liabilities of active national banks as of April 20, 1953, December 31, 1952, and March 31, 1952
(In thousands of dollars)

	Apr. 20, 1953	Dec. 31, 1952	Mar. 31, 1952	Increase or decrease since Dec. 31, 1952		Increase or decrease since Mar. 31, 1952	
				Amount	Percent	Amount	Percent
Number of banks	4,890	4,916	4,933	-26	-.53	-43	-.87
ASSETS							
Commercial and industrial loans	$16,785,508	1/$16,895,489	$15,646,240	-$109,981	-.65	$1,139,268	7.28
Loans on real estate	8,391,963	1/ 8,264,630	7,624,519	127,333	1.54	767,444	10.07
All other loans, including overdrafts	11,920,912	11,477,850	9,569,771	443,062	3.86	2,351,141	24.57
Total gross loans	37,098,383	36,637,969	32,840,530	460,414	1.26	4,257,853	12.97
Less valuation reserves	531,577	518,296	487,788	13,281	2.56	43,789	8.98
Net loans	36,566,806	36,119,673	32,352,742	447,133	1.24	4,214,064	13.03
U. S. Government securities:							
Direct obligations	33,449,868	35,921,239	33,948,307	-2,471,371	-6.88	-498,439	-1.47
Obligations fully guaranteed	21,283	15,203	9,670	6,080	39.99	11,613	120.09
Total U. S. securities	33,471,151	35,936,442	33,957,977	-2,465,291	-6.86	-486,826	-1.43
Obligations of States and political subdivisions	6,314,550	5,982,753	5,607,202	331,797	5.55	707,348	12.61
Other bonds, notes, and debentures	2,068,282	2,176,230	2,284,860	-107,948	-4.96	-216,578	-9.48
Corporate stocks, including stocks of Fed. Reserve banks	199,290	196,860	185,284	2,430	1.23	14,006	7.56
Total securities	42,053,273	44,292,285	42,035,323	-2,239,012	-5.06	17,950	.04
Total loans and securities	78,620,079	80,411,958	74,388,065	-1,791,879	-2.23	4,232,014	5.69
Currency and coin	1,289,432	1,446,134	1,217,406	-156,702	-10.84	72,026	5.92
Reserve with Fed. Reserve Banks	13,013,129	12,956,212	12,774,343	56,917	.44	238,786	1.87
Balances with other banks	9,678,259	11,997,057	9,325,429	-2,318,798	-19.33	352,830	3.78
Total cash, balances with other banks, including reserve balances and cash items in process of collection	23,980,820	26,399,403	23,317,178	-2,418,583	-9.16	663,642	2.85
Other assets	1,337,701	1,321,382	1,309,724	16,319	1.23	27,977	2.14
Total assets	103,938,600	108,132,743	99,014,967	-4,194,143	-3.88	4,923,633	4.97

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Comparison of principal items of assets and liabilities of national banks - continued

(In thousands of dollars)

	Apr. 20, 1953	Dec. 31, 1952	Mar. 31, 1952	Increase or decrease since Dec. 31, 1952		Increase or decrease since Mar. 31, 1952	
				Amount	Percent	Amount	Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand	$53,713,797	$56,682,902	$50,606,189	-$2,969,105	-5.24	$3,107,608	6.14
Time	21,881,788	21,517,160	20,162,908	364,628	1.69	1,718,880	8.52
Deposits of U. S. Government	2,376,278	3,238,050	3,677,691	-861,772	-26.61	-1,301,413	-35.39
Postal savings deposits	13,423	13,588	12,639	-165	-1.21	784	6.20
Deposits of States and political subdivisions	6,451,277	6,271,676	6,059,489	179,601	2.86	391,788	6.47
Deposits of banks	8,428,765	9,920,522	8,471,774	-1,491,757	-15.04	-43,009	-.51
Other deposits (certified and cashiers' checks, etc.)	1,470,809	1,613,878	1,326,451	-143,069	-8.86	144,358	10.88
Total deposits	94,336,137	99,257,776	90,317,141	-4,921,639	-4.96	4,018,996	4.45
Bills payable, rediscounts, and other liabilities for borrowed money	626,840	75,921	247,937	550,919	725.65	378,903	152.82
Other liabilities	1,797,933	1,739,825	1,658,687	58,108	3.34	139,246	8.39
Total liabilities, excluding capital accounts	96,760,910	101,073,522	92,223,765	-4,312,612	-4.27	4,537,145	4.92
CAPITAL ACCOUNTS							
Capital stock:							
Preferred	5,619	5,666	7,007	-47	-.83	-1,388	-19.81
Common	2,249,223	2,219,186	2,173,744	30,037	1.35	75,479	3.47
Total	2,254,842	2,224,852	2,180,751	29,990	1.35	74,091	3.40
Surplus	3,357,960	3,334,218	3,123,756	23,742	.71	234,204	7.50
Undivided profits	1,300,877	1,225,731	1,226,047	75,146	6.13	74,830	6.10
Reserves	264,011	274,420	260,648	-10,409	-3.79	3,363	1.29
Total surplus, profits, and reserves	4,922,848	4,834,369	4,610,451	88,479	1.83	312,397	6.78
Total capital accounts	7,177,690	7,059,221	6,791,202	118,469	1.68	386,488	5.69
Total liabilities and capital accounts	103,938,600	108,132,743	99,014,967	-4,194,143	-3.88	4,923,633	4.97
RATIOS:	Percent	Percent	Percent				
U.S.Gov't securities to total assets	32.20	33.23	34.30				
Loans & discounts to total assets	35.18	33.40	32.67				
Capital accounts to total deposits	7.61	7.11	7.52				

NOTE: Minus sign denotes decrease.

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H-180

RELEASE MORNING NEWSPAPERS,
Tuesday, June 30, 1953.

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated July 2 and to mature October 1, 1953, which were offered on June 25, were opened at the Federal Reserve Banks on June 29.

The details of this issue are as follows:

Total applied for - $2,191,934,000
Total accepted - 1,500,254,000 (includes $203,894,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.468 Equivalent rate of discount approx. 2.107% per annum

Range of accepted competitive bids:

High - 99.524 Equivalent rate of discount approx. 1.883% per annum
Low - 99.457 " " " " " 2.148% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 14,350,000	$ 14,350,000
New York	1,649,653,000	993,553,000
Philadelphia	38,581,000	23,381,000
Cleveland	44,050,000	43,150,000
Richmond	15,076,000	12,576,000
Atlanta	28,351,000	27,501,000
Chicago	185,518,000	175,518,000
St. Louis	49,954,000	44,824,000
Minneapolis	10,012,000	10,012,000
Kansas City	45,037,000	45,037,000
Dallas	37,253,000	37,253,000
San Francisco	74,099,000	73,099,000
TOTAL	$2,191,934,000	$1,500,254,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
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H-180

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Kansas City	45,037,000	45,037,000
Dallas	37,253,000	37,253,000
San Francisco	74,099,000	73,099,000
TOTAL	$2,191,934,000	$1,500,254,000

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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.

dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 9, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 9, 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

H-181

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, July 2, 1953.

The Secretary of the Treasury, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 9, 1953, in the amount of $1,400,812,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 9, 1953, and will mature October 8, 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 Daylight Saving/~~Standard~~ time, Monday, July 6, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, July 2, 1953.

H-181

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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 July 9, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 9, 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.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, July 1, 1953. H-182

Secretary of the Treasury Humphrey announced today that on Monday, July 6, the Treasury will offer for cash subscription \$5-1/2 to \$6 billion Tax Anticipation Certificates of Indebtedness, dated July 15, 1953, maturing March 22, 1954, and receivable at par plus accrued interest to maturity in payment of income taxes due on March 15, 1954. The new Certificates may be paid for by credit in Treasury tax and loan accounts.

The interest rate and other details of the offering will be announced later this week.

This offering is intended to take care of the Treasury's cash needs for the first quarter of the new fiscal year. Under present methods of collecting corporate income taxes, about 70 percent of the corporate tax payments this year were made in the January-June period, and only 30 percent will be received in the July-December period. Thus, the Treasury has to borrow substantial amounts in the current half year, which can be repaid out of tax payments next March and June. For the same reason, substantial amounts of corporate funds will be available this half year for investment in this security. The present issue of tax anticipation certificates is being sold in lieu of Tax Anticipation Bills due next March.

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H-183

FOR RELEASE AT 4 P. M.
WEDNESDAY, JULY 1

The Treasury ~~Secretary Humphrey~~ today announced that the budget deficit for the fiscal year end~~ing~~ed June 30, 1953, was $9,389,000,000. Net Receipts were $65,218,000,000, and expenditures $74,607,000,000.

Other details of the fiscal year end report will be available Thursday.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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FOR RELEASE AT 4 P.M.
Wednesday, July 1, 1953.   H-183

The Treasury today announced that the budget deficit for the fiscal year ended June 30, 1953, was $9,389,000,000. Net receipts were $65,218,000,000, and expenditures $74,607,000,000.

Other details of the fiscal year end report will be available Thursday.

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Comparative Statement of Budget Receipts and Expenditures
Fiscal Years 1952 and 1953
(Based upon Daily Treasury Statements)
In millions of dollars

Attachment 1

Classification	Actual Fiscal Year 1952	Actual Fiscal Year 1953	Estimated F. Y. 1953 (Jan., 1953 Budget)
Receipts:			
Internal Revenue:			
Income tax withheld & social security taxes ...	$22,148	$25,334	$25,219
Income tax, other ...	33,026	33,101	36,303
Miscellaneous internal revenue ...	9,726	10,870	10,690
Taxes on carriers and their employees ...	735	626	650
Customs ...	551	613	590
Miscellaneous receipts:			
Railroad unemployment insurance contributions for administrative expenses ...	10	10	11
Surplus property (act Oct. 3, 1944) ...	193	145	179
Other miscellaneous receipts ...	1,611	1,758	1,565
Total budget receipts ...	67,999	72,455	75,208
Deduct:			
Appropriation to Federal old-age & survivors insurance trust fund ...	3,569	4,086	4,000
Refunds of receipts ...	2,302	3,151	2,511
Net budget receipts ...	62,129	65,218	68,697
Expenditures:			
Legislative Branch ...	61	60	69
The Judiciary ...	27	27	28
President of the United States:			
Executive Office ...	9	9	9
Special programs:			
Defense production expansion ...	146	87	321
Mutual Security Program:			
Economic and technical assistance ...	2,191	1,724)	
Military assistance ...	2,228	3,760)	5,506
Other ...	47	47)	
Other foreign assistance ...	191	13	22
Other ...	22	6	13
Agriculture Department:			
Agricultural Research Administration ...	106	76	80
Farmers' Home Administration ...	202	211	214
Forest Service ...	87	95	91
Production & Marketing Administration:			
Commodity Credit Corporation ...	a/ 139	1,888	806
Other ...	442	525	509
Rural Electrification Administration ...	243	239	233
Soil Conservation Service ...	59	62	66
Other ...	234	a/ 18	143
Atomic Energy Commission ...	1,648	1,802	2,000
Civil Service Commission ...	332	346	345
Commerce Department:			
Civil Aeronautics Administration & Board ...	172	161	171
Maritime activities ...	235	208	235
Public Roads Bureau ...	454	550	576
Other ...	117	108	116

Comparative Statement of Budget Receipts and Expenditures
Fiscal Years 1952 and 1953 -- continued

Classification	Actual Fiscal Year 1952	Actual Fiscal Year 1953	Estimated F. Y. 1953 (Jan., 1953 Budget)
Expenditures -- continued			
Defense Department:			
Office of the Secretary of Defense	402	410	415
Air Force	12,350	14,882	15,385
Army:			
Military functions	15,364	16,493	15,860
Civil functions	784	792	799
Navy	9,961	11,776	10,900
Not distributed in Budget	-	-	700
Economic Stabilization Agency	91	64	71
Export-Import Bank of Washington	25	112	82
Federal Civil Defense Administration	34	64	81
General Services Administration:			
Strategic and critical materials	847	912	1,070
Other	240	183	191
Health, Education, & Welfare Department:			
Office of Education	135	229	225
Public Health Service	285	272	288
Social Security Administration	1,217	1,366	1,378
Other	44	46	49
Housing & Home Finance Agency:			
Office of Administrator:			
Federal National Mortgage Association	475	369	459
Other	41	74	52
Federal Housing Administration	a/ 7	a/ 43	a/ 38
Home Loan Bank Board	a/16	a/ 18	a/ 18
Public Housing Administration	122	-	84
Interior Department:			
Reclamation Bureau	256	223	226
Other	329	353	390
Justice Department	198	172	171
Labor Department	253	300	292
Post Office Department (deficit)	740	660	666
Railroad Retirement Board	780	666	694
Reconstruction Finance Corporation	a/ 217	a/ 150	a/ 56
State Department	260	266	278
Tennessee Valley Authority	181	189	232
Treasury Department:			
Coast Guard	233	242	244
Customs Bureau	43	40	41
Fiscal Service:			
Interest on the public debt	5,859	6,508	6,450
Other	156	224	163
Internal Revenue	361	362	353
Other	22	20	20
Veterans' Administration	4,952	4,335	4,584
Other agencies	235	227	256
Total budget expenditures	66,145	74,607	74,593
Budget deficit	4,017	9,389	5,896

a/ Excess of credits, deduct.

Attachment 2

Changes in Public Debt

(in millions of dollars)

Classification		Fiscal Year 1953		Fiscal Year 1952
Marketable obligations	a/	+$6,866	b/	+$2,512
U. S. savings bonds	c/	+170		+23
Treasury savings notes		- 2,164		- 1,209
Investment series bonds - Series B-1975-80		-755		-478
Special issues		+ 2,799		+ 3,086
All other obligations		+49		-50
Total		+ 6,966		+ 3,883

a/ Takes into account issuance of $921 million of 1-1/2% marketable Treasury notes in exchange for investment series bonds issued on April 1, 1951 ($714 million of this was exchanged by Federal Reserve System).

b/ Gives effect to exchange of $1,174 million involving four issues of bank restricted, marketable Treasury bonds for a like amount of investment series bonds; also takes into account issuance of $2,068 million of 1-1/2% marketable Treasury notes in exchange for investment series bonds issued on April 1, 1951 ($2,000 million of this was exchanged by Federal Reserve System).

c/ Takes into account $417 million of Series F and G bonds exchanged for 3-1/4% marketable bonds issued on May 1, 1953.

The Treasury closed the fiscal year with a general fund balance of $4,670,000,000, or $2,299,000,000 less than the balance a year ago.

This summary statement is followed by detailed information as to receipts and expenditures by departments and agencies and other categories as well as a listing of the January Budget estimates for fiscal 1953 by categories and agencies.

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Note: All figures are rounded to nearest million

The budget deficit announced Wednesday night was $3,493,000,000 higher than estimated in the January Budget and compares with a deficit of $4,017,000,000 in the fiscal year 1952.

Budget receipts of the government for the fiscal year ended June 30, 1953 were $65,218,000,000 as against $62,129,000,000 in the previous fiscal year. Expenditures amounted to $74,607,000,000 in the fiscal year just closed as compared with $66,145,000,000 in fiscal 1952.

A comparison of budget results for the fiscal years 1953 and 1952 is shown below (in millions):

	Fiscal Year 1953	Fiscal Year 1952
Receipts	$65,218	$62,129
Expenditures	74,607	66,145
Deficit	9,389	4,017

The gross public debt on June 30, 1953, amounted to $266,071,000,000, an increase of $6,966,000,000 during the year. A comparison of the changes in the various classes of the public debt is shown on an attached table.

The financing of the budget deficit during the fiscal year is set forth in the table below:

	(In millions)
Increase in public debt	$6,966
Reduction in general fund balance	2,299
Excess of receipts in trust fund accounts, etc..............	125
Budget deficit	9,389

TREASURY DEPARTMENT
Washington

FOR RELEASE IN PM NEWSPAPERS,
Thursday, July 2, 1953

H-184

Treasury Secretary Humphrey today made the following statement in comment on the fiscal year 1953 report being made public in detail today:

"The budget deficit for the fiscal year 1953 amounting to $9,389,000,000 was the highest in history except for the two World War periods. This was more than double last year's deficit, and was $3,493,000,000 higher than estimated in the January Budget.

"Budget expenditures of $74,607,000,000 during the fiscal year 1953 reflected the continued rising tide of defense and other spending under plans and programs of the preceding administration. These expenditures were the highest on record except for the peak war years, and exceeded the January Budget estimate by $14,000,000. Although budget receipts fell $3,479,000,000 below the January Budget estimate, the total of $65,218,000,000 set an all-time record -- $3,090,000,000 higher than in fiscal 1952, the previous high year.

"These figures emphasize the need for continued strenuous efforts to get our fiscal house in order.

"Difficulties of this size cannot be cured overnight. To bring this situation under control will take many months of vigorous cooperative effort on the part of the administration, the Congress and the people. Only then can we reach our goal of security, both economic and military."

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Expenditures	74,607	66,145
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The financing of the budget deficit during the fiscal year is set forth in the table below:

	(In millions)
Increase in public debt	$6,966
Reduction in general fund balance	2,299
Excess of receipts in trust fund accounts, etc..............	125
Budget deficit	9,389

The Treasury closed the fiscal year with a general fund balance of $4,670,000,000, or $2,299,000,000 less than the balance a year ago.

This summary statement is followed by detailed information as to receipts and expenditures by departments and agencies and other categories as well as a listing of the January Budget estimates for fiscal 1953 by categories and agencies.

