













ANNUAL REPORT OF THE  
SECRETARY OF THE TREASURY

ON

THE STATE OF THE  
FINANCES

FOR THE FISCAL YEAR  
ENDED JUNE 30

1935



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1936

TREASURY DEPARTMENT

DOCUMENT No. 3072

*Secretary*

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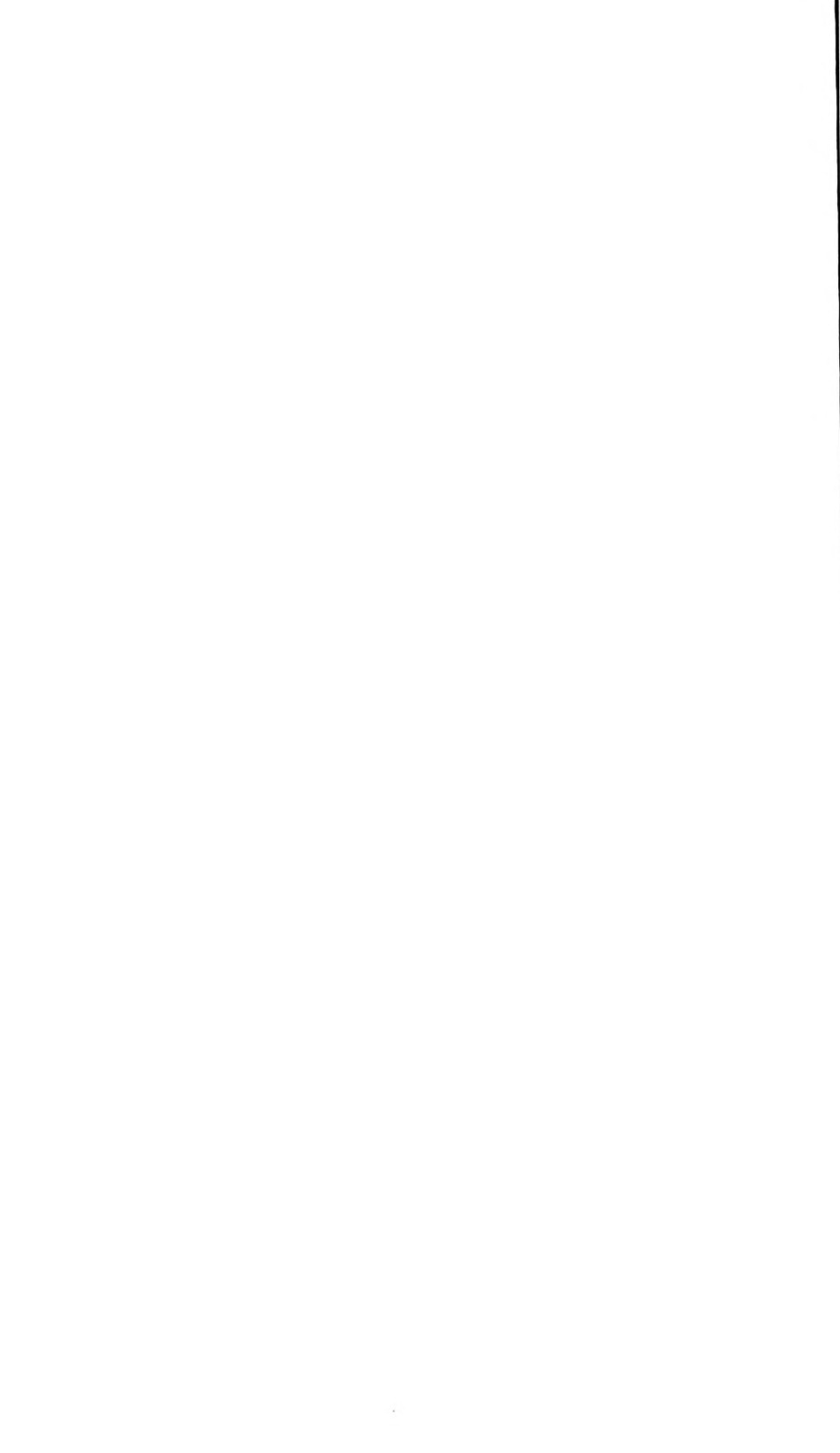
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OF THE TREASURY DEPARTMENT DURING THE FISCAL YEARS  
1934 AND 1935<sup>1</sup> AND THE PRESIDENT UNDER WHOM THEY SERVED**

Term of service		Official	Secretary of the Treasury	President
From—	To—			
<i>Secretaries of the Treasury</i>				
Mar. 4, 1933	Dec. 31, 1933	William H. Woodin, New York		Roosevelt.
Jan. 1, 1934	-----	Henry Morgenthau, Jr., New York	-----	Roosevelt.
<i>Under Secretaries</i>				
May 19, 1933	Nov. 16, 1933	Dean G. Acheson, Maryland	Woodin	Roosevelt.
Nov. 17, 1933	Dec. 31, 1933	Henry Morgenthau, Jr., New York	Woodin	Roosevelt.
May 2, 1934	-----	Thomas Jefferson Coolidge, Massachusetts.	Morgenthau	Roosevelt.
<i>Assistant Secretaries</i>				
Apr. 18, 1933	-----	Lawrence W. Robert, Jr., Georgia	Woodin, Morgenthau	Roosevelt.
June 6, 1933	-----	Stephen B. Gibbons, New York	Woodin, Morgenthau	Roosevelt.
June 12, 1933	Dec. 12, 1933	Thomas Hewes, Connecticut	Woodin	Roosevelt.
Dec. 1, 1934	-----	Josephine Roche, Colorado	Morgenthau	Roosevelt.

<sup>1</sup> For officials since 1789 see Annual Report for 1932, pp. xvii to xxi, and corresponding table in Annual Report for 1933.

**PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE  
TREASURY DEPARTMENT AS OF NOVEMBER 15, 1935**

**OFFICE OF THE SECRETARY**

Henry Morgenthau, Jr.....	Secretary of the Treasury.
T. J. Coolidge.....	Under Secretary of the Treasury.
Lawrence W. Robert, Jr.....	Assistant Secretary of the Treasury.
Stephen B. Gibbons.....	Assistant Secretary of the Treasury.
Josephine Roche.....	Assistant Secretary of the Treasury.
Herbert E. Gaston.....	Assistant to the Secretary.
Peter Grimm.....	Assistant to the Secretary.
Daniel W. Bell.....	Assistant to the Secretary.
LeRoy Barton.....	Assistant to the Secretary.
Cyril B. Upham.....	Assistant to the Secretary.
Harold N. Graves.....	Assistant to the Secretary.
Henrietta S. Klotz.....	Assistant to the Secretary.
John Kieley.....	Assistant to the Secretary.
Archie Lochhead.....	Technical Assistant to the Secretary.
Beriah M. Thompson.....	Special Assistant to the Secretary.
Chester T. Crowell.....	Special Assistant to the Secretary.
Eugene Sloan.....	Special Assistant to the Secretary.
Harold Riegelman.....	Special Assistant Counsel.
James W. Bryan.....	Consulting Expert.
Edwin B. Fussell.....	Consulting Expert.
William H. McReynolds.....	Administrative Assistant to the Secretary.
W. N. Thompson.....	Assistant Administrative Assistant to the Secretary.
Charles R. Schoeneman.....	Special Staff Assistant.
Harris F. Mires.....	Technical Assistant.
Edwin R. Ballinger.....	Technical Assistant.
Lucius Wilmerding, Jr.....	Technical Assistant to Mr. Grimm.
H. R. Sheppard.....	Assistant to Assistant Secretary.
Francis C. Rose.....	Assistant to Assistant Secretary.
Mary E. Switzer.....	Assistant to Assistant Secretary.
W. C. Cream, Jr.....	Technical Adviser.
F. A. Birgfeld.....	Chief Clerk and Superintendent.
W. H. Moran.....	Chief, Secret Service Division.
L. C. Spangler.....	Chief, Division of Printing.
James E. Harper.....	Chief, Division of Appointments.
Gabrielle E. Forbush.....	Chief, Correspondence Division.

**OFFICE OF THE GENERAL COUNSEL**

Herman Oliphant.....	General Counsel.
John G. Harlan.....	Assistant to the General Counsel.
Clarence V. Opper.....	Assistant General Counsel.
Alanson Willcox.....	Assistant General Counsel.
Clinton M. Hester.....	Assistant General Counsel.
C. E. Turney.....	Assistant General Counsel.
Robert H. Jackson.....	Assistant General Counsel, Bureau of Internal Revenue.
Eli Frank, Jr.....	Chief Counsel, Bureau of Customs.

**OFFICE OF THE DIRECTOR OF RESEARCH AND STATISTICS**

George C. Haas.....	Director.
Lawrence H. Seltzer.....	Assistant to the Director.
A. S. McLeod.....	Assistant to the Director.
Harry D. White.....	Assistant to the Director.
Russell R. Reagh.....	Assistant to the Director (Government Actuary).
Aaron Director.....	Assistant to the Director.

**PUBLIC DEBT SERVICE**

William S. Broughton.....	Commissioner of the Public Debt.
Edwin L. Kilby.....	Assistant Commissioner of the Public Debt.
Rene W. Barr.....	Deputy Commissioner of the Public Debt.
W. W. Durbin.....	Register of the Treasury.
Byrd Leavell.....	Assistant Register of the Treasury.
Marvin Wesley.....	Chief, Division of Loans and Currency.
Melvin R. Loafman.....	Chief, Division of Accounts and Audit.
Maurice A. Emerson.....	Chief, Division of Paper Custody.

**BUREAU OF ENGRAVING AND PRINTING**

Alvin W. Hall.....	Director of the Bureau of Engraving and Printing.
Clark R. Long.....	Assistant Director (Administration).
Jesse E. Swigart.....	Assistant Director (Production).

**OFFICE OF THE COMMISSIONER OF ACCOUNTS AND DEPOSITS**

Edward F. Bartelt.....	Commissioner of Accounts and Deposits.
Maurice Collins.....	Assistant Commissioner of Accounts and Deposits.
William T. Heffelfinger.....	Assistant to the Commissioner.
Guy F. Allen.....	Chief Disbursing Officer, Division of Disbursement.
Joseph Greenberg.....	Chief, Division of Bookkeeping and Warrants.
Edward D. Batchelder.....	Chief, Division of Deposits.
Harry R. Schwalm.....	Chief Examiner, Section of Surety Bonds.



## OFFICE OF THE COMPTROLLER OF THE CURRENCY

J. F. T. O'Connor.....	Comptroller of the Currency.
F. G. Awalt.....	Deputy Comptroller.
Eugene H. Gough.....	Deputy Comptroller.
Gibbs Lyons.....	Deputy Comptroller.
W. P. Folger.....	Chief National Bank Examiner.
J. E. Fouts.....	Supervising Receiver, Insolvent National Bank Division.
George R. Marble.....	Chief Clerk.

## OFFICE OF THE TREASURER OF THE UNITED STATES

William A. Julian.....	Treasurer of the United States.
Marion Banister.....	Assistant Treasurer.
George O. Barnes.....	Executive Assistant to the Treasurer.
Louis P. Allen.....	Chief Clerk.

## BUREAU OF NARCOTICS

Harry J. Anslinger.....	Commissioner of Narcotics.
Will S. Wood.....	Deputy Commissioner of Narcotics.

## OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE

Guy T. Helvering.....	Commissioner of Internal Revenue.
Wright Matthews.....	Assistant to the Commissioner.
Charles T. Russell.....	Deputy Commissioner.
George J. Schoeneman.....	Deputy Commissioner.
D. Spencer Bliss.....	Deputy Commissioner.
Stewart Berkshire.....	Deputy Commissioner.
Eldon P. King.....	Special Deputy Commissioner.
A. R. Marrs.....	Head, Technical Staff.
Elmer L. Ireys.....	Chief, Intelligence Unit.
Bertha Wetherton.....	Special Assistant to the Commissioner.

## FEDERAL ALCOHOL ADMINISTRATION

Franklin C. Hoyt.....	Federal Alcohol Administrator.
Harris E. Willingham.....	Associate Administrator.
John E. O'Neill.....	Deputy Administrator.
John L. Huntington.....	Deputy Administrator.
John F. Moore.....	Acting General Counsel.

## BUREAU OF CUSTOMS

James H. Moyle.....	Commissioner of Customs.
Frank Dow.....	Assistant Commissioner of Customs.
Thomas J. Gorman.....	Deputy Commissioner, Customs Agency Service.

## MINT BUREAU

Nellie Tayloe Ross.....	Director of the Mint.
Mary M. O'Reilly.....	Assistant Director.

## PUBLIC HEALTH SERVICE

Hugh S. Cumming.....	Surgeon General.
W. F. Draper.....	Assistant Surgeon General.
L. R. Thompson.....	Assistant Surgeon General.
Francis A. Carmelia.....	Assistant Surgeon General.
Walter L. Treadway.....	Assistant Surgeon General.
C. E. Waller.....	Assistant Surgeon General.
S. L. Christian.....	Assistant Surgeon General.
Ralph O. Williams.....	Assistant Surgeon General.
R. A. Vonderlehr.....	Assistant Surgeon General.
D. S. Masterson.....	Chief Clerk and Administrative Officer.

## UNITED STATES COAST GUARD

Rear Admiral H. G. Hamlet.....	Commandant.
Capt. Leon C. Covell.....	Assistant Commandant.
Comdr. Russell R. Waesche.....	Head, Finance Division.
A. T. Thorson.....	Budget Officer.
Oliver M. Maxam.....	Technical Adviser to the Commandant.

## PROCUREMENT DIVISION

Rear Admiral C. J. Peoples.....	Director of Procurement.
W. E. Reynolds.....	Assistant Director, Public Works Branch.
Harry E. Collins.....	Assistant Director, Supply Branch.
Leo C. Martin.....	Assistant to Assistant Director, Public Works Branch.
Robert LeFerre.....	Assistant to Assistant Director, Supply Branch.
W. N. Rehlaender.....	Administrative Assistant, Supply Branch.
Louis A. Simon.....	Supervising Architect.
Neal A. Melick.....	Supervising Engineer.

## ADVISORY COMMITTEE ON ARCHITECTURAL DESIGN

Charles Z. Klauder, Chairman.  
Aymar Embury II.

Louis A. Simon

Philip B. Maher.  
Henry R. Shepley.

## BOARD OF AWARDS

Neal A. Melick, Supervising Engineer, Chairman.  
W. E. Reynolds, Assistant Director.  
Louis A. Simon, Supervising Architect.  
Nelson S. Thompson, Chief, Mechanical Engineering Section.

William K. Laws, Chief, Legal Section.  
John H. Schaefer, Office Manager.  
John Weber, Secretary.

## STANDING DEPARTMENTAL COMMITTEES

## BUDGET AND IMPROVEMENT COMMITTEE

C. R. Schoeneman, Chairman.  
F. A. Birgfeld, Vice Chairman.  
W. N. Thompson.  
D. S. Bliss.  
L. C. Martin.  
Edward F. Bartelt.  
Harris F. Mires.

John H. Schaefer.  
Arthur E. Wilson.  
M. E. Slindee.  
George O. Barnes.  
Fred P. Trott.  
Mary E. Switzer.  
E. C. Nussear, Secretary.

## COMMITTEE ON ENROLLMENT AND DISBARMENT OF ATTORNEYS AND AGENTS

Guy C. Hanna, Chairman.  
W. W. Cook.

I. T. Gilruth.

## COMMITTEE ON PERSONNEL

F. A. Birgfeld, Chairman.  
James E. Harper.

(Vacant.)

## COMMITTEE ON CIVIL SERVICE RETIREMENT

F. A. Birgfeld, Chairman.  
James E. Harper.

W. N. Thompson.  
Frank Dow.





# ANNUAL REPORT ON THE FINANCES

TREASURY DEPARTMENT,  
Washington, D. C., November 20, 1935.

SIR: I have the honor to make the following report:

## BUDGET RESULTS

### *Receipts*

Total receipts of general and special funds during the fiscal year 1935 were \$3,800,500,000, as compared with \$3,115,600,000 in 1934,

### RECEIPTS OF GENERAL AND SPECIAL FUNDS, FISCAL YEARS 1926 TO 1935, BY PRINCIPAL SOURCES

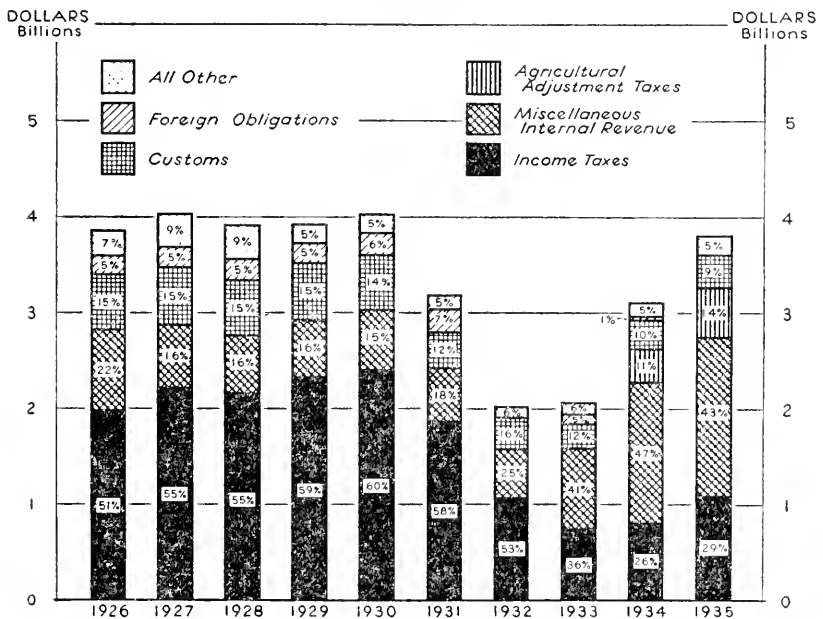


CHART 2.

an increase of \$684,900,000. Income taxes, miscellaneous internal revenue, agricultural adjustment taxes, customs, and seigniorage on silver all showed substantial increases.

The trend in receipts by major sources, from 1926 to 1935, inclusive, is shown in the chart above. A more detailed comparison of receipts for 1934 and 1935 is presented in the table on page 2.

Income tax receipts, which were 26 percent of total receipts in 1934, increased to 29 percent of total receipts in 1935. Miscellaneous internal revenue, though showing a substantial absolute increase in 1935, declined in relation to total receipts from 47 percent in 1934 to 43 percent in 1935.

*Receipts by major sources for the fiscal years 1934 and 1935*<sup>1</sup>

[In millions of dollars]

	1934	1935	Increase (+), decrease (-)
Internal revenue:			
Income taxes:			
Current corporation.....	321.4	465.4	+144.0
Current individual.....	353.0	448.2	+93.2
Back taxes.....	140.6	135.6	+45.0
Total income taxes (collection basis).....	817.0	1,099.2	+282.2
Adjustment to daily Treasury statement basis (unrevised).....	+1.0	- 1	- 1.1
Total income taxes.....	818.0	1,099.1	+281.1
Miscellaneous internal revenue taxes:			
Excess-profits.....	2.6	6.6	+4.0
Capital stock.....	80.2	91.5	+11.3
Estate.....	104.0	140.4	+36.4
Gift.....	9.2	71.7	+62.5
Distilled spirits and wines (including special taxes).....	90.0	195.4	+105.4
Fermented malt liquors (including special taxes).....	169.0	215.6	+46.6
Tobacco.....	425.2	459.2	+34.0
Stamp.....	66.6	43.1	-23.5
Manufacturers' excise:			
Gasoline.....	202.6	161.5	-41.1
Automobiles, trucks, tires, tubes and parts or accessories.....	70.9	77.3	+6.4
Electrical energy.....	33.1	32.6	- .5
Lubricating oils.....	25.3	27.8	+2.5
All other.....	58.1	43.1	-15.0
Total manufacturers' excise.....	390.0	342.3	-47.7
Telegraph, telephone, radio, and cable.....	19.3	19.7	+ .4
Transportation of oil by pipe line.....	10.4	9.5	- .9
Checks.....	41.4	25.6	-15.8
Admission.....	14.6	15.4	+ .8
Coconut, etc., oils processed.....		24.5	+24.5
All other miscellaneous internal revenue.....	261.3	13.5	-47.8
Total miscellaneous internal revenue (collection basis).....	1,483.8	1,674.0	+190.2
Adjustment to daily Treasury statement basis (unrevised).....	-14.2	-16.8	-2.6
Total miscellaneous internal revenue.....	1,469.6	1,657.2	+187.6
Agricultural adjustment taxes.....	353.1	521.4	+168.3
Total internal revenue.....	2,640.7	3,277.7	+637.0
Customs.....	313.4	343.4	+30.0
Total internal revenue and customs.....	2,954.1	3,621.1	+667.0
Miscellaneous receipts:			
Proceeds of Government-owned securities:			
Foreign obligations.....	20.4	.7	-19.7
All other.....	57.4	38.1	-19.3
Seigniorage <sup>2</sup> .....	.5	58.0	+57.5
All other miscellaneous receipts.....	83.2	82.6	- .6
Total miscellaneous receipts.....	161.5	179.4	+17.9
Total receipts, general and special funds.....	3,115.6	3,800.5	+684.9

<sup>1</sup> Income taxes and miscellaneous internal revenue taxes on the basis of collections, with totals adjusted to basis of daily Treasury statement (unrevised). Agricultural adjustment taxes, customs, and miscellaneous receipts on basis of daily Treasury statement (unrevised). General and special accounts combined. For description of accounts and bases, see p. 293.

<sup>2</sup> Includes \$50.2 million from tax on dividends, terminated Dec. 31, 1933.

<sup>3</sup> See footnote on p. 5.

*Income taxes.*—In the fiscal year 1935 income tax receipts aggregated \$1,099,100,000 as compared with \$818,000,000 in the fiscal year 1934, an increase of \$281,100,000. Receipts during the first half of the fiscal year 1935 were based largely on incomes for the calendar year 1933, and receipts during the second half, on incomes reported for the calendar year 1934. Receipts during the second half, therefore, reflected the higher levels of corporate and individual incomes during the calendar year 1934 as compared with 1933, as well as the changed provisions contained in the Revenue Act of 1934, which then became effective for the first time.

Collections of current corporation income taxes increased \$144,000,000 in 1935 over the preceding year, about 62 percent of this increase occurring in the second half of the fiscal year. Among the changed provisions in the Revenue Act of 1934 affecting corporation income tax collections were the elimination of consolidated returns (except for railroad corporations), the imposition of a surtax on personal holding companies, and new provisions with regard to reorganizations. In addition, the Treasury changed its administration of depreciation allowances. The last-named factor, together with the special efforts of the Bureau of Internal Revenue to collect back taxes on incomes, resulted in an increase of collections of \$45,000,000 during the fiscal year 1935.

Approximately 79 percent of the increase of \$93,200,000 in current individual income taxes during the fiscal year 1935 was collected during the second half of the fiscal year and reflected, in addition to the higher level of individual incomes in 1934 as compared with 1933, the net effect of changes in the rate structure and in the capital gains and losses provisions incorporated in the Revenue Act of 1934.

*Miscellaneous internal revenue.*—Receipts from miscellaneous internal revenue taxes were \$1,657,200,000 in the fiscal year 1935, as compared with \$1,469,600,000 in 1934, an increase of \$187,600,000. Collections from the leading revenue-producing taxes of this class are shown in the table on page 2.

In 1935 approximately 86 percent of the total miscellaneous internal revenue collections came from the following sources, which are arranged in the order of their revenue-producing importance: Tobacco taxes, manufacturers' excise taxes, taxes on fermented malt liquors, taxes on distilled spirits and wines, the estate tax, and the capital stock tax.

Increased revenue was obtained from taxes on distilled spirits and wines, gifts, fermented malt liquor, estates, and tobacco. These increases more than offset declines in the collections from manufacturers' excise taxes, documentary stamp taxes, and certain other miscellaneous internal revenue taxes.

The increased rates of tax on estates imposed by the Revenue Act of 1934 were not reflected to any marked extent in collections until May 1935, since under that act returns were not required to be filed until one year after the death of the decedent. The increase of \$36,400,000 in collections from the estate tax was caused mainly by the increase in the taxable value of estates of decedents in the year ended June 30, 1934. Collections from the gift tax increased by \$62,500,000 to \$71,700,000 in 1935. This increase was due more to the larger amount of gifts—probably made, at least in part, in anticipation of higher income and estate taxes—than to the higher rates of gift tax under the Revenue Act of 1934, applicable to gifts made during the calendar year 1935.

Collections from the tax on tobacco manufactures increased \$34,000,000 in 1935 to a new high level of \$459,200,000. As in other recent years this was the result of increased consumption of cigarettes.

Nineteen hundred and thirty-five was the first full fiscal year during which the repeal of the eighteenth amendment was effective. This factor, together with an increase in the consumption of tax-paid distilled spirits and wines, accounted for a \$105,400,000 increase in revenue from this source. Increased consumption of fermented malt liquor resulted in additional revenue of \$46,600,000. Total revenue of \$411,000,000 from liquor taxes for the fiscal year 1935 exceeded that for any year in the pre-prohibition period except 1918 and 1919.

The decline of \$47,700,000 in revenue from manufacturers' excise taxes in the fiscal year 1935 was in most part due to the decline in collections from the tax on gasoline. During part of the preceding fiscal year the 1½ cents per gallon rate imposed by the National Industrial Recovery Act was in effect, whereas during the whole of 1935 the rate was 1 cent per gallon. The repeal of taxes on candy and soft drinks and the modification of taxes on furs and jewelry also contributed to the loss of revenue from manufacturers' excise taxes.

Collections from the capital stock tax and excess-profits tax increased, and new taxes imposed by the Revenue Act of 1934 on the processing of coconut and other oils gave rise to substantial revenue. The expiration, however, of the tax on dividends, effective December 31, 1933, and of the tax on checks, effective January 1, 1935, resulted in reduced collections from those sources. A decline in revenue from documentary stamp taxes was in large part due to the lower revenue from taxes on stock transfers, reflecting a contraction in the volume of stock trading. Another factor contributing to the decline was the reduction, in the Revenue Act of 1934, of the stamp tax on sales of produce for future delivery from 5 cents per \$100 to 3 cents per \$100.



*Agricultural adjustment taxes.*—Receipts from agricultural adjustment taxes totaled \$521,400,000 in 1935, an increase of \$168,300,000 over receipts from this source in the fiscal year 1934. This increase was due mainly to the fact that none of these taxes was in effect during all of 1934 and for some commodities only during a small part of the year. Processing and related taxes on peanuts and rice and the cotton ginning and tobacco sales taxes did not become effective until the fiscal year 1935.

Collections of processing and related taxes combined were higher in 1935 for all commodities represented in both years except for cotton and paper and jute products. By far the largest increases occurred in the cases of hogs, on which the tax became effective November 5, 1933, and the last increase in rate, March 1, 1934, and of sugar beets and sugar cane, on which taxes did not become effective until June 8, 1934. Receipts from taxes on hogs, wheat, and cotton accounted for 77 percent of total collections of agricultural adjustment taxes during the fiscal year 1935. For a further discussion of agricultural adjustment taxes, see page 30.

*Customs.*—Customs receipts in the fiscal year 1935 amounted to \$343,400,000, or \$30,000,000 more than in the fiscal year 1934. The additional revenue from customs resulted from an increase in imports of distilled spirits and wines and from a relatively large volume of imports of agricultural products.

*Miscellaneous receipts.*—Miscellaneous receipts of general and special funds increased from \$161,500,000 in the fiscal year 1934 to \$179,400,000 in 1935. These receipts include such items as proceeds from Government-owned securities, Panama Canal tolls, seigniorage, tax on the circulation of national bank notes, fees, fines and penalties, rents and royalties, and sales of Government property. An increase of \$57,500,000<sup>1</sup> in receipts from seigniorage more than offset decreases in certain other sources of miscellaneous receipts.

### *Expenditures*

Total expenditures for general and special (including recovery and relief) accounts amounted to \$7,375,800,000 for the fiscal year 1935, as compared with \$7,105,000,000 in 1934, an increase of \$270,800,000. The trend in total expenditures and in the principal classes of expenditures for the fiscal years 1926 to 1935 is shown in the chart on page 6. A comparison of expenditures on a functional basis for the fiscal years 1934 and 1935 appears in the table beginning on page 7, and another classification of expenditures for the two years is given in the table beginning on page 10.

<sup>1</sup> This amount is exclusive of \$140,100,000 held as a trust account, etc., receipt, representing seigniorage taken on silver acquired under the Silver Purchase Act of 1934 and received under the President's proclamation dated Aug. 9, 1934. See exhibit 38, page 256.

Expenditures for 1934 and 1935 shown on the chart as "Recovery and relief" are not strictly comparable with such expenditures for the fiscal years 1932 and 1933. For 1932 and 1933 these expenditures include only those made from funds of the Reconstruction Finance Corporation and subscription to stock of the Federal land banks. Other expenditures in 1932 and 1933 traceable to the economic depression and all such expenditures in earlier years were made from

EXPENDITURES FOR GENERAL AND SPECIAL (INCLUDING RECOVERY AND RELIEF) ACCOUNTS, FISCAL YEARS 1926 TO 1935, BY PRINCIPAL CLASSES

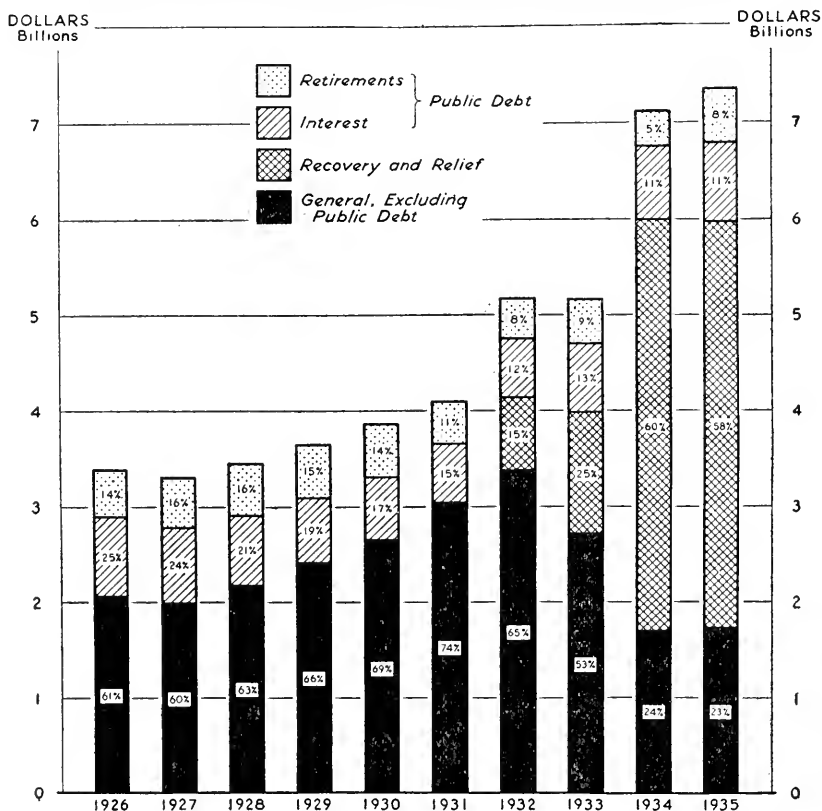


CHART 3.

regular appropriations and general Treasury accounts. Recovery and relief expenditures for 1934 and 1935 shown in both the chart and the table on page 7 include those classified as emergency expenditures in the daily Treasury statements of those years and also general expenditures for the Agricultural Adjustment Administration, refunds of processing taxes on farm products, and subscription to stock of Federal land banks. The classification of expenditures on a functional basis shown in that table follows the classification in compilations of the Bureau of the Budget.

Expenditures for the operation and maintenance of regular departments and establishments of the Government (exclusive of public debt charges) aggregated \$1,732,100,000 in 1935, an increase of \$26,800,000 over the preceding year. The principal items of increase in this class of expenditure were: \$53,900,000 for national defense, to provide replacement and improvement of equipment for the Army and to meet provisions of the naval treaties of 1922 and 1930; \$49,000,000 for veterans' pensions and benefits, as the result of the application of new laws or revised rules pertaining to service-connected disabilities; and \$12,000,000 on account of the postal deficit. These increases were largely offset by a decrease of \$50,200,000 in regular expenditures for public buildings, due to the completion of a major part of the original public building program of 1926 for the District of Columbia, and by lower expenditures for regular river and harbor works and for refunds of customs and internal revenue receipts. Additional expenditures for some of these purposes were made from recovery and relief funds and are shown as such.

*Expenditures by major functions, fiscal years 1934 and 1935*<sup>1</sup>

[In millions of dollars]

Class of expenditure	1934	1935	Increase (+) or decrease (-)
<b>Operation and maintenance of regular departments and establishments:</b>			
Legislative, judicial, and executive.....	32.6	35.7	+3.1
Civil departments and agencies <sup>2</sup> .....	331.9	333.3	+1.4
Public buildings <sup>3</sup> .....	75.5	25.3	-50.2
River and harbor works <sup>3</sup> .....	78.3	55.1	-23.2
Postal deficiency.....	52.0	64.0	+12.0
National defense <sup>3</sup> .....	479.7	533.6	+53.9
Veterans' pensions and benefits <sup>3</sup> .....	556.6	605.6	+49.0
Refunds of receipts, internal revenue and customs.....	62.7	45.2	-17.5
All other.....	36.0	34.3	-1.7
<b>Total operation and maintenance.....</b>	<b>1,705.3</b>	<b>1,732.1</b>	<b>+26.8</b>
<b>Public debt charges:</b>			
Interest.....	756.6	820.9	+64.3
Retirements.....	359.9	573.6	+213.7
<b>Total public debt charges.....</b>	<b>1,116.5</b>	<b>1,394.5</b>	<b>+278.0</b>
<b>Recovery and relief:</b>			
<b>Agricultural aid:<sup>4</sup></b>			
Agricultural Adjustment Administration.....	289.1	711.8	+422.7
Refunds of processing taxes.....	1.2	31.2	+30.0
Commodity Credit Corporation.....	183.1	60.1	-123.0
Farm Credit Administration (including Federal Farm Mortgage Corporation) <sup>6</sup> .....	346.3	141.4	-204.9
Federal land banks.....	46.2	48.0	+1.8
<b>Total agricultural aid.....</b>	<b>865.9</b>	<b>872.3</b>	<b>+6.4</b>
<b>Relief:</b>			
Federal Emergency Relief Administration (including Federal Surplus Relief Corporation).....	707.4	1,814.3	+1,106.9
Civil Works Administration.....	805.1	11.3	-793.8
Emergency Conservation Work.....	331.9	435.5	+103.6
Drought-stricken areas (Department of Agriculture).....		80.6	+80.6
<b>Total relief.....</b>	<b>1,844.4</b>	<b>2,341.7</b>	<b>+497.3</b>

Footnotes at end of table.

Expenditures by major functions, fiscal years 1934 and 1935 <sup>1</sup>—Continued

Class of expenditure	1934	1935	Increase (+) or decrease (-)
<b>Recovery and relief—Continued.</b>			
<b>Public Works:</b>			
Administrative expenses, Public Works Administration.....	6.5	14.6	+8.1
Boulder Canyon project.....	19.4	23.8	+4.4
Loans and grants to States, municipalities, etc.....	78.6	137.7	+59.1
Loans to railroads.....	70.7	66.2	-4.5
Public highways.....	267.9	317.4	+49.5
River and harbor works.....	72.5	147.9	+75.4
National defense.....	60.7	176.3	+115.6
Other public works.....	66.1	136.5	+70.4
<b>Total public works.....</b>	<b>642.4</b>	<b>1,020.4</b>	<b>+378.0</b>
<b>Aid to home owners:</b>			
Home loan system.....	192.2	75.7	-116.5
Emergency housing.....	.4	6.5	+6.1
Federal Housing Administration.....		15.9	+15.9
Resettlement Administration.....		1.7	+1.7
Subsistence homesteads.....	2.3	3.7	+1.4
<b>Total aid to home owners.....</b>	<b>194.9</b>	<b>103.5</b>	<b>-91.4</b>
Reconstruction Finance Corporation, direct loans and expenditures....	7,565.8	<sup>2</sup> 135.4	-701.2
Tennessee Valley Authority.....	11.0	36.2	+25.2
<b>Miscellaneous:</b>			
Export-Import Banks of Washington.....	2.7	<sup>3</sup> 2.6	-5.3
Federal Deposit Insurance Corporation.....	149.5	.5	-149.0
Administration for Industrial Recovery.....	6.6	12.5	+5.9
Unclassified items.....		.1	+1
<b>Total miscellaneous.....</b>	<b>158.8</b>	<b>10.5</b>	<b>-148.3</b>
<b>Total recovery and relief.....</b>	<b><sup>4</sup> 4,283.2</b>	<b><sup>4</sup> 4,249.2</b>	<b>-34.0</b>
<b>Total expenditures.....</b>	<b>7,105.0</b>	<b>7,378.8</b>	<b>+270.8</b>

<sup>1</sup> On basis of daily Treasury statements (unrevised), partly reclassified on the basis of compilations of the Bureau of the Budget. (See note 4 below.)

<sup>2</sup> Operation and maintenance expenditures only, exclusive of expenditures for public buildings and public works.

<sup>3</sup> Additional expenditures for these accounts included under "Recovery and relief."

<sup>4</sup> Includes the following expenditures classified as general in the daily Treasury statements: Expenditures for the Agricultural Adjustment Administration, refunds of processing taxes on farm products, and subscription to stock of Federal land banks.

<sup>5</sup> Excess of credits, deduct.

<sup>6</sup> Additional expenditures for Farm Credit Administration included under Civil departments and agencies, above.

<sup>7</sup> Exclusive of \$333,600,000 included under "Federal Emergency Relief Administration" and \$18,800,000 under "Commodity Credit Corporation."

Public debt charges amounted to \$1,394,500,000 in 1935, as compared with \$1,116,500,000 in 1934, an increase of \$278,000,000, of which \$213,700,000 represented larger statutory debt retirements, and \$64,300,000, increase in interest payments. The public debt and expenditures on its account are discussed in detail on page 12.

Total expenditures for recovery and relief amounted to \$4,249,200,000 in 1935, or \$34,000,000 less than in 1934. This total is net, after taking into consideration the earnings of and repayments of loans to certain agencies of the Government.

Expenditures for agricultural aid aggregated \$872,300,000 in 1935, an increase of \$6,400,000 over 1934. Increases in rental and benefit payments and in refunds of processing taxes arose chiefly because such payments during 1934 were not made for the full fiscal year and also because additional commodities were made a part of the program in 1935. This subject is analyzed in greater detail on page 30. Due

largely to these increases, expenditures of the Agricultural Adjustment Administration were \$452,700,000 higher in 1935 than in 1934. This increase was partly offset by net repayments of loans in excess of expenditures of the Commodity Credit Corporation in the amount of \$60,100,000, as against net expenditures of \$183,100,000 in 1934. Recovery and relief expenditures of the Farm Credit Administration decreased \$204,900,000, chiefly because of the expenditure in 1934 of \$199,900,000 of the \$200,000,000 made available to the Federal Farm Mortgage Corporation by the Reconstruction Finance Corporation under the act of May 12, 1933.

Total expenditures for relief amounted to \$2,341,700,000 in 1935, as compared with \$1,844,400,000 in 1934, an increase of \$497,300,000. Expenditures for the Federal Emergency Relief Administration (including the Federal Surplus Relief Corporation) were \$1,814,300,000 in 1935, an increase of \$1,106,900,000 over 1934, chiefly as a result of larger outlays for direct relief. To a large extent these outlays supplanted work relief through the Civil Works Administration, which was nearly terminated by the end of the preceding year. Expenditures for the Civil Works Administration were \$11,300,000 in 1935, as compared with \$805,100,000 in 1934. Owing to the drought in the summer of 1934, loans and relief expenditures made by the Department of Agriculture in stricken agricultural areas amounted to \$80,600,000 in 1935.

Expenditures for emergency public works increased from \$642,400,000 in 1934 to \$1,020,400,000 in 1935, because of larger expenditures for loans and grants to States, municipalities, etc., for public highways, river and harbor works, national defense, etc. Loans to railroads showed a slight decrease.

Total aid to home owners declined \$91,400,000 in 1935 owing to the fact that expenditures for the purchase of capital stock of the Home Owners' Loan Corporation amounted to \$46,000,000 in 1935, compared with \$153,000,000 in 1934. This decrease of \$107,000,000 was partly offset by expenditures of \$15,900,000 by the Federal Housing Administration, created under the act of June 27, 1934; of \$1,700,000 for the Resettlement Administration, established by Executive order on April 30, 1935; and of increased amounts for emergency housing and subsistence homesteads.

Earnings and repayment of loans received by the Reconstruction Finance Corporation in 1935 exceeded direct loans and expenditures by the Corporation, resulting in net receipts of \$135,400,000 as compared with net expenditures of \$565,800,000 in 1934. Expenditures for the Tennessee Valley Authority increased from \$11,000,000 in 1934 to \$36,200,000 in 1935, largely for construction in connection with the water-control program.

Expenditures classified as "miscellaneous" decreased \$148,300,000 in 1935, chiefly because the Treasury's purchase of \$150,000,000 of capital stock of the Federal Deposit Insurance Corporation, as provided in the Banking Act of 1933, was practically completed in the fiscal year 1934.

Expenditures for general and special accounts, including those for recovery and relief, for the fiscal years 1934 and 1935 are shown also in the table below, with recovery and relief expenditures separated into two classes, nonrepayable and repayable.

*Summary of expenditures, fiscal years 1934 and 1935*

	1934	1935
<b>General expenditures:</b>		
Departmental 1.....	\$341,335,354.16	\$355,992,512.25
National defense 1.....	479,694,307.99	533,597,243.04
Veterans' Administration 1.....	506,549,454.14	555,573,274.31
Agricultural Adjustment Administration 1.....	279,723,062.38	561,540,268.39
Refunds of processing taxes.....	1,194,639.95	31,208,208.32
Postal deficiency.....	52,003,295.62	63,970,404.80
Subscription to stock of Federal land banks.....	2 1,737,780.00	1,939,140.00
Interest on the public debt.....	756,617,126.73	820,926,353.45
Public debt retirements.....	359,864,092.90	573,558,250.00
All other.....	325,670,980.27	222,928,980.20
<b>Total general expenditures.....</b>	<b>3,100,914,534.14</b>	<b>3,721,234,634.76</b>
<b>Recovery and relief expenditures (as shown below).....</b>	<b>4,004,135,550.81</b>	<b>3,654,590,530.81</b>
<b>Total expenditures.....</b>	<b>7,105,050,084.95</b>	<b>7,375,825,165.57</b>
<b>Recovery and relief expenditures:</b>		
<b>Nonrepayable:</b>		
<b>Grants, aids, and expenses:</b>		
Federal Emergency Relief Administration.....	667,298,535.98	1,737,906,816.44
Civil Works Administration.....	805,122,892.29	11,327,263.67
Emergency conservation work.....	331,940,851.40	435,508,643.05
Public Works Administration:		
Administrative expenses.....	6,539,315.18	14,561,002.60
Public bodies.....	12,273,185.33	34,445,313.00
Surplus Relief Corporation.....	40,053,808.31	76,570,514.43
Agricultural Adjustment Administration.....	2,3 62,799,128.10	3 221,647,440.05
Federal land banks (reduction in interest rates on mortgages).....	7,029,256.79	12,477,674.95
Reconstruction Finance Corporation.....	420,455,630.34	421,897,084.04
Administration for Industrial Recovery.....	6,632,491.49	12,496,730.81
Department of Agriculture relief.....		80,561,249.99
Resettlement Administration.....		122,787.39
Rural Electrification Administration.....		16,820.93
Regional agricultural credit corporations.....	2,096,993.26	8,603,628.15
<b>Total grants, aids, and expenses.....</b>	<b>2 1,795,732,571.59</b>	<b>3 2,624,348,801.42</b>
<b>Federal public works projects:</b>		
Tennessee Valley Authority.....	11,036,794.57	36,148,537.34
Public highways.....	267,882,017.66	317,356,940.05
Rivers and harbors.....	72,450,381.47	147,924,751.64
<b>Other:</b>		
Legislative establishment.....	123,381.50	486,103.10
State Department.....	747,170.01	2,659,016.08
Treasury Department:		
Public building construction and sites.....	3,190,455.42	32,756,840.70
All other.....	18,928,120.22	5,615,951.73
War Department (nonmilitary).....	775,477.97	1,488,375.48
National defense:		
Army.....	38,023,229.37	61,298,999.11
Navy.....	22,640,904.90	115,037,329.60

Footnotes at end of table.

## Summary of expenditures, fiscal years 1934 and 1935—Continued

	1934	1935
Recovery and relief expenditures—Continued.		
Nonrepayable—Continued.		
Federal public works projects—Continued.		
Panama Canal.....	\$751,480.25	\$243,541.54
Department of Justice.....	137,450.23	531,703.81
Post Office Department.....	6,198.00	
Interior Department (exclusive of subsistence home-		
steads and Boulder Canyon project).....	17,183,404.08	37,491,351.58
Department of Agriculture (exclusive of highways).....	13,002,563.35	15,722,946.75
Department of Commerce.....	5,170,815.47	10,197,883.69
Department of Labor.....	1,908,471.87	6,290,630.26
Veterans' Administration.....	401,033.60	1,491,450.37
Independent offices and commissions.....	905,286.01	4,490,965.39
District of Columbia.....	180,911.17	957,701.03
Unclassified items.....	2 339,918.19	418,175.19
Total Federal public works projects.....	475,105,628.93	798,579,197.44
Total nonrepayable.....	2,270,838,200.52	3,422,927,998.86
Repayable:		
Federal public works projects:		
Boulder Canyon project.....	19,445,381.64	23,820,507.04
Other reclamation projects.....	3,009,961.56	15,644,679.42
Total Federal public works projects.....	22,455,343.20	39,465,186.46
Loans:		
Commodity Credit Corporation.....	164,341,934.85	2 60,144,064.86
Joint stock land banks.....	941,044.35	2 934,325.15
Crop and feed loans, etc. (Farm Credit Administra-		
tion).....	2 102,254,406.06	88,691,246.34
Public Works Administration:		
Public bodies.....	66,323,044.42	103,262,104.46
Railroads.....	70,739,000.00	66,230,752.95
Emergency housing.....	369,351.41	6,479,835.47
Federal Housing Administration.....		15,993,873.02
Subsistence homesteads 1.....	2,372,312.69	3,661,957.71
Resettlement administration.....		1,638,875.67
Reconstruction Finance Corporation.....	605,078,647.39	2 113,512,873.64
Export-Import Banks of Washington.....	2,654,324.15	2 2,616,496.63
Total loans.....	810,565,253.20	108,750,865.34
Subscriptions to capital stock, etc.:		
Production credit corporations.....	105,000,000.00	15,000,000.00
Banks for cooperatives.....	110,000,000.00	15,000,000.00
Regional agricultural credit corporations.....	5,659,821.75	
Federal Farm Mortgage Corporation.....	199,889,710.83	265.62
Federal intermediate credit banks.....	25,000,000.00	15,000,000.00
Federal land banks.....	39,125,697.16	35,569,325.59
Home loan banks.....	38,475,700.00	260,000.00
Home Owners' Loan Corporation.....	153,000,000.00	46,000,000.00
Federal savings and loan associations.....	754,800.00	29,486,784.08
Federal Deposit Insurance Corporation.....	149,502,149.65	497,850.35
Total subscriptions to capital stock, etc.....	826,407,879.39	156,754,225.64
Total repayable.....	1,659,428,475.79	304,970,277.44
Total nonrepayable and repayable.....	3 3,930,266,676.31	3 3,727,898,276.30
Reconciliation with daily Treasury statement:		
Total nonrepayable and repayable (shown above)....	3,930,266,676.31	3,727,898,276.30
Add processing tax receipts (deducted above).....	353,048,796.83	521,379,871.22
Total.....	4,283,315,473.14	4,249,278,147.52
Deduct general expenditures included above:		
Agricultural Adjustment Administration.....	279,723,062.38	561,540,268.39
Refunds of processing taxes.....	1,194,639.95	31,208,208.32
Subscriptions to stock of Federal land banks.....	2 1,737,780.00	1,939,140.00
Total.....	279,179,922.33	594,687,616.71
Total recovery and relief expenditures.....	4,004,135,550.81	3,654,590,530.81

1 Additional expenditures for these accounts included under recovery and relief expenditures.

2 Excess of credits, deduct.

3 After deduction of processing tax receipts.

4 Earnings in excess of expenditures, deduct.

5 Includes real estate acquired and held for sale.

## THE PUBLIC DEBT

The fiscal year 1935 closed with the gross public debt outstanding at \$28,700,892,624.53 as compared with \$27,053,141,414.48 outstanding on June 30, 1934, an increase of \$1,647,751,210.05. The net changes brought about during the year in the amounts of the various classes of securities which make up the outstanding debt are shown in the following table, in which the amounts of the various classes outstanding at the beginning and at the end of the year are compared:

*Changes in public debt outstanding June 30, 1934 and 1935, by classes*

(On basis of daily Treasury statements (unrevised), see p. 293)

	June 30, 1934	June 30, 1935	Increase (+) or decrease (-)
Interest-bearing debt:			
Public issues:			
Pre-war (including postal savings) bonds.....	\$831,350,370.00	\$855,263,470.00	+\$23,913,100.00
Liberty bonds.....	<sup>1</sup> 6,295,020,300.00	<sup>2</sup> 1,246,230,750.00	-5,048,789,550.00
Treasury bonds.....	9,332,732,350.00	12,683,570,300.00	+3,350,837,950.00
United States Savings Bonds.....		<sup>3</sup> 62,047,818.75	+62,047,818.75
Total bonds.....	16,459,103,020.00	14,847,112,338.75	-1,611,990,681.25
Treasury notes.....	6,653,111,900.00	10,023,251,900.00	+3,370,140,000.00
Certificates of indebtedness.....	1,517,245,000.00		-1,517,245,000.00
Treasury bills.....	1,404,035,000.00	2,052,898,000.00	+648,863,000.00
Total.....	26,033,494,920.00	26,923,262,238.75	+889,767,318.75
Special issues for investment of trust funds, etc.:			
Treasury notes.....	278,439,000.00	477,742,000.00	+199,303,000.00
Certificates of indebtedness.....	117,800,000.00	155,500,000.00	+37,700,000.00
Total.....	396,239,000.00	633,242,000.00	+237,003,000.00
Total interest-bearing debt.....	<sup>1</sup> 26,429,733,920.00	<sup>2</sup> 27,556,504,238.75	+1,126,770,318.75
Matured debt on which interest has ceased.....	<sup>4</sup> 105,020,780.26	<sup>5</sup> 319,399,005.26	+214,378,225.00
Debt bearing no interest.....	518,386,714.22	824,989,380.52	+306,602,666.30
Total gross debt.....	27,053,141,414.48	28,700,892,624.53	+1,647,751,210.05

<sup>1</sup> Excludes \$50,753,950 estimated amount of outstanding first-called Fourth 4¼'s on which interest has ceased.

<sup>2</sup> Excludes \$88,736,850 estimated amount of outstanding first-, second-, and third-called Fourth 4¼'s on which interest has ceased.

<sup>3</sup> Includes only bonds sold during March and April less redemptions through June 30. The amount sold during March to June inclusive amounted to \$96,365,587.50 as shown in the table on page 24, and subtracting redemptions to that date (on the basis of daily Treasury statements, revised), the amount actually outstanding on June 30, 1935, was \$95,834,700.00. Sales during May and June were not taken into the Treasurer's books, however, until the next fiscal year.

<sup>4</sup> Includes \$50,753,950 referred to in note 1.

<sup>5</sup> Includes \$88,736,850 referred to in note 2.

Open market issues during the year aggregated \$12,099,919,493.75, and maturities and redemptions aggregated \$11,234,065,275.00, with a resulting increase of \$865,854,218.75 in this class of debt outstanding. Open market transactions during 1935 are summarized in the table on page 14.



COMPOSITION OF THE INTEREST-BEARING PUBLIC DEBT OUTSTANDING, BY TYPES OF OBLIGATIONS, MONTHLY, JANUARY 1926 TO JUNE 1935, IN PERCENT OF THE TOTAL

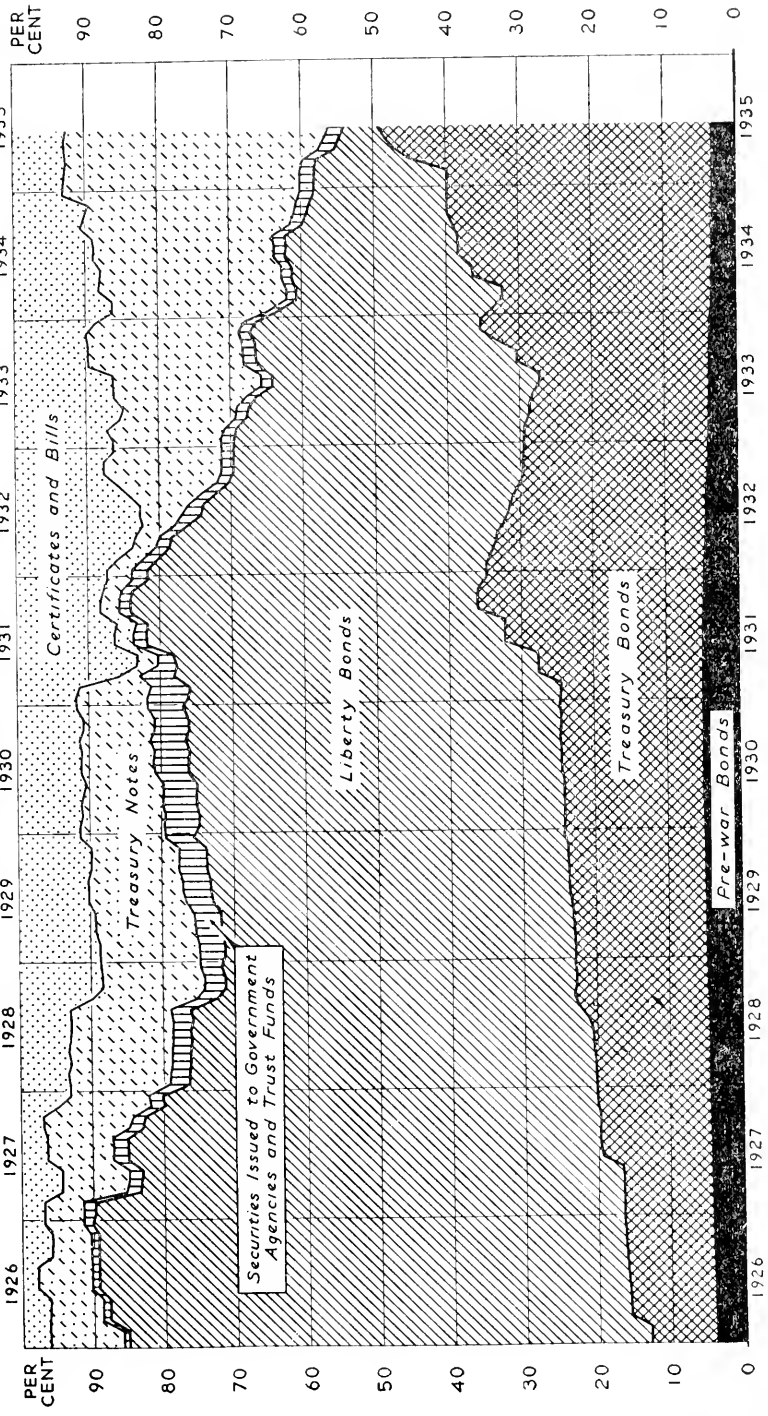


CHART 4.

*Open market issues, maturities, and redemptions during the fiscal year 1935 (pre-war and postal savings bonds excluded)*

[On basis of daily Treasury statements (unrevised), see p. 293]

	Outstanding June 30, 1934		Issues		Maturities and redemptions		Outstanding June 30, 1935	
	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount
Liberty bonds.....	2	\$6,295,020, 300	-----	-----	1	\$5,048,789, 550	1	\$1,246,230, 750
Treasury bonds.....	12	9, 332, 732, 350	2	\$3, 351, 392, 950	-----	4 555, 000	14	12, 683, 570, 300
United States Savings Bonds.....	-----	-----	1	62, 567, 044	-----	4 519, 225	1	62, 047, 819
Treasury notes.....	15	6, 653, 111, 900	5	4, 678, 893, 500	3	1,308, 753, 500	17	10, 023, 251, 900
Certificates of indebtedness.....	2	1, 517, 245, 000	-----	-----	2	1, 517, 245, 000	-----	-----
Treasury bills.....	23	1, 404, 035, 000	63	7, 007, 066, 000	49	3, 358, 203, 000	37	2, 052, 898, 000
Total.....	54	25, 202, 144, 550	71	12, 099, 919, 494	55	11, 234, 065, 275	70	26, 067, 998, 769

<sup>1</sup> Excludes \$50,753,950 estimated amount of outstanding first-called Fourth 4½'s on which interest has ceased.

<sup>2</sup> Includes First Liberty Loan bonds called for redemption June 15, 1935, and estimated amount of Fourth Liberty Loan bonds included in second and third calls for partial redemption Oct. 15, 1934, and Apr. 15, 1935, respectively.

<sup>3</sup> Excludes \$88,736,850 estimated amount of outstanding first-, second-, and third-called Fourth 4½'s on which interest has ceased.

<sup>4</sup> Redemptions prior to maturity.

<sup>5</sup> Includes only bonds sold during March and April.

<sup>6</sup> Includes only bonds sold during March and April less redemptions through June 30. See note 3, p. 12.

<sup>7</sup> Includes \$335,686,600 Treasury notes, series B-1935, due Aug. 1, 1935, redeemed June 15, 1935, in exchange for Treasury notes, series B-1940.

These transactions occasioned a considerable alteration of the composition and of the final maturity of the interest-bearing debt outstanding. The composition of the debt divided between six types of obligations, from January 1926 to June 1935, is shown in the chart on page 13, in which the total interest-bearing debt outstanding each month is taken as 100 percent. The various maturities, by years, of the interest-bearing debt outstanding as of June 30 for each of the last four years are shown in chart 5 on the page opposite.

On the basis of the interest-bearing debt outstanding on June 30, 1934, and on June 30, 1935, the computed annual interest charge was reduced from \$842,301,133 to \$748,878,754, and the computed average rate of interest borne was reduced from 3.181 to 2.715 percent. The reduction of \$93,422,379 in the computed annual interest charge, notwithstanding an increase of over one billion dollars in the outstanding interest-bearing debt, was brought about through money market conditions which permitted the issue of new debt at low rates of interest, as is indicated by the reduction of 0.466 percent in the computed rate. Actual expenditures for interest during 1935 were \$820,926,353.45.

The course of the interest-bearing debt outstanding and of the computed rate of the interest charge on that debt from January 1919 through June 1935, is shown in chart 6 on page 16 and in table 32 on page 401.

MATURITY, BY CALENDAR YEARS, OF THE INTEREST-BEARING PUBLIC DEBT OUTSTANDING<sup>1</sup> AS OF JUNE 30, 1932 TO 1935

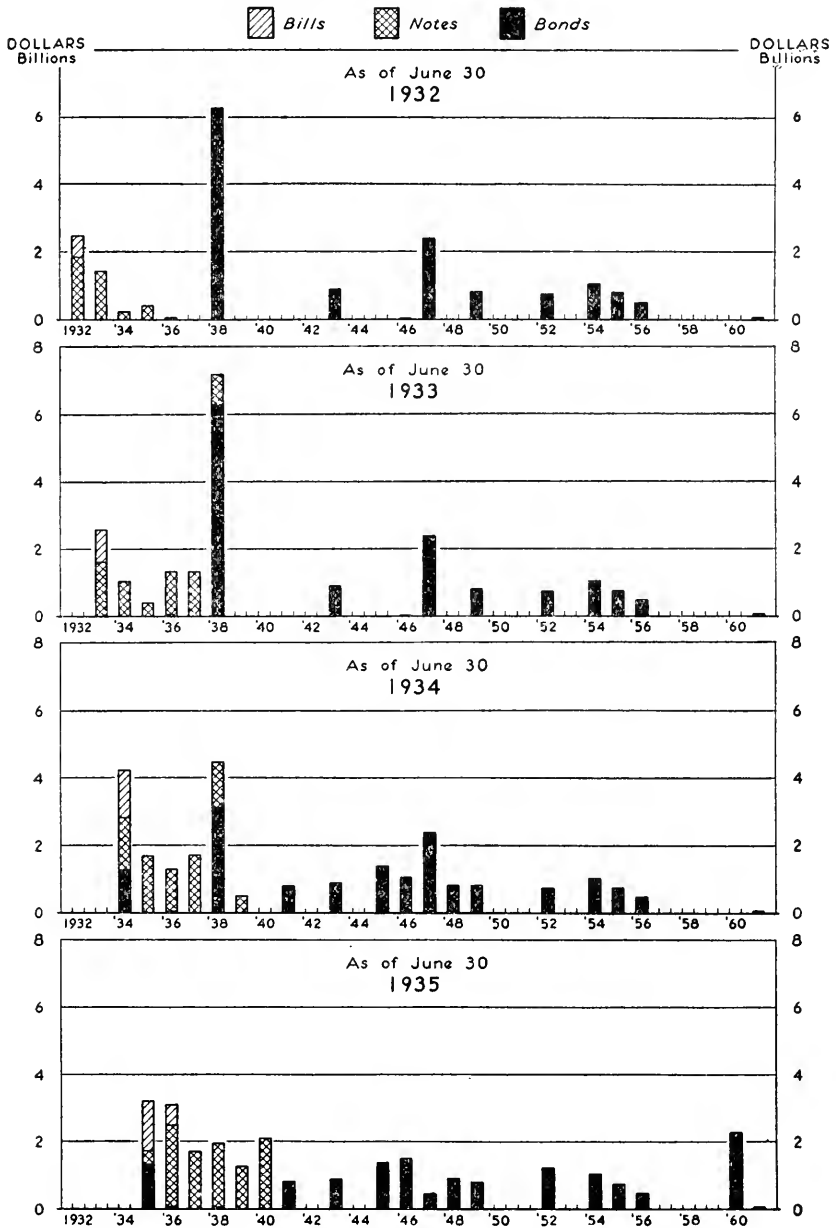


CHART 5.

Exclusive of consols, postal savings bonds, United States Savings Bonds, and special obligations issued to governmental trust funds and agencies. Certificates of indebtedness are included with Treasury notes.

*Issues during the year*

Net new issues during the year were confined to sales for cash of \$967,861,000 of Treasury bonds and notes on December 15, 1934, weekly sales of Treasury bills in moderate amounts, the total for the year being \$648,863,000 in excess of maturities, and the sale for cash, on a bid basis, on June 3, 1935, of \$98,708,000 par amount of 3 percent Treasury bonds of 1946-48. Otherwise the open market issues were offered only in exchange for maturing or called obligations.

**INTEREST-BEARING DEBT OUTSTANDING<sup>1</sup> AND COMPUTED RATE OF INTEREST THEREON, BY MONTHS, JANUARY 1919 TO JUNE 1935**

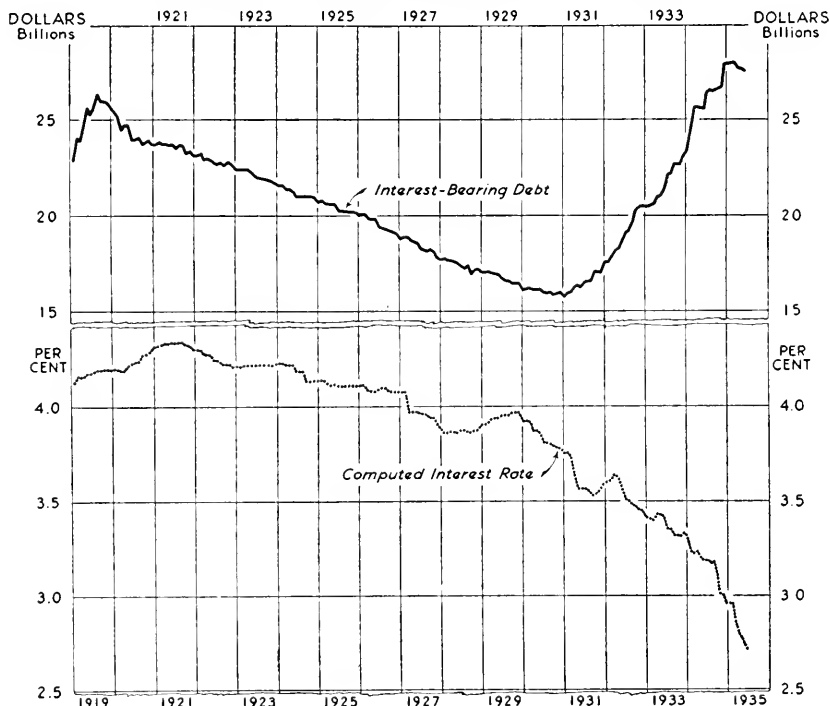


CHART 6.

On September 10, 1934, in addition to exchange offerings made to the holders of second-called Fourth Liberty Loan bonds, an issue of 2-year 1½ percent Treasury notes of series D-1936 was offered in exchange for 1½ percent Treasury certificates of indebtedness maturing September 15, 1934. The subscription books were closed on September 13, 1934, and \$514,066,000 of the \$524,748,500 maturing certificates were exchanged for the new Treasury notes.

On December 3, 1934, the December 15 financing was announced, there being offered for cash \$450,000,000 of 15-18 year 3½ percent

<sup>1</sup> On basis of daily Treasury statements (revised). Exclusive of United States Savings Bonds.

Treasury bonds of 1949-52 and \$450,000,000 of 1½-year 1¼ percent Treasury notes of series E-1936. In addition, the 1¼ percent notes and an additional issue of 2¼ percent notes of series A-1939 were offered in exchange for 2¼ percent Treasury certificates of indebtedness of series TD-1934, of which \$992,496,500 were maturing on December 15, 1934. The subscription books for the cash offerings were closed on the opening day, December 3, and those for the exchange offerings were closed on December 6, 1934. Cash subscriptions aggregating \$2,334,467,500 were received for the 3¼ percent Treasury bonds of 1949-52, of which \$491,377,100 were allotted, and cash subscriptions aggregating \$3,036,069,900 were received for the 1¼ percent Treasury notes of series E-1936, of which \$476,483,900 were allotted. With respect to the exchange subscriptions, \$210,-132,500 of the maturing certificates were exchanged for the 1¼ percent Treasury notes of series E-1936 and \$765,192,500 were exchanged for the 2¼ percent Treasury notes of series A-1939. Accordingly, exchanges aggregated \$975,325,000 and only \$17,171,500 of the maturing certificates were not exchanged.

In addition to the exchange offering of bonds for third-called Fourth Liberty Loan bonds on March 4, 1935, an issue of 5-year, 1¼ percent Treasury notes of series A-1940 was offered in exchange for 2½ percent Treasury notes maturing March 15, 1935. The subscription books were closed on March 8, 1935, and \$513,884,200 of the \$528,101,600 of maturing Treasury notes were exchanged for the new series.

On May 27, 1935, tenders were invited for an additional issue of \$100,000,000 of 3 percent Treasury bonds of 1946-48. Tenders aggregating \$270,077,000 were received up to May 29, 1935, and tenders aggregating \$98,708,000, at prices ranging from 103<sup>2</sup>/<sub>32</sub> down to 103<sup>1</sup>/<sub>32</sub> inclusive, were accepted. The average price of the bonds issued was 103<sup>1</sup>/<sub>32</sub> and a total premium of \$3,082,863.87 was received.

On June 24, 1935, tenders were again invited for an additional \$100,000,000 of the same bonds. Tenders aggregating \$461,341,000 were received up to June 26, and those ranging in price from 103<sup>2</sup>/<sub>32</sub> down to 103<sup>1</sup>/<sub>32</sub>, aggregating \$112,669,000, were accepted. The average price of the issue was 103<sup>1</sup>/<sub>32</sub>, and a premium of \$4,005,378.18 was received—payment being made on July 1, 1935.

On June 10, 1935, an issue of 5-year 1½ percent Treasury notes of series B-1940 was offered in exchange for 3 percent Treasury notes of series A-1935 maturing June 15, 1935, of which \$416,602,800 were outstanding, and for 1½ percent Treasury notes of series B-1935 maturing August 1, 1935, of which \$353,865,000 were outstanding. The subscription books were closed on June 13, 1935, at which time \$402,741,800 of the notes maturing June 15 and \$335,686,600 of the notes maturing August 1, or a total of \$738,428,400, were exchanged for the new notes.

The refunding of the First and Fourth Liberty Loans, the calls of the 2 percent bonds, the issue of United States Savings Bonds, and an account of the cumulative sinking fund, are discussed separately in the pages following.

Details of the open market transactions are set forth in the statement appearing as table 25 on page 394, in which each separate issue offered, matured, or redeemed during the year is shown. All official circulars and public statements, relating to these transactions during the fiscal year are included among the exhibits appended to this report.

#### *Second Liberty Bond Act—Further amendments*

The act of February 4, 1935, further amended the Second Liberty Bond Act in several important particulars, so as to permit more flexibility and economy in Government financing.

Before the amendment in question, the act authorized the issue of \$28,000,000,000 of bonds, which authority was not recurring, and in addition authorized the issue of \$10,000,000,000 of notes outstanding at any one time and \$10,000,000,000 of certificates of indebtedness or Treasury bills outstanding at any one time. In lieu of this authority, the act of February 4, 1935, established a revolving authority for the issue of bonds, providing that not exceeding \$25,000,000,000 may be outstanding at any one time, and at the same time consolidated authority to issue notes, certificates of indebtedness, and Treasury bills so as to provide that not exceeding \$20,000,000,000 of these classes in the aggregate may be outstanding at any one time. The former language authorizing the issue of bonds, notes, certificates of indebtedness, and Treasury bills was modified so as to bring the language of the several sections of the act into agreement as to the purposes for which such securities might be issued.

The new act also gave authority for the issuance of United States Savings Bonds, a new type of security, to be issued on a discount basis, with maturities not less than 10 nor more than 20 years with provision for redemption prior to maturity at the option of the holder, and at an issue price to afford a yield not in excess of 3 percent per annum, compounded semiannually. The act also repealed authority for further issues of postal savings bonds after July 1, 1935, and made provision for the conversion of postal savings deposits into Savings Bonds. It further authorized the use of the Postal Service for the sale of these bonds.

The act of February 4, 1935, will be found as exhibit 31 on page 243.

#### *Cumulative sinking fund*

The appropriation available for the cumulative sinking fund during the fiscal year 1935, including an unexpended balance of \$79,354,835 brought forward from the fiscal year 1934, was \$573,183,652.

Fourth Liberty Loan bonds called for redemption on April 15 and October 15, 1934, and April 15, 1935, in an aggregate face amount of \$421,407,750, and First Liberty Loan bonds, called for redemption on June 15, 1935, in an aggregate face amount of \$151,592,250, were redeemed at par for account of the fund, and an unexpended balance of \$183,652 was carried forward to the fiscal year 1936.

Tables covering transactions on account of the fund for the fiscal year 1935, and since its inception on July 1, 1920, will be found on pages 398 and 399 of this report.

*Refunding of Fourth Liberty Loan continued*<sup>1</sup>

The refunding of the Fourth Liberty Loan 4¼ percent bonds of 1933-38, begun during the fiscal year 1934, was continued during 1935. On October 12, 1933, an amount estimated at \$1,880,428,200 of the outstanding bonds was called for redemption on April 15, 1934. In response to an exchange offer made at the time of the call \$874,-863,900 of first-called bonds and \$25,852,650 of uncalled bonds were exchanged for 4¼-3¼ percent Treasury bonds of 1943-45. In April 1934, \$827,494,000 of first-called bonds were exchanged for 3¼ percent Treasury bonds of 1944-46, and a balance of \$178,070,300 remained for cash redemption. The second call, for the redemption of \$1,246,231,800 of the outstanding bonds on October 15, 1934, was issued on April 13, 1934.

On September 10, 1934, an additional issue of 3¼ percent Treasury bonds of 1944-46, and an issue of 4-year 2½ percent Treasury notes of series D-1938, were offered, both in exchange for Fourth Liberty Loan bonds called for redemption on October 15, 1934. The subscription books for the Treasury notes were closed on September 24, and those for the Treasury bonds on October 11, 1934. Through these offerings, \$456,898,300 of the second-called Fourth Liberty Loan bonds were exchanged for 3¼ percent Treasury bonds of 1944-46 and \$596,416,100 were exchanged for 2½ percent Treasury notes of series D-1938. There remained outstanding for cash redemption \$192,917,-400 of the Fourth Liberty Loan bonds called for redemption on October 15, 1934.

On October 12, 1934, the third call was issued for the redemption on April 15, 1935, of approximately \$1,869,346,100 of the outstanding Fourth Liberty Loan bonds. For the refunding of those bonds, announcement was made on March 4, 1935, of an offering of 20-25 year 2½ percent Treasury bonds of 1955-60 to be issued in exchange

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<sup>1</sup> Fourth Liberty Loan bonds (temporary coupon, permanent coupon, and registered) were numbered serially beginning with no. 1 for each denomination, and all bonds were issued in this serial order. Accordingly, the outstanding bonds were divisible into 10 approximately equal series as determined by the final digits of the serial numbers, and this approximate division was the basis for determining the amounts included in each of the 4 calls. In the account under this heading, this approximate division has been used. It follows that such amounts are subject to adjustment as bonds are redeemed.

for the called bonds. This exchange offering of Treasury bonds of 1955-60 was terminated on March 27, 1935, at which time \$1,558,022,650 of the Fourth Liberty Loan bonds called for redemption on April 15, 1935, had been exchanged for the new Treasury bonds, and of the called bonds approximately \$311,323,450 remained outstanding for cash redemption on or after April 15.

On April 14, 1935, the fourth and final call was issued for the redemption on October 15, 1935, of the remainder of the outstanding Fourth Liberty Loan bonds not previously called, the amount included in the final call being estimated at \$1,246,230,750. No action for the refunding of these bonds was taken before the close of the fiscal year.

Up to the close of 1935, of the \$6,268,094,150 of the Fourth Liberty Loan bonds outstanding October 12, 1933, \$4,339,547,600 were exchanged for other issues, \$593,578,950 were redeemed for cash, and there remained outstanding on June 30, 1935, approximately \$88,736,850 on which interest had ceased and approximately \$1,246,230,750 called for redemption on October 15, 1935. On the basis of the exchanges to the end of the fiscal year 1935, the annual interest charge was reduced \$53,711,182.

A brief summary of the refunding operations to June 30, 1935, follows:

Fourth 4¼'s outstanding Oct. 12, 1933.....		\$6, 268, 094, 150
<hr/>		
Exchanged for—		
4¼-3¼ percent Treasury bonds of 1943-45..	\$900, 716, 550	
3¼ percent Treasury bonds of 1944-46...	1, 284, 392, 300	
2⅞ percent Treasury bonds of 1955-60...	1, 558, 022, 650	
2½ percent Treasury notes, series D-1938..	596, 416, 100	
	<hr/>	
Total exchanged.....	4, 339, 547, 600	
Redeemed for cash.....	593, 578, 950	
	<hr/>	
Total retired to June 30, 1935.....		4, 933, 126, 550
Balance outstanding June 30, 1935:		
First-, second-, and third-called (payable on presentation).....	1 88, 736, 850	
Fourth-called, for redemption on Oct. 15, 1935.....	1 1, 246, 230, 750	
	<hr/>	
Total outstanding.....		1, 334, 967, 600
		<hr/>
		6, 268, 094, 150

The official calls and the official circulars governing redemptions and offering exchange issues during the year, will be found in the public debt exhibits beginning on page 181 of this report.

<sup>1</sup> Estimated amount subject to adjustment as bonds are redeemed



*Refunding of First Liberty Loan*

On March 14, 1935, all outstanding First Liberty Loan bonds, including those of the original issue and those subsequently issued on conversion were called for redemption on June 15, 1935. The First Liberty Loan, in the form of 3½ percent bonds, was originally issued June 15, 1917, in the total amount of \$1,989,455,550. Subsequently three conversion privileges arose, and the 3½ percent bonds were in part converted into other First Liberty Loan bonds bearing interest at 4 or 4¼ percent, and the 4 percent bonds issued on conversion were largely converted into 4¼ percent bonds. At the time of the call, First Liberty Loan bonds, divided among the four issues, were outstanding as follows:

First 3½'s.....	\$1, 392, 226, 250
First converted 4's.....	5, 002, 450
First converted 4¼'s.....	532, 489, 100
First-second converted 4¼'s.....	3, 492, 150
	<hr/>
	1, 933, 209, 950

On April 22, 1935, announcement was made of the offering of additional issues of 20-25 year 2⅞ percent Treasury bonds of 1955-60, and of 5-year 1⅝ percent Treasury notes of series A-1940, both in exchange for First Liberty Loan bonds of any series, called for redemption on June 15, 1935. The Treasury bonds and the Treasury notes then offered were identical in all respects with the bonds and notes offered on March 4, 1935, and formed a part of those respective issues.

The bonds and the notes were offered at par, with the right reserved to increase the issue price of either the bonds or the notes, or both, by public announcement effective at any time fixed by the Secretary but not earlier than April 29, 1935.

The exchange offering of 1⅝ percent Treasury notes was terminated on May 2, 1935. On May 3, 1935, public announcement was made that the issue price of the 2⅞ percent Treasury bonds offered in exchange would be increased to 100½, effective after May 7, 1935. The exchange offering of Treasury bonds was terminated on May 23, 1935.

First Liberty Loan bonds aggregating \$1,610,886,550 were exchanged, \$746,406,550 for 2⅞ percent Treasury bonds of 1955-60 and \$864,480,000 for 1⅝ percent Treasury notes of series A-1940, and \$322,323,400 of the called bonds remained outstanding for cash

redemption pursuant to the call. A summary of the refunding operation follows:

Outstanding March 14, 1935.....		\$1, 933, 209, 950
Exchanged for—		
2½ percent Treasury bonds of 1955-60....	\$746, 406, 550	
1½ percent Treasury notes, series A-1940..	864, 480, 000	
	<hr/>	
Total exchanged.....	1, 610, 886, 550	
Cash redemptions to June 30, 1935.....	177, 521, 750	
	<hr/>	
Total retired to June 30, 1935.....		1, 788, 408, 300
Outstanding June 30, 1935, payable on presentation.....		144, 801, 650
		<hr/>
		1, 933, 209, 950

The official call and the official circulars governing the redemption and offering the exchange issues are presented as exhibits 11, 13, and 14 beginning on pages 210, 217, and 222 of this report. A statement showing details of the refunding appears as exhibit 15 on page 223.

#### *Redemption of 2 percent bonds*

On March 11, 1935, calls were issued for the redemption on July 1 of the outstanding 2 percent consols of 1930 and for the redemption on August 1, 1935, of the outstanding 2 percent bonds of the Panama Canal loans of 1916-36 and 1918-38. The 2 percent consols in the amount of \$646,250,150 were issued between 1900 and 1907 under the act of March 14, 1900, in refunding a like amount of outstanding 3, 4, and 5 percent bonds. Under section 18 of the Federal Reserve Act \$46,526,100 of the consols were refunded into 3 percent bonds and notes, reducing the amount outstanding to \$599,724,050, the amount called. Two percent bonds, in the amount of \$84,631,980, were issued under the act of June 28, 1902, to provide funds for the construction of the Panama Canal. These bonds were issued in two series, \$54,631,980, dated August 1, 1906, making up the series of 1916-36, and \$30,000,000, dated November 1, 1908, making up the series of 1918-38. Under the Federal Reserve Act, \$5,677,800 of the former and \$4,052,600 of the latter series were refunded into 3 percent bonds or notes reducing the amounts outstanding to \$48,954,180 and \$25,947,400, respectively.

For many years the only outstanding bonds available for deposit as security for the issue of circulating notes of national banks were the 2 percent consols of 1930 and the two series of 2 percent Panama Canal bonds. As an emergency measure, by a provision of the Federal Home Loan Bank Act approved July 22, 1932, the circulation privilege was attached to all bonds of the United States bearing interest at a rate not exceeding 3½ percent per annum for a 3-year period, terminating July 22, 1935. Retirement of the 2 percent

consols of 1930 and the 2 percent Panama Canal bonds, and the expiration of the authority to use other bonds as security for the issuance of circulating notes of national banks will eventually result in the elimination of national bank notes as a medium of circulation and to such extent will accomplish a simplification of the currency system of the United States.

At the time the calls were issued it was announced that in retiring the called bonds the Treasury would make use of part of the balance of gold in the General Fund resulting from the reduction in the weight of the gold dollar, and that gold certificates would be issued to the Federal Reserve banks in an amount about equal to that of the bonds retired, a like amount of gold being withdrawn from the General Fund as security for the gold certificates issued. The gold certificates issued to Federal Reserve banks will form added reserves against which Federal Reserve notes may be issued in replacement of the national bank currency retired. It was subsequently decided that such gold certificates should be issued to the Federal Reserve banks only as rapidly as the national bank currency in circulation is actually retired, in order to avoid a temporary increase in member bank reserves during the interim between the redemption of the 2 percent bonds and the actual retirement of the national bank currency. The gradual retirement of the national bank currency and the issuance of gold certificates to the Federal Reserve banks in accordance with this program is now in progress.

Deposits in the Treasury by national banks of moneys for the retirement of national bank notes, principally in anticipation of the retirement of the 2 percent bonds, together with deposits by Federal Reserve banks for the retirement of Federal Reserve bank notes during the fiscal year amounted to \$553,936,922.50 or \$306,626,602.50 in excess of expenditures for the redemption of such currency. Such unexpended deposits for the retirement of national bank and Federal Reserve bank currency are carried as "noninterest-bearing debt" and account entirely for the increase in this item shown in the table on page 12.

The public announcement concerning the retirement of the 2 percent consols and the 2 percent Panama Canal bonds, the official calls for redemption, and the official circulars governing the redemption of these bonds, are included as exhibit 10 on page 204 of this report.

### *United States Savings Bonds*

United States Savings Bonds, a new type of Government security, were placed on sale beginning March 1, 1935. These bonds, authorized under the Second Liberty Bond Act, as amended by the act of February 4, 1935, are issued on a discount basis. Bonds of the

initial series, the sale of which is limited to the calendar year 1935, will mature in each instance 10 years from the first day of the month in which issued. The issue price of these securities was fixed at \$75 for each \$100 face amount, and at this price the investment yield is about 2.9 percent, compounded semiannually, if the bonds are held to maturity. The bonds are fully registered and are not transferable. They are issued in denominations of \$25, \$50, \$100, \$500, and \$1,000 (maturity value), and a single ownership is limited to \$10,000 (maturity value) of bonds issued in any one calendar year. A Savings Bond may be redeemed prior to maturity (but not within 60 days after the issue date), at the owner's option, at fixed redemption values which increase each 6 months after 1 year from the issue date. If redeemed prior to maturity the investment yield is less than if the bond is held to maturity. For the sale of United States Savings Bonds the Postal Service has been utilized, and these bonds are on sale at about 14,000 post offices, including those of the first, second, and third class, and a few of the fourth class.

During the period March 1 to June 30, 1935, United States Savings Bonds in the aggregate maturity value of \$128,487,450 were sold, for which cash aggregating \$96,365,587.50 was received. Redemptions, on the basis of daily Treasury statements (revised), amounted to \$172,068.75 in May and \$358,818.75 in June, or a total of \$530,887.50. Sales by months and denominations follow:

*Sales of United States Savings Bonds, by months<sup>1</sup> and denominations, March 1 to June 30, 1935*

	\$25	\$50	\$100	\$500	\$1,000	Total
MATURITY VALUE						
March.....	\$1,301,975	\$1,672,750.00	\$7,487,300	\$13,576,500	\$27,713,000	\$51,751,525.00
April.....	595,925	859,850.00	4,336,600	8,010,500	17,912,000	31,714,875.00
May.....	421,975	651,950.00	3,104,600	5,811,000	13,807,000	23,796,525.00
June.....	379,825	594,600.00	2,813,100	4,957,000	12,480,000	21,224,525.00
Total.....	2,699,700	3,779,150.00	17,741,600	32,355,000	71,912,000	128,487,450.00
CASH RECEIPTS						
Total.....	\$2,024,775	\$2,834,362.50	\$13,306,200	\$24,266,250	\$53,934,000	\$96,365,587.50

<sup>1</sup> Separation of sales by months on the basis of final Treasury audit of sales reported by the Postal Service through June 30.

It should be noted, however, that most of the tables in this report showing the public debt outstanding on June 30, 1935, include only United States Savings Bonds sold and reported by the Post Office Department in March and April, less redemptions to June 30. Sales are taken into the Treasurer's books as part of the public debt

between one and two months after the close of the month in which the sales are made. Accordingly, actual sales during May and June did not appear in the public debt until after the close of the fiscal year. In the interim, necessary for verification, the cash receipts from sales of such bonds by the Postal Service were carried as a special account in the General Fund to the credit of the Postmaster General. Postal Service reports of sales through June 30 appear as exhibit 7, page 199.

Department Circular No. 529, offering United States Savings Bonds for sale, and Department Circular No. 530, prescribing regulations governing the bonds, both dated February 25, 1935, will be found as exhibits 6 and 33 on pages 197 and 246 of this report.

### GENERAL FUND OF THE TREASURY

All cash receipts of the Government are deposited in the General Fund of the Treasury and all expenditures are made from it. The balance in this fund represents the cash balance of the Government. The net change in this balance from the close of the previous fiscal year is accounted for as follows:

#### *Analysis of the change in the General Fund balance between June 30, 1934, and June 30, 1935*

[On basis of daily Treasury statements (unrevised), see p. 293. For a description of accounts through which Treasury transactions are effected, see p. 294]

Balance, June 30, 1934.....		\$2,581,922,240.16
Ordinary receipts:		
General and special funds.....		3,800,467,201.96
Trust funds, increment on gold, etc.....		371,509,695.45
Net increase in gross public debt.....		1,647,751,210.05
		8,401,650,347.62
Total funds available.....		8,401,650,347.62
Expenditures chargeable against ordinary receipts:		
General and special accounts.....	\$7,375,825,165.57	
Less public debt retirements.....	573,558,250.00	
		\$6,802,266,915.57
Trust funds, increment on gold, etc.....	1 150,546,457.42	
Less national bank note retirements.....	91,415,650.00	
		1 241,962,107.42
Total expenditures (excluding retirements of public debt and national bank notes).....		6,560,304,808.15
Balance, June 30, 1935.....		1,841,345,539.47

The composition of the General Fund of the Treasury, existing liabilities against the assets in the fund, and the balances in excess of such liabilities are shown for June 30, 1934 and 1935, in the table following. Similar information is presented in somewhat greater detail, on the basis of the daily Treasury statements (revised), in the table on page 406 of this report.

<sup>1</sup> Excess of credits (deduct).

*Current cash assets and liabilities of the Treasury, June 30, 1934 and 1935, and changes during the year*

[On basis of daily Treasury statements (unrevised), see p. 293]

	June 30, 1934	June 30, 1935	Increase (+), decrease (-)
<b>Gold assets: Gold</b> .....	\$7,856,074,225.67	\$9,115,380,809.40	+\$1,259,306,583.73
<b>Deduct gold liabilities:</b>			
Gold certificates outstanding (outside of Treasury).....	958,684,599.00	787,745,989.00	-170,938,610.00
Gold certificate fund, Federal Reserve Board.....	3,973,332,588.66	5,509,710,115.48	+1,536,377,526.82
Redemption fund, Federal Reserve notes.....	25,722,721.73	22,879,855.28	-2,842,866.45
Gold reserve <sup>2</sup> .....	156,039,430.93	156,039,430.93	-----
Exchange stabilization fund.....	1,800,000,000.00	1,800,000,000.00	-----
<b>Total</b> .....	<b>6,913,779,340.32</b>	<b>8,276,375,390.69</b>	<b>+1,362,596,050.37</b>
Gold in General Fund.....	942,294,885.35	839,005,418.71	-103,289,466.64
<b>Silver assets:</b>			
Silver.....	1,560,000.00	313,308,863.15	+311,748,863.15
Silver dollars.....	503,852,622.00	510,024,945.00	+6,172,323.00
<b>Total</b> .....	<b>505,412,622.00</b>	<b>823,333,808.15</b>	<b>+317,921,186.15</b>
<b>Deduct silver liabilities:</b>			
Silver certificates outstanding.....	494,996,414.00	810,040,419.00	+315,044,005.00
Treasury notes of 1890 outstanding.....	1,189,324.00	1,181,574.00	-7,750.00
<b>Total</b> .....	<b>496,185,738.00</b>	<b>811,221,993.00</b>	<b>+315,036,255.00</b>
Silver in General Fund.....	9,226,884.00	12,111,815.15	+2,884,931.15
<b>General Fund assets:</b>			
<b>In Treasury offices:</b>			
Gold (as above).....	942,294,885.35	839,005,418.71	-103,289,466.64
Silver (as above).....	9,226,884.00	12,111,815.15	+2,884,931.15
Other coin, currency, and bullion.....	93,668,569.49	192,906,203.17	+99,237,633.68
<b>In depository banks, reserve banks, and treasury of Philippine Islands.....</b>	<b>1,984,894,916.20</b>	<b>958,480,491.77</b>	<b>-1,026,414,424.43</b>
All other—collections, etc.....	2,831,924.78	13,565,097.25	+10,733,172.47
<b>Total</b> .....	<b>3,032,917,179.82</b>	<b>2,016,069,026.05</b>	<b>-1,016,848,153.77</b>
<b>Deduct General Fund liabilities</b> .....	<b>450,994,939.66</b>	<b>174,723,486.58</b>	<b>-276,271,453.08</b>
<b>Balance in the General Fund of the Treasury</b> .....	<b>2,581,922,240.16</b>	<b>1,841,345,539.47</b>	<b>-740,576,700.69</b>
<b>Balance of increment resulting from reduction in weight of the gold dollar</b> .....	<b>811,375,756.72</b>	<b>700,091,147.08</b>	<b>-111,284,609.64</b>
<b>Seigniorage</b> <sup>3</sup> .....	<b>140,111,441.47</b>	<b>140,111,441.47</b>	<b>+140,111,441.47</b>
<b>Working balance</b> .....	<b>1,770,546,483.44</b>	<b>1,001,142,950.92</b>	<b>-769,403,532.52</b>
Balance in the General Fund of the Treasury.....	2,581,922,240.16	1,841,345,539.47	-740,576,700.69

<sup>1</sup> Gold valued at \$35 per fine ounce.

<sup>2</sup> Reserve against \$46,681,016 of United States notes and Treasury notes of 1890 outstanding in the amount of \$1,189,324 in 1934 and \$1,181,574 in 1935. Treasury notes of 1890 are also secured by silver dollars in the Treasury.

<sup>3</sup> This item represents seigniorage resulting from the issuance of silver certificates equal to the cost of the silver acquired under the Silver Purchase Act of 1934 and the amount returned for the silver received under the President's proclamation dated Aug. 9, 1934.

### EMERGENCY LEGISLATION

During the fiscal year 1935, further appropriations and allocations of funds were made for the purpose of continuing the Federal program to furnish relief and to aid recovery. An increase in the capital structure of certain corporate agencies of the Government was authorized, funds were appropriated for an extensive emergency public employment program, and the borrowing limits of the Treasury were raised by amendments to the Second Liberty Bond Act. These amendments are discussed on page 18 of this report.

On June 30, 1935, the amount of capital stock and obligations that the Reconstruction Finance Corporation was authorized to have outstanding at any one time was \$6,050,000,000, exclusive of indefinite authorizations for which there is no statutory limitation. By the act approved January 31, 1935, extending the life of the Corporation, the authorization had been increased in the amount of \$100,000,000 to enable the Corporation to subscribe for, or make loans upon,

nonassessable stock of national mortgage associations organized under the National Housing Act and of other mortgage institutions. The same act increased from \$50,000,000 to \$75,000,000 the authorization to subscribe to preferred stock and purchase capital notes of insurance companies.

During the year the Reconstruction Finance Corporation made further sales of its notes to the Secretary of the Treasury in the net amount of \$400,000,000. As of June 30, 1935, the total sold to the Treasury amounted to \$3,655,000,000 excluding the original \$500,000,000 of the Corporation's capital stock purchased by the Treasury. Notes issued by the Corporation directly to banks from which the Corporation purchased capital stock increased by \$14,957,000 to \$249,771,667 during the fiscal year.

An amendment, approved May 28, 1935, to the Home Owners' Loan Act of 1933, increased the bond-issuing authority of the Home Owners' Loan Corporation from \$3,000,000,000 to \$4,750,000,000 in order to enable that Corporation to provide further relief to individual home-mortgage borrowers.

The Emergency Relief Appropriation Act of 1935, approved April 8, 1935, provided funds for additional emergency activities of the Government. A direct appropriation of \$4,000,000,000 was made to provide relief and work relief and to increase employment by providing for useful projects. It is to remain available until June 30, 1937. An additional amount not to exceed \$880,000,000 was reappropriated from the unexpended balances of funds of the Reconstruction Finance Corporation and of other emergency appropriations. The \$4,000,000,000 appropriation was made available for the following classes of projects in the amount indicated after each class:

Highways, roads, streets, and grade-crossing elimination.....	\$800,000,000
Rural rehabilitation and relief in stricken agricultural areas, water conservation, etc.....	500,000,000
Rural electrification.....	100,000,000
Housing.....	450,000,000
Assistance for educational, professional, and clerical persons.....	300,000,000
Civilian Conservation Corps.....	600,000,000
Loans and grants for projects of States and local governments.....	900,000,000
Sanitation, prevention of soil erosion, reforestation, flood control, rivers and harbors, miscellaneous.....	350,000,000
Total.....	4,000,000,000

It was further provided that the President might increase any one or more of the foregoing limits by 20 percent of the appropriation.

The following table summarizes all funds appropriated for emergency purposes and allocated to governmental organizations, expenditures therefrom, and unexpended balances on June 30, 1935. As shown in the table, \$2,211,000,000 of the \$4,000,000,000 appropriated under the Emergency Relief Appropriation Act of 1935 remained unallocated on that date. Practically all of the funds made available under this act were allocated by December 15, 1935. A subsidiary table shows the details of revolving funds in which repayments and collections from previous loans are offset against payments for current loans made by Federal lending agencies.

*Funds appropriated and allocated to emergency organizations, expenditures therefrom, and unexpended balances, as of June 30, 1935*

[In millions of dollars]

Organization	Sources of funds					Expenditures <sup>1</sup>		Unexpended	
	Appropriations					Total	Fiscal year 1935		Fiscal year 1934 and prior years <sup>2</sup>
	Specific	Statutory and Executive allocations			Reconstruction Finance Corporation				
	National Industrial Recovery Act	Emergency Appropriation Act, 1935	Emergency Relief Appropriation Act, 1935						
Agricultural Adjustment Administration.....	3 1,683	38	-----	-----	(4)	1,721	743	290	688
Less processing tax.....	5 874	-----	-----	-----	-----	874	521	353	-----
Net.....	809	38	-----	-----	-----	847	222	6 63	688
Commodity Credit Corporation <sup>7</sup> .....	-----	3	-----	-----	8 397	400	9 60	164	296
Farm Credit Administration <sup>7</sup> .....	80	60	147	-----	313	600	141	282	177
Federal Farm Mortgage Corporation.....	-----	-----	-----	-----	200	200	(10)	200	-----
Federal land banks:									
Capital stock.....	125	-----	-----	-----	-----	125	2	123	(10)
Paid-in surplus.....	125	-----	-----	-----	-----	125	34	41	50
Reduction in interest rates on mortgages.....	23	-----	-----	-----	-----	23	13	7	3
Federal Emergency Relief Administration.....	11 605	152	481	545	911	2,694	1,738	705	134
Federal Surplus Relief Corporation.....	-----	-----	-----	-----	-----	-----	77	40	-----
Civil Works Administration.....	11 345	400	-----	-----	89	834	11	805	18
Emergency conservation work.....	93	323	343	223	-----	982	435	332	215
Department of Agriculture, relief.....	-----	-----	92	-----	-----	92	80	-----	12
Public Works:									
Tennessee Valley Authority.....	-----	50	25	-----	-----	75	36	11	28
Loans to railroads <sup>7</sup> .....	-----	200	-----	-----	(12)	200	66	71	63
Loans and grants to States, municipalities, etc. <sup>7</sup> .....	-----	517	155	37	(12)	709	138	79	492
Public highways.....	256	437	-----	500	-----	1,193	317	268	608
Boulder Canyon project.....	18	44	3	-----	-----	65	24	19	22
River and harbor work.....	-----	232	96	168	-----	456	148	73	235
Rural Electrification Administration Works Progress Administration.....	-----	-----	-----	1	-----	1	-----	-----	1
All other.....	72	725	71	114	-----	982	328	133	521
Home Loan System:									
Home loan bank stock.....	-----	-----	-----	-----	125	125	(10)	81	44
Home Owners' Loan Corporation.....	-----	-----	-----	-----	200	200	46	154	-----
Federal savings and loan associations.....	13 50	-----	-----	-----	-----	50	29	1	20
Emergency housing.....	-----	34	-----	162	-----	196	7	(10)	189
Federal Housing Administration.....	-----	1	-----	-----	4 34	35	16	-----	19
Resettlement Administration.....	-----	39	3	99	-----	141	2	-----	139
Subsistence homesteads.....	-----	7	-----	-----	-----	7	4	2	1
Reconstruction Finance Corporation—direct loans and expenditures <sup>7</sup> .....	(14)	-----	-----	-----	4 4,264	4,264	9 135	2,412	1,987
Export-Import Banks of Washington <sup>7</sup> .....	-----	1	-----	-----	13	14	9 3	3	14
Federal Deposit Insurance Corporation.....	150	-----	-----	-----	(15)	150	(16)	150	-----
Administration for Industrial Recovery.....	-----	17	5	-----	-----	22	12	7	3
Total.....	2,751	3,300	1,421	1,789	6,546	15,807	3,728	6,100	5,979
Unallocated funds:									
By the President.....	-----	-----	1	2,211	-----	2,212	-----	-----	2,214
By Public Works Administration.....	-----	(10)	16 4	-----	-----	4	-----	-----	2
Grand total.....	2,751	3,300	1,426	4,000	6,546	18,023	3,728	6,100	8,195

<sup>1</sup> The expenditures in this table are on the same basis as those exhibited on p. 2 of the daily Treasury statement, but differ with respect to classification. The purpose of this table is to show all funds appropriated or allocated to the respective emergency organizations, the expenditures therefrom, and the unexpended balances. The principal difference in classification of expenditures is with respect to amounts paid from funds allocated by the Reconstruction Finance Corporation to various emergency organizations. The expenditures in the daily Treasury statement under the caption "Reconstruction Finance Corporation" comprehend all expenditures from funds of the Reconstruction Finance Corporation, including those allocated to other organizations, whereas expenditures included in this table on account of such allocated funds are exhibited as expenditures of the organizations to which the funds were allocated rather than expenditures of the Reconstruction Finance Corporation. Similarly, certain expenditures of the Farm Credit Administration and the Commodity Credit Corporation, representing funds allocated to those organizations for the purpose of carrying out the provisions of the Agricultural Adjustment Act, are exhibited in the daily Treasury statement under the caption "Agricultural Adjustment Administration," whereas such expenditures are exhibited in this table as expenditures of the Farm Credit Administration and the Commodity Credit Corporation, respectively. The total amount of expenditures for the fiscal year 1935 in this table can be reconciled with the total amount of emergency expenditures shown in the daily Treasury statement by adding to the latter the amounts included in general expenditures under the captions "Agricultural Adjustment Administration," "refunds of receipts—processing tax on farm products," and "Subscriptions to stock of Federal land banks," and deducting the receipts under the caption "Processing tax on farm products."



<sup>2</sup> The emergency expenditures included in this table for the period prior to the fiscal year 1934 include only expenditures on account of the Reconstruction Finance Corporation and subscriptions to capital stock of Federal land banks under authority of the act of Jan. 23, 1932. Expenditures by the several departments and establishments for public works under the Emergency Relief and Construction Act of 1932 were made from general disbursing accounts, and, therefore, are not susceptible to segregation from the general expenditures of such departments and establishments on the basis of the daily Treasury statement.

<sup>3</sup> Includes (a) \$350,000,000 specific appropriations from the general Treasury under the acts of May 12, 1933, May 25, 1934, and June 19, 1934; (b) \$1,324,885,000 advanced by the Secretary of the Treasury under authority of sec. 12 (b) of the Agricultural Adjustment Act, which must be returned to the Treasury from the proceeds of processing taxes collected on farm products; (c) \$1,753,795 advanced by the Secretary of the Treasury under authority of sec. 10 (a) of the act of June 28, 1934; and (d) \$8,000,000 allocated from processing taxes for purchase of surplus sugar under the act of May 9, 1934; less \$753,513 transferred to the Division of Disbursement, Treasury Department.

<sup>4</sup> There are no statutory limitations on the amounts of funds which may be made available by the Reconstruction Finance Corporation for carrying out the purposes of sec. 5 of the Agricultural Adjustment Act, and for the purchase by the Reconstruction Finance Corporation of preferred stock or capital notes of banks and trust companies under the act of Mar. 9, 1933. The Reconstruction Finance Corporation is required to make available to the Federal Housing Administrator such funds as he may deem necessary for the purposes of carrying out the provisions of the National Housing Act. The amounts included in this column for the purposes specified are based upon checks issued therefor from time to time by the Reconstruction Finance Corporation. The authority of the Reconstruction Finance Corporation to issue its bonds, notes, and debentures has been increased by such amounts as may be required to provide funds for such purposes.

<sup>5</sup> The sum of \$3,000,000 of this amount has been allocated for the purchase of surplus sugar under the act of May 9, 1934. The remainder is reserved to reimburse the Treasury for the advances referred to in footnote 3.

<sup>6</sup> Excess of processing tax, deduct.

<sup>7</sup> Expenditures are stated on a net basis; i. e., gross expenditures less repayments and collections, the details of which are set forth in the table following.

<sup>8</sup> Net, after deducting repayments to the Reconstruction Finance Corporation.

<sup>9</sup> Excess of credits, deduct.

<sup>10</sup> Less than \$500,000.

<sup>11</sup> The appropriation of \$950,000,000 provided in the act of Feb. 15, 1934, was allocated by the President as follows: Civil Works Administration, \$345,000,000, and Federal Emergency Relief Administration, \$605,000,000.

<sup>12</sup> Under the provisions of the Emergency Appropriation Act, fiscal year 1935, the Reconstruction Finance Corporation is authorized to purchase marketable securities acquired by the Federal Emergency Administration of Public Works, but the amount which the Reconstruction Finance Corporation may have invested at any one time in such securities may not exceed \$250,000,000. Moneys paid for such securities are available for loans (but not grants) under title II of the National Industrial Recovery Act. The amount of obligations which the Reconstruction Finance Corporation is authorized to have outstanding at any one time is increased by the sums necessary for such purchases, not to exceed \$250,000,000. The purchase of such securities by the Reconstruction Finance Corporation is reflected as expenditures of the Reconstruction Finance Corporation and as credits against expenditures of the Federal Emergency Administration of Public Works. The amount by which the available funds on account of such transactions has been increased is, therefore, included in the funds of the "Reconstruction Finance Corporation—direct loans and expenditures."

<sup>13</sup> Includes \$500,000 allocated for savings and loan promotion as authorized by sec. 11 of the act of Apr. 27, 1934.

<sup>14</sup> The appropriation of \$500,000,000 for subscription to capital stock is included in the figures shown in the column for Reconstruction Finance Corporation.

<sup>15</sup> Under sec. 3 of the act of June 16, 1934, the Reconstruction Finance Corporation is authorized to purchase at par obligations of the Federal Deposit Insurance Corporation in a face amount of not to exceed \$250,000,000, and the amount of obligations which the Reconstruction Finance Corporation is authorized to have outstanding at any one time is increased by \$250,000,000. The amount to be included in this column will represent the proceeds deposited with the Treasurer of the United States on account of the sale of such obligations by the Federal Deposit Insurance Corporation to the Reconstruction Finance Corporation.

<sup>16</sup> This amount represents the unallocated balance of an allocation of \$400,000,000 by the President to the Administrator of Public Works. As and when such funds are allocated by the Administrator to specific projects, the amounts are transferred from an unallocated status to an allocated status.

### *Details of revolving funds, fiscal year 1935, included in the table on page 28*

[In millions of dollars]

Organization	Pay-ments	Repay-ments and collec-tions	Net ex-pendit-ures
Commodity Credit Corporation.....	190	250	<sup>1</sup> 60
Farm Credit Administration.....	334	193	141
Loans to railroads <sup>2</sup> .....	141	75	66
Loans and grants to States, municipalities, etc. <sup>2</sup> .....	159	21	138
Reconstruction Finance Corporation—direct loans and expenditures.....	1, 179	1, 314	<sup>1</sup> 135
Export-Import Banks of Washington.....	5	8	<sup>1</sup> 3

<sup>1</sup> Excess of repayments and collections, deduct.

<sup>2</sup> Effective Apr. 18, 1935, figures relating to "Loans to railroads" have been segregated from those relating to "Loans and grants to States, municipalities, etc."

## REVENUE LEGISLATION

Revenue legislation during the fiscal year 1935 included the extension for two years of the temporary taxes and of the increased postal rates provided for in the Revenue Act of 1932, as amended; an amendment to the Revenue Act of 1934 relating to publicity of income tax returns; and additions to agricultural adjustment taxes.

*Extension of temporary taxes and increased postal rates*

Public Resolution No. 36, approved June 28, 1935, amended the Revenue Act of 1932, as amended, by substitution of "1937" for "1935" wherever it appeared in title IV, and parts I, II, III, and IV of title V. The taxes which were continued in effect until June 30 or July 31, 1937, by this legislation include: (1) the various manufacturers' excise taxes; (2) taxes on the importation of coal, petroleum and products, lumber, and copper; (3) the miscellaneous taxes on telegraph, telephone, radio, and cable facilities, transportation of oil by pipe line, and stamp taxes on bond transfers and deeds of conveyance; (4) the changes in rates of stamp taxes on issues of bonds of indebtedness, issues of capital stock, transfer or sale of capital stock, and sale of produce on exchanges for future delivery; and (5) the reduced exemption for the tax on admissions. The increase in first class postage rates, and authorization for the President to proclaim modification of certain postage rates, were continued in effect until June 30, 1937, by the same resolution.

A copy of Public Resolution No. 36 is shown as exhibit 43 on page 266.

*Publicity of income tax returns*

Public No. 40, approved April 19, 1935, substituted for section 55 (b) of the Revenue Act of 1934, which provided that certain items from income tax returns should be available for public inspection, a new section providing that, subject to regulations made by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, all income returns filed for any taxable year beginning after December 31, 1934, shall be open, upon the written request of the Governor of a State, to inspection by any official, body, or commission, lawfully charged with the administration of any State tax law, if the inspection is for the purpose of such administration or for the purpose of obtaining information to be furnished to local taxing authorities. A copy of Public No. 40 appears as exhibit 42 on page 266.

*Revision and extension of agricultural adjustment taxes*

The Agricultural Adjustment Act, as amended, provides for the following types of taxes: (1) A tax upon the first domestic processing of basic agricultural commodities with respect to which rental and

benefit payments have been proclaimed, and of any commodity found and proclaimed by the Secretary of Agriculture to be competing to the disadvantage of the processors or producers of any basic commodity; (2) a tax upon floor stocks of any article processed wholly or in chief value from any commodity with respect to which a processing tax is imposed, which are held at the time the processing tax becomes effective or the rate is increased; and (3) a compensating tax upon the importation, during the period when a processing tax is in effect with respect to any commodity, of articles processed wholly or partly from that commodity.

At the beginning of the fiscal year 1935, processing taxes, floor stocks taxes, and import compensating taxes were already in effect with respect to the following basic agricultural commodities specified in the act, as amended—wheat, cotton, tobacco, field corn, hogs, sugar beets and sugar cane; and similar taxes had been imposed upon certain paper products, jute fabric and jute yarn which were found to be competing to the disadvantage of cotton processors. Taxes had also been imposed by the act of April 21, 1934 (Public No. 169) upon the ginning, in excess of an allotment, of cotton harvested during the crop year beginning June 1, 1934; and by the act of June 28, 1934 (Public No. 483) upon the first bona fide sale of certain tobacco harvested thereafter and prior to May 1, 1935, for which tax-payment warrants to the extent of an allotment had not been issued.

During the fiscal year 1935, in addition to these taxes, which continued in effect, processing and import compensating taxes on peanuts became effective October 1, 1934, as a result of the proclamation by the Secretary of Agriculture of rental and benefit payments with respect to peanuts. A proclamation of the President eliminated the initial floor stocks tax in this case. The taxation of rice under the Agricultural Adjustment Act was stipulated by Public No. 20, approved March 18, 1935, which provided that processing and import compensating taxes with respect to rice become effective April 1, 1935. The cotton ginning tax was continued for the crop year beginning June 1, 1935, by requisite proclamations of the President and the Secretary of Agriculture issued under authority of the act of April 21, 1934. The tobacco sales tax was continued in effect for the crop year beginning May 1, 1935, by a proclamation of the Secretary of Agriculture issued under authority of the act of June 28, 1934.

Changes in rates of a number of agricultural adjustment taxes were made during the fiscal year in accordance with the procedure provided for in the acts imposing these taxes. A summary of the rates of processing tax which have been applicable to each commodity since the enactment of the Agricultural Adjustment Act on May 12, 1933, and of cotton ginning and tobacco sales tax rates since the imposition of these taxes, together with effective dates, appears as exhibit 44 on page 267.

## ESTIMATES OF RECEIPTS AND EXPENDITURES

Actual receipts and expenditures for the fiscal year 1935 and estimates for the fiscal years 1936 and 1937 are shown in the table below. Estimated expenditures are based on the latest information from the Bureau of the Budget. More detailed estimates of receipts are shown in table 15, on page 357. All estimates of revenue are based on the assumption that the existing tax structure will continue during the period covered.

Total internal revenue (exclusive of agricultural adjustment taxes and taxes imposed by the act to levy a tax upon carriers and upon their employees, by the Bituminous Coal Conservation Act, and by the Social Security Act) and customs receipts are estimated at \$3,660,000,000 (on Treasury statement basis) for the fiscal year 1936 and at \$4,400,000,000 for the fiscal year 1937. Actual receipts from these sources in the fiscal year 1935 were \$3,100,000,000.

*Receipts and expenditures for the fiscal year 1935, on the basis of daily Treasury statements (unrevised), and estimated receipts and expenditures for the fiscal years 1936 and 1937*

	1935, actual	1936, estimates	1937, estimates
GENERAL AND SPECIAL ACCOUNTS			
RECEIPTS			
Internal revenue:			
Income tax.....	\$1,099,118,637.90	\$1,434,112,000.00	\$1,942,600,000.00
Miscellaneous internal revenue.....	1,657,191,518.70	1,873,091,000.00	2,103,114,000.00
Processing tax on farm products.....	521,379,871.22	529,042,000.00	547,300,000.00
Other internal revenue:			
Tax on carriers and their employees.....		33,000,000.00	101,600,000.00
Bituminous Coal Conservation Act.....		5,600,000.00	12,300,000.00
Social Security Act.....			433,200,000.00
Customs.....	343,353,033.56	353,191,000.00	354,000,000.00
Miscellaneous receipts:			
Proceeds of Government-owned securities:			
Principal—foreign obligations.....	66,709.53	69,598.00	72,094.00
Interest—foreign obligations.....	601,114.48	324,871.00	322,365.00
All other.....	38,105,611.49	79,476,253.00	62,688,694.00
Panama Canal tolls, etc.....	24,704,262.38	24,890,500.00	24,905,500.00
Seigniorage.....	58,035,251.37	20,000,000.00	19,000,000.00
Other miscellaneous.....	57,911,191.33	57,996,424.00	53,114,997.00
Total.....	3,800,467,201.96	4,410,793,946.00	5,654,217,650.00
EXPENDITURES			
General:			
Departmental: <sup>1 2</sup>			
Legislative establishment.....	19,623,726.95	22,021,530.00	23,603,977.00
Executive proper.....	457,693.77	431,650.00	431,650.00
State Department.....	15,860,779.62	16,984,167.00	18,762,000.00
Treasury Department.....	121,863,248.67	129,580,000.00	142,886,100.00
War Department (nonmilitary).....	2,128,302.12	1,588,700.00	1,333,000.00
Department of Justice.....	32,278,677.51	35,050,000.00	40,500,000.00
Post Office Department.....	14,258.16	25,000.00	25,000.00
Department of the Interior:			
Boulder Canyon project.....		13,000,000.00	16,600,000.00
Other.....	55,211,498.12	71,121,200.00	111,525,400.00
Department of Agriculture: <sup>3</sup>			
Public highways.....		30,000,000.00	64,000,000.00
Other.....	62,036,811.90	75,267,400.00	103,116,896.00
Department of Commerce.....	32,315,736.67	33,654,515.00	33,392,500.00
Department of Labor.....	13,012,157.65	15,000,500.00	24,185,000.00
Shipping Board.....	21,348,272.91	2,748,870.00	138,900.00
Independent offices and commissions.....	29,473,078.57	33,772,669.00	86,190,700.00
Unclassified items.....	490,365.40		
	362,408,815.08		
Adjustment for disbursing officers' checks outstanding.....	6,416,302.83		
Total, departmental <sup>3</sup> .....	355,992,512.25	474,748,461.00	666,413,323.00

For footnotes, see p. 35.

Receipts and expenditures for the fiscal year 1935, on the basis of daily Treasury statements (unrevised), and estimated receipts and expenditures for the fiscal years 1936 and 1937—Continued

	1935, actual	1936, estimates	1937, estimates
EXPENDITURES— continued			
General—Continued.			
Public buildings <sup>1</sup> .....	\$25,269,072.91	\$14,612,290.00	\$19,300,000.00
River and harbor work <sup>1</sup> .....	55,118,567.21	74,207,400.00	139,777,000.00
Panama Canal <sup>1</sup> .....	8,766,204.74	11,189,500.00	11,294,500.00
Postal deficiency.....	63,970,404.80	90,652,054.00	78,969,119.00
Retirement funds (United States share):			
Civil service retirement fund.....	20,850,000.00	40,000,000.00	46,050,000.00
Foreign service retirement fund.....	159,100.00	162,100.00	185,300.00
Canal Zone retirement fund.....		500,000.00	500,000.00
District of Columbia (United States share):	4,539,295.00	5,707,500.00	5,700,000.00
National defense: <sup>1</sup>			
Army.....	912,186,712.61	319,480,088.00	369,919,566.00
Navy.....	321,410,530.43	425,350,500.00	567,872,400.00
Veterans' pensions and benefits:			
Veterans' Administration <sup>1</sup> .....	555,573,274.31	617,822,280.00	630,058,900.00
Adjusted-service certificate fund.....	50,000,000.00	100,000,000.00	160,000,000.00
Agricultural Adjustment Administration <sup>1</sup> .....	561,540,268.39	508,014,000.00	507,052,000.00
Agricultural Adjustment Administration (act Aug. 24, 1935).....		20,000,000.00	20,000,000.00
Farm Credit Administration <sup>1</sup> .....	12,979,061.00	10,755,382.00	4,926,500.00
Emergency Conservation Work.....		25,000,000.00	220,000,000.00
Tennessee Valley Authority.....		20,398,386.00	45,000,000.00
Debt charges:			
Retirements:			
Sinking fund.....	573,001,000.00	551,000,000.00	580,000,000.00
Redemption of bonds, etc., Public Works Administration.....		1,000,000.00	100,000.00
Estate taxes, forfeitures, gifts, etc.....	557,250.00	25,000.00	25,000.00
Interest.....	820,926,353.45	742,000,000.00	805,060,000.00
Refunds:			
Customs.....	20,715,688.49	13,500,000.00	17,000,000.00
Internal revenue.....	24,531,990.82	33,603,000.00	32,403,100.00
Processing tax on farm products.....	31,208,208.32	23,000,000.00	42,000,000.00
Total, general.....	3,719,295,494.76	4,122,737,151.00	4,999,486,738.00
Recovery and relief:			
Agricultural aid:			
Agricultural Adjustment Administration.....	150,278,834.56	70,113,000.00	50,295,000.00
Commodity Credit Corporation:			
Reconstruction Finance Corporation funds.....	60,280,485.04	154,498,000.00	161,246,900.00
Other.....	136,420.18	7,000,000.00	4,000,000.00
Farm Credit Administration:			
Reconstruction Finance Corporation funds:			
Crop production loans.....	4,383,977.67	375,000.00	515,000.00
Regional agricultural credit corporations.....	8,603,628.15	28,313,000.00	14,528,600.00
Loans to joint-stock land banks.....	907,325.15	285,860.00	93,600.00
Farm mortgage relief.....	134.78		
Federal Farm Mortgage Corporation.....	265.62		
Federal intermediate credit banks revolving fund.....	15,000,000.00		
Farm Credit Administration.....	11,248,180.18		
Unclassified.....	110,000.00		
Other.....	111,827,178.61	33,050,000.00	9,655,000.00
Federal land banks:			
Capital stock.....	1,939,140.00		
Subscriptions to paid-in surplus.....	33,630,185.59	35,000,000.00	41,000,000.00
Reduction in interest rates on mortgages.....	12,477,674.95	30,000,000.00	23,000,000.00
Relief:			
Federal Emergency Relief Administration, including Federal Surplus Relief Corporation:			
Reconstruction Finance Corporation funds.....	499,033,591.17	486,400.00	
Other.....	1,315,308,715.70	423,865,300.00	

For footnotes, see p. 35.

Receipts and expenditures for the fiscal year 1935, on the basis of daily Treasury statements (unrevised), and estimated receipts and expenditures for the fiscal years 1936 and 1937—Continued

	1935, actual	1936, estimates	1937, estimates
EXPENDITURES—Continued			
Recovery and relief—Continued.			
Relief—Continued.			
Civil Works Administration.....	\$11,327,263.67	\$469,100.00	-----
Emergency conservation work.....	435,508,643.05	503,383,000.00	-----
Department of Agriculture, relief.....	80,561,249.99	4,238,000.00	-----
Public works:			
Boulder Canyon project.....	23,820,507.04	15,755,300.00	\$9,100,000.00
Loans and grants to States, municipalities, etc.....	137,707,417.46	52,450,000.00	325,756,000.00
Loans to railroads.....	66,230,752.95	40,000,000.00	-----
Public highways.....	317,356,940.05	276,543,000.00	236,518,000.00
River and harbor work.....	147,924,751.64	150,510,000.00	84,511,000.00
Rural Electrification Administration.....	16,820.93	5,000,000.00	2,500,000.00
Works Progress Administration.....	-----	1,000,000,000.00	-----
Other public works:			
Administrative expenses, Public Works Administration.....	14,561,002.60	20,000,000.00	15,000,000.00
Legislative establishment.....	486,103.10	1,761,500.00	636,582.00
State Department.....	2,659,016.08	2,462,700.00	-----
Treasury Department:			
Public buildings.....	32,756,840.70	60,167,500.00	43,550,000.00
Other.....	5,615,951.73	26,194,700.00	5,755,000.00
War Department (nonmilitary).....	1,488,375.48	640,300.00	-----
National defense:			
Army.....	61,298,999.11	21,938,400.00	4,850,000.00
Navy.....	115,037,329.60	138,290,600.00	41,225,000.00
Panama Canal.....	243,541.54	900.00	-----
Department of Justice.....	531,703.81	700,000.00	-----
Department of the Interior.....	53,136,034.00	77,426,900.00	57,820,100.00
Department of Agriculture.....	15,722,946.75	50,043,741.00	36,719,800.00
Department of Commerce.....	10,197,883.69	2,766,805.00	125,750.00
Department of Labor.....	6,260,630.26	9,795,600.00	134,000.00
Veterans' Administration.....	1,491,450.37	2,314,620.00	64,500.00
Independent offices and commissions.....	4,490,965.39	15,229,200.00	23,698,000.00
District of Columbia.....	957,701.03	-----	-----
Unclassified items.....	418,175.19	-----	-----
Aid to home owners:			
Home loan system:			
Reconstruction Finance Corporation funds:			
Home loan bank stock.....	200,000.00	43,095,300.00	-----
Home Owners' Loan Corporation.....	46,000,000.00	-----	-----
Federal savings and loan associations.....	29,486,784.08	14,307,000.00	-----
Emergency housing.....	6,479,835.47	49,000,000.00	61,000,000.00
Federal Housing Administration:			
Reconstruction Finance Corporation funds.....			
Other.....	15,046,858.01	14,000,000.00	20,000,000.00
Resettlement Administration.....	917,015.01	82,985.00	-----
Subsistence homesteads.....	1,761,663.06	73,200,000.00	150,000,000.00
Miscellaneous:	3,661,937.71	900,000.00	-----
Export-Import Banks of Washington:			
Reconstruction Finance Corporation funds.....			
Other.....	2,618,129.74	16,914,000.00	10,000,000.00
Federal Deposit Insurance Corporation.....	1,633.11	204,582.00	-----
Administration for Industrial Recovery.....	497,850.35	-----	-----
Reconstruction Finance Corporation—direct loans and expenditures.....	12,496,730.81	4,236,000.00	-----
Tennessee Valley Authority.....	135,384,933.68	215,000,000.00	125,000,000.00
	36,148,537.34	29,601,614.00	-----
Total, recovery and relief.....	3,656,529,670.81	3,167,564,187.00	928,119,632.00
Total expenditures, general and special accounts.....			
	7,375,825,165.57	7,290,301,338.00	5,927,606,370.00
Supplemental items.....			
Unallocated balance of emergency appropriations as of Oct. 31, 1935, and additional amounts made available thereafter from Reconstruction Finance Corporation funds.....	-----	80,000,000.00	600,000,000.00
	-----	275,000,000.00	225,000,000.00
Grand total, expenditures, general and special accounts.....			
	7,375,825,165.57	7,645,301,338.00	6,752,606,370.00
Excess of expenditures over receipts.....	3,575,357,963.61	3,234,507,392.00	1,098,388,720.00

For footnotes, see page 35.

Receipts and expenditures for the fiscal year 1935, on the basis of daily Treasury statements (unrevised), and estimated receipts and expenditures for the fiscal years 1936 and 1937—Continued

	1935, actual	1936, estimates	1937, estimates
<i>Summary</i>			
Excess of expenditures -----	\$3, 575, 357, 963. 61	\$3, 231, 507, 392. 00	\$1, 098, 388, 720. 00
Less public debt retirements -----	573, 558, 250. 00	552, 025, 000. 00	580, 125, 000. 00
Excess of expenditures (excluding public debt retirements) -----	3, 001, 799, 713. 61	2, 682, 482, 392. 00	518, 263, 720. 00
Trust accounts, increment on gold, etc., excess of receipts (-) or expenditures (+) -----	-522, 056, 152. 87	+290, 173, 359. 00	+46, 950, 769. 00
Less national bank note retirements -----	2, 479, 743, 560. 74 91, 415, 650. 00	2, 972, 655, 751. 00 450, 000, 000. 00	565, 214, 489. 00 100, 000, 000. 00
Total excess of expenditures (excluding public-debt retirements) -----	2, 388, 327, 910. 74	2, 522, 655, 751. 00	465, 214, 489. 00
Decrease in general fund balance -----	740, 576, 700. 69	290, 173, 359. 00	46, 950, 769. 00
Increase in the public debt -----	1, 647, 751, 210. 05	2, 232, 482, 392. 00	418, 263, 720. 00
Public debt at beginning of year -----	27, 053, 141, 414. 48	28, 700, 892, 625. 00	30, 933, 375, 017. 00
Public debt at end of year -----	28, 700, 892, 624. 53	30, 933, 375, 017. 00	31, 351, 638, 737. 00
TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.			
RECEIPTS			
Trust accounts -----	229, 660, 234. 35	237, 935, 409. 00	237, 550, 685. 00
Deposits by States under Social Security Act (title IX, sec. 904 (a)) -----		48, 500, 000. 00	282, 800, 000. 00
Increment resulting from reduction in the weight of the gold dollar -----	1, 738, 019. 63		
Seigniorage <sup>4</sup> -----	140, 111, 441. 47	169, 888, 559. 00	60, 000, 000. 00
Total -----	371, 509, 695. 45	456, 323, 968. 00	580, 350, 685. 00
EXPENDITURES			
Trust accounts -----	165, 959, 662. 87	233, 377, 430. 00	224, 501, 454. 00
Deposits by States under Social Security Act (title IX, sec. 904 (a)) -----		48, 500, 000. 00	282, 800, 000. 00
Transactions in checking accounts of governmental agencies (net) <sup>5</sup> -----	<i>429, 528, 749. 56</i>	4, 528, 750. 00	10, 000, 000. 00
Chargeable against increment on gold:			
Melting losses, etc. -----	675, 121. 93	391, 147. 00	300, 000. 00
Payments to Federal Reserve banks (sec. 13b, Federal Reserve Act, as amended) -----	20, 931, 857. 34	9, 700, 000. 00	9, 700, 000. 00
For retirement of national bank notes -----	91, 415, 650. 00	450, 000, 000. 00	100, 000, 000. 00
Total -----	<i>150, 546, 457. 42</i>	746, 497, 327. 00	627, 301, 454. 00
Excess of receipts over expenditures -----	522, 056, 152. 87		
Excess of expenditures over receipts -----		290, 173, 359. 00	46, 950, 769. 00

<sup>1</sup> Additional expenditures on these accounts for the fiscal year 1935 are included under "Recovery and relief."

<sup>2</sup> Detail on basis of checks issued.

<sup>3</sup> The Executive order of June 10, 1933, as amended, provides for the transfer of the function of disbursement of all moneys of the United States (except those relating to the Military and Naval Establishments, rivers and harbors, and Panama Canal) to the Division of Disbursement, Treasury Department. The transfer of such functions in Washington, D. C., of the several departments and establishments subject to the Executive order of June 10, 1933, was completed on July 1, 1934. Therefore, effective July 1, 1934, in the interest of economy and efficiency, the disbursements by the Division of Disbursement, Treasury Department, which appear in daily Treasury statements under the caption "Departmental Expenditures" are on the basis of checks issued. The total shown, after making adjustment for outstanding checks of the Division of Disbursement, relating to such "Departmental Expenditures" is on the basis of checks paid as published heretofore.

<sup>4</sup> This item represents seigniorage resulting from the issuance of silver certificates equal to the cost of the silver acquired under the Silver Purchase Act of 1934 and the amount returned for the silver received under the President's proclamation dated Aug. 9, 1934.

<sup>5</sup> This item represents transfers of balances in checking accounts of certain special agencies of the Government, net transactions in which will hereafter be shown under this caption.

NOTE.—Excess credits and adjustments in italics to be deducted.

A large part of the estimated increases in receipts from these sources in 1936 and 1937 reflects estimated higher income tax and estate tax collections which, owing to the nature of the Federal tax structure, do not promptly reflect improvements in business conditions. Current income tax collections in a given fiscal year are based upon corporate and individual incomes of the two preceding calendar years ending with December of the fiscal year. Current income tax collections during the fiscal year 1935, therefore, did not reflect until the second half of that year either the higher levels of incomes of the calendar year 1934 or the effect of the Revenue Act of 1934. During the full fiscal year 1936 the provisions of the Revenue Act of 1934 with respect to income taxes will be effective, and in the last half of that year collections will reflect the higher income levels of the calendar year 1935. Income tax collections during the last half of the fiscal year 1937 will be based on the anticipated higher incomes of the calendar year 1936 and, moreover, will reflect the effects of the Revenue Act of 1935. Estimated estate tax collections in the fiscal years 1936 and 1937 are based upon the estimated higher values of estates in the fiscal years 1935 and 1936, respectively, and in the last 7 months of 1937 will also reflect the upward revision in estate tax rates and the lowered specific exemption under the Revenue Act of 1935.

#### *Fiscal year 1936*

Total internal revenue and customs receipts (on Treasury statement basis) are estimated at \$4,228,000,000 in the fiscal year 1936, an increase of \$607,000,000 over such receipts of the fiscal year 1935. Of this increase, it is estimated that \$551,000,000 will come from higher income tax and miscellaneous internal revenue receipts. The balance of the increase reflects a moderate increase in receipts from agricultural adjustment taxes and customs duties, and also from the taxes imposed by the act to levy a tax upon carriers and upon their employees and by the Bituminous Coal Conservation Act which will be collected for the first time during the last half of the fiscal year 1936.

Current corporate income taxes are estimated to yield \$615,000,000, an increase of \$150,000,000 over collections of the fiscal year 1935. Collections from current individual income taxes are estimated at \$629,000,000, an increase of \$181,000,000 over collections in the preceding fiscal year. The estimated increase in income tax collections in 1936 reflects the higher level of incomes upon which they are based and also the effect of the Revenue Act of 1934 which will be fully reflected in collections for 1936.

The continued special efforts of the Bureau of Internal Revenue to collect back taxes and the change in the Treasury's administration of depreciation allowances are expected to increase collections from that source by about \$4,000,000 over the relatively high collections during the fiscal year 1935.



Total miscellaneous internal revenue taxes are estimated to yield \$1,873,000,000 (on Treasury statement basis), an increase of \$216,-000,000 as compared with receipts in the fiscal year 1935. Practically all sources of miscellaneous internal revenue are expected to contribute to this increase.

Estate tax collections are estimated to increase by \$51,000,000, reflecting an increase in the value of taxable estates of decedents during the fiscal year 1935 and, for the first time, the full effect of the upward revision in estate tax rates under the Revenue Act of 1934. Gift tax collections, which in 1935 were almost eight times as large as those of the fiscal year 1934 owing, at least in part, to a large amount of gifts probably made in anticipation of higher income and estate tax rates, are expected to continue at a relatively high level since it seems probable that a large amount of gifts were made in the calendar year 1935 because of the same factors.

Revenues derived from taxes on alcoholic liquors are estimated to increase \$92,000,000 in 1936, reflecting mainly the upward trend in consumption of tax-paid distilled spirits because of improving quality, lower prices, enforcement activity, and increasing incomes. Tobacco tax collections are expected to show a moderate increase owing to an estimated increase in the consumption of small cigarettes. The estimated increase of \$24,000,000 in documentary stamp tax collections reflects estimated increases in refunding of security issues and greater activity in trading on stock exchanges. Collections from the manufacturers' excise taxes are also expected to increase moderately, chiefly as the result of anticipated higher collections from the taxes on motor vehicles and gasoline. The decrease resulting from the repeal of the tax on checks effective January 1, 1935, which yielded \$26,000,000 during part of the fiscal year 1935, will more than offset estimated increases in collections from certain other miscellaneous taxes.

Revenue from taxes imposed under the Agricultural Adjustment Act and related legislation are estimated at \$524,000,000 (on collection basis), or \$2,000,000 less than collections in the fiscal year 1935. Estimated increases in collections from the processing taxes on wheat, cotton, peanuts, and the new taxes on rice and rye will be more than offset by decreases in the processing taxes collected on hogs, sugar, and tobacco. The expected lower collections from the taxes on tobacco are due to a reduction in rates on that commodity effective October 1, 1935. The 1936 estimates assume the continuance and collection of these taxes in their present form and do not take into account the effect of court injunctions restraining the collection of these taxes.

The act to levy an excise tax upon carriers and an income tax upon their employees imposes an income tax of 3½ percent of the compensation (not in excess of \$300 per month) of each employee, as defined by the act, and an excise tax on carriers equal to 3½ percent of the compensation (not in excess of \$300 per month) paid by them

to their employees. The taxes become effective March 1, 1936, and only one quarterly payment in the estimated amount of \$33,000,000 will be received from these taxes during the fiscal year 1936.

The Bituminous Coal Conservation Act, approved August 30, 1935, levies a tax of 15 percent on the sale price of bituminous coal at the mine, with the provision that coal producers who accept the Bituminous Coal Code shall be entitled to a credit of 90 percent of the amount of the tax. It is estimated that about \$6,000,000 will be collected from this tax during the latter part of the fiscal year 1936.

Total customs receipts (on collection basis) are estimated at \$352,000,000, an increase of \$7,000,000 over collections in the fiscal year 1935. Duties collected on imported distilled spirits and wines are expected to decline by about \$8,000,000 largely because of improvement in the domestic product and of the effect of the reduction in duty on whisky, aged 4 years or more, from \$5 per proof gallon to \$2.50 per proof gallon under the Canadian trade agreement effective January 1, 1936. Collections of duties on other commodities are estimated to increase by about \$15,000,000 over collections of the preceding fiscal year.

Total receipts from miscellaneous revenues and the realization upon assets are estimated at \$183,000,000, an increase of about \$4,000,000 over receipts of the fiscal year 1935.

#### *Fiscal Year 1937*

Total receipts from internal revenue taxes and customs duties for the fiscal year 1937 are estimated at \$5,494,000,000, an increase of \$1,266,000,000 over estimated receipts from these sources (on Treasury statement basis) for the fiscal year 1936. Of this increase, \$433,000,000 is estimated to come from taxes imposed by the Social Security Act which will be collected for the first time in the last half of the fiscal year 1937, and \$75,000,000 from increased collections from taxes imposed by the act to levy a tax upon carriers and upon their employees and by the Bituminous Coal Conservation Act. Total internal revenue and customs receipts exclusive of these items are estimated at \$4,947,000,000, an increase of \$758,000,000 over the estimate for 1936 and of \$1,326,000,000 over actual collections from these sources in the fiscal year 1935.

Total income tax collections are estimated at \$1,943,000,000, an increase of \$509,000,000 over the estimate for 1936. Of this increase, estimated current corporation and current individual income tax collections account for \$212,000,000 and \$307,000,000, respectively. The major part of these estimated increases will occur in the second half of the fiscal year 1937, reflecting the anticipated higher incomes of the calendar year 1936 as compared with 1935 and, for the first time, the effects of the Revenue Act of 1935. The major provisions

of that act affecting revenue from income taxes based on incomes for calendar years beginning subsequent to December 31, 1935, include: Corporations, the substitution of a graduated tax (except in the case of railroad corporations which continue having the privilege of filing consolidated returns) ranging from 12½ percent on net income not in excess of \$2,000 to 15 percent on net incomes in excess of \$40,000 for the single rate of 13¼ percent in effect under the Revenue Act of 1934, the allowance of only 90 percent of dividends received from domestic corporations as a deduction from gross income, and an increase in rates of tax on personal holding companies; individuals, increased surtax rates on surtax net incomes in excess of \$50,000, the graduated rates ranging up to 75 percent on surtax net incomes in excess of \$5,000,000 as compared with a maximum rate of 59 percent on surtax net incomes in excess of \$1,000,000 under the Revenue Act of 1934. It is estimated that the increased revenue from current corporate and individual income taxes in the last half of the fiscal year 1937 due to the Revenue Act of 1935 will be \$42,000,000 and \$62,000,000, respectively. Collections from back taxes on incomes are estimated to be \$180,000,000 or \$10,000,000 less than for the fiscal year 1936.

Total miscellaneous internal revenue collections are estimated at \$2,103,000,000, an increase of \$230,000,000 over the 1936 estimate (on Treasury statement basis).

Collections from the capital stock and excess-profits taxes are estimated to be \$66,000,000 greater than the 1936 estimate. This increase is entirely due to the Revenue Act of 1935. Under that act the rate of tax on capital stock was increased from \$1 to \$1.40 per \$1,000 of the adjusted declared value. The rate of tax on excess profits was changed from 5 percent under the Revenue Act of 1934 upon net incomes in excess of 12½ percent of the adjusted declared value of capital stock to 6 percent of net income in excess of 10 percent and not in excess of 15 percent of adjusted declared value, and 12 percent on net income in excess of 15 percent of adjusted declared value. In consequence of the changes in excess-profits tax provisions, corporations are expected to declare a higher capital stock valuation than under the 1934 act. The increase in the capital stock valuation and the higher rate of tax form the basis for the estimated increase in revenue.

Estate tax collections are estimated to increase \$77,000,000 over the 1936 estimate reflecting the estimated higher taxable value of estates and beginning in December 1936, the effect of the Revenue Act of 1935. Under that act the graduated additional estate tax rates imposed by the Revenue Act of 1932, as amended by the Revenue Act of 1934, were increased to a maximum rate of 70 percent on net estates in excess of \$50,000,000 and the specific exemption was reduced

from \$50,000 to \$40,000. The 1935 act provided further that the estate tax imposed under its provisions shall be due and payable 15 months after a decedent's death and that the executor has the option, with certain exceptions, to report the value of the gross estate as of the date of the decedent's death or one year after death.

Gift tax collections are estimated to decline by about \$35,000,000 from the 1936 estimate, based on the assumption that gifts made in the calendar year 1936 will be in smaller amounts. Collections in the last half of the fiscal year 1937 will be under provisions of the Revenue Act of 1935 which increased the graduated rates of tax on gifts and decreased the specific exemption of \$50,000, allowed under the 1932 and 1934 revenue acts, to \$40,000. It is estimated that the changed provisions in the Revenue Act of 1935 with respect to estates and gifts will provide \$52,000,000 additional revenue in the fiscal year 1937.

The upward trend in the consumption of alcoholic liquors and tobacco manufactures, chiefly small cigarettes, is expected to continue during the fiscal year 1937 and collections from these sources are estimated to increase by \$52,000,000 and \$26,000,000, respectively, over the 1936 estimates. Collections from the manufacturers' excise taxes and miscellaneous taxes are also estimated to increase moderately.

Total agricultural adjustment taxes are estimated at \$547,000,000, an increase of \$23,000,000 over the estimate (on collection basis) for 1936, chiefly because of estimated increases in consumption of cotton, wheat, and hog products. As in the case of the 1936 estimate, the estimate for 1937 assumes the continuance of existing taxes and rates of tax.

Collections from the taxes imposed by the act to levy a tax upon carriers and their employees are estimated at \$102,000,000, an increase of \$69,000,000 over the estimate for 1936. Since the act provides that these taxes shall terminate on February 28, 1937, the 1937 estimate provides for only three quarterly payments of this tax. The tax imposed by the Bituminous Coal Conservation Act is estimated to yield about \$6,000,000 more than the 1936 estimate as the result of a full year's collection from this tax in 1937.

The Social Security Act, approved August 14, 1935, provides for two types of taxes which will be reflected in receipts during the last half of the fiscal year 1937. Title VIII of that act imposes with respect to employment (a) an income tax on wages (not in excess of \$3,000 per year) of every individual (excluding certain occupational groups and persons 65 years of age and over) and (b) an excise tax on each employer equal to certain percentages of wages paid by him with the same salary limit and occupational and age exclusions. The rates of tax with respect to each of these taxes will be 1 percent during the

calendar years 1937, 1938, and 1939, with rates increasing in subsequent years to a maximum of 3 percent after December 31, 1948. It is estimated that \$305,000,000 will be collected under title VIII during the last half of the fiscal year 1937.

Title IX of the Social Security Act imposes an excise tax upon employers of eight or more persons (with certain occupational exclusions). The rates of tax range from 1 percent on wages with respect to employment during the calendar year 1936 to 3 percent after December 31, 1937. The taxpayer is allowed a credit for all contributions paid into State unemployment funds not in excess of 90 percent of the tax. If all States had adopted approved unemployment compensation systems by the beginning of 1936, the Federal Government would receive in January 1937 an amount equal to 1/10 of 1 percent of the total taxable pay roll. Inasmuch as it is improbable that all States will adopt approved systems before January 1, 1937, and since the law requires that the entire tax shall be paid to the Federal Government in cases where States have not adopted approved systems, the estimate of \$128,000,000 from Federal collections of this tax during the latter part of the fiscal year 1937 is larger than it would be with complete State coverage.

Total customs receipts estimated at \$354,000,000 are at about the same level as the 1936 estimate. Collections from duties on distilled spirits and wines are expected to decline \$6,000,000 from the 1936 estimate chiefly as the result of the reduction in duty on whisky, aged 4 years or more, under the Canadian trade agreement. Revenue from other dutiable imports is estimated to increase \$8,000,000 over the estimate for 1936.

Miscellaneous receipts are estimated at \$160,000,000, a decrease of \$23,000,000 from the estimate of the preceding fiscal year.

## SILVER, SILVER CERTIFICATES, AND NATIONAL BANK NOTES

### *Silver*

The Executive order of August 9, 1934, required that all silver situated in the continental United States on August 9, 1934, with certain stipulated exemptions, be delivered to the United States mints within 90 days. The proclamation of August 9, 1934, directed the United States mints to receive for coinage or for addition to the monetary stocks of the United States any silver which the mint is satisfied was situated on August 9, 1934, in the continental United States, including the Territory of Alaska. For silver so received the United States mints were to return to the depositor an amount equal to 50.01 cents per fine troy ounce. The provisions of the proclamation were supplementary to the proclamation of December 21, 1933, with respect to the coinage of silver.

On November 2, 1934, the Executive order of August 9, 1934, was amended so as to exempt permanently from the requirement of delivery thereunder silver which at the close of business on November 7, 1934, fell within certain stated categories.

Regulations were issued on July 5, 1934, relating to the exportation of silver, and on August 17, 1934, relating to the importation, dealing in, and exportation of silver. Regulations relating to newly-mined silver were issued on April 16 and May 15, 1935.

On April 10, 1935, the President amended the proclamation of December 21, 1933, as amended, by increasing the amount returnable by the United States mints and assay offices to producers of domestic silver mined on or after April 10, 1935, from the equivalent of 64.64 cents per ounce to the equivalent of 71.11 cents per ounce. On April 24, 1935, the amount returnable with respect to such silver mined on or after April 24, 1935, was further increased to 77.57 cents per ounce.

On May 20, 1935, the Secretary of the Treasury, with the approval of the President, issued an order prohibiting, with certain exceptions, the importation into the continental United States of foreign silver coins and other conventional pieces or forms of silver commonly used in any foreign country as money or coin. In accordance with this order the silver regulations of August 17, 1934, as amended, were further amended.

Acquisitions of silver by the Treasury from all sources during the fiscal year were 437,798,807 ounces, at a cost of \$232,435,879. Under the proclamation of December 21, 1933, as amended, 30,863,349 ounces were received; 112,301,335 ounces were received under the proclamation of August 9, 1934; 293,737,702 ounces were purchased under the authority of section 3 of the Silver Purchase Act of 1934; and 896,421 ounces were received in deposits of gold bullion and in exchange for Government stamped bars. It is estimated that the total acquired was 12 times as much silver as was produced in the United States in the same period, 17.5 times as much of that production as was available for monetary use, 2.2 times the total world production, and 2.9 times the current world output available for monetary use.

The proclamations and orders issued during the fiscal year with respect to silver appear as exhibit 38, page 256.

### *Silver certificates*

The Gold Reserve Act of 1934 authorized the President to issue silver certificates "against any silver bullion, silver, or standard silver dollars in the Treasury not then held for redemption of any outstanding silver certificates." Under this act, silver certificates

became issuable against any unencumbered silver in the Treasury irrespective of the authority under which the silver was received. It was decided, therefore, to provide a single or consolidated series of silver certificates for issuance against any free silver held in the Treasury. This series of new silver certificates has been given the designation, Series of 1934. The issuance of silver certificates of this series was begun on August 7, 1934. During the remainder of the fiscal year \$422,488,000 of these certificates were issued and \$91,276,072 redeemed.

In a series of orders (summarized in the letter of the Secretary of the Treasury to the President, September 10, 1934, approved by the President September 12, 1934, and supplemented by the letters of the Under Secretary of the Treasury to the Treasurer, March 1 and April 5, 1935), the issuance and maintenance as part of the money circulation of the United States of silver certificates were authorized and directed in a face amount equal to the total of the following items:

(a) The amount of silver dollars held by the Treasury.

(b) \$80,000,000, being an amount approximately equal to the monetary value of all of the silver bullion in the Treasury on June 14, 1934, not then held for redemption of any outstanding silver certificates. This amount does not include silver held in the stabilization fund on June 14, 1934.

(c) \$1,560,000, being the amount of silver certificates of the series of 1933 outstanding on March 12, 1934 (including those held in the Treasurer's cash). Silver certificates of the series of 1934 will be issued in lieu of silver certificates of the series of 1933 as they are redeemed or otherwise received into the Treasury and retired.

(d) A sum equal to the amount heretofore or hereafter returned to the depositors for silver received at the United States mints and assay offices on and after June 15, 1934, whether under the proclamation of December 21, 1933 (relating to newly-mined domestic silver), or under the proclamation of August 9, 1934 (relating to the nationalization of silver stocks).

(e) A sum equal to the cost of all silver heretofore or hereafter purchased under the authority of section 3 of the Silver Purchase Act of 1934, whether purchased from the stabilization fund or from other sources.

Since there was a considerable reserve stock of silver certificates of the series of 1928, the Treasurer was directed to issue them until the stock was exhausted. The last of these certificates was issued on July 6, 1935. On June 30, 1935, the amount of silver certificates outstanding was \$810,040,419, representing an increase of \$315,044,005 during the fiscal year.

Statements and official orders issued during the year relating to silver certificates appear as exhibit 39, page 262.

*National bank notes*

Steps were taken during the year which will eventually lead to the retirement from the monetary circulation of the United States of circulating notes of national banking associations. A discussion of the action taken appears on pages 22 and 23.

**BUREAU OF INTERNAL REVENUE**

During the fiscal year 1935, collections of internal revenue in the amount of \$2,773,000,000,<sup>1</sup> exclusive of agricultural adjustment taxes, exceeded collections in the preceding fiscal year by \$472,000,000. Agricultural adjustment taxes amounted to \$526,200,000,<sup>1</sup> which exceeded collections from that source in the preceding fiscal year by \$154,800,000.

*Back taxes on income*

Efforts to obtain more prompt payment of back taxes on income continued unabated during the year, and the total collected amounted to \$185,600,000. The collections during the year exceeded estimates based on established quotas for the several collection districts. Back tax collections usually represent the concrete result of the investigation of income tax returns by Bureau representatives.

Close investigation of and attention to "tax sales" cases were continued during the fiscal year. These cases often involve apparent sales, fictitious in fact, of stock or other securities to relatives or to close business associates for the sole purpose of claiming deductions from income for tax purposes.

The policy of closely examining taxpayers' claims for depreciation deductions to prevent more than reasonable and consistent charges on that account resulted in a reduction in depreciation allowances in the approximate amount of \$288,000,000 during the year. Additional tax resulting from these disallowances was estimated in the amount of \$35,916,414, of which \$25,032,112 was agreed to by taxpayers.

*Alcohol tax administration*

A concentrated attack was directed during the year against the illicit manufacture of and traffic in nontax-paid spirits. In addition to the general enforcement accomplishments, a specialized investigative effort has been directed at the larger syndicates trafficking in nontax-paid spirits, with the result that a great number of the larger organizations have been placed under indictment in the leading metropolitan centers of the country.

The enforcement of the act of June 18, 1934, relating to substances used in the illegal manufacture of distilled spirits, has brought about

<sup>1</sup> On the basis of reports of collections, see p. 294.



a very material reduction in the sale of corn sugar, brown sugar, black strap molasses, oak chips, and other materials generally used in making unlawful liquors. The law requiring a stamp to be placed on bottles of distilled spirits, as well as the law authorizing the Treasury to regulate the use of bottles, has also aided materially in reducing transactions in unlawful liquors.

Brewers were required to provide meters for the measurement of beer for tax payment. These meters, which are now in operation at all breweries, insure more accurate measurement of beer for tax payment, and have permitted the removal of a large number of store-keeper-gagers heretofore required to be present when beer was measured in tanks.

Research work was performed in the laboratory of the Alcohol Tax Unit to develop satisfactory methods for determining whether race horses have been stimulated with narcotic or other drugs and for assaying opium. Research work was also carried on with the view of developing more efficient denaturants for the purpose of preventing the diversion of tax-free denatured alcohol to illegal uses, and a new specially denatured alcohol formula containing sucrose octa acetate was adopted for the manufacture of rubbing alcohol compounds. During the past few years substantial quantities of rubbing alcohol compounds have been used for beverage purposes, but it is believed that the new denaturant will prevent this diversion.

A detailed description of the work of the Bureau of Internal Revenue will be found on pages 108 to 133 of this report.

#### CONSTRUCTION ACTIVITIES OF THE TREASURY

The Department's building operations, carried on under several different programs and appropriations, resulted in the completion during the fiscal year of 152 projects with a total limit of cost of \$262,594,557 and the placing under contract of 443 projects with a total limit of cost of \$68,707,433. At the end of the year additional projects were in the following stages: 219 projects with a total limit cost of \$39,693,417 were on the market for bids or in the final stage of preparing specifications; plans were being prepared for 73 projects at a limit of cost of \$19,221,810; land had been acquired for 6 additional projects to cost approximately \$949,000; and sites for 28 projects to cost approximately \$4,420,000 had been selected or were in process of selection.

##### *The original public building program*

The Public Building Act, approved May 25, 1926, and subsequent acts enlarging the regular building program made general authorizations of \$702,296,794 and total specific authorizations for buildings and land of \$496,366,798. Of the 735 construction projects previously under contract in this program, 702 had been completed by

June 30, 1935, leaving still under contract 33 projects with a total limit of cost of \$12,792,575.

*Building program in the District of Columbia.*—The program for Federal buildings in the District of Columbia under the public building program of 1926 has been practically completed, except for minor items for the Archives Building. The buildings for the Department of Labor, the Department of Justice, and the Interstate Commerce Commission, the South Building of the Department of Agriculture, and the addition to the Federal Warehouse were occupied during the year. The addition to the Internal Revenue Building is rapidly nearing completion, and the National Institute of Health will be ready for occupancy on all floors by September 1935. Bids had been received for the new Interior Department Building to be constructed under a transfer of funds from the Public Works Administration amounting to \$11,110,000, but award of the contract had not been made at the end of the fiscal year; and bids were being taken for an extension to the Archives Building under an allotment of \$3,610,000 by the Public Works Administration.

#### *Program under the Public Works Administration*

During the fiscal year 1935 the total number of allotments for public building projects made by the Administrator of Public Works was reduced from 465 to 442, but the total limit of cost under these allotments was increased from \$67,410,788 to \$70,850,768. At the end of the fiscal year 27 of these projects had been completed under a limit of cost of \$2,978,675; 283 were under contract under a limit of cost of \$45,806,288; and bids had been received or were being solicited, or specifications were being completed on 101 projects, to cost approximately \$16,559,295; 17 were in the drawing stage; and 14 were awaiting the purchase or selection of sites.

#### *Program under the Emergency Appropriation Act*

The Emergency Appropriation Act approved June 19, 1934, provided \$65,000,000 for public buildings throughout the country, the projects to be selected by the Secretary of the Treasury and the Postmaster General. During the year, 355 projects estimated to cost approximately \$65,166,945 were selected, of which one was completed at a total limit of cost of \$50,000, and 160 were placed under contract at a total limit of cost of \$22,901,145. At the end of the year bids had been received, or the work had been placed on the market or was in the specification stage, on 118 projects to cost approximately \$23,131,500. The remaining 76 projects were in the drawing stage or awaiting the acquisition of sites.

*Program for other departments*

Funds to the amount of \$13,588,161 were transferred to the Treasury Department by other departments for 37 projects involving the rehabilitation, extension, and remodeling of old buildings, construction of new buildings, repair of sea walls, etc. Projects totaling \$2,288,861 were under contract at the end of the fiscal year, the value of work on the market or in the specification stage was \$11,110,000, and drawings were being prepared for projects to cost approximately \$189,300.

Detailed information with reference to all building programs and appropriations will be found in the abstract of the report of the Procurement Division on pages 148 to 152 of this report.

**BUREAU OF CUSTOMS**

Total customs receipts during the fiscal year 1935 amounted to \$343,353,000 as compared with \$313,434,000 in 1934. This increase of \$29,919,000 reflects chiefly larger collections from duties on liquors and wines and on certain agricultural products, which more than offset small decreases in duties on sugar and other commodities.

The fiscal year 1935 was the first full fiscal year during which the repeal of the eighteenth amendment was effective. Collections from duties on imported liquor and wine aggregated \$41,019,000 in 1935 as compared with \$24,024,000 collected during the last 7 months of the fiscal year 1934 subsequent to repeal.

Largely in consequence of the drought in the summer of 1934, there were during the fiscal year 1935 comparatively large imports of certain agricultural products including grains, fodders and feeds, meats, butter, and vegetable oils.

Imports of sugar in the fiscal year 1935 were 2,774,700 short tons as compared with 1,359,300 short tons in 1934. This increase was due to the postponement to the latter half of the calendar year 1934 of a large part of the year's quota of imports of Cuban sugar in anticipation of reductions in duty from 2 cents to 1.5 cents per pound on June 8, 1934, and, under the Cuban trade agreement, to 0.9 cent per pound effective September 3, 1934. The increased volume of sugar imports permitted under the quota practically offset the effect of the reduction in duty on Cuban sugar.