- 0 -

Note: All figures are rounded to nearest million

Comparative Statement of Budget Receipts and Expenditures
Fiscal Years 1952 and 1953
(Based upon Daily Treasury Statements)
In millions of dollars

Attachment 1 350

Classification	Actual: Fiscal Year 1952	Actual: Fiscal Year 1953	Estimated F. Y. 1953 (Jan.,1953 Budget)
Receipts:			
Internal Revenue:			
Income tax withheld & social security taxes ...	$22,148	$25,334	$25,219
Income tax, other ...	33,026	33,101	36,303
Miscellaneous internal revenue ...	9,726	10,870	10,690
Taxes on carriers and their employees ...	735	626	650
Customs ...	551	613	590
Miscellaneous receipts:			
Railroad unemployment insurance contributions for administrative expenses ...	10	10	11
Surplus property (act Oct. 3, 1944) ...	193	145	179
Other miscellaneous receipts ...	1,611	1,758	1,565
Total budget receipts ...	67,999	72,455	75,208
Deduct:			
Appropriation to Federal old-age & survivors insurance trust fund ...	3,569	4,086	4,000
Refunds of receipts ...	2,302	3,151	2,511
Net budget receipts ...	62,129	65,218	68,697
Expenditures:			
Legislative Branch ...	61	60	69
The Judiciary ...	27	27	28
President of the United States:			
Executive Office ...	9	9	9
Special programs:			
Defense production expansion ...	146	87	321
Mutual Security Program:			
Economic and technical assistance ...	2,191	1,724)	
Military assistance ...	2,228	3,760)	5,506
Other ...	47	47)	
Other foreign assistance ...	191	13	22
Other ...	22	6	13
Agriculture Department:			
Agricultural Research Administration ...	106	76	80
Farmers' Home Administration ...	202	211	214
Forest Service ...	87	95	91
Production & Marketing Administration:			
Commodity Credit Corporation ...	a/ 139	1,888	806
Other ...	442	525	509
Rural Electrification Administration ...	243	239	233
Soil Conservation Service ...	59	62	66
Other ...	234	a/ 18	143
Atomic Energy Commission ...	1,648	1,802	2,000
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Commerce Department:			
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Office of Administrator:			
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Internal Revenue	361	362	353
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a/ Excess of credits, deduct.

Changes in Public Debt

Attachment 2

(in millions of dollars)

Classification	Fiscal Year 1953	Fiscal Year 1952
Marketable obligations	a/ +$6,866	b/ +$2,512
U. S. savings bonds	c/ +170	+23
Treasury savings notes	- 2,164	- 1,209
Investment series bonds - Series B-1975-80	-755	-478
Special issues	+ 2,799	+ 3,086
All other obligations	+49	-50
Total	+ 6,966	+ 3,883

a/ Takes into account issuance of $921 million of 1-1/2% marketable Treasury notes in exchange for investment series bonds issued on April 1, 1951 ($714 million of this was exchanged by Federal Reserve System).

b/ Gives effect to exchange of $1,174 million involving four issues of bank restricted, marketable Treasury bonds for a like amount of investment series bonds; also takes into account issuance of $2,068 million of 1-1/2% marketable Treasury notes in exchange for investment series bonds issued on April 1, 1951 ($2,000 million of this was exchanged by Federal Reserve System).

c/ Takes into account $417 million of Series F and G bonds exchanged for 3-1/4% marketable bonds issued on May 1, 1953.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Thursday, July 2, 1953. H-185

Secretary Humphrey announced today that the Tax Anticipation Certificates of Indebtedness which are to be offered for subscription on Monday, July 6, will carry an interest rate of 2-1/2 percent. The amount of the offering will be $5,500,000,000, or thereabouts.

Subscriptions from commercial banks for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of certificates applied for.

Subject to the usual reservations, subscriptions for amounts up to and including $100,000 will be allotted in full. Subscriptions for amounts over $100,000 will be allotted on an equal percentage basis but not less than $100,000 on any one subscription. The basis of the allotments will be publicly announced when the allotments are made.

In view of the large size of the issue, Federal Reserve Banks will be prepared to act promptly on requests for temporary increases in Treasury tax and loan account authorizations.

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IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made on or before July 15, 1953, or on later allotment. In every case where payment is not so completed, the payment with application up to 10 percent of the amount of certificates applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its District.

V. GENERAL PROVISIONS

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

G. M. HUMPHREY,
Secretary of the Treasury.

They will be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1954.

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 Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of 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, subscriptions for amounts up to and including $100,000 will be allotted in full, and subscriptions for amounts over $100,000 will be allotted on an equal percentage basis to be publicly announced when allotments are made, but not less than $100,000 on any one subscription. Allotment notices will be sent out promptly upon allotment.

UNITED STATES OF AMERICA

2-1/2 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES C-1954

Dated and bearing interest from July 15, 1953 Due March 22, 1954

1953
Department Circular No. 925

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, July 6, 1953.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for Tax Anticipation Certificates of Indebtedness of the United States, designated 2-1/2 percent Treasury Certificates of Indebtedness of Series C-1954. The amount of the offering is $5,500,000,000, or thereabouts.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated July 15, 1953, and will bear interest from that date at the rate of 2-1/2 percent per annum, payable with the principal at maturity on March 22, 1954. 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.

RELEASE MORNING NEWSPAPERS,
Monday, July 6, 1953.

Secretary of the Treasury Humphrey announced today the details of a cash offering of $5,500,000,000, or thereabouts, of 2-1/2 percent Tax Anticipation Certificates of Indebtedness to be dated July 15, 1953, and to mature on March 22, 1954. The new certificates will be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1954. Interest will be payable with the principal at maturity on those certificates not presented in payment of taxes.

Subscriptions from commercial banks for their own account will be received without deposit. Other subscriptions must be accompanied by payment of 10 percent of the amount of certificates applied for. Subject to the usual reservations, subscriptions for amounts up to and including $100,000 will be allotted in full, and subscriptions for amounts over $100,000 will be allotted on an equal percentage basis to be publicly announced when allotments are made, but not less than $100,000 on any one subscription. The subscription books may be closed at any time without notice.

Commercial banks and other lenders are requested to refrain from making unsecured loans, or loans collateralized in whole or in part by the certificates subscribed for, to cover the deposits which are required to be paid when subscriptions are entered.

Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States. Commercial banks are requested to enter their subscriptions directly with the Federal Reserve Bank of the District in which they are located, even though payment for or delivery of the certificates allotted is desired in another District.

The text of the official circular follows:

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Monday, July 6, 1953. H-186

Secretary of the Treasury Humphrey announced today the details of a cash offering of $5,500,000,000, or thereabouts, of 2-1/2 percent Tax Anticipation Certificates of Indebtedness to be dated July 15, 1953, and to mature on March 22, 1954. The new certificates will be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1954. Interest will be payable with the principal at maturity on those certificates not presented in payment of taxes.

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UNITED STATES OF AMERICA

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Department Circular No. 925

Fiscal Service
Bureau of the Public Debt

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Office of the Secretary
Washington, July 6, 1953

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1. The certificates will be dated July 15, 1953, and will bear interest from that date at the rate of 2-1/2 percent per annum, payable with the principal at maturity on March 22, 1954. 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 be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1954.

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.

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III. SUBSCRIPTION AND ALLOTMENT

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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, subscriptions for amounts up to and including $100,000 will be allotted in full, and subscriptions for amounts over $100,000 will be allotted on an equal percentage basis to be publicly announced when allotments are made, but not less than $100,000 on any one subscription. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

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V. GENERAL PROVISIONS

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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.

G.M. HUMPHREY
Secretary of the Treasury.

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H-187

RELEASE MORNING NEWSPAPERS,
Tuesday, July 7, 1953.

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated July 9 and to mature October 8, 1953, which were offered on July 2, were opened at the Federal Reserve Banks on July 6.

The details of this issue are as follows:

Total applied for - $2,165,888,000
Total accepted - 1,500,174,000 (includes $225,471,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.493 Equivalent rate of discount approx. 2.007% per annum

Range of accepted competitive bids: (Excepting one tender of $200,000)

High - 99.499 Equivalent rate of discount approx. 1.982% per annum
Low - 99.486 " " " " " 2.033% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 27,743,000	$ 27,403,000
New York	1,581,015,000	976,675,000
Philadelphia	42,253,000	26,761,000
Cleveland	30,162,000	28,862,000
Richmond	11,369,000	11,034,000
Atlanta	28,047,000	27,317,000
Chicago	239,396,000	221,436,000
St. Louis	35,875,000	25,550,000
Minneapolis	10,186,000	10,086,000
Kansas City	50,112,000	48,432,000
Dallas	45,531,000	42,419,000
San Francisco	64,199,000	54,199,000
TOTAL	$2,165,888,000	$1,500,174,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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The details of this issue are as follows:

Total applied for - $2,165,888,000
Total accepted - 1,500,174,000 (includes $225,471,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.493 Equivalent rate of discount approx. 2.007% per annum

Range of accepted competitive bids: (Excepting one tender of $200,000)

High - 99.499 Equivalent rate of discount approx. 1.982% per annum
Low - 99.486 Equivalent rate of discount approx. 2.033% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 27,743,000	$ 27,403,000
New York	1,581,015,000	976,675,000
Philadelphia	42,253,000	26,761,000
Cleveland	30,162,000	28,862,000
Richmond	11,369,000	11,034,000
Atlanta	28,047,000	27,317,000
Chicago	239,396,000	221,436,000
St. Louis	35,875,000	25,550,000
Minneapolis	10,186,000	10,086,000
Kansas City	50,112,000	48,432,000
Dallas	45,531,000	42,419,000
San Francisco	64,199,000	54,199,000
TOTAL	$2,165,888,000	$1,500,174,000

IMMEDIATE RELEASE,
Monday, July 6, 1953.

H-188

Secretary of the Treasury Humphrey announced today that the subscription books for the current offering of 2-1/2 percent Tax Anticipation Certificates of Indebtedness of Series C-1954 will be closed at the close of businesstoday.

Subscriptions placed in the mail before 12 o'clock midnight tonight, July 6, will be considered as having been entered before the close of the subscription books.

Announcement of the amount of subscriptions and the basis of allotment on subscriptions for more than $100,000 each will probably be made on Thursday, July 9.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Monday, July 6, 1953. H-188

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oOo

STATUTORY DEBT LIMITATION

AS OF June 30, 1953

TREASURY DEPARTMENT
Fiscal Service
Washington, July 7, 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	$19,706,937,000		
Certificates of indebtedness	15,853,539,000		
Treasury notes	34,877,661,200	$ 70,438,137,200	
Bonds –			
Treasury	81,225,577,150		
Savings (current redemp. value)	57,885,599,110		
Depositary	446,548,000		
Armed Forces Leave	-		
Investment series	13,288,056,000	152,845,780,260	
Special Funds –			
Certificates of indebtedness	25,972,581,000		
Treasury notes	14,565,676,900	40,538,257,900	
Total interest-bearing		263,822,175,360	
Matured, interest-ceased		294,460,275	
Bearing no interest:			
War savings stamps	49,579,035		
Excess profits tax refund bonds	1,448,950		
Special notes of the United States:			
Internat'l Monetary Fund series	1,302,000,000	1,353,027,985	
Total		265,469,663,620	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	50,881,686		
Demand obligations: C.C.C.	-	50,881,686	
Matured, interest-ceased		1,191,075	
		52,072,761	
Grand total outstanding			265,521,736,381
Balance face amount of obligations issuable under above authority			9,478,263,619

Reconcilement with Statement of the Public Debt June 30, 1953
(Date)

(Daily Statement of the United States Treasury, June 30, 1953)
(Date)

Outstanding –	
Total gross public debt	266,071,061,639
Guaranteed obligations not owned by the Treasury	52,072,761
Total gross public debt and guaranteed obligations	266,123,134,400
Deduct – other outstanding public debt obligations not subject to debt limitation	601,398,019
	265,521,736,381

H-189

TD - OAS - DC

STATUTORY DEBT LIMITATION
AS OF JUNE 30, 1953

July 7, 1953

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(Daily Statement of the United States Treasury, June 30, 1953)

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Deduct - other outstanding public debt obligations not subject to debt limitation	601,398,019
	265,521,736,381

H-180

~~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.

dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 16, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 16, 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

~~XXXXXXXXX~~

~~XXXXX~~

TREASURY DEPARTMENT
Washington

17-190

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, July 9, 1953.
~~(1)~~

Treasury Department
The/~~Secretary of the Treasury~~, by this public notice, invites tenders for $1,500,000,000 ~~(2)~~, or thereabouts, of 91 ~~(3)~~-day Treasury bills, for cash and in exchange for Treasury bills maturing July 16, 1953 ~~(4)~~, in the amount of $1,400,736,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 16, 1953 ~~(5)~~, and will mature October 15, 1953 ~~(6)~~, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Daylight Saving ~~Standard~~ time, Monday, July 13, 1953 ~~(7)~~. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, July 9, 1953.

H-190

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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 ivestment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the

Federal Reserve Bank on July 16, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 16, 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.

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PROPOSED PRESS RELEASE

H-191

Sales of Series E and H Savings Bonds in the first six months of 1953 totaled $2,231,000,000 the Treasury announced today. Redemptions of matured and unmatured bonds in the same period were $2,070,000,000. Sales were up 28 percent and redemptions were lower by 3 percent from the totals for the corresponding six months of 1952, when sales were $1,746,000,000 and redemptions $2,130,000,000.

Sales of Series E and H bonds in June were $340,000,000, an increase of 16 percent over June 1952 when $293,000,000 were sold. During June 1953, total matured and unmatured Series E and H redemptions were $354,000,000, and increase of one percent over June 1952, when redemptions of total matured and unmatured Series E bonds were $350,000,000.

At the close of June 1953, the cash value of Series E and H bonds held by individuals was $36,048,000,000. Owners of approximately 75 percent of the Series E bonds thus far matured continue to hold their matured bonds under the optional extention plan. This percentage of the matured E bonds retained has held almost steadily for the past two years. The volume of E bonds maturing has increased from $1,100,000,000 during 1951 to about $7,400,000,000 at the end of June 1953.

* * *

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.

373

IMMEDIATE RELEASE,
Thursday, July 9, 1953.

H-191

Sales of Series E and H Savings Bonds in the first six months of 1953 totaled $2,231,000,000 the Treasury announced today. Redemptions of matured and unmatured bonds in the same period were $2,070,000,000. Sales were up 28 percent and redemptions were lower by 3 percent from the totals for the corresponding six months of 1952, when sales were $1,746,000,000 and redemptions $2,130,000,000.

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oOo

H-192

IMMEDIATE RELEASE,
Wednesday, July 8, 1953.

Secretary Humphrey ~~The Treasury~~ today announced a 67 % allotment on subscriptions for more than $100,000 each for the cash offering of 2-1/2 percent Tax Anticipation Certificates of Indebtedness of Series C-1954. None of the 59 subscriptions will be allotted less than $100,000 and smaller subscriptions will be allotted in full, as previously announced.

Reports received from the Federal Reserve Banks show that subscriptions total ~~approximately $~~ over $8 1/2 billion ~~dollars~~.

Details by Federal Reserve Districts as to subscriptions and allotments will be announced when final reports are received from the Federal Reserve Banks.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Wednesday, July 8, 1953. H-192

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Details by Federal Reserve Districts as to subscriptions and allotments will be announced when final reports are received from the Federal Reserve Banks.

oOo

In this connection 925

The Federal Reserve banks will ~~be reimbursed~~ follow operating procedures prescribed by the Treasury ~~for expenses incurred~~ in verifying and destroying the unfit currency. As ~~a~~ an additional security measure, general auditors of the Federal Reserve banks will audit the currency verification units at frequent intervals.

The new plan applies to silver certificates and United States notes, of which ~~1,295,000,000~~ about 1,250,000,000 unfit pieces were received at Washington from all over the country during the fiscal year 1952. The Treasury will continue for the time being to retire and destroy all worn-out Federal Reserve currency, of which about 350,000,000 pieces were received in fiscal '52.

EB

In numbers of pieces One dollar bills make up the bulk of the currency which has to be retired because of unfitness. The one dollar bills last about 10 months as a rule, and more than a billion of them are in circulation. Higher denomination bills last much longer.

Won't people wonder why Feds. don't do their own, if such a saving can be made?

[illegible]

oOo

[illegible]

There's no good reason why every ragged dollar bill spotted by a bank in Seattle or Phoenix or Boston or Miami as being unfit for further circulation should be shipped all the way to Washington for ~~cancellation~~ verification and destruction, the Treasury has decided.

Hereafter a billion and a quarter pieces a year of worn-out United States paper currency -- making, if laid flat, a stack as high as 900 Washington Monuments -- previously bundled up and sent to Washington, will be ~~cancelled~~ verified and destroyed locally by the Federal Reserve banks, at a saving to the ~~Treasury~~ Government of ~~almost a million dollars~~ approximately $500,000 annually. The change is effective July 1.

approximately $800,000 G.T.S.

E.B.

Reduced shipping costs will account for about $200,000 of the saving. There will be various other savings, such as the elimination of the previous requirement that before being sent to Washington, packages of worn-out bills be cut in halves, ~~and~~ the halves to be forwarded separately.

I think this should come out.

G.T.S.

Each Federal Reserve bank, acting as Fiscal Agent for the Treasury Department, will cancel and destroy accumulations of worn-out currency after verification of the amounts and genuineness. Destruction will be by shredding and burning. Only small working forces will be required.

June 29, 1953

TO: Chief, Secret Service

FROM: George F. Stickney

9751

Attached is draft of proposed press release concerning the decentralization of the verification and destruction of United States currency. You will note Mr. Bartelt requested me to check this with your office. After you have completed your comments, will you please forward it to ~~Mr. Moore~~ Rm 3449 as indicated on Mr. Bartelt's routing slip.

Attachment

The Federal Reserve banks will follow operating procedures provided by the Treasury in verifying and destroying the unfit currency. As an additional security measure, general auditors of the Federal Reserve banks will audit the currency verification units at frequent intervals.

The new plan applies to silver certificates and United States notes, of which about 1,250,000,000 unfit pieces were received at Washington from all over the country during the fiscal year 1952. The Treasury will continue for the time being to retire and destroy all worn-out Federal Reserve currency, of which about 350,000,000 pieces were received in fiscal '52.

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Reduced shipping costs alone are expected to result ~~in~~ savings of ~~will account for~~ about $200,000 ~~of the saving.~~ [redacted].

Each Federal Reserve bank, acting as Fiscal Agent for the Treasury Department, will cancel and destroy accumulations of worn-out currency after verification of the amounts and genuineness. Destruction will be by shredding and burning. Only small working forces will be required.

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IMMEDIATE RELEASE
Friday, July 10, 1953

H-193

There's no good reason why every ragged dollar bill spotted by a bank in Seattle or Phoenix or Boston or Miami as being unfit for further circulation should be shipped all the way to Washington for verification and destruction, the Treasury has decided.

Hereafter a billion and a quarter pieces a year of worn-out United States paper currency -- making, if laid flat, a stack as high as 900 Washington Monuments -- previously bundled up and sent to Washington will be verified and destroyed locally by the Federal Reserve banks, at ~~a~~ substantial savings to the Government. ~~of approximately $800,000 annually. The change is effective July 1.~~

Reduced shipping costs ~~will account for~~ alone are expected to result in savings about $200,000 ~~of the saving~~. ~~There will be various other savings, such as the elimination of the previous requirement that before being sent to Washington, packages of worn-out bills be cut in halves, the halves to be forwarded separately.~~

Each Federal Reserve bank, acting as Fiscal Agent for the Treasury Department, will cancel and destroy accumulations of worn-out currency after verification of the amounts and genuineness. Destruction will be by shredding and burning. Only small working forces will be required.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE
Friday, July 10, 1953 H-193

There is no good reason why every ragged dollar bill spotted by a bank in Seattle or Phoenix or Boston or Miami as being unfit for further circulation should be shipped all the way to Washington for verification and destruction, the Treasury has decided.

Hereafter a billion and a quarter pieces a year of worn-out United States paper currency -- making, if laid flat, a stack as high as 900 Washington Monuments -- previously bundled up and sent to Washington will be verified and destroyed locally by the Federal Reserve banks, at substantial savings to the Government. Reduced shipping costs alone are expected to result in savings of about $200,000.

Each Federal Reserve bank, acting as Fiscal Agent for the Treasury Department, will cancel and destroy accumulations of worn-out currency after verification of the amounts and genuineness. Destruction will be by shredding and burning. Only small working forces will be required.

The Federal Reserve banks will follow operating procedures provided by the Treasury in verifying and destroying the unfit currency. As an additional security measure, general auditors of the Federal Reserve banks will audit the currency verification units at frequent intervals.

The new plan applies to silver certificates and United States notes, of which about 1,250,000,000 unfit pieces were received at Washington from all over the country during the fiscal year 1952. The Treasury will continue for the time being to retire and destroy all worn-out Federal Reserve currency, of which about 350,000,000 pieces were received in fiscal '52.

In numbers of pieces one dollar bills make up the bulk of the currency which has to be retired because of unfitness. The one dollar bills last about 10 months as a rule, and more than a billion of them are in circulation. Higher denomination bills last much longer.

oOo

You have heard, and will be hearing more, about the details of the political and military and other aspects of the Mutual Security Program, which are not my immediate responsibility. My concern is with the money aspects of the program. That we are watching and will continue to watch to achieve as careful a balance of security both military and economic as we can possibly work out.

I might, in concluding, say just one thing. Both as a citizen and because of my responsibilities at the Treasury, I shall earnestly welcome the day when international tensions lessen, and the burden of preparedness can be lightened. But that day has not yet come, and it would be imprudent to think that it is imminent merely because of the developments of the recent past. In fact, instead of indicating lessened activity upon our part the developments of the last few days would seem to warrant the hope that even intensified efforts on our part might be productive of earlier accomplishment of our objectives than we had even dared hope. For this reason I believe that this Government should continue at this time to carry forward a carefully thought-out program designed to foster the defensive strength of the free world to the extent we can do so without infringing upon the economic stability of the United States.

expenditures. It has been heavily pruned from earlier proposals. As the year progresses we will continue on the alert to eliminate every possible additional expenditure which does not seem justified to make the work more effective.

In spite of these endeavors, we shall be spending a large amount of money for this purpose. This raises the question of whether we can afford such a program. I believe that we can and should. While I am interested in paring all expenditures to the bond, I consider that it would be false economy not to obtain the assistance from our friends in the free world which the various parts of this program will make possible. The test should be will this provide the opportunity for more defense of freedom and at less cost than we can get in other ways. We should keep that constantly in mind. But programs and plans that are well on toward accomplishment had better be finished as economically as possible than abandoned and lose the benefit of much that has been done in the past.

Moreover, we should not continue foreign aid on such a large scale. We must find means for putting international financial affairs on a sounder basis. This is one reason why we have asked Congress for the Commission on Foreign Economic Policy to study our international trade and finance. Our hope is that the work of this Commission will point to at least some ways in which we can play our essential role in world affairs with less strain on the taxpayer.

year had been largely determined but of course that deficit becomes an added burden in our whole financial problem.

Even under the President's proposed budget for fiscal 1954 however, there will still be a deficit, largely because of expenditures essential to the country's sound defense and other costs to which the Government has been committed by past appropriations. But cuts have already been made which will reduce the deficit, and we will continue to drive toward eliminating it as rapidly as possible.

On the expenditure side there are two ways to move toward our goal. The first is to eliminate every possible unnecessary or non-essential expenditure. The second is to carry out necessary programs as economically as possible. The essence of true economy is getting the most for your money. That is the way we are trying to proceed with respect to the expenditures for mutual security, as well as with respect to the whole pattern of Government expenditures.

In the mutual security program we are trying to balance two things: on the one hand, an adequate security for ourselves, and directly related to that a strengthening of the military power of our friends overseas, and on the other hand, a minimum burden on the American taxpayer. We have been working to make this proposal a reasonable and considered effort to achieve that balance.

The Mutual Security Program has had and will continue to have most careful study in the light of our policy of economy in Government

H-194

STATEMENT OF GEORGE M. HUMPHREY, SECRETARY OF THE TREASURY
BEFORE THE SENATE COMMITTEE ON APPROPRIATIONS

I am glad to have this opportunity to speak to you about the expenditures to be made under the Mutual Security Program. My concern is not merely the matter of these funds taken by themselves. We must also consider the relation of these expenditures to the over-all budget picture. In discussing fiscal and economic policy in his address on the State of the Union, the President referred to "the inescapable need for economic health and strength, if we are to maintain adequate military power and exert influential leadership for peace in the world."

This Administration will not deviate from its goals of achieving a balanced budget and reducing the levels of both spending and taxation. These cannot be immediately accomplished. But they must be always foremost in mind and continually and energetically pursued within the limits of a proper balance with our military security. Every program must be considered from this viewpoint.

The deficit of over nine billion dollars in the past fiscal year has added to the difficulties of obtaining our objectives. Continuing deficits of this size would undermine the economic stability of our country.

There was, of course, little that President Eisenhower or his Administration could do about this deficit for fiscal year 1953. More than one-half of that fiscal year had already past when he took office, and commitments for receipts and expenditures for the whole

of the Treasury should be a member of a board which would fix lending policies to guide the agency in making financial assistance available.

I believe it is desirable for the new agency to supplant both the Reconstruction Finance Corporation and the Small Defense Plants Administration in carrying out these lending activities. The new agency should take over the function of sponsoring the interests of small businesses in obtaining a part of the defense contracts which function now resides in the Small Defense Plants Administration. This would result in there being one agency whose primary concern would be to give assistance to small businesses, rather than two agencies performing functions in this field as at present.

H - 194

Statement
of
Secretary of the Treasury Humphrey
on the
Establishment of a Small-Business Agency
Before the Senate Committee on Banking and Currency
July 13, 1953

Mr. Chairman and Members of the Committee:

I favor the creation of a small-business agency which would, among other things, make financial assistance available to small business.

This financial assistance is necessary because under present conditions there ~~is~~ are cases in which there is a need for a type of credit that is not available through normal lending channels. It would not be the purpose of the agency to make assistance available in competition with private lenders. Rather, it should support and supplement the assistance other lenders are prepared to provide, thus filling the credit gap which should be filled under present conditions. The new agency should also have the authority to make disaster loans such as those the Reconstruction Finance Corporation now makes.

The amount of financial assistance made available to any one borrower should be limited. As far as possible the new agency should not make direct loans, but should participate with private lending agencies, preferably on a deferred basis.

Because the lending activities of the new agency must be consistent with the other credit and fiscal policies of the Government, the Secretary

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BEFORE THE SENATE COMMITTEE ON APPROPRIATIONS

July 10, 1953

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Even under the President's proposed budget for fiscal 1954 however, there will still be a deficit, largely because of expenditures essential to the country's sound defense and other costs to which the Government has been committed by past appropriations. But cuts have already been made which will reduce the deficit, and we will continue to drive toward eliminating it as rapidly as possible.

On the expenditure side there are two ways to move toward our goal. The first is to eliminate every possible unnecessary or non-essential expenditure. The second is to carry out necessary programs as economically as possible. The essence of true economy is getting the most for your money. That is the way we are trying to proceed with respect to the expenditures for mutual security, as well as with respect to the whole pattern of Government expenditures.

H-194

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The Mutual Security Program has had and will continue to have most careful study in the light of our policy of economy in Government expenditures. It has been heavily pruned from earlier proposals. As the year progresses we will continue on the alert to eliminate every possible additional expenditure which does not seem justified to make the work more effective.

In spite of these endeavors, we shall be spending a large amount of money for this purpose. This raises the question of whether we can afford such a program. I believe that we can and should. While I am interested in paring all expenditures to the bone, I consider that it would be false economy not to obtain the assistance from our friends in the free world which the various parts of this program will make possible. The test should be will this provide the opportunity for more defense of freedom and at less cost than we can get in other ways. We should keep that constantly in mind. But programs and plans that are well on toward accomplishment had better be finished as economically as possible than abandoned and lose the benefit of much that has been done in the past.

Moreover, we should not continue foreign aid on such a large scale. We must find means for putting international financial affairs on a sounder basis. This is one reason why we have asked Congress for the Commission on Foreign Economic Policy to study our international trade and finance. Our hope is that the work of this Commission will point to at least some ways in which we can play our essential role in world affairs with less strain on the taxpayer.

You have heard, and will be hearing more, about the details of the political and military and other aspects of the Mutual Security Program, which are not my immediate responsibility. My concern is with the money aspects of the program. That we are watching and will continue to watch to achieve as careful a balance of security both military and economic as we can possibly work out.

I might, in concluding, say just one thing. Both as a citizen and because of my responsibilities at the Treasury, I shall earnestly welcome the day when international tensions lessen, and the burden of preparedness can be lightened. But that day has not yet come, and it would be imprudent to think that it is imminent merely because of the developments of the recent past. In fact, instead of indicating lessened activity upon our part the developments of the last few days would seem to warrant the hope that even intensified efforts on our part might be productive of earlier accomplishment of our objectives than we had even dared hope. For this reason I believe that this Government should continue at this time to carry forward a carefully thought-out program designed to foster the defensive strength of the free world to the extent we can do so without infringing upon the economic stability of the United States.

Statement of Secretary of the Treasury Humphrey on the Establishment of a Small-Business Agency Before the Senate Committee on Banking and Currency, July 13, 1953.

Mr. Chairman and Members of the Committee:

I favor the creation of a small-business agency which would, among other things, make financial assistance available to small business.

This financial assistance is necessary because under present conditions there are cases in which there is a need for a type of credit that is not available through normal lending channels. It would not be the purpose of the agency to make assistance available in competition with private lenders. Rather, it should support and supplement the assistance other lenders are prepared to provide, thus filling the credit gap which should be filled under present conditions. The new agency should also have the authority to make disaster loans such as those the Reconstruction Finance Corporation now makes.

The amount of financial assistance made available to any one borrower should be limited. As far as possible the new agency should not make direct loans, but should participate with private lending agencies, preferably on a deferred basis.

Because the lending activities of the new agency must be consistent with the other credit and fiscal policies of the Government, the Secretary of the Treasury should be a member of a board which would fix lending policies to guide the agency in making financial assistance available.

I believe it is desirable for the new agency to supplant both the Reconstruction Finance Corporation and the Small Defense Plants Administration in carrying out these lending activities. The new agency should take over the function of sponsoring the interests of small businesses in obtaining a part of the defense contracts which function now resides in the Small Defense Plants Administration. This would result in there being one agency whose primary concern would be to give assistance to small businesses, rather than two agencies performing functions in this field as at present.

H-195

RELEASE MORNING NEWSPAPERS,
Tuesday, July 14, 1953.

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated July 16 and to mature October 15, 1953, which were offered on July 9, were opened at the Federal Reserve Banks on July 13.

The details of this issue are as follows:

Total applied for - $2,276,662,000
Total accepted - 1,500,280,000 (includes $267,544,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.468 Equivalent rate of discount approx. 2.106% per annum

Range of accepted competitive bids:

High - 99.519 Equivalent rate of discount approx. 1.903% per annum
Low - 99.462 " " " " " 2.128% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 22,473,000	$ 21,473,000
New York		1,543,641,000	848,454,000
Philadelphia		55,478,000	42,478,000
Cleveland		55,069,000	50,709,000
Richmond		19,457,000	19,147,000
Atlanta		47,297,000	46,697,000
Chicago		249,620,000	219,490,000
St. Louis		55,980,000	42,655,000
Minneapolis		18,828,000	16,328,000
Kansas City		87,690,000	81,340,000
Dallas		52,365,000	46,055,000
San Francisco		68,264,000	65,454,000
	TOTAL	$2,276,662,000	$1,500,280,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Tuesday, July 14, 1953.

H-195

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IMMEDIATE RELEASE,
Monday, July 13, 1953.

H-196

The Treasury Department today announced the subscription and allotment figures with respect to the current cash offering of 2-1/2 percent Tax Anticipation Certificates of Indebtedness of Series C-1954. These certificates will be dated July 15, 1953, and will mature March 22, 1954. They will be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1954.

Subscriptions for this offering amounted to nearly $8,700,000,000, of which slightly over $2,000,000,000 was received from nonbank sources.

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

Federal Reserve District		Total Subscriptions Received	Total Subscriptions Allotted
Boston		$ 287,372,000	$ 196,967,000
New York		3,727,520,000	2,509,338,000
Philadelphia		312,812,000	214,577,000
Cleveland		544,843,000	370,913,000
Richmond		294,373,000	202,398,000
Atlanta		364,997,000	249,802,000
Chicago		1,252,618,000	857,512,000
St. Louis		237,430,000	164,077,000
Minneapolis		189,511,000	131,812,000
Kansas City		233,583,000	163,316,000
Dallas		184,924,000	127,495,000
San Francisco		1,056,822,000	712,428,000
Treasury		1,000	1,000
	TOTAL	$8,686,806,000	$5,900,636,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Monday, July 13, 1953. H-196

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TOTAL	$8,686,806,000	$5,900,636,000

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
~~Tuesday, June 16, 1953.~~
Wednesday, July 15, 1953

~~H-170~~
H-197

During the month of June, [redacted], 1953 market transactions in direct and guaranteed securities of the government for Treasury investment and other accounts resulted in net purchases of $~~35,881,000~~ 20,077,450, Secretary Humphrey announced today.

oOo

JUL 8 1953

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 June, 1953:

Purchases	23,127,000
Sales	3,049,550
Net Purchases	20,077,450

Chief, Investments Branch
Division of Deposits and Investments

OK
TWB.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Wednesday, July 15, 1953. H-197

During the month of June, 1953 market transactions in direct and guaranteed securities of the government for Treasury investment and other accounts resulted in net purchases of $20,077,450, Secretary Humphrey announced today.

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Treasury Dept.
Washington

H-198

IMMEDIATE RELEASE
July ~~14~~, 1953
15

The Bureau of Customs announced today preliminary figures showing the imports for consumption of the commodities listed below within quota limitations from the beginning of the quota periods to July 4, 1953, inclusive, as follows:

Commodity	Period and Quantity		Unit of Quantity	Imports as of July 4, 1953
Whole milk, fresh or sour . . .	Calendar year	3,000,000	Gallon	5,048
Cream	Calendar year	1,500,000	Gallon	570
Butter	Apr. 1, 1953-July 15, 1953	5,000,000	Pound	3,767
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish	Calendar year	33,866,287	Pound	(1) 21,600,771
White or Irish potatoes:				
certified seed	12 months from	150,000,000	Pound	114,193,233
other	Sept. 15, 1952	798,900,000	Pound	83,758,339
Cattle, less than 200 lbs. each .	12 months from April 1, 1953	200,000	Head	2,684
Cattle, 700 pounds or more each (other than dairy cows)	April 1, 1953-June 30, 1953	120,000	Head	11,259
Cattle, 700 pounds or more each (other than dairy cows)	July 1, 1953-Sept. 30, 1953	120,000	Head	172
Walnuts	Calendar year	5,000,000	Pound	4,456,284
Almonds, shelled, blanched, roasted, or otherwise prepared or preserved	12 months from Oct. 1, 1952	7,000,000	Pound	5,641,994
Filberts, shelled (whether or not blanched)	12 months from Oct. 1, 1952	4,500,000	Pound	3,680,317
Peanuts, whether shelled, not shelled, blanched, salted, prepared, or preserved (including roasted peanuts, but not including peanut butter).	12 months from July 1, 1953	1,709,000	Pound	-
Peanut Oil	12 months from July 1, 1953	80,000,000	Pound	-

(1) Imports for consumption at the quota rate are limited to 25,399,716 pounds during the first nine months of the calendar year.