The value of dutiable imports entered for consumption in the fiscal year 1935 was \$752,153,000, an increase of 24.3 percent over 1934 and 77.1 percent over 1933. The value of imports entered free of duty constituted 57.9 percent of the total value of all imports entered for consumption during 1935 as compared with 63.6 percent for 1934.

Foreign trade results and customs receipts are summarized by fiscal years in the following table:

*Merchandise exports and imports and customs receipts, fiscal years 1930 to 1935*

[In millions of dollars]

Fiscal year	Ex-ports	General im-ports	Excess of ex-ports over im-ports	Cus-toms re-ceipts <sup>1</sup>	Fiscal year	Ex-ports	Gen-eral im-ports	Excess of ex-ports over im-ports	Cus-toms re-ceipts <sup>1</sup>
1930.....	4,694	3,849	845	587	1933.....	1,440	1,168	272	251
1931.....	3,083	2,432	651	378	1934.....	2,042	1,721	321	313
1932.....	1,948	1,730	218	328	1935.....	2,121	1,786	335	343

<sup>1</sup> On basis of daily Treasury statements (unrevised).

A more detailed statement of the activities of the Bureau of Customs is presented on pages 98 to 104 of this report.

**NONFISCAL ACTIVITIES***Coast Guard*

The Coast Guard continued to perform during the year its usual duties, which are of great importance to maritime and general public interests. The principal activities were: The International Ice Patrol in the vicinity of the Grand Banks of Newfoundland along the trans-Atlantic steamship lanes and related ice observation and oceanographic cruises and surveys; patrol of the coast—including aircraft patrol—to aid vessels and persons in distress; patrol of the waters of the north Pacific Ocean, Bering Sea, and southeastern Alaska, for the enforcement of laws and regulations for the protection of the fur seal and sea otter, game, fisheries, and fur-bearing animals of Alaska, and of other laws in Alaska; supervision of the anchorage and movements of vessels at ports and other places where Federal regulations are in force; enforcement of the customs, navigation, motor boat, and other laws of the United States; prevention of smuggling of liquor and other contraband; removal of derelicts and other obstructions from the paths of navigation; and the preservation of life and property at sea and along the coasts. During the year, 5,825 persons were saved or rescued from peril by the Coast Guard.

A more detailed account of these and other operations of the Coast Guard will be found on pages 87 to 94 of this report.

*Public Health Service*

The work of collecting, compiling, and publishing current reports of disease prevalence in the United States and throughout the world was continued during the year. Preliminary mortality rates for a large group of States for the calendar year 1934, showing a slight increase over the minimum rate for the United States recorded in 1933, were made available.

The International Sanitary Convention for Aerial Navigation was ratified by the United States on June 13, 1935, and will become effective November 22, 1935.

The Consular Regulations of the United States of America were amended to authorize American consular officers in foreign ports to authenticate foreign certificates of deratization and of deratization exemption.

Recommendation was made for favorable consideration on the part of the United States of a proposal submitted by the International Office of Public Health to amend article 25 of the International Sanitary Convention of Paris (revised 1926) to permit the repeated fumigation under special circumstances of ships coming from plague-infected ports. Instructions were issued on March 5, 1935, requiring, until further notice, all vessels coming from River Plata ports, South America, except Montevideo, to be considered as potentially dangerous from the standpoint of introducing plague and to be treated accordingly at United States ports.

The privileged quarantine treatment accorded vessels of the United States Navy which carry naval medical officers has been extended to vessels of the Coast Guard which carry medical officers of the Public Health Service.

Medical officers of the Public Health Service were authorized, when requested by immigration officials, to make the physical examination of nominees selected by immigration officials for appointment as immigration patrol inspectors.

In an effort to restrict the introduction of malaria, medical officers of the Service on the Texas-Mexican border were directed to make microscopic examinations of the blood of all arriving persons suspected of having malaria, and to notify the State health authority of any infected persons who were permitted entry.

A new quarantine station has been completed at Port Townsend, Wash., to serve the various ports of the United States located on Puget Sound and its tributaries.

In addition to trachoma eradication, psittacosis control, plague-preventive measures in California, Oregon, and Hawaii, certifications of sources of drinking water used on common carriers, and assistance to rural health organizations, the Public Health Service participated actively in the work relief program of the Federal Emergency Relief Administration. Under this program and in cooperation with the State health departments, sanitary outdoor toilets for rural homes were constructed, malaria-control drainage projects were carried out, and abandoned mines were sealed to prevent the pollution of streams by acid wastes. In connection with work relief projects for the control of endemic typhus fever, emphasis was placed upon rat-flea

surveys, rat extermination, and the promotion of rat-proof construction of buildings.

The new administration and laboratory buildings for the National Institute of Health in Washington, D. C., and the laboratory building at the Rocky Mountain Laboratory, Hamilton, Mont., were completed and occupied during the year.

Late in the fiscal year an epidemic of poliomyelitis occurred in North Carolina. With the aid of State and local authorities and the cooperation of the medical profession, the Service began a carefully controlled study designed to test the efficacy of a vaccine in the prevention of this disease.

Activities pertaining to venereal-disease control work have included investigative projects in the clinic and the laboratory, studies of the prevalence and trend of syphilis and gonorrhea, and continued cooperative work with State and local health departments. Among the investigative projects the evaluation of various serodiagnostic tests for syphilis was highly successful and received much favorable comment. Several thousand transient citizens infected with venereal diseases were treated at the Public Health Service Clinic, Hot Springs National Park, Ark. The admissions to this clinic have markedly increased during recent years.

The United States Narcotic Farm at Lexington, Ky., the first institution of this character, was completed and opened for the reception of patients on May 29, 1935. The Service continued the supervision and furnishing of medical, psychiatric, and technical services for the Federal penal and correctional institutions under the control of the Department of Justice, and special studies dealing with the country's medical and scientific needs for narcotic drugs and the medico-social problems of drug addiction were continued. Cooperation was also continued with international, national, and local official and voluntary agencies interested in various phases of narcotic and mental hygiene problems with which the Public Health Service is concerned.

The marine hospitals and other relief stations of the Public Health Service continued to furnish hospital and out-patient care to American merchant seamen and other legal beneficiaries. By the act of April 8, 1935, these benefits were extended to employees of the Works Progress Administration who are beneficiaries of the Employees' Compensation Commission. Seamen continued to be the most numerous class of patients. In addition to the customary medical services furnished to other Government agencies, the Public Health Service also assumed during the year medical supervision of 19 relief units in the Treasury Department and other organizations.

The activities of the Public Health Service are more fully presented on pages 161 to 170 of this report.

*Bureau of Narcotics*

The Bureau of Narcotics has continued to direct its principal enforcement activities against major narcotic law violators and has made further progress in eliminating the sources of supply of illicit narcotic drugs. Through the continued exchange direct with foreign countries of information relating to illicit shipments, and with the active cooperation of the Bureau of Customs, the supply of narcotics available to the domestic illicit traffic from smuggled sources has further decreased, as evidenced by a marked decrease both in seizures at ports and borders and in the total drugs seized. Due to greatly increased activities on the part of narcotic enforcement officers, seizures in the internal traffic showed a marked increase, but, as heretofore, the drugs seized showed upon analysis a high degree of adulteration, a further evidence of the shortage of the actual drugs in the illicit market. Prices in the illicit market continued high. The total violations reported by narcotic officers showed an increase of approximately 35 percent over the previous year.

The decreased supplies of smuggled narcotics available to the illicit traffic have forced peddlers and addicts to turn more and more to the channels of legitimate domestic medical supply. This renders the robbery of wholesale and retail stocks, the forgery and false execution of narcotic prescriptions, and the improper prescribing and dispensing of narcotics, the major enforcement problems. Of the total violations reported during the year, approximately one-third involved persons registered under the law.

The Bureau has continued to receive the cooperation of State and municipal enforcement agencies, whose activities have become more and more effective with the adoption and enforcement of the uniform State narcotic law. This law, approved by the Conference of Commissioners on Uniform State Laws and by the American Bar Association nearly 3 years ago, was adopted with little or no amendment during the fiscal year 1935 in 18 States: Arizona, Colorado, Connecticut, Delaware, Georgia, Indiana, Louisiana, Maryland, Massachusetts, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, South Dakota, Utah, and West Virginia. This makes a total of 26 States which have adopted this legislation, the law having been adopted previously by Florida, Kentucky, Nevada, New York, New Jersey, Rhode Island, South Carolina, and Virginia.

A more complete account of the activities of the Bureau will be found on pages 138 to 140 of this report.

## ORGANIZATION CHANGES

No major changes in Treasury organization have occurred during the fiscal year 1935, but much has been accomplished in improved administration in the various branches of the Department. Changes in organization which should be specifically mentioned were as follows:

Treasury Department Order No. 8 of September 17, 1934, established in the Office of the Secretary a Division of Research and Statistics, which, in addition to other duties mentioned in the order, took over the functions formerly exercised by the Section of Financial and Economic Research in the Office of the Secretary.

By Treasury Department Order No. 9 of September 26, 1934, all medical relief activities in the Treasury Department in the District of Columbia, not then a part of or under the supervision of the United States Public Health Service, were transferred to that Service and placed under the supervision of the Surgeon General.

By Treasury Department Order No. 10 of April 23, 1935, the functions of purchasing and the storage and distribution of stationery supplies were transferred from the Division of Supply to the Procurement Division and placed under the immediate supervision of the Assistant Director, Branch of Supply. The remaining functions of the Division of Supply dealing with printing and binding and miscellaneous subjects were retained and the name of the Division changed to the Division of Printing.

The above Treasury Department orders are contained in exhibit 49, page 279, of this report.

On December 1, 1934, Miss Josephine Roche was appointed Assistant Secretary of the Treasury, supervision of the Public Health Service being assigned to her. A revision of Department Circular No. 244 (exhibit 50, p. 281), was made on December 7, 1934, covering this assignment as well as the assignment of all other bureaus, offices, and divisions of the Department to the supervision of the Secretary, the Under Secretary, the Administrative Assistant to the Secretary, and the Assistant Secretaries of the Treasury.

Attention is invited to the attached reports of bureaus and divisions of the Treasury Department and to the exhibits and tables accompanying the report on the finances.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

To the SPEAKER OF THE HOUSE OF REPRESENTATIVES.



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ADMINISTRATIVE REPORTS  
OF BUREAUS AND DIVISIONS

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## OFFICE OF THE COMMISSIONER OF ACCOUNTS AND DEPOSITS

### *Combined statement of assets and liabilities of governmental corporations and credit agencies*

Under Executive Order No. 6869 of October 10, 1934, a copy of which appears as exhibit 51, page 282, every executive department and independent establishment of the Government holding assets or incurring liabilities and every corporation in which the Government of the United States has a proprietary interest is required to furnish to the Secretary of the Treasury, not later than the fifteenth day of each month, a statement of its assets, liabilities, capital, and surplus, as of the close of business on the last business day of the preceding month. The order further provides that the Secretary of the Treasury shall cause to be published monthly on the daily statement of the United States Treasury a combined statement of the assets, liabilities, capital, and surplus, reported pursuant to the provisions of such order. Prior to the issuance of the above order, the first combined statement of assets and liabilities of governmental corporations and credit agencies as of June 30, 1934, was released on August 29, 1934. The statement as of June 30, 1935, appears as table 37, on page 411 of this report. Following is a summary statement of the proprietary interest of the United States in these corporations and agencies as of June 30, 1934 and 1935.

### *Proprietary interest of the United States in governmental corporations and credit agencies, June 30, 1934 and 1935*

[In millions of dollars]

	June 30, 1934	June 30, 1935
<b>I. Financed wholly from Government funds:</b>		
Reconstruction Finance Corporation.....	2,452	2,035
Commodity Credit Corporation.....	206	153
Export-Import banks.....	14	14
Public Works Administration.....	136	312
Regional agricultural credit corporations.....	51	77
Production credit corporations.....	106	121
All other.....	273	610
Total, group I.....	3,238	3,322
<b>II. Financed partly from Government funds and partly from private funds:</b>		
Federal land banks.....	161	251
Federal intermediate credit banks.....	85	84
Federal Farm Mortgage Corporation.....	197	206
Banks for cooperatives.....	111	129
Home loan banks.....	81	82
Home Owners' Loan Corporation.....	144	70
Federal Savings and Loan Insurance Corporation.....	-----	102
Federal savings and loan associations.....	1	32
Federal Deposit Insurance Corporation.....	150	150
War Finance Corporation.....	(1)	(1)
Total, group II.....	930	1,106
Grand total.....	4,168	4,428

<sup>1</sup> Less than a million dollars.

### *Securities owned by the United States Government*

The aggregate amount of securities owned by the Government on June 30, 1935, based upon the latest reports received, was \$17,676,-

212,144.72 as against \$16,957,995,149.53 on June 30, 1934 (revised statement made up in same form as June 30, 1935, statement), an increase of \$718,216,995.19. A summary comparison of the holdings at the end of the last 2 fiscal years is shown below. A detailed statement of the securities held on June 30, 1935, will be found as table 36, page 408.

*Summary of securities owned by the United States on June 30, 1934 (revised) and 1935*

	June 30, 1934 (revised)	June 30, 1935	Increase (+) or decrease (-)
Foreign obligations:			
Received under debt settlements.....	\$11,155,851,007.57	\$11,155,784,298.04	-\$66,709.53
All other.....	859,205,363.64	859,205,365.64	-----
Total.....	12,015,056,371.21	12,014,989,661.68	-66,709.53
Capital stock of war emergency corporations.....	83,732,612.37	83,683,096.22	-49,516.15
Capital stock, etc., of other governmental corporations and credit agencies:			
Capital stock of Panama R. R. Co.....	7,000,000.00	7,000,000.00	-----
Capital stock of Inland Waterways Corporation.....	12,000,000.00	12,000,000.00	-----
Reconstruction Finance Corporation.....	3,152,818,871.78	3,486,215,554.93	+333,396,683.15
(Capital stock and notes, less funds expended for subscriptions to capital stock of other governmental corporations and funds disbursed to other governmental agencies for making loans included below.)			
Capital stock of the Home Owners' Loan Corporation.....	154,000,000.00	120,000,000.00	+46,000,000.00
Capital stock of regional agricultural credit corporations.....	44,500,000.00	44,500,000.00	-----
Capital stock of Federal home loan banks.....	81,445,700.00	81,645,700.00	+200,000.00
Capital stock of Federal Farm Mortgage Corporation.....	200,000,000.00	200,000,000.00	-----
Capital stock of Export-Import Bank of Washington.....	11,000,000.00	11,000,000.00	-----
Capital stock of Second Export-Import Bank of Washington.....	2,750,000.00	2,750,000.00	-----
Capital stock of RFC Mortgage Co.....	-----	10,000,000.00	+10,000,000.00
Capital stock of production credit corporations.....	105,000,000.00	120,000,000.00	+15,000,000.00
Capital stock of commodity credit corporation.....	3,000,000.00	3,000,000.00	-----
Capital stock of Electric Home and Farm Authority, Inc.....	1,000,000.00	1,000,000.00	-----
Capital stock of Federal Deposit Insurance Corporation.....	150,000,000.00	150,000,000.00	-----
Capital stock (preferred and full-paid income shares) of Federal savings and loan associations.....	1,086,300.00	32,464,000.00	+31,377,700.00
Capital stock of Federal Subsistence Home-steads Corporation.....	10,000.00	10,000.00	-----
Capital stock and paid-in surplus of Federal land banks.....	163,883,152.16	199,452,477.75	+35,569,325.59
Capital stock and paid-in surplus of Federal intermediate credit banks.....	85,000,000.00	100,000,000.00	+15,000,000.00
Capital stock of Central Bank for Cooperatives.....	50,000,000.00	65,000,000.00	+15,000,000.00
Capital stock of banks for cooperatives.....	60,000,000.00	60,000,000.00	-----
Other obligations and securities:			
Railroad obligations.....	37,711,041.34	31,192,156.36	-6,518,884.98
Obligations acquired by Federal Emergency Administration of Public Works.....	145,423,423.39	312,360,510.09	+166,937,086.70
Notes received by Farm Credit Administration evidencing outstanding advances made from the revolving fund created by the Agricultural Marketing Act.....	150,360,286.43	125,211,123.35	-25,149,163.08
Securities received by Secretary of War.....	828,000.00	433,000.00	-395,000.00
Securities received by Secretary of Navy.....	4,909,988.20	5,086,301.17	+176,312.97
Securities received by U. S. Shipping Board Bureau.....	142,940,237.36	119,719,682.87	-23,220,554.49
Obligations of farmers for seed, feed, drought-relief, and crop-production loans.....	91,603,755.27	197,124,401.86	+105,520,646.59
Obligations of joint stock land banks.....	935,410.02	374,478.44	-560,931.58
Total.....	16,957,995,149.53	17,676,212,144.72	+718,216,995.19

<sup>1</sup> Includes \$100,000,000 expended for subscription to capital stock of the Federal Savings and Loan Insurance Corporation.

*Contingent liabilities of the United States*

A summary statement of the contingent liabilities of the United States as of June 30, 1934 and 1935, and the change between the two dates is shown below. A full statement of such liabilities of the United States as of June 30, 1935, and a description of them appear as table 33, page 403.

Agency	Obligation	Total amount of contingent liability		Increase (+) or decrease (-)
		June 30, 1934	June 30, 1935	
Federal Farm Mortgage Corporation.	Bonds, various issues...	\$313,488,165.12	\$1,233,090,547.93	+\$919,602,382.81
Federal land banks.....	4 percent consolidated bonds of 1934, interest only.	6,303,499.99	-----	-6,303,499.99
Home Owners' Loan Corporation.	Bonds, various issues...	135,272,290.75	2,666,576,480.21	+2,531,304,189.46
Reconstruction Finance Corporation.	Notes, various issues...	235,797,098.28	250,988,401.82	+15,191,303.54
Secretary of Agriculture.	Funds borrowed upon cotton.	58,900,130.24	45,095,000.00	-13,805,130.24
Postal Savings System.	Funds due depositors..	1,220,549,448.99	1,230,976,844.57	+10,427,395.58
Federal Reserve System.	Federal Reserve notes..	3,325,265,033.00	3,234,959,135.00	-90,305,898.00

*Accounting and disbursing of emergency relief funds appropriated under the Emergency Relief Appropriation Act of 1935*

Section II (A) of Executive Order No. 7034, dated May 6, 1935, directs:

(A) The Secretary of the Treasury, (1) through the disbursing and accounting facilities under the Commissioner of Accounts and Deposits of the Treasury Department, to make provision for all disbursements from the funds appropriated by the "Emergency Relief Appropriation Act of 1935", subject only to such exceptions as the Secretary may authorize, and to maintain a system of accounts necessary to enable the President (a) to exercise Executive control over such funds, (b) to provide current financial and accounting information for governmental agencies concerned, and (c) to make a complete report to the Congress concerning expenditures made and obligations incurred, by classes and amounts \* \* \*.

Pursuant to the provisions of this order, the Secretary of the Treasury issued on June 18, 1935, Regulation No. 1 prescribing administrative procedure for the maintenance of a system of accounts and disbursements under the Emergency Relief Appropriation Act of 1935. This regulation was approved by the President and issued as Treasury Department Circular No. 543, a copy of which appears as exhibit 52, on page 283.

With a view to providing effective accounting controls and in order to facilitate disbursing operations, there have been set up in each State a Treasury accounts office and a Treasury disbursing office. For administrative expediency these offices are located in the same cities as the Treasury procurement offices and the State headquarters of the Works Progress Administration.

Accounts are maintained showing in detail the status of the funds allocated by the President for various projects and purposes, and at frequent intervals reports are prepared for the information of administrative officers and others concerned, showing obligations, expenditures, and balances under each project and under various classifications, such as States, Government establishments, etc.

*Obligations of foreign governments*

The United States received during the fiscal year 1935 payments aggregating \$666,391 on account of the indebtedness of foreign governments, of which \$62,000 was for account of principal, \$566,330 was for account of interest, and \$38,061 was for account of annuities under the moratorium agreements.

The following statement shows the payments due during the period July 1 to December 31, 1934, and the amounts actually paid on account by certain governments:

## AMOUNTS DUE AND PAYABLE, JULY 1 TO DECEMBER 31, 1934

Country	Funding agreements		Moratorium agreements	Total
	Principal	Interest		
Belgium.....		\$2,625,000.00	\$484,453.88	\$3,109,453.88
Czechoslovakia.....	\$1,500,000.00		182,812.78	1,682,812.78
Estonia.....	208,500.00	286,265.00	36,585.29	531,350.29
Finland.....	62,000.00	147,507.50	19,030.50	228,538.00
France.....		19,261,432.50	3,046,879.72	22,308,312.22
Great Britain.....	32,000,000.00	75,950,000.00	9,720,765.05	117,670,765.05
Greece <sup>1</sup> .....	245,000.00	229,820.00	67,137.38	541,957.38
Hungary.....	12,800.00	33,185.07	4,225.58	50,210.65
Italy.....		1,245,437.50	896,155.88	2,141,593.38
Latvia.....	85,800.00	119,609.00	15,274.26	220,683.26
Lithuania.....		107,783.67	13,683.26	121,466.93
Poland.....	2,577,000.00	3,582,810.00	456,229.71	6,616,039.71
Rumania.....			48,750.08	48,750.08
Total.....	36,691,100.00	103,588,850.24	14,991,983.37	155,271,933.61

## AMOUNTS ACTUALLY PAID

Finland.....	\$62,000.00	\$147,507.50	\$19,030.50	\$228,538.00
Greece.....		272,400.90		272,400.00
Total.....	62,000.00	419,907.50	19,030.50	500,938.00

<sup>1</sup> Exclusive of principal payment of \$150,000 postponed under the provision of the funding agreement with Greece.

<sup>2</sup> A payment of \$196,128 (27½ percent of interest due on May 10, 1933, and Nov. 10, 1933, and 35 percent of interest due on May 10, 1934) was received on July 6, 1934. An additional payment of \$76,272 (35 percent of amount due on Nov. 10, 1934) was received on Nov. 10, 1934.

The following statement shows payments due during the period January 1 to June 30, 1935, and the amounts actually paid on account:

## AMOUNTS DUE AND PAYABLE, JANUARY 1 TO JUNE 30, 1935

Country	Funding agreements		Moratorium agreements	Total
	Principal	Interest		
Austria <sup>1</sup> .....				
Belgium.....	\$4,300,000.00	\$2,625,000.00	\$484,453.88	\$7,409,453.88
Czechoslovakia.....	1,500,000.00		182,812.78	1,682,812.78
Estonia.....		286,265.00	36,585.29	322,850.29
Finland.....		146,422.50	19,030.50	165,453.00
France.....	42,058,825.41	19,261,432.50	3,046,879.72	64,367,137.63
Great Britain.....		75,950,000.00	9,720,765.05	85,670,765.05
Greece.....	1,111,000.00	233,007.50	67,137.38	1,411,144.88
Hungary.....		33,185.08	4,225.58	37,410.66
Italy.....	13,000,000.00	1,245,437.50	896,155.88	15,141,593.38
Latvia.....		119,609.00	15,274.26	134,883.26
Lithuania.....	42,885.00	107,783.67	13,683.26	164,351.93
Poland.....		3,582,810.00	456,229.71	4,039,039.71
Rumania.....	1,400,000.00		48,750.08	1,448,750.08
Yugoslavia.....	325,000.00			325,000.00
Total.....	63,737,710.41	103,590,952.75	14,991,983.37	182,320,646.53

## AMOUNTS ACTUALLY PAID

Finland.....		\$146,422.50	\$19,030.50	\$165,453.00
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<sup>1</sup> Payments aggregating \$494,860.23 were postponed under the provisions of the funding and moratorium agreements with Austria.

Press releases of the Treasury and the Department of State and correspondence exchanged between the Government of the United States and various foreign governments regarding the amounts due during the fiscal year will be found as exhibits 45 and 46 on pages 269 and 271 of this report.

A statement showing the principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest as of November 15, 1935, appears as table 42 on page 423.

The total amounts previously due from foreign governments on account of their indebtedness to the United States under the funding and moratorium agreements and not paid as of November 15, 1935, according to contract terms, are shown in the following statement:

TOTAL AMOUNTS DUE AND NOT PAID, AS OF NOVEMBER 15, 1935

Country	Funding agreements		Moratorium agreements	Total
	Principal	Interest		
Austria.....				
Belgium.....	\$12,800,000.00	\$14,250,000.00	\$1,937,815.52	\$28,987,815.52
Czechoslovakia.....	7,170,085.83		731,251.12	7,901,336.95
Estonia.....	344,000.00	1,676,695.00	146,341.16	2,167,036.16
France.....	100,227,866.76	115,568,595.00	12,187,518.88	227,983,980.64
Great Britain.....	64,000,000.00	362,249,481.58	38,883,060.20	465,132,541.78
Greece.....	2,696,000.00	1,231,651.50	335,686.90	4,263,338.40
Hungary <sup>1</sup> .....	37,870.00	184,888.29	16,902.32	239,660.61
Italy.....	37,900,000.00	4,227,166.74	3,584,623.52	45,711,790.26
Latvia.....	133,300.00	582,514.84	61,097.04	776,911.88
Lithuania.....	124,385.00	475,735.00	54,733.04	654,853.04
Poland.....	4,202,000.00	20,985,030.00	1,824,918.84	27,011,948.84
Rumania.....	3,600,000.00		195,000.32	3,795,000.32
Yugoslavia.....	1,150,000.00			1,150,000.00
Total.....	234,385,507.59	521,431,757.95	59,958,948.86	815,776,214.40

<sup>1</sup> The Hungarian Government has deposited with the foreign creditors' account at the Hungarian National Bank the aggregate amount of 994,994.98 pengo. The debt-funding and moratorium agreements with Hungary provide for payment in dollars in the United States.

### Receipts from Germany

During the fiscal year 1935 the United States received no payments from the Government of Germany under the debt-funding agreement of June 23, 1930, covering the costs of the American Army of Occupation and the awards of the Mixed Claims Commission, United States and Germany.

*Army costs.*—A payment amounting to 9,300,000 reichsmarks due September 30, 1934, on account of the costs of the Army of Occupation was postponed to March 31, 1935, under the provisions of the debt-funding agreement. In accordance with the provisions of the agreement such postponed payment bears interest at the rate of 3½ percent per annum. The payments aggregating 53,200,000 reichsmarks, which were previously postponed, became due on March 31, 1935, and there also matured on that date a payment of 9,300,000 reichsmarks. These principal sums together with interest falling due on September 30, 1934, and March 31, 1935, amounting to 1,759,937.50 reichsmarks, have not been paid by the Government of Germany.

There has been no change in the Army cost account from that shown in the statement appearing on page 39 of the annual report for 1932.

*Mixed claims, United States and Germany.*—The payments of 20,400,000 reichsmarks each, due on September 30, 1934, and March 31, 1935, from the Government of Germany on account of mixed claims awards were not made under the provisions of the debt agreement of June 23, 1930. The interest amounting to 6,630,000 reichsmarks due on those dates also has not been paid.

*Annuities under moratorium agreement.*—The semiannual installments of the annuities under the moratorium agreement with the Government of Germany dated May 26, 1932, aggregating 3,058,098.90 reichsmarks, which were due during the fiscal year 1935, were not paid by Germany.

The status of the indebtedness of Germany to the United States as of June 30, 1935, is summarized in the following tables:

## AMOUNT OF INDEBTEDNESS

[In reichsmarks]

	Indebtedness as funded	Total indebtedness as of June 30, 1935	Principal	Interest accrued and unpaid <sup>1</sup>
Army costs.....	1,048,100,000	1,001,124,097.61	997,500,000	3,624,097.61
Mixed claims.....	2,121,600,000	2,048,670,000.00	2,040,000,000	8,670,000.00
Total.....	3,169,700,000	<sup>2</sup> 3,049,794,097.61	3,037,500,000	12,294,097.61

## PAYMENTS RECEIVED

	Total payments received as of June 30, 1935	Payments of principal	Payments of interest
Army costs (reichsmarks).....	51,456,406.25	50,600,000.00	856,406.25
Mixed claims (reichsmarks).....	87,210,000.00	81,600,000.00	5,610,000.00
Total (reichsmarks).....	138,666,406.25	132,200,000.00	6,466,406.25
Amounts received (in dollars).....	\$33,587,809.69	\$31,539,595.84	\$2,048,213.85

## AMOUNTS NOT PAID ACCORDING TO CONTRACT TERMS, JUNE 30, 1935

[In reichsmarks]

Date due	Funding agreement		Moratorium agreement	Total
	Principal	Interest		
Sept. 30, 1933.....		2,498,562.50	1,529,049.45	<sup>2</sup> 4,027,611.95
Mar 31, 1934.....	122,400,000		1,529,049.45	123,929,049.45
Sept. 30, 1934.....	20,400,000	3,855,687.50	1,529,049.45	25,784,736.95
Mar 31, 1935.....	82,900,000	4,534,250.00	1,529,049.45	88,963,299.45
Total.....	225,700,000	10,888,500.00	6,116,197.80	242,704,697.80

<sup>1</sup> Includes interest accrued under unpaid moratorium agreement annuities.

<sup>2</sup> Includes 4,027,611.95 reichsmarks deposited by German Government in the Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreements.

*Treasury administration of alien and mixed claims*

The Settlement of War Claims Act of 1928 authorized the Secretary of the Treasury to make payments on account of (1) awards of the Mixed Claims Commission, United States and Germany, for claims



of American nationals against the Government of Germany; (2) awards of the War Claims Arbitrer for claims of German, Austrian, and Hungarian nationals against the Government of the United States; and (3) awards of the Tripartite Claims Commission for claims of American nationals against the Governments of Austria and Hungary.

The time within which claimants could file applications for awards from the Mixed Claims Commission, United States and Germany, and the Tripartite Claims Commission, United States, Austria, and Hungary, has been extended from time to time. The time within which such applications may be filed will expire on March 10, 1936.

The restrictions imposed by Public Resolution No. 53 of June 27, 1934, as to payments, transfers, and deliveries of property under the Trading with the Enemy Act, as amended, and the Settlement of War Claims Act of 1928, as amended, were removed in certain cases, pursuant to Executive Order No. 6981, dated March 2, 1935. A copy of this order will be found as exhibit 53, page 288 of this report. A copy of Public Resolution No. 53 will be found as exhibit 39 on page 253 of the annual report for 1934.

*Mixed Claims Commission: Claims against Germany.*—The Treasury made payments up to September 30, 1935, in the aggregate amount of \$135,379,216.93 on account of awards of the Mixed Claims Commission, from which there has been deducted \$676,896.68, representing one-half of 1 percent authorized by the Settlement of War Claims Act, making net payments to claimants of \$134,702,320.25. Of the deductions so made, \$650,025.64 has been covered into the Treasury as miscellaneous receipts or reserved for such purpose in accordance with the Settlement of War Claims Act of 1928, as reimbursement to the United States for expenses incurred, and \$26,871.04 has been paid to the German Government or reserved for payment to that Government in accordance with the agreement of December 31, 1928, and the act of Congress approved June 21, 1930, for defraying such expenses as were incurred by that Government in connection with the adjudication of the late claims.

The following summary shows the awards certified to the Treasury by the Secretary of State, by classes, number and amount of the awards, the amount paid on account, and the balance due thereon as of September 30, 1935:

Number and amount of awards of the Mixed Claims Commission, United States and Germany, certified to the Secretary of the Treasury by the Secretary of State; and the amount paid and balance due, by classes, as of September 30, 1935

Awards certified	Total number of awards	Total amount	Class I		Class II		Class III		United States Government	
			Number of awards	Awards on account of death and personal injury	Number of awards	Awards of \$100,000 and less	Number of awards	Awards over \$100,000	Number of awards	Amount
1. Amount due on account:										
Principal of awards:	4,551	\$156,685,145.09	420	\$3,489,437.75	3,829	\$15,102,155.76	298	\$96,058,757.17	4	\$42,034,794.41
Agreement of Aug. 10, 1922.....	2,290	3,695,863.20	115	556,625.00	2,169	2,447,803.92	6	691,434.28		
Agreement of Dec. 31, 1928.....		160,381,008.29		4,046,062.75		17,549,959.68		96,750,191.45		42,034,794.41
Less amounts paid by Alien Property Custodian and others.....		187,236.85				48,012.50		139,214.35		
Interest to Jan. 1, 1928, at rates specified in awards:		160,193,781.44		4,046,062.75		17,501,947.18		96,610,977.10		42,034,794.41
Agreement of Aug. 10, 1922.....		69,755,018.74		732,801.61		6,851,202.19		42,961,689.72		19,209,325.22
Agreement of Dec. 31, 1928.....		1,409,240.88		115,976.22		971,159.15		322,105.51		
Total payable to Jan. 1, 1928.....		231,358,041.06		4,894,840.58		25,324,308.52		139,894,772.33		61,244,119.63
Interest thereon to date of payment or, if unpaid Sept. 30, 1935, at 5 percent per annum as specified in the Settlement of War Claims Act of 1928.....		47,495,781.04		188,801.74		1,369,482.96		22,220,081.79		23,717,414.55
Total due claimants.....		278,853,822.10		5,083,642.32		26,693,791.48		162,114,854.12		84,961,534.18
2. Payments made on account up to Sept. 30, 1935:										
Principal of awards:	4,235	121,383,877.46	420	3,489,437.75	3,815	15,028,495.44		1,102,865,944.27		
Agreement of Aug. 10, 1922.....	2,263	3,791,791.80	115	556,625.00	2,148	2,445,886.69		789,280.11		
Agreement of Dec. 31, 1928.....										
Interest to Jan. 1, 1928, at rates specified in awards:		7,573,820.33		732,801.61		6,841,018.72		( <sup>1</sup> )		
Agreement of Aug. 10, 1922.....		1,086,361.02		115,976.22		970,384.80		( <sup>2</sup> )		
Agreement of Dec. 31, 1928.....										
Interest, at 5 percent per annum from Jan. 1, 1928, to date of payment as directed by the Settlement of War Claims Act of 1928.....		1,543,306.32		188,801.74		1,354,564.58		( <sup>3</sup> )		
Total payment to Sept. 30, 1935.....		135,379,216.93		5,083,642.32		26,640,350.23		103,655,224.38		



*War Claims Arbiter.*—Under the Settlement of War Claims Act of 1928, it was the duty of the War Claims Arbiter, within certain limitations, to hear the claims of German, Austrian, and Hungarian nationals and to determine the fair compensation to be paid by the United States for ships seized, patents sold or used by the United States, and a radio station sold to the United States.

*War Claims Arbiter: Claims of German nationals.*—The Treasury has completed payment of 50 percent of the amount of all awards made by the War Claims Arbiter in favor of German nationals as required by paragraph 7 of section 4 (c) of the Settlement of War Claims Act of 1928. Fifty percent of the award in favor of the estate of a German national was paid during the fiscal year following removal by the President of the restrictions of Public Resolution No. 53, approved June 27, 1934, upon recommendation by the Secretary of the Treasury.

The following summary shows the number and amount of awards in favor of German nationals certified to the Treasury for payment and the payments made on account:

*Awards of the War Claims Arbiter on account of claims of German nationals for ships, patents, and radio station, amount paid, and balance due on each as of September 30, 1935*

	Total amount (315 awards)	Ships, amount (27 awards)	Patents and radio station, amount (288 awards)
1. Amount due on account:			
Principal of awards including interest to Jan. 1, 1929.....	\$86,738,320.83	\$74,252,933.00	\$12,485,387.83
Interest at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1935.....	19,321,149.97	16,390,173.26	2,930,976.71
Total due claimants.....	106,059,470.80	90,643,106.26	15,416,364.54
2. Payments made on account to Sept. 30, 1935:			
Principal of awards.....	43,368,899.24	37,126,205.21	6,242,694.03
Interest at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1935.....			
Total payments to Sept. 30, 1935.....	43,368,899.24	37,126,205.21	6,242,694.03
3. Balance due on account:			
Principal of awards.....	43,369,421.59	37,126,727.79	6,242,693.80
Interest accrued at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1935.....	19,321,149.97	16,390,173.26	2,930,976.71
Balance due claimants.....	62,690,571.56	53,516,901.05	9,173,670.51

<sup>1</sup> Includes awards amounting to \$522.58 to members of former ruling family of Germany (Sec. 3 (j), Settlement of War Claims Act of 1928, as amended).

*War Claims Arbiter: Claims of Hungarian nationals.*—The awards made by the Arbiter to Hungarian nationals in the sum of \$39,125, with interest at the rate of 5 percent per annum from July 2, 1921, to December 31, 1928, amounting to \$14,675, have been paid with the exception of two awards amounting to \$1,512.58, together with interest thereon at the rate of 5 percent per annum from December 31, 1928.

*German special deposit account.*—The following statement shows the total amounts deposited in the German special deposit account,

the amounts paid therefrom up to September 30, 1935, and the balance held in the account:

*Funds deposited in the German special deposit account and payments made therefrom up to September 30, 1935*

## RECEIPTS

From investments by Alien Property Custodian under Trading with the Enemy Act, as amended:		
Unallocated interest fund.....	\$25,000,000.00	
Less refunds.....	3,250,000.00	
	<hr/>	
	21,750,000.00	
20 percent German property retained.....	17,552,096.91	
	<hr/>	\$39,302,096.91
From Germany:		
2¼ percent of Dawes' annuities available for reparations (Paris agreement of Jan. 14, 1925).....	32,183,060.87	
Under German-American debt agreement, June 23, 1930.....	19,469,964.00	
Interest on payments postponed under terms of debt agreement dated June 23, 1930.....	1,743,738.70	
	<hr/>	53,396,763.57
Appropriation for ships, patents, and radio station.....	86,738,320.83	
Expenses of administration, War Claims Arbitrer, on account German nationals.....	113,624.20	
	<hr/>	86,851,945.03
Earnings and profits on investments made by Secretary of the Treasury.....	4,481,431.95	
	<hr/>	\$184,032,237.46

## PAYMENTS ON ACCOUNT

Awards of the Mixed Claims Commission:		
Under agreement of Aug. 10, 1922.....	\$129,354,936.29	
Under agreement of Dec. 31, 1928.....	5,347,383.96	
	<hr/>	\$134,702,320.25
Awards of War Claims Arbitrer:		
For ships.....	37,126,205.21	
For patents and radio station.....	6,242,691.03	
	<hr/>	43,368,896.24
½ of 1 percent deducted from mixed claims payments covered into Treasury.....		650,025.54
½ of 1 percent deducted from mixed claims payments on account of awards entered under agreement of Dec. 31, 1928 (act of June 21, 1930) and paid to Germany (\$2,720.95 withheld but not paid).....		24,150.09
Advances to special fund, expenses of administration of the Settlement of War Claims Act of 1928 (office of the Secretary of the Treasury).....		39,175.00
Expenses of administration, War Claims Arbitrer account of German nationals.....		113,624.20
	<hr/>	
Total payments on account.....		178,898,194.32
	<hr/>	
Balance (including investments).....		5,134,043.14
	<hr/>	
Made up as follows:		<i>Principal cost</i>
\$4,447,000 face amount 3 percent Treasury bonds of 1951-55.....		\$4,425,098.51
\$110,000 face amount 3¼ percent Treasury notes, series A, due Sept. 15, 1937.....		110,103.13
Cash balance.....		598,841.50
	<hr/>	5,134,043.14

*Tripartite Claims Commission: Claims against Austria.*—The total amount of awards, including interest, certified by the Tripartite Claims Commission to the Treasury for payment was \$370,032.14. All of these awards against Austria have been paid, except one in the amount of \$135.06. Sufficient funds have been retained in the Austrian special deposit account to pay this award. No payments were made on these awards during the fiscal year 1935.

*Tripartite Claims Commission: Claims against Hungary.*—The awards entered by the Tripartite Claims Commission against Hungary, in favor of American nationals, amounted to \$199,975.57. During the fiscal year 1935 the Treasury made payments to American nationals on account of such awards amounting to \$14,570.12. As of June 30, 1935, awards aggregating \$9,194.88 had not been paid because claimants had not filed applications as required by law.

*Railroad obligations*

Total receipts during the fiscal year on account of railroad securities owned by the United States, which were acquired under the Federal Control Act, as amended, and the Transportation Act, 1920, as amended, amounted to \$6,871,047.15, classified as follows:

	Principal	Interest	Total
Collections by Treasury Department:			
Sec. 210.....	\$6,485,284.98	\$334,387.81	\$6,819,672.79
Sec. 207.....		12,750.00	12,750.00
Equipment trust notes.....	33,600.00	2,016.00	35,616.00
Total.....	6,518,884.98	349,153.81	6,868,038.79
Collections by Director General.....		3,008.36	3,008.36
Grand total.....	6,518,884.98	352,162.17	6,871,047.15

The following statement shows the total amount of railroad obligations, by classes, originally held by the United States Government (exclusive of certain miscellaneous obligations held by the Director General of Railroads), the amount held on June 30, 1935, and payments received on account:

	Principal amount originally held	Principal amount held on June 30, 1935	Total payments received	
			Principal	Interest
Federal Control Act:				
Equipment trust notes.....	\$346,556,750.00		\$346,556,750.00	\$45,338,918.25
Sec. 7.....	98,401,755.00		98,401,755.00	23,100,562.27
Sec. 12.....	62,103,453.28		62,103,453.28	4,248,171.96
Transportation Act:				
Sec. 207.....	282,712,837.36	\$5,219,500.00	277,493,337.36	54,347,589.70
Sec. 210.....	290,800,667.00	25,972,656.36	264,828,010.64	90,286,652.70
Total.....	1,080,575,462.64	31,192,156.36	1,049,383,306.28	217,321,894.88

During the fiscal year 1935, \$33,600 was received from the Minneapolis & St. Louis Railroad Co. on account of equipment trust notes. This payment represents the concluding payment on equipment trust notes given to the Director General of Railroads by various carriers on account of equipment acquired by him and allocated to them after termination of Federal control. The total interest, aggregating \$45,338,918.25, includes an adjustment of \$44,546.87 in the amount shown in the 1934 annual report.

*Section 204.*—There have been no transactions under section 204 since June 30, 1931. Total payments under this section have amounted to \$10,967,801.80.

*Section 207.*—A statement showing the principal amount of obligations of carriers acquired pursuant to section 207 of the Transportation Act, 1920, as amended, receipts on account of principal, and obligations outstanding June 30, 1933, appears as table 38 on page 370 of the Annual Report of the Secretary of the Treasury for 1933. There has been no change in the status of such obligations since that date.

*Sections 209 and 212.*—There have been no transactions under these sections since June 30, 1934. Total payments to carriers have amounted to \$532,006,103.30.

*Section 210.*—This section established a revolving fund of \$300,000,000 to be used for loans to railroads under the conditions set forth in a certificate of the Interstate Commerce Commission authorizing each loan, and also for paying judgments, decrees, and awards rendered against the Director General of Railroads. No new loans are being made as the time for making application has expired. The net expenditures by the Director General during the fiscal year under this section, after deducting repayments, amounted to \$5,649.29, making net expenditures by him on this account of \$33,636,686.95 to June 30, 1935.

Total loans (including renewal loans and repayments thereof aggregating \$59,800,000) to June 30, 1935, amounted to \$350,600,667, repayments amounted to \$324,628,010.64, and loans outstanding as of that date amounted to \$25,972,656.36. Repayments during the fiscal year 1935 were made by the following carriers:

Chicago & Western Indiana R. R. Co.....	\$5,950,000.00
Fernwood, Columbia & Gulf R. R. Co.....	2,000.00
National Railway Service Corporation, account of the—	
Minneapolis & St. Louis Railroad Co.....	50,970.01
Wheeling & Lake Erie Ry. Co.....	436,314.97
Toledo, St. Louis & Western R. R. Co.....	46,000.00
Total.....	6,485,284.98

The following statement shows the amount of obligations held on June 30, 1935, on account of loans to carriers under section 210 of the Transportation Act, 1920, as amended, and the amount of principal and interest in default as of that date:

*Obligations held on June 30, 1935, on account of loans to carriers under section 210 of the Transportation Act, 1920, as amended, and the amount of principal and interest in default as of that date*

Name of carrier	Loans outstanding	Principal in default	Interest in default
Alabama, Tennessee & Northern R. R. Corporation.....	\$151,500.00	\$114,300.00	\$13,635.00
Aransas Harbor Terminal Ry.....	44,304.67	44,304.67	6,724.45
Charles City Western Ry. Co.....	140,000.00		
Des Moines & Central Iowa R. R. Co. (formerly the Inter-urban Ry. Co.).....	633,500.00	633,500.00	295,690.07
Fernwood, Columbia & Gulf R. R. Co.....	10,000.00		
Fort Dodge, Des Moines & Southern R. R. Co.....	200,000.00	200,000.00	65,164.91
Gainesville & Northwestern R. R. Co.....	75,000.00	75,000.00	53,852.53
Georgia & Florida Ry. (receiver).....	792,000.00		261,360.00
Minneapolis & St. Louis R. R. Co.....	1,382,000.00	1,382,000.00	957,689.73
Missouri & North Arkansas Ry. Co.....	3,500,000.00		2,243,237.04
National Railway Service Corporation account:			
Minneapolis & St. Louis R. R. Co.....	56,730.79		
Wheeling & Lake Erie Ry. Co.....	483,883.06		
Salt Lake & Utah R. R. Co.....	872,600.00	157,000.00	549,682.80
Seaboard Air Line Ry. Co.....	14,443,887.84		4,035,468.24
Seaboard-Bay Line Co.....	1,256,000.00	1,099,000.00	263,760.00
Shearwood Ry. Co.....	7,500.00		
Toledo, St. Louis & Western R. R. Co.....	48,000.00		
Virginia Blue Ridge Ry. Co.....	106,000.00	106,000.00	57,237.08
Virginia Southern R. R. Co.....	38,000.00	38,000.00	20,907.84
Waterloo, Cedar Falls & Northern Ry. Co.....	1,260,000.00	1,000,000.00	1,001,853.31
Wichita, Northwestern Ry. Co.....	381,750.00	381,750.00	263,407.50
Wilmington, Brunswick & Southern R. R. Co.....	90,000.00	90,000.00	27,000.00
Total.....	25,972,656.36	5,320,854.67	10,116,670.50

*Trust funds invested by the Treasury*

*Adjusted service certificate fund.*—Investments for the account of the adjusted service certificate fund, created by the act of May 19, 1924, were made during the fiscal year 1935 in special issues of Treasury obligations bearing interest at the rate of 4 percent per annum in accordance with the procedure outlined on pages 118–120 of the Annual Report of the Secretary of the Treasury for the fiscal year 1925.

Investments made during the year amounted to \$213,600,000, of which \$50,000,000 represented funds appropriated by Congress under the provisions of the act approved March 28, 1934; \$158,300,000 represented the principal proceeds of maturing notes reinvested; and \$5,300,000 was derived from interest on investments. During the year \$175,900,000 face amount of securities (including \$158,300,000 of maturing notes and notes amounting to \$17,600,000 redeemed to meet current payments from the fund) were redeemed on account of the adjusted service certificate fund, the proceeds of which, together with interest thereon, were credited to the fund.

According to reports received by the Treasury from the Veterans' Administration, net expenditures of the fund during the fiscal year 1935 amounted to approximately \$57,000,000, of which about \$31,400,000 represented the net increase in direct loans to veterans.

A statement of the fund as of June 30, 1935, as shown by the books of the Treasury (exclusive of fund assets held by the Veterans' Administration on account of bank loans on adjusted service certificates redeemed amounting to \$52,000,545.20 and direct loans to veterans amounting to \$1,132,533,489.19) is as follows:

*Adjusted service certificate fund, June 30, 1935*

FUND ACCOUNT		
Appropriations:		
To June 30, 1934.....	\$1,246,000,000.00	
Available July 1, 1934.....	50,000,000.00	
	\$1,296,000,000.00	
Interest on investments:		
To June 30, 1934.....	107,992,297.39	
July 1, 1934, to June 30, 1935.....	5,711,035.65	
	113,703,333.04	
Total.....		1,409,703,333.04
Checks paid by Treasurer of the United States, less credits on account of repayments of loans and interest thereon.....		1,253,198,301.15
Balance in fund June 30, 1935.....		156,505,031.89
FUND ASSETS <sup>1</sup>		
Investments, 4 percent Treasury certificates of indebtedness.....		155,500,000.00
Unexpended balances:		
To credit of chief disbursing officer, Division of Disbursement, and disbursing officers of the Veterans' Administration with the Treasurer of the United States..		923,280.88
To credit of fund on books of the Division of Bookkeeping and Warrants.....		81,751.01
Total fund assets June 30, 1935.....		156,505,031.89

*Civil service retirement and disability fund.*—The civil service retirement and disability fund was created by the act of May 22, 1920. During 1935 the Treasury continued to make investments for account of the fund in special issues of Treasury notes bearing interest at the rate of 4 percent per annum, in accordance with the procedure outlined in the Annual Report of the Secretary of the Treasury for the

<sup>1</sup> Exclusive of assets held by Veterans' Administration.



fiscal year 1926. Total investments amounting to \$41,400,000 were made, of which \$12,700,000 represented the proceeds of maturing notes. Redemptions, in addition to the maturing notes, were made in the amount of \$19,700,000 to meet current payments from the fund.

Total credits to the fund during the fiscal year amounted to \$61,-912,095.68, of which \$30,089,204.72 was on account of deductions from basic compensation of employees and service-credit payments, \$10,822,890.96 represented interest on investments; \$20,850,000 was appropriated by Congress to fulfill the current liability of the United States Government in connection with the fund, and \$150,000 was appropriated from the revenues of the District of Columbia to cover its liability on account of the fund. The total earnings and profits on investments to June 30, 1935, amounted to \$70,571,880.03.

The following statement shows the status of the fund as of June 30, 1935:

*Civil service retirement and disability fund, June 30, 1935*

Credits:		
On account of deductions from basic compensation of employees and service-credit payments:		
From Aug. 1, 1920, to June 30, 1934.....	1	\$319,463,891.26
July 1, 1934, to June 30, 1935.....		30,089,204.72
		\$349,553,095.98
Appropriations:		
To June 30, 1934.....		124,450,000.00
Available July 1, 1934.....	2	21,000,000.00
		145,450,000.00
Interest and profits on investments:		
From Aug. 1, 1920, to June 30, 1934.....		59,748,989.07
July 1, 1934, to June 30, 1935.....		10,822,890.96
		70,571,880.03
Total.....		565,574,976.01
Less checks paid by Treasurer of the United States on account of annuities and refunds, Aug. 1, 1920, to June 30, 1935.....		
		293,478,685.81
Total.....		272,096,290.20
Assets:		
<i>Face amount</i>		<i>Principal cost</i>
\$4,378,700 Fourth Liberty Loan 4¼ percent bonds.....		\$4,321,668.79
6,884,000 3¼ percent Treasury bonds 1943-45.....		6,794,338.03
4,621,650 3¼ percent Treasury bonds 1944-46.....		4,561,454.45
6,810,700 27⁄8 percent Treasury bonds 1955-60.....		6,721,992.74
64,200,000 4 percent special Treasury notes payable June 30, 1936.....		64,200,000.00
44,000,000 4 percent special Treasury notes payable June 30, 1937.....		44,000,000.00
72,100,000 4 percent special Treasury notes payable June 30, 1938.....		72,100,000.00
45,200,000 4 percent special Treasury notes payable June 30, 1939.....		45,200,000.00
22,200,000 4 percent special Treasury notes payable June 30, 1940.....		22,200,000.00
		270,099,454.01
270,395,050 Unexpended balances June 30, 1935:		
To credit of disbursing officers.....		1,651,815.27
On books of Division of Bookkeeping and Warrants.....		345,020.92
		1,996,836.19
Total fund assets June 30, 1935.....		272,096,290.20

*Foreign service retirement and disability fund.*—The foreign service retirement and disability fund was established by section 18 of the act of May 24, 1924 (43 Stat. 144), and is under the administrative supervision of the Secretary of State, but under the act the Secretary of the Treasury is directed to make investments from time to time of such portion of the fund as in his judgment may not be immediately required for authorized payments, the income derived from such investments to be credited to the fund as a part thereof.

<sup>1</sup> Exclusive of \$1,430,808.84 transferred to the Canal Zone retirement and disability fund pursuant to act of May 2, 1931.

<sup>2</sup> Includes \$20,850,000 appropriated from the General Fund to cover the liability of the United States and \$150,000 appropriated from the revenues of the District of Columbia to cover its liability in connection with the financing of the fund.

Investments for account of the foreign service retirement and disability fund were made during the fiscal year 1935 in special issues of Treasury notes in the face amount of \$765,000, bearing interest at the rate of 4 percent per annum in accordance with the procedure outlined in the Annual Report of the Secretary of the Treasury for the fiscal year 1927. Redemptions during the year amounted to \$509,000 face amount, including \$325,000 maturing notes and \$184,000 of notes redeemed to meet current payments from the fund. The net investments amounted to \$256,000.

Credits to the fund during the year aggregated \$445,321.29, of which \$179,138 was on account of deductions from basic compensation of employees and service-credit payments, \$107,083.29 represented earnings on investments, and \$159,100 was appropriated by Congress to meet the current liability of the Government in connection with the fund.

The following statement shows the status of the fund as of June 30, 1935:

*Foreign service retirement and disability fund, June 30, 1935*

Credits:		
On account of deductions from basic compensation and service-credit payments:		
From May 24, 1924, to June 30, 1934.....	\$1,618,535.62	
July 1, 1934, to June 30, 1935.....	179,138.00	
		\$1,797,673.62
Appropriations:		
To June 30, 1934.....	1,568,700.00	
Available July 1, 1934.....	159,100.00	
		1,727,800.00
Interest and profits on investments:		
From May 24, 1924, to June 30, 1934.....	401,089.17	
July 1, 1934, to June 30, 1935.....	107,083.29	
		508,172.46
Total.....		4,033,646.08
Less checks paid by Treasurer of the United States on account of annuities and refunds,		
May 24, 1924, to June 30, 1935.....		1,312,038.05
		<u>2,721,608.03</u>
Balance in fund June 30, 1935.....		
		<u>2,721,608.03</u>
Assets:		
<i>Face amount</i>		<i>Principal cost</i>
\$440,000 4 percent special Treasury notes due June 30, 1936.....		\$440,000.00
654,000 4 percent special Treasury notes due June 30, 1937.....		654,000.00
514,000 4 percent special Treasury notes due June 30, 1938.....		514,000.00
657,000 4 percent special Treasury notes due June 30, 1939.....		657,000.00
428,000 4 percent special Treasury notes due June 30, 1940.....		428,000.00
		2,693,000.00
2,693,000		
Unexpended balances June 30, 1935:		
Treasurer of the United States, disbursing account.....	27,404.12	
On books of Division of Bookkeeping and Warrants.....	1,203.91	
		28,608.03
Total fund assets June 30, 1935.....		<u>2,721,608.03</u>

*Canal Zone retirement and disability fund.*—The Canal Zone retirement and disability fund was created by section 9 of the act of March 2, 1931 (46 Stat. 1477), and under section 10 of the act the Secretary of the Treasury is directed to make investments from time to time of such portions of the fund as in his judgment may not be immediately required for the payment of the annuities, refunds, and allowances authorized by the act, the income from such investments to be credited to the fund.

Investments for account of this fund in the face amount of \$111,000 were made during the fiscal year 1935 in special issues of Treasury notes bearing interest at the rate of 4 percent per annum in accordance with the procedure outlined on page 125 of the annual report of the

Secretary of the Treasury for the fiscal year 1931. Redemptions to meet current expenditures from the fund during the year amounted to \$64,000 face amount, making net investments of \$47,000 for the year. Credits to the fund during the year aggregated \$550,229.82, of which \$459,198.59 was on account of deductions from basic compensation of employees and service-credit payments and \$91,031.23 represented earnings on investments.

The following statement shows the status of the fund as of June 30, 1935:

*Canal Zone retirement and disability fund, June 30, 1935*

<b>Credits:</b>		
Account of deductions from basic compensation of employees subject to retirement act:		
From July 1, 1931, to June 30, 1934.....	\$3,189,949.81	
July 1, 1934, to June 30, 1935.....	459,198.59	
		\$3,649,148.40
Interest and profits on investments:		
From July 1, 1931, to June 30, 1934.....	240,265.78	
July 1, 1934, to June 30, 1935.....	91,031.23	
		331,297.01
<b>Total.....</b>		<b>3,980,445.41</b>
Less checks paid by Treasurer of the United States, on account of annuities and refunds,		
July 1, 1931, to June 30, 1935.....		1,587,332.49
<b>Balance in fund June 30, 1935.....</b>		<b>2,393,112.92</b>
<b>Assets:</b>		
<i>Face amount</i>		<i>Principal cost</i>
\$1,878,000 4 percent special Treasury notes maturing June 30, 1936.....		\$1,878,000.00
179,000 4 percent special Treasury notes maturing June 30, 1937.....		179,000.00
93,000 4 percent special Treasury notes maturing June 30, 1938.....		93,000.00
109,000 4 percent special Treasury notes maturing June 30, 1939.....		109,000.00
90,000 4 percent special Treasury notes maturing June 30, 1940.....		90,000.00
		2,349,000.00
2,349,000		
Unexpended balances June 30, 1935:		
Treasurer of the United States, disbursing account.....	25,750.45	
On books of Division of Bookkeeping and Warrants.....	18,362.47	
		44,112.92
<b>Total fund assets June 30, 1935.....</b>		<b>2,393,112.92</b>

*District of Columbia teachers' retirement fund.*—The act of January 15, 1920, as amended by the District of Columbia appropriation act of June 5, 1920, vested the administration of this fund in the Commissioners of the District of Columbia, except that the funds are to be held and invested by the Treasurer of the United States. A further amendment of June 11, 1926, created a reserve fund, provided for annual appropriations to this end, and provided that investments on account of such fund shall be held by the Treasurer of the United States separate from the investments on account of contributions of teachers. During the fiscal year 1935, the Treasurer acquired by purchase or exchange for account of the deductions fund (derived from deductions from teachers' compensation) \$1,294,250 face amount of United States, Federal farm loan, and Home Owners' Loan Corporation bonds at a principal cost of \$1,382,166.14, as follows:

Class of security	Face amount	Principal cost
2¾ percent Treasury bonds of 1955-60.....	\$190,850.00	\$193,566.24
4¼ percent Treasury bonds of 1947-52.....	521,000.00	589,180.63
4 percent consolidated Federal farm loan bonds of 1944-46.....	385,400.00	403,077.40
4 percent Home Owners' Loan Corporation bonds of 1933-51.....	197,000.00	196,341.87
<b>Total.....</b>	<b>1,294,250.00</b>	<b>1,382,166.14</b>

There was also purchased for account of the Government reserves fund \$258,100 face amount of United States, consolidated Federal farm loan, and Home Owners' Loan Corporation bonds at a principal cost of \$279,484.08, as follows:

Class of security	Face amount	Principal cost
2 $\frac{1}{4}$ percent Treasury bonds of 1955-60.....	\$39,000.00	\$39,645.94
4 $\frac{1}{4}$ percent Treasury bonds of 1947-52.....	147,000.00	165,279.38
4 percent consolidated Federal farm loan bonds of 1944-46.....	52,100.00	54,623.75
4 percent Home Owners' Loan Corporation bonds of 1933-51.....	20,000.00	19,935.01
Total.....	258,100.00	279,484.08

The following statement shows the status of the combined funds as of June 30, 1935:

*District of Columbia teachers' retirement fund, June 30, 1935*

Credits:

On account of deductions from basic compensation of teachers:		
From Jan. 15, 1920, to June 30, 1934.....	\$3,694,971.36	
July 1, 1934, to June 30, 1935.....	296,610.07	\$3,991,581.43
Appropriations:		
To June 30, 1934.....	3,069,940.91	
Available July 1, 1934.....	400,000.00	3,469,940.91
Interest on investments:		
From Jan. 15, 1920, to June 30, 1934.....	1,277,416.73	
July 1, 1934, to June 30, 1935.....	240,261.40	1,517,678.13
Total.....		8,979,200.47
Less disbursements on account of annuities, refunds, etc., Jan. 15, 1920, to June 30, 1935.....		2,710,015.86
Balance in fund June 30, 1935.....		6,269,184.61

Assets:

DEDUCTIONS FUND

Face amount	Principal cost
\$860,200 4 $\frac{1}{4}$ percent Treasury bonds of 1947-52.....	\$956,962.07
122,000 4 percent Treasury bonds of 1944-54.....	123,357.50
87,000 3 $\frac{3}{4}$ percent Treasury bonds of 1946-56.....	87,437.81
48,000 3 $\frac{3}{8}$ percent Treasury bonds of 1943-47.....	49,500.00
142,000 3 $\frac{3}{8}$ percent Treasury bonds of 1941-43.....	137,657.50
232,000 3 $\frac{1}{4}$ percent Treasury bonds of 1943-45.....	232,000.00
190,850 2 $\frac{7}{8}$ percent Treasury bonds of 1955-60.....	193,566.24
182,000 4 $\frac{1}{2}$ percent Philippine Islands bonds.....	197,669.56
16,000 4 $\frac{1}{2}$ percent Puerto Rican bonds.....	15,962.57
55,320 4 percent Federal land bank bonds.....	54,660.95
1,358,880 4 $\frac{1}{4}$ percent Federal land bank bonds.....	1,313,830.89
459,400 4 $\frac{1}{2}$ percent Federal land bank bonds.....	466,980.25
385,400 4 percent consolidated Federal farm loan bonds of 1944-46.....	403,077.40
4,139,050	4,232,692.74

GOVERNMENT RESERVES FUND

282,000 4 $\frac{1}{4}$ percent Treasury bonds of 1947-52.....	313,717.51
12,000 4 percent Treasury bonds of 1944-54.....	12,285.00
31,000 3 $\frac{3}{4}$ percent Treasury bonds of 1946-56.....	31,145.31
199,000 3 $\frac{3}{8}$ percent Treasury bonds of 1943-47.....	204,701.25
178,000 3 $\frac{3}{8}$ percent Treasury bonds of 1941-43.....	177,606.56
39,000 2 $\frac{7}{8}$ percent Treasury bonds of 1955-60.....	39,645.94
55,000 4 $\frac{1}{2}$ percent Puerto Rican bonds.....	55,109.56
215,640 4 percent Federal land bank bonds.....	208,050.78
819,600 4 $\frac{1}{4}$ percent Federal land bank bonds.....	776,281.48
52,100 4 percent consolidated Federal farm loan bonds of 1944-46.....	54,623.75
1,883,340	1,873,167.14

Accrued interest paid in 1935 (on investment purchases), repayable in 1936.....	6,105,859.88
Unexpended balance June 30, 1935, on books of Division of Bookkeeping and Warrants.....	5,291.74
Total fund assets June 30, 1935.....	158,032.99

Total fund assets June 30, 1935..... 6,269,184.61

*Longshoremen's and harbor workers' compensation fund.*—This fund was established under the act of March 4, 1927 (44 Stat. 1444, sec. 44), to provide for the payment of compensation for disability or death resulting from injury to employees in certain maritime employments, and for the maintenance of employees undergoing vocational rehabilitation. Each employer is required to pay into the fund the sum of \$1,000 as compensation for the death of an employee of such employer resulting from injury where it is determined that there is no person entitled under the act to receive compensation for such death. Fifty percent of each such payment shall be available for the payments on account of injury increasing disability, and 50 percent shall be available for the payments on account of maintenance for employees undergoing vocational rehabilitation.

The fund is administered by the United States Employees' Compensation Commission. Moneys not required for immediate disbursement are invested by the Treasurer of the United States.

The following statement shows the status of the fund as of June 30, 1935:

*Longshoremen's and harbor workers' compensation fund, June 30, 1935*

Credits:		
On account of assessments:		
To June 30, 1934.....	\$120,000.00	
July 1, 1934, to June 30, 1935.....	22,000.00	
		\$142,000.00
Interest on investments:		
To June 30, 1934.....	14,059.77	
July 1, 1934, to June 30, 1935.....	4,323.09	
		18,382.86
Total.....		160,382.86
Less disbursements on account of current claims and expenses.....		39,707.99
Balance in fund June 30, 1935.....		<u>120,674.87</u>
Assets: <sup>1</sup>		
<i>Face amount</i>		<i>Principal cost</i>
\$15,600 3¼ percent Treasury bonds of 1944-46.....		\$15,600.00
34,500 4¼ percent Treasury bonds of 1947-52.....		38,646.56
11,550 3¼ percent Treasury bonds of 1943-45.....		11,550.00
10,000 3 percent Treasury bonds of 1951-55.....		9,959.38
11,000 4¼ percent Federal land bank bonds.....		9,680.48
11,000 4½ percent Federal land bank bonds.....		9,542.97
11,000 4½ percent Federal land bank bonds.....		9,171.77
		104,151.16
104,650		
Unexpended balances:		
Disbursing Officer (check book balances).....	1,623.71	
Division of Bookkeeping and Warrants.....	14,900.00	
		16,523.71
Total fund assets June 30, 1935.....		<u>120,674.87</u>

*District of Columbia workers' compensation fund.*—This fund was established under the act of May 17, 1928 (45 Stat. 600), which extended the provisions of the act entitled "Longshoremen's and Harbor Workers' Compensation Act", approved March 4, 1927, including all amendments thereto, to apply in respect to the injury or death of an employee of an employer carrying on any employment in the District of Columbia, irrespective of the place where the injury or death occurs. The fund is derived from collections of awards against employers made by the United States Employees' Compensation Commission, as compensation for death of employees resulting

<sup>1</sup> Excludes \$9,700 3¼ percent consolidated Federal farm loan bonds of 1945-55 purchased but not paid for until July 1, 1935.

from injuries, in each case where no person is found to be entitled to such compensation, under the Longshoremen's and Harbor Workers' Compensation Act as extended to certain employments in the District of Columbia. Fines and penalties collected in connection therewith are also credited to the fund. One-half of each such collection is available as compensation for injuries increasing previous disabilities, the other half being available for maintenance of employees undergoing vocational rehabilitation. Any portion of the fund which, in the opinion of the Commission, is not needed for current requirements, is invested by the Treasurer of the United States.

The following statement shows the status of the fund as of June 30, 1935:

*District of Columbia workers' compensation fund, June 30, 1935*

Credits:

On account of assessments:			
To June 30, 1934.....		\$30,460.00	
July 1, 1934, to June 30, 1935.....		5,000.00	\$35,460.00
Interest on investments:			
To June 30, 1934.....		1,393.07	
July 1, 1934, to June 30, 1935.....		1,063.03	2,456.10
Total.....			37,916.10
Less disbursements on account of current claims and expenses.....			8,598.69
Balance in fund June 30, 1935.....			<u>29,317.41</u>

Assets:

<i>Face amount</i>	<i>Principal cost</i>	
\$10,000 2½ percent Treasury bonds of 1955-60.....	\$10,165.63	
11,000 4¾ percent Federal land bank bonds of 1936-56.....	9,350.43	19,516.06
21,000		
Accrued interest paid in 1935 (on investment purchases), repayable in 1936.....		20.76
Unexpended balances		
Disbursing Officer (check-book balances).....	883.52	
Division of Bookkeeping and Warrants.....	8,897.07	9,780.59
Total fund assets June 30, 1935.....		<u>29,317.41</u>

*Library of Congress trust fund.*—Under the act of March 3, 1925, as amended, the Library of Congress Trust Fund Board, consisting of the Secretary of the Treasury, the chairman of the Joint Committee on the Library, the Librarian of Congress, and two persons appointed by the President, is authorized to accept, receive, hold, and administer such gifts or bequests of personal property for the benefit of or in connection with the Library, its collections, or its service as may be approved by the Board and by the Joint Committee on the Library. The moneys or securities given or bequeathed to the Board are required to be receipted for by the Secretary of the Treasury, who is authorized to invest, reinvest, or retain investments as the Board may determine. In accordance with the policy adopted by the Board, investments and reinvestments of the trust funds are made in interest-bearing securities of high rating.

The following statement shows the earnings collected on account of each donation as of June 30, 1935:

*Library of Congress trust fund earnings to June 30, 1935*

Donation	Income account		
	Total collected to June 30, 1934	Collected during fiscal year 1935	Total collected to June 30, 1935
Babine.....	\$821.76	\$247.20	\$1,068.96
Beethoven.....	2,234.71	507.36	2,742.07
Benjamin.....	21,352.50	1,352.00	22,704.50
Bowker.....	740.12	95.27	835.39
Carnegie.....	23,876.86	3,484.90	27,361.76
Coolidge.....	61,090.07	6,915.95	68,006.02
Guggenheim.....	16,646.82	3,813.78	20,460.60
Huntington.....	39,129.96	4,236.15	43,366.11
Longworth.....	68.90	158.04	226.94
Wilbur.....	58,432.77	13,834.98	72,267.75
Total.....	224,394.47	34,645.63	259,040.10

The following statement shows the principal cash account of each donation:

*Library of Congress trust fund—principal cash receipts, cost of investments, and unexpended balances, fiscal year 1935*

Donation	Principal cash account				
	Unexpended balance June 30, 1934	Receipts during year	Available during year	Cost of investments charged to principal account during year	Unexpended balance June 30, 1935
Babine.....	\$38.16		\$38.16		\$38.16
Beethoven.....	4.00	\$100.75	104.75	\$100.75	4.00
Benjamin.....	26.62		26.62		26.62
Bowker.....	45.68		45.68		45.68
Carnegie.....		80.00	80.00		80.00
Coolidge.....	268.38	786.75	1,055.13	906.75	148.38
Guggenheim.....	39.60	745.25	784.85	705.25	79.60
Huntington.....	33.75	1,007.50	1,041.25	1,007.50	33.75
Longworth.....	973.05	1,764.72	2,737.77	2,700.00	37.77
Wilbur.....	200.64	539.24	739.88	201.50	538.38
Total.....	1,629.88	5,024.21	6,654.09	5,621.75	1,032.34

Cash donations aggregating \$1,745 were received on account of the Longworth Foundation. Receipts aggregating \$3,279.21 were received from maturing investments of various donations. The fund exchanged \$2,800 face amount of 4¾ percent Federal land bank bonds of 1934-54, which were called for redemption on July 1, 1934, for \$2,800 face amount of 4 percent consolidated Federal land bank bonds due July 1, 1946, which are held for various donations. Investments made during the year were as follows:

Donation	Face amount	Securities	Principal cost charged to principal account
Beethoven.....	\$100	4 percent consolidated Federal land bank bonds of 1946.	\$100.75
Coolidge.....	900	do.....	906.75
Guggenheim.....	700	do.....	705.25
Huntington.....	1,000	do.....	1,007.50
Wilbur.....	200	do.....	201.50
Longworth.....	2,200	do.....	2,200.00
Do.....	500	2½ percent Treasury bonds of 1955-60.....	500.00
Total.....	5,600		5,621.75

The following statement shows the securities held by the Board for account of each donation as of June 30, 1935. The securities are held in safe-keeping by the Treasurer of the United States and the Federal Reserve Bank of New York, subject to the order of the Secretary of the Treasury, for account of the Board.

*Library of Congress Trust Fund Board securities held June 30, 1935*

Name of security	Face amount or par value	Rate of interest	Class of security
<i>Alexis V. Babine donation</i>			
American Chain Co., Inc.....	\$600	Percent 7	Preferred stock.
Federal land bank bonds.....	3,800	4½	Farm loan bonds.
United States Government.....	500	4½	Fourth Liberty Loan bonds of 1933-38.
Do.....	1,000	3½	3½ percent Treasury bonds of 1943-45.
Do.....	500	2½	Treasury bonds of 1955-60.
Tung-Sol Lamp Works, Inc., 2 shares.....	(1)		Preferred stock.
Tung-Sol Lamp Works, Inc., 4 shares.....	(1)		Common stock.
<i>Beethoven Association donation</i>			
Canadian National Ry.....	10,000	5	Guaranteed gold bonds.
Consolidated Federal land bank bonds.....	100	4	Consolidated farm loan bonds.
<i>William E. Benjamin donation</i>			
Standard Oil Co. of California.....	33,800		Common stock.
<i>R. R. Bowker donation<sup>1</sup></i>			
Austrian Government.....	1,000	7	Sinking fund bonds guaranteed loan.
German Government.....	2,000	7	German external loan.
Japanese Government.....	2,000	6½	Sinking fund gold bonds.
American Telephone & Telegraph Co.....	4,800		Common stock.
<i>Carnegie donation</i>			
Commonwealth Edison Co.....	52,000	4½	First mortgage bonds.
Missouri Pacific R. R. Co.....	5,000	5	First and refunding mortgage bonds.
New England Telephone & Telegraph Co.....	25,400	4½	First mortgage bonds.
<i>Elizabeth Sprague Coolidge donation</i>			
Canadian National Rys. Co.....	7,000	4¾	Guaranteed gold bonds.
Do.....	10,000	5	Do.
Chicago Rys. Co.....	3,750	5	First mortgage bonds.
Federal land bank bonds.....	11,640	4½	Farm loan bonds.
Do.....	2,600	4½	Do.
Consolidated Federal land bank bonds.....	900	4	Consolidated farm loan bonds.
Great Northern Ry. Co.....	10,000	7	General mortgage bonds.
Missouri Pacific R. R. Co.....	2,000	5	First and refunding mortgage bonds.
New England Telephone & Telegraph Co.....	16,400	4½	First mortgage bonds.
Public Service Co. of Northern Illinois.....	13,000	5	First and refunding mortgage bonds.
Rio Grande Southern R. R. Co.....	1,000	4	First mortgage bonds.
United States Government.....	300	3¾	Treasury bonds of 1940-43.
Utah Power & Light Co.....	10,000	5	First mortgage bonds.
American Ship Building Co.....	6,000		Common stock.

<sup>1</sup> No par.

<sup>2</sup> Life interest in six-sevenths of income retained under terms of donation.



Library of Congress Trust Fund Board securities held June 30, 1935—Continued

Name of security	Face amount or par value	Rate of interest	Class of security
<i>Elizabeth Sprague Coolidge donation—Con.</i>			
American Telephone & Telegraph Co.....	\$17,100	-----	Common stock.
American Window Glass Co.....	2,500	-----	Do.
Board of Trade Building Trust of Boston.....	700	-----	Do.
Commonwealth Edison Co.....	12,400	-----	Do.
Elgin National Watch Co.....	5,625	-----	Do.
Mexican Northern Ry. Co.....	800	-----	Do.
Public Service Co. of Northern Illinois.....	5,000	6	Preferred stock.
<i>Harry F. Guggenheim donation</i>			
Consolidated Federal land bank bonds.....	700	4	Consolidated farm loan bonds.
Harbor Commissioners of Montreal.....	75,000	5	Guaranteed gold bonds.
<i>Archer M. Huntington donation</i>			
Central Pacific Ry. Co.....	105,000	4	First and refunding mortgage bonds.
Consolidated Federal land bank bonds.....	1,000	4	Consolidated farm loan bonds.
Missouri Pacific R. R. Co.....	49,500	5	First and refunding mortgage bonds.
<i>Nicholas Longworth donation</i>			
United States Government.....	4,100	4	Treasury bonds of 1944-54.
Do.....	500	2½	Treasury bonds of 1955-60.
Consolidated Federal land bank bonds.....	2,200	4	Consolidated farm loan bonds.
<i>James B. Wilbur donation</i>			
Canadian National Rys.....	44,000	5	Guaranteed gold bonds.
Federal land bank bonds.....	16,300	4½	Farm loan bonds.
Consolidated Federal land bank bonds.....	200	4	Consolidated farm loan bonds.
Public Service Co. of Northern Illinois.....	100,000	7	Preferred stock.
United States Government.....	3,000	3¾	Treasury bonds of 1940-43.
Do.....	100,800	4	Treasury bonds of 1944-54.
Total.....	783,515		

*United States Government life insurance fund.*—Under the provisions of section 18 of the act approved December 24, 1919, as amended March 4, 1923, the Secretary of the Treasury is required to invest in interest-bearing obligations of the United States or in bonds of the Federal land banks all moneys received in payment of premiums on converted insurance in excess of authorized payments. The act approved March 3, 1927, as amended by the Emergency Adjusted Compensation Act of February 27, 1931, authorized the Administrator of Veterans' Affairs to make loans to veterans upon their adjusted service certificates out of the United States Government life insurance fund. All of the funds available for investment during the fiscal year 1935 were used to make loans to veterans or invested in obligations of the United States. The Administrator of Veterans' Affairs reported outstanding loans to veterans from this fund, June 30, 1935, on policies and adjusted service certificates, aggregating \$590,149,480.94. The net increase in loans on adjusted service certificates during the year amounted to \$37,255,710.36.

Monthly reports are made by the Treasury to the Veterans' Administration of all securities in the fund and the principal cost thereof as the result of investments made by the Secretary of the Treasury, and periodic verifications of the security holdings are made through reports rendered to the Administrator by the safe-keeping offices. The investments as of June 30, 1935, were as follows:

*Government life insurance fund, June 30, 1935*

	Par value	Principal cost
4¼ percent Treasury bonds of 1947-52.....	\$41,272,000.00	\$42,752,867.12
4 percent Treasury bonds of 1944-54.....	14,106,000.00	15,078,333.48
3¾ percent Treasury bonds of 1946-56.....	2,200,000.00	2,384,625.00
3½ percent Treasury bonds of 1949-52.....	300,000.00	311,906.25
2¾ percent Treasury bonds of 1955-60.....	3,300,000.00	3,344,843.76
4¼ percent Federal farm loan bonds.....	32,550,000.00	32,477,590.04
4½ percent Federal farm loan bonds.....	69,200,000.00	69,742,641.40
Total investments made by the Secretary of the Treasury.....	162,928,000.00	166,092,810.05
Policy loans.....	124,550,735.50	124,550,735.50
Adjusted service certificate loans.....	465,598,745.44	465,598,745.44
Total investment made by Administrator of Veterans' Administration.....	590,149,480.94	590,149,480.94
Total investments in fund.....	753,077,480.94	756,242,290.99

*National Institute of Health gift fund.*—By the act of May 26, 1930 (46 Stat. 379), the Secretary of the Treasury is authorized to accept unconditional gifts for study, investigation, and research in the fundamental problems of the diseases of man, and for other purposes. It was also provided that he may accept conditional gifts, upon the recommendation of the Surgeon General and the National Institute of Health. Any such gifts are to be held in trusts and invested by the Secretary of the Treasury in securities of the United States.

During the fiscal year the Secretary of the Treasury accepted an unconditional gift of \$900 made by the Edgar O. Crossman Memorial Committee, composed of the coworkers and friends of the late Edgar Orrin Crossman, M. D., formerly Medical Director of the United States Veterans' Bureau, as a tribute to his accomplishments in the medical care and treatment of former members of the military and naval forces of the United States. Other unconditional gifts amounting to \$62 were also accepted, making a total of \$962 received for this fund.

There were also accepted during 1935 two conditional gifts from the Rockefeller Foundation amounting to \$20,000, of which \$5,000 is for the purpose of the publication of a history of county health work and \$15,000 is for the purpose of aiding in any way the completion of the statistical and epidemiological dental survey made by the Public Health Service in cooperation with the American Dental Association and State and Territorial health officers, or for any purpose connected with the presentation to the public of facts obtained by this survey.

In order to meet expenditures of the institute for the account of the Chemical Foundation donation, \$1,000 face amount of 4¼ percent Treasury bonds of 1947-52 were sold. The receipts and expenditures during the year were as follows:

*National Institute of Health conditional gift fund, receipts and expenditures,  
fiscal year 1935*

Unexpended balance June 30, 1934.....	\$1,483.60
Receipts:	
Cash donations, Rockefeller Foundation:	
Dental survey.....	\$15,000.00
County health work.....	5,000.00
	20,000.00
Net earnings collected on investment account of Chemical Foundation.....	3,777.81
Principal cost of security sold during year, Chemical Foundation account.....	1,115.68
	26,377.09
Expenditures, advances to institute:	
Chemical Foundation donation.....	\$6,027.47
Rockefeller Foundation donation, dental survey.....	10,548.16
	16,575.63
Unexpended balance June 30, 1935.....	9,801.46

The following statement shows the status of the fund as of June 30, 1935:

*National Institute of Health conditional gift fund, June 30, 1935*

Credits:		
Donations:		
Chemical Foundation.....	\$100,000.00	
Rockefeller Foundation.....	20,000.00	
		\$120,000.00
Net earnings on investments, Chemical Foundation.....		16,638.71
		136,638.71
Total.....		
Less advances to meet expenditures on account of the institute:		
Chemical Foundation.....	\$19,225.16	
Rockefeller Foundation, dental survey.....	10,548.16	
		29,773.32
Balance in fund June 30, 1935.....		106,865.39
Assets:		
\$87,000 face amount 4¼ percent Treasury bonds of 1947-52, principal cost.....		97,063.93
Unexpended balance to credit of the fund on the books of Division of Bookkeeping and Warrants.....		9,801.46
		106,865.39

*Alien property trust fund.*—Under the act of October 6, 1917, as amended, and the Settlement of War Claims Act of 1928, approved March 10, 1928 (44 Stat. 254), as amended, the Secretary of the Treasury held on June 30, 1935, Government securities in the face amount of \$27,710,200 for account of the Attorney General, Alien Property Bureau, of which \$1,000,000 constituted additional purchases during the fiscal year 1935.

A statement of the alien property trust fund as of September 15, 1935, follows:

*Alien property trust fund as of Sept. 15, 1935*

Credits:		
Trusts.....		\$37,333,490.47
Earnings on investments, etc.....		31,226,453.57
		68,559,944.04
Assets:		
Face amount	<i>Principal at</i>	
\$9,800,000 4 percent Treasury bonds of 1944-54.....	<i>amortized cost</i>	
3,300,000 4¼ percent Fourth Liberty Loan bonds.....	\$10,379,541.03	
5,100,000 3¼ percent Treasury bonds of 1943-45.....	3,300,000.00	
350,000 3¼ percent Treasury notes maturing Aug. 1, 1936.....	5,100,000.00	
200,000 3¼ percent Treasury notes maturing Sept. 15, 1937.....	353,828.13	
10,200 2½ percent Treasury notes maturing June 15, 1939.....	203,000.00	
500,000 3 percent Treasury bonds of 1951-55.....	10,413.56	
500,000 3½ percent Treasury bonds of 1949-52.....	516,193.14	
3,220,000 2½ percent Treasury notes maturing Sept. 15, 1938.....	521,250.73	
4,730,000 2½ percent Treasury bonds of 1955-60.....	3,220,000.00	
	4,730,000.00	
27,710,200		28,334,226.59
Accrued interest receivable.....		231,826.59
Participating certificates issued under sec. 25 (e) of the Trading With the Enemy Act:		
Noninterest-bearing.....	\$21,750,000.00	
5 percent interest-bearing.....	17,552,096.91	
		39,302,096.91
Cash with Treasurer of the United States.....		691,793.95
Total fund assets, Sept. 15, 1935.....		68,559,944.04

Checks issued by the Treasury Department during the fiscal year on account of the alien property trust fund were as follows:

To the Attorney General, Alien Property Bureau, for—	
Distribution of income.....	\$200,000
Administrative expenses.....	311,500
<b>Total.....</b>	<b>511,500</b>

*General railroad contingent fund.*—The general railroad contingent fund was created by paragraph 6 of section 15 (a) of the Interstate Commerce Act, approved June 18, 1910, as amended by the act of February 28, 1920 (41 Stat. 489). Under the provisions of this section any carrier which received for any year a net railway operating income in excess of 6 percent of the value of the railway's property held for and used by it in the service of transportation was required to place one-half of such excess in a reserve fund established and maintained by and for use of the carrier, the other half to be paid to the Government for deposit in the general railroad contingent fund.

Under the provisions of section 15 (a) of the Interstate Commerce Act, as amended by section 206 (a) of the Emergency Railroad Transportation Act, approved June 16, 1933, the Secretary of the Treasury is directed to liquidate the general railroad contingent fund and to distribute the fund among the carriers which have made payments under that section.

A statement showing the distribution by the Secretary of the Treasury of the general railroad contingent fund as of October 31, 1933, is included in the annual report of the Secretary of the Treasury for the fiscal year 1933 as exhibit 40, page 270. Additional refunds were made during the fiscal year 1934, as shown on page 69 of the annual report for that year. During the year ended June 30, 1935, the Treasury made a refund of \$30,000 to the Genesee & Wyoming Railroad Co. Only one item remains unpaid, \$2,388.61 due the Central Railroad Co. of Arkansas. The existence of this corporation has terminated, and it is impossible to make a refund until it is determined who is entitled to receive payment.

The following statement shows the status of the fund as of June 30, 1935:

*General railroad contingent fund, June 30, 1935*

<b>Credits:</b>	
Excess earnings deposited in Treasury under sec. 15(a) of the Interstate Commerce Act.....	\$10,739,279.57
Interest and profits on investments.....	3,735,720.97
<b>Total.....</b>	<b>14,475,000.54</b>
<b>Deduct:</b>	
Amounts refunded prior to passage of Emergency Railroad Transportation Act of 1933:	
Illinois Terminal Co.....	\$800,000.00
Tuckerton R. R. Co.....	2,164.28
Washington Run R. R. Co.....	3,167.20
	\$805,331.48
Amounts refunded to June 30, 1935, under Emergency Railroad Transportation Act of 1933.....	13,667,280.45
	<b>14,472,611.93</b>
Balance in fund June 30, 1935.....	2,388.61

*Pershing Hall Memorial fund.*—Under the act of Congress approved June 28, 1935 (Public No. 171, 74th Cong.), \$482,032.92 of the fund entitled "Recreation Fund—Army", created by the War Department Appropriation Act approved March 4, 1933, was authorized to be appropriated for effecting, under certain conditions, a settlement of any indebtedness connected with Pershing Hall, a memorial

already erected in Paris, France, under the auspices of the American Legion, Inc., to the commander in chief, officers, men, and auxiliary services of the American Expeditionary Forces, to the end that such memorial as so freed from debt may be perpetuated. It is also provided that any balance remaining after settlement of such indebtedness shall be retained by the Secretary of the Treasury as a special fund to be known as the "Pershing Hall Memorial Fund." The Secretary of the Treasury is authorized (a) to invest and reinvest any part or all of the corpus of this fund so remaining in interest-bearing United States Government bonds and retain custody thereof; and (b) upon request of the American Legion, Inc., the Secretary of the Treasury shall pay to the National Treasurer of the American Legion, Inc., from time to time any part of the earnings upon the fund for use in the maintenance and/or perpetuation of Pershing Hall. Although funds were authorized to be appropriated, no funds were appropriated during the fiscal year 1935.

### *Special funds*

*Colorado River Dam fund.*—This fund was established under the act of December 21, 1928, to provide for the construction of works commonly referred to as the Boulder Canyon project. All revenues received in carrying out the provisions of the act are payable into the fund. Expenditures are made out of the fund under the direction of the Secretary of the Interior.

The Secretary of the Treasury is authorized to advance to the fund, from time to time, within the appropriations therefor, such amounts as the Secretary of the Interior deems necessary for carrying out the provisions of the act, except that the aggregate amount of such advances shall not exceed \$165,000,000. Of this amount, \$25,000,000 shall be allocated to flood control, and shall be repaid to the United States out of 62½ percent of revenues, if any, in excess of the amount necessary to meet periodical payments during the period of amortization, as provided in section 4 of the act. If the \$25,000,000 is not repaid in full during the period of amortization, then 62½ percent of all net revenues shall be applied to payment of the remainder.

The Secretary of the Treasury is required to charge the fund, as of June 30 each year, with such amount as may be necessary for the payment of interest at the rate of 4 percent per annum accrued during the year upon the amounts advanced from the general Treasury and remaining unpaid, except that if the fund is insufficient to meet the payment of interest the Secretary of the Treasury may, in his discretion, defer any part of such payment, and the amount so deferred shall bear interest at the rate of 4 percent per annum until paid.

Under an opinion of the Attorney General of the United States, dated December 26, 1929, funds advanced from the general Treasury for the construction costs of the all-American canal are not subject to the interest charge. To date, funds aggregating \$2,421,248.41 have been advanced from funds amounting to \$9,000,000 allocated from the appropriations made in the National Industrial Recovery Act, approved June 13, 1933, and the Emergency Appropriation Act of 1935, approved June 19, 1934, for the construction of the all-American canal.

The Boulder Canyon Project Act provides for the repayment of these advances, and the Secretary of the Interior has made provision for such repayment to begin upon the completion of the canal.

On June 30, 1935, the liability of the Colorado River Dam fund to the General Fund of the Treasury amounted to \$86,766,956.75, representing advances in the sum of \$80,358,083.40 and interest in the amount of \$6,408,873.35. Upon recommendation of the Secretary of the Interior and in accordance with the authority contained in section 2 of the act of March 3, 1933, the Secretary of the Treasury deferred for 1 year the payment of the total amount of interest due on June 30, 1935, of \$6,408,873.35.

The status of the advances made to the fund as of June 30, 1935, was as follows:

*Advances to Colorado River Dam fund, June 30, 1935*

Advances from General Fund:		
Fiscal year 1931.....	\$1,745,866.46	
Fiscal year 1932.....	17,018,608.34	
Fiscal year 1933.....	19,769,297.48	
Fiscal year 1934.....	19,584,789.68	
Fiscal year 1935.....	22,299,521.44	
	\$80,358,083.40	
Interest:		
Fiscal year 1931.....	25,631.58	
Fiscal year 1932.....	355,029.92	
Fiscal year 1933.....	1,161,488.18	
Fiscal year 1934.....	1,933,449.58	
Fiscal year 1935.....	2,958,905.67	
Total.....	6,434,504.93	
Less amount covered into Treasury as miscellaneous receipts.....	25,631.58	
	16,408,873.35	
Total liability to General Fund.....	\$86,766,956.75	

*Advances to reclamation fund.*—Under the act of Congress approved June 17, 1902 (32 Stat. 388), there was established in the Treasury a special fund known as the "reclamation fund", representing receipts from the sale of public lands in certain States and Territories to be used for the construction of irrigation works for the reclamation of arid lands. Pursuant to the act of June 25, 1910 (36 Stat. 835), the Secretary of the Treasury advanced to the reclamation fund from the General Fund of the Treasury \$20,000,000. The act of June 12, 1917 (40 Stat. 149), provides for the reimbursement of the money so advanced through the transfer of \$1,000,000 annually from the reclamation fund to the General Fund of the Treasury beginning July 1, 1920, and continuing until full reimbursement is made. Beginning with the fiscal year 1921 there has been returned to the General Fund \$1,000,000 annually, making a total of \$10,000,000 for the 10 years ended with the fiscal year 1930. The Deficiency Act of February 6, 1931, provided for a suspension of the annual payments for a period of 2 years and the act of April 1, 1932, as amended by the act of March 3, 1933, provided a further extension until the fiscal year beginning July 1, 1936.

The Deficiency Act approved March 4, 1931, appropriated an additional advance of \$5,000,000 to the reclamation fund from the General Fund, all of which was advanced between April 28, 1931, and November 30, 1931.

<sup>1</sup> Payment of interest due June 30, 1935, \$6,408,873.35 deferred for 1 year under sec. 2 (d) of the act of Dec. 21, 1928, and sec. 2 of the act of Mar. 3, 1933.

The following statement shows the status of the account as of June 30, 1935:

Charges:	
Advances from the General Fund:	
Under act of June 25, 1910.....	\$20,000,000
Under act of Mar. 4, 1931.....	5,000,000
Total.....	25,000,000
Less repayment of advances to June 30, 1930 <sup>1</sup> .....	10,000,000
Unreimbursed balance.....	15,000,000

<sup>1</sup> Installments for 1931-36 suspended.

### *Division of Deposits*

The Division of Deposits is charged with the administration of matters pertaining to the designation and supervision of Government depositaries and the deposit of Government funds in such depositaries. The regulations of the Treasury governing the deposit of public funds in depositaries are incorporated in Department Circulars Nos. 176 and 92 as amended.

The following statement shows the number and classes of depositaries maintained by the Treasury and the Government deposits held by such depositaries on June 30, 1935:

*Number of depositaries and amount of Government deposits held on June 30, 1935  
by class of depositaries*

Depositaries	Number	Amount
Federal Reserve banks (including branches).....	12	\$102,236,563.22
Federal Reserve member bank depositaries:		
To credit of Treasurer of the United States.....	1,545	7,324,547.36
To credit of other Government officers.....		29,210,792.92
Insular depositaries (including Philippine treasury):		
To credit of Treasurer of the United States.....	3	3,026,966.49
To credit of other Government officers.....		2,274,967.05
Foreign depositaries:		
To credit of Treasurer of the United States.....	13	958,539.44
To credit of other Government officers.....		1,583,599.58
Special depositaries.....	23,226	779,026,326.27
Total.....	4,799	925,656,536.36

<sup>1</sup> In addition 257 branch banks are carried on the depositary list of the Treasury under the designation of the parent banks.

<sup>2</sup> Includes 1,974 national banks and 1,252 State banks and trust companies, of which 1,835 held deposits on June 30, 1935.

During the fiscal year 1935, approximately 1,200 changes and adjustments were effected within the depositary system. These adjustments are summarized in the following table:

	Member bank de- positaries	Special de- positaries
Designated.....	62	211
Discontinued.....	75	326
Balances increased.....	250	127
Balances decreased.....	115	23

The work of the Division of Deposits during the year was greatly increased as a result of the establishment and operation of new Government activities requiring depositary facilities. The sale of United States Savings Bonds by postmasters throughout the country and the transfer of accounts of all clerks of United States courts and United States marshals from the books of depositary banks to the books of the Treasurer of the United States under the provisions of the Permanent Appropriation Repeal Act, approved June 26, 1934, necessitated extensive revision of depositary arrangements. Funds of the Philippine Government also were transferred from the books of depositary banks to the books of the Treasurer of the United States. The liquidation of Government claims against depositary banks declared insolvent proceeded with orderly dispatch.

Treasury Circular No. 176, dated September 2, 1930, was amended by the addition of an eighth supplement, dated April 23, 1935. This supplement will be found as exhibit 48 on page 279.

### *Section of Surety Bonds*

On June 30, 1935, there were 64 domestic companies holding certificates of authority from the Secretary of the Treasury under the act of Congress approved August 13, 1894, as amended by the act approved March 23, 1910, qualifying them as sole sureties on recognizances, stipulations, bonds, and undertakings permitted or required by the laws of the United States, to be given with one or more sureties. There were also 1 domestic company and 5 branches of foreign companies holding certificates of authority authorizing them to act only as reinsurers on bonds in favor of the United States. The only change in the outstanding certificates of authority during the year was the issuance of one additional certificate of authority.

### *Division of Bookkeeping and Warrants*

The Division of Bookkeeping and Warrants, in the name of the Secretary of the Treasury, issues all warrants on the Treasurer of the United States, and under section 10 of the act of July 31, 1894 (U. S. C., title 5, sec. 255), keeps the official accounts relating to the receipt, appropriation, and expenditure of the public moneys, covering all departments and establishments of the Government. Other duties of the Division include the preparation of the annual digest of appropriations and the combined statement of receipts and expenditures, and the handling of duplicate checks, outstanding liability claims, budget matters, special deposit accounts, etc. The Division also maintains budgetary accounts relating to the apportionment and obligation of public funds covering all executive departments and independent establishments.

Statements of the receipts and expenditures of the Government for the fiscal year 1935, compiled by this Division, are shown as tables 1 and 2, pages 296 to 315 of this report.

### *Division of Disbursement*

The Division of Disbursement, organized December 16, 1933, under the provisions of section 4 of Executive Order No. 6166, has gradually absorbed the disbursing functions formerly exercised by the



principal departments and establishments of the Government located in Washington, D. C., including the emergency as well as the regular Government activities, with the exception of the Post Office Department, the Panama Canal, and that portion of the War and Navy Departments relating to national defense.

On June 30, 1935, the total personnel of the Division was 1,189. During the year the Washington office of the Division issued 26,210,425 checks, and in addition made twice a month approximately 25,000 payments in cash to Federal employees located in Washington.

The Division of Disbursement continued the offices established in Oklahoma, Massachusetts, and North Dakota, for the purpose of disbursing relief administration funds in those States, and, at the request of the Federal Emergency Relief Administration, established similar offices in Ohio, Louisiana, and Georgia.

Nineteen regional offices were established during the year by the Division of Disbursement in the following cities:

Albuquerque, N. Mex.  
 Atlanta, Ga.  
 Boston, Mass.  
 Chicago, Ill.  
 Cleveland, Ohio.  
 Dallas, Tex.  
 Denver, Colo.  
 Helena, Mont.  
 Kansas City, Mo.  
 Los Angeles, Calif.

Minneapolis, Minn.  
 New Orleans, La.  
 New York City, N. Y.  
 Philadelphia, Pa.  
 Portland, Oreg.  
 Salt Lake City, Utah.  
 San Francisco, Calif.  
 Seattle, Wash.  
 St. Louis, Mo.

As of June 30, 1935, the disbursing functions of 298 separate offices had been transferred to these regional offices. By Executive order the time for completing the consolidation of disbursing functions was extended to December 31, 1935.

The Division continued the work of making disbursements in connection with emergency purchases of livestock, seed, and commodities under the drought relief program of the Agricultural Adjustment Administration in offices established for this purpose at Minneapolis, Kansas City, and San Francisco. An additional office for this purpose was also established in Chicago. As the work under this program drew to a close, the separate disbursing offices were closed and the remaining work was transferred to the regular regional disbursing offices. A temporary office was established and operated for about 6 months at Lexington, Ky., for the purpose of making rental and benefit payments on tobacco under the Agricultural Adjustment Administration program. There has also been established an office in the Philippine Islands, principally for the purpose of making rental and benefit payments on sugar, but in addition the disbursing functions of other Federal offices located there have been absorbed.

The duties of the Division of Disbursement in connection with disbursements under the Emergency Relief Appropriation Act of 1935 have been referred to above.

## DIVISION OF APPOINTMENTS

### *Number of employees*

There were 16,958 employees in the Treasury Department in Washington on June 30, 1935, a net increase of 1,593 for the fiscal year. The principal increase occurred in the Procurement Division as a

consequence of the expanded public works program. In the Bureau of Internal Revenue additional personnel was required for the administration of various new tax laws. The principal decrease was in the office of the Treasurer of the United States.

In the field service the force expanded from 45,245 on June 30, 1934, to 48,908 on June 30, 1935, a net gain of 3,663. The largest increases occurred in the field forces of the Bureau of Internal Revenue and the Bureau of the Mint, the latter as a result of activities connected with gold and the operation of the Silver Purchase Act.

The number of employees in the departmental service of the Treasury, classified according to bureaus and offices, at the end of each month, from June 30, 1934, through June 30, 1935, is shown in table 49, page 436 of this report. A comparison of the number of employees in the departmental and field services of the Treasury on June 30, 1934, and June 30, 1935, is contained in table 50, page 437.

#### *Retirement of employees*

During the fiscal year 1935 there were 596 persons retired from the departmental and field services of the Treasury Department. Under the provisions of the Civil Service Retirement Act, as amended, and of section 204 of the Economy Act of June 30, 1932, 207 persons were retired from the departmental service of the Treasury Department, 18 of whom were retired at their own option before the compulsory retirement age; and 237 were retired from the field service, 17 at their own option. Under the provisions of section 8 (a) of the Independent Offices Appropriation Act of June 16, 1933, which provision expired June 30, 1935, 100 persons in the departmental service and 52 in the field service, who had served 30 years or more, were retired because of necessary reduction of force.

Three employees in the field service, who had reached the retirement age, were retained under the authority of the President provided in section 204 of the Economy Act.

Table 51, page 437, shows the number of persons retired and the number who have passed the compulsory retirement age retained in the departmental and field services of the Treasury from August 20, 1920, to June 30, 1935.

#### **BUDGET AND IMPROVEMENT COMMITTEE**

The Budget and Improvement Committee is responsible, under the direction of the Budget officer, for the preparation and examination of Treasury estimates of appropriations and for the improvement of administrative methods and procedure within the Treasury Department. In addition to examining all estimates, the committee makes inquiries as to the reserves which may be set up under the various appropriations and considers other matters affecting expenditures of the Department.

Subsequent to the submission of the regular estimates of appropriations for the fiscal year 1936, supplemental and deficiency estimates aggregating \$116,856,994 were received. After examination by the Budget officer, with the assistance of the committee, these estimates were reduced to \$116,781,619 and submitted to the Acting Director of the Bureau of the Budget.

Reserves amounting to \$2,631,670 were set aside from ordinary appropriations for the fiscal year 1935 by the Acting Director of the Bureau of the Budget. During the year \$1,273,822 was released by the Acting Director, after approval of the committee, leaving \$1,357,848 in reserve at the end of the year. For the fiscal year 1936, the Acting Director set aside \$225,350 in reserve.

For the fiscal year 1937, heads of bureaus and offices submitted estimates for annual and permanent and indefinite appropriations aggregating \$1,690,654,931. After examination by the Budget and Improvement Committee, items aggregating \$40,573,475 were disapproved in estimates for annual appropriations. There was approved and submitted to the Acting Director of the Bureau of the Budget for annual appropriations, \$243,429,238; for permanent and indefinite appropriations and special funds, \$3,030,468; trust funds, \$17,596,750; interest on the public debt, \$805,000,000; and public debt retirements chargeable against ordinary receipts, \$581,025,000, making a grand total of \$1,650,081,456.

### COAST GUARD

The following is a summary of the principal operations of the Coast Guard for the fiscal year 1935, including comparisons with the preceding year:

	1934	1935	Increase (+) or decrease (-)
Lives saved or persons rescued from peril.....	5,597	5,825	+228
Persons on board vessels assisted.....	34,767	32,881	-1,886
Persons in distress cared for.....	1,246	927	-319
Vessels boarded and papers examined.....	31,730	27,671	-4,059
Vessels seized, reported, or warned for violations of law.....	1,401	1,299	-102
Fines and penalties incurred by vessels reported.....	\$94,500	\$149,720	+\$55,220
Regattas and marine parades patrolled.....	204	276	+72
Instances of lives saved and vessels assisted.....	6,861	6,777	-84
Instances of miscellaneous assistance.....	7,877	7,025	-852
Derelicts and other obstructions to navigation removed or destroyed.....	267	191	-76
Value of derelicts and other obstructions recovered.....	\$112,160	\$19,295	-\$92,865
Value of vessels assisted (including cargoes).....	\$47,296,109	\$58,703,579	+\$11,407,470
Persons examined for certificates as lifeboat men.....	5,917	9,811	+3,894

### *Protection to navigation*

*International service of ice observation and ice patrol.*—This service was conducted during the season of 1935 by two cutters and one 125-foot patrol boat, the cutters being assigned to ice patrol duty and the patrol boat to oceanographic observations. One of the cutters sailed from Boston, Mass., on March 9 to determine the extent of ice conditions in the Grand Banks region. It was found that icebergs were approaching the North Atlantic Lane Route, United States Track "C." Accordingly, the patrol was inaugurated on March 14, and steamships were routed to the more southern track "B" a month earlier than usual. The patrol boat sailed from Boston on March 19 to join the ice patrol force, and the other cutter sailed from New York on March 22. Throughout the season the two cutters, basing at Halifax, Nova Scotia, maintained a continuous patrol in the ice regions, each vessel standing duty in the Grand Banks area for periods of 15 days. The patrol boat, basing at St. John's, Newfound-

land, prepared and furnished the patrol force throughout the season with current maps indicating the direction and velocity of the masses of water in the Grand Banks area. In addition to furnishing information to individual ships upon request, the position of all ice sighted and reported was broadcast four times daily by the vessel on patrol. This information was disseminated in radio broadcasts by the Hydrographic Office. The ice season was normal, reaching its peak during the period April 22 to May 8, when 341 icebergs were reported south of the 48th parallel and 20 south of the 43d parallel. The southernmost berg reached as far south as the 41st parallel during the early part of July. On July 9 the patrol was discontinued. The patrol boat, with the view of gaining further knowledge of conditions bearing upon the ice menace in the North Atlantic, sailed on an oceanographic survey of an extensive and little-known area lying several hundred miles east of Newfoundland and south of Greenland to determine the effect that conditions prevailing in this region may have on the drift of Arctic ice. The patrol boat will continue this oceanographic survey until about September 1.

*Winter patrol.*—The President, on the recommendation of the Secretary of the Treasury of November 9, 1934, designated 14 Coast Guard vessels to perform special winter cruises along the coast for the season of 1934–35 to aid distressed vessels. The vessels engaged on this duty cruised 69,087 miles, and afforded assistance to 70 vessels whose values including cargoes amounted to \$2,072,195. There were 609 persons on board the vessels assisted. The vessels boarded in the interest of United States laws numbered 436.

*Anchorage and movements of vessels.*—During the year the Coast Guard maintained supervision over the enforcement of the rules and regulations promulgated by the Secretary of War and the Secretary of Commerce governing the anchorage and movements of vessels in ports and in localities where Federal regulations are in force. At the larger ports, Coast Guard officers, designated as “captains of the port”, perform this duty, and also cooperate in the enforcement of the regulations promulgated by the Interstate Commerce Commission governing the handling of explosives by vessels. In smaller localities periodic inspections are made, and a surveillance is maintained to insure compliance with the published regulations.

*International yacht races.*—International yacht races were held off Newport, R. I., September 15 to September 25, 1934. Under authority of law, the Secretary of Commerce requested the Coast Guard to patrol and enforce the regatta laws during this event. Fourteen Coast Guard vessels, seven Navy vessels, a Navy seaplane, and several private craft conducted the patrol under the command of a designated Coast Guard officer.

#### *Enforcement of customs and other laws*

The usual duties of the Coast Guard in connection with the enforcement of the customs, navigation, and motor-boat laws of the United States and the customary assignment of Coast Guard vessels at the principal ports of the country to assist the customs authorities were continued during the year. Assistance was also afforded to other branches of the Government in the enforcement of Federal laws.

*Liquor smuggling.*—The resumption of liquor smuggling on the Atlantic, Gulf, and Pacific coasts near the close of the fiscal year 1934 presented a problem which the Coast Guard was not fully prepared to meet because of material reductions in appropriations, personnel, and facilities. As the result, however, of a deficiency appropriation, the coordination of efforts with other Treasury agencies engaged in the prevention of smuggling, and through the co-operation of foreign governments, the smuggling of bulk cargoes of alcohol was greatly reduced in volume at the end of the fiscal year as compared with the peak of April 1935. Numerous seizures of foreign and domestic vessels and cargoes were made during the year. The prompt realization of the renewal of smuggling emphasized the value of the maintenance of a highly specialized intelligence organization within the Service. Furthermore, the maintenance of an adequate preventive force for scouting the waters off our coast assures prompt action if the traffic recurs.

*Patrol in northern waters.*—The regular annual patrol of the waters of the North Pacific Ocean, Bering Sea, and southeastern Alaska for the season of 1934, in progress at the beginning of the fiscal year 1935, was carried on by nine Coast Guard vessels. The vessels cruised 78,116 miles, assisted 6 vessels, boarded 60 vessels, afforded medical and dental aid to 3,055 persons, and transported 273 persons. The dental clinic on shore at Unalaska afforded relief to 563 persons. The patrol for the season of 1935 was in progress at the close of the fiscal year.

*Northern Pacific halibut fishery.*—The patrol, conducted annually by the Coast Guard for the Bureau of Fisheries, Department of Commerce, in the interests of law enforcement, was performed during the year by three cutters and one 125-foot patrol boat. These vessels cruised 5,949 miles between September 20, 1934, and April 27, 1935.

### *Communications*

*Telephone and telegraph lines and cables.*—The Coast Guard owns and operates a coastal communication system consisting of telephone and telegraph lines of approximately 1,522 miles of pole line, 2,699 miles of open wire aerial circuits, 31 miles of aerial and underground cables, and 642 miles of submarine cable. A number of line and cable replacement projects, begun during the previous year, were completed, and the new circuits were placed in service. Underground entrance cables and new switching facilities were installed at many stations. Old lines were replaced and partial replacement was made at various points. New submarine cables were laid in several localities in place of old cables no longer serviceable.

A scientific investigation was made of submarine cables purchased during recent years, and improved designs and specifications were prepared which will add materially to the life of cables purchased and laid in the future. Investigations were continued covering new methods and apparatus to be employed in increasing the efficiency and life of the telephone plants.

*Radio.*—The construction of a new radio traffic station at Jacksonville Beach, Fla., was completed; and also new radio stations at the air stations at Salem, Mass., St. Petersburg, Fla., Biloxi, Miss., and Port Angeles, Wash. The addition of these new stations has greatly

increased the efficiency of communications in the divisions in which they are located. The radio traffic stations at Winthrop, Mass., and Rockaway Point, N. Y., and the minor radio station at New London, Conn., were turned over to the Navy for a trial period of 2 years.

The program for the standardization and improvement of radio installations on vessels and aircraft was continued. Radio equipment has been designed and developed to meet the special needs of aviation and practically all interference to radio reception caused by electrical induction has been eliminated on planes. The development of radio-direction finders for aircraft has progressed, and all Coast Guard aircraft are now equipped with direction-finding apparatus. The installation of radio equipment in lifeboats and at Coast Guard stations has progressed and has proved definitely, in many instances, the value of such a plan.

The Coast Guard continues to make analytical studies of distress cases off the coasts of the United States in which radio plays an important part. The number of distress calls, made direct to the Coast Guard, is steadily increasing, indicating a growing dependence of shipping on the service.

An officer of the Coast Guard continued to represent the Treasury Department on the Interdepartmental Radio Advisory Committee.

### *Equipment*

*Floating equipment.*—On June 30, 1935, there were in commission in the Coast Guard 36 cruising cutters, 52 harbor craft, 4 special craft, eighteen 165-foot patrol boats, twenty-eight 125-foot patrol boats, eleven 100-foot patrol boats, six 78-foot patrol boats, fifty-eight 75-foot patrol boats, 82 picket boats, and 24 miscellaneous patrol boats. Eighty-five seized boats were also in use. This floating equipment does not include the primarily life-saving boat equipment attached to Coast Guard vessels and stations.

The program for the construction of seven 327-foot cruising cutters is still under way. During the year five 165-foot cutters, four 110-foot harbor cutters, and nine 165-foot patrol boats were completed and placed in operation.

A number of harbor craft were transferred from the Bureau of Customs during the year, and 26 of these boats are in operation at the present time. Three cutters were sold, one was transferred to the Federal Emergency Relief Administration for the use of the State of Michigan, and one was decommissioned. Six harbor craft were disposed of, three were decommissioned, and two 100-foot patrol boats were transferred to the Navy Department.

In addition to the work performed during the year by the repair depot on vessels of the service, routine and major repairs to vessels were made under contract with private shipyards and the various navy yards. Major repairs were accomplished on four cutters. Ten 125-foot patrol boats were sheathed, and new engines installed in six other boats of this class.

*Small boats.*—The first 52-foot motor lifeboat, embodying many modern improvements, was completed at the Coast Guard depot during the year and assigned to the Sandy Hook Coast Guard Station, N. J. The second such boat will be completed in August 1935, and will be assigned to Point Adams Coast Guard Station, Oreg.

The pulling and motor self-bailing surfboat designs have been revised to the extent that balsawood buoyancy blocks have been substituted for the side air cases and the planking has been slightly modified on the interior to give a flush surface, which insures a much higher degree of water-tightness than was formerly obtainable.

Work is in progress on the design of a boat to supersede the 26-foot motor launch. Requirements of this boat call for better seaworthy qualities and slightly higher speed with increased carrying capacity.

Contracts were awarded during the year for two 30-foot rescue boats of the sea skiff type, nine motor speed boats, and numerous skiffs, dories, and other miscellaneous boats.

Experimental investigations and tests in the related fields of special metals, woods, marine equipment, fittings, and outfits were continued, as were also special investigations and research in connection with the accelerated corrosion of sheathing and other definite problems evidenced by service needs.

*Aviation.*—During the year air stations were established at Biloxi, Miss., Salem, Mass., St. Petersburg, Fla., and Port Angeles, Wash. The air station at Gloucester, Mass., was decommissioned when the Salem air station was commissioned.

Funds were allotted for building new air stations at Charleston, S. C., and San Diego, Calif., and for a new hangar and shops at Cape May, N. J. Contracts were awarded for the building of two airplanes, a radio test plane accepted by the Coast Guard on September 19, 1934, and a convertible seaplane accepted on February 20, 1935. Nine Grumman and ten Douglas amphibians were procured on Navy contract during the year and are now in service. Six more Grumman amphibians are being constructed under Navy contract.

The following statement indicates the activities of the various air stations and air patrol detachments of the Coast Guard, and shows the number of planes checked by Coast Guard (life-saving) stations:

Number of planes sighted and checked at Coast Guard (life-saving) stations--	15,617
Miles cruised by aircraft-----	527,756
Area in square miles searched-----	6,601,192
Hours in the air-----	5,709
Vessels identified by aircraft-----	16,225
Planes identified by aircraft-----	2,049
Cases of assistance rendered by aircraft-----	143
Emergency cases transported by air-----	42
Stills located and destroyed-----	159

Fifteen commissioned officers of the Coast Guard were graduated from the Naval Air Station, at Pensacola, Fla., as naval aviators, and 10 enlisted men of the Coast Guard were graduated from the same station as aviation pilots.

Officers of the Coast Guard established the following world's records for amphibian planes: On December 20, 1934, attaining a speed of 191.734 miles per hour; on June 25, 1935, attaining a speed of 173.945 miles per hour over a 100-kilometer course with a payload of 500 kilograms (about 1,100 pounds); and on June 27, 1935, attaining an altitude of 17,877.243 feet with a payload of 500 kilograms.

*Ordnance.*—During the year the new shoulder line-throwing equipment was perfected. With a modified .30 caliber Springfield rifle and a special projectile, a much greater average range has been attained than was previously possible.

The use of the light type wrecking outfits has been extended to the 165-foot and 125-foot patrol boats. They are now equipped to

handle minor demolition operations independently, thereby saving time and expense in the removal of obstructions to navigation.

The installation of sound-powered telephone systems for fire control and intercommunication has been completed on all electric-drive cutters and greater efficiency in battle practice is expected as a result. To the same end, deflection converters are being installed on 13 rangekeepers and the instruments are being modified for use with 5"/51 caliber guns. One 3"/50 caliber antiaircraft gun has been replaced by a 5"/51 caliber gun, and as soon as funds are available similar changes will be made on other vessels of the same class.

At the direction of the Secretary of the Treasury training of armed civilians of the Department in the use of small arms was conducted in the United States, in San Juan, P. R., and in Honolulu. At the close of the year 4,564 men were in training. About 3,000 men had completed the requirements for preliminary qualification, and 1,324 had fulfilled the requirements for advanced qualification. The ships on which systematic training has been conducted have made excellent scores in battle practice and their records have stimulated greater interest throughout the service. Marked improvement was shown in small arms practice.

The cooperation of the Army, Navy, and Marine Corps, which has made possible greater efficiency and economy in expenditures, is gratefully acknowledged.

*The academy, stations, bases, repair depot, engine school, repair base, etc.*

*Coast Guard Academy.*—During the fiscal year 69 cadets were appointed to the academy, 54 resigned, and 31 were graduated from the academy. Twenty-six of the graduates received permanent commissions as ensigns and five received temporary commissions as ensigns. There were 84 cadets under instruction at the end of the fiscal year.

The 1935 practice cruise left New London, Conn., on June 1, 1935. The itinerary includes United States and foreign ports.

*Stations and bases.*—On June 30, 1935, 242 Coast Guard (life-saving) stations were in an active status, and 3 shore bases were in commission. Rebuilding, repairs, alterations, additions, and improvements were completed during the year at a large number of shore units, and contracts were awarded and major work was begun at a number of other shore units.

*Repair depot.*—In the course of the year 11 Coast Guard vessels and boats were overhauled, reconditioned, or repaired at the repair depot, Curtis Bay, Md. The boat building shop at the depot constructed 161 standard and miscellaneous boats.

*Engine school and repair base.*—The consolidation of the reclamation plant, formerly operated at Base Nine, Cape May, N. J., with the engine school at Norfolk, Va., has worked to great advantage, since it has enabled students to take an active part in the work of reconditioning the various types of internal-combustion engines and in the conversion of aircraft engines for marine use. On June 30, 1935, there were 36 students under instruction, and it is expected that in the future 100 men will complete the course each year. During the year the engine school and repair base completely rebuilt



37 engines, of which 11 were installed in vessels and 23 were shipped to various units in the field. Approximately 250 pieces of electrical equipment, such as starters, generators, and magnetos were reconditioned mostly by students under instruction. Repair parts for certain engines were stocked and issued upon requisition.

### *Engineering competition*

The engineering competition, which is conducted to stimulate efforts of the personnel and promote a spirit of friendly rivalry, tends to maintain the personnel and material in the highest possible state of readiness and efficiency. During the year 30 cruising cutters and 46 patrol boats took part in this competition.

### *Personnel*

On June 30, 1935, there were on the active list of the Coast Guard, 477 regular and 7 temporary commissioned officers; 84 cadets; 73 chief warrant officers and 519 regular warrant officers; 154 temporary warrant officers, 152 of whom were on duty with the War Department under orders contained in Executive order 6169; 9,095 enlisted men, and 286 civilian employees in the field, 243 of whom were per diem civilian employees at the Coast Guard depot, Curtis Bay, Md.

*Recruiting.*—Four main recruiting stations were in operation at the beginning of the fiscal year, and 3 main stations and 2 substations were opened during the year. Of 10,873 applicants for enlistment, 1,068 were enlisted, 3,038 were rejected because of physical disability, and 6,767 rejected for other causes. Loss in personnel, other than through expiration of enlistments, was very low, and 82 percent of the men eligible to reenlist did so upon the expiration of enlistments.

*Training.*—The training courses provided for enlisted men were availed of by a number of men who desired advancement along lines for which special training was necessary. The Coast Guard Institute at New London, Conn., continued to provide means to study for advancement in rating, and to prepare for further training in school courses. The facilities of the Fort Trumbull Training Station were also utilized for the training of men after which they were assigned to field duty. Educational courses of the International Correspondence Schools of Scranton, Pa., and a radio course of the Capitol Radio Engineering Institute of Washington, D. C., were also furnished. During the year 535 Coast Guard Institute educational certificates, 154 International Correspondence Schools diplomas, and 5 Capitol Radio Engineering Institute certificates were awarded.

Ordnance training was carried on at the Armorers' School at the Coast Guard Depot, Curtis Bay, Md., and at the Naval Gun Factory at Washington, D. C. Men were also assigned to the Navy Parachute Matériel School, Lakehurst, N. J., Navy Sound Motion Picture Technician's School, Navy Yard, Brooklyn, N. Y., and the Navy Aviation Instrument School, Philadelphia, Pa.

### *Awards of life-saving medals*

The Secretary of the Treasury, under the provisions of law, awarded during the year seven silver life-saving medals of honor in

recognition of bravery exhibited in the rescue or attempted rescue of persons from drowning in waters over which the United States has jurisdiction or upon an American vessel.

*Appropriations and expenditures*

The following table shows the amounts appropriated for the Coast Guard for the fiscal year 1935, together with the balances of appropriations from the previous year, and the expenditures and unexpended balance of each appropriation. This includes an additional allotment of \$294,868 from the National Industrial Recovery appropriation, and allotments from special funds for rebuilding and improving Coast Guard stations, building or purchase of vessels for the Coast Guard, and working fund, Treasury, Coast Guard (Procurement Division, emergency construction).

*Appropriations, expenditures, and unexpended balances for the fiscal year 1935*

Title of appropriation	Amount of appropriation, allotment, or balance	Expended and obligated	Transferred <sup>1</sup>	Unexpended balance
Salaries, Office of Coast Guard.....	\$320,944.00	\$320,933.96	{ +\$3,365 -1,458 }	\$1,917.04
Pay and allowances.....	15,893,403.00	15,800,285.63	+35,000	68,117.37
Fuel and water.....	1,470,500.00	1,447,642.97	-----	22,857.03
Outfits.....	1,174,099.00	1,210,415.85	+40,000	3,584.15
Rebuilding and repairing stations, etc.....	158,500.00	151,813.77	-----	6,686.23
Communication lines.....	136,602.00	132,264.94	-----	4,337.06
Civilian employees.....	95,487.00	101,200.16	{ +10,417 -3,365 }	1,338.84
Contingent expenses.....	183,795.00	167,382.23	-----	16,412.77
Repairs to Coast Guard vessels.....	1,485,256.00	1,468,778.06	-----	16,477.94
Retired pay, former life-saving service.....	96,349.00	95,709.76	-----	639.24
National Industrial Recovery, Treasury, Coast Guard.....	2,106,699.13	1,235,468.33	-----	\$71,290.80
Rebuilding and improving stations.....	42,000.00	41,738.21	-----	261.79
Building or purchase of vessels.....	80,036.00	79,317.15	-----	718.85
Working fund, Treasury, Coast Guard (Procurement Division, emergency construction).....	76,830.00	76,830.00	-----	-----
Additional vessels.....	117,525.00	-----	-----	117,525.00
Coast Guard Academy <sup>2</sup> .....	57,497.00	-1,683.00	-----	59,180.00
Total.....	23,495,423.13	22,288,038.02	\$3,959	1,191,344.11

<sup>1</sup> Transfers:

From civilian employees, Coast Guard.....	\$3,365
To salaries, Coast Guard.....	3,365

From:

Collecting the internal revenue.....	\$30,000
Collecting the revenue from customs.....	2,000
Salaries and expenses, Bureau of Narcotics.....	2,000
Salaries and expenses, mints and assay offices.....	1,000
	<u>35,000</u>

To pay and allowances.....

35,000

From:

Collecting the revenue from customs.....	40,000
Collecting the revenue from customs.....	10,417
	<u>50,417</u>

To:

Outfits, Coast Guard.....	40,000
Civilian employees, Coast Guard.....	10,417
	<u>50,417</u>

From salaries, Coast Guard.....

1,458

To salaries and expenses, Division of Disbursement.....

1,458

<sup>2</sup> 1933 obligations canceled.

## COMPTROLLER OF THE CURRENCY

*Changes in the condition of national banks*

The total assets of the 5,431 licensed national banks on June 29, 1935, aggregated \$26,061,065,000, in comparison with assets of \$23,901,592,000 reported by 5,422 licensed banks on June 30 the previous year. The deposits of the licensed banks in 1935 aggregated \$22,518,246,000, or \$2,585,586,000 more than the amount reported for licensed banks a year earlier. The loans and investments totaled \$18,085,103,000, or \$1,038,807,000 more than on June 30, 1934.

The assets and liabilities of licensed national banks on the date of each report from June 30, 1934, to June 29, 1935, are shown in the following statement:

*Abstract of reports of condition of licensed national banks on the date of each report from June 30, 1934, to June 29, 1935*

[Dollars in thousands]

	June 30, 1934 (5,422 banks <sup>1</sup> )	Oct. 17, 1934 (5,466 banks <sup>1</sup> )	Dec. 31, 1934 (5,467 banks <sup>1</sup> )	Mar. 4, 1935 (5,451 banks)	June 29, 1935 (5,431 banks)
<b>ASSETS</b>					
Loans and discounts (including rediscounts).....	7,694,749	7,633,924	7,488,652	7,489,904	7,365,226
Overdrafts.....	2,994	4,720	3,315	4,543	3,491
U. S. Government securities, direct obligations.....	5,645,741	5,837,378	6,262,109	6,283,866	6,077,724
Securities guaranteed by U. S. Government as to interest and principal.....	2,357,911	510,854	698,699	836,425	1,095,283
Other bonds, stocks, securities, etc.....	3,344,991	3,570,137	3,495,724	3,489,351	3,543,379
Customers' liability account of acceptances.....	129,128	137,155	135,713	117,486	86,753
Banking house, furniture and fixtures.....	655,819	654,056	653,667	653,842	651,463
Other real estate owned.....	151,970	158,880	162,065	167,113	171,455
Reserve with Federal Reserve banks.....	2,497,400	2,509,639	2,525,448	2,772,766	3,092,178
Cash in vault.....	352,402	418,756	456,466	391,428	405,513
Balances with other banks.....	2,798,241	3,162,395	3,151,171	3,478,031	3,318,566
Redemption fund and due from U. S. Treasurer.....	48,922	44,239	57,691	41,546	51,264
Acceptances of other banks and bills of exchange or drafts sold with endorsement.....	36,426	35,075	34,133	32,797	12,050
Securities borrowed.....	1,408	1,201	750	1,556	4,592
Other assets.....	2,112	1,646	1,529	1,413	795
	181,468	191,275	203,194	194,186	180,623
<b>Total.....</b>	<b>23,961,592</b>	<b>24,811,390</b>	<b>25,629,586</b>	<b>25,959,283</b>	<b>26,061,065</b>
<b>LIABILITIES</b>					
Demand deposits, except U. S. Government de- posits, other public funds, and deposits of other banks.....	8,041,580	8,848,799	8,994,825	9,079,618	9,674,923
Time deposits, except postal savings, public funds and deposits of other banks.....	6,075,625	6,263,777	6,312,680	6,441,740	6,646,982
Public funds of States, counties, municipalities, etc. U. S. Government and postal savings deposits.....	1,499,013	1,484,193	1,611,603	1,677,924	1,845,315
Deposits of other banks, certified and cashiers' checks outstanding, and cash letters of credit and travelers' checks outstanding.....	1,330,469	971,659	1,237,925	1,041,263	679,655
	2,985,982	3,313,564	3,489,868	3,775,154	3,671,371
<b>Total deposits.....</b>	<b>19,932,660</b>	<b>20,821,392</b>	<b>21,676,303</b>	<b>22,015,699</b>	<b>22,518,246</b>
Secured by pledge of loans and/or invest- ments.....	2,523,159	2,100,445	2,448,174	2,278,513	2,115,605
Not secured by pledge of loans and/or investments.....	17,409,501	18,720,947	19,228,129	19,737,186	20,402,641
Circulating notes outstanding.....	698,293	665,845	654,456	627,022	222,095
Agreements to repurchase U. S. Government and other securities sold.....	4,399	4,432	2,361	5,512	4,194
Bills payable.....	13,672	8,207	7,342	10,427	3,989
Rediscounts.....	2,007	579	353	310	654

<sup>1</sup> Licensed banks which were operating on an unrestricted basis.

<sup>2</sup> Includes Home Owners' Loan Corporation 4 percent bonds, guaranteed by the United States as to interest only, the amount of which was not called for separately.

<sup>3</sup> Includes Home Owners' Loan Corporation 4 percent bonds, which are guaranteed by the United States as to interest only.

Abstract of reports of condition of licensed national banks on the date of each report from June 30, 1934, to June 29, 1935—Continued

[Dollars in thousands]

	June 30, 1934 (5,422 banks <sup>1</sup> )	Oct. 17, 1934 (5,466 banks <sup>1</sup> )	Dec. 31, 1934 (5,467 banks <sup>1</sup> )	Mar. 4, 1935 (5,451 banks)	June 29, 1935 (5,431 banks)
LIABILITIES—Continued					
Obligations on industrial advances transferred to the Federal Reserve bank.....				23	37
Acceptances of other banks and bills of exchange or drafts sold with endorsement.....	1,408	1,201	750	1,556	4,592
Acceptances executed for customers.....	133,221	137,892	138,939	119,096	85,599
Acceptances executed by other banks for account of reporting banks.....	6,683	5,497	4,717	5,202	8,171
Securities borrowed.....	2,112	1,646	1,529	1,413	795
Interest, taxes, and other expenses accrued and unpaid.....	41,741	53,898	38,982	48,751	42,335
Dividends declared but not yet payable and amounts set aside for dividends not declared.....		4,324	22,642	5,399	21,004
Other liabilities.....	64,363	50,187	51,188	49,895	62,936
Capital stock (see memorandum below).....	1,737,827	1,772,513	1,786,409	1,804,739	1,809,503
Surplus.....	854,057	845,335	837,888	834,878	831,846
Undivided profits, net.....	257,311	286,184	261,491	283,557	297,967
Reserves for contingencies.....	151,267	151,345	141,880	143,728	143,951
Preferred stock retirement fund.....	571	913	2,320	2,046	3,151
<b>Total.....</b>	<b>23,901,592</b>	<b>24,811,390</b>	<b>25,629,580</b>	<b>25,959,283</b>	<b>26,061,065</b>
Memorandum:					
Par value of capital stock:					
Class A preferred stock.....	401,989	444,626	464,752	492,685	503,914
Class B preferred stock.....	10,081	15,205	17,178	19,389	21,208
Common stock.....	1,326,722	1,313,997	1,306,224	1,294,374	1,288,848
<b>Total.....</b>	<b>1,738,792</b>	<b>1,773,828</b>	<b>1,788,154</b>	<b>1,806,448</b>	<b>1,813,970</b>
Loans and investments pledged to secure liabilities:					
U. S. Government obligations, direct and/or fully guaranteed.....	2,606,142	2,404,487	2,695,454	2,575,262	2,004,611
Other bonds, stocks, and securities.....	991,388	847,317	778,882	744,862	720,798
Loans and discounts (excluding rediscounts).....	102,226	88,210	84,978	71,278	52,627
<b>Total.....</b>	<b>3,699,756</b>	<b>3,340,014</b>	<b>3,559,314</b>	<b>3,391,402</b>	<b>2,778,036</b>
Pledged:					
Against circulating notes outstanding.....	724,566	695,595	683,797	655,559	225,444
Against U. S. Government and postal savings deposits.....	1,445,592	1,127,074	1,331,411	1,153,407	805,797
Against public funds of States, counties, school districts, or other subdivisions or municipalities.....	975,448	952,021	986,862	1,022,472	1,067,782
Against deposits of trust department.....	249,491	270,849	286,573	289,009	411,138
Against other deposits.....	176,768	177,581	155,892	154,086	157,685
Against borrowings.....	26,387	15,116	11,992	12,804	6,358
With State authorities to qualify for the exercise of fiduciary powers.....	82,902	84,593	85,206	85,246	86,722
For other purposes.....	18,602	17,185	17,581	18,819	17,110
<b>Total.....</b>	<b>3,699,756</b>	<b>3,340,014</b>	<b>3,559,314</b>	<b>3,391,402</b>	<b>2,778,036</b>

*Reopening and reorganization of national banks*

On July 1, 1934, there remained in conservatorship, pursuant to the President's proclamation of March 6, 1933, 95 national banks with total deposits of \$98,079,000. During the fiscal year 1935 the program with respect to reorganizing unlicensed national banks was completed, the last remaining conservatorship having been terminated on February 6, 1935.

Of the above-mentioned banks, 83, with deposits aggregating \$91,059,000, were licensed to reopen under old or new charters or were absorbed by other national banks; 4, with deposits of \$491,-

000, were placed in voluntary liquidation or received authorization for the sale of their assets to State banks; and 8, with deposits of \$6,529,000, were placed in receivership.

At the close of the banking holiday, March 16, 1933, there were 1,410 national banks unlicensed (including 10 State banks in the District of Columbia, which are under the supervision of the Comptroller of the Currency), with total deposits of \$1,955,072,000. In addition there were 6 banks for which licenses were granted but later revoked and 1 bank which suspended business prior to the banking holiday, bringing the total unlicensed banks to 1,417, with deposits of \$1,971,960,000.

These 1,417 unlicensed banks were disposed of as follows: 1,096, with deposits of \$1,808,060,000, were reorganized under old or new charters or absorbed by other national banks; 31, with deposits of \$11,513,000, were placed in voluntary liquidation or acquired by State banks; and 290, with deposits of \$152,387,000, were placed in receivership for liquidation under the supervision of the Comptroller of the Currency.

*Summary of national banks, licensed and unlicensed, from July 1, 1934, to June 30, 1935*

[Dollars in thousands]

Status of banks	Number	Deposits <sup>1</sup>
Unlicensed banks:		
Total, July 1, 1934.....	95	\$98,079
Changes, July 1, 1934, to June 30, 1935:		
Reorganizations under old charter or new charter or absorbed by another national bank.....	83	\$91,059
Voluntary liquidation or left the national banking system...	4	491
Placed in receivership.....	8	6,529
	95	98,079
Total, June 30, 1935.....	0	0
Licensed banks: <sup>2</sup>		
Total, July 1, 1934.....	5,422	17,423,984
Changes, July 1, 1934, to June 30, 1935:		
New charters issued.....	131	\$123,144
Licensed under old charter.....	7	1,966
Restored to solvency.....	3	356
Increase for year.....	141	125,466
Voluntary liquidations.....	122	69,682
Placed in receivership.....	1	233
Consolidations.....	8	
Revocation of licenses.....	1	147
Reduction for year.....	132	70,062
Net increase for year.....	9	55,404
Total, June 30, 1935.....	5,431	17,479,388
Total, June 30, 1935 (deposits as of June 29, 1935, call).....	5,431	22,518,246

<sup>1</sup> Deposits, unless otherwise indicated, are taken from condition reports as of Dec. 31, 1932, and conservators' first reports. In the case of new banks, deposits are approximately as of opening date.

<sup>2</sup> The number of licensed banks in various classifications in this summary differs from the number of banks in similar classifications in the table on p. 98, owing to the fact that only such banks as were in active operation during all or part of the fiscal year are included in this summary, whereas the figures in the table on p. 98 concern the number of banks based on their corporate existence, whether or not they were active during the period.

*Summary of changes in membership in the national banking system*

The authorized common capital stock of the 5,463 national banks in existence on June 30, 1935, was \$1,292,854,881, a decrease during the year of \$61,573,860; and the authorized preferred capital stock was \$526,035,287, an increase of \$113,071,687. The net increase in capital stock was \$51,497,827. During the year charters were issued to 128 national banking associations, of which 25 had common stock only, aggregating \$2,535,000; the remaining 103 banks had an aggregate of \$7,077,000 common stock and \$7,903,000 preferred stock.

During the year 899 existing national banks took advantage of the provisions of the act of March 9, 1933, and increased their capital by the issuance of preferred stock of an aggregate par value of \$119,263,000, while 218 banks with preferred stock effected retirements of an aggregate par value of \$13,426,813. Although charters were issued during the year to 128 banks, there was a net decrease of 170 in the number of banks—that is, from 5,633 to 5,463—by reason of voluntary liquidations, receiverships, and consolidations.

Changes in the number and capital stock of national banks during the fiscal year 1935 are shown in the following summary:

*Organization, capital stock changes, and liquidations of national banks during the fiscal year 1935*

	Number of banks	Capital stock	
		Common	Preferred
Charters granted.....	128	\$9,612,000	\$7,903,000
Issues of preferred capital stock (899 banks) <sup>2</sup> .....			119,263,000
Increase of common capital stock (149 banks) <sup>3</sup> .....		8,042,860	-----
Restored to solvency.....	25	1,775,000	-----
<b>Total.....</b>	<b>153</b>	<b>19,429,860</b>	<b>127,166,000</b>
Voluntary liquidations.....	265	29,615,250	667,500
Receiverships <sup>4</sup> .....	58	8,235,020	-----
Decreases of capital (643 banks) <sup>5</sup> .....		43,791,350	13,426,813
Closed under consolidation (act of Nov. 7, 1918) and capital decreases incident thereto.....	9	372,100	-----
<b>Total.....</b>	<b>332</b>	<b>82,013,720</b>	<b>14,094,313</b>
Net increase in preferred capital stock.....			113,071,687
Net decrease in banks and common capital stock.....	<sup>6</sup> 170	61,573,860	-----
Charters in force June 30, 1934, and authorized capital stock.....	5,633	1,354,428,741	412,963,600
Charters in force June 30, 1935, and authorized capital stock.....	5,463	1,292,854,881	526,035,287

<sup>1</sup> 163 of these banks had both common and preferred capital stock.

<sup>2</sup> Includes 1 increase of \$250,000 which was effected in connection with a consolidation under the act of Nov. 7, 1918.

<sup>3</sup> Includes 72 increases aggregating \$2,151,550 which were effected wholly or in part by common stock dividends and 1 increase of \$90,000 by conversion of preferred capital stock to common capital stock.

<sup>4</sup> Includes 9 banks with aggregate capital stock of \$1,010,000 which had been previously reported in voluntary liquidation. One receiver was appointed under the act of Apr. 23, 1930.

<sup>5</sup> Includes 218 preferred capital stock retirements.

<sup>6</sup> Net decrease in number of banks in existence after adjustment of the number of receiverships for 9 banks previously reported in voluntary liquidation.

**BUREAU OF CUSTOMS***Collections*

The fiscal year 1935 was the second successive year since 1929 in which customs collections increased over those for the preceding year. Total collections of \$346,514,550 represented an increase of 10.3 per-

cent over 1934 and 37.9 percent over 1933. This increase was largely the result of increased collections from duties on imported liquors and wines and on imports of relatively large quantities of agricultural products and their derivatives, largely in consequence of the drought in the summer of 1934. Collections of duties on imported liquors and wines in 1935 amounted to \$41,018,755 as compared with \$24,023,703 collected during the last 7 months of the fiscal year 1934 following repeal of the eighteenth amendment.

*Customs collections and refunds for the fiscal years 1934 and 1935*

[On basis of accounts of Bureau of Customs]

	1934	1935
Collections:		
Duties.....	\$313, 094, 971	\$344, 943, 964
Miscellaneous:		
Sale of unclaimed and abandoned merchandise.....	\$133, 377	\$76, 357
Fines.....	421, 469	310, 684
Liquidated damages.....	202, 798	239, 094
Sale of seizures (including forfeitures).....	150, 099	896, 070
All other customs receipts.....	55, 750	48, 381
Total miscellaneous.....	963, 493	1, 570, 586
Total receipts.....	314, 058, 464	346, 514, 550
Refunds:		
Excessive duties.....	5, 849, 243	7, 217, 114
Drawback payments.....	8, 076, 988	13, 813, 853
Total refunds.....	13, 926, 231	21, 030, 967

*Volume of business*

*Entries of merchandise.*—The number of entries of merchandise increased 12.1 percent, from 2,140,414 in 1934 to 2,399,263 in 1935. All types of entries contributed to this increase.

*Vessel, airplane, and highway traffic.*—The number of vehicles and passengers entering the United States from abroad increased in practically all cases during the fiscal year 1935 compared with the preceding year, as shown in the following detailed statement:

*Number of vehicles and persons entering the United States from abroad, fiscal years 1934 and 1935*

	1934	1935	Increase (+), decrease (—)
<b>Vehicles:</b>			<i>Percent</i>
Automobiles and busses.....	8, 929, 186	9, 293, 535	+4. 1
Documented vessels.....	27, 308	28, 763	+5. 3
Ferries and other vessels.....	188, 402	189, 683	+ . 7
Passenger trains.....	38, 420	35, 836	—6. 7
Airplanes.....	4, 347	4, 816	+10. 8
Other vehicles.....	308, 363	323, 952	+5. 1
Total.....	9, 496, 026	9, 876, 585	+4. 0
<b>Passengers by:</b>			
Automobiles and busses.....	24, 052, 731	25, 604, 405	+6. 5
Documented vessels.....	754, 190	811, 665	+7. 6
Ferries and other vessels.....	2, 809, 658	2, 626, 930	—6. 5
Passenger trains.....	905, 021	936, 538	+3. 5
Airplanes.....	19, 624	27, 001	+37. 6
Other vehicles.....	1, 502, 368	1, 548, 857	+3. 1
<b>Pedestrians.....</b>	9, 635, 860	10, 174, 956	+5. 6
Total.....	39, 678, 452	41, 730, 352	+5. 2

*Drawback transactions.*—The number of drawback entries increased 11.9 percent in 1935, 17,319 such entries having been made in 1934, and 19,377 in 1935. Drawback payments amounted to \$13,813,853 in 1935 as compared with \$8,076,988 in 1934, an increase of 71 percent. Of the notices of intent to export with the benefit of drawback, 160,609 original notices were filed in 1934 and 177,777 in 1935; and 50,608 in 1934 and 66,814 in 1935 were forwarded to other districts for final disposition. The total number of notices of intent handled during 1935 was, therefore, 15.8 percent greater than during 1934.

Under authority of section 318 of the Tariff Act of 1930, the President, by proclamations dated November 8, December 21, and December 22, 1934, and January 7 and April 1, 1935, declared an emergency to exist and authorized the Secretary of the Treasury to extend the time during which merchandise imported during 1929, 1930, 1931, and 1932 may remain in warehouse under the provisions of sections 557 and 559 of the Tariff Act of 1930; the time during which proof may be furnished that wool or camel's hair imported or withdrawn from bonded warehouse conditionally free of duty, under bond, during 1930, 1931, and 1932 has been used in the manufactures prescribed in paragraph 1101 of the Tariff Act of 1930; and the time within which articles manufactured or produced with the use of merchandise imported during certain periods of 1930, 1931, and 1932 may be exported with the benefit of drawback under section 313 of the Tariff Act of 1930. Pursuant to these proclamations, the Secretary of the Treasury issued Treasury Decisions 47367, 47473, 47474, 47486, 47519, and 47662 granting the extensions authorized in the proclamations.

#### *Enforcement activities*

*Seizures.*—The total number of seizures made during 1935 for violations of the customs laws was 20,896, a decrease of 17,945 from the previous year. The greater part of the decrease reflected the decline in the number of lottery seizures from 22,883 in 1934 to 9,313 in 1935, due to the practice which has been adopted of transferring a large portion of these cases to the Post Office authorities. The number of liquor seizures also declined following repeal of the eighteenth amendment and was 5,224 in 1935 as compared with 11,721 in 1934.

Although the number of seizures declined during 1935, the total value of seizures increased to \$2,403,910, of which \$222,214 represented the value of seized distilled malt and fermented liquor which was not included in the value of seizures reported for 1934. On a comparable basis, the value of seizures was \$2,181,696 in 1935 and \$1,115,492 in 1934, or an increase of 95.6 percent in 1935. The greater part of this increase was due to larger seizures of alcohol, amounting to 138,040 gallons valued at \$1,417,493, as compared with 44,924 gallons valued at \$345,443 during 1934. The quantity of liquor seized declined from 148,173 gallons in 1934 to 23,273 gallons in 1935. Seizures of malt liquor also declined from 9,865 gallons in 1934 to 668 gallons in 1935. Liquor seizures during 1935 were confined almost entirely to the Atlantic and Gulf coasts and the Rio Grande River, and the majority of alcohol seizures were made along the Atlantic coast.

The number of merchandise seizures during 1935 increased almost 80 percent from 3,057 to 5,448, with a corresponding increase in value



from \$227,104 to \$307,712. The value of narcotic seizures also showed a moderate increase, from \$40,869 in 1934 to \$65,663 in 1935.

In connection with the violation of customs laws, 714 automobiles, 99 boats, and 6 airplanes, with an aggregate value of \$390,828, were seized, a decrease of 72 automobiles, 62 boats, and 8 airplanes from the number seized in 1934. Customs officers also effected 2,594 seizures for other agencies of the Government, and detained 713 persons for violation of immigration, narcotic, and other laws.

*Fines, penalties, etc.*—Collections of fines, penalties, etc., because of violation of laws pertaining to the Customs Service, aggregated \$1,445,848 as compared with \$774,366 during 1934. Of these amounts, \$165,441 for 1935 and \$88,249 for 1934 represented the net proceeds from the sale of the seized articles by collectors of customs.

Sales by order of court yielded \$274,961 in 1935, or almost seven times the amount received from this source during the previous year. A large portion of the sales by both the collectors and the courts consisted of liquor and alcohol.

Undervaluations and false invoicing, aggregating \$313,299, were responsible for over one-fifth of the collections of fines, penalties, etc., for 1935. Penalties for failure to declare foreign merchandise during the last 2 years were responsible for only 5 percent of the total fines collected, whereas in 1933 and prior years they constituted from one-fourth to one-half of all fines collected.

### *Smuggling*

Through the activity and vigilance of customs field officers, substantial progress was made during the year in the detection and suppression of smuggling. The work of the customs personnel with respect to violations of customs laws and related statutes continued an important factor in the successful conclusion of a number of smuggling cases.

The system of handling criminal cases in connection with smuggling has resulted in securing a high percentage of convictions. All criminal cases incident to seizures effected by the Customs Service were investigated, reported, and followed through the courts by customs agents who collaborated with the United States attorney in the actual presentation of testimony during trials.

During the year an investigation into the smuggling of grain established the fact that there had been smuggled into the United States approximately 22,000 bushels of wheat valued at \$27,000, including duty. Many individuals were indicted in connection with this movement, and a majority of them pleaded guilty and were sentenced by the Federal courts.

The Customs Agency Service, in cooperation with the customs border patrol, developed a major conspiracy case involving the smuggling of approximately 90,000 pounds of butter over the international boundary between Canada and the United States, which resulted in the institution of criminal proceedings against six individuals.

Many investigations into the smuggling of lottery tickets and foreign sweepstakes were made. The principal seizure was effected at Philadelphia, where 600,000 tickets, having a sale value of \$900,000, were found concealed in a shipment of baled rags.

Other smuggling-prevention activities covered a large field of commodities, including fish nets, jewelry, watch movements, and telephone sets. In one case, involving the smuggling of diamonds and watch movements from a Belgian concern, the apprehension and conviction effected by the customs personnel put an end to a notorious organization known to have been in existence for at least 6 years.

During the year close cooperation was maintained with all enforcement agencies of the Government, and in particular with the coordinators (Coast Guard officers assigned by the Secretary to coordinate enforcement activities looking to the detection and prevention of the smuggling of liquor, alcohol, and narcotics) of the areas including the several customs agency districts.

Intensive investigation of liquor-smuggling activities of a British Columbia distillery company was conducted during the year, resulting in the indictment of two of its controlling officers by a Federal grand jury at Seattle on charges of conspiring to violate the Tariff Acts of 1922 and 1930. After an investigation by customs personnel of another Canadian corporation on similar charges, an offer in compromise of \$225,000 was made by the company.

The increased activities of the Customs Service with respect to the prevention of smuggling of narcotics resulted in the seizure of comparatively large quantities of these drugs, and the indictment and sentence of several members of large narcotic-smuggling organizations.

#### *Miscellaneous*

Under the provisions of the act approved June 18, 1934 (48 Stat. L. 998, ch. 590), for the establishment, operation, and maintenance of foreign trade zones in ports of entry in the United States, the Foreign Trade Zones Board (composed of the Secretary of Commerce, Secretary of the Treasury, and Secretary of War) on June 29, 1935, issued regulations for the administration of the act. Many legal questions arose and were considered by the Bureau of Customs in connection with the formulation of these regulations.

The Bureau of Customs also participated actively in the consideration of the many legal questions arising in the administration's reciprocal tariff bargaining program. During the year reciprocal trade agreements providing for substantial reductions in duties at home and abroad were negotiated with 5 countries, and on June 30, 1935, negotiations were pending with 13 other countries. In addition to assisting in the formulation of the text of these agreements, particularly the parts which result in modifications of the tariff laws, the Bureau of Customs prepared and disseminated information and instructions to facilitate the administration of the provisions of agreements in effect, and to interpret language in the agreements about which controversies had arisen.

#### *Investigative Unit*

*Port examinations.*—During the fiscal year the Port Examination Commission of the Customs Agency Service made examinations of the accounts and procedures in seven collection districts, including New York, with the result that numerous irregularities in the manner of transacting customs business were corrected.

*Undervaluation.*—Investigation of undervaluation cases continued as an important factor in the work of customs personnel both at home and abroad. Because of the increased vigilance on the part of officers at all ports there was an apparent decrease in the efforts of dishonest importers to evade the payment of lawful duties. Recoveries made as a result of the investigations aggregated \$120,948 as compared with \$284,590 in 1934.

*Criminal cases.*—Many investigations were conducted during the year into the false invoicing of imported merchandise. Special attention was also given to the question of the foreign market value of merchandise imported from Mexico. Numerous cases have been discovered where merchandise from that country has not been assessed with the correct amount of duty. It is believed that as a result of these investigations appraising officers throughout the United States are for the first time afforded correct information as to the value in Mexico of imported merchandise, which covers a wide range of commodities.

Employees of the Investigative Unit have played a major part in the results, elsewhere referred to in this report, accomplished by the Customs Service. Many investigations were conducted into the false invoicing of imported merchandise, and a vigorous effort has been manifested by the customs agents to correct this unlawful practice.

It was found in one case that the importer was effecting a fraud upon the revenue by deducting an improper amount as trade discounts. The result of the investigation was reported to the United States Attorney General for proper action. In another case involving the same practice, the Attorney General accepted \$20,991 from the importer as an offer in compromise in satisfaction of the Government's claim for duties, interest, and forfeitures value accruing on a series of importations made at Los Angeles, San Francisco, and Seattle.

*Customs foreign service.*—The foreign service officers of the Customs Service continued their efforts to establish foreign market values of merchandise exported to the United States, and were called upon from time to time to make investigations with respect to dumping, to the end that imported merchandise might be properly appraised. They also rendered invaluable service through their cooperation in the detection of narcotic smuggling.

*Customs information exchange.*—This branch of the Customs Agency Service is directed by supervising customs agents and is the medium employed for disseminating all classes of information with respect to foreign-market values, classification of imported merchandise, and other pertinent and related customs data. It is likewise a clearing house for requests for foreign investigations by appraising officers and for reports submitted by Treasury attachés. The following statement summarizes the activities of the exchange during the year:

	<i>Number</i>
Appraisers' reports of values received.....	13,323
Appraisal appeal reports received.....	2,284
Changes in value circulated.....	2,453
Requests for investigations abroad.....	1,582
Reports received in response to requests for investigations abroad.....	1,847
Reports received of original investigations by Treasury attachés, and price lists received from American consuls.....	5,584
Differences in classification reported.....	474

The exchange issues weekly bulletins, one giving a memorandum of various price lists and Treasury attachés' reports received, and the other a list of requests forwarded for investigations abroad, so that appraising officers interested in the same line of merchandise may request copies of these reports.

The supervising agent prepared memoranda for the Assistant Attorney General during the past year in cases where it appeared to him desirable to call to the attention of that officer certain questions of law and fact with regard to pending cases where documentary evidence was collected by the exchange.

*Summary.*—The following statement shows the results achieved through the activities of the Investigative Unit during the year insofar as direct results have a monetary measure or can be measured by a count of individual cases:

	<i>Number</i>
Ports examined.....	254
Drawback investigations.....	1,662
Foreign investigations conducted by members of the domestic service.....	1,069
Arrests.....	1,164
Convictions.....	701
Acquittals.....	93
Failures to indict.....	233
Indictment cases pending.....	211
Seizures made.....	1,783
Seizures appraised.....	1,769
Seizures released or pending.....	243
	<i>Amount</i>
Appraised value of seized merchandise.....	\$1,287,273
Merchandise entered free but found dutiable.....	24,091
Fines, penalties, and forfeitures incurred, exclusive of court fines.....	901,867
Ball forfeitures.....	245,218
Fines imposed by United States courts.....	130,965
Increased and additional duties collected.....	120,948
Deposits as offers in compromise.....	731,460
Proceeds of sale of seized merchandise.....	105,435

The actual recoveries and penalties covered into the Treasury as a result of either direct or indirect activities of the Customs Agency Service during the fiscal year aggregated \$2,259,984, representing an increase of over \$301,757 over the previous year.