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, July 15, 1953

H-198

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Treasury Department
Washington

IMMEDIATE RELEASE
July 14, 1953

H-199

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, 1953, to July 4, 1953, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of July 4, 1953
Buttons	850,000	Gross	374,344
Cigars	200,000,000	Number	1,607,107
Coconut Oil	448,000,000	Pound	43,356,656
Cordage	6,000,000	Pound	2,478,071
Rice	1,040,000	Pound	2,500
Sugars (Refined	1,904,000,000	Pound	-
Sugars (Unrefined			1,080,302,370
Tobacco	6,500,000	Pound	1,528,160

TREASURY DEPARTMENT
Washington

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COTTON WASTES
(In pounds)

COTTON CARD STRIPS made from cotton having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE: Provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

Country of Origin	Established TOTAL QUOTA	Total Imports Sept. 20, 1952, to July 14, 1953	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1952, to July 14, 1953
United Kingdom	4,323,457	100,335	1,441,152	99,728
Canada	239,690	239,495	-	-
France	227,420	13,032	75,807	13,032
British India	69,627	48,162	-	-
Netherlands	68,240	15,715	22,747	15,715
Switzerland	44,388	-	14,796	-
Belgium	38,559	12,853	12,853	12,853
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	460,640	1,599,886	172,376

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

Treasury Department
Washington

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IMMEDIATE RELEASE
~~July 14~~, 1953
15

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 July 14, 1953, inclusive

Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan . . .	783,816	-
Peru	247,952	586
British India	2,003,483	-
China	1,370,791	-
Mexico	8,883,259	8,883,259
Brazil	618,723	124,891
Union of Soviet Socialist Republics .	475,124	-
Argentina	5,203	1,382
Haiti	237	-
Ecuador	9,333	-
Honduras	752	-
Paraguay	871	-
Colombia	124	-
Iraq	195	-
British East Africa . .	2,240	-
Netherlands E. Indies.	71,388	-
Barbados	-	-
1/Other British W. Indies	21,321	-
Nigeria	5,377	-
2/Other British W. Africa	16,004	-
3/Other French Africa . .	689	-
Algeria and Tunisia .	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, 1952, to July 4, 1953

Established Quota (Global)	Imports
70,000,000	18,622,397

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1953, to July 14, 1953

Established Quota (Global)	Imports
45,656,420	31,575,139

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, July 15, 1953

H-200

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

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Haiti	237	-
Ecuador	9,333	-

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

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COTTON WASTES
(In pounds)

COTTON CARD STRIPS made from cotton having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE: Provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

Country of Origin	Established TOTAL QUOTA	Total Imports Sept. 20, 1952, to July 14, 1953	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1952, to July 14, 1953
United Kingdom	4,323,457	100,335	1,441,152	99,728
Canada	239,690	239,495	-	-
France	227,420	13,032	75,807	13,032
British India.	69,627	48,162	-	-
Netherlands	68,240	15,715	22,747	15,715
Switzerland	44,388	-	14,796	-
Belgium	38,559	12,853	12,853	12,853
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany.	76,329	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	460,640	1,599,886	172,376

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

Treasury Department
Washington

H-201

FOR IMMEDIATE RELEASE,

July ~~14~~ 15, 1953

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, 1953, as follows:

Country of Origin	Wheat: Established Quota	Wheat: Imports May 29, 1953 to July 14, 1953	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Established Quota	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Imports May 29, 1953 to July 14, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	2,089,549
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000		

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, July 15, 1953

H-201

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, 1953, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1953, to July 14, 1953	Established Quota	Imports May 29, 1953, to July 14, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
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China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000	4,000,000	2,089,549

XXXXX

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.

dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 23, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 23, 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

~~XXXXXXXXX~~

~~XXXXX~~

TREASURY DEPARTMENT
Washington

H-202

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, July 16, 1953 .

The Treasury Department ~~Secretary of the Treasury~~, by this public notice, invites tenders for $1,500,000,000 , or thereabouts, of 91 -day Treasury bills, for cash and in exchange for Treasury bills maturing July 23, 1953 , in the amount of $1,500,526,000 , to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 23, 1953 , and will mature October 22, 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 Daylight Saving ~~Standard~~ time, Monday, July 20, 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

RELEASE MORNING NEWSPAPERS,
Thursday, July 16, 1953.

H-202

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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 July 23, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 23, 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.

oOo

"As the weeks and months go by we will continue to examine and check all the Government's expenditures and make every effort to bring our rate of spending and income together.

We are determined to do this. However, we must also and always maintain a balanced military security for which we have ~~hope~~ had and will continue to have the highest regard and coneern. This problem is too big to be solved quickly.

The Administration, the Congress and the people of the United States must keep working together to get it under control. When once we get it under control we can then feel more sure of security ~~in~~ on both the economic and the military fronts. This is the goal toward which all Americans must work."

#

"~~The new~~ This Administration is determined to get ~~the~~ Government~~'s~~ spending under control so that this trend of increasing deficits and increasing public debt will be checked. ~~It can be checked and will be checked~~. We have already cut something more than $8\frac{1}{2}$ billion from the ~~spending plans of~~ budget proposed by the previous administration and in fiscal 1954 we shall spend at least $4\frac{1}{2}$ billion less than was previously planned.

"~~As the weeks and months~~ go by, we will continue to examine and check all the Government's expenditures ~~so that~~ and make every effort to bring our spending rate of and income ~~can be brought~~ toward into a ~~rate of~~ balance. We are determined to do this. However we must also continue always a balanced ~~even while we~~ maintain the ~~required~~ fully adequate military security, for which we have had and will continue to have the highest regard and ~~care~~ concern. This problem is too big to be solved ~~immediately~~ quickly, but the Administration the Congress and the people of the United States must keep working together to get it under control. When ~~we~~ we get it under control, we ~~can be~~ think we'll be more sure of security on both the economic and the military fronts. This is the goal toward which all Americans must work.

"No decision has been made as yet on whether the Congress will be asked to raise the legal debt limit above $275 billion. We expect to decide ~~[illegible]~~, by the end of next week."

For immediate release
Friday, July 17, 1953

H-203

Secretary of the Treasury Humphrey made the following statement in announcing today that as of July 15, 1953, the gross public debt has risen to $272,361,000,000:

"~~It is with no pride that~~ The Daily Statement of the United States Treasury published today shows that our gross public debt is now at $272,361,000,000. This figure, highest in history outside of World War II, points up the situation which ~~we have inherited from~~ the spending programs of the ~~previous~~ ~~administration~~ past four year have produced. Under those ~~spending~~ programs, in the fiscal year just ended, a deficit of $9,389,000,000 was rolled up.

"Because of this deficit, the debt on June 30 was $2,200,000,000 more than estimated by the previous administration in ~~the~~ January ~~budget~~, and the cash balance of the Treasury was $1.3 billion less. Thus the Treasury was $3½ billion worse off ~~than estimated in January~~. ~~What with~~ Because of previous spending commitments which are only beginning we h~~ave not yet been able~~ to get ~~fully~~ under control, we have been forced to add ~~almost~~ about $6 billion to the public debt by a new Government issue of tax anticipation certificates. It is this issue which, as of July 15, brought the new high public debt figure, ~~[illegible]~~ as shown in ~~the~~ today's issue of the daily Statement.

"Before World War I the public debt was $1,280,000,000. Just before Pearl Harbor it was $55 billion. The highest debt reached during World War II was in February 1946 when it was $279 billion. When hostilities began in Korea on June 24, 1950, the debt had reached $257 billion, an increase of $6 billion from the postwar low of $251 billion in April 1949. The new figure being made public today is only $7 billion under the World War II peak of $279 billion.

TREASURY DEPARTMENT

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

IMMEDIATE RELEASE,
Friday, July 17, 1953. H-203 417

Secretary of the Treasury Humphrey made the following statement in announcing today that as of July 15, 1953, the gross public debt has risen to $272,361,000,000:

"The Daily Statement of the United States Treasury published today shows that our gross public debt is now at $272,361,000,000. This figure, highest in history outside of World War II, points up the situation which the spending programs of the past few years have produced. Under those programs, in the fiscal year just ended, a deficit of $9,389,000,000 was rolled up.

"Because of this deficit, the debt on June 30 was $2,200,000,000 more than estimated by the previous Administration in January, and the cash balance of the Treasury was $1.3 billion less. Thus the Treasury was $3½ billion worse off. Because of previous spending commitments which we are only beginning to get under control, we have been forced to add about $6 billion to the public debt by a new Government issue of tax anticipation certificates. It is this issue which, as of July 15, brought the new high public debt figure, as shown in today's Daily Statement.

"Before World War I the public debt was $1,280,000,000. Just before Pearl Harbor it was $55 billion. The highest debt reached during World War II was in February 1946 when it was $279 billion. When hostilities began in Korea on June 24, 1950, the debt had reached $257 billion, an increase of $6 billion from the postwar low of $251 billion in April 1949. The new figure being made public today is only $7 billion under the World War II peak of $279 billion.

"This Administration is determined to get Government spending under control so that this trend of increasing deficits and increasing public debt will be checked. We have already cut $8½ billion from the budget proposed by the previous administration and in fiscal 1954 we shall spend at least $4½ billion less than was previously planned.

"As the weeks and months go by we will continue to examine and check all the Government's expenditures and make every effort to bring our rate of spending and income together. We are determined to do this.

"However, we must also and always maintain a balanced military security for which we have had and will continue to have the highest regard and concern.

"This problem is too big to be solved quickly. The Administration, the Congress and the people of the United States must keep working together to get it under control. When once we get it under control we can then feel more sure of security on both the economic and the military fronts. This is the goal toward which all Americans must work."

oOo

"The current levels of profits and national income give assurance that receipts for the year 1954 will be above those in 1953. Corporate profits in the first quarter of this calendar year are now estimated at an annual rate of about $3 billion above last year's total. Likewise, national income in the first three months of 1953 is estimated at an annual rate of about $305 billion, an all-time high, and $14.5 billion above the 1952 level.

"We see no reason yet to change the estimate of total revenue of $68.5 billion for fiscal year 1954 contained in the President's May 20 message.

"The deficit of $9.4 billion for fiscal year 1953 and the projected deficit for the current fiscal year emphasize the need for continued strenuous effort to get our fiscal house in order. Continued vigorous cooperative effort on the part of the Government and the people will be required to reduce expenditures to the point where we will obtain a balance between receipts and expenditures."

oOo

The table of budget receipts and expenditures for the fiscal years 1950 to 1953, in millions of dollars, follows:

	1950	1951	1952	1953
Corporation income and excess profits taxes..................	10,854	14,388	21,467	21,548
Individual income tax...........	17,408	23,365	29,880	32,521
Excises.........................	7,597	8,693	8,893	9,973
All other receipts (net)........	3,345	3,803	4,191	4,327
Total......................	39,204	50,249	64,431	68,369
Returns of overpayments.........	2,159	2,106	2,302	3,151
Net budget receipts........	37,045	48,143	62,129	65,218
Expenditures....................	40,167	44,633	66,145	74,607
Surplus (/) or deficit (-).	-3,122	/3,510	-4,016	-9,389

Secretary Humphrey also said:

"Although the receipts were the highest in history, they fell $3.5 billion below the estimates made by the previous administration in January.

"This decline in receipts below the estimates was due to several factors. Returns on overpayments were $640 million more than originally estimated; individual income tax receipts were about $1 billion less; and most of the balance was in lower receipts from corporate tax payments.

FOR RELEASE IN A.M. NEWSPAPERS,
Monday, July 20, 1953. H- ~~30~~ 209

Secretary of the Treasury Humphrey said today, in announcing a breakdown of fiscal 1953 Government receipts: ~~that~~ "We ~~are~~ have been forced to pick up the tab for the biggest deficit in history outside of the two world wars," even though income was higher than in any previous year in history."

"While receiving ~~tax~~ [illegible] income [illegible] of more than $65 billion, the Government, under the spending ~~of~~ plans and programs of the ~~preceding administration~~ past, ~~went into debt by~~ spent more than this income by $9,389,000,000 in the fiscal year ~~1953~~ just ended." ~~So we are forced to pick up the tab for the biggest deficit in history, outside the two world wars, even though the Government's income last year was an all-time high. This tremendous deficit was the result of past Government planning, which had already provided a deficit of more than $4 billion in the fiscal year 1952," Secretary Humphrey said.~~ recorded in

"The new Administration has already cut $8½ billion from further deficit planning of the previous administration. ~~Our inheritance of~~ These deficits and commitments ~~for spending~~ make our problem difficult, but we will continue vigorously to get spending and the budget under control at the earliest possible date," Secretary ~~Humphrey said~~.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

421

FOR RELEASE IN A.M. NEWSPAPERS,
Monday, July 20, 1953.

H-204

Secretary of the Treasury Humphrey said today, in announcing a breakdown of fiscal 1953 Government receipts:

"We have been forced to pick up the tab for the biggest deficit in history outside of the two world wars, even though income was higher than in any previous year in history.

"While receiving its highest income of more than $65 billion, the Government, under the spending plans and programs of the past spent more than this income by $9,389,000,000 in the fiscal year just ended."

The table of budget receipts and expenditures for the fiscal years 1950 to 1953, in millions of dollars, follows:

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"The current levels of profits and national income give assurance that receipts for the year 1954 will be above those in 1953. Corporate profits in the first quarter of this calendar year are now estimated at an annual rate of about $3 billion above last year's total. Likewise, national income in the first three months of 1953 is estimated at an annual rate of about $305 billion, an all-time high, and $14.5 billion above the 1952 level.

"We see no reason yet to change the estimate of total revenue of $68.5 billion for fiscal year 1954 contained in the President's May 20 message.

"The deficit of $9.4 billion for fiscal year 1953 and the projected deficit for the current fiscal year emphasize the need for continued strenuous effort to get our fiscal house in order. Continued vigorous cooperative effort on the part of the Government and the people will be required to reduce expenditures to the point where we will obtain a balance between receipts and expenditures."

oOo

H-205

RELEASE MORNING NEWSPAPERS,
Tuesday, July 21, 1953.

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated July 23 and to mature October 22, 1953, which were offered on July 16, were opened at the Federal Reserve Banks on July 20.

The details of this issue are as follows:

Total applied for - $2,380,096,000
Total accepted - 1,500,400,000 (includes $281,927,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.462/ Equivalent rate of discount approx. 2.126% per annum

Range of accepted competitive bids:

High - 99.507 Equivalent rate of discount approx. 1.950% per annum
Low - 99.459 " " " " " 2.140% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 23,176,000	$ 19,012,000
New York		1,671,984,000	953,324,000
Philadelphia		43,474,000	27,064,000
Cleveland		73,720,000	48,720,000
Richmond		17,922,000	16,412,000
Atlanta		32,090,000	31,390,000
Chicago		246,585,000	181,143,000
St. Louis		52,580,000	35,857,000
Minneapolis		19,297,000	13,297,000
Kansas City		56,291,000	54,840,000
Dallas		37,381,000	35,778,000
San Francisco		105,596,000	83,563,000
	TOTAL	$2,380,096,000	$1,500,400,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, July 21, 1953.

H-205

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Philadelphia	43,474,000	27,064,000
Cleveland	73,720,000	48,720,000
Richmond	17,922,000	16,412,000
Atlanta	32,090,000	31,390,000
Chicago	246,585,000	181,143,000
St. Louis	52,580,000	35,857,000
Minneapolis	19,297,000	13,297,000
Kansas City	56,291,000	54,840,000
Dallas	37,381,000	35,778,000
San Francisco	105,596,000	83,563,000
TOTAL	$2,380,096,000	$1,500,400,000

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In the East, United Aircraft in Connecticut went from 25% participation to approximately 80% by adding 29,550 more employees to Payroll Savings. In New York, Republic Aviation raised its participation percentage from 26.7% to over 94%, with more than 14,000 new payroll savers.

Among other aircraft companies which increased the number of employees purchasing [illegible] are Aerojet Engineering, 92% participation; the Garrett Corporation, 62%, and Rohr with 72% participation.

~~Based on the national average of Payroll Savings participation, the enrollment of 120,000 more payroll savers could mean an annual increase in Bond sales of over $20 million per year.~~

Suggested Treasury Release

Release Morning Newspapers
Wednesday, July 23, 1953

H-206

Secretary of the Treasury Humphrey announced today that the 1953 Payroll Savings campaign for the purchase of U.S. Savings Bonds in the Aircraft industry has exceeded its goal. In a wire sent to Robert E. Gross, President, Lockheed Aircraft Corporation, and Chairman of the industry-wide campaign, the Secretary said:

> "Congratulations on reaching 120% of quota in Aircraft Industry 1953 Payroll Savings Campaign. Adding over 120,000 new Bond buyers to the Payroll Savings plan is a marvelous achievement. Treasury Department greatly appreciates your wonderful leadership and cooperation of all others who made this record possible."

Aircraft plants, large and small, gave vigorous support to the
Payroll Savings Plan
industry-wide drive, and achieved exceptional increases in the number
employees joining the plan to buy Savings Bonds regularly.
of ~~savers. In Los Angeles, the Hughes Aircraft Company topped the campaign percentage figures by raising~~ Participation from 64% to more than
increase
at the Hughes Aircraft Company in Los Angeles, with 3600 employees added
3600
96%, Its Tuscon, Arizona, plant is already over 99%.

employee
The Lockheed Aircraft plants in California and Georgia built ~~their~~ participation from less than 50% to over 94% adding more than 24,000 new Payroll savers. North American Aviation in California and Ohio has added more than 9,800 employees to its Payroll Savings Plan. In Texas and California, Consolidated Vultee went from 32% to 80% participation, adding 20,000 payroll savers. Boeing Airplane Company in Washington and Kansas has also added more than 10,000 payroll savers.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Aircraft plants, large and small, gave vigorous support to the industry-wide Payroll Savings Plan drive, and achieved exceptional increases in the number of employees joining the plan to buy Savings Bonds regularly.

The Lockheed Aircraft plants in California and Georgia built employee participation from less than 50% to over 94% adding more than 24,000 new payroll savers. North American Aviation in California and Ohio has added more than 9,800 employees to its Payroll Savings Plan. In Texas and California, Consolidated Vultee went from 32% to 80% participation, adding 20,000 payroll savers. Participation increased from 64% to more than 96% at the Hughes Aircraft Company in Los Angeles, with 3,600 employees added. Its Tucson, Arizona, plant is already over 99%. Boeing Airplane Company in Washington and Kansas has also added more than 10,000 payroll savers.

In the East, United Aircraft in Connecticut went from 25% participation to approximately 80% by adding 29,500 more employees to Payroll Savings. In New York, Republic Aviation raised its participation percentage from 26.7% to over 94%, with more than 14,000 new payroll savers.

Among other aircraft companies which increased the number of employees purchasing savings bonds are Aerojet Engineering, 92% participation; the Garrett Corporation, 62%, and Rohr with 72% participation.

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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 July 30, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 30, 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

TREASURY DEPARTMENT
Washington

H-207

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, July 23, 1953.

The Treasury Department, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 30, 1953, in the amount of $1,499,924,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated July 30, 1953, and will mature October 29, 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 Daylight Saving time, Monday, July 27, 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

TREASURY DEPARTMENT

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WASHINGTON, D.C.

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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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Thurs,

IMMEDIATE RELEASE
July ~~22~~, 1953
23

H-208

The Bureau of Customs announced today that the quota of 8,883,259 pounds for Mexican cotton of less than 1-1/8 inches in staple length for the year beginning September 20, 1952, was closed on February 26, 1953, by authorization for release of that total number of pounds of cotton.

Before the release from customs custody of the cotton authorized under the quota some entries were canceled and a portion of the cotton was found to be of a staple length not subject to the short-staple quota. As a result, the quota for cotton having a staple length of less than 1-1/8 inches from Mexico for the current quota year is unfilled by the amount of 679,262 pounds.

In order that all importers may have an opportunity to share in the 679,262 pounds which may be entered before September 20, 1953, arrangements will be made for the presentation of entries of Mexican short-staple cotton at 12:00 noon, eastern standard time, or its equivalent in other time zones on August 5, 1953.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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H-209

RELEASE MORNING NEWSPAPERS,
Tuesday, July 28, 1953.

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated July 30 and to mature October 29, 1953, which were offered on July 23, were opened at the Federal Reserve Banks on July 27.

The details of this issue are as follows:

Total applied for - $2,262,326,000
Total accepted - 1,500,209,000 (includes $260,416,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.455 Equivalent rate of discount approx. 2.157% per annum

Range of accepted competitive bids:

High - 99.494 Equivalent rate of discount approx. 2.002% per annum
Low - 99.452 " " " " " 2.168% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 34,801,000	$ 30,801,000
New York	1,584,558,000	929,008,000
Philadelphia	34,828,000	19,828,000
Cleveland	69,937,000	61,937,000
Richmond	16,048,000	12,038,000
Atlanta	29,884,000	28,658,000
Chicago	252,107,000	214,461,000
St. Louis	43,598,000	31,141,000
Minneapolis	9,323,000	9,323,000
Kansas City	54,254,000	52,544,000
Dallas	41,839,000	40,747,000
San Francisco	91,149,000	69,723,000
Total	$2,262,326,000	$1,500,209,000

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TOTAL	$2,262,326,000	$1,500,209,000

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TREASURY DEPARTMENT
Washington

H-210

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, July 30, 1953.

The ~~xxxxxxxxxxxxxxxxxxxxxxxx~~ **Treasury Department**, by this public notice, invites tenders for $ **1,500,000,000**, or thereabouts, of **91** -day Treasury bills, for cash and in exchange for Treasury bills maturing **August 6, 1953**, in the amount of $ **1,500,380,000**, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated **August 6, 1953**, and will mature **November 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 ~~xxxxxxxx~~ **Daylight Saving** time, **Monday, August 3, 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.

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H - 211

August 3, 1953

STATEMENT BY SECRETARY HUMPHREY

The Senate Finance Committee has decided to hold for later action the request of the Administration for an increase in the debt limit which has already been passed by the House of Representatives.

This Administration has stated time and again that it will do everything in its power to further reduce expenditures which will not jeopardize the security of this country. It will reexamine its programs and continue to work at such reductions every day, every week and every month during the year.

However, this Administration inherited such a large amount of obligations contracted for during the past few years for which no money was provided and which will have to be paid for during the coming months that we must raise additional cash to pay for them as they come due. This is in addition to paying the current expenses of the government which have just been voted by this Congress.

~~For this reason,~~ The present debt limit severely restricts ~~does not provide sufficient~~ flexibility and will more and more limit our ~~unduly restrict the~~ ability ~~of this Administration~~ to administer the financial affairs of the government. We asked that the debt limit be raised only so that we could better handle the government's requirements for raising money to pay for these past obligations. It does not in any sense mean the slightest retreat from our determination which already has been clearly demonstrated, to cut down on spending at every possible turn.

We will make every effort to comply with the demand of the Senate Finance Committee to postpone the necessity for action by it as long as we can and until the next regular session of the Congress if possible.

~~Full responsibility, however, is now squarely up to the Committee if, as~~

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE   August 3, 1953

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H-211

TREASURY DEPARTMENT
Washington

FOR RELEASE A.M. Newspapers, Tuesday, August 4, 1953

(NOTE TO CORRESPONDENTS: The following address by Treasury Secretary Humphrey will be made at the State Dinner of the Governors' Conference in the Olympic Hotel, Seattle, Washington. Due to uncertainty as to the Secretary's exact time of arrival and delivery of the speech, the remarks are released for a.m. newspapers, Tuesday, August 4 on a "prepared for delivery" basis until Seattle confirms that they are actually being delivered.
Nils A. Lennartson
Assistant to the Secretary)

Address by Secretary of the Treasury George M. Humphrey at State Dinner of the Governors' Conference, Olympic Hotel, Seattle, Wash., Monday night, August 3, 1953.

SAVING MADE AMERICA

Because somebody saved America grew productive, prosperous and powerful.

Who are the savers in this country and who borrows the money?

Why do they save?

What stimulates saving and what deters it?

Who benefits from saving and why is it so important?

These are some of the questions that all of us should think through and understand better when we are discussing such controversial subjects as higher interest rates and sound, honest money because they are directly related to each other and just as directly related to the productivity, prosperity and power of America. Let us think of them in order for a moment in the light of the facts and experience.

Who are the savers in America?

Strangely enough, there are more savers in this country than there are borrowers of money, (excluding of course the Government itself) so that actually there are more people who receive higher interest than there are those who pay it. At once you say, "I doubt that statement", and I think I know the reason why. Obviously a man who has bought furniture, household appliances or an automobile on credit payments is frequently reminded when each payment becomes due that he owes that money and must pay both the principal and the interest. The same is true of the man with a mortgage on his house or farm, or any other borrowers of money. But the saver in many cases has not so direct a contact, and oftentimes does not realize how directly he is affected.

Of course, a man who owns a mortgage and receives interest and payments on it--and there are millions of them--or a landlord who receives rent, or a depositor in a savings bank or a share holder in a building and loan association, or any one of a number of others who have direct obligations owed to them realizes just as effectively as do the debtors what a higher interest rate can mean to him. But there are millions of other Americans--all those millions who carry any kind of insurance and millions who are looking forward to pensions or retirement payments or other forms of future receipts, patients in hospitals, beneficiaries of charitable organizations and all endowed institutions--who do not realize how directly a higher interest rate benefits them. But it does so just the same.

Millions and millions of our people receive interest in one form or another. More than 45 million families and 122 million individuals have investments such as life insurance, savings accounts, E bonds, annuities and pensions, publicly owned stocks, Government bonds, privately held stocks, real estate mortgages, and corporate bonds.

When a higher interest rate is paid it does not go just to a few bankers, as some of our Senators and others who have commented on this subject would lead you to believe, but it goes to benefit directly and to encourage the savings of millions and millions of others.

Why do people save? What stimulates them to do so, and what deters them from it? There are many stimulants to saving stemming from the sterling qualities of selfreliance and protection of one's own future and that of one's family, which is such a strong American characteristic. These include the desire to own your own home or farm, hoping some day to be your own boss, to go into business for yourself, to have a little nest egg laid away for a rainy day, saving for an education, and many, many other reasons--too many to enumerate. They are all effective but they all are diminished if money when saved earns little, if anything; and conversely, they are intensified if a fair rate of interest is returned. In fact, perhaps the most direct stimulant to saving is the return from earnings on the money, whether it comes directly or through extra benefits on insurance, pensions or in other forms.

But of even greater significance is the soundness and honesty of the money that is saved. Unless the people can believe in the continued honesty of their dollar, if they fear that over a few years it will greatly depreciate or even disappear in value, no other incentive to saving is of much avail. Fair interest and honest money, the value of which can be depended upon over the years, combine to form the greatest incentives and the essential requirements which induce people to save.

Now, who also benefits from savings indirectly?

Of course, as we have said, the millions who have insurance and pensions and savings deposits and property in any form are benefited directly through ownership of their savings. Also those who benefit from all endowed charitable, educational and other such institutions, and many others in many other ways. But what of the country as a whole? What of those who have not saved but live and work in America?

Savings have made America. Because somebody saved, we have jobs, we have all kinds of things for better living. We have food, transportation and everything that each of us has each day, not only for daily necessities and comforts, but for livelihood itself.

Did you ever stop to think why Americans have a higher standard of living than others in the world? Why American productivity is greater than the productivity of any other nation? Why we are so powerful and strong? Just by themselves an American's two hands are no stronger, no better, not much more effective than those of the citizen of any other nation. Why is it then that American hands can do so much more than any other hands in all this world? Perhaps an American's hands can do more partly because of more widespread education in this country.

But there is a much more basic reason without which the highest educational level would be unproductive. The real reason is the fact that somebody saved.

Because somebody saved there were funds available which attracted expert management to invent, design and build efficient machinery, factories, mills, explore for and develop mines and oil wells, provide transportation, and power plants, which through management and organization put tools, equipment and tremendous power into every pair of hands in this country backed up by thousands of dollars of investment, to multiply by tens, twenties and hundreds the strength, the ability and the effectiveness of those American hands as compared with any other hands elsewhere.

That is why, and the real reason why, Americans can create so much more than others in this world.

Because we can create more we have more, and that is why we have the highest standard of living on earth and stand in the earth's most powerful position. Because somebody saved, Americans have jobs today. Because somebody saved, Americans have and are what they are today.

A skilled mechanic who, in his spare time, decides to build a new kitchen on his house with the help of a neighbor or a friend, takes great pride when this job is finished and thinks he did it himself--but, did he? How much help did he get because others had previously saved? He worked with common tools, but the head of his hammer, his nails, chisel, plane and saw required great steel mills before he could have them. The lumber that he used required logging operations and saw mills; his floor coverings and walls required building material operations; the paint came from chemical plants; the ice box, stove, washing machine and fixtures meant copper mines, iron ore and coal mines, steel and brass plants and manufacturing operations, and many of the materials came long distances in ships, over railroads or in trucks, which in turn required more steel, more metals, and more plants; and so it goes.

That single kitchen which that man thought he built by himself required millions and millions of dollars of savings and the employment of thousands of people who, unseen by him, lent a helping hand that made his kitchen possible. All those jobs which built that kitchen were created by and dependent upon the fact that somebody saved.

There is no one in America who is not better off than he otherwise would be because somebody saved, even though he may not yet have done so himself. That is why fair interest rates and sound, honest money are of benefit to every man, woman and child in this land. That is why any manipulation or restriction that unduly depresses a fair rate of interest, or that tends in any way to depreciate and lessen the value of the American dollar, is directly to the disadvantage and threatens the very existence of life as it is in America today.

Do not let anyone fool you into thinking that no one benefits from fair interest rates but some banker. Do not let anyone fool you into believing that running Government deficits, increasing inflation, and depreciating the value of our money is not directly harmful to every citizen.

When nobody saves, when nobody has any money to help to put tools and power into American hands, they will again be on the road to becoming no better than the hands of the savage.

Not only the prosperity in this country, not only the creation of more jobs in this country, but the military security of this country as well as the economic security are all inextricably tied into stimulating and not deterring the simple fact that somebody saves.

Against this background, I should like to talk for a moment about some of our current policies.

I should like to emphasize again that this Administration does not have, and never has had, a "hard money" policy as our critics sometimes charge, meaning as they say hard-to-get money and hard times.

Instead of hard money the goal of this Administration is honest money.

By "honest money" we mean money that will buy as much next week, next month and next year as it will buy today.

If by better handling of the Government's financial matters, this Administration can provide more honest money it will be a great service for the laborer, the office worker, the pensioner--in fact for every citizen.

Americans by tradition expect honesty in all things. This Administration is determined to put an end to further decline in the value of our money and provide again an honest dollar.

The Federal Reserve System has the main responsibility for monetary policy in this Government. This System is non-partisan, and since the accord with the Treasury in 1951, the Federal Reserve System has been helping to promote an honest dollar by not artificially enlarging the supply of money for the purpose of keeping the interest rates on Government issues low. The new Administration has confirmed this policy and assured the Federal Reserve System that it will have the prime responsibility for maintaining the money and credit situation free of artificial restraints in the best interests of all Americans.

The Federal Reserve has no hard money policy. It has simply allowed the demand for money to have its normal and natural effect and respond to the law of supply and demand. It has supplied additional funds to keep pace with normal growth.

The Treasury's main role in this business of keeping honest money lies in its handling of the public debt. That debt is now over $272 billion, and the manner in which refinancing and the placement of new issues is handled can effect the entire nation's well-being. The Treasury is trying to make the debt sounder by gradually extending the length of its maturities. Now nearly three-quarters of the debt matures within less than five years.

In April we took a first step in trying to convert some of this into sounder and less inflationary issues by putting out a 30-year bond at an interest rate of $3\frac{1}{4}$ percent. That rate was higher than the coupon rate for previous issues but it reflected the going rate at the time of issue as fixed by the current daily market purchases and sales at the time the bonds were sold. Gradually and at opportune times further long-term issues will be sold, but care will always be exercised not to press the market unduly in competition with other state, municipal and private financing.

In the past supposed savings made by artificially holding down the interest rate involved a tremendous increase in the cost of everything through the shrinkage in the value of the dollar.

An honest dollar means a lot to you Governors, too. Just compare in your minds what it cost a few years ago to build a two-lane concrete highway; or a schoolhouse or improvements of any kind with the costs of today. And a similar story goes down the line of all state, county and municipal expenses. The lack of good, honest money or the presence of inflation has caused large increases in the amounts of money you have to raise to do the things that you have to do.

On the national scale, it cost the states about 50 percent more to operate in 1953 than it cost in 1946.

Higher interest rates on borrowed money are quickly noticed and resisted. But the stealthy capture by inflation of so much of the buying power of your dollar over the past few years is something which is much more important.

State and local governments are not just borrowers; they are investors, too. We are glad to find that your pension and retirement funds are so interested in the purchase of Government securities. Your financial people have found that there is no better place to put short-term funds than in our Treasury bills, certificates and notes. We had an interesting and successful meeting with a number of state fiscal officers at the Treasury in May of this year. State and local governments own more than $11 billion of United States Government securities at the present time. That is almost twice as much as they held at the end of the war, and 20 times as much as they held before the war began. We are working with your financial officers to better meet their requirements and encourage their purchases of our securities.

Another matter that is of great importance to you as Governors and to us in the new Administration is the establishment of better relationships between the federal, state and local governments.

On July 10 President Eisenhower signed the bill which creates a Commission on Intergovernmental Relations to make a thorough study of the relationships between the Federal Government and the states and their political subdivisions.

We realize that during the past twenty years particularly the Federal Government has come into many fields, which under the Constitution are the primary responsibility of states and local governments. This has resulted in duplication and waste and blurred the responsibility of local governments. A major area of this sort of development has been the growth of Federal grants-in-aid for more than thirty programs at present involving Federal expenditure of more than $2 billion a year. In some cases the Federal Government has apportioned fixed amounts among the states; in others it meets state expenditures; and in a few it finances the entire state expenditure. While these grants have greatly stimulated some state activities, they have complicated state finances and often made it difficult for the states to provide funds for other important services.

It is the hope of this Administration that the new Commission on Intergovernmental Relations will come up with recommendations for straightening out the lines of authority, and the proper areas of action for both state and Federal Government, so that friction, duplication and waste can be eliminated. It is our hope, and I am sure it is your hope, that we can obtain a sounder relationship between all divisions of government in the nation.

It is sometimes said that the Federal Government has come into some traditionally state activities because of the failure of other levels of government to provide services which citizens demanded. It is the philosophy of this Administration that at all levels of government we must try to develop more the traits of individual responsibility, saving, enterprise and initiative--the traits which have made this nation great.

We have a solemn trust to see to it that these traits in individuals, which have made America are fostered and allowed to develop and grow. In that way America will be stronger against all possible foes. It will provide more and better things for more people than we have ever dreamed of before.

The thrift and savings of our forefathers laid the foundations upon which all that we now have has been built. We have incurred tremendous debts but they are not overpowering if intelligently and carefully managed. Let us continue to build a stronger, better America based on those simple time proven virtues which have stood us in such good stead in our hour of need. Let us always remember how much all that we have in our life every day was created by the self-reliance, industry and initiative of millions of Americans - and because somebody saved.

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H-213

RELEASE MORNING NEWSPAPERS,
Tuesday, August 4, 1953.

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated August 6 and to mature November 5, 1953, which were offered on July 30, were opened at the Federal Reserve Banks on August 3.

The details of this issue are as follows:

Total applied for - $2,409,602,000
Total accepted - 1,500,409,000 (includes $261,481,000 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. 2.136% per annum

Range of accepted competitive bids:

High	- 99.481	Equivalent rate of discount approx. 2.053% per annum
Low	- 99.459	" " " " " 2.140% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 25,140,000	$ 21,790,000
New York		1,688,544,000	959,804,000
Philadelphia		50,120,000	29,520,000
Cleveland		53,697,000	44,277,000
Richmond		21,583,000	14,773,000
Atlanta		40,195,000	26,235,000
Chicago		262,645,000	211,312,000
St. Louis		40,322,000	20,672,000
Minneapolis		17,073,000	13,738,000
Kansas City		69,198,000	55,403,000
Dallas		46,762,000	31,542,000
San Francisco		94,323,000	71,343,000
	TOTAL	$2,409,602,000	$1,500,409,000

TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Tuesday, August 4, 1953

H-213

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San Francisco	94,323,000	71,343,000
TOTAL	$2,409,602,000	$1,500,409,000

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IMMEDIATE RELEASE,
Monday, August 3, 1953.

H-214

Secretary Humphrey announced today that the subscription books will open on Wednesday, August 5, for the exchange of the 2 percent Certificates of Indebtedness of Series C-1953 which will mature August 15, 1953, in the amount of $2,881,576,000.

The holders of these certificates will be offered one-year 2 5/8 percent certificates of indebtedness in exchange for their present holdings.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Monday, August 3, 1953.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Wednesday, August 5, 1953.

H-215

The Treasury today announced the details of the offering, through the Federal Reserve Banks, of 2-5/8 percent Treasury Certificates of Indebtedness of Series D-1954, open on an exchange basis, par for par, to holders of 2 percent Treasury Certificates of Indebtedness of Series C-1953, in the amount of $2,881,576,000, maturing August 15, 1953. Cash subscriptions will not be received.

The certificates now offered will be dated August 15, 1953, and will bear interest from that date at the rate of 2-5/8 percent per annum, payable with the principal at maturity on August 15, 1954. They will be issued in bearer form only, in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000.

Subscriptions will be received at the Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Washington, and should be accompanied by a like face amount of the certificates to be exchanged. The full amount of interest due on the maturing certificates will be paid to the subscribers following acceptance of the certificates.

The subscription books will close for the receipt of all subscriptions at the close of business Friday, August 7. Subscriptions addressed to a Federal Reserve Bank or Branch, or to the Treasurer of the United States, and placed in the mail before midnight August 7 will be considered as having been entered before the close of the subscription books.