### BUREAU OF ENGRAVING AND PRINTING

Deliveries of currency, securities, stamps, and miscellaneous work by the Bureau during the year amounted to 366,380,624 sheets, as compared with 315,905,581 sheets for the previous year, an increase of 50,475,043 sheets. A comparative statement of deliveries of finished work follows:

#### *Deliveries of finished work in the fiscal years 1934 and 1935*

	Sheets		Face value, 1935
	1934	1935	
<b>Currency:</b>			
United States notes.....	4,500,001	950,000	\$22,800,000
Silver certificates.....	39,273,000	44,467,000	943,644,000
Gold certificates.....	20,000	3,500	4,200,000,000
National bank currency.....	4,527,120	1,909,959	190,634,040
Federal Reserve notes.....	3,916,600	7,644,150	1,020,300,000
Federal Reserve bank notes (national currency).....	2,224,000		
<b>Total.....</b>	<b>54,460,721</b>	<b>54,974,609</b>	<b>6,377,378,040</b>
<b>Bonds, notes, certificates, and bills:</b>			
Pre-war bonds.....	60,900½	57,860	359,777,000
Liberty bonds.....	140,484	141,838½	1,117,951,200
Treasury bonds.....	2,298,333¾	1,988,162	8,443,664,900

## Deliveries of finished work in the fiscal years 1934 and 1935—Continued

	Sheets		Face value, 1935
	1934	1935	
<b>Bonds, notes, certificates, and bills—Contd.</b>			
United States Savings Bonds.....		2,920,000	\$413,750,000
Treasury notes.....	339,625	505,450½	11,805,587,500
Treasury bills.....	19,934	14,110	5,771,148,000
Certificates of indebtedness.....	69,125	750	300,000,000
Insular bonds:			
Philippine Islands.....	700	10,810	985,250
Puerto Rican.....	1,938	1,262½	1,950,000
Farm loan bonds.....	33,457	28,246	15,072,000
Consolidated farm loan bonds.....	249,636	801,809	1,736,498,000
Collateral trust debentures.....	21,440	10,402	199,510,000
Federal Farm Mortgage Corporation bonds.....	2,118,310	3,847,037	2,527,475,000
Home Owners' Loan Corporation bonds.....	2,956,300	7,030,900	7,881,450,000
Reconstruction Finance Corporation notes.....	29,850	3,850	358,250,000
Cuban silver certificates including certificates for the Secretary of the Treasury of the Republic of Cuba.....		473,756	5,000,000
Philippine treasury certificates.....	724,500	1,417,500	8,105,000
Notes for the bank of the Philippine Islands.....		129,900	2,495,000
Interim receipts for bonds of Home Owners' Loan Corporation.....	93,500		
Interim certificates for Puerto Rican bonds.....	100	75	
Interim transfer certificates for postal savings bonds.....	1,000	3,000	
<b>Specimens:</b>			
Treasury bonds.....	5¾	2½	
United States Savings Bonds.....		1	
Treasury notes.....	3	4½	
Treasury bills.....	2½		
Certificates of indebtedness.....	¾		
Insular bonds:			
Philippine Islands.....		2	
Puerto Rican.....	10	5	
Farm loan bonds.....		4	
Consolidated farm loan bonds.....	16½	16	
Collateral trust debentures.....	18		
Federal Farm Mortgage Corporation bonds.....	23	14	
Home Owners' Loan Corporation bonds.....	10	14	
Reconstruction Finance Corporation notes.....	14	2	
<b>Total.....</b>	<b>9,159,234½</b>	<b>19,386,783½</b>	<b>40,948,668,850</b>
<b>Stamps:</b>			<i>Subjects</i>
Customs.....	145,365	160,500	4,670,000
Internal revenue:			
United States.....	108,633,986½	127,956,482½	10,584,707,787
Philippine Islands.....	189,425	11,000	2,200,000
Puerto Rican.....	423,200	856,279	60,891,800
Virgin Islands.....	525	250	25,000
District of Columbia.....	22,440	97,146½	19,429,250
Federal migratory bird hunting stamps.....		30,887	3,459,344
For experimental purposes.....		12	604
Specimens, United States.....	127¾	2,091½	31,725
Postage stamps:			
United States.....	113,628,878	140,642,826½	13,832,390,331
United States, surcharged "Canal Zone".....	15,750		
Canal Zone.....	20,664	52,470	4,722,000
Philippine Islands.....	122,976	892,620	86,780,448
Specimens, United States.....	442½	1736½	10,480
Proofs, United States.....	2		
Postal savings stamps.....	5,882	6,582	658,200
<b>Total.....</b>	<b>223,209,265½</b>	<b>270,709,323½</b>	<b>24,599,976,869</b>
<b>Miscellaneous:</b>			
Checks.....	24,430,978	15,713,659	78,568,295
Warrants.....	50,440	49,000	245,000
Commissions.....	112,966	27,080½	30,972
Certificates.....	3,907,372	4,460,756	19,295,225
Transportation requests.....	255,470	323,500	1,617,500
Circular letters.....		474,960	474,960
Liquor permits.....	156,937½		
Other miscellaneous.....	161,076½	258,512	5,221,503
Blank paper.....		2,381	
Specimens.....	1,120	60	598
<b>Total.....</b>	<b>29,076,359¾</b>	<b>21,309,908½</b>	<b>105,553,853</b>
<b>Grand total.....</b>	<b>315,905,581¾</b>	<b>366,380,624½</b>	

There was expended during the year for salaries and expenses \$8,760,831, as compared with \$7,101,599 in 1934. These expenditures are exclusive of \$288,025 and \$311,221 for 1935 and 1934, respectively, the amounts impounded under the provisions of sections 110 and 203 of the Economy Act. The following statement shows the appropriations, reimbursements, and expenditures for the fiscal years 1934 and 1935:

*Appropriations, reimbursements, and expenditures for the fiscal years 1934 and 1935*

	1934	1935	Increase (+), decrease (-)
Appropriated by Congress, salaries and expenses 1.....	\$5,060,680.00	\$4,568,060.00	-\$492,620.00
Transfer from appropriation pay and allowances, Coast Guard.....	29,827.00	-----	-29,827.00
Appropriation for restoration of 5 percent salary reduc- tion and to cover 40-hour week.....	-----	405,000.00	+405,000.00
Transfer from appropriation collecting the internal revenue.....	-----	400,000.00	+400,000.00
Second Deficiency Appropriation Act.....	-----	491,780.00	+491,780.00
Reimbursements from other bureaus for work com- pleted 2.....	2,692,005.31	3,649,252.77	+957,247.46
Total.....	7,782,512.31	9,514,092.77	+1,731,580.46
Expended, salaries and expenses 3.....	7,101,598.56	8,760,830.88	+1,659,232.32
Unexpended balance (including impoundments and compensation deductions).....	680,913.75	753,261.89	+72,348.14

<sup>1</sup> Includes \$3,997.50 and \$10,994 for salaries of employees transferred to the Procurement Division and the Division of Disbursement of the Treasury Department, in the fiscal years 1934 and 1935, respectively.

<sup>2</sup> An additional amount of \$6,916.79 was received from sale of by-products and useless property and was deposited to the credit of the Treasurer of the United States as miscellaneous receipts.

<sup>3</sup> Includes \$8,000 transferred to the Bureau of Standards for research work in each of the fiscal years 1934 and 1935. The sums of \$238,485.42 and \$263,829.22 were transferred to the retirement fund in the fiscal years 1934 and 1935, respectively.

Spoilage of currency increased from 2.52 percent for 1934 to 3.33 percent for 1935.

The following dies for new postage stamps were engraved during the year:

Issue	Denomination cents
Special delivery air mail.....	16
Connecticut Tercentenary.....	3
California-Pacific International Exposition, San Diego.....	3
National parks, series 1934.....	2 to 10, inclusive

An increase in the volume of new orders was sufficient to keep the entire force of the Bureau operating full time in the last 5 months of the fiscal year. The rotating furlough was eliminated on February 1, 1935.

The greatest demand for work during the year occurred in connection with the printing of checks, bonds, revenue stamps, and silver certificates. All orders received were urgent, and extra shifts were frequently established until sufficient engraved stock was available.

The largest bond orders came from the Federal Farm Mortgage Corporation and the Home Owners' Loan Corporation, and aggregated more than 10,000,000 sheets. The manufacture of dies and plates for the various denominations of United States Saving Bonds

required a large amount of original engraving. In addition, certificates of indebtedness, Treasury notes, and bonds were printed in connection with the Treasury financing program.

The printing of checks for the Emergency Relief Administration necessitated extra shifts. Special stamps were prepared for bottled distilled spirits and, as a protection against their illegal use, a number was overprinted on each stamp, requiring an increase in the size of the stamps and necessitating the purchase of 500 numbering machines. A design was approved and die engraved for the new series of 1935 silver certificates.

The Bureau sponsored an exhibit of printing at the Century of Progress Exposition in Chicago, and a similar exhibit at the California-Pacific International Exposition at San Diego.

#### COMMITTEE ON ENROLLMENT AND DISBARMENT OF ATTORNEYS AND AGENTS

On September 1, 1934, the Committee on Enrollment and Disbarment of Attorneys and Agents was reorganized and its number reduced to three. The first work of the reorganized committee was to revise the regulations governing the enrollment and disbarment of attorneys and other agents. The new regulations made the committee a purely administrative and judicial body and relieved it of its former prosecuting functions. An attorney, not a member of the committee, represents the Government before the committee; all complaints must be filed with him, and it is his duty to institute proceedings looking to disciplinary action. The committee conducts the hearings, ascertains the truth or falsity of the charges, and determines what kind of disciplinary action to recommend to the Secretary.

The following statement summarizes the work of the committee for the year 1935:

	<i>Number</i>
Applications for enrollment of attorneys and agents approved.....	2,922
Applications for enrollment of attorneys and agents disapproved.....	38
<hr/>	
Complaints against enrolled persons:	
Pending July 1, 1934.....	92
Filed during the year.....	35
	<hr/> 127
Disposed of:	
Dismissed.....	21
Disbarments.....	13
Suspensions.....	8
Reprimands.....	6
Stricken from the rolls.....	7
	<hr/> 55
Pending June 30, 1935.....	72
Charges made, names stricken from the rolls.....	9
Disbarment vacated.....	1

Since the organization in 1921 of the Committee on Enrollment and Disbarment, 39,163 applications for enrollment have been approved and 540 disapproved. One hundred and seventy-four practitioners have been disbarred from further practice before the Treasury Department, 122 have been suspended from practice for various periods, and 162 have been reprimanded. In 14 cases the order of disbarment has been terminated and the practitioner restored to good standing before the Department.

## BUREAU OF INTERNAL REVENUE

## General

*Internal revenue collections.*—Collections from internal revenue and agricultural adjustment taxes during the fiscal years 1934 and 1935 are shown in the following summary, classified according to the administrative organization responsible for the audit of returns. A detailed statement of collections appears in table 7, page 341 of this report.

*Summary of internal revenue collections for the fiscal years 1934 and 1935*

(On basis of reports of collections, see p. 294)

Sources	1934	1935	Increase (+) or decrease (-)
<b>Income Tax Unit:</b>			
Corporation income tax.....	\$397,515,851.94	\$572,117,876.28	+\$174,602,024.34
Individual income tax.....	419,509,487.78	527,112,506.42	+107,603,018.64
Excess-profits tax.....	2,630,615.56	6,560,482.64	+3,929,867.08
Dividend tax.....	150,229,122.97	1,961,479.73	-49,267,643.24
<b>Total.....</b>	<b>869,885,078.25</b>	<b>1,106,752,345.07</b>	<b>+236,867,266.82</b>
<b>Miscellaneous Tax Unit:</b>			
Capital stock tax.....	80,168,344.13	91,508,121.29	+11,339,777.16
Estate and gift taxes.....	113,138,364.10	212,111,959.23	+98,973,595.13
Tobacco taxes.....	425,168,897.04	459,178,625.46	+34,009,728.42
Sales taxes (stamp and excise, admissions, communications, checks, oleomargarine, etc.).....	2 3 553,113,926.49	2 492,626,529.28	-60,487,397.21
Agricultural adjustment taxes.....	371,422,885.64	526,222,358.24	+154,799,472.60
<b>Total.....</b>	<b>1,543,012,417.40</b>	<b>1,781,647,593.50</b>	<b>+238,635,176.10</b>
<b>Alcohol Tax Unit:</b>			
Alcoholic liquor taxes:			
Deposited by collectors of internal revenue.....	252,333,373.97	395,913,845.99	+143,580,472.02
Deposited by collectors of customs.....	6,577,958.65	15,107,926.36	+8,529,967.71
<b>Total.....</b>	<b>258,911,332.62</b>	<b>411,021,772.35</b>	<b>+152,110,439.73</b>
Miscellaneous collections (prohibition and other).....	430,366.25	13,861.26	-416,504.99
<b>Grand total.....</b>	<b>2,672,239,194.52</b>	<b>3,299,435,572.18</b>	<b>+627,196,377.66</b>

<sup>1</sup> Tax repealed on dividends declared subsequent to Dec. 31, 1933.

<sup>2</sup> Includes collections from tax on transfers of silver bullion of \$606.04 in 1934 and \$1,149,390.48 in 1935.

<sup>3</sup> Excludes delinquent taxes collected under repealed laws in the amount of \$520.64, which is included in miscellaneous collections.

*Refunds.*—In the foregoing statement of collections no deductions were made on account of refunds, which during the fiscal year 1935 were paid from the several appropriations as follows:

Refunding taxes illegally collected, 1934 and prior years.....	\$16,970,410.93
Refunding taxes illegally collected, 1935 and prior years.....	7,088,553.26
<b>Total.....</b>	<b>24,058,964.19</b>
Advances to Agricultural Adjustment Administration (transfer to Internal Revenue for refunds).....	32,063,188.81
<b>Grand total, all refunds (interest included).....</b>	<b>56,122,153.00</b>

In addition to the above amount, there were certain repayments as provided under specific appropriations for the redemption of stamps, representing the return to the Government of stamps purchased by the taxpayer in excess of his requirements. The stamps so redeemed during the fiscal year, including interest, totaled \$1,426,049.97. Total refunds and redemptions of stamps, classified by appropriations, are shown in the following table:



*Number of claims, amount of refunds and repayments, and interest allowed on each class of tax during the fiscal year 1935*

Appropriation and class of tax	Number of claims	Amount re- funded or repaid <sup>1</sup>	Interest allowed
Refunding taxes illegally collected for the fiscal year 1934 and prior years, and 1935 and prior years:			
Income taxes.....	62,663	\$21,133,663.23	\$5,511,960.19
Miscellaneous internal revenue taxes:			
Capital stock.....	2,015	210,800.69	18,687.64
Distilled spirits.....	2,125	140,492.76	19,182.76
Estate and gift.....	996	1,632,132.02	223,625.33
Miscellaneous.....	150	156,852.21	1,002.87
Narcotics.....	90	151.96	1.66
Sales.....	1,344	784,495.42	182,789.23
Silver.....	2	324.31	-----
Tobacco.....	7	51.59	-----
Total.....	69,392	24,058,964.19	5,957,249.68
Agricultural adjustment taxes.....	78,044	32,063,188.81	20,585.61
Total refunds.....	147,436	56,122,153.00	5,977,835.29
Repayments (not refunds of taxes erroneously collected):			
Redemption of stamps:			
Distilled spirits.....	2,551	133,564.46	197.79
Miscellaneous.....	4,377	207,320.40	14,307.76
Narcotics.....	64	209.65	-----
Silver.....	53	4,445.95	-----
Tobacco.....	1,334	1,079,092.99	-----
Total.....	8,379	1,424,633.45	14,505.55
Tobacco Act of June 28, 1934.....	36	1,416.52	-----
Total repayments.....	8,415	1,426,049.97	14,505.55
Grand total refunds and repayments.....	155,851	57,548,202.97	5,992,340.84

<sup>1</sup> Including interest.

If the above refunds and repayments during the year were deducted from the gross collections of \$3,299,435,572.18, the net collections for the fiscal year 1935 would be \$3,241,887,369.21. The gross collections, however, are used for comparative purposes in this report.

*Additional assessments.*—Additional assessments resulting from office audits and field investigations amounted to \$332,105,910.44, as shown in the following summary:

*Additional assessments during the fiscal year 1935, by class of tax*

Class of tax	Amount
Income taxes.....	<sup>1</sup> \$240,634,483.26
Miscellaneous internal revenue taxes:	
Estate.....	21,219,891.42
Gift.....	390,362.44
Capital stock.....	1,071,196.25
Sales (excise).....	6,152,649.93
Distilled spirits.....	18,787,032.85
Tobacco.....	41,678.04
Other miscellaneous.....	25,112,483.98
Total miscellaneous internal revenue taxes.....	<sup>2</sup> 72,775,294.91
Agricultural adjustment taxes.....	<sup>3</sup> 18,696,132.27
Grand total.....	332,105,910.44

<sup>1</sup> Includes \$232,511,940.26 from the Income Tax Unit and \$8,122,543 from the Accounts and Collections Unit. The assessments of the Income Tax Unit include \$53,472,371.77 made under the jeopardy provisions of sec. 279 of the Revenue Act of 1926 and sec. 273 of the Revenue Acts of 1928, 1932, and 1934.

<sup>2</sup> Includes \$29,847,939.06 from the Miscellaneous Tax Unit, \$24,140,323 from the Accounts and Collections Unit, and \$18,787,032.85 from the Alcohol Tax Unit.

<sup>3</sup> Includes \$4,898,517.27 from the Processing Tax Division and \$13,797,615 from the Accounts and Collections Unit.

*Cost of administration.*—The amount expended and obligated in administering the internal revenue laws for the fiscal year 1935 was \$42,719,338. This does not include the amounts expended for refunding taxes illegally or erroneously collected and for redemption of stamps, which are in no sense administrative expenses. The amount expended and obligated in administering the agricultural adjustment tax laws for the fiscal year 1935 was \$4,851,674. A summary comparison for the fiscal years 1934 and 1935 of the amounts obligated under the various appropriations for administrative expenses, the amounts of taxes collected, and the cost of collecting each \$100 of revenue is as follows:

*Amounts expended, obligated, and collected, and the cost of collecting each \$100 of revenue, fiscal years 1934 and 1935*

Appropriation	Expended and obligated		Collected		Cost of collecting each \$100 of revenue	
	1934	1935	1934	1935	1934	1935
Collecting the internal revenue.....	\$28, 226, 225. 73	\$42, 719, 338. 00	\$2, 300, 816, 308. 88	\$2, 773, 213, 213. 94	\$1. 25	\$1. 54
Advances to Agricultural Adjustment Administration (transfer to internal revenue administration expenses).....	2, 544, 178. 39	3, 746, 502. 00	371, 422, 885. 64	521, 880, 108. 61	. 69	. 72
Administration of Cotton Act of 1934 (transfer to internal revenue administration expenses 1934-35).....		991, 556. 00		1, 110, 874. 86		89. 26
Advances to Department of Agriculture under Tobacco Act of June 28, 1934 (transfer to internal revenue administration expenses, 1934-35).....		113, 616. 00		3, 231, 374. 77		3. 51
Total.....	31, 370, 404. 12	47, 571, 012. 00	2, 672, 239, 194. 52	3, 299, 435, 572. 18	1. 17	1. 44

<sup>1</sup> The amount expended by the Bureau of Industrial Alcohol in administering the liquor laws prior to consolidation with the Bureau of Internal Revenue, May 10, 1934, is not included in this figure.

<sup>2</sup> Includes approximately \$10,700,000 for administrative expenses of the Alcohol Tax Unit, the first full year after the consolidation of the Bureau of Industrial Alcohol with the Bureau of Internal Revenue, and restoration of salary cost for the entire Internal Revenue Service.

### *Income Tax Unit*

The Income Tax Unit is charged with the duty of auditing and closing all income tax returns except those filed on form 1040A. Returns filed on form 1040A (returns of individuals reporting income, chiefly from salaries and wages, of less than \$5,000) are audited in the collectors' offices under the supervision of the Accounts and Collections Unit.

*Summary of work of the Income Tax Unit for the fiscal years 1934 and 1935*

	Number	
	1934	1935
Returns on hand in Washington and in the field at beginning of year <sup>1</sup> .....	325, 734	363, 670
Returns received during year:		
Reopened and amended.....	87, 252	126, 833
Original.....	1, 920, 041	1, 864, 671
Total.....	2, 007, 293	1, 991, 504
Total to be disposed of.....	2, 333, 027	2, 355, 174
Returns closed during year: <sup>2</sup>		
Additional assessments except jeopardy:		
Before final notice of deficiency.....	84, 026	120, 809
After final notice of deficiency: <sup>3</sup>		
Agreement.....	4, 339	3, 048
Default.....	7, 255	7, 405
Total.....	95, 620	131, 262
Jeopardy assessments (subject to appeal).....	1, 600	1, 769
Certificates of overassessment.....	34, 859	27, 868
No change.....	1, 830, 018	1, 784, 428
Total closed.....	1, 962, 097	1, 945, 327
Returns not closed during year:		
On hand for audit in Washington and in the field at end of year.....	363, 670	402, 394
Awaiting action of taxpayer after mailing final notice of deficiency.....	1, 913	2, 913
Involved in appeals to Board on final 90-day notice of deficiency mailed during year.....	5, 347	4, 540
Total not closed.....	370, 930	409, 847

<sup>1</sup> Does not include returns with respect to which final notices of deficiency (90-day letters) were mailed prior to the beginning of the year.

<sup>2</sup> Excludes returns closed through decisions of Board of Tax Appeals.

<sup>3</sup> Includes some returns with respect to which final notices of deficiency (90-day letters) were mailed prior to the beginning of the year.

*Additional revenue.*—Additional revenue made available for collection (exclusive of jeopardy assessments) was \$179,039,568.49 as compared with \$194,030,746.36 the previous year. The field forces of the Income Tax Unit secured agreements to the immediate assessment and collection of \$23,797,541.50, while \$155,242,026.99 was assessed after consideration in Washington.

The additional revenues are classified in the following table to show the additional tax, interest, and penalty, and also the procedure involved in reaching a settlement with the taxpayers.

*Additional revenue made available for collection during the fiscal years 1934 and 1935, classified according to the tax, interest, and penalty, and the procedure involved*

	1934		1935	
	Amount	Percent	Amount	Percent
Tax.....	\$151,483,716.42	78.1	\$141,870,869.40	79.2
Interest.....	38,126,719.46	19.6	33,232,014.07	18.6
Penalty.....	2,281,213.67	1.2	3,049,375.29	1.7
Rejected claims for abatement and credit.....	2,136,096.81	1.1	887,309.73	.5
<b>Total.....</b>	<b>194,030,746.36</b>	<b>100.0</b>	<b>179,039,568.49</b>	<b>100.0</b>
Procedure involved in settlement:				
Mimeograph 3552 <sup>1</sup> .....	18,897,448.21	9.8	23,797,541.50	13.4
Regular procedure:				
Agreements executed by taxpayer without 90-day letters.....	41,742,943.05	21.8	66,846,866.58	37.5
Agreements executed by taxpayer subsequent to 90-day letters.....	38,503,162.99	20.1	4,312,969.05	2.4
Appeals not filed within 90-day period.....	23,420,736.50	12.2	13,786,480.88	7.7
Action of Board of Tax Appeals.....	69,330,358.80	36.1	69,408,400.75	39.0
<b>Total.....</b>	<b>191,894,649.55</b>	<b>100.0</b>	<b>178,152,258.76</b>	<b>100.0</b>

<sup>1</sup> The effect of Mimeograph 3552 is to shorten the interest period when the additional tax is agreed to by the taxpayer and field force. The above figures cover assessments made during periods June 1, 1933, to May 31, 1934, and June 1, 1934, to May 31, 1935.

Additional taxes were also assessed under the jeopardy provisions of the several revenue acts, as follows:

*Additional taxes assessed under the jeopardy provisions of revenue acts during the fiscal years 1934 and 1935<sup>1</sup>*

	1934	1935
Under bankruptcy and dissolution procedure.....	\$26,223,540.96	\$30,948,136.24
Returns believed to be fraudulently rendered.....	13,425,730.81	7,233,565.13
<b>Total assessed.....</b>	<b>39,649,271.77</b>	<b>38,181,701.37</b>
Interest.....	8,875,646.89	11,325,177.44
Penalties.....	4,771,665.02	3,965,492.96
<b>Grand total.....</b>	<b>53,296,583.68</b>	<b>53,472,371.77</b>

<sup>1</sup> The amounts shown may or may not represent taxes upon which collectors can proceed to immediate collection since the majority of jeopardy assessments are appealed to the Board of Tax Appeals.

*Final notices of deficiency (90-day letters).*—During the year 14,529 final notices of deficiency (90-day letters) were mailed by the Income Tax Unit, as compared with 13,003 for the previous fiscal year.

Petitions were filed with the Board of Tax Appeals involving 31 percent of the returns with respect to which 90-day letters had been issued. This compares with 41 percent during the fiscal year 1934.

The following table shows the number of tax years involved in petitions filed with the Board of Tax Appeals during the fiscal years 1932 to 1935, inclusive:

*Number of tax years involved in petitions filed with the Board of Tax Appeals during the fiscal years 1932 to 1935, by tax years*

Tax year	1932	1933	1934	1935	Tax year	1932	1933	1934	1935
1917.....	18	9	24	8	1927.....	849	175	172	143
1918.....	28	35	21	11	1928.....	1,493	298	223	169
1919.....	28	32	18	12	1929.....	5,107	1,827	589	282
1920.....	86	64	37	15	1930.....	269	3,576	1,632	442
1921.....	29	37	58	20	1931.....	4	236	2,023	1,002
1922.....	82	35	33	39	1932.....	1	6	156	2,001
1923.....	66	37	60	52	1933.....	-----	1	2	104
1924.....	108	52	76	47	1934.....	-----	-----	-----	3
1925.....	161	65	95	92	Total.....	8,575	6,598	5,347	4,540
1926.....	246	113	128	98					

*Claims and overassessments.*—The following table shows the number of refund claims adjusted and the certificates of overassessment issued, together with the amounts of overassessments involved, during the fiscal years 1934 and 1935:

*Refund claims adjusted and overassessments determined during the fiscal years 1934 and 1935*

	1934	1935
Claims:	<i>Number</i>	<i>Number</i>
Pending at beginning of year.....	22,434	20,732
Filed during year.....	34,135	33,844
Received from other sources.....	-----	5,214
Total to be adjusted.....	56,569	59,790
Allowed in full or in part.....	25,641	25,052
Rejected.....	10,196	11,900
Total adjusted.....	35,837	36,952
Pending at end of year.....	20,732	22,838
Certificates of overassessment issued when no claim had been filed.....	26,480	18,779
Overassessments settled by:	<i>Amount</i>	<i>Amount</i>
Abatement.....	\$112,371,340.67	\$59,938,289.64
Credit.....	19,123,080.94	27,226,775.32
Refund.....	29,056,285.26	15,621,703.04
Total.....	160,550,706.87	102,786,768.00
Interest.....	11,754,027.39	5,511,960.19
Grand total.....	172,304,734.26	108,298,728.19

NOTE.—The amount involved in claims filed during the year was \$99,952,466.13 as compared with \$176,132,959.94 the preceding year. Of the claims adjusted during the year the amounts rejected totaled \$104,526,409.83 as compared with \$113,340,642.51 the preceding year.

There were also allowed during the year 10,179 collectors' claims, of which 8,935 recommended abatements or credits and 1,244 recommended refunds. A collector's claim usually lists a number of items in favor of different taxpayers; those settled during the year covered 17,333 items for abatement or credit and 47,506 for refund.

*Returns on hand.*—A comparative table of returns for all tax years on hand at the close of the past 4 years follows:

Returns on hand in the Income Tax Unit on June 30, 1932 to 1935, by tax years

Tax year	1932	1933	1934	1935	Tax year	1932	1933	1934	1935
1917.....	150	293	116	167	1927.....	3, 713	2, 939	634	507
1918.....	207	248	85	119	1928.....	4, 380	2, 632	1, 033	823
1919.....	251	267	118	125	1929.....	10, 496	5, 236	3, 246	2, 214
1920.....	275	240	116	163	1930.....	209, 921	9, 929	4, 298	2, 993
1921.....	261	239	98	146	1931.....	22, 142	208, 111	9, 522	4, 562
1922.....	307	245	146	209	1932.....	-----	192, 211	297, 803	13, 643
1923.....	373	315	157	232	1933.....	-----	-----	145, 421	339, 235
1924.....	517	536	212	281	1934.....	-----	-----	-----	36, 188
1925.....	677	1, 028	277	352	Total.....	254, 771	325, 734	363, 670	402, 394
1926.....	1, 101	1, 265	388	435					

<sup>1</sup> Figures are incomplete, since the preliminary work on the returns for the year just previous to the end of the fiscal year cannot be completed within the fiscal year.

*Audit in Washington.*—The following table presents an analysis of the returns, original and reopened, pending in the several divisions and sections of the Washington office:

*Original and reopened returns under consideration in Washington, June 30, 1935, by tax years*

Tax year	Audit Review Division						Conference Section		Engineering and Valuation Division		Special Adjustment Section	Total	
	Individual returns		Corporation returns		Consolidated returns								
	Original	Reopened	Original	Reopened	Original	Reopened	Original	Reopened	Original	Reopened	Original	Reopened	
1917.....	-----	52	-----	1	-----	20	-----	2	-----	7	19	-----	101
1918.....	-----	41	-----	3	-----	14	-----	4	-----	4	19	-----	85
1919.....	-----	28	-----	6	-----	14	-----	3	-----	10	27	-----	88
1920.....	-----	51	-----	4	-----	15	-----	5	-----	11	37	-----	123
1921.....	-----	36	-----	5	-----	15	-----	2	-----	10	40	-----	108
Total.....	-----	208	-----	19	-----	78	-----	16	-----	42	142	-----	505
1922.....	-----	49	-----	7	-----	2	-----	2	-----	7	71	-----	154
1923.....	-----	44	-----	8	-----	2	-----	1	-----	4	13	-----	187
1924.....	-----	1	-----	11	-----	4	-----	30	-----	9	8	-----	209
1925.....	-----	2	-----	18	-----	11	-----	34	-----	6	7	-----	252
1926.....	-----	2	-----	30	-----	21	-----	44	-----	6	16	-----	305
1927.....	-----	2	-----	30	-----	19	-----	70	-----	7	21	-----	322
1928.....	-----	3	-----	1	-----	51	-----	27	-----	82	11	-----	534
1929.....	-----	59	-----	4	-----	84	-----	66	-----	127	62	-----	1, 197
1930.....	-----	189	-----	23	-----	112	-----	132	-----	112	142	-----	1, 531
1931.....	-----	518	-----	116	-----	200	-----	208	-----	129	349	-----	1, 949
1932.....	-----	3, 121	-----	960	-----	545	-----	78	-----	867	68	-----	3, 124
Total.....	3, 897	3, 660	1, 105	857	1, 037	748	1, 456	358	1, 155	670	3, 471	8, 650	9, 764
1933.....	5, 074	517	2, 514	137	1, 136	29	105	5	596	82	433	9, 425	1, 203
1934.....	278	29	173	17	64	1	-----	-----	17	-----	21	532	68
Total.....	5, 352	546	2, 687	154	1, 200	30	105	5	613	82	454	9, 957	1, 271
Grand total..	9, 249	4, 414	3, 792	1, 030	2, 237	856	1, 561	379	1, 768	794	4, 067	18, 607	11, 540

*Audit in the field.*—There were 356,906 returns for all years pending for verification in the offices of the 38 field divisions of the Income Tax Unit on June 30, 1935, compared with 310,566 returns on hand June 30, 1934.

Changes in tax liability were recommended by the field forces in 165,361 returns, or in 32 percent of the 520,958 returns disposed of by the field forces during the year. In the case of 134,218 returns, or 81 percent of those changed, taxpayers agreed with the conclusions of revenue agents. The total additional tax recommended by revenue agents during the fiscal year was \$265,967,439.62, compared with \$203,510,465.96 in the preceding fiscal year.

### *The Technical Staff*

The Technical Staff, organized November 16, 1933, considers (a) proposals for the settlement without further litigation of income, profits, estate, and gift taxes asserted in deficiency notices mailed under the various revenue acts and (b) questions involving determinations of Bureau policy, specific cases, and other matters assigned or submitted to it by the Commissioner of Internal Revenue. In addition to its regular settlement work, the jurisdiction of the staff has been enlarged to include certain classes of compromise of income tax cases (excluding cases involving fraud or cases under the supervision of a court), applications for extension of time within which to pay income taxes under sections 56 (c) and 272 (j) of the Revenue Act of 1932 and the corresponding provisions of prior revenue acts, and the review in behalf of the Commissioner of Internal Revenue of final closing agreements executed pursuant to section 606 of the Revenue Act of 1928.

On July 1, 1934, the technical staff had on hand 3,770 docketed cases pending before the Board of Tax Appeals. During the year the staff received 3,347 Board dockets, considered to a conclusion 3,058 Board cases, and settled 1,616 cases. The deficiencies proposed on cases recommended for settlement by the staff totaled \$39,781,473.88; the recomputed deficiencies (without eliminating the enforced credits in estate tax cases) were \$21,287,302.03, making a settlement effectiveness of 54 percent. The settled docketed cases involving only income taxes showed the same settlement ratio with respect to the deficiency asserted in the statutory notice. During the fiscal year the staff considered 1,379 so-called "90-day status cases" of which 970 were disposed of without petitions being filed with the United States Board of Tax Appeals. These cases involved proposed deficiencies of \$2,288,791.15 and recomputed deficiencies (not reduced by enforced credits in estate tax cases) of \$1,217,869.73, or a settlement effectiveness of 53 percent.

On July 1, 1934, the staff had on hand 1,251 compromise cases; 1,500 cases were received during the year and 2,064 cases were disposed of, leaving a balance of 687 cases on June 30, 1935.

There were 448 extension-of-time cases turned over to the staff on February 26, 1935; between that time and June 30, 1935, 296 cases were received and 560 disposed of, leaving 184 cases on hand June 30, 1935.

In addition 462 final closing agreements submitted pursuant to section 606 of the Revenue Act of 1928 were reviewed by the staff in behalf of the Commissioner of Internal Revenue.

### *Miscellaneous Tax Unit*

The Miscellaneous Tax Unit administers all taxes other than the income and excess-profits taxes and the taxes applicable to alcoholic

beverages. The unit consists of six divisions, the titles of which are indicative of the general type of taxes administered. Certain taxes, such as the tobacco taxes, occupational taxes, stamp taxes, certain excise taxes, estate taxes, etc., have been collected for many years. Others, such as the processing and related taxes imposed under the Agricultural Adjustment Act and similar legislation, the tax on transfers of interests in silver bullion, taxes on the refining and production of crude petroleum, certain new excise taxes, and a more involved capital stock tax, have resulted from recent legislation and have operated to increase greatly the volume of work in the Miscellaneous Tax Unit, with a consequent necessity for an increase in the personnel.

The total collections of miscellaneous taxes for the current fiscal year amounted to \$1,781,647,593.50, an increase of \$238,635,176.10 over the prior year.

*Estate Tax Division.*—Estate tax collections for the year amounted to \$140,440,682.34, an increase of \$36,455,394.30 over the preceding year. Gift tax collections amounted to \$71,671,276.89, and exceeded collections for the previous year by \$62,518,200.83. Transfers of property by gift during the year were valued at \$505,844,720, as compared with \$101,792,574 in the previous year. In addition to the estate and gift taxes actually collected, deficiencies in the amount of \$21,742,842 were asserted in 242 cases upon which collection was withheld pending a review of appeals filed with the United States Board of Tax Appeals.

As a result of the audit of estate tax returns by the Bureau at Washington, deficiencies in tax amounting to \$19,209,108.70 were assessed in 55.4 percent of the cases closed, as compared with \$13,185,549.91 assessed in 52.5 percent of the cases closed in the prior year. Deficiencies in the gift tax were assessed in the amount of \$345,383.51 in 2.4 percent of the cases closed, as compared with \$138,097.51 assessed in 2.3 percent of the cases closed for the previous year.

The administrative work in connection with estate and gift tax returns is summarized in the following table:

*Number of estate tax and gift tax returns investigated and audited during the fiscal years 1934 and 1935*

	Estate tax		Gift tax	
	1934	1935	1934	1935
<b>Returns in field:</b>				
On hand at beginning of year.....	1,967	3,449	1,068	673
Received for investigation.....	10,410	11,137	1,045	2,152
Total to be disposed of.....	12,377	14,586	2,113	2,825
Major reports submitted by field force.....	8,928	10,951	1,440	1,923
On hand at end of year.....	3,449	3,635	673	902
<b>Returns in Bureau:</b>				
On hand at beginning of year.....	4,587	6,488	1,706	3,291
Received.....	11,210	13,133	3,619	11,410
Reopened.....	867	177	-----	18
Total to be disposed of.....	16,664	19,798	5,325	14,719
Disposed of.....	10,176	10,105	2,034	11,789
On hand at end of year.....	6,488	9,693	3,291	2,930



*Number of estate tax and gift tax returns investigated and audited during the fiscal years 1934 and 1935—Continued*

	Estate tax		Gift tax	
	1934	1935	1934	1935
Protest letters of taxpayers as a result of tax determined by audit:				
On hand at beginning of year.....	98	236		16
Received.....	864	1,374	25	107
Total to be disposed of.....	962	1,610	25	123
Disposed of by Estate Tax Division.....	726	1,124	9	41
On hand at end of year.....	236	486	16	82
Final agreements (sec. 606 of the Revenue Act of 1928):				
On hand at beginning of year.....	288	3		
Cases received for agreements.....	132	1		
Total to be disposed of.....	420	4		
Closed.....	417	4		
On hand at end of year.....	3			
Cases adjudicated by the Board of Tax Appeals.....	1 243	1 147		

<sup>1</sup> Included in returns disposed of, above.

Refunds of estate and gift taxes allowed, with interest, totaled \$1,632,132.02. Tax in the amount of \$265,346.79, including interest of \$71,538.22, was refunded as a result of judgment claims filed in 20 cases. The following table shows the estate and gift tax claims for refund and abatement on hand at the beginning of the year and the claims received and disposed of during the year:

*Estate tax and gift tax claims on hand, received, and disposed of during the fiscal year 1935*

	Estate tax claims				Gift tax claims			
	Refund		Abatement		Refund		Abatement	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Claims filed:								
On hand July 1, 1934.....	156	\$3,181,507.54	5	\$1,973.28	9	\$7,724.61		
Received.....	589	1,381,018.14	213	8,000,878.29	29	3,573,565.47	2	\$6,639.15
Reopened.....	13	57,524.33						
Total to be disposed of.....	758	4,620,050.01	218	8,002,851.57	38	3,581,290.08	2	6,639.15
Allowed.....	476	1,013,266.43	209	7,992,257.40	17	4,141.64	2	6,639.15
Rejected.....	93	1,597,021.98	2	1,173.56	2	11,129.23		
Total disposed of.....	569	2,610,288.41	211	7,993,430.96	19	15,270.87		6,639.15
On hand June 30, 1935.....	189	2,009,761.60	7	9,420.61	19	3,566,019.21		
No claims filed, overassessments allowed.....	413	365,240.16	185	10,296,340.96	90	25,858.46	11	46,393.90
Interest allowed.....		222,390.25				1,235.08		
Total allowed including interest.....	889	1,600,896.84	394	18,288,598.36	107	31,235.18	13	53,033.05

NOTE.—In addition to the above, \$169,074.98 was abated as uncollectible in 27 estate tax cases, and \$3,836.29 was abated as uncollectible in 2 gift tax cases.

*Tobacco Division.*—Collections of tobacco taxes for the year amounted to \$459,178,625.46, which represents the largest annual collection from this source since these taxes were first imposed. The collections show an increase of \$34,009,728.42, or approximately 8 percent over the previous year, and \$8,839,564.96 more than the previous high collections in 1930. The sum of \$385,459,570.66, or 84 percent of the total tobacco taxes received, was collected on small cigarettes, which represents a new high in collections from this source; but collections on large cigarettes and small cigars declined.

A detailed comparison of the tobacco taxes collected during the last 2 fiscal years follows:

*Tobacco taxes collected during the fiscal years 1934 and 1935*

Source	1934	1935	Increase (+) or decrease (-)	
			Amount	Percent
<b>Cigars (large):</b>				
Class A.....	\$8,101,364.10	\$8,485,474.10	+\$384,110.00	+4.74
Class B.....	117,781.47	200,030.28	+82,248.81	+69.83
Class C.....	2,888,281.55	2,546,256.63	-342,024.92	-11.84
Class D.....	459,415.87	406,023.39	-53,392.48	-11.62
Class E.....	66,453.27	55,074.74	-11,378.53	-17.12
<b>Total.....</b>	<b>11,633,296.26</b>	<b>11,692,859.14</b>	<b>+59,562.88</b>	<b>+.51</b>
<b>Cigars (small):</b>	<b>173,018.13</b>	<b>143,738.75</b>	<b>-29,279.38</b>	<b>-16.92</b>
Cigarettes (large).....	637,496.55	17,317.56	-620,178.99	-97.28
Cigarettes (small).....	349,661,945.45	385,459,570.66	+35,797,625.21	+10.24
<b>Tobacco, manufactured.....</b>	<b>55,298,629.34</b>	<b>54,372,414.27</b>	<b>-926,215.07</b>	<b>-1.67</b>
Snuff.....	6,788,191.13	6,511,662.53	-276,528.60	-4.07
<b>Total.....</b>	<b>62,086,820.47</b>	<b>60,884,076.80</b>	<b>-1,202,743.67</b>	<b>-1.94</b>
Leaf tobacco sold.....	3,266.00	4,994.39	+1,728.39	+52.92
Cigarette papers.....	957,694.58	963,758.16	+6,063.58	+.63
Cigarette tubes.....	15,359.60	12,310.00	-3,049.60	-19.85
<b>Grand total.....</b>	<b>425,168,897.04</b>	<b>459,178,625.46</b>	<b>+34,009,728.42</b>	<b>+8.00</b>

*Silver Tax Division.*—The Silver Tax Division was organized in July 1934, for the purpose of administering the tax imposed under the Silver Purchase Act of 1934, approved June 19, 1934. Collections of silver tax for the year amounted to \$1,149,390.48; and adjustments by way of refunds and redemptions amounted to \$4,770.26.

*Sales Tax Division.*—The yield from the taxes administered by the Sales Tax Division was \$491,477,138.80, a decrease of \$61,636,702.29 from the previous year. This decrease is due mainly to a reduction in the rate of tax applicable to gasoline from 1½ cents to 1 cent a gallon, effective January 1, 1934; the repeal of the tax on checks as of January 1, 1935, and of taxes on candy, soft drinks, and boats; the reduction in the rate of tax on sales of produce for future delivery; and the elimination of the tax on articles made of fur selling for less than \$75 and on articles of jewelry selling for less than \$25.

There was no legislation enacted during the current year which repealed or modified any of the taxes administered by the Sales Tax Division. The manufacturers' excise taxes and other taxes imposed under the Revenue Act of 1932, as amended, which would

have terminated at the end of this year, were continued in effect until June 30 or July 31, 1937, by Public Resolution No. 36, approved June 28, 1935.

A comparison of the various taxes collected during the last 2 fiscal years is shown in the following table:

*Collections of taxes administered by the Sales Tax Division during the fiscal years 1934 and 1935*

Source	1934	1935	Increase (+) or decrease (-)
Documentary stamps:			
Bonds of indebtedness, capital stock issues, etc.	\$16,259,304.76	\$17,934,776.98	+\$1,675,472.22
Capital stock sales or transfers	38,065,999.47	15,747,362.59	-22,318,636.88
Sales of produce (future delivery)	7,847,743.08	3,950,544.00	-3,897,199.08
Playing cards	4,406,384.68	4,351,299.40	-55,085.28
Total	66,579,431.99	41,983,982.97	-24,595,449.02
Oleomargarine:			
Colored	44,871.50	84,800.77	+39,929.27
Uncolored	603,398.25	898,121.82	+294,723.57
Special taxes	827,960.57	1,066,053.91	+238,093.34
Total	1,476,230.32	2,048,976.50	+572,746.18
Adulterated butter	1,462.47	3,992.55	+2,530.08
Renovated butter	9,690.03	4,928.34	-4,761.69
Mixed flour	3,830.50	4,525.93	+695.43
Filled cheese	1.59	1,003.58	+1,001.99
Total	14,984.59	14,450.40	-534.19
Manufacturers' excise taxes	356,850,559.07	309,255,051.59	-47,595,507.48
Transportation of oil by pipe line	10,379,369.59	9,479,721.47	-899,648.12
Electrical energy	33,134,407.26	32,577,256.30	-557,150.96
Telegraph, telephone, cable, and radio messages, etc.	18,094,685.26	18,411,925.22	+317,239.96
Leased wires, etc., (telegraph and telephone)	1,156,114.59	1,329,508.83	+173,394.29
Safe deposit boxes	2,715,850.67	2,317,619.30	-398,231.37
Checks	41,383,198.66	25,645,138.70	-15,738,059.96
Total	463,714,185.10	399,016,221.46	-64,697,963.64
Admissions	14,613,414.42	15,379,397.16	+765,982.74
Dues and initiation fees	5,986,150.46	5,784,494.99	-201,655.47
Total	20,599,564.88	21,163,892.15	+564,327.27
Pistols and revolvers	52,980.41	60,237.83	+7,257.42
Narcotics	495,270.18	580,613.00	+85,342.82
Delinquent under repealed laws	181,193.62	383,868.24	+202,674.62
Total	729,444.21	1,024,719.07	+295,274.86
Coconut, etc., oils processed		24,457,091.25	+24,457,091.25
Crude petroleum processed, refined, etc.		1,759,789.67	+1,759,789.67
National Firearms Act		8,015.33	+8,015.33
Total		26,224,896.25	+26,224,896.25
Grand total	<sup>1</sup> 553,113,841.09	491,477,138.80	-61,636,702.29

<sup>1</sup> The collections of capital stock tax, which were included in a similar table in the annual report for 1934 are now shown in the statement of the Capital Stock Tax Division.

The claims for refund and abatement of taxes and redemption of stamps, received and adjusted in the Sales Tax Division during 1934 and 1935 are shown in the following table:

*Claims for refund and abatement received and disposed of during the fiscal years 1934 and 1935*

	1934		1935	
	Number	Amount	Number	Amount
On hand at beginning of year.....	8,881		7,117	
Received or reopened.....	29,531		13,713	
Total.....	38,412		20,830	
Transferred to Capital Stock Tax Division, January 1, 1935.....			1,500	
Transferred to Bureau of Industrial Alcohol, December 13, 1933.....	3,173			
Total to be disposed of.....	35,239		19,330	
Adjusted.....	28,122		14,034	
On hand at end of year.....	7,117		5,296	
Claims allowed.....		\$4,402,950.35		\$3,479,098.19

There were 8,269 sales tax credit cases totaling \$3,139,846.29 on hand at the beginning of the year; 11,763 cases amounting to \$4,990,122.03 were received; 15,519 cases amounting to \$6,259,598.66 were disposed of, leaving on hand at the end of the year 4,513 sales tax credit cases amounting to \$1,870,369.66.

A total of \$737,974,518.22, representing 1,131,858 items, was approved by the Commissioner on miscellaneous assessment lists. There was included in these lists \$29,847,939.06 representing 32,454 additional assessments resulting from office audit and field investigation. The interest paid and assessed on the miscellaneous tax lists amounted to \$4,174,607.53. The miscellaneous lists do not include the processing and related taxes, the taxes on the transfers of interest in silver bullion, or the taxes collected on the sale of stamps.

During the year there were received and examined 607,720 returns filed by taxpayers in connection with taxes administered by the Sales Tax Division.

The number of offers in compromise submitted in settlement of liabilities incurred in connection with sales, tobacco, estate, gift, narcotics, capital stock, and miscellaneous stamp and special taxes, and the aggregate amounts thereof received and disposed of are shown in the following table:

*Offers in compromise received and disposed of during the fiscal years 1934 and 1935*

	1934		1935	
	Number	Amount	Number	Amount
On hand at beginning of year.....	9,898	\$391,287.95	4,865	\$465,170.90
Received during year.....	25,168	627,182.48	9,489	474,817.67
Total to be disposed of.....	35,066	1,018,470.43	14,354	939,988.57
Accepted.....	23,242	389,894.83	6,990	115,890.43
Rejected.....	926	83,418.71	1,518	182,870.49
Withdrawn.....	6	235.00	9	445.00
Transferred to Bureau of Industrial Alcohol <sup>1</sup> .....	6,027	79,750.99		
Total disposed of.....	30,201	553,299.53	8,517	299,205.92
On hand at end of year.....	4,865	465,170.90	5,837	640,782.65

<sup>1</sup> The duties and functions of the Miscellaneous Tax Unit relating to alcoholic liquor offers in compromise were transferred to the Bureau of Industrial Alcohol on December 13, 1933.

*Processing Tax Division.*—A total of \$526,222,358.24 was collected during the year from taxes administered by this Division, of which amount \$521,880,108.61 represented processing, compensating, and floor stock taxes imposed under the Agricultural Adjustment Act, as amended; \$1,110,874.86 represented taxes imposed under the provisions of the Cotton Act, approved April 21, 1934; and \$3,231,374.77, taxes imposed under the provisions of the Tobacco Act, approved June 28, 1934. Collections of taxes administered by the Processing Tax Division are summarized as follows:

*Collections of processing and related taxes during the fiscal years 1934 and 1935, by commodities*

Commodity and tax	1934	1935
<b>Wheat:</b>		
Processing.....	\$104,038,634.96	\$123,564,486.59
Compensating.....	20,774.75	27,744.27
Floor (wholesale).....	10,941,402.43	249,622.94
Floor (retail).....	2,620,362.68	19,078.43
Total.....	117,621,174.82	123,860,932.23
<b>Cotton:</b>		
Processing.....	85,713,359.52	93,253,443.98
Compensating.....	1,086,773.45	1,799,354.68
Floor (wholesale).....	46,375,040.40	771,125.07
Floor (retail).....	11,592,059.27	102,377.98
Total.....	144,767,232.64	95,926,301.71
<b>Tobacco:</b>		
Processing.....	15,873,985.81	32,161,943.21
Compensating.....	155,209.07	236,479.52
Floor (wholesale).....	1,814,629.01	311,083.18
Floor (retail).....	244,602.16	15,995.53
Total.....	18,088,426.05	32,725,501.44
<b>Field corn:</b>		
Processing.....	3,413,305.32	6,760,471.65
Compensating.....	18,450.05	48,663.08
Floor (wholesale).....	982,676.73	38,843.65
Floor (retail).....	81,761.64	1,651.49
Total.....	4,496,193.74	6,849,629.87
<b>Hogs:</b>		
Processing.....	70,716,192.12	184,380,029.76
Compensating.....	33,289.21	186,591.68
Floor (wholesale).....	6,166,969.51	32,766.28
Floor (retail).....	118,160.40	1,621.74
Total.....	77,034,611.24	184,601,009.46
<b>Paper and jute:</b>		
Processing.....	5,251,648.11	2,855,500.01
Compensating.....	916,342.01	131,697.10
Floor (wholesale).....	3,006,960.26	222,996.64
Floor (retail).....	69,880.40	11,513.52
Total.....	9,244,830.78	3,221,707.27
<b>Sugarcane and sugar beets:</b>		
Processing.....		55,599,571.49
Compensating.....	140,020.78	3,809,586.71
Floor (wholesale).....	80,395.59	11,314,081.05
Floor (retail).....		370,731.40
Total.....	170,416.37	71,093,970.65
<b>Peanuts:</b>		
Processing.....		3,569,523.39
Compensating.....		2,412.62
Total.....		3,571,936.01

*Collections of processing and related taxes during the fiscal years 1934 and 1935, by commodities—Continued*

Commodity and tax	1934	1935
Rice:		
Processing.....		\$1,582.55
Compensating.....		27,537.42
Total.....		29,119.97
Cotton ginning.....		1,110,874.86
Tobacco sales.....		3,231,374.77
Grand total.....	\$371,422,885.64	526,222,358.24

Returns filed during the year under the provisions of the Agricultural Adjustment Act, as amended, the Cotton Act, and the Tobacco Act are shown in the following table:

*Number of returns filed during the fiscal year 1935, by commodities*

	Processing tax	Import compensating tax	Floor tax (wholesale)	Floor tax (retail)	Total
Agricultural Adjustment Act:					
Wheat.....	53,121	4,055	3,273	3,914	64,363
Cotton.....	14,104	31,174	3,376	12,092	60,746
Field corn.....	114,335	3,446	1,066	4,020	122,867
Hogs.....	182,945	1,673	1,097	4,484	190,199
Tobacco.....	67,991	1,635	65,920	7,640	143,186
Paper and jute.....	2,675	2,050	2,299	4,563	11,587
Sugarcane and sugar beets.....	5,788	6,513	60,493	95,649	168,443
Peanuts.....	563	169			732
Rice.....	134	163			297
Total.....	441,656	50,878	137,524	132,362	762,420
Cotton Ginning Act.....					70,065
Tobacco Act.....					3,613

A summarization of the number and amount of all claims for refund, credit, and abatement received and adjusted in the Division during the fiscal year follows:

*Claims for refund, credit, and abatement received and disposed of during the fiscal year 1935*

	Number	Amount
Agricultural Adjustment Act, as amended:		
Export refunds:		
On hand July 1, 1934.....	15,582	\$6,164,504.44
Received.....	54,325	20,232,661.22
Reopened.....	1,230	59,189.90
Allowed.....	61,425	23,431,363.50
Rejected.....	2,015	1,433,671.82
On hand June 30, 1935.....	7,697	1,591,320.24
Charitable and other refunds:		
On hand July 1, 1934.....	9,078	2,851,526.52
Received.....	41,071	115,040,666.89
Reopened.....	276	39,037.96
Allowed.....	34,528	12,963,546.82
Rejected.....	5,078	29,551,395.11
On hand June 30, 1935.....	10,819	75,416,289.44
Credit:		
On hand July 1, 1934.....	1,417	1,083,949.10
Received.....	11,448	6,686,652.77
Reopened.....	0	0
Allowed.....	6,422	2,273,233.09
Rejected.....	830	813,301.23
On hand June 30, 1935.....	5,613	4,684,067.55

<sup>1</sup> Includes claims approximating \$70,461,000, based on the alleged unconstitutionality of the Agricultural Adjustment Act and related legislation.

Claims for refund, credit, and abatement received and disposed of during the fiscal year 1935—Continued

	Number	Amount
<b>Agricultural Adjustment Act, as amended—Continued.</b>		
Abatement:		
On hand July 1, 1934.....	1,891	\$12,057,850.15
Received.....	3,030	4,520,572.67
Reopened.....	28	17,376.85
Allowed.....	3,302	9,987,687.37
Rejected.....	469	2,495,009.72
On hand June 30, 1935.....	1,178	4,113,102.68
Uncollectible:		
On hand July 1, 1934.....	66	2,381.57
Received.....	1,864	183,464.34
Reopened.....	1	18.32
Allowed.....	1,728	76,660.77
Rejected.....	14	5,635.50
On hand June 30, 1935.....	189	103,567.96
Tobacco Act:		
On hand July 1, 1934.....	0	0
Received.....	9,140	597,987.98
Reopened.....	0	0
Allowed.....	50	5,052.10
Rejected.....	1,262	165,504.98
On hand June 30, 1935.....	7,828	427,430.90
Cotton Ginning Act:		
On hand July 1, 1934.....	0	0
Received.....	101	64,246.85
Reopened.....	0	0
Allowed.....	0	0
Rejected.....	0	0
On hand June 30, 1935.....	101	64,246.85
Total claims:		
On hand July 1, 1934.....	28,034	22,160,211.78
Received.....	120,979	147,326,252.72
Reopened.....	1,535	115,623.03
Allowed.....	107,455	48,737,543.65
Rejected.....	9,668	34,464,518.36
On hand June 30, 1935.....	33,425	86,400,025.52

The number of offers in compromise considered during the year was 534 involving a total amount of \$91,828.96.

Assessment of 697,992 items representing a tax liability of \$588,-218,914.52 was made during the year on the processing tax lists. This amount includes 5,652 additional assessments totaling \$4,898,-517.27 as a result of office audit or field investigation.

*Capital Stock Tax Division.*—Collections of capital stock tax during the year amounted to \$91,508,121.29, an increase of \$11,339,777.16, or approximately 14 percent over the preceding year.

As the result of the audit of capital stock tax returns 5,673 assessments involving \$894,806.71 were made.

The claims for refund and abatement of capital stock taxes, penalties, and interest received and adjusted in the Capital Stock Tax Division are shown in the following table.

*Claims for refund and abatement received and disposed of during the fiscal years 1934 and 1935*

Claims	1934	1935
On hand at beginning of year.....	<i>Number</i> 5	<i>Number</i> 1,500
Received or reopened.....	2,613	3,800
Total.....	2,618	5,300
Adjusted.....	1,118	4,410
On hand at end of year.....	1,500	890
Allowed.....	<i>Amount</i> \$124,453.86	<i>Amount</i> \$390,348.43

*Alcohol Tax Unit*

On June 30, 1935, the following legitimate producers and distributors of alcohol and alcoholic beverages, and users of tax-free alcohol, were under the supervision of the Alcohol Tax Unit: 36 alcohol distilleries; 89 whisky, rum, and gin distilleries; 137 brandy distilleries; 70 alcohol warehouses; 137 whisky, rum, gin, and brandy warehouses; 1,107 wineries; 88 bonded wine storerooms; 702 breweries; 383 rectifying plants; 4,510 wholesale liquor dealers; 40 denaturing plants; 68 bonded dealers in specially denatured alcohol; 4,155 bonded manufacturers using specially denatured alcohol; and 5,966 hospitals, laboratories, and educational institutions using tax-free alcohol.

*Enforcement Division.*—The Enforcement Division is responsible for the investigation, detection, and prevention of willful and fraudulent violations of the internal revenue laws relating to distilled spirits, wines, and fermented malt liquors. The Division plans and coordinates the enforcement functions of the 15 administrative districts, supervises the activities of the investigators, and provides for their general instruction.

During the year 15,712 stills having an aggregate mash capacity of 2,853,739 gallons were seized, and in connection therewith 21,373,107 gallons of mash were found and destroyed. Investigators also seized 863,375 gallons of spirits and 4,837 automobiles and trucks. The total appraised value of property seized amounted to \$5,632,145.

A total of 31,625 persons were arrested for Federal liquor law violations, but, in the case of 2,104 persons, the arrests were made by State and local officers on information furnished by investigators of the Alcohol Tax Unit. During the year, 25,408 cases were reported to United States attorneys.

During the year, 283 applications for pardon, and 3,377 applications for parole were received; and 282 applications for pardon and 2,841 applications for parole were examined and reports submitted.

*Audit Division.*—There were on hand at the beginning of the year 5,728 claims for refund, redemption, abatement, and uncollectible claims, aggregating \$1,202,406.35. During the year 20,587 claims were received, in the amount of \$7,695,095.31. Of the claims to be disposed of, 19,064 were allowed and 1,943 were rejected, in the aggregate amount of \$5,405,245.47, leaving on hand at the end of the year 5,308 claims, aggregating \$3,492,256.19, classified as follows: 442 refund claims amounting to \$707,076.97; 420 redemption claims,



\$4,394.94; 1,243 abatement claims, \$1,121,084.30; and 3,203 uncollectible claims, \$1,659,699.98.

At the beginning of the year 14,991 offers in compromise, aggregating \$176,578.69, were on hand; and during the year, 45,362 offers were received, the total amounting to \$600,682.54. Of the foregoing, 49,809 offers, amounting to \$387,962.38, were accepted; 1,013, amounting to \$60,628.20, were rejected; and 82, amounting to \$9,597.25, were withdrawn; leaving 9,449 offers, aggregating \$319,073.40, at the end of the year.

The audit of floor tax returns required by the Liquor Taxing Act of 1934 was completed during the year. There were 75,804 returns filed, reporting floor taxes aggregating \$8,699,139.17.

The Tax Section certified to the Commissioner 1,304 assessment lists, which carried 24,673 items, totaling \$18,787,032.65, listed by the Section, and 213,357 items, aggregating \$19,283,749.68, listed by collectors.

*Laboratory Division.*—The Laboratory Division comprises a chemical laboratory in Washington, D. C., and 14 branch laboratories located throughout the country. These laboratories perform all the chemical work for the Bureau of Internal Revenue and Bureau of Narcotics, as well as work for the Federal Alcohol Control Administration and Bureau of Customs.

A new distillery procedure was initiated which transferred the major portion of the manual labor previously performed by Government officers to distillery employees. This procedure made it possible to release 133 storekeeper-gagers from distillery supervision for assignment to the Retail Liquor Dealer Section.

#### *Accounts and Collections Unit*

The Accounts and Collections Unit, which is the central administrative organization for the 64 collection districts, is divided into 3 divisions: The Collection Accounting Division; the Collectors' Personnel, Equipment, and Space Division; and the Disbursement Accounting Division.

*Collection Accounting Division.*—There were filed in collectors' offices during the year 8,313,342 tax returns, compared with 9,144,268 for the previous year, a decrease of 830,926. Of the total tax returns filed in 1935, there were 5,295,352 income tax returns compared with 4,933,376 filed during the previous year, an increase of 361,976.

Approximately 2,140,000 individual income tax returns, filed on form 1040-A, were audited and closed in collectors' offices during the year, and 4,242,479 information returns were verified. In connection with this audit work 60,268 income tax returns were investigated.

A total of 10,432,005,552 revenue stamps, valued at \$941,713,682.42, was issued to collectors of internal revenue and the Postmaster General, compared with 9,351,968,114 stamps, valued at \$833,901,971.05, issued during 1934. Stamps returned by collectors and by the Postmaster General amounted to \$45,068,828.09, compared with \$52,946,424.83 for 1934.

After the appropriate administrative procedure, collectors of internal revenue transmitted to the Bureau, or otherwise disposed of, 238,251 claims as compared with 151,470 during 1934, an increase of

86,781. The number of claims on hand at the close of the fiscal year 1935 was 7,481, compared with 6,878 at the close of the previous year. The increase in the number on hand at the end of the year was due principally to the increase in the number of claims filed during the year and to the necessity of corresponding with processing taxpayers for additional information before the claims could be forwarded to the Bureau.

During the year an average of 2,205 deputy collectors made 576,120 revenue-producing investigations in connection with the verification of returns, the discovery of delinquent returns, and the serving of warrants for distraint. The amount of tax involved in these investigations was \$81,001,961, including \$54,178,708 collected and \$26,823,253 reported for assessment. The average number of investigations made per deputy was 264, and the average amount of tax collected and reported for assessment was \$36,735. The average salary of the deputy collectors during the year was \$1,970; and the average travel expense, \$463. It will be seen that for every \$2,433 invested in the services of a deputy collector \$36,735 was returned to the Government in collections and amounts recommended for assessment.

The \$81,001,961 collected and assessed for the fiscal year 1935, represents the largest amount produced by the field deputy collectors since 1920 when the present system of keeping production records went into effect, and the greatest amount in the history of the Bureau. The amounts involved for the various types of work were:

	Collected	Reported for assessment
Verification of tax returns.....	\$4, 129, 111	\$11, 183, 739
Delinquent taxpayers.....	15, 108, 117	15, 639, 514
Warrants for distraint.....	34, 941, 480	-----
Total.....	54, 178, 708	26, 823, 253

There were 118,221 warrants for distraint served by deputy collectors during the year, and on June 30, 1935, there were 62,132 warrants in the hands of the field forces for collection as compared with 52,425 on June 30, 1934.

Special attention has been given to the discovery of the various classes of delinquent taxes and to the collection of back taxes. That these efforts have been successful is evidenced by the fact that the total collections of such back taxes during the year, amounted to \$185,641,136.64, which is \$18,641,136.64 in excess of the estimates for the year.

The supervisors of accounts and collections submitted 105 reports covering their examinations of the accounts of the various collectors' offices compared with 100 reports submitted during 1934. Every collector's office was examined at least once and most of them twice during the year.

*Collectors' Personnel, Equipment, and Space Division.*—The organization of the processing tax divisions in collectors' offices was further strengthened and perfected to facilitate the collection of the processing, import compensating, and floor taxes imposed upon the various agricultural commodities under the Agricultural Adjustment Act, as amended. A force of 1,606 permanent and temporary office

and field employees was authorized to handle this work in the collection districts.

It was necessary during the year to set up a special section in each collector's office in cotton producing districts to administer the tax collection provisions of the Bankhead Cotton Control Act. During the ginning season, when the work was at its peak, there were 391 permanent and temporary office and field employees assigned to the several districts.

In order to carry out the tax provisions of the Kerr-Smith Tobacco Control Act it was necessary to authorize additional assistance in the several tobacco-producing districts. During the period when this work was at its peak there were 85 temporary office and field employees.

Through the cooperation of the Federal Emergency Relief Administration special projects were inaugurated in certain collection districts for the purpose of investigating miscellaneous taxes on the manufacture of jewelry, radios, furs, sporting goods, cosmetics, admissions and dues, and documentary stamps. The first project was started in the third New York collection district on November 1, 1934. Similar projects were subsequently inaugurated in the first and second New York collection districts, the Chicago district, the Milwaukee district, the Philadelphia and Pittsburgh districts, the Buffalo district and more recently projects were authorized in the Los Angeles and San Francisco districts. Approximately 800 workers were employed and, while two of the projects were in operation only a comparatively short time, \$5,021,911.80 in taxes have been collected or reported for assessment. The organization of these forces was accomplished under the direction of the supervisors of accounts and collections in charge, and in addition to the workers assigned to the miscellaneous tax investigations, approximately 330 relief workers were assigned to the District Supervisors, Alcohol Tax Unit, for conducting investigations and making inspections of retail liquor dealers.

*Disbursement Accounting Division.*—The Disbursement Accounting Division is charged with keeping the internal revenue appropriation accounts and expenditures and is responsible for the administrative examination required by law of the accounts of 64 collectors of internal revenue, 38 internal revenue agents in charge of divisions, and 15 supervisors in charge of alcohol tax districts, including the Philippine Islands branch of the collection district of Maryland, and internal revenue salary payments made by the collector of customs at San Juan, P. R. The administrative examination of the accounts of District Supervisors, Alcohol Tax Unit, was transferred to this division effective July 1, 1934, together with some of the personnel previously engaged on that work. The appropriation, accounting, and the auditing work has been considerably above normal throughout the year as a result of the Bureau's administrative duties in connection with assessing and collecting the processing taxes.

#### *Office of the Assistant General Counsel*

The activities of the office of the Assistant General Counsel for the Bureau of Internal Revenue embrace the whole field of Federal taxation in connection with the preparation and presentation to the United States Board of Tax Appeals of defense in all appeals; the review of refunds, credits, and abatements, in excess of \$20,000; the deciding

and advising in various administrative and internal revenue tax matters referred by the Secretary of the Treasury, the Under Secretary, or an Assistant Secretary, by the General Counsel for the Department of the Treasury, by the Commissioner or the Assistant to the Commissioner, by the heads of the administrative units of the Bureau, by collectors of internal revenue, by other branches of the Government, and by individual correspondence; the preparation, at the request of the Department of Justice or of United States attorneys, of data for use in the prosecution or defense of tax cases (civil and criminal) in suit, and otherwise complying with their requests for assistance in such cases; and the preparation, revision, and publication of regulations, Treasury decisions, mimeographs, and rulings for the guidance of the officers and employees of the Bureau of Internal Revenue and others interested. The office is divided into six divisions, viz, Appeals, Civil, Interpretative, Penal, Review, and Legislative and Regulations.

*Assistant General Counsel's Committee.*—The Assistant General Counsel's Committee, formed on July 5, 1933, is composed of five members. The committee receives and passes upon cases from all divisions of the office referred to it by the Assistant General Counsel, the special assistants, and the general assistants. During the fiscal year 1935 the Committee received 256 cases and disposed of 237, leaving 19 cases pending.

*Reorganization Section.*—The Bankruptcy, Receivership, and Reorganization Section received 1,654 reorganization cases during the year and closed 164 cases involving claims of \$8,093,075.94, which were settled for \$3,847,764.03. A total of 1,249 bankruptcy and receivership cases were closed involving claims of \$6,457,088.57, upon which \$2,554,482.86 were collected.

*Appeals Division.*—Cases involving income, estate, and gift taxes filed with the Board of Tax Appeals are in the immediate charge of this Division. During the year 5,867 cases were closed while 3,816 new cases were filed. At the end of the year there were pending 23 gift tax cases involving \$452,164; 504 estate tax cases involving \$73,240,290; and 9,896 income tax cases involving \$419,955,963; or a total of 10,423 cases involving \$493,648,417. Of this number, 9,405 were pending before the Board and 1,018 were in appellate courts on appeal from Board decisions.

*Cases filed with and closed before the Board of Tax Appeals during the fiscal years 1934 and 1935*

Cases	1934		1935	
	Number	Amount	Number	Amount
Pending at beginning of year.....	18,080	\$574,257,340	12,474	\$448,493,080
Filed during year.....	3,976	83,692,291	3,816	184,819,113
Total.....	22,056	657,949,631	16,290	633,312,193
Closed during year:				
By default, etc.....	574	-----	500	-----
By decision on merits.....	1,518	-----	1,615	-----
By agreed settlement.....	7,490	-----	3,752	-----
Total.....	9,582	209,456,551	5,867	139,663,776
Pending at close of year.....	12,474	418,493,080	10,423	493,648,417

*Civil Division.*—The Civil Division, in cooperation with and at the request of the Department of Justice, assists in the handling and preparation for trial of civil internal revenue cases arising in the Federal district courts, the United States Court of Claims, and the Supreme Court of the District of Columbia, together with a limited number of cases originating in State courts. The trials of such cases and arguments upon appeals are conducted by the Department of Justice pursuant to the President's Executive order of June 10, 1933.

The Division's major activities during the fiscal year are shown in the following tables:

*Civil cases received and disposed of during the fiscal year 1935*<sup>1</sup>

	Number of cases	Amount involved
Pending July 1, 1934:		
In court.....	2,686	\$216,949,145.81
For suit by the United States.....	205	4,889,613.93
Total.....	2,891	221,838,759.74
Lien cases in court.....	1,210	
Grand total.....	4,101	
Received during year:		
Suits by taxpayers.....	661	23,070,502.86
For suit by the United States.....	258	5,852,633.36
Total.....	919	28,923,136.22
Suits involving liens.....	1,120	
Grand total.....	2,039	
Closed during year:		
Cases, exclusive of lien cases.....	963	60,244,430.54
Suits involving liens.....	895	
Total.....	1,858	
Pending June 30, 1935 (exclusive of lien cases).....	2,847	190,517,465.42
Pending June 30, 1935 (including lien cases).....	4,282	

<sup>1</sup> Excludes bankruptcy, receivership, insolvency, compromise, and liquor cases.

*Results obtained in cases closed during the fiscal year 1935*<sup>1</sup>

	Number of cases	Amount claimed	Recovered from taxpayers	Amount refunded
Suits instituted by taxpayers.....	692	\$45,843,636.65		\$8,895,940.32
Suits and claims by the United States.....	271	14,400,793.89	\$7,762,995.78	
Total.....	963	60,244,430.54	7,762,995.78	8,895,940.32

<sup>1</sup> Excludes bankruptcy, receivership, insolvency, compromise, lien, and liquor cases.

*Civil cases pending in courts July 1, 1934 and 1935*<sup>1</sup>

	July 1, 1934	July 1, 1935
District courts.....	1,877	1,813
Circuit courts of appeals.....	125	117
Court of Claims.....	576	548
Supreme Court.....	5	4
State courts and miscellaneous.....	17	21
Pending payment of judgment claims.....	86	77
Total.....	2,686	2,580

<sup>1</sup> Excludes bankruptcy, receivership, insolvency, compromise, lien, and liquor cases.

The number of Civil Division cases tried by the Department of Justice and also the number decided by the courts are shown in the following table:

*Tax cases tried and decided by the Federal courts during the fiscal year 1935*

Courts	Cases tried	Cases decided			Total
		For the Government	Against the Government	Partly for and partly against the Government	
District courts.....	111	183	81	13	277
Circuit courts of appeals.....	38	43	33	6	82
Court of Claims.....	82	61	23	1	85
Supreme Court.....	3	1	1	1	3
Total.....	234	288	138	21	447

*Compromise Section.*—The Section is charged with the responsibility of considering and passing upon all offers submitted in compromise of tax liability arising in the Miscellaneous Tax Unit of the Bureau, except those involving criminal prosecution, fraud penalties, or specific penalties. It is also charged with the solution of legal problems arising in the collection of taxes from banks in liquidation, from taxpayers who have made assignments of assets for the benefit of creditors, and from estates of deceased taxpayers.

During the fiscal year 493 cases handled in this Section were closed by acceptance of offers in compromise and the collection of filed claims in the aggregate amount of \$2,747,961.38. The following table shows the volume of cases handled by this Section:

Pending at beginning of year.....	1,245
Received during year.....	1,523
Total to be disposed of.....	2,768
Closed or in process of closing.....	1,240
Pending at end of year.....	1,528

The number of cases pending and in process of closing on June 30, 1935, and the tax liability involved are shown in the following table:

	Pending		In process of closing	
	Number	Liability	Number	Liability
Cash offers in compromise.....	300	\$2,027,866	148	\$115,558
Installment offers in compromise.....	43	1,221,110	32	2,719,309
Decedent estates.....	899	12,002,530	-----	-----
Insolvent banks.....	119	280,936	-----	-----
Miscellaneous cases.....	167	1,112,220	-----	-----
Total.....	1,528	16,644,662	180	2,834,867

*Interpretative Division.*—This Division is charged with the preparation of opinions relating to the administrative construction of internal revenue laws and the editing of matter for publication in the Internal Revenue Bulletin. During the year it disposed of 3,039 jacketed cases, an increase of 802 over the preceding year, in addition to miscellaneous work.

*Penal Division.*—The Penal Division, in cooperation with the Department of Justice and the various United States attorneys, passes upon criminal internal revenue cases; prepares opinions on liability for percentage penalties for fraud (occasionally for negligence or delinquency), and on acceptance or rejection of offers in compromise of tax cases in which such questions are involved. The Division also prepares opinions interpreting or construing percentage penalty and criminal statutes, and opinions on all questions of law involved in a case where there is also a question of percentage penalty or crime. It decides upon questions as to whether cases that have been closed by agreement under section 606 of the Revenue Act of 1928, and similar provisions of the other revenue acts, should be reopened, because of "fraud or malfeasance, or misrepresentation of a material fact", and upon informers' reward claims under section 3463 of the Revised Statutes.

The following table summarizes the work of the Division during the last two fiscal years:

*Cases received and disposed of by the Penal Division during the fiscal years 1934 and 1935*

Cases	1934	1935
Pending at beginning of year.....	1,123	1,524
Received during year.....	1,634	1,266
Total to be disposed of.....	2,757	2,790
Disposed of.....	1,233	1,588
Pending at end of year.....	1,524	1,202

*Review Division.*—This Division reviews cases involving refunds, credits, and abatements of internal revenue taxes. It prepares public decisions in accordance with Treasury Decision 4264 in all cases where the overassessments exceed \$20,000; prepares reports to the Joint Committee on Internal Revenue Taxation in cases involving credits or refunds in excess of \$75,000, as required by section 710 of the Revenue Act of 1928; and participates in conferences and negotiations in other Bureau agencies on cases involving proposed overpayments.

There were 585 cases disposed of during the year involving reductions in taxes aggregating \$76,532,905.86. In 141 of these cases memoranda were prepared. The allowances were reduced by adjustments in this Division in the amount of \$2,829,048.32. Some of the principles involved in these adjustments also affected the disposition of other cases pending elsewhere in the Bureau. Public decisions were promulgated in 406 cases, and memoranda were submitted to the Joint Congressional Committee in 23 cases.

As heretofore this Division has regularly afforded conferences in cases in which issues appeared to require action contrary to the taxpayer's contentions.

*Legislative and Regulations Division.*—This division is charged with preparing, reviewing, and revising regulations under the various revenue laws, and considering defects in, and proposed amendments to, such laws; preparing reports on revenue legislation introduced in the Congress; and rendering assistance in the drafting of new revenue legislation. During the year it received 803 cases and disposed of 513.

#### *Intelligence Unit*

The principal work of the Intelligence Unit consists in the investigation of tax-fraud cases. This work is performed in cooperation with internal revenue agents and deputy collectors. During the year there were 621 investigations of alleged evasion of income tax and of this number 159 cases were recommended for prosecution. On this charge there were 50 convictions, with 1 acquittal, and a percentage of convictions in cases actually disposed of in court of 97.67 percent. Investigation of these cases resulted in recommendation for assessment of additional taxes and penalties aggregating \$20,212,161.

In addition to the collections by the Bureau of Internal Revenue of taxes, penalties, and interest, amounts are covered into the Treasury by way of fines imposed in criminal cases; in some jurisdictions the courts have imposed an additional penalty by requiring the defendants to pay the costs of the investigations, that is, the salaries and expenses of the agents incurred during investigations.

There were also investigated during the fiscal year 147 cases of charges against employees in the Internal Revenue Service resulting in the separation from the service of 89 employees and the prosecution of 15, of which number 11 have been convicted and 4 have not been tried.

There were 2,901 investigations of applications of attorneys and agents to practice before the Treasury Department and 88 investigations of charges against enrolled agents and attorneys, resulting in the disbarment of 13, the suspension of 8, the reprimand of 6, and rejection of applications of 37.



There were investigated 5,253 cases of miscellaneous character, which included investigations of the field employees of the Alcohol Tax Unit; of a number of cases for the Bureau of Narcotics, the Federal Alcohol Control Administration, the Customs Service, and National Bank Examiners; and of persons under consideration for appointment to various positions in the Treasury Department, including officials of branches other than the Bureau of Internal Revenue.

### LEGAL DIVISION

Organization of the Legal Division, begun the latter part of June 1934, was completed during the fiscal year 1935. The General Counsel, head of the Division, and six Assistant General Counsel have charge of all legal matters of the Department.

During the year the Legal Division prepared analyses and recommendations with respect to approximately 650 congressional bills affecting the Department. The Division also collaborated with the legislative counsel of both Houses of Congress and furnished technical assistance to congressional committees, particularly in matters relating to banking, taxation, and social security legislation.

The Division drafted, among other documents, Executive orders and proclamations relating to newly mined domestic silver, nationalization of silver, restrictions imposed on payment of money out of the German special deposit account, allocation of relief funds for continuance of rural health service, and the release of property held by the Alien Property Bureau; and the Secretary's orders and regulations covering the exportation of silver and importation of foreign silver coin and transactions in foreign exchange. The Division also cooperated with the Department of Justice in preparing a large number of cases in which the Treasury was interested, most outstanding of which were the so-called "gold clause cases." During the year, 83 formal legal opinions and numerous informal opinions were prepared for the information and guidance of the administrative officers of the Department. The legal sufficiency of a number of applications for relief projects was passed upon and approximately 5,000 surety bonds were examined and approved.

The Division conducted several legal research projects, including an analysis of the disposition of Treasury criminal cases in United States District Courts, a general survey of criminal law enforcement problems affecting the Department, and a compilation of statistics concerning Treasury offenders. Progress was also made in analyzing the causes of congestion in income tax and customs litigation. The work of compiling State and municipal ordinances and court decisions relating to public health matters was carried forward during the year. Regulations were drafted governing the admission, custody, and discharge of persons at United States narcotic farms and assistance was rendered to State authorities in connection with the adoption and enforcement of the uniform State narcotic law.

Legal questions were considered in connection with the formulation of regulations, issued June 29, 1935, by the Foreign Trade Zones Board (composed of the Secretaries of Commerce, Treasury, and War) respecting the act approved June 18, 1934, for the establishment, operation, and maintenance of foreign trade zones in the

United States. Assistance was also rendered in formulating the text of foreign trade agreements negotiated with 5 countries and in the course of negotiation with 13 other countries.

The Division was concerned during the year with the legal aspects of the acquisition of 382 sites for construction purposes. A total of 951 contracts covering construction and related work were prepared, and more than 2,000 contracts prepared by the Branch of Supply of the Procurement Division and by other agencies of the Department were examined for legal sufficiency.

A revised edition of "Coast Guard Courts and Boards", and instructions for the guidance of Customs and Coast Guard officers in the enforcement of the Oil Pollution Act of 1924 were prepared during the year. In addition to reviewing the record of proceedings, the Division prepared the action of the reviewing authority in 88 general court cases, 166 summary court cases, and 287 deck court cases, and in 208 boards of inquiry, inquest, and investigation. It reviewed also as to legal aspects the record of proceedings in 116 retiring board cases. Twenty-one claims against the Government involving Coast Guard units and five claims of the Government against private parties involving Coast Guard units were examined and appropriate action in such cases was advised. A total of 23 life-saving medal of honor cases were examined and the necessary action taken to bestow awards in 7 such cases.

In the field of taxation the Division prepared and presented to the United States Board of Tax Appeals the defense in all appeals; reviewed and finally disposed of refunds, credits, and abatements in all cases where the amount involved exceeded \$20,000; decided and advised in various administrative and Internal Revenue matters, including matters arising in corporate reorganization under section 77B of the Bankruptcy Act; prepared data for use in the prosecution or defense of tax cases (civil and criminal) in suit; handled the preparation and publication of regulations, Treasury decisions, and rulings for the guidance of officers and employees of the Bureau of Internal Revenue and others concerned; and reviewed a large number of cases of offers in compromise, extensions of time to pay tax, and closing agreements before transmission from the Commissioner of Internal Revenue to the Secretary for approval. The Division also acted on 922 petitions for the remission or mitigation of the forfeiture of vehicles and other property which had been seized by Government officers for violations of the laws pertaining to the manufacture, sale, and transportation of alcohol.

## BUREAU OF THE MINT

### *Institutions of the Mint Service*

During the fiscal year 1935, six Mint Service institutions were in operation: The coinage mints at Philadelphia, San Francisco, and Denver; the assay office at New York, which handles much import-export gold; the mint at New Orleans conducted as an assay office; and the assay office at Seattle. The two last-named institutions are, in effect, bullion-purchasing agencies for the larger institutions and also serve the public by making assays of ores and bullion. Electrolytic refineries are operated at the New York, Denver, and San Francisco institutions.

*Coinage*

The United States mints executed during the fiscal year 608,414,207 pieces of domestic coin and 68,500,401 pieces for foreign governments, a total of 676,914,608 pieces. This compares with the prior year's total of 65,674,250 pieces consisting of 46,634,250 pieces of domestic coin and 19,040,000 pieces of foreign coin. The output of coins during the year has been exceeded only twice—in 1918 when the total was 766,887,460 pieces, and in 1920, 809,708,484 pieces.

The 1935 output of domestic coins consisted of 134,166,204 pieces of silver coin, including 5,635,557 silver dollar pieces, and 474,248,003 pieces of minor coin, of which 412,266,000 pieces were bronze 1-cent coins. The value of the domestic coinage executed was \$39,131,127.65, as compared with the prior year's \$3,499,125. The coinage mints operated for long periods on the basis of 2 or 3 shifts daily. The great demand for domestic coin during the year reflected increased business activity.

The foreign coinage executed consisted of 67,100,401 silver pieces, 200,000 nickel pieces, and 1,200,000 bronze pieces, for Mexico, Cuba, Panama, Honduras, Nicaragua, Colombia, and Venezuela. The foreign orders were extraordinarily large and were occasioned, in part, by the rise in the price of silver, which necessitated withdrawal from circulation and replacement of the silver coins of some countries because the silver in the old coins would produce greater returns, when marketed, than the face value of the coins.

*Bullion deposit transactions*

A new high record was established during the year for the number of bullion deposit transactions of the mints and assay offices. The total was 226,701 as compared with 115,870 for the preceding year, 73,238 in 1933, 54,105 in 1932, and 36,098 in 1931. The increase over 1934 was more than 95 percent, and over 1931, 528 percent. Receipts of both gold and silver in the form of newly mined metals, secondary material, and imports, and receipts of the nationalized domestic holdings of refined silver, were very large and necessitated large increases in personnel.

*Gold operations*

Gold acquired by the mints and assay offices during the year amounted to \$1,301,432,727.11; gold transfers to the mints and assay offices consisted of \$34,692,338.60 of bullion from the Federal Reserve banks, and \$1,524,989,826.51 of domestic coin from other Treasury offices. Intermint service institution transfers amounted to \$2,081,805,348.96. These items total \$4,942,920,241.18, which compares with \$989,932,126.68 for the prior year.

The acquisitions include \$120,091.28 of gold received at \$20.67+ per fine ounce, which had not previously been surrendered under the nationalization orders; the increment to \$35 per fine ounce amounted to \$83,245.09. The intermint institution transfers consisted almost wholly of gold shipped from the San Francisco Mint to the Denver Mint for storage.

*Silver operations*

Silver acquired during the year totaled 437,798,807 fine ounces, at an average cost of 53+¢ per fine ounce and a total cost of \$232,435,879. The acquisitions consist of the following:

Item	Amount (fine ounces)	Value
Newly-mined domestic silver.....	30,863,349	\$20,214,113
Nationalized silver.....	112,301,335	56,162,471
Purchase Act silver.....	293,737,702	155,587,533
Silver contained in gold bullion deposits, etc.....	599,422	310,834
Silver received in exchange for Government stamped bars.....	296,999	160,928
Total.....	437,798,807	232,435,879

United States coin received for recoinage totaled 5,878,270 fine ounces, with a recoinage value of \$8,125,809; silver deposited in trust by other governments totaled 18,007,498 fine ounces; and silver transfers between Mint Service institutions amounted to 176,401 fine ounces. These items plus the silver acquired during the year amounted to 461,860,976 fine ounces, as compared with 55,707,098 fine ounces for the previous year.

During the year 242,324,825 fine ounces of silver were revalued to \$1.29+ per fine ounce, the statutory monetary value, and set up as security against silver certificates. The monetary value was \$313,308,863; the cost, \$124,320,771; and the seigniorage, \$188,988,092.

The open market price of silver in New York (mean of bid and asked) during the fiscal year 1935 averaged \$0.5764. The lowest point was \$0.463125 on July 23, 24, and 26, 1934; and the highest, \$0.813125 on April 26, 1935. The prior year average was \$0.4254, and the range was \$0.353125 to \$0.470625.

The price paid under the President's proclamations for newly mined domestic silver was \$0.6464+ per fine ounce until April 9, 1935, \$0.7111+ until April 23, and thereafter \$0.7757+.

*Commemorative coins*

The following commemorative half-dollar coins of new design were executed during the year:

Event	Date of law	Pieces
Arkansas, centennial of statehood.....	May 14, 1934	500,000
Connecticut, tercentennial of founding.....	June 21, 1934	25,000
Hudson, N. Y., 150th anniversary of founding.....	May 2, 1935	10,000

Commemorative half dollars which have been authorized but not yet issued are as follows:

Event	Date of law	Pieces
Providence, R. I., tercentennial of founding.....	May 2, 1935	50,000
California-Pacific International Exposition.....	May 3, 1935	250,000
Old Spanish Trail, four hundredth anniversary of opening.....	June 5, 1935	10,000

*Refineries*

The electrolytic refinery at Denver remained closed throughout the year by reason of more urgent activities. The refineries at New York and San Francisco produced during the year 2,388,328 fine ounces

(81.9 tons) of electrolytically refined gold, as compared with 2,387,817 fine ounces (81.8 tons) during the previous year; and 1,336,572 fine ounces (45.8 tons) of electrolytically refined silver, as compared with 703,284 fine ounces (24.1 tons) in the prior year.

The stock of gold and silver in unrefined bullion on hand increased by about 80 tons to 1,009 tons, as compared with the prior year's increase of 99 tons.

### *Stock of coin and monetary bullion in the United States*

On June 30, 1935, the estimated stock of domestic coin in the United States was \$991,097,706, of which \$545,641,802 was standard silver dollars, \$312,416,169 subsidiary silver coin, and \$133,039,735 minor coin.

The stock of gold bullion, including coin, held in the Treasury on the same date was valued at \$9,115,380,809, an increase over the previous year of \$1,259,200,253; the stock of silver bullion was 482,989,512 fine ounces, an increase of 423,512,556 fine ounces.

### *Production of gold and silver*

Domestic gold production during the calendar year 1934 was 3,091,183 fine ounces with a value of \$108,191,400 at \$35 per ounce, as compared with 2,556,246 fine ounces with a value of \$52,842,300 at \$20.67+ per ounce in 1933. The output was about 61 percent in quantity of that for the record year 1915, when the total was 4,887,604 fine ounces, valued at \$101,035,700 at \$20.67+ per ounce.

Domestic silver production during 1934 totaled 32,725,353 ounces, valued at \$21,155,784 on the basis of the Government's buying price of 64+¢ per ounce, as compared with 23,002,629 ounces, valued at \$8,050,920, for 1933. The record production of 1915 was 74,961,075 fine ounces, valued at \$37,397,300.

### *Industrial consumption of gold and silver*

Gold consumption in the industrial arts during the calendar year 1934 is estimated at \$14,232,795. Gold returned from industrial use exceeded the total used by industry by \$61,694,490, as compared with an excess of \$5,792,700 during the previous year.

Silver used in the arts is estimated at 39,678,603 fine ounces, of which 11,492,425 fine ounces was new material.

As compared with the prior year, silver consumption increased about 700,000 ounces while gold consumption decreased about 417,000 ounces.

### *Appropriations, expenses, and income*

Regular appropriations available for the Mint Service during the fiscal year 1935 totaled \$1,108,559; additions for salary rate restorations, \$50,688; allotments for meeting emergency expenses, \$2,009,161; and reimbursements to appropriations for services rendered, \$604,681; making a grand total of \$3,773,089.

Expenses amounted to \$3,573,606, of which \$3,475,340 was chargeable to appropriations and \$98,266 chargeable to income.

The regular income realized by the Treasury from the Mint Service aggregated \$13,899,655, of which \$9,179,144 was seigniorage. The

seigniorage on silver dollar coin was \$2,823,827; on subsidiary silver coin, \$380,632; and on minor coin, \$5,974,635. Extraordinary income aggregated \$189,071,337 of which \$188,988,092 was seigniorage on silver bullion revalued to \$1.29+ per ounce, and \$83,245 was the increment to \$35 per ounce on revalued gold.

The number and value of deposits, transfers, gross income, and expenses for the fiscal year 1935, and the number of employees on June 30, 1935, at each institution are shown in the following table:

*Deposits of gold and silver, income, expenses, and number of employees, by institutions, fiscal year 1935*

Institution	Number of deposits of gold and silver	Number of Mint Service transfers	Monetary value of gold and silver received, including transfers	Gross regular income	Gross expense	Excess of income(+) or of expense (-)	Number of employees, June 30, 1935
Philadelphia.....	65,458	2,646	\$224,550,480	\$5,802,949	\$1,149,802	+\$4,653,147	839
San Francisco.....	70,813	2,733	599,471,312	2,480,100	533,631	+1,946,469	378
Denver.....	13,288	794	2,782,906,816	2,217,986	479,132	+1,738,854	265
New York.....	59,989	6	1,895,055,104	3,346,562	633,158	+2,713,404	283
New Orleans.....	4,909	0	2,932,678	13,212	31,582	-18,370	18
Seattle.....	6,065	0	12,172,925	37,915	34,453	+3,462	15
Discontinued field offices.....	0	0	0	931	102	+829	0
Total.....	220,522	6,179	5,517,089,315	13,899,655	2,861,860	+11,037,795	1,798
Bureau of the Mint.....	0	0	0	0	1,737,005	-737,005	55
Grand total.....	220,522	6,179	5,517,089,315	13,899,655	3,598,865	+10,300,790	1,853
Prior fiscal year.....	115,870	3,176	1,039,079,658	3,118,918	1,248,749	+1,870,169	607

<sup>1</sup> Includes \$624,496 for transportation of bullion, principally for gold movement from San Francisco to Denver mints.

## BUREAU OF NARCOTICS

### *Enforcement activities*

The Bureau's policy of directing its principal enforcement activities against major narcotic law violators has resulted in a progressive reduction in the supply of narcotics available to the domestic illicit traffic. This is indicated by the continued high prices of the drug in the illicit market, the high degree of adulteration found in drugs seized, and the marked decrease in the drugs seized, this decrease being noted in the seizures made at ports and borders. Greatly increased activities on the part of narcotic enforcement officers resulted in increased seizures in the internal traffic, and an increase in the violations reported. The total violations reported by narcotic officers exceeded those reported during the previous year by approximately 35 percent.

The decrease in the supplies of smuggled narcotics has forced peddlers and addicts to turn more and more to the channels of legitimate distribution for their supply. The robbery of wholesale and retail stocks, the forgery and false execution of narcotic prescriptions, and the improper prescribing and dispensing of narcotics are accordingly becoming more of an enforcement problem. Of the total violations reported during the year, 33 percent involved persons registered under the law, as compared with 30 percent involving such persons during the year 1934, 18 percent during 1933, and 14 percent during 1932. However, due to measures initiated by the Bureau to provide in-

creased safeguards and more secure places of storage for narcotic stocks in the hands of registrants, the number of thefts reported and the amounts of drugs involved declined slightly during the year.

The Bureau solicits and continues to receive the cooperation of State and municipal enforcement agencies. The activities of these agencies become more effective with the adoption and enforcement of the Uniform State Narcotic Law. The law was adopted with little or no amendment during the fiscal year 1935 in 18 States—Arizona, Colorado, Connecticut, Delaware, Georgia, Indiana, Louisiana, Maryland, Massachusetts, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, South Dakota, Utah, and West Virginia. This makes a total of 26 States which have adopted this legislation. It had been previously adopted by Florida, Kentucky, Nevada, New York, New Jersey, Rhode Island, South Carolina, and Virginia.

The following table shows the number of cases of violation, by registered and nonregistered persons, of the narcotic laws and the cases disposed of during the fiscal year as reported by Federal narcotic enforcement officers:

*Violations of the narcotic laws and the cases disposed of during the fiscal year 1935*

	Registered persons						Nonregistered persons					
	Federal court			State court			Federal court			State court		
Pending July 1, 1934.....	912						1,211					
Reported during 1935:												
Federal.....	2,068						3,146					
Joint.....	38						1,041					
Total to be disposed of.....	<u>3,018</u>						<u>5,398</u>					
Convicted:												
Federal.....	218			5			1,843			305		
Joint.....	13			4			533			194		
Acquitted:												
Federal.....	10			2			51			13		
Joint.....	1			1			16			11		
Dropped:												
Federal.....	1,179			4			748			49		
Joint.....	23			2			142			29		
Compromised: <sup>1</sup>												
Federal.....	478									1		
Joint.....	8									1		
Total disposed of.....	<u>1,948</u>						<u>3,936</u>					
Pending June 30, 1935.....	1,070						1,462					
	Years	Months	Days	Years	Months	Days	Years	Months	Days	Years	Months	Days
Sentences imposed:												
Federal.....	384	2	24	7	6	0	3,934	6	6	232	9	22
Joint.....	25	6	1	6	0	0	948	11	3	192	0	20
Total.....	409	8	25	13	6	0	4,883	5	9	424	10	12
Fines imposed:												
Federal.....	\$33,376.25			\$501.00			\$100,949.00			\$19,649.74		
Joint.....	2,505.00			425.00			11,797.03			5,528.54		
Total.....	<u>35,881.25</u>			<u>926.00</u>			<u>112,746.03</u>			<u>25,178.28</u>		

<sup>1</sup> Represents 99 cases involving tax liability which were closed on payment of taxes and penalties in the sum of \$872.18; and 389 cases which were compromised in the sum of \$31,498.50.

NOTE.—Federal cases are made by Federal officers working independently, while joint cases are made by Federal and State officers working in cooperation with each other.

*Extent and trend of narcotic traffic*

On June 30, 1935, there were 325,465 registrants under the Harrison Narcotic Law, as amended, 206 as importers and manufacturers, 1,405 as wholesale dealers, 51,080 as retail dealers, 148,317 as practitioners, and 124,457 as dealers in and manufacturers of untaxed narcotic preparations, the latter number including registrants not required to pay occupational tax under the act.

During the year 120,490 pounds of opium were imported, as compared with importations of 131,194 pounds during the previous year, or a decrease of 10,704 pounds. Coca leaves were imported for medicinal purposes only and amounted to 194,132 pounds, as compared with importations of 246,679 pounds during the previous year, or a decrease of 52,547 pounds.

Exports of narcotic drugs of all kinds amounted to 1,551 ounces in 1934 and 1,579 ounces in 1935, or an increase of 28 ounces. The drugs exported during 1935 involved 38,824 taxable ounces of products.

The net quantity of pure drugs of all kinds sold to domestic purchasers by manufacturers amounted to 375,248 ounces, as compared with sales of 374,622 ounces during the previous year.

**DIVISION OF PRINTING**

Treasury Department Order No. 10, of April 23, 1935, changed the name of the Division of Supply to the Division of Printing, and transferred to the Procurement Division the purchasing functions and the storage and distribution of stationery supplies.

The Division of Printing transacts all of the Treasury Department's printing and binding business with the Government Printing Office. This involves the placing of all orders, the handling of all inquiries regarding deliveries, estimates of cost, copy, proof, instructions, and the auditing of vouchers covering payments in connection therewith. It is charged with editing and preparing weekly "Treasury Decisions" under customs, internal revenue, narcotics, and other laws; preparing semiannual bound volumes thereof, and maintaining a mailing list for their distribution. It is also charged with the responsibility of authorizing engraving work to be done by the Bureau of Engraving and Printing for all Government departments and establishments unless money, bonds, or stamps are involved; control over newspaper and periodical advertising for the Treasury Department; binding confidential Department records; and the warehousing and distribution of blank books and forms for Washington and field offices of the Department. Appropriations to the Department for printing and binding and for purchases of stationery supplies are under the administrative control of the Division.

The total expenditures<sup>1</sup> of the Division during each of the past 2 fiscal years are shown in the following table:

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<sup>1</sup> The table showing expenditures from allotments made to the Division from various appropriations, formerly appearing in the report of the Division of Supply is included in the report of the Branch of Supply, Division of Procurement. (See p. 147.)



*Expenditures for the fiscal years 1934 and 1935, by appropriations*

Appropriation	1934	1935
Printing and binding, Treasury Department.....	<sup>1</sup> \$597, 638. 51	<sup>1</sup> \$672, 639. 00
Printing and binding, Treasury Department 1935-36 (second deficiency).....		5, 000. 00
Printing and binding, other appropriations.....	282, 420. 69	333, 224. 32
Stationery, Treasury Department.....	359, 248. 74	454, 599. 80
	1, 239, 307. 94	1, 465, 463. 12

<sup>1</sup> Includes receipts from sales of customs forms (reimbursed to the appropriation).

*Printing and binding*

The appropriation for printing and binding for the fiscal year 1935 was \$525,000. This amount proved insufficient to cover the needs of the Treasury Department, and \$78,750 was transferred from the appropriation "Collecting the Internal Revenue, 1935", as well as \$24,750 from the indefinite appropriation carried in the act of March 28, 1934, which provides funds to cover the increased cost due to legislation reducing hours of labor in the Government Printing Office. It was also necessary to obtain \$17,500 in the First Deficiency Act. With these additions, \$646,000 was available from appropriations for 1935. Due to the heavy demands made on the Department for printing and binding, it later was necessary to obtain additional funds in the Second Deficiency Act of 1935-36, in the sum of \$48,760. Of this amount, \$5,000 was applied to cover encumbrances for 1935. Thus there was available from appropriations a grand total of \$651,000 for printing and binding for the Treasury Department in the fiscal year 1935.

Reimbursements of \$26,839 from sales of customs forms increased the total available amount to \$677,839. Of this sum, \$677,639 was expended, leaving an unobligated balance of \$200. In addition, \$333,224 was expended from appropriations other than the printing and binding appropriation made by Congress, bringing the total expenditure to \$1,010,863.

*Appropriations, expenditures, and reimbursements for printing and binding for the fiscal years 1934 and 1935<sup>1</sup>*

## SUMMARY

	1934	1935
Appropriation, printing and binding, Treasury Department.....	\$575, 000. 00	\$646, 000. 00
Printing and binding, Treasury Department, 1935-36 (second deficiency).....		5, 000. 00
Reimbursements from sales of customs forms.....	23, 714. 50	26, 839. 00
Expended from other appropriations.....	282, 420. 69	333, 224. 32
Total available.....	881, 135. 19	1, 011, 063. 32
Total expenditures.....	880, 059. 20	1, 010, 863. 32
Balance.....	1, 075. 99	200. 00

<sup>1</sup> Figures subject to slight variations, due to necessary delays in receiving bills from the Public Printer for certain items until pending work is completed after the close of each fiscal year.

*Appropriations, expenditures, and reimbursements for printing and binding for the fiscal years 1934 and 1935—Continued*

EXPENDITURES FROM APPROPRIATIONS FOR PRINTING AND BINDING, BY BUREAUS, OFFICES, AND DIVISIONS

	1934	1935
Secretary, Under Secretary, and Assistant Secretaries.....	\$8,701.77	\$8,874.72
Appointment Division.....	449.45	495.02
Bookkeeping and Warrants Division.....	23,684.55	27,290.86
Bureau of Engraving and Printing.....	4,134.92	4,976.53
Bureau of Industrial Alcohol.....	19,248.21	.....
Bureau of Narcotics.....	4,474.36	3,840.71
Chief Clerk and Superintendent.....	1,562.17	538.40
Coast Guard.....	18,151.31	23,080.16
Commissioner of Accounts and Deposits.....	394.32	882.61
Comptroller of the Currency.....	27,133.20	25,101.29
Custodians of public buildings.....	<sup>2</sup> 710.33	( <sup>3</sup> )
Customs.....	31,969.15	51,701.12
Division of Disbursement.....	595.07	642.77
Division of Supply (Printing) <sup>3</sup> .....	7,022.75	<sup>3</sup> 4,139.43
General Supply Committee (Procurement—Bureau of Supply) <sup>1</sup> .....	<sup>1</sup> 41,552.79	<sup>2</sup> 44,795.77
Government Actuary.....	1,683.39	1,782.10
Internal Revenue.....	227,325.90	292,267.38
Mint.....	5,583.85	6,923.28
National bank depositories.....	1,787.62	1,602.77
Public Debt Service.....	10,445.35	12,588.20
Public Health.....	50,477.87	54,747.39
Secret Service.....	723.40	696.97
Supervising Architect (Procurement—Public Works Bureau) <sup>2</sup> .....	<sup>2</sup> 3,700.65	<sup>2</sup> 6,571.34
Treasurer of the United States.....	13,818.95	12,196.52
Miscellaneous and department stock.....	68,592.68	65,064.66
<b>Total.....</b>	<b>573,924.01</b>	<b>650,800.00</b>

<sup>1</sup> In October 1933, there were transferred to the Procurement Division the custodians of public buildings, General Supply Committee, and Office of Supervising Architect.  
<sup>2</sup> In April 1935, title changed to Division of Printing.

REIMBURSED AND EXPENDED FROM OTHER APPROPRIATIONS

	1934	1935
Administration of the Cotton Act, 1934 (transferred to Internal Revenue, administrative expenses).....	\$5,545.07	\$57,487.35
Advances to Department of Agriculture under Tobacco Act of June 28, 1934 (transferred to Internal Revenue, administrative expenses).....	.....	1,376.04
Advances to Agricultural Adjustment Administration:		
Division of Disbursement.....	.....	821.94
Internal Revenue.....	73,174.95	46,015.33
Treasurer of the United States.....	809.01	2,103.12
Civil Works Administration.....	90,475.57	2,262.05
Collecting the revenue from customs.....	268.75	.....
Contingent expenses, national currency:		
Comptroller of the Currency.....	1,636.31	356.87
National Bank Redemption Agency.....	14,190.70	2,233.53
Customs Service, Puerto Rico Tariff Fund.....	.....	12.76
Emergency Conservation Fund.....	53.95	.....
Emergency Relief, administrative expenses.....	.....	28,038.27
Expenses, Emergency Banking, Gold Reserve and Silver Purchase Acts.....	1,585.74	12,920.54
Expenses, National Banking Emergency Act of Mar. 9, 1933.....	8,917.79	.....
Expenses of loans (act of Sept. 24, 1917, as amended and extended).....	34,186.36	125,589.75
Expenses, Settlement of War Claims Act of 1928.....	108.21	27.21
Federal Deposit Insurance Corporation.....	33,200.20	.....
Fuel yard, Procurement Division.....	31.63	.....
General Expenses, Agricultural Adjustment Administration (transferred to Treasury Department, Division of Disbursement).....	594.00	1,941.47
Insolvent National Bank Fund.....	215.50	648.97
National Industrial Recovery.....	851.84	122.53
Procurement Division.....	.....	1,023.25
Salaries and expenses, Bureau of Engraving and Printing.....	704.99	584.32
Salaries and expenses, Division of Disbursement.....	2,864.67	20,792.18
Salaries and expenses, national bank examiners.....	9,945.71	10,639.56
Working Fund, Emergency Relief.....	3,028.39	.....
Working Fund, Home Owners' Loan Corporation.....	31.35	.....
Working Fund, Treasury Department:		
Division of Disbursement.....	.....	15,431.07
Public Health Service.....	.....	83.10
Treasurer of the United States.....	.....	2,713.11
Customs Service, blank forms.....	282,420.69	333,224.32
	23,714.50	26,839.00
<b>Total.....</b>	<b>306,135.19</b>	<b>360,063.32</b>

*Stationery supplies*

The appropriations, reimbursements, and expenditures for articles of stationery for the past two years are summarized in the following table:

*Appropriations, reimbursements, and expenditures for stationery for the fiscal years 1934 and 1935*

	1934	1935
Appropriations.....	\$325,000.00	\$413,000.00
Reimbursements.....	34,513.08	42,100.00
Available credits.....	359,513.08	455,100.00
Total expenditures.....	359,248.74	454,599.80
Balance.....	264.34	500.20

*Department advertising*

Authorizations to publish advertising were issued to 4,604 newspapers and periodicals in the fiscal year 1935, compared with 2,605 in 1934, an increase of 1,999. The expenditures authorized were \$37,911.20 in 1934 and \$57,060.42 in 1935, an increase of \$19,149.22.

*Engraving work*

A total of 99,756,992 certificates, checks, commissions, drafts, transportation requests, and warrants was approved by this office for execution by the Bureau of Engraving and Printing for the several departments and establishments of the Government during the fiscal year 1935, compared with 142,025,685 in the preceding year.

**PROCUREMENT DIVISION**

The functions of all agencies pertaining to policies and methods of procurement, warehousing and distribution of property, facilities, structures, improvements, equipment, and supplies are consolidated in the Procurement Division, which comprises two main branches, the Branch of Supply and the Public Works Branch.

During the fiscal year 1935 the Procurement Division took an important part in the organization of the Works Progress Administration and in the formulation of its policies especially with respect to contracts and purchases. The Executive order of May 6, 1935, directed the Secretary of the Treasury, through the Director of Procurement, to purchase, or to provide a system for the purchase of, all materials, supplies, and equipment to be procured from funds allotted under the Emergency Relief Appropriation Act of 1935. The basis for the Executive order of June 24, 1935, defining the methods of procedure under which projects shall be prosecuted was prepared by the Division.

*Branch of Supply*

The Branch of Supply determines policies and methods of procurement, warehousing, and distribution of property, equipment, and sup-

plies. During the fiscal year 1935, further consolidation of functions was effected, including: The transfer of the purchasing functions and activities involving the storage and distribution of stationery and supplies of the Division of Supply of the Treasury Department; transfer of all records of the General Counsel pertaining to real estate acquired by the United States in nonpayment of debts; and transfer of the functions of the Federal Contract Board, the Federal Specifications Board, and the Federal Standard Stock Catalog Board, which were abolished. The regulations of the Secretary of the Treasury and the Attorney General issued on February 27, 1935, provide that forfeitures of distilled spirits, including pure and denatured alcohol and wines, shall be reported to the Director of Procurement and disposed of as provided by regulations governing the operations of the Branch of Supply.

In connection with purchases made during the fiscal year, 17,409 bids were received involving 51,398 samples, and 6,789 contracts were awarded, the value of which aggregated approximately \$37,000,000.

Consolidated contracts were executed during the year covering tank car, tank wagon, and steel drum deliveries of motor gasoline for all Federal activities in 12 States, and, effective July 1, 1935, covering drayage service for all Federal activities in 55 cities.

Material, supplies, and equipment received at the Federal warehouse amounted to 26,723,095 pounds, and deliveries to departments and establishments aggregated 21,681,459 pounds. The number of items stocked in the warehouse increased from 850 on July 1, 1934, to 1,925 on June 30, 1935.

The fuel yards issued and delivered to the departments and establishments 318,766 tons of coal, 247 cords of wood, 10 tons of charcoal, 71 tons of coke, and 70,338 barrels of oil, valued at \$1,925,266. Storage and reimbursable work performed amounted to \$42,296.

The typewriter repair shop completed 1,579 overhauls and 13,265 adjustments of typewriters for Government activities in Washington, representing charges of \$20,601.

The Federal Real Estate Section handled 4,013 requests for clearance to lease property, 84 applications to purchase, 39 applications to sell real property, and 93 transfers of land or buildings among the departments and establishments, including 57 C. C. C. camps declared surplus by the Director of Emergency Conservation Work. In the active Federal buildings, 129 assignments of space to Federal activities were effected, and 84 assignments of space were made in abandoned Federal buildings.

The Federal Traffic Section issued 2,636 routing orders, covering 29,666 cars, in addition to routing 6,068 less-than-carload shipments, and furnished 51,952 rate quotations to the departments and establishments.

The Federal Specifications Division promulgated 112 new specifications, 50 revisions, and 93 amendments to Federal specifications, bringing the total specifications in effect to 989. In addition 76 new proposed specifications and 61 proposed revisions were submitted to the departments for comment and criticism.

The Federal Surplus Property Section handled 2,821 lists of surplus property in the field, effecting 2,270 transfers to Federal activities and granting 1,583 clearances for sale. There were transferred to Federal activities 6,856 gallons of forfeited alcohol and 820 gallons of

whisky. Proceeds from the sale of surplus property at auction and waste material in the District of Columbia amounted to \$89,765.

The Motor Equipment Section completed 3,287 repair orders and dispensed 203,035 gallons of gasoline and 7,118 gallons of oil.

During the fiscal year numerous requests of executive departments to deviate from standard forms were handled, recommendations were submitted to the Director of Procurement for the revision of standard forms, and studies were made of contracts and contract procedure.

The Federal Catalog Section accomplished considerable work in connection with the preparation and revision of sections 1, 2, and 3 of the Federal Standard Stock Catalog, together with checking and arranging the stock lists of the various departments and establishments.

There were 135 Federal business associations, whose membership comprises Federal officials and employees, actively functioning as agents of the Director of Procurement. The associations rendered considerable assistance to the Procurement Division in the preparation and execution of consolidated drayage contracts, and made distinct achievements in the loan of property and surveys of electric power consumed by Federal activities.

Until certain sections of the National Industrial Recovery Act were declared invalid, the Branch of Supply acted as general liaison officer between the Government activities and the National Recovery Administration in matters arising from the application of Executive Order No. 6646.

The financial status of the Branch of Supply at the close of the fiscal year 1935 is shown on the attached statements:

*Statement of the working assets of the Branch of Supply for the fiscal year 1935*

Inventory, June 30, 1934:		
Warehouse (marked-up basis).....	\$242,378.68	
Less warehouse mark-up.....	11,541.84	
Warehouse (cost).....	\$230,836.84	
Fuel yard (cost).....	14,579.28	
Motor equipment (cost).....	5,297.50	
Typewriter repairs (cost).....	210.00	
Opening inventory.....	\$250,923.62	
Purchases.....	5,334,243.63	
Total.....	5,785,167.25	
Less cost of goods sold.....	5,173,336.06	
Closing inventory June 30, 1935:		
Warehouse (marked-up basis).....	594,166.32	
Less warehouse mark-up.....	28,176.24	
Warehouse (cost).....	565,990.08	
Fuel yard (cost).....	37,538.34	
Motor equipment (cost).....	7,058.50	
Typewriter repairs (cost).....	1,244.27	
Closing inventory, June 30, 1935.....	611,831.19	

*Balance sheet of the Branch of Supply as of June 30, 1935*

## ASSETS

Current assets:	
Treasury cash.....	\$150,882.25
Disbursing officer's cash.....	145,234.47
Disbursing officer's cash, special deposit.....	38,771.79
Liberty bonds in trust.....	2,400.00
Accounts receivable.....	\$560,512.46
Less undistributed receipts.....	228.37
Accounts receivable, typewriter repairs.....	560,284.09
Accounts receivable, general fund revenue.....	8,417.39
Total current assets.....	910,995.36
Inventories and deferred charges:	
Inventory, warehouse (cost).....	565,990.08
Inventory, fuel yard stores.....	37,538.34
Inventory, garage stores.....	7,058.50
Inventory, typewriter repair stores.....	1,244.27
Inventory, rejected material.....	611,831.19
Unbilled costs (appropriations).....	12,889.40
Deferred charges, 1934 and prior years.....	3,905.39
Advances, Supply Division.....	13,453.96
Advances, Supply Division.....	450.79
Total inventories and deferred charges.....	642,530.73
Fixed assets:	
Equipment.....	18,883.80
Less reserve for depreciation.....	9,974.48
Land, buildings, donated.....	8,909.32
Equipment, donated.....	482,984.32
Equipment, donated.....	127,327.65
Total fixed assets.....	619,221.29
Total assets.....	2,172,747.38

## LIABILITIES

Current liabilities:	
Unvouchered invoices.....	\$462,636.70
Special deposit obligations.....	38,771.79
Liberty bond accountability.....	2,400.00
Surplus property accountability.....	8,417.39
Rejected material returnable to contractors.....	12,889.40
Total current liabilities.....	525,115.28
Reserves:	
General fund revenues, 1934 <sup>1</sup> .....	121,999.39
General fund revenues, 1935.....	138,300.44
Total reserves.....	260,299.83
Fixed liabilities, appropriations and surplus:	
Property and equipment, donated.....	610,311.97
Unencumbered appropriations.....	5,592.46
Unliquidated expenses, appropriations.....	13,797.84
Capital, general supply fund.....	751,734.85
Surplus, general supply fund.....	2,873.50
Surplus, reserve, typewriter repairs, general fund revenue.....	3,021.65
Total fixed liabilities.....	1,387,332.27
Total liabilities.....	2,172,747.38

In view of the transfer of the purchasing functions of the Division of Supply to the Procurement Division, the following statement of expenditures by the Division of Supply for the fiscal year 1934 and approximately 10 months of the fiscal year 1935 is included in the report of the Branch of Supply:

<sup>1</sup> General fund revenue transferred to miscellaneous receipts during July 1935.

*Expenditures by Division of Supply for the fiscal year 1934 and 10 months of 1935,  
by appropriations<sup>1</sup>*

Bureaus and offices, and titles of appropriations	1934	1935
<b>Chief Clerk and Superintendent:</b>		
Contingent expenses, Treasury Department.....	\$105,961.73	\$48,935.39
Library.....	464.41	759.08
Working fund, Civil Works Administration.....	140,514.76	528.98
National Industrial Recovery, Emergency Council.....		17,588.02
<b>Total.....</b>	<b>246,940.90</b>	<b>67,811.47</b>
<b>Division of Bookkeeping and Warrants, contingent expenses, public moneys.....</b>	<b>1,952.07</b>	<b>3,616.05</b>
<b>Bureau of Customs, collecting the revenue from customs.....</b>	<b>333,082.83</b>	<b>342,272.90</b>
<b>Public Health Service:</b>		
Pay of personnel and maintenance of hospitals.....	1,500,239.65	1,558,519.90
Quarantine service.....	173,112.84	95,772.55
Interstate quarantine service.....	874.12	412.44
Maintenance, National Institute of Health.....	33,899.80	29,580.00
National Institute of Health, conditional gift fund.....		200.00
Field investigations.....	17,144.56	13,425.42
Preventing the spread of epidemic diseases.....	43,011.69	20,184.75
Preventing the spread of epidemic diseases, 256,632 typhus Expenses, Division of Venereal Diseases.....		19.40
Control of biologic products.....	3,231.31	3,636.40
Books.....	12,991.30	8,006.74
Studies of rural sanitation.....	418.36	425.50
Educational exhibits.....	311.33	271.32
Expenses, Division of Mental Hygiene.....	421.39	120.34
Working fund, Civil Works.....	260.83	238,332.00
Working fund, Beltsville (Md.) public works.....	44,750.45	1,749.55
Working capital fund, narcotic farms.....	34.87	35,984.37
Working fund, Treasury Department emergency relief.....		1,487.30
National Industrial Recovery.....	78,266.39	83,864.24
Department of Justice transfers to Public Health Service: Medical and hospital services, penal institutions.....	84,144.35	47,134.78
<b>Total.....</b>	<b>1,993,113.24</b>	<b>2,139,177.00</b>
<b>Procurement Division:</b>		
Branch of Supply.....	8,650.51	5,069.08
Public Works Branch (account public buildings):		
Repairs and preservation.....	82,539.64	108,059.85
Mechanical equipment.....	115,517.82	118,999.19
Vaults and safes.....	10,433.68	3,194.75
General expenses.....	55,368.34	50,000.00
Furniture and repairs.....	478,797.68	42,347.06
Operating supplies.....	859,426.58	29,183.01
<b>Total.....</b>	<b>1,610,734.25</b>	<b>356,852.94</b>
<b>Bureau of Internal Revenue:</b>		
Collecting the internal revenue.....	165,411.51	394,833.80
Advances to Agricultural Adjustment Administration (transfer to In- ternal Revenue, administrative expenses).....	304,762.81	158,101.52
Administration of Cotton Act.....		360,047.25
Advances to Department of Agriculture under Tobacco Act.....		5,134.05
<b>Total.....</b>	<b>470,174.32</b>	<b>918,116.62</b>
<b>Bureau of Narcotics, salaries and expenses.....</b>	<b>4,485.06</b>	<b>14,321.16</b>
<b>Bureau of Industrial Alcohol, salaries and expenses.....</b>	<b>25,260.09</b>	
<b>Public Debt Service:</b>		
Expenses of loans (act Sept. 24, 1917, as amended and extended).....	83,577.52	107,625.29
Public Debt Service.....	14,732.22	12,215.95
<b>Total.....</b>	<b>98,309.74</b>	<b>119,841.24</b>
<b>Division of Disbursement, salaries and expenses.....</b>	<b>27,783.74</b>	<b>52,337.64</b>
<b>Total appropriations and allotments.....</b>	<b>4,811,836.24</b>	<b>4,014,347.02</b>
<b>Purchases from appropriations from which no allotments were made.....</b>	<b>559,502.21</b>	<b>517,640.15</b>
<b>Grand total.....</b>	<b>5,371,338.45</b>	<b>4,531,987.17</b>

<sup>1</sup> In previous annual reports this table was shown under the Division of Supply.

*Public Works Branch*

The functions of the Public Works Branch are to collect and prepare for submission to Congress data and estimates for public building projects; to acquire land for public building sites; to prepare plans, specifications, and estimates for public building construction and to take bids and award contracts therefor; to supervise the construction, remodeling, extension, etc., of public buildings; to repair all public buildings formerly under control of the Treasury Department, which were transferred to the custody of the Post Office and Interior Departments under Executive order of June 10, 1933; and to operate, repair, equip, and maintain all public buildings in the custody of the Treasury Department outside of the District of Columbia.

*Office of the Supervising Architect.*—During the year an advisory committee on engineering was established, consisting of 5 consulting engineers, 2 of whom are specialists in mechanical and electrical engineering and 3 in structural engineering. This committee was appointed to assist the Supervising Architect in a review of the present practice and procedure of the engineering departments to determine any necessary changes with respect to the selection of suitable designs for buildings. As a result a Manual of Design in the form of a code is being prepared to serve as a guide in the development of plans and specifications for new structures. The committee has also undertaken the solution of special engineering problems assigned to it in connection with specific building projects.

A directive board was established to study the requirements of each project in its preliminary stage, taking into consideration the best utilization of the site selected, the general character of the design in its broad sense, the selection of the most appropriate materials for construction and finish, the availability of local materials, the relationship of the proposed building to its surroundings, and the development of an equitable balance in the use of materials that will spread the benefits of the public building program as much as possible among all producing industries.

*Office of the Supervising Engineer.*—The reorganization of this office, completed during the year, has resulted in improved coordination of the work. To facilitate control of the various functions and widely distributed personnel engaged in field work, the United States and its immediate territories were divided into eight districts, with headquarters located in a city in each district. Approximately 15,000 persons were employed directly and 100,000 persons indirectly in the execution of more than 1,500 contracts, ranging from \$500 to \$10,000,000.

The facility to make immediate site surveys and soil investigations at any place within the United States was perfected during the year.

An important adjunct of the Supervising Engineer's Office is the activity of an independent corps of special inspection engineers whose reports represent individual criticism of design, construction, and personnel. Their suggestions are finding valuable reflection in the character of design, nature of materials, and methods of construction used in public buildings.

*Section of Painting and Sculpture.*—This section was organized on October 16, 1934, for the purpose of securing suitable paintings and sculpture for the embellishment of public buildings and to stimulate the development of art in this country.



The executives of the section are in close touch with the art developments throughout the country as the result of their work in directing the former Public Works of Art Project of the Treasury Department. Under their direction competitions were instituted for national, regional, and State projects. These competitions were open and invited, and it is estimated that about 800 artists participated. During the year 824 sketches by 352 artists were passed upon by local committees and submitted to the Procurement Division.

During the year the section reviewed 854 public buildings in connection with art projects. Of these, 286 projects were authorized, 121 are still under consideration, and 447 were discarded for lack of space or insufficient funds.

The section publishes periodically a bulletin containing information about the projects that are under way and about those which it expects to initiate. During the year 575 photographs of the works of various artists were added to the large photographic file which had been transferred to the section from the Public Works of Art Project.

A number of artists were placed in civilian conservation camps by the section. In this connection, 100 painters have been placed in camps and 3,000 pictures have been received from them.

At the beginning of the fiscal year 1936, the section will be supplemented by the Treasury Relief Art Project, designed to select from artists on the relief rolls about 450 painters and sculptors to create murals and sculptures for public buildings.

*Original public building program.*—During the year 124 projects, with a total limit of cost of \$259,565,882, were completed under the original public building program. Of the 735 construction projects previously under contract, 702, with a total limit of cost of \$430,207,564, were completed by June 30, 1935; and 33 projects, with a total limit of cost of \$12,792,575, remained under contract.

*Program under the Public Works Administration.*—The number of allotments for public buildings by the Administration of Public Works under the National Recovery Act, approved June 16, 1933, was reduced during the year from 465 to 442, due chiefly to the fact that the Post Office Department was able to effect reductions in the cost of leases of property for post office uses to an extent that rendered the construction of proposed new buildings unnecessary. Additional authorizations increased the total of the allotments during the year from \$67,410,788 to \$70,850,768.

The status of work under this program on June 30, 1935, is shown in the following table:

Status	Number of projects	Limit of cost <sup>1</sup>
Authorized by the Public Works Administration.....	442	\$70,850,768.55
Completed.....	27	2,978,675.36
Under contract.....	283	45,806,288.19
Bids in, on the market, or in specification stage.....	101	16,559,295.00
Drawing stage.....	17	1,713,510.00
Sites selected and surveys ordered.....	3	779,000.00
Sites advertised for, examined, and awaiting selection.....	11	3,014,000.00
Total.....	442	70,850,768.55

<sup>1</sup> Includes augmentations from the \$2,500,000 fund provided by the Emergency Appropriation Act of June 19, 1934.

The value of contracts awarded both for land and construction and of certain administrative expenses incident thereto, as of June 30, 1935, was \$47,990,207.87, leaving \$22,860,560.68 unobligated.

*Relief program.*—The Emergency Relief and Construction Act of 1932, approved July 21, 1932, authorized and appropriated \$100,000,000 for public building projects. Under the act of March 31, 1933, all moneys previously appropriated for public works, unless obligated in connection with projects on which actual construction had been commenced, or might be commenced within 90 days, were allocated to the conservation program. The following table gives an accounting to June 30, 1935, of the appropriation for public building projects under the Emergency Relief and Construction Act:

Appropriated.....		\$100,000,000.00
Transferred to:		
Emergency Conservation fund.....	\$92,875,200.00	
Office appropriations.....	308,241.65	
		93,183,441.65
Retained by Public Works Branch.....		6,816,558.35
Expended to June 30, 1934.....	4,570,792.52	
Obligated but not expended, June 30, 1934.....	557,222.37	
		5,128,014.89
Unobligated balance, June 30, 1934.....		1,688,543.46
Fiscal year 1935:		
Purchase of 9 sites, etc., \$185,276.95, from funds obligated but not expended on June 30, 1934 (\$557,222.37). Net cancelation of obligations.....		371,945.42
Unobligated balance, June 30, 1935.....		2,060,488.88

*Emergency construction program.*—In the Emergency Appropriation Act approved June 19, 1934, \$65,000,000 was appropriated for the emergency construction of public buildings outside the District of Columbia, to be selected by the Secretary of the Treasury and the Postmaster General from public building projects specified in statements 2 and 3 in House Report 1879, Seventy-third Congress. There was also authorized the expenditure of \$2,500,000 from Public Works Administration funds for permitting increases up to 10 percent in the limits of cost of both Public Works Administration and Emergency Construction projects when the bid of the lowest responsible bidder exceeds the amount previously made available for any project.

Under this legislation, 355 projects were selected during the year with a total limit of cost of \$65,166,945. The status of work under this program on June 30, 1935, is shown in the following table:

Status	Number of projects	Limit of cost <sup>1</sup>
Authorized.....	355	\$65,166,945
Completed.....	1	50,000
Under contract.....	160	22,901,145
Bids in, on market, or in specification stage.....	118	23,131,500
Drawing stage.....	56	17,508,300
Sites selected and surveys ordered.....	3	170,000
Sites advertised for, examined, and awaiting selection.....	17	1,406,000
Total.....	355	65,166,945

<sup>1</sup> Includes augmentations from the \$2,500,000 fund provided by Emergency Appropriation Act of June 19, 1934.

The value of contracts awarded both for land and construction and the amount of certain administrative expenses incident thereto as of June 30, 1935, were \$25,310,169.86, leaving \$39,856,775.14 unobligated.

*Private architectural services.*—Under the authorization by Congress for the employment of private architects to the extent deemed necessary by the Secretary of the Treasury, contracts had been made at the end of the fiscal year 1934 with architectural firms for 301 projects. During the fiscal year 1935, 61 additional contracts were made and 194 of those previously in force were terminated or settled, leaving 168 contracts in force at the end of the fiscal year 1935.

*Administration and cost of Federal buildings under the control of the Treasury Department.*—The administration, number, and cost of completed buildings under the control of the Treasury Department (exclusive of land) as of June 30, 1935, are shown in the following table. The control of these buildings is charged to the Procurement Division, and repairs thereto are payable from annual appropriations for repairs to public buildings.

Buildings administered by—	Number	Cost
Post Office Department.....	1, 673	\$369, 271, 393. 01
Interior Department.....	11	4, 333, 780. 12
Procurement Division.....	81	52, 595, 575. 36
Procurement Division, Federal buildings (old) which have reverted to custody of the Treasury Department.....	1 74	15, 499, 456. 94
Bureau of the Mint.....	5	8, 546, 380. 06
Chief Clerk, Treasury Department.....	4	11, 290, 964. 86
Public Health Service, marine hospitals.....	2 31	22, 229, 199. 27
Public Health Service, quarantine stations.....	26	6, 198, 530. 06
Total.....	1, 905	489, 965, 279. 68

<sup>1</sup> Includes 20 vacant buildings, 40 old buildings used by emergency relief agencies, 10 old buildings used by other Government agencies, and 4 old buildings rented for commercial purposes.

<sup>2</sup> Includes Public Health Building, Cincinnati, Ohio; Public Health Building, Philadelphia, Pa.; and National Institute of Health, Washington, D. C.

*Expenditures.*—Expenditures for all purposes by the Public Works Branch during the fiscal year 1935, together with outstanding contract liabilities and unencumbered balances of appropriations, are shown in the following statement:

*Expenditures and contract liabilities charged against appropriations for the fiscal year 1935, and unencumbered balances as of June 30, 1935*

	Expenditures	Contract liabilities charged against appropriation	Unencumbered balances, June 30, 1935
Statutory roll.....	\$286, 242. 08	\$77. 92	1 \$286, 313. 53
Sites and additional land.....	6, 998, 371. 19	10, 052, 889. 39	274, 062. 50
Construction of new buildings.....	33, 484, 105. 71	43, 909, 556. 53	56, 567, 101. 98
Extension to buildings.....	9, 530, 931. 12	4, 352, 565. 98	11, 423, 695. 91
Miscellaneous special items.....	725, 516. 21	408, 363. 82	257, 499. 08
Administrative expenses, Public Works Administration projects.....	2, 952, 806. 36	506, 053. 27	3, 605, 119. 11
Emergency Appropriation Act, June 19, 1934:			
Administrative expenses, emergency construction projects.....	2, 010, 041. 82	473, 033. 88	3, 678, 738. 52
Administrative expenses, emergency repairs projects.....	100, 620. 62		39, 379. 38
Emergency repairs to public buildings, etc.....	613, 650. 85	233, 830. 70	552, 518. 42
Unallotted appropriations.....			5, 193, 516. 32
Furniture for triangle buildings.....	280, 082. 95	89, 539. 90	102, 831. 15
Lands and other property of the United States.....			350. 00
Repairs and preservations of public buildings.....	623, 784. 80	208, 646. 11	2 492, 948. 64
Mechanical equipment for public buildings.....	528, 561. 93	114, 148. 81	3 294, 161. 35
Vaults and safes for public buildings.....	11, 676. 57	9, 038. 81	4 407, 323. 41

<sup>1</sup> Includes \$215,000 reserve 1934.

<sup>2</sup> Includes \$350,000 reserve 1934.

<sup>3</sup> Includes \$200,000 reserve 1934.

<sup>4</sup> Includes \$254,355 reserve 1934.

*Expenditures and contract liabilities charged against appropriations for the fiscal year 1935, and unencumbered balances as of June 30, 1935—Continued*

	Expenditures	Contract liabilities charged against appropriation	Unencumbered balances, June 30, 1935
Furniture and repairs of same for public buildings.....	\$88,910.34	\$75,314.72	<sup>5</sup> \$3,103,949.26
Operating supplies for public buildings.....	321,602.68	262,413.29	<sup>6</sup> 447,606.78
General expenses for public buildings.....	587,145.62	37,622.63	<sup>7</sup> 1,406,376.15
Rent of temporary quarters.....	\$1,562.21	6,841.16	<sup>8</sup> 390,798.86
Outside professional services.....	490,582.06	\$20,898.07	<sup>9</sup> 138,920.88
Operating force for public buildings.....	1,209,131.34	10,500.00	<sup>10</sup> 6,799,600.18
<b>Total</b> .....	<b>60,925,326.49</b>	<b>61,571,334.99</b>	<b>95,462,811.41</b>

<sup>5</sup> Includes \$2,660,043 reserve 1934.

<sup>6</sup> Includes \$337,231 reserve 1934.

<sup>7</sup> Includes \$1,043,525 reserve 1934.

<sup>8</sup> Includes \$388,063 reserve 1934.

<sup>9</sup> Deficit.

<sup>10</sup> Includes \$2,920,000 reserve, 1934; \$5,000, 1935.

The following table, pursuant to the act approved June 6, 1900 (31 Stat. 592), shows the total expenditures to June 30, 1935, for all purposes for buildings constructed by the Treasury Department.

*Cumulative expenditures, by types, on each class of public buildings constructed by the Treasury Department to June 30, 1935*

	Construction	Extension, alterations and special items	Annual repairs	Total expenditures, June 30, 1935
Post-office, courthouse, customhouse buildings, etc.....	\$172,823,803.08	\$35,096,989.97	\$21,429,334.18	\$229,350,127.23
Courthouse buildings.....	10,438,173.80	602,920.94	628,583.79	11,669,678.53
Customhouse buildings.....	24,117,842.94	3,483,632.55	2,875,570.39	30,477,045.88
Marine hospital buildings.....	14,483,153.11	7,668,358.72	4,121,077.39	26,272,589.22
Post-office buildings.....	186,369,284.50	14,906,133.03	13,463,632.21	214,739,049.74
Quarantine-station buildings.....	3,714,505.75	3,093,649.15	1,930,540.40	8,702,845.61
Miscellaneous buildings.....	134,330,289.36	10,305,300.85	6,520,040.12	151,155,630.33
<b>Total</b> .....	<b>546,277,052.54</b>	<b>75,156,985.21</b>	<b>50,968,778.48</b>	<b>672,366,966.54</b>

	Cost of sites	Liabilities chargeable against appropriations <sup>1</sup>		Unencumbered balance of appropriations, June 30, 1935
		Sites	Buildings	
Post-office, courthouse, customhouse buildings, etc.....	\$47,123,513.79	\$69,500.00	\$3,491,439.07	\$9,507,517.09
Courthouse buildings.....	5,339,034.69	-----	2,685,350.96	2,289,559.20
Customhouse buildings.....	3,886,922.33	-----	317.00	784,158.96
Marine hospital buildings.....	892,172.53	-----	1,171,265.04	207,900.40
Post-office buildings.....	74,889,222.67	9,909,095.89	23,079,677.91	35,244,696.80
Quarantine-station buildings.....	328,837.60	15,000.00	570,028.78	422,336.65
Miscellaneous buildings.....	57,211,127.12	59,293.50	17,672,407.57	20,066,190.37
Administrative expenses, Public Works Administration projects <sup>1</sup> .....	-----	-----	-----	3,605,119.11
Administrative expenses, emergency construction projects <sup>1</sup> .....	-----	-----	-----	3,678,738.52
Administrative expenses, emergency repairs.....	-----	-----	-----	39,379.38
Unallotted appropriations.....	-----	-----	-----	5,193,516.32
<b>Total</b> .....	<b>189,670,830.73</b>	<b>10,052,889.39</b>	<b>48,670,486.33</b>	<b>81,039,112.80</b>

<sup>1</sup> Administrative expenses for Public Works Administration projects were \$506,053.27; and for emergency construction projects, \$473,033.88.

## PUBLIC DEBT SERVICE

*Division of Loans and Currency*

This Division is the active agent of the Secretary of the Treasury for the issue of all public debt obligations of the United States and for conducting transactions in such obligations after issue. It is also responsible for the issue of bonds or other obligations of Puerto Rico and the Philippine Islands, for which the Treasury Department acts as fiscal agent. The Division undertakes the safe-keeping of public debt and insular loan securities for certain Government offices. It also counts and delivers to the Destruction Committee the United States currency canceled as unfit and mutilated paper (spoilage, etc.) received from the Division of Paper Custody and the Bureau of Engraving and Printing.

*Issue and retirement of securities.*—The following is a summary of the issues and retirements of securities conducted through this Division during the fiscal year 1935. Complete details of all transactions in public debt securities are presented in formal statements elsewhere in the report.

*Issues, retirements, and transactions in stock of United States and insular securities during the fiscal year 1935*

[Par value]

	Registered	Nonregistered	Total
<b>ISSUES</b>			
Stock shipments:			
To Federal Reserve banks:			
For exchange transactions.....		\$5,238,484,900.00	\$5,238,484,900.00
For allotment for original issue.....		<sup>1</sup> 16,354,617,650.00	<sup>1</sup> 16,354,617,650.00
To Postal Service.....	\$288,216,250		288,216,250.00
Issues by the Division:			
Original issues.....	872,281,270	66,163,460.00	938,444,730.00
Exchange (all transactions).....	992,830,750	121,587,000.00	1,114,417,750.00
Total issued and shipped.....	2,153,328,270	21,780,853,010.00	23,934,181,280.00
<b>RETIREMENTS</b>			
Retired on exchange.....	639,841,690	474,576,060.00	1,114,417,750.00
Cleared for redemption.....	999,033,935	1,124,238.25	1,000,158,173.25
Retired on other accounts (i. e., claims, credit and exchange authorization retirements).....	504,860,925	33,090.00	504,894,015.00
Total retired.....	2,143,736,550	475,733,388.25	2,619,469,938.25
<b>STOCK ACTIVITIES</b>			
Received from Bureau of Engraving and Printing.....	2,625,402,360	26,167,086,000.00	28,792,488,360.00
Canceled and delivered to Register of Treasury:			
Securities.....	37,642,840	764,654,200.00	802,297,040.00
Detached matured coupons (4,620,943 pieces—amount \$336,250,385.10).			

<sup>1</sup> Includes Treasury bills available for either original issue or exchange in the amount of \$5,771,148,000.

*United States Savings Bonds.*—During the year the Division received from the Bureau of Engraving and Printing 2,920,000 United States Savings Bonds with a maturity value of \$413,750,000. Of these bonds 1,343,750, with a maturity value of \$288,216,250, were delivered to the post offices, leaving a balance on hand of 1,576,250 bonds with a maturity value of \$125,533,750. Sales and redemptions

of these bonds, monthly, since the first month of issue are shown in the following table:

*Sales and redemptions of United States Savings Bonds, monthly, March to June 1935*

Month	Number of pieces, by denomination						Sale price	Maturity value
	\$25	\$50	\$100	\$500	\$1,000	Total		
Sales								
March.....	52,079	33,455	74,873	27,153	27,713	215,273	\$38,813,643.75	\$51,751,525
April.....	23,837	17,197	43,366	16,021	17,912	118,333	23,786,156.25	31,714,875
May.....	16,879	13,059	31,046	11,622	13,807	86,393	17,847,393.75	23,796,525
June.....	15,193	11,892	28,131	9,914	12,480	77,610	15,918,393.75	21,234,525
Total.....	107,988	75,583	177,416	64,710	71,912	497,609	96,365,587.50	128,487,450
Redemptions prior to maturity								
May.....	405	158	314	82	133	1,125	\$172,038.75	\$229,425
June.....	911	537	958	256	205	2,867	358,818.75	478,425
Total.....	1,316	695	1,302	338	341	3,992	530,857.50	707,850

*Individual registered accounts.*—In connection with registered public debt issues, individual accounts are maintained and interest is paid periodically in the form of checks. The interest-bearing accounts open on June 30, 1935, were as follows:

	Number of accounts	Principal
Interest-bearing loans:		
Pre-war loans.....	40,910	\$823,340,430
Liberty bonds.....	159,947	185,571,350
Treasury bonds.....	418,484	1,976,373,350
Treasury notes and certificates of indebtedness.....	18	633,242,000
Total interest-bearing loans.....	619,359	3,618,527,130

There were 394,004 individual accounts closed for registered Liberty bonds, Victory notes, special Treasury notes, pre-war issues and Treasury bonds, and 178,234 accounts were decreased, representing the retirement of securities amounting to \$1,898,416.180 par value. In connection with the same loans 234,704 new accounts amounting to \$3,069,160,170 principal were opened. A total of 40,631 changes of address were made on the registered accounts during the year.

Interest on registered Liberty and Treasury bonds was paid on due dates in the form of 1,521,751 checks amounting to \$92,586,157.19. On registered securities of the pre-war loans 84,955 checks for \$17,192,699.25 were issued and on registered Treasury notes and certificates of indebtedness interest payable by four checks amounting to \$17,062,984.61 was certified to the Treasurer. There were received from the Bureau of Engraving and Printing 1,788,300 checks as stock and there was canceled and delivered to the Destruction Committee stock consisting of 264,848 valid checks and 16,483 void checks.

*Claims.*—Claims for relief on account of lost, stolen, destroyed, and mutilated securities handled by the Division during the fiscal year were as follows:

	Number of claims	Number of securities	Par amount of securities
On hand June 30, 1934.....	8,710	25,887	\$3,945,783.25
Received.....	2,736	6,594	1,374,029.29
Total.....	11,446	32,481	5,319,812.54
Settled by—			
Reissue or redemption of securities.....	1,798	4,131	529,654.04
Recovery of securities.....	1,051	1,696	843,815.00
Disallowance of claims.....	30	43	7,200.00
Other disposition <sup>1</sup> .....	172	658	3,242.50
Total settled.....	3,051	6,528	1,383,911.54
Balance on hand June 30, 1935.....	8,395	25,953	3,935,901.00

<sup>1</sup> War savings cases sent to Surrenders Section for settlement because of question of ownership.

*Safe-keeping of securities.*—At the beginning of the year securities amounting to \$414,770,750 were in safe-keeping for various Government offices, against which formal audited receipts were outstanding. Throughout the year securities amounting to \$314,867,150 were received for safe-keeping and receipts therefor issued, and securities amounting to \$267,937,150 were delivered from safe-keeping upon the surrender of outstanding receipts, leaving a balance of securities amounting to \$461,700,750 in safe-keeping June 30, 1935.

*Mutilated paper and redeemed currency.*—Mutilated paper verified and delivered to the Destruction Committee consisted of 129,938,825 sheets and coupons, of which 129,643,811 sheets and coupons were received from the Bureau of Engraving and Printing and 295,014 sheets from the Division of Paper Custody.

Redeemed currency, unfit for circulation, counted and delivered to the Destruction Committee during the year amounted to 654,174,295 pieces, representing \$1,403,473,867.33, detailed as follows:

*Number of pieces and amount of redeemed currency delivered to the Destruction Committee during the fiscal year 1935*

Currency	Old series		New series	
	Number of pieces	Face value	Number of pieces	Face value
United States notes.....	578,202	\$1,855,749.00	59,097,523	\$244,916,451
Silver certificates.....	1,404,316	1,725,424.00		
Silver certificates, 1928.....			532,061,202	532,055,918
Silver certificates, 1933.....			144,628	1,446,280
Silver certificates, 1934.....			39,732,862	76,509,372
Gold certificates.....	329,818	7,183,710.00	20,815,538	537,771,340
Treasury notes.....	1,571	7,650.00		
Fractional currency.....	8,635	1,973.33		
Total.....	2,322,542	10,774,506.33	651,851,753	1,392,699,361

*Publicity.*—The Division maintains a mailing list, in addition to its list of holders of registered securities, for the purpose of placing new public debt offerings, notices of redemption, and such matters before the public. Approximately 3,323,300 printed circulars were distributed to the public during the year.

*Other activities.*—In addition to the regular activities of the Division, securities of various Government instrumentalities were received from the Bureau of Engraving and Printing and issued as follows:

*Securities of Government instrumentalities received and issued, fiscal year 1935*

Securities	Received		Issued		On hand June 30, 1935	
	Pieces	Par amount	Pieces	Par amount	Pieces	Par amount
Home Owners' Loan Corporation:						
Registered.....	129,000	\$860,000,000	19,806	\$233,264,000	130,674	\$652,829,000
Coupon.....	6,882,700	7,001,450,000	4,536,876	4,266,741,325	3,062,999	3,089,722,625
Total.....	7,011,700	7,861,450,000	4,556,682	4,500,005,325	3,193,673	3,742,551,625
Federal Farm Mortgage Corporation:						
Registered.....	58,037	729,875,000	67,799	371,724,900	39,788	678,806,000
Coupon.....	1,965,000	1,797,600,000	1,620,050	1,417,401,600	377,674	414,476,700
Total.....	2,023,037	2,527,475,000	1,687,849	1,789,126,500	417,462	1,093,282,700
Consolidated Federal farm loan bonds of the Federal land banks:						
Registered.....	25,000	66,220,000	4,615	11,721,100	20,284	54,026,400
Coupon.....	460,000	833,400,000	319,235	537,039,000	141,992	297,476,000
Total.....	485,000	899,620,000	323,850	548,760,100	162,276	351,502,400
Reconstruction Finance Corporation:						
Coupon.....	3,850	358,250,000	1,981	108,650,000	21,911	1,722,820,500
Grand total.....	9,523,587	11,646,795,000	6,570,362	6,946,541,925	3,795,322	6,910,157,225

*Register of the Treasury*

The Register of the Treasury conducts the final audit and has custody of all retired public debt securities, including interest coupons and checks; and, in addition, he performs a like function with respect to the securities of the Home Owners' Loan Corporation and the Federal Farm Mortgage Corporation, the consolidated obligations of the Federal land banks, and bonds of insular possessions retired on account of exchanges for other securities.

The Register renders monthly certification to the Comptroller General of all public debt securities redeemed by the Treasurer of the United States and establishes credits due the Federal Reserve banks and the Division of Loans and Currency for securities forwarded by them on account of exchanges, replacements, transfers of registration, etc.



The following statement sets forth, by class of security, the total number of documents, together with the face value thereof, which were received, examined, and filed during the fiscal year 1935:

*Summary of securities retired, fiscal year 1935*

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
Redeemed				
United States securities:				
Pre-war loans.....	169	\$18,620.00	2,699	\$1,782,210.00
Liberty loans.....	3,164,411	4,081,411,250.00	667,921	785,397,200.00
Treasury bonds.....	60	555,000.00	-----	-----
Treasury notes.....	63,813	1,302,646,700.00	131	32,973,000.00
Certificates of indebtedness.....	63,137	1,522,470,300.00	81	175,900,000.00
Treasury bills.....	51,067	3,326,590,000.00	-----	-----
Treasury (war) savings securities.....	112,898	149,081.40	5,499	126,434.18
United States Savings Bonds.....	-----	-----	3,992	530,887.50
Interest coupons.....	14,111,643	545,285,169.92	-----	-----
Interest checks.....	-----	-----	2	7.43
Other securities:				
Home Owners' Loan Corporation:				
Securities.....	133,422	242,016,200.00	608	3,197,000.00
Interest coupons.....	5,760,689	60,080,571.50	-----	-----
Interest checks.....	-----	-----	7,108	4,534,923.75
Federal Farm Mortgage Corporation:				
Interest coupons.....	1,531,769	20,116,725.00	-----	-----
Interest checks.....	-----	-----	17,625	5,608,858.80
Consolidated Federal farm loan:				
Interest coupons.....	89,751	2,477,212.00	-----	-----
Interest checks.....	-----	-----	719	118,880.00
<b>Total</b> .....	25,082,829	11,103,816,829.82	706,385	1,010,169,401.66
Retired on account of exchanges for other securities, etc.				
United States securities:				
Pre-war loans.....	2,582	\$867,860.00	47,099	\$356,095,540.00
Liberty loans.....	484,356	598,748,950.00	98,941	213,566,900.00
Treasury bonds.....	347,276	1,517,350,250.00	67,832	441,572,300.00
Treasury notes.....	273,005	4,724,796,450.00	6	124,195,000.00
Certificates of indebtedness.....	14,913	331,547,500.00	5	5,000,000.00
Treasury bills.....	7,115	863,421,000.00	-----	-----
First 3½ percent Liberty loan interim certificates.....	15	1,000.00	-----	-----
Other securities:				
Insular possessions loans.....	3	3,000.00	2,193	4,234,000.00
Home Owners' Loan Corporation securities.....	3,052,833	1,414,828,525.00	6,249	54,847,550.00
Federal Farm Mortgage Corporation securities.....	871,490	402,296,200.00	7,805	239,710,300.00
Consolidated Federal farm loan securities.....	14,139	21,738,500.00	146	421,400.00
<b>Total</b> .....	5,067,727	9,875,599,235.00	230,276	1,439,642,990.00

## Summary of securities retired, fiscal year 1935—Continued

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
Unissued stock retired				
United States securities:				
Pre-war loans.....			17,080	\$2,774,240.00
Liberty loans.....	107,730	\$462,266,200.00	2,045	2,867,400.00
Treasury bonds.....	8	217,550.00	2,323	6,369,200.00
Treasury notes.....	132,376	509,339,100.00		
Certificates of indebtedness.....	132,593	825,746,000.00		
Treasury bills.....	19,025	983,378,000.00		
Interest coupons.....	5,281,082	463,615,237.83		
Other securities:				
Insular possessions loans.....			3,690	25,632,000.00
Home Owners' Loan Corporation:				
Securities.....	1,309	1,503,375.00	106	521,000.00
Interest coupons.....	710,773	37,737,361.89		
Federal Farm Mortgage Corporation:				
Securities.....	3,583	4,014,600.00	27,327	111,828,800.00
Interest coupons.....	439,424	9,017,367.80		
Consolidated Federal farm loan:				
Securities.....			101	472,500.00
Interest coupons.....	20,781	835,204.00		
Total.....	6,848,684	3,297,669,996.52	52,672	150,465,140.00
Recapitulation				
United States securities:				
Pre-war loans.....	2,751	\$886,480.00	66,878	\$360,651,990.00
Liberty loans.....	3,756,497	5,142,426,400.00	768,907	1,001,831,500.00
Treasury bonds.....	347,344	1,518,122,800.00	70,155	447,941,500.00
Treasury notes.....	469,194	6,536,782,250.00	137	157,168,000.00
Certificates of indebtedness.....	210,643	2,679,763,800.00	86	180,900,000.00
Treasury bills.....	77,207	5,173,389,000.00		
Treasury (war) savings securities.....	112,898	149,081.40	5,499	126,434.18
United States Savings Bonds.....			3,992	530,887.50
First 3½ percent Liberty loan interim certificates.....	15	1,000.00		
Interest coupons.....	19,392,725	1,008,900,407.75		
Interest checks.....			2	7.43
Other securities:				
Insular possessions loans.....	3	3,000.00	5,883	29,866,000.00
Home Owners' Loan Corporation:				
Securities.....	3,187,564	1,658,348,100.00	6,963	58,565,550.00
Interest coupons.....	6,471,462	97,817,933.39		
Interest checks.....			7,108	4,534,923.75
Federal Farm Mortgage Corporation:				
Securities.....	875,073	406,310,800.00	35,132	351,539,100.00
Interest coupons.....	1,971,193	29,134,092.80		
Interest checks.....			17,625	5,608,858.80
Consolidated Federal farm loan:				
Securities.....	14,139	21,738,500.00	247	893,900.00
Interest coupons.....	110,532	3,312,416.00		
Interest checks.....			719	118,880.00
Total.....	36,999,240	24,277,086,061.34	989,333	2,600,277,531.66

NOTE.—Redeemed figures include unaudited receipts for May and June settlements, with exception of interest coupons, the June settlement of which has not been received.

### Division of Public Debt Accounts and Audit

This Division maintains administrative control accounts for all official transactions in the public debt conducted by the various Treasury offices and the Federal Reserve banks as fiscal agents of the United States, and also for transactions involving paper used for printing public debt and other securities, United States currency, stamps, etc., and miscellaneous securities and documents in the Bureau of Engraving and Printing. Numerous administrative audit functions are performed in connection with the foregoing. The

Division also maintains control accounts for various classes of unissued currency in reserve stocks of the Treasurer of the United States and the Comptroller of the Currency, and conducts administrative examinations and physical audits of such unissued stocks of currency and of cash balances in custody, and collateral securities held in trust in the offices of the Treasurer of the United States.

During the fiscal year, 79 physical audits were conducted, involving securities, currency, paper, interest checks, etc., amounting to over \$53,000,000,000 in face value and 86,000,000 in number of pieces.

The Division determined and certified credits to the cumulative sinking fund and amounts in the sinking fund available for expenditure from time to time, interest on all classes of public debt securities which became due and payable on their respective interest-payment dates, and the amount of each form of public debt securities and unpaid interest outstanding each month. It prepared estimates of interest to become payable on public debt securities in future fiscal years, and of expenditures to be made on account of retirements for the sinking fund and other special accounts, and prepared statements showing the accountability of Federal Reserve banks for public debt securities for the use of Federal Reserve Board examiners in their periodical examinations of those banks. Numerous data pertaining to public debt transactions for various interested offices and individuals were also compiled.

During the fiscal year the personnel of this Division increased from 111 to 210 employees. The additional personnel was necessary on account of the greatly increased activities of the Division in connection with transactions involving various issues of bonds of the Home Owners' Loan Corporation and the Federal Farm Mortgage Corporation, and of consolidated Federal farm loan bonds of the Federal land banks.

### *Division of Paper Custody*

A summary of the operations of the Division of Paper Custody during the fiscal year 1935 is presented in the following tables:

*Receipts and issues of distinctive and nondistinctive paper during the fiscal year 1935*

Kind	On hand July 1, 1934	Receipts	Issues	On hand June 30, 1935
	Sheets			
Distinctive paper for United States currency, Federal Reserve notes, Federal Reserve bank notes, and national bank currency, 12 subjects.....	18, 076, 923	1 58, 935, 573	56, 948, 248	20, 064, 248
United States bond paper.....	5, 269, 116	1 17, 912, 680	17, 569, 051	5, 612, 745
Parchment, artificial parchment, and parchment deed paper.....	148, 271	177, 755	205, 160	120, 866
Miscellaneous paper.....	616, 146	290, 700	331, 887	574, 959
Distinctive paper for Cuban currency.....		750, 900	511, 466	239, 434
Distinctive paper for Philippine Islands currency.....	483, 426		483, 250	176
Postal card for Philippine Islands.....	873	111, 984	93, 013	19, 844
Total.....	24, 594, 755	78, 179, 592	76, 142, 075	26, 632, 272

1 2,844,923 sheets transferred from United States currency paper to bond paper account.

*Federal Reserve notes, series 1928 and series 1934, received and issued during the fiscal year 1935*

[000 omitted]

Federal Reserve bank	Federal Reserve notes, series 1928			Federal Reserve notes, series 1934 <sup>1</sup>			
	On hand July 1, 1934	Received	Issued	On hand June 30, 1935	Received	Issued	On hand June 30, 1935
Boston.....	\$354, 680	\$21, 720	\$76, 480	\$299, 920	\$53, 760	-----	\$53, 760
New York.....	303, 760	172, 080	113, 160	362, 680	279, 600	\$158, 000	121, 600
Philadelphia.....	410, 660	46, 860	70, 000	387, 540	47, 520	-----	47, 520
Cleveland.....	421, 540	37, 680	87, 840	371, 380	8, 040	-----	8, 040
Richmond.....	239, 440	19, 080	72, 200	186, 320	45, 960	-----	45, 960
Atlanta.....	205, 880	8, 880	39, 640	175, 120	2, 400	-----	2, 400
Chicago.....	740, 360	67, 260	126, 240	681, 380	75, 060	-----	75, 060
St. Louis.....	139, 580	16, 920	50, 700	105, 800	43, 560	4, 900	38, 660
Minneapolis.....	121, 300	25, 620	27, 360	119, 560	27, 540	-----	27, 540
Kansas City.....	181, 300	14, 760	31, 540	164, 520	6, 000	-----	6, 000
Dallas.....	178, 180	-----	17, 200	160, 980	-----	-----	-----
San Francisco.....	220, 460	-----	61, 000	159, 460	-----	-----	-----
Total.....	3, 517, 160	430, 860	773, 360	3, 174, 660	589, 440	162, 900	426, 540

<sup>1</sup> None on hand July 1, 1934.

There were no transactions in Federal Reserve bank notes, series 1929, during the year, the amount on hand remaining at \$450,800,000.

*Destruction Committee*

The following table summarizes the number of pieces and the face amount of securities received from the various offices and destroyed by the Destruction Committee during the fiscal year 1935:

	Pieces <sup>1</sup>	Face value
Division of Loans and Currency and Treasurer of the United States:		
New series:		
United States notes.....	59, 057, 793	\$244, 658, 551. 00
Silver certificates.....	532, 453, 702	532, 448, 418. 00
Gold certificates.....	21, 547, 564	551, 491, 840. 00
Silver certificates (act of 1933).....	144, 228	1, 442, 280. 00
Silver certificates (act of 1934).....	39, 202, 962	75, 161, 222. 00
	652, 406, 249	\$1, 405, 202, 311. 00
Old series:		
United States notes.....	566, 695	1, 821, 049. 00
Silver certificates.....	1, 374, 807	1, 689, 221. 00
Gold certificates.....	329, 818	7, 183, 710. 00
Treasury notes.....	1, 571	7, 650. 00
Fractional notes.....	8, 635	1, 973. 33
	2, 281, 526	10, 703, 606. 33
Total.....	654, 687, 775	1, 415, 905, 917. 33
Comptroller of the Currency and national bank agents:		
New series:		
National bank notes (5 percent account).....	29, 418, 303	242, 289, 457. 50
National bank notes (retired).....	22, 386, 553	190, 068, 575. 00
Unissued vault stock.....	1, 190, 188	11, 617, 965. 00
	52, 995, 044	443, 975, 997. 50
Old series:		
National bank notes (5 percent account).....	146, 523	1, 891, 140. 00
National bank notes (retired).....	213, 871	2, 693, 655. 00
Federal Reserve bank notes (retired).....	28, 571	52, 640. 00
	388, 965	4, 637, 435. 00
Total.....	53, 384, 009	448, 613, 432. 50

<sup>1</sup> All currency under the head of "Pieces" is expressed in whole notes.

	Pieces	Face value	
Comptroller of the Currency and Federal Reserve bank agents:			
Federal Reserve notes (new series).....	121, 809, 226	\$1, 168, 077, 705. 00	
Federal Reserve notes (old series).....	987, 654	17, 210, 250. 00	
Federal Reserve bank notes (new series).....	6, 760, 376	60, 670, 500. 00	
	129, 557, 256		\$1, 245, 958, 455. 00
Internal Revenue Bureau:			
Miscellaneous stamps from Stamp Division.....		45, 068, 828. 09	
Miscellaneous stamps from Stamp Division ("obsolete and surplus").....		108, 809, 743. 97	
Stamp Division (cotton bale tags).....	56, 260		
Miscellaneous stamps from Tobacco Division.....		1, 024, 561. 83	
Sales Tax Division.....		89, 799. 11	
Alcohol Tax Unit.....		46, 274. 44	
Silver Tax Unit.....		2, 606. 89	
Processing Tax Unit.....		5, 049. 95	
	56, 260		155, 046, 864. 28
Register of the Treasury:			
Interest coupons, unissued.....	9, 234, 474	283, 302, 304. 24	
Interest coupons, unissued Federal Reserve bank.....	454, 357	36, 263, 041. 32	
Coupon bonds and notes, Federal Reserve bank (unissued).....	154, 223	746, 106, 550. 00	
Bearer certificates of indebtedness (unissued).....	276, 417	1, 818, 236, 000. 00	
Bearer Treasury bills (unissued).....	163, 591	10, 295, 733, 000. 00	
Registered Treasury savings certificates (unissued).....	37, 824	10, 298, 400. 00	
Thrift stamps (redeemed).....	1, 019, 657	254, 914. 25	
Registered war-savings stamps (redeemed).....	7, 469	37, 336. 62	
Nonregistered war-savings stamps (redeemed).....	226, 140	1, 035, 448. 42	
Treasury savings stamps (redeemed).....	3, 640	3, 640. 00	
Federal farm loan bonds and coupons.....	148, 373	203, 418, 797. 91	
	11, 726, 165		13, 394, 689, 432. 76
Public Debt Service, photostats.....	367		
Division of Loans and Currency, Security Section, interest checks.....	284, 481		
Grand total.....	849, 696, 313		16, 660, 214, 101. 87
		Sheets	Coupons
Division of Loans and Currency (Bureau of Engraving and Printing spoilage):			
Money of all kinds.....	1, 924, 800 <sup>1</sup> / <sub>2</sub>		
Postage stamps.....	7, 038, 914 <sup>9</sup> / <sub>16</sub> <sup>8</sup> / <sub>100</sub>		
Internal revenue stamps.....	3, 500, 858 <sup>11</sup> / <sub>2</sub> <sup>0</sup> / <sub>4</sub>		
Bonds and certificates of indebtedness.....	1, 950, 615 <sup>1</sup> / <sub>2</sub>		
Customs and miscellaneous stamps.....	2, 141, 690 <sup>1</sup> / <sub>6</sub>		
Postal savings certificates.....	254, 822		
Experimental, security paper.....	2, 707		
Cuban currency.....	35, 296 <sup>3</sup> / <sub>8</sub>		
Void coupons.....			111, 894, 109
		17, 749, 706 <sup>12</sup> / <sub>97</sub> <sup>9</sup> / <sub>20</sub> <sup>4</sup> / <sub>100</sub>	
Division of Loans and Currency (Division of Paper Custody):			
Bond paper.....	295, 007		
Cuban currency.....	7		
		295, 014	
Grand total.....		18, 044, 720 <sup>12</sup> / <sub>97</sub> <sup>9</sup> / <sub>20</sub> <sup>4</sup> / <sub>100</sub>	111, 894, 109

## PUBLIC HEALTH SERVICE

*Division of Sanitary Reports and Statistics*

Health conditions in the United States, as revealed by mortality statistics, were good during the calendar year 1934. The preliminary mortality rate for 28 States was 10.9 per 1,000 population, as compared with 10.5 in 1933, the lowest ever recorded for these States.

An outbreak of poliomyelitis (infantile paralysis) occurred in California in May 1934 and spread over most of the Pacific Coast States and into Nevada, Arizona, Montana, and Idaho. In May 1935 an outbreak occurred in the northeastern part of North Carolina, not including the coast section, and spread into southeastern Virginia. After the close of the fiscal year, increases in the prevalence of poliomyelitis were reported in New York, several of the New England States, and other parts of the country.

The work of collecting information concerning outbreaks of diseases dangerous to the public health and the current prevalence of these diseases was continued throughout the fiscal year. The data were made available to public health officers and other sanitarians throughout the United States by publication in the weekly Public Health Reports and by special bulletins. A total of 230,921 copies of publications was distributed as compared with 179,370 in the preceding fiscal year.

### *Division of Foreign and Insular Quarantine*

*Quarantine transactions.*—During the fiscal year, quarantine officers of the Public Health Service inspected 15,262 vessels and 1,924,556 persons, as shown in the following table:

#### *Inspections by quarantine officers during the fiscal year 1935*

	Vessels	Passengers	Seamen
Ports in continental United States.....	12,482	544,255	981,361
Insular ports.....	2,612	133,149	219,852
Foreign ports, prior to embarkation.....	168	43,860	2,079
Total.....	15,262	721,264	1,203,292

Of a total of 4,081 airplanes, carrying 34,135 persons, which arrived at 57 airports of entry in the United States from foreign countries requiring quarantine inspection, only 2,636 airplanes, carrying 30,249 persons, of whom 1,991 were aliens, were inspected by medical officers of the Public Health Service prior to entry, due to arrivals at airports of entry at which medical officers are not available.

Fumigations were made of 1,147 vessels either for the destruction of rats or because of some contagious disease. Examinations for plague infection were made of 4,207 of the 5,951 rats retrieved following fumigation.

No importation of a quarantinable disease into the United States or its possessions occurred during the year.

The International Sanitary Convention for Aerial Navigation, opened for signature at The Hague on April 12, 1933, and signed on behalf of the United States on April 6, 1934, was ratified by the United States on June 13, 1935, and will become effective on November 22, 1935. Twelve nations had ratified the convention at the close of the fiscal year.

At the suggestion of the Public Health Service, the Consular Regulations of the United States were amended to authorize American

consular officers in foreign ports to authenticate, at ports of issuance, foreign certificates of deratization exemption as well as foreign certificates of deratization issued under the provisions of article 28 of the International Sanitary Convention of Paris (1926 revision).

The Public Health Service has recommended favorable consideration on the part of the United States of a proposal submitted by the International Office of Public Health at Paris to amend article 25 of the International Sanitary Convention of Paris (1926 revision) so as to permit under special circumstances the fumigation of a vessel arriving from plague-infected ports before or during the unloading of its cargo and also to permit a repetition of such fumigation if necessary to complete deratization of the vessel.

At the request of the Quarantine Service of Habana, Cuba, the Public Health Service discontinued its routine supervision of maritime fumigations performed by officers of the Port Quarantine Service of Cuba for deratization purposes on vessels in Cuban ports destined to proceed to United States ports.

*Medical examination of aliens.*—Medical officers at the various ports of entry in the United States examined 730,777 alien passengers and 696,562 alien seamen. Of these numbers, 14,569 passengers and 1,250 seamen were certified to the proper immigration officials, in accordance with the act of February 5, 1917, as being afflicted with some mental or physical defect or disease.

At the request of the Commissioner General of Immigration and Naturalization, medical officers of the Public Health Service were authorized, upon request of immigration officials, to make physical examinations, in accordance with the standards set forth by the United States Civil Service Commission, of nominees tentatively selected by immigration officials for appointment to the position of immigration patrol inspector.

Because of the high mortality rate from malaria now existing in the southern part of Texas, and in an effort to restrict the introduction of malaria into the United States from Mexican territory, medical officers of the Public Health Service on duty at Texas-Mexican border stations were directed, in cooperation with the State Health Officer of Texas, to make a microscopic examination of the blood of any arriving person suspected of having malaria, and to notify the Texas State Health Department of the name and destination of persons with malaria released for entry into the United States.

*Examination of prospective immigrants abroad.*—A total of 35,978 applicants for immigration visas was examined by medical officers in American consulates in foreign countries. Of this number 23,868 were examined in Europe and the remainder in the Western Hemisphere. Of those examined, 574 in Europe and 130 in the Western Hemisphere were reported by the medical officers to the American consuls as having one or more of the defects or diseases requiring exclusion; and 4,745 in Europe and 1,443 in the Western Hemisphere were reported as being afflicted with a disease or condition which was likely to affect their ability to earn a living. Only two of the aliens examined in foreign countries to whom visas had been issued were certified upon arrival at United States ports as being afflicted with a defect or disease requiring deportation.

*Division of Domestic Quarantine*

Through the use of a special fund of \$1,000,000 made available by the Federal Emergency Relief Administration it was possible for the Public Health Service to resume cooperative financial assistance to rural health organizations, both in reenforcing the personnel in existing county organizations and in establishing such units in counties not theretofore so provided. In 1934 there were 540 whole-time county or other local rural unit health services, representing a gain of 10 over the preceding year.

Trachoma-prevention activities in cooperation with the States were continued in Missouri, Kentucky, and Tennessee, 4,057 persons having been examined to determine the presence of the disease. In the field clinics and dispensaries, 1,933 treatments were given, while 704 patients were admitted to hospitals.

Plague-control measures were continued in California and on the Island of Maui, Hawaii, where trapping and poisoning of rats, as well as experimental work on control procedure, were conducted as a part of the program previously inaugurated. No human case of plague was reported in California during the year, but rodent plague in ground squirrels was reported in San Luis Obispo, Modoc, and Lassen Counties. Because of a human case of plague in Lake County, Oreg., at the beginning of the fiscal year, investigations were made through the use of a new mobile field laboratory, as a result of which two foci of rodent plague infection were found in Oregon and Montana. Extermination of rats by ship fumigation was continued in San Francisco but no infection was discovered.

In order to determine the efficiency of State control over sanitation of the shellfish industry in interstate commerce, surveys and inspections of shellfish-growing areas were continued. A total of 1,915 State certifications was approved during the year.

Approximately 45 percent of the time of the sanitary engineering field force was spent in assisting other Federal agencies in the solution of various sanitation problems. This represents a considerable increase over the volume of service rendered in previous years, due in part to allotments from the Public Works Administration to these Federal agencies for public works projects. In addition to the engineering services given the National Park Service and the Bureau of Indian Affairs, cooperative assistance was also afforded the Public Works Branch of the Procurement Division, the Bureau of Prisons, the Lighthouse Service, and others.

With the cooperation of State health agencies, the certification of sources of water used by interstate railroads, busses, vessels, and airplanes was continued. Of 2,269 water supplies used by interstate carriers, 95 percent were inspected and certified. Of vessels engaged in interstate traffic, 51 percent were reinspected and given certificates indicating compliance with the regulations governing drinking-water systems.

The study of pollution of the Hampton Roads area in the lower Chesapeake Bay, undertaken with funds allotted by the Public Works Administration, was closed at the end of the fiscal year. Assistance was also rendered a number of States engaged in stream pollution investigations.



An outstanding activity was the use of work-relief labor made available by the Federal Emergency Relief Administration on public health projects. Sanitary outdoor toilets were constructed in rural districts, malaria control drainage projects were carried out, and abandoned mines were sealed to prevent the pollution of streams by acid wastes. A project for the control of endemic typhus fever consisted in rat-flea surveys, rat extermination, and the promotion of rat-proofing of buildings.

#### *Division of Scientific Research*

The program of cancer research was continued during the year. The investigations pursued at the Office of Cancer Investigations located at the Harvard Medical School, Boston, Mass., included studies of the biological effects of radiation, resistance and susceptibility to malignant growths, and biochemical and cytological studies.

At the National Institute of Health, cancer research included an investigation of the effects of certain chemical agents upon the various phases of mitosis in *Amoeba proteus*, a continuation of the study of growth of the Walker 256 rat mammary carcinoma *in vivo* and in tissue culture, and an attempt to influence the growth of a spontaneous mammary tumor of the mouse.

Heart disease investigations dealt with the geographical distribution of the etiological types of heart disease in the United States, the methods of reporting, recording, and statistically presenting heart disease mortality, the epidemiology of rheumatic heart disease in a locality, and the etiology of rheumatic heart disease.

Clinical observations of leprosy were directed toward the development of better criteria for the diagnosis of cases in the early stages of the disease, including determination of the significance of a positive Wassermann or Kahn test in differentiating leprosy from syphilis, the administration of a heterologous antigen to produce a mild fever and leukocytosis, and the administration of small doses of colloidal and soluble bismuth preparations to stimulate acute progressions with succeeding regressions.

As a result of studies of malaria control by means of the drugs atabrine and plasmochin, it was concluded that drug treatment does not control the malaria rate in the tropics, although it does improve the general health of the population and its capacity to work.

During the year seven different foodstuffs were tested for their pellagra-preventive value by animal experimentation. Rabbit meat, lean pork shoulder, and chicken were found to be good sources of the pellagra-preventive vitamin; cottonseed meal and evaporated peaches to be relatively poor sources of the vitamin; and prunes and canned beets to contain little or none of the pellagra-preventive vitamin.

The net usable production of Rocky Mountain spotted fever vaccine was 248.4 liters, an increase of 36.6 liters over the 1934 production. This amount was sufficient for the immunization of about 60,000 persons. Cases of spotted fever were reported for the first time from the States of Illinois and Oklahoma, making a total of 34 States in which spotted fever is known to be endemic.

Child hygiene activities have been related to a study of the hearing of school children, studies of physical status, growth, and de-

velopment of children, and a study of midwifery as practiced by colored midwives in Virginia and North Carolina. Data obtained from the dental examination of over a million and a half school children in 26 States are being analyzed in an effort to determine the dental needs of children of school age.

Studies were made of the manufacturing processes and their relations to skin hazards in 22 plants employing 8,770 persons. About 5,000 employees of these plants were examined for industrial skin diseases.

The study of the effect of dust exposure on the health of miners in the anthracite coal fields of Pennsylvania, conducted at the request of the Governor of the State, with the cooperation of operators and workers, has been completed. Other industrial hygiene studies have included a series of injections of dusts of known chemical and petrographic composition into guinea pigs to determine the nature of the injury caused by these dusts when injected into the body tissue and, therefore, their relative harmfulness; an investigation of the relation of pulmonary infection to pneumoconiosis; a study of silicosis and tuberculosis in zinc and lead miners; the pollution of air; and the incidence of illness among industrial workers.

Milk sanitation investigations dealt with the effect of variations in pH concentration and the effect of variations in buffer concentration upon the thermal resistance of the Public Health Service test organism used in testing milk pasteurization equipment. As a result of these tests it was determined that future studies of pasteurization equipment should be conducted at a pH concentration of 7.2 or a buffer concentration of  $m/675$ . Further studies were made of the bactericidal treatment of milk cans by means of hot air, and it was concluded that a temperature of  $170^{\circ}$  F. for 30 minutes would de-vitalize all milk-borne pathogens.

Sugar researches were continued, with special reference to studies on the oxidation of sucrose, the action of various acidic hydrolyzing agents on methyl glycosides, and on the 4-carbon sugar threose.

As a result of enzyme researches on invertase, a relatively convenient method has been developed for obtaining concentrated solutions of this enzyme.

Studies of various phases of the relation of sickness to the depression have shown that sickness among those on relief greatly exceeds sickness among those of reasonably comfortable economic status and those with very low incomes but not on relief. The high rate in this group suggests that the relief population contains a disproportionately large number of persons who have chronic diseases or physical defects or who are susceptible to frequent attacks of acute illness.

Experimental and observational data collected in recent years have indicated the desirability of practical limits of pollution for lakes and streams, for the avoidance of nuisance conditions, and for the protection of surface sources of public water supplies. Studies have been continued in sewage treatment to determine the conditions which affect detrimentally the biological activity upon which purification of sewage by the activated sludge process depends. A series of experimental observations has been instituted dealing with

the physical and biochemical changes occurring in sewage sludge deposits under conditions approaching those of natural streams.

Reports on the eastern type of Rocky Mountain spotted fever and typhus fever have shown a definite increase in the number of cases of typhus in some of the Southern States, spotted fever remaining practically the same.

Studies of epidemic encephalitis indicate that immunity to the St. Louis type of encephalitis is wide-spread in the United States. Experiments also have shown that the instillation of alum into the nostrils of white mice tends to render them less susceptible to intranasal infection with this virus. It was found that monkeys treated intranasally with sodium aluminum sulphate solution were rendered resistant to intranasal instillation of the poliomyelitis (infantile paralysis) virus.

Studies on the epidemiology of the amoebic dysentery outbreak originating in Chicago in 1933 were completed. Work has now been initiated with special reference to the bacillary type of dysentery as it occurs among Indians of the Southwest.

The epidemiology of the California outbreak of poliomyelitis in the summer of 1934 was investigated. The epidemic was mild and showed a tendency to attack older children and young adults to a greater extent than did epidemics of former years.

#### *Division of Marine Hospitals and Relief*

The marine hospitals and other relief stations treated a daily average of 4,936 in-patients and 3,153 out-patients. There were 49,018 patients who received hospital treatment during the year, as compared with 42,611 the previous year. Hospital and out-patient care was furnished at marine hospitals and other relief stations to a total of 332,034 beneficiaries. The number of hospital days was 176,032 more than last year.

During June 1935, funds became so limited that it was necessary to reduce the number of in-patients in marine and contract hospitals from 4,945 on June 1 to 4,455 on June 30. Operation of the hospitals became exceedingly difficult on account of inadequate appropriations and personnel. Because of an increase in the number of old-line beneficiaries, and because of Civil Works Administration patients for whose care no additional funds were provided, together with a steady rise in the cost of hospital supplies, it was necessary in June to secure a release of additional funds from the Treasury.

Notwithstanding the increased prices for supplies, the per diem cost of operation was kept down to \$3.31. This was accomplished by keeping personnel at the lowest practicable number and by foregoing replacement and repair of equipment in normal amount.

#### *Division of Venereal Diseases*

Among the activities concerned with venereal diseases are investigations related to the control of syphilis and gonorrhoea, to clinical studies of syphilis, and to experimental work in the laboratory.

The control work has been of a general character and has been conducted in cooperation with State and local health departments. An attempt has been made to obtain more complete morbidity re-

ports of syphilis and gonorrhoea by releasing monthly statements of the number of new cases of these diseases reported to State health departments.

From studies of the trend of the venereal diseases in this country, covering representative areas with more than 25,000,000 people, it is estimated that 1,555,000 new cases of gonorrhoea and 518,000 new cases of syphilis annually seek treatment in the United States.

The results of the study to evaluate serodiagnostic tests for syphilis indicate the relative value of the tests which have been described by the serologists of the United States. By further evaluating serologic tests for syphilis in State and local laboratories it will be possible to measure the adaptability of each test for workers other than the original serologist who described the test.

A series of scientific papers on the treatment of cardiovascular syphilis has been completed. These papers represent a portion of the clinical studies which have been under way for 6 or 7 years and are based upon records provided by 5 of the leading clinics of the country. In addition to the studies of the treatment of cardiovascular syphilis, a scientific paper was also published on the results attained by the modern treatment of early syphilis as compared with the treatment employed several decades ago.

The informative and educational program has been continued. For physicians the monthly abstract journal, Venereal Disease Information, has served a very useful function and its circulation has increased. References to current medical literature and reprints of scientific articles have been furnished to physicians and health officers. Pamphlets pertaining to the prevention and treatment of the venereal diseases and to sex education have also been available for general distribution.

The Public Health Service Clinic at Hot Springs National Park, Ark., continued to treat a constantly increasing number of patients, who came to seek the beneficial effects of the waters of Hot Springs. Approximately two-thirds of these individuals are infected with venereal disease.

#### *Division of Mental Hygiene*

The activities of the Division of Mental Hygiene included studies of the nature and treatment of drug addiction and dissemination of information upon the subject; studies of the abusive uses of narcotic drugs; administrative functions incident to the establishment of narcotic farms; provision of medical and psychiatric services for the Federal penal and correctional system; and cooperation with other agencies interested in various phases of the work of the Division.

Studies of the nature of drug addiction were continued at the United States Penitentiary Annex, Fort Leavenworth, Kans., during the first half of the year. Experimental investigations were conducted on the value of certain substitutes for morphine. All of these substitutes were found to have addictive properties similar to morphine. Studies were also undertaken in connection with the treatment of drug addiction.

A process for manufacturing dihydrodesoxymorphine-D was patented and its custody lodged, ex officio, with the Secretary of the Treasury. Further studies of the addiction liability of this new

substance were carried on among cancer patients, the results of which indicate that the substance in question has very limited clinical value and exceedingly dangerous addictive properties.

Further information concerning the incidence and other factors in drug addiction were collected during the year, and several publications were issued on the various phases of this subject.

The first United States Narcotic Farm at Lexington, Ky., was formally dedicated and opened by the Surgeon General on May 25, 1935. Admissions were accepted on and after May 29, 1935, and at the close of the fiscal year 280 persons had been admitted for the treatment of drug addiction. Preliminary plans for the second institution at Fort Worth, Tex., have been approved, and it is anticipated that the contract for the necessary buildings will be accepted early in the autumn of 1935.

The Attorney General has requested the Public Health Service to extend the psychiatric work conducted for the Federal penal and correctional system to all Federal courts.

#### *Division of Personnel and Accounts*

*Personnel.*—The reduction of the personnel in marine hospitals and quarantine stations, made necessary by decreased appropriations, and the increase in the number of patients has presented administrative problems. At the hospitals for the past few years it has been necessary to assign medical internes to duties which should be performed by more experienced medical officers.

On July 1, 1935, the regular commissioned corps of the Public Health Service consisted of 335 commissioned officers and 64 reserve officers on active duty. Other personnel of the service totaled 5,896, not including 4,643 collaborating and assistant collaborating epidemiologists who served at nominal compensation and who were for the most part officers or employees of State and local health organizations.

*Financial statements.*—Following is a statement of appropriations and expenditures for the fiscal year 1935:

Appropriation	Appropriated	Received from other sources	Total available	Expended
Salaries, Office of Surgeon General.....	\$274, 113	\$18, 967	\$293, 080	\$291, 689
Pay, etc., commissioned officers.....	1, 397, 606	196, 736	1, 594, 342	1, 577, 596
Pay of acting assistant surgeons.....	270, 000	19, 111	289, 111	275, 924
Pay of other employees.....	877, 500	71, 237	948, 737	936, 331
Freight, transportation, etc.....	25, 160	30	25, 190	24, 737
Maintenance, National Institute of Health.....	50, 000		50, 000	49, 055
Books.....	450		450	448
Pay of personnel and maintenance of hospitals.....	4, 915, 000	1, 126, 079	6, 041, 079	6, 041, 079
Quarantine service.....	322, 150		322, 150	306, 733
Preventing the spread of epidemic diseases.....	199, 718	9, 405	209, 123	205, 003
Preventing the spread of epidemic diseases, 1935-36.....	8, 000		8, 000	1, 515
Field investigations of public health.....	209, 313	23, 960	233, 273	229, 184
Interstate quarantine service.....	35, 495	319	35, 814	34, 686
Studies of rural sanitation.....	25, 032	379	25, 411	25, 267
Control of biologic products.....	39, 524	2, 060	41, 584	41, 141
Expenses:				
Division of venereal diseases.....	58, 808	3, 447	62, 255	62, 106
Division of mental hygiene.....	1 290, 000	3, 184	393, 184	387, 992
Educational exhibits.....	1, 000		1, 000	986
Working Capital Fund.....	1 65, 000		65, 000	47, 135
Payment to officers and employees in foreign countries due to appreciation of foreign currency.....		49, 100	49, 100	46, 668
<b>Total.....</b>	<b>2 9, 163, 869</b>	<b>1, 524, 014</b>	<b>10, 687, 883</b>	<b>10, 585, 275</b>

<sup>1</sup> \$65,000 transferred to "Working Capital Fund," narcotic farm.

<sup>2</sup> Statement does not include expenditure of \$7,490 from trust funds.

Expenditures from allotments of funds from other bureaus and offices for direct expenditure during the fiscal year 1935 were as follows:

Appropriation	Allotted	Expended
Veterans' Administration, working fund.....	\$304, 899	\$304, 899
Department of Justice, medical and hospital service, penal institutions.....	<sup>1</sup> 432, 478	432, 297
Public Works Administration, national industrial recovery.....	459, 748	459, 748
Civil Works Administration, working fund.....	37, 795	37, 795
Federal Emergency Relief Administration, working fund.....	943, 533	943, 533
Public Works Administration, working fund.....	75	75
Total.....	2, 178, 528	2, 178, 347

<sup>1</sup> Includes \$14,000 transferred under acts of Mar. 29, 1931, and Feb. 13, 1935.

The revenues derived from operations of the Public Health Service during the year and covered into the Treasury as miscellaneous receipts were as follows:

Source	Amount
General fund receipts:	
Quarantine charges.....	\$218, 531. 52
Hospitalization charges and expenses.....	35, 979. 39
Sale of subsistence.....	11, 328. 01
Sale of occupational therapy products.....	561. 94
Sale of obsolete, condemned, and unserviceable equipment.....	9, 312. 14
Rents.....	2, 417. 00
Reimbursement for Government property lost or damaged.....	398. 45
Commissions on telephone pay stations installed in service buildings.....	1, 257. 10
Sale of refuse, garbage, and other by-products.....	1, 241. 60
Sale of livestock and livestock products.....	377. 90
Other revenues.....	235. 21
Total.....	281, 643. 26
Trust fund receipts:	
Sale of effects of deceased patients.....	955. 76
Inmates' funds.....	1, 363. 78
Grand total.....	283, 962. 80

## DIVISION OF RESEARCH AND STATISTICS

The Division of Research and Statistics in the Office of the Secretary of the Treasury and the position of Director of Research and Statistics were created by an order of the Secretary dated September 17, 1934. By the terms of the order the Director of Research and Statistics exercises responsibility for the production, analysis, and publication of statistics, and the conduct of economic research in all branches of the Department.

The Division, which absorbed the duties of the Section of Financial and Economic Research, pursues intensive research in the fields of taxation, Federal financing, and monetary problems, and supplies information and analyses over a broad range of economic subjects.

### *Taxation*

A continuing function of the research staff of the Division is the preparation of estimates of tax receipts for the current and the succeeding fiscal years. This work involves estimates in detail of receipts from each source of Federal revenue. Research is likewise

undertaken in connection with all changes in the Federal tax structure. Studies are also in process relating to the extent and character of conflicting and overlapping taxation by Federal, State, and local governments.

### *Federal financing*

The Division acts in a research capacity to the Secretary of the Treasury in problems relating to Treasury financing. Domestic conditions affecting the financing are analyzed, and foreign methods of financing are studied.

### *Monetary problems*

The Division is charged with the responsibility of providing data, surveys, analyses, and reports on a broad range of domestic and foreign economic subjects to aid the Secretary of the Treasury in connection with the monetary problems arising out of the operation of the stabilization fund, the international movements of gold, the relationship of the dollar to foreign currencies, and the execution of the provisions of the numerous acts pertaining to the purchase of gold and silver.

The Emergency Banking Act of March 9, 1933, the Farm Relief Act of May 12, 1933, the London Silver Agreement of July 22, 1933, the Gold Reserve Act of January 30, 1934, the Silver Purchase Act of June 19, 1934, and the various Presidential orders contain provisions for action by the Secretary of the Treasury the performance of which requires careful economic analysis of the numerous factors involved. Among the subjects which call for constant study are production, stocks, use, and movements of gold and of silver; short-term and long-term capital movements; foreign exchange movements and controls; foreign central bank policies and actions; and those economic and financial conditions in foreign countries which have a direct bearing on these problems.

Machinery has been set up to obtain detailed reports weekly from all banks, brokers, and dealers, of changes in bank balances held by foreigners, and in balances held abroad by Americans, and of all international security transactions and foreign exchange operations. These data are tabulated and analyzed, and reports are made weekly to the Secretary.

Studies of price and exchange movements and of the results of current changes in international balances of payments and trade, are also carried on to determine the position of the dollar in relation to other currencies.

### *Actuarial analysis*

The Government Actuary, who is a member of the Division of Research and Statistics, makes various studies relating to insurance, pensions, and finance, and serves as a member of the Federal Board of Actuaries under the provisions of the Civil Service Retirement Act. The Social Security Act requires the Secretary of the Treasury to include in his annual report the actuarial status of the old-age reserve account. The actuarial work in this connection will be performed by the Government Actuary.

## SECRET SERVICE DIVISION

During the fiscal year 1935, 3,657 persons were arrested by agents of the Service, or by their direction, on charges involving counterfeiting of the obligations and coins of the United States and forgery, as well as miscellaneous offenses against the statutes relating to the Treasury Department. Of this number, 1,562 were note counterfeiters and note passers, 57 were note raisers and passers of altered currency, 779 were coin counterfeiters and coin passers, 529 were check forgers, 15 were apprehended for negotiating stolen or forged bonds, 5 were held for fraudulent negotiation of adjusted service certificates, 15 were arrested for violating the Gold Reserve Act of 1934, and 191 for miscellaneous offenses; and 504 were dismissed.

Ten new counterfeit issues were discovered, all photo-mechanical productions and, for the most part, deceptive and warranting distribution of descriptive warning circulars. In addition, 66 counterfeits of varying types of workmanship were discovered in different sections of the country. The latter issues generally were extremely crude productions and were quickly suppressed.

Counterfeit notes aggregating \$1,418,464 were captured or seized during the year by operatives of the Service. This total includes altered currency aggregating \$4,270, of which \$980 was made and passed in foreign countries, and fractional currency amounting to \$276.25. Counterfeit coins to the amount of \$74,847.27 were confiscated by agents in connection with raids and subsequent arrests, and \$94 of counterfeit foreign notes and coins were also seized.

In connection with investigations and arrests, operatives captured or seized 349 metal plates, 249 film and glass negatives for printing counterfeit obligations and securities, 24½ steel dies, 57 metal molds, 466 plaster molds, and 3 wood molds for counterfeiting coins, and a large quantity of miscellaneous paraphernalia and materials.

Of the counterfeit notes captured during the year, a total of \$379,539 was used in evidence against the makers and passers, and \$1,140 of altered notes were likewise used in evidence in the prosecution of note raisers and passers of altered notes. Counterfeit coins totaling \$5,101.64 were also used in evidence in cases of this character.

Of the cases brought to trial, 1,885 persons were convicted and sentenced, 158 were acquitted, 828 are awaiting action of the courts, while others were variously disposed of, some being committed to insane asylums and others delivered to the military and police authorities. The 504 persons who were dismissed after having been apprehended in company with known criminals are listed as suspects and their records are known to the Service.

Agents during the year conducted investigations of 2,374 check cases, 57 bond cases, and 3 war savings stamp cases. In check case investigations, the sum of \$5,262.51 was received in restitution and transmitted to the Department.

There were referred to the Service for investigation 62 cases from the Veterans' Administration, involving violation of the World War Adjusted Compensation Act; 30 cases from the Farm Credit Administration, involving offenses against the Farm Loan Act; and



424 cases involving violation of the Gold Reserve Act of 1934. Inquiries in 173 cases were received from the Procurement Division for information concerning prospective bidders on Government supplies.

### TREASURER OF THE UNITED STATES

Public moneys are received and disbursed through the accounts of the Treasurer of the United States with designated Government depositaries and the Treasury at Washington.

Funds appropriated by Congress for the use of the various departments and establishments of the Government are advanced to disbursing officers as required and credited to their accounts on the books of the Treasurer, and all disbursements therefrom are made by checks drawn on the Treasurer.

The total receipts and total expenditures of the Government for the fiscal years 1934 and 1935 are compared in the following table. The figures used in this table and throughout this section of the report (pp. 173 to 177, inclusive), are on the basis of daily Treasury statements (revised). (For an explanation of accounts, see p. 294; and for an explanation of bases, see p. 293.)

	1934	1935	Increase (+) or decrease (-)
<b>Receipts:</b>			
General and special accounts.....	\$3, 121, 431, 991. 22	\$3, 800, 972, 151. 02	+\$679, 540, 159. 80
Trust accounts:			
Increment resulting from reduction in the weight of the gold dollar.....	2, 811, 397, 066. 15	1, 722, 751. 97	-2, 809, 674, 314. 18
Seigniorage <sup>1</sup> .....		140, 111, 111. 47	+140, 111, 441. 47
Other trust accounts.....	161, 273, 515. 81	237, 358, 693. 94	+76, 085, 178. 13
Total.....	6, 094, 102, 573. 18	4, 180, 165, 038. 40	-1, 913, 937, 534. 78
<b>Expenditures:</b>			
Transactions in checking accounts of governmental agencies (net).....		<sup>2</sup> -437, 074, 669. 68	-437, 074, 669. 68
Chargeable against increment on gold:			
Exchange stabilization fund.....	2, 000, 000, 000. 00		-2, 000, 000, 000. 00
Melting losses, etc.....		675, 121. 93	+675, 121. 93
Payments to Federal Reserve banks (sec. 13b, Federal Reserve Act, as amended).....		20, 931, 857. 34	+20, 931, 857. 34
Retirement of national bank notes.....		91, 415, 650. 00	+91, 415, 650. 00
Public debt retirements chargeable against ordinary receipts.....	359, 863, 092. 90	573, 557, 250. 00	+213, 692, 157. 10
All other expenditures.....	6, 909, 789, 429. 56	6, 984, 397, 369. 27	+74, 607, 879. 71
Total.....	9, 269, 654, 522. 46	7, 233, 902, 518. 86	-2, 035, 752, 003. 60
<b>Excess of expenditures over receipts, including trust funds.....</b>	<b>3, 175, 551, 949. 28</b>	<b>3, 053, 737, 480. 46</b>	<b>-121, 814, 468. 82</b>

<sup>1</sup> Represents the seigniorage resulting from the issuance of silver certificates equal to the cost of the silver acquired under the Silver Purchase Act of 1934 and the amount returned for the silver received under the President's Proclamation dated August 9, 1934.

<sup>2</sup> Represents transfers aggregating \$333,245,377.93 of balances in checking accounts of special agencies of the Government as of May 31, 1935, and net transactions since that date of \$103,829,291.75.

Receipts and expenditures on account of the principal of the public debt during the fiscal year 1935 were as follows:

Class	Receipts	Expenditures
Treasury bills.....	\$4,007,066,000.00	\$3,326,590,000.00
Certificates of indebtedness.....		1,522,470,300.00
Certificates of indebtedness (adjusted service certificate fund series).....	213,600,000.00	175,900,000.00
Treasury notes.....	4,678,893,500.00	1,302,646,700.00
Treasury notes (civil service retirement fund series).....	41,400,000.00	32,400,000.00
Treasury notes (Foreign service retirement fund series).....	765,000.00	509,000.00
Treasury notes (Canal Zone retirement fund series).....	111,000.00	64,000.00
Treasury notes (Postal Savings System series).....	90,000,000.00	-----
Treasury notes (Federal Deposit Insurance Corporation series).....	100,000,000.00	-----
Treasury bonds.....	3,351,392,950.00	555,000.00
United States Savings Bonds.....	62,567,043.75	530,887.50
War savings securities.....		21,825.50
Treasury savings securities.....	11.88	160,916.00
First Liberty bonds.....		1,788,406,650.00
Second Liberty bonds.....		280,200.00
Third Liberty bonds.....		456,050.00
Fourth Liberty bonds.....		3,077,600,050.00
Victory notes.....		69,650.00
Postal savings bonds.....	25,718,880.00	1,799,500.00
Other debt items.....		3,303.33
Deposits for, and retirements of, national bank notes and Federal Reserve bank notes.....	551,166,925.00	247,310,320.00
Total.....	13,125,681,310.63	11,477,714,352.33

Public debt retirements chargeable against ordinary receipts, included in the above public debt expenditures, were as follows:

Cumulative sinking fund.....	\$573,000,000
Forfeitures, gifts, etc.....	557,250
Total.....	573,557,250

The gold holdings of the Treasury as of June 30, 1934 and 1935, valued at \$35 an ounce, are shown in the following table:

Account	June 30, 1934	June 30, 1935	Increase (+) or decrease (-)
Reserve against gold certificates outstanding.....	\$958,463,029.00	\$787,646,039.00	-\$170,816,990.00
Gold certificate fund, Federal Reserve Board.....	3,973,332,588.66	5,509,710,115.48	+1,536,377,526.82
Redemption fund, Federal Reserve notes.....	25,722,721.73	22,879,855.28	-2,842,866.45
Reserve against United States notes and Treasury notes of 1890.....	156,039,430.93	156,039,430.93	-----
Exchange stabilization fund.....	1,800,000,000.00	1,800,000,000.00	-----
Gold in General Fund.....	942,622,786.13	839,368,051.28	-103,254,734.85
Total.....	7,856,180,556.45	9,115,643,491.97	+1,259,462,935.52

The increase in the gold holdings was made up as follows:

Purchases by mints and assay offices on account of imports, etc., (valued at \$35 an ounce).....	\$1,255,254,691.36
Received under the order of the Secretary of the Treasury of Dec. 28, 1933, (valued at \$20.67+ an ounce).....	2,485,492.19
Increment resulting from reduction in the weight of the gold dollar.....	1,722,751.97
Total.....	1,259,462,935.52

Paper currency of each class issued and redeemed during the fiscal year 1935 and the amounts outstanding, including Treasury holdings, on June 30, 1934 and 1935, were as follows:

Class	Outstanding June 30, 1934	Issued	Redeemed	Outstanding June 30, 1935
Gold certificates.....	\$1,141,200,779	\$15,455,600	\$368,883,530	\$787,772,849
Silver certificates.....	498,018,431	922,561,500	604,815,044	815,764,887
United States notes.....	346,681,016	237,756,000	237,756,000	346,681,016
Treasury notes of 1890.....	1,191,000	-----	7,650	1,183,350
Federal Reserve notes.....	3,350,987,755	1,764,566,520	1,622,700,655	3,492,853,620
Federal Reserve bank notes.....	160,666,263	4,250	76,316,140	84,354,373
National bank notes.....	962,130,553	247,929,020	436,942,828	773,116,745
Total.....	6,460,875,797	3,188,272,890	3,347,421,847	6,301,726,840

The paper currency held by Treasury offices and Federal Reserve banks on June 30, 1935, was as follows:

Class	Held in Treasury offices and by Federal Reserve banks and agents in custody for the Treasurer, U. S.	Held by Federal Reserve banks	Total
Gold certificates.....	\$126,810	\$670,479,090	\$670,605,900
Silver certificates.....	5,751,210	108,539,486	114,290,696
United States notes.....	1,884,332	59,379,479	61,263,811
Treasury notes of 1890.....	1,776	-----	1,776
Federal Reserve notes.....	15,974,500	253,966,025	269,940,525
Federal Reserve bank notes.....	1,584,027	1,300,790	2,884,817
National bank notes.....	1 33,650,201	35,203,270	68,853,471
Total.....	58,972,856	1,128,868,140	1,187,840,996

<sup>1</sup> Includes \$4,021,100 held by the Comptroller of the Currency for destruction.

The amount of United States paper currency shipped during the fiscal year 1935 from the Treasury in Washington to Treasury offices, Federal Reserve banks and branches, and others amounted to \$1,139,905,458, an increase of \$347,740,378 as compared with the previous year. Of this increase, approximately 78 percent was on account of the shipment of silver certificates.

The proceeds of currency counted into the Treasurer's cash by the National Bank Redemption Agency amounted to \$536,073,329.30, of which \$442,232,784 was in national bank notes, \$58,191,395 in Federal Reserve bank notes, \$35,571,305 in Federal Reserve notes, and \$77,845.30 in United States currency.

Canceled Federal Reserve notes amounting to \$1,157,491,400 were received from Federal Reserve banks and branches for credit of Federal Reserve agents.

During the year the Treasurer's office authorized and directed shipments or transfers of current silver and minor coins to or from the Treasury, the mints, the assay office in New York, and the Federal Reserve banks and branches for use in public disbursements and for special purposes in an aggregate amount of \$49,780,361.60. Shipments and transfers of gold coin and bullion and of uncurrent silver and minor coins to the mints from the Treasury in Washington and from the Federal Reserve banks and branches were authorized in the amounts of \$914,097,129.68 and \$10,751,356.20, respectively.

Public moneys on deposit in designated Government depositaries on June 30, 1935, exclusive of items in transit on that date, amounted to \$925,656,836.36 and were distributed as follows:

Class of depositary	To credit of Treasurer	To credit of other Government officers
Federal Reserve banks and branches.....	\$102,236,863.22	-----
Special depositary banks (account of sales of Government securities)....	779,020,320.27	-----
General depositary banks.....	8,228,196.56	\$9,503,081.79
Limited depositary banks.....	-----	21,982,678.21
Foreign depositary banks.....	968,839.44	1,583,599.58
Treasury of the Philippine Islands.....	2,133,257.29	-----
Total.....	892,587,476.78	33,069,359.58

Government and other securities held in custody by the Treasurer on June 30, 1935, amounted to \$19,484,166,144, whereas the amount held on June 30, 1934, was \$19,035,094,929, an increase of \$449,071,215. The purposes for which the securities were held and the amounts thereof as of June 30, 1934 and 1935, were as follows:

Purpose for which held	June 30, 1934	June 30, 1935
To secure national bank note circulation.....	\$737,023,670	\$143,743,910
To secure deposits of public moneys in depositary banks.....	52,920,506	50,645,700
To secure Postal Savings funds.....	738,868,235	408,308,238
Held for special trust accounts.....	17,500,558,708	18,875,310,556
Held for District of Columbia teachers' retirement fund.....	5,595,160	6,022,390
Held for Longshoremen's and Harbor Workers' fund.....	107,650	114,350
Held for District of Columbia Workmen's Compensation fund.....	21,000	21,000
Total.....	19,035,094,929	19,484,166,144

The number of pieces of public debt principal obligations examined, verified, and redeemed during the year was 4,105,416 as compared with 1,888,858 for the previous fiscal year.

Checks in payment of interest on the registered obligations of the United States verified and paid, numbered 1,584,328, and amounted to \$112,222,836.04. Interest coupons of Government obligations examined, verified, and paid, numbered 15,736,679 and amounted to \$645,737,720.56.

The checks issued by the Treasurer of the United States in payment of interest on the registered obligations of governmental agencies and insular governments numbered 30,796 and amounted to \$11,276,747.55. Coupons of obligations of governmental agencies and insular governments paid numbered 6,759,856 and amounted to \$87,387,646.91.

Funds were advanced to United States disbursing officers by accountable warrants issued in an aggregate amount of \$7,054,861,015.02. Warrants aggregating \$13,143,937,106.27 were also issued covering public debt principal and interest payments by the Treasurer. Treasurer's checks aggregating \$124,811,711.37 were issued on settlement warrants in payment of claims settled by the Comptroller General.

Drafts were purchased in payment of claims settled in 57 different kinds of foreign currencies for the Comptroller General and for other

departments and bureaus of the Government at a total cost of \$170,290.61.

Checks drawn on the Treasurer of the United States by Government disbursing officers and paid during the year numbered 71,340,442, a decrease of 33,276,202 checks as compared with the previous year. Balances to the credit of disbursing officers and Government agencies in 4,690 accounts on June 30, 1935, amounted to \$1,277,067,364.17, an increase of \$417,916,496.93 over the total of such balances in 4,467 accounts on June 30, 1934.

### WAR FINANCE CORPORATION

(In liquidation)

By the act of Congress approved March 1, 1929, the liquidation of the War Finance Corporation's assets remaining after the close of business, April 4, 1929, and the winding up of the affairs of the Corporation thereafter were transferred to the Secretary of the Treasury. During the fiscal year ended June 30, 1935, the liquidation of the Corporation was continued.

Pursuant to an order of the Secretary of the Treasury approved by the President January 24, 1935, the disbursing functions of the War Finance Corporation were transferred, under the provisions of Executive Order No. 6166 of June 10, 1933, as amended, to the Division of Disbursement effective February 1, 1935, together with the personnel engaged in the performance of such disbursing functions.

The Corporation has outstanding only \$10,000 of its original capital of \$500,000,000, capital stock of \$499,990,000 having been retired at par. During the year the Corporation collected the balance due on the security taken by the Corporation in the reorganization of an industrial company which had received an advance during the war. The liquidation of this war loan advance in full enabled the Corporation to pay into the Treasury on March 1, 1935, the sum of \$100,000, increasing to \$64,731,271.70 the amount paid into the Treasury on account of earnings.

The amount advanced by the Corporation for all purposes, from its creation, not including such part of new applications as represented proceeds used to retire other advances, was \$690,431,100, of which \$688,604,140 has been repaid.

The total assets carried on the Corporation's books on June 30, 1935, amounted to \$130,192.77, which consisted of cash of \$122,220.15; furniture and fixtures of \$1; and agricultural and livestock loans (including expense advances of \$372.22) of \$7,971.62. During the year no expense advances were made. The total receipts amounted to \$129,676.94, including repayments aggregating \$128,201.86, of which \$10,825.96 was applied on account of the Corporation's agricultural and livestock loans and \$117,375.90 on account of war loans. Total expenditures, excluding \$100,000 paid into the Treasury, amounted to \$5,838.43.



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EXHIBITS

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## THE PUBLIC DEBT

### Issues and redemptions of United States bonds, notes, and certificates of indebtedness

#### Exhibit 1

*Offering of 1½ percent Treasury notes of series D-1936, 2½ percent Treasury notes of series D-1938, and 3¼ percent Treasury bonds of 1944-46 (additional)*

On September 10, 1934, Secretary of the Treasury Morgenthau offered for subscription two series of Treasury notes and an issue of bonds in exchange for Treasury certificates of indebtedness of series TS-1934 maturing September 15, 1934, and Fourth Liberty Loan 4¼ percent bonds called for redemption October 15, 1934. In the related press release it was stated that the amount of Treasury certificates maturing September 15, 1934, was \$524,748,500, and the amount of Fourth Liberty Loan bonds eligible for exchange for the new securities was slightly less than \$1,250,000,000.

[Treasury notes, series D-1936. Department Circular No. 522]

TREASURY DEPARTMENT,  
*Washington, September 10, 1934.*

#### EXCHANGE OFFERING OF NOTES

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, offers for subscription, at par, 1½ percent notes of the United States, designated Treasury notes of series D-1936, in payment of which only Treasury certificates of indebtedness of series TS-1934, maturing September 15, 1934, may be tendered. The amount of the offering is limited to the amount of Treasury certificates of indebtedness of series TS-1934 tendered and accepted.

#### DESCRIPTION OF NOTES

The notes will be dated September 15, 1934, and will bear interest from that date at the rate of 1½ percent per annum, payable semiannually on March 15 and September 15 in each year. They will mature September 15, 1936, and will not be subject to call for redemption prior to maturity.

The notes shall be exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The notes will not be issued in registered form.

#### APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

Subject to the reservations made in the next succeeding paragraph, all subscriptions will be allotted in full.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Allotment notices will be sent out promptly upon allotment.

#### TERMS OF PAYMENT

Payment at par for any notes allotted under this circular must be made on or before September 15, 1934, or on later allotment, and may be made only in Treasury certificates of indebtedness of series TS-1934, maturing September 15, 1934, which will be accepted at par, and should accompany the subscription.

#### GENERAL PROVISIONS

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

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

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

[Treasury notes, series D-1938. Department Circular No. 523]

TREASURY DEPARTMENT,  
*Washington, September 10, 1934.*

#### EXCHANGE OFFERING OF NOTES

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, offers for subscription, at par, 2½ percent notes of the United States, designated Treasury notes of series D-1938, in payment of which only Fourth Liberty Loan 4¼ percent bonds of 1933-38 included in the second call for redemption on October 15, 1934 (hereinafter referred to as second-called Fourth 4¼'s),<sup>1</sup> may be tendered.

The amount of the offering is limited to the amount of second-called Fourth 4¼'s tendered and accepted. Fourth Liberty Loan bonds not included in the second call for redemption on October 15, 1934, will not be accepted for exchange under this circular.<sup>2</sup>

In addition to the exchange offering under this circular, holders of second-called Fourth 4¼'s are also offered the privilege of exchanging all or any part of such called bonds for 3¼ percent Treasury bonds of 1944-46, which offering is set forth in Department Circular No. 524, issued simultaneously with this circular.

#### DESCRIPTION OF NOTES

The notes will be dated September 15, 1934, and will bear interest from that date at the rate of 2½ percent per annum, payable semiannually on March 15

<sup>1</sup> Pursuant to the second call for partial redemption (see Department Circular No. 509, dated Apr. 13, 1934) all outstanding Fourth Liberty Loan 4¼ percent bonds of 1933-38 bearing serial numbers ending in 2 or 8 (in the case of permanent coupon bonds preceded by the distinguishing letter B or H, respectively) have been called for redemption on Oct. 15, 1934, on which date interest on such bonds will cease.

<sup>2</sup> First-called Fourth 4¼'s (which ceased to bear interest on Apr. 15, 1934) bear serial numbers ending in 9, 0, or 1 (in the case of permanent coupon bonds preceded by the distinguishing letter J, K, or A, respectively), and uncalled Fourth 4¼'s bear serial numbers ending in 3, 4, 5, 6, or 7 (in the case of permanent coupon bonds preceded by the distinguishing letter C, D, E, F, or G, respectively).

and September 15 in each year. They will mature September 15, 1938, and will not be subject to call for redemption prior to maturity.<sup>3</sup> \* \* \*

Bearer notes with interest coupons attached will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The notes will not be issued in registered form.

#### APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. \* \* \*

#### TERMS OF PAYMENT

Payment at par for any notes allotted under this circular must be made on or before September 15, 1934, or on later allotment, and may be made only in second-called Fourth 4¼'s, which will be accepted at par, and should accompany the subscription. If any subscription is rejected, in whole or in part, the second-called Fourth 4¼'s tendered therewith and not accepted will be returned to the subscriber.

Interest on second-called Fourth 4¼'s tendered and accepted will be paid in full to October 15, 1934, on which date interest on all second-called Fourth 4¼'s will cease. Such payments will be made, in the case of coupon bonds, through payment of coupons dated October 15, 1934, when due, which coupons must be detached by holders before presentation of the bonds for exchange for the notes offered hereunder, and, in the case of registered bonds, through the issue of interest checks in regular course for final interest due October 15, 1934, in favor of the holders of record on September 15, 1934.

#### SURRENDER OF SECOND-CALLED FOURTH 4¼'S ON EXCHANGE

*Coupon bonds.*—Second-called Fourth 4¼'s in coupon form tendered in exchange for Treasury notes offered hereunder, should be presented and surrendered to a Federal Reserve bank or to the Treasurer of the United States and should accompany the application. All coupons bearing dates subsequent to October 15, 1934,<sup>4</sup> should be attached to such coupon bonds when surrendered, and if any such coupons are missing, the application must be accompanied with cash payment equal to the face amount of the missing coupons.<sup>5</sup> The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

*Registered bonds.*—Second-called Fourth 4¼'s in registered form tendered in exchange for Treasury notes offered hereunder, should be assigned by the registered payee or assigns thereof to "The Secretary of the Treasury for exchange for Treasury notes of series D-1938", 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 application to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Washington. The bonds must be delivered at the expense and risk of the holder.

#### GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions \* \* \*

HENRY MORGENTHAU, JR.,  
Secretary of the Treasury.

<sup>3</sup>Omitted portions similar to corresponding sections of Department Circular No. 522, p. 181.

<sup>4</sup>It will be noted that second-called Fourth 4¼'s in coupon form tendered in exchange for 3¼ percent Treasury bonds under Department Circular No. 524 must have the Oct. 15, 1934, coupons attached as the interest represented by such coupons will be applied to the accrued interest on the 3¼ percent Treasury bonds issued in exchange and the balance paid on delivery of such bonds or promptly following allotment.

<sup>5</sup>The final coupon attached to temporary coupon bonds became due on Oct. 15, 1920. The holders of any such temporary bonds which are included in the second call for partial redemption on Oct. 15, 1934, will receive the past due interest from Oct. 15, 1920, if such bonds are tendered for exchange under this circular.

[Treasury bonds of 1944-46. Department Circular No. 524]

TREASURY DEPARTMENT.  
*Washington, September 10, 1934.*

## EXCHANGE OFFERING OF BONDS

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, for refunding purposes, invites subscriptions, at par with an adjustment of accrued interest as of September 15, 1934, from the people of the United States, for  $3\frac{1}{4}$  percent Treasury bonds of 1944-46, in payment of which only Fourth Liberty Loan  $4\frac{1}{4}$  percent bonds of 1933-38 included in the second call for redemption on October 15, 1934 (hereinafter referred to as second-called Fourth  $4\frac{1}{4}$ 's) may be tendered.<sup>1</sup> The amount of the additional issue of  $3\frac{1}{4}$  percent Treasury bonds of 1944-46 will be limited to the amount of second-called Fourth  $4\frac{1}{4}$ 's tendered and accepted. Fourth Liberty Loan bonds not included in the second call for redemption on October 15, 1934, will not be accepted for exchange under this circular.<sup>2</sup>

In addition to the exchange offering under this circular, holders of second-called Fourth  $4\frac{1}{4}$ 's are also offered the privilege of exchanging all or any part of such called bonds for  $2\frac{1}{2}$  percent Treasury notes of series D-1938, which offering is set forth in Department Circular No. 523, issued simultaneously with this circular.

## DESCRIPTION OF BONDS

The bonds now offered will be an addition to and will form a part of the series of  $3\frac{1}{4}$  percent Treasury bonds of 1944-46 issued pursuant to Department Circular No. 508, dated April 4, 1934, are identical in all respects therewith, will be freely interchangeable, and are described in the following quotation from said Circular No. 508:

"The bonds will be dated April 16, 1934, and will bear interest from that date at the rate of  $3\frac{1}{4}$  percent per annum, payable on October 15, 1934, on a semiannual basis, and thereafter semiannually on April 15 and October 15 in each year until the principal amount becomes payable. They will mature April 15, 1946, but may be redeemed at the option of the United States on and after April 15, 1944, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption, the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

"Bearer bonds with interest coupons attached and bonds registered as to principal and interest will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds and for the transfer of registered bonds under rules and regulations prescribed by the Secretary of the Treasury.

"The bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by said act approved September 24, 1917, as amended, the principal of which does not exceed \$5,000 owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

"The bonds will be acceptable to secure deposits of public moneys, and will bear the circulation privilege only to the extent provided in the act approved July 22, 1932, as amended. They will not be entitled to any privilege of conversion.

<sup>1</sup> Footnote omitted here, see footnote 1, p. 182.

<sup>2</sup> Footnote omitted here, see footnote 2, p. 182.

"The bonds will be subject to the general regulations of the Treasury Department, now or hereafter issued, governing United States bonds."

## APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

Subject to the reservations made in the next succeeding paragraph, all subscriptions will be allotted in full.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Allotment notices will be sent out promptly upon allotment.

## TERMS OF PAYMENT

Payment at par and accrued interest to September 15, 1934, for any bonds allotted under this circular must be made on or before September 15, 1934, or on later allotment. Payment of the principal amount may be made only in second-called Fourth 4¼'s, which will be accepted at par, and should accompany the subscription. If any subscription is rejected, in whole or in part, the second-called Fourth 4¼'s tendered therewith and not accepted will be returned to the subscriber.

Interest on second-called Fourth 4¼'s tendered and accepted will be paid in full to October 15, 1934. In the case of coupon bonds accepted in exchange such interest will be anticipated and paid upon the terms and conditions hereinafter prescribed. Interest on all second-called Fourth 4¼'s will cease on October 15, 1934.

*Coupon bonds.*—Coupon bonds tendered in payment should have coupons dated October 15, 1934, as well as all subsequent coupons attached: 3¼ percent Treasury bonds in coupon form issued in exchange will have all coupons attached, including the coupon maturing October 15, 1934, and a payment of the amount by which the 4¼ percent coupon maturing October 15, 1934, exceeds the accrued interest from April 16 to September 15, 1934, of the 3¼ percent coupon maturing October 15, 1934 (such excess being \$7.752732 per \$1000 principal amount), will be made upon delivery of the 3¼ percent coupon bond; 3¼ percent Treasury bonds in registered form issued in exchange will bear interest from September 15, 1934; and a payment of the full amount of the 4¼ percent coupon maturing October 15, 1934, will be made promptly following allotment.

*Registered bonds.*—Interest on registered bonds tendered in payment and accepted will be payable on October 15, 1934, to the holders of record on September 15, 1934, the date of closing of the transfer books; 3¼ percent registered bonds issued in exchange for registered bonds will bear interest from September 15, 1934, and no cash payment for accrued interest will be required; 3¼ percent Treasury bonds in coupon form issued in exchange for registered bonds will have all coupons attached, including the coupon maturing October 15, 1934; accordingly, a cash payment for accrued interest from April 16 to September 15, 1934 (\$13.497268 per \$1,000 principal amount), must accompany the application.

## SURRENDER OF SECOND-CALLED FOURTH 4¼'S ON EXCHANGE

*Coupon bonds.*—Second-called Fourth 4¼'s in coupon form tendered in exchange for Treasury bonds offered hereunder, should be presented and surrendered to a Federal Reserve bank or to the Treasurer of the United States and should accompany the application. Coupons dated October 15, 1934,<sup>3</sup> and all coupons bearing dates subsequent to October 15, 1934, should be attached

<sup>3</sup> It will be noted that second-called Fourth 4¼'s in coupon form tendered in exchange for 2½ percent Treasury notes of series D-1938 under Department Circular No. 523 will not have the October 15, 1934, coupon attached; and there will, accordingly, be no anticipation of interest upon exchange for notes under such circular.

to such coupon bonds when surrendered, and if any such coupons are missing, the application must be accompanied with cash payment equal to the face amount of the missing coupons.<sup>4</sup> The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

*Registered bonds.*—Second-called Fourth  $4\frac{1}{4}$ 's in registered form tendered in exchange for Treasury bonds offered hereunder should be assigned by the registered payee or assigns thereof in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the application to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Washington. The bonds must be delivered at the expense and risk of the holder. If Treasury bonds are desired registered in the same name as the so-called Fourth  $4\frac{1}{4}$ 's surrendered, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1944-46"; if Treasury bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1944-46 in the name of -----"; if Treasury bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1944-46 in coupon form to be delivered to -----."

#### GENERAL PROVISIONS

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

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

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

#### Exhibit 2

*Allotments on exchange subscriptions, Treasury notes of series D-1936 and series D-1938, and Treasury bonds of 1944-46 (from press releases, Sept. 13, 17, 19, 21, and 25, Oct. 1, 1934, and Jan. 3, 1935, revised<sup>5</sup>)*

On September 12, 1934, Secretary of the Treasury Morgenthau announced that the subscription books for the exchange offering of  $1\frac{1}{2}$  percent Treasury notes of series D-1936 would close at the close of business September 13, 1934. Subscriptions aggregating \$514,066,000 were received for these notes, which were open only to the holders of Treasury certificates of indebtedness maturing September 15, 1934.

The subscription books for the offering of  $2\frac{1}{2}$  percent Treasury notes of series D-1938 closed at the close of business September 24, 1934. Subscriptions for these notes, offered in exchange for Fourth Liberty Loan bonds called for redemption on October 15, 1934, aggregated \$596,416,100.

The subscription books for the offering of the additional issue of  $3\frac{1}{4}$  percent Treasury bonds of 1944-46 remained open until the close of business October 11, 1934. Subscriptions for these bonds, also issued in exchange for the called Fourth Liberty Loan bonds, aggregated \$456,898,300.

The amount offered of each of the three issues was limited to the amount of tenders accepted of maturing Treasury certificates or called Fourth Liberty Loan bonds for which the particular issue was offered in exchange. Allotments were divided among the several Federal Reserve districts and the Treasury as follows:

<sup>4</sup> Footnote omitted here, see footnote 5, p. 183.

<sup>5</sup> Revised Nov. 23 and Dec. 31, 1934, and Jan. 30 and Apr. 30, 1935.

Federal Reserve district	Treasury notes, series D-1936	Treasury notes, series D-1938	Treasury bonds of 1944-46
Boston.....	\$14,273,500	\$37,582,750	\$20,098,800
New York.....	382,247,500	376,985,050	134,381,300
Philadelphia.....	10,027,000	17,288,800	24,179,600
Cleveland.....	12,988,000	26,527,050	62,271,900
Richmond.....	4,247,000	7,914,800	21,968,150
Atlanta.....	7,408,000	3,557,950	10,842,300
Chicago.....	40,616,000	64,102,450	65,578,400
St. Louis.....	15,521,500	12,447,950	28,372,400
Minneapolis.....	10,422,000	10,478,300	12,235,400
Kansas City.....	6,158,000	11,954,400	25,946,550
Dallas.....	3,964,500	6,827,250	9,010,450
San Francisco.....	5,051,000	15,472,750	20,886,500
Treasury.....	1,142,000	5,276,600	21,126,550
Total.....	514,066,000	596,416,100	456,898,300

### Exhibit 3

#### *Partial redemption on April 15, 1935, of Fourth Liberty Loan bonds before maturity (third call)*

On October 12, 1934, Secretary of the Treasury Morgenthau issued a third call for the redemption on April 15, 1935, of three series of outstanding  $4\frac{1}{4}$  percent Fourth Liberty Loan bonds. This call included about \$1,870,000,000 of bonds.

The first call, issued October 12, 1933, included about \$1,880,000,000 of bonds called for redemption on April 15, 1934; and the second call, issued April 13, 1934, included about \$1,250,000,000 of bonds called for redemption on October 15, 1934. Through refunding during the previous 12 months about \$2,750,000,000 of bonds under the first two calls were exchanged for other interest-bearing obligations of the United States, while about \$380,000,000 of the bonds either were paid or were to be paid in cash.

The text of the formal notice of call of October 12, 1934, was as follows:

#### *To Holders of Fourth Liberty Loan $4\frac{1}{4}$ Percent Bonds of 1933-38 and Others Concerned:*

Public notice is hereby given:

1. All outstanding Fourth Liberty Loan  $4\frac{1}{4}$  percent bonds of 1933-38 (Fourth  $4\frac{1}{4}$ 's) bearing serial numbers the final digit of which is 5, 6, or 7 (such serial numbers in the case of permanent coupon bonds being prefixed by the corresponding distinguishing letter E, F, or G, respectively), are hereby called for redemption on April 15, 1935, on which date interest on such bonds called for redemption will cease.

2. This third call for partial redemption is made pursuant to the provision for redemption contained in the bonds and in Treasury Department Circular No. 121, dated September 28, 1918, under which the bonds were originally issued, the bonds to be redeemed having been determined by lot in the manner prescribed by the Secretary of the Treasury.

3. Outstanding Fourth  $4\frac{1}{4}$ 's bearing serial numbers (and prefix letters) other than those designated are not included in or affected by this third call for partial redemption.

Holder of the Fourth  $4\frac{1}{4}$ 's now called for redemption on April 15, 1935, may, in advance of that date, be offered the privilege of exchanging their third-called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given.

Full information regarding the presentation and surrender of Fourth  $4\frac{1}{4}$ 's under this call is given in Department Circular No. 525, dated October 12, 1934.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

TREASURY DEPARTMENT, Washington, October 12, 1934.

The circular governing the redemption of these bonds was as follows:

[Department Circular No. 525]

TREASURY DEPARTMENT.

Washington, October 12, 1934.

To Holders of Fourth Liberty Loan  $4\frac{1}{4}$  percent Bonds of 1933-38, and Others Concerned:

I. NOTICE OF THIRD CALL FOR PARTIAL REDEMPTION BEFORE MATURITY OF FOURTH LIBERTY LOAN  $4\frac{1}{4}$  PERCENT BONDS OF 1933-38 (FOURTH  $4\frac{1}{4}$ 'S)<sup>1</sup>

1. All outstanding Fourth Liberty Loan  $4\frac{1}{4}$  percent bonds of 1933-38 (Fourth  $4\frac{1}{4}$ 's) bearing serial numbers the final digit of which is 5, 6, or 7 (such serial numbers in the case of permanent coupon bonds being prefixed by the corresponding distinguishing letter E, F, or G, respectively), are hereby called for redemption on April 15, 1935, on which date interest on such bonds called for redemption will cease.

2. This third call for partial redemption is made pursuant to the provision for redemption contained in the bonds and in Treasury Department Circular No. 121, dated September 28, 1918, under which the bonds were originally issued, the bonds to be redeemed having been determined by lot in the manner prescribed by the Secretary of the Treasury.

3. Outstanding Fourth  $4\frac{1}{4}$ 's bearing serial numbers (and prefix letters) other than those designated are not included in or affected by this third call for partial redemption.

II. TRANSACTIONS IN THIRD-CALLED AND UNCALLED BONDS

1. The bonds included in the third call for partial redemption on April 15, 1935, are hereby designated third-called Fourth  $4\frac{1}{4}$ 's.

2. The Treasury Department and the Federal Reserve banks, as fiscal agents of the United States, will observe the division of Fourth  $4\frac{1}{4}$ 's into four classes, first-called, second-called, third-called, and uncalled bonds.<sup>2</sup> Hereafter, in all transactions affecting third-called and uncalled Fourth  $4\frac{1}{4}$ 's: (1) Only bonds falling within the class third-called will be issued upon exchange or transfer of third-called bonds, and (2) only bonds falling within the class uncalled will be issued upon exchange or transfer of uncalled bonds. Exchanges or transfers as between third-called and uncalled Fourth  $4\frac{1}{4}$ 's will not be permitted. Denominational exchanges of coupon bonds within the class third-called will terminate on April 15, 1935. Transfers and exchanges of registered bonds within the class third-called will terminate on March 15, 1935, the date of the closing of the transfer books.

3. Pursuant to the provisions of Treasury Department Circular No. 121, dated September 28, 1918, the provisions of Treasury Department Circular No. 300, dated July 31, 1923, prescribing regulations with respect to United States bonds and notes, as modified by Department Circulars No. 501, dated October 12, 1933, and No. 509, dated April 13, 1934, are further modified to accord with the provisions of paragraph 2 of this section.

III. PAYMENT OR EXCHANGE

1. *Payment of third-called bonds on April 15, 1935.*—Holders of third-called Fourth  $4\frac{1}{4}$ 's will be entitled to have such bonds redeemed and paid at par

<sup>1</sup> Fourth  $4\frac{1}{4}$ 's (temporary coupon, permanent coupon, and registered) are numbered serially beginning with no. 1 for each denomination; in the case of permanent coupon bonds each serial number is prefixed by a distinguishing letter, the letters A to K (omitting I) being used, which letters, in order, rotate with and correspond to the final digits 1 to 0, respectively.

<sup>2</sup> First-called Fourth  $4\frac{1}{4}$ 's (called for redemption on Apr. 15, 1934—Department Circular No. 501, dated Oct. 12, 1933) bear serial numbers ending in 9, 0, or 1 (in the case of permanent coupon bonds preceded by the distinguishing letter J, K, or A, respectively); second-called Fourth  $4\frac{1}{4}$ 's (called for redemption on Oct. 15, 1934—Department Circular No. 509, dated Apr. 13, 1934) bear serial numbers ending in 8 or 2 (in the case of permanent coupon bonds preceded by the distinguishing letter H or B, respectively); third-called Fourth  $4\frac{1}{4}$ 's (called for redemption on Apr. 15, 1935) bear serial numbers ending in 5, 6, or 7 (in the case of permanent coupon bonds preceded by the distinguishing letter E, F, or G, respectively); and uncalled Fourth  $4\frac{1}{4}$ 's bear serial numbers ending in 3 or 4 (in the case of permanent coupon bonds preceded by the distinguishing letter C or D, respectively).



on April 15, 1935, with interest in full to that date. After April 15, 1935, interest will not accrue on any such bonds included in the third call for partial redemption. (Instructions for presentation of such third-called bonds for redemption on Apr. 15, 1935, are set forth in secs. IV and V of this circular.)

2. *Optional exchange offering.*—Holders of third-called Fourth 4¼'s may, in advance of April 15, 1935, be offered the privilege of exchanging all or any part of their third-called bonds for other interest-bearing obligations of the United States, in which event due public notice will be given. Holders who desire to avail themselves of any exchange privilege, if and when offered, should watch for an announcement thereof, and should request their bank or trust company to notify them when information regarding any exchange offering is received. (In case of an exchange offering, instructions then given in the public announcement should be followed in presenting third-called bonds for exchange.)

#### IV. REDEMPTION OF THIRD-CALLED FOURTH 4¼'S

1. *Presentation and surrender of coupon bonds.*—Third-called Fourth 4¼'s in coupon form should be presented and surrendered to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, D. C., for redemption on April 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 7 of this section) and should be accompanied by appropriate written advice (see form P. D. 1416 attached hereto). Checks in payment of principal will be mailed to the address given in the form of advice accompanying the bonds surrendered.

2. Coupons dated April 15, 1935, which become payable on that date, should be detached from any third-called Fourth 4¼'s before such bonds are presented for redemption on April 15, 1935, and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to April 15, 1935, must be attached to such bonds when presented for redemption, provided, however, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will be redeemed, but the full face amount of any such missing coupons will be deducted from the payment to be made on account of such redemption, and any amounts so deducted will be held in the Treasury to provide for adjustments or refunds on account of such missing coupons as may subsequently be presented.<sup>3</sup>

3. *Presentation and surrender of registered bonds.*—Third-called Fourth 4¼'s in registered form must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in the form indicated in the next paragraph hereof, and should thereafter be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, D. C., for redemption on April 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 7 of this section) and should be accompanied by appropriate written advice (see form P. D. 1417 attached hereto). In all cases checks in payment of principal will be mailed to the address given in the form of advice accompanying the bonds surrendered.

4. If the registered holder of record, or an assignee holding under proper assignment from the registered holder of record, or a duly constituted representative of such registered holder or assignee, desires that payment of the principal be made to him, the bonds should be assigned to "The Secretary of the Treasury for redemption." In case it is desired to have payment of the registered bonds made to someone other than the registered holder of record, without intermediate assignment, the bonds may be assigned to "The Secretary of the Treasury for redemption for account of \_\_\_\_\_" and in such case the name and address of the payee for whose account the redemption is to be made must be inserted. Assignments in this form must be completed before acknowledgment and not left in blank.

<sup>3</sup>The final coupon attached to temporary coupon bonds became due on Oct. 15, 1920. The holders of any such temporary bonds which are included in the third call for partial redemption on Apr. 15, 1935, will receive all past-due interest from Oct. 15, 1920, when the bonds are redeemed pursuant to such call. Any coupons now attached to any such temporary bonds should be detached and collected in regular course.

5. Assignment in blank, or other assignment having similar effect, will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

6. Final interest due on April 15, 1935, on any third-called Fourth  $4\frac{1}{4}$ 's in registered form will be paid by checks issued in regular course in the same manner as if such bonds had not been called for redemption.

7. *Transportation of bonds.*—Bonds presented for redemption under this circular must be delivered to a Federal Reserve bank or branch, or to the Treasury Department, Washington, D. C., at the expense and risk of the holder. Coupon bonds should be forwarded by registered mail, insured, or by express, prepaid. Registered bonds bearing restricted assignments may be forwarded by registered mail, but registered bonds bearing unrestricted assignments should be forwarded by registered mail, insured, or by express. Facilities for transportation of bonds by registered mail, insured, may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

#### V. TIME OF PRESENTATION OF THIRD-CALLED FOURTH $4\frac{1}{4}$ 'S FOR REDEMPTION

1. In order to facilitate the redemption of third-called Fourth  $4\frac{1}{4}$ 's on April 15, 1935, any such bonds may be presented and surrendered in the manner herein prescribed in advance of that date but not before March 15, 1935. Such early presentation by holders, on and after March 15, 1935, and well in advance of April 15, 1935, will assure prompt payment of principal when due. This is particularly important with respect to registered bonds, for payment cannot be made until registration shall have been discharged at the Treasury Department.

2. It will expedite redemption if bonds included in the third call for partial redemption are presented to Federal Reserve banks or branches, and not direct to the Treasury Department.

3. As hereinbefore provided: (1) Coupons due April 15, 1935, should be detached from any permanent coupon bonds included in the third call for partial redemption when such bonds are presented for redemption on that date, such coupons to be collected when due; and (2) final interest due on any registered bonds included in the third call for partial redemption will be paid by check issued in regular course. Accordingly, early presentation of bonds will not affect the payment of final interest due on April 15, 1935.

#### VI. GENERAL PROVISIONS

1. Any further information which may be desired regarding the partial redemption of third-called Fourth  $4\frac{1}{4}$ 's under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments may also be obtained.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,

*Secretary of the Treasury.*

IMPORTANT NOTE.—Fourth  $4\frac{1}{4}$ 's called for redemption on Apr. 15, 1935, should be presented well in advance of that date but not before Mar. 15, 1935, and the instructions given in this circular should be followed. If an exchange opportunity is afforded, and third-called Fourth  $4\frac{1}{4}$ 's are to be presented for exchange, the instructions given in subsequent announcement should be followed. Information concerning the redemption of third-called Fourth  $4\frac{1}{4}$ 's on Apr. 15, 1935, and information concerning an optional exchange if and when offered, may be obtained from the officers of banks and trust companies generally. As those banks and trust companies may offer their facilities in the matter of arranging redemption or exchange, it is suggested that holders of third-called Fourth  $4\frac{1}{4}$ 's consult their own bank or trust company.

FOR COUPON BONDS

[Form PD 1416. For registered bonds use Form PD 1417]

FORM OF ADVICE TO ACCOMPANY THIRD-CALLED FOURTH LIBERTY LOAN 4¼ PERCENT BONDS (FOURTH 4¼'S) IN COUPON FORM PRESENTED FOR REDEMPTION ON APRIL 15, 1935

To the FEDERAL RESERVE BANK OF \_\_\_\_\_,  
 or

TREASURER OF THE UNITED STATES, *Washington, D. C.:*

Pursuant to the provisions of Treasury Department Circular No. 525, dated October 12, 1934, the undersigned presents and surrenders herewith for redemption on April 15, 1935, \$\_\_\_\_\_ face amount of third-called Fourth Liberty Loan bonds in coupon form, with coupon due October 15, 1935, and all subsequent coupons attached, as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
-----	\$50	-----	\$-----
-----	100	-----	-----
-----	500	-----	-----
-----	1,000	-----	-----
-----	5,000	-----	-----
-----	10,000	-----	-----
-----	100,000	-----	-----
Total.....	-----	-----	-----

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

Signature \_\_\_\_\_  
 Name (please print) \_\_\_\_\_  
 Address in full \_\_\_\_\_

Date \_\_\_\_\_

FOR REGISTERED BONDS

[Form PD 1417. For coupon bonds use form PD 1416]

FORM OF ADVICE TO ACCOMPANY THIRD-CALLED FOURTH LIBERTY LOAN 4¼ PERCENT BONDS (FOURTH 4¼'S) IN REGISTERED FORM PRESENTED FOR REDEMPTION ON APRIL 15, 1935

To the FEDERAL RESERVE BANK OF \_\_\_\_\_,  
 or

TREASURY DEPARTMENT, DIVISION OF LOANS AND CURRENCY,  
*Washington, D. C.:*

Pursuant to the provisions of Treasury Department Circular No. 525, dated October 12, 1934, the undersigned presents and surrenders herewith for redemption on April 15, 1935, \$\_\_\_\_\_ face amount of third-called Fourth Liberty Loan bonds in registered form, inscribed in the name of \_\_\_\_\_ and duly assigned to "The Secretary of the Treasury for redemption", as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
-----	\$50	-----	\$-----
-----	100	-----	-----
-----	500	-----	-----
-----	1,000	-----	-----
-----	5,000	-----	-----
-----	10,000	-----	-----
-----	50,000	-----	-----
-----	100,000	-----	-----
Total.....	-----	-----	-----

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

Signature \_\_\_\_\_  
 Name (please print) \_\_\_\_\_  
 Address in full \_\_\_\_\_  
 \_\_\_\_\_

Date \_\_\_\_\_

#### Exhibit 4

*Offering of 3½ percent Treasury bonds of 1949-52, 1½ percent Treasury notes of series E-1936, and 2½ percent Treasury notes of series A-1939 (additional)*

On December 3, 1934, Secretary of the Treasury Morgenthau offered for subscription an issue of Treasury bonds and two issues of Treasury notes as described in the following circulars. In the related press release it was stated that about \$992,496,500 of maturing Treasury certificates of indebtedness and about \$137,000,000 of interest on the public debt would be payable on December 15, 1934.

[Treasury bonds of 1949-52. Department Circular No. 526]

TREASURY DEPARTMENT,  
 Washington, December 3, 1934.

#### OFFERING OF BONDS

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par and accrued interest, from the people of the United States, for 3½ percent bonds of the United States, designated Treasury bonds of 1949-52. The amount of the offering is \$450,000,000, or thereabouts.

#### DESCRIPTION OF BONDS

The bonds will be dated December 15, 1934, and will bear interest from that date at the rate of 3½ percent per annum, payable semiannually on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1952, but may be redeemed at the option of the United States on and after December 15, 1949, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such methods as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

The bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the Second Liberty Bond Act, approved September 24, 1917, as amended, the principal of which does not exceed \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

The bonds will be acceptable to secure deposits of public moneys, and will bear the circulation privilege only to the extent provided in the act approved July 22, 1932, as amended. They will not be entitled to any privilege of conversion.

Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds under rules and regulations prescribed by the Secretary of the Treasury.

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

#### APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Applications, unless made by an incorporated bank or trust company, must be accompanied by payment in full or by payment of 5 percent of the amount of bonds applied for. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any of all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including \$10,000 will be given preferred allotment, and all other subscriptions will be allotted on an equal percentage basis. Allotment notices will be sent out promptly upon allotment, and the basis of allotment will be publicly announced.

#### PAYMENT

Payment at par and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before December 15, 1934, or on later allotment. In every case where payment is not so completed, the 5 percent payment with application shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depository will be permitted to make payment by credit for bonds 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.

#### GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions<sup>1</sup> \* \* \* \*.

HENRY MORGENTHAU, JR.  
*Secretary of the Treasury.*

[Treasury notes, series E-1936. Department Circular No. 527]

TREASURY DEPARTMENT,  
*Washington, December 3, 1934.*

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, offers for subscription, at par and accrued interest, 1½ percent notes of the United States, designated Treasury notes of series E-1936. The amount of the offering is \$450,000,000, or thereabouts, with the right reserved to the Secretary of the Treasury to increase the offering by an amount sufficient to accept all subscriptions for which Treasury certificates of indebtedness of series TD-1934, maturing December 15, 1934, are tendered in payment and accepted.

#### DESCRIPTION OF NOTES

The notes will be dated December 15, 1934, and will bear interest from that date at the rate of 1½ percent per annum, payable semiannually on June 15 and December 15 in each year. They will mature June 15, 1936, and will not be subject to call for redemption prior to maturity.<sup>2</sup> \* \* \* \*

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 524. P. 184.

<sup>2</sup> Omitted portions similar to corresponding sections of Department Circular No. 522. p. 181.

## APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. If payment is to be made in cash, each application, unless made by an incorporated bank or trust company, must be accompanied by payment in full or by payment of 5 percent of the amount of notes applied for. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of these respects shall be final. Subject to these reservations, cash subscriptions for amounts up to and including \$10,000 will be given preferred allotment, all other cash subscriptions will be allotted on an equal percentage basis, and subscriptions in payment of which Treasury certificates of indebtedness of series TD-1934 are tendered will be allotted in full. Allotment notices will be sent out promptly upon allotment, and the basis of allotment will be publicly announced.

## PAYMENT

Payment at par and accrued interest, if any, for notes allotted on cash subscriptions must be made or completed on or before December 15, 1934, or on later allotment. In every case where payment is not so completed, the 5 percent payment with application shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depository will be permitted to make payment by credit for notes allotted on cash subscriptions 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. Treasury certificates of indebtedness of series TD-1934, maturing December 15, 1934, will be accepted at par in payment for any notes subscribed for and allotted and such payment should be made when the subscription is tendered.

## GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions \* \* \*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

[Treasury notes, series A 1939. Department Circular No. 528]

TREASURY DEPARTMENT,  
*Washington, December 3, 1934.*

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, offers for subscription, at par, an additional amount of 2½ percent notes of the United States, designated Treasury notes of series A-1939, in payment of which only Treasury certificates of indebtedness of series TD-1934, maturing December 15, 1934, may be tendered. The amount of the offering is limited to the amount of Treasury certificates of indebtedness of series TD-1934 rendered and accepted.

## DESCRIPTION OF NOTES

The notes now offered will be an addition to and will form a part of the series of 2½ percent Treasury notes of series A-1939 issued pursuant to Department Circular No. 513, dated June 4, 1934, are identical in all respects

therewith (except that interest on the notes issued under this circular will accrue from Dec. 15, 1934), will be freely interchangeable, and are described in the following quotation from said circular no. 513:

"The notes will be dated June 15, 1934, and will bear interest from that date at the rate of  $2\frac{1}{8}$  percent per annum, payable semiannually, on December 15, 1934, and thereafter on June 15 and December 15 in each year. They will mature June 15, 1939, and will not be subject to call for redemption prior to maturity.

"The notes shall be exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

"The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

"The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

"Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The notes will not be issued in registered form."

As interest on the notes issued under this circular will accrue from December 15, 1934, notes will be delivered hereunder with coupon no. 1, dated December 15, 1934, detached.

#### APPLICATION AND ALLOTMENT†

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of 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.

#### PAYMENT

Payment at par for notes allotted hereunder must be made or completed on or before December 15, 1934, or on later allotment, and may be made only in  $2\frac{1}{4}$  percent Treasury certificates of indebtedness of series TD-1934, maturing December 15, 1934, which will be accepted at par, and should accompany the subscription.

#### GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

#### Exhibit 5

*Subscriptions and allotments, Treasury bonds of 1949-52 and Treasury notes of series E-1936 and series A-1939 (from press releases, Dec. 4, 5, 7, and 12, 1934, revised<sup>2</sup>)*

<sup>1</sup>Omitted portion similar to corresponding section of Department Circular No. 522, p. 181.

<sup>2</sup>Revised Jan. 4, 1935.

On December 4, 1934, Secretary of the Treasury Morgenthau announced that the subscription books for the cash offering of 3½ percent Treasury bonds of 1949-52 closed at the close of business December 3, 1934. Reports received from the Federal Reserve banks show that for this offering, which was for \$450,000,000 or thereabouts, total subscriptions aggregated \$2,334,467,500. Subscriptions in amounts up to and including \$10,000 were allotted in full and those in amounts over \$10,000 were allotted 18 percent but not less than \$10,000 on any one subscription.

The subscription books for the offering of 1½ percent Treasury notes of series E-1936 also closed at the close of business on December 3, 1934, for the receipt of cash subscriptions, but remained open until the close of business December 6, 1934, for the receipt of subscriptions for which payment was tendered in Treasury certificates of indebtedness of series TD-1934, maturing December 15, 1934.

For the cash offering of Treasury notes of series E-1936, which was for \$450,000,000 or thereabouts, subscriptions aggregated \$3,036,069,900. Cash subscriptions in amounts up to and including \$10,000 were allotted in full, and those in amounts over \$10,000 were allotted 14 percent, but not less than \$10,000 on any one subscription. Exchange subscriptions for the Treasury notes of series E-1936 aggregated \$210,132,500 and were allotted in full.

The subscription books for the offering of the additional issue of Treasury notes of series A-1939, issued only in exchange for Treasury certificates of indebtedness of series TD-1934, maturing December 15, 1934, closed at the close of business December 6, 1934. Total subscriptions, amounting to \$765,192,500, were allotted in full.

Subscriptions and allotments for the three issues were divided among the several Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Treasury bonds of 1949-52		Treasury notes of series A-1939, total exchange subscriptions received and allotted
	Cash subscriptions received	Total subscriptions allotted	
Boston.....	\$158,772,550	\$33,113,600	\$22,706,000
New York.....	1,153,531,100	224,204,500	473,903,500
Philadelphia.....	150,161,650	30,513,500	13,623,500
Cleveland.....	133,854,700	29,059,200	13,141,500
Richmond.....	90,110,350	18,586,350	54,554,000
Atlanta.....	100,158,600	23,974,600	4,696,500
Chicago.....	181,022,750	42,919,050	112,596,000
St. Louis.....	60,931,500	16,969,400	14,011,000
Minneapolis.....	14,382,400	5,577,400	18,679,000
Kansas City.....	51,402,200	14,302,300	13,482,000
Dallas.....	63,126,100	17,223,200	8,821,500
San Francisco.....	176,982,700	34,903,100	12,168,000
Treasury.....	30,900	30,900	2,810,000
Total.....	2,334,467,500	491,377,100	765,192,500

Federal Reserve district	Treasury notes of series E-1936				
	Cash subscriptions received	Exchange subscriptions received	Total subscriptions received	Total cash subscriptions allotted	Total subscriptions allotted
Boston.....	\$189,587,500	\$10,375,000	\$199,962,500	\$30,603,000	\$40,978,000
New York.....	1,450,222,900	148,868,000	1,599,090,900	214,282,000	363,150,000
Philadelphia.....	185,565,400	1,965,500	187,530,900	27,069,400	29,034,900
Cleveland.....	201,292,000	2,226,500	203,518,500	29,787,000	32,013,500
Richmond.....	132,939,500	2,681,500	135,621,000	21,633,000	24,314,500
Atlanta.....	98,886,900	77,000	98,963,900	18,233,400	18,310,400
Chicago.....	287,435,900	36,452,000	323,887,900	48,616,700	85,068,700
St. Louis.....	72,900,300	736,500	73,636,800	14,322,300	15,058,800
Minneapolis.....	52,846,500	1,081,000	53,927,500	9,479,000	10,560,000
Kansas City.....	82,481,200	2,266,000	84,747,200	16,670,200	18,936,200
Dallas.....	70,038,300	66,000	70,104,300	14,108,400	14,174,400
San Francisco.....	211,861,500	3,277,500	215,139,000	31,667,500	34,945,000
Treasury.....	12,000	60,000	72,000	12,000	72,000
Total.....	3,036,069,900	210,132,500	3,246,202,400	476,483,900	686,616,400



## Exhibit 6

*Offering of United States Saving Bonds, series A*

On March 1, 1935, the Secretary of the Treasury offered for sale, through the Postal Service, United States Savings Bonds, series A, as described in the following circular:

[Department Circular No. 529]

TREASURY DEPARTMENT,  
*Washington, February 25, 1935.*

## OFFERING OF UNITED STATES SAVINGS BONDS, SERIES A

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, offers for sale, to the people of the United States, through the Postal Service, an issue of bonds of the United States, designated United States Savings Bonds, series A, which will be issued on a discount basis, will mature in 10 years, but will be redeemable before maturity at the option of owners. Beginning March 1, 1935, these bonds will be on sale at post offices of the first, second, and third classes and at selected post offices of the fourth class, in amounts of \$25 (maturity value) and multiples thereof; and they will continue to be on sale until this offering is terminated by notice given by the Secretary of the Treasury to the Postmaster General.

## DESCRIPTION OF BONDS OFFERED

United States Savings Bonds, series A, will be issued only in registered form, in denominations of \$25, \$50, \$100, \$500, and \$1,000 (maturity value), at prices hereinafter set forth, and will bear the name and address of the owner, the date as of which issued, and the date of maturity, which on original issue shall be inscribed thereon by the authorized postmaster at the time of issue. All such Savings Bonds are to be dated as of the first day of the month in which the issue price is received, and will mature and be payable 10 years from such issue date. They may be redeemed prior to maturity (but not within 60 days after the issue date), at the owner's option, in accordance with the table of redemption values appearing at the end of this circular, and set forth on the face of each bond. No interest will be paid on Savings Bonds, but the purchase price has been fixed so as to afford an investment yield of about 2.9 percent per annum compounded semiannually if the bonds are held to maturity. If the owner exercises his option to redeem his bond prior to maturity the yield will be less, varying with the respective redemption values.

The Savings Bonds will not be transferable, and will be payable only to the owner named thereon, except in case of death or disability of the owner or as a result of judicial proceedings, and then only in accordance with regulations prescribed from time to time by the Secretary of the Treasury. (See Treasury Department Circular No. 530, dated Feb. 25, 1935.) Savings Bonds issued through a post office shall be valid only if inscribed with the owner's name and address, dated the first day of the month in which the issue price is received, and duly delivered by an authorized postmaster; they will bear the facsimile signature of the Secretary of the Treasury, the seal of the Treasury Department will be impressed thereon, and they will bear the post-office dating stamp.

The Savings Bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the Second Liberty Bond Act, approved September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall

be exempt from the taxes provided for in clause (b) above. For the purposes of determining taxes and tax exemptions, the increment in value of Savings Bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

## PURCHASE

Savings Bonds of series A may be purchased for cash, at post offices of the first, second, and third classes, and at selected post offices of the fourth class, at any time while this offer is in effect; and, subject to regulations prescribed by the board of trustees of the Postal Savings System, the withdrawal of postal savings deposits, without loss of interest, will be permitted for the purpose of acquiring Savings Bonds. The issue prices of the various denominations of these bonds follow:

<i>Denomination (maturity value)</i>	<i>Issue price</i>
\$25-----	\$18.75
50-----	37.50
100-----	75.00
500-----	375.00
1,000-----	750.00

It shall not be lawful for any one person at any one time to hold Savings Bonds issued during any one calendar year in an aggregate amount exceeding \$10,000 (maturity value).

## DELIVERY AND SAFEKEEPING OF BONDS

Postmasters from whom Savings Bonds may be purchased are authorized to deliver such bonds duly inscribed and dated upon receipt of the purchase price. Deliveries should not be accepted by any purchaser until he has verified that his name and address are duly inscribed on the face of the bond and that the bond is duly dated the first day of the month in which he made payment of the purchase price.

Any Savings Bonds will be held in safekeeping by the Secretary of the Treasury if the purchaser so desires, and in this connection the Secretary will utilize the facilities of the Federal Reserve banks as fiscal agents of the United States. The purchaser may arrange for such safekeeping at the time he purchases his bond or subsequently. Postmasters generally will assist owners in arranging for safekeeping, but will not act as safekeeping agents.

## PAYMENT AT MATURITY OR ON REDEMPTION PRIOR TO MATURITY

Payment of any Savings Bond in accordance with its terms at maturity, or at the appropriate redemption value prior to maturity (but not within 60 days after the issue date), will be made following presentation and surrender of the bond, by registered mail or otherwise, at the expense and risk of the owner, to the Treasury Department, Division of Loans and Currency, Washington, D. C., or to any Federal Reserve bank, with the request for payment appearing on the back of the bond duly executed by the owner and certified by any United States postmaster from whom United States Savings Bonds may be purchased (authenticated by the imprint of his post-office dating stamp), by an executive officer of an incorporated bank or trust company (authenticated by the impress of the corporate seal of the bank or trust company), or by any other person duly designated by the Secretary of the Treasury for the purpose. Payment will be made by check drawn to the order of the owner, promptly after discharge of registration at the Treasury Department. In case of the death or disability of the registered owner, instructions should be obtained from the Treasury Department, Division of Loans and Currency, Washington, D. C., before the request for payment is executed. Postmasters generally will assist holders in securing payment at or before maturity, but they will not make payment of Savings Bonds.

## GENERAL PROVISIONS

All bonds issued pursuant to this circular shall be subject to regulations prescribed from time to time by the Secretary of the Treasury. Such regulations may require, among other things, reasonable notice in case of presentation of Savings Bonds for redemption prior to maturity. The initial regulations governing Savings Bonds are contained in Treasury Department Circular No. 530, dated February 25, 1935.

The Secretary of the Treasury may designate agencies other than post offices for the sale of Savings Bonds of this series, and he reserves the right to refuse to issue or permit to be issued hereunder any such Savings Bonds in any case or class of cases if he deem such action to be in the public interest. The Secretary of the Treasury further reserves the right to terminate this offer at any time, on notice to the Postmaster General.

Postmasters of the first, second, and third classes, and selected postmasters of the fourth class, under regulations promulgated by the Postmaster General, and Federal Reserve banks, as fiscal agents of the United States, are authorized to perform such fiscal agency services as may be requested of them in connection with the issue, delivery, safekeeping, redemption, and payment of Savings Bonds.

The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, information as to which will be promptly furnished to the Postmaster General and to Federal Reserve banks.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

Table showing how United States Savings Bonds of series A increase in value during successive half-years following issue:

Maturity value.....	\$25.00	\$50.00	\$100	\$500	\$1,000
Issue price.....	18.75	37.50	75	375	750

*Redemption values after the issue date*

First year.....	18.75	37.50	75	375	750
1 to 1½ years.....	19.00	38.00	76	380	760
1½ to 2 years.....	19.25	38.50	77	385	770
2 to 2½ years.....	19.50	39.00	78	390	780
2½ to 3 years.....	19.75	39.50	79	395	790
3 to 3½ years.....	20.00	40.00	80	400	800
3½ to 4 years.....	20.25	40.50	81	405	810
4 to 4½ years.....	20.50	41.00	82	410	820
4½ to 5 years.....	20.75	41.50	83	415	830
5 to 5½ years.....	21.00	42.00	84	420	840
5½ to 6 years.....	21.25	42.50	85	425	850
6 to 6½ years.....	21.50	43.00	86	430	860
6½ to 7 years.....	21.75	43.50	87	435	870
7 to 7½ years.....	22.00	44.00	88	440	880
7½ to 8 years.....	22.50	45.00	90	450	900
8 to 8½ years.....	23.00	46.00	92	460	920
8½ to 9 years.....	23.50	47.00	94	470	940
9 to 9½ years.....	24.00	48.00	96	480	960
9½ to 10 years.....	24.50	49.00	98	490	980
Maturity value.....	25.00	50.00	100	500	1,000

## Exhibit 7

*Sales of United States Savings Bonds from March 1 to June 30, 1935 (from press releases, July 15 and Aug. 12, 1933<sup>1</sup>)*

Amounts collected from sales of United States Savings Bonds during the first 4 months the bonds were on sale amounted to \$96,365,588. As these bonds are sold on a discount basis and increase in 10 years, through accumulated interest, by 33½ percent, these sales represent a maturity value of \$128,487,450.

Amounts collected by States, arranged in order of their total sales for the 4 months, were:

<sup>1</sup> Revised.

*Amounts collected from sales of United States Savings Bonds, by States and by months,<sup>1</sup> March 1 to June 30, 1935*

State	March 1935	April 1935	May 1935	June 1935	Total, March 1 to June 30, 1935
Illinois.....	\$4,101,131.25	\$2,243,775.00	\$1,392,750.00	\$1,411,631.25	\$9,149,287.50
New York.....	3,210,356.25	2,003,025.00	934,818.75	787,050.00	6,935,250.00
Ohio.....	2,550,262.50	1,736,868.75	1,091,718.75	1,241,887.50	6,620,737.50
Missouri.....	2,248,968.75	1,638,037.50	1,429,106.25	1,095,318.75	6,411,431.25
Iowa.....	1,960,050.00	1,377,881.25	1,791,243.75	963,187.50	6,092,362.50
Pennsylvania.....	1,792,500.00	1,123,968.75	863,718.75	910,631.25	4,690,818.75
Kansas.....	1,457,775.00	1,133,081.25	852,243.75	850,443.75	4,293,543.75
Minnesota.....	1,646,306.25	1,519,575.00	844,875.00	649,987.50	4,660,743.75
Michigan.....	2,118,131.25	807,093.75	679,556.25	753,243.75	4,358,025.00
Texas.....	2,052,525.00	913,312.50	587,325.00	470,118.75	4,023,281.25
Indiana.....	1,296,956.25	1,041,281.25	864,318.75	663,993.75	3,839,550.00
Wisconsin.....	966,825.00	671,531.25	675,468.75	867,693.75	3,181,518.75
California.....	1,313,137.50	681,281.25	420,075.00	546,937.50	2,961,431.25
Nebraska.....	1,260,300.00	653,475.00	595,256.25	442,368.75	2,951,400.00
Massachusetts.....	826,818.75	321,412.50	271,068.75	232,275.00	1,651,575.00
Kentucky.....	714,656.26	354,431.25	276,131.25	257,343.75	1,602,562.50
Oklahoma.....	569,006.25	325,593.75	312,900.00	314,550.00	1,522,050.00
North Carolina.....	743,362.50	368,287.50	220,875.00	168,056.25	1,500,581.25
New Jersey.....	638,325.00	310,462.50	168,056.25	242,306.25	1,359,150.00
West Virginia.....	397,368.75	326,493.75	329,493.75	261,731.25	1,315,087.50
Washington.....	403,631.25	305,081.25	297,881.25	249,506.25	1,256,100.00
District of Columbia.....	376,425.00	215,681.25	233,437.50	369,618.75	1,195,162.50
Tennessee.....	567,468.75	231,787.50	149,793.75	140,025.00	1,089,075.00
Virginia.....	465,450.00	228,975.00	197,868.75	178,518.75	1,070,812.50
Florida.....	455,850.00	234,056.25	169,556.25	184,593.75	1,044,056.25
Oregon.....	383,531.25	244,293.75	166,650.00	208,481.25	1,002,956.25
Colorado.....	413,118.75	307,443.75	145,050.00	110,025.00	975,637.50
North Dakota.....	248,718.75	274,125.00	183,318.75	173,118.75	879,281.25
Montana.....	421,293.75	185,400.00	102,581.25	135,150.00	844,425.00
Georgia.....	281,456.25	196,106.25	230,793.75	96,375.00	804,731.25
South Dakota.....	226,725.00	215,625.00	207,150.00	124,031.25	773,531.25
Maryland.....	386,137.50	144,037.50	114,618.75	100,218.75	745,012.50
Arkansas.....	327,956.25	182,981.25	155,831.25	65,606.25	732,375.00
Louisiana.....	329,062.50	143,306.25	105,506.25	89,512.50	667,387.50
Mississippi.....	216,900.00	155,418.75	104,456.25	89,231.25	566,006.25
South Carolina.....	175,856.25	117,225.00	117,937.50	81,712.50	492,731.25
Alabama.....	193,031.25	133,256.25	63,187.50	65,718.75	455,193.75
Connecticut.....	178,443.75	92,418.75	66,300.00	47,175.00	384,337.50
Maine.....	117,506.25	72,675.00	51,768.75	59,231.25	301,181.25
Idaho.....	88,125.00	107,137.50	51,487.50	33,168.75	279,918.75
Rhode Island.....	106,087.50	61,106.25	47,418.75	35,343.75	252,956.25
New Mexico.....	113,512.50	50,981.25	33,543.75	50,943.75	248,981.25
Utah.....	106,931.25	60,318.75	38,381.25	28,631.25	234,262.50
Arizona.....	70,856.25	61,950.00	26,737.50	42,318.75	201,862.50
New Hampshire.....	70,143.75	49,706.25	30,450.00	33,975.00	181,275.00
Wyoming.....	75,131.25	35,625.00	55,068.75	16,631.25	182,456.25
Vermont.....	55,031.25	50,100.00	21,281.25	15,356.25	141,768.75
Nevada.....	36,359.25	13,068.75	29,737.50	17,700.00	96,862.50
Delaware.....	28,837.50	19,856.25	4,668.75	3,562.50	56,925.00
Hawaii.....	6,318.75	6,187.50	11,512.50	5,662.50	29,681.25
Alaska.....	4,668.75	10,087.50	10,968.75	3,206.25	28,931.25
Puerto Rico.....	4,068.75	7,031.25	11,568.75	2,531.25	25,200.00
Virgin Islands.....	356.25	375.00	243.75	150.00	1,125.00
Total cash receipts.....	38,799,750.00	23,767,293.75	17,837,756.25	15,960,787.50	96,365,587.50
Maturity value.....	51,733,000.00	31,689,725.00	23,783,675.00	21,281,050.00	128,487,450.00

<sup>1</sup> On the basis of post-office reports, subject to adjustment, see note p. 24.

### Exhibit 8

*Offering of 2½ percent Treasury bonds of 1955-60 and 1½ percent Treasury notes of series A-1940*

On March 4, 1935, the Secretary of the Treasury announced an offering of 2½ percent Treasury bonds of 1955-60 in exchange for Fourth Liberty Loan 4¼ percent bonds called for redemption on April 15, 1935 (third call) and an offering of 1½ percent Treasury notes of series A-1940 in exchange for 2½ percent Treasury notes of series C-1935, maturing March 15, 1935. In the related press release it was stated that about \$1,870,000,000 of Fourth Liberty

Loan bonds were included in the third call for redemption, on April 15, 1935, and that about \$528,000,000 of Treasury notes of series C-1935 were to mature on March 15, 1935.

[Treasury bonds of 1955-60. Department Circular No. 531]

TREASURY DEPARTMENT,

Washington, March 4, 1935.

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, for refunding purposes, invites subscriptions from the people of the United States for 2½ percent bonds of the United States, designated Treasury bonds of 1955-60, in payment of which only Fourth Liberty Loan 4¼ percent bonds of 1933-38 included in the third call for redemption on April 15, 1935 (hereinafter referred to as third-called Fourth 4¼'s) may be tendered.<sup>1</sup> Treasury bonds of 1955-60 will be issued at par and accrued interest, if any, and third-called Fourth 4¼'s will be received in payment at par, with an adjustment of accrued interest as of March 15, 1935, on the third-called Fourth 4¼'s so received. The amount of the offering will be limited to the amount of third-called Fourth 4¼'s tendered and accepted. Fourth Liberty Loan bonds not included in the third call for redemption on April 15, 1935, will not be accepted for exchange under this circular.<sup>2</sup>

DESCRIPTION OF BONDS

The bonds will be dated March 15, 1935, and will bear interest from that date at the rate of 2½ percent per annum, payable semiannually, on September 15, 1935, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1960, but may be redeemed at the option of the United States on and after March 15, 1955, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

The bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now on hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the Second Liberty Bond Act, approved September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

The bonds will be acceptable to secure deposits of public moneys, and will bear the circulation privilege only to the extent provided in the act approved July 22, 1932, as amended. They will not be entitled to any privilege of conversion.

Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds under rules and regulations prescribed by the Secretary of the Treasury.

<sup>1</sup>Pursuant to the third call for partial redemption (see Department Circular No. 525, dated Oct. 12, 1934) all outstanding Fourth Liberty Loan 4¼ percent bonds of 1933-38 bearing serial numbers ending in 5, 6, or 7 (in the case of permanent coupon bonds preceded by the distinguishing letter E, F, or G, respectively) have been called for redemption on Apr. 15, 1935, on which date interest on such bonds will cease.

<sup>2</sup>First-called Fourth 4¼'s (which ceased to bear interest on Apr. 15, 1934) bear serial numbers ending in 9, 0, or 1 (in the case of permanent coupon bonds preceded by the distinguishing letter J, K, or A, respectively), second-called Fourth 4¼'s (which ceased to bear interest on Oct. 15, 1934) bear serial numbers ending in 2 or 8 (in the case of permanent coupon bonds preceded by the distinguishing letter B or H, respectively), and uncalled Fourth 4¼'s bear serial numbers ending in 3 or 4 (in the case of permanent coupon bonds preceded by the distinguishing letter C or D, respectively).

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

#### APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice \* \* \*.<sup>3</sup>

Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

#### TERMS OF PAYMENT

Payment at par and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before March 15, 1935, or on later allotment, and may be made only in third-called Fourth 4 $\frac{1}{4}$ 's, which will be accepted at par with an adjustment of accrued interest thereon as of March 15, 1935, and should accompany the subscription. If any subscription is rejected, in whole or in part, the third-called Fourth 4 $\frac{1}{4}$ 's tendered therewith and not accepted will be returned to the subscriber.

*Coupon bonds.*—Third-called Fourth 4 $\frac{1}{4}$ 's in coupon form tendered in payment should have coupons dated April 15, 1935, as well as all subsequent coupons attached, and accrued interest from October 15, 1934, to March 15, 1935,<sup>4</sup> will be paid to the subscribers.

*Registered bonds.*—As checks for interest covering the full 6-month period from October 15, 1934, to April 15, 1935, will be issued on April 15, 1935, to holders of record on March 15, 1935, of third-called Fourth 4 $\frac{1}{4}$ 's in registered form, tenders of such registered bonds hereunder must be accompanied by payment of an amount equal to the interest to accrue thereon from March 15 to April 15, 1935.<sup>5</sup>

#### SURRENDER OF THIRD-CALLED FOURTH 4 $\frac{1}{4}$ 'S ON EXCHANGE

*Coupon bonds.*—Third-called Fourth 4 $\frac{1}{4}$ 's in coupon form tendered in exchange for Treasury bonds offered hereunder, should be presented and surrendered to a Federal Reserve bank or to the Treasurer of the United States, and should accompany the application. Coupons dated April 15, 1935, and all coupons bearing dates subsequent to April 15, 1935, should be attached to such coupon bonds when surrendered, and if any such coupons are missing, the application must be accompanied by cash payment equal to the face amount of the missing coupons.<sup>6</sup> The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

*Registered bonds.*—Third-called Fourth 4 $\frac{1}{4}$ 's in registered form tendered in exchange for Treasury bonds offered hereunder should be assigned by the registered payee or assigns thereof in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the application to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Washington. The bonds must

<sup>3</sup> Omitted portions similar to corresponding sections of Department Circular, No. 526, p. 192.

<sup>4</sup> Accrued interest at 4 $\frac{1}{4}$  percent from Oct. 15, 1934 to Mar. 15, 1935, on \$1,000 third-called Fourth 4 $\frac{1}{4}$ 's (151 days) is \$17.6304945.

<sup>5</sup> Interest from Mar. 15 to Apr. 15, 1935, on \$1,000 third-called Fourth 4 $\frac{1}{4}$ 's (31 days) is \$3.6195055.

<sup>6</sup> The final coupon attached to temporary coupon bonds became due on Oct. 15, 1920. The holders of any such temporary bonds which are included in the third call for partial redemption on Apr. 15, 1935, will receive the past due interest from Oct. 15, 1920, if such bonds are tendered for exchange under this circular.

be delivered at the expense and risk of the holder. If Treasury bonds are desired registered in the same name as the third-called Fourth 4¼'s surrendered, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1955-60"; if Treasury bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1955-60 in the name of -----"; if Treasury bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1955-60 in coupon form to be delivered to -----."

## GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions \* \* \*<sup>7</sup>

HENRY MORGENTHAU, JR.  
*Secretary of the Treasury.*

[Treasury notes, series A-1940. Department Circular No. 532]

TREASURY DEPARTMENT,  
*Washington, March 4, 1935.*

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par, from the people of the United States, for 1½ percent notes of the United States, designated Treasury notes of series A-1940, in payment of which only Treasury notes of series C-1935, maturing March 15, 1935, may be tendered. The amount of the offering will be limited to the amount of Treasury notes of series C-1935 tendered and accepted.

## DESCRIPTION OF NOTES

The notes will be dated March 15, 1935, and will bear interest from that date at the rate of 1½ percent per annum, payable semiannually, on September 15, 1935, and thereafter on March 15 and September 15 in each year. They will mature March 15, 1940, and will not be subject to call for redemption prior to maturity.

The notes shall be exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The notes will not be issued in registered form.

## APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, to make

<sup>7</sup>Omitted portion similar to corresponding section of Department Circular No. 524, p. 184.

classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of 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.

## PAYMENT

Payment at par for notes allotted hereunder must be made or completed on or before March 15, 1935, or on later allotments, and may be made only in 2½ percent Treasury notes of series C-1935, maturing March 15, 1935, which will be accepted at par and should accompany the subscription.

## GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

## Exhibit 9

*Allotments on exchange subscriptions, Treasury bonds of 1955-60 and Treasury notes of series A-1940 (press releases, Mar. 7, 9, 18, and 25, and Apr. 2, 1935)*

The subscription books for the offering of Treasury notes of series A-1940 closed at the close of business March 8, 1935, and the subscription books for the offering of Treasury bonds of 1955-60 closed at the close of business March 27, 1935. The amounts of these offerings, which were entirely on an exchange basis, were limited respectively to the amounts of Treasury notes of series C-1935 and third-called Fourth 4¼'s tendered in payment and accepted. The allotments for the two issues were divided among the several Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Treasury bonds of 1955-60	Treasury notes of series A-1940	Federal Reserve district	Treasury bonds of 1955-60	Treasury notes of series A-1940
Boston.....	\$57,935,600	\$11,318,800	Minneapolis.....	\$21,225,900	\$5,680,100
New York.....	866,580,450	315,785,600	Kansas City.....	38,765,150	8,443,900
Philadelphia.....	82,285,150	9,349,000	Dallas.....	16,245,300	16,634,000
Cleveland.....	105,287,200	14,485,900	San Francisco.....	49,426,850	20,445,900
Richmond.....	38,608,500	28,403,700	Treasury.....	39,088,600	1,132,400
Atlanta.....	18,469,100	7,574,100	Total.....	1,558,022,650	513,884,200
Chicago.....	177,354,850	67,471,200			
St. Louis.....	46,750,000	7,159,600			

## Exhibit 10

*Call for redemption of 2 percent consols of 1930 and 3 percent Panama Canal loan bonds of 1916-36 and 1918-38 on July 1 and August 1, 1935, respectively*

On March 9, 1935, the Treasury issued the following release:

Secretary of the Treasury Morgenthau announced today (Mar. 9) that the 2 percent consols of 1930 would be called by the Treasury on March 11 for redemption on July 1, 1935, and the 2 percent Panama Canal loan bonds of 1916-36 and 1918-38 for redemption on August 1, 1935. About \$600,000.

<sup>5</sup>Omitted portion similar to corresponding section of Department Circular No. 522, p. 181.



000 of the consols and about \$75,000,000 of the Panama Canal bonds are now outstanding. These bonds bear the circulation privilege.

In retiring these bonds, the Treasury will make use of the free gold resulting from the reduction in the weight of the gold dollar. The Treasury proposes to issue to the Federal Reserve banks an amount of gold certificates about equal to the bonds being retired. The gold certificates will be issued under the authority of the Gold Reserve Act of 1934, and for every gold certificate so issued there will be withdrawn from the General Fund of the Treasury and held as security an amount of gold equal to the gold certificates so issued.

By a provision of the Federal Home Loan Bank Act, enacted July 22, 1932, all bonds of the United States bearing an interest rate of 3½ percent per annum, or less, were given the circulation privilege for a period of 3 years. This provision expires July 22, 1935. At that time, banks with circulating notes outstanding under this temporary authorization will have to replace the bonds, now serving as security, with lawful money to retire their outstanding notes thus secured.

The retirement of the 2 percent consols and the 2 percent Panama Canal bonds, and the expiration of the temporary authorization for issuance of national bank notes against other bonds will accomplish a simplification of the currency system through the elimination of national bank notes, an action contemplated at the time of the passage of the Federal Reserve Act. More than \$500,000,000 of the bonds being called are now on deposit with the Treasurer as security for this type of currency.

The Federal Reserve bank notes authorized as emergency currency in the Emergency Banking Act of 1933 are now in process of retirement. National bank notes will be retired as rapidly as they are presented to the Treasury. It is expected that the great majority will be canceled within a year. This will leave as permanent circulation Federal Reserve notes, silver certificates, and United States notes. Additional Federal Reserve notes will be issued to replace the national bank notes as they are retired, and as demand arises. The gold certificates to be delivered to the Federal Reserve banks will form added reserves against which Federal Reserve notes may be issued.

At the time the gold content of the dollar was reduced, a gold increment of \$2,812,000,000 was realized. Of this amount, \$2,000,000,000 was placed in the stabilization fund. Congress has appropriated \$139,000,000 for loans to industry through the Federal Reserve banks, some \$13,500,000 of which has been used for that purpose. Congress has appropriated an indefinite sum to meet losses in melting gold coins estimated at \$8,000,000, and has authorized an appropriation of over \$23,000,000 for the Philippine currency fund. This leaves free gold of \$642,000,000 which will now be used as a basis for debt retirement.

As the outstanding national bank notes are retired and replaced with Federal Reserve notes, these items will disappear from the public debt statement entirely. The total amount of outstanding currency should not be changed as a result of this program. National bank notes will merely be replaced by Federal Reserve notes. The effect on member bank reserves will be immaterial.

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The texts of the formal notices of call were as follows:

*To Holders of the 2 Percent Consols of 1930, and Others Concerned:*

1. Public notice is hereby given that all outstanding United States 2 percent consols of 1930, dated April 1, 1900, issued under authority of the act of Congress approved March 14, 1900, are called for redemption on July 1, 1935.

2. For the purpose of terminating interest on July 1, 1935, this call shall be effective as of April 1, 1935. Accordingly, interest on all outstanding 2 percent consols of 1930 will cease 3 months thereafter, that is, on July 1, 1935.

3. Full information regarding the presentation and surrender of 2 percent consols of 1930 for redemption on July 1, 1935, will be given in a Treasury Department circular to be dated April 1, 1935.

HENRY MORGENTHAU, JR.  
*Secretary of the Treasury.*

TREASURY DEPARTMENT, Washington, March 11, 1935.

*To Holders of the 2 Percent Bonds of the Panama Canal Loan, Series of 1916-36 and Series of 1918-38, and Others Concerned:*

Public notice is hereby given that all outstanding United States 2 percent bonds of the Panama Canal loan, series of 1916-36, dated August 1, 1906, and series of 1918-38, dated November 1, 1908, issued under authority of the act of Congress approved June 28, 1902, are called for redemption on August 1, 1935, and will cease to bear interest on that date.

Full information regarding the presentation and surrender of the 2 percent bonds of the Panama Canal loan, series of 1916-36 and series of 1918-38, for redemption on August 1, 1935, will be given in a Treasury Department circular to be dated April 1, 1935.

HENRY MORGENTHAU, JR.  
*Secretary of the Treasury.*

TREASURY DEPARTMENT, *Washington, March 11, 1935.*

The circulars governing the redemption of these bonds were as follows:

[Redemption of consols of 1930. Department Circular No. 533]

TREASURY DEPARTMENT,  
*Washington, April 1, 1935.*

*To Holders of 2 Percent Consols of 1930, and Others Concerned:*

I. NOTICE OF CALL FOR REDEMPTION OF 2 PERCENT CONSOLS OF 1930

On March 11, 1935, the following public notice of call for redemption was given:

(Notice of call is omitted here, see p. 205.)

II. REDEMPTION OF 2 PERCENT CONSOLS OF 1930

Pursuant to the call for redemption, as set forth in section I of this circular, the following rules and regulations are hereby prescribed to govern the presentation and surrender of the 2 percent consols of 1930 for redemption on July 1, 1935:

1. *Payments of called bonds on July 1, 1935.*—Holders of any outstanding 2 percent consols of 1930 will be entitled to have their bonds redeemed and paid at par on July 1, 1935, with interest in full to that date. After July 1, 1935, interest will not accrue on any such bonds.

2. *Presentation and surrender of registered bonds.*—Two percent consols of 1930 in registered form must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in one of the forms hereinafter set forth, and thereafter should be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, for redemption on July 1, 1935. The bonds must be delivered at the expense and risk of owners, and should be accompanied by appropriate written advice. In order to facilitate redemption on July 1, 1935, such registered bonds should be presented and surrendered well in advance of that date. Such early presentation will insure prompt payment of principal and final interest when due. In all cases checks in payment of principal and final interest will be mailed to the address given in the advice accompanying the bonds surrendered.

3. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to "The Secretary of the Treasury for redemption." If it is desired, for any reason, that payment be made to some other person, without intermediate assignment, the bonds should be assigned to "The Secretary of the Treasury for redemption for the account of \_\_\_\_\_", inserting the name and address of the person to whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by the instrument under which he is acting; he may, however, assign for payment to himself in his representative or fiduciary capacity.

4. Assignments in blank, or assignments having similar effect, should be avoided, if possible, in order not to lose the protection afforded by registration. However, such assignments will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer.

5. The transfer books for 2 percent consols of 1930 in registered form will not close prior to July 1, 1935, for the payment of interest on that date, and final interest due on July 1, 1935, will be covered by payments to be made simultaneously with payments made on account of principal.

6. *Bonds held by the Treasurer of the United States in trust.*—Two percent consols of 1930 in registered form on deposit with the Treasurer of the United States on July 1, 1935, to secure circulating notes of national banks, or to secure deposits of public money or postal savings funds, may be redeemed upon assignment as follows:

(a) If deposited to secure circulating notes of national banks, the board of directors of the national bank concerned should, by appropriate resolution, authorize the Comptroller of the Currency to withdraw the bonds on deposit and to redeliver such bonds to the Treasurer of the United States, and should further authorize the Treasurer of the United States to assign such bonds to "The Secretary of the Treasury for redemption for account of \_\_\_\_\_", inserting in such form the name of the person or corporation to whom payment is to be made. If the proceeds of redemption are to be paid to the bank executing the resolution, its name should be inserted; if such proceeds are to be paid to someone other than such bank, the name of that person or corporation should be inserted; and if such proceeds are to be applied toward retirement of the circulating notes secured by such bonds,<sup>1</sup> the following should be inserted: "Treasury of the United States for account of \_\_\_\_\_" (name of bank executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Comptroller of the Currency, Treasury Department, Washington.

(b) If deposited to secure deposits of public money or postal savings funds, the board of directors of the bank or trust company should, by appropriate resolution, authorize the Treasurer of the United States to withdraw the bonds and assign them to "The Secretary of the Treasury for redemption for account of \_\_\_\_\_", inserting in such form the name of the person or corporation to whom payment is to be made. If other collateral is substituted the name of the bank or trust company executing the resolution, or the name of any other person or corporation, may be inserted. If such proceeds are to be applied to the reduction of the deposits secured by the bonds, the following should be inserted: "Treasurer of the United States for account of \_\_\_\_\_" (name of bank or trust company executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Treasurer of the United States, Division of Securities, Washington, accompanied by the collateral to be substituted for the bonds, in case a substitution is to be made.

(c) The Comptroller of the Currency, or the Treasurer of the United States, will forward appropriate resolution forms to each bank or trust company having 2 percent consols of 1930 on deposit as security for the above accounts.

7. *Presentation and surrender of coupon bonds.*—A small amount of 2 percent consols of 1930 in coupon form remain outstanding, without coupons attached covering interest accruing since April 1, 1930. Any such bonds should be presented and surrendered for redemption on July 1, 1935, to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington. The bonds must be delivered at the expense and risk of the holder, and should be accompanied by appropriate written advice. Checks in payment of principal and accrued interest from April 1, 1930, to July 1, 1935, on such coupon bonds will be mailed to the address given in the advice accompanying the bonds when surrendered.

<sup>1</sup>The circulation privilege temporarily conferred by the act of July 22, 1932, on all United States bonds bearing interest at a rate not exceeding 3% percent per annum will expire July 22, 1935; 2 percent bonds of the Panama Canal Loan of 1916-36 and 1918-38 have been called for redemption on Aug. 1, 1935.

## III. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of the 2 percent consols of 1930 on July 1, 1935, under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

[Redemption of Panamas of 1916-36 and 1918-38. Department Circular No. 534]

TREASURY DEPARTMENT,  
*Washington, April 1, 1935.*

*To Holders of 2 Percent Bonds of the Panama Canal Loan, Series of 1916-36, and Series of 1918-38, and Others Concerned:*

I. NOTICE OF CALL FOR REDEMPTION BEFORE MATURITY OF THE 2 PERCENT BONDS OF THE PANAMA CANAL LOAN, SERIES OF 1916-36 AND SERIES OF 1918-38

On March 11, 1935, the following public notice of call for redemption before maturity was given:

(Notice of call is omitted here, see p. 206.)

II. REDEMPTION OF 2 PERCENT BONDS OF THE PANAMA CANAL LOAN

Pursuant to the call for redemption, as set forth in section I of this circular, the following rules and regulations are hereby prescribed to govern the presentation and surrender of the 2 percent bonds of the Panama Canal Loan, series of 1916-36, and series of 1918-38, for redemption on August 1, 1935:

1. *Payment of called bonds on August 1, 1935.*—Holders of any outstanding 2 percent bonds of the Panama Canal Loan will be entitled to have their bonds redeemed and paid at par on August 1, 1935, with interest in full to that date. After August 1, 1935, interest will not accrue on any such bonds.

2. *Presentation and surrender of registered bonds.*—Two percent bonds of the Panama Canal Loan in registered form must be assigned by the registered payee or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in one of the forms hereinafter set forth, and thereafter should be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, for redemption on August 1, 1935. The bonds must be delivered at the expense and risk of owners and should be accompanied by appropriate written advice. In order to facilitate redemption on August 1, 1935, such registered bonds should be presented and surrendered well in advance of that date. Such early presentation will insure prompt payment of principal and final interest when due. In all cases checks in payment of principal and final interest will be mailed to the address given in the advice accompanying the bonds surrendered.

3. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to "The Secretary of the Treasury for redemption." If it is desired, for any reason, that payment be made to some other person, without intermediate assignment, the bonds should be assigned to "The Secretary of the Treasury for redemption for the account of \_\_\_\_\_", inserting the name and address of the person to whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by the instrument under which he is acting; he may, however, assign for payment to himself in his representative or fiduciary capacity.

4. Assignments in blank, or assignments having similar effect, should be avoided, if possible, in order not to lose the protection afforded by registration.

However, such assignments will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer.

5. The transfer books for 2 percent Panama Canal bonds in registered form will not close prior to August 1, 1935, for the payment of interest on that date, and final interest due on August 1, 1935, will be covered by payments to be made simultaneously with payments made on account of principal.

6. *Bonds held by the Treasurer of the United States in trust.*—Two percent Panama Canal bonds in registered form on deposit with the Treasurer of the United States on August 1, 1935, to secure circulating notes of national banks, or to secure deposits of public money or postal savings funds, may be redeemed upon assignment as follows:

(a) If deposited to secure circulating notes of national banks, the board of directors of the national bank concerned should, by appropriate resolution, authorize the Comptroller of the Currency to withdraw the bonds on deposit and to redeliver such bonds to the Treasurer of the United States, and should further authorize the Treasurer of the United States to assign such bonds to "The Secretary of the Treasury for redemption for account of \_\_\_\_\_", inserting in such form the name of the person or corporation to whom payment is to be made. If the proceeds of redemption are to be paid to the bank executing the resolution, its name should be inserted; if such proceeds are to be paid to some one other than such bank, the name of that person or corporation should be inserted; and if such proceeds are to be applied toward retirement of the circulating notes secured by such bonds,<sup>2</sup> the following should be inserted: "Treasurer of the United States for account of \_\_\_\_\_" (name of bank executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Comptroller of the Currency, Treasury Department, Washington.

(b) If deposited to secure deposits of public money or postal savings funds, the board of directors of the bank or trust company should, by appropriate resolution, authorize the Treasurer of the United States to withdraw the bonds and assign them to "The Secretary of the Treasury for redemption for account of \_\_\_\_\_", inserting in such form the name of the person or corporation to whom payment is to be made. If other collateral is substituted the name of the bank or trust company executing the resolution, or the name of any other person or corporation, may be inserted. If such proceeds are to be applied to the reduction of the deposits secured by the bonds, the following should be inserted: "Treasurer of the United States for account of \_\_\_\_\_", (name of bank or trust company executing the resolution). A certified copy of such resolution, together with the Treasurer's receipt for the bonds on deposit, should be forwarded to the Treasurer of the United States, Division of Securities, Washington, accompanied by the collateral to be substituted for the bonds, in case a substitution is to be made.

(c) The Comptroller of the Currency, or the Treasurer of the United States, will forward appropriate resolution forms to each bank or trust company having 2 percent Panama Canal bonds on deposit as security for the above accounts.

7. *Presentation and surrender of coupon bonds.*—A small amount of 2 percent Panama Canal bonds in coupon form are outstanding. Any such bonds should be presented and surrendered for redemption on August 1, 1935, to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington. Coupons dated August 1, 1935, should be detached from such bonds when presented, and collected in regular course, and coupons bearing subsequent dates should be attached to the bonds when presented. The bonds must be delivered at the expense and risk of the holder and should be accompanied by appropriate written advice. Checks in payment of principal will be mailed to the address given in the advice accompanying the bonds surrendered.

### III. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of the 2 percent Panama Canal bonds of August 1, 1935, under this circular

<sup>2</sup> The circulation privilege temporarily conferred, by the act of July 22, 1932, on all United States bonds bearing interest at a rate not exceeding 3½ percent per annum will expire July 22, 1935; 2 percent consols of 1930 have been called for redemption on July 1, 1935.

may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

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### Exhibit 11

#### *Call for redemption of First Liberty Loan bonds of 1932-47 on June 15, 1935*

On March 14, 1935, Secretary of the Treasury Morgenthau announced that all outstanding First Liberty Loan bonds, including those of the original issue and those subsequently issued on conversion, would be called for redemption on June 15, 1935.

The First Liberty Loan, in the form of 3½ percent bonds, was originally issued June 15, 1917, in the total amount of \$1,989,455,550. Subsequently three conversion privileges arose and the 3½ percent bonds were in part converted into other First Liberty Loan bonds bearing interest at 4 or 4¼ percent, and the 4 percent bonds issued on conversion were largely converted into 4¼ percent bonds. First Liberty Loan bonds outstanding on February 28, 1935, were divided among the four issues as follows:

First 3½'s.....	\$1, 392, 226, 250
First converted 4's.....	5, 002, 450
First converted 4¼'s.....	532, 489, 100
First-second converted 4¼'s.....	3, 492, 150
Total.....	<u>1, 933, 209, 950</u>

The text of the formal notice of call follows:

*To Holders of First Liberty Loan Bonds of 1932-47, and Others Concerned:*

Public notice is hereby given:

1. All outstanding First Liberty Loan bonds of 1932-47 are hereby called for redemption on June 15, 1935. The various issues of First Liberty Loan bonds (all of which are included in this call) are as follows:

First Liberty Loan 3½ percent bonds of 1932-47 (First 3½'s), dated June 15, 1917;

First Liberty Loan converted 4 percent bonds of 1932-47 (First 4's), dated November 15, 1917;

First Liberty Loan converted 4¼ percent bonds of 1932-47 (First 4¼'s), dated May 9, 1918; and

First Liberty Loan second converted 4¼ percent bonds of 1932-47 (First-second 4¼'s), dated October 24, 1918.

2. Interest on all such outstanding First Liberty Loan bonds will cease on said redemption date, June 15, 1935.

3. Full information regarding the presentation and surrender of First Liberty Loan bonds for redemption under this call will be given in a Treasury Department circular to be issued later.

4. Holders of First Liberty Loan bonds now called for redemption on June 15, 1935, may, in advance of that date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

TREASURY DEPARTMENT,  
*Washington, March 14, 1935.*

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The circular governing the redemption of the First Liberty Loan bonds is as follows:

[Department Circular No. 535]

TREASURY DEPARTMENT,  
Washington, April 22, 1935.*To Holders of First Liberty Loan Bonds of 1932-47, and Others Concerned:*

## I. NOTICE OF CALL FOR REDEMPTION BEFORE MATURITY

On March 14, 1935, the following public notice of call for redemption was given:

[Notice of call is omitted here, see p. 210.]

## II. OPTIONAL EXCHANGE OFFERING

1. Holders of First Liberty Loan bonds, called for redemption on June 15, 1935, are offered the privilege, for a limited period beginning April 22, 1935, of exchanging all or any part of their called bonds, either (1) for 2 $\frac{7}{8}$  percent Treasury bonds of 1955-60, or (2) for 5-year 1 $\frac{5}{8}$  percent Treasury notes of series A-1940, both bonds and notes being dated and bearing interest from March 15, 1935.

2. Full information concerning the optional exchange offering of Treasury bonds is set forth in Treasury Department Circular No. 536, and full information concerning the optional exchange offering of Treasury notes is set forth in Treasury Department Circular No. 537, both circulars being dated April 22, 1935. As the privilege of exchanging First Liberty Loan bonds will be accorded for a limited period only and may be terminated at any time without notice, holders of First Liberty Loan bonds who desire to take advantage of either offering should act promptly, following the instructions given in the Treasury Department circulars referred to above, copies of which may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington, D. C.

## III. RULES AND REGULATIONS GOVERNING REDEMPTION OF FIRST LIBERTY LOAN BONDS

Pursuant to the call for redemption, as set forth in section I of this circular, the following rules and regulations are hereby prescribed to govern the presentation and surrender of First Liberty Loan bonds for redemption on June 15, 1935:

1. *Payment of called bonds on June 15, 1935.*—Holders of any outstanding First Liberty Loan bonds will be entitled to have such bonds redeemed and paid at par on June 15, 1935, with interest in full to that date. After June 15, 1935, interest will not accrue on any First Liberty Loan bonds.

2. *Presentation and surrender of coupon bonds.*—First Liberty Loan bonds in coupon form should be presented and surrendered to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, D. C., for redemption on June 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 8 of this section) and should be accompanied by appropriate written advice (see form P. D. 1435 attached hereto). Checks in payment of principal will be mailed to the address given in the form of advice accompanying the bonds surrendered.

3. Coupons dated June 15, 1935, which become payable on that date, should be detached from any First Liberty Loan bonds before such bonds are presented for redemption on June 15, 1935, and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to June 15, 1935, must be attached to any such bonds when presented for redemption, *provided, however*, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will be redeemed, but the full face amount of any such missing coupons will be deducted from the payment to be made on account of such redemption, and any amounts so deducted will be held in the Treasury to provide for adjustments or refunds on account of such missing coupons as may subsequently be presented.<sup>1</sup>

<sup>1</sup> First 4's, First 4 $\frac{1}{4}$ 's, and First-second 4 $\frac{1}{4}$ 's were originally issued in temporary form. The final coupon attached to such temporary bonds became due on Dec. 15, 1919, June 15, 1920, and Dec. 15, 1920, respectively. The holders of any such temporary bonds will receive all past due interest to June 15, 1935, when such bonds are redeemed pursuant to the call. Any coupons now attached to such temporary bonds should be detached and collected in regular course.

4. *Presentation and surrender of registered bonds.*—First Liberty Loan bonds in registered form must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in the form indicated in the next paragraph hereof, and thereafter should be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, D. C., for redemption on June 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 8 of this section) and should be accompanied by appropriate written advice (see form P. D. 1436 attached hereto). In all cases checks in payment of principal and final interest due will be mailed to the address given in the form of advice accompanying the bonds surrendered.

5. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to "The Secretary of the Treasury for redemption." If it is desired, for any reason, that payment be made to some other person, without intermediate assignment, the bonds should be assigned to "The Secretary of the Treasury for redemption for the account of -----", inserting the name and address of the person to whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by the instrument under which he is acting; he may, however, assign for payment to himself in his representative or fiduciary capacity.

6. Assignment in blank or other assignment having similar effect, will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

7. Final interest due on June 15, 1935, on registered bonds of the First Liberty Loan will be paid with the principal in accordance with the assignments on the bonds surrendered. Transfers and exchanges involving registered bonds will be permitted up to the close of business on May 31, 1935, but not after that date.

8. *Transportation of bonds.*—Bonds presented for redemption under this circular must be delivered to a Federal Reserve bank or branch, or to the Treasury Department, Washington, D. C., at the expense and risk of the holder. Coupon bonds should be forwarded by registered mail insured, or by express prepaid. Registered bonds bearing restricted assignments may be forwarded by registered mail, but registered bonds bearing unrestricted assignments should be forwarded by registered mail insured or by express. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

#### IV. TIME OF PRESENTATION OF CALLED BONDS FOR REDEMPTION

1. In order to facilitate the redemption of First Liberty Loan bonds on June 15, 1935, any such bonds should be presented and surrendered in the manner herein prescribed well in advance of that date, but not before May 15, 1935. Such early presentation by holders will assure prompt payment of principal when due. This is particularly important with respect to registered bonds, for payment cannot be made until registration shall have been discharged at the Treasury Department.

2. It will expedite redemption if the bonds are presented to Federal Reserve banks, or branches, and not direct to the Treasury Department.

3. As hereinbefore provided: (1) coupons due June 15, 1935, should be detached from any permanent coupon bonds when such bonds are presented for redemption on that date, such coupons to be collected when due; and (2) final interest due on any registered bonds will be paid with the principal amount.

4. If First Liberty Loan bonds called for redemption on June 15, 1935, are to be presented for exchange for 2½ percent Treasury bonds of 1955-60, instructions given in Treasury Department Circular No. 536 should be followed; if to be presented for 1½ percent Treasury notes of series A-1940, instructions



given in Treasury Department Circular No. 537 should be followed; if to be presented for redemption on June 15, instructions given in this circular should be followed.

V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of First Liberty Loan bonds under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments also may be obtained.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

FOR COUPON BONDS

[Form PD 1435. For registered bonds use form PD 1436]

Use separate form for each issue

FORM OF ADVICE TO ACCOMPANY FIRST LIBERTY LOAN BONDS IN COUPON FORM  
PRESENTED FOR REDEMPTION ON JUNE 15, 1935

To the FEDERAL RESERVE BANK OF-----,

OR  
TREASURER OF THE UNITED STATES,  
*Washington, D. C.*

Pursuant to the provisions of Treasury Department Circular No. 535, dated April 22, 1935, the undersigned presents and surrenders herewith for redemption on June 15, 1935, \$-----, face amount of First Liberty Loan bonds in coupon form, with coupon due December 15, 1935, and all subsequent coupons attached, as follows:

Title of issue: -----  
(Use short title—see note)

Number of bonds	Denomination	Serial numbers of bonds	Face amount
-----	\$50	-----	\$-----
-----	100	-----	-----
-----	500	-----	-----
-----	1,000	-----	-----
-----	5,000	-----	-----
-----	10,000	-----	-----
-----	100,000	-----	-----
Total	-----	-----	-----

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

Signature-----  
Name (please print)-----  
Address in full-----

Date -----

NOTE.—The titles of the four issues of First Liberty Loan bonds follow:

<i>Title</i>	<i>Short title</i>
First Liberty Loan 3½% bonds of 1932-47	First 3½'s
First Liberty Loan converted 4% bonds of 1932-47	First 4's
First Liberty Loan converted 4¼% bonds of 1932-47	First 4¼'s
First Liberty Loan second-converted 4¼% bonds of 1932-47	First-second 4¼'s

FOR REGISTERED BONDS

[Form PD 1436. For coupon bonds use form PD 1435]

Use separate form for each issue

FORM OF ADVICE TO ACCOMPANY FIRST LIBERTY LOAN BONDS IN REGISTERED FORM  
PRESENTED FOR REDEMPTION ON JUNE 15, 1935

To the FEDERAL RESERVE BANK OF \_\_\_\_\_,  
OR  
TREASURY DEPARTMENT, DIVISION OF LOANS AND CURRENCY,  
Washington, D. C.:

Pursuant to the provisions of Treasury Department Circular No. 535, dated April 22, 1935, the undersigned presents and surrenders herewith for redemption on June 15, 1935, \$\_\_\_\_\_, face amount of First Liberty Loan bonds in registered form, inscribed in the name of \_\_\_\_\_ and duly assigned to "The Secretary of the Treasury for redemption", as follows:

Title of issue: \_\_\_\_\_  
(Use short title—see note)

Number of bonds	Denomination	Serial numbers of bonds	Face amount
-----	\$50	-----	\$-----
-----	100	-----	-----
-----	500	-----	-----
-----	1,000	-----	-----
-----	5,000	-----	-----
-----	10,000	-----	-----
-----	50,000	-----	-----
-----	100,000	-----	-----
Total-----	-----	-----	-----

and requests that remittance covering payment of principal and final interest be forwarded to the undersigned at the address indicated below.

Signature-----  
Name (please print)-----  
Address in full-----

Date -----

NOTE.—The titles of the 4 issues of First Liberty Loan bonds follow:

Title	Short title
First Liberty Loan 3½% bonds of 1932-47	First 3½'s
First Liberty Loan converted 4% bonds of 1932-47	First 4's
First Liberty Loan converted 4¼% bonds of 1932-47	First 4¼'s
First Liberty Loan second-converted 4¼% bonds of 1932-47	First-second 4¼'s

Exhibit 12

Call for redemption on October 15, 1935, of Fourth Liberty Loan bonds before maturity (final call)

On April 14, 1935, Secretary of the Treasury Morgenthau announced the call of the balance of the Fourth Liberty Loan 4¼ percent bonds of 1923-38 for redemption on October 15, 1935. The Fourth Liberty Loan bonds included in this fourth and final call amounted to about \$1,250,000,000.

Bonds of the Fourth Liberty Loan were originally issued under date of October 24, 1918, in the amount of about \$6,965,000,000. Subsequent to their issue, and prior to the first call for partial redemption, which was made on October 12, 1933, nearly \$700,000,000 of these bonds were retired. The first three calls for partial redemption paved the way for the retirement of about \$5,000,000,000 more, leaving about \$1,250,000,000 outstanding. Of the \$5,000,-

000,000 of bonds included in the first three calls, about \$4,315,000,000 were exchanged for other interest-bearing obligations, and about \$320,000,000 more have been paid in cash. Most of the remaining \$365,000,000 were to be redeemed on April 15 or shortly thereafter.

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

*To Holders of Fourth Liberty Loan 4¼ Percent Bonds of 1933-38, and Others Concerned:*

Public notice is hereby given:

1. All outstanding Fourth Liberty Loan 4¼ percent bonds of 1933-38 (Fourth 4¼'s) bearing serial numbers the final digit of which is 3 or 4 (such serial numbers in the case of permanent coupon bonds being prefixed by the corresponding distinguishing letter C or D, respectively), are hereby called for redemption on October 15, 1935, on which date interest on such bonds called for redemption will cease.

2. Full information regarding the presentation and surrender of Fourth 4¼'s for redemption under this call will be given in a Treasury Department circular to be issued later.

3. Holders of Fourth 4¼'s now called for redemption on October 15, 1935, may, in advance of that date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

TREASURY DEPARTMENT,  
*Washington, April 13, 1935.*

The Department circular governing the redemption of the bonds was as follows:

[Department Circular No. 539.]

TREASURY DEPARTMENT,  
*Washington, May 13, 1935.*

*To Holders of Fourth Liberty Loan 4¼ Percent Bonds of 1933-38, and Others Concerned:*

I. NOTICE OF FOURTH AND FINAL CALL FOR REDEMPTION BEFORE MATURITY OF FOURTH LIBERTY LOAN 4¼ PERCENT BONDS OF 1933-38 (FOURTH 4¼'S)

On April 13, 1935, the following public notice of call for redemption was given:

[Notice of call omitted here. see above.]

II. TRANSACTIONS IN FOURTH-CALLED BONDS

1. The bonds included in the fourth and final call for redemption on October 15, 1935, are hereby designated fourth-called Fourth 4¼'s.<sup>1</sup>

2. Denominational exchanges of coupon bonds within the class fourth-called Fourth 4¼'s will terminate at the close of business on October 14, 1935. Transfers and exchanges involving registered bonds within the same class will be permitted up to the close of business on September 30, 1935, but not after that date.

<sup>1</sup>Fourth 4¼'s (temporary coupon, permanent coupon, and registered) are numbered serially beginning with no. 1 for each denomination; in the case of permanent coupon bonds each serial number is prefixed by a distinguishing letter, the letters A to K (omitting I) being used, which letters, in order, rotate with and correspond to the final digits from 1 to 0, respectively.

First-called Fourth 4¼'s (called for redemption on Apr. 15, 1934—Department Circular No. 501, dated Oct. 12, 1933) bear serial numbers ending in 9, 0, or 1 (in the case of permanent coupon bonds preceded by the distinguishing letter J, K, or A, respectively); second-called Fourth 4¼'s (called for redemption on Oct. 15, 1934—Department Circular No. 509, dated Apr. 13, 1934) bear serial numbers ending in 8 or 2 (in the case of permanent coupon bonds preceded by the distinguishing letter H or B, respectively); third-called Fourth 4¼'s (called for redemption on Apr. 15, 1935—Department Circular No. 525, dated Oct. 12, 1934) bear serial numbers ending in 5, 6, or 7 (in the case of permanent coupon bonds preceded by the distinguishing letter E, F, or G, respectively); and fourth-called Fourth 4¼'s (called for redemption on Oct. 15, 1935) bear serial numbers ending in 3 or 4 (in the case of permanent coupon bonds preceded by the distinguishing letter C or D, respectively).

## III. PAYMENT OR EXCHANGE

1. *Payment of fourth-called bonds on October 15, 1935.*—Holders of fourth-called Fourth 4¼'s will be entitled to have such bonds redeemed and paid at par on October 15, 1935, with interest in full to that date. After October 15, 1935, interest will not accrue on any such bonds included in the fourth and final call for redemption.

2. *Optional exchange offering.*—Holders of fourth-called Fourth 4¼'s may, in advance of October 15, 1935, be offered the privilege of exchanging all or any part of their fourth-called bonds for other interest-bearing obligations of the United States, in which event due public notice will be given. Holders who desire to avail themselves of any exchange privilege, if and when offered, should watch for an announcement thereof, and should request their bank or trust company to notify them when information regarding any exchange offering is received.

3. In case of an exchange offering, instructions then given in the public announcement and the official circular should be followed in presenting fourth-called bonds for exchange; otherwise the instructions hereinafter set forth in this circular should be followed for the presentation of such fourth-called bonds for redemption on October 15, 1935.

## IV. REDEMPTION OF FOURTH-CALLED FOURTH 4¼'S

1. *Presentation and surrender of coupon bonds.*—Fourth-called Fourth 4¼'s in coupon form should be presented and surrendered to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, D. C., for redemption on October 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 7 of this section) and should be accompanied by appropriate written advice (see form P. D. 1445 attached hereto). Checks in payment of principal will be mailed to the address given in the form of advice accompanying the bonds surrendered.

2. Coupons dated October 15, 1935, which become payable on that date, should be detached from any fourth-called Fourth 4¼'s before such bonds are presented for redemption on October 15, 1935, and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to October 15, 1935, must be attached to such bonds when presented for redemption, *provided, however*, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will be redeemed, but the full face amount of any such missing coupons will be deducted from the payment to be made on account of such redemption, and any amounts so deducted will be held in the Treasury to provide for adjustments or refunds on account of such missing coupons as may subsequently be presented.<sup>2</sup>

3. *Presentation and surrender of registered bonds.*—Fourth-called Fourth 4¼'s in registered form must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the Treasury Department governing assignments, in the form indicated in the next paragraph hereof, and should thereafter be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, D. C., for redemption on October 15, 1935. The bonds must be delivered at the expense and risk of holders (see par. 7 of this section) and should be accompanied by appropriate written advice (see form P. D. 1446 attached hereto). In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the bonds surrendered.

4. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to "the Secretary of the Treasury for redemption." If it is desired, for any reason, that payment be made to some other person, without intermediate assignment, the bonds should be assigned to "the Secretary of the Treasury for redemption for the account of -----", inserting the name and address of the person to

<sup>2</sup>The final coupon attached to temporary coupon bonds became due on October 15, 1920. The holders of any such temporary bonds which are included in the fourth call for redemption on October 15, 1935, will receive all past due interest from October 15, 1920, when the bonds are redeemed pursuant to such call. All coupons now attached to any such temporary bonds should be detached and collected in regular course.

whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by court order or by the instrument under which he is acting; he may, however, assign for payment to himself in his representative or fiduciary capacity.

5. Assignment in blank, or other assignment having similar effect, will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

6. Final interest due on October 15, 1935, on any fourth-called Fourth 4¼'s in registered form, will be paid with the principal in accordance with the assignments on the bonds surrendered.

7. *Transportation of bonds.*—Bonds presented for redemption under this circular must be delivered to a Federal Reserve bank or branch, or to the Treasury Department, Washington, D. C., at the expense and risk of the holder. Coupon bonds should be forwarded by registered mail insured, or by express prepaid. Registered bonds bearing restricted assignments may be forwarded by registered mail, but registered bonds bearing unrestricted assignments should be forwarded by registered mail insured or by express. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

#### V. TIME OF PRESENTATION OF FOURTH-CALLED FOURTH 4¼'S FOR REDEMPTION

1. In order to facilitate the redemption of fourth-called Fourth 4¼'s on October 15, 1935, any such bonds should be presented and surrendered in the manner herein prescribed in advance of that date but not before September 15, 1935. Such early presentation by holders will assure prompt payment of principal when due. This is particularly important with respect to registered bonds, for payment cannot be made until registration shall have been discharged at the Treasury Department.

2. It will expedite redemption if the bonds included in the fourth call for redemption are presented to Federal Reserve banks or branches, and not direct to the Treasury Department.

#### VI. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of fourth-called Fourth 4¼'s under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments may also be obtained.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to Federal Reserve banks.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

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#### Exhibit 13

*Offering of 2½ percent Treasury bonds of 1955-60 (additional) and 1½ percent Treasury notes of series A-1940 (additional)*

On April 22, 1935, Secretary of the Treasury Morgenthau announced the offering of additional issues of 2½ percent Treasury bonds of 1955-60 and of 1½ percent Treasury notes of series A-1940, both in exchange for First Liberty Loan bonds, of any series, called for redemption on June 15, 1935.

[Treasury bonds of 1955-60. Department Circular No. 536]

TREASURY DEPARTMENT,

Washington, April 22, 1935.

I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, for refunding purposes, invites subscriptions from the people of the United States for 2½ percent bonds of the United States, designated Treasury bonds of 1955-60, in payment of which only First Liberty Loan bonds, of any series, called for redemption on June 15, 1935, may be tendered. The amount of the additional issue of 2½ percent Treasury bonds of 1955-60 under this circular will be limited to the amount of First Liberty Loan bonds tendered and accepted.

2. First Liberty Loan bonds will be received on exchange at par, and 2½ percent Treasury bonds of 1955-60 will be issued at par, with the right reserved by the Secretary of the Treasury to increase the issue price by public announcement effective as to subscriptions tendered after the time, not earlier than April 29, 1935, fixed in the announcement. On all exchanges, interest adjustments will be made as of June 15, 1935.

3. The outstanding bonds of the First Liberty Loan called for redemption on June 15, 1935, and which, under the terms of this circular, may be exchanged for 2½ percent Treasury bonds of 1955-60, follows:

3½ percent bonds of 1932-47 (First 3½'s) dated June 15, 1917

Converted 4 percent bonds of 1932-47 (First 4's) dated November 15, 1917

Converted 4¼ percent bonds of 1932-47 (First 4¼'s) dated May 9, 1918

Second converted 4¼ percent bonds of 1932-47 (First-second 4¼'s) dated October 24, 1918

4. In addition to the exchange offering under this circular, holders of First Liberty Loan bonds are offered the privilege of exchanging all or any part of such called bonds for 5-year 1½ percent Treasury notes of series A-1940, which offering is set forth in Department Circular No. 537, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2½ percent Treasury bonds of 1955-60 issued pursuant to Department Circular No. 531, dated March 4, 1935, are identical in all respects therewith, will be freely interchangeable, and are described in the following quotation from said Circular No. 531:

(Description omitted here, see p. 291.)

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 will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

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 bonds applied for, to make allotments in full upon subscriptions for smaller amounts and to make reduced allotments upon, or to reject, subscriptions for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of 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. TERMS OF PAYMENT AND ISSUE

1. Treasury bonds offered under this circular will be issued at par, or at such increased issue price as may be fixed by public announcement in the case of bonds issued upon subscriptions tendered to a Federal Reserve bank or branch

or to the Treasury Department after the time stated in the announcement. The effective time for any increase which may be made in the issue price will be after the date of the announcement and in no event earlier than April 29, 1935. Any such announcement fixing an increase in the issue price and the time when such increase becomes effective will be communicated promptly to the Federal Reserve banks. Payment for any bonds allotted under this circular may be made only in First Liberty Loan bonds of any series, which will be accepted at par, provided that payment of the premium by reason of any increase in the issue price shall be made as provided in the next following paragraph. The bonds tendered in payment should accompany the subscription.

2. *Interest adjustment as of June 15, 1935.*—Subscribers will be credited with interest in full to June 15, 1935, on First Liberty Loan bonds tendered in exchange, and will be charged with accrued interest from March 15 to June 15, 1935 (\$7.1875 per \$1,000), on 2½ percent Treasury bonds of 1955-60 issued on exchange. The net interest adjustment per \$1,000 principal amount on account of the various issues of First Liberty Loan bonds follows: First 3½'s—\$10.3125; First 4's—\$12.8125; First 4½'s and First-second 4½'s—\$14.0625. This net interest adjustment (less any premium by reason of an increase in the issue price) will be paid to subscribers following acceptance of First Liberty Loan bonds under this circular.

#### V. SURRENDER OF FIRST LIBERTY LOAN BONDS ON EXCHANGE

1. *Coupon bonds.*—First Liberty Loan bonds in coupon form tendered in exchange for Treasury bonds offered hereunder, should be presented and surrendered with the subscription to a Federal Reserve bank or to the Treasurer of the United States. Coupons dated June 15, 1935, and all coupons bearing dates subsequent to June 15, 1935, should be attached to such coupon bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons.<sup>1</sup> The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

2. *Registered bonds.*—First Liberty Loan bonds in registered form tendered in exchange for Treasury bonds offered hereunder should be assigned by the registered payee or the assignee thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If Treasury bonds are desired registered in the same name as the First Liberty Loan bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1955-60"; if Treasury bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1955-60 in the name of -----"; if Treasury bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury bonds of 1955-60 in coupon form to be delivered to -----."

#### VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions<sup>2</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>1</sup>The final coupons attached to temporary coupon bonds of the First Liberty Loan became due as follows: First 4's, Dec. 15, 1919; First 4½'s, June 15, 1920; First-second 4½'s, Dec. 15, 1920. The holders of any such temporary bonds will receive the past due interest to June 15, 1935, if such bonds are tendered for exchange under this circular.

<sup>2</sup>Omitted portion similar to corresponding section of Department Circular No. 524, p. 184.

[Treasury notes, series A-1940. Department Circular No. 537]

TREASURY DEPARTMENT,  
Washington, April 22, 1935.

### I. EXCHANGE OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions from the people of the United States for 1½ percent Treasury notes of the United States, designated Treasury notes of series A-1940, in payment of which only First Liberty Loan bonds, of any series, called for redemption on June 15, 1935, may be tendered. The amount of the additional issue of 1½ percent Treasury notes of series A-1940 under this circular will be limited to the amount of First Liberty Loan bonds tendered and accepted.

2. First Liberty Loan bonds will be received on exchange at par, and 1½ percent Treasury notes of series A-1940 will be issued at par, with the right reserved by the Secretary of the Treasury to increase the issue price by public announcement effective as to subscriptions tendered after the time, not earlier than April 29, 1935, fixed in the announcement. On all exchanges, interest adjustments will be made as of June 15, 1935.