The text of the official circular follows:

UNITED STATES OF AMERICA

2-5/8 PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES D-1954

Dated and bearing interest from August 15, 1953 Due August 15, 1954

1953
Department Circular No. 927

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, August 5, 1953.

Fiscal Service
Bureau of the Public Debt

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated 2-5/8 percent Treasury Certificates of Indebtedness of Series D-1954, in exchange for 2 percent Treasury Certificates of Indebtedness of Series C-1953, maturing August 15, 1953. The amount of the offering under this circular will be limited to the amount of maturing certificates tendered in exchange and accepted.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated August 15, 1953, and will bear interest from that date at the rate of 2-5/8 percent per annum, payable with the principal at maturity on August 15, 1954. 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 Office of the Treasurer of the United States, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

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

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before August 17, 1953, or on later allotment, and may be made only in Treasury Certificates of Indebtedness of Series C-1953, maturing August 15, 1953, which will be accepted at par, and should accompany the subscription. The full amount of interest due on the certificates surrendered will be paid following acceptance of the certificates.

V. GENERAL PROVISIONS

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

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

G. M. HUMPHREY,
Secretary of the Treasury.

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.

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 Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on **August 13, 1953**, in cash or other immediately available funds or in a like face amount of Treasury bills maturing **August 13, 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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H-216

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 6, 1953.

The ~~XXXXXXXXXXXXXXXXXXXXXXXXXX~~ **Treasury Department**, by this public notice, invites tenders for $**1,500,000,000**, or thereabouts, of **91**-day Treasury bills, for cash and in exchange for Treasury bills maturing **August 13, 1953**, in the amount of $ **1,500,569,000**, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated **August 13, 1953**, and will mature **November 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 ~~XXXXXXXX~~ **Daylight Saving** time, **Monday, August 10, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, August 6, 1953.

H-216

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Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Daylight Saving time, Monday, August 10, 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 Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on August 13, 1953, in cash or other immediately available funds or in a like amount of Treasury bills maturing August 13, 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.

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RELEASE MORNING NEWSPAPERS,
Tuesday, August 11, 1953.

H-217

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated August 13 and to mature November 12, 1953, which were offered on August 6, were opened at the Federal Reserve Banks on August 10.

The details of this issue are as follows:

Total applied for - $2,363,408,000
Total accepted - 1,500,959,000 (includes $298,035,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.465/ Equivalent rate of discount approx. 2.116% per annum

Range of accepted competitive bids:

High - 99.494 Equivalent rate of discount approx. 2.002% per annum
Low - 99.464 " " " " " 2.120% " "

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 31,301,000	$ 31,091,000
New York	1,614,590,000	942,737,000
Philadelphia	42,544,000	22,019,000
Cleveland	48,110,000	37,756,000
Richmond	18,682,000	12,907,000
Atlanta	33,301,000	28,604,000
Chicago	282,115,000	227,393,000
St. Louis	44,750,000	30,370,000
Minneapolis	20,914,000	17,359,000
Kansas City	78,999,000	50,936,000
Dallas	50,342,000	31,890,000
San Francisco	97,760,000	67,897,000
Total	$2,363,408,000	$1,500,959,000

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High - 99.494 Equivalent rate of discount approx. 2.002% per annum
Low - 99.464 Equivalent rate of discount approx. 2.120% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 31,301,000	$ 31,091,000
New York	1,614,590,000	942,737,000
Philadelphia	42,544,000	22,019,000
Cleveland	48,110,000	37,756,000
Richmond	18,682,000	12,907,000
Atlanta	33,301,000	28,604,000
Chicago	282,115,000	227,393,000
St. Louis	44,750,000	30,370,000
Minneapolis	20,914,000	17,359,000
Kansas City	78,999,000	50,936,000
Dallas	50,342,000	31,890,000
San Francisco	97,760,000	67,897,000
TOTAL	$2,363,408,000	$1,500,959,000

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TREASURY DEPARTMENT
Fiscal Service
Washington, August 11, 1953

STATUTORY DEBT LIMITATION

AS OF July 31, 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	$20,206,900,000		
Certificates of indebtedness	21,755,550,000		
Treasury notes	35,160,800,700	$ 77,123,250,700	
Bonds –			
Treasury	81,232,335,600		
Savings (current redemp. value)	57,871,357,220		
Depositary	444,077,000		
Armed Forces Leave	-		
Investment series	13,231,179,000	152,778,948,820	
Special Funds –			
Certificates of indebtedness	26,091,934,000		
Treasury notes	14,502,442,900	40,594,376,900	
Total interest-bearing		270,496,576,420	
Matured, interest-ceased		237,065,300	
Bearing no interest:			
War savings stamps	48,298,336		
Excess profits tax refund bonds	1,438,624		
Special notes of the United States:			
Internat'l Monetary Fund series	1,302,000,000	1,351,736,960	
Total		272,085,378,680	
Guaranteed obligations (not held by Treasury):			
Interest-bearing:			
Debentures: F.H.A.	61,775,236		
Demand obligations: C.C.C.	-	61,775,236	
Matured, interest-ceased		1,167,825	
		62,943,061	
Grand total outstanding			272,148,321,741
Balance face amount of obligations issuable under above authority			2,851,678,259

Reconcilement with Statement of the Public Debt July 31, 1953
(Date)
(Daily Statement of the United States Treasury, July 31, 1953)
(Date)

Outstanding –	
Total gross public debt	272,669,407,740
Guaranteed obligations not owned by the Treasury	62,943,061
Total gross public debt and guaranteed obligations	272,732,350,801
Deduct – other outstanding public debt obligations not subject to debt limitation	584,029,060
	272,148,321,741

H-218

TD • OAS • DC

STATUTORY DEBT LIMITATION
AS OF JULY 31, 1953

August 11, 1953

482

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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Outstanding			
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Interest-bearing:			
Treasury bills	$20,206,900,000		
Certificates of indebtedness	21,755,550,000		
Treasury notes	35,160,800,700	$ 77,123,250,700	
Bonds -			
Treasury	81,232,335,600		
Savings (current redemp.value)	57,871,357,220		
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		62,943,061	
Grand total outstanding			272,148,321,741
Balance face amount of obligations issuable under above authority			2,851,678,259

Reconcilement with Statement of the Public Debt - July 31, 1953
(Daily Statement of the United States Treasury, July 31, 1953)

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Total gross public debt and guaranteed obligations	272,732,350,801
Deduct - other outstanding public debt obligations not subject to debt limitation	584,029,060
	272,148,321,741

H-218

IMMEDIATE RELEASE,
Tuesday, August 11, 1953

H-219

The Treasury Department announced today that preliminary reports of subscriptions for the exchange offering of one-year 2-5/8% Certificates of Indebtedness to be dated August 15 amounted to $2,785,000,000. This represents about 96-1/2% of the $2,882,000,000 maturity.

Final results of the offering will be announced later this week.

EFBartelt/gm

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

464

IMMEDIATE RELEASE
Tuesday, August 11, 1953

H-219

The Treasury Department announced today that preliminary reports of subscriptions for the exchange offering of one-year 2-5/8% Certificates of Indebtedness to be dated August 15 amounted to $2,785,000,000. This represents about 96-1/2% of the $2,882,000,000 maturity.

Final results of the offering will be announced later this week.

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Treasury Department
Washington H-220

~~FOR~~ IMMEDIATE RELEASE,

Wed, August ~~11~~ 12, 1953

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, 1953, as follows:

Country of Origin	Wheat: Established Quota (Bushels)	Wheat: Imports May 29, 1953, to August 11, 1953 (Bushels)	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Established Quota (Pounds)	Wheat flour, semolina, crushed or cracked wheat, and similar wheat products: Imports May 29, 1953 to Aug. 11, 1953 (Pounds)
Canada	795,000	795,000	3,815,000	2,599,459
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greece	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000		59

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, August 12, 1953

H-220

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, 1953, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota	Imports May 29, 1953, to Aug. 11, 1953	Established Quota	Imports May 29, 1953, to Aug. 11, 1953
	(Bushels)	(Bushels)	(Pounds)	(Pounds)
Canada	795,000	795,000	3,815,000	2,599,459
China	-	-	24,000	-
Hungary	-	-	13,000	-
Hong Kong	-	-	13,000	-
Japan	-	-	8,000	-
United Kingdom	100	-	75,000	-
Australia	-	-	1,000	-
Germany	100	-	5,000	-
Syria	100	-	5,000	-
New Zealand	-	-	1,000	-
Chile	-	-	1,000	-
Netherlands	100	-	1,000	-
Argentina	2,000	-	14,000	-
Italy	100	-	2,000	-
Cuba	-	-	12,000	-
France	1,000	-	1,000	-
Greence	-	-	1,000	-
Mexico	100	-	1,000	-
Panama	-	-	1,000	-
Uruguay	-	-	1,000	-
Poland and Danzig	-	-	1,000	-
Sweden	-	-	1,000	-
Yugoslavia	-	-	1,000	-
Norway	-	-	1,000	-
Canary Islands	-	-	1,000	-
Rumania	1,000	-	-	-
Guatemala	100	-	-	-
Brazil	100	-	-	-
Union of Soviet Socialist Republics	100	-	-	-
Belgium	100	-	-	-
	800,000	795,000	4,000,000	2,599,459

Treasury Department
Washington

H-221

IMMEDIATE RELEASE
August ~~11~~, 1953
12

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, 1953, to August 1, 1953, inclusive, as follows:

Products of the Philippines	Established Quota Quantity	Unit of Quantity	Imports as of August 1, 1953
Buttons	850,000	Gross	469,857
Cigars	200,000,000	Number	1,907,782
Coconut Oil	448,000,000	Pound	52,335,735
Cordage	6,000,000	Pound	2,553,408
Rice	1,040,000	Pound	2,500
Sugars (Refined	1,904,000,000	Pound	-
Sugars (Unrefined . . .			1,198,747,536
Tobacco	6,500,000	Pound	1,628,160

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE,
Wednesday, August 12, 1953.

H-221

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Rice.	1,040,000	Pound	2,500
Sugars (Refined)	1,904,000,000	Pound	-
Sugars (Unrefined). . .			1,198,747,536
Tobacco	6,500,000	Pound	1,628,160

Treasury Department
Washington

IMMEDIATE RELEASE
August 11, 1953
12

H-222

The Bureau of Customs announced today preliminary figures showing the imports for consumption of the commodities listed below within quota limitations from the beginning of the quota periods to August 1, 1953, inclusive, as follows:

Commodity	Period and Quantity		Unit of Quantity	Imports as of August 1, 1953
Whole milk, fresh or sour . . .	Calendar year	3,000,000	Gallon	6,835
Cream	Calendar year	1,500,000	Gallon	708
Butter	July 16, 1953-Oct. 31, 1953	5,000,000	Pound	507
Fish, fresh or frozen, filleted, etc., cod, haddock, hake, pollock, cusk, and rosefish . .	Calendar year	33,866,287	Pound	(1) Quota Filled
White or Irish potatoes:				
certified seed	12 months from	150,000,000	Pound	114,224,233
other	Sept. 15, 1952	798,900,000	Pound	84,330,479
Cattle, less than 200 lbs. each	12 months from April 1, 1953	200,000	Head	3,116
Cattle, 700 pounds or more each (other than dairy cows)	July 1, 1953-Sept. 30, 1953	120,000	Head	6,077
Walnuts	Calendar year	5,000,000	Pound	4,925,733
Almonds, shelled, blanched, roasted, or otherwise prepared or preserved	12 months from Oct. 1, 1952	7,000,000	Pound	[illegible]806,992
Filberts, shelled (whether or not blanched)	12 months from Oct. 1, 1952	4,500,000	Pound	4,063,761
Peanuts, whether shelled, not shelled, blanched, salted, prepared, or preserved (including roasted peanuts, but not including peanut butter)	12 months from July 1, 1953	1,709,000	Pound	700
Peanut Oil	12 months from July 1, 1953	80,000,000	Pound	-

(1) Imports for consumption at the quota rate are limited to 25,399,716 pounds during the first nine months of the calendar year.

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, August 12, 1953

H-222

The Bureau of Customs announced today preliminary figures showing the imports for consumption of the commodities listed below within quota limitations from the beginning of the quota periods to August 1, 1953, inclusive, as follows:

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Butter	July 16, 1953- Oct. 31, 1953	5,000,000	Pound	[illegible]507
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White or Irish potatoes:				
certified seed................	12 months from	150,000,000	Pound	114,224,233
other.........................	Sept. 15, 1952	798,900,000	Pound	84,330,479
Cattle, less than 200 lbs. each	12 months from April 1, 1953	200,000	Head	3,116
Cattle, 700 pounds or more each (other than dairy cows).......	July 1, 1953- Sept. 30, 1953	120,000	Head	6,077
Walnuts........................	Calendar year	5,000,000	Pound	4,925,733
Almonds, shelled, blanched, roasted, or otherwise prepared or preserved...........	12 months from Oct. 1, 1952	7,000,000	Pound	5,806,992
Filberts, shelled (whether or not blanched)................	12 months from Oct. 1, 1952	4,500,000	Pound	4,063,761
Peanuts, whether shelled, not shelled, blanched, salted, prepared, or preserved (including roasted peanuts, but not including peanut butter).........	12 months from July 1, 1953	1,709,000	Pound	700
Peanut Oil.....................	12 months from July 1, 1953	80,000,000	Pound	-

(1) Imports for consumption at the quota rate are limited to 25,399,716 pounds during the first nine months of the calendar year.

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 Aug. 11, 1953	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1952, to Aug. 11, 1953
United Kingdom	4,323,457	100,335	1,441,152	99,728
Canada	239,690	239,495	-	-
France	227,420	13,032	75,807	13,032
British India	69,627	48,162	-	-
Netherlands	68,240	15,715	22,747	15,715
Switzerland	44,388	-	14,796	-
Belgium	38,559	12,853	12,853	12,853
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	460,640	1,599,886	172,376

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

Treasury Department
Washington

H-223

IMMEDIATE RELEASE
August 11, 1953
12

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 August 11, 1953, inclusive

Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan . . .	783,816	-
Peru	247,952	13,243
British India	2,003,483	-
China	1,370,791	-
Mexico	8,883,259	8,203,997
Brazil	618,723	124,891
Union of Soviet Socialist Republics .	475,124	-
Argentina	5,203	1,382
Haiti	237	-
Ecuador	9,333	-
Honduras	752	-
Paraguay	871	-
Colombia	124	-
Iraq	195	-
British East Africa . .	2,240	-
Netherlands E. Indies.	71,388	-
Barbados	-	-
1/Other British W. Indies	21,321	-
Nigeria	5,377	-
2/Other British W. Africa	16,004	-
3/Other French Africa . .	689	-
Algeria and Tunisia .	-	-

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, 1952, to Aug. 1, 1953

Established Quota (Global)	Imports
70,000,000	19,213,121

Cotton 1-1/8" or more, but less than 1-11/16"
Imports Feb. 1, 1953, to August 11, 1953

Established Quota (Global)	Imports
45,656,420	33,186,814

TREASURY DEPARTMENT
Washington

IMMEDIATE RELEASE
Wednesday, August 12, 1953

H-223

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 August 11, 1953, inclusive

Country of Origin	Established Quota	Imports
Egypt and the Anglo-Egyptian Sudan . . .	783,816	-
Peru	247,952	13,243
British India.	2,003,483	-
China.	1,370,791	-
Mexico	8,883,259	8,203,997
Brazil	618,723	124,891
Union of Soviet Socialist Republics.	475,124	-
Argentina.	5,203	1,382
Haiti.	237	-
Ecuador.	9,333	-

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

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

Cotton, harsh or rough, of less than 3/4"
Imports Sept. 20, 1952, to August 1, 1953

Established Quota (Global)	Imports
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Cotton 1-1/8" or more, but less than 1-11/16"
Imports February 1, 1953, to August 11, 1953

Established Quota (Global)	Imports
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COTTON WASTES
(In pounds)

COTTON CARD STRIPS made from cotton having a staple of less than 1-3/16 inches in length, COMBER WASTE, LAP WASTE, SLIVER WASTE, AND ROVING WASTE, WHETHER OR NOT MANUFACTURED OR OTHERWISE ADVANCED IN VALUE: Provided, however, that not more than 33-1/3 percent of the quotas shall be filled by cotton wastes other than comber wastes made from cottons of 1-3/16 inches or more in staple length in the case of the following countries: United Kingdom, France, Netherlands, Switzerland, Belgium, Germany, and Italy:

Country of Origin	Established TOTAL QUOTA	Total Imports Sept. 20, 1952, to Aug. 11, 1953	Established 33-1/3% of Total Quota	Imports 1/ Sept. 20, 1952, to Aug. 11, 1953
United Kingdom	4,323,457	100,335	1,441,152	99,728
Canada.	239,690	239,495	-	-
France.	227,420	13,032	75,807	13,032
British India	69,627	48,162	-	-
Netherlands	68,240	15,715	22,747	15,715
Switzerland	44,388	-	14,796	-
Belgium	38,559	12,853	12,853	12,853
Japan	341,535	-	-	-
China	17,322	-	-	-
Egypt	8,135	-	-	-
Cuba	6,544	-	-	-
Germany	76,329	24,618	25,443	24,618
Italy	21,263	6,430	7,088	6,430
	5,482,509	460,640	1,599,886	172,376

1/ Included in total imports, column 2.

Prepared in the Bureau of Customs.

~~Suggested Treasury Release~~

TD-224

Immediate Release ~~All Papers~~
~~Day~~ ~~Date~~
Wednesday, August 12, 1953

Sales of Series E and H Savings Bonds during the first seven months of 1953 totaled $2,601,000,000, the Treasury announced today. Redemptions of matured E bonds and unmatured Series E and H Bonds for the same period were $2,428,000,000. Cash sales of E and H Bonds exceeded redemptions of those series (matured and unmatured) by $172,709,000.

Sales of Series E and H Bonds during the first seven months of 1953 were up 26% over the $2,061,000,000 sales during the same period ~~during~~ in 1952. Total matured and unmatured redemptions of these series in 1953 were 3% below the $2,507,000,000 total during the first seven months of 1952.