3. The outstanding bonds of the First Liberty Loan called for redemption on June 15, 1935, and which, under the terms of this circular, may be exchanged for 1½ percent Treasury notes of series A-1940, follow:

3½ percent bonds of 1932-47 (First 3½'s) dated June 15, 1917

Converted 4 percent bonds of 1932-47 (First 4's) dated November 15, 1917

Converted 4¼ percent bonds of 1932-47 (First 4¼'s) dated May 9, 1918

Second converted 4¼ percent bonds of 1932-47 (First-second 4¼'s) dated October 24, 1918

4. In addition to the exchange offering under this circular, holders of First Liberty Loan bonds are offered the privilege of exchanging all or any part of such called bonds for 27½ percent Treasury bonds of 1955-60, which offering is set forth in Department Circular No. 536, issued simultaneously with this circular.

### II. DESCRIPTION OF NOTES

1. The notes now offered will be an addition to and will form a part of the series of 1½ percent Treasury notes of series A-1940, issued pursuant to Department Circular No. 532, dated March 4, 1935, are identical in all respects therewith (except that the additional denomination of \$50 will be made available), will be freely interchangeable, and are described in the following quotation from said Circular No. 532:

(Description omitted here, see p. 203.)

2. Bearer notes with interest coupons attached will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The notes will not be issued in registered form.

### 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 will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, to make allotments in full upon subscriptions for smaller amounts and to make reduced allotments upon, or to reject, subscriptions for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of 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. TERMS OF PAYMENT AND ISSUE

1. Treasury notes offered under this circular will be issued at par, or at such increased issue price as may be fixed by public announcement in the case of notes issued upon subscriptions tendered to a Federal Reserve bank or branch or to the Treasury Department after the time stated in the announcement. The effective time for any increase which may be made in the issue price will be after the date of the announcement and in no event earlier than April 29, 1935. Any such announcement fixing an increase in the issue price and the time when such increase becomes effective will be communicated promptly to the Federal Reserve banks. Payment for any notes allotted under this circular may be made only in First Liberty Loan bonds of any series, which will be accepted at par, provided that payment of the premium by reason of any increase in the issue price shall be made as provided in the next following paragraph. The bonds tendered in payment should accompany the subscription.

2. *Interest adjustment as of June 15, 1935.*—Subscribers will be credited with interest in full to June 15, 1935, on First Liberty Loan bonds tendered in exchange, and will be charged with accrued interest from March 15 to June 15, 1935 (\$4.0625 per \$1,000), on 1½ percent Treasury notes of series A-1940 issued on exchange. The net interest adjustment per \$1,000 principal amount on account of the various issues of First Liberty Loan bonds follows: First 3½'s, \$13.4375; First 4's, \$15.9375; First 4¼'s and First-second 4¼'s, \$17.1875. This net interest adjustment (less any premium by reason of an increase in the issue price) will be paid to subscribers following acceptance of First Liberty Loan bonds under this circular.

## V. SURRENDER OF FIRST LIBERTY LOAN BONDS ON EXCHANGE

1. *Coupon bonds.*—First Liberty Loan bonds in coupon form tendered in exchange for Treasury notes offered hereunder, should be presented and surrendered with the subscription to a Federal Reserve bank or to the Treasurer of the United States. Coupons dated June 15, 1935, and all coupons bearing dates subsequent to June 15, 1935, should be attached to such coupon bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons.<sup>3</sup> The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the United States under this circular.

2. *Registered bonds.*—First Liberty Loan bonds in registered form tendered in exchange for Treasury notes offered hereunder should be assigned by the registered payee or the assignee thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, to "The Secretary of the Treasury for exchange for Treasury notes of series A-1940", and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Washington, D. C. If the Treasury notes are to be delivered for the account of other than the registered payee or the assignee thereof, the assignment should be to "The Secretary of the Treasury for exchange for Treasury notes of series A-1940 to be delivered to \_\_\_\_\_." The bonds must be delivered at the expense and risk of the holder.

## VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions<sup>4</sup> \* \* \*

HENRY MORGENTHAU, JR.,  
Secretary of the Treasury.

<sup>3</sup>The final coupons attached to temporary coupon bonds of the First Liberty Loan became due as follows: First 4's, Dec. 15, 1919; First 4¼'s, June 15, 1920; First-second 4¼'s, Dec. 15, 1920. Titleholders of any such temporary bonds will receive the past due interest to June 15, 1935, if such bonds are tendered for exchange under this circular.

<sup>4</sup>Omitted portion similar to corresponding section of Department Circular No. 522, p. 181.

On May 3, 1935, the following announcement was made of an increase in the issue price of the Treasury bonds of 1955-60, effective as to subscriptions tendered after May 7, 1935.

*To Holders of First Liberty Loan Bonds, and Others Concerned:*

Public announcement is hereby made that, pursuant to the right reserved by the Secretary of the Treasury under Department Circular No. 536, dated April 22, 1935, inviting subscriptions for 2 $\frac{7}{8}$  percent bonds of the United States, designated Treasury bonds of 1955-60, in exchange for First Liberty Loan bonds of any series, the issue price of such 2 $\frac{7}{8}$  percent Treasury bonds of 1955-60 is increased to 100 $\frac{1}{2}$ , effective as to subscriptions tendered after May 7, 1935. The increased issue price shall not be effective as against subscriptions duly tendered on or before May 7, 1935, including subscriptions received by mail at the Federal Reserve banks and the Treasury Department, Washington, D. C., enclosed in envelopes postmarked prior to midnight May 7, 1935.

This public announcement shall be communicated promptly to the Federal Reserve banks.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

TREASURY DEPARTMENT,  
Washington, May 3, 1935.

Exhibit 14

*Allotments on exchange subscriptions, Treasury bonds of 1955-60 and Treasury notes of series A-1940 (press releases, Apr. 29 and 30, May 4, 6, 13, 15, and 27, and Aug. 6, 1935)*

The subscription books for the offering of Treasury notes of series A-1940 in exchange for First Liberty Loan bonds, called for redemption on June 15, 1935, closed at the close of business May 2, 1935. The subscription books for the offering of Treasury bonds of 1955-60, also open to holders of First Liberty Loan bonds, remained open until the close of business May 23, 1935.

First Liberty Loan bonds were exchanged for Treasury bonds of 1955-60 to the amount of \$746,406,550, and for the Treasury notes of series A-1940 to the amount of \$864,480,000, making total exchanges \$1,610,886,550, or more than 83 percent of the total amount of First Liberty Loan bonds outstanding at the time the refunding was announced. All of the subscriptions were allotted in full. The subscriptions were divided among the several Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Bonds allotted	Notes allotted	Total allotted
Boston.....	\$69,655,500	\$66,661,450	\$136,316,950
New York.....	274,134,900	515,001,850	789,136,750
Philadelphia.....	50,215,850	23,311,900	73,527,750
Cleveland.....	74,224,950	63,206,150	137,431,100
Richmond.....	32,521,350	29,967,750	62,489,100
Atlanta.....	9,629,950	3,077,500	12,707,450
Chicago.....	91,959,200	98,077,400	190,036,600
St. Louis.....	28,099,700	12,661,050	40,760,750
Minneapolis.....	10,031,050	5,223,800	15,254,850
Kansas City.....	21,799,400	7,194,200	28,993,600
Dallas.....	23,710,650	6,405,900	30,116,550
San Francisco.....	38,711,700	25,108,450	63,820,150
Treasury.....	21,712,350	8,582,600	30,294,950
Total.....	746,406,550	864,480,000	1,610,886,550

## Exhibit 15

*Refunding of the First Liberty loan, March 15 to June 30, 1935*

[On basis of daily Treasury statements (unrevised), see p. 293]

	First 3½'s	First 4's	First 4¼'s	First-second 4¼'s	Total
Outstanding Mar. 14, 1935.....	\$1,392,226,250	\$5,002,450	\$532,489,100	\$3,492,150	\$1,933,209,950
Exchanges for 1½ percent Treasury notes, series A-1940.....	754,219,100	650,800	108,033,550	1,576,550	864,480,000
Exchanges for 2½ percent Treasury bonds of 1955-60.....	464,945,100	2,190,150	277,864,950	1,406,350	746,406,550
Total exchanges.....	1,219,164,200	2,840,950	385,898,500	2,982,900	1,610,886,550
Balance for cash redemption.....	173,062,050	2,161,500	146,590,600	509,250	322,323,400
Redeemed to June 30, 1935.....	98,428,500	998,400	77,843,250	251,600	177,521,750
Outstanding June 30, 1935.....	74,633,550	1,163,100	68,747,350	257,650	144,801,650

## Exhibit 16

*Inviting tenders for 3 percent Treasury bonds of 1946-48 (additional)*

On May 27, 1935, Secretary of the Treasury Morgenthau invited tenders for an additional issue of 3 percent Treasury bonds of 1946-48 as described in the following circular:

[Department Circular No. 541]

TREASURY DEPARTMENT,  
Washington, May 27, 1935.

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, offers to the people of the United States \$100,000,000, or thereabouts, 3 percent Treasury bonds of 1946-48, and invites tenders therefor at not less than par and accrued interest from December 15, 1934, to June 3, 1935.

## DESCRIPTION OF BONDS

The bonds now offered will be an addition to and will form a part of the series of 3 percent Treasury bonds of 1946-48 issued pursuant to Department Circular No. 512, dated June 4, 1934; are identical in all respects therewith (except that interest on the bonds issued under this circular will accrue from Dec. 15, 1934); will be freely interchangeable; and are described (except as to interest payable Dec. 15, 1934) in the following quotation from said circular no. 512:

"The bonds will be dated June 15, 1934, and will bear interest from that date at the rate of 3 percent per annum, payable semiannually, on December 15, 1934, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1948, but may be redeemed at the option of the United States on and after June 15, 1946, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

"The bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an

amount of bonds authorized by the Second Liberty Bond Act, approved September 24, 1917, as amended, the principal of which does not exceed \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

The bonds will be acceptable to secure deposits of public moneys, and will bear the circulation privilege only to the extent provided in the act approved July 22, 1932, as amended. They will not be entitled to any privilege of conversion.

Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds under rules and regulations prescribed by the Secretary of the Treasury.

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

As interest on the bonds issued under this circular will accrue from December 15, 1934, coupon bonds will be delivered hereunder with coupon no. 1, dated December 15, 1934, detached.

#### TENDERS AND ALLOTMENTS

Tenders will be received at the Federal Reserve banks and the branches thereof up to 3 p. m., eastern standard time, Wednesday, May 29, 1935, and unless received by that time will be disregarded. Tenders will not be received at the Treasury Department, Washington. Each tender must state the face amount of bonds bid for, which must be \$1,000 or any even multiple thereof, and the price offered. The price offered must be stated exclusive of accrued interest from December 15, 1934, to June 3, 1935; and must be expressed on the basis of 100, with fractions expressed as 32ds of 1 percent, in accordance with usual practice; e. g., 103-29 32. Tenders at less than par will not be considered.

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 in every case by a deposit of 5 percent of the face amount of bonds bid for, except where the tender is accompanied by an express guaranty of payment by an incorporated bank or trust company. If the tender is accepted, in whole or in part, the deposit will be applied toward payment for the bonds, the balance to be paid as hereinafter provided. If the tender is rejected, the deposit will be returned to the bidder.

Tenders must be enclosed in envelopes, securely sealed, addressed to the Federal Reserve bank, or branch, of the district, and plainly marked "Tender for 3 percent Treasury Bonds of 1916-48." The Federal Reserve banks will supply printed forms and special envelopes for submitting tenders. Incorporated banks and trust companies not located in a city where a Federal Reserve bank or branch is located may, in their discretion, submit tenders by telegram, but such telegrams must be received at the Federal Reserve bank or branch before the time fixed for closing.

Immediately after the closing hour for the receipt of tenders on May 29, 1935, all tenders received in writing or by telegraph at the Federal Reserve banks or branches thereof up to the closing hour (3 p. m., eastern standard time) will be opened. The Secretary of the Treasury will determine the acceptable prices offered and will make public announcement thereof as soon as possible after the opening of tenders. Those submitting tenders will be advised by the Federal Reserve banks of the acceptance or rejection thereof, and payment on accepted tenders must be made as hereinafter provided. In considering the acceptance of tenders, the highest prices offered will be accepted in full down to the amount required; and if the same price appears in two or more tenders and it is necessary to accept only a part of the amount offered at such price, tenders for smaller amounts may be accorded preference and tenders for larger amounts prorated to the extent necessary in accordance with the respective amounts bid for. The Secretary of the Treasury expressly reserves the right, however, to reject any or all tenders or parts of tenders, and to award less than the amount bid for, and any action he may take in any such respect or respects shall be final.

## PAYMENT

Payment for any bonds allotted on accepted tenders must be made or completed on or before June 3, 1935, in cash or other immediately available funds, and must include the face amount and the premium, if any, which the bidder has agreed to pay, together with accrued interest on the face amount from December 15, 1934, to June 3, 1935.<sup>1</sup> In every case where payment is not so completed, the 5 percent deposit with application shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States.

## GENERAL PROVISIONS

Federal Reserve banks, as fiscal agents of the United States, are authorized and requested to receive tenders, to make allotments as indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid allotments, and to perform such other acts as may be necessary to carry out the provisions of this circular. Pending delivery of the definitive bonds, Federal Reserve banks may issue interim receipts.

The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the receipt of tenders and the sale of bonds under this circular, which will be communicated promptly to the Federal Reserve banks.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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**Exhibit 17**

*Acceptance of tenders for Treasury bonds of 1946-48 (from press release, May 31, 1935<sup>2</sup>)*

On May 31, 1935, Secretary of the Treasury Morgenthau announced the result of the offering by the Treasury of \$100,000,000, or thereabouts, of 3 percent Treasury bonds of 1946-48, tenders for which were received at the Federal Reserve banks up to 3 p. m. on May 29.

Tenders for \$270,077,000 face amount of bonds were received, of which \$98,708,000 was accepted at prices ranging from  $103\frac{3}{8}$  down to  $103\frac{1}{2}$ , and accrued interest from December 15, 1934, to June 3, 1935. Tenders were received for more than \$22,000,000 at 103, and it was deemed inadvisable to allot a small percentage. The average price of the bonds to be issued was about  $103\frac{3}{8}$  and a total premium of \$3,082,864 would be received. Based on the average price at which the bonds were to be issued on June 3, 1935, the yield was about 2.67 percent to the earliest call date, June 15, 1946, and about 2.71 percent to maturity, June 15, 1948.

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**Exhibit 18**

*Offering of 1½ percent Treasury notes of series B-1940*

On June 10, 1935, Secretary of the Treasury Morgenthau offered for subscription 1½ percent Treasury notes of series B-1940 in exchange for 3 percent Treasury notes of series A-1935 and for 1½ percent Treasury notes of series B-1935. In the related press release it was stated that about \$416,600,000 of the notes of series A-1935 would mature on June 15, 1935, and about \$353,800,000 of notes of series B-1935 would mature on August 1, 1935.

[Department Circular No. 542]

TREASURY DEPARTMENT,  
*Washington, June 10, 1935.*

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions,

<sup>1</sup> Accrued interest from Dec. 15, 1934, to June 3, 1935, on \$1,000 face amount is \$14.010989.

<sup>2</sup> Revised June 3, 1935.

at par and accrued interest, from the people of the United States, for 1½ percent notes of the United States, designated Treasury notes of series B-1940, in payment of which only Treasury notes of series A-1935, maturing June 15, 1935, or Treasury notes of series B-1935, maturing August 1, 1935, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury notes of series A-1935 and of series B-1935 tendered and accepted.

#### DESCRIPTION OF NOTES

The notes will be dated June 15, 1935, and will bear interest from that date at the rate of 1½ percent per annum, payable semiannually, on December 15, 1935, and thereafter on June 15 and December 15 in each year. They will mature June 15, 1940, and will not be subject to call for redemption prior to maturity.

The notes shall be exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes<sup>1</sup>) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.<sup>2</sup> \* \* \*

#### APPLICATION AND ALLOTMENT

Applications will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally will handle applications for subscribers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of 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.

#### PAYMENT

Payment at par and accrued interest, if any, for notes allotted hereunder must be made on or before June 15, 1935, or on later allotment, and may be made only in 3 percent Treasury notes of series A-1935, maturing June 15, 1935, or in 1½ percent Treasury notes of series B-1935, maturing August 1, 1935, which will be accepted at par, and should accompany the subscription. In the case of Treasury notes of series B-1935 tendered in payment, coupons dated August 1, 1935, must be attached to the notes when surrendered, and accrued interest to June 15, 1935,<sup>3</sup> will be paid following acceptance of the notes for exchange.

#### GENERAL PROVISIONS

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions \* \* \*.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

#### Exhibit 19

*Allotments on exchange subscriptions, Treasury notes of series B-1940 (from press releases, June 12 and 18, 1935<sup>4</sup>)*

The subscription books for the offering of 1½ percent Treasury notes of series B-1940 closed at the close of business June 13, 1935. Subscriptions for these

<sup>1</sup> Similarly, the exemption does not apply to the gift tax, see Treasury Decision 4550, p. 252.

<sup>2</sup> Omitted portions similar to corresponding sections of Department Circular No. 522, p. 181.

<sup>3</sup> Accrued interest at 1½ percent from Feb. 1, 1935, to June 15, 1935, on \$1,000 is \$6.015193.

<sup>4</sup> Revised Aug. 6, 1935.

notes, which were open only to holders of Treasury notes maturing June 15 and August 1, 1935, amounted to \$738,428,400, of which \$402,741,800 was exchanged for the notes of series A-1935, maturing June 15; and \$335,686,600 was exchanged for the notes of series B-1935, maturing August 15. The subscriptions, which were allotted in full, were divided among the several Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Subscriptions received (June notes)	Subscriptions received (August notes)	Total subscriptions received and allotted
Boston.....	\$7,469,600	\$6,181,300	\$13,650,900
New York.....	289,051,200	268,243,700	557,294,900
Philadelphia.....	10,152,200	3,500,300	13,652,500
Cleveland.....	9,518,900	2,102,100	11,621,000
Richmond.....	21,609,900	3,726,100	25,336,000
Atlanta.....	198,000	8,340,000	8,538,000
Chicago.....	34,304,700	32,657,100	66,961,800
St. Louis.....	7,895,700	5,008,400	12,904,100
Minneapolis.....	2,938,700	647,000	3,585,700
Kansas City.....	4,837,200	3,628,700	8,465,900
Dallas.....	2,387,700	359,800	2,747,500
San Francisco.....	10,434,500	487,100	10,921,600
Treasury.....	1,943,500	745,000	2,688,500
Total.....	402,741,800	335,686,600	738,428,400

### Exhibit 20

#### *Inviting tenders for 3 percent Treasury bonds of 1946-48 (additional)*

On June 24, 1935, Secretary of the Treasury Morgenthau invited tenders for an additional issue of 3 percent Treasury bonds of 1946-48, as described in the following circular:

[Department Circular No. 544]

#### TREASURY DEPARTMENT.

*Washington, June 24, 1935.*

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, offers to the people of the United States \$100,000,000, or thereabouts, 3 percent Treasury bonds of 1946-48, and invites tenders therefor at not less than par and accrued interest from June 15, 1935, to July 1, 1935.

#### DESCRIPTION OF BONDS

The bonds now offered will be an addition to and will form a part of the series of 3 percent Treasury bonds of 1946-48 issued pursuant to Department Circulars No. 512, dated June 4, 1934, and No. 541, dated May 27, 1935; will be freely interchangeable therewith; and (with the exception that interest on the bonds issued under this circular will accrue from June 15, 1935) are identical in all respects therewith and are described in the following quotation from Department Circular No. 512: [Description omitted here, see p. 223.]

As interest on the bonds issued under this circular will accrue from June 15, 1935, coupon bonds will be delivered hereunder with coupons nos. 1 and 2, dated December 15, 1934, and June 15, 1935, respectively, detached.

#### TENDERS AND ALLOTMENTS

Tenders will be received at the Federal Reserve banks and branches thereof up to 12 o'clock noon, eastern standard time, Wednesday, June 26, 1935, and unless received by that time will be disregarded. Tenders will not be received at the Treasury Department, Washington. Each tender must state the face amount of bonds bid for, which must be \$1,000 or any even multiple thereof, and the price offered. The price offered must be stated exclusive of accrued interest from June 15, 1935, to July 1, 1935; and must be expressed on the basis of 100, with fractions expressed as 32ds of 1 percent, in accordance with usual practice, e. g., 103-16/32. Tenders at less than par will not be considered.<sup>1</sup> \* \* \*

<sup>1</sup> Omitted portions similar to corresponding sections of Department Circular No. 541, p. 223.

Immediately after the closing hour for the receipt of tenders on June 26, 1935, all tenders received in writing or by telegraph at the Federal Reserve banks or branches thereof up to the closing hour (12 o'clock noon, eastern standard time) will be opened. \* \* \*

#### PAYMENT

Payment for any bonds allotted on accepted tenders must be made or completed on or before July 1, 1935, in cash or other immediately available funds, and must include the face amount, and the premium which the bidder has agreed to pay, together with accrued interest on the face amount from June 15, 1935, to July 1, 1935.<sup>2</sup> In every case where payment is not so completed, the 5 percent deposit with application shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States.

#### GENERAL PROVISIONS

Federal Reserve banks, as fiscal agents of the United States, are authorized and requested to receive tenders \* \* \*.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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#### Exhibit 21

*Acceptance of tenders for Treasury bonds of 1946-48 (from press release, June 27, 1935)*

On June 27, 1935, Secretary of the Treasury Morgenthau announced the result of the offering by the Treasury on June 24 of \$100,000,000, or thereabouts, of 3 percent Treasury bonds of 1946-48, tenders for which were received at the Federal Reserve banks up to 12 o'clock noon on Wednesday, June 26.

Tenders for \$461,341,000 face amount of bonds were received, of which \$112,669,000 was accepted at prices ranging from 103-24/32 down to 103-17/32 and accrued interest from June 15 to July 1, 1935. The average price of the bonds to be issued was about 103-18/32, and a total premium of \$4,005,378 was to be received. Based on the average price at which the bonds were to be issued on July 1, 1935, the yield was about 2.62 percent to the earliest call date, June 15, 1946, and about 2.67 percent to maturity, June 15, 1948.

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#### Issues of Treasury bills

#### Exhibit 22

*Inviting tenders for Treasury bills dated July 3, 1934, and maturing January 2, 1935*

TREASURY DEPARTMENT,  
*Washington, June 27, 1934.*

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$75,000,000, or thereabouts. They will be 183-day bills, and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve banks, or the branches thereof, up to 2 p. m. eastern standard time, on Friday, June 29, 1934. Tenders will not be received at the Treasury Department, Washington.

The Treasury bills will be dated July 3, 1934, and will mature on January 2, 1935, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amount or denominations of \$1,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve banks or branches upon application therefor.

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<sup>2</sup> Accrued interest from June 15, 1935, to July 1, 1935, on \$1,000 face amount is \$1.311475.



No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e. g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10 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 for receipt of tenders on June 29, 1934, all tenders received at the Federal Reserve banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve banks in cash or other immediately available funds on July 3, 1934.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

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 thereof.

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#### Exhibit 23

*Acceptance of tenders for Treasury bills dated July 3, 1934, and maturing January 2, 1935 (press release, June 30, 1934)*

Secretary of the Treasury Morgenthau announced on June 29, 1934, that the tenders for \$75,000,000, or thereabouts, of 183-day Treasury bills, dated July 3, 1934, and maturing January 2, 1935, which were offered on June 27, were opened at the Federal Reserve banks on June 29, 1934.

The total amount applied for was \$205,138,000, of which \$75,167,000 was accepted. The accepted bids ranged in price from 99.980, equivalent to a rate of about 0.04 percent per annum, to 99.960, equivalent to a rate of about 0.08 percent per annum on a bank discount basis. Only part of the amount bid for at the latter price was accepted. The average price of Treasury bills to be issued is 99.964 and the average rate is about 0.07 percent per annum on a bank discount basis.

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#### Exhibit 24

Press releases pertaining to Treasury bill issues during the fiscal year 1935 were similar in form to the foregoing and are, therefore, not here reproduced. The essential details regarding each issue are summarized in the following table.

Summary of information contained in press releases issued in connection with  
Treasury bills offered during the fiscal year 1935

Date of issue	Date of maturity	Days to maturity	Total amount applied for (in thousands)	Bids accepted			
				Highest		Lowest	
				Price (per hundred)	Equivalent rate <sup>1</sup> (percent)	Price (per hundred)	Equivalent rate <sup>1</sup> (percent)
1934		1935					
July 3	Jan. 2	183	\$205,138	\$99.980	0.039	\$99.960	0.079
July 11	Jan. 9	182	208,743	99.980	.040	99.962	.075
July 18	Jan. 16	182	207,015	99.970	.059	99.963	.073
July 25	Jan. 23	182	157,856	99.975	.049	99.963	.073
Aug. 1	Jan. 30	182	115,497	99.975	.049	99.949	.101
Aug. 8	Feb. 6	182	108,633	99.965	.069	99.930	.138
Aug. 15	Feb. 13	182	201,491	99.949	.101	99.848	.301
Aug. 22	Feb. 20	182	254,800	99.906	.186	99.875	.247
Aug. 29	Feb. 27	182	299,185	99.900	.198	99.886	.225
Sept. 5	Mar. 6	182	342,426	99.914	.170	99.907	.184
Sept. 12	Mar. 13	182	244,980	99.925	.148	99.874	.249
Sept. 19	Mar. 20	182	150,849	99.907	.184	99.840	.316
Sept. 26	Mar. 27	182	194,266	<sup>2</sup> 99.879	.239	99.843	.311
Oct. 3	Apr. 3	182	243,169	99.879	.239	99.844	.309
Oct. 10	Apr. 10	182	232,204	99.905	.188	99.871	.255
Oct. 17	Apr. 17	182	237,719	99.909	.180	99.889	.220
Oct. 24	Apr. 24	182	205,632	99.910	.178	99.894	.210
Oct. 31	May 1	182	198,826	99.914	.170	99.899	.200
Nov. 7	May 8	182	168,030	99.909	.180	99.884	.229
Nov. 14	May 15	182	199,237	99.914	.170	99.881	.235
Nov. 21	May 22	182	208,855	<sup>3</sup> 99.909	.180	99.890	.218
Nov. 28	May 29	182	314,910	99.904	.190	99.880	.237
Dec. 5	June 5	182	236,905	99.900	.198	99.885	.227
Dec. 12	June 12	182	302,273	99.909	.180	99.896	.206
Dec. 19	June 19	182	333,129	<sup>4</sup> 99.939	.120	99.915	.168
Dec. 26	June 26	182	229,299	99.950	.099	99.937	.125
1935							
Jan. 2	July 3	182	214,130	99.951	.097	99.942	.115
Jan. 9	July 10	182	141,685	99.970	.059	99.936	.127
Jan. 16	July 17	182	142,359	99.960	.079	99.914	.170
Jan. 23	July 24	182	232,573	99.950	.099	99.921	.156
Jan. 30	July 31	182	263,618	99.960	.079	99.928	.142
Feb. 6	Aug. 7	182	262,985	99.970	.099	99.937	.125
Feb. 13	Aug. 14	182	196,853	99.965	.069	99.911	.117
Feb. 20	Aug. 21	182	156,544	<sup>5</sup> 99.956	.870	99.935	.129
Feb. 27	Aug. 28	182	120,712	99.961	.077	99.942	.115
	Nov. 27	273	165,180	99.911	.117	99.872	.169
Mar. 6	Sept. 4	182	152,020	99.955	.089	99.946	.107
	Dec. 4	273	157,560	99.909	.120	99.886	.150
Mar. 13	Sept. 11	182	129,722	99.975	.049	99.949	.101
	Dec. 11	273	120,615	99.925	.099	99.887	.149
Mar. 20	Sept. 18	182	104,570	99.965	.069	99.948	.103
	Dec. 18	273	67,406	<sup>6</sup> 99.901	.131	99.883	.154
Mar. 27	Sept. 25	182	108,329	<sup>6</sup> 99.960	.079	99.936	.127
	Dec. 24	272	117,186	99.895	.139	99.853	.195
Apr. 3	Dec. 31	272	119,428	99.900	.132	99.867	.176
1935 and 1936							
Apr. 10	Jan. 8, 1936	273	109,147	99.898	.135	99.857	.189
Apr. 17	Jan. 15, 1936	273	124,413	99.884	.153	99.860	.185
Apr. 24	Jan. 22, 1936	273	115,059	99.885	.152	99.865	.178
May 1	Jan. 29, 1936	273	213,212	<sup>7</sup> 99.887	.149	99.884	.153
May 8	Feb. 5, 1936	273	165,006	99.975	.033	99.881	.157
May 15	Feb. 11, 1936	272	160,256	99.902	.130	99.889	.147
May 22	Oct. 2, 1935	133	109,289	99.970	.081	99.965	.095
	Feb. 19, 1936	273	114,552	99.900	.132	99.885	.152
May 29	Oct. 9, 1935	133	70,001	99.974	.070	99.962	.103
	Feb. 26, 1936	273	118,922	<sup>6</sup> 99.898	.135	99.887	.149
June 5	Oct. 16, 1935	133	67,548	99.964	.097	99.958	.114
	Mar. 4, 1936	273	71,630	99.896	.137	99.877	.162
June 12	Oct. 23, 1935	133	153,319	99.970	.081	99.963	.100
	Mar. 11, 1936	273	106,569	99.895	.138	99.883	.154
June 19	Oct. 30, 1935	133	139,654	99.980	.054	99.967	.089
	Mar. 18, 1936	273	134,793	99.910	.119	99.892	.142
June 26	Nov. 6, 1935	133	137,543	99.978	.060	99.972	.076
	Mar. 25, 1936	273	135,365	99.911	.117	99.903	.128

<sup>1</sup> Bank discount basis.<sup>2</sup> Except for 1 bid of \$55,000 at 99.935.<sup>3</sup> Except for 4 bids aggregating \$17,000.<sup>4</sup> Except for 1 bid of \$20,000.<sup>5</sup> Except for 2 bids totalling \$24,000.<sup>6</sup> Except for 1 bid of \$10,000.<sup>7</sup> Except for 1 bid of \$30,000.

## Summary of information contained in press releases issued in connection with Treasury bills offered during the fiscal year 1935—Continued

Date of issue	Bids accepted			Date of press releases	Date of closing
	Amount (in thousands)	Average			
		Price (per hundred)	Equivalent rate <sup>1</sup> (percent)		
1934				1934	1934
July 3.....	\$75,167	\$99.964	0.070	June 27 and 30.....	June 29.
July 11.....	75,235	99.966	.068	July 6 and 10.....	July 9.
July 18.....	75,144	99.965	.069	July 13 and 17.....	July 16.
July 25.....	75,200	99.966	.067	July 20 and 24.....	July 23.
Aug. 1.....	75,025	99.957	.085	July 27 and 31.....	July 30.
Aug. 8.....	75,327	99.942	.115	Aug. 3 and 7.....	Aug. 6.
Aug. 15.....	75,320	99.875	.248	Aug. 10 and 14.....	Aug. 13.
Aug. 22.....	75,090	99.885	.227	Aug. 17 and 21.....	Aug. 20.
Aug. 29.....	75,065	99.889	.219	Aug. 24 and 28.....	Aug. 27.
Sept. 5.....	75,290	99.908	.181	Aug. 29 and Sept. 1.....	Aug. 31.
Sept. 12.....	75,365	99.886	.226	Sept. 7 and 11.....	Sept. 10.
Sept. 19.....	75,041	99.857	.282	Sept. 14 and 18.....	Sept. 17.
Sept. 26.....	75,023	99.855	.286	Sept. 21 and 25.....	Sept. 24.
Oct. 3.....	75,038	99.857	.284	Sept. 28 and Oct. 2.....	Oct. 1.
Oct. 10.....	75,360	99.881	.236	Oct. 5 and 9.....	Oct. 8.
Oct. 17.....	75,248	99.894	.209	Oct. 12 and 16.....	Oct. 15.
Oct. 24.....	75,102	99.900	.198	Oct. 19 and 23.....	Oct. 22.
Oct. 31.....	75,015	99.905	.189	Oct. 26 and 30.....	Oct. 29.
Nov. 7.....	75,075	99.893	.212	Nov. 1 and 3.....	Nov. 2.
Nov. 14.....	75,045	99.889	.220	Nov. 7 and 10.....	Nov. 9.
Nov. 21.....	75,168	99.895	.208	Nov. 16 and 20.....	Nov. 19.
Nov. 28.....	75,287	99.886	.226	Nov. 23 and 27.....	Nov. 26.
Dec. 5.....	75,139	99.889	.219	Nov. 30 and Dec. 4.....	Dec. 3.
Dec. 12.....	75,079	99.900	.198	Dec. 7 and 11.....	Dec. 10.
Dec. 19.....	75,020	99.921	.155	Dec. 14 and 18.....	Dec. 17.
Dec. 26.....	75,300	99.942	.116	Dec. 19 and 22.....	Dec. 21.
1935				1935	1935
Jan. 2.....	75,150	99.949	.101	Dec. 26 and 29.....	Dec. 28.
Jan. 9.....	75,185	99.942	.116	Jan. 4 and 8.....	Jan. 7.
Jan. 16.....	75,079	99.926	.145	Jan. 11 and 15.....	Jan. 14.
Jan. 23.....	75,129	99.927	.145	Jan. 18 and 22.....	Jan. 21.
Jan. 30.....	75,106	99.931	.136	Jan. 25 and 29.....	Jan. 28.
Feb. 6.....	75,185	99.939	.120	Feb. 1 and 5.....	Feb. 4.
Feb. 13.....	75,112	99.944	.110	Feb. 6 and 9.....	Feb. 8.
Feb. 20.....	75,024	99.941	.107	Feb. 15 and 19.....	Feb. 18.
Feb. 27.....	{ 50,054	{ 99.946	{ .118	} Feb. 22 and 26.....	} Feb. 25.
	{ 50,185	{ 99.874	{ .166		
	{ 50,114	{ 99.949	{ .100		
Mar. 6.....	{ 50,072	{ 99.889	{ .147	} Mar. 1 and 5.....	} Mar. 4.
	{ 50,052	{ 99.953	{ .094		
Mar. 13.....	{ 50,149	{ 99.893	{ .141	} Mar. 8 and 12.....	} Mar. 11.
	{ 50,125	{ 99.953	{ .094		
Mar. 20.....	{ 50,006	{ 99.889	{ .147	} Mar. 15 and 19.....	} Mar. 18.
	{ 50,079	{ 99.945	{ .109		
Mar. 27.....	{ 50,071	{ 99.864	{ .180	} Mar. 22 and 26.....	} Mar. 25.
	{ 50,018	{ 99.882	{ .157		
Apr. 3.....	{ 50,062	{ 99.867	{ .176	Mar. 29 and Apr. 2.....	Apr. 1.
Apr. 10.....	{ 50,020	{ 99.866	{ .176	Apr. 5 and 9.....	Apr. 8.
Apr. 17.....	{ 50,155	{ 99.872	{ .169	Apr. 12 and 16.....	Apr. 15.
Apr. 24.....	{ 50,085	{ 99.884	{ .153	Apr. 19 and 23.....	Apr. 22.
May 1.....	{ 50,091	{ 99.885	{ .152	Apr. 26 and 30.....	Apr. 29.
May 8.....	{ 50,255	{ 99.892	{ .143	May 3 and 7.....	May 6.
May 15.....	{ 50,063	{ 99.907	{ .088	May 10 and 14.....	May 13.
May 22.....	{ 50,020	{ 99.889	{ .146	May 17 and 21.....	May 20.
	{ 50,021	{ 99.905	{ .095		
May 29.....	{ 50,037	{ 99.896	{ .137	May 24 and 28.....	May 27.
	{ 50,013	{ 99.961	{ .105		
June 5.....	{ 50,010	{ 99.887	{ .149	May 29 and June 1.....	May 31.
	{ 50,009	{ 99.965	{ .096		
June 12.....	{ 50,080	{ 99.888	{ .148	June 7 and 11.....	June 10.
	{ 50,013	{ 99.969	{ .083		
June 19.....	{ 50,059	{ 99.898	{ .134	June 14 and 18.....	June 17.
	{ 50,000	{ 99.974	{ .070		
June 26.....	{ 50,010	{ 99.907	{ .123	June 21 and 25.....	June 24.

<sup>1</sup> Bank discount basis.

**Issues and redemptions of bonds of Government agencies guaranteed as to interest and principal by the United States**

**Exhibit 25**

*Inviting tenders for Federal Farm Mortgage Corporation 3 percent bonds of 1944-49*

On July 23, 1934, the Secretary of the Treasury, on behalf of the Federal Farm Mortgage Corporation, invited tenders for bonds of the Corporation, as described in the following circular:

[Department Circular No. 515]

TREASURY DEPARTMENT,  
Washington, July 23, 1934.

The Secretary of the Treasury, on behalf of the Federal Farm Mortgage Corporation, offers to the public \$100,000,000, or thereabouts, 3 percent bonds of 1944-49 of the Federal Farm Mortgage Corporation, and invites tenders therefor, through the Federal Reserve banks, at not less than par and accrued interest from May 15 to August 1, 1934.

DESCRIPTION OF BONDS

The bonds of this issue are dated May 15, 1934, and bear interest at the rate of 3 percent per annum, payable semiannually, on May 15 and November 15 of each year, until the principal amount becomes payable. These bonds will mature May 15, 1949. All or any part of this issue of bonds may be redeemed at par and accrued interest on May 15, 1944, or on any subsequent interest-payment date. In the event of any such redemption, notice thereof will be given in such manner as the Board of Directors of the Corporation may prescribe. Interest ceases to accrue on any bond after the redemption date of which notice is so given, whether the bond is then surrendered or not.

Bearer bonds, with interest coupons attached and bonds registered as to principal and interest are issued in denominations of \$100, \$500, \$1,000, \$5,000, and \$10,000. Exchanges of denominations and of registered for coupon or coupon for registered bonds may be made through any Federal Reserve bank or at the Division of Loans and Currency of the United States Treasury, Washington, D. C., and through any other agency designated for the purpose by the Federal Farm Mortgage Corporation.

These bonds are issued under the authority of the Federal Farm Mortgage Corporation Act, approved January 31, 1934, as amended, which provides that these bonds and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation (except surtaxes, estate, inheritance, and gift taxes).

Section 16(a) of that act contains the following provisions: "The first sentence of the eighth paragraph of section 13 of the Federal Reserve Act, as amended, is further amended by inserting before the semicolon after the words 'Section 13(a) of this act' a comma and the following: 'or by the deposit or pledge of Federal Farm Mortgage Corporation bonds issued under the Federal Farm Mortgage Corporation Act.'" Thus, the bonds are legally acceptable to secure 15-day borrowings from the Federal Reserve banks. However, they do not have the circulation privilege.

Section 4 of the Federal Farm Mortgage Corporation Act, as amended, also provides as follows: "\* \* \* Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof which is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. \* \* \*"

## TENDERS AND ALLOTMENTS

Tenders will be received at the Federal Reserve banks and the branches thereof up to 2 p. m., eastern standard time, Wednesday, July 25, 1934, and unless received by that time will be disregarded. Tenders will not be received at the Treasury Department, Washington. Each tender must be in multiples of \$100, must state the face amount of bonds applied for, and the price offered. The price offered (not less than par) must be expressed on the basis of 100 with not more than three decimal places, e. g., 101.125. The price offered must be stated exclusive of accrued interest from May 15 to August 1, 1934. Tenders at less than par will not be considered.

Tenders will be accepted without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied in every case by a deposit of 5 percent of the face amount of bonds bid for, except where the tender is accompanied by an express guaranty of payment by an incorporated bank or trust company. If the tender is accepted, any deposit will be applied toward payment for the bonds, the balance to be paid as hereinafter provided. If the tender is rejected, any deposit will be returned to the bidder.

Tenders must be enclosed in envelopes, securely sealed, addressed to the Federal Reserve bank or branch of the district, and plainly marked "Tender for 3 percent bonds of Federal Farm Mortgage Corporation. The Federal Reserve banks will supply printed forms and special envelopes for submitting tenders.

Immediately after the closing hour for the receipt of tenders on July 25, 1934, all tenders received at the Federal Reserve banks or branches thereof up to the closing hour will be opened. The Secretary of the Treasury will determine the acceptable prices offered and will make public announcement thereof as soon as possible after the opening of tenders. Those submitting tenders will be advised by the Federal Reserve banks of the acceptance or rejection thereof, and payment on accepted tenders must be made as hereinafter provided. In considering the acceptance of tenders, the highest prices offered will be accepted in full down to the amount required, and if the same price appears in two or more tenders and it is necessary to accept only a part of the amount offered at such price, the amount accepted at such price will be prorated in accordance with the respective amounts bid for. However, the Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to award less than the amount bid for, and any action he may take in any such respect or respects shall be final.

## PAYMENT

Payment for any bonds allotted on accepted tenders must be made or completed on or before August 1, 1934, in cash or other immediately available funds, and must include the face amount and the premium, if any, which the bidder has agreed to pay, together with accrued interest on the face amount from May 15 to August 1, 1934.<sup>1</sup> In every case where payment is not so completed, the 5 percent payment with application shall, upon declaration by the Secretary of the Treasury in his discretion, be forfeited to the United States.

## GENERAL PROVISIONS

Federal Reserve banks, as fiscal agents of the United States, are authorized and requested to receive tenders, to make allotments as indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid allotments, and to perform such other acts as may be necessary to carry out the provisions of this circular. Pending delivery of the definitive bonds, Federal Reserve banks may issue interim receipts.

The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the receipt of tenders and the sale of bonds under this circular, which will be promptly communicated to the Federal Reserve banks.

T. J. COOLIDGE,  
*Acting Secretary of the Treasury.*

<sup>1</sup> Accrued interest from May 15 to Aug. 1, 1934, on \$1,000 face amount is \$6.358695.

## Exhibit 26

*Acceptance of tenders for Federal Farm Mortgage Corporation bonds of 1944-49  
(from press release, July 26, 1934, revised<sup>1</sup>)*

Acting Secretary of the Treasury Coolidge announced the result of the offering by the Treasury of \$100,000,000 of 10-15 year, 3 percent bonds of the Federal Farm Mortgage Corporation, tenders for which were received at the Federal Reserve banks up to 2 p. m., July 25.

Tenders for \$194,856,600 face amount of bonds were received, of which \$100,045,300 was accepted at prices ranging from 102.250 down to 100.438, and accrued interest from May 15 to August 1, 1934. Only 10 percent of the amount tendered at the latter price was accepted. The average price of the bonds to be issued was 100.559, and a total premium of \$558,291 was to be received. Based on the average prices at which the bonds were to be issued on August 1, 1934, the yield was about 2.92 percent to the earliest call date, May 15, 1944, and about 2.95 percent to maturity, May 15, 1949.

## Exhibit 27

*Inviting tenders for Home Owners' Loan Corporation bonds, series C, 1936  
(1½ percent), series D, 1937 (1¾ percent), and series E, 1938 (2 percent)*

On August 6, 1934, Secretary of the Treasury Morgenthau, on behalf of the Home Owners' Loan Corporation, invited tenders for three issues of bonds of the Corporation, as described in the following circular:

[Department Circular No. 516]

TREASURY DEPARTMENT,  
Washington, August 6, 1934.

The Secretary of the Treasury, on behalf of the Home Owners' Loan Corporation, offers to the public not to exceed \$150,000,000 of bonds of the Home Owners' Loan Corporation, in three series of not to exceed \$50,000,000 each, and invites tenders therefor, through the Federal Reserve banks.

## DESCRIPTION OF BONDS

*Series C, 1936, for not to exceed \$50,000,000.*—The bonds of this series will be dated August 15, 1934, and will bear interest from that date at the rate of 1½ percent per annum. They will mature August 15, 1936, and will not be subject to call for redemption prior to maturity.

*Series D, 1937, for not to exceed \$50,000,000.*—The bonds of this series will be dated August 15, 1934, and will bear interest from that date at the rate of 1¾ percent per annum. They will mature August 15, 1937, and will not be subject to call for redemption prior to maturity.

*Series E, 1938, for not to exceed \$50,000,000.*—The bonds of this series will be dated August 15, 1934, and will bear interest from that date at the rate of 2 percent per annum. They will mature August 15, 1938, and will not be subject to call for redemption prior to maturity.

Bearer bonds with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000.<sup>2</sup> The bonds will not be issued in registered form. Provision will be made for the interchange of bonds of different denominations of the same series, without charge by the Corporation, under rules and regulations prescribed by the Corporation.

These bonds are issued under the authority of the Home Owners' Loan Act of 1933, as amended, which provides that these bonds shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any district, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

<sup>1</sup> Revised July 31, 1934.

<sup>2</sup> The denominations of \$100, \$500, \$1,000, and \$5,000 will be initially available, and those of \$10,000 and \$100,000 will be available after Sept. 1, 1934.

The bonds are acceptable at face value in payment of indebtedness due the Home Owners' Loan Corporation. They are also acceptable to secure 15-day borrowings from the Federal Reserve banks, but do not bear the circulation privilege.

Section 4 (c) of the Home Owners' Loan Act of 1933, as amended, provides as follows: " \* \* \* Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof which is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. \* \* \*"

#### TENDERS AND ALLOTMENTS

Tenders will be received at the Federal Reserve banks and the branches thereof up to 2 p. m., eastern standard time, Wednesday, August 8, 1934, and unless received by that time will be disregarded. Tenders will not be received at the Treasury Department, Washington. Bidders will be required to specify the particular series for which each tender is made. Each tender must be in multiples of \$100, must state the face amount of bonds applied for, and the price offered. The price offered must be expressed on the basis of 100 with not more than three decimal places, e. g., 100.125.

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 in every case by a deposit of 5 percent of the face amount of bonds bid for, except where the tender is accompanied by an express guaranty of payment by an incorporated bank or trust company. If the tender is accepted, in whole or in part, the deposit will be applied toward payment for the bonds, the balance to be paid as hereinafter provided. If the tender is rejected, the deposit will be returned to the bidder.

Tenders must be enclosed in envelopes, securely sealed, addressed to a Federal Reserve bank, or branch, and plainly marked "Tender for bonds of the Home Owners' Loan Corporation." The Federal Reserve banks will supply printed forms and special envelopes for submitting tenders.

Immediately after the closing hour for the receipt of tenders on August 8, 1934, all tenders received at the Federal Reserve banks or branches thereof up to the closing hour will be opened. The Secretary of the Treasury will determine the acceptable prices offered and will make public announcement thereof as soon as possible after the opening of tenders. Those submitting tenders will be advised by the Federal Reserve banks of the acceptance or rejection thereof, and payment on accepted tenders must be made as hereinafter provided. In considering the acceptance of tenders, the highest prices offered will be accepted in full down to the amount required, and if the same price appears in two or more tenders and it is necessary to accept only a part of the amount offered at such price, the amount accepted at such price will be prorated in accordance with the respective amounts bid for. However, the Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to award less than the amount bid for, and any action he may take in any such respect or respects shall be final.

#### PAYMENT

Payment for any bonds allotted on accepted tenders must be made or completed on or before August 15, 1934, in cash or other immediately available funds. In every case where payment is not so completed, the 5 percent payment with application shall, upon declaration by the Secretary of the Treasury in his discretion, be forfeited to the Home Owners' Loan Corporation.

#### GENERAL PROVISIONS

Federal Reserve banks, as fiscal agents of the United States, are authorized and requested to receive tenders, to make allotments as directed by the Secre-

tary of the Treasury, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid allotments, and to perform such other acts as may be necessary to carry out the provisions of this circular. Pending delivery of the definitive bonds, Federal Reserve banks may issue interim receipts.

The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the receipt of tenders and the sale of bonds under this circular, which will be promptly communicated to the Federal Reserve banks.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

### Exhibit 28

*Acceptance of tenders for Home Owners' Loan Corporation bonds, series C, 1936, series D, 1937, and series E, 1938 (from press release, Aug. 9, 1934, revised<sup>1</sup>)*

On August 9, 1934, Secretary of the Treasury Morgenthau announced the result of the offering by the Treasury of not to exceed \$150,000,000 of bonds of the Home Owners' Loan Corporation in three series of not more than \$50,000,000 each, tenders for which were received at the Federal Reserve banks up to 2 p. m., August 8.

Tenders aggregating \$233,126,600 were received for the three series, of which tenders amounting to \$127,111,100 were accepted. In accordance with the right reserved to reject any tenders, all those below 99 for the 3- and 4-year bonds were rejected as being unsatisfactory in price, with the result that allotments for these two series were below the amounts offered. In addition to accepted bids the Treasury purchased for the benefit of its investment funds \$8,000,000 of the 3-year and \$14,000,000 of the 4-year bonds.

The details of each series follow:

Issue	Total amount applied for	Bids accepted				Average	
		Amount	Highest	Lowest	Price	Equiva- lent rate <sup>1</sup>	
Series C, 1936.....	\$124,462,500	\$49,736,000	101.590	100.411	100.677	1.15	
Series D, 1937.....	48,177,000	41,843,000	101.130	99.000	99.931	1.77	
Series E, 1938.....	60,487,100	35,532,100	101.035	99.000	99.962	2.01	

<sup>1</sup> Bank discount basis.

### Exhibit 29

*Offering of Home Owners' Loan Corporation 1½ percent bonds of series F-1939 (with circular of Home Owners' Loan Corporation governing redemption of its 4 percent bonds of 1938-51)*

On May 20, 1935, Secretary of the Treasury Morgenthau, on behalf of the Home Owners' Loan Corporation, offered 1½ percent bonds of the Corporation in payment of which only 4 percent bonds of the Corporation, series of 1933-51, called for redemption on July 1, 1935, might be tendered.

<sup>1</sup> Revised Aug. 15 and 21, 1934.



[Department Circular No. 540]

TREASURY DEPARTMENT,  
Washington, May 20, 1935.

The Secretary of the Treasury, on behalf of the Home Owners' Loan Corporation, invites subscriptions, from the people of the United States, for 1½ percent bonds of the Home Owners' Loan Corporation, designated bonds of series F-1939, in payment of which only Home Owners' Loan Corporation 4 percent bonds of series of 1933-51, called for redemption on July 1, 1935, of an equal principal amount, may be tendered. The amount of the offering under this circular will be limited to the principal amount of Home Owners' Loan Corporation 4 percent bonds of series of 1933-51 tendered and accepted. It is the intention to offer for cash subscription, upon such terms and conditions as may be prescribed by the Home Owners' Loan Corporation with the approval of the Secretary of the Treasury, an additional amount of bonds of series F-1939, approximately equal to the amount of Home Owners' Loan Corporation 4 percent bonds of series of 1933-51 not tendered and accepted hereunder.

The terms and conditions of the bonds offered under this circular, the manner in which such bonds shall be issued, and the prices at which they shall be sold are prescribed by the Home Owners' Loan Corporation, with the approval of the Secretary of the Treasury, as follows:

## DESCRIPTION OF BONDS

The bonds will be dated June 1, 1935, and will bear interest from that date at the rate of 1½ percent per annum, payable semiannually, on December 1, 1935, and thereafter on June 1 and December 1 in each year. They will mature June 1, 1939, and will not be subject to call for redemption prior to maturity.

These bonds are issued under the authority of the Home Owners' Loan Act of 1933, as amended, which provides that these bonds shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any District, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

The bonds will be acceptable at face value in payment of indebtedness due the Home Owners' Loan Corporation. They will be acceptable to secure deposits of public moneys, and will also be acceptable in lieu of surety under the provisions of section 1126 of the Revenue Act of 1926, as amended. They will be acceptable to secure 15-day borrowings from the Federal Reserve banks.

The bonds herein offered come within the following provisions of section 4 (c) of the Home Owners' Loan Act of 1933, as amended: "\* \* \* Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof which is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. \* \* \*"

Bearer bonds with interest coupons attached will be issued in denominations of \$25, \$50, \$100, \$500, \$1,000, \$5,000, \$10,000, \$100,000. The bonds will not be issued in registered form. Provision will be made for the interchange of bonds of different denominations, without charge by the Corporation, under rules and regulations prescribed by the Corporation.

## SUBSCRIPTION AND ALLOTMENT

Subscriptions will be received at the Federal Reserve banks and branches and the Treasury Department, Washington, D. C. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions at any time without notice.

The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, to make classified allotments or to make allotments upon a graduated scale, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of 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.

#### TERMS OF PAYMENT

Payment for bonds allotted hereunder may be made only in Home Owners' Loan Corporation 4 percent bonds of series of 1933-51, called for redemption on July 1, 1935, of an equal principal amount, which should accompany the subscription. Cash payments will not be accepted. If any subscription is rejected, in whole or in part, the Home Owners' Loan Corporation 4 percent bonds of series of 1933-51 tendered therewith and not accepted will be returned to the subscriber. Interest on Home Owners' Loan Corporation 4 percent bonds of series of 1933-51 tendered and accepted will be paid in full to July 1, 1935.

#### SURRENDER OF HOME OWNERS' LOAN CORPORATION 4 PERCENT BONDS OF SERIES OF 1933-51

*Coupon bonds.*—Home Owners' Loan Corporation 4 percent bonds of series of 1933-51 in coupon form tendered in payment for Home Owners' Loan Corporation bonds offered hereunder, should be presented and surrendered with the subscription to a Federal Reserve bank or the Treasurer of the United States, Washington, D. C. Coupons dated January 1, 1936, and all coupons bearing subsequent dates should be attached to such coupon bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. Coupons dated July 1, 1935, should be detached and collected in regular course when due. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

*Registered bonds.*—Home Owners' Loan Corporation 4 percent bonds of series of 1933-51 in registered form tendered in payment for Home Owners' Loan Corporation 1½ percent bonds offered hereunder, should be assigned by the registered payee or the assignee thereof to "Home Owners' Loan Corporation in payment for Home Owners' Loan Corporation 1½ percent bonds of series F-1939", and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Washington, D. C. If the 1½ percent bonds are to be delivered for the account of other than the registered payee or the assignee of the 4 percent bonds surrendered, the assignment should be to "Home Owners' Loan Corporation in payment for Home Owners' Loan Corporation 1½ percent bonds of series F-1939 to be delivered to -----." The bonds must be delivered at the expense and risk of the holder. Final interest due will be paid on July 1, 1935, by checks issued in favor of registered payees and for this purpose the persons entitled by assignment to receive the bonds of series F-1939 will be considered the registered payees.

#### GENERAL PROVISIONS

Federal Reserve banks, as fiscal agents of the United States, are authorized and requested to receive subscriptions, to make allotments as directed by the Secretary of the Treasury, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, to issue interim receipts if required, and to perform such other acts as may be necessary to carry out the provisions of this circular.

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 promptly communicated to the Federal Reserve banks.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

The circular of the Home Owners' Loan Corporation governing the redemption of its 4 percent bonds, series of 1933-51, as follows:

[Home Owners' Loan Corporation Circular No. 11]

HOME OWNERS' LOAN CORPORATION,  
OFFICE OF THE CHAIRMAN,  
Washington, May 20, 1935.

*To Holders of Home Owners' Loan Corporation 4 Percent Bonds of Series of 1933-51, and Others Concerned:*

#### I. NOTICE OF CALL FOR REDEMPTION BEFORE MATURITY

On May 20, 1935, the following public notice of call for redemption was given:

Public notice is hereby given that all outstanding Home Owners' Loan Corporation 4 percent bonds of series of 1933-51, dated July 1, 1933, each and every number of all denominations, are hereby called for redemption on July 1, 1935, and will cease to bear interest on that date.

Full information regarding the presentation and surrender of such Home Owners' Loan Corporation 4 percent bonds of series of 1933-51 for redemption on July 1, 1935, is given in Circular No. 11, dated May 20, 1935, of the Home Owners' Loan Corporation.

#### II. OPTIONAL EXCHANGE OFFERING

Holders of Home Owners' Loan Corporation 4 percent bonds of series of 1933-51, now called for redemption on July 1, 1935, are offered the privilege, for a limited period, of acquiring with all or any part of their called bonds an equal principal amount of 4-year 1½ percent bonds of the Home Owners' Loan Corporation, dated and bearing interest from June 1, 1935, and fully and unconditionally guaranteed both as to interest and principal by the United States. Full information concerning the offering is set forth in Treasury Department Circular No. 540, dated May 20, 1935.

#### III. RULES AND REGULATIONS GOVERNING REDEMPTION OF HOME OWNERS' LOAN CORPORATION 4 PERCENT BONDS

Pursuant to the call for redemption, as set forth in section 1 of this circular, the following rules and regulations are hereby prescribed to govern the presentation and surrender of Home Owners' Loan Corporation 4 percent bonds for redemption on July 1, 1935:

1. The United States Treasury Department is the agency of the Home Owners' Loan Corporation for the redemption of Home Owners' Loan Corporation 4 percent bonds, and the Home Owners' Loan Corporation has adopted the regulations of the Treasury Department governing the assignment and redemption of United States bonds in connection with the redemption of Home Owners' Loan Corporation bonds. Therefore, Treasury Department regulations will be followed in connection with the assignment and redemption of Home Owners' Loan Corporation 4 percent bonds, except as otherwise provided herein.

2. *Payment of called bonds on July 1, 1935.*—Holders of any outstanding Home Owners' Loan Corporation 4 percent bonds will be entitled to have such bonds redeemed and paid at par on July 1, 1935, with interest in full to that date. After July 1, 1935, interest will not accrue on any Home Owners' Loan Corporation 4 percent bonds.

3. *Presentation and surrender of coupon bonds.*—Home Owners' Loan Corporation 4 percent bonds in coupon form should be presented and surrendered to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, D. C., for redemption on July 1, 1935. The bonds must be delivered at the expense and risk of holders (see par. 9 of this section), and should be accompanied by appropriate written advice (see form FA12 attached

hereto). Checks in payment of principal will be mailed to the address given in the form of advice accompanying the bonds surrendered.

4. Coupons dated July 1, 1935, which become payable on that date, should be detached from any Home Owners' Loan Corporation 4 percent bonds before such bonds are presented for redemption on July 1, 1935, and such coupons should be collected in regular course when due. All coupons pertaining to such bonds bearing dates subsequent to July 1, 1935, must be attached to any such bonds, when presented for redemption, *provided, however*, if any such coupons are missing from bonds so presented for redemption the bonds nevertheless will be redeemed, but the full face amount of any such missing coupons will be deducted from the payment to be made on account of such redemption, and any amounts so deducted will be held in the Treasury to provide for adjustments or refunds on account of such missing coupons as may subsequently be presented.

5. *Presentation and surrender of registered bonds.*—Home Owners' Loan Corporation 4 percent bonds in registered form must be assigned by the registered payees or assigns thereof, or by their duly constituted representatives, in accordance with the general regulations of the United States Treasury Department governing assignments of United States bonds in the form indicated in the next paragraph hereof, and thereafter should be presented and surrendered to any Federal Reserve bank or branch, or to the Division of Loans and Currency, Treasury Department, Washington, D. C., for redemption on July 1, 1935. The bonds must be delivered at the expense and risk of holders (see par. 9 of this section) and should be accompanied by appropriate written advice (see form FA13 attached hereto). Final interest due July 1, 1935, on registered bonds will be paid with the principal amount thereof and check will be issued in regular course to the owner of the bond surrendered.

6. If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment of the principal and final installment of interest be made to him, the bonds should be assigned by such payee or assignee, or by a duly constituted representative, to the "Home Owners' Loan Corporation for redemption." If it is desired, for any reason, that payment be made to some other person, without intermediate assignment the bonds should be assigned to the "Home Owners' Loan Corporation for redemption for the account of -----", inserting the name and address of the person to whom payment is to be made. A representative or fiduciary should not assign for payment to himself individually, unless expressly authorized to do so by court order or the instrument under which he is acting; he may, however, assign for payment to himself in his representative or fiduciary capacity.

7. Assignment in blank or other assignment having similar effect, will be recognized, but in that event payment will be made to the person surrendering the bond for redemption, since under such assignment the bond becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

8. Final interest due on July 1, 1935, on registered Home Owners' Loan Corporation 4 percent bonds will be paid with the principal in accordance with the assignments on the bonds surrendered. The transfer books for registered bonds will remain open until June 15, 1935.

9. *Transportation of bonds.*—Bonds presented for redemption under this circular must be delivered to a Federal Reserve bank or branch, or to the Treasury Department, Washington, D. C., at the expense and risk of the holder. Coupon bonds should be forwarded by registered mail insured, or by express prepaid. Registered bonds bearing restricted assignments may be forwarded by registered mail, but registered bonds bearing unrestricted assignments should be forwarded by registered mail insured or by express. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents. Incorporated banks and trust companies are not agents of the Home Owners' Loan Corporation under this circular.

#### IV. TIME OF PRESENTATION OF CALLED BONDS FOR REDEMPTION

1. In order to facilitate the redemption of Home Owners' Loan Corporation 4 percent bonds on July 1, 1935, any such bonds should be presented and surrendered in the manner herein prescribed well in advance of that date but not

before June 1, 1935. Such early presentation by holders will assure prompt payment of principal when due. This is particularly important with respect to registered bonds, for payment cannot be made until registration shall have been discharged at the United States Treasury Department.

2. It will expedite redemption if the bonds are presented to Federal Reserve banks, or branches, and not direct to the Treasury Department.

3. As hereinbefore provided: (1) Coupons due July 1, 1935, should be detached from any coupon bonds when such bonds are presented for redemption on that date, such coupons to be collected when due; and (2) final interest due on any registered bonds will be paid with the principal amount.

4. If Home Owners' Loan Corporation 4 percent bonds called for redemption on July 1, 1935, are to be presented in payment for Home Owners' Loan Corporation 1½ percent bonds of series F-1939, instructions given in Treasury Department Circular No. 540 should be followed; if to be presented for redemption on July 1, 1935, instructions given in this circular should be followed.

V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of Home Owners' Loan Corporation 4 percent bonds under this circular may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments also may be obtained.

2. As fiscal agents of the Home Owners' Loan Corporation, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The chairman of the board of directors of the Home Owners' Loan Corporation may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to Federal Reserve banks.

JOHN H. FAHEY,  
*Chairman of the Board of Directors.*

FOR COUPON BONDS

[Form FA 12. For registered bonds use form FA 13]

FORM OF ADVICE TO ACCOMPANY HOME OWNERS' LOAN CORPORATION 4 PERCENT BONDS IN COUPON FORM PRESENTED FOR REDEMPTION ON JULY 1, 1935

To the FEDERAL RESERVE BANK OF -----

or

TREASURER OF THE UNITED STATES, WASHINGTON, D. C.:

Pursuant to the provisions of Home Owners' Loan Corporation Circular No. 11, dated May 20, 1935, the undersigned presents and surrenders herewith for redemption on July 1, 1935, \$-----, face amount of Home Owners' Loan Corporation 4 percent bonds in coupon form, with coupon due January 1, 1936, and all subsequent coupons attached, as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
-----	\$25	-----	\$-----
-----	50	-----	-----
-----	100	-----	-----
-----	500	-----	-----
-----	1,000	-----	-----
-----	5,000	-----	-----
-----	10,000	-----	-----
-----	100,000	-----	-----
Total.....	-----	-----	-----

and requests that remittance covering payment therefor be forwarded to the undersigned at the address indicated below.

Signature-----  
Name (please print)-----  
Address in full-----

Date-----

## Date\_\_\_\_\_ FOR REGISTERED BONDS

[Form FA 13. For coupon bonds use form FA 12]

## FORM OF ADVICE TO ACCOMPANY HOME OWNERS' LOAN CORPORATION 4 PERCENT BONDS IN REGISTERED FORM PRESENTED FOR REDEMPTION ON JULY 1, 1935

To the FEDERAL RESERVE BANK OF \_\_\_\_\_

OR

TREASURY DEPARTMENT, DIVISION OF LOANS AND CURRENCY, WASHINGTON,  
D. C.:

Pursuant to the provisions of Home Owners' Loan Corporation Circular No. 11, dated May 20, 1935, the undersigned presents and surrenders herewith for redemption on July 1, 1935, \$\_\_\_\_\_, face amount of Home Owners' Loan Corporation 4 percent bonds in registered form, inscribed in the name of \_\_\_\_\_ and duly assigned to the "Home Owners' Loan Corporation for redemption", as follows:

Number of bonds	Denomination	Serial numbers of bonds	Face amount
.....	\$1,000	.....	\$.....
.....	5,000	.....	.....
.....	10,000	.....	.....
.....	100,000	.....	.....
Total.....	.....	.....	.....

and requests that remittance covering payment of principal and final interest be forwarded to the undersigned at the address indicated below.

Signature\_\_\_\_\_

Name (please print) \_\_\_\_\_

Address in full \_\_\_\_\_

Date\_\_\_\_\_

**Exhibit 30***Allotments on exchange subscriptions, Home Owners' Loan Corporation bonds of series F-1939 (press release, June 3, 1935<sup>1</sup>)*

The subscription books for the offering of 1½ percent bonds of the Home Owners' Loan Corporation of series F-1939 were closed on May 29, 1935. The subscriptions, which were limited to holders of corporation bonds, series of 1933-51, were divided among the several Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Total subscriptions and allotments	Federal Reserve district	Total subscriptions and allotments
Boston.....	\$6,323,725	Minneapolis.....	\$10,641,275
New York.....	152,428,975	Kansas City.....	4,476,625
Philadelphia.....	9,854,650	Dallas.....	499,075
Cleveland.....	9,199,050	San Francisco.....	6,715,850
Richmond.....	5,825,625	Treasury.....	6,073,325
Atlanta.....	6,994,800		
Chicago.....	18,347,525	Total.....	245,254,750
St. Louis.....	7,874,250		

<sup>1</sup> Revised Aug. 6, 1935.

## Miscellaneous

## Exhibit 31

*An act to amend the Second Liberty Bond Act, as amended, and for other purposes*

[Public No. 3, 74th Cong., H. R. 4304]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Second Liberty Bond Act, as amended, is further amended as follows:*

The first paragraph of section 1 is amended to read as follows:

"The Secretary of the Treasury, with the approval of the President, is hereby authorized to borrow, from time to time, on the credit of the United States for the purposes of this act, to provide for the purchase, redemption, or refunding, at or before maturity, of any outstanding bonds, notes, certificates of indebtedness, or Treasury bills of the United States, and to meet expenditures authorized for the national security and defense and other public purposes authorized by law, such sum or sums as in his judgment may be necessary, and to issue therefor bonds of the United States: *Provided*, That the face amount of bonds issued under this section and section 22 of this act shall not exceed in the aggregate \$25,000,000,000 outstanding at any one time."

SEC. 2. The first sentence of subsection (a) of section 5 is amended to read as follows: "In addition to the bonds and notes authorized by sections 1, 18, and 22 of this act, as amended, the Secretary of the Treasury is authorized, subject to the limitation imposed by section 21 of this act, to borrow from time to time, on the credit of the United States, for the purposes of this act, to provide for the purchase, redemption, or refunding, at or before maturity, of any outstanding bonds, notes, certificates of indebtedness or Treasury bills of the United States, and to meet public expenditures authorized by law, such sum or sums as in his judgment may be necessary, and to issue therefor (1) certificates of indebtedness of the United States at not less than par (except as provided in section 20 of this act, as amended) and at such rate or rates of interest, payable at such time or times as he may prescribe; or, (2) Treasury bills on a discount basis and payable at maturity without interest."

SEC. 3. Section 5 is further amended by striking out the final sentence of subsection (a) thereof, reading as follows: "The sum of the par value of such certificates and Treasury bills outstanding hereunder and under section 6 of the First Liberty Bond Act shall not at any one time exceed in the aggregate \$10,000,000,000."

SEC. 4. Subsection (a) of section 18 is amended to read as follows:

"In addition to the bonds and certificates of indebtedness and war-savings certificates authorized by this act and amendments thereto, the Secretary of the Treasury, with the approval of the President, is authorized, subject to the limitation imposed by section 21 of this act, to borrow from time to time on the credit of the United States for the purposes of this act, to provide for the purchase, redemption, or refunding, at or before maturity, of any outstanding bonds, notes, certificates of indebtedness, or Treasury bills of the United States, and to meet public expenditures authorized by law, such sum or sums as in his judgment may be necessary and to issue therefor notes of the United States at not less than par (except as provided in sec. 20 of this act, as amended) in such form or forms and denomination or denominations, containing such terms and conditions, and at such rate or rates of interest, as the Secretary of the Treasury may prescribe, and each series of notes so issued shall be payable at such time not less than 1 year nor more than 5 years from the date of its issue as he may prescribe, and may be redeemable before maturity (at the option of the United States) in whole or in part, upon not more than 1 year's nor less than 4 months' notice, and under such rules and regulations and during such period as he may prescribe."

SEC. 5. The Second Liberty Bond Act, as amended, is further amended, by adding a new section, as follows:

"SEC. 21. The face amount of certificates of indebtedness and Treasury bills authorized by section 5 of this act, certificates of indebtedness authorized by section 6 of the First Liberty Bond Act, and notes authorized by section 18

of this act shall not exceed in the aggregate \$20,000,000,000 outstanding at any one time."

SEC. 6. The Second Liberty Bond Act, as amended, is further amended, by adding a new section, as follows:

"SEC. 22. (a) The Secretary of the Treasury, with the approval of the President, is authorized to issue, from time to time, through the postal service or otherwise, bonds of the United States to be known as 'United States Savings Bonds.' The proceeds of the Savings Bonds shall be available to meet any public expenditures authorized by law and to retire any outstanding obligations of the United States bearing interest or issued on a discount basis. The various issues and series of the Savings Bonds shall be in such forms, shall be offered in such amounts within the limits of section 1 of this act, as amended, and shall be issued in such manner and subject to such terms and conditions consistent with subsections (b) and (c) hereof, and including any restriction on their transfer, as the Secretary of the Treasury may from time to time prescribe.

"(b) Each Savings Bond shall be issued on a discount basis to mature not less than 10 nor more than 20 years from the date as of which the bond is issued, and provision may be made for redemption before maturity upon such terms and conditions as the Secretary of the Treasury may prescribe: *Provided*, That the issue price of Savings Bonds and the terms upon which they may be redeemed prior to maturity shall be such as to afford an investment yield not in excess of 3 per centum per annum, compounded semiannually. The denominations of Savings Bonds shall be in terms of their maturity value and shall not be less than \$25. It shall not be lawful for any one person at any one time to hold Savings Bonds issued during any one calendar year in an aggregate amount exceeding \$10,000 (maturity value).

"(c) The provisions of section 7 of this act, as amended (relating to the exemptions from taxation both as to principal and as to interest of bonds issued under authority of sec. 1 of this act, as amended), shall apply as well to the Savings Bonds; and, for the purposes of determining taxes and tax exemptions, the increment in value represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest. The Savings Bonds shall not bear the circulation privilege.

"(d) The appropriation for expenses provided by section 10 of this act and extended by the act of June 16, 1921 (U. S. C., title 31, secs. 760 and 761), shall be available for all necessary expenses under this section; and the Secretary of the Treasury is authorized to advance, from time to time, to the Postmaster General from such appropriation such sums as are shown to be required for the expenses of the Post Office Department, in connection with the handling of the bonds issued under this section.

"(e) The board of trustees of the Postal Savings System is authorized to permit, subject to such regulations as it may from time to time prescribe, the withdrawal of deposits on less than 60 days' notice for the purpose of acquiring Savings Bonds which may be offered by the Secretary of the Treasury; and in such cases to make payment of interest to the date of withdrawal whether or not a regular interest payment date. No further original issue of bonds authorized by section 10 of the act approved June 25, 1910 (U. S. C., title 39, sec. 760), shall be made after July 1, 1935.

"(f) At the request of the Secretary of the Treasury the Postmaster General, under such regulations as he may prescribe, shall require the employees of the Post Office Department and of the Postal Service to perform, without extra compensation, such fiscal agency services as may be desirable and practicable in connection with the issue, delivery, safe-keeping, redemption, and payment of the Savings Bonds."

SEC. 7. Section 1126 of the Revenue Act of 1926 is amended by adding at the end thereof the following: "In order to avoid the frequent substitution of securities such rules and regulations may limit the effect of this section, in appropriate classes of cases, to bonds and notes of the United States maturing more than a year after the date of deposit of such bonds as security. The phrase 'bonds or notes of the United States' shall be deemed, for the purposes of this section to mean any public debt obligations of the United States and any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States."

Approved, February 4, 1935.



## Exhibit 32

*Statement for the press, January 21, 1935, giving an explanation of the bill to amend the Second Liberty Bond Act*

Representative Robert L. Doughton, chairman of the Ways and Means Committee, submitted the following explanation of the bill which he introduced today to amend the Second Liberty Bond Act:

The present authority of the Government to issue bonds is limited to \$2,549,512,885. The Second Liberty Bond Act in its present form carries authorization for the issuance of \$28,000,000,000 of bonds, but since \$25,450,487,115 have already been issued, the right to issue new long-term securities is very much restricted. Of the more than \$25,000,000,000 which have been issued, there are now outstanding \$13,474,947,650. But the nearly \$12,000,000,000 which have been retired may not be reissued without specific authority, since the authorization in the Second Liberty Bond Act was not in the nature of a revolving fund.

It is now proposed to substitute a \$25,000,000,000 revolving authorization for the previous \$28,000,000,000 fixed authority. This will give to the Treasury authority to issue between 11 and 12 billions in bonds, which is approximately equivalent to the amount of those which have been retired out of those issued under the \$28,000,000,000 authorization.

The bill also proposes to consolidate the two existing revolving funds relating to short-term obligations. At present notes may be issued to the amount of \$10,000,000,000 outstanding at any one time, and certificates of indebtedness and Treasury bills may be outstanding in like amount. It is proposed to substitute one \$20,000,000,000 limitation applicable to the aggregate outstanding notes, certificates, and bills, thus affording greater flexibility in financing the requirements of the Treasury. There were on December 31, \$9,586,000,000 of notes outstanding, while certificates and bills aggregated \$2,112,000,000. The amendment proposed in this regard would not increase the total authorization for the issuance of short-term obligations.

The bill would likewise authorize the issuance, at a discount, of United States Savings Bonds maturing in from 10 to 20 years, with the holder having the right in the interval to receive payment from the Treasury on an ascending scale of value. It would also permit the use of Government guaranteed bonds as security in lieu of surety bonds.

*Statement showing present authority to issue bonds, notes, certificates of indebtedness and Treasury bills under the Second Liberty Bond Act, as amended, and under proposed amendments*

[December 31, 1934]

## Bonds:

## Under present authority:

Total issuable.....		\$28, 000, 000, 000
Total issued:		
Liberty bonds.....	\$14, 948, 096, 150	
Treasury bonds.....	10, 502, 390, 965	
		<u>25, 450, 487, 115</u>

Balance now issuable.....		<u>2, 549, 512, 885</u>
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Total authorized.....	\$28, 000, 000, 000
Total issued.....	25, 450, 487, 115
Total retired.....	11, 975, 539, 465
Total outstanding.....	13, 474, 947, 650

## Under proposed amendment:

Total which may be outstanding at any one time.....		25, 000, 000, 000
Now outstanding:		
Liberty bonds.....	\$3, 194, 086, 650	
Treasury bonds.....	10, 280, 861, 000	
		<u>13, 474, 947, 650</u>

Balance issuable.....		<u>11, 525, 052, 350</u>
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## Notes, certificates of indebtedness, and Treasury bills:

## Under present authority:

## Notes:

Total which may be outstanding at any one time--	\$10,000,000,000
Now outstanding—Treasury notes-----	9,586,377,400
	<hr/>
Balance issuable-----	413,622,600

## Certificates of indebtedness and Treasury bills:

Total which may be outstanding at any one time--	10,000,000,000
Now outstanding:	
Certificates of indebtedness---	\$158,300,000
Treasury bills-----	1,954,168,000
	<hr/>
	2,112,468,000
	<hr/>
Balance issuable-----	7,887,532,000

## Under proposed amendments:

## Notes, certificates of indebtedness, and Treasury bills:

Total which may be outstanding at any one time--	20,000,000,000
Now outstanding:	
Notes-----	\$9,586,377,400
Certificates of indebtedness---	\$158,300,000
Treasury bills-----	1,954,168,000
	<hr/>
	11,698,845,400
	<hr/>
Balance issuable-----	8,301,154,600

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**Exhibit 33**
*Regulations governing United States Savings Bonds*

[Department Circular No. 530]

TREASURY DEPARTMENT,  
Washington, February 25, 1935.

*To Owners of United States Savings Bonds, and Others Concerned:*

The following regulations governing United States Savings Bonds are published for the information and guidance of all concerned:

## I. REGISTRATION

1. United States Savings Bonds will be issued only in registered form. Except as otherwise specifically provided in these regulations, the Treasury Department reserves the right to treat as conclusive the ownership and interest in the bond as stated in the registration.

## 2. The following forms of registration are authorized:

(a) In the name of any individual, including minors.

(b) In the names of two (but not more than two) natural persons in the alternative, as, for example, "John Jones or Mary Jones." The addresses of both persons should be inscribed on the Savings Bonds. No other form of registration in two names is authorized except, as provided in subparagraphs (c) and (d) hereof.

(c) In the name of one individual and a single designated beneficiary in case of death, as for example, "John Smith, payable on death to Mary Smith", in which case the address of the registered owner and the address of the beneficiary should be inscribed on the face of the Savings Bond.

(d) In the name of one or more guardians, executors, administrators, trustees, or other fiduciaries, whose names shall be given, followed by a description as complete as possible of the capacity in which and the persons for whom they hold the Savings Bonds. Registration in a form indicating that the persons whose names appear on the bonds do not hold full legal title to the Savings Bonds, as, for example, "John Jones, under article 10, of the will of Henry Smith", will not be permitted.

(e) In the name of any corporation, unincorporated association, partnership, or joint stock company. The name of the owner should be followed by the word or words "corporation", "unincorporated association", "partnership", or "joint stock company", as the case may be. No designation may be made in the registration of an officer or agent to receive payment in behalf of the corporation, unincorporated association, partnership, or joint stock company.

## II. BONDS NOT TRANSFERABLE

United States Savings Bonds are not transferable: and are payable only to the owner named thereon, except in case of the death or disability of the owner or as a result of judicial proceedings, and then only to the extent specifically provided in sections XIII, VIII, and XIV hereof.

## III. LIMITATION ON HOLDINGS

Under the provisions of section 22 of the Second Liberty Bond Act, approved September 24, 1917, as amended, it shall not be lawful for any one person at any one time to hold Savings Bonds issued during any one calendar year in an aggregate amount exceeding \$10,000 (maturity value). In determining whether the \$10,000 limitation on the holdings of any one person has been exceeded, the full maturity value of Savings Bonds issued in any one calendar year held for the benefit of such person in the name of a fiduciary or fiduciaries, or held by such person with any other person (but not of bonds of which such person is merely the designated beneficiary in case of the death of the owner), shall be added to the full maturity value of such bonds held by such person in his or her own name, and the sum must not exceed \$10,000 (maturity value). If any person who owns Savings Bonds should become the owner of additional Savings Bonds as the result of the death of any other person, and the total amount then owned by him is in excess of the lawful limit, he should immediately surrender the excess for payment at the redemption value for the period in which the excess was acquired.

## IV. LOST, STOLEN, OR DESTROYED BONDS

1. Under the provisions of the Revised Statutes, duplicates may be issued or payment made upon proof of the loss, theft, or destruction of Savings Bonds. Application for relief in such cases will be governed by the regulations found in Department Circular No. 300. Full information as to the requirements, as well as appropriate forms, may be secured from the Treasury Department, Division of Loans and Currency, Washington, D. C.

2. It is important that immediate notice of such loss, theft, or destruction be given to the Treasury Department.

## V. SAFE-KEEPING FACILITIES

1. Any Savings Bond will be held in safe-keeping by the Secretary of the Treasury if the purchaser so desires, and in this connection the Secretary will utilize the facilities of the Federal Reserve banks as fiscal agents of the United States. The purchaser may arrange for such safe-keeping at the time he purchases his bond or subsequently. If the owner desires his bond held in safe-keeping, he can obtain from the postmaster an appropriate envelop, and an application blank which he should fill out, address to the appropriate Federal Reserve bank, sign and enclose with the bond in the envelop, which should be addressed to the appropriate Federal Reserve bank. The postmaster will then register the envelop, at the owner's expense, and the registry receipt will serve as the owner's temporary receipt.

2. When received at the Federal Reserve bank, the bond will be placed in safe-keeping and a receipt from the bank will be mailed to the owner at the address given in the application. The owner can subsequently regain possession of his bonds upon application to the Federal Reserve bank, and upon such identification as is required by such bank.

3. Postmasters generally will assist owners in arranging for safe-keeping, but will not act as a safe-keeping agent.

## VI. GENERAL PAYMENT PROVISIONS

1. Savings Bonds will be payable at or after maturity at their full value, or at the option of the owner, prior to maturity (but not within 60 days after the issue date) at the appropriate redemption value as shown on the face of each bond. Payment, in each case, will be made following presentation and surrender of the bond, at the Treasury Department, Division of Loans and Currency, Washington, D. C., or at any Federal Reserve bank, with the request for payment appearing on the back thereof properly executed in accordance with the succeeding paragraphs. Such presentation will be at the expense and risk of the owner and, for his protection, the bond, or bonds, should be presented in person or forwarded by registered mail.

2. The request for payment must be signed in ink or indelible pencil by the person in whose name the bond is inscribed, or by the person entitled to receive payment under the provisions hereof. The request must be signed in the presence of, and be certified by, one of the following officers:

(a) Any United States postmaster, acting postmaster, or official in charge of a post office authorized to sell Savings Bonds: Provided that in post offices of first class the assistant postmaster, the postal cashier, the superintendent of money orders, or the superintendent or clerk in charge of a classified station or branch may certify to the request for payment; and provided further that at any post office of the second class, the assistant postmaster, or the clerk in charge if there is no assistant postmaster, may certify to the request for payment. If an official other than a postmaster, acting postmaster, or an official in charge of an office certifies to a request for payment, he should certify in the name of the postmaster, acting postmaster, or official in charge, followed by his own signature and official title, e. g., "John Doe, postmaster, by Richard Roe, Superintendent of Money Orders." The certification of any post-office official must be authenticated by a legible imprint of the dating stamp of his post office:

(b) Any executive officer of an incorporated bank or trust company, whose signature must be authenticated by the impression of the corporate seal of the bank or trust company:

(c) Any officer authorized generally to witness assignments of United States registered bonds (see pars. 33-35 Department Circular 300).

3. No person authorized to certify requests for payment may certify a request signed by himself, either in his own right or in any representative capacity.

4. Certifying officers should require positive identification of the person executing the request for payment as the person whose name appears on the face of the bond, or the person entitled to request payment under the provisions of these regulations, and will be held fully responsible therefor.

## VII. MINORS

1. If a Savings Bond is registered in the name of a minor and the Treasury Department has notice that a guardian of the estate of such minor has been appointed by a court of competent jurisdiction, payment will be made only to such guardian. The request for payment appearing on the back of the bond should be signed: "A. B., minor, by C. D., guardian" and must be supported by a certificate from the proper court, or by a certified copy of the order appointing the guardian, showing his appointment and qualification. The certificate, or certified copy, must be under the seal of the court and should be dated not more than 1 year prior to the presentation of the bond.

2. If the Treasury Department has no notice of the appointment of a guardian of the estate of a minor owner of a Savings Bond, payment will be made direct to such minor owner, provided such minor is, at the time payment is requested, of sufficient competency and understanding to sign his name to the request and to comprehend the nature thereof. In general, the fact that the request for payment has been signed by the minor and duly certified in accordance with section VI hereof will be accepted as sufficient proof of such competency and understanding. If the Treasury is properly advised in the request for payment that such minor owner is not of sufficient competency and understanding to execute the request for payment, payment will be made to either parent of the minor with whom he resides, or in the event that such minor resides with neither parent, then to the person with whom he does reside. In

executing the request for payment the parent or other person shall sign the minor's name as well as his own name, and state his relationship to the minor, and there shall be inserted above the space for signature in the request for payment a statement to the effect that the owner is a minor, that he is not of sufficient competency and understanding to execute the request for payment, and that the person signing the request is the person with whom the minor resides. An appropriate form is as follows:

"I am the ----- (state relationship) of A. B. and the person with whom he resides. He is not of sufficient competency and understanding to sign this request.

C. D. -----  
On behalf of A. B.

#### VIII. DISABILITY OF OWNERS

1. If the owner of a Savings Bond has been legally declared to be incompetent to manage his affairs and the Treasury Department has noticed that a conservator or other legally constituted representative of his estate has been appointed by a court of competent jurisdiction, payment will be made only to such conservator or other legal representative. The request for payment should be signed: "A. B. incompetent, by C. D., conservator (guardian or committee as the case may be), and must be supported by a certificate from the proper court or a certified copy of the order of the court appointing such conservator or other legal representative showing his appointment and qualification. The certificate, or certified copy, should be under the seal of the court and dated not more than 1 year prior to the date of the presentation of the Savings Bond for payment.

2. In cases where the owner of a Savings Bond has been judicially declared incompetent or insane and no guardian or other legal representative of his estate has been appointed, and the entire gross value of his personal estate, both real and personal, does not exceed \$500, payment will be made to a member of his family standing in the position of voluntary guardian upon presentation of proof satisfactory to the Secretary of the Treasury that the proceeds of the bonds are required, and are to be used, for the purchase of necessaries for the incompetent or for his wife or minor children or other persons dependent upon him for support.

#### IX. CO-OWNERS

A Savings Bond registered in the names of two persons in the alternative, as for example, "John Jones or Mary Jones", will be payable to either person named thereon without requiring the signature of the other person, but not to the representative of a deceased co-owner except as hereinafter provided, and upon payment to either person the other shall cease to have any interest in the bond. Should one of the owners die and then the survivor himself die before payment of the Savings Bond, the provisions of section XIII hereof, governing payment or reissue of Savings Bonds held by a deceased owner, shall govern the payment or reissue of the bond as though the survivor had been the sole owner.

#### X. BENEFICIARIES

1. A Savings Bond registered in the form "A. B. payable on death to C. D." will be payable, until the Treasury Department has received notice of the death of the registered owner, as if the beneficiary were not named on the bond. Upon proof of death of the registered owner, the bond will be payable to, or reissued in the name of, the beneficiary named on the bond, at his option (but only if such beneficiary did not predecease the original owner), as if he had been the registered owner.

2. If the beneficiary should predecease the registered owner, the Savings Bond will be payable to the registered owner as though such beneficial registration had not been made. Registration naming beneficiaries at the death of the registered owner cannot be changed so as to add, eliminate, or substitute beneficiaries.

3. Should the beneficiary die after the death of the registered owner, but before payment or issue of the Savings Bond, the provisions of section XIII hereof governing payment or reissue of Savings Bonds held by a deceased owner, shall govern the payment or reissue of the Savings Bond as though the beneficiary had been the registered owner.

## XI. FIDUCIARIES

1. A Savings Bond registered in the name of a fiduciary will be paid to such fiduciary without proof of his authority upon presentation of the bond with the request for payment duly signed by him and certified in accordance with section VI hereof. The request for payment should be signed by the fiduciary in exactly the same manner as his name and designation as fiduciary appear on the face of the Savings Bond.

2. In the event of the death or disqualification of a fiduciary in whose name a Savings Bond is registered, such Savings Bond will be paid to, or, if desired, reissued in the name of, his successor upon satisfactory proof of the appointment and qualification of such successor. If there is no successor, the Savings Bond may be paid to, or, if desired, reissued in the name of the person or persons beneficially entitled thereto upon satisfactory proof of their beneficial ownership.

## XII. CORPORATIONS, ASSOCIATIONS, PARTNERSHIPS, ETC.

1. A Savings Bond registered in the name of a corporation, unincorporated association, or joint stock company will be paid upon a request for payment signed by a duly authorized officer of such organization. The signature to the request should be in the form, "The —— Company, by John Jones, President." The fact that the request for payment is signed and duly certified in accordance with section V hereof may be accepted as sufficient proof of the officer's authority.

2. A Savings Bond registered in the name of a partnership will be paid upon a request for payment signed by any general partner. The signature to the request should be in the form, "Smith and Jones, a partnership, by John Jones, a general partner." The fact that the request for payment is signed and duly certified in accordance with section VI hereof may be accepted as sufficient proof that the person signing the request is a general partner.

## XIII. DECEASED OWNERS

1. *With administration.*—If the owner of a Savings Bond dies leaving a will which is duly admitted to probate and on which letters testamentary are issued, or dies intestate and the estate is administered in a court of competent jurisdiction, payment will be made to the duly appointed representative of the estate. The request for payment should be signed in the form, "A. B., executor (administrator) of the estate of C. D., deceased", and must be supported by a certificate under the seal of the court appointing such representative, dated not more than 6 months prior to the presentation of the Savings Bond for payment, showing the appointment and qualification of such representative and stating that the appointment is still in force; or, in the absence of such a certificate, by a duly certified copy of the representative's letter of appointment, the certification of which must be dated not more than 6 months prior to the presentation of the bond for payment, and must state that the appointment is still in force. A Savings Bond will be reissued in the name of an heir or legatee of the deceased owner upon the request of the representative accompanied by his certificate to the effect that the person in whose name reissue is requested is entitled to the Savings Bond as such legatee or heir. If the representative is himself the heir or legatee entitled to the Savings Bond and desires reissue in his own name, a special order of the court authorizing such reissue must be submitted.

2. *Without administration.*—If the owner of a Savings Bond dies and no legal representative of his estate is to be appointed and it is established to the satisfaction of the Secretary of the Treasury, either that the gross value of the personal estate does not exceed \$500, or that administration of the estate is not required in the State of the decedent's domicile, the Savings Bond will be paid to, or reissued in the name of, one (but not more than one) of the persons entitled to the bonds under the laws of the State of the decedent's domicile without administration. The request for payment should be signed in the form, "A. B., C. D., E. F., heirs and persons entitled to the estate of X. X., deceased", and should be accompanied by an agreement signed by all persons entitled, specifying the person to whom payment is to be made or in whose name the bond is to be reissued. Proof will be required that the debts of the decedent and of his estate have been paid or provided for, and that the person to whom payment is requested or in whose name reissue is requested, is entitled to the bonds; such proof will include affidavits of all persons entitled

to any share in the estate setting forth the facts in detail and agreeing to the payment or reissue in question, supported by affidavits of two disinterested persons having personal knowledge of the decedent and his family, and by a death certificate or other proof of the death of the owner. (Use Form L. & C. 285, copies of which may be procured from the Treasury Department or any Federal Reserve bank.) If the gross value of the personal estate exceeds \$500 the Secretary of the Treasury may further require an affidavit or a certificate from a practicing attorney or judicial officer of the State of the decedent's domicile showing that administration of the estate is not required in such State and referring specifically to the statutes or the decisions of the courts of such State under which exemption from administration is claimed, or showing that it is a general and well-recognized practice in that State to settle such estates without administration.

3. No payment or reissue without administration will be permitted in a case where any of the persons entitled are minors or under disability, except to them or in their names or upon compliance with the provisions of sections VII and VIII hereof governing the payment of Savings Bonds in the names of such persons.

#### XIV. CREDITORS' RIGHTS

Payment of a Savings Bond will be made in accordance with a judgment or decree of a court of competent jurisdiction, or proceedings pursuant to such judgment or decree, except in cases where the action is instituted for the purpose of giving effect to an attempted transfer by the owner contrary to section II hereof. In appropriate cases the Treasury Department will require proof that the court acting had jurisdiction over the parties and subject matter, and proceeded in due course of its jurisdiction, and that the judgment or decree is final and conclusive, that it has fully and effectually transferred the title of the owner, and that it is not open to attack in any jurisdiction whatever. For this purpose duly authenticated copies of the complaint, order of service, return of service, answer, or other pleading, and the final judgment or order of the court must be furnished, together with a certificate, under seal, from the clerk of the court showing that the time for appeal has elapsed without an appeal having been taken, or that an appeal has been taken and determined by the court of last resort (in which case certified copy of the rescript or mandate of such court must be furnished) and that no further appeal is possible.

#### XV. DENOMINATIONAL EXCHANGE OR REISSUE

No denominational exchanges of Savings Bonds will be permitted, and except as expressly provided by this circular no reissue of Savings Bonds will be made, whether in the same name or in another name.

#### XVI. FURTHER PROVISIONS

These regulations are prescribed by the Secretary of the Treasury as governing United States Savings Bonds issued under the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, and the provisions of Treasury Department Circular No. 300 have no application to such Savings Bonds except as hereinbefore specifically provided.

The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing United States Savings Bonds.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

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#### Exhibit 34

*Amendment to Department Circular No. 418, as amended May 3, 1934, governing the sale and issue of Treasury bills*

TREASURY DEPARTMENT,  
*Washington, May 27, 1935.*

Department Circular No. 418, as amended May 3, 1934, is hereby further amended:

(1) By adding the following sentence to footnote 2 on page 1: "With respect to all Treasury bills, attention is invited to Treasury Decision 4550, annexed to this circular."

(2) By adding an additional exhibit at the end of the circular, as follows:

“(T. D. 4550)

“*Gift tax on transfers of bonds, notes, bills and certificates of indebtedness of the United States or its agencies*

“TREASURY DEPARTMENT,  
“OFFICE OF COMMISSIONER OF INTERNAL REVENUE,  
“Washington, D. C.

“*To Collectors of Internal Revenue, and Others concerned:*

“Article 2 of regulations 79, relating to the gift tax, is amended by inserting the following immediately after the second sentence:

“Various statutory provisions, which exempt bonds, notes, bills, and certificates of indebtedness of the Federal Government or its agencies and the interest thereon from taxation, are not applicable to the gift tax since this tax is an excise tax on the transfer, and is not a tax on the subject of the gift. A gift of a bond, note, or certificate of indebtedness issued by the Federal Government, if made by a nonresident alien, not engaged in business in the United States, is not subject to the tax.”

“GUY T. HELVERING,

“*Commissioner of Internal Revenue.*

“Approved: May 21, 1935.

“T. J. COOLIDGE,

“*Acting Secretary of the Treasury.*”

T. J. COOLIDGE,

*Acting Secretary of the Treasury.*

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### Exhibit 35

*Supplement, dated June 25, 1935, to Department Circular No. 300, July 31, 1923, prescribing regulations governing United States bonds and transactions with the Treasury Department*

TREASURY DEPARTMENT,  
Washington, June 25, 1935.

1. Treasury Department Circular No. 300, dated July 31, 1923, prescribing regulations governing United States bonds and transactions with the Treasury Department therein, is hereby amended by striking out paragraph 33 and inserting in lieu thereof the following:

“33. Officers authorized to witness assignments:

“(a) In general: The following officers are authorized to witness assignments of United States registered bonds:

“Judges and clerks of United States courts, United States district attorneys, United States collectors of customs, United States collectors of internal revenue:

“Executive officers of Federal Reserve banks located in Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco, and managers and assistant managers of the branches thereof;

“Executive officers of Federal land banks;

“Executive officers of banks and trust companies incorporated in the United States, or its organized territories, and managers of the branches thereof, domestic and foreign;

“Executive officers of incorporated banks and trust companies in the insular possessions of the United States doing business under Federal charter or organized under Federal law;

“Commanding officers of the Army, Navy, and Marine Corps of the United States (only for members of the Military and Naval Establishments of the United States);

“Diplomatic and consular representatives of the United States on duty abroad, and those officers of the Navy and Marine Corps of the United States who have certain consular powers under the act approved April 25, 1935;

“Certain officers of the United States Treasury at Washington.

“(b) Assignments for redemption: Assignments by registered payees or assignees of such payees for redemption for their account (where checks in redemption are to be issued to the payee or assignee, as the case may be) may



also be witnessed in the United States by notaries public, postmasters, or acting postmasters, or by assistant postmasters at first-class post offices, provided that the signatures of notaries public shall be authenticated by their official seals and the dates of expiration of their commissions shall be given and that the signatures of postal officials shall be authenticated by their office stamps.

"(c) Postal savings bonds: In addition to the officers listed in (a) hereof, assignments of postal savings bonds may be witnessed by a postmaster designated to receive postal savings deposits and, in the case of bonds assigned to the board of trustees of the Postal Savings System, by assistant postmasters, postal cashiers, and money-order cashiers at offices designated to receive postal savings deposits. In all cases where the assignment is witnessed by a postal official other than the postmaster, the form of signature to the certificate of acknowledgment should be the following: 'John Doe, postmaster, by Robert Roe, postal cashier'."

2. The Secretary of the Treasury may withdraw or amend at any time, or from time to time, all or any of the provisions of this supplemental circular.

H. MORGENTHAU, Jr.,  
Secretary of the Treasury.

### Exhibit 36

#### *Statutes relating to lost, stolen, destroyed, mutilated, and defaced bonds and notes*

[Extract from regulations of the Treasury Department with respect to United States bonds and notes (Treasury Department Circular No. 300, dated July 31, 1923, as amended)]

The following statutes of the United States relate to lost, stolen, destroyed, mutilated, and defaced United States bonds and notes, and claims for relief arising in connection therewith:

#### COUPON BONDS AND NOTES<sup>1</sup>

Whenever it appears to the Secretary of the Treasury, by clear and unequivocal proof, that any interest-bearing bond of the United States has, without bad faith upon the part of the owner, been destroyed, wholly or in part, or so defaced as to impair its value to the owner, and such bond is identified by number and description, the Secretary of the Treasury shall, under such regulations and with such restrictions as to time and retention for security or otherwise as he may prescribe, issue a duplicate thereof, having the same time to run, bearing like interest as the bond so proved to have been destroyed or defaced, and so marked as to show the original number of the bond destroyed and the date thereof. But when such destroyed or defaced bonds appear to have been of such a class or series as has been or may, before such application, be called in for redemption, instead of issuing duplicates thereof, they shall be paid, with such interest only as would have been paid if they had been presented in accordance with such call.

(2) Whenever it appears to the Secretary of the Treasury by clear and unequivocal proof that any interest-bearing bond of the United States, fully identified by number and description, has, without bad faith on the part of the owner, been lost to such owner under such circumstances and for such period of time after it has matured or has become redeemable pursuant to a call for redemption as in the judgment of the Secretary would indicate that it had been destroyed or irretrievably lost, is not held by any person as his own property, and will not be presented by a bona fide holder for value, the Secretary of the Treasury is authorized to make payment of the amount which would have been due on such bond had it been presented at the time it became due and payable. But no payment shall be made on account of interest represented by coupons claimed to have been attached to a missing coupon bond at the time of its loss or destruction, unless the Secretary of the Treasury is satisfied that such coupons have not been paid and are in fact destroyed or can never be made the basis of a claim against the United States: *Provided*, That where relief is authorized under the provisions of this paragraph the bond of indemnity required by section 3703 of the Revised Statutes shall be in a penal

<sup>1</sup>Section 3702 and 3703 apply also to Treasury certificates of indebtedness in bearer form.

sum of double the amount to be paid and shall be executed by an approved corporate surety. The Secretary of the Treasury is further authorized to make from time to time such regulations and restrictions as he may prescribe with respect to the administration of this paragraph.

(3) The term "bond" wherever used in this section and in sections 3703, 3704, and 3705 of the Revised Statutes shall be deemed, for the purposes of these sections, to include any interest-bearing obligation of the United States or those issued on a discount basis. (Sec. 3702, Revised Statutes; U. S. Code, title 31, sec. 735, as amended Apr. 9, 1934.)

The owner of such destroyed or defaced bond shall surrender the same, or so much thereof as may remain, and shall file in the Treasury a bond in a penal sum of double the amount of the destroyed or defaced bond, and the interest which would accrue thereon until the principal becomes due and payable, with two good and sufficient sureties, residents of the United States, to be approved by the Secretary of the Treasury, with condition to indemnify and save harmless the United States from any claim upon such destroyed or defaced bond. (Sec. 3703, Revised Statutes; U. S. Code, title 31, sec. 736.)

#### REGISTERED BONDS

Whenever it is proved to the Secretary of the Treasury by clear and satisfactory evidence, that any duly registered bond of the United States, bearing interest, issued for valuable consideration in pursuance of law, has been lost or destroyed, so that the same is not held by any person as his own property, the Secretary shall issue a duplicate of such registered bond, of like amount, and bearing like interest and marked in the like manner as the bond so proved to be lost or destroyed. (Sec. 3704, Revised Statutes; U. S. Code, title 31, sec. 737.)

The owner of such missing bond shall first file in the Treasury a bond in a penal sum equal to the amount of such missing bond and the interest which would accrue thereon, until the principal thereof becomes due and payable, with two good and sufficient sureties, residents of the United States, to be approved by the Secretary of the Treasury, with condition to indemnify and save harmless the United States from any claim because of the lost or destroyed bond. (Sec. 3705, Revised Statutes; U. S. Code, title 31, sec. 738.)

#### "NOTES" INCLUDED IN CERTAIN PROVISIONS OF STATUTES

The word "bond" or "bonds" where it appears in sections 8, 9, 10, 14, and 15 of this act as amended, and sections 3702, 3703, 3704, and 3705 of the Revised Statutes, and section 5200 of the Revised Statutes as amended, but in such sections only, shall be deemed to include notes issued under this section. (Sec. 18 [d], Second Liberty Bond Act, as amended; U. S. Code, title 31, sec. 753 [d].)

#### CORPORATE SURETY

Whenever any recognizance, stipulation, bond, or undertaking conditioned for the faithful performance of any duty, or for doing or refraining from doing anything in such recognizance, stipulation, bond, or undertaking specified, is by the laws of the United States required or permitted to be given with one surety or with two or more sureties, the execution of the same or the guaranteeing of the performance of the condition thereof shall be sufficient when executed or guaranteed solely by a corporation incorporated under the laws of the United States, or of any State having power to guarantee the fidelity of persons holding positions of public or private trust, and to execute and guarantee bonds and undertakings in judicial proceedings: *Provided*, That such recognizance, stipulation, bond, or undertaking be approved by the head of department, court, judge, officer, board, or body executive, legislative, or judicial required to approve or accept the same. But no officer or person having the approval of any bond shall exact that it shall be furnished by a guaranty company or by any particular guaranty company. (Act Aug. 13, 1894, sec. 1; 28 Stat. 279; U. S. Code, title 6, sec. 6.) See also sections 2-8 of the same statute, as amended by the act approved March 23, 1910; United States Code, title 6, sections 7-13.

## PROVISIONS OF PENAL CODE WITH RESPECT TO FALSE CLAIMS, ETC.

Making or presenting false claims (sec. 35, as amended): Whoever shall make or cause to be made or present or cause to be presented, for payment or approval, to or by any person or officer in the civil, military, or naval service of the United States, or any department thereof, or any corporation in which the United States of America is a stockholder, any claim upon or against the Government of the United States, or any department or officer thereof, or any corporation in which the United States of America is a stockholder, knowing such claim to be false, fictitious, or fraudulent; or whoever, for the purpose of obtaining or aiding to obtain the payment or approval of such claim, or for the purpose and with the intent of cheating and swindling or defrauding the Government of the United States, or any department thereof, or any corporation in which the United States of America is a stockholder, shall knowingly and willfully falsify or conceal or cover up by any trick, scheme, or device a material fact, or make or cause to be made any false or fraudulent statements or representations, or make or use or cause to be made or used any false bill, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, knowing the same to contain any fraudulent or fictitious statement or entry, shall be fined not more than \$10,000 or imprisoned not more than 10 years, or both. (Sec. 5438, Rev. Stats., as amended; U. S. Code, title 18, sec. 80.)

Conspiracy to commit offense against the United States (sec. 37): If two or more persons conspire either to commit any offense against the United States, or to defraud the United States in any manner or for any purpose, and one or more of such parties do any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be fined not more than \$10,000, or imprisoned not more than 2 years, or both. (Sec. 5440, Rev. Stats., as amended; U. S. Code, title 18, sec. 88.)

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 Exhibit 37

*Press release, Sept. 25, 1934, respecting the guarantee of bonds of the Federal Farm Mortgage Corporation and the Home Owners' Loan Corporation*

## TREASURY DEPARTMENT.

*Washington, September 25, 1934.*

The phrase "fully and unconditionally guaranteed" as applied to the bonds of both the Federal Farm Mortgage Corporation and Home Owners' Loan Corporation, in the opinion of the Secretary of the Treasury, concurred in by the Attorney General, means that this is a guaranty of payment—not merely of collection—with the effect that, should either corporation default, the United States is obligated to make payment of either principal or interest immediately when due without requiring the holders first to proceed against the corporation.

Bonds of the Federal Farm Mortgage Corporation issued under the act approved January 31, 1934, and bonds of the Home Owners' Loan Corporation issued under the amendment of April 27, 1934, to the Home Owners' Loan Act of 1933, are guaranteed fully and unconditionally both as to interest and principal by the United States.

Secretary Morgenthau today made public the text of a letter, addressed to John H. Fahey, chairman, Federal Home Loan Bank Board, with the announcement that a letter to the same effect had been sent to W. I. Myers, Governor of the Farm Credit Administration. The letter follows:

"SEPTEMBER 10, 1934.

"MY DEAR MR. FAHEY: Reference is made to your inquiry respecting the Government guaranty of the bonds of the Home Owners' Loan Corporation, issued under the amendment of April 27, 1934, to the Home Owners' Loan Act of 1933.

"Section 4 (c) of the act, as so amended, provides: 'Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof \* \* \*.' The bonds issued pursuant thereto recite upon their face, over the signature of the Secretary of the Treasury, that 'This bond is fully and unconditionally guaranteed both as to interest and principal by the United States.'

"The Treasury takes the view that this guaranty is a guaranty of payment—not merely of collection—with the effect that should your corporation fail to

pay upon demand, when due, the principal of, or interest on, these bonds, the United States would be obligated to make such payments immediately without requiring the respective holders first to proceed against your corporation.

"The Attorney General, in an opinion to the Secretary of the Treasury, dated September 14, 1934, has confirmed the correctness of this view. The opinion reads in part as follows:

"The guaranty being stated by the statute as full and unconditional, there is no occasion to consider whether a condition should be implied. The separate provision that the Secretary of the Treasury shall pay if the corporation is unable to pay upon demand is no part of the guaranty, but merely a provision for carrying it out in the only reasonably conceivable contingency that would require such action.

"Considering the foregoing, it is my opinion that if \* \* \* the corporation should fail, upon demand by a bona fide and accredited holder, to pay either principal or interest when due, the United States would thereupon become obligated to make such payment and its obligation would not be conditioned upon the institution of any proceeding by the bondholder against the corporation."

"Very truly yours,

"H. MORGENTHAU, Jr.,  
"Secretary of the Treasury.

"JOHN H. FAHEY,

"Chairman, Federal Home Loan Bank Board, Washington, D. C."

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## MONEY<sup>1</sup>

### Exhibit 38

#### *Proclamations and orders relating to silver*

#### PROCLAMATION, AUGUST 9, 1934, AUTHORIZING THE MINTS TO RECEIVE ALL SILVER SITUATED IN THE CONTINENTAL UNITED STATES ON THAT DATE

Whereas, by paragraph (2) of section 43, title III, of the act of Congress, approved May 12, 1933 (Public No. 10), as amended by the Gold Reserve Act of 1934, the President is authorized "By proclamation to fix the weight of the gold dollar in grains nine-tenths fine and also to fix the weight of the silver dollar in grains nine-tenths fine at a definite fixed ratio in relation to the gold dollar at such amounts as he finds necessary from his investigation to stabilize domestic prices or to protect the foreign commerce against the adverse effect of depreciated foreign currencies, and to provide for the unlimited coinage of such gold and silver at the ratio so fixed, \* \* \*"; and "The President, in addition to the authority to provide for the unlimited coinage of silver at the ratio so fixed, under such terms and conditions as he may prescribe, is further authorized to cause to be issued and delivered to the tenderer of silver for coinage, silver certificates in lieu of the standard silver dollars to which the tenderer would be entitled and in an amount in dollars equal to the number of coined standard silver dollars that the tenderer of such silver for coinage would receive in standard silver dollars"; and "The President is further authorized to issue silver certificates in such denominations as he may prescribe against any silver bullion, silver, or standard silver dollars in the Treasury not then held for redemption of any outstanding silver certificates, and to coin standard silver dollars or subsidiary currency for the redemption of such silver certificates"; and

Whereas, the Silver Purchase Act of 1934, approved June 19, 1934, provides in sections 2, 5, and 7, in part, as follows:

"SEC. 2. It is hereby declared to be the policy of the United States that the proportion of silver to gold in the monetary stocks of the United States should be increased, with the ultimate objective of having and maintaining, one-fourth of the monetary value of such stocks in silver.

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<sup>1</sup>Regulations promulgated during the year with respect to silver and foreign exchange are available separately and are not reproduced here.

"SEC. 5. The Secretary of the Treasury is authorized and directed to issue silver certificates in such denominations as he may from time to time prescribe in a face amount not less than the cost of all silver purchased under the authority of section 3, and such certificates shall be placed in actual circulation. There shall be maintained in the Treasury as security for all silver certificates heretofore or hereafter issued and at the time outstanding an amount of silver in bullion and standard silver dollars of a monetary value equal to the face amount of such silver certificates. All silver certificates heretofore or hereafter issued shall be legal tender for all debts, public and private, public charges, taxes, duties, and dues, and shall be redeemable on demand at the Treasury of the United States in standard silver dollars; and the Secretary of the Treasury is authorized to coin standard silver dollars for such redemption.

"SEC. 7. Whenever in the judgment of the President such action is necessary to effectuate the policy of this act, he may by Executive order require the delivery to the United States mints of any or all silver by whomsoever owned or possessed. The silver so delivered shall be coined into standard silver dollars or otherwise added to the monetary stocks of the United States as the President may determine; and there shall be returned therefor in standard silver dollars, or any other coin or currency of the United States, the monetary value of the silver so delivered less such deductions for seigniorage, brassage, coinage, and other mint charges as the Secretary of the Treasury with the approval of the President shall have determined: *Provided*, That in no case shall the value of the amount returned therefor be less than the fair value at the time of such order of the silver required to be delivered as such value is determined by the market price over a reasonable period terminating at the time of such order. \* \* \*

Now, therefore, finding it necessary, in my judgment, to effectuate the policy of the Silver Purchase Act of 1934, to assist in increasing and stabilizing domestic prices, to protect our foreign commerce against the adverse effect of depreciated foreign currencies, and to promote the objectives of the proclamation of the 21st day of December, nineteen hundred and thirty-three, relating to the coinage of silver; by virtue of the power in me vested by the Acts of Congress above cited, and other legislation designated for national recovery, and by virtue of all other authority in me vested;

I, Franklin D. Roosevelt, President of the United States of America, do proclaim and direct that each United States mint shall receive for coinage or for addition to the monetary stocks of the United States, as hereinafter determined, any silver which such mint, subject to regulations prescribed hereunder by the Secretary of the Treasury, is satisfied was situated on the effective date hereof in the continental United States, including the Territory of Alaska.

The silver so delivered shall be added to the monetary stocks of the United States and shall be coined from time to time into standard silver dollars in such amounts as are required to carry out the provisions of this proclamation and to provide for the redemption of silver certificates; and there shall be returned therefor in standard silver dollars, silver certificates, or any other coin or currency of the United States, the monetary value of the silver so delivered (that is, \$1.2929+ a fine troy ounce), less a deduction of 61 $\frac{1}{2}$  percent thereof for seigniorage, brassage, coinage, and other mint charges, such deduction having been determined by the Secretary of the Treasury with my approval.

The provisions hereof are supplemental to the provisions of the proclamation of the 21st day of December, nineteen hundred and thirty-three, and the United States coinage mints shall continue to receive for coinage in accordance with the provisions of such proclamation silver which such mint, subject to regulations prescribed thereunder by the Secretary of the Treasury, is satisfied has been mined subsequently to the date of such proclamation, from natural deposits in the United States or any place subject to the jurisdiction thereof: *Provided, however*, That the Director of the Mint shall, at the option of the tenderer of such silver, deliver silver certificates in lieu of the standard silver dollars to which the tenderer of such silver for coinage would be entitled and in an amount in dollars equal to the coined standard silver dollars that the tenderer of such silver for coinage would receive in standard silver dollars.

The Secretary of the Treasury is authorized to prescribe regulations to carry out the purposes of this proclamation.

Notice is hereby given that I reserve the right by virtue of the authority vested in me to revoke or modify this proclamation as the interest of the United States may seem to require.

This proclamation shall bear the date of, and becomes effective on, the day on which the Secretary or Acting Secretary of State countersigns the same, affixes thereto the Seal of the United States, and deposits this proclamation so countersigned and sealed in the Office of the Secretary of State, as a part of the archives of the Nation.

In witness whereof I have hereunto set my hand.

FRANKLIN D. ROOSEVELT.

By the President; and countersigned and sealed with the Seal of the United States, by direction of the President, this 9th day of August, in the year of our Lord nineteen hundred and thirty-four, and of the Independence of the United States of America the one hundred and fifty-ninth.

CORDELL HULL,  
*Secretary of State.*

EXECUTIVE ORDER, AUGUST 9, 1934, REQUIRING THE DELIVERY OF SILVER TO THE UNITED STATES MINTS

By virtue of the authority vested in me by the Silver Purchase Act of 1934 and of all other authority vested in me, I, Franklin D. Roosevelt, President of the United States of America, do hereby require the delivery of all silver situated in the continental United States on the effective date hereof, by any and all persons owning, possessing, or controlling any such silver, and do hereby require any and all persons owning, possessing, or controlling any such silver to deliver the same in the manner, upon the conditions and subject to the exceptions herein contained, such action being in my judgment necessary to effectuate the policy of the Silver Purchase Act of 1934.

**SEC. 2. Silver required to be delivered.**—There shall be delivered in accordance with the terms of this order all silver situated in the continental United States on the effective date hereof, except silver falling within any of the following categories so long as it continues to fall thereunder:

- a. Silver coins, whether foreign or domestic;
- b. Silver of a fineness of 0.8 or less, which has not entered into industrial, commercial, professional, artistic, or monetary use;
- c. Silver mined, after December 21, 1933, from natural deposits in the United States or any place subject to the jurisdiction thereof; provided, however, that so much of such silver so mined in the continental United States on or before the effective date of this order which shall not have been deposited with a United States mint under the proclamation of December 21, 1933, shall, if processed to a fineness greater than 0.8 within seventy-five days from the effective date of this order, be delivered in accordance with this order, not later than ninety days from the effective date hereof, or if processed to a fineness greater than 0.8 after seventy-five days from the effective date of this order, be delivered within 15 days thereafter in accordance with this order;
- d. Silver held for industrial, professional, or artistic use and unmelted scrap silver and silver sweepings in an amount not exceeding in the aggregate five hundred fine troy ounces belonging to any one person;
- e. Silver owned on the effective date hereof by a recognized foreign government, foreign central bank, or the Bank for International Settlements;
- f. Silver contained in articles fabricated and held in good faith for a specific and customary use and not for their value as silver bullion; or
- g. Silver held under a license issued in accordance with section 6 hereof.

**SEC. 3. Time and place of delivery.**—The silver required to be delivered hereunder shall be delivered not later than ninety days from the effective date hereof to the United States mint nearest to the place where the silver is situated immediately prior to delivery; provided that such silver temporarily falling within the exempt categories enumerated in section 2, shall be delivered at the end of ninety days from the effective date hereof, or 15 days after the time when it ceases to fall within such categories, whichever date is later. Any person acquiring ownership, possession, or control of silver required to be delivered under this order after seventy-five days from the effective date hereof, shall deliver such silver within 15 days of such acquisition.

**SEC. 4. Amount returnable for silver.**—The silver herein required to be delivered shall be coined into standard silver dollars, or otherwise added to the monetary stocks of the United States in accordance with the proclamation, bearing the same date as this order, relating to the coinage of silver, and there shall be returned therefor in standard silver dollars, silver certificates, or any other coin or currency of the United States, the monetary value of the silver so delivered (that is, \$1,2929— a fine troy ounce), less a deduction of 61.25 percent thereof for seigniorage, brassage, coinage, and other mint charges, as provided in such proclamation; that is, the amount returnable for the silver delivered in accordance herewith shall be an amount equal to 59— cents a fine troy ounce, which amount is not less than the fair value, at the time of this order, of the silver required to be delivered hereunder as determined by the market price over a reasonable period terminating at the time of this order.

**SEC. 5. Reimbursement of costs.**—The Secretary of the Treasury shall pay all necessary costs, actually incurred, of the transportation of such silver and standard silver dollars, silver certificates, and other coin or currency of the United States, including the cost of insurance, protection, and such other incidental costs as may be reasonably necessary. Persons desiring reimbursement of such costs shall submit their accounts on voucher forms which may be obtained by writing to the Treasurer of the United States, Washington, D. C.

**SEC. 6. Licenses.**—The Secretary of the Treasury, subject to such regulations as he may prescribe, acting directly or through such agency or agencies as he may designate, shall issue licenses authorizing the withholding of silver which the Secretary of the Treasury, or such agency as he may designate, is satisfied:

(a) Is required for legitimate and customary use in industry, profession, or art, by a person regularly engaged in such industry, profession, or art or in the business of processing silver or furnishing silver therefor;

(b) Has been imported for reexport; or

(c) Is required to fulfill an obligation to deliver silver in such amount to a third person, incurred or assumed by the applicant on or before the effective date of this order; provided that, at the date of the application, the applicant owns such silver or holds the obligation of another to deliver to him such silver.

The Secretary of the Treasury may, with the approval of the President, issue licenses authorizing the withholding of silver for purposes deemed to be in the public interest and not inconsistent with the purposes of the Silver Purchase Act of 1934 and of this order.

**SEC. 7. Deliveries in fulfillment of obligations or to licensees.**—No person required to deliver silver owned by him or in his possession or control shall be deemed to have failed to comply with the provisions of this order, if such silver is delivered in fulfillment of an obligation incurred or assumed by such person on or before the effective date of this order or is delivered to a person licensed to acquire and withhold silver in such an amount under section 6.

**SEC. 8. Definitions.**—As used in this order the term "person" means an individual, partnership, association, or corporation:

The term "continental United States" means the States of the United States, the District of Columbia, and the Territory of Alaska.

The term "United States Mints" means the following mints and assay offices:

- United States Mint, Philadelphia, Pa.
- United States Assay Office, New York, N. Y.
- United States Mint, Denver, Colo.
- United States Mint, San Francisco, Calif.
- United States Assay Office, Seattle, Wash.
- United States Mint, New Orleans, La.

**SEC. 9. Penalties and forfeitures.**—All persons are hereby informed of the following provisions of section 7 of the Silver Purchase Act of 1934 with respect to penalties and forfeitures:

" \* \* \* Any silver withheld in violation of any Executive order issued under this section or of any regulations issued pursuant thereto shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law; and, in addition, any person failing to comply with the provisions of any such Executive order or regulation shall be subject to a penalty equal to twice the monetary value of the silver in respect of which such failure occurred."

This order shall bear the date of, and become effective on, the day on which the Secretary or Acting Secretary of State countersigns and deposits this order so countersigned in the office of the Secretary of State, as a part of the archives of the Nation.

This order may be modified or revoked at any time.

FRANKLIN D. ROOSEVELT.

Countersigned, by direction of the President, this 9th day of August 1934.

CORBELL HULL,

*Secretary of State.*

EXECUTIVE ORDER, NOVEMBER 2, 1934, AMENDING EXECUTIVE ORDER OF AUGUST 9, 1934

Executive Order No. 6814 of August 9, 1934, requiring the delivery of silver to the United States mints, is hereby amended by adding a new section after section 2 thereof, reading as follows:

"SEC. 2A. *Silver not required to be delivered.*—Silver which at the close of business on November 7, 1934, falls within category (a), (b), (d), (e), or (f) of section 2 shall be permanently exempt from the requirement that such silver be delivered under this order. Silver which after November 7, 1934, but prior to the time that it is first required to be delivered by any person, is manufactured in good faith into articles described in subdivision (f) of section 2 shall be permanently exempt from the requirement that it be delivered under this order."

The order, as so amended, may be modified or revoked at any time.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,

*November 2, 1934.*

PROCLAMATION, APRIL 10, 1935, REDUCING TO 45 PERCENT THE SEIGNIORAGE, ETC., ON SILVER MINED ON OR AFTER APRIL 10, 1935, AND RECEIVED UNDER THE PROCLAMATION OF DECEMBER 21, 1933

Whereas, by proclamation of the twenty-first day of December 1933, as modified by proclamation of the ninth day of August 1934, the United States coinage mints are directed to receive for coinage and addition to the monetary stocks of the United States silver mined subsequent to December 21, 1933, from natural deposits in the United States or any place subject to the jurisdiction thereof; and

Whereas, such proclamation as so modified is subject to revocation or further modification as the interest of the United States may seem to require.

Now, therefore, finding that the interests of the United States require further modification of said proclamation of the twenty-first day of December 1933; by virtue of the power in me vested by the act of Congress cited in said proclamation, and other legislation designated for national recovery, and by virtue of all other authority in me vested:

I, Franklin D. Roosevelt, President of the United States of America, do proclaim and direct that, with respect to all silver received by a United States coinage mint under the provisions of the proclamation of the twenty-first day of December 1933, which such mint, subject to regulations prescribed hereunder by the Secretary of the Treasury, is satisfied has been mined on or after April 10, 1935, from natural deposits in the United States or any place subject to the jurisdiction thereof, the deduction for seigniorage and services performed by the Government shall be 45 percent and there shall be returned therefor in standard silver dollars, silver certificates, or any other coin or currency of the United States, the monetary value of the silver so received (that is, \$1.2929+ a fine ounce), less such deduction of 45 percent.

Notice is hereby given that I reserve the right by virtue of the authority vested in me to revoke or modify this proclamation as the interest of the United States may seem to require.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.



Done at the city of Washington this 10th day of April, in the year of our Lord nineteen hundred and thirty-five, and of the Independence of the United States of America the one hundred and fifty-ninth.

[SEAL]

FRANKLIN D. ROOSEVELT.

By the President :

CORDELL HULL,  
*Secretary of State.*

PROCLAMATION, APRIL 24, 1935, REDUCING TO 40 PERCENT THE SEIGNIORAGE, ETC., ON SILVER MINED ON OR AFTER APRIL 24, 1935, AND RECEIVED UNDER THE PROCLAMATION OF DECEMBER 21, 1933

Whereas, by proclamation of the twenty-first day of December 1933, as modified by proclamations of the ninth day of August 1934, and the tenth day of April 1935, the United States coinage mints are directed to receive for coinage and addition to the monetary stocks of the United States silver mined subsequent to December 21, 1933, from natural deposits in the United States or any place subject to the jurisdiction thereof; and

Whereas, such proclamation as so modified is subject to revocation or further modification as the interest of the United States may seem to require.

Now, therefore, finding that the interests of the United States require further modification of said proclamation of the twenty-first day of December 1933; by virtue of the power in me vested by the act of Congress cited in said proclamation, and other legislation designated for national recovery, and by virtue of all other authority in me vested;

I, Franklin D. Roosevelt, President of the United States of America, do proclaim and direct that, with respect to all silver received by a United States coinage mint under the provisions of the proclamation of the twenty-first day of December 1933, which such mint, subject to regulations prescribed hereunder by the Secretary of the Treasury, is satisfied has been mined on or after April 24, 1935, from natural deposits in the United States or any place subject to the jurisdiction thereof, the deduction for seigniorage and services performed by the Government shall be 40 percent and there shall be returned therefor in standard silver dollars, silver certificates, or any other coin or currency of the United States, the monetary value of the silver so received (that is, \$1.2929+ a fine ounce), less such deduction of 40 percent.

Notice is hereby given that I reserve the right by virtue of the authority vested in me to revoke or modify this proclamation as the interest of the United States may seem to require.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this 24th day of April, in the year of our Lord nineteen hundred and thirty-five, and of the Independence of the United States of America the one hundred and fifty-ninth.

[SEAL]

FRANKLIN D. ROOSEVELT.

By the President :

CORDELL HULL,  
*Secretary of State.*

ORDER OF THE SECRETARY OF THE TREASURY OF MAY 20, 1935, AMENDING THE ORDER OF JUNE 28, 1934, RELATING TO SILVER

The order of the Secretary of the Treasury of June 28, 1934, relating to silver, issued in order to effectuate the policy of the Silver Purchase Act of 1934, and under authority of said act is amended, effective from the time of approval by the President of this amendatory order, by adding after section 11 thereof the following additional sections which, in the judgment of the Secretary of the Treasury, are necessary further to effectuate the policy of said act:

SEC. 12. *Importation or transportation into the United States.*—Except as otherwise specifically provided in section 14, no person shall import or transport

into the continental United States any foreign silver coin, or any other conventional pieces or forms of silver commonly used in any foreign country as money or coin, except under license issued pursuant to section 13 of this order.

SEC. 13. *Import licenses.*—The Secretary of the Treasury, subject to such regulations as he may prescribe, acting directly or through such agency or agencies as he may designate, may issue licenses authorizing the importation or transportation into the continental United States of such silver coin or other conventional pieces or forms of silver which he, or the designated agency, is satisfied:

a. Are required to fulfill an obligation to deliver such silver in the continental United States, incurred or assumed by the applicant on or before the effective date of this order;

b. Are shipped to the continental United States by, or on behalf or with the consent of, a recognized foreign government, foreign central bank, or the Bank for International Settlements;

c. With the approval of the President, for other purposes not inconsistent with the purposes of the Silver Purchase Act of 1934, or the Silver Agreement executed at London on July 22, 1933.

SEC. 14. *Exempt silver coin.*—Silver coins of a monetary value equal at the time of entry to 110 percent or more of the market value of their silver content and United States silver coins may be imported or transported into the continental United States without the necessity of obtaining a license under this order.

HENRY MORGENTHAU, JR.,  
*Secretary of the Treasury.*

Approved:

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,

May 20, 1935.

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### Exhibit 39

#### *Statements and official orders relating to the issue of silver certificates*

STATEMENT BY THE TREASURY DEPARTMENT, AUGUST 10, 1934

The Gold Reserve Act of 1934 authorizes the President to issue silver certificates against any silver bullion, silver, or standard silver dollars in the Treasury which, at the time of such issue, is not held for redemption of any outstanding silver certificates.

In accordance with an order of the President issued pursuant to this authority, the Secretary of the Treasury is now issuing silver certificates against all the free silver which was in the Treasury prior to the approval of the Silver Purchase Act. This amounted to approximately 62,000,000 ounces, the cost of which was about \$46,900,000. These silver certificates are being issued on a basis of \$1.29 an ounce, because that is required by law for all silver certificates. The total amount to be issued, under the President's order, against these 62,000,000 ounces will be of a face amount of approximately \$80,000,000. The difference between the cost of the silver involved and this face amount constitutes seigniorage under the law and, as these certificates are issued, that difference will be shown on the daily statement as such.

While "seigniorage" now appears in the daily statement for the first time as a separate item, it has always appeared in the Treasury receipt account. Since the beginning of the Government, the Treasury has received a total of \$387,000,000 in seigniorage, which hitherto had been included on the daily statement under the item "Other miscellaneous."

The silver now being acquired under the Silver Purchase Act will, in regular course, also form the basis of the issuance of silver certificates. The silver certificates to be issued against this silver will also, of course, be issued on the basis of \$1.29 per ounce, as required by law. For the present the Treasury will issue against this silver an aggregate face amount of certificates equal to its cost. The difference between the cost of the silver which will have to be held to secure these certificates when they are issued and the monetary value (\$1.29 an ounce) of the silver so held will be carried as seigniorage as indicated above.

OFFICIAL ORDERS, AUGUST 13, AND SEPTEMBER 10, 1934

AUGUST 13, 1934.

MY DEAR MR. SECRETARY: Pursuant to the authority vested in me by section 12 of the Gold Reserve Act of 1934, I hereby authorize and direct the issuance of silver certificates against silver in the Treasury not then held for the redemption of any outstanding silver certificates and in a face amount equal to the amount returned for silver received at the United States mints and assay offices on and after June 15, 1934, whether under the proclamation of December 21, 1933, or under the proclamation of August 9, 1934.

Pursuant to the authority vested in me by section 7 of the Silver Purchase Act of 1934, I hereby direct that such portion of the foregoing silver as is not held for the redemption of silver certificates shall be added to the monetary stocks of the United States and held as bullion in the General Fund of the Treasury, but shall be carried on the books of the Treasury at cost.

Sincerely yours,

FRANKLIN D. ROOSEVELT,  
*President.*

The Honorable the SECRETARY OF THE TREASURY.

AUGUST 13, 1934.

THE TREASURER OF THE UNITED STATES.

SIR: Pursuant to the authority vested in me by section 5 of the Silver Purchase Act of 1934, I hereby authorize and direct the issuance of silver certificates in denominations of \$1, \$5, \$10, \$20, and \$100 against silver in the Treasury not then held for redemption of any outstanding silver certificates, and in a face amount equal to the cost of the silver heretofore or hereafter purchased under the authority of section 3 of such act, whether purchased from the stabilization fund constituted by section 10 of the Gold Reserve Act of 1934 or from other sources.

The portion of the foregoing silver not held for redemption of the silver certificates referred to shall be added to the monetary stocks of the United States and held as bullion in the General Fund of the Treasury, but shall be carried on the books of the Treasury at cost.

Respectfully,

H. MORGENTHAU, JR.,  
*Secretary of the Treasury.*

Approved:

FRANKLIN D. ROOSEVELT.  
The WHITE HOUSE.  
*August 13, 1934.*

SEPTEMBER 10, 1934.

MY DEAR MR. PRESIDENT: Reference is made to your orders dated March 12, June 14, and August 13, and to my order to the Treasurer of the United States, approved by you on August 13, 1934, all with respect to the issuance of silver certificates.

Inasmuch as the order of June 14 in part supersedes the order of March 12, and in turn is closely related to the orders of August 13, I submit for your approval the following statement combining and, in minor respects, revising the provisions of such orders:

1. The Secretary of the Treasury is authorized and directed to issue silver certificates in denominations of \$1, \$5, \$10, \$20, and \$100 (or in one or more of such denominations), against any silver in the Treasury not at the time held for redemption of any outstanding silver certificates and in a face amount equal to the total of the following items:

(a) \$80,000,000, being an amount approximately equal to the monetary value of all of the silver bullion in the Treasury on June 14, 1934, not then held for redemption of any outstanding silver certificates. This amount does not include silver held in the stabilization fund on June 14, 1934.

(b) \$1,560,000, being the amount of series of 1933 silver certificates outstanding on March 12, 1934 (including those held in the Treasurer's cash). Silver certificates issued in this amount shall be of the series of 1934 and shall be issued in lieu of the series of 1933 silver certificates as they are redeemed or otherwise received into the Treasury and retired.

(c) A sum equal to the amount heretofore or hereafter returned to the depositors for silver received at the United States mints and assay offices on and after June 15, 1934, whether under the proclamation of December 21, 1933, or under the proclamation of August 9, 1934.

2. In addition to the foregoing, the Secretary of the Treasury will issue, as authorized and directed in section 5 of the Silver Purchase Act of 1934, silver certificates, in denominations of \$1, \$5, \$10, \$20, and \$100 (or in one or more of such denominations), against any silver in the Treasury not at the time held for the redemption of any outstanding silver certificates, in a face amount equal to the cost of all silver heretofore or hereafter purchased under the authority of section 3 of such act, whether purchased from the stabilization fund constituted by section 10 of the Gold Reserve Act of 1934, or from other sources.

3. The silver bullion held as security for silver certificates shall be carried at the monetary value of the bullion as defined in the Silver Purchase Act of 1934 (i. e., \$1.2929+ a fine troy ounce), and there will be held at all times, pursuant to law, an amount in silver dollars and silver bullion of monetary value, equal to the face amount of all silver certificates at the time outstanding.

4. Such of the silver as is now in, or shall hereafter come into, the Treasury as bullion and as is not held as security for outstanding silver certificates, shall be held as bullion in the General Fund of the Treasury, until coined into standard silver dollars or subsidiary silver coin; and, until pledged as security for silver certificates or until so coined, shall be carried on the books of the Treasury at cost, except that such an amount of such silver as represents (a) melted down subsidiary silver coins shall be carried on the books of the Treasury, as heretofore, at the value of the subsidiary silver coins which can be minted therefrom, and (b) silver previously held for the redemption of silver certificates, at the monetary value of such silver (as defined in the Silver Purchase Act of 1934).

If the foregoing restatement of the provisions of your orders of March 12, June 14, and August 13, 1934, and my order to the Treasurer of August 13, 1934, meets with your approval, I should appreciate it if you would indicate your approval by signing the notation at the foot hereof.

Faithfully yours,

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

THE PRESIDENT,  
*The White House.*

Approved:

FRANKLIN D. ROOSEVELT.  
SEPTEMBER 12, 1934.

STATEMENT BY THE TREASURY DEPARTMENT, OCTOBER 18, 1934, RELATING TO THE ACCOUNTING PROCEDURE WITH REGARD TO SEIGNIORAGE ON SILVER.

Secretary of the Treasury Morgenthau announced today that seigniorage resulting from the issuance of silver certificates against silver bullion acquired under the terms of the Silver Purchase Act of 1934, whether by purchase in the market or by nationalization, will be covered into the Treasury as a special receipt in the same manner as the increment resulting from reduction in the weight of the gold dollar. Seigniorage of this character will appear on the daily Treasury statement, not under ordinary receipts of general and special funds, but as a separate item under the same classification as trust funds and increment on gold.

The General Fund balance on the daily statement will be segregated to show the amount of seigniorage from this source, and also the amount of the gold increment in the fund.

Beginning with the daily statement as of the close of business October 16, the General Fund balance will be shown as follows:

Balance of increment resulting from reduction in weight of the gold dollar .....	\$-----
Seigniorage.....	-----
Working balance.....	-----
Total net balance.....	\$-----

All seigniorage on silver other than that received through the issuance of silver certificates against silver acquired under the provisions of the Silver Purchase Act of 1934 will be covered into the Treasury as an ordinary receipt and will so appear in the daily Treasury statement.

## Exhibit 40

*Statement by the Secretary of the Treasury, February 11, 1935, relating to the stabilization fund*

TREASURY DEPARTMENT.

*February 11, 1935.*

1. Since January 14, banks and dealers in foreign exchange and gold, have practically stopped buying and selling gold, within gold import and export points—which means that the international gold standard as between foreign countries and the United States has ceased its automatic operation.

2. Thanks to the foresight of the Seventy-third Congress, we now have a stabilization fund.

3. When we saw that the external value of the dollar was rapidly going out of control, we put the stabilization fund to work on a moment's notice, with the result that for the past four weeks we have successfully managed the value of the dollar in terms of foreign currencies.

The country can go about its business with assurance that we are prepared to manage the external value of the dollar as long as it may be necessary.

## Exhibit 41

*Proclamation, February 14, 1935, extending for two years the period within which the Federal Reserve Board may authorize the Federal Reserve banks to offer, and the Federal Reserve agents to accept, direct obligations of the United States as collateral security for Federal Reserve notes*

Whereas, the second paragraph of section 16 of the Federal Reserve Act (38 Stat. 265), as amended by the act of March 6, 1934 (48 Stat. 398), provides:

"Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange indorsed by a member bank of any Federal Reserve district and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold certificates: *Provided, however,* That until March 3, 1935, or until the expiration of such additional period not exceeding two years as the President may prescribe, the Federal Reserve Board may, should it deem it in the public interest, upon the affirmative vote of not less than a majority of its members, authorize the Federal Reserve banks to offer, and the Federal Reserve agents to accept, as such collateral security, direct obligations of the United States \* \* \*"

And whereas it is deemed advisable that the authority of the Federal Reserve Board to authorize the Federal Reserve banks to offer, and the Federal Reserve agents to accept, direct obligations of the United States as collateral security for Federal Reserve notes issued to the Federal Reserve banks be continued for an additional period after March 3, 1935:

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, acting under and by virtue of the authority conferred upon me by the aforesaid section 16 of the Federal Reserve Act, as amended, do hereby proclaim, declare, and prescribe an additional period of two years from and after March 3, 1935, during which the Federal Reserve Board may, should it deem it in the public interest, upon the affirmative vote of not less than a majority of its members, authorize the Federal Reserve banks to offer, and the Federal Reserve agents to accept, direct obligations of the United States as collateral security for Federal Reserve notes issued to the Federal Reserve banks under the provisions of the aforesaid section.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 14th day of February, in the year of our Lord nineteen hundred and thirty-five, and of the Independence of the United States of America the one hundred and fifty-ninth.

[SEAL.]

FRANKLIN D. ROOSEVELT,

By the President:

CORDELL HULL,

*Secretary of State.*

## TAXATION<sup>1</sup>

### Exhibit 42

*An act to amend certain provisions relating to publicity of certain statements of income, approved April 19, 1935*

[Public No. 40, 74th Cong., H. R. 6359]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 55 (b) of the Revenue Act of 1934 relating to filing and making public certain income statements is amended to read as follows:

"(b) (1) All income returns filed under this title for any taxable year beginning after December 31, 1934 (or copies thereof, if so prescribed by regulations made under this subsection), shall be open to inspection by any official, body, or commission, lawfully charged with the administration of any State tax law, if the inspection is for the purpose of such administration or for the purpose of obtaining information to be furnished to local taxing authorities as provided in paragraph (2). The inspection shall be permitted only upon written request of the Governor of such State, designating the representative of such official, body, or commission to make the inspection on behalf of such official, body, or commission. The inspection shall be made in such manner, and at such times and places, as shall be prescribed by regulations made by the Commissioner with the approval of the Secretary.

"(2) Any information thus secured by any official, body, or commission of any State may be used only for the administration of the tax laws of such State, except that upon written request of the Governor of such State any such information may be furnished to any official, body, or commission of any political subdivision of such State, lawfully charged with the administration of the tax laws of such political subdivision, but may be furnished only for the purpose of, and may be used only for, the administration of such tax laws. Any officer, employee, or agent of any State or political subdivision, who divulges (except as authorized in this subsection, or when called upon to testify in any judicial or administrative proceeding to which the State or political subdivision, or such State or local official, body, or commission, as such, is a party) any information acquired by him through an inspection permitted him or another under this subsection shall be guilty of a misdemeanor and shall upon conviction be punished by a fine of not more than \$1,000, or by imprisonment for not more than one year, or both."

Approved, April 19, 1935.

### Exhibit 43

*Joint resolution to provide revenue, and for other purposes, approved June 28, 1935*

[Public Res. No. 36, 74th Cong., H. J. Res. 324]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That title IV, as amended, and parts I, II, III, and IV of title V, as amended, of the Revenue Act of 1932, are further amended by striking out "1935" wherever appearing therein, and inserting in lieu thereof "1937". Section 1001 (a), as amended, of the Revenue Act of 1932, and section 2, as amended, of the act entitled "An act to extend the gasoline tax for one year, to modify postage rates on mail matter, and for other purposes", ap-

<sup>1</sup> These exhibits do not include Public No. 20, Mar. 18, 1935, which amends the Agricultural Adjustment Act of May 12, 1933, with respect to the taxation of rice.

proved June 16, 1933, are further amended by striking out "1935" wherever appearing therein, and inserting in lieu thereof "1937."

Approved, June 28, 1935.

#### Exhibit 44

*Processing tax rates under the Agricultural Adjustment Act, and rates of tax on cotton ginning and tobacco sales, to June 30, 1935, with effective dates*

Source of tax	Effective date	Rate
<i>Processing</i> <sup>1</sup>		
Wheat.....	July 9, 1933	30 cents per bushel of 60 pounds.
Cotton.....	Aug. 1, 1933	4.2 cents per pound.
Tobacco <sup>2</sup> .....	Oct. 1, 1933	Cigar leaf—3.0, 3.75, and 5.0 cents per pound. Maryland—1.7, 1.8, and 2.4 cents per pound. Burley—2.0, 2.3, and 3.1 cents per pound. Flue-cured—4.2, 4.7, and 6.1 cents per pound. Fire-cured—2.9, 3.2, and 4.1 cents per pound. Dark air-cured—3.3, 3.8, and 5.1 cents per pound.
	Aug. 1, 1934	Cigar leaf—3.0, 3.75, and 5.0 cents per pound. Maryland—1.7, 1.8, and 2.4 cents per pound. Burley—2.0, 2.3, and 3.1 cents per pound. Flue-cured: Used in plug chewing tobacco and twist—3.3, 3.7, and 4.8 cents per pound. Other—4.2, 4.7, and 6.1 cents per pound. Fire-cured—2.9, 3.2, and 4.1 cents per pound. Dark air-cured—3.3, 3.8, and 5.1 cents per pound.
	Oct. 1, 1934	Cigar leaf—3.0, 3.75, and 5.0 cents per pound. Maryland—0 cents per pound. Burley: Used in plug chewing tobacco and twist—4.1, 4.7, and 6.4 cents per pound. Other—6.1, 7.0, and 9.5 cents per pound. Flue-cured: Used in plug chewing tobacco and twist—3.3, 3.7, and 4.8 cents per pound. Other—4.2, 4.7, and 6.1 cents per pound. Fire-cured—2.9, 3.2, and 4.1 cents per pound. Dark air-cured—3.3, 3.8, and 5.1 cents per pound.

For footnotes, see p. 269.

*Processing tax rates under the Agricultural Adjustment Act, and rates of tax on cotton ginning and tobacco sales, to June 30, 1935, with effective dates—Continued*

Source of tax	Effective date	Rate
<i>Processing</i> <sup>1</sup> —Contd.		
Tobacco <sup>2</sup> —Continued.	Feb. 1, 1935	Cigar leaf (including all types of tobacco used in manufacture of cigars and scrap chewing and smoking tobacco): Used in cigars: Fire-cured tobacco—3.0, 3.25, and 4.3 cents per pound. Other—3.0, 3.75, and 5.0 cents per pound. Used in scrap chewing and smoking tobacco—2.0, 2.5, and 3.3 cents per pound. Maryland—0 cent per pound. Burley: Used in chewing tobacco—2.5, 2.9, and 3.9 cents per pound. Other—6.1, 7.0, and 9.5 cents per pound. Flue-cured: Used in chewing tobacco—2.0, 2.3, and 2.9 cents per pound. Other—4.2, 4.7, and 6.1 cents per pound. Fire-cured: Used in chewing tobacco—2.0, 2.2, and 2.9 cents per pound. Other—2.9, 3.2, and 4.1 cents per pound. Dark air-cured: Used in chewing tobacco—2.0, 2.3, and 3.1 cents per pound. Other—3.3, 3.8, and 5.1 cents per pound.
Field corn-----	Nov. 5, 1933	5 cents per bushel of 56 pounds.
Hogs-----	do-----	50 cents per hundred pounds.
	Dec. 1, 1933	\$1.00 per hundred pounds.
	Feb. 1, 1934	\$1.50 per hundred pounds.
	Mar. 1, 1934	\$2.25 per hundred pounds.
Sugar beets and sugarcane.	June 8, 1934	Direct-consumption sugar—0.5 cent per pound of sugar, raw value. Sirup of cane juice and edible molasses from sugarcane—0.125 cent per pound of sugar content, raw value.
Peanuts-----	Oct. 1, 1934	Other than those used in the manufacture of peanut oils—1 cent per pound.
Rice-----	Apr. 1, 1935	1 cent per pound.
Paper-----	Dec. 1, 1933	Used in— Multi-wall bags—2.04 cents per pound of paper. Coated bags—3.36 cents per pound of coated paper. Open-mesh paper bags—2.14 cents per pound of open-mesh fabric. Paper towels—0.715 cent per pound of paper. Gummed paper tape—4.06 cents per pound of paper.



*Processing tax rates under the Agricultural Adjustment Act, and rates of tax on cotton ginning and tobacco sales, to June 30 1935, with effective dates—Continued*

Source of tax	Effective date	Rate
<i>Processing</i> <sup>1</sup> —Contd.		Used in—
Paper—Continued-----	June 12, 1934	Bags, as defined, other than open mesh: 4.5- to 5.4-pound size—\$1.24 per thousand bags. 5.5- to 7.9-pound size—\$1.47 per thousand bags. 8- to 10.9-pound size—\$2.02 per thousand bags. 11- to 12.9-pound size—\$2.25 per thousand bags. 13- to 16.9-pound size—\$3.11 per thousand bags. 17- to 29.9-pound size—\$3.96 per thousand bags. 30- to 74.9-pound size—\$7.91 per thousand bags. Open-mesh paper bags—2.14 cents per pound of open-mesh fabric. Paper towels—0.346 cent per pound of paper. Gummed paper tape—4.06 cents per pound of paper.
Jute-----	Dec. 1, 1933	Fabric into bags—2.9 cents per pound of fabric. Yarn into twine—2.9 cents per pound of yarn.
	June 12, 1934	Fabric into small bags—2.1 cents per pound of fabric. Yarn into twine—2.9 cents per pound of yarn.
<i>Other agricultural adjustment</i>		
Cotton ginning-----	June 1, 1934 <sup>3</sup>	5.67 cents per pound of lint cotton produced from ginning. <sup>4</sup>
	June 18, 1935	6.0 cents per pound of lint cotton produced from ginning. <sup>4</sup>
Tobacco sales-----	June 29, 1934 <sup>3</sup>	25 percent of the price received from first bona fide sale.

<sup>1</sup> Tax applies to the first domestic processing and is measured by the quantity of the commodity put in process, unless otherwise specified.

<sup>2</sup> The 3 rates given apply respectively to farm sales weight, tobacco from which the stem has not been removed, and tobacco from which the stem has been removed.

<sup>3</sup> Tax applies to the ginning of cotton harvested after May 31, 1934, and to sales of tobacco harvested after June 28, 1934.

<sup>4</sup> 50 percent of average central market price as determined and proclaimed by the Secretary of Agriculture in accordance with provisions of the act.

## OBLIGATIONS OF FOREIGN GOVERNMENTS

### Exhibit 45

*Statements by the Treasury Department concerning the indebtedness of certain foreign governments to the United States*

#### AUSTRIA

*Announcing the postponement of the payment due from Austria on January 1, 1935 (press release, Dec. 21, 1934)*

The Treasury has been notified by the Department of State that a note dated November 30, 1934, has been received from the Austrian Minister stating that the Austrian Government received on November 26, 1934, a communication from the trustees of the Austrian Government guaranteed loan of 1923-43, in

which objections were raised against the payment to the creditor governments signatory to the agreements relative to the settlement of relief debts of the amounts due to them in 1935, and that in view of these objections no remittance can be made to cover the installments due within the next year.

The lien upon the assets and revenues of Austria pledged for the payment of Austrian relief bonds has been subordinated to the lien upon such assets and revenues pledged for the payment of the Austrian guaranteed loan of 1923. The objections by the trustees to the payments due from Austria on account of the relief bonds is in accordance with the agreements concluded between Austria and the international relief bonds committee and the agreements between Austria and the United States dated May 8, 1930, and September 14, 1932.

In accordance with the provisions of the agreement of May 8, 1930, bond no. 7 in the face amount of \$460,093, due January 1, 1935, will be postponed and said amount together with interest at the rate of 5 percent per annum compounded annually to December 31, 1943, is repayable together with further interest at 5 percent per annum in 25 equal annuities on January 1 of each of the years 1944 to 1968, inclusive. The 1935 annuity under the September 14 agreement is postponed and repayable in a similar manner.

The Treasury has heretofore listed Austria as one of the countries that failed to make certain payments as required by agreements to which the United States was a party for the reason that the Treasury took the view that the objections raised by the trustees in November 1933, did not apply to the annuity of \$34,767.23 due January 1, 1934, under the agreement dated September 14, 1932. The Treasury has recently received through the State Department a copy of a letter dated September 6, 1934, from the trustees to the Austrian Minister of Finance in which the trustees state that they confirm that their letter of November 21, 1933, must be considered as covering all payments due by Austria under the relief credit agreements, including those postponed under the Hoover moratorium which fell due on January 1, 1934. Information furnished to the Government of the United States indicates that Austria has not made any payment due creditors inconsistent with the trustees' letter of September 6, 1934, and also that no creditor, among those who have replied, has opposed the position taken in that letter.

The Treasury is of the opinion that it would be appropriate to take the view that the notice of the trustees of November 21, 1933, as more recently clarified, postponed, in accordance with the provisions of the agreement dated September 14, 1932, the annuity amounting to \$34,767.23, otherwise payable on January 1, 1934. A note to this effect has been made upon the records of the Treasury.

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#### FINLAND

*Announcing the receipt of payments due from Finland (press releases, Dec. 15, 1934, and June 15, 1935)*

DECEMBER 15, 1934.

The Treasury received today the sum of \$228,538 from the Government of Finland, representing a payment of principal in the amount of \$62,000, and the semiannual payment of interest in the amount of \$147,507.50 under the funding agreement of May 1, 1923, and \$19,030.50 as the third semiannual annuity due under the moratorium agreement of May 23, 1932. This payment represents the entire amount due from the Government of Finland and was paid in cash through the Federal Reserve Bank of New York.

JUNE 15, 1935.

The Treasury received today the sum of \$165,453 from the Government of Finland, representing the semiannual payment of interest in the amount of \$146,422.50 under the funding agreement of May 1, 1923, and \$19,030.50 as the fourth semiannual annuity due under the moratorium agreement of May 23, 1932. This payment represents the entire amount due from the Government of Finland and was paid in cash through the Federal Reserve Bank of New York.

#### GREECE

*Announcing the receipt of interest payments due from Greece (press release, July 6, 1934)*

Acting Secretary of the Treasury Coolidge today announced that the Greek Government had transferred to the United States Treasury the sum of \$196,128,

representing 27½ percent of the interest amounting to \$435,840 due during the calendar year 1933, and 35 percent of the semiannual interest amounting to \$217,920 due May 10, 1934, on the 4 percent loan of 1929.

By the transfer of this sum the Greek Government has accorded to the United States treatment equal to that accorded to the bondholders of the Greek stabilization and refugee loan of 1928. Such equal treatment is provided for by the terms of the American-Greek debt funding agreement of May 10, 1929.

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#### Exhibit 46

*Correspondence exchanged between the Government of the United States and various foreign governments concerning foreign debts owing to the United States (Department of State press releases)*

#### BELGIUM

*To the Secretary of State from the Belgian Chargé d'Affaires, December 13, 1934*

[Translation]

MR. SECRETARY OF STATE:

In your note of November 22, 1934, Your Excellency informed me of the total of the amounts due to the Government of the United States by the Belgian Government on December 15, 1934, in accordance with the terms of the understanding of August 18, 1925, and of the moratorium agreement of June 10, 1932. In the same note Your Excellency was good enough to assure me that the Government of the United States was entirely prepared to discuss through diplomatic channels any proposal of the Belgian Government regarding a settlement of this debt.

I have the honor to inform Your Excellency that the Government of the King has noted this communication. It regrets that the reasons which prevented it from resuming on December 15, 1932, the payments interrupted by the Hoover moratorium, and which were called to the attention of the American Government in the note of December 14, 1933, continue to exist in their entirety.

In view of this the Belgian Government finds itself unable to make the payments in question on December 15 next.

I take this occasion [etc.].

PRINCE EUGENE DE LIGNE.

*To the Secretary of State from the Belgian Ambassador, June 14, 1935*

[Translation]

MR. SECRETARY OF STATE:

By your note of June 1, 1935, Your Excellency informed me of the amounts due to the Government of the United States by the Belgian Government on June 15, 1935, in execution of the agreement of August 18, 1925, and of the moratorium agreement of June 10, 1932.

The Belgian Government has had occasion, notably in its notes of December 6, 1932, and of December 14, 1933, to set forth to the Government of the United States the reasons why the Belgian Government found it impossible to resume the payments interrupted by the Hoover moratorium. It will be sufficient to recall that the failure of Germany to make payments, by depriving Belgium of receipts which solemn engagements permitted it to count on, overthrew the financial plan worked out for the liquidation of the situation created by the war.

To this fundamental difficulty there had been added all the difficulties which result from the depression. Belgium, an export country, has been particularly affected by the paralysis of international commerce. Unemployment became even more serious in 1934, thus considerably increasing the burden of charges upon the treasury. The financial capacity of Belgium is closely dependent on business recovery. The Belgian Government is convinced that an essential condition for such recovery is the lowering of the barriers which impede international trade. The agreement recently concluded with the United States constitutes a first step in this direction.

It is necessary to continue to pursue this policy; its success appears as the essential condition on which depends the comprehensive solution of the eco-

conomic and financial problems raised by the Great War. The Belgian Government hopes for this general settlement.

While recognizing its obligations toward the Government of the United States, it finds itself, to its great regret, not in a position to alter, under the present conditions, the attitude which circumstances have obliged it to adopt since December 15, 1932.

I avail myself [etc.].

R. V. STRATEN.

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CZECHOSLOVAKIA

*To the Acting Secretary of State from the Minister of Czechoslovakia,  
December 14, 1934*

EXCELLENCY :

In acknowledging the receipt of Your Excellency's note of November 22, I have the honor to convey to Your Excellency the following observations of the Czechoslovak Government.

The Czechoslovak Government having taken a careful estimate of present circumstances as compared to the situation which prevailed at the occasion of the presentation of the last note, arrived at the conclusion that no substantial change so far has taken place in the conditions predominating at that time. The arguments then set forth unfortunately have lost nothing in their pertinency and validity, and, in the opinion of the Czechoslovak Government, present circumstances would hardly warrant encouraging prospects for the immediate resumption of the negotiations.

Notwithstanding these facts the Czechoslovak Government, noting with great satisfaction the willingness on the part of the Government of the United States to receive any further suggestion, proposes to follow assiduously any future developments in existing conditions. The Czechoslovak Government, in accordance with the conclusion of the note of June 11, reiterates its sincere assurance that in the event of any changes arising which might justify substantial hope of a successful conclusion of the final settlement, the Czechoslovak Government will not fail to avail itself of the opportunity of concurring with the intimation conveyed in Your Excellency's note relative to proposals for payment of this indebtedness and the eventual submission of it to the American Congress.

Accept [etc.].

DR. FERDINAND VEVERKA,  
*Envoy Extraordinary and Minister Plenipotentiary of Czechoslovakia.*

*To the Secretary of State from the Minister of Czechoslovakia, June 10, 1935*

EXCELLENCY :

In acknowledging the receipt of Your Excellency's note of June 1, 1935, I have the honor to refer to my note of December 14, 1934, number 804, in which I was instructed by my Government to stress the fact that the Czechoslovak Government is taking a careful estimate of current circumstances and prevailing economic and financial conditions underlying the problem of international indebtedness and causing the temporary suspension of due installments.

The Czechoslovak Government continued to do so in the intervening period and profoundly regrets that this assiduous study led to the same conclusion that no essential change has taken place to warrant substantial prospects for the resumption of negotiations in this matter at this moment.

Nevertheless, the Czechoslovak Government received with much gratification the reiteration of the assurance that the Government of the United States is fully disposed to discuss through diplomatic channels any proposals in regard to the payment of the Czechoslovak indebtedness, and will not fail to avail itself of the first opportunity of presenting any such proposal whenever general conditions substantiate a genuine hope of arriving at a satisfactory conclusion of such negotiations.

DR. FERDINAND VEVERKA,  
*Envoy Extraordinary and Minister Plenipotentiary of Czechoslovakia.*

## ESTONIA

*To the Secretary of State from the Estonian Minister of Foreign Affairs,  
December 4, 1934*

## EXCELLENCY:

I have the honor to invite your attention to my note of the 31st May, 1934, no. 2-R, regarding the debt funding agreement of 1925 between Estonia and the United States, and to state the following:

As the economic and financial conditions of Estonia, in spite of the vigorous steps taken by the Government, have not improved to any appreciable extent during the last six months, the Estonian Government feel bound to bring to the knowledge of the United States Government that to their deep regret they are unable, under the terms of the agreement of 1925, to effect the payment of the instalment falling due on December 15, 1934.

I avail myself [etc.].

JULIUS SELJAMAA,  
*Minister of Foreign Affairs.*

*To the Secretary of State from the Acting Estonian Minister of Foreign Affairs,  
May 28, 1935*

## EXCELLENCY:

I have the honor to inform you that the Estonian Government, for reasons stated in their previous notes, regret to be unable to effect, under the terms of the debt funding agreement of 1925, between Estonia and the United States of America, the payment of the instalments falling due during the present financial year, i. e., on June 15th, 1935, and December 15th, 1935.

I avail myself [etc.].

H. LARETEI,  
*Acting Minister of Foreign Affairs.*

## FRANCE

*To the Secretary of State from the French Ambassador, December 13, 1934*

[Translation]

I have the honor to acknowledge the receipt of Your Excellency's note of November 22, containing a statement of the amounts due by France to the United States on December 15, next, under the terms of the agreements of April 29, 1926, and of July 6, 1931.

In that note you were good enough to assure me that the American Government is prepared to discuss, through diplomatic channels, any proposals which my Government may desire to present concerning payment of this debt, and to give consideration to such proposals with a view to presenting them to the American Congress.

The French Government highly appreciates these assurances and thanks the American Government for them.

It desires to reaffirm that it does not contest the validity of the debt and that it remains prepared to seek a settlement with the American Government on such basis as may appear acceptable to the two countries. Although it finds it at present impossible to formulate proposals, it can only hope that the situation will develop sufficiently to justify, in the near future, undertaking negotiations with a view to assuring the early attainment of the understanding desired equally by the two Governments.

Kindly accept [etc.]

ANDRE DE LABOULAYE.

*To the Secretary of State from the French Ambassador, June 12, 1935*

[Translation]

I have the honor to acknowledge the receipt of Your Excellency's note of June 1, transmitting a statement of the amounts due by France to the United States, June 15, 1935, under the terms of the agreements signed by the French Government.

In presenting this statement, you took occasion to reiterate that the American Government is fully disposed to discuss through diplomatic channels any proposals which the Government of the Republic may desire to put forward in regard to the payment of this indebtedness, and to give them careful consideration with a view to their eventual submission to the American Congress.

The French Government thanks the American Government for having been so kind as to renew these assurances. It desires in turn, referring to its previous communications, to repeat that it is prepared to seek, as soon as circumstances permit, a settlement of its debt upon bases acceptable to both countries.

Still finding itself, however, unable to put forward proposals at the present time, it can only hope that the situation will develop sufficiently to justify, in the near future, undertaking negotiations with a view to assuring the early attainment of the understanding desired equally by the two Governments.

Please accept [etc.].

ANDRE DE LABOULAYE.

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GREAT BRITAIN

*To the Secretary of State from the British Ambassador, December 10, 1934*

SIR:

In accordance with instructions from His Majesty's Principal Secretary of State for Foreign Affairs I have the honour to acknowledge the receipt of your note of November 22nd enclosing a statement of the amounts due from His Majesty's Government in the United Kingdom under the provisions of the debt agreement of June 19th, 1923, and of the moratorium agreement of June 4th, 1932.

His Majesty's Government welcome the assurance that the United States Government are fully disposed to discuss any proposals that may be put forward in regard to the payment of this indebtedness and that such proposals would receive careful consideration with a view to their eventual submission to Congress.

In June last His Majesty's Government explained the circumstances which had forced them to decide to suspend payments under the funding and moratorium agreements pending the final revision of the war debt settlement. In that note it was stated that recent events had shown that discussions with a view to a final revision of the settlement could not at that time usefully be renewed.

His Majesty's Government have again most carefully reviewed the position, but they regret that they have reached the conclusion that the considerations which governed their decision six months ago apply with equal force today. Accordingly they feel that it would be useless and therefore unwise to initiate negotiations at present, but they will continue to watch for any effective opportunity of taking steps in that direction.

I have the honour [etc.]

R. C. LINDSAY.

*To the Secretary of State from the British Ambassador, June 7, 1935*

SIR:

In accordance with instructions from His Majesty's Principal Secretary of State for Foreign Affairs, I have the honour to acknowledge the receipt of your note of June 1st enclosing a statement of the amounts due from His Majesty's Government in the United Kingdom under the provisions of the debt agreement of June 19th, 1923, and of the moratorium agreement of June 4th, 1932.

In their note of June 4th, 1934, His Majesty's Government explained in full the reasons for which they were reluctantly compelled to suspend payments under the above-mentioned agreements pending the negotiation of a final revised settlement.

His Majesty's Government have constantly given most careful consideration to the matter, but they regret that it does not appear to them that the essentials of the situation have changed since that note was written. They observe with appreciation the readiness of the United States Government to discuss any proposals for dealing with the present situation and wish to state that

they will be fully prepared to resume discussions whenever circumstances would appear to warrant the hope that a result satisfactory to both Governments might be expected.

I have the honour [etc.]

R. C. LINDSAY.

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HUNGARY

*To the Secretary of State from the Hungarian Minister, December 12, 1934*

SIR:

I have the honor to inform you that I have been instructed by my Government to advise the Government of the United States that owing to continued unfavorable economic conditions, the Hungarian Government regrets exceedingly its inability to pay the amount of \$49,771.93, representing the principal and semiannual interest due on December 15, 1934, under the funding agreement or to deposit its pengő equivalent at the Hungarian National Bank. However, on that date my Government will deposit to the Foreign Creditors Account at the Hungarian National Bank a Hungarian Treasury certificate in the pengő equivalent of the amount due bearing interest at the rate of 2 per centum per annum.

Accept [etc.].

JOHN PELÉNYI.

*To the Secretary of State from the Hungarian Minister, June 14, 1935*

SIR:

I have the honor to inform you that I have been instructed by my Government to advise the Government of the United States that owing to continued unfavorable economic conditions, the Hungarian Government regrets exceedingly its inability to pay the amount due on June 15, 1935, under the funding agreement or to deposit its pengő equivalent at the Hungarian National Bank. However, on that date my Government will deposit to the Foreign Creditors Account at the Hungarian National Bank a Hungarian Treasury certificate in the pengő equivalent of the amount due bearing interest at the rate of 2 per centum per annum.

Accept [etc.]

JOHN PELÉNYI.

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ITALY

*To the Secretary of State from the Italian Ambassador, December 14, 1934*

SIR:

I have the honor to acknowledge the receipt of your note of November 22, enclosing a statement of the amounts due from the Italian Government up to the 15th of December 1934, under the provisions of the debt agreement of November 14, 1925, and the moratorium agreement of June 3, 1932.

My Government has taken note of the assurance that the United States Government is fully disposed to discuss, through diplomatic channels, any proposals the Italian Government may desire to put forward in regard to the payment of this indebtedness, and has directed me to thank you for this communication.

The Italian Government, while regretting to be now unable to submit any proposals, will not fail to closely follow the situation. Under the present circumstances, it can only refer to the considerations contained in my note of June 14, 1934, dealing with the situation existing on that date, which has remained unchanged.

Accept [etc.]

Rosso.

*To the Secretary of State from the Italian Ambassador, June 10, 1935*

SIR:

I have the honor to acknowledge the receipt of your note of June 1st, 1935, enclosing a statement of the accounts due from the Italian Government

up to the 15th of June 1935, under the provisions of the debt agreement of November 14, 1925, and the moratorium agreement of June 3rd, 1932.

My Government has taken note with appreciation of the renewed assurance that the United States Government is fully disposed to discuss, through diplomatic channels any proposals which the Italian Government may desire to put forward in regard to the payment of its indebtedness and that such proposals would receive careful consideration with a view to eventual submission to the American Congress.

While thanking you for this communication, my Government regrets to be unable at present to submit any proposals and wishes to refer to the considerations contained in my note of June 14, 1934, dealing with the situation existing on that date, which does not appear to have changed.

Accept [etc.]

Rosso.

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LATVIA

*Note from the President of the Council and Minister for Foreign Affairs to the American Chargé d'Affaires, Riga, December 13, 1934*

MONSIEUR LE CHARGÉ D'AFFAIRES :

I have the honor to refer to the correspondence exchanged between the Ministry for Foreign Affairs and the American Legation regarding the indebtedness of Latvia to the United States and to refer, in particular, to the note of the State Department of November 22 last, addressed to Mr. A. B. Lule, Latvian Consul General in New York in charge of Legation, in which a statement was made concerning the amounts due from Latvia and Mr. Lule was assured that the United States Government are "fully disposed to discuss, through diplomatic channels, any proposals your Government may desire to put forward in regard to the payment of this indebtedness," and that "such proposals would receive careful consideration with a view to eventual submission to the American Congress."

The attitude of the Latvian Government regarding the settlement of their indebtedness to the United States has, as you will remember, already been defined in my former communications on the subject, in the Aide-Memoire presented to His Excellency Monsieur Skinner on December 3rd, 1932, and, recently, in my note no. R. 763, 00/32 of June 12th last. In this note the Latvian Government declared themselves obliged to suspend all payments pending the final revision of the debt-funding agreement of September 24th, 1925. At the same time they took the opportunity to emphasize once more their willingness to enter upon a further discussion of the subject at any time when such a discussion would be agreeable to the Government of the United States.

No reply to this note has up to now been received, and I may therefore assume that the note of the State Department, dated November 22nd last, may be regarded as a reply to the statements of the Latvian Government, Mr. Lule now being assured that the American Government are willing at present to discuss the proposals the Latvian Government may desire to put forward. As pointed out to you at the time, such a further discussion of the subject of their indebtedness is also the desire of my Government.

In view of the fact that the next term of payment falls due on December 15th, it stands to reason that no definite settlement can be reached at such short notice. The Latvian Government therefore regret that, for reasons stated in their previous notes on the subject and owing to the present adverse economic and financial situation, they will be unable to pay the instalment of their debt to the United States which falls due on December 15th. It is, however, the earnest hope of my Government, that it will be found possible to begin the discussion of the whole subject at the earliest possible date, so that an understanding might be effective which would prove acceptable to both the Governments concerned.

I avail myself [etc.]

K. ULMANIS.

*Press release, June 14, 1935*

The Department of State was informed by a telegram received from Mr. Felix Cole, American Chargé d'Affaires at Riga, Latvia, that the Latvian Government in a note delivered to the American Legation at Riga on June 14, 1935, has expressed regret owing to inability to pay the current installment due on its debt to this Government.



## LITHUANIA

*To the Secretary of State from the Lithuanian Chargé d'Affaires ad interim,  
December 14, 1934*

SIR:

With reference to your note of November 22, 1934, transmitting a statement of the amounts due from my Government June 15, 1933, December 15, 1933, June 15, 1934, and December 15, 1934, under the provisions of the debt agreement of September 22, 1924, and of the moratorium agreement of June 9, 1932, I have the honor to state that I have been instructed by my Government to inform you as follows:

The adverse economic and financial conditions which existed in Lithuania, as set forth in my note of June 14, 1934, have shown no improvement, but, on the contrary, the difficulties which confronted Lithuania at that time have since further increased.

Reaffirming the acknowledgment of its indebtedness to the United States, the Lithuanian Government regrets very much that it is again forced to arrive at the conclusion that it is unable to effect payments due the United States Government on December 15, 1934.

The Lithuanian Government is deeply grateful for the assurance that the United States Government is disposed to discuss, through diplomatic channels, any proposals the Lithuanian Government may desire to put forward in regard to the payment of its indebtedness, and that such proposals would receive careful consideration with a view to eventual submission to the Congress of the United States of America.

The Lithuanian Government will be glad to submit proposals relative to its indebtedness to the United States Government as soon as it will be found that discussions regarding this matter would be likely to produce mutually agreeable and practicable results.

M. BAGDONAS,  
*Chargé d'Affaires ad interim.*

*To the Secretary of State from the Lithuanian Chargé d'Affaires ad interim,  
June 14, 1935*

SIR:

I have the honor to acknowledge the receipt of your note of June 1, 1935, enclosing a statement of the amounts due and payable June 15, 1933, December 15, 1933, June 15, 1934, December 15, 1934, and June 15, 1935, from my Government pursuant to the terms of the debt agreement of September 22, 1924, and the moratorium agreement of June 9, 1932.

In accordance with instructions from my Government, I have the honor to inform you that no favorable changes have taken place in the economic and financial conditions which prevailed in Lithuania at the time of the presentation of my notes of June 14, 1934, and December 14, 1934.

In view of the above, the Lithuanian Government regrets exceedingly that it is unable to meet the payments due the United States Government on June 15, 1935.

The Lithuanian Government, reaffirming the acknowledgment of its indebtedness to the United States, reiterates its assurance, as set forth in my note of December 14, 1934, that it will be glad to submit proposals relative to its indebtedness as soon as it will be found that discussions regarding this matter would be likely to produce mutually agreeable and practicable results.

Accept [etc.].

MIKAS BAGDONAS,  
*Chargé d'Affaires ad interim.*

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 POLAND

*To the Department of State from the Polish Ambassador, December 14, 1934*

[Memorandum]

The Ambassador of Poland has been instructed by his Government to inform the Government of the United States that for reasons analogous to those stated in the note of December 8, 1932, and confirmed by later declarations, they are obliged to request similarly a deferment of payment of the instalment payable on December 15th, 1934. The Polish Government are still not in a position to resume the service of the debt toward the United States.

*To the Secretary of State from the Polish Ambassador, June 12, 1935*

[Memorandum]

The Ambassador of Poland has been instructed by his Government to inform the Government of the United States that for reasons analogous to those stated in the note of December 8, 1932, and confirmed by later declarations, they are obliged to request similarly a deferment of payment of the instalment payable on June 15, 1935. The Polish Government are still not in a position to resume, toward the United States, the service of the debt.

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RUMANIA

*To the Secretary of State from the Rumanian Minister, December 20, 1934*

SIR:

In accordance with instructions from my Government, I have the honor to acknowledge the receipt of your note of November 22nd, enclosing a statement of the amounts due from my Government June 15, 1933, January 2, 1934, June 15, 1934, and December 15, 1934, under the provisions of the debt agreement of December 4, 1925, and of the moratorium agreement of June 11, 1932.

In the note of June 12, 1934, my Government explained the reasons why it was obliged to suspend the payments on the above-mentioned agreements, and referred to the note of June 15, 1933, in which it stated the unprecedented financial difficulties it was facing.

The Rumanian Government, after having carefully reexamined the prevailing conditions, feels that the reasons which determined its decision last June are still valid, as no changes have occurred in the general situation which would permit to expect a favorable result by initiating negotiations at the present time.

Please accept [etc.].

DAVILA,  
*Minister of Rumania.*

*To the Secretary of State from the Rumanian Minister, June 12, 1935*

SIR:

I have the honor to acknowledge receipt of your note of June 1, 1935, enclosing a statement of the amounts due from my Government June 15, 1933, January 2, 1934, June 15, 1934, December 15, 1934, and June 15, 1935, under the provisions of the debt agreement of December 4, 1925, and of the moratorium agreement of June 11, 1932.

In the note of December 20, 1934, I have referred to the reasons why my Government was obliged to suspend payments under the above-mentioned agreements. The Rumanian Government feels that those reasons are still valid, as no changes have occurred in the general situation which would permit to expect a favorable result by initiating negotiations at the present time.

Please accept [etc.].

DAVILA,  
*Minister.*

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GOVERNMENT DEPOSITS

Exhibit 47

*Instructions for collecting agents regarding the receipt of postal money orders drawn on points outside the district in which received*

[Accounts and Deposits, Division of Deposits, Circular No. 1]

TREASURY DEPARTMENT,  
*July 27, 1934.*

*To the Heads of Departments and Establishments Concerned:*

Under the authority contained in the Act of June 16, 1934 (Public No. 366—73d Cong.) the Postmaster General has prescribed regulations exacting a fee of the same amount as that charged for the issue of a money order when such money order is paid at an office other than that on which drawn. The Postmaster General has ruled that money orders drawn in favor of governmental establishments and agencies are not excepted from the operation of the law.

Paragraph 4, of Treasury Circular No. 176 provides, in part, that payments made by express or postal money order shall be handled subject to collection in the same manner as cash. Authority is granted, under the terms of the circular, to deposit cash with general depositories of public moneys where available. Paragraph 26, of Treasury Circular No. 176, however, provides that general depositories are not authorized to maintain any collection account for deposits of public moneys, but are required to give immediate credit in the Treasurer's account and to issue certificates of deposit for the full amount of all public moneys deposited with them for credit in the Treasurer's account in accordance with the circular.

It is requested that all departments, independent establishments, bureaus, and offices instruct their collecting agents in the field that if postal money orders drawn on outside points are received, all such money orders should be forwarded to the Federal Reserve bank or branch of the district for collection and credit in accordance with the procedure set up by Treasury Circular No. 176 in the case of checks. Depositors located in the District of Columbia may continue to deposit all postal money orders, including those drawn on outside points, direct with the Treasurer of the United States.

STEPHEN B. GIBBONS,  
*Acting Secretary of the Treasury.*

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### Exhibit 48

*Supplement to regulations governing deposit of public moneys and payment of Government checks and warrants*

[Eighth supplement to Department Circular No. 176]

TREASURY DEPARTMENT,  
*April 23, 1935.*

*To the Treasurer of the United States, Federal Reserve Banks and Branches and Others Concerned:*

Treasury Department Circular No. 176, dated September 2, 1930, as amended, is hereby amended so that the last paragraph of section 34 on page 15 will read as follows:

"After the expiration of 1 year following the close of the fiscal year (ending June 30) in which they are drawn, checks drawn on the Treasurer of the United States are not payable by him but should be transmitted to the Secretary of the Treasury, Division of Bookkeeping and Warrants, for payment from the "Outstanding liabilities" appropriation, accompanied by an application for payment over the signature and address of the owner of such checks: *Provided, however,* That the 1-year restriction does not apply to checks issued on account of public debt obligations and checks issued on account of transactions regarding the administration of banking and currency laws."

Treasury Department Circular No. 57, dated September 11, 1916, with regard to "Treasury warrants and official checks of public disbursing officers pertaining to 'Outstanding liabilities'", is hereby rescinded.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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## ORGANIZATION CHANGES

### Exhibit 49

*Orders changing organization and procedure in the Treasury Department*

TREASURY DEPARTMENT ORDER NO. 8, SEPTEMBER 17, 1934

The Section of Financial and Economic Research in the Office of the Secretary (Commissioner of Accounts and Deposits) is hereby abolished, and there is hereby created and established in the Office of the Secretary a Division of Research and Statistics. There is also hereby created the position of Director of Research and Statistics.

The Division of Research and Statistics will function under the immediate supervision of the Director. The Division will absorb the duties heretofore assigned to the Section of Financial and Economic Research, and will maintain statistical and other series, and conduct economic studies. The Director of the Division will also exercise direct authority over and responsibility for the production, analysis, and publication of statistics, and the conduct of economic research and over the purchase and maintenance of equipment utilized in connection therewith in all branches of the Department, including the Bureau of Internal Revenue, the Bureau of the Mint, the Customs Bureau, and the Office of the Comptroller of the Currency; and with the approval of the Secretary will exercise control over the hiring, classification, and salaries of all employees in the Treasury who are primarily engaged in statistical compilation or analysis or in economic research.

This order shall be effective September 17th, 1934, and department orders of December 6th, 1921, and June 3rd, 1927, establishing the Section of Statistics and the Section of Financial and Economic Research of the Treasury Department, are hereby modified accordingly.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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TREASURY DEPARTMENT ORDER NO 9, SEPTEMBER 26, 1934

All medical relief activities in the Treasury Department in the District of Columbia, not now a part of or under the supervision of the United States Public Health Service, are hereby transferred to that Service and placed under the general supervision of the Surgeon General. These activities in addition to those already a part of the Public Health Service embrace emergency relief units at the following locations:

1. Main Treasury Building.
2. Treasury Annex No. 1, Madison Place and Pennsylvania Avenue, NW.
3. Internal Revenue Building, 12th Street and Constitution Avenue NW.
4. Old Southern Railway Building, 1300 E Street, NW. (so long as under the supervision of the Treasury Department).
5. Office of the Register of the Treasury, Fourteenth and B Streets, SW.
6. Branch Treasurer's Office, 119 D Street, NE.
7. Federal Warehouse, Ninth and D Streets, SW.
8. Division of Loans and Currency, Fourteenth and D Streets, SW.
9. Bureau of Engraving and Printing, Fourteenth and C Streets, SW.
10. Washington Building, Fifteenth Street and New York Avenue, NW. (in process of organization).

All personnel, records, books, furniture, equipment, and supplies connected with the medical activities concerned are hereby placed under the jurisdiction and control of the Surgeon General of the Public Health Service, the costs of the personnel and other expenses involved to be paid from the appropriations heretofore chargeable with such costs.

The Surgeon General will detail a commissioned medical officer of the Public Health Service to direct the operation of all emergency relief stations in the Treasury Department.

Emergency medical measures are to be available at the relief stations under the control of the Public Health Service and such stations are not to be operated as dispensaries where repeated and long-continued treatment may be obtained.

This order shall be effective October 1, 1934.

H. MORGENTHAU, Jr.  
*Secretary of the Treasury.*

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TREASURY DEPARTMENT ORDER NO. 10, APRIL 23, 1935

The Division of Supply of the Treasury Department shall be known hereafter as the "Division of Printing." The Division of Printing shall perform the same functions as were formerly exercised by the Division of Supply with the exception that the purchasing functions and the storage and distribution of stationery supplies, together with such equipment and personnel, including salaries, as are not required by the Division of Printing are hereby transferred to the Procurement Division, established under the provisions of Executive Order No. 6166 of June 10, 1933, and order of the Secretary of the

Treasury, approved by the President on October 9, 1933, and placed under the immediate jurisdiction of the Assistant Director, Branch of Supply.

Requisitions for printing, binding, and stationery supplies shall be forwarded to the Division of Printing for administrative approval.

Requisitions for all other supplies shall be forwarded direct to the Division of Procurement on the forms prescribed by the Director of Procurement. Payments for all issues will be made by transfer and counter warrants prepared by the Procurement Division.

The stationery stock now in the custody of the Division of Supply shall be inventoried, priced, and transferred to the Division of Procurement. Credit shall be given to the Division of Printing in an amount equal to the current value of stock transferred.

All allotments of appropriations made to the Division of Supply by the several bureaus and divisions of the Department will be canceled on an effective date to be later determined by the Administrative Assistant to the Secretary. Thereafter bureaus and divisions will maintain such appropriation accounts as may be necessary.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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### Exhibit 50

#### *Supervision of Bureaus, Offices, and Divisions of the Treasury Department*

[Department Circular No. 244<sup>1</sup> (Revised)]

TREASURY DEPARTMENT,  
*Washington, December 7, 1934.*

1. The following assignments of bureaus, offices, and divisions of the Treasury Department are hereby ordered, effective December 7, 1934:

The Secretary of the Treasury:

1. Office of the General Counsel.
2. Bureau of Internal Revenue.
3. Procurement Division.
4. Secret Service Division.

The Under Secretary of the Treasury:

1. The Finances.
2. Commissioner of Accounts and Deposits:
  - (a) Division of Bookkeeping and Warrants.
  - (b) Division of Disbursement.
  - (c) Division of Deposits.
  - (d) Section of Surety Bonds.
3. Commissioner of the Public Debt:
  - (a) Division of Loans and Currency.
  - (b) Office of the Register of the Treasury.
  - (c) Division of Public Debt Accounts and Audit.
  - (d) Division of Paper Custody.
4. Office of the Comptroller of the Currency.
5. Office of the Treasurer of the United States.
6. Division of Research and Statistics.

Assistant Secretary in Charge of Engraving and Printing, and Mint:

1. Bureau of Engraving and Printing.
2. Bureau of the Mint.

Assistant Secretary in Charge of Customs, Coast Guard, and Narcotics:

1. Bureau of Customs.
2. United States Coast Guard.
3. Bureau of Narcotics.

Assistant Secretary in Charge of Public Health:

1. Bureau of the Public Health Service.

Administrative Assistant to the Secretary:

1. Chief Clerk of the Department.
2. Division of Appointments.
3. Division of Supply.
4. Secretary's Correspondence Division.

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<sup>1</sup> This circular supersedes Department Circular No. 244, dated Sept. 19, 1930.

2. The Administrative Assistant to the Secretary will act as Budget Officer of the Treasury, and is authorized to act, for and by direction of the Secretary of the Treasury, in any branch of the Department.

3. In the absence or sickness of the Secretary, the Under Secretary will act as Secretary of the Treasury. In the absence or sickness of the Secretary and the Under Secretary, the senior Assistant Secretary on duty will act as Secretary.

4. The Bureau of the Budget of the Treasury operates under the immediate direction of the President.

5. This circular supersedes Treasury Department Circular No. 244, dated September 19, 1930.

H. MORGENTHAU, JR.,  
*Secretary of the Treasury.*

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## MISCELLANEOUS<sup>1</sup>

### Exhibit 51

*Executive Order No. 6869, October 10, 1934, requiring certain financial statements to be furnished the Secretary of the Treasury*

By virtue of and pursuant to the authority vested in me as President of the United States, and in furtherance of the provisions of Executive Order No. 6226, of July 27, 1933, I hereby prescribe the following regulations:

1. Every executive department and every independent establishment of the Government shall furnish the Secretary of the Treasury, not later than the 15th day of each month, a statement of all bonds, notes, debentures, shares of stock, and other such evidences of indebtedness or interest, held by it for account of the United States, but exclusive of trust funds, and of all liabilities of the United States incurred through it represented by bonds, notes, debentures, or other such evidences of indebtedness. The statements herein required to be furnished shall be made as of the close of business on the last business day of the preceding month.

2. Every corporation in which the Government of the United States has a proprietary interest shall furnish the Secretary of the Treasury, not later than the 15th day of each month, a statement of its assets, liabilities, capital, and surplus as of the close of business on the last business day of the preceding month. Corporations in which the United States has no proprietary interest other than that evidenced by preferred stock and/or capital notes acquired through the Reconstruction Finance Corporation, shall not be considered corporations in which the Government of the United States has a proprietary interest within the meaning of such phrase as used in this order.

3. The Secretary of the Treasury shall cause to be published monthly on the daily statement of the United States Treasury a combined statement of the assets, liabilities, capital, and surplus, reported pursuant to the provisions of this order at such times and in such manner as he shall prescribe.

4. The Secretary of the Treasury is authorized to prescribe a form or forms on which the required reports shall be made and to issue such regulations or instructions as he may consider necessary for the purpose of carrying out the provisions of this order.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,  
October 10, 1934.

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<sup>1</sup>The following are available separately and are not reproduced here: Department Circular No. 230, revised Oct. 1, 1934—Regulations governing the recognition of attorneys and agents representing claimants and others before the Treasury Department; Department Circular No. 230, revised Oct. 1, 1934—Supplementary rules of procedure in suspension and disbarment proceedings; Department Circular No. 154 (revised), amended Feb. 6, 1935—Regulations relating to the acceptance of bonds, notes, or other obligations issued or guaranteed by the United States as security in lieu of surety or sureties on penal bonds; and Department Circular No. 538, Mar. 28, 1935—Regulations governing payment of losses sustained by officers and employees of the Treasury Department in foreign countries due to appreciation of foreign currencies in their relation to the American dollar.

## Exhibit 52

*Regulation no. 1—Administrative procedure for the maintenance of the system of accounts and disbursements under the Emergency Relief Appropriation Act of 1935, established pursuant to section II (A) of Executive Order No. 7034*

[Department Circular No. 543]

TREASURY DEPARTMENT,  
Washington, June 18, 1935.

Pursuant to the provisions of section IV, of Executive Order No. 7034, dated May 6, 1935, issued by virtue of and pursuant to the authority vested in the President of the United States under the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (Pub. Res. No. 11, 74th Cong.), the following regulations governing the maintenance of a system of accounts and disbursements under section II (A) of such order are hereby prescribed:

## GENERAL PURPOSES

1. Section II (A) of Executive Order No. 7034 directs:

"The Secretary of the Treasury, (1) through the disbursing and accounting facilities under the Commissioner of Accounts and Deposits of the Treasury Department, to make provision for all disbursements from the funds appropriated by the 'Emergency Relief Appropriation Act of 1935', subject only to such exceptions as the Secretary may authorize, and to maintain a system of accounts necessary to enable the President—

"(a) to exercise Executive control over such funds,

"(b) to provide current financial and accounting information for governmental agencies concerned, and

"(c) to make a complete report to the Congress concerning expenditures made and obligations incurred, by classes and amounts \* \* \*."

## DEFINITIONS

2. As used herein:

(a) The word "allocation" means the amount made available by the President as carried in appropriation warrants for which separate appropriation accounts will be carried. An allocation may cover one or more projects. Such allocations are identified with an applicable appropriation limitation in the act.

(b) The words "official project" mean an undertaking approved by the President for which a separate official project number has been assigned by the Bureau of the Budget. An official project may be either a single work project or a general work relief program consisting of a number of work projects.

(c) The words "work project" mean a particular job or subdivision of an official project, as designated by an Administrator. This may be a single work relief job or a group of jobs in a particular locality under a project manager. A work project may be identical with an official project or it may be a subdivision or part of an official project for which separate limitations are to be observed through administrative accounts.

(d) The words "project authorization" mean that part (or all) of an allocation which has been set up on the books of the central or other Treasury accounts office of the Commissioner of Accounts and Deposits on account of a particular project or of a subdivision of an allocation designated by an administrator.

(e) The word "administrator" means a board, commission, or the head of a department, bureau, or other agency authorized to administer an allocation.

(f) The words "State administrator" mean a person having general supervision of work or relief in a State or other area who is under the supervision of an administrator.

(g) The words "district director" mean a person having supervision over work or relief in a county or district within a State who is under the general supervision of an administrator or a State administrator.

(h) The words "project manager" mean a person having supervision of a work project who is authorized to incur obligations under an allotment.

This term may include administrators, State administrators, or district directors who act in the capacity of project managers.

(i) The words "certifying officer" mean a person duly authorized to attest to the correctness and legality of the services rendered or articles furnished as set forth on pay rolls or vouchers to be submitted to a disbursing officer for payment.

(j) The word "allotment" means the amount of an authorization on a prescribed form issued by an administrator or other authorized person to a project manager, authorizing the latter to enter into contracts, to make purchases or pay-roll commitments or to incur other obligations, for a work project.

(k) The words "Treasury accounts office" mean the United States Treasury-State accounts office located in the State in which detailed accounts will be kept with respect to allotments and expenditures for particular projects, and to which all accounting documents relating to such projects must be sent.

#### ORGANIZATION

3. The Commissioner of Accounts and Deposits, Treasury Department, is authorized and directed to establish and maintain a Treasury Central Accounts Office in the District of Columbia and such United States Treasury-State accounts offices and United States Treasury-State disbursing offices there and elsewhere as in his judgment may be necessary to effectuate the purposes of section II (A) of Executive Order No. 7034, and the Commissioner, with the approval of the Secretary, is authorized to employ personnel for such purposes. The Commissioner is further authorized to prescribe such administrative procedures and take such other action as may be necessary. Treasury accounts offices shall maintain such detail records for projects undertaken within their respective districts as may be necessary for accounting purposes.

#### FISCAL PROCEDURE

4. *Appropriation.*—The amount made available by the Emergency Relief Appropriation Act of 1935 shall be set up in administrative appropriation control accounts to be maintained in the United States Treasury Central Accounts Office, in accordance with the limitations contained in said act and such other limitations as the President may fix.

5. *Resolutions.*—In order that the Treasury Department may be kept currently informed, the executive secretary of the Advisory Committee on Allotments shall transmit to the Treasury Central Accounts Office not later than the day following the date of each meeting of such Committee, a certified copy of each resolution agreed to concerning the earmarkings, allocations, reallocations, releases, reductions, cancelations, allotments, transfers, or other disposition of funds.

6. *Reserves.*—Certified copies of all orders issued by the President earmarking or reserving funds shall be furnished to the Treasury Central Accounts Office by the Bureau of the Budget for the maintenance of controlling accounts.

7. *Allotments or authorizations.*—The Advisory Committee on Allotments shall furnish the Treasury Central Accounts Office with a certified copy of each resolution passed by it, accompanied by copies of applications upon which each resolution is based. The Advisory Committee on Allotments shall also furnish the Treasury Central Accounts Office a schedule of applications submitted by the Committee to the President which are rejected or are increased or decreased above or below the amounts previously reported under section 5.

8. *Allocations.*—(a) The Bureau of the Budget shall transmit currently to the Treasury Central Accounts Office and to the General Accounting Office copies of all orders issued by the President making allocations or any other disposition of funds, including any limitations which the President has imposed in connection with such allocations or allotments or any amendment of a prior allocation or allotment.

(b) Allocations shall be numbered by the Bureau of the Budget in the order of their approval by the President.

(c) Upon receipt in the Treasury Department of an order or letter of the President making an allocation, the Division of Bookkeeping and Warrants, Treasury Department, shall issue an appropriation warrant against the proper limitation contained in the Emergency Relief Appropriation Act of 1935, and a copy of such order or letter, supported by such detail as may be required by the Comptroller General of the United States, shall be furnished to the



General Accounting Office. After the appropriation warrant has been countersigned by the Comptroller General of the United States, a certified copy thereof shall be forwarded by the Division of Bookkeeping and Warrants to the Treasury Central Accounts Office. On the basis of such certified copies of appropriation warrants, the Treasury Central Accounts Office shall charge the proper limitations and establish the necessary controlling accounts.

9. *Advice of allocations.*—(a) The Treasury Central Accounts Office shall notify the proper Administrator of any allocation through the issuance of an "Advice of Allocation."

(b) Advices of Allocations shall be numbered by the Treasury Central Accounts Office in regular numerical sequence.

10. *Advice of project authorization.*—(a) The Administrator shall issue an "Advice of Project Authorization" on a prescribed form for the purpose of advising State Administrators and other designated persons, through the Treasury Central Accounts Office, of the amounts to be set up on the books of the appropriate Treasury Accounts Office for expenditure on a particular project or subdivision of an allocation. Advices of Project Authorization shall show the number and date of the Advice of Allocation under which such authorizations are made.

(b) Advices of Project Authorizations shall be made in quintuplicate, viz, for (1) the Treasury Central Accounts Office, (2) the appropriate Treasury Accounts Office, (3) the Administrator, (4) the State Administrator or other proper person, and (5) the General Accounting Office.

(c) The Administrator shall number Advices of Project Authorization in regular numerical sequence, and shall designate, subject to the approval of the Treasury Central Accounts Office, the appropriate Treasury Accounts Office which shall maintain detail records of such authorization. A schedule showing the location of each Treasury Accounts Office will be furnished to administrators by the Commissioner of Accounts and Deposits.

(d) Advices of Project Authorization shall show the appropriation symbol and title, official project number, and such other references and information as may be required by the Commissioner of Accounts and Deposits.

(e) The Administrator shall furnish the Treasury Central Accounts Office, on forms provided by the Treasury Department, with authenticated specimen signatures of persons authorized to sign Advices of Project Authorization, together with a statement of the limitations, if any, on their authority to issue such Advices.

11. *Advice of allotment.*—(a) State administrators or persons designated in an Advice of Project Authorization shall issue, in accordance with such authorization, an "Advice of Allotment" to project managers for the purpose of authorizing them to procure services, to make purchases through authorized procurement procedure, to make pay-roll commitments, or to incur other obligations, for the objects indicated on the said advices of allotment.

(b) Advices of Allotment shall be numbered in regular sequence by the State Administrator or other designated person, and this number shall be entered on all purchase requisitions, contracts, pay rolls, and vouchers relating to the allotment.

(c) Advices of Allotment shall show the official project number, the appropriation symbol and title, the Treasury Accounts Office on which issued, and such other information as the Commissioner of Accounts and Deposits may require in connection with the checking of vouchers and pay rolls submitted thereunder.

(d) Immediately after issuance of each Advice of Allotment, a duplicate thereof shall be transmitted to the appropriate Treasury Accounts Office for entry in its accounts. The Treasury Accounts Office shall determine that vouchers subsequently received and chargeable thereto do not exceed the amount of the allotment and are for the objects or purposes specified thereon.

(e) The Administrator shall furnish the appropriate Treasury Accounts Office with authenticated specimen signatures of State Administrators or other persons authorized to issue Advices of Allotment, together with a statement of the limitations, if any, on the authority of such persons to issue Advices of Allotment.

12. *Encumbrances for contracts, purchase orders, etc.*—(a) The records of the Treasury Accounts Offices shall reflect as currently as practicable the accruing liability of the Government on account of each project. To this end administrators and other designated officers shall furnish the appropriate Treasury Accounts Office such information as it may require.

(b) Copies of contracts and purchase requisitions or orders and copies of papers, advices, or documents covering encumbrances or obligations incurred, shall be sent, promptly after issuance, to the appropriate Treasury Accounts Office designated on the related Advices of Allotment.

(c) Each purchase requisition, purchase order, contract, or other advice of obligation incurred shall show the official project number, the work project number (if any), the serial number of the Advice of Allotment under which such obligation was incurred, the appropriation symbol chargeable, and such other references as may be required by the Commissioner of Accounts and Deposits.

(d) Original contracts shall be numbered and forwarded to the General Accounting Office in accordance with General Accounting Office General Regulations No. 51, and supplements thereto.

13. *Vouchers and pay rolls.*—(a) All vouchers and pay rolls shall be certified by project managers or by such other persons as may be authorized to do so.

(b) Except as otherwise specifically authorized by the Secretary of the Treasury, all vouchers and pay rolls chargeable against an allocation made under the Emergency Relief Appropriation Act of 1935 shall be forwarded to the appropriate Treasury Accounts Office designated on the Advice of Allotment, where they will be checked against the records of Project Authorizations and Allotments and forwarded to the appropriate Treasury Disbursing Office as provided in section 16 hereof.

(c) Vouchers and pay rolls shall be certified only by authorized project managers or other "certifying officers" who either have personal knowledge or documentary evidence of the facts upon which the vouchers or pay rolls are based, or who have immediate charge of the persons who have such knowledge.

(d) Adequate timekeeping records shall be maintained, showing for each employee time and earnings chargeable to the various project or cost accounts, deductions, and net earnings, and a procedure shall be established to verify the fact that each individual to whom payment is made is legally entitled thereto.

(e) Certifying officers shall keep or be responsible for the keeping of time records and other records herein provided to avoid duplicate payments, and will be accountable for the legality of vouchers and pay rolls certified by them. Such officers shall be responsible for the correctness of the facts on which the vouchers and pay rolls are based and also for the mathematical computations.

(f) Authenticated specimen signatures of certifying officers shall be filed in the appropriate Treasury accounts offices and Treasury disbursing offices, together with a statement of the limitations, if any, on the authority of such persons to certify vouchers and pay rolls.

(g) All vouchers shall show the appropriation symbol and title, and official project number, against which such vouchers are chargeable, the number of the purchase order, contract, or other document obligating funds under the project, and such other material facts as may be necessary to enable the General Accounting Office to settle and adjust the amounts for which credit is to be claimed by the disbursing officer.

14. *Voucher distribution form.*—The certifying officer shall transmit to the appropriate Treasury accounts office attached to each voucher or pay roll, a prescribed form of Voucher Distribution Form showing the amounts included in the voucher or pay roll, classified according to different objects of expenditure, and such other data as may be required by the Commissioner of Accounts and Deposits.

15. *Examination of vouchers and pay rolls in Treasury accounts offices.*—No Treasury accounts office shall transmit a pay roll or voucher to a disbursing office for payment unless such office shall find that sufficient money is available in the proper account to meet the payment; that the voucher or pay roll is covered by a contract, purchase requisition, or other proper obligating document; that the mathematical computations in the voucher are correct; and that the voucher or pay roll has been certified by an authorized certifying officer, whose authenticated specimen signature is on file in such Treasury accounts office.

16. *Scheduling of vouchers and pay rolls.*—(a) Vouchers and pay rolls shall be scheduled on Standard Form 1064, in the offices where the vouchers are administratively approved, and transmitted, *in quadruplicate*, to the appropriate Treasury accounts office. Schedules of vouchers and pay rolls shall be summarized on Standard Form 1064, by appropriation symbols and titles.

(b) Checks for travel advances will be issued only upon approved applications therefor (Standard Form 1038 or 1038a) when supported by authenticated copies of the travel orders issued to the employees and such approved applications shall be scheduled in the Treasury Accounts Office to the proper Treasury disbursing office.

(c) Cash for disbursing purposes may be carried only when specifically authorized by the Secretary of the Treasury pursuant to Section 3620 of the Revised Statutes. In making requests for authority to carry cash, which will be at personal risk of disbursing officers, justification therefor must be fully set forth. Checks issued in *exchange for cash* will be scheduled in the Treasury Disbursing Office and a copy of each such schedule shall immediately be forwarded to the appropriate Treasury accounts office.

(d) After examination pursuant to section 15 hereof, vouchers and pay rolls, accompanied by the original and two copies of the schedules, shall be transmitted by the Treasury Accounts Office to the Treasury Disbursing Office for payment, except as to items of transportation furnished on Government transportation requests and bills of lading forms and questionable claims which shall be scheduled to the General Accounting Office for preaudit and then returned to the appropriate Treasury accounts office for completion of records and forwarding to the appropriate Treasury Disbursing Office for payment. Bills of lading and transportation requests must show the office to be billed and other necessary information.

17. *Advance of funds to disbursing officers and rendition of accounts.*—(a) In order to expedite the placing of funds to the credit of bonded disbursing officers and to facilitate the audit and settlement of their accounts, funds shall be advanced upon accountable warrants to the Chief Disbursing Officer, Division of Disbursement, under the several appropriation-allocations, based upon requisitions approved by the Commissioner or Assistant Commissioner of Accounts and Deposits, or such other officers as the Secretary of the Treasury may designate. The Chief Disbursing Officer shall transfer to the official credit of such of the various bonded Disbursing Officers with the Treasurer of the United States in Washington or in the Treasurer's account with the Federal Reserve banks as directed by the Commissioner or Assistant Commissioner of Accounts and Deposits, or by such other officers as the Secretary of the Treasury may designate, the amounts necessary to make current disbursements. The Chief Disbursing Officer shall take credit in his accounts under the proper appropriation-allocations for the amounts so transferred to disbursing officers, and they, in turn, shall charge themselves with such transfers and render an accounting therefor in their own names to the General Accounting Office, through the Central Treasury Accounts Office.

(b) All officers disbursing funds appropriated by the Emergency Relief Appropriation Act of 1935 shall render to the General Accounting Office as at the close of business on the 10th, 20th, and last day of each month a separate and complete accounting for all funds coming into their custody during the period covered by each account, by reason of their official positions, in accordance with General Accounting Office General Regulations No. 80, dated August 15, 1934.

18. *Administrative verification of check payments.*—(a) Treasury disbursing officers shall transmit promptly to the appropriate Treasury accounts offices copies of all checks issued by them for verification against copies of schedules and pay rolls on file in the Treasury Accounts Office.

(b) Stocks of blank checks shall be kept in the custody of Treasury disbursing officers. Treasury disbursing officers shall account to the appropriate Treasury accounts offices for all checks delivered to them under a procedure prescribed by the Commissioner of Accounts and Deposits, which shall provide for the transmission of notices of delivery directly to the appropriate Treasury accounts office by the Bureau of Engraving and Printing. Treasury accounts offices shall take inventories of stocks of unused checks not less than once in each quarter and without advance notice to the disbursing officer.

(c) Spoiled checks shall be voided and the space provided thereon for signatures effectively mutilated. They shall then be forwarded to the Treasury Accounts Office for examination, and the check copies in such cases shall also be voided. After examination in the Treasury Accounts Office the voided checks shall be returned to the Treasury Office for disposition in accordance with the provisions of Treasury Department Circular No. 8, and General Accounting Office General Regulations Nos. 31 and 35.

19. *Disbursements not made through Division of Disbursement, Treasury Department.*—In cases where disbursements are not made through the Division of Disbursement, Treasury Department, copies of allotments, purchase requisitions, purchase orders, contracts, disbursement schedules, vouchers, pay rolls, check registers, etc., will be promptly forwarded to the Treasury accounts office specified by the Commissioner of Accounts and Deposits, and the general principles embodied in the system of accounting for project authorizations, allotments, etc., as outlined herein for payments made through the Division of Disbursement, Treasury Department, will be followed.

20. *Interdepartmental work.*—In cases where one Government department or establishment has agreed to perform services or furnish materials for another department or establishment, the amounts involved being relatively small, the work shall be done from the requisitioned Department's own appropriation on a reimbursable basis. However, where, upon a proper showing to the Bureau of the Budget, the requisitioned Department or establishment is unable to perform the services or furnish the materials on a reimbursable basis, within the limits of its own appropriation, the transactions shall be handled through the issuance of an Advice of Allotment (approved by the Bureau of the Budget) on account of the official project involved to the requisitioned department or establishment by the requisitioning department or establishment.

21. *Requisitions for forms.*—Upon receipt of these regulations each administrator concerned is requested to make requisition at once upon the Public Printer for a supply of the forms provided for herein which it is estimated will be required for his service for a period of 12 months from July 1, 1935. In so doing, it is understood and agreed by the said administrator that he thereby consents to the plan of combining all the requisitions submitted and printing the total amount thereof in one edition, to be delivered to him or placed in stock at the Government Printing Office subject to his order, or partly delivered and partly placed in stock as the case may be, and that the administrator authorize the Public Printer to prorate the cost of printing and to render bill against him for his proportionate share on the basis of the number of forms ordered by him.

22. *Budgetary apportionments of funds.*—The provisions of Executive Order No. 6226, dated July 27, 1933, and Treasury Department Circular No. 494, issued pursuant thereto relating to apportionments shall be applicable to allocations of funds under the Emergency Relief Appropriation Act of 1935.

23. *Duplication of records.*—The heads of departments, establishments, boards, commissions, bureaus, and offices are requested to utilize to the fullest extent the accounting records provided herein and to avoid, as much as possible, unnecessary duplications of accounting records.

24. *Special instructions.*—When the Secretary of the Treasury finds that the public interest requires, he may issue special instructions to cover the procedure for exceptional cases, which instructions shall conform as nearly as practicable to the principles embodied in the foregoing regulations.

25. *Compliance with regulations.*—Full compliance with the regulations herein prescribed is essential to prompt payment of accounts and the compilation of current and accurate information required under the Emergency Relief Appropriation Act of 1935, and Executive Order No. 7034.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Approved:

FRANKLIN D. ROOSEVELT.

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### Exhibit 53

*Executive Order No. 6981, March 2, 1935, removing, in certain cases, restrictions imposed by Public Resolution 53, of June 27, 1934, as to payments, transfers, and deliveries of property under the Trading with the Enemy Act and the Settlement of War Claims Act of 1928*

By virtue of and pursuant to the authority vested in me by Public Resolution 53, approved June 27, 1934 (48 Stat. 1267), the Trading with the Enemy Act, approved October 6, 1917 (40 Stat. 411), as amended, and the Settlement

of War Claims Act of 1928, approved March 10, 1928 (45 Stat. 254), I do hereby order as follows:

**SECTION 1.** For the purposes of the said resolution, it is hereby determined that Germany has been and is now in arrears in payments of principal and interest under the debt-funding agreement between Germany and the United States dated June 23, 1930, with respect to the obligations of Germany on account of awards entered and to be entered by the Mixed Claims Commission, United States and Germany. The period in which Germany is in arrears shall be deemed to continue for the purposes of this order until it is determined by the President that such period has terminated.

**SECTION 2.** The restrictions imposed by the said resolution are hereby removed except as to the following payments, conveyances, transfers, or deliveries of money or property or of the income, issues, profits, or avails thereof:

1. To any person who was on April 6, 1917, or who at any time since that date has been, a German national, unless such person is entitled to receive payment under section 9, subsection (b) (1), of the Trading with the Enemy Act, as amended, or unless such person is a national of the United States at the time of payment, conveyance, transfer, or delivery, and was on June 1, 1934, the legal and beneficial owner of the claim to the money or property or the income, issues, profits, or avails thereof, and on or before June 1, 1934, the United States received written notice of such ownership.

2. To any person domiciled or resident within the territory of Germany, except a natural person who is a national of the United States at the time of payment, conveyance, transfer, or delivery.

3. To any corporation, association, or partnership, or other unincorporated body of individuals or a body politic which on or at any time since April 6, 1917, was organized or existed under the laws of Germany or had its principal place of business in Germany.

4. To any corporation, association, or partnership, or other unincorporated body of individuals, or a body politic in which a substantial legal or beneficial interest is owned directly or indirectly by any person to whom payment, conveyance, transfer, or delivery continues to be postponed under subdivision 1, 2, or 3 hereof, or to any person who is a trustee of such money or property for a person to whom payment, conveyance, transfer, or delivery continues to be postponed under subdivision 1, 2, or 3 hereof.

5. To the heirs, devisees, legatees, executors, administrators, representatives, creditors, successors, or assigns of any person to whom payment, conveyance, transfer, or delivery continues to be postponed under subdivision 1, 2, 3, or 4 hereof, except to such heirs, devisees, or legatees as are natural persons and have been nationals of the United States from June 1, 1934, to the time of payment, conveyance, transfer, or delivery.

**SECTION 3.** For the purposes of this Executive order, (a) the nationality, residence, domicile, or other qualification of claimants under the Trading with the Enemy Act, as amended, shall be that determined by the Attorney General; and (b) the nationality, residence, domicile, or other qualification of claimants to money or property or the income, issues, profits, or avails thereof, held in the German special deposit account, and in the Austrian and Hungarian special deposit accounts, shall be that determined by the Secretary of the Treasury.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,  
March 2, 1935.

#### Exhibit 54

*Letter of the Acting Postmaster General to the Secretary of the Treasury, dated November 26, 1935, certifying extraordinary expenditures contributing to the deficiency of postal revenues for the fiscal year 1935, in pursuance of Public Act No. 316, Seventy-first Congress, approved June 9, 1930 (40 Stat. 523)*

WASHINGTON, D. C., November 26, 1935.

The honorable the SECRETARY OF THE TREASURY:

MY DEAR MR. SECRETARY: In accordance with the provisions of the act of June 9, 1930, embodied in section 260, Postal Laws and Regulations, the amounts set forth below with respect to certain mailings during the fiscal year ended

June 30, 1935, are certified to you in order that they may be separately classified on the books of the Treasury Department in stating the expenditures made from the appropriation to supply the deficiency of postal revenues:

(a)	The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by officers of the Government (other than those of the Post Office Department) under the penalty privilege, including registry fees:		
	Postage-----	\$28, 418, 484	
	Registry fees, including surcharges-----	2, 863, 116	
			\$31, 281, 600
(b)	The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by:		
	1. Members of Congress under the franking privilege--	\$577, 162	
	2. By others under the franking privilege-----	180	
			577, 342
(c)	The estimated amount which would have been collected during the year at regular rates of postage on publications going free in the county--		575, 597
(d)	The estimated amount which would have been collected at regular rates of postage on matter mailed free to the blind during the year--		131, 700
(e)	The estimated difference between the postage revenue collected during the year on mailings of newspapers and periodicals published by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, and fraternal organizations, and that which would have been collected at zone rates of postage-----		203, 434
(f)	The estimated excess during the year of the cost of aircraft service over the postage revenues derived from air mail-----		8, 474, 738
(g)	The estimated amount paid during the year to vessels of American registry for carrying the ocean mail in excess of what would have been paid at pound rates if carried in vessels of foreign registry----		28, 292, 841
	Total-----		69, 537, 252

Very truly yours,

W. W. HOWES,  
*Acting Postmaster General.*

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## TABLES

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## EXPLANATION OF BASES USED IN TABLES

Figures in the following tables are shown on various bases, namely: (1) Daily Treasury statements, unrevised (current cash); (2) daily Treasury statements, revised (actual); (3) warrants issued; (4) checks issued; and (5) collections reported by collecting officers.

**Daily Treasury statements (unrevised) (receipts and expenditures).—**The figures shown in the daily statement of the United States Treasury are compiled from the latest daily reports received by the Treasurer of the United States from Treasury officers and public depositaries holding Government funds. The daily Treasury statement, therefore, is a current report compiled from latest available information, and, by reason of the promptness with which the information is obtained and made public, it has come into general use as reflecting the financial operations of the Government covering a given period, and gives an accurate idea of the actual condition of the Treasury as far as it is ascertainable from day to day. This is known as "current cash basis", according to daily Treasury statements (unrevised). Table 3 (p. 316) shows receipts and expenditures on this basis. The current assets and liabilities of the Treasury and the outstanding public debt are also available on this basis.

**Daily Treasury statements (revised) (receipts and expenditures).—**On account of the distance of some of the Treasury offices and depositaries from the Treasury, it is obvious that the reports from all officers covering a particular day's transactions cannot be received and assembled in the Treasury at one time without delaying for several days the publication of the daily Treasury statement. It is necessary, therefore, in order to exhibit the actual receipts and expenditures for any given month or fiscal year, to take into consideration those reports covering the transactions for the last few days of the month or fiscal year concerned which have not been received in the Treasury until the succeeding month or fiscal year, and to eliminate receipts and expenditures relating to the preceding month. After taking into consideration these reports, the revised figures indicate the condition of the Treasury on the basis of actual transactions occurring during the period under review. This is known as "the basis of daily Treasury statements (revised)."

It is not practical to delay the publication of the daily Treasury statement in order to include the later reports, as the difference between the revised and the unrevised figures is immaterial. The unrevised figures as shown in current daily Treasury statements are the basis for the Budget estimates submitted to Congress by the President. The revised figures are of no practical use except to enable the use of a true General Fund balance on the monthly statement of the public debt of the United States and to bring the daily Treasury statement figures into agreement with the figures based on warrants issued. The table on page 173 shows receipts and expenditures on this basis. The current assets and liabilities of the Treasury and the outstanding public debt are also available on this basis.

**Warrants issued (receipts).—**Section 305 of the Revised Statutes provides that receipts for all moneys received by the Treasurer of the United States shall be endorsed upon warrants signed by the Secretary of the Treasury, without which warrants, so signed, no acknowledgement for money received into the Public Treasury shall be valid. The issuance of warrants by the Secretary of the Treasury, as provided by law, represents the formal covering of receipts into the Treasury.

Certificates of deposit covering actual deposits in Treasury offices and depositaries, upon which covering warrants are based, cannot reach the Treasury simultaneously, and for that reason all receipts for a fiscal year cannot be covered into the Treasury by warrants of the Secretary immediately upon the close of that fiscal year. It is necessary to have all certificates of deposit before a statement can be issued showing the total receipts for a particular fiscal year on a warrant basis. The figures thus compiled will agree with the figures compiled on the basis of daily Treasury statements (revised). The details in table 1 (p. 296) show receipts on this basis.

**Warrants issued (expenditures).**—The Constitution of the United States provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law. Section 305 of the Revised Statutes requires that the Treasurer of the United States shall disburse the moneys of the United States upon warrants drawn by the Secretary of the Treasury. As the warrants are issued by the Secretary they are charged against the appropriate appropriations provided by law. Some of these warrants do not represent actual payments to claimants, but are merely advances of funds to be placed to the credit of disbursing officers of the Government with the Treasurer of the United States for the payment of Government obligations. The disbursing officer then issues his check on the Treasurer in payment of such obligations. As far as the appropriation accounts are concerned, the warrants issued and charged thereto constitute expenditures, but it will be observed that such expenditures necessarily include unexpended balances to the credit of the disbursing officers. Under normal conditions these balances over a period of several years fluctuate very little in the aggregate, and the difference between the total expenditures on a warrant basis and a cash basis (revised) is immaterial. Statement of the expenditures on a warrant basis from 1789 to 1915 is shown on page 324 of this report.

**Checks issued (expenditures).**—This basis, more than any other, reflects the real expenditures of the Government. Expenditures for a given fiscal year on the basis of checks issued differ from the corresponding figures on the basis of warrants in that the former include expenditures made by disbursing officers from credits granted during the previous fiscal year, and exclude the amount of unexpended grants remaining to their credit at the end of the fiscal year. The basis of checks issued differs from the basis of the daily Treasury statement (revised) in that the former includes checks outstanding at the end of the fiscal year, and excludes unpaid checks outstanding at the beginning of the fiscal year. A detailed explanation of the basis of checks issued will be found on page 89 of the Secretary's report for 1927. Table 2 (p. 302) shows expenditures on this basis.

**Collections reported by collecting officers (receipts).**—Statements showing receipts on a collection basis are compiled from reports received by the various administrative offices from collecting officers in the field, such as collectors of internal revenue and collectors of customs. These reports cover the collections actually made by these officers during the period specified. The collections are then deposited in a designated Government depository to the credit of the Treasurer of the United States, which depository renders a report to the Treasurer. The reports of the collecting officers and the depositories do not, of course, coincide, for the reason that the collecting officers make collections during the last few days of the fiscal year which are not deposited until after the close of the fiscal year. On this account the two reports do not agree. The receipts are reported on a collection basis merely for statistical purposes and to furnish information as to detailed sources of revenue. Classification of such items on the basis of deposits has been found to be impracticable and uneconomical. Tables 7 and 13 (pp. 341 and 355) show receipts on a collection basis.

## DESCRIPTION OF ACCOUNTS THROUGH WHICH TREASURY OPERATIONS ARE EFFECTED

All receipts of the Government are covered into the General Fund of the Treasury from which all expenditures are made. Receipts and expenditures, however, are classified in the Treasury's records according to the class of accounts through which operations are effected. Transactions are segregated in order to exhibit separately those effected through general fund accounts, as contrasted with those effected through special and trust accounts representing restricted or specially allocated receipts and expenditures chargeable thereto. This classification was first shown in published records for 1927 for the warrants and checks-issued bases and on the daily Treasury statements beginning with the July 1, 1930, issue, in order to conform to the practice of the Bureau of the Budget. In some tables in this report, however, transactions in the three types of accounts are combined for purposes of historical comparison. A brief general explanation of the three classes of accounts is presented below.

**General fund accounts.**—The principal sources of general fund account receipts are income taxes, miscellaneous internal revenue, and customs duties. In addition, a large number of miscellaneous receipts come under this head including such items as proceeds of Government owned securities (except those which are applicable to public debt retirement), sale of surplus and condemned property,

Panama Canal tolls, fees (including consular and passport fees), fines, penalties, forfeitures, rentals, royalties, reimbursements, immigration head tax, sale of public land, tax on national bank circulation, interest on public deposits, seigniorage on coinage of subsidiary silver and minor coins, etc. Moneys represented in the general fund accounts may be withdrawn from the Treasury only in pursuance of appropriations made by Congress. There are four classes of appropriations payable through the general fund accounts of the Treasury, namely: (a) Annual, being those made each year in the several departmental supply bills and limited for obligation during the fiscal year for which made; (b) continuing (no year), being available until expended or until the object for which appropriated has been accomplished, such as construction of public works; (c) permanent-specific, being fixed amounts provided for each of a series of years by permanent legislation, without annual action of Congress; and (d) permanent-indefinite, being indefinite amounts (so much as may be necessary) provided by permanent legislation without annual action of Congress, such as the indefinite appropriation to cover interest on the public debt.

A statement of general fund receipts and expenditures is, therefore, in the nature of a general operating statement, and gives a picture of the relationship between the general revenues of the Government and the operating expenditures (including capital outlays and fixed charges) chargeable against them.

**Special accounts.**—Special account receipts may be generally defined as funds received under special authorizations of law which may be expended only for the particular purposes specified therein. Special account receipts may not be used for the general expenditures of the Government. The most important items of receipts included under this heading, from the standpoint of amounts, are those applicable to the retirement of the public debt. Other important special account receipts are the reclamation fund under the Department of the Interior, funds received for river and harbor improvements, Forest Service cooperative funds, and proceeds from sales of ships, etc., by the United States Shipping Board available for construction loans. There are many other special account receipts of lesser importance.

**Trust accounts.**—Trust account receipts represent moneys received by the Government for the benefit of individuals or classes of individuals. Moneys held in trust, being payable to or for the use of beneficiaries only, are not available for general expenditures of the Government. There are several classes of trust account receipts, the beneficiaries under which may be either individuals or groups of individuals. The funds may represent (a) moneys received directly from or for account of individuals, as in the case of moneys received from foreign governments or other sources in trust for citizens of the United States or others under the act of February 27, 1896; (b) moneys collected as revenues and held in trust, such as the proceeds of sales of Indian lands which are held as interest-bearing funds for the benefit of Indian tribes; and (c) proceeds of grants from the general fund accounts of the Treasury in pursuance of treaty or other obligations such as the perpetual trust fund created for the Ute Indians under section 5 of the act of June 15, 1880.

## RECEIPTS AND EXPENDITURES

## General tables

TABLE 1.—*Details of receipts, by sources and accounts, for the fiscal year 1935*

[Details on basis of warrants issued with totals adjusted to basis of daily Treasury statements (unrevised), see p. 293. For explanation of accounts, see p. 294.]

Source	General and special accounts	Trust and contributed accounts
<b>REVENUE</b>		
<b>Internal revenue:</b>		
Income tax.....	\$1,099,230,382.70	-----
Miscellaneous internal revenue.....	1,658,796,527.21	-----
Processing tax on farm products.....	517,796,894.01	-----
Total internal revenue, warrants-issued basis.....	3,275,823,803.92	-----
Adjustment between warrants issued and cash receipts.....	1,866,223.90	-----
Total internal revenue, cash receipts.....	3,277,690,027.82	-----
<b>Customs:</b>		
Customs duties, warrants-issued basis.....	344,292,569.75	-----
Adjustment between warrants issued and cash receipts.....	939,536.19	-----
Total customs duties, cash receipts.....	343,353,033.56	-----
<b>Miscellaneous:</b>		
<b>Miscellaneous taxes:</b>		
Tax on circulation of national banks.....	4,365,601.32	-----
Tonnage tax.....	1,433,521.86	-----
Immigration head tax.....	796,967.00	-----
Taxes, licenses, fines, etc., Canal Zone.....	71,844.72	-----
Total miscellaneous taxes.....	6,667,934.90	-----
<b>Interest, exchange, and dividends:</b>		
Interest on deferred collections or payments.....	51,518.85	-----
Interest on bonds of foreign governments under funding agreements.....	599,681.47	-----
Interest on obligations of Reconstruction Finance Corporation.....	23,942,120.02	-----
Interest on loans, Puerto Rican Hurricane Relief Commission.....	3,379.00	-----
Interest on loans to States, municipalities, etc., Public Works Administration.....	1,616,288.94	-----
Interest on loans, Housing Corporation, Department of Labor.....	16,104.75	-----
Interest on homestead loans, Virgin Islands.....	2,130.76	-----
Interest on farmers' seed loans.....	265,189.25	-----
Interest on Liberty bond issues fund, Naval Establishment.....	44,625.97	-----
Interest on public deposits.....	160,437.96	-----
Interest on money loaned from construction loan funds (U. S. Shipping Board Bureau).....	2,915,931.18	-----
Interest on miscellaneous obligations.....	86,240.95	-----
Discount on Treasury obligations redeemed and purchased.....	59.51	-----
Gain by exchange.....	26,678.99	-----
Dividends on capital stock of Federal home loan banks.....	1,591,472.67	-----
Dividends on capital stock of the Panama R. R. owned by the United States.....	350,000.00	-----
Dividends on shares of Federal savings and loan associations.....	76,808.28	-----
Earnings of War Finance Corporation.....	100,000.00	-----
Military and naval insurance, Veterans' Administration (repayments to appropriations).....	1,596,182.70	-----
Federal control of transportation systems (repayments to appropriations).....	1,17,774.36	-----
Loans to railroads after termination of Federal control (repayments to appropriations).....	1,334,387.81	-----
Total interest, exchange, and dividends.....	32,797,013.42	-----
<b>Fines and penalties:</b>		
Judicial.....	399,155.81	-----
Internal Revenue.....	21,397.77	-----
Customs Service.....	311,507.99	-----
Immigration Service.....	48,420.79	-----
Enforcement of National Prohibition Act (Judicial).....	73,929.75	-----
Navigation.....	34,735.39	-----
Liquidated damages.....	254,600.87	-----
Naval fines and forfeitures.....	( <sup>2</sup> )	-----
Recovery of value of oil in case of United States against Pan American Petroleum Co.....	5,500,000.00	-----
Other.....	14,406.18	-----
Total fines and penalties.....	6,658,214.55	-----

For footnotes, see p. 302.

TABLE 1.—Details of receipts, by sources and accounts, for the fiscal year 1935—Con.

Source	General and special accounts	Trust and contributed accounts
REVENUE—continued		
<b>Miscellaneous—Continued.</b>		
<b>Fees:</b>		
Agricultural Commodities Act.....	\$68,975.16	-----
Alaska game laws.....	11,554.79	-----
Clerks, United States courts.....	1,778,283.55	-----
Board of Tax Appeals.....	38,065.85	-----
Commissions on telephone pay stations in Federal buildings and rented post offices.....	67,756.32	-----
Credit union.....	10,245.00	-----
Consular and passport.....	3,408,657.26	-----
Court of Customs and Patent Appeals.....	6,382.05	-----
Court of Claims.....	6,613.05	-----
Copying.....	37,928.04	-----
Copyright.....	259,907.90	-----
Immigration (registration).....	91,870.00	-----
Indian lands and timber.....	87,292.17	-----
Land offices (including commissions).....	198,481.12	-----
Marshals, United States courts.....	171,151.19	-----
Migratory-bird hunting stamps.....	466,879.00	-----
Naturalization.....	1,168,507.91	-----
Naval stores grading.....	9,932.75	-----
Navigation.....	179,173.25	-----
Patent.....	4,077,883.08	-----
Purchase of discharges, Navy and Marine Corps.....	3,208.13	-----
Registration, Securities Act.....	105,408.21	-----
Testing.....	59,368.33	-----
Warehouse Act.....	19,750.50	-----
Water and power right.....	11,318.24	-----
Other.....	9,407.18	-----
Total fees.....	12,354,030.03	-----
<b>Forfeitures:</b>		
Bonds of aliens, contractors, etc.....	645,369.23	-----
Bribes to United States officers.....	1,579.04	-----
Customs Service.....	902,544.38	-----
Judicial, miscellaneous.....	33,201.31	-----
Under enforcement of National Prohibition Act (Judicial).....	81,717.69	-----
Unclaimed moneys and wages remaining in registry of courts.....	183,510.89	-----
Unclaimed merchandise.....	75,631.06	-----
Unclaimed funds.....	2,637.40	-----
Unexplained balances in cash accounts.....	209.01	-----
Other.....	20,674.63	-----
Total forfeitures.....	1,947,074.64	-----
<b>Assessments:</b>		
Colorado River Dam fund, Boulder Canyon project.....	95,518.93	-----
Deposits for establishing wool standards.....	25,223.00	-----
Deposits, public survey work, Alaska.....	(?)	-----
Deposits, public survey work, general.....	(?)	-----
On Federal and joint stock land banks, and Federal intermediate credit banks for expenses of examinations, Farm Credit Administration.....	465,138.07	-----
On Federal home loan banks for salaries and expenses, Federal Home Loan Bank Board.....	247,929.10	-----
On railroads for expenses of Federal Coordinator of Transportation.....	526,146.30	-----
German Government's moiety, expenses, Mixed Claims Commission.....	1,048.59	-----
Furlough and compensation deductions and vacancy savings (special deposit accounts).....	3,980.65	-----
Immigration Service overtime.....	68,710.01	-----
Naval hospital fund.....	(?)	-----
Total assessments.....	1,433,694.65	-----
<b>Reimbursements:</b>		
Construction charges (Indian Service).....	15,762.25	-----
Collections under Grain Standards Act.....	51,196.32	-----
Collections under Cotton Standards Act.....	68,286.05	-----
By District of Columbia for advances for acquisition of lands under sec. 4, act May 29, 1930, as amended.....	531,211.94	-----
Maintenance of District of Columbia inmates in Federal penal and correctional institutions.....	122,079.68	-----
Refunds on empty containers.....	11,509.70	-----
Expenses, miscellaneous.....	27,256.94	-----
By contractors for excess cost over contract price.....	155,305.99	-----

For footnotes, see p. 302.

TABLE 1.—Details of receipts, by sources and accounts, for the fiscal year 1935—Con.

Source	General and special accounts	Trust and contributed accounts
<b>REVENUE—continued</b>		
<b>Miscellaneous—Continued.</b>		
<b>Reimbursements—Continued.</b>		
Expenses of redeeming national currency.....	\$463,902.38	
Inspection of food and farm products.....	308,738.68	
Gasoline State tax.....	603.08	
Government property lost or damaged.....	527,474.38	
Hospitalization charges and expenses.....	66,199.54	
Expenses of international service of ice observations and patrol.....	94,621.60	
Under Federal Hunting Stamp Act.....	150,000.00	
Costs from estates of deceased Indians.....	31,833.73	
Maintenance, operation, and irrigation charges, irrigation systems, Indian Service.....	520,016.32	
Of appropriations made for Indian tribes.....	167,843.77	
Reclamation fund, collections.....	2,195,112.87	
Auxiliary reclamation fund, Yuma project, Arizona.....	20,793.38	
Settlement of claims against various depositors.....	5,234.08	
Other.....	85,527.11	
Total reimbursements.....	5,620,509.79	
<b>Gifts and contributions:</b>		
Donations to the United States.....	4,439.28	
Moneys received from known and unknown persons.....	3,552.18	
Return of part of compensation of the President.....	3,437.50	
Return of salary paid to Members of Congress.....	174.97	
Return of salary from constitutional officers.....	1,698.34	
By New York Liberty Loan Association.....	100,000.00	
Total gifts and contributions.....	113,302.27	
<b>Sales of Government property—products:</b>		
Scrap and salvaged materials, condemned stores, waste paper, refuse, etc.....	1,067,223.63	
Agricultural products, including livestock and livestock products.....	44,423.26	
Card indexes, Library of Congress.....	207,637.90	
Dairy products.....	43,185.19	
Electric current, power plant, Coolidge Dam, Ariz.....	5,743.53	
Electric current.....	52,439.79	
Gas from helium plants.....	29,186.71	
Heat, light, and power.....	135,206.39	
Ice.....	56,597.37	
Occupational therapy products.....	54,354.26	
Photo duplications.....	7,424.32	
Public documents, charts, maps, etc.....	447,421.91	
Seal and fox skins, and furs.....	108,447.05	
Subsistence (meals, rations, etc.).....	60,283.03	
Water.....	45,907.24	
Other.....	27,285.12	
Total sales of Government property—products.....	2,392,766.70	
<b>Sales of services:</b>		
Alaska Railroad fund receipts.....	1,500,077.71	
Earnings by United States transports.....	57,546.19	
Earnings from business operations.....	25,892.51	
Fumigating and disinfecting.....	27,032.00	
Laundry and dry-cleaning operations.....	924,255.53	
Livestock breeding service.....	148.30	
Overhead charges on sales of services or supplies (War and Navy).....	87,369.10	
Profits from sale of ships' stores, Navy.....	(?)	
Quarantine charges (including fumigation, disinfection, inspection, etc., of vessels).....	224,716.91	
Quarters, subsistence, and laundry service.....	39,792.13	
Radio service.....	44,225.00	
Storage and other charges.....	164,073.81	
Telephone and telegraph.....	313,549.65	
Tolls and profits, Panama Canal.....	24,020,108.25	
Work done for individuals, corporations et al.....	21,693.81	
Other.....	17,407.18	
Total sales of services.....	27,467,888.08	

For footnotes, see p. 302.

TABLE 1.—Details of receipts, by sources and accounts, for the fiscal year 1935—Con.

Source	General and special accounts	Trust and contributed accounts
REVENUE—continued		
<b>Miscellaneous—Continued.</b>		
<b>Rents and royalties:</b>		
Rent of public buildings, grounds, etc.....	\$231,829.00	-----
Rent of land.....	114,500.49	-----
Receipts under mineral leasing acts.....	3,926,372.44	-----
Royalties on oil, gas, etc.....	639,383.32	-----
Annette Islands reserve, leases, Alaska.....	36,385.23	-----
Rent of equipment.....	83,046.28	-----
Rent of telegraph and telephone facilities.....	18,493.69	-----
Rent of water-power sites.....	75,448.45	-----
Pipe line rentals.....	15,000.00	-----
Rent of docks, wharves, and piers.....	17,256.06	-----
Other.....	1,916.63	-----
Total rents and royalties.....	5,159,631.59	-----
<b>Permits, privileges, and licenses:</b>		
Alaska fund.....	257,305.69	-----
Business concessions.....	181,548.05	-----
Game, bird, and wildlife refuges.....	3,406.09	-----
Immigration permits.....	178,122.84	-----
Licenses under Federal water power act.....	570,504.66	(*)
Permits to enter national parks.....	619,697.21	-----
Pipe-line water and power-transmission rights.....	15,543.00	-----
Other.....	411.00	-----
Total permits, privileges, and licenses.....	1,826,538.54	-----
<b>Mint receipts:</b>		
Profits on coinage, bullion deposits, etc.....	4,139,327.18	-----
Seigniorage.....	68,153,151.60	-----
Total mint receipts.....	62,292,478.78	-----
<b>Forest reserve fund.....</b>	3,361,028.24	-----
<b>Deposits, postal funds, Canal Zone.....</b>	263,574.01	-----
<b>United States share of District of Columbia receipts.....</b>	78,627.46	-----
Total miscellaneous revenue receipts.....	170,434,307.65	-----
Total revenue receipts, warrants—issued basis.....	3,790,550,681.32	-----
NONREVENUE		
<b>Miscellaneous—Realization upon assets:</b>		
<b>Repayments of investments:</b>		
Federal control of transportation systems (repayments to appropriations).....	133,600.00	-----
Loans to railroads after termination of Federal control, etc. (repayments to appropriations).....	16,485,284.98	-----
Repayment of principal on account of loans to railroads, Public Works Administration.....	83,000.00	-----
Repayment of principal on account of loans to States, municipalities, etc., Public Works Administration.....	524,625.95	-----
Principal of bonds of foreign governments under funding agreements.....	66,709.53	-----
Principal of Government-owned securities, sale of war supplies.....	65,968.20	-----
Principal payments on low-cost houses, Virgin Islands.....	17.00	-----
Principal payments on loans, Puerto Rico Hurricane Relief Commission.....	4,686.57	-----
Return of advances made to reclamation fund.....	(*)	-----
Construction costs of public works in Colon and Panama.....	56,386.58	-----
Other.....	124.86	-----
Total repayments of investments.....	7,320,403.67	-----
<b>Sales of public lands.....</b>	86,757.46	-----
<b>Sales of Government property:</b>		
Capital equipment, includes trucks, horses, cars, machinery, furniture, and fixtures, and other capital equipment.....	\$160,063.23	-----
Land and buildings.....	1,253,010.98	-----
Lands, etc., on account of military-post construction fund.....	1,062,212.04	-----
Office material, etc. (Procurement Division).....	9,789.38	-----

For footnotes, see p. 302.

TABLE 1.—Details of receipts, by sources and accounts, for the fiscal year 1935—Con.

Source	General and special accounts	Trust and contributed accounts
NONREVENUE—continued		
<b>Miscellaneous—Realization upon assets—Continued.</b>		
<b>Sales of Government property—Continued.</b>		
Proceeds of sales, building or purchase of vessels for the Coast Guard.....	\$43,991.89	-----
Proceeds of sales, rebuilding and improving Coast Guard stations.....	5,007.48	-----
Coos Bay wagon-road grant fund.....	23,725.51	-----
Oregon and California land-grant fund.....	323,534.07	-----
Ordnance material (war).....	38,647.69	-----
War supplies.....	85,637.78	-----
Other.....	8,688.52	-----
Total sales of Government property.....	3,014,308.57	-----
<b>Miscellaneous:</b>		
<b>Trust accounts:</b>		
Government life insurance fund.....		\$69,757,321.91
Adjusted service certificate fund:		
Interest on investments.....		5,711,035.65
Interest on loans.....		137,162.72
Canal Zone retirement fund:		
Contributions.....		459,198.59
Interest on investments.....		91,031.23
Civil service retirement fund:		
Contributions.....		30,080,204.72
Interest on investments.....		10,822,890.96
Foreign service retirement fund:		
Contributions.....		179,138.00
Interest on investments.....		107,083.29
Interest earned on investments, mutual mortgage insurance fund.....		262,114.75
Deposits of unclaimed moneys of former patients, Veterans' Administration hospitals.....		7,659.69
Deposits, general post funds, national homes, Veterans' Administration.....		114,669.74
Deposits, funds due incompetent beneficiaries, Veterans' Administration.....		37,266.18
Deposits, personal funds of patients, Veterans' Administration.....		2,149,257.23
Relief and rehabilitation, and interest on investments, Employees' Compensation Commission.....		26,323.09
Deposits of miscellaneous contributed funds, Department of Agriculture.....		16,148,295.09
Deposits of collections, United States marshals.....		47,703.01
Deposits of collections, clerks of United States district courts.....		1,376,034.84
Advances, fox and fur seal industries, Pribilof Islands.....		40,911.90
Deposits of commissary funds, Federal prisons.....		266,699.51
Deposits of funds of Federal prisoners.....		547,111.78
Pension money, St. Elizabeths Hospital.....		2.00
Personal funds of patients, St. Elizabeths Hospital.....		142,300.91
Deposits, public survey work, Alaska <sup>2</sup> .....		1,140.00
Deposits, public survey work, general <sup>2</sup> .....		5,825.19
Naval fines and forfeitures <sup>2</sup> .....		204,746.76
Naval hospital fund <sup>2</sup> .....		401,915.82
Profit from sale of ships' stores, Navy <sup>2</sup> .....		209,576.24
Pay of the Navy, deposit fund.....		33,218.47
Pay of the Marine Corps, deposit fund.....		73,829.50
Proceeds, civic fund, naval reservation, Olangapo.....		12,968.61
Settlement of claims, Special Claims Commission under act 2 of convention, April 24, 1924, between the United States and Mexico.....		500,000.00
Internal Revenue, Puerto Rico collections <sup>2</sup> .....		24,647.34
Internal Revenue, coconut oil tax, Philippine Islands <sup>2</sup> .....	17,	142,472.20
Internal Revenue, Philippine Islands, collections <sup>2</sup> .....		474,259.69
Additional income tax on railroads in Alaska <sup>2</sup> .....		2,873.76
Customs duties, Philippine Islands <sup>2</sup> .....		2,492.39
Tonnage tax, Philippine Islands <sup>2</sup> .....		14,706.42
Processing taxes, miscellaneous: <sup>2</sup>		
American Samoa.....		2.41
Canal Zone.....		21,199.58
Island of Guam.....		60.00
Philippine Islands.....		406,627.51
Virgin Islands.....		60.22
Processing taxes, sugar: <sup>2</sup>		
Territory of Hawaii.....		515,021.46
Philippine Islands.....		6,765,332.57
Puerto Rico.....		7,724,022.90
Virgin Islands.....		43,615.70

For footnotes, see p. 302.



TABLE 1.—Details of receipts, by sources and accounts, for the fiscal year 1935—Con.

Source	General and special accounts	Trust and contributed accounts
NONREVENUE—continued		
<b>Miscellaneous—Continued.</b>		
<b>Trust accounts—Continued.</b>		
Pay of the Army, deposit fund.....		\$847,762.99
Soldiers' Home permanent fund.....		279,492.14
Proceeds from estates of deceased soldiers.....		39,036.56
Civilian Conservation Corps, withheld cash allowances.....		1,662,622.52
Indian moneys:		
Proceeds of labor, act June 13, 1930.....		989,696.98
Proceeds of labor, agencies schools, etc.....		228,254.30
Oil and gas leases, etc., Osage Reservation, Okla.....		4,818,837.40
Proceeds of sales and leases of Indian lands, etc.....		659,258.45
Deposits of individual Indian moneys.....		69.78
Miscellaneous (Indians).....		119.47
Deposits of unclaimed moneys of individuals whose whereabouts are unknown.....		9,360.76
Other trust funds.....		53,704.20
Total trust accounts.....		182,689,247.08
<b>Contributed accounts:</b>		
Forest Service cooperative work.....		701,124.22
Collections, distilled spirits industry parity payments.....		763,604.15
Railroad retirement fund:		
Carriers' contributions.....		138,411.89
Employees' contributions.....		2,370.15
Library of Congress gift fund.....		82,147.92
Library of Congress trust fund, investment account.....		1,966.25
Interest on Library of Congress trust fund, investment account.....		34,640.13
Contributions and interest on investments, National Institute of Health, conditional gift fund.....		24,682.81
Interest on endowment fund, preservation of birthplace of Abraham Lincoln.....		2,070.00
Contributions, National Capital Park and Planning Commission.....		50,000.00
Receipts, Welfare and Recreational Association, of public buildings and grounds.....		1,076,792.52
Contributions to reclamation fund.....		469,000.00
Donations, National Park Service.....		504,961.24
Donations for purchase of lands, National Park Service.....		84,324.45
Contributions for roads, bridges, and related works, Alaska.....		57,936.45
Contributions for river and harbor improvements.....		2,521,044.09
Contributions for flood control.....		185,645.85
Contributions for sewerage system, etc., Fort Monroe, Va.....		9,105.59
Other.....		1,000.00
Total contributed accounts.....		6,710,827.71
Total, trust and contributed accounts, exclusive of the District of Columbia.....		189,400,074.79
<b>District of Columbia:</b>		
Revenue receipts:		
District of Columbia share.....		32,172,584.13
United States share.....	(c)	
Nonrevenue receipts:		
District of Columbia share.....		15,786,035.02
Total District of Columbia receipts.....		47,958,619.15
Total nonrevenue receipts.....	\$10,421,469.70	237,358,693.94
Total miscellaneous revenue receipts.....	170,434,307.65	
Total miscellaneous revenue and nonrevenue receipts, including Panama Canal and sales of public lands, warrants-issued basis.....	180,855,777.35	237,358,693.94
Adjustment to basis of daily Treasury statements (unrevised).....	1,431,636.77	7,698,459.59
Total miscellaneous revenue and nonrevenue receipts, including Panama Canal and sales of public lands, cash basis.....	179,424,140.58	229,660,234.35
Total receipts, warrants-issued basis:		
Revenue receipts.....	3,790,550,681.32	
Nonrevenue receipts.....	10,421,469.70	237,358,693.94
	3,800,972,151.02	237,358,693.94

TABLE 1.—Details of receipts, by sources and accounts, for the fiscal year 1935—Con.

Source	General and special accounts	Trust and contributed accounts
NONREVENUE—continued		
Miscellaneous—Continued.		
Increment resulting from reduction in the weight of the gold dollar.....		\$1,722,751.97
Seigniorage <sup>3</sup> .....		140,111,441.47
Total receipts, warrants-issued basis.....	\$3,800,972,151.02	379,192,887.38
Adjustment to basis of daily Treasury statements (unrevised).....	<i>604,949.06</i>	<i>7,683,191.93</i>
Total receipts on basis of daily Treasury statements (unrevised).....	3,800,467,201.96	371,509,695.45

<sup>1</sup> Items of this character represent cash receipts credited to appropriation.

<sup>2</sup> Stated as trust account under "Permanent Appropriation Repeal Act, 1934", (48 Stat. 1224).

<sup>3</sup> In addition to this amount, \$11,211,997.92 was carried to the surplus fund of the Treasury as impounded salary savings and \$11,093,053.57 reserved for impounded salary savings during the fiscal year 1935, under the provisions of the Economy Act of June 30, 1932 (47 Stat., 403, secs. 110 and 203, as amended by secs. 4(a) and 8 of title II, act of Mar. 20, 1933, and sec. 25 of title II, act of Mar. 28, 1934). There were no impounded salary savings or reserve for impounded salary savings for the Postal Service during the fiscal year 1935.

<sup>4</sup> Receipts of \$12,904.89 included in miscellaneous trust accounts.

<sup>5</sup> The act of Apr. 1, 1932 (47 Stat., 78), and sec. 12 of the act of Mar. 3, 1933 (47 Stat., 1427), suspended reimbursement of \$1,000,000 annually to the General Fund of the Treasury until July 1, 1936.

<sup>6</sup> The item of \$78,627.46 United States revenue is shown under revenue receipts, p. 299.

<sup>7</sup> Exclusive of \$78,627.46 United States revenue from District of Columbia sources.

<sup>8</sup> Represents seigniorage resulting from the issuance of silver certificates equal to the cost of the silver acquired under the Silver Purchase Act of 1934 and the amount returned for the silver received under the President's proclamation dated Aug. 9, 1934.

NOTE.—Excess credits and adjustments in italics to be deducted.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935

[Details on basis of checks issued, totals adjusted to daily Treasury statements (unrevised), see p. 293\*  
For explanation of accounts, see p. 294]

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
LEGISLATIVE				
U. S. Senate.....	\$3,278,758.84		\$3,278,758.84	
House of Representatives.....	8,072,788.84		8,072,788.84	
Legislative, miscellaneous.....	4,000.00		4,000.00	
Architect of the Capitol.....	3,233,444.69	\$488,366.53	3,721,811.22	
Botanic Garden.....	98,052.22		98,052.22	
Library of Congress.....	2,196,278.77		2,196,278.77	
Government Printing Office.....	2,900,056.48		2,900,056.48	
Total legislative, checks-issued basis.....	19,783,379.84	488,366.53	20,271,746.37	\$119,825.23
Adjustment between checks issued and cash expenditures.....	<i>159,652.89</i>	<i>2,263.43</i>	<i>161,916.32</i>	
Total, legislative, cash basis..	19,623,726.95	486,103.10	20,109,830.05	(1)
EXECUTIVE OFFICE				
Executive Office, checks-issued basis.....	448,585.59		448,585.59	
Adjustment between checks issued and cash expenditures.....	9,108.18		9,108.18	
Total, Executive Office, cash basis.....	457,693.77		457,693.77	

For footnotes, see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
INDEPENDENT OFFICES				
Alien Property Custodian.....	(2)			(2)
American Battle Monuments Commission.....	\$237,798.08		\$237,798.08	
Aviation Commission.....	51,886.21		51,886.21	
Board of Mediation.....	(3)			
Board of Tax Appeals.....	520,688.39		520,688.39	\$5,181.08
Central Statistical Board.....		(4)		
Chicago World's Fair Centennial Celebration.....	197,762.12		197,762.12	
Civil Service Commission.....	1,893,443.47		1,893,443.47	(5)
California Pacific International Exposition.....	131,086.40		131,086.40	
Electric Home and Farm Authority, Inc.....		\$741,678.14	741,678.14	
Employees' Compensation Commission.....	4,530,363.71		4,530,363.71	9,104.39
Executive Council.....		13,918.94	13,918.94	
Federal Alcohol Control Administration.....		370,454.35	370,454.35	
Federal Communications Commission.....	1,073,912.07		1,073,912.07	11,532.11
Federal Coordinator of Transportation.....	523,307.79	164,774.05	688,081.84	
Federal Deposit Insurance Corporation.....	8,029.30		8,029.30	
Federal Farm Mortgage Corporation.....	4,083.86		4,083.86	
Federal Home Loan Bank Board.....	309,334.23	314,280.71	623,616.94	
Federal Housing Administration.....		(6)		
Federal Power Commission.....	328,852.04	535,859.37	864,711.41	
Federal Radio Commission.....	(7)			
Federal Reserve Board.....	34.40		34.40	
Federal Savings and Loan Associations.....		(8)		
Federal Surplus Relief Corporation.....		(9)		964.17
Federal Trade Commission.....	1,470,747.11	52,233.44	1,522,980.55	29,348.03
General Accounting Office.....	4,680,665.55	361,860.82	5,042,527.47	4,201.75
Home Owners' Loan Corporation.....	11,599.85		11,599.85	
Interstate Commerce Commission.....	5,567,483.02		5,567,483.02	30,000.00
National Advisory Committee for Aeronautics.....	794,771.79	350,953.61	1,145,725.40	133.50
National Archives.....	33,282.46		33,282.46	
National Banking Emergency Act.....	84,438.62		84,438.62	
National Capital Park and Planning Commission.....	254,637.18		254,637.18	11,212.35
National Emergency Council.....		889,295.52	889,295.52	
National Labor Board.....		4,779.04	4,779.04	
National Mediation Board.....	223,137.57		223,137.57	
National Resources Board.....		955,617.00	955,617.00	
Office of Special Advisor to the President on Foreign Trade.....		294,533.54	294,533.54	
Petroleum Administration.....		(10)		
Prison Industries Fund.....	150,955.78		150,955.78	
Puerto Rican Hurricane Relief Commission.....	(11)			
Railroad Administration and Transportation Act.....	53,715.14		53,715.14	
Railroad Retirement Board.....				126,466.16
Securities and Exchange Commission.....	1,406,478.22		1,406,478.22	134,145.86
Smithsonian Institution.....	650,860.26		650,860.26	
U. S. Supreme Court Building (building).....	1,803,951.77		1,803,951.77	
U. S. Tariff Commission.....	871,984.75		871,984.75	
War Finance Corporation.....	23,838.51		23,838.51	
Welfare and Recreational Association of Public Buildings and Grounds.....	161,108.78		161,108.78	839,919.78
Miscellaneous commissions, boards, etc.: District of Columbia-Virginia Boundary Commission.....	15,291.17		15,291.17	
George Washington Bicentennial Commission.....	34,217.08		34,217.08	
Operations under Mineral Act of Oct. 5, 1918.....	65,078.67		65,078.67	
Special deposit accounts.....				57,519.58

For footnotes, see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>INDEPENDENT OFFICES—continued</b>				
Miscellaneous commissions, boards, etc.—Continued.				
Total of the above independent offices, exclusive of civil service retirement fund, and Canal Zone retirement fund, checks-issued basis.....	\$28, 073, 656. 61	\$5, 050, 238. 53	\$33, 123, 895. 14	\$884, 107. 38
Adjustment between checks issued and cash expenditures.....	1, 399, 421. 96	559, 273. 14	840, 148. 82	-----
Total of the above independent offices, cash basis.....	29, 473, 078. 57	4, 490, 965. 30	33, 964, 043. 96	(1)
Civil service retirement and disability fund <sup>12</sup> .....	20, 850, 000. 00	-----	20, 850, 000. 00	40, 744, 030. 20
Canal Zone retirement fund <sup>12</sup> .....	-----	-----	-----	574, 043. 10
Total, checks-issued basis.....	20, 850, 000. 00	-----	20, 850, 000. 00	41, 318, 073. 30
Total, cash basis.....	20, 850, 000. 00	-----	20, 850, 000. 00	(1)
<b>Veterans' Administration:</b>				
Salaries and expenses.....	76, 938, 830. 16	-----	76, 938, 830. 16	-----
Adjusted service and dependent pay.....	1, 361, 401. 81	-----	1, 361, 401. 81	-----
Hospital and domiciliary facilities and services.....	1, 344, 533. 77	-----	1, 344, 533. 77	-----
Military and naval compensation.....	602, 691. 14	-----	602, 691. 14	-----
Military and naval insurance.....	100, 783, 300. 42	-----	100, 783, 300. 42	-----
Printing and binding.....	128, 800. 90	-----	128, 800. 90	-----
National Industrial Recovery, Veterans' Administration.....	-----	1, 485, 854. 10	1, 485, 854. 10	-----
Army and Navy pensions.....	373, 804, 501. 38	-----	373, 804, 501. 38	-----
Private relief acts.....	10, 460. 33	-----	10, 460. 33	-----
Miscellaneous items.....	45, 100. 38	-----	45, 100. 38	1, 483, 998. 89
Special deposit accounts.....	1, 242, 960. 15	-----	1, 242, 960. 15	119, 525. 65
Total, Veterans' Administration, exclusive of adjusted service certificate fund, civil service retirement fund, Canal Zone retirement fund, and Government life insurance fund, checks-issued basis.....	556, 262, 580. 44	1, 485, 854. 10	557, 748, 434. 54	1, 364, 473. 24
Adjustment between checks issued and cash expenditures.....	689, 306. 13	5, 596. 27	683, 709. 86	-----
Total, Veterans' Administration, exclusive of adjusted service certificate fund, civil service retirement fund, Canal Zone retirement fund, and Government life insurance fund, cash basis.....	555, 573, 274. 31	1, 491, 450. 37	557, 064, 724. 68	(1)
Adjusted service certificate fund.....	50, 000, 000. 00	-----	50, 000, 000. 00	6, 407, 299. 68
Civil service retirement and disability fund.....	(13)	-----	-----	(13)
Canal Zone retirement fund.....	-----	-----	-----	(13)
Government life insurance fund.....	-----	-----	-----	68, 766, 042. 15
Total, checks-issued basis.....	50, 000, 000. 00	-----	50, 000, 000. 00	75, 173, 341. 83
Total, cash basis.....	50, 000, 000. 00	-----	50, 000, 000. 00	(1)
Total, Veterans' Administration, cash basis.....	605, 573, 274. 31	1, 491, 450. 37	607, 064, 724. 68	(1)

For footnotes, see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>INDEPENDENT OFFICES—continued</b>				
<i>Federal Emergency Administration of Public Works</i>				
Administrative expenses.....	-----	\$14,701,466.93	\$14,701,466.93	-----
Loans and grants to States, municipalities, railroads, etc.....	-----	200,720,433.54	200,720,433.54	-----
Conversion of inhabited alleys fund, District of Columbia.....	-----	61,366.09	61,366.09	-----
Total, Federal Emergency Administration of Public Works, checks-issued basis.....	-----	215,483,266.56	215,483,266.56	-----
Adjustment between checks issued and cash expenditures.....	-----	3,015,906.45	3,015,906.45	-----
Total, Federal Emergency Administration of Public Works, cash basis.....	-----	218,499,173.01	218,499,173.01	-----
<i>Farm Credit Administration</i>				
Salaries and expenses.....	\$2,312,388.52	-----	2,312,388.52	-----
Agricultural marketing revolving fund.....	5,921,067.72	-----	5,921,067.72	-----
Revolving fund (emergency account, Farm Credit Act).....	7,500,000.00	-----	7,500,000.00	-----
Farmers' crop production and harvesting loans.....	-----	42,348,010.99	42,348,010.99	-----
Agricultural credits and rehabilitation, emergency relief.....	1,712,850.46	-----	1,712,850.46	-----
Loans to farmers in storm, flood, and drought-stricken areas.....	748,894.73	-----	748,894.73	-----
Loans and relief in stricken agricultural areas (transfer to Farm Credit Administration.....	-----	72,394,256.08	72,394,256.08	-----
Miscellaneous items.....	3,740.68	-----	3,740.68	-----
Special deposit accounts.....	213,982.23	-----	213,982.23	\$1,249,170.20
Total, Farm Credit Administration, checks-issued basis.....	13,489,433.96	114,742,267.07	128,231,701.03	1,249,170.20
Adjustments between checks issued and cash expenditures.....	510,372.96	2,915,088.46	3,425,461.42	-----
Total, Farm Credit Administration, cash basis.....	12,979,061.00	111,827,178.61	124,806,239.61	(1)
<i>Miscellaneous</i>				
Commodity Credit Corporation.....	-----	426,402.70	426,402.70	-----
Emergency Conservation Work.....	-----	346,729,552.17	346,729,552.17	-----
Export-Import Banks of Washington.....	-----	2,786.41	2,786.41	-----
Federal Civil Works Administration.....	5,991.78	11,570,174.29	11,576,166.07	-----
Federal Housing Administration.....	-----	999,841.41	999,841.41	277,218.871
Federal Emergency Housing Corporation.....	-----	8,846,462.42	8,846,462.42	-----
Federal Emergency Relief Administration.....	-----	1,316,974,176.55	1,316,974,176.55	-----
Administration for Industrial Recovery.....	-----	12,632,862.30	12,632,862.30	-----
Subsistence homesteads.....	-----	4,113,299.65	4,113,299.65	-----
Resettlement Administration.....	-----	2,256,304.00	2,256,304.00	-----
Rural Electrification Administration.....	-----	30,258.12	30,258.12	-----
Tennessee Valley Authority.....	-----	36,541,761.82	36,541,761.82	-----
Total miscellaneous, checks-issued basis.....	5,991.78	1,741,123,881.84	1,741,129,873.62	277,218.87
Adjustment between checks issued and cash expenditures.....	5,991.78	82,641,334.20	82,635,342.42	-----
Total miscellaneous, cash basis.....	-----	1,823,765,216.04	1,823,765,216.04	(1)
Total, independent offices, cash basis.....	668,875,413.88	2,160,073,983.42	2,828,949,397.30	(1)

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>DEPARTMENT OF AGRICULTURE</b>				
Office of the Secretary.....	\$608,827.87	\$95,696.74	\$704,524.61	
Office of Information.....	1,015,475.15		1,015,475.15	
Library, Department of Agriculture.....	90,619.97		90,619.97	
Office of Experiment Stations.....	4,601,021.01		4,601,021.01	
Extension Service.....	867,567.78		867,567.78	
Cooperative agricultural extension work.....	8,579,539.70		8,579,539.70	
Weather Bureau.....	3,187,501.53	90,136.55	3,277,638.08	
Bureau of Animal Industry.....	5,871,837.00	682,872.08	6,554,709.08	
Meat Inspection, Bureau of Animal Industry.....	4,972,641.48		4,972,641.48	
Bureau of Dairy Industry.....	570,974.10	130,376.49	701,350.59	
Bureau of Plant Industry.....	3,609,089.80	1,193,453.91	4,802,543.71	
Forest Service.....	11,222,211.23	6,888,588.44	18,110,799.67	
Cooperative work, Forest Service.....				\$674,905.05
Payment to States and Territories from national-forests fund.....	844,642.23		844,642.23	
Acquisition of lands for protection of watersheds and streams.....	104,573.12		104,573.12	
Bureau of Chemistry and Soils.....	1,396,377.29	121,102.80	1,517,480.09	
Bureau of Entomology and Plant Quarantine.....	5,073,542.66	2,628,686.17	7,702,228.83	
Bureau of Biological Survey.....	1,215,070.14	666,579.27	1,881,649.41	
Bureau of Agricultural Economics.....	5,253,768.41		5,253,768.41	
Bureau of Agricultural Engineering.....	365,792.83	120,937.83	486,730.66	
Bureau of Home Economics.....	186,298.16		186,298.16	
Enforcement of the Grain Futures Act.....	188,602.90		188,602.90	
Food and Drug Administration.....	1,638,539.63	30,558.45	1,669,098.08	
Conservation Service.....	165,748.74	9,828,994.58	9,994,743.32	
Agriculture, miscellaneous.....	299,352.80	348,640.03	647,992.83	13,792,762.42
Special deposit accounts.....	201,397.62		201,397.62	19,133,863.72
Total, Agriculture, departmental, checks-issued basis.....	61,728,212.91	22,826,623.34	84,554,836.25	4,666,196.25
Adjustment between checks issued and cash expenditures.....	308,598.99	7,103,676.59	6,795,077.60	
Total, Agriculture, departmental, cash basis.....	62,036,811.90	15,722,946.75	77,759,758.65	(1)
<b>Agricultural Adjustment Administration:</b>				
Advances to Agricultural Adjustment Administration.....	563,539,384.58		563,539,384.58	
Advances to Secretary of Agriculture for cotton.....		22,500,000.00	22,500,000.00	
Advances to Department of Agriculture under Tobacco Act of June 28, 1934.....	371,220.03		371,220.03	
National Industrial Recovery, Agricultural Adjustment Administration, National Recovery Administration, codes.....		432,882.95	432,882.95	
Refunding processing tax on farm products.....	32,064,815.96		32,064,815.96	
National Industrial Recovery.....		34,240,895.18	34,240,895.18	
Salaries and general expenses.....		87,520,785.81	87,520,785.81	
Processing taxes.....				19,593.36
Administration of the Cotton Act of 1934.....	8,228,648.54		8,228,648.54	
Purchase of sugar from processing taxes.....	365,536.44		365,536.44	
Total, Agricultural Adjustment Administration, checks-issued basis.....	604,569,605.55	144,694,563.94	749,264,169.49	19,593.36
Adjustment between checks issued and cash expenditures.....	11,821,128.84	5,584,270.62	6,236,858.22	
Total, Agricultural Adjustment Administration, cash basis.....	592,748,476.71	150,278,834.56	743,027,311.27	(1)

For footnotes, see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>DEPARTMENT OF AGRICULTURE—continued</b>				
Public highways:				
National Industrial Recovery	-----	\$235,553,490.97	\$235,553,490.97	-----
Road construction	-----	67,718,976.57	67,718,976.57	-----
Flood relief for restoration of roads and bridges	-----	144,418.60	144,418.60	-----
Roads and trails for States, national-forests fund	-----	326,237.37	326,237.37	-----
Total, public highways, checks-issued basis	-----	303,743,123.51	303,743,123.51	-----
Adjustment between checks issued and cash expenditures	-----	13,613,816.54	13,613,816.54	-----
Total, public highways, cash basis	-----	317,356,940.05	317,356,940.05	-----
Department of Agriculture—relief: Loans and relief in stricken agricultural areas, checks-issued basis	-----	80,891,499.89	80,891,499.89	-----
Adjustment between checks issued and cash expenditures	-----	330,249.90	330,249.90	-----
Total, Department of Agriculture—relief-cash basis	-----	80,561,249.99	80,561,249.99	-----
Total, Department of Agriculture, cash basis	\$654,785,288.61	563,919,971.35	1,218,705,259.96	(1)
<b>DEPARTMENT OF COMMERCE</b>				
Office of the Secretary	775,176.71	-----	775,176.71	-----
Federal Employment Stabilization Board	30,550.39	-----	30,550.39	-----
Aircraft in commerce	4,901,683.50	1,947,462.42	6,849,145.92	-----
Bureau of Foreign and Domestic Commerce	2,457,906.56	-----	2,457,906.56	-----
Bureau of Census	4,525,681.01	-----	4,525,681.01	-----
Bureau of Navigation and Steamboat Inspection Service	1,364,058.33	71,920.85	1,435,979.18	\$5,449.38
Bureau of Standards	1,434,867.90	24,654.31	1,459,522.21	-----
Bureau of Lighthouses	9,001,572.13	3,438,712.23	12,440,284.36	-----
Coast and Geodetic Survey	2,083,294.33	4,432,786.17	6,516,080.50	.04
Bureau of Fisheries	1,335,346.42	271,761.46	1,607,107.88	11,250.25
Patent Office	4,149,211.20	-----	4,149,211.20	-----
U. S. Shipping Board Bureau	(6)	-----	-----	-----
Commerce, miscellaneous	8,574.85	-----	8,574.85	-----
Special deposit accounts	10,577.87	-----	10,577.87	28,743.79
Total, Commerce, departmental, checks-issued basis	32,061,351.50	10,187,297.44	42,248,648.94	12,044.20
Adjustment between checks issued and cash expenditures	254,385.17	10,586.25	264,971.42	-----
Total, Commerce, departmental, cash basis	32,315,736.67	10,197,883.69	42,513,620.36	(1)
U. S. Shipping Board Bureau: Checks-issued basis	21,680,838.21	-----	21,680,838.21	-----
Adjustment between checks issued and cash expenditures	332,565.30	-----	332,565.30	-----
Total, U. S. Shipping Board Bureau, cash basis	21,348,272.91	-----	21,348,272.91	-----
Total, Department of Commerce, cash basis	10,967,463.76	10,197,883.69	21,165,347.45	(1)
<b>DEPARTMENT OF THE INTERIOR</b>				
Office of the Secretary	1,282,005.59	1,356,498.17	2,638,503.76	-----
Division of Geographic Names	6,475.71	-----	6,475.71	-----
Mount Rushmore National Memorial Commission	55,045.58	-----	55,045.58	-----

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
DEPARTMENT OF THE INTERIOR— continued				
Commission of Fine Arts.....	\$8,981.07	-----	\$8,981.07	-----
George Rogers Clark Sesquicentennial Commission.....	127,804.52	-----	127,804.52	-----
General Land Office.....	2,570,331.52	\$534,304.70	3,104,636.22	\$13,140.30
Bureau of Reclamation.....	1,417,725.98	15,644,679.42	17,062,405.40	265,595.82
Boulder Canyon project.....	(6)	-----	-----	-----
Geological Survey.....	1,394,202.87	2,911,225.89	4,305,428.76	-----
National Park Service.....	6,919,845.95	13,594,340.62	20,514,186.57	200,918.67
Office of Education.....	14,146,228.13	-----	14,146,228.13	-----
Federal Board for Vocational Education.....	(15)	-----	-----	-----
Division of Territories and Island Possessions.....	35,642.52	4,718.46	40,360.98	-----
Government in the Territories.....	3,294,885.64	1,611,100.98	4,905,986.62	51,571.08
Beneficiaries.....	2,096,991.67	1,099,151.06	3,196,142.73	116,159.91
Bureau of Mines.....	1,357,095.76	201,815.36	1,558,911.12	-----
U. S. Geographic Board.....	(16)	-----	-----	-----
Interior, civil, miscellaneous.....	163,255.62	95,808.10	259,063.72	-----
Special deposit accounts.....	284,359.11	-----	284,359.11	48,835.46
Indian Affairs:				
Salaries and general expenses.....	1,404,056.82	6,973,279.92	8,377,336.74	-----
Education.....	8,139,573.11	-----	8,139,573.11	-----
General support and administration.....	2,270,846.50	-----	2,270,846.50	-----
Miscellaneous expenses of Indian Service.....	6,513,418.04	1,951,734.76	8,465,152.80	-----
Interest on Indian tribal funds.....	665,991.50	-----	665,991.50	-----
Tribal funds.....	-----	-----	-----	7,166,915.77
Special deposit accounts.....	1.69	-----	1.69	6,109,322.17
Total, Interior, departmental, including Indian Affairs, but excluding Boulder Canyon project, checks-issued basis.....	54,154,791.52	45,978,657.44	100,133,448.96	1,656,143.92
Adjustment between checks issued and cash expenditures.....	1,056,706.60	7,157,376.56	8,214,083.16	-----
Total, Interior, departmental, including Indian Affairs, but excluding Boulder Canyon project, cash basis.....	55,211,498.12	53,136,034.00	108,347,532.12	(1)
Boulder Canyon project:				
Checks-issued basis.....	-----	23,986,982.38	23,986,982.38	-----
Adjustment between checks issued and cash expenditures.....	-----	166,475.34	166,475.34	-----
Total, Boulder Canyon project, cash basis.....	-----	23,820,507.04	23,820,507.04	(1)
Total, Department of the Interior, cash basis.....	55,211,498.12	76,956,541.04	132,168,039.16	(1)
DEPARTMENT OF JUSTICE				
Office of the Attorney General:				
Salaries and expenses.....	1,791,923.83	-----	1,791,923.83	-----
Miscellaneous objects.....	523,637.43	-----	523,637.43	-----
Bureau of Prisons, salaries and expenses.....	197,681.84	-----	197,681.84	-----
Division of Accounts.....	130,303.34	-----	130,303.34	-----
Division of Investigation.....	4,526,697.82	-----	4,526,697.82	-----
Alcohol Beverage Unit.....	216,989.60	-----	216,989.60	-----
Bureau of Prohibition.....	11,965.35	-----	11,965.35	-----
Veterans' Insurance Litigation.....	572,898.66	-----	572,898.66	-----
Alien Property Custodian.....	1,678.68	-----	1,678.68	50,248.85
The Judiciary:				
Salaries and expenses, Supreme Court.....	328,794.60	-----	328,794.60	-----
Salaries and expenses of judges.....	2,251,718.34	-----	2,251,718.34	-----
Court of Customs and Patent Appeals.....	91,421.38	-----	91,421.38	-----

For footnotes, see p. 315.



TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>DEPARTMENT OF JUSTICE—contd.</b>				
<b>The Judiciary—Continued.</b>				
United States Customs Court.....	\$218, 479. 50	-----	\$218, 479. 50	-----
Court of Claims.....	225, 723. 67	-----	225, 723. 67	-----
Territorial courts.....	85, 181. 25	-----	85, 181. 25	-----
Panama Canal Zone, salaries, District Court.....	43, 426. 89	-----	43, 426. 89	-----
United States Court for China, salaries and expenses <sup>16</sup> .....	51, 305. 73	-----	51, 305. 73	-----
Expenses, etc., United States courts.....	12, 573, 761. 47	-----	12, 573, 761. 47	-----
Judicial, miscellaneous.....	58, 763. 94	-----	58, 763. 94	\$168. 54
Private Relief Acts.....	103, 251. 67	-----	103, 251. 67	-----
Special deposit accounts.....	109, 325. 80	-----	109, 325. 80	196, 411. 74
Penal and correctional institutions.....	8, 210, 484. 97	\$511, 228. 49	8, 721, 713. 46	767, 883. 53
Total, Department of Justice, checks-issued basis.....	32, 301, 485. 06	511, 228. 49	32, 812, 713. 55	521, 391. 48
Adjustment between checks issued and cash expenditures.....	22, 807. 55	20, 475. 32	2, 332. 23	-----
Total, Department of Justice, cash basis.....	32, 278, 677. 51	531, 703. 81	32, 810, 381. 32	(1)
<b>DEPARTMENT OF LABOR</b>				
Office of the Secretary.....	775, 966. 53	76, 374. 78	852, 341. 31	-----
Bureau of Labor Statistics.....	679, 310. 56	173, 622. 49	852, 933. 05	-----
Bureau of Immigration and Naturalization.....	8, 915, 528. 73	117, 274. 04	9, 032, 802. 77	313. 50
Children's Bureau.....	342, 155. 35	-----	342, 155. 35	-----
Women's Bureau.....	147, 030. 65	-----	147, 030. 65	-----
U. S. Employment Service.....	1, 884, 294. 35	5, 134, 907. 06	7, 019, 201. 41	-----
Employment Service.....	140. 92	-----	140. 92	-----
National Labor Relations Board.....	-----	624, 637. 14	624, 637. 14	-----
National Longshoremen's Labor Board.....	-----	24, 997. 49	24, 997. 49	-----
National Steel Labor Relations Board.....	-----	43, 019. 36	43, 019. 36	-----
Textile Labor Relations Board.....	-----	208, 996. 97	208, 996. 97	-----
Housing Corporation.....	6, 858. 69	-----	6, 858. 69	-----
Labor, miscellaneous.....	37, 099. 78	-----	37, 099. 78	641. 00
Special deposit accounts.....	-----	-----	-----	237, 496. 87
Total, Department of Labor, checks-issued basis.....	12, 788, 385. 56	6, 403, 829. 33	19, 192, 214. 89	236, 542. 37
Adjustment between checks issued and cash expenditures.....	223, 772. 09	143, 199. 07	80, 573. 02	-----
Total, Department of Labor, cash basis.....	13, 012, 157. 65	6, 260, 630. 26	19, 272, 787. 91	(1)
<b>NAVY DEPARTMENT</b>				
Salaries, Navy Department.....	3, 586, 102. 95	-----	3, 586, 102. 95	-----
Contingent expenses, etc.....	562, 980. 16	-----	562, 980. 16	-----
Office of the Secretary.....	1, 422, 628. 73	1, 583, 129. 03	3, 005, 757. 76	1, 350. 33
Bureau of Navigation.....	4, 704, 031. 17	-----	4, 704, 031. 17	22, 208. 67
Bureau of Engineering.....	14, 582, 062. 23	32, 600. 56	14, 614, 662. 79	-----
Bureau of Construction and Repair.....	14, 384, 732. 95	-----	14, 384, 732. 95	-----
Bureau of Ordnance.....	11, 770, 704. 08	115, 833. 17	11, 886, 537. 25	-----
Bureau of Supplies and Accounts:				
Fuel and transportation.....	6, 796, 544. 97	-----	6, 796, 544. 97	-----
Maintenance.....	7, 760, 958. 94	-----	7, 760, 958. 94	-----
National Industrial Recovery, Navy, Supplies and Accounts.....	-----	76, 236. 08	76, 236. 08	-----
Naval supply account fund.....	12, 283, 034. 35	-----	12, 283, 034. 35	-----
Pay, subsistence, and transportation, Navy.....	149, 457, 577. 35	-----	149, 457, 577. 35	-----
Naval working fund.....	12, 757, 010. 26	-----	12, 757, 010. 26	-----
Other items.....	2, 311, 013. 05	-----	2, 311, 013. 05	254, 156. 51
Bureau of Medicine and Surgery.....	2, 021, 550. 16	-----	2, 021, 550. 16	1, 159, 086. 37
Bureau of Yards and Docks.....	2, 539, 869. 03	12, 587, 919. 41	10, 048, 050. 38	5, 525. 10
Bureau of Aeronautics.....	17, 302, 861. 11	4, 480, 368. 54	21, 783, 229. 65	-----
Naval Academy.....	1, 682, 425. 10	-----	1, 682, 425. 10	-----

For footnotes, see p. 315.

TABLE 2.—*Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued*

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>NAVY DEPARTMENT—continued</b>				
Marine Corps:				
Pay	\$15,152,840.74		\$15,152,840.74	
General expenses	5,813,720.51		5,813,720.51	
Other items	253,516.66		253,516.66	\$113,010.99
Alterations to naval vessels	2,736,866.53		2,736,866.53	
Increase of the Navy:				
Armor, armament, and ammunition	11,803,745.60		11,803,745.60	
Emergency construction		\$9,092,674.45	9,092,674.45	
Construction and machinery	27,105,781.72		27,105,781.72	
National Industrial Recovery, Navy allotment		84,736,432.25	84,736,432.25	
Navy, miscellaneous	576,026.78		576,026.78	19.37
General account of advances	72,095.31		72,095.31	
Special deposit accounts	141,539.27		141,539.27	1,978.91
<b>Total, Navy Department, checks-issued basis</b>	<b>324,502,481.65</b>	<b>112,705,193.49</b>	<b>437,207,675.14</b>	<b>1,553,378.43</b>
Adjustment between checks issued and cash expenditures	3,091,951.22	2,332,136.11	759,815.11	
<b>Total, Navy Department, cash basis</b>	<b>321,410,530.43</b>	<b>115,037,329.60</b>	<b>436,447,860.03</b>	<b>(1)</b>
<b>POST OFFICE DEPARTMENT</b>				
Salaries and expenses, public buildings, Post Office Department	\$3,089.06		33,089.06	
Private relief acts	58,836.22		58,836.22	
Deficiencies in the postal revenues	(9)			
Miscellaneous expenses, Postal Service	8,112.31		8,112.31	65.00
<b>Total, Post Office, departmental, exclusive of postal deficiency and Postal Service payable from postal revenues, checks-issued basis</b>	<b>17,634.85</b>		<b>17,634.85</b>	<b>65.00</b>
Adjustment between checks issued and cash expenditures	31,893.01		31,893.01	
<b>Total, Post Office, departmental, exclusive of postal deficiency and Postal Service payable from postal revenues, cash basis</b>	<b>14,258.16</b>		<b>14,258.16</b>	<b>(1)</b>
Deficiencies in the postal revenues checks-issued and cash basis	63,970,404.80		63,970,404.80	
<b>Total, Post Office Department, exclusive of Postal Service payable from postal revenues, cash basis</b>	<b>17 63,956,146.64</b>		<b>63,956,146.64</b>	<b>(1)</b>
<b>DEPARTMENT OF STATE</b>				
Office of the Secretary	1,990,260.51		1,990,260.51	
Foreign intercourse	13,707,688.05	2,596,029.91	16,303,717.96	13,195.00
Special deposit accounts	462.55		462.55	82,147.81
Foreign Service retirement fund	(9)			
<b>Total, State, departmental, checks-issued basis</b>	<b>15,698,411.11</b>	<b>2,596,029.91</b>	<b>18,294,441.02</b>	<b>18,952.81</b>
Adjustment between checks issued and cash expenditures	162,368.51	62,986.17	225,354.68	
<b>Total, State, departmental, cash basis</b>	<b>15,860,779.62</b>	<b>2,659,016.08</b>	<b>18,519,795.70</b>	<b>(1)</b>
Foreign Service retirement fund, checks-issued basis	159,100.00		159,100.00	302,433.04
<b>Total, Foreign Service retirement fund, cash basis</b>	<b>159,100.00</b>		<b>159,100.00</b>	<b>(1)</b>
<b>Total, Department of State, cash basis</b>	<b>16,019,879.62</b>	<b>2,659,016.08</b>	<b>18,678,895.70</b>	<b>(1)</b>

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>TREASURY DEPARTMENT</b>				
Office of the Secretary.....	\$265,566.09	\$402,242.20	\$667,808.29	-----
Office of Solicitor of the Treasury.....	57.42	-----	57.42	-----
Office of Chief Clerk and Superintendent.....	638,243.56	-----	638,243.56	-----
Division of Printing.....	1,256,973.37	-----	1,256,973.37	-----
Office of Commissioner of Accounts and Deposits.....	103,332.32	-----	103,332.32	-----
Division of Bookkeeping and Warrants.....	1,151,693.65	-----	1,151,693.65	-----
Division of Disbursement.....	1,448,456.07	-----	1,448,456.07	-----
Public Debt Service.....	5,139,800.77	-----	5,139,800.77	\$42,292.24
Division of Appointments.....	41,648.83	-----	41,648.83	-----
Bureau of Customs:				
Collecting the revenue from customs.....	19,471,318.93	-----	19,471,318.93	-----
Miscellaneous expenses.....	1,243.97	-----	1,243.97	949.57
Refunds, debentures, drawbacks, etc.....	(6)	-----	-----	-----
Bureau of the Budget.....	153,180.75	-----	153,180.75	-----
Office of Treasurer of United States.....	1,494,864.39	-----	1,494,864.39	-----
Office of Comptroller of the Currency.....	260,410.09	-----	260,410.09	-----
Bureau of Internal Revenue:				
Collecting the revenue.....	42,124,931.63	-----	42,124,931.63	-----
Refunds, debentures, drawbacks, etc.....	(6)	-----	-----	-----
Bureau of Industrial Alcohol, salaries and expenses.....	71.64	-----	71.64	-----
Bureau of Prohibition, enforcement of narcotic and national prohibition acts.....	256.07	-----	256.07	-----
Bureau of Narcotics.....	1,224,760.73	-----	1,224,760.73	-----
Coast Guard.....	19,747,835.60	4,957,863.50	24,705,699.10	-----
Bureau of Engraving and Printing.....	5,068,668.01	-----	5,068,668.01	-----
Secret Service Division.....	760,852.46	-----	760,852.46	-----
Public Health Service.....	9,483,628.31	717,638.60	10,201,266.91	12,859.35
Bureau of the Mint.....	882,413.77	-----	882,413.77	-----
Treasury, miscellaneous:				
To promote the education of the blind.....	75,000.00	-----	75,000.00	-----
Outstanding liabilities (trust account).....	-----	-----	-----	1,201,202.77
Private relief acts.....	165,671.05	-----	165,671.05	-----
Other items.....	65,117.31	971.95	64,145.36	-----
Special deposit accounts.....	1,507,075.19	-----	1,507,075.19	1,448,944.16
Miscellaneous accounts:				
Emergency relief, Treasury, administrative expenses.....	-----	29,950.95	29,950.95	-----
Expenses, emergency banking, gold reserve, and silver purchase acts.....	3,730,866.49	-----	3,730,866.49	-----
Procurement Division:				
Procurement division supply branch.....	96,768.18	-----	96,768.18	-----
Repairs, equipment, etc., public buildings.....	1,914,631.05	-----	1,914,631.05	-----
Operating expenses, public buildings.....	2,308,460.04	-----	2,308,460.04	-----
<b>Total, Treasury, departmental, checks-issued basis.....</b>	<b>120,581,166.52</b>	<b>6,106,723.30</b>	<b>126,687,889.82</b>	<b>303,842.55</b>
<b>Adjustment between checks issued and cash expenditures.....</b>	<b>1,282,082.15</b>	<b>490,771.67</b>	<b>791,310.58</b>	-----
<b>Total, Treasury, departmental, cash basis.....</b>	<b>121,863,248.67</b>	<b>5,615,951.73</b>	<b>127,479,200.40</b>	<b>(1)</b>
Refund of receipts:				
Customs.....	20,975,159.01	-----	20,975,159.01	-----
Internal Revenue.....	25,406,267.91	-----	25,406,267.91	496,152.58
<b>Total, refunds of receipts, checks-issued basis.....</b>	<b>46,381,426.92</b>	-----	<b>46,381,426.92</b>	<b>496,152.58</b>

For footnotes see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
TREASURY DEPARTMENT—contd.				
Adjustment between checks issued and cash expenditures	\$1,133,747.61		\$1,133,747.61	
Total, refunds of receipts, cash basis	45,247,679.31		45,247,679.31	(1)
Procurement Division:				
Sites, construction, etc.:				
Post offices, customhouses, courthouses, etc.	22,144,461.84	\$33,188,740.78	55,333,202.62	
Inspection stations	77,938.70		77,938.70	
Quarantine stations	920.16		920.16	
Marine hospitals	732,396.42		732,396.42	
Total, public building construction and sites, checks-issued basis	22,955,717.12	33,188,740.78	56,144,457.90	
Adjustment between checks issued and cash expenditures	2,313,355.82	431,900.08	1,881,455.74	
Total, public building construction and sites, cash basis	25,269,072.94	32,756,840.70	58,025,913.64	
Miscellaneous accounts:				
Federal land banks:				
Subscriptions to capital stock	1,939,140.00		1,939,140.00	
Subscriptions to paid-in surplus		33,630,185.59	33,630,185.59	
Payments to Federal land banks, reductions in interest rate on mortgages		12,477,674.95	12,477,674.95	
Subscriptions to preferred shares, Federal savings and loan associations		31,377,700.00	31,377,700.00	
Other items	87,121.75		87,121.75	
Total, special accounts, checks-issued basis	2,026,261.75	77,485,560.54	79,511,822.29	
Adjustment between checks issued and cash expenditures	87,121.75	1,393,065.57	1,480,187.32	
Total, special accounts, cash basis	1,939,140.00	76,092,494.97	78,031,634.97	
Total, Treasury Department, cash basis	194,319,140.92	114,465,287.40	308,784,428.32	(1)
WAR DEPARTMENT				
National defense:				
Salaries, War Department				
Contingent expenses, War Department	4,341,056.94		4,341,056.94	
Office of Secretary of War	518,481.89		518,481.89	
General Staff Corps	9,550.03		9,550.03	
Adjutant General's Department	89,681.84		89,681.84	
Finance Department:	133,293.12		133,293.12	
Pay of the Army	129,893,982.81		129,893,982.81	
Finance Service	1,014,469.50		1,014,469.50	
Judgments	915,331.34		915,331.34	
Other items	2,708,611.75		2,708,611.75	
Quartermaster Corps:				
Army transportation	8,845,099.39		8,845,099.39	
Barracks and quarters and other buildings and utilities	8,780,629.18		8,780,629.18	
Clothing and equipage	4,072,795.48		4,072,795.48	
Construction of buildings, etc., at military posts	221,632.75	235,295.19	456,927.94	
Construction and repair of hospitals	340,631.33		340,631.33	

For footnotes, see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>WAR DEPARTMENT—Continued</b>				
Quartermaster Corps—Continued.				
Incidental expenses of the Army.....	\$3,342,947.84	-----	\$3,342,947.84	-----
Regular supplies of the Army.....	3,729,568.58	-----	3,729,568.58	-----
Subsistence of the Army.....	17,087,809.46	-----	17,087,809.46	-----
National Industrial Recovery.....	-----	\$39,302,740.43	39,302,740.43	-----
Other items.....	2,528,255.77	-----	2,528,255.77	\$6,957.40
Signal Corps.....	1,880,813.91	66,655.46	1,947,469.37	-----
Air Corps.....	17,710,560.25	2,630,990.57	20,341,550.82	-----
Medical Department.....	262,475.24	-----	262,475.24	1,918.73
Corps of Engineers.....	323,225.18	-----	323,225.18	-----
Ordnance Department.....	8,363,133.87	4,036,770.97	12,399,904.84	-----
Chemical Warfare Service.....	1,271,298.57	-----	1,271,298.57	-----
Chief of Infantry.....	57,640.00	-----	57,640.00	-----
Chief of Cavalry.....	21,227.99	-----	21,227.99	-----
Chief of Field Artillery.....	24,148.97	-----	24,148.97	-----
Chief of Coast Artillery.....	26,914.13	-----	26,914.13	-----
Seacoast defenses.....	1,260,345.43	4,428,909.81	5,689,255.24	-----
Military Academy.....	2,221,876.42	-----	2,221,876.42	-----
National Guard Bureau.....	28,775,261.89	1,009,700.17	29,784,962.06	-----
Organized Reserves.....	3,875,432.23	-----	3,875,432.23	-----
Citizens' military training.....	3,812,631.20	-----	3,812,631.20	-----
National Board for Promotion of Rifle Practice.....	134,541.72	-----	134,541.72	-----
Accounting funds.....	55,652,551.92	-----	55,652,551.92	-----
Special deposit accounts.....	22,348.83	-----	22,348.83	-----
<b>Total, national defense, checks-issued basis.....</b>	<b>314,225,559.09</b>	<b>51,711,062.60</b>	<b>365,936,621.69</b>	<b>8,876.13</b>
Adjustment between checks issued and cash expenditures.....	<sup>18</sup> 102,038,846.48	9,587,936.51	92,450,902.97	-----
<b>Total, national defense, cash basis.....</b>	<b>212,186,712.61</b>	<b>61,298,999.11</b>	<b>273,485,711.72</b>	<b>(1)</b>
<b>Nonmilitary activities:</b>				
National cemeteries.....	647,618.54	191,288.14	838,906.68	-----
Miscellaneous Quartermaster Corps.....	15,266.31	-----	15,266.31	-----
Signal Corps.....	147,494.20	-----	147,494.20	-----
Corps of Engineers, miscellaneous.....	1,762.33	-----	1,762.33	-----
Bureau of Insular Affairs.....	77.00	1,096,346.94	1,096,423.94	-----
War claims and relief acts.....	162,215.46	-----	162,215.46	-----
Miscellaneous.....	88,857.14	-----	88,857.14	-----
Trust funds.....	-----	-----	-----	3,138,589.79
<b>Total, nonmilitary activities, checks-issued basis.....</b>	<b>1,063,290.98</b>	<b>1,287,635.08</b>	<b>2,350,926.06</b>	<b>3,138,589.79</b>
Adjustment between checks issued and cash expenditures.....	1,065,011.14	200,740.40	1,265,751.54	-----
<b>Total, nonmilitary activities, cash basis.....</b>	<b>2,128,302.12</b>	<b>1,488,375.48</b>	<b>3,616,677.60</b>	<b>(1)</b>
<b>Rivers and harbors:</b>				
Improving rivers and harbors.....	37,394,271.37	124,614,950.59	162,009,221.96	2,069,309.69
Flood control and relief.....	17,191,741.93	21,888,665.62	39,080,407.55	433,356.76
Special deposit accounts.....	45,847.80	-----	45,847.80	-----
<b>Total, rivers and harbors, checks-issued basis.....</b>	<b>54,540,165.50</b>	<b>146,503,616.21</b>	<b>201,043,781.71</b>	<b>2,502,666.45</b>
Adjustment between checks issued and cash expenditures.....	578,401.71	1,421,135.43	1,999,537.14	-----
<b>Total, rivers and harbors, cash basis.....</b>	<b>55,118,567.21</b>	<b>147,924,751.64</b>	<b>203,043,318.85</b>	<b>(1)</b>
<b>Total, War Department, excluding Panama Canal, cash basis.....</b>	<b>269,433,581.94</b>	<b>210,712,126.23</b>	<b>480,145,708.17</b>	<b>(1)</b>
Panama Canal, checks-issued basis.....	9,930,514.46	190,406.61	10,120,921.07	-----

For footnotes, see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
<b>WAR DEPARTMENT—Continued</b>				
Adjustment between checks issued and cash expenditures.....	\$1,164,309.72	\$53,134.93	\$1,111,174.79	-----
Total, Panama Canal, cash basis.....	8,766,204.74	243,541.54	9,009,746.28	-----
<b>DISTRICT OF COLUMBIA</b>				
District of Columbia, checks-issued basis.....	\$4,558,570.46	(19)	4,558,570.46	\$43,529,331.12
Adjustment between checks issued and cash expenditures.....	19,275.46	957,701.03	938,425.57	718,529.25
Total, District of Columbia, cash basis.....	4,539,295.00	957,701.03	5,496,996.03	42,810,801.57
<b>INTEREST ON THE PUBLIC DEBT</b>				
Interest on the public debt, checks-issued basis.....	821,486,422.26	-----	821,486,422.26	-----
Adjustment between checks issued and cash expenditures.....	560,068.81	-----	560,068.81	-----
Total, interest on the public debt, cash basis.....	820,926,353.45	-----	820,926,353.45	-----
<b>PUBLIC DEBT RETIREMENTS</b>				
Sinking fund.....	573,000,000.00	-----	573,000,000.00	-----
Estate taxes, forfeitures, gifts, etc.....	557,250.00	-----	557,250.00	-----
Total, public-debt retirements, checks-issued basis.....	573,557,250.00	-----	573,557,250.00	-----
Adjustment between checks issued and cash expenditures.....	1,000.00	-----	1,000.00	-----
Total, public debt retirements, cash basis.....	573,558,250.00	-----	573,558,250.00	-----
<b>SPECIAL ACCOUNTS</b>				
Reconstruction Finance Corporation.....	-----	407,686,378.36	407,686,378.36	-----
Chargeable against increment on gold:	-----	-----	-----	831,123.83
Melting losses, etc.....	-----	-----	-----	-----
Payments to Federal Reserve banks (sec. 13b, Federal Reserve Act, as amended).....	-----	-----	-----	20,931,857.34
For retirement of national bank notes.....	-----	-----	-----	91,415,650.00
Total, special accounts, checks-issued basis.....	-----	407,686,378.36	407,686,378.36	113,178,631.17
Adjustment between checks issued and cash expenditures.....	-----	16,015,841.29	16,015,841.29	8.10
Total, special accounts, cash basis.....	-----	391,670,537.07	391,670,537.07	113,022,629.27
Total, classified, expenditures, checks-issued basis.....	3,840,490,999.58	3,557,059,027.27	7,397,550,026.85	282,109,131.70
Adjustment between checks issued and cash expenditures.....	18,112,549,696.59	97,113,328.35	15,236,368.24	3,431,166.63
Total, classified expenditures, cash basis.....	3,728,141,302.99	3,654,172,355.62	7,382,313,658.61	278,677,965.07
Unclassified items, cash basis.....	490,365.40	418,175.19	72,190.21	304,327.07
	3,727,650,937.59	3,654,590,530.81	7,382,241,468.40	278,982,292.14

For footnotes, see p. 315.

TABLE 2.—Details of expenditures, by organization units and accounts, for the fiscal year 1935—Continued

Organization unit	General and special accounts	Emergency accounts	Total, general, special, and emergency accounts	Trust and contributed accounts
SPECIAL ACCOUNTS—continued				
Adjustment for disbursing officers' checks outstanding.....	\$6,416,302.83	-----	\$6,416,302.83	-----
Transactions in checking accounts of governmental agencies (net).....	-----	-----	-----	<sup>20</sup> \$429,528,749.56
Total cash expenditures on basis of daily Treasury statements (unrevised).....	3,721,234,634.76	\$3,651,590,530.81	7,375,825,165.57	150,546,457.42
Excess of expenditures over receipts.....	-----	-----	<sup>21</sup> 3,575,357,963.61	<sup>22</sup> 522,056,152.87

<sup>1</sup> Expenditures from trust and contributed accounts are not classified by organization units, except for the District of Columbia, in daily Treasury cash statements.

<sup>2</sup> Stated under the Department of Justice, pursuant to Executive Order No. 6694 of May 1, 1934, effective July 1, 1934.

<sup>3</sup> Stated under National Mediation Board under act of June 21, 1934.

<sup>4</sup> Included under National Industrial Recovery Administration.

<sup>5</sup> Civil service and Canal Zone retirement funds stated below.

<sup>6</sup> See below for this item.

<sup>7</sup> Included under Federal Communications Commission.

<sup>8</sup> Under the Treasury Department.

<sup>9</sup> Included under Federal Emergency Relief Administration.

<sup>10</sup> Included under Office of the Secretary, Department of the Interior.

<sup>11</sup> Stated under Division of Territories and Island Possessions, Department of the Interior, by act of June 3, 1935 (49 Stat. 320).

<sup>12</sup> Heretofore stated under Veterans' Administration. See note 5.

<sup>13</sup> Transferred to Civil Service Commission by Executive Order No. 6731 of June 5, 1934. See note 12.

<sup>14</sup> See note 18.

<sup>15</sup> Included with Office of Education.

<sup>16</sup> Included with Division of Geographic Names.

<sup>17</sup> For classification of extraordinary expenditures contributing to the deficiency in postal revenues for the fiscal year ended June 30, 1935, see exhibit 54 on p. 289 for statement of account.

The Postal Deficiency represents advances from the General Fund of the Treasury to the Postmaster General to meet deficiencies in the postal revenues. These figures do not include any allowances for offsets on account of extraordinary expenditures or the cost of free mailings contributing to the deficiency of postal revenues certified to the Secretary of the Treasury by the Postmaster General pursuant to the act of Congress, approved June 9, 1930.

<sup>18</sup> This adjustment is due in large part to the fact that repayments of unexpended balances of funds relating to the Civilian Conservation Corps were deposited by Army disbursing officers to the credit of Army Account of Advances. These credits, which have operated temporarily to reduce Army expenditures in the daily Treasury statements will be adjusted during the fiscal year 1936, from time to time, as the Treasury is able to make an analysis of the certificates of deposits.

<sup>19</sup> Included in trust and contributed accounts under the District of Columbia share.

<sup>20</sup> This item represents transfers of balances in checking accounts of certain special agencies of the Government, net transactions in which will hereafter be shown under this caption.

<sup>21</sup> Add excess of trust account expenditures over trust account receipts for comparison with surpluses and deficits as published in annual reports for years prior to 1931.

<sup>22</sup> Excess of receipts over expenditures.

NOTE.—Excess credits and adjustments in italics to be deducted.

TABLE 3.—Receipts, expenditures, and surplus or deficit for the fiscal years 1932 to 1935

[On basis of daily Treasury statements (unrevised), see p. 293.]

	1932	1933	1934	1935
<b>GENERAL AND SPECIAL ACCOUNTS</b>				
<b>RECEIPTS</b>				
Internal revenue:				
Income tax.....	\$1,057,335,853	8746,206,445	\$817,961,481	\$1,099,118,638
Miscellaneous internal revenue.....	503,670,481	858,217,512	1,469,593,551	1,657,191,519
Processing tax on farm products.....			853,048,797	521,379,871
Customs.....	327,754,969	250,750,251	313,434,302	343,353,034
Miscellaneous receipts:				
Proceeds of Government-owned securities:				
Principal—foreign obligations.....		31,567,519	396,755	66,710
Interest—foreign obligations.....		67,190,297	20,033,594	601,114
All other.....	22,367,501	32,090,747	57,415,484	38,103,612
Panama Canal tolls, etc.....	22,588,375	23,267,500	27,103,068	24,704,262
seizure.....	376,193	851,655	517,205	88,035,251
Other miscellaneous.....	71,632,065	69,554,906	56,049,813	57,911,191
Total receipts.....	2,005,725,437	2,079,696,742	3,115,554,050	3,800,467,202
<b>EXPENDITURES</b>				
<i>General</i>				
Departmental: <sup>1</sup>				
Legislative establishment.....	27,318,601	21,477,373	17,652,732	19,623,727
Executive proper.....	424,545	369,113	358,898	457,694
State Department.....	18,881,864	15,225,569	11,121,103	15,890,779
Treasury Department.....	287,945,003	267,504,959	108,538,057	121,863,249
War Department (nonmilitary).....			4,109,859	2,128,302
Department of Justice.....	51,639,261	41,088,327	31,598,524	32,278,677
Post Office Department.....	125,899	57,882	12,205,730	14,358
Interior Department.....	81,444,906	74,579,717	45,922,164	55,211,498
Department of Agriculture.....	318,975,817	290,951,139	58,362,572	62,036,812
Department of Commerce.....	32,700,200	45,908,153	27,432,420	32,315,737
Department of Labor.....	14,701,344	13,677,842	10,831,905	13,012,158
U. S. Shipping Board Bureau.....	51,540,826	28,518,830	9,544,426	21,948,273
Other independent offices and commissions.....	82,545,271	55,237,407	22,365,463	20,473,078
Unclassified items.....	45,491	865,175	360,353	490,365
Adjustment for disbursing officers' checks outstanding.....	958,289,118	806,791,173	341,335,354	362,408,515
Total departmental.....	958,289,118	806,791,173	341,335,354	355,992,512
Public building construction and sites, Treasury Department <sup>1,2</sup> .....			75,515,814	25,269,073
River and harbor work <sup>1</sup> .....	116,798,680	118,391,256	78,281,479	55,118,567
National defense: <sup>1</sup>				
Army.....	346,989,331	518,331,028	205,305,922	212,186,713
Navy.....	357,617,834	349,561,925	274,388,386	321,410,530
Veterans' Administration <sup>1</sup> .....	784,841,820	763,154,886	506,549,454	555,573,274
Adjusted service certificate fund.....	200,000,000	100,000,000	50,000,000	50,000,000
Agricultural Adjustment Administration.....		1,261,684	279,723,062	561,540,268
Farm Credit Administration <sup>3</sup> .....		3,254,966	23,123,288	12,979,061
Agricultural marketing fund (net) <sup>3</sup> .....	136,238,856	54,240,628		
Distribution of wheat and cotton for relief:				
Refunds of receipts:				
Customs.....	17,202,965	12,576,842	14,046,350	20,715,689
Internal revenue.....	83,921,552	57,763,119	48,664,202	24,531,691
Processing tax on farm products.....			1,194,649	31,208,208
Postal deficiency.....	202,876,341	117,880,192	52,003,296	63,970,405
Panama Canal.....	19,661,805	12,672,729	9,137,147	8,766,205
Subscriptions to stock of Federal land banks.....	125,000,000	244,545	1,737,730	1,939,140
Civil service retirement fund (Government share) <sup>1</sup> .....	20,850,000	20,850,000	20,850,000	20,850,000
Foreign service retirement fund (Government share) <sup>1</sup> .....	215,000	416,000	292,700	159,100
District of Columbia (Government share) <sup>1</sup> .....	9,500,000	7,775,000	5,700,000	4,539,295
Interest on the public debt.....	599,276,631	689,365,195	759,617,127	820,925,354

For footnotes, see p. 319.



TABLE 3.—Receipts, expenditures, and surplus or deficit for the fiscal years 1932 to 1935—Continued

	1932	1933	1934	1935
GENERAL AND SPECIAL ACCOUNTS—Continued				
EXPENDITURES—Continued				
<i>General</i> —Continued				
Public debt retirements:				
Sinking fund.....	\$412,554,750	\$425,660,300	\$359,490,900	\$573,001,000
Purchases and retirements from foreign repayments.....		30,977,000		
Received from foreign governments under debt settlements.....		2,909,650	357,850	
Estate taxes, forfeitures, gifts, etc.....	75,000	2,057,850	15,343	557,250
Total general expenditures <sup>4</sup> .....	4,385,909,686	3,865,915,459	3,100,914,534	3,721,234,635
<i>Emergency</i>				
Agricultural Adjustment Administration:				
Department of Agriculture.....			6,875,797	92,995,978
Department of Agriculture (cotton, etc.).....			77	22,500,000
Treasury Department.....			5,000	9,900
National Industrial Recovery Act:				
Department of Agriculture.....			2,450,640	34,775,450
Farm Credit Administration.....			60,000,000	
Commodity Credit Corporation.....			2,811,950	136,420
Unclassified items.....			606	2,498
Farm Credit Administration.....			67,168,305	111,827,179
Federal land banks:				
Subscriptions to paid-in surplus.....			40,863,477	33,630,186
Payment for reduction of interest rates on mortgages.....			7,029,257	12,477,675
Federal Emergency Relief Administration <sup>5</sup> .....			333,702,701	1,249,970,514
Federal Surplus Relief Corporation <sup>6</sup> .....			7,039,448	65,338,201
Civil Works Administration.....			316,157,892	11,327,264
Emergency conservation work.....			331,940,851	435,508,643
Department of Agriculture—relief.....				80,561,250
Public works:				
Civil Works Administration.....			400,005,000	
Tennessee Valley Authority.....			11,036,795	36,148,537
Loans to railroads.....			70,739,000	66,230,753
Loans and grants to States, municipalities, etc.....			78,596,230	137,707,417
Public highways.....			267,882,018	317,356,940
Boulder Canyon project.....			19,445,382	23,820,507
River and harbor work.....			72,450,381	147,924,752
Rural Electrification Administration.....				16,821
Subsistence homesteads.....			2,372,313	3,661,938
All other:				
Administrative expenses—Public Works Administration.....			6,539,315	14,561,003
Legislative establishment.....			123,382	486,103
State Department.....			747,170	2,659,016
Treasury Department:				
Public building construction and sites.....			3,190,455	32,756,841
All other.....			18,928,120	5,615,952
War Department (nonmilitary).....			775,478	1,488,376
National defense:				
Army.....			38,023,229	61,298,999
Navy.....			22,640,905	115,037,330
Panama Canal.....			751,480	243,542
Department of Justice.....			137,450	531,704
Post Office Department.....			6,198	
Department of Interior.....			20,193,366	53,136,034
Department of Agriculture.....			13,002,563	15,722,947
Department of Commerce.....			5,170,815	10,197,884
Department of Labor.....			1,908,472	6,260,630
Veterans' Administration.....			401,034	1,491,450
Federal Housing Administration.....				917,015
Independent offices and commissions.....			905,286	4,490,965
District of Columbia.....			180,911	957,701
Federal Surplus Relief Corporation.....			22,210	
Export-Import Banks of Washington.....			63,533	1,633
Unclassified items.....			359,918	418,175

For footnotes, see p. 319.

TABLE 3.—Receipts, expenditures, and surplus or deficit for the fiscal years 1932 to 1935—Continued

	1932	1933	1934	1935
<b>GENERAL AND SPECIAL ACCOUNTS—Continued</b>				
<b>EXPENDITURES—Continued</b>				
<i>Emergency—Continued</i>				
Federal savings and loan associations (subscriptions to preferred shares).....			\$754, 800	\$29, 486, 784
Emergency housing.....			369, 351	6, 479, 835
Resettlement Administration.....				1, 761, 663
Reconstruction Finance Corporation:				
Direct expenditures by the Corporation.....	\$705, 868, 007	\$1, 159, 263, 825	918, 218, 852	147, 334, 523
Administrative expenses.....				11, 949, 589
From funds allocated by the Corporation:				
Crop production loans.....		37, 148, 880	52, 392, 666	4, 583, 978
Regional agricultural credit corporations.....	61, 867, 202	\$ 38, 840, 178	7, 756, 815	8, 603, 628
Loans to joint stock land banks.....			941, 034	904, 325
Farm mortgage relief.....		110, 024	114, 129, 660	135
Federal Farm Mortgage Corporation.....			85, 760, 051	266
Federal intermediate credit banks revolving fund.....			25, 000, 000	15, 000, 000
Farm Credit Administration.....		2, 294, 739	37, 969, 955	11, 248, 180
Commodity Credit Corporation.....			161, 529, 985	60, 289, 485
Capital stock of home loan banks.....		\$ 42, 970, 000	38, 475, 700	200, 000
Capital stock of Home Owners' Loan Corporation.....		1, 000, 000	153, 000, 000	46, 000, 000
Federal Housing Administration.....				15, 046, 858
Federal Emergency Relief Administration.....				487, 801, 278
Federal Surplus Relief Corporation.....			32, 992, 151	11, 232, 313
Civil Works Administration.....			88, 960, 000	
Export-Import Banks of Washington.....			2, 590, 791	2, 618, 130
Unclassified items.....				110, 000
Federal Deposit Insurance Corporation (subscriptions to stock).....			149, 502, 150	497, 850
Administration for Industrial Recovery.....			6, 632, 492	12, 496, 731
Total emergency expenditures <sup>4</sup> .....	767, 735, 209	1, 277, 038, 168	4, 004, 135, 551	3, 654, 590, 531
Total general and emergency expenditures <sup>6</sup> .....	5, 153, 644, 895	5, 142, 953, 627	7, 105, 050, 085	7, 375, 825, 166
Excess of expenditures over receipts.....	3, 147, 919, 458	3, 063, 256, 885	3, 989, 496, 035	3, 575, 357, 964
<b>TRUST AND CONTRIBUTED ACCOUNTS AND INCREMENT ON GOLD <sup>7</sup></b>				
<b>RECEIPTS</b>				
<b>Trust accounts:</b>				
District of Columbia <sup>8</sup> .....	36, 893, 540	33, 356, 951	33, 253, 806	47, 957, 060
Government life insurance fund.....	71, 006, 720	71, 144, 899	72, 026, 323	69, 531, 575
Adjusted service certificate fund <sup>9</sup> .....		5, 793, 283	4, 807, 393	5, 781, 188
Civil service retirement fund <sup>9</sup> .....		40, 089, 115	39, 238, 462	40, 739, 652
Foreign service retirement fund <sup>9</sup> .....		262, 273	262, 236	281, 136
Canal Zone retirement fund <sup>9</sup> .....		560, 931	595, 157	549, 361
Indian tribal funds.....	3, 089, 343	2, 777, 238	4, 640, 101	6, 680, 889
Insular possessions:				
Processing tax.....				12, 540, 924
Other.....				16, 410, 364
Other.....	3, 612, 966	4, 674, 749	6, 997, 512	31, 811, 668
Unclassified items.....			358, 900	2, 626, 583
Increment resulting from reduction in the weight of the gold dollar.....			2, 811, 375, 757	1, 738, 020
Seigniorage <sup>10</sup> .....				140, 111, 441
Total.....	115, 502, 569	158, 659, 439	2, 973, 555, 647	371, 509, 695

For footnotes, see p. 319.

TABLE 3.—Receipts, expenditures, and surplus or deficit for the fiscal years 1932 to 1935—Continued

	1932	1933	1934	1935
<b>TRUST AND CONTRIBUTED ACCOUNTS AND INCREMENT ON GOLD—Continued</b>				
<b>EXPENDITURES</b>				
<b>Trust accounts:</b>				
District of Columbia.....	\$39,524,771	\$34,604,341	\$30,689,805	\$42,810,802
Government life insurance fund.....	71,345,165	70,398,705	71,498,480	68,693,601
Adjusted service certificate fund.....	<i>6,035,533</i>	9,419,647	6,232,817	6,529,082
Civil service retirement fund.....	9,903	46,067,140	38,483,182	40,784,249
Foreign service retirement fund.....	<i>9,460</i>	257,672	265,429	301,888
Canal Zone retirement fund.....	<i>26,121</i>	538,587	575,233	574,506
Indian tribal funds.....	9,723,320	4,475,662	1,617,867	1,294,670
Other.....	2,943,218	3,790,617	<i>10,842,936</i>	4,666,539
Unclassified items.....	265,413	117,117	155,963	304,327
Transactions in checking accounts of governmental agencies (net) <sup>11</sup> .....				<i>429,528,750</i>
<b>Chargeable against increment on gold:</b>				
Exchange stabilization fund.....			2,000,000,000	
Melting losses, etc.....				675,122
Payments to Federal Reserve banks (sec. 13b, Federal Reserve Act, as amended).....				20,931,857
For retirement of national bank notes.....				91,415,650
<b>Total.....</b>	<b>120,680,619</b>	<b>163,669,428</b>	<b>2,138,675,540</b>	<b>150,546,457</b>
Excess of receipts over expenditures.....			834,880,107	522,056,152
Excess of expenditures over receipts.....	5,178,050	5,009,989		

<sup>1</sup> Additional expenditures on these accounts for the fiscal years 1934 and 1935 are included under emergency expenditures—public works.

<sup>2</sup> The classification of general expenditures for public building construction and sites, Treasury Department, and for War Department (nonmilitary) prior to the fiscal year 1934 is not available. Such expenditures are therefore included in general expenditures under Treasury Department and National Defense—Army, respectively.

<sup>3</sup> On and, after May 27, 1933, repayments of loans made from Agricultural Marketing Fund—Federal Farm Board, and interest thereon, are reflected as credits in the expenditures of the Farm Credit Administration.

<sup>4</sup> Emergency expenditures prior to the fiscal year 1934 (except Reconstruction Finance Corporation) are included in general expenditures and are not available for comparison with emergency expenditures for the fiscal years 1934 and 1935. Therefore, neither the totals of general expenditures nor the totals of emergency expenditures for the fiscal years 1934 and 1935 are comparable with the totals for prior fiscal years.

<sup>5</sup> Revised to adjust classification.

<sup>6</sup> Total expenditures and excess of expenditures for the fiscal years 1932 and 1933 include expenditures made by the Reconstruction Finance Corporation, whereas the expenditure statements for those years did not show Reconstruction Finance Corporation expenditures, except \$500,000,000 payment for the Corporation's capital stock.

<sup>7</sup> The receipts and expenditures on account of contributed funds were classified prior to the fiscal year 1934 as special funds and were included in general and special fund receipts and expenditures. Subsequently they were classified as contributed funds under the general heading of "Trust and contributed funds and increment on gold." Beginning with the statement on Oct. 15, 1934, these receipts and expenditures for the current fiscal year and the fiscal year 1934 are included in "Other" trust funds.

<sup>8</sup> Expenditures for the District of Columbia representing the share of the United States are charged against the amount to be advanced from the General Fund until the authorized amount is expended. After that they are charged against the revenues of the District under trust accounts. For total District of Columbia expenditures the 2 items should be added.

<sup>9</sup> Since July 1, 1932, deductions from salaries credited to the civil service, foreign service, and Canal Zone retirement funds and the earnings from investments of such funds and of the adjusted service certificate fund have been classified as receipts, whereas prior to that date such items were used to offset expenditures for the respective funds.

<sup>10</sup> This item represents seigniorage resulting from the issuance of silver certificates equal to the cost of the silver acquired under the Silver Purchase Act of 1934 and the amount returned for the silver received under the President's proclamation dated Aug. 9, 1934.