Sales of Series E and H Bonds in July were $370,000,000. This was an increase of $54,000,000, or 17% over the $316,000,000 sold during July 1952.

Total redemptions of matured and unmatured Series E and H Bonds during July 1953 were $358,000,000. That was $19,000,000 or 3% less than total redemptions in July 1952 of $377,000,000.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Wednesday, August 12, 1953. H-224

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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.

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 Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on **August 20, 1953**, in cash or other immediately available funds or in a like face amount of Treasury bills maturing **August 20, 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,

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TREASURY DEPARTMENT
Washington

H-225

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 13, 1953

The Treasury Department, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing August 20, 1953, in the amount of $1,501,213,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated August 20, 1953, and will mature November 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 Daylight Saving ~~Standard~~ time, Monday, August 17, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Thursday, August 13, 1953.

H-225

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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.

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TREASURY DEPARTMENT

Information Service

WASHINGTON, D.C.

71-226

RELEASE MORNING NEWSPAPERS,
~~Wednesday, July 15, 1953.~~
Friday, August 14, 1953

H-~~197~~

During the month of July ~~June~~, 1953 market transactions in direct and guaranteed securities of the government for Treasury investment and other accounts resulted in net purchases of $7,921,500, ~~$20,077,450,~~ Secretary Humphrey announced today.

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
Friday, August 14, 1953.

H-226

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H-227

IMMEDIATE RELEASE,
Friday, August 14, 1953.

The Treasury Department today announced the subscription and allotment figures with respect to the current offering of 2-5/8 percent Treasury Certificates of Indebtedness of Series D-1954, to be dated August 15, 1953, open to holders of Treasury Certificates of Indebtedness of Series C-1953, maturing August 15.

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

Federal Reserve District	Total subscriptions Received and Allotted
Boston	$ 87,475,000
New York	1,237,174,000
Philadelphia	61,653,000
Cleveland	157,633,000
Richmond	46,217,000
Atlanta	105,390,000
Chicago	430,796,000
St. Louis	143,270,000
Minneapolis	94,231,000
Kansas City	129,940,000
Dallas	65,641,000
San Francisco	219,913,000
Treasury	8,554,000
TOTAL	$2,787,887,000

Checked with Mr. Rogers [illegible]

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Friday, August 14, 1953.

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Dallas	65,641,000
San Francisco	219,913,000
Treasury	8,554,000
TOTAL	$2,787,887,000

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H-228

RELEASE MORNING NEWSPAPERS,
Tuesday, August 18, 1953.

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated August 20 and to mature November 19, 1953, which were offered on August 13, were opened at the Federal Reserve Banks on August 17.

The details of this issue are as follows:

Total applied for - $2,494,745,000
Total accepted - 1,501,435,000 (includes $300,370,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.469 Equivalent rate of discount approx. 2.101% per annum

Range of accepted competitive bids:

High - 99.482 Equivalent rate of discount approx. 2.049% per annum
Low - 99.468 " " " " " 2.105% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 21,767,000	$ 18,619,000
New York		1,734,454,000	971,559,000
Philadelphia		38,468,000	23,468,000
Cleveland		45,376,000	43,300,000
Richmond		33,737,000	30,479,000
Atlanta		43,255,000	31,883,000
Chicago		262,956,000	160,440,000
St. Louis		38,222,000	26,967,000
Minneapolis		23,735,000	16,665,000
Kansas City		59,297,000	53,821,000
Dallas		73,236,000	49,520,000
San Francisco		120,242,000	74,714,000
	TOTAL	$2,494,745,000	$1,501,435,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Range of accepted competitive bids:

High - 99.482 Equivalent rate of discount approx. 2.049% per annum
Low - 99.468 Equivalent rate of discount approx. 2.105% per annum

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

Federal Reserve District	Total Applied for	Total Accepted
Boston	$ 21,767,000	$ 18,619,000
New York	1,734,454,000	971,559,000
Philadelphia	38,468,000	23,468,000
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Richmond	33,737,000	30,479,000
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TOTAL	$2,494,745,000	$1,501,435,000

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TREASURY DEPARTMENT
Washington

H-229

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 20, 1953.

The Treasury Department, 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 **August 27, 1953**, in the amount of $ **1,500,777,000**, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated **August 27, 1953**, and will mature **November 27, 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 **Daylight Saving** time, **Monday, August 24, 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

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

RELEASE MORNING NEWSPAPERS,
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RELEASE MORNING NEWSPAPERS,
Tuesday, August 25, 1953.

H-230

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 92-day Treasury bills to be dated August 27 and to mature November 27, 1953, which were offered on August 20, were opened at the Federal Reserve Banks on August 24.

The details of this issue are as follows:

Total applied for - $2,545,880,000
Total accepted - 1,501,834,000 (includes $249,536,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Average price - 99.489 Equivalent rate of discount approx. 2.001% per annum

Range of accepted competitive bids:

High - 99.490 Equivalent rate of discount approx. 1.996% per annum
Low - 99.487 " " " " " 2.007% " "

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

Federal Reserve District		Total Applied for	Total Accepted
Boston		$ 35,156,000	$ 20,977,000
New York		1,873,403,000	1,057,281,000
Philadelphia		31,988,000	13,029,000
Cleveland		40,174,000	24,412,000
Richmond		18,175,000	13,486,000
Atlanta		35,959,000	19,597,000
Chicago		265,011,000	199,525,000
St. Louis		33,770,000	16,848,000
Minneapolis		12,067,000	10,397,000
Kansas City		44,519,000	32,168,000
Dallas		59,991,000	32,270,000
San Francisco		95,667,000	61,844,000
	TOTAL	$2,545,880,000	$1,501,834,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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H-230

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Dallas	59,991,000	32,270,000
San Francisco	95,667,000	61,844,000
TOTAL	$2,545,880,000	$1,501,834,000

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

Release Morning Newspapers
Sunday, August 10, 1952

S-3120

A downward trend in counterfeiting has followed a crackdown last February by the United States Secret Service on a gang of counterfeiters in Chicago, Chief U. E. Baughman of the Secret Service reported today in a fiscal year review of Secret Service operations.

The Chicago investigation netted four prisoners and spiked the widespread circulation of a series of spurious $10 and $20 bills. William Skally, Sam Sferas and James Sferas were arrested February 3 after an undercover Secret Service agent obtained $100,000 in counterfeit bills through Skally, Chief Baughman said. A fourth defendant, William Russo, surrendered February 6. The four men are awaiting prosecution.

Following these arrests the circulation of counterfeits in various parts of the country declined, according to Chief Baughman, and the trend in counterfeiting is still downward. During the year ended June 30, however, the public lost $374,002.15 in counterfeit bills and $5,859.84 in counterfeit coins, passed on unsuspecting merchants and cashiers. In addition, the Secret Service captured $393,802.25 in counterfeit bills and $266.70 in counterfeit coins before they could be circulated, and arrested 279 persons for violations of the counterfeiting laws.

add
767,804
266

5,859.84
266.70
6,126

Convincing undercover work led to the downfall of two Cleveland couples and the seizure of $40,000 in phoney $10 and $20 notes, Chief Baughman revealed. Frank Oddo and Frank Mazzo, described by the Secret Service as "Cleveland hoodlums," were the principal distributors of the bills in the Cleveland area. An undercover agent gained their confidence and arranged for a shipment of $100,000 in counterfeits to be delivered in New York City. Mazzo and Oddo went to New York with $40,000 and two women, Alice Mae MacDowell and Ellen Maxwell. They explained to the undercover agent that they would get the balance of $60,000 later. Secret Service agents keeping the quartette under surveillance identified the two women as passers of counterfeit notes in Pennsylvania and Kentucky.

767,804.40
6,126.54
773,930.94

When Mazzo and Oddo delivered the $40,000 in a New York restaurant they were arrested and the women were taken into custody in their hotel rooms. The men confessed that they had made other big deals in counterfeit money, Chief Baughman said. Mazzo was sentenced to six years, Oddo to four years. Each of the women was sent to prison for three years.

"A"

Seizure of counterfeit currency during the fiscal year 1953 totalled $287,715 compared with $767,804 counterfeited during the fiscal year 1952. There were 188 arrests in fiscal 1953 for violations of the counterfeiting laws, compared with 279 arrests in fiscal 1952.

Almost two-thirds of the counterfeit bills turned up by the Secret Service in fiscal 1953 were passed on retail storekeepers. Amounts passed elsewhere than in retail stores were negligible. The Secret Service seized approximately $115,000 in counterfeit money before the counterfeiters could get rid of it.

600

Cases of all kinds received for investigation, including counterfeiting and forgery cases, aggregated 38,834, and although 37,515 cases were closed during the year, there were 11,271 cases still awaiting investigation as of June 30, Chief Baughman reported.

The Secret Service cracked down on the "Yaqui Indian Gold Swindle" with the arrest in Nogales, Arizona, of Rex S. Martin, who offered to sell $8,750 worth of gold "stolen by the Yaqui Indians in Mexico during the Mexican Revolution." Usually the swindlers remain in Mexico, arranging for their victims to bring cash across the border. Martin, however, delivered a small "sample" of the gold to an undercover agent in Phoenix, Arizona. Posing as a prospective purchaser, the agent accompanied Martin to Mexico and met his associates. Martin returned to the United States with the agent to collect cash for the Indian "treasure," and was arrested, prosecuted and sentenced.

The "Yaqui Gold Swindle" has operated for years along the Mexican border, with many variations. Recently two American tourists bought a "gold mine" for $6,000 from confidence men who introduced the visitors to a "Yaqui Indian Chief," complete with feathers. The buyers later found that the "mine" had been salted with a few dollars' worth of gold fired into the rock with a shotgun.

In addition to counterfeiters and forgers, the Secret Service arrested 236 persons for other crimes, for a grand total of 2,799 persons arrested. There were 2,409 convictions, representing 98.3 percent of convictions in all cases prosecuted.

Prison sentences during the year totaled 2,549 years, and additional sentences of 2,551 years were suspended or probated. Fines in criminal cases prosecuted totaled $50,492.91.

Secret Service with forgery of $1,200 in stolen Savings Bonds. Synkowski's unusual alias grew from his modus operandi. He read the death notices in the daily newspapers, then broke into the homes of bereaved families while they were attending funerals. The $1,200 in bonds were stolen from two homes under such circumstances.

A man arrested in San Francisco for altering Savings Bonds insisted in court that although he wore men's clothing, he wished to be considered a woman and to be sentenced to a women's prison. Addie Gig Norton, father of a four-year-old son, claimed that he was more female than male and had found a physician who was willing to perform a "corrective" operation requiring 18 months hospitalization. Norton indicated that he had altered the bonds to get money to pay for the surgery, the Secret Service reported. The judge ordered a physical examination of Norton, which convinced him that Norton should take his medicine like a man and serve three years in a regular Federal penitentiary.

A big-scale bond theft by a "lone wolverine" was climaxed in March when Miss Dorothy Mae Fulhage, 33, was sentenced in Wichita, Kansas, to serve 10 years in a Federal prison for stealing $39,675 in Savings Bonds. Miss Fulhage, while employed by a Kansas refinery, had charge of the issuing of Savings Bonds. She issued bonds to herself, for which she paid nothing, recording the bonds as "unissued stock." In some cases she sold bonds to bona fide purchasers, but kept their money and again listed the bonds as unissued.

out of $970 by his artistic thievery. He raised one check from $18.75 to $218.75, another from $2.41 to $272.41, a third from $106.68 to $406.68, and a fourth from $77.07 to $277.07. The alterations were expertly done, but were detected when the checks reached the Treasury Department for payment. Gilliam was sentenced and ordered to make restitution for the full amount involved.

Chief Baughman pointed out that the biggest proportion of the stolen and forged checks were servicemen's allowance and allotment checks, with veterans' pension and Social Security checks ranking second and third.

"These forgeries inflict hardships upon needy families," Baughman reported. "Most of them could be prevented if storekeepers and cashiers used more care before cashing Government checks for people they do not know." In one case in Chicago a girl presented a Government check to a sales clerk in a department store. The clerk told the girl to have the check approved by the credit manager. The girl left the counter and returned in a few minutes with the check, which the salesgirl then cashed. Later she discovered that the credit manager had never seen the check, and that it had not even been endorsed.

Forgeries of stolen U. S. Savings Bonds also kept the Secret Service busy during the year, Chief Baughman reported. There were 4,345 forged bonds received for investigation. Agents investigated 4,526 forged bonds worth $355,564.55, including cases pending from prior years, and arrested 91 persons for bond forgery.

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In Boston, Massachusetts, Lloyd E. Roy, a cost accountant for a well-known watch manufacturer, offered to prepare income tax returns for his fellow-workers, then falsified the returns to get tax refunds from the Government. In each case he forged the taxpayer's name to the return, and when refund checks were delivered to Roy's address he forged and cashed the checks and delivered a small percentage to the taxpayers as a refund. When arrested for check forgery, Roy estimated that he had netted more than $5,000 through this fraud. The Intelligence Division of the Bureau of Internal Revenue determined that some $50,000 in taxes is owed to the Government by those who collected "refunds" from Roy. In one case a taxpayer executed his own return which he delivered to Roy with $1,000 in cash for payment of taxes. Roy destroyed the return, prepared another in its place with exemptions which made a tax payment unnecessary, then forged the taxpayer's name and pocketed the thousand dollars. He pleaded guilty and was sentenced to 18 months in a Federal penitentiary.

A veteran who took an art course under the GI Bill of Rights used his knowledge to raise Government salary checks paid to him as a machine operator in the Frankford Arsenal in Pennsylvania. James R. Gilliam, 29, was arrested by Philadelphia agents after he cheated the Government

In Fort Worth, Texas, Mrs. Pauline E. Patterson, 33, an aircraft worker, was kept under surveillance for a month as a suspected counterfeiter. She was off duty for several days, and agents noticed that the shades in her apartment were kept drawn. Agents finally arrested her and seized negatives for counterfeit $20 notes, together with a complete photo-engraving plant, Chief Baughman reported.

In contrast to the downward trend in counterfeiting was the continued activity in forgeries of Government checks, the Secret Service said. During the year the agency received 27,720 forged checks for investigation. Agents completed investigations of 26,179 checks, worth $2,119,243.44, but on June 30 there was a backlog of 9,045 checks awaiting investigation. The backlog at the beginning of the fiscal year totaled 7,504. Agents arrested 2,284 persons for check forgery, as compared with 2,144 the previous year.

In an unusual case at Islandton, S. C., a check forger used a gun to threaten payees whose checks he stole, to keep them from reporting the thefts. Angus M. Rentz stole several checks from the Post Office, where his wife was postmaster. He brandished a revolver in front of payees, warning them not to submit claims to the Treasury Department. At least one disregarded the warning, and the subsequent investigation revealed the entire plot. Rentz was convicted, sentenced, and ordered to make full restitution.

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MacLeod criticised the agents for their timing. "If you had been a day later, you wouldn't have found a thing," he told them, explaining that he intended to burn all incriminating evidence.

With MacLeod the agents went to the fraternity house where his partner, William Hopkin, lived. At Hopkin's room, MacLeod knocked on the door.

"Who's there?" Hopkin asked.

"It's Mac," MacLeod said. "I have a friend I want you to meet."

Hopkin opened the door and the agents entered with MacLeod. "Bill," MacLeod said, "these are T-Men. They want those plates I gave you last night."

Hopkin opened a foot locker and handed one agent an envelope containing 24 copper plates for counterfeit $10 bills. In a search of the room agents found a number of negatives for $10 notes, a loaded automatic, a rubber mask, and a negative for a title to a Cadillac used by MacLeod. The Cadillac had been stolen from a Chicago garage last December, Chief Baughman said.

MacLeod and Hopkin were convicted March 3 and each was sentenced to serve five years in a Federal penitentiary.

In another case in Waco, Texas, "Barcus was willin'," but the Government wasn't. Sam W. Barcus, Jr., was arrested March 5 for making negatives for counterfeit $1 bills. The Secret Service said he had been experimenting for nearly six years, using a home-made camera. Barcus printed only one side of a counterfeit, then split genuine bills and pasted the counterfeit to the genuine halves, passing them with the genuine side showing. He pleaded guilty and was sentenced.

For Release A.M. Paper Thursday, August 20, 1953

H-231

PRESS RELEASE
U. S. SECRET SERVICE
FISCAL YEAR ENDED JUNE 30, 1953

The U. S. Secret Service ~~believes it prevented a~~ stemmed a potential flood of counterfeit money during the fiscal year ended June 30, 1953, by capturing 18 counterfeiting plants, 12 of ~~which failed to~~ them before they could get ~~one bogus bill~~ a single counterfeit into circulation, ~~according to a fiscal year report~~ ~~from Chief~~ Secret Service Chief U. E. Baughman ~~to Secretary Humphrey, made public~~ reported today. today.

Insert "A"

Agents seized $287,715.75 in counterfeit bills, of which $172,785.50 was passed on retail storekeepers. The balance was captured before it could be circulated. Representative value of counterfeit coins seized totaled $6,406.11, of which $5,598.99 was passed. There were 188 persons arrested for violating the counterfeiting laws, Chief Baughman reported.

Seizures of counterfeit bills and coins for the previous year aggregated $773,930.94 or $479,809.08 more than the $294,121.86 confiscated during the year ended June 30.

In Chicago, Illinois, Richard W. MacLeod and William Hopkin, the latter a student at the University of Chicago, never knew they were watched by Secret Service agents as they prepared to turn out a load of counterfeit $10 bills. Acting on ~~a confidential tip~~ information that MacLeod was posing as the owner of a mythical printing company, agents kept him under surveillance for days. Convinced that he was making counterfeit money, they arrested him in his apartment at 8201-03 South Merrill Avenue, Chicago, where they found a hand press and other printing equipment, along with proof impressions of $10 bills.

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

FOR RELEASE A.M. NEWSPAPERS,
Thursday, August 20, 1953.

H-231

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Seizure of counterfeit currency during the fiscal year 1953 totalled $287,715 compared with $767,804 counterfeited during the fiscal year 1952. There were 188 arrests in fiscal 1953 for violations of the counterfeiting laws, compared with 279 arrests in fiscal 1952.

Almost two-thirds of the counterfeit bills turned up by the Secret Service in fiscal 1953 were passed on retail storekeepers. Amounts passed elsewhere than in retail stores were negligible. The Secret Service seized approximately $115,000 in counterfeit money before the counterfeiters could get rid of it.

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The Secret Service cracked down on the "Yaqui Indian Gold Swindle" with the arrest in Nogales, Arizona, of Rex S. Martin, who offered to sell $8,750 worth of gold "stolen by the Yaqui Indians in Mexico during the Mexican Revolution." Usually the swindlers remain in Mexico, arranging for their victims to bring cash across the border. Martin, however, delivered a small "sample" of the gold to an undercover agent in Phoenix, Arizona. Posing as a prospective purchaser, the agent accompanied Martin to Mexico and met his associates. Martin returned to the United States with the agent to collect cash for the Indian "treasure," and was arrested, prosecuted and sentenced.

The "Yaqui Gold Swindle" has operated for years along the Mexican border, with many variations. Recently two American tourists bought a "gold mine" for $6,000 from confidence men who introduced the visitors to a "Yaqui Indian Chief," complete with feathers. The buyers later found that the "mine" had been salted with a few dollars' worth of gold fired into the rock with a shotgun.

In addition to counterfeiters and forgers, the Secret Service arrested 236 persons for other crimes, for a grand total of 2,799 persons arrested. There were 2,409 convictions, representing 98.3 percent of convictions in all cases prosecuted.

Prison sentences during the year totaled 2,549 years, and additional sentences of 2,551 years were suspended or probated. Fines in criminal cases prosecuted totaled $50,492.91.

Cases of all kinds received for investigation, including counterfeiting and forgery cases, aggregated 38,834, and although 37,515 cases were closed during the year, there were 11,271 cases still awaiting investigation as of June 30, Chief Baughman reported.

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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.

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 Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on September 3, 1953, in cash or other immediately available funds or in a like face amount of Treasury bills maturing September 3, 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,

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TREASURY DEPARTMENT
Washington

H-232

FOR RELEASE, MORNING NEWSPAPERS,
Thursday, August 27, 1953.

The Treasury Department, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing September 3, 1953, in the amount of $1,500,301,000, to be issued on a discount basis under competitive and non-competitive bidding as hereinafter provided. The bills of this series will be dated September 3, 1953, and will mature December 3, 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 Daylight Saving ~~Standard~~ time, Monday, August 31, 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

immediately available funds or in a like face amount of Treasury bills maturing September 3, 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.

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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 Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, non-competitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on September 3, 1953, in cash or other

Statement showing comparison of principal items of assets and liabilities of active national banks as of June 30, 1953, April 20, 1953, and June 30, 1952

(In thousands of dollars)

	June 30, 1953	Apr. 20, 1953	June 30, 1952	Increase or decrease since Apr. 20, 1953		Increase or decrease since June 30, 1952	
				Amount	Percent	Amount	Percent
Number of banks..............	4,881	4,890	4,932	-9	-.18	-51	-1.03
ASSETS							
Commercial and industrial loans	$16,574,920	$16,785,508	$15,362,876	-$210,588	-1.25	$1,212,044	7.89
Loans on real estate...........	8,508,503	8,391,963	7,848,650	116,540	1.39	659,853	8.41
All other loans, including overdrafts..................	11,995,778	11,920,912	10,453,943	74,866	.63	1,541,835	14.75
Total gross loans...........	37,079,201	37,098,383	33,665,469	-19,182	-.05	3,413,732	10.14
Less valuation reserves...	541,846	531,577	495,061	10,269	1.93	46,785	9.45
Net loans..................	36,537,355	36,566,806	33,170,408	-29,451	-.08	3,366,947	10.15
U. S. Government securities:							
Direct obligations...........	33,025,310	33,449,868	34,678,113	-424,558	-1.27	-1,652,803	-4.77
Obligations fully guaranteed.	23,744	21,283	16,427	2,461	11.56	7,317	44.54
Total U. S. securities......	33,049,054	33,471,151	34,694,540	-422,097	-1.26	-1,645,486	-4.74
Obligations of States and political subdivisions.......	6,218,789	6,314,550	5,810,343	-95,761	-1.52	408,446	7.03
Other bonds, notes, and debentures....................	2,066,785	2,068,282	2,393,571	-1,497	-.07	-326,786	-13.65
Corporate stocks, including stocks of Fed. Reserve banks.	200,901	199,290	187,240	1,611	.81	13,661	7.30
Total securities............	41,535,529	42,053,273	43,085,694	-517,744	-1.23	-1,550,165	-3.60
Total loans and securities..	78,072,884	78,620,079	76,256,102	-547,195	-.70	1,816,782	2.38
Currency and coin..............	1,353,588	1,289,432	1,256,363	64,156	4.98	97,225	7.74
Reserve with Fed. Reserve Banks	12,516,301	13,013,129	12,529,551	-496,828	-3.82	-13,250	-.11
Balances with other banks......	10,473,757	9,678,259	10,205,615	795,498	8.22	268,142	2.63
Total cash, balances with other banks, including reserve balances and cash items in process of collection....	24,343,646	23,980,820	23,991,529	362,826	1.51	352,117	1.47
Other assets....................	1,294,746	1,337,701	1,293,933	-42,955	-3.21	813	.06
Total assets................	103,711,276	103,938,600	101,541,564	-227,324	-.22	2,169,712	2.14

Comparison of principal items of assets and liabilities of national banks - continued

(In thousands of dollars)

	June 30, 1953	Apr. 20, 1953	June 30, 1952	Increase or decrease since Apr. 20, 1953		Increase or decrease since June 30, 1952	
				Amount	Percent	Amount	Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand	$53,369,383	$53,713,797	$52,234,586	-$344,414	-.64	$1,134,797	2.17
Time	22,285,848	21,881,788	20,720,190	404,060	1.85	1,565,658	7.56
Deposits of U. S. Government	2,472,941	2,376,278	3,668,776	96,663	4.07	-1,195,835	-32.59
Postal savings deposits	13,451	13,423	13,134	28	.21	317	2.41
Deposits of States and political subdivisions	6,627,528	6,451,277	6,231,989	176,251	2.73	395,539	6.35
Deposits of banks	8,596,634	8,428,765	8,587,305	167,869	1.99	9,329	.11
Other deposits (certified and cashiers' checks, etc.)	1,383,168	1,470,809	1,533,710	-87,641	-5.96	-150,542	-9.82
Total deposits	94,748,953	94,336,137	92,989,690	412,816	.44	1,759,263	1.89
Bills payable, rediscounts, and other liabilities for borrowed money	45,510	626,840	42,046	-581,330	-92.74	3,464	8.24
Other liabilities	1,678,089	1,797,933	1,613,765	-119,844	-6.67	64,324	3.99
Total liabilities, excluding capital accounts	96,472,552	96,760,910	94,645,501	-288,358	-.30	1,827,051	1.93
CAPITAL ACCOUNTS							
Capital stock:							
Preferred	5,658	5,619	6,373	39	.69	-715	-11.22
Common	2,258,971	2,249,223	2,197,093	9,748	.43	61,878	2.82
Total	2,264,629	2,254,842	2,203,466	9,787	.43	61,163	2.78
Surplus	3,410,122	3,357,960	3,175,879	52,162	1.55	234,243	7.38
Undivided profits	1,296,655	1,300,877	1,252,544	-4,222	-.32	44,111	3.52
Reserves	267,318	264,011	264,174	3,307	1.25	3,144	1.19
Total surplus, profits, and reserves	4,974,095	4,922,848	4,692,597	51,247	1.04	281,498	6.00
Total capital accounts	7,238,724	7,177,690	6,896,063	61,034	.85	342,661	4.97
Total liabilities and capital accounts	103,711,276	103,938,600	101,541,564	-227,324	-.22	2,169,712	2.14
RATIOS:	Percent	Percent	Percent				
U.S.Gov't securities to total assets	31.87	32.20	34.17				
Loans & discounts to total assets	35.23	35.18	32.67				
Capital accounts to total deposits	7.64	7.61	7.42				

NOTE: Minus sign denotes decrease.

dealers and others for the purpose of purchasing and carrying securities, and to banks, etc., amounted to $12,000,000,000, an increase of nearly 1 percent since April, and 15 percent in the year. The percentage of loans and discounts to total assets on June 30, 1953 was 35.23 in comparison with 35.18 in April and 32.67 in June 1952.

Investments of the banks in United States Government obligations on June 30, 1953 aggregated $33,000,000,000 (including $24,000,000 guaranteed obligations), a decrease of $422,000,000 since April. These investments were 32 percent of total assets, compared to 34 percent in June a year ago. Other bonds, stocks and securities of $8,500,000,000, which included obligations of States and political subdivisions of $6,200,000,000, were $96,000,000 less than in April, but $95,000,000 more than held in June last year. The total securities held amounting to $41,500,000,000 was $1,500,000,000, or 4 percent, below the amount reported at the end of June 1952.

Cash of $1,300,000,000, reserve with Federal Reserve banks of $12,500,000,000 and balances with other banks (including cash items in process of collection) of $10,500,000,000, a total of $24,300,000,000, showed an increase of $363,000,000 since April.

The ~~unimpaired~~ capital stock of the banks on June 30, 1953 was $2,300,000,000, including less than $6,000,000 of preferred stock. Surplus was $3,400,000,000, undivided profits $1,300,000,000, and capital reserves $267,000,000, or a total of $4,900,000,000. Total capital accounts of $7,200,000,000, which were 7.64 percent of total deposits, were $61,000,000 more than in April when they were 7.61 percent of total deposits.

~~TREASURY DEPARTMENT~~
~~Washington~~, D. C.

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RELEASE MORNING NEWSPAPERS
Friday, August 28, 1953

Press Series
H-233

The total assets of national banks on June 30, 1953 amounted to more than $103,000,000,000, it was announced today by Comptroller of the Currency Ray M. Gidney. The returns covered the 4,881 active national banks in the United States and possessions. The assets were $227,000,000 below the amount reported by the 4,890 active banks on April 20, 1953, the date of the previous call, but were more than $2,000,000,000 over the aggregate reported by the 4,932 active banks as of June 30, 1952.

The deposits of the banks on June 30 this year were $94,700,000,000, an increase of $413,000,000 since April, and an increase of over $1,700,000,000 in the year. Included in the recent deposit figures were demand deposits of individuals, partnerships and corporations of $53,400,000,000, which decreased $344,000,000, or nearly 1 percent, since April, and time deposits of individuals, partnerships and corporations of $22,300,000,000, an increase of $404,000,000. Deposits of the United States Government of $2,500,000,000 increased $97,000,000 since April; deposits of States and political subdivisions of $6,600,000,000 showed an increase of $176,000,000; and deposits of banks amounted to $8,600,000,000, an increase of $168,000,000 since April. Postal savings were $13,000,000 and certified and cashiers' checks, etc., were $1,300,000,000.

Net loans and discounts on June 30, 1953 were $36,500,000,000, a decrease of $29,000,000 since April, but nearly $3,400,000,000, or 10 percent, above the June 30 figure last year. Commercial and industrial loans as of the recent call date were $16,600,000,000, a decrease of $211,000,000 since April. Loans on real estate of $8,500,000,000 were up more than 1 percent in the period. All other loans, including consumer loans to individuals, loans to farmers, to brokers and

$3,400,000,000

TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

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Friday, August 28, 1953 H-233

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Investments of the banks in United States Government obligations on June 30, 1953 aggregated $33,000,000,000 (including $24,000,000 guaranteed obligations), a decrease of $422,000,000 since April. These investments were 32 percent of total assets, compared to 34 percent in June a year ago. Other bonds, stocks and securities of $8,500,000,000, which included obligations of States and political subdivisions of $6,200,000,000, were $96,000,000 less than in April, but $95,000,000 more than held in June last year. The total securities held amounting to $41,500,000,000 was $1,500,000,000, or 4 percent, below the amount reported at the end of June 1952.

Cash of $1,300,000,000, reserve with Federal Reserve banks of $12,500,000,000 and balances with other banks (including cash items in process of collection) of $10,500,000,000, a total of $24,300,000,000, showed an increase of $363,000,000 since April.

The capital stock of the banks on June 30, 1953 was $2,300,000,000, including less than $6,000,000 of preferred stock. Surplus was $3,400,000,000, undivided profits $1,300,000,000, and capital reserves $267,000,000, or a total of $4,900,000,000. Total capital accounts of $7,200,000,000, which were 7.64 percent of total deposits, were $61,000,000 more than in April when they were 7.61 percent of total deposits.

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Statement showing comparison of principal items of assets and liabilities of active national banks as of June 30, 1953, April 20, 1953, and June 30, 1952

(In thousands of dollars)

	June 30, 1953	Apr. 20, 1953	June 30, 1952	Increase or decrease since Apr. 20, 1953		Increase or decrease since June 30, 1952	
				Amount	Percent	Amount	Percent
Number of banks	4,881	4,890	4,932	-9	-.18	-51	-1.03
ASSETS							
Commercial and industrial loans	$16,574,920	$16,785,508	$15,362,876	-$210,588	-1.25	$1,212,044	7.89
Loans on real estate	8,508,503	8,391,963	7,848,650	116,540	1.39	659,853	8.41
All other loans, including overdrafts	11,995,778	11,920,912	10,453,943	74,866	.63	1,541,835	14.75
Total gross loans	37,079,201	37,098,383	33,665,469	-19,182	-.05	3,413,732	10.14
Less valuation reserves	541,846	531,577	495,061	10,269	1.93	46,785	9.45
Net loans	36,537,355	36,566,806	33,170,408	-29,451	-.08	3,366,947	10.15
U. S. Government securities:							
Direct obligations	33,025,310	33,449,868	34,678,113	-424,558	-1.27	-1,652,803	-4.77
Obligations fully guaranteed	23,744	21,283	16,427	2,461	11.56	7,317	44.54
Total U. S. securities	33,049,054	33,471,151	34,694,540	-422,097	-1.26	-1,645,486	-4.74
Obligations of States and political subdivisions	6,218,789	6,314,550	5,810,343	-95,761	-1.52	408,446	7.03
Other bonds, notes, and debentures	2,066,785	2,068,282	2,393,571	- 1,497	-.07	-326,786	-13.65
Corporate stocks, including stocks of Fed. Reserve banks	200,901	199,290	187,240	1,611	.81	13,661	7.30
Total securities	41,535,529	42,053,273	43,085,694	-517,744	-1.23	-1,550,165	-3.60
Total loans and securities	78,072,884	78,620,079	76,256,102	-547,195	-.70	1,816,782	2.38
Currency and coin	1,353,588	1,289,432	1,256,363	64,156	4.98	97,225	7.74
Reserve with Fed. Reserve Banks	12,516,301	13,013,129	12,529,551	-496,828	-3.82	-13,250	-.11
Balances with other banks	10,473,757	9,678,259	10,205,615	795,498	8.22	268,142	2.63
Total cash, balances with other banks, including reserve balances and cash items in process of collection	24,343,646	23,980,820	23,991,529	362,826	1.51	352,117	1.47
Other assets	1,294,746	1,337,701	1,293,933	-42,955	-3.21	813	.06
Total assets	103,711,276	103,938,600	101,541,564	-227,324	-.22	2,169,712	2.14

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

	June 30, 1953	Apr. 20, 1953	June 30, 1952	Increase or decrease since Apr. 20, 1953		Increase or decrease since June 30, 1952	
				Amount	Percent	Amount	Percent
LIABILITIES							
Deposits of individuals, partnerships, and corporations:							
Demand	$53,369,383	$53,713,797	$52,234,586	-$344,414	-.64	$1,134,797	2.17
Time	22,285,848	21,881,788	20,720,190	404,060	1.85	1,565,658	7.56
Deposits of U. S. Government	2,472,941	2,376,278	3,668,776	96,663	4.07	-1,195,835	-32.59
Postal savings deposits	13,451	13,423	13,134	28	.21	317	2.41
Deposits of States and political subdivisions	6,627,528	6,451,277	6,231,989	176,251	2.73	395,539	6.35
Deposits of banks	8,596,634	8,428,765	8,587,305	167,869	1.99	9,329	.11
Other deposits (certified and cashiers' checks, etc.)	1,383,163	1,470,809	1,533,710	-87,641	-5.96	-150,542	-9.82
Total deposits	94,748,953	94,336,137	92,989,690	412,816	.44	1,759,263	1.89
Bills payable, rediscounts, and other liabilities for borrowed money	45,510	626,840	42,046	-581,330	-92.74	3,464	8.24
Other liabilities	1,678,089	1,797,933	1,613,765	-119,844	-6.67	64,324	3.99
Total liabilities, excluding capital accounts	96,472,552	96,760,910	94,645,501	-288,358	-.30	1,827,051	1.93
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RATIOS:							
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Loans & discounts to total assets	35.23	35.18	32.67				
Capital accounts to total deposits	7.64	7.61	7.42				

NOTE: Minus sign denotes decrease.

You have asked again about the sales tax. Now, I would like to make it very clear that the sales tax is just another one of a large number of taxes that we are considering, that are before us in our studies with respect to the new tax bill and what we expect to propose to Congress next January. It is true that we are considering the sales tax, but it is also and equally true that we are considering a number of other taxes of equal importance, and whether any of them will be adopted, whether any of them will be proposed or suggested remains to be seen, and we will not know ourselves until our studies have been completed, until we first have estimates of the expenditures that are going to be required next year and then attempt to fit the amount of money that is required by taxation to meet those expenditures.

Secretary Humphrey today made the following statement regarding a Federal Sales tax:

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Immediate Release
Thurs Aug 27, 1953

H-234

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TREASURY DEPARTMENT

Information Service WASHINGTON, D.C.

IMMEDIATE RELEASE,
Thursday, August 27, 1953. H-234

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IMMEDIATE RELEASE,
Friday, August 28, 1953.

H-235

The Treasury Department announced today that the subscription books will open on Wednesday, September 2, for the exchange of the 2 percent Treasury Bonds of 1951-53, dated September 15, 1943, which will mature September 15, 1953, in the amount of $7,986,242,500.

Holders of the maturing bonds will be offered the choice of one-year 2-5/8 percent certificates of indebtedness and 3-1/2-year 2-7/8 percent Treasury notes in exchange for their present holdings.

The new certificates will carry an interest coupon payable with the principal at maturity, and any premium paid on the acquisition of these certificates in the market may be amortized in accordance with Sec. 125 of the Internal Revenue Code.

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