<sup>11</sup> This item represents transfers of balances in checking accounts of certain special agencies of the Government, net transactions in which will hereafter be shown under this caption.

NOTE.—Excess credits and adjustments in italics, to be deducted.

TABLE 4.—Receipts and expenditures for the fiscal years 1789 to 1935 1

[On basis of warrants issued from 1789 to 1915, inclusive, and on basis of daily Treasury statements (unrevised) from 1916 to 1935, see p. 293. General, special, emergency, and trust accounts combined. For explanation of accounts, see p. 294]

Year	Ordinary receipts				Surplus postal receipts covered into the Treasury	Miscellaneous	Total ordinary receipts	Postal revenues, <sup>†</sup> exclusive of surplus postal receipts covered into the Treasury	Total ordinary receipts and postal revenues	Surplus (+) or deficit (-) of ordinary receipts covered into the Treasury, compared with expendable against ordinary receipts *
	Internal revenue		Sales of public lands †	Miscellaneous						
	Income and profits taxes	Miscellaneous								
1789-91.....						\$4,418,913	\$91,739	\$4,510,652	+ \$149,886	
1792.....		\$208,943				3,669,960	67,443	3,737,403	- 1,409,572	
1793.....		337,706			\$11,021	4,652,923	48,889	4,741,648	- 170,610	
1794.....		274,090			29,478	5,431,905	99,409	5,531,374	- 1,558,934	
1795.....		337,755			22,400	6,114,534	138,220	6,252,754	- 1,455,275	
1796.....		475,290	\$4,836		72,910	8,377,530	122,156	8,499,686	+ 2,630,544	
1797.....		575,491	83,541		415,599	8,688,781	149,498	8,838,279	+ 2,555,147	
1798.....		644,358	11,963		116,228	7,900,496	193,477	8,093,973	+ 2,223,992	
1799.....		779,136			78,000	7,546,813	223,846	7,770,659	- 2,119,642	
1800.....		809,396	444		879,976	10,848,749	202,804	11,051,553	+ 62,674	
1801.....		1,048,933	167,730		883,293	12,935,331	240,942	13,176,273	+ 3,540,749	
1802.....		621,899	188,628		33,000	14,969,734	232,041	15,207,838	+ 7,133,676	
1803.....		215,180	163,676		1,712,631	11,064,098	296,944	11,369,493	- 3,212,445	
1804.....		30,941	487,527		162,774	11,826,307	362,949	12,189,256	+ 3,106,865	
1805.....		21,747	540,194		40,922	13,560,633	400,030	13,960,723	+ 3,054,459	
1806.....		14,697,698	765,246		65,768	15,559,331	494,987	15,994,918	+ 5,756,314	
1807.....		15,845,522	13,051		3,615	16,398,019	475,147	16,873,166	+ 8,043,868	
1808.....		16,313,551	647,939		40,961	17,090,962	460,594	17,521,226	+ 7,128,170	
1809.....		7,296,021	8,211		31,156	7,773,473	506,633	8,280,106	- 2,507,275	
1810.....		8,583,309	696,549		96,926	9,384,215	551,684	9,935,899	+ 1,227,705	
1811.....		13,313,223	1,040,238		67,734	14,423,529	564,168	15,010,737	+ 6,365,192	
1812.....		8,938,778	710,428		41,984	9,801,133	564,108	10,365,301	- 10,479,638	
1813.....		4,755	835,655		240,377	14,340,410	668,154	15,008,564	- 17,341,442	
1814.....		1,662,985	1,135,971		2,338,897	11,181,625	685,370	11,866,995	- 23,539,301	
1815.....		4,678,059	1,287,959		2,345,094	15,729,024	908,065	16,637,089	- 16,979,115	
1816.....		5,124,708	1,717,985		4,378,315	47,677,671	811,994	48,489,665	+ 17,090,980	
1817.....		2,678,101	1,991,226		2,117,003	33,099,050	973,601	34,072,651	+ 11,258,230	
1818.....		965,270	2,606,965		829,881	21,585,171	1,110,165	22,695,336	+ 1,760,050	
1819.....		229,594	3,274,423		815,678	24,603,375	1,204,666	25,808,041	+ 3,139,565	
1820.....		106,261	1,635,872		1,126,459	17,880,670	1,105,461	18,986,131	+ 3,379,957	
1821.....		69,028	1,212,966		286,422	14,573,380	1,058,570	15,631,950	- 1,237,373	

1822	17,589,762	67,666	1,608,582	770,816	20,232,428	1,116,888	21,349,316	+5,282,208
1823	16,088,433	34,242	1,916,353	501,357	19,381,213	1,150,004	21,670,670	+5,853,626
1824	17,878,326	34,663	984,418	483,806	19,381,213	1,197,788	20,578,971	+6,946,499
1825	20,098,713	25,771	1,216,091	499,813	25,260,434	1,447,403	23,146,913	+8,983,629
1826	23,341,332	21,590	1,393,785	503,427	22,966,364	1,524,532	24,490,886	+8,224,637
1827	19,712,283	19,886	1,495,845	1,738,249	22,966,364	1,659,895	26,423,225	+8,827,196
1828	23,205,524	17,452	1,018,309	522,325	24,763,637	1,659,895	26,423,225	+8,368,787
1829	22,681,966	14,508	1,517,175	613,896	24,827,627	1,707,331	26,534,958	+9,624,294
1830	21,922,391	12,161	2,329,356	580,153	24,844,116	1,890,528	26,694,644	+9,701,050
1831	24,224,442	6,984	3,210,815	1,084,069	28,526,821	1,997,250	31,279,170	+13,279,170
1832	28,465,237	11,631	2,623,381	945,076	31,865,561	2,258,325	34,123,886	+14,576,611
1833	23,052,609	2,789	3,967,683	765,476	33,948,627	2,837,649	36,565,438	+19,930,875
1834	16,214,967	4,196	4,857,601	715,082	21,791,936	2,823,619	24,615,586	+10,930,875
1835	19,391,311	10,489	14,797,601	1,293,823	35,430,087	2,922,663	38,422,764	+17,857,274
1836	23,406,941	3,379	24,877,180	2,339,824	50,826,796	3,408,312	54,235,108	+19,868,632
1837	11,169,290	5,494	6,776,237	7,003,132	24,954,153	4,101,703	29,055,856	+12,280,343
1838	16,158,800	2,467	3,081,940	7,059,355	26,302,562	4,238,733	30,541,295	+7,562,497
1839	23,137,925	2,553	7,076,447	1,265,824	31,482,749	4,484,657	35,967,406	+4,583,621
1840	13,499,502	1,682	3,292,683	2,686,248	19,480,115	4,543,522	24,023,637	+4,837,464
1841	14,487,217	3,261	1,365,627	1,004,055	16,860,160	4,407,726	21,267,886	+9,705,713
1842	18,187,909	3,496	1,335,798	451,996	19,976,198	4,546,850	24,523,048	+5,229,563
1843	7,046,841	1,777	2,059,940	357,987	8,302,702	4,296,225	12,598,927	+3,555,373
1844	26,188,571	1,777	2,689,940	1,070,086	29,321,374	4,237,288	33,558,662	+6,983,803
1845	27,528,113	3,517	2,077,022	361,454	29,970,106	4,289,842	34,259,948	+7,032,698
1846	26,712,668	2,897	2,694,432	289,950	29,699,967	3,487,199	33,187,166	+11,783,042
1847	23,747,865	3,375	2,498,355	249,174	26,495,769	3,880,309	30,376,078	+30,785,043
1848	31,757,071	375	3,328,643	649,690	35,735,779	4,565,211	40,290,990	+9,641,447
1849	28,346,739	375	1,688,960	1,172,444	31,208,143	4,705,176	35,913,319	+13,843,514
1850	39,668,680	39,668,680	1,859,894	2,074,859	43,603,439	5,499,985	49,108,424	+4,059,947
1851	47,339,327	47,339,327	2,352,305	1,189,431	52,559,304	6,410,604	58,969,908	+4,850,287
1852	58,931,866	58,931,866	2,043,240	464,249	49,846,816	5,184,527	55,031,343	+5,651,897
1853	53,025,794	53,025,794	1,667,085	988,103	61,587,054	5,240,725	66,827,779	+13,402,927
1854	64,022,863	64,022,863	8,470,798	1,105,353	73,800,341	6,255,586	80,055,927	+15,755,476
1855	63,878,965	63,878,965	11,497,049	1,116,191	65,350,575	6,642,136	71,992,711	+5,607,907
1856	41,048,621	41,048,621	8,497,645	1,259,921	68,965,313	7,369,822	80,977,521	+4,485,673
1857	49,565,824	49,565,824	3,513,716	1,352,029	46,658,366	7,486,793	76,319,265	+11,693,605
1858	39,582,126	39,582,126	1,778,568	2,163,954	53,486,465	7,998,484	64,484,949	+11,484,949
1859	49,565,824	49,565,824	1,778,568	1,098,538	56,064,608	8,518,067	64,582,679	+7,063,990
1860	53,187,512	53,187,512	1,778,568	1,057,146	41,509,931	8,349,296	49,859,227	+25,036,714
1861	39,582,126	39,582,126	870,659	2,778,854	51,987,456	8,296,821	60,287,277	+422,774,363
1862	49,056,398	49,056,398	152,204	5,829,244	112,697,291	11,163,790	123,861,081	+602,043,434
1863	69,059,642	69,059,642	167,617	5,981,151	294,626,771	12,438,254	277,065,025	+600,985,871
1864	89,446,402	89,446,402	588,333	38,024,124	333,713,605	14,556,159	348,270,764	+963,840,619
1865	84,928,269	84,928,269	996,553	69,094,124	558,032,620	14,386,986	572,419,606	+37,223,203
1866	72,982,159	72,982,159	665,031	405,638,983	490,638,983	15,237,027	505,871,037	+133,997,335
1867	66,014,429	66,014,429	1,163,576	48,737,179	405,638,983	16,292,601	491,930,684	+28,297,798
1868	104,064,620	104,064,620	1,348,715	28,518,515	370,943,747	17,314,170	388,257,923	+48,078,469
1869	123,564,605	123,564,605	4,020,344	28,406,865	383,323,945	18,879,537	402,193,014	+91,146,757
1870	37,775,874	37,775,874	3,350,482	31,866,736	383,323,945	20,037,405	403,360,990	+91,146,757
1871	19,162,651	19,162,651	2,388,647	21,438,689	374,106,868	21,915,426	396,022,294	+96,868,905
1872	14,486,862	14,486,862	2,575,714	21,438,689	374,106,868	21,915,426	396,022,294	+96,868,905

For footnotes, see p. 327.

TABLE 4.—Receipts and expenditures for the fiscal years 1789 to 1955.—Continued

Year	Ordinary receipts										Surplus (+) or deficit (—) of ordinary receipts covered into the Treasury compared with expenditures chargeable against ordinary receipts *	
	Internal revenue		Sales of public lands †	Surplus postal receipts covered into the Treasury	Miscellaneous	Total ordinary receipts	Postal revenues, <sup>3</sup> exclusive of surplus postal receipts covered into the Treasury	Total ordinary receipts and postal revenues				
	Customs (including tonnage tax)	Income and profits taxes										Miscellaneous
1873	\$188,089,523	\$5,062,312	\$108,667,002	\$2,882,312	\$29,037,056	\$333,738,205	\$22,996,742	\$356,734,947	\$43,392,960			
1874	163,103,834	139,472	102,270,313	1,852,429	37,612,708	304,978,756	26,471,072	331,449,828	+2,344,883			
1875	157,167,722	233	110,007,261	1,413,640	19,411,195	288,000,051	26,791,314	314,791,365	+13,376,688			
1876	148,071,985	688	116,700,144	1,129,467	28,193,031	294,095,865	28,644,198	322,740,063	+28,994,780			
1877	130,956,493	98	118,630,310	976,254	30,843,264	281,406,419	27,531,585	308,938,004	+40,071,944			
1878	130,170,680		110,581,625	1,078,743	15,931,831	257,763,879	29,277,517	287,041,396	+20,799,552			
1879	137,250,048		113,561,611	924,781	22,000,745	273,827,185	30,041,983	303,869,168	+6,570,301			
1880	186,522,064		124,009,374	1,016,507	21,978,666	333,526,611	33,315,479	366,842,090	+65,883,653			
1881	198,159,676	3,022	135,261,364	2,201,863	360,782,293	367,855,398	36,785,398	397,567,691	+100,003,405			
1882	220,410,730		144,720,369	7,955,864	31,863,784	403,525,250	41,876,410	445,401,660	+145,543,810			
1883	211,706,497		147,790,445	9,810,705	30,993,622	348,519,870	43,319,939	391,845,809	+132,873,444			
1884	195,067,490		121,530,445	5,705,986	22,054,572	323,600,706	42,560,844	366,251,550	+104,333,626			
1885	181,471,929		112,498,730	5,630,999	21,097,708	336,439,726	48,948,423	380,388,149	+93,636,587			
1886	192,005,023		116,809,396	9,254,286	26,038,707	371,403,277	48,837,609	420,240,886	+103,471,096			
1887	217,286,893		124,290,872	11,202,017	24,676,012	379,266,075	52,695,177	431,961,252	+111,341,274			
1888	219,091,174		130,881,514	8,038,652	21,297,151	387,050,659	56,175,611	443,225,670	+87,761,081			
1889	223,832,742		142,004,706	6,358,273	24,447,420	403,080,984	60,882,068	463,963,082	+85,040,273			
1890	229,668,585		145,686,250	4,029,535	24,374,457	392,612,447	65,931,786	458,544,233	+26,838,543			
1891	219,522,205		143,931,072	3,251,876	20,251,872	354,937,784	70,930,476	425,868,260	+9,914,433			
1892	177,452,964		101,027,624	3,152,000	18,254,808	385,819,629	75,890,933	461,716,562	+2,311,676			
1893	203,355,017		147,111,233	1,673,637	28,751,915	306,355,316	76,980,479	381,335,795	-61,164,965			
1894	131,818,531	77,131	143,344,541	1,103,347	28,405,783	324,729,419	76,983,198	401,712,617	-31,466,879			
1895	152,158,617		147,111,233	1,673,637	30,352,907	358,142,447	82,400,208	440,542,655	-14,096,699			
1896	160,021,752		146,762,865	1,005,523	23,614,423	347,721,705	82,663,463	430,387,168	-18,062,454			
1897	176,554,127		146,688,374	864,581	29,012,602	405,321,335	89,012,619	494,333,954	-38,047,248			
1898	149,575,062		170,900,642	1,243,190	34,716,730	515,960,621	95,324,354	610,982,005	-89,111,568			
1899	206,128,482		273,437,162	1,678,247	35,911,171	567,240,852	102,354,579	669,595,431	+46,380,005			
1900	203,164,871		293,327,927	2,836,883	38,911,171	607,585,338	111,631,193	699,316,531	+63,098,413			
1901	228,585,456		307,180,064	2,965,120	32,009,280	562,478,233	121,848,047	681,326,280	+77,243,984			
1902	254,444,708		271,880,122	4,144,123								

1903	284,479,582	230,810,124	8,926,311	561,880,722	134,224,443	696,105,165	+44,874,595
1904	261,274,565	232,904,119	7,453,480	541,087,085	143,582,624	684,669,709	-42,572,815
1905	361,798,857	234,095,741	4,859,250	544,274,685	152,826,585	697,101,270	-23,001,229
1906	300,251,878	249,150,213	4,879,834	594,984,446	167,932,783	702,917,229	-24,782,168
1907	332,233,363	249,666,773	7,878,811	665,860,356	183,585,004	849,445,354	+86,731,544
1908	286,113,130	251,711,127	9,731,560	601,861,907	191,478,663	793,340,570	-87,534,413
1909	300,711,934	246,212,644	7,700,568	604,320,498	203,562,383	807,882,881	-59,523,387
1910	333,683,445	268,981,738	6,355,797	675,511,715	219,428,638	894,940,353	-18,105,350
1911	314,497,071	280,012,234	5,731,637	701,832,011	237,879,824	939,712,735	+10,631,399
1912	311,321,672	263,028,896	3,392,737	662,699,204	246,744,016	909,443,220	+2,727,870
1913	318,831,396	309,410,666	2,910,205	682,699,204	246,619,266	939,333,220	-400,733
1914	232,320,014	308,639,733	2,571,775	55,940,370	734,673,167	990,730,756	1,018,807,733
1915	209,786,672	335,467,887	2,167,136	68,757,373	283,184,165	1,084,592,237	-62,675,975
1916	213,185,846	357,764,776	1,857,662	54,759,011	782,534,548	1,094,592,237	-48,478,346
1917	225,942,393	339,681,228	1,892,893	81,903,361	1,124,324,795	1,448,850,911	-853,356,976
1918	179,998,385	449,684,980	1,960,455	247,950,012	3,664,892,865	3,960,428,126	-9,033,253,840
1919	184,457,867	872,028,020	1,404,705	561,263,585	5,152,257,136	5,427,198,262	-13,370,637,569
1920	322,902,650	1,246,501,292	1,910,140	6,694,565,889	274,941,126	7,126,502,501	+212,475,198
1921	308,544,369	1,440,082,287	1,530,439	959,508,024	431,937,212	6,083,424,236	+86,723,772
1922	356,443,387	1,390,379,823	1,895,301	5,624,932,061	463,491,275	4,533,876,198	+313,801,651
1923	561,928,867	1,145,125,064	656,308	4,109,104,151	484,724,047	4,599,963,406	-309,657,461
1924	545,637,504	945,865,333	522,223	820,077,345	4,067,135,431	4,584,993,480	-505,366,987
1925	579,430,093	828,638,068	623,534	670,727,839	4,012,044,702	4,379,740,162	-250,505,239
1926	605,459,983	855,599,289	754,253	642,758,033	3,780,148,085	509,591,477	-377,767,816
1927	2,254,992,800	644,421,542	621,187	3,992,755,030	659,819,801	4,622,575,491	+683,121,989
1928	2,173,972,557	621,018,666	384,651	4,124,394,441	4,124,394,441	4,812,516,430	-635,869,921
1929	602,202,786	607,307,549	314,568	678,006,094	4,033,250,225	4,735,982,077	-398,828,281
1930	2,410,986,978	628,308,036	395,744	492,653,499	696,947,578	4,730,197,803	+181,787,035
1931	1,860,394,295	569,386,721	230,302	4,177,941,702	705,454,098	4,883,435,800	+183,789,215
1932	378,354,065	503,670,481	170,309	3,131,233,494	656,463,383	2,769,399,924	-902,710,845
1933	2,510,734,065	858,217,512	102,561	2,121,223,006	588,171,923	2,859,587,544	+3,133,097,507
1934	1,313,434,302	817,901,481	99,236	2,238,356,180	857,631,364	2,856,961,874	-3,098,266,874
1935	1,343,333,054	1,099,118,638	86,737	3,270,733,910	836,793,362	3,864,467,109	-3,965,991,685
					630,793,302	4,690,922,738	-3,082,128,643

For footnotes, see p. 327.

TABLE 4.—Receipts and expenditures for the fiscal years 1789 to 1935.—Continued

Year	Ordinary										Total ex- penditures against ordinary receipts	Total ex- penditures exclusive of postal de- ficiencies	Total ex- penditures and postal ex- penditures
	Civil and miscella- neous §	War Depart- ment (includ- ing rivers and harbors and Panama Canal) ¶	Navy De- partment §	Indians 2	Pensioners 7	Postal de- ficiencies 8	Interest on the public debt	Total ordi- nary ex- penditures	Public debt retirements chargeable against ordinary receipts 9	Total ex- penditures against ordinary receipts			
1789-1791.	\$1,088,402	\$632,804	\$570	\$27,000	\$175,814		\$2,319,437	\$1,269,027		\$4,269,027	\$76,397	\$4,345,424	
1792	654,257	1,100,702	53	13,649	109,243		3,201,628	5,079,532		5,079,532	54,530	5,134,062	
1793	472,451	1,130,249		27,283	80,088		2,772,212	4,482,313		4,482,313	72,039	4,554,352	
1794	703,538	2,633,098	61,409	13,042	81,369		3,190,293	4,956,839		4,956,839	89,972	5,046,811	
1795	1,367,037	2,460,910	410,362	23,476	68,673		3,183,151	7,539,809		7,539,809	171,893	7,711,702	
1796	782,475	1,260,264	274,784	113,364	100,641		3,195,055	5,726,986		5,726,986	131,571	5,858,557	
1797	1,256,903	1,039,403	382,632	62,396	42,237		3,300,013	6,133,634		6,133,634	150,114	6,283,748	
1798	1,111,038	2,000,522	1,381,318	16,470	104,845		3,053,281	7,676,504		7,676,504	179,084	7,855,588	
1799	1,039,392	2,466,947	2,858,082	20,302	95,444		3,186,288	9,666,455		9,666,455	188,037	9,854,492	
1800	1,337,013	2,560,879	3,448,716	31	64,131		3,374,705	10,786,075		10,786,075	213,994	11,000,069	
1801	1,114,768	1,672,944	2,111,424	9,000	73,533		4,412,913	9,394,582		9,394,582	255,151	9,649,733	
1802	1,462,929	1,179,148	915,562	94,000	85,440		4,125,039	7,892,118		7,892,118	281,916	8,174,034	
1803	1,842,636	822,056	1,215,231	60,000	62,902		3,848,828	7,851,653		7,851,653	322,364	8,174,017	
1804	2,191,009	875,424	1,189,833	116,500	80,093		4,266,583	8,719,442		8,719,442	337,592	9,056,944	
1805	3,768,939	712,781	1,697,500	196,500	81,855		4,148,999	10,506,214		10,506,214	377,367	10,883,601	
1806	2,800,137	1,224,358	1,643,641	234,200	81,876		3,223,408	9,803,617		9,803,617	417,293	10,220,850	
1807	1,697,838	1,288,686	1,722,064	203,425	70,500		3,939,378	8,354,131		8,354,131	493,883	8,848,016	
1808	1,423,286	2,900,834	1,884,098	213,575	82,576		3,428,153	9,932,492		9,932,492	498,012	10,430,504	
1809	1,215,804	3,345,772	2,427,759	337,504	87,834		2,896,075	10,280,748		10,280,748	498,012	10,778,760	
1810	1,101,145	2,294,324	1,654,244	177,925	83,744		2,845,428	8,156,510		8,156,510	495,969	8,652,479	
1811	1,367,291	2,032,828	1,975,566	151,875	75,044		2,465,733	8,058,337		8,058,337	499,098	8,557,435	
1812	1,683,038	11,817,798	3,959,365	277,845	91,402		2,451,473	20,280,771		20,280,771	510,105	20,790,876	
1813	1,729,436	10,652,013	6,446,000	167,358	86,960		3,594,475	31,681,852		31,681,852	681,011	32,362,863	
1814	2,208,030	20,330,807	7,311,291	167,395	90,164		4,593,239	34,720,926		34,720,926	727,126	35,448,052	
1815	2,898,870	14,794,294	8,600,000	530,750	69,656		5,754,469	32,708,139		32,708,139	748,121	33,456,260	
1816	2,989,741	16,012,937	3,908,278	274,512	188,804		7,213,259	30,536,691		30,536,691	804,022	31,340,713	
1817	3,518,937	8,004,237	3,314,598	319,464	297,374		6,010,447	21,843,820		21,843,820	916,515	22,760,335	
1818	3,833,840	5,622,715	2,933,695	505,704	800,720		6,010,447	19,825,121		19,825,121	1,035,832	20,860,953	
1819	3,067,211	6,506,300	3,847,640	463,181	2,415,949		5,163,538	21,463,810		21,463,810	1,117,891	22,581,671	
1820	2,392,022	2,630,392	4,387,930	315,750	3,208,376		5,129,097	18,290,627		18,290,627	1,160,926	19,451,553	
1821	2,461,292	4,461,292	3,319,243	477,005	2,432,817		5,087,274	15,810,753		15,810,753	1,165,481	16,976,234	
1822	1,967,996	2,224,459	2,224,459	575,007	1,948,169		5,172,578	15,000,220		15,000,220	1,167,572	16,167,792	
1823	2,022,094	3,096,924	2,508,766	380,782	1,790,589		4,922,682	14,706,840		14,706,840	1,166,995	15,873,835	
1824	1,155,809	3,346,944	2,904,582	428,988	1,499,327		4,996,565	20,325,708		20,325,708	1,188,019	21,514,727	
1825	2,748,545	3,659,914	3,019,084	724,105	1,308,811		4,366,769	15,857,229		15,857,229	1,229,043	17,086,272	



1826	2,600,178	3,943,194	4,218,902	743,448	1,556,594	3,973,481	17,035,797	17,035,712	18,402,509
1827	2,713,477	3,938,978	4,263,877	760,625	1,576,139	3,486,072	16,139,168	16,139,167	17,699,127
1828	3,076,053	4,145,545	3,918,786	705,084	1,445,645	3,098,801	16,394,843	16,394,843	18,984,788
1829	3,101,513	4,724,291	3,308,745	576,345	949,594	2,542,843	15,203,333	1,782,132	16,985,465
1830	3,237,416	4,767,159	3,239,429	622,262	1,363,297	1,913,533	15,143,066	1,927,708	17,075,774
1831	3,064,646	4,841,826	3,856,183	690,738	1,170,645	1,383,533	15,947,651	1,636,122	17,583,773
1832	4,577,141	5,446,035	3,956,357	1,352,420	1,184,492	2,722,592	17,288,960	2,206,171	19,495,131
1833	4,716,246	6,704,019	3,901,857	1,802,981	1,589,152	302,797	23,017,552	2,930,414	25,947,966
1834	4,229,639	5,696,189	3,650,260	1,063,953	1,063,953	202,133	18,627,569	2,910,605	21,538,174
1835	5,393,280	6,759,137	3,864,939	1,706,444	1,954,711	57,863	17,572,813	2,757,350	20,330,163
1836	12,169,227	4,615,141	2,882,798	4,615,141	2,882,798	30,868,164	37,243,496	2,841,766	33,709,930
1837	9,893,609	6,646,916	4,348,076	2,672,162	2,672,162	37,243,496	37,243,496	3,488,310	40,531,815
1838	7,160,965	6,131,596	5,504,191	2,156,086	2,156,086	29,819,578	33,865,059	4,230,692	38,295,721
1839	5,728,203	8,916,966	6,182,294	3,142,884	3,142,884	174,578	24,317,579	4,636,566	29,035,664
1840	5,996,269	7,097,070	6,113,897	2,331,795	2,603,966	284,978	26,565,873	3,085,815	30,651,685
1841	6,083,037	8,805,565	6,001,077	2,594,063	3,388,496	773,550	25,905,701	4,092,038	30,023,903
1842	6,788,853	6,011,887	6,201,062	1,379,469	1,379,469	53,637	25,905,701	5,617,366	30,523,127
1843	5,616,168	2,957,300	3,727,711	1,843,323	1,843,323	53,637	22,337,511	4,353,541	16,211,616
1844	5,101,028	5,179,290	6,498,199	1,179,279	2,030,598	1,833,807	22,337,511	4,298,628	26,636,199
1845	6,034,324	10,792,867	6,297,245	1,540,817	2,396,642	1,040,682	22,337,511	4,326,692	27,294,100
1846	6,101,519	38,300,517	4,454,947	1,410,371	1,810,371	1,040,682	27,706,925	3,310,289	31,077,211
1847	5,120,678	25,501,963	4,470,306	1,470,306	1,470,306	1,119,215	27,706,925	3,514,829	60,826,241
1848	14,743,278	14,852,966	9,786,706	1,221,792	1,221,792	3,560,825	45,377,226	4,358,298	49,735,464
1849	14,920,119	9,400,239	7,904,769	1,373,119	1,373,119	3,825,578	45,051,657	4,477,694	49,529,321
1850	11,811,793	9,005,931	2,895,700	1,856,802	1,856,802	3,825,578	39,543,492	5,213,245	44,756,737
1851	18,008,594	11,811,793	4,005,931	2,206,278	2,206,278	3,696,721	47,709,017	6,278,710	53,987,727
1852	16,590,773	8,225,247	8,952,801	2,980,743	2,403,953	4,000,298	44,194,919	6,066,106	50,261,025
1853	15,814,840	9,947,291	10,918,781	3,905,745	1,777,871	3,665,833	48,184,111	5,899,339	54,013,450
1854	26,443,374	11,733,659	10,798,586	1,553,031	3,071,017	3,071,017	58,044,862	5,400,940	63,445,802
1855	22,020,924	14,773,826	13,312,024	2,792,552	1,450,153	3,174,375	59,742,662	6,800,178	66,542,840
1856	29,310,469	16,948,197	2,769,430	1,298,209	1,298,209	1,933,892	69,571,026	7,908,760	76,479,776
1857	24,911,223	19,943,174	12,747,977	4,297,543	1,312,043	1,678,265	67,786,708	7,896,787	75,683,495
1858	22,255,130	23,435,853	13,984,551	4,926,739	1,217,488	1,367,036	74,186,270	7,972,714	82,157,984
1859	18,891,858	16,409,767	14,642,960	3,623,027	1,220,678	3,177,415	69,070,977	6,648,954	75,719,931
1860	18,066,758	16,409,767	11,514,965	2,949,191	1,102,926	3,177,415	63,130,596	9,281,060	72,411,658
1861	17,646,116	22,981,150	12,420,888	2,841,358	1,036,074	3,100,174	66,546,645	8,430,336	74,977,013
1862	18,966,762	394,368,407	42,668,277	2,273,224	1,853,095	13,190,235	474,701,816	7,564,236	482,236,055
1863	22,507,651	599,291,843	63,221,964	3,154,357	1,853,095	24,729,847	714,740,725	10,557,101	725,297,826
1864	26,505,619	690,791,643	85,725,995	2,624,859	4,983,924	53,685,422	865,322,642	11,845,089	877,165,731
1865	44,515,558	1,031,343,361	122,612,145	5,115,837	16,338,811	77,397,712	297,555,224	13,388,900	410,944,133
1866	44,115,438	284,439,702	32,324,148	3,247,065	15,605,352	133,067,742	550,809,417	15,330,857	566,130,254
1867	58,405,906	95,224,415	31,034,011	4,402,532	20,936,552	143,781,592	357,542,675	15,692,712	373,235,387
1868	55,957,927	123,236,648	25,775,503	4,100,682	4,053,167	140,434,046	377,340,285	18,784,757	396,125,042
1869	62,753,231	78,501,991	40,000,758	7,047,923	6,895,510	130,694,243	322,863,278	18,282,403	341,147,081
1870	64,580,938	57,655,676	21,780,230	3,407,968	4,844,579	129,235,949	309,653,361	19,132,812	328,786,373
1871	64,367,461	35,799,992	19,431,027	2,426,997	5,131,256	125,376,566	292,177,188	309,653,561	311,441,736
1872	62,708,024	35,372,157	21,249,810	7,091,729	5,175,000	117,357,840	277,517,963	21,489,520	299,007,483
1873	72,943,555	46,323,138	23,526,257	7,951,705	4,490,475	104,750,688	290,345,245	23,635,159	313,930,404
1874	61,822,622	42,313,927	30,982,586	6,692,446	7,097,416	107,119,815	302,633,873	27,514,935	330,148,808
1875	83,859,057	21,497,626	20,456,216	7,211,646	103,093,545	274,623,393	274,623,393	26,399,988	301,023,381
1876	68,507,121	38,070,889	18,903,310	5,966,585	28,257,396	100,243,271	265,101,085	28,198,911	293,299,996

For footnotes, see p. 327.



1917-	1,144,448,923	377,940,870	239,632,757	30,598,093	160,318,406	24,742,702	1,977,681,751	1,977,681,751	319,889,904	2,207,571,655
1918-	6,143,916,172	4,869,955,286	1,278,840,487	30,888,400	181,137,754	189,743,277	12,697,836,705	12,697,836,705	322,628,094	13,020,464,799
1919-	6,627,726,203	9,009,075,789	2,002,310,785	34,593,257	221,614,781	343,511,621	18,522,804,705	18,522,804,705	362,160,763	18,883,053,468
1920-	2,771,141,778	1,621,963,095	620,421,456	40,516,832	213,344,201	619,251,569	6,482,900,191	6,482,900,191	10,418,607,441	6,900,897,632
1921-	1,916,162,312	1,118,076,423	650,373,836	41,470,808	290,611,416	990,144,731	5,115,927,680	5,115,927,680	10,489,306,490	6,027,715,080
1922-	1,091,652,312	457,756,139	337,050,596	35,500,413	252,576,518	991,000,759	3,372,607,900	3,372,607,900	4,222,581,500	6,027,715,080
1923-	1,166,634,304	397,016,878	332,249,137	46,754,026	228,321,555	1,055,923,690	4,048,677,965	4,048,677,965	4,531,316,000	4,222,581,500
1924-	1,131,154,606	357,016,878	332,249,137	46,754,026	228,321,555	940,602,912	3,048,677,965	3,048,677,965	4,531,316,000	4,222,581,500
1925-	1,293,702,596	364,083,945	312,743,410	48,142,120	207,189,622	881,806,662	3,063,055,332	3,063,055,332	4,531,316,000	4,222,581,500
1926-	1,204,375,973	369,114,122	318,309,096	36,791,656	230,556,065	881,806,662	3,063,055,332	3,063,055,332	4,531,316,000	4,222,581,500
1927-	1,430,702,732	400,989,683	331,335,492	36,950,808	229,401,462	881,806,662	3,063,055,332	3,063,055,332	4,531,316,000	4,222,581,500
1928-	1,471,452,939	425,947,194	364,561,544	34,086,568	229,718,079	787,019,578	3,097,611,823	3,097,611,823	4,531,316,000	4,222,581,500
1929-	1,597,512,107	464,583,515	374,165,639	32,066,628	220,766,931	778,370,476	3,103,264,856	3,103,264,856	4,531,316,000	4,222,581,500
1930-	1,910,062,746	487,718,081	354,071,034	37,480,333	232,323,908	678,300,340	3,248,583,555	3,248,583,555	4,531,316,000	4,222,581,500
1931-	2,957,988,179	478,888,571	357,820,666	32,608,236	232,236,806	678,300,340	3,248,583,555	3,248,583,555	4,531,316,000	4,222,581,500
1932-	19,297,580,521	450,800,653	349,736,026	27,224,747	234,931,866	599,276,631	3,779,788,339	3,779,788,339	4,531,316,000	4,222,581,500
1933-	5,011,514,101	411,546,044	297,189,489	31,169,296	323,823,176	52,063,299	4,843,018,254	4,843,018,254	4,531,316,000	4,222,581,500
1934-	4,303,828,711	494,805,587	438,001,238	32,997,939	384,167,596	756,617,127	6,358,097,829	6,358,097,829	4,531,316,000	4,222,581,500
1935-						521,926,353	7,112,256,079	7,112,256,079	4,531,316,000	4,222,581,500

From 1929 to 1842 the fiscal year ended Dec. 31, from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30

On basis of warrants issued from 1789 to 1935.  
 Postal revenues and expenditures, except surplus postal receipts covered into the Treasury and postal deficiencies paid out of the General Fund of the Treasury, are based upon reports of the Post Office Department. Postal expenditures include adjusted losses, etc.—postal funds, and expenditures from postal balances; but are exclusive of departmental expenditures in Washington, D.C., to the close of fiscal year 1922; and amounts transferred to the civil service retirement and disability fund, fiscal years 1921 to 1926, inclusive. For the years 1927 to 1935, inclusive, the 3½ percent salary deductions are included in "Postal expenditure", the deductions having been paid to and deposited by the disbursing clerk of the Pension Bureau for credit of the retirement fund.

Surplus or deficit excludes postal receipts and expenditures therefrom.  
 Includes civil expenditures under War and Navy Departments in Washington, to and including fiscal year 1915, and unavailable funds charged off under act of June 3, 1922 (42 Stat. 1592).

Exclusive of civil expenditures under War Department and Navy Department in Washington, to and including fiscal year 1915, and unavailable funds charged off under act of June 3, 1922 (42 Stat. 1592).

On basis of warrants issued from 1789 to 1935. Includes only Army and Navy pensions for service prior to World War, and fees of examining surgeons in Pension Bureau, and is exclusive of payments made by the War Risk Insurance Bureau and Veterans' Bureau to veterans of the World War, and salaries under Bureau of Pensions, which are included in civil and miscellaneous expenditures.

Prior to 1922 on basis of warrants issued. Exclusive of amounts transferred to the civil service retirement and disability fund under act of May 22, 1920 (41 Stat. 614), and amendments thereto on account of salary deductions of 2½ percent, as follows: 1921, \$6,519,683.59; 1922, \$7,509,066.28; 1923, \$8,284,081; 1924, \$8,676,688.60; 1925, \$10,266,977.47; and 1926, \$10,472,280.59. See Note 3. The Item Postal Deficiency presents advances from the General Fund of the Treasury to the Postmaster General to meet deficiencies in the postal revenues. These figures do not include any allowances for offsets on account of extraordinary expenditures or the cost of free mailings contributing to the deficiency of postal revenues certified to the Secretary of the Treasury by the Postmaster General pursuant to the Act of Congress, approved June 9, 1930. See exhibit 54 on p. 289 for statement of account.

At par.

Additional compensation, Postal Service, under joint resolution of Nov. 8, 1919 (41 Stat. 359), which is included in "Civil and miscellaneous", as follows: 1920, \$35,698,400; 1921, \$1,374,014.56; 1922, \$22,397,377.

Ordinary receipts and public debt retirements chargeable against ordinary receipts for 1921 exclude \$4,842,066.45 written off the debt Dec. 31, 1920. See page 397, note 1.

Beginning with the fiscal year 1932 tonnage tax has been covered into the Treasury as miscellaneous receipts.

Revised to cover all expenditures of the Reconstruction Finance Corporation including payments against credits established for the Reconstruction Finance Corporation through the purchase of its notes under sec. 9 of the Reconstruction Finance Corporation Act.

Includes \$353,048,797, processing tax on farm products in 1934 and \$521,379,871 in 1935.

Exclusive of \$2,811,375,757, increment resulting from reduction in the weight of the gold dollar.

Exclusive of \$1,173,820, increment resulting from reduction in the weight of the gold dollar, and \$140,111,441.47, seigniorage resulting from the issuance of silver certificates equal to the cost of the silver acquired under the Silver Purchase Act of 1934, and the amount returned for the silver received under the President's proclamation dated August 9, 1934.

Exclusive of \$2,060,000,000 chargeable against increment on gold, exchange stabilization fund.

Exclusive of \$113,022,629, chargeable against increment on gold.

The increment on gold and expenditures therefrom, together with the \$140,111,441.47, seigniorage for 1935, under the Silver Purchase Act of 1934, are not reflected in this figure.

TABLE 5.—Summary of receipts and expenditures, and excess of receipts or expenditures, by months, for the fiscal year 1935

[On basis of daily Treasury statements (unrevised), see p. 243]

Month	General, special, and emergency accounts										Trust ac- counts, excess of receipts (+) or expen- ditures (-)	
	Receipts					Expenditures						Excess expen- ditures (-)
	Income tax	Miscellaneous internal revenue	Processing tax on farm products	Customs	Miscellaneous receipts, including Panama Canal	Total	General	Emergency	Total			
<i>Fiscal year 1935</i>												
July.....	\$17,815,199	\$132,296,246	\$38,820,385	\$19,331,331	\$9,925,642	\$218,188,803	\$230,391,992	\$235,878,916	\$466,273,908	-\$248,085,105	\$+1,938,327	
August.....	25,133,956	143,300,718	43,043,300	22,952,077	49,836,167	286,266,218	304,116,853	309,882,844	513,690,697	-227,433,479	+1,610,978	
September.....	173,369,746	176,464,529	42,899,254	36,174,122	21,096,839	419,444,510	232,675,969	282,921,988	513,597,897	-66,153,387	+12,804,293	
October.....	19,056,993	151,026,935	49,255,538	30,908,740	10,036,007	259,884,213	474,667,569	283,785,072	738,452,671	-438,568,458	+29,323,314	
November.....	20,978,623	118,530,056	47,840,550	28,375,841	31,382,308	246,607,387	248,811,496	389,796,424	638,607,920	-392,000,533	+27,630,656	
December.....	164,255,731	131,447,989	41,650,753	32,428,184	14,908,729	384,691,386	331,727,895	320,057,926	652,385,821	-267,694,435	+43,667,197	
January.....	18,832,988	113,565,885	45,827,733	28,350,712	1,775,841	202,801,477	216,313,393	250,226,002	468,539,995	-265,738,518	+17,881,314	
February.....	27,569,599	109,471,509	44,412,868	24,959,895	7,714,295	214,128,139	246,753,469	251,624,050	498,377,459	-284,254,320	+7,500,250	
March.....	326,268,511	188,919,079	46,539,585	32,303,129	6,717,795	600,748,069	517,246,359	279,372,556	796,618,915	-568,762,157	+19,156,570	
April.....	29,009,119	115,603,263	43,800,069	31,453,408	7,990,959	227,856,758	275,092,426	336,034,594	611,127,020	-395,010,169	+347,537,558	
May.....	23,180,746	136,850,284	42,951,719	30,338,881	12,795,221	246,116,851	480,602,419	425,017,610	905,620,029	-441,886,668	+7,181,851	
June.....	253,707,427	137,715,026	35,338,168	28,176,714	8,796,026	463,733,361						
Total.....	1,099,118,638	1,657,191,519	521,379,871	343,353,034	179,424,140	3,800,467,202	3,721,234,634	3,654,590,531	7,375,825,165	-3,575,357,963	+522,056,153	

1 Counter entry of receipts (deduct).

TABLE 6.—Expenditures, by months, classified according to organization units, for the fiscal year 1935

[On basis of daily Treasury statements (unrevised), see p. 293]

Class of expenditure	1934						1935
	July	August	September	October	November	December	January
GENERAL AND SPECIAL ACCOUNTS							
<i>General</i>							
Departmental <sup>1</sup> :							
Legislative establishment.....	\$1,865,526.83	\$2,555,844.21	\$1,470,536.31	\$1,750,587.22	\$1,963,396.26	\$1,576,245.64	\$1,736,782.36
Executive proper.....	40,033.49	30,712.62	31,729.90	41,014.97	34,516.41	39,298.19	52,179.95
State Department.....	1,729,688.89	1,207,641.58	1,736,688.73	1,307,222.01	1,230,728.88	1,098,431.84	1,300,806.79
Treasury Department <sup>2</sup> .....	11,079,531.43	9,218,836.72	8,082,248.08	9,656,068.94	9,304,011.60	9,733,038.55	13,683,832.98
War Department (nonmilitary) <sup>3</sup> .....	794,487.28	2,300,916.05	1,144,357.40	180,222.51	78,944.36	101,108.32	73,276.30
Department of Justice.....	2,630,003.89	2,907,665.25	2,233,329.33	2,974,045.93	2,761,681.36	2,418,845.81	2,418,918.64
Post Office Department.....	24,708.42	9,458.00	3,672.65	14,616.78	16,959.82	875.19	6,774.78
Department of Interior.....	4,852,248.49	7,681,992.95	3,423,090.70	4,962,660.59	4,737,906.60	3,458,982.17	6,456,830.09
Department of Agriculture.....	11,487,631.27	3,568,089.65	4,722,082.16	6,333,880.64	4,103,595.08	4,468,343.80	5,501,462.63
Department of Commerce.....	3,133,147.58	2,183,372.75	2,314,865.43	2,749,485.02	2,478,487.68	2,526,764.33	2,428,458.73
Department of Labor.....	1,462,304.83	1,194,257.62	952,665.25	924,316.73	956,993.58	926,990.06	1,031,601.72
U. S. Shipping Board Bureau.....	1,197,247.71	751,907.18	353,655.88	2,612,841.30	1,253,103.90	2,158,731.65	476,650.83
Independent offices and commissions.....	3,200,268.91	2,219,719.33	2,162,767.32	2,297,729.30	2,519,676.05	2,790,669.07	2,601,009.84
Unclassified items.....	735,627.38	101,865.14	109,707.34	1,099,928.92	452,870.86	53,774.48	15,616.94
Adjustment for disbursing officers' checks out-standing.....	41,834,958.98	32,224,738.02	27,034,284.72	29,436,279.64	29,351,465.21	27,360,105.62	36,788,117.48
	9,577,307.74	6,474,236.04	107,563.04	5,374,655.32	4,414,227.31	253,517.92	4,532,025.58
Total departmental <sup>2</sup> .....	32,257,651.24	38,698,974.06	26,926,721.08	34,810,934.96	24,937,237.90	27,013,623.54	32,256,091.90
Public building construction and sites, Treasury Department <sup>3</sup> .....	3,820,535.59	3,245,772.21	2,634,221.92	2,438,280.82	2,738,109.94	2,245,997.48	1,375,388.22
River and harbor work <sup>1</sup> .....	4,190,477.80	4,888,381.65	3,914,540.03	3,880,213.32	4,701,073.54	5,140,855.97	4,665,716.55
National defense <sup>1</sup> .....							
Army <sup>3</sup> .....	2,580,036.43	25,079,189.38	19,889,729.89	21,352,166.58	21,077,919.65	19,088,713.01	19,599,357.17
Navy.....	26,955,143.78	26,746,856.31	25,809,739.32	26,552,826.64	24,960,836.72	25,010,170.14	26,552,013.41
Veterans' Administration <sup>1</sup> .....	45,401,965.74	46,582,273.92	45,324,500.31	49,208,614.18	45,981,281.48	46,269,884.81	46,499,552.58
Adjusted service certificate fund.....	50,000,000.00						
Farm Credit Administration.....	18,994,311.55	17,333,430.79	35,422,313.87	64,897,016.18	65,731,869.55	57,342,008.30	53,038,492.30
Refunds of receipts.....				13,001,222.12	2,175,769.55	806,972.99	2,694,627.08
Customs.....	1,839,756.80	1,444,401.82	1,898,124.36	1,462,888.59	1,332,877.13	3,014,317.76	1,497,133.22
Internal revenue.....	2,226,826.75	1,951,020.93	1,804,888.33	2,433,994.93	1,805,360.48	2,830,555.09	1,663,073.47
Processing tax on farm products.....	327,427.02	1,842,673.26	2,919,247.74	5,152,972.03	2,887,267.71	2,661,474.79	2,779,473.54

For footnotes, see p. 340.

TABLE 6.—Expenditures, by months, classified according to organization units, for the fiscal year 1935—Continued

Class of expenditure	1934							1935
	July	August	September	October	November	December	January	
GENERAL AND SPECIAL ACCOUNTS—continued								
<i>General—Continued</i>								
Postal deficiency.....	\$24,181.07		\$9,990,995.06	\$5,000,000.00	\$500,842.26	\$658,093.35	\$1,112,946.61	
Panama Canal.....	424,873.95	\$630,511.92	1,440,791.61	507,237.30				
Subscriptions to stock of Federal land banks.....				6,402,876.00				
Civil service retirement fund (Government share)	20,850,000.00							
Foreign service retirement fund (Government share)	159,100.00							
District of Columbia (Government share) <sup>1</sup> .....	2,613,599.39	1,750,785.61		160,000,856.01	14,956,305.59	129,352,423.97	21,686,720.87	
Interest on the public debt.....	14,056,897.73	35,128,929.38	60,386,194.43					
Public debt retirements.....				89,370,750.00	39,285,650.00	10,856,750.00	6,227,500.00	
Sinking fund.....	1,000.00							
Received from foreign governments under debt settlements.....								
Estate taxes, forfeitures, gifts, etc.....								
Total general.....	290,394,991.99	3,750.00	1,500.00	474,667,598.66	248,811,495.53	331,727,845.22	246,313,392.76	
<i>Emergency</i>								
Agricultural Adjustment Administration:								
Department of Agriculture.....	5,655,401.06	23,795,650.20	5,165,460.20	3,296,663.82	24,378,300.60	7,727,500.86	7,347,751.60	
Department of Agriculture (cotton, etc.).....	163,917.61	\$89,395.97	12,722,418.95	68,738.81	68,670.00	17.36	9,400.00	
Treasury Department.....								
National Industrial Recovery Act:								
Department of Agriculture.....	3,422,292.95	12,930,720.24	18,202,730.55	567.99	1,941.43	6,404.91	182,780.00	
Farm Credit Administration.....								
Commodity Credit Corporation.....	11,972.94	39,127.74	7,943.49	114,618.63	56,607.66	5,127.95	42,363.66	
Unclassified items.....	214,638.51	213,870.17	11.65	74.25	3,810.66	2,619.08	1,268.20	
Farm Credit Administration.....	2,839,638.17	5,879,119.84	5,852,896.96	2,310,229.35	1,375,626.07	4,407,793.58	7,613,143.64	
Federal land banks:								
Subscriptions to paid-in surplus.....	1,192,059.18	3,179,480.74	2,152,476.12	3,121,294.63	1,696,502.79	4,008,861.42	2,897,668.52	
Payment for reduction of interest rates on mortgages.....	1,247,611.72	1,360,114.98	1,513,492.31	1,513,492.31	1,176,449.67	19,773,687.10	2,868,114.16	
Federal Emergency Relief Administration <sup>2</sup> .....	155,178,501.25	102,563,992.03	63,488,801.59	82,561,332.78	15,523,693.98	19,773,687.10	18,637,483.72	
Federal Surplus Relief Corporation <sup>3</sup> .....	1,177,600.90	6,897,002.33	6,546,107.76	8,011,763.31	12,000,431.95	8,950,620.53	3,112,065.78	
Civil Works Administration.....	4,904,801.86	2,371,895.71	909,779.10	754,209.17	517,656.09	655,407.78	394,888.74	
Emergency conservation work.....	39,972,477.54	27,740,556.26	30,104,667.62	35,169,653.87	33,875,726.40	32,791,773.75	31,134,520.47	
Department of Agriculture—relief.....		441,304.71	23,464,250.09	31,545,787.18	9,312,749.14	4,836,482.66	2,688,486.40	

Public works:									
Civil Works Administration									
Tennessee Valley Authority	2,046,575.88	2,327,038.35	2,716,177.77	9,399,767.48	3,486,437.79	3,127,315.22	2,761,681.16		
Loans to railroads	14,938,000.00	18,101,000.00	12,969,000.00	3,955,000.00	12,435,000.00	5,941,802.00	4,697,612.44		
Loans and grants to States, municipalities, etc.	11,731,582.29	19,743,780.08	13,319,108.53	9,545,026.19	13,287,469.41	6,088,776.27	4,004,021.65		
Public highways	50,653,580.32	43,943,389.85	37,471,727.20	36,736,832.19	27,508,014.07	25,013,326.24	18,927,084.71		
Boulder Canyon project	2,436,566.27	2,281,712.47	2,281,712.47	1,948,837.36	2,378,121.90	1,658,040.05	1,717,611.00		
River and harbor work	12,713,552.59	16,908,063.96	17,463,986.61	17,986,827.73	15,626,615.05	12,952,703.81	9,214,704.52		
Rural Electrification Administration									
Subsistence homesteads	158,194.94	248,816.80	90,350.68	1,192,031.86	567,355.58	691,181.62	281,615.01		
All other:									
Administrative expenses—Public Works Administration	335,905.98	1,167,686.64	877,196.31	1,192,695.84	1,178,697.94	1,253,135.52	1,287,131.83		
Legislative establishment	17,046.93	60,637.09	60,901.10	44,035.76	58,326.62	21,006.69	63,603.89		
State Department	207,790.54	199,411.34	211,525.83	202,998.38	174,379.54	234,517.06	191,548.18		
Treasury Department:									
Public building construction and sites	1,271,549.18	1,918,619.29	2,644,420.26	2,342,175.91	1,955,460.62	4,341,333.82	2,805,397.56		
All other:	539,854.40	336,444.14	673,772.63	819,319.01	1,139,888.97	599,144.81	232,819.86		
War Department (nonmilitary)	181,613.04	158,844.20	177,138.50	157,567.14	170,378.60	87,081.59	137,622.80		
National defense:									
Army	8,918,790.14	6,776,021.36	6,528,312.53	5,621,775.06	4,853,427.59	4,189,023.67	5,917,911.42		
Navy	8,761,263.98	8,670,815.23	7,434,512.09	9,453,381.04	9,139,352.47	9,366,363.80	8,769,348.81		
Panama Canal	54,361.71	56,290.14	20,438.01	40,476.82	17,387.89	17,433.88	12,952.59		
Post Office Department	99,443.03	100,661.55	32,441.37	32,221.14	16,201.95	23,131.67	27,647.21		
Department of Interior	3,478,573.23	5,174,093.21	5,216,102.11	4,826,830.73	4,870,677.40	4,597,426.46	3,804,542.76		
Department of Agriculture	1,847,517.82	2,262,697.99	2,048,477.12	1,593,131.08	1,121,469.91	924,673.73	354,430.69		
Department of Commerce	853,375.60	844,301.67	772,613.06	956,404.66	978,414.55	864,425.86	961,031.28		
Department of Labor	70,518.71	176,680.96	986,280.08	745,063.70	481,828.27	678,872.84	542,550.32		
Veterans' Administration	125,917.73	167,240.99	257,267.12	280,193.75	213,792.51	135,660.40	77,084.05		
Federal Housing Administration		43,902.29	173,993.82	387,462.32	274,738.23	22,612.56	16,180.97		
Independent offices and commissions	204,531.94	202,322.71	234,231.16	368,011.35	363,926.28	407,662.26	407,649.88		
District of Columbia	102,936.70	98,643.96	83,964.88	75,153.50	99,918.04	129,667.58	66,022.85		
Federal Surplus Relief Corporation									
Export-Import Banks of Washington	48,042.85	2,633.51	3,298.07	3,464.68	4,509.85	4,599.09	4,277.59		
Unclassified items	1,124,380.75	657,114.92	47,902.36	27,630.48	312,421.45	186,599.18	129,947.79		
Federal savings and loan associations (subscriptions to preferred shares)	1,844,000.00	707,000.00	1,319,182.41	2,105,424.12	1,647,524.49	2,470,836.70	3,014,136.82		
Emergency housing	449,511.75	8,844.40	631,409.01	51,216.10	385,472.05	126,403.52	119,746.41		
Resettlement Administration									
Reconstruction Finance Corporation:									
Direct expenditures by the Corporation	134,803,029.85	2,439,965.77	9,211,982.38	1,573,356.41	55,519,301.04	3,310,985.93	27,295,011.89		
Administrative expenses	908,727.09	983,914.76	945,673.30	1,097,708.34	957,466.96	925,377.27	1,068,484.40		
From funds allocated by the Corporation:									
Crop production loans	949,813.24	664,221.27	490,112.76	504,974.74	809,300.63	234,450.07	814,848.01		
Regional agricultural credit corporations	1,071,541.51	370,229.48	556,432.83	2,075,199.88	1,105,892.13	1,060,877.10	2,828,061.46		
Loans to joint stock land banks	67,492.81	47,049.57	41,688.91	95,629.16	94,588.91	82,243.33	41,849.63		
Farm mortgage relief		10.00	297.85	11.58	22.76	46.50	31.65		
Federal Farm Mortgage Corporation			205.62						

For footnotes, see p. 340.

TABLE 6.—Expenditures, by months, classified according to organization units, for the fiscal year 1935—Continued

Class of expenditure	1934						1935
	July	August	September	October	November	December	January
GENERAL AND SPECIAL ACCOUNTS—Continued							
Emergency—Continued							
Reconstruction Finance Corporation—Continued							
From funds allocated by the Corporation—Continued							
Federal intermediate credit banks revolving fund							
Farm Credit Administration	\$15,347,983.37	\$285,863.90	\$32,470.11	\$247,380.75	\$317,388.01	\$15,000,000.00	\$244,428.71
Commodity Credit Corporation	5,745,066.15	47,942,191.39	87,560,196.47	34,322,628.78	15,865,651.62	14,816,858.14	4,109,913.86
Capital stock of home loan banks				200,000.00		1,617,456.84	
Capital stock of Home Owners' Loan Corporation	20,000,000.00	26,000,000.00					
Federal Housing Administration		9,499,915.41				598,178.66	608,445.15
Federal Emergency Relief Administration				47,304,973.00	127,509,232.00	143,861,560.32	122,098,215.33
Federal Surplus Relief Corporation	11.02		212.51	117,125.77		1,538,317.47	6,783,527.04
Civil Works Administration							
Export-Import Banks of Washington	1,094,339.24	1,061,726.25	528,193.49	18,100.00		399,824.87	3,350,233.65
Unclassified items	3,073.66	16,161.97	13,483.46	895.04	8,469.59	8,477.39	486.61
Federal Deposit Insurance Corporation (subscriptions to stock)	203,761.01	160,615.79	5,224,699.62	14,996,199.87	20,675,604.56		
Administration for Industrial Recovery	883,676.82	989,285.15	886,811.41	551,301.43	913,300.94	1,275,087.93	1,023,726.93
Total emergency	235,878,916.29	309,582,844.13	282,921,987.57	283,785,072.21	389,796,424.41	320,657,926.14	252,226,602.12
Total general and emergency expenditures	466,273,908.28	513,699,696.88	515,597,897.14	758,452,670.87	638,007,919.94	652,385,821.36	468,539,994.88
Excess of receipts over expenditures	248,085,105.82	227,433,479.02	66,153,387.04	498,568,457.90	392,000,532.66	267,694,431.95	265,738,518.29
Excess of expenditures over receipts							



Class of expenditure	1935—Continued					Total
	February	March	April	May	June	
GENERAL AND SPECIAL ACCOUNTS—continued						
<i>General</i>						
Departmental: 1						
Legislative establishment.....	\$1,339,536.20	\$1,282,345.35	\$1,717,880.89	\$1,411,240.69	\$953,804.09	\$17,652,732.52
Executive proper.....	39,721.72	40,396.01	36,131.71	35,912.72	35,446.08	358,897.75
State Department.....	1,045,776.79	1,186,620.99	1,240,144.67	1,204,129.85	1,512,898.60	11,121,102.86
Treasury Department 3.....	9,961,269.03	10,064,092.89	8,337,717.24	11,471,810.88	11,270,770.33	121,863,056.69
War Department (nonmilitary) 3.....	71,877.07	291,113.97	103,998.34	306,815.90	108,812.15	4,109,859.43
Department of Justice.....	2,464,567.57	2,727,966.85	3,114,171.06	2,853,114.98	2,526,567.72	31,598,524.53
Post Office Department.....	449,097.97	23,561.10	3,345,728.72	26,141.06	44,163.87	14,265,729.73
Department of Interior.....	3,492,903.55	2,842,367.96	4,932,028.96	5,217,404.36	3,133,498.12	45,492,163.77
Department of Agriculture.....	6,417,507.58	3,868,529.03	4,601,106.39	3,465,919.61	62,036,811.90	58,362,572.39
Department of Commerce.....	2,126,909.19	3,235,681.63	3,423,329.34	2,830,751.82	3,864,483.17	27,452,419.86
Department of Labor.....	1,299,385.87	944,644.41	1,123,735.99	1,034,561.67	1,161,399.32	13,012,157.65
U. S. Shipping Board Bureau.....	62,434.09	471,331.94	476,592.28	10,347,087.57	1,186,691.68	3,348,272.91
Independent offices and commissions.....	2,085,512.85	2,398,363.06	2,279,531.83	2,559,692.99	2,358,138.01	29,473,078.57
Unclassified items.....	84,264.15	390,204.72	142,433.53	286,081.31	787,287.35	499,363.49
Adjustment for disbursing officers' checks outstanding.....	29,788,371.81	28,305,205.89	30,944,406.39	21,874,327.65	27,466,553.47	341,335,354.16
Total departmental 2.....	454,873.20	1,031,081.82	918,093.63	478,025.56	23,723.99	6,416,592.83
Public building construction and sites, Treasury Department 1 3.....	29,333,498.61	29,336,287.71	30,026,307.76	22,352,353.21	27,442,829.68	355,992,512.25
River and harbor work 1.....	1,567,072.91	1,290,027.17	1,695,504.62	1,298,849.08	919,312.38	25,269,072.94
National defense: 1	3,953,541.54	4,515,726.28	5,008,850.61	3,283,478.32	4,975,111.60	55,118,567.21
Army 3.....	16,613,047.59	18,516,934.16	14,285,745.53	20,490,055.44	13,613,820.85	212,186,712.61
Navy.....	37,617,555.16	14,096,711.51	32,729,025.71	26,646,932.93	27,732,718.80	321,410,530.43
Adjusted service certificate fund.....	44,776,014.19	46,291,637.57	46,900,620.50	46,900,955.05	45,615,970.98	566,549,000.00
Agricultural Adjustment Administration.....	53,940,738.29	47,855,775.38	65,300,851.85	43,070,978.15	38,642,452.18	561,540,268.39
Farm Credit Administration.....	8,402,682.91	618,719.77	413,025.97	1,947,242.89	2,030,471.80	12,979,061.00
Refunds of receipts:						
Customs.....	2,069,100.84	2,291,830.98	1,372,780.25	1,526,423.24	995,903.40	20,715,688.49
Internal revenue.....	1,673,825.78	1,576,131.01	2,125,511.92	1,783,604.78	2,648,197.35	24,531,960.82
Processing tax on farm products.....	2,685,606.35	1,929,896.14	3,379,420.94	2,467,150.97	3,175,897.83	31,268,208.32
Postal deficiency.....	10,000,000.00	10,053,513.39	10,053,513.39	8,822,715.28	63,970,404.80	52,003,295.62
Panama Canal.....	501,098.86	632,358.41	951,881.18	442,688.49	902,880.80	9,197,147.37

For footnotes, see p. 340.

TABLE 6.—Expenditures, by months, classified according to organization units, for the fiscal year 1935—Continued

Class of expenditure	1935—Continued					Total
	February	March	April	May	June	
<b>GENERAL AND SPECIAL ACCOUNTS—continued</b>						
<i>General</i> —Continued						
Subscriptions to stock of Federal land banks	\$3,658,485.00			\$11,000,000.00		\$1,930,140.00
Civil service retirement fund (Government share)						20,850,000.00
Foreign service retirement fund (Government share)					159,100.00	292,700.00
District of Columbia (Government share)					\$175,000.00	5,700,000.00
Interest on the public debt	34,429,110.99	\$89,646,698.49	\$118,272,220.72	24,463,698.63	118,548,296.64	756,617,126.73
Public debt retirements:						
Sinking fund	2,849,000.00	4,249,650.00	185,557,150.00	69,312,500.00	165,291,050.00	359,490,900.00
Received from foreign governments under debt settlements		103,500.00				357,850.00
Estate taxes, forfeitures, gifts, etc.						15,342.90
Total general	246,753,409.02	262,831,884.58	517,246,359.01	275,092,426.00	480,602,419.67	3,100,914,534.14
<i>Emergency</i>						
Agricultural Adjustment Administration:						
Department of Agriculture	4,574,138.92	294,081.41	3,612,774.95	4,654,134.07	3,063,120.18	6,875,796.76
Department of Agriculture (cotton, etc.)					10,000,000.00	76.65
Treasury Department						5,000.00
National Industrial Recovery Act:						
Department of Agriculture	3,061.18	2,722.40	17,460.01	14,455.47	18,778.09	2,450,640.15
Farm Credit Administration						60,000,000.00
Commodity Credit Corporation	24,214.00	11,029.36	29,653.35	543,073.40	344,301.10	2,811,949.79
Unclassified items			384.00	4,484.47	2,190.20	186,420.18
Farm Credit Administration	7,961,029.04	9,357,814.30	13,745,440.34	42,179,747.96	8,301,699.36	606,016.61
Federal land banks:						
Subscriptions to paid-in surplus	276,070.88	3,712,232.83	2,583,422.95	4,279,439.08	4,530,676.45	67,168,301.97
Payment for reduction of interest rates on mortgages	879,650.32		1,619,333.87	1,529,404.47	223,704.05	40,863,477.16
Federal Emergency Relief Administration:						
Federal Surplus Relief Corporation	125,009,624.78	156,652,491.36	143,995,968.67	133,100,994.05	293,363,939.63	7,029,256.79
Civil Works Administration	5,471,601.37	4,904,886.95	3,515,554.88	2,887,529.20	1,843,056.27	333,702,701.28
Emergency conservation work	160,854.32	213,732.87	149,581.74	177,136.32	117,256.37	65,338,201.23
Department of Agriculture—relief	31,900,975.40	37,744,925.85	43,276,493.18	40,428,955.99	51,428,116.82	316,157,892.29
Department of Agriculture—relief	4,179,091.29	1,813,789.33	1,123,033.95	663,734.88	592,384.36	331,940,851.40



TABLE 6.—Expenditures, by months, classified according to organization units, for the fiscal year 1935—Continued

Class of expenditure	1935—Continued					Total
	February	March	April	May	June	
<b>GENERAL AND SPECIAL ACCOUNTS—continued</b>						
<i>Emergency—Continued</i>						
Reconstruction Finance Corporation—Continued.						
From funds allocated by the Corporation—Continued.						
Federal intermediate credit banks revolving fund				\$750,000.00	\$750,000.00	\$25,000,000.00
Farm Credit Administration	\$216,163.05	\$8,919,786.41	\$787,982.21	97,477.13	56,971.19	11,248,180.18
Commodity Credit Corporation	743,837.39	2,570,805.57	9,619,077.22	6,895,156.72	57,086,196.47	69,889,485.04
Capital stock of home loan banks						200,000.00
Capital stock of Home Owners' Loan Corporation						46,000,000.00
Federal Housing Administration	562,885.20	802,270.05	867,892.26	1,087,159.34	869,051.96	15,046,858.01
Federal Emergency Relief Administration	44,725,422.13	2,025,607.89	161,192.62	256,724.50	179,735.42	487,801,277.97
Federal Surplus Relief Corporation	2,762,364.89	16,160.81	2,210.11	10,345.59	2,037.99	11,232,313.20
Civil Works Administration						
Export-Import Banks of Washington	980,250.24	1,432,454.24	1,235,222.42	1,287,158.83	33,275.21	2,618,129.74
Unclassified items	553.01	42,103.08	38,994.41	5,897.56	107,274.71	110,000.00
Federal Deposit Insurance Corporation (subscriptions to stock)						
Administration for Industrial Recovery	1,110,819.60	4,151,084.55	1,247,502.62	1,254,568.62	1,209,534.81	12,496,730.81
Total emergency	251,624,049.54	287,691,948.72	279,372,556.33	336,034,593.65	425,017,609.69	3,654,590,530.81
Total general and emergency expenditures	498,377,458.56	550,523,833.30	796,618,915.34	611,127,019.66	905,620,029.36	7,375,825,165.57
Excess of receipts over expenditures	284,249,319.69	50,224,265.95	508,762,156.97	365,010,169.00	441,886,668.19	3,575,357,963.61
Excess of expenditures over receipts						

Class of expenditure	1934					1935	
	July	August	September	October	November	December	January
TRUST FUNDS, INCREMENT ON GOLD, ETC. <sup>6</sup>							
EXPENDITURES							
Trust funds:							
District of Columbia <sup>4</sup> .....		\$809,744.09	\$2,534,095.71	\$3,733,728.02	\$4,702,627.51	\$4,818,653.84	\$3,798,657.37
Government life insurance fund.....	\$9,712,322.40	5,075,501.87	4,538,665.50	4,851,530.41	5,800,537.56	4,317,935.22	7,635,149.21
Adjusted service certificate fund.....	116,498.88	311,593.24	200,868.74	274,658.83	418,563.38	554,861.78	6,287,048.53
Civil service retirement fund.....	2,273,250.05	2,838,791.91	2,304,228.66	1,806,981.72	3,727,503.39	2,563,867.05	2,482,801.65
Foreign service retirement fund.....	167,983.00	622.86	1,233.86	874.96	3,541.22	18,333.88	3,052.95
Canal Zone retirement fund.....	42,344.17	42,584.29	42,355.93	18,675.05	44,035.97	43,891.19	42,425.90
Indian tribal funds.....	269,777.97	1,006,354.35	27,738.67	2,087,904.64	169,856.87	374,155.22	372,087.59
Other <sup>6</sup> .....	403,190.19	939,848.96	9,115,716.83	487,209.04	1,147,497.45	5,829,867.68	10,332,869.46
Unclassified items.....	139,348.61	232,434.46	326,866.53	258,892.89	327,097.86	150,449.77	251,862.49
Transactions in checking accounts of govern- mental agencies (net) <sup>7</sup> .....							
Chargeable against increment on gold:							
Exchange stabilization fund.....				8,165.89	89,044.12	21,999.39	17,763.13
Melting losses, etc.....				845,667.69	1,837,635.19	5,444,746.31	3,493,371.90
Payments to Federal Reserve banks (sec. 13b, Federal Reserve Act, as amended).....							
For retirement of national bank notes.....							
Total.....	12,585,129.33	9,378,652.69	215,161.77	13,077,543.43	17,980,844.64	11,339,610.01	12,803,571.10
Excess of receipts over expenditures.....	1,938,326.56	1,610,977.70	12,804,292.98	29,325,314.05	27,630,656.43	43,057,196.78	17,881,313.89

For footnotes, see p. 340.

TABLE 6.—Expenditures, by months, classified according to organization units, for the fiscal year 1935—Continued

Class of expenditure	1935—Continued					Total
	February	March	April	May	June	
TRUST FUNDS, INCREMENT ON GOLD, ETC.—Con.						
EXPENDITURES—Continued						
Trust funds:						
District of Columbia 4	\$3,706,712.12	\$4,268,726.64	\$4,732,719.45	\$4,366,190.46	\$5,338,646.66	\$30,689,804.67
Government life insurance fund	5,970,230.90	5,103,872.09	5,278,935.07	4,915,944.13	1,852,986.05	71,498,480.36
Adjusted service certificate fund	559,956.87	85,772.93	281,069.22	256,216.63	165,719.26	6,232,817.18
Civil service retirement fund	2,342,177.16	2,820,312.05	2,750,802.85	2,626,741.83	12,247,281.74	38,483,181.73
Foreign service retirement fund	853.63	698.16	10,169.02	6,705.89	112,661.51	301,888.42
Canal Zone retirement fund	47,970.60	41,406.15	42,594.82	32,673.36	131,148.65	575,233.30
Indian tribal funds	34,140.34	282,261.09	391,841.21	444,977.06	1,143,364.73	1,294,659.64
Other 5	16,747,985.05	11,624,309.68	1,942,263.41	7,474,402.56	4,800,862.37	1,617,866.92
Unclassified items	446,102.51	988,090.26	284,461.88	641,925.07	444,760.78	155,963.08
Transactions in checking accounts of governmental agencies (net) 7				333,245,377.93	96,283,371.63	429,528,749.56
Chargeable against increment on gold:						
Exchange stabilization fund					538,149.40	675,121.93
Melting losses, etc.					805,325.29	29,931,857.34
Payments to Federal Reserve banks (sec. 13b, Federal Reserve Act, as amended)	1,885,753.18	2,162,136.77	3,601,318.08	855,912.93	91,415,650.00	91,415,650.00
For retirement of national bank notes					25,126,736.25	150,546,457.42
Total	30,630,261.36	25,790,028.98	18,532,495.59	327,476,159.63	7,181,851.56	2,138,675,539.61
Excess of receipts over expenditures	7,500,280.22	19,156,570.26	21,432,374.78	347,537,558.10	522,056,152.87	834,880,107.74
Excess of expenditures over receipts						

Class of expenditure	1934						1935
	July	August	September	October	November	December	January
<b>PUBLIC DEBT *</b>							
Treasury bills.....	\$246,410,000.00	\$444,072,000.00	\$169,145,000.00	\$252,400,000.00	\$150,256,000.00	\$148,533,000.00	\$374,901,000.00
Certificates of indebtedness.....	709,550.00	1,379,200.00	570,715,900.00	2,653,650.00	720,450.00	990,530,800.00	1,114,950.00
Certificates of indebtedness (adjusted service certificate fund series).....	1,600,000.00	1,500,000.00	1,600,000.00	1,600,000.00	1,100,000.00	2,100,000.00	158,800,000.00
Treasury notes.....	708,850.00	25,249,300.00	703,900.00	732,450.00	330,450.00	1,009,250.00	226,700.00
Treasury notes (civil service retirement fund series).....		1,600,000.00	1,900,000.00	2,700,000.00	600,000.00	1,700,000.00	1,800,000.00
Treasury notes (foreign service retirement fund series).....	15,000.00	25,000.00	15,000.00	14,000.00	19,000.00		14,000.00
Treasury notes (Canal Zone retirement fund series).....		2,500.00		51,000.00		450,000.00	
Treasury bonds.....	1,651.50	1,618.25	1,495.00	1,878.00	1,956.75	1,883.75	1,791.75
War savings securities.....	10,151.00	4,408.00	7,294.00	13,554.00	3,006.00	2,277.00	5,406.00
Treasury savings securities.....		250.00		100.00			
First Liberty bonds.....	19,200.00	17,550.00	19,300.00	33,700.00	12,850.00	21,750.00	15,000.00
Second Liberty bonds.....	28,950.00	26,650.00	26,650.00	54,000.00	22,450.00	23,650.00	27,200.00
Third Liberty bonds.....	4,647,850.00	2,860,300.00	825,336,850.00	328,413,650.00	48,860,200.00	13,228,250.00	8,054,800.00
Fourth Liberty bonds.....	4,950.00	3,900.00	6,050.00	8,000.00	2,700.00	3,100.00	2,650.00
Victory notes.....	857,240.00	3,020.00	1,320.00	1,700.00	3,250.00	160.00	919,240.00
Postal savings bonds.....	343.53			60.00	1,754.88	80.00	20.00
Other debt items.....							
National bank notes and Federal Reserve bank notes.....	20,331,295.00	21,151,525.00	17,290,340.00	18,482,185.00	14,512,277.50	13,964,982.50	19,415,810.00
Total public debt expenditures.....	275,345,031.03	497,897,251.25	1,533,768,699.00	607,160,327.00	216,476,315.13	1,171,668,583.25	565,298,567.75

For footnotes, see p. 340.

TABLE 6.—Expenditures, by months, classified according to organization units, for the fiscal year 1935—Continued

	1935—Continued					Total
	February	March	April	May	June	
<b>PUBLIC DEBT—Continued</b>						
Treasury bills.....	\$297,305,000.00	\$281,127,000.00	\$305,989,000.00	\$372,518,000.00	\$286,933,000.00	\$3,326,590,000.00
Certificates of indebtedness.....	1,114,750.00	171,800.00	1,064,750.00	877,100.00	716,800.00	1,522,469,700.00
Certificates of indebtedness (adjusted service certificate fund series).....	2,000,000.00	1,500,000.00	1,400,000.00	1,400,000.00	1,300,000.00	175,000,000.00
Treasury notes.....	68,250.00	524,216,100.00	1,040,000.00	484,100.00	747,877,750.00	1,302,646,700.00
Treasury notes (civil service retirement fund series).....	2,100,000.00	1,700,000.00	1,800,000.00	2,000,000.00	14,500,000.00	32,400,000.00
Treasury notes (foreign service retirement fund series).....	20,000.00	18,000.00	15,000.00	14,000.00	340,000.00	509,000.00
Treasury notes (Canal Zone retirement fund series).....						
Treasury bonds.....		102,500.00		13,000.00		64,000.00
United States Savings Bonds.....	1,793.75	2,149.00	2,103.25	1,912.75	361,425.00	555,000.00
War savings securities.....	13,035.00	14,585.00	19,105.00	3,563.00	4,730.00	519,225.00
First Liberty bonds.....	12,450.00	1,000.00	1,023,518,100.00	556,884,750.00	208,004,450.00	21,833.75
Second Liberty bonds.....	23,800.00	30,650.00	39,300.00	43,000.00	14,750.00	100,916.00
Third Liberty bonds.....	3,703,050.00	39,850.00	63,000.00	80,000.00	40,250.00	1,788,408,650.00
Fourth Liberty bonds.....	1,700.00	1,467,570,500.00	292,977,100.00	62,741,100.00	19,103,300.00	455,950.00
Postal savings bonds.....	3,320.00	8,200.00	13,000.00	10,500.00	4,100.00	3,077,596,350.00
Other debt items.....	40.00	600.47	2,040.00	1,780.00	1,940.00	69,450.00
National bank notes and Federal Reserve bank notes.....	13,180,145.00	20,153,480.00	27,945,815.00	31,329,635.00	29,522,830.00	1,799,500.00
Total public debt expenditures.....	319,547,833.75	2,297,360,935.47	1,655,888,444.25	1,028,561,225.20	1,308,726,915.00	11,477,700,098.08

<sup>1</sup> Additional expenditures on these accounts for the fiscal years 1934 and 1935 are included under Public Works.

<sup>2</sup> The Executive order of June 10, 1933, as amended, provides for the transfer of the function of disbursement of all moneys of the United States (except those relating to the Military and Naval Establishments, rivers and harbors, and Panama Canal) to the Division of Disbursement, Treasury Department. The transfer of such functions in Washington, D. C., of the several departments and establishments subject to the Executive order of June 10, 1933, was completed on July 1, 1934. Therefore, effective July 1, 1934, in the interest of economy and efficiency, the disbursements by the Division of Disbursement, Treasury Department, which appear in daily Treasury statements under the caption "Departmental Expenditures" are on the basis of checks issued. The totals shown, after making adjustment for outstanding checks of the Division of Disbursement, relating to such "Departmental Expenditures" are on the basis of checks paid as published heretofore.

<sup>3</sup> The classification of general expenditures for public building construction and sites, Treasury Department, and for War Department (nonmilitary) prior to the fiscal year 1934 is not available, and such expenditures are therefore included in general expenditures under Treasury Department and National Defense—Army, respectively.

<sup>4</sup> Expenditures for the District of Columbia representing the share of the United States are charged against the amount to be advanced from the General Fund until the authorized amount is expended. After that they are charged against the revenues of the District under trust funds.

<sup>5</sup> Expenditures on account of "Federal Surplus Relief Corporation" and "Federal Emergency Relief Administration" are combined under the latter caption on page 2 of the daily Treasury statement.

<sup>6</sup> The receipts and expenditures on account of contributed funds were classified prior to the fiscal year 1934 as special funds and were included in general and special fund receipts and expenditures. Subsequently they were classified as contributed funds under the general heading of "Trust and contributed funds and increment on gold." Beginning with the statement on October 15, 1934, these receipts and expenditures for the current fiscal year and the fiscal year 1934 are included in "Other" trust funds.

<sup>7</sup> This item represents transfers of balances in checking accounts of certain special agencies of the Government, net transactions in which will hereafter be shown under this caption.

<sup>8</sup> Includes sinking fund and other debt retirements mentioned above.

NOTE.—Excess credits and adjustments in italics to be deducted.



## Specific receipts and expenditures

TABLE 7.—Comparison of detailed internal revenue collections for the fiscal years 1934 and 1935

[On basis of reports of collections, see p. 294]

Source	1934	1935	Increase (+) or decrease (-)
<b>Income tax:</b>			
Corporation.....	\$397,515,851.94	\$572,117,876.28	+\$174,602,024.34
Individual.....	419,569,487.78	527,112,506.42	+107,603,018.64
<b>Total.....</b>	<b>817,025,339.72</b>	<b>1,099,230,382.70</b>	<b>+282,205,042.98</b>
<b>Excess-profits tax.....</b>	<b>2,630,615.56</b>	<b>6,560,482.64</b>	<b>+3,929,867.08</b>
<b>Capital stock tax.....</b>	<b>80,168,344.13</b>	<b>91,508,121.29</b>	<b>+11,339,777.16</b>
<b>Dividend tax.....</b>	<b>50,229,122.97</b>	<b>961,479.73</b>	<b>-49,267,643.24</b>
<b>Estate tax.....</b>	<b>103,985,288.04</b>	<b>140,440,682.34</b>	<b>+36,455,394.30</b>
<b>Gift tax.....</b>	<b>9,153,076.06</b>	<b>71,671,276.89</b>	<b>+62,518,200.83</b>
<b>Liquor taxes:</b>			
Distilled spirits (imported), excise tax.....	6,577,958.65	15,107,926.36	+8,529,967.71
Distilled spirits (domestic), excise tax.....	61,889,863.92	150,525,646.92	+88,635,783.00
Distilled spirits, rectification tax.....	4,822,698.49	6,381,557.54	+1,558,859.05
Still or sparkling wines, cordials, etc. (imported), excise tax.....	955,987.87	665,895.58	-290,092.29
Still or sparkling wines, cordials, etc. (domestic), excise tax.....	2,454,525.08	6,113,920.11	+3,659,395.03
Grape brandy used for fortifying sweet wines.....	106,855.57	562,398.15	+455,542.58
Rectifiers; retail and wholesale liquor dealers; manufacturers of stills (special taxes).....	5,140,352.48	6,899,488.79	+1,759,136.31
Stamps for distilled spirits intended for export.....	15.35	76.45	+61.10
Case stamps for distilled spirits bottled in bond.....	79,695.61	34,663.16	-45,032.45
Container stamps (Liquor Taxing Act of 1934).....	2,238,525.01	6,144,774.51	+3,906,249.50
Floor taxes (Liquor Taxing Act of 1934).....	5,685,269.42	3,021,545.76	-2,663,723.66
Fermented malt liquors.....	163,270,608.56	211,215,057.05	+47,944,448.49
Brewers; retail and wholesale dealers in malt liquors (special taxes).....	5,688,976.61	4,348,821.97	-1,340,154.64
<b>Total.....</b>	<b>258,911,332.62</b>	<b>411,021,772.35</b>	<b>+152,110,439.73</b>
<b>Tobacco manufactures taxes:</b>			
Cigars (large).....	11,633,296.26	11,692,859.14	+59,562.88
Cigars (small).....	173,018.13	143,738.75	-29,279.38
Cigarettes (large).....	637,496.55	17,317.56	-620,178.99
Cigarettes (small).....	349,661,945.45	385,459,570.66	+35,797,625.21
Snuff of all descriptions.....	6,788,191.13	6,511,662.53	-276,528.60
Tobacco, chewing and smoking.....	55,298,629.34	54,372,414.27	-926,215.07
Cigarette papers and tubes.....	973,054.18	976,068.16	+3,013.98
Leaf dealer penalties, etc.....	3,266.00	4,994.39	+1,728.39
<b>Total.....</b>	<b>425,168,897.04</b>	<b>459,178,625.46</b>	<b>+34,009,728.42</b>
<b>Stamp taxes (title VIII, Revenue Act of 1926, as amended):</b>			
Bonds of indebtedness, issues of capital stock, deeds of conveyance, etc.....	16,259,304.76	17,934,776.98	+1,675,472.22
Capital stock and similar interest sales or transfers.....	38,065,999.47	15,747,362.59	-22,318,636.88
Sales of produce for future delivery.....	7,847,743.08	3,950,544.00	-3,897,199.08
Playing cards.....	4,406,384.68	4,351,299.40	-55,085.28
Silver bullion sales or transfers.....	606.04	1,149,390.48	+1,148,784.44
<b>Total.....</b>	<b>66,580,038.03</b>	<b>43,133,373.45</b>	<b>-23,446,664.58</b>
<b>Manufacturers' excise taxes:</b>			
Lubricating oils.....	25,254,986.84	27,800,248.73	+2,545,261.89
Brewer's wort, malt, grape concentrates, etc.....	3,067,119.25	1,426,858.82	-1,640,260.43
Matches.....	6,970,596.30	6,000,101.30	-970,495.00
Gasoline.....	202,575,034.03	161,532,292.03	-41,042,742.00
Electrical energy.....	33,134,407.26	32,577,256.30	-557,150.96
Toilet preparations, etc.....	10,813,471.07	12,643,517.01	+1,830,045.94
Articles made of fur.....	7,654,990.17	2,675,731.07	-4,979,259.10
Jewelry, etc.....	4,668,557.00	2,010,122.98	-2,658,434.02
Automobile trucks.....	5,048,436.37	6,158,070.27	+1,109,633.90
Other automobiles and motorcycles.....	32,526,751.61	38,003,335.18	+5,476,583.57
Tires and inner tubes.....	27,630,145.00	26,637,796.45	-992,348.55
Parts or accessories for automobiles.....	5,695,711.79	6,455,853.55	+760,141.76
Radio sets, phonograph records, etc.....	3,156,777.38	3,624,904.31	+468,126.93
Mechanical refrigerators.....	5,525,912.94	6,063,677.16	+1,137,764.22
Sporting goods.....	3,772,892.41	4,485,815.15	+712,922.74
Firearms, shells, and cartridges.....	2,510,989.81	2,143,007.67	-367,982.14

TABLE 7.—Comparison of detailed internal revenue collections for the fiscal years 1934 and 1935—Continued

Source	1934	1935	Increase (+) or decrease (-)
<b>Manufacturers' excise taxes—Continued.</b>			
Pistols and revolvers.....	\$52,980.41	\$60,237.83	+\$7,257.42
Cameras and lenses.....	364,073.95	343,387.66	-20,686.29
Chewing gum.....	650,898.29	757,182.50	+106,284.21
Candy.....	4,216,482.15	145,289.95	-4,071,192.20
Soft drinks.....	1,746,732.71	129,991.22	-4,616,741.49
Total.....	390,037,946.74	342,274,677.14	-47,763,269.60
<b>Miscellaneous taxes:</b>			
Telephone, telegraph, radio, and cable facilities, leased wires, etc.....	19,250,799.85	19,741,434.10	+490,634.25
Transportation of oil by pipe line.....	10,379,369.59	9,479,721.47	-899,648.12
Leases of safe deposit boxes.....	2,715,850.67	2,317,619.80	-398,231.87
Checks, drafts, or orders for the payment of money.....	41,383,198.66	25,645,138.70	-15,738,059.96
Admission to theaters, concerts, cabarets, etc....	14,613,414.42	15,379,397.16	+765,982.74
Club dues and initiation fees.....	5,986,150.46	5,784,494.99	-201,655.47
Adulterated and process or renovated butter, mixed flour, and filled cheese.....	14,984.59	14,450.40	-534.19
Oleomargarine, including special taxes.....	1,476,230.32	2,048,976.50	+572,746.18
Narcotics, including special taxes.....	495,270.18	580,613.00	+85,342.82
Cocnut, etc., oils processed (sec. 602½, Revenue Act of 1934).....		24,457,091.25	+24,457,091.25
Crude petroleum processed, etc. (secs. 604 and 605, Revenue Act of 1934).....		1,759,789.67	+1,759,789.67
National Firearms Act.....		8,015.33	+8,015.33
Use of yachts and boats.....	180,672.98	1,736.82	-178,936.16
Prohibition (1934) and other miscellaneous receipts.....	430,396.25	13,861.26	-416,504.99
Total.....	96,926,307.97	107,232,339.95	+10,306,031.98
Total income and miscellaneous internal revenue taxes.....	2,300,816,308.88	2,773,213,213.94	+472,396,905.06
<b>Agricultural adjustment taxes:</b>			
Wheat, processing, import compensating, and floor taxes.....	117,621,174.82	123,860,932.23	+6,239,757.41
Cotton, processing, import compensating, and floor taxes.....	114,767,232.64	95,926,301.71	-48,840,930.93
Tobacco, processing, import compensating, and floor taxes.....	18,088,426.05	32,725,501.44	+14,637,075.39
Field corn, processing, import compensating, and floor taxes.....	4,496,193.74	6,849,629.87	+2,353,436.13
Hogs, processing, import compensating, and floor taxes.....	77,034,611.24	184,601,009.46	+107,566,398.22
Certain paper and jute fabrics, processing, import compensating, and floor taxes.....	9,241,830.78	3,221,707.27	-6,023,123.51
Sugar cane and sugar beets, processing, import compensating, and floor taxes.....	170,416.37	71,093,970.65	+70,923,554.28
Rice, processing and import compensating taxes.....		29,119.97	+29,119.97
Peanuts, processing and import compensating taxes.....		3,571,936.01	+3,571,936.01
Tobacco sales tax (Public, No. 483, approved June 28, 1934).....		3,231,374.77	+3,231,374.77
Cotton ginning tax (Public, No. 169, approved Apr. 21, 1934).....		1,110,874.86	+1,110,874.86
Total agricultural adjustment taxes.....	371,422,885.64	526,222,358.24	+154,799,472.60
Grand total all collections.....	2,672,230,194.52	3,299,435,572.18	+627,196,377.66

NOTE.—Collections for credit to trust accounts are included in above figures.

TABLE 8.—Internal revenue receipts, by tax sources, for the fiscal years 1916 to 1935<sup>1</sup>

(On basis of reports of collections, see p. 294)

Year	Income and profits <sup>2</sup>			Capital stock	Dividend	Estate and gift <sup>3</sup>
	Corporation	Individual	Total			
1916	\$56,993,658	\$67,943,595	\$124,937,253			
1917	207,274,004	180,108,340	387,382,344	\$10,471,689		\$6,076,575
1918			2,852,324,866	24,996,205		47,452,880
1919			2,600,783,903	28,775,750		82,029,983
1920			3,956,936,004	93,020,421		103,635,563
1921			3,228,137,674	81,525,653		154,043,260
1922			2,086,918,465	80,612,240		139,418,846
1923			1,691,089,535	81,567,739		126,705,207
1924			1,841,739,317	87,471,692		102,966,762
1925	916,232,697	845,426,352	1,761,659,049	90,002,395		108,939,896
1926	1,094,979,734	879,124,407	1,974,104,141	97,385,756		119,216,375
1927	1,308,012,533	911,939,911	2,219,952,444	8,970,231		100,339,852
1928	1,291,845,989	882,727,114	2,174,573,103	8,688,502		60,087,234
1929	1,235,733,256	1,095,541,172	2,331,274,428	5,956,296		61,897,141
1930	1,263,414,466	1,146,844,764	2,410,259,230	46,967		64,769,625
1931	1,026,392,699	833,647,798	1,860,040,497			48,078,327
1932	629,566,115	427,190,582	1,056,756,697			47,422,313
1933	394,217,784	352,573,620	746,791,404			31,309,724
1934	400,146,467	419,509,488	819,655,955	80,168,344	\$50,229,123	113,138,364
1935	578,678,359	527,112,506	1,105,790,865	91,508,121	961,480	212,111,939

Year	Distilled spirits and wines, including special taxes	Fermented malt liquors, including special taxes	Tobacco manufactures, including special taxes in effect to June 30, 1926	Stamp			
				Bonds of indebtedness, etc., silver bullion transfers <sup>4</sup>	Capital stock transfers	Sales of produce for future delivery	Playing cards
1916	\$158,682,440	\$88,771,104	\$88,063,948	\$88,110,282	( <sup>5</sup> )	( <sup>5</sup> )	\$819,654
1917	192,111,319	91,897,194	103,201,592	8,254,342	( <sup>5</sup> )	( <sup>5</sup> )	820,897
1918	317,553,687	126,285,858	156,188,660	17,284,805	\$2,236,040	\$2,353,889	1,276,505
1919	365,211,252	117,839,602	206,003,092	28,946,888	7,540,881	7,263,571	2,091,791
1920	97,905,276	41,965,874	295,809,355	59,715,331	13,372,164	8,171,871	3,088,462
1921	82,598,065	25,364	255,219,385	53,551,491	8,790,906	7,521,676	2,603,941
1922	45,563,350	46,086	270,759,384	41,347,753	9,012,702	5,558,589	2,787,921
1923	30,354,007	4,079	309,015,493	44,603,166	9,871,604	7,015,382	3,385,227
1924	27,580,381	5,328	325,638,931	43,031,608	7,936,832	7,557,577	3,731,537
1925	25,962,820	1,954	345,247,211	27,862,622	12,808,629	5,397,148	3,183,385
1926	26,436,334	15,694	370,666,439	28,480,422	17,137,186	4,183,218	4,213,414
1927	21,194,669	883	376,170,205	15,044,446	16,674,103	2,884,534	4,742,469
1928	15,307,496	300	396,450,041	15,561,459	24,208,538	4,048,499	5,010,712
1929	12,776,628	100	434,444,543	17,868,372	37,595,928	3,333,427	5,375,804
1930	11,695,267		450,339,061	22,611,275	46,698,227	3,599,875	4,819,293
1931	10,432,064		444,276,503	14,757,383	25,519,973	1,682,681	4,993,559
1932	8,703,963		398,578,619	9,198,539	17,696,130	959,320	4,386,831
1933	8,016,045	35,188,272	402,739,059	16,034,755	33,188,495	4,206,598	3,908,354
1934	89,951,748	168,959,585	425,168,897	16,259,911	38,065,999	7,847,743	4,406,385
1935	195,457,893	215,563,879	439,178,626	13,084,167	15,747,363	3,950,544	4,351,299

For footnotes, see p. 345.

TABLE 8.—Internal revenue receipts, by tax sources, for the fiscal years 1916 to 1935<sup>1</sup>—Continued

Year	Manufacturers', etc., excise <sup>6</sup>	Soft drinks	Telephone, telegraph, radio, and cable facil- ities, etc.	Transpor- tation, in- cluding oil by pipe lines	Insurance	Leases of safe deposit boxes	Checks, drafts, or orders for the payment of money
1916.....	\$4, 218, 979	.....	(5)	(5)	(5)	.....	.....
1917.....	775, 078	.....	(5)	(5)	(5)	.....	.....
1918.....	36, 636, 607	\$2, 215, 181	\$6, 299, 017	\$64, 437, 533	\$6, 492, 025	.....	.....
1919.....	79, 400, 266	7, 182, 219	17, 902, 389	219, 937, 183	14, 508, 881	.....	.....
1920.....	267, 968, 579	57, 460, 956	27, 677, 041	261, 671, 046	18, 421, 754	.....	.....
1921.....	229, 397, 837	58, 675, 973	28, 442, 413	273, 070, 001	18, 992, 094	.....	.....
1922.....	174, 361, 288	33, 504, 284	29, 271, 522	169, 518, 727	10, 555, 404	.....	.....
1923.....	185, 117, 058	10, 131, 897	30, 380, 784	.....	.....	.....	.....
1924.....	200, 921, 721	10, 418, 896	34, 662, 429	.....	.....	.....	.....
1925.....	140, 877, 326	.....	.....	.....	.....	.....	.....
1926.....	150, 220, 488	.....	.....	.....	.....	.....	.....
1927.....	66, 850, 109	.....	.....	.....	.....	.....	.....
1928.....	51, 951, 694	.....	.....	.....	.....	.....	.....
1929.....	5, 723, 791	.....	.....	.....	.....	.....	.....
1930.....	2, 676, 261	.....	.....	.....	.....	.....	.....
1931.....	149, 744	.....	.....	.....	.....	.....	.....
1932.....	96, 195	.....	.....	.....	.....	.....	.....
1933.....	243, 615, 880	4, 186, 447	14, 564, 756	7, 467, 298	.....	\$2, 365, 041	\$38, 456, 493
1934.....	385, 306, 199	4, 746, 733	19, 250, 800	10, 379, 370	.....	2, 715, 851	41, 383, 199
1935.....	342, 159, 137	129, 991	19, 741, 434	9, 479, 722	.....	2, 317, 619	25, 645, 139

Year	Admissions	Club dues	Oleomarga- rine, includ- ing special taxes	Narcotics, including special taxes	Coconut, etc., oils processed	Crude pe- troleum, processed, etc.
1916.....	.....	.....	\$1, 485, 971	\$245, 072	.....	.....
1917.....	.....	.....	1, 995, 720	277, 165	.....	.....
1918.....	\$26, 357, 339	\$2, 259, 057	2, 336, 907	185, 359	.....	.....
1919.....	50, 919, 608	4, 072, 549	2, 791, 831	726, 137	.....	.....
1920.....	76, 720, 555	5, 198, 001	3, 728, 276	1, 514, 230	.....	.....
1921.....	89, 730, 833	6, 159, 818	2, 986, 465	1, 170, 316	.....	.....
1922.....	73, 384, 956	6, 615, 634	2, 121, 080	1, 269, 090	.....	.....
1923.....	70, 175, 147	7, 170, 731	2, 254, 531	1, 013, 736	.....	.....
1924.....	77, 712, 524	8, 009, 861	2, 814, 104	1, 057, 341	.....	.....
1925.....	30, 907, 809	8, 690, 588	3, 038, 928	1, 090, 933	.....	.....
1926.....	23, 980, 677	10, 073, 838	3, 070, 218	981, 739	.....	.....
1927.....	17, 940, 637	10, 436, 021	3, 164, 219	797, 825	.....	.....
1928.....	17, 724, 932	10, 352, 990	3, 407, 600	690, 432	.....	.....
1929.....	6, 683, 056	11, 245, 255	3, 611, 153	605, 336	.....	.....
1930.....	4, 230, 667	12, 521, 092	3, 919, 388	588, 682	.....	.....
1931.....	2, 778, 864	11, 477, 723	2, 681, 428	607, 340	.....	.....
1932.....	1, 858, 606	9, 204, 587	1, 744, 737	521, 163	.....	.....
1933.....	15, 520, 512	6, 679, 261	1, 347, 191	457, 068	.....	.....
1934.....	14, 613, 414	5, 986, 150	1, 476, 230	495, 270	.....	.....
1935.....	15, 379, 397	5, 784, 495	2, 048, 977	580, 613	\$24, 457, 091	\$1, 759, 790

For footnotes see p. 345.

TABLE 8.—Internal revenue receipts, by tax sources, for the fiscal years 1916½ to 1935—Continued

Year	Receipts in connection with prohibition enforcement	Miscellaneous <sup>7</sup>	Special taxes not elsewhere included <sup>8</sup>	Agricultural adjustment taxes	Total
1916.....	-----	\$480,477	\$6,908,108	-----	\$512,723,288
1917.....	-----	892,681	5,237,044	-----	809,393,640
1918.....	-----	1,091,814	2,691,587	-----	3,698,955,821
1919.....	-----	1,501,005	4,721,298	-----	3,850,150,079
1920.....	8641,029	3,045,183	9,913,281	-----	5,407,580,252
1921.....	2,152,387	1,975,970	8,585,540	-----	4,593,357,062
1922.....	1,973,587	3,881,415	8,662,700	-----	3,197,451,083
1923.....	729,244	3,125,078	8,035,583	-----	2,621,745,228
1924.....	855,395	4,232,637	7,814,414	-----	2,796,179,257
1925.....	560,888	12,156,929	5,811,558	-----	2,584,140,268
1926.....	416,198	870,777	4,546,978	-----	2,835,999,892
1927.....	502,877	2,009,639	7,967	-----	2,865,683,130
1928.....	925,252	1,536,971	9,763	-----	2,790,535,538
1929.....	727,006	536,111	-----	-----	2,939,054,375
1930.....	1,105,172	265,651	-----	-----	3,040,145,733
1931.....	586,150	166,518	-----	-----	2,428,228,754
1932.....	490,773	110,569	-----	-----	1,557,729,042
1933.....	529,789	56,923	239,859	-----	1,619,839,224
1934.....	378,715	51,651	180,673	\$371,422,886	2,672,239,195
1935.....	-----	13,861	9,752	526,222,358	3,299,435,572

<sup>1</sup> For figures for 1863 to 1915, see annual report for 1929, p. 419.

<sup>2</sup> Includes munitions manufacturers' tax, 1917, \$27,663,940, and 1918, \$13,296,927; also excess-profits tax, 1917, \$37,176; 1934, \$2,630,615; and 1935, \$6,560,483. Separate figures on excess profits, corporation, and individual income tax collections not available for the years 1918 to 1924.

<sup>3</sup> Includes gift tax as follows: 1925, \$7,518,129; 1926, \$3,175,339; 1933, \$4,616,662; 1934, \$9,153,076; and 1935, \$71,671,277.

<sup>4</sup> Originally schedule A, act of Oct. 22, 1914; now covers issues and transfers of bonds of indebtedness, issues of capital stock, passage tickets, foreign insurance policies, and deeds of conveyance; also includes the tax on silver bullion sales or transfers, \$606 for 1934 and \$1,149,390 for 1935.

<sup>5</sup> Included under "Bonds of indebtedness", etc.

<sup>6</sup> Includes taxes on sales under act of Oct. 22, 1914, manufacturers', consumers', and dealers' excise taxes under the war revenue and subsequent acts, except soft drink taxes; all taxes paid by manufacturers of and dealers in adulterated and process or renovated butter, mixed flour, and filled cheese; and for 1932 to 1935, manufacturers' excise taxes (act of 1932, as amended) except soft drinks.

<sup>7</sup> Includes receipts, in addition to those classed as miscellaneous, as follows: (a) For 1916 to 1933, delinquent taxes collected under repealed laws, except delinquent collections on automobiles for 1929 and 1930, included under "Manufacturers' excise taxes", and on "Capital stock", under which the collections for 1927 to 1930 represent delinquencies; (b) for 1919, 1920, and 1921, receipts which remained unclassified at the time the statistical tables were compiled; (c) internal revenue collected through customs offices for 1921 to 1933; subsequently such receipts are included with "Distilled spirits"; (d) penalties for 1916, \$458,773; 1917, \$871,696; and 1918, \$985,220; after 1918 all penalties are included under the respective taxes to which they relate.

<sup>8</sup> Includes the occupational taxes imposed under the act of Oct. 22, 1914, on various classes of entertainment proprietors, brokers, and bankers, with subsequent repeals and amendments to include hackney automobiles and boats. Collections for 1933 and 1934 were entirely from pleasure boats. For 1935, collections under the National Firearms Act are included.

TABLE 9.—Internal revenue receipts, by States and Territories, for the fiscal year 1935 <sup>1</sup>

[On basis of reports of collections, see p. 294]

States, etc.	Income taxes <sup>2</sup>	Miscellaneous internal revenue <sup>3</sup>	Agricultural adjustment taxes <sup>2</sup>	Total <sup>4</sup>
Alabama.....	\$3,149,562.37	\$2,027,327.19	\$7,532,275.60	\$12,709,165.16
Alaska.....	281,165.82	83,606.12	3,888.62	368,660.56
Arizona.....	711,230.67	640,677.57	393,386.85	1,745,295.09
Arkansas.....	1,536,006.04	1,348,206.03	294,105.86	3,178,317.93
California.....	69,350,379.64	87,665,576.02	19,828,891.11	176,844,846.77
Colorado.....	7,199,016.05	5,368,208.74	13,758,931.00	26,326,155.79
Connecticut.....	20,637,181.18	14,729,787.41	1,359,124.50	36,726,093.09
Delaware.....	19,864,154.94	7,545,684.70	536,427.01	27,946,266.65
District of Columbia.....	8,195,647.23	4,442,497.44	146,775.82	12,784,920.49
Florida.....	7,610,060.07	6,663,175.21	932,546.52	15,205,781.80
Georgia.....	7,866,999.49	3,998,130.83	20,678,114.74	32,543,245.06
Hawaii.....	4,253,875.56	1,285,028.91	153,192.33	5,692,096.80
Idaho.....	712,492.26	545,592.33	612,181.02	1,870,265.61

For footnotes, see p. 346.

TABLE 9.—Internal revenue receipts, by States and Territories, for the fiscal year 1935<sup>1</sup>—Continued

States, etc.	Income taxes <sup>2</sup>	Miscellaneous internal revenue <sup>2,3</sup>	Agricultural adjustment taxes <sup>2</sup>	Total <sup>4</sup>
Illinois.....	\$90,382,682.74	\$132,267,604.74	\$100,488,646.17	\$323,138,933.65
Indiana.....	13,849,381.60	43,158,572.23	10,007,852.78	67,015,806.61
Iowa.....	6,005,405.63	4,342,154.16	20,629,504.23	30,977,064.02
Kansas.....	3,815,447.12	5,874,557.67	14,349,183.13	24,039,187.92
Kentucky.....	8,571,512.95	71,863,608.20	9,187,972.75	89,623,093.90
Louisiana.....	7,153,175.60	11,304,414.79	6,598,308.74	25,057,899.13
Maine.....	3,764,511.27	1,651,860.80	1,254,029.35	6,670,401.42
Maryland.....	22,055,364.36	26,034,648.29	4,831,014.87	52,921,027.52
Massachusetts.....	50,882,728.01	43,386,934.01	19,874,136.95	114,143,798.97
Michigan.....	49,435,227.07	79,990,056.98	6,428,687.36	135,853,971.41
Minnesota.....	13,105,321.84	16,801,392.39	27,604,498.17	57,511,212.40
Mississippi.....	1,101,835.32	812,871.59	619,172.96	2,533,879.87
Missouri.....	28,586,921.85	37,668,401.59	20,246,805.01	86,502,128.45
Montana.....	1,211,068.07	2,610,375.78	2,343,729.80	6,165,173.65
Nebraska.....	3,905,469.84	3,506,511.86	5,042,113.13	12,454,094.33
Nevada.....	1,711,749.90	351,964.00	62,907.41	2,126,621.31
New Hampshire.....	2,196,853.96	1,516,914.90	1,559,178.48	5,272,947.34
New Jersey.....	50,028,893.81	60,232,602.20	4,167,098.19	114,428,594.20
New Mexico.....	482,419.34	443,128.05	112,915.68	1,038,463.07
New York.....	337,866,880.88	275,763,842.24	58,842,770.85	672,473,493.97
North Carolina.....	14,617,490.43	235,318,455.69	33,733,393.71	283,759,339.83
North Dakota.....	489,532.19	321,939.28	937,186.22	1,748,657.69
Ohio.....	52,643,766.48	95,193,873.69	16,241,633.00	164,079,273.17
Oklahoma.....	9,478,969.08	29,813,120.48	4,085,404.07	43,377,493.63
Oregon.....	2,625,211.43	2,511,801.67	4,022,720.53	9,159,733.63
Pennsylvania.....	89,542,324.81	136,212,480.88	18,600,912.60	244,355,727.32
Rhode Island.....	7,804,085.11	5,783,456.70	1,862,519.65	15,450,061.46
South Carolina.....	3,090,228.81	1,281,602.12	17,126,284.94	21,498,115.87
South Dakota.....	495,536.52	619,693.39	425,565.58	1,540,795.49
Tennessee.....	8,303,599.99	6,689,888.24	6,494,674.89	21,488,163.12
Texas.....	24,944,952.54	36,116,158.91	13,149,693.73	74,210,805.18
Utah.....	1,750,246.63	1,371,886.80	3,182,087.80	6,304,221.23
Vermont.....	933,816.13	644,997.50	210,918.29	1,789,731.92
Virginia.....	10,792,203.15	119,338,901.26	11,217,495.25	141,348,599.66
Washington.....	5,847,749.98	7,930,112.88	5,163,708.39	18,943,571.25
West Virginia.....	5,305,394.59	4,391,541.65	908,229.98	10,605,166.22
Wisconsin.....	12,306,618.72	33,531,697.85	5,720,386.42	51,558,702.69
Wyoming.....	746,033.60	581,581.54	212,831.62	1,540,446.78
Philippine Islands.....		403,716.62	867,201.64	1,270,918.26
Puerto Rico.....			1,517,142.94	1,517,142.94
Total.....	1,009,230,382.70	1,673,982,831.24	526,222,358.24	3,209,435,572.18

<sup>1</sup> Internal revenue receipts are credited to the districts in which the collections are made. Receipts in the various States do not indicate the tax burden of the respective States, since the taxes may be eventually borne by persons in other States.

<sup>2</sup> Includes certain trust fund receipts; see note 4.

<sup>3</sup> Includes \$2,703,063.42 deposited by postmasters from sale of documentary stamps and \$15,107,926.36 (on warrant basis) deposited by collectors of customs from the excise tax on imported distilled spirits.

<sup>4</sup> Includes trust funds as follows:

Income tax, Alaska railroads (act of July 18, 1914)..... \$ 873.76

Miscellaneous internal revenue, tax on—

Philippine manufactured products (act of Aug. 5, 1909)..... 471,276.19

Philippine coconut oil (sec. 602½, Revenue Act of 1934)..... 17,142,472.20

Puerto Rico manufactured products (act of Mar. 2, 1917)..... 21,647.34

Total..... 17,641,395.73

Agricultural adjustment taxes on—

Philippine imports (act of May 12, 1933)..... 406,627.51

Virgin Islands imports (act of May 12, 1933)..... 60.22

Canal Zone imports (act of May 12, 1933)..... 21,199.58

American Samoa imports (act of May 12, 1933)..... 2.41

Guam imports (act of May 12, 1933)..... 60.00

Philippine sugar (Presidential Proclamations 2091 and 2098)..... 6,765,332.57

Puerto Rico sugar (Presidential Proclamation 2091)..... 7,724,022.90

Hawaii sugar (Presidential Proclamations 2091, 2100, and 2127)..... 515,021.46

Virgin Islands sugar (Presidential Proclamation 2091)..... 43,615.70

Total..... 15,475,942.35

Grand total..... 33,120,211.84

NOTE.—For additional information see published report of the Commissioner of Internal Revenue for the year ended June 30, 1935.

TABLE 10.—Expenses of the Internal Revenue Service for the fiscal year 1935

[On basis of checks issued, see p. 294]

## A. DISBURSEMENTS BY COLLECTORS OF INTERNAL REVENUE FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1935"

District	Salaries of collectors, deputies, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Alabama.....	\$77,678.98	\$9,861.75		\$849.66	\$88,390.39
Arizona.....	46,569.31	3,446.46	\$3,143.75	1,329.72	54,489.24
Arkansas.....	72,973.69	14,710.12		820.04	\$8,505.85
California:					
First district.....	267,316.02	21,270.75	367.70	6,164.48	295,118.95
Sixth district.....	279,652.70	17,904.95	22,234.28	7,564.14	327,356.07
Colorado.....	94,239.34	7,369.97		1,531.87	103,141.15
Connecticut.....	138,461.84	3,752.96		1,123.21	143,318.08
Delaware.....	36,849.43	1,745.60		959.35	39,554.38
Florida.....	126,355.91	11,404.75	185.00	4,180.23	142,125.89
Georgia.....	86,845.69	13,932.64		2,596.25	103,374.58
Hawaii.....	41,203.63	823.30		553.04	42,579.97
Idaho.....	44,090.83	5,390.73		450.10	49,931.66
Illinois:					
First district.....	514,743.83	9,672.41	789.31	7,322.95	532,528.50
Eighth district.....	138,186.97	13,295.24	204.00	2,591.36	154,277.57
Indiana.....	140,913.80	12,436.52	200.00	3,742.96	157,293.28
Iowa.....	145,340.27	9,635.96		1,502.22	156,478.45
Kansas.....	85,245.38	15,589.55		926.31	101,761.24
Kentucky.....	133,301.39	15,147.37		4,681.67	153,130.43
Louisiana.....	100,784.35	15,749.06		3,309.71	119,843.12
Maine.....	71,300.12	6,339.21		1,042.81	78,682.14
Maryland.....	332,305.43	24,061.50		4,851.39	361,218.32
Massachusetts.....	445,328.77	4,716.47		3,849.27	453,894.51
Michigan.....	269,437.39	16,694.69	285.75	3,587.52	290,005.35
Minnesota.....	178,589.90	10,898.52		3,647.86	193,136.28
Mississippi.....	59,401.17	6,823.14	4,166.60	2,280.80	72,671.71
Missouri:					
First district.....	135,233.70	6,764.53		990.83	142,989.06
Sixth district.....	93,563.48	9,823.92		1,180.78	104,568.18
Montana.....	52,944.04	7,454.30		1,168.38	61,566.72
Nebraska.....	98,423.61	13,704.80		918.30	113,046.71
Nevada.....	29,888.82	3,433.56		351.89	33,674.27
New Hampshire.....	59,317.09	4,464.27	192.00	856.45	64,829.81
New Jersey:					
First district.....	68,574.83	5,126.76		5,258.22	79,259.81
Fifth district.....	251,847.35	9,294.07	16,350.00	8,293.79	285,785.21
New Mexico.....	37,616.01	4,648.96		1,004.05	43,169.02
New York:					
First district.....	298,456.89	8,764.98		5,921.00	313,142.87
Second district.....	449,479.33	2,489.66		12,449.23	464,418.22
Third district.....	311,089.03	3,127.90	80.00	8,159.18	322,456.11
Fourteenth district.....	159,750.49	9,254.28	1,899.98	2,456.77	173,361.43
Twenty-first district.....	128,275.31	8,144.79		2,848.19	139,268.29
Twenty-eighth district.....	189,448.27	6,110.50		2,585.73	198,144.50
North Carolina.....	104,181.50	15,390.74		3,575.96	123,148.20
North Dakota.....	43,384.50	6,910.05		998.88	51,293.43
Ohio:					
First district.....	119,912.54	1,744.09		4,463.08	126,119.71
Tenth district.....	84,138.73	5,862.97		3,346.71	93,348.41
Eleventh district.....	76,173.74	4,759.98		1,846.77	82,780.49
Eighteenth district.....	241,972.27	12,465.85		3,962.30	258,400.42
Oklahoma.....	107,583.07	17,978.12		1,956.28	127,517.47
Oregon.....	95,275.15	9,979.11	120.00	1,265.02	106,639.28
Pennsylvania:					
First district.....	314,820.60	11,242.35	1,651.00	8,625.90	336,339.85
Twelfth district.....	99,533.28	3,900.27		1,681.31	105,114.86
Twenty-third district.....	258,022.17	7,745.86		2,414.24	268,182.57
Rhode Island.....	75,529.95	1,132.55		1,157.77	77,820.27
South Carolina.....	64,461.05	5,449.38		819.36	70,729.79
South Dakota.....	46,337.14	7,917.07		526.91	54,781.12
Tennessee.....	102,819.24	8,835.61		1,150.49	112,805.34
Texas:					
First district.....	132,126.39	17,759.17	700.41	3,308.76	153,894.73
Second district.....	132,725.75	25,877.48		3,963.17	162,566.40
Utah.....	47,878.82	2,671.17		1,380.66	51,930.65
Vermont.....	48,005.42	3,721.54		733.68	52,460.64
Virginia.....	120,609.22	12,163.84	7,700.00	4,599.16	145,072.22
Washington.....	141,341.55	9,944.69		2,995.99	154,282.23
West Virginia.....	87,883.10	10,322.55		3,926.70	101,632.35
Wisconsin.....	223,226.77	15,471.53		2,908.52	241,606.82
Wyoming.....	44,163.93	6,890.96		789.86	51,844.75
Total.....	9,102,893.52	601,397.83	60,269.78	188,359.19	9,952,920.32

TABLE 10.—*Expenses of the Internal Revenue Service for the fiscal year 1935—Con.*

B. DISBURSEMENTS BY COLLECTORS OF INTERNAL REVENUE FROM THE APPROPRIATION "ADVANCES TO AGRICULTURAL ADJUSTMENT ADMINISTRATION (TRANSFER TO INTERNAL REVENUE, ADMINISTRATIVE EXPENSES)"

District	Salaries of deputies, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Alabama.....	\$33,938.09	\$8,244.45	-----	\$1,086.02	\$43,268.56
Arizona.....	8,334.10	1,789.00	-----	167.96	10,291.06
Arkansas.....	25,692.02	6,901.43	-----	160.78	32,754.23
California:					
First district.....	69,445.77	12,341.28	-----	957.25	82,744.30
Sixth district.....	68,315.41	4,850.41	\$1,146.22	1,069.09	75,381.13
Colorado.....	27,766.90	6,003.95	-----	1,499.66	35,270.51
Connecticut.....	26,474.11	2,411.85	-----	103.31	28,989.27
Delaware.....	8,161.68	2,442.27	-----	28.02	10,631.97
Florida.....	34,658.97	9,068.94	-----	467.35	44,195.26
Georgia.....	55,829.82	10,963.68	-----	536.13	67,329.63
Hawaii.....	15,549.34	1,921.63	-----	440.53	17,911.50
Idaho.....	14,487.50	4,185.62	-----	444.27	19,117.39
Illinois:					
First district.....	72,331.57	1,732.50	-----	154.61	74,218.68
Eighth district.....	44,991.23	8,621.81	-----	266.38	53,879.42
Indiana.....	36,572.03	11,697.56	-----	843.50	49,113.09
Iowa.....	44,707.61	7,501.63	-----	198.52	52,407.76
Kansas.....	37,556.45	10,145.22	-----	1,667.91	49,369.58
Kentucky.....	34,097.68	11,035.46	-----	277.61	45,410.75
Louisiana.....	69,547.05	15,030.00	160.00	6,094.57	90,831.62
Maine.....	12,608.57	3,897.50	-----	648.28	17,154.35
Maryland.....	73,911.63	12,632.72	714.97	3,960.58	91,219.90
Massachusetts.....	65,972.00	1,355.52	-----	499.16	67,826.68
Michigan.....	70,430.86	16,007.93	-----	815.03	87,253.82
Minnesota.....	45,632.47	13,608.69	-----	1,056.41	60,297.57
Mississippi.....	12,113.78	9,338.15	-----	407.48	21,859.41
Missouri:					
First district.....	20,594.88	5,187.80	-----	921.05	26,702.73
Sixth district.....	47,245.66	11,977.80	-----	526.09	59,749.55
Montana.....	33,740.74	9,577.02	-----	731.87	44,049.63
Nebraska.....	31,042.31	13,083.15	-----	325.68	44,451.14
Nevada.....	10,580.86	4,595.33	-----	120.87	15,297.06
New Hampshire.....	14,734.11	2,460.40	-----	131.25	17,325.76
New Jersey:					
First district.....	21,480.26	375.30	-----	365.97	22,221.53
Fifth district.....	48,038.45	4,024.21	-----	1,869.27	53,931.93
New Mexico.....	10,038.61	3,005.80	-----	80.25	13,124.66
New York:					
First district.....	51,250.04	2,893.07	-----	379.12	54,522.23
Second district.....	83,551.06	401.58	-----	2,649.81	86,602.45
Third district.....	61,553.85	306.47	-----	128.53	61,988.85
Fourteenth district.....	48,272.02	8,386.71	-----	31.82	56,690.55
Twenty-first district.....	32,587.68	6,545.18	-----	1,024.54	40,157.40
Twenty-eighth district.....	53,885.85	3,652.24	-----	1,220.68	58,758.77
North Carolina.....	36,293.29	16,400.04	-----	599.57	53,292.90
North Dakota.....	14,889.64	6,849.23	-----	172.50	21,911.37
Ohio:					
First district.....	31,906.92	1,229.46	-----	475.94	33,612.32
Tenth district.....	23,239.19	4,802.43	-----	1,088.52	29,130.14
Eleventh district.....	32,443.56	4,639.41	-----	85.16	37,168.13
Eighteenth district.....	43,284.01	3,488.80	-----	1,688.15	48,460.96
Oklahoma.....	49,076.76	10,546.37	-----	819.49	60,442.62
Oregon.....	27,003.69	8,123.94	-----	3,096.75	38,224.38
Pennsylvania:					
First district.....	48,900.00	5,718.25	75.00	624.57	55,317.82
Twelfth district.....	53,747.65	2,972.28	-----	1,410.76	58,130.69
Twenty-third district.....	49,310.84	6,753.35	-----	510.02	56,579.21
Rhode Island.....	13,763.52	1,594.04	-----	156.71	15,514.27
South Carolina.....	30,314.96	8,085.78	-----	799.69	39,200.43
South Dakota.....	8,988.62	2,071.05	-----	161.38	11,221.05
Tennessee.....	43,089.29	12,388.70	-----	336.75	55,814.74
Texas:					
First district.....	46,032.85	10,772.64	342.61	449.75	57,597.85
Second district.....	50,035.56	14,202.00	-----	1,825.37	66,062.93
Utah.....	12,274.02	3,173.14	-----	32.96	15,480.12
Vermont.....	13,763.52	3,352.92	-----	373.67	17,490.11
Virginia.....	51,994.79	14,269.15	641.67	1,608.98	68,514.59
Washington.....	28,314.24	4,068.35	-----	394.46	32,777.05
West Virginia.....	31,191.45	9,730.78	-----	856.93	41,779.16
Wisconsin.....	65,049.80	9,902.44	-----	693.65	75,645.89
Wyoming.....	15,075.72	4,693.33	-----	283.11	20,052.16
Total.....	2,397,706.91	440,034.14	3,080.47	52,901.05	2,893,722.57



TABLE 10.—*Expenses of the Internal Revenue Service for the fiscal year 1935—Con.*

C. DISBURSEMENTS BY COLLECTORS OF INTERNAL REVENUE FROM THE APPROPRIATION "ADMINISTRATION OF COTTON ACT OF 1934 (TRANSFER TO INTERNAL REVENUE, ADMINISTRATIVE EXPENSES), 1934-35"

District	Salaries of deputies, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Alabama.....	\$31,096.84	\$8,561.00	\$41.50	\$3,710.30	\$43,409.64
Arizona.....	2,628.35	518.70	-----	117.33	3,264.38
Arkansas.....	29,623.14	11,982.25	80.00	3,019.71	44,705.10
California:					
First district.....	1,756.55	608.10	-----	432.48	2,797.13
Sixth district.....	772.25	323.47	-----	51.92	1,147.64
Florida.....	1,140.00	1,851.70	-----	30.00	3,021.70
Georgia.....	44,197.12	14,649.90	-----	4,817.28	63,664.30
Illinois: Eighth district.....	1,418.10	-----	-----	-----	1,418.10
Kentucky.....	-----	35.70	-----	12.00	47.70
Louisiana.....	27,110.78	11,091.68	-----	3,133.75	41,336.21
Maryland.....	1,670.32	-----	-----	-----	1,670.32
Mississippi.....	28,697.81	11,914.50	160.00	2,023.58	42,795.89
Missouri:					
First district.....	5,487.25	2,558.45	-----	177.64	8,223.34
Sixth district.....	-----	28.24	-----	-----	28.24
New Mexico.....	1,362.25	1,153.00	-----	65.85	2,581.10
New York: First district.....	12,878.75	37.45	-----	195.40	13,111.60
North Carolina.....	23,098.94	6,209.88	-----	1,265.79	30,574.61
Oklahoma.....	21,361.46	9,040.53	-----	3,301.30	33,703.29
South Carolina.....	29,786.36	9,558.27	-----	6,176.08	45,520.71
Tennessee.....	12,322.01	3,795.16	30.00	1,195.16	17,342.33
Texas:					
First district.....	41,395.46	12,474.63	100.00	6,452.51	60,422.60
Second district.....	57,411.95	20,982.15	-----	2,665.94	81,060.04
Virginia.....	3,597.85	558.15	-----	784.60	4,940.60
Total.....	378,813.54	127,932.91	411.50	39,628.62	546,786.57

D. DISBURSEMENTS BY COLLECTORS OF INTERNAL REVENUE FROM THE APPROPRIATION "ADVANCES TO DEPARTMENT OF AGRICULTURE UNDER TOBACCO ACT OF JUNE 28, 1934 (TRANSFER TO INTERNAL REVENUE, ADMINISTRATIVE EXPENSES), 1934-35"

District	Salaries of deputies, clerks, etc.	Travel expenses	Miscellaneous	Total
Alabama.....	-----	\$420.45	-----	\$420.45
Florida.....	\$64.12	-----	-----	64.12
Georgia.....	3,168.23	683.88	\$436.22	4,288.33
Kentucky.....	12,633.24	5,802.01	503.25	18,938.50
Missouri:				
First district.....	1,811.85	-----	-----	1,811.85
Sixth district.....	954.75	179.70	75.00	1,209.45
North Carolina.....	14,345.06	7,850.07	674.69	22,869.82
Ohio:				
First district.....	1,118.96	-----	-----	1,118.96
Eleventh district.....	1,566.00	383.90	-----	1,949.90
South Carolina.....	8,865.16	3,562.20	887.93	13,315.29
Tennessee.....	7,747.32	2,548.31	140.25	10,435.88
Virginia.....	8,601.22	1,996.17	476.20	11,073.59
West Virginia.....	865.75	506.75	34.50	1,407.00
Total.....	61,741.66	23,933.44	3,228.04	88,903.14

TABLE 10.—*Expenses of the Internal Revenue Service for the fiscal year 1935—Con.*E. DISBURSEMENTS BY INTERNAL REVENUE AGENTS<sup>1</sup>

Division	Salaries of agents, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Atlanta.....	\$110,434.55	\$7,467.46	-----	\$1,100.42	\$119,002.43
Baltimore.....	349,373.83	16,587.23	-----	1,519.91	367,480.97
Boston.....	638,920.18	22,979.32	-----	3,946.91	665,846.41
Brooklyn.....	407,024.55	6,224.90	-----	3,426.98	416,676.43
Buffalo.....	241,155.82	16,975.15	\$6,568.75	1,905.81	266,605.53
Chicago.....	633,493.29	14,934.97	2,663.07	6,833.69	657,925.02
Cincinnati.....	173,426.41	10,374.68	-----	1,724.94	185,526.03
Cleveland.....	290,508.32	13,246.73	9,845.45	4,360.17	317,960.67
Columbia.....	56,085.76	4,662.58	59.55	737.12	61,545.01
Dallas.....	412,891.74	36,710.38	764.80	3,859.52	454,226.44
Denver.....	108,553.82	13,263.15	-----	1,319.47	123,136.44
Detroit.....	324,867.52	22,820.08	-----	1,780.61	349,508.21
Greensboro.....	113,608.41	12,777.37	-----	941.28	127,327.06
Honolulu.....	49,309.16	3,873.44	-----	372.75	53,555.35
Huntington.....	73,142.11	6,838.16	-----	1,217.26	82,197.53
Indianapolis.....	157,253.98	10,735.69	-----	851.44	168,841.11
Jacksonville.....	138,599.54	12,825.31	-----	1,592.20	153,017.05
Los Angeles.....	562,352.01	25,382.58	16,629.92	4,795.01	609,159.52
Louisville.....	99,749.78	7,571.22	-----	676.90	107,997.90
Milwaukee.....	162,661.26	8,041.26	-----	1,408.94	172,111.46
Nashville.....	177,812.81	17,074.97	-----	1,798.60	196,686.38
Newark.....	369,802.81	13,734.51	7,269.97	5,120.92	395,928.21
New Haven.....	239,443.04	10,490.80	208.14	2,158.88	252,300.86
New Orleans.....	124,729.29	10,405.85	-----	1,016.63	136,181.77
New York:					
Second division.....	931,677.04	7,347.19	34,426.19	10,292.77	983,743.19
Upper division.....	887,508.28	12,836.00	-----	5,840.29	906,184.57
Oklahoma.....	176,458.37	33,025.60	-----	1,393.43	210,879.40
Omaha.....	214,448.78	17,188.39	-----	1,102.42	232,739.59
Philadelphia.....	613,560.64	21,913.29	15,887.50	4,730.27	656,091.70
Pittsburgh.....	319,816.38	12,326.71	4,300.02	3,028.14	339,471.25
Richmond.....	130,171.80	11,039.23	234.66	1,327.36	142,773.05
Salt Lake City.....	90,676.87	11,954.07	-----	1,316.31	103,947.25
San Francisco.....	332,595.98	16,437.58	10,626.36	3,458.65	363,118.57
Seattle.....	237,790.93	13,693.40	-----	2,678.46	254,162.79
Springfield.....	103,341.38	14,276.89	-----	1,072.81	118,691.08
St. Louis.....	276,497.16	7,516.88	99.96	1,498.58	285,612.58
St. Paul.....	180,641.39	17,954.39	-----	1,702.33	200,298.11
Wichita.....	86,519.69	9,976.10	-----	386.95	96,882.74
Total.....	10,597,904.68	533,523.51	110,004.34	94,327.13	11,335,759.66

F. DISBURSEMENTS BY DISTRICT SUPERVISORS' OFFICES<sup>1</sup>

District	Salaries of supervisors, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Boston.....	\$665,605.36	\$62,984.01	\$1,350.00	\$47,149.77	\$777,089.14
New York.....	1,051,163.02	79,364.23	9,828.37	64,721.88	1,205,077.50
Philadelphia.....	926,671.86	52,229.76	18,093.47	57,314.92	1,054,310.01
Newark.....	376,593.00	14,468.84	5,464.20	33,090.22	429,616.26
Baltimore.....	767,971.89	89,647.65	200.00	70,650.16	928,469.70
Atlanta.....	338,657.03	57,490.94	8,384.14	58,572.38	463,104.49
Louisville.....	442,801.28	32,673.80	-----	20,755.14	496,230.22
Cleveland.....	418,858.86	42,919.65	22,849.86	40,185.50	524,813.87
Cincinnati.....	87,080.23	6,341.09	3,136.78	2,056.66	98,614.76
Chicago.....	1,042,284.49	97,267.98	5,987.63	59,521.77	1,205,061.87
New Orleans.....	491,982.95	77,029.62	4,041.01	51,456.34	624,509.92
Kansas City.....	359,302.33	69,063.09	2,192.36	34,831.07	465,388.85
St. Louis.....	29,421.26	-----	-----	272.60	29,693.86
St. Paul.....	279,910.40	41,467.09	-----	25,340.52	346,718.01
Denver.....	206,107.13	36,503.86	4,856.75	20,165.82	267,633.56
San Francisco.....	665,099.16	50,856.92	13,491.76	36,879.02	766,326.86
Seattle.....	244,084.21	31,435.97	359.57	23,833.65	299,713.40
Total.....	8,393,594.46	841,744.50	100,235.90	646,797.42	9,982,372.28

For footnotes, see p. 352.

TABLE 10.—Expenses of the Internal Revenue Service for the fiscal year 1935—Con.

G. DISBURSEMENTS BY THE CHIEF DISBURSING OFFICER, DIVISION OF DISBURSEMENT, TREASURY DEPARTMENT, AND DIRECT SETTLEMENTS THROUGH OFFICE OF THE COMPTROLLER GENERAL, CLAIMS DIVISION

Appropriation	Salaries	Travel expenses	Rent	Miscellaneous	Total
Collecting the internal revenue, 1935	\$9,957,781.12	\$527,775.67	\$12,861.12	\$226,652.41	\$10,725,070.32
Advances to Agricultural Adjustment Administration (transfer to internal revenue, administrative expenses)	666,988.46	3,190.74	-----	119,812.03	789,901.23
Administration of Cotton Act of 1934 (transfer to internal revenue, administrative expenses), 1934-35	19,032.73	1,029.52	-----	308,408.46	328,470.71
Advances to Department of Agriculture under Tobacco Act of June 28, 1934 (transfer to internal revenue, administrative expenses), 1934-35	1,407.87	229.53	-----	2,317.29	3,954.69
Total	10,645,210.18	532,135.46	12,861.12	657,190.19	11,847,396.95

## II. RECAPITULATION BY APPROPRIATIONS

Appropriation	Salaries	Travel expenses	Rent	Miscellaneous	Total
Collecting the internal revenue, 1935:					
Collectors	\$89,102,893.52	\$601,397.83	\$60,269.78	\$188,359.19	\$9,952,920.32
Agents	10,597,904.68	533,523.51	110,094.34	94,327.13	11,335,759.66
Supervisors	\$ 8,393,594.46	841,744.50	100,235.90	646,797.42	9,982,372.28
Chief Disbursing Officer, Treasury Department and General Accounting Office	\$ 9,957,781.12	527,775.67	12,861.12	226,652.41	10,725,070.32
Total	38,052,173.78	2,504,441.51	283,371.14	1,156,136.15	41,996,122.58
Advances to Agricultural Adjustment Administration (transfer to internal revenue, administrative expenses):					
Collectors	\$ 2,397,706.91	440,034.14	3,080.47	52,901.05	2,893,722.57
Chief Disbursing Officer, Treasury Department and General Accounting Office	766,988.46	3,100.74	-----	119,812.03	789,901.23
Total	3,064,695.37	443,134.88	3,080.47	172,713.08	3,683,623.80
Administration of Cotton Act of 1934 (transfer to internal revenue, administrative expenses), 1934-35:					
Collectors	378,813.54	127,932.91	411.50	39,628.62	546,786.57
Chief Disbursing Officer, Treasury Department and General Accounting Office	\$ 19,032.73	1,029.52	-----	308,408.46	328,470.71
Total	397,846.27	128,962.43	411.50	348,037.08	875,257.28
Advances to Department of Agriculture under Tobacco Act of June 28, 1934 (transfer to internal revenue, administrative expenses), 1934-35:					
Collectors	61,741.66	23,933.44	-----	3,228.04	88,903.14
Chief Disbursing Officer, Treasury Department and General Accounting Office	\$ 1,407.87	229.53	-----	2,317.29	3,954.69
Total	63,149.53	24,162.97	-----	5,545.33	92,857.83
Grand total	41,577,864.95	3,100,701.79	286,863.11	1,682,431.64	46,647,861.49

For footnotes, see p. 352.

TABLE 10.—*Expenses of the Internal Revenue Service for the fiscal year 1935—Con.*

## CLAIMS APPROVED FOR PAYMENT FROM THE REFUNDING APPROPRIATIONS

Appropriation	1934 and prior years	1935 and prior years	Total
Refunding taxes illegally collected.....	\$16,970,410.93	\$7,088,553.26	\$24,058,964.19
Advances to Agricultural Adjustment Administration (transfer to Internal Revenue, refunding processing taxes).....			32,063,188.81
Advances to Department of Agriculture under Tobacco Act of June 28, 1934 (transfer to Internal Revenue, refunding tobacco taxes), 1934-35.....			1,416.52

<sup>1</sup> From the appropriation "Collecting the internal revenue, 1935."

<sup>2</sup> \$68,243.89 retirement deductions included.

<sup>3</sup> \$382,887.72 retirement deductions included.

<sup>4</sup> \$275,436.23 retirement deductions included.

<sup>5</sup> \$312,022.26 retirement deductions included.

<sup>6</sup> \$1,635.99 retirement deductions included.

<sup>7</sup> \$20,896.32 retirement deductions included.

<sup>8</sup> \$691.38 retirement deductions included.

<sup>9</sup> \$48.50 retirement deductions included.

TABLE 11.—*Customs duties (estimated), value of imports entered for consumption, and ratio of duties to value of dutiable imports and to value of all imports, for the calendar years 1923-34.*<sup>1</sup>

[On basis of reports of the Bureau of Foreign and Domestic Commerce; dollars in thousands]

Calendar year	Estimated duties	Value of imports entered for consumption			Ratio of duties to value of—	
		Total	Dutiable	Ratio of dutiable to total	Dutiable imports	Total imports
1923.....	\$566,664	\$3,731,770	\$1,566,622	41.98	Percent	Percent
1924.....	532,286	3,575,111	1,456,943	40.75	36.17	15.18
1925.....	551,853	4,176,218	1,467,390	35.14	36.53	14.89
1926.....	590,045	4,408,076	1,499,969	34.03	37.61	13.21
1927.....	574,840	4,163,090	1,483,031	35.62	39.34	13.39
1928.....	542,270	4,077,937	1,399,304	34.31	38.76	13.81
1929.....	584,772	4,338,572	1,458,444	33.62	40.11	13.48
1930.....	461,885	3,114,077	1,032,954	33.17	44.71	14.83
1931.....	370,771	2,088,455	696,762	33.36	53.21	17.75
1932.....	259,600	1,325,093	439,557	33.17	59.06	19.59
1933.....	283,681	1,433,013	529,466	36.95	53.58	19.80
1934.....	301,168	1,636,003	644,842	39.42	46.70	18.41

<sup>1</sup> For figures for 1867-99, see Annual Report for 1930, p. 523; for 1900-1922, Annual Report for 1932, p. 382.

TABLE 12.—Customs duties (estimated), value of dutiable imports, and ratio of duties to value of dutiable imports, by tariff schedules, for the years 1923-34<sup>1</sup>

[On basis of reports of the Bureau of Foreign and Domestic Commerce; dollars in thousands]

Calendar year	Estimated duties	Value of dutiable imports	Ratio of duties to imports	Estimated duties	Value of dutiable imports	Ratio of duties to imports
	SCHEDULE 1.—Chemicals, oils, and paints			SCHEDULE 2.—Earths, earthenware, and glassware		
			Percent			Percent
1923.....	\$26,989	\$90,123	29.95	\$23,526	\$60,182	39.09
1924.....	24,492	77,015	31.80	22,098	54,481	40.56
1925.....	27,465	93,746	29.30	24,529	56,391	43.50
1926.....	28,681	98,328	29.17	28,908	61,089	47.32
1927.....	27,997	98,312	28.48	28,217	58,260	48.43
1928.....	28,011	92,633	30.24	25,865	53,321	48.51
1929.....	33,910	110,452	30.70	27,014	55,304	48.85
1930.....	25,859	73,337	35.26	20,524	41,646	49.28
1931.....	20,279	52,913	38.33	13,421	25,694	52.23
1932.....	16,041	36,437	44.02	8,326	15,285	54.47
1933.....	18,286	42,296	43.23	9,012	16,444	54.80
1934.....	17,375	45,438	38.24	10,675	19,195	55.61
	SCHEDULE 3.—Metals and manufactures			SCHEDULE 4.—Wood and manufactures		
			Percent			Percent
1923.....	\$35,013	\$103,307	33.89	\$4,001	\$18,230	21.95
1924.....	35,240	96,768	36.21	4,161	18,115	22.97
1925.....	38,961	113,684	34.27	4,164	18,570	22.42
1926.....	48,528	147,010	33.01	4,307	18,004	23.92
1927.....	47,179	135,403	34.84	4,535	19,879	22.81
1928.....	46,251	131,921	35.06	4,191	16,917	24.77
1929.....	54,654	154,022	35.48	4,301	17,411	24.70
1930.....	36,367	97,214	37.41	3,557	17,140	20.75
1931.....	23,062	58,518	39.41	2,389	12,749	18.74
1932.....	12,355	32,810	37.66	1,687	7,518	22.44
1933.....	17,081	45,116	37.86	3,129	15,449	20.26
1934.....	20,284	57,802	35.09	2,357	11,156	21.13
	SCHEDULE 5.—Sugar, molasses, and manufactures			SCHEDULE 6.—Tobacco and manufactures		
			Percent			Percent
1923.....	\$128,064	\$353,873	36.19	\$35,831	\$64,881	55.22
1924.....	135,906	337,862	40.23	35,941	67,530	50.26
1925.....	139,103	221,347	62.84	35,428	69,943	50.65
1926.....	146,591	205,659	71.28	38,076	70,789	53.79
1927.....	131,199	222,703	58.91	40,016	68,632	58.31
1928.....	118,572	174,760	67.85	39,315	62,319	63.09
1929.....	131,190	156,232	83.97	39,105	60,116	65.05
1930.....	116,809	116,844	99.97	40,141	56,152	71.49
1931.....	99,631	74,819	133.16	32,310	43,201	74.79
1932.....	76,061	45,762	166.21	22,481	27,314	82.31
1933.....	67,408	44,540	151.34	21,542	24,754	87.02
1934.....	43,706	64,945	67.30	22,486	25,235	89.11
	SCHEDULE 7.—Agricultural products and provisions			SCHEDULE 8.—Spirits, wines, and other beverages		
			Percent			Percent
1923.....	\$61,578	\$236,976	25.98	\$613	\$1,371	44.67
1924.....	60,093	235,198	25.55	431	1,065	40.47
1925.....	60,568	259,917	23.30	492	1,161	42.38
1926.....	64,373	270,063	23.84	450	1,150	39.13
1927.....	64,072	284,253	22.54	465	1,350	34.44
1928.....	64,140	282,375	22.71	483	1,346	35.88
1929.....	68,055	297,161	22.90	544	1,571	34.63
1930.....	59,595	213,035	27.97	430	1,363	31.55
1931.....	56,613	134,337	42.14	376	1,273	29.54
1932.....	43,418	90,666	47.89	418	1,149	36.38
1933.....	46,189	103,941	44.44	7,414	9,179	80.78
1934.....	53,269	138,787	38.38	42,471	50,202	84.60

<sup>1</sup> The amount of customs duties is calculated in the Bureau of Foreign and Domestic Commerce on the basis of reports showing the quantity and value of merchandise imported. Total estimated duties and total value of dutiable imports will be found in table 11. For figures for 1890 to 1899, see Annual Report for 1930, p. 525; for 1900-22, Annual Report for 1932, p. 383.

TABLE 12.—*Customs duties (estimated), value of dutiable imports, and ratio of duties to value of dutiable imports, by tariff schedules, for the years 1923-34*<sup>1</sup>—  
Continued

Calendar year	Estimated duties	Value of dutiable imports	Ratio of duties to imports	Estimated duties	Value of dutiable imports	Ratio of duties to imports
	SCHEDULE 9.—Cotton manufactures			SCHEDULE 10.—Flax, hemp, jute, and manufactures		
			<i>Percent</i>			<i>Percent</i>
1923.....	\$21,946	\$68,207	32.18	\$24,632	\$121,126	20.34
1924.....	18,083	59,981	30.15	26,121	117,216	22.28
1925.....	15,347	49,999	30.69	25,684	143,907	17.87
1926.....	13,696	39,842	34.30	26,737	145,168	18.42
1927.....	14,561	40,461	35.99	26,525	126,524	20.96
1928.....	15,681	42,456	36.93	25,088	135,769	18.45
1929.....	15,627	42,855	36.46	24,600	129,409	19.01
1930.....	13,457	33,282	40.43	20,571	95,570	21.52
1931.....	13,595	28,653	47.45	15,927	57,780	27.56
1932.....	9,168	19,249	47.63	11,652	37,473	31.09
1933.....	10,845	22,660	47.86	12,959	47,129	27.50
1934.....	10,814	23,892	45.26	13,271	53,547	24.78
	SCHEDULE 11.—Wool and manufactures			SCHEDULES 12 and 13.—Silk and rayon manufactures		
			<i>Percent</i>			<i>Percent</i>
1923.....	\$91,466	\$162,016	56.45	\$21,692	\$40,794	53.18
1924.....	62,582	125,904	50.51	17,629	33,234	53.05
1925.....	71,019	162,458	43.71	21,388	40,304	53.07
1926.....	73,965	148,187	49.91	24,074	44,138	54.54
1927.....	67,219	127,707	52.64	28,815	51,293	56.18
1928.....	57,172	115,181	49.64	27,810	48,739	57.06
1929.....	61,815	121,636	50.82	27,349	47,156	58.00
1930.....	40,877	70,357	58.10	13,418	23,073	58.16
1931.....	24,483	32,339	75.71	10,313	17,249	59.79
1932.....	13,270	15,771	84.14	4,021	6,747	59.60
1933.....	20,539	22,660	90.64	4,649	8,370	55.54
1934.....	17,187	21,648	79.39	3,380	5,720	59.09
	SCHEDULE 14.—Pulp, paper, and books			SCHEDULE 15.—Sundries		
			<i>Percent</i>			<i>Percent</i>
1923.....	\$4,697	\$19,217	24.29	\$86,647	\$226,319	38.29
1924.....	4,813	18,729	25.70	86,695	215,846	40.17
1925.....	4,416	18,682	23.64	83,283	217,279	38.33
1926.....	5,241	21,463	24.42	86,448	229,078	37.74
1927.....	5,417	22,138	24.47	88,624	226,117	39.19
1928.....	7,881	25,910	30.42	81,810	215,657	37.94
1929.....	6,099	24,089	25.32	90,509	241,030	37.55
1930.....	5,024	19,428	25.86	65,156	174,513	37.34
1931.....	3,361	12,927	26.00	55,011	144,310	38.12
1932.....	2,183	8,187	26.66	38,158	95,189	40.46
1933.....	2,221	8,497	26.14	42,406	118,432	35.81
1934.....	2,346	9,482	24.74	41,547	117,794	35.27

TABLE 13.—Customs receipts, expenditures, and entries, by districts, fiscal year 1935

[On basis of reports of collecting officers, see p. 294]

District	Duties on imports <sup>1</sup>	Expenditures			Total number of entries
		Excessive duties re-funded	Drawback paid	Expenses	
Alaska (no. 31).....	\$8,571.23	\$17.95	-----	\$64,302.48	1,404
Arizona (no. 26).....	1,412,444.20	1,490.35	-----	162,949.30	23,169
Buffalo (no. 9).....	5,413,225.41	30,199.10	-----	531,471.79	80,148
Chicago (no. 39).....	12,473,697.37	99,041.91	\$225.48	444,436.87	89,949
Colorado (no. 47).....	221,204.72	2,187.36	118,207.09	19,020.73	4,219
Connecticut (no. 6).....	666,084.06	12,769.26	7,246.15	46,616.24	1,179
Dakota (no. 34).....	1,133,289.52	4,026.01	47.01	212,037.65	25,569
Duluth and Superior (no. 36).....	3,248,915.32	13,317.93	-----	101,226.52	9,175
El Paso (no. 24).....	1,089,305.65	3,127.18	-----	200,010.15	23,332
Florida (no. 18).....	1,992,027.67	6,612.09	37,301.85	447,467.77	48,490
Galveston (no. 22).....	4,271,631.16	9,438.61	1,440.78	205,357.33	6,976
Georgia (no. 17).....	2,724,063.54	5,462.96	617,875.39	73,765.43	3,853
Hawaii (no. 32).....	1,637,357.22	14,499.65	4,591.50	140,273.70	17,262
Indiana (no. 40).....	7,416,386.20	384.21	1,769.54	26,450.04	6,512
Iowa (no. 44).....	42,924.71	56.99	-----	11,544.87	257
Kentucky (no. 42).....	876,000.57	1,022.83	21,683.35	16,926.47	2,800
Los Angeles (no. 27).....	6,467,870.37	133,202.91	60,031.47	363,395.07	66,679
Maine and New Hampshire (no. 1).....	540,364.99	6,270.47	-----	458,031.38	46,524
Maryland (no. 13).....	11,112,879.01	108,332.81	\$51,074.51	504,112.30	47,249
Massachusetts (no. 4).....	21,074,091.22	1,279,045.62	\$74,813.35	1,137,970.80	91,983
Michigan (no. 38).....	3,789,172.59	22,521.16	162,067.43	678,390.16	100,342
Minnesota (no. 35).....	1,357,612.75	12,753.03	24.35	52,042.25	18,746
Mobile (no. 19).....	549,870.30	871.69	125.78	62,916.83	2,617
Montana and Idaho (no. 33).....	128,811.03	10,733.92	-----	154,090.58	5,912
New Orleans (no. 29).....	14,272,044.80	58,374.11	167,355.48	562,034.83	41,601
New York (no. 10).....	166,715,219.62	4,534,471.88	7,561,630.63	7,094,442.24	1,140,748
North Carolina (no. 15).....	9,616,733.74	14,105.08	71,116.19	57,310.73	9,549
Ohio (no. 41).....	2,014,899.28	34,877.70	159,178.81	174,789.24	26,707
Omaha (no. 46).....	261,926.73	680.14	-----	14,245.54	1,152
Oregon (no. 29).....	1,213,874.36	21,816.13	21,811.58	120,367.22	8,744
Philadelphia (no. 11).....	23,993,396.80	240,316.35	2,395,095.71	904,651.63	68,596
Pittsburgh (no. 12).....	3,321,689.80	12,084.59	3,083.80	46,577.89	5,039
Puerto Rico (no. 49).....	2,035,333.51	16,523.60	2,990.92	297,766.22	18,308
Rhode Island (no. 5).....	1,301,573.15	194,827.81	8,437.78	48,113.52	2,083
Rochester (no. 8).....	1,061,970.88	18,561.16	933.73	72,330.68	6,510
Sabine (no. 21).....	284,788.68	516.55	-----	38,265.91	1,058
St. Lawrence (no. 7).....	1,128,008.52	3,736.96	18.41	352,193.59	36,205
St. Louis (no. 45).....	2,024,256.62	11,610.76	7,081.24	95,304.97	18,883
San Antonio (no. 23).....	2,433,992.04	6,931.75	-----	262,966.81	32,894
San Diego (no. 25).....	244,433.75	487.19	-----	170,128.77	8,455
San Francisco (no. 28).....	10,218,682.31	168,045.65	628,932.80	733,905.43	119,314
South Carolina (no. 16).....	416,680.61	3,725.30	-----	25,413.59	848
Tennessee (no. 43).....	106,163.03	1,142.21	-----	20,963.46	742
Utah and Nevada (no. 48).....	25,920.26	21.11	-----	7,527.73	2,066
Vermont (no. 2).....	1,414,704.22	3,477.17	-----	386,894.60	46,876
Virginia (no. 14).....	8,086,203.17	56,153.32	4,433.93	176,735.28	35,770
Washington (no. 30).....	3,601,427.89	47,391.63	22,796.33	589,794.64	48,876
Wisconsin (no. 37).....	1,535,367.10	6,373.64	3,411.25	49,286.26	9,701
Total <sup>2</sup> .....	344,941,758.20	7,217,114.19	13,813,852.70	18,119,031.27	2,399,263

## SUMMARY OF COLLECTIONS AND EXPENDITURES

Collections:	
Customs receipts:	
Duties on imports.....	\$344,941,758
Miscellaneous fines, penalties, etc.....	<sup>3</sup> 1,572,792
Total.....	346,514,550
Collections for other departments, bureaus, etc.:	
Tonnage tax for the Department of Commerce.....	1,642,353
Head tax for the Department of Labor.....	850,519
Miscellaneous collections for other bureaus, etc.....	15,439,467
Total.....	17,932,339
Total customs collections.....	364,446,889
Expenditures from customs appropriation:	
Expenses as reported by collectors.....	18,119,031
All other, including customs agency service and bureau salaries, etc.....	1,906,416
Total.....	20,025,447
Less refunds to customs appropriation on account of reimbursable expenditures.....	508,739
Total exclusive of reimbursable items.....	19,516,708

<sup>1</sup> Customs receipts, on the basis of reports of collecting officers, are credited to the districts in which the collections are made. Receipts in the various districts do not indicate the tax burden of the respective districts, since the taxes may be eventually borne by persons in other districts.

<sup>2</sup> Figures for Puerto Rico not included in totals.

<sup>3</sup> Includes \$5,526.80 in fees or charges paid under all acts of Congress.

TABLE 14.—Panama Canal receipts and expenditures for the fiscal years 1903 to 1935

[On basis of warrants issued, see p. 293]

Year	Receipts covered into the Treasury <sup>1</sup>	Expenditures			
		Construction, maintenance, and operation <sup>2</sup>	Fortifications	Total general expenditures	Interest paid on Panama Canal loans
1903		\$9,985.00		\$9,985.00	
1904		\$50,164,500.00		\$50,164,500.00	
1905	\$371,253.06	3,918,819.83		3,918,819.83	
1906	380,680.10	19,379,373.71		19,379,373.71	
1907	1,178,949.85	27,198,618.71		27,198,618.71	
1908	1,083,761.49	38,093,929.04		38,093,929.04	\$785,268.00
1909	705,402.42	31,419,442.41		31,419,442.41	1,319,076.58
1910	3,214,389.48	33,911,673.37		33,911,673.37	1,692,166.40
1911	1,757,284.44	37,038,994.71	\$30,608.75	37,069,603.46	1,691,107.20
1912	2,982,823.92	34,285,276.50	1,036,091.08	35,321,367.58	3,000,669.60
1913	4,070,231.27	40,167,866.71	1,823,491.32	41,991,358.03	3,201,055.81
1914	698,647.87	31,702,359.61	3,376,900.85	35,079,260.46	3,194,105.95
1915	4,130,241.27	24,677,107.29	4,767,605.38	29,444,712.67	3,199,385.05
1916	2,869,995.28	14,888,194.78	2,868,341.97	17,756,536.75	3,189,024.79
1917	6,150,668.59	16,199,262.47	3,313,532.55	19,512,795.02	3,103,250.67
1918	6,414,570.25	13,549,762.56	7,487,862.36	21,037,624.92	2,976,476.55
1919	6,777,046.55	10,954,409.74	1,561,364.74	12,515,774.48	2,984,888.33
1920	9,039,670.95	6,281,463.72	3,433,592.82	9,715,056.54	3,040,872.89
1921	11,914,361.32	16,480,390.79	2,088,007.66	18,568,398.45	2,994,776.66
1922	12,049,660.65	3,041,035.40	896,327.45	3,937,362.85	2,995,398.14
1923	17,869,985.25	3,870,503.37	950,189.20	4,820,692.57	2,997,904.81
1924	27,124,513.33	7,391,711.97	393,963.37	7,785,675.34	2,992,461.19
1925	22,903,732.44	9,300,509.73	872,689.93	10,173,199.66	2,988,918.80
1926	24,291,917.87	8,669,333.57	1,153,322.38	9,822,655.95	2,989,598.76
1927	25,894,701.45	7,863,376.03	586,043.94	8,449,419.97	2,991,988.25
1928	28,834,345.42	10,909,442.27	1,165,632.53	12,075,074.80	2,987,329.95
1929	28,831,447.24	10,220,913.25	943,985.31	11,164,898.56	3,002,235.80
1930	28,971,643.03	10,497,935.33	999,413.77	11,497,349.10	2,991,375.23
1931	26,534,587.74	10,303,755.15	916,979.29	11,220,734.44	2,992,366.42
1932	22,448,911.57	10,904,319.70	779,868.12	11,684,187.82	2,989,627.15
1933	23,183,754.40	11,780,139.21	614,916.00	12,395,055.21	2,969,049.75
1934	27,167,390.62	10,709,294.89	396,310.58	11,105,605.47	2,992,453.55
1935	24,816,531.93	10,233,789.97	294,413.20	10,528,203.17	2,986,151.55
Total	404,663,101.05	576,017,490.79	42,751,454.55	618,768,945.34	78,238,983.83

<sup>1</sup> Beginning with the fiscal year 1924, the amounts shown in this column have been revised to include the sums received as dividends on capital stock of the Panama Railroad owned by the United States.

<sup>2</sup> The amounts shown in this column have been revised to include the payments to the Government of Panama under the treaty of Nov. 18, 1903, of \$250,000 per annum, the first payment being made during the fiscal year 1913, and similar payments continuing each year since that date; but do not include the payments to the Government of Colombia growing out of the construction of the Panama Canal of \$5,000,000 per annum during the fiscal years 1923 to 1927, inclusive, an aggregate sum of \$25,000,000, as provided for under the treaty of Apr. 6, 1914. Includes expenses of civil government, Panama Canal and Canal Zone.

<sup>3</sup> This amount includes the \$40,000,000 paid to the New Panama Canal Co. of France for the acquisition of the property, and the \$10,000,000 paid to the Republic of Panama in connection with the Canal Zone as provided for under art. 14 of the treaty of Nov. 18, 1903.



## Estimates of Receipts

TABLE 15.—Actual receipts for the fiscal year 1935 and estimated receipts for the fiscal years 1936 and 1937, by sources

Receipts	Actual, 1935 <sup>1</sup>	Estimated, 1936	Estimated, 1937
GENERAL AND SPECIAL ACCOUNTS			
<b>Revenue receipts:</b>			
<b>Internal revenue:</b>			
<b>Income taxes:</b>			
Current corporation.....	\$465,368,133	\$615,000,000	\$826,600,000
Current individual.....	448,221,113	629,000,000	936,000,000
Back taxes.....	185,641,137	190,000,000	180,000,000
Total income taxes (collection basis).....	1,099,230,383	1,434,000,000	1,942,600,000
Adjustment to daily Treasury statement basis (un-revised).....	111,745	112,000	
Total income taxes (Treasury statement basis).....	1,099,118,638	1,434,112,000	1,942,600,000
<b>Miscellaneous internal revenue:</b>			
Capital stock tax.....	91,508,121	92,000,000	163,000,000
Excess-profits tax.....	6,560,483	10,000,000	5,000,000
Estate tax.....	140,440,683	191,000,000	268,000,000
Gift tax.....	71,671,277	60,000,000	25,000,000
<b>Distilled spirits and fermented liquors taxes:</b>			
Distilled spirits (excise tax on domestic).....	150,525,647	215,800,000	240,000,000
Distilled spirits (excise tax on imported).....	15,107,926	14,700,000	16,500,000
Wines (excise tax on domestic and imported).....	6,779,816	9,040,000	10,700,000
Fermented malt liquors.....	211,215,057	235,000,000	256,500,000
Rectification,rectifiers: Retail and wholesale dealers and manufacturers of stills.....	13,281,046	14,600,000	15,400,000
Container stamps.....	6,144,774	8,900,000	9,700,000
Floor taxes, distilled spirits and wines.....	3,021,546		
Brewers: Retail and wholesale dealers.....	4,348,822	4,500,000	4,300,000
All other.....	537,138	800,000	1,700,000
Total distilled spirits and fermented liquors taxes.....	411,021,772	503,140,000	554,800,000
<b>Tobacco manufactures taxes:</b>			
Cigars (large).....	11,692,859	12,100,000	13,200,000
Cigarettes (small).....	385,459,571	405,000,000	429,000,000
Tobacco (chewing and smoking).....	54,372,414	53,300,000	53,600,000
Snuff.....	6,511,662	6,800,000	6,900,000
Cigarette papers and tubes.....	976,068	1,000,000	1,200,000
All other.....	166,051	170,000	144,000
Total tobacco manufactures taxes.....	459,178,625	478,370,000	504,044,000
<b>Documentary stamp taxes:</b>			
Issues of securities, bond transfers, and deeds of conveyance.....	17,934,777	27,000,000	35,400,000
Stock transfers.....	15,747,363	31,700,000	46,800,000
Sales of produce for future delivery.....	3,950,544	2,500,000	2,500,000
Playing cards.....	4,351,299	4,500,000	4,700,000
Silver bullion transfers.....	1,149,390	1,000,000	1,000,000
Total documentary stamp taxes.....	43,133,373	66,700,000	90,400,000
<b>Manufacturers' excise taxes:</b>			
Lubricating oils.....	27,800,249	28,000,000	29,800,000
Brewer's wort, malt, grape concentrates, etc.....	1,426,859	1,400,000	1,000,000
Matches.....	6,000,101	6,000,000	7,000,000
Gasoline.....	161,532,292	168,200,000	178,000,000
Electrical energy.....	32,577,256	33,000,000	35,200,000
Tires and inner tubes.....	26,637,796	27,800,000	28,700,000
Toilet preparations, etc.....	12,643,517	13,500,000	17,000,000
Articles made of fur.....	2,675,731	3,100,000	3,700,000
Jewelry, etc.....	2,010,123	2,000,000	2,900,000
Automobile trucks.....	6,158,070	7,400,000	6,500,000
Other automobiles and motorcycles.....	38,003,335	47,100,000	54,200,000
Parts and accessories for automobiles.....	6,455,854	6,700,000	7,000,000
Radio sets, phonograph records, etc.....	3,624,904	4,100,000	5,600,000
Mechanical refrigerators.....	6,663,677	7,500,000	7,600,000
Sporting goods.....	4,485,815	5,500,000	5,500,000
Firearms, shells, and cartridges.....	2,203,246	2,400,000	2,500,000
Cameras and lenses.....	343,388	360,000	420,000
Chewing gum.....	757,183	730,000	750,000
Total manufacturers' excise taxes.....	341,999,396	364,790,000	393,370,000

For footnotes, see p. 363.

TABLE 15.—Actual receipts for the fiscal year 1935 and estimated receipts for the fiscal years 1936 and 1937, by sources—Continued

Receipts	Actual, 1935 <sup>1</sup>	Estimated, 1936	Estimated, 1937
<b>GENERAL AND SPECIAL ACCOUNTS—continued</b>			
<b>Revenue receipts—Continued.</b>			
<b>Internal revenue—Continued.</b>			
<b>Miscellaneous internal revenue—Continued.</b>			
Miscellaneous taxes:			
Telephone, telegraph, radio, and cable facilities, etc.	\$19,741,434	\$21,500,000	\$21,800,000
Transportation of oil by pipe line	9,479,722	10,500,000	10,500,000
Leases of safe deposit boxes	2,317,619	2,400,000	1,800,000
Checks	25,645,139		
Admissions	15,379,397	17,000,000	19,500,000
Club dues and initiation fees	5,784,495	6,500,000	7,000,000
Oleomargarine, process butter, etc.	2,063,427	2,000,000	2,500,000
Processing taxes on coconut oil, etc.	24,745,091	29,000,000	35,000,000
Processing tax on crude petroleum	1,759,790	800,000	800,000
All other, including delinquent taxes under repealed laws	1,840,987	600,000	600,000
Total miscellaneous taxes	108,469,101	90,300,000	99,500,000
Total miscellaneous internal revenue (collection basis)	1,673,982,831	1,856,300,000	2,103,114,000
Adjustment to daily Treasury statement basis (un- revised)	16,791,312	16,791,000	
Total miscellaneous internal revenue (Treasury statement basis)	1,657,191,519	1,873,091,000	2,103,114,000
<b>Agricultural adjustment taxes:</b>			
Wheat	123,860,932	124,500,000	130,200,000
Cotton	95,926,302	116,800,000	126,000,000
Tobacco	32,725,501	25,400,000	23,800,000
Corn	6,849,630	7,700,000	4,000,000
Hogs	184,601,009	156,900,000	173,000,000
Certain paper, jute fabric, and jute yarn	3,221,707	2,600,000	3,000,000
Sugar	71,093,971	64,400,000	62,000,000
Peanuts	3,571,936	7,400,000	7,100,000
Rice	29,120	12,600,000	11,700,000
Rye		1,900,000	2,500,000
Cotton ginning	1,110,875	1,000,000	1,000,000
Tobacco sales	3,231,375	3,000,000	3,000,000
Total agricultural adjustment taxes (collection basis)	526,222,358	521,200,000	547,300,000
Adjustment to daily Treasury statement basis (un- revised)	4,842,487	4,842,000	
Total agricultural adjustment taxes (Treasury statement basis)	521,379,871	529,042,000	547,300,000
<b>Other internal revenue:</b>			
Taxes on carriers and their employees		33,000,000	101,600,000
Bituminous Coal Conservation Act		5,600,000	12,300,000
Social Security Act:			
Employment tax (title VIII)			304,700,000
Tax on employers of 8 or more (title IX)			128,500,000
Total other internal revenue		38,600,000	547,100,000
Total internal revenue (collection basis)	3,299,435,572	3,853,100,000	5,140,114,000
Adjustment to daily Treasury statement basis (un- revised)	21,745,544	21,745,000	
Total internal revenue (Treasury statement basis)	3,277,690,028	3,874,845,000	5,140,114,000
<b>Customs:</b>			
Distilled spirits and wines	41,018,755	32,800,000	27,400,000
All other	303,925,209	318,800,000	326,600,000
Total customs (collection basis)	344,943,964	351,600,000	354,000,000
Adjustment to daily Treasury statement basis (un- revised)	1,590,930	1,591,000	
Total customs (Treasury statement basis)	343,353,034	353,191,000	354,000,000

For footnotes, see p. 363.

TABLE 15.—Actual receipts for the fiscal year 1935 and estimated receipts for the fiscal years 1936 and 1937, by sources—Continued

Receipts	Actual, 1935 <sup>1</sup>	Estimated, 1936	Estimated, 1937
GENERAL AND SPECIAL ACCOUNTS—continued			
<b>Revenue receipts—Continued.</b>			
<b>Miscellaneous:<sup>2</sup></b>			
<b>Miscellaneous taxes:</b>			
Tax on circulation of national banks.....	\$4,365,601	\$697,000	.....
Tonnage tax.....	1,433,522	1,450,000	\$1,450,000
Immigration head tax.....	796,967	829,000	829,000
Taxes, licenses, fines, etc., Canal Zone.....	71,845	72,500	72,500
Total miscellaneous taxes.....	6,667,935	3,048,500	2,351,500
<b>Interest, exchange, and dividends:</b>			
Interest on bonds of foreign governments under funding agreements.....	599,681	324,871	322,365
Interest on obligations of Reconstruction Finance Corporation purchased by the Secretary of the Treasury.....	23,942,120	62,500,000	40,500,000
Interest on public deposits.....	160,438	42,700	45,700
Interest on money loaned from construction loan fund (U. S. Shipping Board Bureau).....	2,915,931	2,683,438	2,177,740
Interest on loans to States, municipalities, etc., Public Works Administration.....	1,616,289	9,000,000	12,000,000
Dividends on capital stock of the Panama Railroad owned by the United States.....	350,000	350,000	350,000
Dividends on shares of Federal savings and loan associations.....	76,808	700,000	1,200,000
Dividends on capital stock of Federal home loan banks.....	1,591,473	1,700,000	2,000,000
All other.....	<sup>3</sup> 1,544,273	823,588	983,223
Total interest, exchange, and dividends on capital stock.....	32,797,013	78,124,597	59,579,028
<b>Fines and penalties:</b>			
Recovery of value of oil in case of United States against petroleum companies.....	5,500,000	.....	.....
Customs Service.....	311,508	310,000	310,000
United States courts.....	399,156	350,000	350,000
All other.....	<sup>3</sup> 447,551	380,745	366,845
Total fines and penalties.....	6,658,215	1,040,745	1,026,845
<b>Fees:</b>			
Clerks, United States courts.....	1,778,284	1,500,000	1,500,000
Consular and passport.....	3,408,657	3,313,200	3,424,200
Credit unions.....	10,245	53,780	77,050
Division of Grazing Control.....	.....	500,000	1,075,000
Migratory-bird hunting stamps.....	466,879	750,000	750,000
Naturalization.....	1,168,508	1,750,000	1,750,000
Patent.....	4,077,883	4,400,000	4,400,000
Registration, Securities Act.....	105,408	500,000	600,000
All other.....	<sup>3</sup> 1,338,166	1,531,199	1,547,399
Total fees.....	12,354,030	14,298,179	15,123,649
<b>Forfeitures.....</b>	1,947,075	1,519,415	1,404,535
<b>Assessments:</b>			
On Federal home loan banks for salaries and expenses.....	247,929	.....	.....
On Federal home loan banks and receipts from other sources for salaries and expenses, Federal Home Loan Bank Board.....	.....	672,527	811,295
On Federal and joint stock land banks, and Federal intermediate credit banks for expenses of examinations, Farm Credit Administration.....	465,138	854,711	715,157
Federal Coordinator of Transportation, salaries and expenses.....	526,146	527,000	.....
All other.....	<sup>3</sup> 194,482	340,652	1,130,652
Total assessments.....	1,433,695	2,394,920	2,657,104

For footnotes, see p. 363.

TABLE 15.—Actual receipts for the fiscal year 1935 and estimated receipts for the fiscal years 1936 and 1937, by sources—Continued

Receipts	Actual, 1935 <sup>1</sup>	Estimated, 1936	Estimated, 1937
GENERAL AND SPECIAL ACCOUNTS—continued			
<b>Revenue receipts—Continued.</b>			
<b>Miscellaneous<sup>2</sup>—Continued.</b>			
<b>Reimbursements:</b>			
By District of Columbia for advances for acquisition of lands under sec. 4, act May 29, 1930, as amended.....	531,212	\$300,000	\$300,000
Collections, reclamation fund.....	2,195,113	3,495,000	5,395,000
Expenses of redeeming national currency.....	463,902	-----	-----
Government property lost or damaged.....	527,474	720,638	676,638
All other.....	<sup>3</sup> 1,902,809	2,099,360	1,875,590
Total reimbursements.....	5,620,510	6,614,998	8,247,228
<b>Gifts and contributions:</b>			
Forest Service cooperative work.....	( <sup>4</sup> )	-----	-----
Contributions and advances for river and harbor improvements.....	( <sup>4</sup> )	-----	-----
By New York Liberty Loan Association.....	100,000	-----	-----
All other.....	<sup>3</sup> 13,302	5,010	4,910
Total gifts and contributions.....	113,302	5,010	4,910
<b>Sales of Government property—products:</b>			
Scrap and salvaged materials, condemned stores, waste paper, refuse, etc.....	1,067,224	1,615,270	1,416,545
Card indexes, Library of Congress.....	207,638	215,000	225,000
Public documents, charts, maps, etc.....	447,422	487,485	487,985
Seeds.....	-----	5,439,100	-----
Hogs.....	-----	604,300	-----
All other.....	<sup>3</sup> 670,483	682,366	685,016
Total sales of Government property—products.....	2,392,767	9,043,521	2,814,546
<b>Sales of services:</b>			
Alaska R. R. fund receipts.....	1,500,078	1,473,000	1,400,000
Laundry and dry-cleaning operations.....	924,256	1,062,105	1,200,005
Tolls and profits, Panama Canal.....	24,020,108	24,550,000	24,550,000
All other.....	<sup>3</sup> 1,023,446	1,194,116	1,180,616
Total sales of services.....	27,467,888	28,279,221	28,330,621
<b>Rents and royalties:</b>			
Receipts under mineral leasing act.....	3,926,372	4,000,000	4,000,000
Royalties on oil, gas, etc.....	639,383	614,050	614,050
All other.....	<sup>3</sup> 593,877	583,635	548,635
Total rents and royalties.....	5,159,632	5,227,685	5,192,685
<b>Permits, privileges, and licenses:</b>			
Permits to enter National Parks.....	619,697	650,000	700,000
Alaska fund.....	257,306	300,000	300,000
Immigration permits.....	178,123	208,729	208,729
Licenses under Federal Water-Power Act.....	570,505	669,749	638,500
All other.....	<sup>3</sup> 200,907	104,286	205,226
Total permits, privileges, and licenses.....	1,826,538	1,932,764	2,052,455
<b>Mint receipts:</b>			
Profits on coinage, bullion deposits, etc.....	4,139,327	3,059,000	2,559,000
Seigniorage.....	58,153,152	20,000,000	19,000,000
Total Mint receipts.....	62,292,479	23,059,000	21,559,000
<b>Forest reserve fund.....</b>			
Postal funds, Panama Canal.....	3,361,028	3,900,000	4,500,000
United States share of District of Columbia receipts.....	263,574	283,500	298,500
	78,627	-----	-----
	3,703,229	4,183,500	4,798,500
Total miscellaneous revenue receipts.....	170,434,308	178,772,055	155,142,606
Total revenue receipts.....	3,791,477,370	4,406,808,055	5,649,256,606

For footnotes, see p. 363.

TABLE 15.—Actual receipts for the fiscal year 1935 and estimated receipts for the fiscal years 1936 and 1937, by sources—Continued

Receipts	Actual, 1935 <sup>1</sup>	Estimated, 1936	Estimated, 1937
GENERAL AND SPECIAL ACCOUNTS—continued			
<b>Nonrevenue receipts:</b>			
<b>Miscellaneous:</b>			
<b>Realization upon assets:</b>			
<b>Repayment of investments:</b>			
Foreign repayments.....	\$66, 710	\$69, 898	\$72, 094
Loans to railroads after termination of Federal control, etc. (repayments to appropriations).....	6, 485, 285	741, 900	1, 400, 000
Repayment of principal on account of loans to States, municipalities, etc., Public Works Administration.....	524, 626	800, 000	50, 000
Repayment of principal on account of loans to railroads, Public Works Administration.....	83, 000	200, 000	50, 000
Return of advances made to Reclamation Fund.....	-----	-----	2, 000, 000
All other.....	‡ 160, 783	61, 525	61, 125
Total repayments of investments.....	7, 320, 404	1, 873, 323	3, 633, 219
<b>Sales of public lands.....</b>	86, 757	75, 000	75, 000
<b>Sales of Government property:</b>			
Land, buildings, etc.....	2, 315, 223	1, 246, 950	707, 950
War supplies, War and Navy Departments.....	85, 638	205, 500	26, 000
All other.....	‡ 613, 448	585, 118	518, 875
Total sales of Government property.....	3, 014, 309	2, 037, 568	1, 252, 825
Total nonrevenue receipts, exclusive of trust and contributed accounts.....	10, 421, 470	3, 985, 891	4, 961, 044
Total general and special accounts receipts.....	3, 801, 898, 840	4, 410, 793, 946	5, 654, 217, 650
Adjustment to daily Treasury statement basis (unrevised) on miscellaneous revenue receipts.....	1, 431, 638	-----	-----
Total general and special accounts receipts, on basis of daily Treasury statement (unrevised).....	3, 800, 467, 202	4, 410, 793, 946	5, 654, 217, 650
TRUST AND CONTRIBUTED ACCOUNTS			
<b>Nonrevenue receipts:</b>			
<b>Miscellaneous:</b>			
Government life insurance fund.....	\$69, 757, 322	\$70, 518, 453	\$70, 601, 145
Adjusted service certificate fund.....	5, 848, 198	7, 125, 000	9, 100, 000
Civil service retirement fund.....	40, 912, 096	42, 000, 000	42, 000, 000
Foreign service retirement fund.....	286, 221	297, 000	313, 000
Canal Zone retirement fund.....	550, 230	552, 000	552, 000
Deposits, personal funds of patients, Veterans' Administration.....	2, 149, 257	2, 000, 000	2, 000, 000
Deposits of miscellaneous contributed funds, Department of Agriculture.....	16, 148, 295	10, 140, 073	10, 057, 065
Deposits of collections, clerks of United States district courts.....	1, 376, 035	1, 000, 000	1, 000, 000
Internal Revenue, Philippine Islands collections.....	474, 260	500, 000	475, 000
Internal revenue, coconut oil tax, Philippine Islands.....	17, 142, 472	17, 000, 000	17, 000, 000
Processing taxes, miscellaneous (insular possessions).....	427, 950	521, 400	521, 400
Processing taxes, sugar (insular possessions).....	15, 047, 993	20, 600, 000	20, 600, 000
Contributions to reclamation fund.....	469, 000	10, 000, 000	10, 000, 000
Receipts, Welfare and Recreational Association of public buildings and grounds.....	1, 076, 793	1, 500, 000	1, 500, 000
Proceeds of sales and leases of Indian lands, etc.....	6, 696, 236	6, 859, 900	7, 859, 900
District of Columbia.....	47, 958, 619	38, 713, 685	35, 327, 000
Forest Service cooperative work.....	701, 124	1, 000, 000	1, 000, 000
Contributions and advances for river and harbor improvements.....	2, 521, 044	80, 100	172, 500
Contributions for flood control.....	185, 646	848, 602	1, 065, 200
Civilian Conservation Corps, withheld cash allowances.....	1, 662, 623	2, 000, 000	2, 000, 000
Deposits by States under Social Security Act [title IX, sec. 904 (a)].....	-----	48, 500, 000	282, 800, 000
All other.....	‡ 5, 967, 280	4, 679, 196	4, 406, 475
Total trust and contributed accounts.....	237, 358, 694	286, 435, 409	520, 356, 685

For footnotes, see p. 363.

TABLE 15.—Actual receipts for the fiscal year 1935 and estimated receipts for the fiscal years 1936 and 1937, by sources—Continued

Receipts	Actual, 1935,1	Estimated, 1936	Estimated, 1937
<b>TRUST AND CONTRIBUTED ACCOUNTS—continued</b>			
<b>Nonrevenue receipts—Continued.</b>			
<b>Miscellaneous—Continued.</b>			
Increment resulting from reduction in the weight of the gold dollar.....	\$1,732,752		
Seigniorage.....	140,111,441	\$169,888,559	60,000,000
Adjustment to daily Treasury statement basis (unrevised).....	379,192,887	456,323,968	\$580,350,685
	7,687,192		
Total trust and contributed accounts receipts on basis of daily Treasury statement (unrevised).....	371,509,695	456,323,968	580,350,685
Total receipts, exclusive of postal revenues.....	4,171,976,897	4,867,117,914	6,234,568,335
<b>SUMMARY BY ACCOUNTS</b>			
<b>General and special accounts:</b>			
Internal Revenue.....	3,277,690,028	3,874,845,000	5,140,114,000
Customs (excluding tonnage tax).....	343,353,034	353,191,000	354,000,000
Miscellaneous receipts.....	179,424,140	182,757,946	160,103,650
Total general and special accounts.....	3,800,467,202	4,410,793,946	5,654,217,650
Trust and contributed accounts.....	229,660,234	237,935,409	237,550,685
Increment resulting from reduction in the weight of the gold dollar.....	1,738,020		
Seigniorage.....	140,111,441	169,888,559	60,000,000
Deposits by States under Social Security Act [title IX, sec. 904 (a)].....		48,500,000	282,800,000
Total receipts, exclusive of postal revenues.....	4,171,976,897	4,867,117,914	6,234,568,335
<b>GENERAL AND SPECIAL ACCOUNTS</b>			
Legislative establishment.....	\$932,872	\$928,350	\$939,750
Executive and independent offices.....	12,564,794	15,431,058	18,006,020
Department of Agriculture.....	4,756,863	11,587,607	6,115,447
Department of Commerce.....	8,978,403	9,162,548	8,654,880
Department of the Interior.....	10,437,570	12,350,700	17,606,770
Department of Justice.....	3,337,748	3,029,560	2,904,560
Department of Labor.....	2,491,176	3,135,589	3,225,589
Navy Department.....	6,621,035	1,759,120	1,412,380
Post Office Department.....	31,409	35,000	35,000
Department of State.....	3,448,156	3,348,585	3,455,585
Treasury Department.....	13,719,053,686	4,319,958,659	5,562,343,674
War Department.....	4,355,128	4,710,170	4,113,995
Panama Canal.....	24,811,281	25,359,009	25,374,000
District of Columbia.....	78,627		
	3,801,898,838	4,410,793,946	5,654,217,650
Adjustment to daily Treasury statement basis (unrevised).....	1,431,636		
Total general and special accounts receipts, on basis of daily Treasury statement (unrevised) exclusive of postal revenues.....	3,800,467,202	4,410,793,946	5,654,217,650
<b>TRUST AND CONTRIBUTED ACCOUNTS</b>			
District of Columbia.....	47,958,619	38,713,685	35,327,000
Government life insurance fund.....	69,757,322	70,518,433	70,601,145
Adjusted service certificate fund.....	5,848,198	7,125,000	9,100,000
Civil service retirement fund.....	40,912,096	42,000,000	42,000,000
Foreign service retirement fund.....	286,221	297,000	313,000
Canal Zone retirement fund.....	550,230	552,000	552,000
Indian tribal funds.....	6,696,236	6,859,900	7,859,900
Insular possessions:			
Processing tax.....	15,475,942	21,121,400	21,121,400
Others.....	17,641,379	17,525,000	17,500,000

For footnotes, see p. 363.

TABLE 15.—*Actual receipts for the fiscal year 1935 and estimated receipts for the fiscal years 1936 and 1937, by sources—Continued*

Receipts	Actual, 1935 <sup>1</sup>	Estimated, 1936	Estimated, 1937
<b>TRUST AND CONTRIBUTED ACCOUNTS—continued</b>			
Deposits by States under Social Security Act [title IX, sec. 904 (a)].....		\$48,506,600	\$282,860,000
Other trust and contributed accounts.....	\$32,232,451	33,222,971	53,176,240
Total trust and contributed accounts receipts.....	237,358,694	286,435,469	520,350,685
Increment resulting from reduction in the weight of the gold dollar.....	1,722,752		
Seigniorage.....	140,111,441	169,888,559	60,000,000
Adjustment to daily Treasury statement basis (unrevised).....	379,192,887	456,323,968	580,350,685
	<i>7,683,192</i>		
	371,509,695	456,323,968	580,350,685
Total receipts, on basis of daily Treasury statement (unrevised) exclusive of postal revenues.....	4,171,976,897	4,867,117,914	6,234,568,335

<sup>1</sup> Internal revenue and customs receipts detail on collections basis with totals adjusted to basis of daily statements (unrevised). Miscellaneous revenue and nonrevenue receipts detail on basis of warrants issued with totals adjusted to basis of daily Treasury statements (unrevised).

<sup>2</sup> Miscellaneous receipts classified by departments and establishments on p. 362.

<sup>3</sup> For further details, see table 1, p. 296.

<sup>4</sup> Designated as trust funds by Permanent Appropriation Repeal Act, 1934 (48 Stat. 1224).

<sup>5</sup> Includes customs and internal revenue receipts on cash basis.

NOTE.—Adjustments in italics to be deducted.

**PUBLIC DEBT**  
**Public debt outstanding**

*Public debt outstanding June 30, 1935, by issues*

(On basis of daily Treasury statements (revised), see p. 243)

Detail	Amount issued	Amount retired	Amount outstanding
<b>INTEREST-BEARING DEBT</b>			
<b>Bonds:</b>			
2 percent consols of 1930.....	\$646,250,150.00	\$46,526,100.00	\$599,724,050.00
2 percent Panama Canal loan of 1916-36.....	51,631,980.00	5,677,800.00	48,954,180.00
3 percent Panama Canal loan of 1918-38.....	30,000,000.00	4,052,000.00	25,947,900.00
3 percent Panama Canal loan of 1961.....	50,000,000.00	200,000.00	49,800,000.00
3 percent conversion bonds of 1940-47.....	28,894,500.00		28,894,500.00
2 1/2 percent postal savings bonds (month to forty-eighth series).....	101,943,340.00		101,943,340.00
<b>Fourth Liberty Loan 4 3/4 percent bonds of 1933-38.....</b>	<b>6,964,581,100.00</b>	<b>5,629,613,100.00</b>	<b>\$855,263,470.00</b>
<b>Treasury bonds:</b>			<b>1,334,968,000.00</b>
4 1/4 percent bonds of 1947-52.....	763,962,300.00	5,006,500.00	758,955,800.00
4 percent bonds of 1944-54.....	1,047,088,500.00	10,326,500.00	1,036,762,000.00
3 3/4 percent bonds of 1946-56.....	494,898,100.00	5,811,000.00	489,087,100.00
3 3/4 percent bonds of 1943-47.....	491,854,750.00	40,719,550.00	451,135,200.00
3 1/2 percent bonds of 1940-43.....	353,042,950.00	6,049,000.00	347,000,000.00
3 3/8 percent bonds of 1941-43.....	594,230,050.00	49,316,000.00	544,914,050.00
3 3/8 percent bonds of 1946-49.....	821,406,000.00	2,700,000.00	818,706,000.00
3 percent bonds of 1951-55.....	800,424,000.00	44,947,000.00	755,477,000.00
3 3/4 percent bonds of 1941.....	835,043,100.00	569,000.00	834,474,100.00
3 3/4 percent bonds of 1943-45.....	1,401,138,500.00		1,400,570,000.00
3 3/4 percent bonds of 1944-46.....	1,518,858,800.00		1,518,858,800.00
3 percent bonds of 1946-48.....	923,216,050.00	150.00	923,215,900.00
3 3/8 percent bonds of 1949-52.....	491,377,100.00		491,377,100.00
2 7/8 percent bonds of 1955-60.....	2,304,102,800.00		2,304,102,800.00
<b>United States Savings Bonds: Series A.....</b>	<b>62,567,013.75</b>	<b>530,887.50</b>	<b>12,083,570,300.00</b>
<b>Treasury notes:</b>			<b>62,036,156.25</b>
1 1/2 percent, series B-1935.....	353,865,000.00	335,686,600.00	\$18,178,400.00
2 1/2 percent, series D-1935.....	418,291,000.00		418,291,000.00
3 1/2 percent, series A-1936.....	365,138,000.00	1,000,000.00	364,138,000.00
2 1/2 percent, series B-1936.....	360,533,200.00	2,612,000.00	357,921,200.00
2 1/2 percent, series C-1936.....	572,419,200.00	13,600,000.00	558,819,200.00
1 1/2 percent, series E-1936.....	514,065,000.00		514,065,000.00
1 1/2 percent, series D-1935.....	686,616,400.00		686,616,400.00
3 1/4 percent, series A-1937.....	834,401,500.00	16,918,000.00	817,483,500.00
3 percent, series B-1937.....	508,328,000.00	5,967,000.00	502,361,000.00
3 percent, series C-1937.....	428,730,700.00		428,730,700.00



2½ percent, series A-1938	277,516,000.00	276,679,000.00	10,023,251,300.00
2½ percent, series B-1938	623,911,800.00	618,056,800.00	247,700,000.00
3 percent, series C-1938	455,175,000.00	455,175,500.00	2,693,000.00
2½ percent, series D-1938	386,416,100.00	386,416,100.00	2,319,000.00
2½ percent, series A-1939	1,293,714,200.00	1,293,714,200.00	125,000,000.00
1½ percent, series A-1940	1,378,269,100.00	1,378,269,100.00	100,000,000.00
1½ percent, series B-1940	738,393,400.00	738,393,400.00	
4 percent civil service retirement fund, series 1936 40	247,700,000.00		
4 percent Foreign Service retirement fund, series 1936 40	2,693,000.00		
4 percent Canal Zone retirement fund, series 1936 40	2,475,000.00		
2 percent Postal Savings System series, maturing June 30, 1939	125,000,000.00	125,000.00	
2 percent Federal Deposit Insurance Corporation series, maturing Dec. 1, 1939	100,000,000.00		
Certificates of indebtedness: Special, 1 percent adjusted service certificate fund, series 1936	163,600,000.00	8,100,000.00	155,500,000.00
Treasury bills (maturity value), series maturing			
July 3, 1935	75,150,000.00		75,150,000.00
July 10, 1935	75,185,000.00		75,185,000.00
July 17, 1935	75,079,000.00		75,079,000.00
July 24, 1935	75,129,000.00		75,129,000.00
July 31, 1935	75,106,000.00		75,106,000.00
Aug. 7, 1935	75,185,000.00		75,185,000.00
Aug. 14, 1935	75,112,000.00		75,112,000.00
Aug. 21, 1935	75,024,000.00		75,024,000.00
Sept. 4, 1935	50,054,000.00		50,054,000.00
Sept. 11, 1935	50,111,000.00		50,111,000.00
Sept. 18, 1935	50,052,000.00		50,052,000.00
Sept. 25, 1935	50,129,000.00		50,129,000.00
Oct. 2, 1935	50,093,000.00		50,093,000.00
Oct. 9, 1935	50,024,000.00		50,024,000.00
Oct. 16, 1935	50,013,000.00		50,013,000.00
Oct. 23, 1935	50,090,000.00		50,090,000.00
Oct. 30, 1935	50,013,000.00		50,013,000.00
Nov. 6, 1935	50,000,000.00		50,000,000.00
Nov. 27, 1935	50,185,000.00		50,185,000.00
Dec. 4, 1935	50,072,000.00		50,072,000.00
Dec. 11, 1935	50,140,000.00		50,140,000.00
Dec. 18, 1935	50,006,000.00		50,006,000.00
Dec. 21, 1935	50,071,000.00		50,071,000.00
Dec. 31, 1935	50,018,000.00		50,018,000.00
Jan. 8, 1936	50,062,000.00		50,062,000.00
Jan. 15, 1936	50,020,000.00		50,020,000.00
Jan. 22, 1936	50,155,000.00		50,155,000.00
Jan. 29, 1936	50,085,000.00		50,085,000.00
Feb. 5, 1936	50,091,000.00		50,091,000.00
Feb. 11, 1936	50,255,000.00		50,255,000.00
Feb. 19, 1936	50,020,000.00		50,020,000.00

For footnotes, see p. 367.

TABLE 16.—Public debt outstanding June 30, 1935, by issues—Continued

Detail	Amount issued	Amount retired	Amount outstanding
<b>INTEREST-BEARING DEBT—Continued</b>			
<b>Treasury bills (maturity value), series maturing—Continued.</b>			
Feb. 26, 1936.....	\$50,037,000.00		\$50,037,000.00
Mar. 4, 1936.....	50,010,000.00		50,010,000.00
Mar. 11, 1936.....	50,084,000.00		50,084,000.00
Mar. 18, 1936.....	50,054,000.00		50,054,000.00
Mar. 25, 1936.....	50,010,000.00		50,010,000.00
			\$2,052,898,000.00
<b>Total interest-bearing debt outstanding.....</b>			
			27,645,229,826.25
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED (PAYABLE ON PRESENTATION)</b>			
Old debt matured, issued prior to Apr. 1, 1917 <sup>2</sup> .....			
3½, 4, and 4¼ percent first Liberty Loan of 1932-47.....			1,514,630.26
4 and 4¼ percent second Liberty Loan of 1927-42.....			141,803,650.00
4¼ percent third Liberty Loan of 1925.....			1,736,200.00
3¾ percent Victory notes of 1922-23.....			2,863,350.00
4¾ percent Victory notes of 1922-23.....			10,900.00
Treasury notes, at various interest rates.....			771,950.00
Certificates of indebtedness, at various interest rates.....			9,783,950.00
Treasury bills.....			12,691,500.00
Treasury savings certificates.....			56,184,000.00
			351,575.00
<b>Total outstanding matured debt on which interest has ceased.....</b>			
			230,662,905.26
<b>DEBT BEARING NO INTEREST (PAYABLE ON PRESENTATION)</b>			
Obligations required to be reissued when redeemed:			
United States notes.....	\$346,681,016.00		
Less gold reserve.....	156,039,430.33		
			190,641,585.67
Obligations that will be retired on presentation:			
Old demand notes.....			53,012.50
National bank notes and Federal Reserve bank notes assumed by the United States on deposit of lawful money for their retirement.....			629,307,198.00
Fractional currency.....			982,467.91
Thrift and Treasury savings stamps, unclassified sales, etc.....			3,290,096.79
<b>Total outstanding debt bearing no interest.....</b>			
			\$25,274,360.27
<b>Total gross debt<sup>3</sup>.....</b>			
			28,701,167,091.78

<p>                     Maturity interest obligations, etc.:                      Matured interest obligations outstanding.....                      Discount accrued on Treasury (war) savings certificates, matured series.....                      Settlement warrant checks outstanding.....                      Disbursing officers' checks outstanding, and balances in certain checking                      accounts of governmental agencies.....                 </p>	<p>                     32,907,879.31                      3,812,315.00                      4,875,167.84                      703,730,998.54                 </p>	<p>                     745,326,360.19                      29,446,493,451.97                      1,841,345,539.47                      29,524,273.21                 </p>
<p>                     Total.....                      Balance held by the Treasurer of the United States as per daily Treasury                      statement for June 30, 1935.....                      Deduct net excess of disbursements over receipts in reports subsequently re-                      ceived.....                 </p>	<p>                     1,811,821,266.26                      27,634,672,185.71                 </p>	<p>                     Net debt, including matured interest obligations, etc.<sup>4</sup>.....                 </p>

<sup>1</sup> Includes amount of outstanding bonds called for redemption on Apr. 15 and Oct. 15, 1934, and Apr. 15, 1935, on which interest has ceased  
<sup>2</sup> For detailed information and amounts outstanding June 30, 1929, see table 24 in annual report for 1929, p. 456. For amounts retired subsequent to 1929, see table 24, p. 389, of  
 this report and corresponding tables in reports for 1930 to 1934.  
<sup>3</sup> The total gross debt June 30, 1935, on the basis of daily Treasury statements (unrevised) was \$28,700,892,624.53, and the net amount of public debt redemptions and receipts  
 in transit, etc., was \$274,467.25.  
<sup>4</sup> No deduction is made on account of obligations of foreign governments or other investments.

TABLE 17.—Description of the public debt issues outstanding June 30, 1935

[On basis of daily Treasury statements (revised), see p. 293]

Title and authorizing act	Date of loan	When redeemable or payable	Rate of interest	Interest payment date	Average price received	Amount authorized	Amount issued	Amount outstanding
<b>INTEREST-BEARING DEBT</b>								
<b>CONSOLS OF 1930 <sup>6</sup></b>								
Act Mar. 14, 1900 (31 Stats. 48)	Apr. 1, 1900	Called for redemption July 1, 1935.	Percent 2	Jan., Apr., July, and Oct. 1.	\$100.5116	\$839,146,340.00	\$646,250,150.00	\$599,724,050.00
<b>PANAMA CANAL LOAN <sup>6</sup></b>								
Acts of June 28, 1902 (32 Stats. 481), and Dec. 21, 1905 (34 Stats. 5)	Aug. 1, 1906	Called for redemption Aug. 1, 1935.	2	Feb., May, Aug., and Nov. 1.	\$103.513	130,000,000.00	54,631,980.00	48,954,180.00
Acts of Aug. 5, 1909 (36 Stats. 117), Feb. 4, 1910 (36 Stats. 192), and Mar. 2, 1911 (36 Stats. 1013).	Nov. 1, 1908 June 1, 1911	do. On June 1, 1931.	2 3	do. Mar., June, Sept., and Dec. 1.	\$102.436 \$102.582	290,569,000.00	30,000,000.00 50,000,000.00	25,947,400.00 49,800,000.00
<b>POSTAL SAVINGS BONDS <sup>6</sup></b>								
Act of June 25, 1910 (36 Stats. 817)	Jan. 1, July 1, 1915-35.	On and after 1 year, 20 years from issue.	2½	Jan. and July 1	Par	Indefinite	101,943,340.00	101,943,340.00
<b>CONVERSION BONDS <sup>6</sup></b>								
Act of Dec. 23, 1913 (38 Stats. 269)	Jan. 1, 1916 and 1917.	30 years from issue.	3	Jan., Apr., July, and Oct. 1.	Exchange at par.		28,894,500.00	28,894,500.00
<b>FOURTH LIBERTY LOAN <sup>7</sup></b>								
Act of Sept. 24, 1917 (40 Stats. 288), as amended.	Oct. 24, 1918	Bonds with final digits 1, 9, and 0 called for redemption Apr. 15, 1934; bonds with final digits 2 and 8 called for redemption Oct. 15, 1934; bonds with final digits 5, 6, and 7 called for redemption Apr. 15, 1935, and bonds with final digits 3 and 4 called for redemption Oct. 15, 1935.	4½	Apr. and Oct. 15.	Par		6,964,581,100.00	2,334,968,000.00



TABLE 17.—Description of the public debt issues outstanding June 30, 1935—Continued

Title and authorizing act	Date of loan	When redeemable or payable	Rate of interest	Interest-payment date	Average price received	Amount authorized	Amount issued	Amount outstanding
TREASURY NOTES *								
Act of Sept. 24, 1917 (40 Stats. 288), as amended:								
Series B-1935.....	Aug. 15, 1933..	On Aug. 1, 1935..	1½%	Feb. and Aug. 1..	Par.....		\$353,865,000.00	\$18,178,400.00
Series D-1935.....	Feb. 19, 1934..	On Dec. 15, 1935..	2½%	June and Dec. 15..	do.....		418,291,900.00	418,291,900.00
Series A-1936.....	Aug. 1, 1932..	On Aug. 1, 1936..	3¼%	Feb. and Aug. 1..	do.....		365,138,000.00	364,138,000.00
Series B-1936.....	Dec. 15, 1932..	On Dec. 15, 1936..	2¾%	June and Dec. 15..	do.....		360,533,200.00	357,921,200.00
Series C-1936.....	May 2, 1933..	On Apr. 15, 1936..	2½%	Apr. and Oct. 15..	do.....		572,419,200.00	558,819,200.00
Series D-1936.....	Sept. 15, 1934..	On Sept. 15, 1936..	1½%	June and Sept. 15..	do.....		514,066,000.00	514,066,000.00
Series E-1936.....	Dec. 15, 1934..	On Sept. 15, 1937..	1½%	June and Dec. 15..	do.....		686,616,400.00	686,616,400.00
Series A-1937.....	Sept. 15, 1932..	On Sept. 15, 1937..	3¼%	Mar. and Sept. 15..	do.....		834,401,500.00	817,483,500.00
Series B-1937.....	Oct. 15, 1932..	On Apr. 15, 1937..	3%	Apr. and Oct. 15..	do.....		508,328,900.00	502,361,900.00
Series C-1937.....	Feb. 19, 1934..	On Feb. 15, 1937..	2½%	Feb. and Aug. 15..	do.....		428,730,700.00	428,730,700.00
Series A-1938.....	Feb. 1, 1933..	On Feb. 1, 1938..	2½%	Feb. and Aug. 1..	do.....		277,516,600.00	276,679,600.00
Series B-1938.....	June 15, 1933..	On June 15, 1938..	2½%	June and Dec. 15..	do.....		623,911,800.00	618,056,800.00
Series C-1938.....	Mar. 15, 1934..	On Mar. 15, 1938..	3%	Mar. and Sept. 15..	do.....		455,175,500.00	435,175,500.00
Series D-1938.....	Sept. 15, 1934..	On Sept. 15, 1938..	2½%	do.....	Exchange at par.....	Certificates of indebtedness, Treasury bills, and Treasury notes not to exceed in the aggregate \$20,000,000, outstanding at any one time.	596,416,100.00	596,416,100.00
Series A-1939.....	June 15, 1934..	On June 15, 1939..	2½%	June and Dec. 15..	Par.....		1,293,714,200.00	1,293,714,200.00
Series A-1940.....	Mar. 15, 1935..	On Mar. 15, 1940..	1½%	Mar. and Sept. 15..	Exchange at par.....		513,884,200.00 864,324,900.00	1,378,209,100.00
Series B-1940.....	June 15, 1935..	On June 15, 1940..	1½%	June and Dec. 15..	Exchange at par.....		402,706,800.00 335,686,600.00	738,393,400.00
Civil service retirement fund: Series 1936.....	Various dates from June 30, 1931.	After 1 year from date of issue; on June 30, 1936.	4	June 30.....	Par.....		64,200,000.00	64,200,000.00
Series 1937.....	Various dates from June 30, 1932.	After 1 year from date of issue; on June 30, 1937.	4	do.....	do.....		44,000,000.00	44,000,000.00
Series 1938.....	Various dates from June 30, 1933.	After 1 year from date of issue; on June 30, 1938.	4	do.....	do.....		72,100,000.00	72,100,000.00
Series 1939.....	Various dates from June 30, 1934.	After 1 year from date of issue; on June 30, 1939.	4	do.....	do.....		45,200,000.00	45,200,000.00

Series	June 30, 1935..	4	do.....do.....	22, 200, 000.00	22, 200, 000.00
Series 1940.....	After 1 year from date of issue; on June 30, 1940.	4	do.....do.....	440,000.00	440,000.00
Foreign service retirement fund:					
Series 1936.....	Various dates from June 30, 1931 to June 30, 1936.	4	do.....do.....	654,000.00	654,000.00
Series 1937.....	Various dates from June 30, 1932 to June 30, 1937.	4	do.....do.....	514,000.00	514,000.00
Series 1938.....	Various dates from June 30, 1933 to June 30, 1938.	4	do.....do.....	657,000.00	657,000.00
Series 1939.....	Various dates from June 30, 1934 to June 30, 1939.	4	do.....do.....	428,000.00	428,000.00
Series 1940.....	After 1 year from date of issue; on June 30, 1940.	4	do.....do.....	2,004,000.00	1,878,000.00
Canal Zone retirement fund:					
Series 1936.....	Various dates from Aug. 6, 1931 to June 30, 1936.	4	do.....do.....	179,000.00	179,000.00
Series 1937.....	After 1 year from date of issue; on June 30, 1937.	4	do.....do.....	93,000.00	93,000.00
Series 1938.....	Various dates from June 30, 1933 to June 30, 1938.	4	do.....do.....	109,000.00	109,000.00
Series 1939.....	Various dates from June 30, 1934 to June 30, 1939.	4	do.....do.....	90,000.00	90,000.00
Series 1940.....	After 1 year from date of issue; on June 30, 1940.	4	do.....do.....	125,000,000.00	125,000,000.00
Postal Savings System: Series maturing June 30, 1939.	After 1 year from date of issue; on June 30, 1939.	2	June 30, Dec. 31.....do.....	100,000,000.00	100,000,000.00
Federal Deposit Insurance Corporation: Series maturing Dec. 1, 1939.	After 1 year from date of issue; on Dec. 1, 1939.	2	June and Dec. 1.....do.....	163,600,000.00	155,500,000.00
CERTIFICATES OF INDEBTEDNESS 19					
Act of Sept. 24, 1917 (40 Stat. 288), as amended; Special, adjusted service certificate fund, series 1936.					

Certificates of indebtedness, Treasury bills, and Treasury notes not to exceed in the aggregate \$20,000,000,000 outstanding at any one time.

For footnotes, see p. 376.

TABLE 17.—Description of the public debt issues outstanding June 30, 1935—Continued

Title and authorizing act	Date of loan	When redeemable or payable	Rate of interest	Interest-payment date	Average price received	Amount authorized	Amount issued	Amount outstanding
TREASURY BILLS <sup>10</sup>								
Act of Sept. 24, 1917 (40 Stat. 288), as amended:								
Series maturing—								
July 3, 1935	Jan. 2, 1935	On July 3, 1935	.101		\$99.949		\$75,150,000.00	\$75,150,000.00
July 10, 1935	Jan. 9, 1935	On July 10, 1935	.116		99.942		75,185,000.00	75,185,000.00
July 17, 1935	Jan. 16, 1935	On July 17, 1935	.145		99.926		75,079,000.00	75,079,000.00
July 24, 1935	Jan. 23, 1935	On July 24, 1935	.145		99.927		75,129,000.00	75,129,000.00
July 31, 1935	Jan. 30, 1935	On July 31, 1935	.136		99.931		75,106,000.00	75,106,000.00
Aug. 7, 1935	Feb. 6, 1935	On Aug. 7, 1935	.120		99.939		75,185,000.00	75,185,000.00
Aug. 14, 1935	Feb. 13, 1935	On Aug. 14, 1935	.117		99.944		75,112,000.00	75,112,000.00
Aug. 21, 1935	Feb. 20, 1935	On Aug. 21, 1935	.117		99.941		75,024,000.00	75,024,000.00
Aug. 28, 1935	Feb. 27, 1935	On Aug. 28, 1935	.108		99.946		50,054,000.00	50,054,000.00
Sept. 4, 1935	Mar. 6, 1935	On Sept. 4, 1935	.100		99.949		50,114,000.00	50,114,000.00
Sept. 11, 1935	Mar. 13, 1935	On Sept. 11, 1935	.109		99.953		50,125,000.00	50,125,000.00
Sept. 18, 1935	Mar. 20, 1935	On Sept. 18, 1935	.094		99.945		50,079,000.00	50,079,000.00
Sept. 25, 1935	Mar. 27, 1935	On Sept. 25, 1935	.088		99.967		50,063,000.00	50,063,000.00
Oct. 2, 1935	May 22, 1935	On Oct. 2, 1935	.088		99.967		50,021,000.00	50,021,000.00
Oct. 9, 1935	May 29, 1935	On Oct. 9, 1935	.095		99.965		50,013,000.00	50,013,000.00
Oct. 16, 1935	June 5, 1935	On Oct. 16, 1935	.105		99.961		50,009,000.00	50,009,000.00
Oct. 23, 1935	June 12, 1935	On Oct. 23, 1935	.096		99.965		50,013,000.00	50,013,000.00
Oct. 30, 1935	June 19, 1935	On Oct. 30, 1935	.083		99.969		50,000,000.00	50,000,000.00
Nov. 6, 1935	June 26, 1935	On Nov. 6, 1935	.070	Sold at a discount; payable at par on maturity.	99.974		50,000,000.00	50,000,000.00
Nov. 27, 1935	Feb. 27, 1935	On Nov. 27, 1935	.166		99.974		50,185,000.00	50,185,000.00
Dec. 4, 1935	Mar. 6, 1935	On Dec. 4, 1935	.147		99.889		50,072,000.00	50,072,000.00
Dec. 11, 1935	Mar. 13, 1935	On Dec. 11, 1935	.141		99.893		50,149,000.00	50,149,000.00
Dec. 18, 1935	Mar. 20, 1935	On Dec. 18, 1935	.147		99.880		50,006,000.00	50,006,000.00
Dec. 24, 1935	Mar. 27, 1935	On Dec. 24, 1935	.180		99.864		50,071,000.00	50,071,000.00
Dec. 31, 1935	Apr. 3, 1935	On Dec. 31, 1935	.157		99.882		50,018,000.00	50,018,000.00
Jan. 8, 1936	Apr. 10, 1935	On Jan. 8, 1936	.176		99.867		50,062,000.00	50,062,000.00
Jan. 15, 1936	Apr. 17, 1935	On Jan. 15, 1936	.176		99.866		50,020,000.00	50,020,000.00
Jan. 22, 1936	Apr. 24, 1935	On Jan. 22, 1936	.169		99.872		50,155,000.00	50,155,000.00
Jan. 29, 1936	May 1, 1935	On Jan. 29, 1936	.153		99.884		50,085,000.00	50,085,000.00
Feb. 5, 1936	May 8, 1935	On Feb. 5, 1936	.152		99.885		50,091,000.00	50,091,000.00
Feb. 11, 1936	May 15, 1935	On Feb. 11, 1936	.143		99.892		50,255,000.00	50,255,000.00
Feb. 19, 1936	May 23, 1935	On Feb. 19, 1936	.146		99.889		50,020,000.00	50,020,000.00
Feb. 26, 1936	May 29, 1935	On Feb. 26, 1936	.137		99.896		50,037,000.00	50,037,000.00
Mar. 4, 1936	June 5, 1935	On Mar. 4, 1936	.149		99.887		50,010,000.00	50,010,000.00
Mar. 11, 1936	June 12, 1935	On Mar. 11, 1936	.148		99.888		50,080,000.00	50,080,000.00
Mar. 18, 1936	June 19, 1935	On Mar. 18, 1936	.134		99.898		50,059,000.00	50,059,000.00
Mar. 25, 1936	June 26, 1935	On Mar. 25, 1936	.123		99.907		50,010,000.00	50,010,000.00
Total interest-bearing debt								27,645,229,826.25







Detail	Authorized to be outstanding at one time	Issues on deposits, including re-issues	Authorized to be outstanding at present time	Amount outstanding
<b>NONINTEREST-BEARING DEBT</b>				
<b>OLD DEMAND NOTES</b>				
Acts of July 17, 1861 (12 Stats. 259); Aug. 5, 1861 (12 Stats. 313); Feb. 12, 1862 (12 Stats. 335)	\$60,000,000	\$60,030,000	-----	\$53,012.50
<b>FRACTIONAL CURRENCY</b>				
Acts of July 17, 1862 (12 Stats. 592); Mar. 3, 1863 (12 Stats. 711); June 30, 1864 (13 Stats. 220)	50,000,000	368,724,080	-----	\$ 1,982,467.91
<b>LEGAL TENDER NOTES</b>				
Acts of Feb. 25, 1862 (12 Stats. 345); July 11, 1862 (12 Stats. 532); Mar. 3, 1863 (12 Stats. 710); May 31, 1878 (20 Stats. 87); Mar. 14, 1900 (31 Stats. 45); Mar. 4, 1907 (34 Stats. 1290)	450,000,000	-----	\$346,081,016	346,081,016.00
<b>NATIONAL BANK NOTES (REDEMPTION ACCOUNT)</b>				
The act of July 14, 1890 (26 Stats. 289), provides that balances standing with the Treasurer of the United States to the respective credits of national banks for deposits made to redeem the circulating notes of such banks, and all deposits thereafter received for like purpose, shall be covered into the Treasury as a miscellaneous receipt, and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of said banks which may come into his possession subject to redemption, and the balance remaining of the deposits so covered shall, at the close of each month, be reported on the monthly public debt statement as debts of the United States bearing no interest.	Indefinite	-----	-----	629,307,198.00 3,290,096.79
Total non-interest-bearing debt.....	-----	-----	-----	981,313,791.20
Total debt.....	-----	-----	-----	28,857,206,522.71
Less gold reserve.....	-----	-----	-----	156,039,430.93
Gross debt as shown on statement of the public debt June 30, 1935.....	-----	-----	-----	28,701,167,091.78

For footnotes, see p. 376.

<sup>1</sup> Treasury bills are sold on a discount basis on competitive bidding. The average sale price of these series gives an approximate yield on a bank discount basis.

<sup>2</sup> Includes amount of outstanding bonds called for redemption on Apr. 15 and Oct. 15, 1934, and Apr. 15, 1935.

<sup>3</sup> Approximate yield if held to maturity.

<sup>4</sup> For detailed information and amounts outstanding June 30, 1929, see table 24 in annual report for 1929, p. 456. For amounts retired subsequent to 1929, see table 24, p. 389 of this report and corresponding tables in reports for 1930 to 1934.

<sup>5</sup> After deducting amounts officially estimated to have been lost or irrevocably destroyed.

#### TAX EXEMPTIONS:

<sup>6</sup> Exempt from the payment of all taxes or duties of the United States, as well as from all taxation in any form by or under State, municipal, or local authority. (The Supreme Court has held that this exemption does not extend to estate or inheritance taxes imposed by Federal or State authority.)

<sup>7</sup> Exempt, both as to principal and interest from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority; except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the act approved Sept. 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

<sup>8</sup> Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the act approved Sept. 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above. For the purposes of determining taxes and tax exemptions, the increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

Attention is invited to Treasury Decision 4550 ruling that bonds, notes, bills, and certificates of indebtedness of the Federal Government or its agencies, and the interest thereon, are not exempt from the gift tax.

<sup>9</sup> Exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

<sup>10</sup> Exempt, both as to principal and interest, from all taxation (except estate and inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority; and the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest within the meaning referred to herein.

Any gain from the sale or other disposition of Treasury bills shall be exempt from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority; and no loss from the sale or other disposition of such Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

*In hands of foreign holders.*—Bonds, notes, and certificates of indebtedness of the United States, shall, while beneficially owned by a nonresident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt both as to principal and interest from any and all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

#### RECEIVABILITY IN PAYMENT OF CERTAIN TAXES:

*Federal estate or inheritance taxes.*—Liberty bonds, Treasury bonds, and Treasury notes, bearing interest at a higher rate than 4 percent per annum, which have been owned by any person continually for at least 6 months prior to the date of his death and which upon such date constitute part of his estate are receivable by the United States at par and accrued interest in payment of Federal estate taxes.

*Federal income and profits taxes.*—Treasury notes, Treasury certificates of indebtedness, and Treasury bills, maturing on tax-payment dates, are receivable at par in payment of income and profits taxes payable at the maturity of the notes, certificates, or bills.

#### CIRCULATION PRIVILEGE:

*General.*—Bonds of the 2 percent consols of 1930, 2 percent Panama Canal loan of 1916-36, and 2 percent Panama Canal loan of 1918-38 are receivable by the Treasurer of the United States as security for the issuance of circulating notes to national banking associations until called for redemption on the dates given above.

*Limited.*—Under the provisions of sec. 23 of the Federal Home Loan Bank Act, approved July 22, 1932, for a period of 3 years from that date, all outstanding bonds of the United States theretofore issued, or issued during such period bearing interest at a rate not exceeding 3½ percent per annum, shall be receivable by the Treasurer of the United States as security for the issuance of circulating notes to national banking associations.

TABLE 18.—Interest-bearing debt<sup>1</sup> outstanding June 30, 1935, classified according to kind of security and callable period or payable date

[On basis of daily Treasury statements (revised), see p. 293]

Security	Callable period or payable date	Certificates of indebtedness and Treasury bills	Notes and bonds	Cumulative total
Consols.....	July 1, 1935		\$599,724,050	\$599,724,050
Panamas of 1916-36.....	Aug. 1, 1935		48,954,180	648,678,230
Panamas of 1918-38.....	do		25,947,400	674,625,630
Postal savings bonds <sup>2</sup> .....	July 1, 1935-Jan. 1, 1955		101,943,340	776,568,970
United States Savings Bonds <sup>3</sup> .....	July 1, 1935-June 30, 1945		62,036,156	836,605,126
Treasury bills.....	July 3, 1935	\$75,150,000		913,755,126
Do.....	July 10, 1935	75,185,000		988,940,126
Do.....	July 17, 1935	75,079,000		1,064,019,126
Do.....	July 24, 1935	75,129,000		1,139,148,126
Do.....	July 31, 1935	75,106,000		1,214,254,126
Treasury notes, series B-1935.....	Aug. 1, 1935		18,178,400	1,232,432,526
Treasury bills.....	Aug. 7, 1935	75,185,000		1,307,617,526
Do.....	Aug. 14, 1935	75,112,000		1,382,729,526
Do.....	Aug. 21, 1935	75,024,000		1,457,753,526
Do.....	Aug. 28, 1935	50,054,000		1,507,807,526
Do.....	Sept. 4, 1935	50,114,000		1,557,921,526
Do.....	Sept. 11, 1935	50,052,000		1,607,973,526
Do.....	Sept. 18, 1935	50,125,000		1,658,098,526
Do.....	Sept. 25, 1935	50,079,000		1,708,177,526
Do.....	Oct. 2, 1935	50,063,000		1,758,240,526
Do.....	Oct. 9, 1935	50,021,000		1,808,261,526
Fourth Liberty Loan bonds, fourth-called, <sup>4</sup>	Oct. 15, 1935		1,246,230,750	3,054,492,276
Treasury bills.....	Oct. 16, 1935	50,013,000		3,104,505,276
Do.....	Oct. 23, 1935	50,009,000		3,154,514,276
Do.....	Oct. 30, 1935	50,013,000		3,204,527,276
Do.....	Nov. 6, 1935	50,000,000		3,254,527,276
Do.....	Nov. 27, 1935	50,185,000		3,304,712,276
Do.....	Dec. 4, 1935	50,072,000		3,354,784,276
Do.....	Dec. 11, 1935	50,149,000		3,404,933,276
Treasury notes, series D-1935.....	Dec. 15, 1935		418,291,900	3,823,225,176
Treasury bills.....	Dec. 18, 1935	50,006,000		3,873,231,176
Do.....	Dec. 24, 1935	50,071,000		3,923,302,176
Do.....	Dec. 31, 1935	50,018,000		3,973,320,176
Do.....	Jan. 8, 1936	50,062,000		4,023,382,176
Do.....	Jan. 15, 1936	50,020,000		4,073,402,176
Do.....	Jan. 22, 1936	50,155,000		4,123,557,176
Do.....	Jan. 29, 1936	50,085,000		4,173,642,176
Do.....	Feb. 5, 1936	50,091,000		4,223,733,176
Do.....	Feb. 11, 1936	50,255,000		4,273,988,176
Do.....	Feb. 19, 1936	50,020,000		4,324,008,176
Do.....	Feb. 26, 1936	50,037,000		4,374,045,176
Do.....	Mar. 4, 1936	50,010,000		4,424,055,176
Do.....	Mar. 11, 1936	50,080,000		4,474,135,176
Do.....	Mar. 18, 1936	50,059,000		4,524,194,176
Do.....	Mar. 25, 1936	50,010,000		4,574,204,176
Treasury notes:				
Series C-1936.....	Apr. 15, 1936		558,819,200	5,133,023,376
Series E-1936.....	June 15, 1936		686,616,400	5,819,639,776
Series A-1936.....	Aug. 1, 1936		364,138,000	6,183,777,776
Series D-1936.....	Sept. 15, 1936		514,066,000	6,697,843,776
Series B-1936.....	Dec. 15, 1936		357,921,200	7,055,764,976
Series C-1937.....	Feb. 15, 1937		428,730,700	7,484,495,676
Series B-1937.....	Apr. 15, 1937		502,361,900	7,986,857,576
Series A-1937.....	Sept. 15, 1937		817,483,500	8,804,341,076
Series A-1938.....	Feb. 1, 1938		276,679,600	9,081,020,676
Series C-1938.....	Mar. 15, 1938		455,175,500	9,536,196,176
Series B-1938.....	June 15, 1938		618,056,800	10,154,252,976
Series D-1938.....	Sept. 15, 1938		596,416,100	10,750,669,076
Series A-1939.....	June 15, 1939		1,293,714,200	12,044,383,276
Series A-1940.....	Mar. 15, 1940		1,378,209,100	13,422,592,376
Series B-1940.....	June 15, 1940		738,393,400	14,160,985,776

<sup>1</sup> Matured debt on which interest has ceased, payable upon presentation, amounted to approximately \$319,400,155, of which \$9,793,950 was Treasury notes; \$12,691,500, certificates of indebtedness; \$56,185,000, Treasury bills; \$144,803,650, First Liberty Loan bonds; \$1,736,200, Second Liberty Loan bonds; \$2,803,550, Third Liberty Loan bonds; and \$88,737,250, first-, second-, and third-called Fourth Liberty Loan bonds (see note 4). Debt bearing no interest was \$825,274,360.

<sup>2</sup> Callable 1 year from date of issue, payable 20 years from date of issue. Callable and payable dates for all issues of postal savings bonds outstanding fall within the period indicated.

<sup>3</sup> Cost value. Redeemable at option of holder at any time after 60 days from date of purchase, payable 10 years after date of purchase. Redemption and maturity dates for all United States Savings Bonds outstanding fall within the period indicated.

<sup>4</sup> Division of outstanding Fourth Liberty Loan bonds between fourth-called and those called previously is estimated.

TABLE 18.—Interest-bearing debt<sup>1</sup> outstanding June 30, 1935, classified according to kind of security and callable period or payable date—Continued

Security	Callable period or payable date	Certificates of indebtedness and Treasury bills	Notes and bonds	Cumulative total
Treasury bonds	June 15, 1940-43	-----	\$352,993,950	\$14,513,979,726
Do	Mar. 15, 1941-43	-----	544,914,050	15,058,893,776
Do	Aug. 1, 1941	-----	834,474,100	15,893,367,876
Do	June 15, 1943-47	-----	454,135,200	16,347,503,076
Do	Oct. 15, 1943-45	-----	1,400,570,500	17,748,073,576
Do	Apr. 15, 1944-46	-----	1,518,858,800	19,266,932,376
Do	Dec. 15, 1944-54	-----	1,036,762,000	20,303,694,376
3 percent conversion bonds	Jan. 1, 1946-47	-----	28,894,500	20,332,588,876
Treasury bonds	Mar. 15, 1946-56	-----	489,087,100	20,821,675,976
Do	June 15, 1946-48	-----	923,215,900	21,744,891,876
Do	June 15, 1946-49	-----	818,646,000	22,563,537,876
Do	Oct. 15, 1947-52	-----	758,955,800	23,322,493,676
Do	Dec. 15, 1949-52	-----	491,377,100	23,813,870,776
Do	Sept. 15, 1951-55	-----	755,477,000	24,569,347,776
Do	Mar. 15, 1955-60	-----	2,304,102,800	26,873,450,576
Panamas of 1961	June 1, 1961	-----	49,800,000	26,923,250,576
Special issues: <sup>5</sup>				
Treasury notes—civil service, foreign service, and Canal Zone retirement funds; Postal Savings System, and Federal Deposit Insurance Corporation.			477,742,000	27,400,992,576
Certificates of indebtedness, adjusted service certificate fund.		\$155,500,000	-----	<sup>6</sup> 27,556,492,576
Total		2,208,398,000	<sup>6</sup> 25,348,094,576	-----

<sup>1</sup> Special issues for funds administered by the Treasury. Maturities various and nominal.

<sup>2</sup> Exclusive of \$88,737,250, the estimated amount of first-, second-, and third-called Fourth Liberty Loan bonds, which amount is included in the interest-bearing debt on the public debt statement.

TABLE 19.—Principal of the public debt outstanding at the end of each fiscal year from 1853 to 1935<sup>1</sup>

[On basis of daily Treasury statements (revised), see p. 293]

June 30—	Interest-bearing <sup>2</sup>	Matured	Noninterest-bearing <sup>3</sup>	Total gross debt	Gross debt per capita
1853	\$59,642,412	\$162,249	-----	\$59,804,661	\$2.36
1854	42,044,517	199,248	-----	42,243,765	1.62
1855	35,418,001	170,498	-----	35,588,499	1.32
1856	31,805,180	168,901	-----	31,974,081	1.15
1857	28,503,377	197,998	-----	28,701,375	1.01
1858	44,743,256	170,168	-----	44,913,424	1.53
1859	58,333,156	165,225	-----	58,498,381	1.93
1860	64,683,256	160,575	-----	64,843,831	2.06
1861	90,423,292	159,125	-----	90,582,417	2.83
1862	365,356,045	230,520	\$158,591,390	524,177,955	16.03
1863	707,834,255	171,970	411,767,456	1,119,773,681	33.56
1864	1,360,026,914	366,629	455,437,271	1,815,830,814	53.33
1865	2,217,709,407	2,129,425	458,090,180	2,677,929,012	77.07
1866	2,322,116,330	4,435,865	429,211,734	2,755,763,929	77.69
1867	2,238,954,794	1,739,108	409,474,321	2,650,168,223	73.19
1868	2,191,326,130	1,246,334	390,873,992	2,583,446,456	69.87
1869	2,151,495,065	5,112,034	388,503,491	2,545,110,590	67.41
1870	2,035,881,095	3,569,664	397,002,510	2,436,453,269	63.19
1871	1,920,696,750	1,948,902	399,406,459	2,322,052,141	58.70
1872	1,800,794,100	7,926,547	401,270,191	2,209,990,838	54.44
1873	1,696,483,950	51,929,460	402,796,935	2,151,210,345	51.62
1874	1,724,930,750	3,216,340	431,785,640	2,159,932,730	50.47
1875	1,708,676,300	11,425,570	436,174,779	2,156,276,649	49.06
1876	1,696,685,450	3,902,170	430,258,158	2,130,845,775	47.21
1877	1,697,888,500	16,648,610	393,222,793	2,107,759,903	45.47
1878	1,780,735,650	5,594,070	373,088,595	2,159,418,315	45.37
1879	1,887,716,110	37,015,380	374,181,153	2,298,912,643	47.05
1880	1,709,993,100	7,621,205	373,294,567	2,090,908,872	41.69
1881	1,625,567,750	6,723,615	386,994,363	2,019,285,728	39.35
1882	1,449,810,400	16,260,555	390,844,689	1,856,915,644	35.37
1883	1,324,229,150	7,831,165	389,898,603	1,721,958,918	32.07
1884	1,212,563,850	19,655,955	393,087,639	1,625,307,443	29.60
1885	1,182,150,950	4,100,745	392,299,474	1,578,551,169	28.11

For footnotes, see p. 370.

TABLE 19.—Principal of the public debt outstanding at the end of each fiscal year from 1853 to 1935<sup>1</sup>—Continued

June 30—	Interest-bearing <sup>2</sup>	Matured	Noninterest-bearing <sup>3</sup>	Total gross debt	Gross debt per capita
1886.....	\$1,132,014,100	\$9,704,195	\$413,941,255	\$1,555,659,550	\$27.10
1887.....	1,007,692,350	6,114,915	451,678,029	1,465,485,294	24.97
1888.....	936,522,500	2,495,845	445,613,311	1,384,631,656	23.09
1889.....	815,853,990	1,911,235	431,705,286	1,249,470,511	20.39
1890.....	711,313,110	1,815,555	409,267,919	1,122,396,584	17.92
1891.....	610,529,120	1,614,705	393,662,736	1,005,806,561	15.75
1892.....	585,029,330	2,785,875	380,403,636	968,218,841	14.88
1893.....	585,037,100	2,094,060	374,300,606	961,431,766	14.49
1894.....	635,041,890	1,851,240	380,004,687	1,016,897,817	15.04
1895.....	716,202,060	1,721,590	378,989,470	1,096,913,120	15.91
1896.....	847,363,890	1,636,890	373,728,570	1,222,729,350	17.40
1897.....	847,365,130	1,346,880	378,081,703	1,226,793,713	17.14
1898.....	847,367,470	1,262,680	384,112,913	1,232,743,063	16.90
1899.....	1,046,048,750	1,218,300	389,433,654	1,436,700,704	19.33
1900.....	1,023,478,860	1,176,320	238,761,733	1,263,416,913	16.56
1901.....	987,141,040	1,415,620	233,015,585	1,221,572,245	15.71
1902.....	931,070,340	1,280,860	245,680,157	1,178,031,357	14.89
1903.....	914,541,410	1,205,090	243,659,413	1,159,405,913	14.40
1904.....	895,157,440	1,970,920	239,130,656	1,136,259,016	13.88
1905.....	895,158,340	1,370,245	235,828,510	1,132,357,095	13.60
1906.....	895,159,140	1,128,135	246,235,695	1,142,522,970	13.50
1907.....	894,834,280	1,086,815	251,257,098	1,147,178,193	13.33
1908.....	897,503,990	4,130,015	276,056,398	1,177,690,403	13.46
1909.....	913,317,490	2,883,855	232,114,027	1,148,315,372	12.91
1910.....	913,317,490	2,124,895	231,497,584	1,146,939,969	12.69
1911.....	915,353,190	1,879,830	236,751,917	1,153,984,937	12.28
1912.....	963,776,770	1,760,450	228,301,255	1,193,838,505	12.48
1913.....	965,706,610	1,659,550	225,681,585	1,193,047,745	12.26
1914.....	967,953,310	1,552,560	218,729,530	1,188,235,400	12.00
1915.....	969,759,090	1,507,260	219,997,718	1,191,264,068	11.83
1916.....	971,562,590	1,473,100	252,109,878	1,225,145,568	11.96
1917.....	2,712,549,477	14,232,230	248,836,878	2,975,618,585	28.57
1918.....	11,985,882,436	20,242,550	237,503,733	12,243,628,719	115.65
1919.....	25,234,496,274	11,109,370	236,428,775	25,482,034,419	240.09
1920.....	24,061,095,362	6,747,700	230,075,350	24,297,918,412	228.32
1921.....	23,737,352,080	10,939,620	227,958,908	23,976,250,608	221.09
1922.....	22,711,035,587	25,250,880	227,792,723	22,964,079,190	208.97
1923.....	22,007,590,754	98,172,160	243,924,844	22,349,687,758	200.10
1924.....	20,981,586,430	30,241,250	239,292,747	21,251,120,427	186.86
1925.....	20,210,906,251	30,242,930	275,122,993	20,516,272,174	177.82
1926.....	19,383,770,860	13,327,800	246,084,419	19,643,183,079	167.70
1927.....	18,250,943,965	14,707,235	244,523,064	18,510,174,266	156.04
1928.....	17,317,695,097	45,331,660	241,263,806	17,604,290,563	146.69
1929.....	16,638,941,380	50,751,399	241,504,969	16,931,197,748	139.40
1930.....	15,921,892,350	31,715,370	231,700,579	16,185,308,299	131.38
1931.....	16,519,588,640	51,822,845	230,073,658	16,801,485,143	135.42
1932.....	19,161,273,540	60,086,685	265,649,541	19,487,009,766	156.12
1933.....	22,157,643,120	65,910,825	315,118,219	22,538,672,164	179.32
1934.....	26,480,487,920	54,266,380	518,331,688	27,053,085,988	213.69
1935.....	27,645,229,826	230,662,905	825,274,361	28,701,167,092	225.69

<sup>1</sup> Figures for 1853 to 1885, inclusive, are taken from "Statement of receipts and expenditures of the Government from 1855 to 1885 and principal of public debt from 1791 to 1885", compiled from the official records of the Register's office. Later figures are taken from the monthly debt statements and revised figures published in the annual reports of the Secretary of the Treasury.

<sup>2</sup> Exclusive of the bonds issued to the Pacific railways (provision having been made by law to secure the Treasury against both principal and interest) and the Navy pension fund (which was in no sense a debt, the principal being the property of the United States).

<sup>3</sup> Includes old demand notes; United States notes (gold reserve deducted since 1900); postal currency and fractional currency less the amounts officially estimated to have been destroyed; and also the deposits held by the Treasury for the retirement of Federal Reserve bank notes, and for national bank notes of national banks failed, in liquidation, and reducing circulation, which prior to 1890 was not included in the published debt statements. Does not include gold, silver, or currency certificates, or Treasury notes of 1890 for redemption of which an exact equivalent of the respective kinds of money or bullion was held in the Treasury.

<sup>4</sup> Revised.

## Public debt operations

TABLE 20.—Public debt retirements chargeable against ordinary receipts during the fiscal year 1935, and cumulative totals to June 30, 1934 and 1935, by sources and issues

[On basis of daily Treasury statements (revised), see p. 293]

Detail	Face amount retired	Principal amount paid
<b>Purchases and/or redemptions or cumulative sinking fund:</b>		
Cumulative total to June 30, 1934.....	\$4, 776, 835, 250. 00	\$4, 769, 150, 493. 87
<b>Fiscal year 1935:</b>		
<b>Purchases:</b>		
<b>Liberty bonds:</b>		
First 3½'s.....	87, 189, 500. 00	87, 189, 500. 00
First 4's.....	769, 500. 00	769, 500. 00
First 4¼'s.....	63, 427, 350. 00	63, 427, 350. 00
First-second 4¼'s.....	205, 900. 00	205, 900. 00
Fourth 4¼'s.....	421, 407, 750. 00	421, 407, 750. 00
<b>Total.....</b>	<b>573, 000, 000. 00</b>	<b>573, 000, 000. 00</b>
Cumulative total to June 30, 1935.....	5, 349, 835, 250. 00	5, 342, 150, 493. 87
<b>Purchases and/or redemptions of bonds, etc., from cash repayments of principal by foreign governments, being repayments of loans under Liberty bond acts (received under ratified or unratified debt agreements):</b>		
Cumulative total to June 30, 1934.....	464, 049, 150. 00	454, 092, 091. 91
Fiscal year 1935, no retirements.....		
Cumulative total to June 30, 1935.....	464, 049, 150. 00	454, 092, 091. 91
<b>Purchases and/or redemptions from franchise tax receipts derived from Federal Reserve banks:</b>		
Cumulative total to June 30, 1934.....	1 149, 809, 170. 07	1 149, 138, 300. 29
Fiscal year 1935, no retirements.....		
Cumulative total to June 30, 1935.....	149, 809, 170. 07	149, 138, 300. 29
<b>Purchases and/or redemptions from net earnings derived by the United States from Federal intermediate credit banks:</b>		
Cumulative total to June 30, 1934.....	2 2, 505, 019. 71	2 2, 496, 778. 70
Fiscal year 1935, no retirements.....		
Cumulative total to June 30, 1935.....	2, 505, 019. 71	2, 496, 778. 70
<b>Redemption of bonds, etc., received as repayments of principal by foreign governments, under ratified debt agreements:</b>		
Cumulative total to June 30, 1934.....	207, 203, 500. 00	207, 203, 500. 00
Fiscal year 1935, no retirements.....		
Cumulative total to June 30, 1935.....	207, 203, 500. 00	207, 203, 500. 00
<b>Redemption of bonds, etc., received as interest payments on obligations of foreign governments, under ratified debt agreements:</b>		
Cumulative total to June 30, 1934.....	907, 879, 950. 00	907, 879, 950. 00
Fiscal year 1935, no retirements.....		
Cumulative total to June 30, 1935.....	907, 879, 950. 00	907, 879, 950. 00
<b>Redemption of bonds, etc., received for estate taxes:</b>		
Cumulative total to June 30, 1934.....	66, 276, 650. 00	66, 276, 650. 00
<b>Fiscal year 1935:</b>		
<b>Liberty bonds:</b>		
First 4¼'s.....	250. 00	250. 00
Fourth 4¼'s.....	1, 000. 00	1, 000. 00
<b>Total.....</b>	<b>1, 250. 00</b>	<b>1, 250. 00</b>
Cumulative total to June 30, 1935.....	66, 277, 900. 00	66, 277, 900. 00

<sup>1</sup> Includes \$1,240,735.59 applied to the gold reserve.

<sup>2</sup> Includes \$1,819,669.71 applied to the gold reserve.



TABLE 20.—Public debt retirements chargeable against ordinary receipts during the fiscal year 1935, and cumulative totals to June 30, 1934 and 1935, by sources and issues—Continued

Detail	Face amount retired	Principal amount paid
Redemption of bonds, etc., received as gifts, forfeitures, or from miscellaneous sources:		
Cumulative total to June 30, 1934 .....	<sup>3</sup> \$10,555,965.30	<sup>3</sup> \$10,555,965.30
Fiscal year 1935:		
Forfeitures:		
Liberty bonds:		
First 3½'s .....	1,000.00	1,000.00
Treasury bonds:		
3 percent of 1951-55 .....	4,350.00	4,350.00
3½ percent of 1946-49 .....	450,500.00	450,500.00
3 percent of 1946-48 .....	150.00	150.00
Gifts:		
Treasury bonds:		
4¼ percent of 1947-52 .....	27,500.00	27,500.00
4 percent of 1944-54 .....	72,500.00	72,500.00
Total .....	556,000.00	556,000.00
Cumulative total to June 30, 1935 .....	<sup>3</sup> 11,111,965.30	<sup>3</sup> 11,111,965.30
Total purchases and redemptions:		
Cumulative total to June 30, 1934 .....	<sup>3</sup> 6,585,114,655.08	<sup>3</sup> 6,566,793,730.07
Fiscal year 1935 .....	573,557,250.00	573,557,250.00
Cumulative total to June 30, 1935 .....	7,158,671,905.08	7,140,350,980.07

<sup>3</sup> Amounts exclude \$4,842,066.45 written off the debt Dec. 31, 1920, on account of fractional currency estimated to have been lost or destroyed in circulation.

TABLE 21.—*Summary of transactions in interest-bearing and noninterest-bearing securities during the fiscal year 1935*

[On basis of daily Treasury statements (revised), see p. 293]

Class of transactions	Amount
I. Transactions in interest-bearing securities (as affecting the outstanding public debt):	
A. Interest-bearing securities outstanding June 30, 1934.....	\$26,480,487,920.00
B. Interest-bearing securities issued during the fiscal year 1935:	
1. Upon original subscription against cash received.....	12,571,514,373.75
2. Upon exchange, etc., for securities of equal par value retired.....	9,176,777,330.00
3. Upon adjudicated claims for replacement.....	234,320.00
4. Total securities issued.....	21,748,526,023.75
C. Total interest-bearing securities to account for (items A and B-4).....	48,229,013,943.75
D. Interest-bearing securities retired during the fiscal year 1935:	
1. Account of redemption.....	11,198,354,857.50
2. Account of exchange, etc., for securities of equal par value issued.....	9,176,777,330.00
3. Account of loss or destruction (covered by insurance or bonds of indemnity).....	234,320.00
4. Total securities retired.....	20,375,366,507.50
E. Securities outstanding June 30, 1935, which matured during the fiscal year.....	208,417,610.00
F. Total interest-bearing securities outstanding June 30, 1935.....	27,645,229,826.25
G. Total interest-bearing securities accounted for (items D-4, E, and F).....	48,229,013,943.75
II. Transactions in interest-bearing securities and securities which matured prior to July 1, 1934 (as affecting the accountability of the Treasury Department and its agents):	
A. Securities on hand June 30, 1934:	
I. Unissued:	
(a) Securities in Division of Loans and Currency.....	11,646,497,810.00
(b) Securities in Federal Reserve banks and other Treasury agencies (exclusive of the Division of Loans and Currency).....	10,637,774,700.00
2. Total securities on hand June 30, 1934.....	22,284,272,510.00
B. Interest-bearing securities received from Bureau of Engraving and Printing during the fiscal year 1935.....	28,790,263,360.00
C. Securities received for retirement during the fiscal year 1935:	
1. Account of redemption:	
(a) Interest-bearing securities (see item I, D-1, above).....	11,198,531,820.00
(b) Securities matured prior to July 1, 1934.....	1,059,172.08
(c) Securities bearing no interest.....	21,966.50
2. Account of exchange, etc., for securities of equal par value issued:	
(a) Interest-bearing securities (see item I, D-2, above).....	9,176,777,330.00
(b) Securities matured prior to July 1, 1934.....	136,200.00
3. Account of loss or destruction (covered by insurance or bonds of indemnity):	
(a) Interest-bearing securities (see item I, D-3, above).....	234,320.00

(b) Securities matured prior to July 1, 1934.....	14,900.00
4. Total securities received for retirement.....	20,376,775,708.58
D. Total securities to account for (items II, A-2, B, and C-4).....	71,451,311,578.58
E. Securities issued during the fiscal year 1935:	
1. Upon original subscription against cash received:	
(a) Interest-bearing securities (see item I, B-1, above).....	12,592,370,055.00
2. Upon exchange, etc., for securities of equal par value retired:	
(a) Interest-bearing securities (see item I, B-2, above).....	9,176,777,330.00
3. Upon adjudicated claims for replacement:	
(a) Interest-bearing securities (see item I, B-3, above).....	136,200.00
(b) Securities matured prior to July 1, 1934.....	234,320.00
4. Total securities issued.....	14,900.00
F. Securities delivered to Register of the Treasury during the fiscal year 1935:	
1. Account of redemption:	
(a) Interest-bearing securities (see item II, C-1 (a), above).....	\$1,198,531,820.00
(b) Securities matured prior to July 1, 1934 (see item II, C-1 (b), above).....	31,039,172.08
(c) Securities bearing no interest (see item II, C-1 (c), above).....	21,966.50
2. Account of exchange, etc., for securities of equal par value issued:	
(a) Interest-bearing securities (see item II, C-2 (a), above).....	9,176,777,330.00
(b) Securities matured prior to July 1, 1934 (see item II, C-2 (b), above).....	136,200.00
3. Account of loss or destruction (covered by insurance or bonds of indemnity):	
(a) Interest-bearing securities (see item II, C-3 (a), above).....	234,320.00
(b) Securities matured prior to July 1, 1935 (see item II, C-3 (b), above).....	14,900.00
4. Unissued securities (excess stock):	
(a) By Division of Loans and Currency.....	776,665,040.00
(b) By Federal Reserve banks and other Treasury agencies (exclusive of the Division of Loans and Currency).....	2,017,179,525.00
5. Total securities delivered to Register of the Treasury.....	23,170,620,273.58
G. Securities on hand June 30, 1935:	
1. Unissued:	
(a) Securities in Division of Loans and Currency.....	15,729,410,060.00
(b) Securities in Federal Reserve banks and other Treasury agencies (exclusive of the Division of Loans and Currency).....	10,781,748,450.00
2. Total securities on hand June 30, 1935.....	26,511,158,500.00
H. Total securities accounted for (item E-4, F-5, and G-2).....	71,451,311,578.58

<sup>1</sup> Includes United States Savings Bonds, series A, in face amount of \$707,850, redemption value of which is \$530,887.50.

<sup>2</sup> Includes United States Savings Bonds, series A, in face amount of \$83,422,725, sales price of which is \$62,567,043.75.

<sup>3</sup> Includes matured Treasury (war) savings securities of which \$152,597.08 was charged to interest and \$100,775 to principal.

TABLE 22.—*Summary of transactions in interest-bearing securities, by form of issue, during the fiscal year 1935*

[On basis of daily Treasury statements (revised), see p. 263]

Account	Pre-war bonds	Liberty bonds and Treasury bonds	United States Savings Bonds	Treasury notes	Certificates of Indebtedness	Treasury bills	Total
I. Outstanding June 30, 1934.....	\$831,350,370	\$15,878,508,650		\$6,931,550,900	\$1,635,045,000	\$1,404,035,000	\$26,480,487,920.00
II. Issued during 1935:							
A. Upon original subscription against cash received.....	25,718,880	3,351,392,950	\$62,567,043.75	4,911,169,500	213,600,000	4,007,066,000	12,571,514,373.75
B. Upon exchange, etc., for securities of equal par value retired.....	356,955,880	2,770,861,500		4,848,991,450	336,547,500	863,421,000	9,176,777,330.00
C. Upon adjudicated claims for replacement.....	7,520	226,800					234,320.00
D. Total issued during 1935.....	382,682,280	6,122,481,250	62,567,043.75	9,760,160,950	550,147,500	4,870,487,000	21,748,526,023.75
III. Retired during 1935:							
A. Account of redemption.....	1,790,620	4,866,557,650	530,887.50	1,333,588,200	1,680,911,500	3,304,976,000	11,198,354,857.50
B. Account of exchange, etc., for securities of equal par value issued.....	356,955,880	2,770,861,500		4,848,991,450	336,547,500	863,421,000	9,176,777,330.00
C. Account of loss or destruction (covered by insurance or bonds of indemnity).....	7,520	226,800					234,320.00
D. Total retired during 1935.....	358,754,020	7,637,645,950	530,887.50	6,182,579,650	2,017,459,000	4,168,397,000	20,375,366,507.50
IV. Outstanding June 30, 1935.....	855,278,630	14,163,341,950	62,036,156.25	10,509,132,200	157,733,500	2,106,125,000	27,863,647,436.25
Deduct interest-bearing debt which matured during the year.....	15,160	144,803,650		8,138,300	2,233,500	53,227,000	208,417,610.00
V. Outstanding June 30, 1935 (per public debt statement).....	855,263,470	14,018,538,300	62,036,156.25	10,500,993,900	155,500,000	2,052,898,000	27,645,229,826.25

TABLE 23.—Changes in interest-bearing debt, by issues, during the fiscal year 1935.  
 [On basis of daily Treasury statements (revised), see p. 203]

Detail	Outstanding, July 1, 1934	Issues during year	Redemptions during year	Transfers to matured debt	Outstanding, June 30, 1935
<b>Pre-war bonds:</b>					
2 percent consols of 1930	\$599,724,050				\$599,724,050.00
2 percent Panama Canal loan of 1916-36	48,954,180				48,954,180.00
2 percent Panama Canal loan of 1918-38	25,947,400				25,947,400.00
3 percent Panama Canal loan of 1961	49,800,000				49,800,000.00
3 percent conversion bonds of 1946-47	28,894,500				28,894,500.00
2½ percent postal savings bonds (seventh to forty-eighth series)	78,030,240	\$25,718,880.00	\$1,790,620.00	\$15,160	101,943,340.00
Total pre-war bonds	831,350,370	25,718,880.00	1,790,620.00	15,160	855,263,470.00
<b>Liberty bonds:</b>					
First Liberty Loan of 1932-47:					
3¼ percent	1,302,226,350		1,317,674,600.00	74,551,750	
Converted 4 percent	3,002,450		3,839,350.00	1,163,100	
Second converted 4½ percent	532,489,350		463,655,850.00	68,833,500	
Fourth Liberty Loan, 4¼ percent of 1933-38	3,492,150		3,236,850.00	253,300	
	4,412,564,000		3,077,596,000.00		1,334,968,000.00
Total Liberty bonds	6,345,774,300		4,866,002,650.00	144,803,650	1,334,968,000.00
<b>Treasury bonds:</b>					
4¼ percent of 1947-52	758,983,300		27,500.00		758,955,800.00
4 percent of 1944-54	1,036,834,500		72,500.00		1,036,762,000.00
3¼ percent of 1946-56	489,087,100				489,087,100.00
3 percent of 1943-47	454,135,200				454,135,200.00
3 percent of 1940-43	352,993,050				352,993,050.00
3½ percent of 1941-43	544,914,050				544,914,050.00
3½ percent of 1946-49	819,096,500		450,500.00		818,646,000.00
3 percent of 1951-55	755,481,350		4,350.00		755,477,000.00
3¼ percent of 1941	834,474,100				834,474,100.00
4¼-3¼ percent of 1943-45	1,400,570,500	457,105,050.00			1,400,570,500.00
3¼ percent of 1944-46	1,061,753,750	98,808,000.00	150.00		1,518,858,800.00
3 percent of 1946-48	824,408,050	491,377,100.00			923,215,900.00
3½ percent of 1949-52		2,304,102,800.00			491,377,100.00
2½ percent of 1955-60					2,304,102,800.00
Total Treasury bonds	9,332,732,350	3,351,392,950.00	555,000.00		12,883,570,300.00
United States Savings Bonds: series A		62,567,043.75	530,887.50		62,036,156.25

1 Includes amount of outstanding bonds called for redemption on Apr. 15, and Oct. 15, 1934, and Apr. 15, 1935.

TABLE 23.—Changes in interest-bearing debt, by issues, during the fiscal year 1935—Continued

Detail	Outstanding, July 1, 1934	Issues during year	Redemptions during year	Transfers to matured debt	Outstanding, June 30, 1935
<b>Treasury notes:</b>					
2½ percent, series B-1934	\$28,362,500		\$27,526,600.00	\$835,900	
3 percent, series A-1935	416,602,800		411,744,700.00	4,858,100	
1½ percent, series B-1935	353,865,000		353,686,600.00		\$18,178,400.00
2½ percent, series C-1935	528,101,600		525,657,300.00	2,444,300	
2½ percent, series D-1935	418,291,900				418,291,900.00
3¼ percent, series A-1936	364,138,000				364,138,000.00
2¾ percent, series B-1936	357,921,200				357,921,200.00
2½ percent, series C-1936	558,819,200				558,819,200.00
1½ percent, series D-1936		\$514,066,000.00			514,066,000.00
1½ percent, series E-1936		686,616,400.00			686,616,400.00
3¼ percent, series A-1937	817,483,500				817,483,500.00
3 percent, series B-1937	302,361,900				302,361,900.00
3 percent, series C-1937	428,730,700				428,730,700.00
2½ percent, series A-1938	276,679,600				276,679,600.00
2½ percent, series B-1938	618,056,800				618,056,800.00
2½ percent, series C-1938	455,175,500				455,175,500.00
2½ percent, series D-1938		596,416,100.00			596,416,100.00
2½ percent, series A-1939	528,521,700		765,192,500.00		1,293,714,200.00
1½ percent, series A-1940		1,378,269,100.00			1,378,269,100.00
1½ percent, series B-1940		738,393,400.00			738,393,400.00
Total Treasury notes	6,653,111,900	4,678,893,500.00	1,300,615,200.00	8,138,300	10,023,251,900.00
<b>Certificates of indebtedness, tax:</b>					
1½ percent, series TS-1934	524,748,500		523,643,000.00	1,105,500	
2¼ percent, series TD-1934	992,496,500		991,368,500.00	1,128,000	
Total certificates of indebtedness	1,517,245,000		1,515,011,500.00	2,233,500	
<b>Treasury bills, series maturing:</b>					
July 3, 1934	50,151,000		47,151,000.00	3,000,000	
July 11, 1934	50,257,000		50,257,000.00		
July 18, 1934	75,047,000		74,847,000.00	200,000	
July 25, 1934	75,325,000		75,065,000.00	230,000	
Aug. 1, 1934	75,056,000		75,063,000.00	53,000	
Aug. 8, 1934	50,078,000		50,078,000.00		
Aug. 8, 1934	73,114,000		73,114,000.00		
Aug. 8, 1934	73,044,000		74,994,000.00	50,000	
Aug. 15, 1934	50,254,000		50,214,000.00	40,000	
Aug. 15, 1934	50,457,000		50,447,000.00	10,000	
Aug. 22, 1934	75,088,000		75,088,000.00		
Aug. 29, 1934	100,236,000		100,138,000.00	98,000	
Sept. 5, 1934	50,525,000		50,125,000.00	400,000	

Oct. 3, 1934	50,096,000.00	50,000	50,096,000.00
Oct. 10, 1934	50,175,000.00	50,000	50,175,000.00
Oct. 17, 1934	50,033,000.00	50,000	50,033,000.00
Oct. 24, 1934	49,990,000.00	300,000	49,990,000.00
Oct. 31, 1934	49,737,000.00	142,000	49,737,000.00
Nov. 7, 1934	50,031,000.00	50,000	50,031,000.00
Nov. 14, 1934	50,080,000.00	50,000	50,080,000.00
Nov. 21, 1934	50,090,000.00	6,000	50,090,000.00
Dec. 19, 1934	75,223,000.00	75,353,000.00	75,223,000.00
Dec. 26, 1934	75,353,000.00	75,167,000.00	75,353,000.00
Jan. 2, 1935	75,235,000.00	75,135,000.00	75,235,000.00
Jan. 9, 1935	75,144,000.00	75,144,000.00	75,144,000.00
Jan. 16, 1935	75,200,000.00	75,025,000.00	75,200,000.00
Jan. 23, 1935	75,025,000.00	74,625,000.00	75,025,000.00
Jan. 30, 1935	75,327,000.00	74,827,000.00	75,327,000.00
Feb. 6, 1935	75,320,000.00	75,270,000.00	75,320,000.00
Feb. 13, 1935	75,090,000.00	75,090,000.00	75,090,000.00
Feb. 20, 1935	75,065,000.00	72,950,000.00	75,065,000.00
Feb. 27, 1935	75,290,000.00	75,250,000.00	75,290,000.00
Mar. 6, 1935	75,365,000.00	75,245,000.00	75,365,000.00
Mar. 13, 1935	75,041,000.00	70,506,000.00	75,041,000.00
Mar. 20, 1935	75,023,000.00	815,000	75,023,000.00
Mar. 27, 1935	75,038,000.00	74,900,000.00	75,038,000.00
Apr. 3, 1935	75,360,000.00	74,684,000.00	75,360,000.00
Apr. 10, 1935	75,248,000.00	74,439,000.00	75,248,000.00
Apr. 17, 1935	75,102,000.00	74,047,000.00	75,102,000.00
Apr. 24, 1935	75,015,000.00	74,815,000.00	75,015,000.00
May 1, 1935	75,075,000.00	74,635,000.00	75,075,000.00
May 8, 1935	75,045,000.00	74,103,000.00	75,045,000.00
May 15, 1935	75,168,000.00	73,838,000.00	75,168,000.00
May 22, 1935	75,287,000.00	74,142,000.00	75,287,000.00
May 29, 1935	75,139,000.00	73,180,000.00	75,139,000.00
June 5, 1935	75,079,000.00	74,771,000.00	75,079,000.00
June 12, 1935	75,020,000.00	69,959,000.00	75,020,000.00
June 19, 1935	75,300,000.00	49,575,000.00	75,300,000.00
June 26, 1935	75,150,000.00	75,150,000.00	75,150,000.00
July 3, 1935	75,185,000.00	75,185,000.00	75,185,000.00
July 10, 1935	75,079,000.00	75,129,000.00	75,079,000.00
July 17, 1935	75,129,000.00	75,106,000.00	75,129,000.00
July 24, 1935	75,106,000.00	75,185,000.00	75,106,000.00
July 31, 1935	75,112,000.00	75,112,000.00	75,112,000.00
Aug. 7, 1935	75,024,000.00	75,024,000.00	75,024,000.00
Aug. 14, 1935	50,054,000.00	50,054,000.00	50,054,000.00
Aug. 21, 1935	50,114,000.00	50,114,000.00	50,114,000.00
Aug. 28, 1935	50,052,000.00	50,052,000.00	50,052,000.00
Sept. 4, 1935	50,125,000.00	50,125,000.00	50,125,000.00
Sept. 11, 1935	50,079,000.00	50,079,000.00	50,079,000.00
Sept. 18, 1935	50,063,000.00	50,063,000.00	50,063,000.00
Sept. 25, 1935	50,021,000.00	50,021,000.00	50,021,000.00
Oct. 2, 1935			
Oct. 9, 1935			

TABLE 23.—Changes in interest-bearing debt, by issues, during the fiscal year 1935—Continued

Detail	Outstanding, July 1, 1934	Issues during year	Redemptions during year	Transfers to matured debt	Outstanding, June 30, 1935
<b>Treasury bills, series maturing—Continued.</b>					
Oct. 16, 1935		\$50,013,000.00			\$50,013,000.00
Oct. 23, 1935		50,009,000.00			50,009,000.00
Oct. 30, 1935		50,013,000.00			50,013,000.00
Nov. 6, 1935		50,000,000.00			50,000,000.00
Nov. 27, 1935		50,185,000.00			50,185,000.00
Dec. 4, 1935		50,072,000.00			50,072,000.00
Dec. 11, 1935		50,149,000.00			50,149,000.00
Dec. 18, 1935		50,006,000.00			50,006,000.00
Dec. 24, 1935		50,071,000.00			50,071,000.00
Dec. 31, 1935		50,062,000.00			50,062,000.00
Jan. 8, 1936		50,118,000.00			50,118,000.00
Jan. 15, 1936		50,020,000.00			50,020,000.00
Jan. 22, 1936		50,135,000.00			50,135,000.00
Jan. 29, 1936		50,085,000.00			50,085,000.00
Feb. 5, 1936		50,091,000.00			50,091,000.00
Feb. 11, 1936		50,255,000.00			50,255,000.00
Feb. 19, 1936		50,020,000.00			50,020,000.00
Feb. 26, 1936		50,037,000.00			50,037,000.00
Mar. 4, 1936		50,010,000.00			50,010,000.00
Mar. 11, 1936		50,080,000.00			50,080,000.00
Mar. 18, 1936		50,059,000.00			50,059,000.00
Mar. 25, 1936		50,010,000.00			50,010,000.00
Total Treasury bills	\$1,404,035,000	4,007,066,000.00	\$3,304,976,000.00	\$53,227,000	2,052,898,000.00
<b>Special issues:</b>					
Treasury notes:					
Civil service retirement fund series	238,700,000	41,400,000.00	32,400,000.00		247,700,000.00
Foreign service retirement fund series	2,437,000	765,000.00	599,000.00		2,693,000.00
Canal Zone retirement fund series	2,302,000	111,000.00	64,000.00		2,349,000.00
Postal Savings System series	35,000,000	90,000,000.00			125,000,000.00
Federal Deposit Insurance Corporation series		100,000,000.00			100,000,000.00
Certificates of indebtedness:					
Adjusted service certificate fund series	117,800,000	213,600,000.00	175,900,000.00		155,500,000.00
Total special issues	396,239,000	445,876,000.00	208,873,000.00		633,242,000.00
Total all securities	26,480,487,920	12,571,514,373.75	11,198,354,857.50	208,417,610	27,645,229,826.25



TABLE 24.—Transactions in noninterest-bearing securities, by issues, during the fiscal year 1935

[On basis of daily Treasury statements (revised), see p. 263]

Title of issue	Rate of interest <sup>1</sup>	Outstanding, July 1, 1934	Issued account of original subscription	Retired account of redemption	Issued and retired account of exchange, etc.	Transfers from interest-bearing debt	Outstanding, June 30, 1935
<b>I. Pre-war bonds, etc.:</b>							
Matured debt on which interest has ceased							
Compound interest notes (1864-66).....	Percent 6	\$156,410.00		\$70.00			\$156,340.00
Funded loan of 1907 (refunding).....	4	345,550.00					345,550.00
Refunding certificates (1879).....	4	8,630.00		30.00			8,600.00
1-year notes of 1863.....	5	30,020.00		40.00			29,980.00
Loan of 1908-18.....	3	156,320.00		1,140.00			155,180.00
Loan of 1925.....	4	60,630.00		50.00			60,600.00
Postal savings bonds.....	2½	27,940.00		8,880.00		\$13,160	34,220.00
All other issues <sup>2</sup> .....	Various	724,100.26					724,100.26
Total pre-war bonds, etc.....		1,509,680.26		10,210.00		15,160	1,514,630.26
<b>II. Liberty Loan bonds:</b>							
First Liberty Loan:							
First 3½'s.....	3½					74,511,750	74,551,750.00
First 4's.....	4					1,163,100	1,163,100.00
First 4½'s.....	4½					68,833,500	68,833,500.00
First-second 4¼'s.....	4¼					255,300	255,300.00
Total.....						144,803,650	144,803,650.00
Second Liberty Loan:							
Second 4's.....	4	672,500.00		56,700.00	\$42,650		615,800.00
Second 4½'s.....	4½	1,343,850.00		223,450.00	2½, 250		1,120,400.00
Total.....		2,016,350.00		280,150.00	68,900		1,736,200.00
Third Liberty Loan:							
Third Liberty Loan.....	4½	3,259,550.00		456,000.00	82,200		2,803,550.00
Total Liberty Loan bonds.....		5,275,900.00		736,150.00	151,100	144,803,650	149,343,400.00
<b>III. Victory notes:</b>							
Victory 3½'s.....	3½	11,100.00		200.00			10,900.00
Victory 4½'s.....	4½	841,400.00		69,450.00			771,950.00
Total Victory notes.....		852,500.00		69,650.00 <sup>3</sup>			782,850.00

For footnotes, see p. 393.

TABLE 24.—Transactions in noninterest-bearing securities, by issues, during the fiscal year 1935—Continued

Title of issue	Rate of interest <sup>1</sup>	Outstanding, July 1, 1934	Issued account of original subscription	Retired account of redemption	Issued and retired account of exchange, etc.	Transfers from interest-bearing debt	Outstanding, June 30, 1935
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued</b>							
<b>IV. Treasury notes, series:</b>							
A-1924.....	Percent 5 1/2	\$21,200.00		\$10,000.00			\$21,200.00
B-1924.....	5 1/2	11,000.00		2,000.00			1,000.00
A-1925.....	4 1/2	33,200.00					31,200.00
B-1925.....	4 1/2	36,200.00					36,200.00
C-1925.....	4 1/2	26,500.00		800.00			25,700.00
A-1926.....	4 1/2	2,800.00					2,800.00
B-1926.....	4 1/2	7,500.00					7,500.00
A-1927.....	4 1/2	21,400.00		500.00			20,900.00
B-1927.....	4 1/2	25,000.00		7,500.00			28,100.00
A-1930-32.....	3 1/2	272,450.00		15,350.00			257,100.00
B-1930-32.....	3 1/2	252,700.00		34,500.00			198,150.00
C-1930-32.....	3 1/2	263,000.00		94,800.00			168,200.00
Series 1932.....	3 1/2	986,900.00		437,200.00			549,700.00
A-1934.....	3	1,736,700.00		1,428,800.00			307,900.00
B-1934.....	2 1/2					\$835,900	835,900.00
A-1935.....	3					4,858,100	4,858,100.00
C-1935.....	2 1/2					2,444,300	2,444,300.00
		3,687,150.00		2,031,500.00		8,138,300	9,793,950.00
<b>Total Treasury notes.</b>							
<b>V. Certificates of indebtedness:</b>							
<b>Tax issues, series:</b>							
TJ-1920.....							
TJ-1921.....	4 1/2	3,000.00		2,000.00			1,000.00
TJ-1922.....	6	3,000.00		500.00			2,500.00
TJ-1923.....	5 1/2	1,000.00		1,000.00			1,000.00
TD-1922.....	4 1/2	1,000.00					1,000.00
TM-1924.....	4 1/2	1,000.00					1,000.00
TJ-1928.....	3 1/8	1,000.00		1,000.00			4,900.00
TJ-1929.....	4 1/2	5,300.00		400.00			14,500.00
TS-1929.....	4 1/2	24,000.00		9,500.00			69,000.00
TD-1929.....	4 1/2	74,500.00		10,000.00			9,500.00
TM-1930.....	4 3/4	106,500.00		2,500.00			104,000.00
TJ-1930.....	5 1/8	38,000.00		1,000.00			37,000.00
TS-1930.....	4 7/8	3,500.00		1,500.00			8,000.00
TD-1930.....	3 1/8	22,000.00		10,500.00			11,500.00
TJ-1931.....	3 1/4	4,500.00		3,500.00			1,000.00
TY-1931.....	2 1/8	8,500.00		7,000.00			1,500.00
TS-1931.....	2 3/8	86,000.00		9,500.00			76,500.00



TABLE 24.—Transactions in noninterest-bearing securities, by issues, during the fiscal year 1935—Continued

Title of issue	Rate of interest <sup>1</sup>	Outstanding, July 1, 1934	Issued account of original subscription	Retired account of redemption	Issued and retired account of exchange, etc.	Transfers from interest-bearing debt	Outstanding, June 30, 1935
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued							
VI. Treasury bills, series matured—C continued.							
Aug. 23, 1933.....	Percent 4.22	\$37,000.00		\$37,000.00			\$30,000.00
Nov. 29, 1933.....	1.37	106,000.00		76,000.00			
Dec. 6, 1933.....	1.16	10,000.00		10,000.00			
Jan. 10, 1934.....	1.17	50,000.00		50,000.00			
Jan. 17, 1934.....	1.27	73,000.00		73,000.00			
Jan. 24, 1934.....	1.69	90,000.00		90,000.00			
Jan. 31, 1934.....	2.16	17,000.00		14,000.00			
Feb. 14, 1934.....	3.98	110,000.00		110,000.00			
Feb. 21, 1934.....	4.25	20,000.00		20,000.00			
Feb. 28, 1934.....	4.29	14,000.00		14,000.00			
Mar. 7, 1934.....	6.04	39,000.00		39,000.00			
Mar. 28, 1934.....	7.29	150,000.00		140,000.00			21,000.00
Apr. 4, 1934.....	6.21	160,000.00		160,000.00			10,000.00
Apr. 11, 1934.....	6.22	600,000.00		600,000.00			
Apr. 18, 1934.....	6.70	679,000.00		679,000.00			
Apr. 25, 1934.....	6.69	785,000.00		785,000.00			
May 2, 1934.....	7.17	3,250,000.00		3,250,000.00			
May 9, 1934.....	6.56	383,000.00		383,000.00			
May 16, 1934.....	6.62	70,000.00		70,000.00			
May 23, 1934.....	5.75	3,100,000.00		3,053,000.00			
June 20, 1934.....	0.89	1,033,000.00		1,033,000.00			
June 27, 1934.....	0.80	8,880,000.00		8,880,000.00			45,000.00
July 3, 1934.....	0.77						
July 18, 1934.....	0.79						
July 25, 1934.....	0.78						
Aug. 1, 1934.....	0.74						
Aug. 15, 1934.....	.988						
Do.....	.063						
Aug. 22, 1934.....	.058						
Sept. 5, 1934.....	.434						
Sept. 26, 1934.....	1.90						
Oct. 10, 1934.....	1.82						
Oct. 24, 1934.....	1.85						
Oct. 31, 1934.....	1.62						
Nov. 7, 1934.....	1.46						
Nov. 21, 1934.....	1.27						
Dec. 19, 1934.....	.074						
Jan. 9, 1935.....	.068						
Jan. 23, 1935.....	.067						175,000.00

Jan. 30, 1935.....	085					400,000.00
Feb. 6, 1935.....	115					500,000.00
Feb. 13, 1935.....	248					50,000.00
Feb. 27, 1935.....	219					2,115,000.00
Mar. 6, 1935.....	181					40,000.00
Mar. 13, 1935.....	226					120,000.00
Mar. 20, 1935.....	282					4,535,000.00
Mar. 27, 1935.....	286					815,000.00
Apr. 3, 1935.....	284					48,000.00
Apr. 10, 1935.....	236					676,000.00
Apr. 17, 1935.....	209					809,000.00
Apr. 24, 1935.....	188					1,055,000.00
May 1, 1935.....	190					200,000.00
May 8, 1935.....	212					440,000.00
May 15, 1935.....	220					942,000.00
May 22, 1935.....	208					1,330,000.00
May 29, 1935.....	225					1,145,000.00
June 5, 1935.....	219					1,959,000.00
June 12, 1935.....	198					308,000.00
June 19, 1935.....	155					5,061,000.00
June 26, 1935.....	116					25,725,000.00
All other <sup>a</sup> .....		992,000.00				992,000.00
Total Treasury bills.....		24,572,000.00		21,614,000.00		53,227,000.00
VII. Treasury savings certificates:						
Issued Dec. 15, 1921.....		66,425.00		21,075.00		45,350.00
Issued Sept. 30, 1922.....		242,573.00		51,350.00		191,223.00
Issued Dec. 1, 1923.....		143,350.00		28,350.00		115,000.00
Total Treasury savings certificates.....		452,350.00		100,775.00		351,575.00
Total matured debt.....		54,266,380.26		32,021,085.00	\$151,100	230,662,905.26
DEBT BEARING NO INTEREST						
I. United States notes (less gold reserve).....						
II. Old demand notes.....		190,641,585.07				190,641,585.07
III. National and Federal Reserve bank notes.....		53,012.50				53,012.50
IV. Fractional currency.....		322,340,598.00	\$554,276,920.00	247,310,320.00		629,307,198.00
V. Thrift and Treasury savings stamps (unclassified sales, etc.).....		1,984,441.24		1,973.33		1,982,467.91
Total debt bearing no interest.....		3,312,051.41	11.88	21,966.50		3,290,096.79
Total debt bearing no interest.....		518,331,688.22	554,276,931.88	247,334,259.83		\$25,274,360.27

<sup>1</sup> Treasury bills are sold on a discount basis on competitive bidding. The average sale price of these series gives an approximate yield on a bank discount basis.

<sup>2</sup> Interest compounded.

<sup>3</sup> Represents issues in which there were no transactions during the fiscal years 1930 to 1935; for amount of each issue outstanding (unchanged since June 30, 1929), see annual report for 1929, p. 478.

<sup>4</sup> Represents issues in which there were no transactions during the fiscal years 1933 to 1935; for amount of each issue outstanding (unchanged since June 30, 1932), see annual report for 1932, p. 418.

<sup>5</sup> Represents issues in which there were no transactions during the fiscal year 1935; for amount of each issue outstanding see annual report for 1934, p. 362.

TABLE 25.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1934 through June 1935*<sup>1</sup>

Date	Issue	Rate of interest <sup>2</sup>	Amount issued	Amount matured (or redeemed)
1934				
July 1	Postal savings bonds, series 47.....	2½	\$11,526,020	-----
1	Postal savings bonds, series 7.....	2½		\$872,240
3	Treasury bills maturing Jan. 2, 1935.....	.070	75,167,000	-----
3	Treasury bills issued Apr. 4, 1934.....	.077		50,151,000
11	Treasury bills maturing Jan. 9, 1935.....	.068	75,235,000	-----
11	Treasury bills issued Apr. 11, 1934.....	.073		50,257,000
18	Treasury bills maturing Jan. 16, 1935.....	.069	75,144,000	-----
18	Treasury bills issued Apr. 18, 1934.....	.079		75,047,000
25	Treasury bills maturing Jan. 23, 1935.....	.067	75,200,000	-----
25	Treasury bills issued Apr. 25, 1934.....	.078		75,325,000
	Miscellaneous.....			1,000
	Total, July.....		312,272,020	251,653,240
Aug. 1	Treasury bills maturing Jan. 30, 1935.....	.085	75,025,000	-----
1	Treasury bills issued May 2, 1934.....	.074		75,056,000
1	Treasury notes, series B-1934.....	2½		28,262,500
8	Treasury bills maturing Feb. 6, 1935.....	.115	75,327,000	-----
8	Treasury bills issued Feb. 7, 1934.....	.042		50,078,000
8	Treasury bills issued May 9, 1934.....	.068		75,114,000
15	Treasury bills maturing Feb. 13, 1935.....	.248	75,320,000	-----
15	Treasury bills issued Feb. 14, 1934.....	.088		75,044,000
15	Treasury bills issued May 16, 1934.....	.063		50,254,000
22	Treasury bills maturing Feb. 20, 1935.....	.227	75,090,000	-----
22	Treasury bills issued May 23, 1934.....	.058		50,457,000
29	Treasury bills maturing Feb. 27, 1935.....	.219	75,065,000	-----
29	Treasury bills issued Feb. 28, 1934.....	.617		75,088,000
	Miscellaneous.....			3,750
	Total, August.....		375,827,000	479,357,250
Sept. 5	Treasury bills maturing Mar. 6, 1935.....	.181	75,290,000	-----
5	Treasury bills issued Mar. 7, 1934.....	.434		100,236,000
12	Treasury bills maturing Mar. 13, 1935.....	.226	75,365,000	-----
15	Treasury notes, series D-1936.....	1½	514,066,000	-----
15	Certificates of indebtedness, series T8-1934, issued Jan. 29, 1934.....	1½		524,748,500
15	Treasury bonds of 1944-46 (additional to Apr. 16, 1934, issue).....	3½	456,898,300	-----
15	Treasury notes, series D-1938.....	2½	596,416,100	-----
15	Fourth Liberty Loan of 1933-38, second-called, redeemed in exchange for Treasury bonds of 1944-46 and Treasury notes, series D-1938.....	4½		1,053,314,400
19	Treasury bills maturing Mar. 20, 1935.....	.282	75,041,000	-----
26	Treasury bills maturing Mar. 27, 1935.....	.286	75,023,000	-----
26	Treasury bills issued Mar. 28, 1934.....	.190		50,525,000
	Miscellaneous.....			1,500
	Total, September.....		1,868,099,400	1,728,825,400
Oct. 3	Treasury bills maturing Apr. 3, 1935.....	.284	75,038,000	-----
3	Treasury bills issued Apr. 4, 1934.....	.194		50,096,000
10	Treasury bills maturing Apr. 10, 1935.....	.236	75,300,000	-----
10	Treasury bills issued Apr. 11, 1934.....	.182		50,225,000
15	Fourth Liberty Loan of 1933-38, second-called (approximate amount).....	4½		192,915,250
17	Treasury bills maturing Apr. 17, 1935.....	.209	75,248,000	-----
17	Treasury bills issued Apr. 18, 1934.....	.187		50,033,000
24	Treasury bills maturing Apr. 24, 1935.....	.198	75,102,000	-----
24	Treasury bills issued Apr. 25, 1934.....	.185		50,040,000
31	Treasury bills maturing May 1, 1935.....	.189	75,015,000	-----
31	Treasury bills issued May 2, 1934.....	.162		50,037,000
	Miscellaneous.....			150
	Total, October.....		375,763,000	443,346,400
Nov. 7	Treasury bills maturing May 8, 1935.....	.212	75,075,000	-----
7	Treasury bills issued May 9, 1934.....	.146		50,173,000
14	Treasury bills maturing May 15, 1935.....	.220	75,045,000	-----
14	Treasury bills issued May 16, 1934.....	.140		50,080,000
21	Treasury bills maturing May 22, 1935.....	.208	75,168,000	-----
21	Treasury bills issued May 23, 1934.....	.127		50,140,000
28	Treasury bills maturing May 29, 1935.....	.226	75,287,000	-----
	Total, November.....		300,575,000	150,393,000

For footnotes, see p. 396.

TABLE 25.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1934 through June 1935*<sup>1</sup>—  
Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued	Amount matured (or redeemed)
1934				
Dec. 5	Treasury bills maturing June 5, 1935.....	0.219	\$75,139,000	-----
12	Treasury bills maturing June 12, 1935.....	.198	75,079,000	-----
15	Treasury bonds of 1949-52.....	3¼	491,377,100	-----
15	Treasury notes, series E-1935.....	1½	686,616,400	-----
15	Treasury notes, series A-1939 (additional to June 15, 1934, issue).....	2½	765,192,500	-----
15	Certificates of indebtedness, series TD-1934, issued Dec. 15, 1933.....	2¼		\$992,496,500
19	Treasury bills maturing June 19, 1935.....	.155	75,020,000	-----
19	Treasury bills issued June 20, 1934.....	.074		75,226,000
26	Treasury bills maturing June 26, 1935.....	.116	75,300,000	-----
26	Treasury bills issued June 27, 1934.....	.067		75,353,000
	Miscellaneous.....			450,000
	Total, December.....		2,243,724,000	1,143,525,500
1935				
Jan. 1	Postal savings bonds, series 48.....	2¼	14,192,860	-----
1	Postal savings bonds, series 8.....	2½		933,540
2	Treasury bills maturing July 3, 1935.....	.101	75,150,000	-----
2	Treasury bills issued July 3, 1934.....	.070		75,167,000
9	Treasury bills maturing July 10, 1935.....	.116	75,185,000	-----
9	Treasury bills issued July 11, 1934.....	.068		75,235,000
16	Treasury bills maturing July 17, 1935.....	.145	75,079,000	-----
16	Treasury bills issued July 18, 1934.....	.069		75,144,000
23	Treasury bills maturing July 24, 1935.....	.145	75,129,000	-----
23	Treasury bills issued July 25, 1934.....	.067		75,200,000
30	Treasury bills maturing July 31, 1935.....	.136	75,106,000	-----
30	Treasury bills issued Aug. 1, 1934.....	.085		75,025,000
	Total, January.....		389,841,860	376,704,540
Feb. 6	Treasury bills maturing Aug. 7, 1935.....	.120	75,185,000	-----
6	Treasury bills issued Aug. 8, 1934.....	.115		75,327,000
13	Treasury bills maturing Aug. 14, 1935.....	.110	75,112,000	-----
13	Treasury bills issued Aug. 15, 1934.....	.248		75,320,000
20	Treasury bills maturing Aug. 21, 1935.....	.117	75,024,000	-----
20	Treasury bills issued Aug. 22, 1934.....	.227		75,090,000
27	Treasury bills maturing Aug. 28, 1935.....	.108	50,054,000	-----
27	Treasury bills maturing Nov. 27, 1935.....	.166	50,185,000	-----
27	Treasury bills issued Aug. 29, 1934.....	.219		75,065,000
	Total, February.....		325,560,000	300,802,000
Mar. 6	Treasury bills maturing Sept. 4, 1935.....	.100	50,114,000	-----
6	Treasury bills maturing Dec. 4, 1935.....	.147	50,072,000	-----
6	Treasury bills issued Sept. 5, 1934.....	.181		75,290,000
13	Treasury bills maturing Sept. 11, 1935.....	.094	50,052,000	-----
13	Treasury bills maturing Dec. 11, 1935.....	.141	50,149,000	-----
13	Treasury bills issued Sept. 12, 1934.....	.226		75,365,000
15	Treasury bonds of 1955-60.....	2¾	1,558,022,650	-----
15	Fourth Liberty Loan of 1933-38, third-called, redeemed in exchange for Treasury bonds of 1955-60.....	4¾		1,558,022,650
15	Treasury notes, series A-1940.....	1¾	513,884,200	-----
15	Treasury notes, series C-1935, issued Jan. 29, 1934.....	2½		528,101,600
20	Treasury bills maturing Sept. 18, 1935.....	.094	50,125,000	-----
20	Treasury bills maturing Dec. 18, 1935.....	.147	50,006,000	-----
20	Treasury bills issued Sept. 19, 1934.....	.282		75,041,000
27	Treasury bills maturing Sept. 25, 1935.....	.109	50,079,000	-----
27	Treasury bills maturing Dec. 24, 1935.....	.180	50,071,000	-----
27	Treasury bills issued Sept. 26, 1934.....	.286		75,023,000
	Miscellaneous.....			103,500
	Total, March.....		2,472,574,850	2,386,946,750
Apr. 3	Treasury bills maturing Dec. 31, 1935.....	.157	50,018,000	-----
3	Treasury bills issued Oct. 3, 1934.....	.284		75,038,000
10	Treasury bills maturing Jan. 8, 1936.....	.176	50,062,000	-----
10	Treasury bills issued Oct. 10, 1934.....	.236		75,360,000
15	Fourth Liberty Loan of 1933-38, third-called (approximate amount).....	4¾		311,323,400
17	Treasury bills maturing Jan. 15, 1936.....	.176	50,020,000	-----
17	Treasury bills issued Oct. 17, 1934.....	.209		75,248,000
22	Treasury bonds of 1955-60 (additional to Mar. 15, 1935, issue).....	2¾	746,406,550	-----

For footnotes, see p. 396.

TABLE 25.—*Issues, maturities, and redemptions of interest-bearing securities exclusive of trust account and other special issues, July 1934 through June 1935*<sup>1</sup>—  
Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued	Amount matured (or redeemed)
1935				
Apr. 22	Treasury notes, series A-1940 (additional to Mar. 15, 1935, issue).....	1½	\$864,480,000	-----
22	First Liberty Loan bonds of 1932-47, any series, redeemed in exchange for Treasury bonds of 1955-60 and Treasury notes, series A-1940.....	3½	}	\$1,610,886,550
24	Treasury bills maturing Jan. 22, 1936.....	4		
24	Treasury bills issued Oct. 24, 1934.....	4¼		
		.169	50,155,000	-----
		.198		75,102,000
	Total, April.....		1,811,141,550	2,222,957,950
May 1	Treasury bills maturing Jan. 29, 1936.....	.153	50,085,000	-----
1	Treasury bills issued Oct. 31, 1934.....	.189		75,015,000
8	Treasury bills maturing Feb. 5, 1936.....	.152	50,091,000	-----
8	Treasury bills issued Nov. 7, 1934.....	.212		75,075,000
15	Treasury bills maturing Feb. 11, 1936.....	.143	50,255,000	-----
15	Treasury bills issued Nov. 14, 1934.....	.220		75,045,000
22	Treasury bills maturing Oct. 2, 1935.....	.088	50,063,000	-----
22	Treasury bills maturing Feb. 19, 1936.....	.146	50,020,000	-----
22	Treasury bills issued Nov. 21, 1934.....	.208		75,168,000
29	Treasury bills maturing Oct. 9, 1935.....	.095	50,021,000	-----
29	Treasury bills maturing Feb. 26, 1936.....	.137	50,037,000	-----
29	Treasury bills issued Nov. 28, 1934.....	.226		75,287,000
31	United States Savings Bonds, series A.....	<sup>3</sup> 2.9	438,799,750	157,800
	Total, May.....		389,371,750	375,747,800
June 3	Treasury bonds of 1946-48 (additional to June 15, 1934, issue).....	3	98,708,000	-----
5	Treasury bills maturing Oct. 16, 1935.....	.105	50,013,000	-----
5	Treasury bills maturing Mar. 4, 1936.....	.149	50,010,000	-----
5	Treasury bills issued Dec. 5, 1934.....	.219		75,139,000
12	Treasury bills maturing Oct. 23, 1935.....	.096	50,009,000	-----
12	Treasury bills maturing Mar. 11, 1936.....	.148	50,080,000	-----
12	Treasury bills issued Dec. 12, 1934.....	.198		75,079,000
15	Treasury notes, series B-1940.....	1½	738,428,400	-----
15	Treasury notes, series A-1935.....	3		416,602,800
15	Treasury notes, series B-1935, redeemed in exchange for Treasury notes, series B-1940.....	1½		335,686,600
15	First Liberty Loan of 1932-47.....	3½	}	322,322,400
		4		
		4¼		
19	Treasury bills maturing Oct. 30, 1935.....	.083	50,013,000	-----
19	Treasury bills maturing Mar. 18, 1936.....	.134	50,059,000	-----
19	Treasury bills issued Dec. 19, 1934.....	.155		75,020,000
26	Treasury bills maturing Nov. 6, 1935.....	.070	50,000,000	-----
26	Treasury bills maturing Mar. 25, 1936.....	.123	50,010,000	-----
26	Treasury bills issued Dec. 26, 1934.....	.116		75,300,000
30	United States Savings Bonds, series A.....	<sup>3</sup> 2.9	423,767,294	361,425
	Total, June.....		1,261,097,694	1,375,511,225
	Total for fiscal year 1935.....		12,125,848,124	11,235,771,055

<sup>1</sup> On basis of daily Treasury statements (unrevised), supplemented by special statements on public debt issues, redemptions, and exchanges by the Public Debt Service.

<sup>2</sup> For Treasury bills, average rates on a bank discount basis are shown.

<sup>3</sup> Yield to maturity.

<sup>4</sup> Represents cash receipts during month on account of sales of bonds beginning Mar. 1, 1935.



TABLE 26.—Sources of public debt increase or decrease for the fiscal years 1915 to 1935

[On basis of daily Treasury statements (unrevised), see p. 293]

[In thousands]

Year	Public debt retirements chargeable against ordinary receipts							
	Sinking fund	Foreign payments			Bonds and notes received for estate taxes	Franchise tax receipts, Federal Reserve banks	Net earnings, Federal intermediate credit banks	Miscellaneous gifts, forfeitures, etc.
		Cash repayments of principal	Bonds, etc., received as repayments of principal	Bonds, etc., received as interest payments				
1915								
1916								
1917								
1918								
1919		\$7,922			\$93	\$1,134		
1920		72,670			3,141	2,922		\$13
1921	\$261,100	73,939			26,349	60,724		15,010
1922	276,046	64,838			21,085	60,333		393
1923	284,019	32,140		\$68,753	6,569	10,815		355
1924	295,987	38,509	\$22,965	87,914	8,897	3,635		93
1925	306,309	386	22,823	135,970	47	114	\$680	208
1926	317,092	4,394	29,000	136,260		59	509	63
1927	333,528	19,254	25,000	134,962		818	414	5,578
1928	354,741	19,068	27,429	135,307	2	250	369	3,090
1929	370,277	571	37,895	137,747	20	2,667	266	160
1930	388,369	51,135	40,335	69,456	73	4,283	172	61
1931	391,660	48,246				18	74	85
1932	412,555				1		21	53
1933	425,660	30,977	1,546	1,364		2,037		21
1934	359,492		210	147				15
1935	573,001				1			556
Total	5,349,836	464,049	207,203	907,880	66,278	149,809	2,505	15,754

Year	Total public debt retirements chargeable against ordinary receipts	Surplus or deficit <sup>2</sup> of receipts (general, special, and trust accounts combined) <sup>3</sup>	Increase or decrease <sup>2</sup> in General Fund balance	Increase or decrease <sup>2</sup> in gross debt	Total gross debt	General Fund balance
1915						
1916		\$48,478	\$82,262	\$33,783	\$1,191,362	\$158,142
1917		853,357	897,116	1,750,473	1,225,146	240,404
1918	\$1,134	9,633,254	447,487	9,479,607	2,975,619	1,137,520
1919	8,015	13,370,637	333,342	13,029,281	12,455,225	1,585,007
1920	78,746	212,475	893,963	1,185,185	25,484,506	1,251,665
1921	427,123	86,724	191,977	321,871	24,299,321	357,702
1922	422,695	313,802	277,573	1,014,069	23,977,451	549,678
1923	402,550	309,657	98,834	613,674	22,963,382	272,106
1924	458,000	505,367	155,528	1,098,894	22,349,707	370,939
1925	466,538	250,505	17,576	734,619	21,250,813	235,411
1926	487,376	377,768	7,834	872,978	20,516,194	217,836
1927	519,555	635,810	24,055	1,131,309	19,643,216	210,002
1928	540,255	398,828	31,470	907,614	18,511,907	234,057
1929	549,604	184,787	61,186	673,205	17,604,293	265,527
1930	553,884	183,789	8,106	745,779	16,931,088	326,713
1931	440,082	902,717	153,337	615,972	16,185,310	318,607
1932	412,630	<sup>4</sup> 3,153,097	54,747	2,685,721	16,801,281	471,944
1933	461,605	<sup>4</sup> 3,068,267	445,008	3,051,670	19,487,002	417,197
1934	359,864	3,154,616	1,719,717	4,514,469	22,538,672	862,205
1935	573,558	2,961,886	740,676	1,647,752	27,053,141	2,581,922
Total	7,163,514	32,989,841	1,683,204	27,509,531	28,700,893	1,841,346

<sup>1</sup> Includes \$4,842,066.45 written off the debt Dec. 31, 1920, on account of fractional currency estimated to have been lost or destroyed in circulation.<sup>2</sup> Deficit and decrease in italics.<sup>3</sup> For explanation of accounts, see p. 294.<sup>4</sup> Revised to cover all expenditures of the Reconstruction Finance Corporation including payments against credits established for the Reconstruction Finance Corporation through the purchase of its notes under section 9 of the Reconstruction Finance Corporation Act.

TABLE 26.—Sources of public debt increase or decrease for the fiscal years 1915 to 1935—Continued

RECAPITULATION	
Retirements from—	
Charges against ordinary receipts.....	\$7,163,514
Surplus of receipts.....	3,507,990
Total.....	\$10,671,504
Increase in debt on account of—	
Deficit in ordinary receipts.....	36,497,831
Increase in general fund balance.....	1,683,204
Total.....	38,181,035
Net increase.....	27,509,531
Gross debt:	
June 30, 1915.....	1,191,362
June 30, 1935.....	28,700,893
Net increase.....	27,509,531

TABLE 27.—Transactions on account of the cumulative sinking fund during the fiscal year 1935

[On basis of daily Treasury statements (revised), see p. 293]

Unexpended balance July 1, 1934.....		\$79,354,834.99
Appropriation for 1935:		
Initial credit:		
(a) Under the Victory Liberty Loan Act (2½ percent of the aggregate amount of Liberty bonds and Victory notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligations of foreign governments held by the United States on July 1, 1920).....	\$253,404,864.87	
(b) Under the Emergency Relief and Construction Act of 1932 (2½ percent of the aggregate amount of expenditures, made during the previous fiscal year, out of appropriations made or authorized under this act).....	7,585,902.22	
(c) Under the National Industrial Recovery Act (2½ percent of the aggregate amount of expenditures made during the previous fiscal year, out of appropriations made or authorized under this act).....	35,099,518.43	
	\$296,090,285.52	
Secondary credit (the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years).....		197,738,531.11
		493,828,816.63
Total available, 1935.....		573,183,651.62
Securities retired in 1935:		
Liberty bonds:	Par amount	Principal cost
First 3½'s.....	\$87,189,500	\$87,189,500
First 4's.....	769,500	769,500
First 4¼'s.....	63,427,350	63,427,350
First-second 4¼'s.....	265,900	205,900
Fourth 4¼'s.....	421,407,750	421,407,750
Total.....	573,000,000	573,000,000
		573,000,000.00
Unexpended balance June 30, 1935.....		183,651.62

TABLE 28.—*Transactions on account of the cumulative sinking fund for the fiscal years 1921 to 1935*

[On basis of daily Treasury statements (revised), see p. 293]

Year	Appropriation available <sup>1</sup>	Debt retired (par amount)	Expended (principal cost)
1921.....	\$256,230,010.66	\$261,250,250	\$254,844,576.50
1922.....	274,516,965.89	275,896,000	274,481,902.16
1923.....	284,156,439.19	284,018,800	284,149,754.16
1924.....	294,927,023.26	295,987,350	294,927,019.57
1925.....	306,666,759.52	306,308,400	306,666,736.01
1926.....	321,184,577.22	317,091,750	321,184,468.20
1927.....	336,890,916.27	333,528,400	336,890,832.47
1928.....	355,081,401.18	354,741,300	355,080,563.11
1929.....	370,241,327.02	370,277,100	370,241,297.84
1930.....	382,925,568.19	388,368,950	382,925,400.49
1931.....	392,152,206.17	391,660,000	392,152,187.50
1932.....	410,850,121.31	412,554,750	410,850,073.60
1933.....	425,575,012.75	425,660,300	425,569,628.44
1934.....	438,540,888.81	359,491,900	359,186,053.82
1935.....	573,183,651.62	573,000,000	573,000,000.00
Total.....	5,342,334,145.49	5,349,835,250	5,342,150,493.87

<sup>1</sup> Unexpended balance each year included in appropriation available for next year, but excluded from total. Unexpended balance \$183,651.62 at end of 1935.

TABLE 29.—*Securities retired through the cumulative sinking fund, par amount and principal cost, to June 30, 1935*

[On basis of daily Treasury statements (revised), see p. 293]

Issue	Par amount	Principal cost
<b>Liberty bonds:</b>		
First 3½'s.....	\$87,200,500	\$87,200,500.00
First 4's.....	920,500	913,003.09
First 4½'s.....	63,751,400	63,753,298.13
First-second 4½'s.....	205,900	205,900.00
Second 4's.....	670,900	671,196.27
Second 4½'s.....	374,735,400	374,988,667.88
Third 4½'s.....	1,261,876,000	1,268,640,946.97
Fourth 4½'s.....	745,353,600	745,167,135.28
<b>Victory notes:</b>		
3¾'s.....	106,186,900	104,542,256.28
4¾'s.....	610,584,150	604,769,347.07
<b>Treasury bonds:</b>		
3¾ percent of 1940-43.....	6,045,000	5,935,096.05
3¾ percent of 1941-43.....	49,309,000	48,443,927.18
3¾ percent of 1943-47.....	38,901,550	38,169,957.24
3½ percent of 1946-49.....	2,303,000	2,291,879.60
3 percent of 1951-55.....	8,643,300	8,482,873.61
3¼ percent of 1941.....	569,000	560,478.40
4½-3½ percent of 1943-45.....	568,000	560,864.64
<b>Treasury notes:</b>		
5½ percent, series B-1924.....	103,000,000	103,028,635.62
4¾ percent, series A-1925.....	101,000,000	101,004,123.53
4¾ percent, series B-1925.....	11,315,900	11,279,715.38
4½ percent, series C-1925.....	113,199,900	113,196,011.61
4¾ percent, series A-1926.....	1,018,300	1,018,300.00
4½ percent, series B-1926.....	9,564,200	9,485,492.59
4½ percent, series A-1927.....	26,798,000	26,880,711.16
4¾ percent, series B-1927.....	60,217,900	60,217,900.00
3½ percent, series A-1930-32.....	691,284,850	687,390,338.29
3½ percent, series B-1930-32.....	41,989,300	41,682,698.99
3½ percent, series C-1930-32.....	359,556,100	358,811,853.00
3½ percent, series 1932.....	418,764,000	418,764,000.00
3 percent, series A-1934.....	7,513,700	7,513,700.00
3½ percent, series A-1936.....	1,000,000	1,007,500.00
2¾ percent, series B-1936.....	2,612,000	2,598,980.01
2¾ percent, series C-1936.....	13,660,000	13,562,039.07
3½ percent, series A-1937.....	16,918,000	16,912,292.52
3 percent, series B-1937.....	5,967,000	5,932,020.95
2¾ percent, series A-1938.....	837,000	818,747.20
2¾ percent, series B-1938.....	5,855,000	5,748,106.26
Total.....	5,349,835,250	5,342,150,493.87

## Interest on the public debt

TABLE 30.—Interest on the public debt payable, paid, and outstanding unpaid for the fiscal year 1935

[On basis of daily Treasury statements (revised), see p. 293]

Issue	Outstanding unpaid, June 30, 1934	Due and payable during 1935	Payments during 1935	Outstanding unpaid, June 30, 1935
Pre-war loans.....	\$388,177.47	\$17,937,411.98	\$17,928,083.38	\$397,506.07
Liberty and Victory loans.....	23,692,040.73	225,084,048.70	232,824,263.28	15,951,826.15
Treasury bonds.....	10,264,753.08	332,110,668.20	328,989,323.47	13,386,097.81
Treasury notes.....	1,120,727.96	218,169,412.94	217,015,900.07	2,274,240.83
Certificates of indebtedness.....	1,194,984.88	20,807,515.23	21,104,291.66	898,208.45
Treasury (war) savings securities <sup>1</sup> .....	3,965,075.00	<sup>2</sup> 162.92	152,597.08	3,812,315.00
Treasury bills <sup>1</sup> .....	-----	3,471,963.32	3,471,963.32	-----
Total.....	40,625,759.12	817,580,857.45	821,485,422.26	36,720,194.31

<sup>1</sup> Amounts represent discount treated as interest.<sup>2</sup> Adjustments, deduct.TABLE 31.—Interest paid on the public debt, by issues, for the fiscal years 1933 to 1935<sup>1</sup>

[On basis of warrants issued, see p. 294]

Title	Rate of interest	1933	1934	1935
Debt unmatured as of June 30, 1935:				
<i>Percent</i>				
Consols of 1930.....	2	\$11,990,139.00	\$11,990,618.25	\$11,998,622.75
Panama Canal loan of 1916-36.....	2	978,846.00	979,820.70	979,039.00
Panama Canal loan of 1918-38.....	2	518,383.50	518,860.60	519,708.80
Panama Canal loan of 1961.....	3	1,471,820.25	1,493,772.25	1,487,403.75
Conversion bonds of 1946-47.....	3	865,270.50	858,598.50	876,735.75
Postal savings bonds.....	2½	986,213.00	1,501,625.00	2,066,187.50
Fourth Liberty Loan bonds.....	4¼	265,019,138.65	251,993,768.02	157,682,095.35
Treasury bonds of 1917-52.....	4¼	31,920,008.79	32,217,517.83	32,123,419.94
Treasury bonds of 1944-54.....	4	40,750,354.00	41,306,512.00	41,202,422.00
Treasury bonds of 1946-56.....	3¾	18,246,522.08	18,281,530.59	18,286,257.44
Treasury bonds of 1943-47.....	3¾	15,050,002.32	14,991,220.49	15,418,265.27
Treasury bonds of 1941-43.....	3¾	18,293,444.97	18,302,019.02	18,333,192.52
Treasury bonds of 1940-43.....	3¾	11,579,908.75	11,919,902.30	11,882,462.46
Treasury bonds of 1941.....	3¼	-----	12,436,314.20	27,063,887.27
Treasury bonds of 1943-45.....	3¼-4¼	-----	21,301,492.99	52,299,346.03
Treasury bonds of 1946-49.....	3½	25,028,979.71	25,408,249.22	25,462,233.10
Treasury bonds of 1951-55.....	3	23,612,904.75	22,580,187.05	22,504,301.25
Treasury bonds of 1946-48.....	3	-----	<sup>2</sup> 72.47	21,064,867.61
Treasury bonds of 1944-46.....	3¼	-----	-----	41,891,007.25
Treasury bonds of 1949-52.....	3½	-----	-----	7,432,499.73
Treasury bonds of 1955-60.....	2½	-----	-----	<sup>2</sup> 5,974,868.40
Treasury notes at various interest rates.....	-----	-----	137,287,089.30	179,417,887.32
Treasury notes.....	3½	68,321.67	-----	-----
Treasury notes, civ. serv. ret. series.....	4	8,787,758.90	9,553,819.17	9,017,895.89
Treasury notes, for. serv. ret. series.....	4	84,752.99	98,502.69	90,257.31
Treasury notes, Canal Zone ret. series.....	4	84,985.31	88,894.58	91,031.23
Certificates of indebtedness at various interest rates.....	-----	-----	11,903,458.03	-----
Certificates of indebtedness, adj. serv. series.....	4	-----	116,197.27	83,200.03
Treasury bills <sup>3</sup> .....	-----	4,415,909.34	4,628,408.87	3,471,963.32
Treasury certificates.....	2	643,313.71	23,633.00	4,228.00
Treasury notes, Fed. Dep. Ins. Corp.....	2	-----	-----	1,000,000.00
Treasury notes, Postal Savings System, 1939.....	2	-----	-----	380,054.64
Debt matured as of June 30, 1935:				
Old debt matured issued prior to Apr. 1, 1917.....	-----	5,282.12	798.78	445.83
First Liberty Loan bonds.....	3½	48,441,586.38	48,663,774.64	50,449,268.28
First Liberty Loan bonds (converted).....	4	201,916.85	203,269.71	209,774.31
First Liberty Loan bonds (converted).....	4¼	22,226,011.76	22,625,355.09	24,180,662.58
First Liberty Loan bonds (sec. conv.).....	4¼	146,878.84	150,918.02	151,944.87
Second Liberty Loan bonds.....	4	33,290.00	20,940.00	19,325.00
Second Liberty Loan bonds (converted).....	4¼	62,201.62	42,936.27	35,875.80
Third Liberty Loan bonds.....	4¼	162,708.19	126,525.89	84,681.35

<sup>1</sup> For details for the fiscal years 1918 to 1929, see annual report for 1929, table 42, p. 503; and for later years similar tables in subsequent reports.<sup>2</sup> Deduct excess of credits, collection of interest accruals, and counter warrant adjustments.<sup>3</sup> Sold on a discount basis.

TABLE 31.—Interest paid on the public debt, by issues, for the fiscal years 1933 to 1935<sup>1</sup>—Continued

Title	Rate of interest	1933	1934	1935
Debt matured as of June 30, 1935—Continued.				
Victory Liberty Loan notes	3½-4½	\$16,322.53	\$15,959.31	\$10,635.74
Certificates of indebtedness at various interest rates		66,491,539.01	24,879,527.12	15,388,968.01
Certificates of indebtedness, adj. serv. series	4	5,577,165.31	4,498,586.34	5,627,835.62
Treasury notes at various interest rates		65,222,788.57	4,006,943.05	26,091,624.41
Treasury notes, civ. serv. ret. series, 1935	4			910,323.29
Treasury notes for serv. ret. series, 1935	4			16,825.98
Treasury bonds of Apr. 16, 1934	¾		2,314.80	
Thrift and Treasury savings stamps		258,342.45	181,310.86	150,847.08
Treasury savings certificates				1,750.00
Total		680,243,011.82	757,210,099.33	821,486,422.26

TABLE 32.—Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, for the fiscal years 1913 to 1935, and by months from July 1929 to June 1935<sup>1</sup>

[On basis of daily Treasury statements (revised), see p. 293]

	Interest-bearing debt	Computed annual interest charge	Computed rate of interest
Year ended as of June 30—			Percent
1916	\$971,562,590	\$23,084,635	2.376
1917	2,712,549,476	83,625,482	3.120
1918	11,985,882,436	468,618,544	3.910
1919	25,234,496,273	1,054,204,509	4.178
1920	24,061,095,361	1,016,592,219	4.225
1921	23,737,352,080	1,029,917,903	4.339
1922	22,711,035,587	962,896,535	4.240
1923	22,007,590,754	927,331,341	4.214
1924	20,981,586,429	876,960,673	4.180
1925	20,210,906,251	829,680,044	4.105
1926	19,383,770,860	793,423,952	4.093
1927	18,250,943,965	722,675,553	3.960
1928	17,317,695,096	671,353,112	3.877
1929	16,638,941,379	656,654,311	3.946
1930	15,921,892,350	606,031,831	3.807
1931	16,519,588,640	588,987,438	3.566
1932	19,161,273,540	671,604,676	3.505
1933	22,157,643,120	742,175,955	3.350
1934	26,480,487,920	842,301,133	3.181
1935	27,583,193,670	748,878,754	2.715
Month ended—			
1929—July	16,547,291,090	653,424,956	3.949
August	16,526,582,000	652,471,596	3.948
September	16,432,193,340	651,280,144	3.963
October	16,423,213,990	650,956,024	3.964
November	16,422,300,940	650,920,518	3.964
December	16,028,670,900	628,173,988	3.919
1930—January	16,161,548,350	633,471,382	3.920
February	16,200,813,350	634,763,561	3.918
March	16,121,826,850	624,399,259	3.873
April	16,134,878,850	624,588,932	3.871
May	16,142,612,850	623,976,038	3.866
June	15,921,892,350	606,031,831	3.807
July	15,918,521,250	605,461,692	3.804
August	15,932,909,250	605,107,606	3.798
September	15,824,351,750	599,679,267	3.790
October	15,926,862,750	601,609,490	3.776
November	15,932,863,250	601,396,711	3.775
December	15,773,710,250	591,524,098	3.750
1931—January	15,912,844,140	597,054,307	3.752
February	15,979,062,140	596,465,488	3.733
March	16,280,356,000	590,370,579	3.627
April	16,368,039,640	584,080,004	3.569
May	16,244,650,640	579,257,690	3.566
June	16,519,588,640	588,987,438	3.566

<sup>1</sup> For monthly data back to June 30, 1916, see annual report for 1929, p. 509.<sup>2</sup> Exclusive of United States Savings Bonds.

TABLE 32.—Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, for the fiscal years 1916 to 1935, and by months from July 1929 to June 1935<sup>1</sup>—Continued

	Interest-bearing debt	Computed annual interest charge	Computed rate of interest
			Percent
Month ended—Continued.			
1931—July.....	\$16,522,060,880	\$587,477,244	3.556
August.....	16,585,493,880	586,114,096	3.534
September.....	17,048,078,680	601,090,554	3.526
October.....	17,028,360,180	602,462,109	3.538
November.....	17,040,063,880	607,683,462	3.567
December.....	17,528,489,430	630,637,299	3.599
1932—January.....	17,515,271,290	630,148,410	3.598
February.....	17,820,331,290	642,255,354	3.605
March.....	18,189,798,090	663,038,425	3.646
April.....	18,287,411,840	661,575,410	3.618
May.....	18,728,685,540	667,423,595	3.564
June.....	19,161,273,540	671,604,676	3.505
July.....	19,297,374,840	675,077,227	3.498
August.....	19,758,170,390	686,256,470	3.473
September.....	20,296,069,990	702,834,883	3.463
October.....	20,485,202,040	706,876,866	3.451
November.....	20,476,034,090	705,806,132	3.447
December.....	20,448,138,190	696,632,815	3.407
1933—January.....	20,454,107,920	696,871,414	3.407
February.....	20,584,310,620	698,842,039	3.395
March.....	20,991,640,520	719,225,989	3.427
April.....	21,086,995,520	721,262,126	3.421
May.....	21,468,790,420	732,466,777	3.412
June.....	22,157,643,120	742,175,955	3.350
July.....	22,239,761,680	743,655,348	3.344
August.....	22,722,597,530	754,021,129	3.318
September.....	22,671,755,280	751,152,007	3.313
October.....	22,668,932,880	750,308,131	3.310
November.....	23,161,427,730	771,687,275	3.332
December.....	23,450,261,380	772,979,377	3.296
1934—January.....	24,719,894,150	797,099,559	3.225
February.....	25,707,259,320	822,501,890	3.200
March.....	25,698,167,820	831,111,908	3.234
April.....	25,698,931,020	817,085,844	3.192
May.....	25,587,744,520	813,005,384	3.178
June.....	26,480,487,920	842,301,133	3.181
July.....	26,604,551,650	845,104,977	3.177
August.....	26,495,072,650	843,071,356	3.182
September.....	26,626,128,400	830,178,203	3.118
October.....	26,643,066,300	809,641,648	3.039
November.....	26,760,967,750	808,412,805	3.021
December.....	27,944,034,650	827,106,069	2.960
1935—January.....	27,952,106,520	827,431,547	2.960
February.....	27,969,042,470	826,896,251	2.957
March.....	28,042,868,270	801,255,184	2.858
April.....	27,765,777,320	775,411,699	2.793
May.....	<sup>2</sup> 27,698,966,520	765,419,413	2.764
June.....	<sup>2</sup> 27,583,193,670	748,878,754	2.715

<sup>1</sup> Exclusive of United States Savings Bonds.

## Contingent liabilities

TABLE 33.—Contingent liabilities of the United States, June 30, 1935

[Compiled from latest reports received by the Treasury]

Title	Authorizing act	Amount		
		Principal	Interest †	Total
<b>GUARANTEED BY THE UNITED STATES</b>				
<b>Federal Farm Mortgage Corporation:</b>				
3 percent bonds of 1944-49.....	Jan. 31, 1934, as amended.....	\$862,088,400.00	\$3,332,832.71	\$865,321,232.71
3¼ percent bonds of 1944-64.....	do.....	98,028,700.00	929,230.39	98,957,930.39
3 percent bonds of 1942-47.....	do.....	217,319.78	2,992,319.78	220,613,019.78
1¼ percent bonds of 1937.....	do.....	22,325,000.00	104,648.44	22,429,648.44
2¾ percent bonds of 1942-47.....	do.....	25,534,000.00	232,116.61	25,766,116.61
	June 27, 1934.....	‡ 1,225,899,400.00	7,491,147.93	‡ 1,233,090,547.93
<b>Federal Housing Administration:</b>				
Home Owners' Loan Corporation:				
4 percent bonds of 1935-51.....	June 13, 1933.....	1,115,945,025.00	‡ 41,850.71	1,121,542,438.76
3 percent bonds, series A, 1944-52.....	June 13, 1933, as amended.....	1,057,044,300.00	5,597,433.76	1,069,283,003.80
2¾ percent bonds, series B, 1939-49.....	do.....	49,736,000.00	12,238,703.80	50,015,703.80
1½ percent bonds, series C, 1936.....	do.....	49,843,000.00	273,705.00	50,170,094.69
1¾ percent bonds, series D, 1937.....	do.....	49,532,100.00	327,094.69	49,903,590.75
2 percent bonds, series E, 1938.....	do.....	325,213,200.00	371,490.75	325,619,716.50
1½ percent bonds, series F, 1939.....	do.....	‡ 2,647,313,025.00	19,362,855.21	2,666,576,480.21
		149,621,666.67	147,168.85	149,768,835.52
	Jan. 22, 1932, as amended.....	16,000,000.00	228,066.30	16,228,066.30
2¾ percent notes, series F.....	do.....	84,150,000.00	841,500.00	84,991,500.00
3 percent notes, series G.....	do.....			
2 percent notes, series H.....	do.....			
		249,771,666.67	1,216,735.15	‡ 250,988,401.82
<b>Total, based upon guarantees.....</b>				<b>‡ 4,150,655,429.96</b>

† After deducting amounts of funds deposited with the Treasury to meet interest payments.

‡ Includes only bonds issued and outstanding.

§ Interest on \$79,062,750 face amount of bonds and interim receipts outstanding.

¶ Does not include \$3,655,000,000 face amount of notes and accrued interest thereon, held by Treasury and reflected in the public debt.

TABLE 33.—Contingent liabilities of the United States, June 30, 1935—Continued

Title	Authorizing act	Amount		
		Principal	Interest	Total
ON CREDIT OF THE UNITED STATES				
Secretary of Agriculture.....	May 12, 1933.....	\$15,000,000.00	\$95,000.00	\$ 845,095,000.00
Postal Savings System: Funds due depositors.....	June 25, 1910, as amended.....	1,205,282,304.40	25,913,209.31	1,230,976,844.57
Tennessee Valley Authority.....	May 18, 1933.....			
Total, based upon credit of the United States.....				1,276,071,844.57
OTHER OBLIGATIONS				
Federal Reserve notes (face amount).....	Dec. 23, 1913, as amended.....			3,234,950,135.00

<sup>5</sup> Funds borrowed by the Secretary of Agriculture pursuant to sec. 4 of the act of May 12, 1933, upon cotton in his possession or control, for which the warehouse receipts for such cotton have been pledged as collateral.

<sup>6</sup> Offset by cash in designated depository banks and accrued interest amounting to \$416,646,311.89 which is secured by the pledge of collateral, as provided in the Regulations of the Postal Savings System, having a face value of \$430,862,259.69; cash in possession of system amounting to \$106,593,275.51; and Government securities with a face value of \$703,734,590 held as investments, and other assets.

<sup>7</sup> In actual circulation, exclusive of \$22,879,855 redemption fund deposited in the Treasury and \$235,014,630 of their own Federal Reserve notes held by the issuing banks. Federal Reserve notes issued are secured by gold certificates in the amount of \$3,294,639,000; United States Government securities of a face value of \$231,000,000; and commercial paper of a face amount of \$4,276,000.

## DESCRIPTION OF CONTINGENT LIABILITIES

Title	Extent of guaranty by the United States	Tax exemptions	Rate of interest	Date of issue	Redeemable (on and after) <sup>1</sup>	Payable	Interest payable
GUARANTEED BY THE UNITED STATES							
Federal Farm Mortgage Corporation:	Principal and interest.....	(c)	Percent	May 15, 1934.....	May 15, 1944.....	May 15, 1949.....	May 15, Nov. 15.
3 percent bonds of 1941-49.....	do.....	(c)	3	Mar. 15, 1934.....	Mar. 15, 1944.....	Mar. 15, 1964.....	Mar. 15, Sept. 15.
3 1/4 percent bonds of 1941-49.....	do.....	(c)	3 1/4	Jan. 15, 1935.....	Jan. 15, 1942.....	Jan. 15, 1947.....	Jan. 15, July 15.
3 percent bonds of 1937.....	do.....	(c)	3	Feb. 15, 1935.....	Feb. 15, 1937.....	Aug. 15, 1937.....	Feb. 15, Aug. 15.
1 1/4 percent bonds of 1937.....	do.....	(c)	1 1/4	Mar. 1, 1935.....	Mar. 1, 1942.....	Mar. 1, 1947.....	Mar. 1, Sept. 1.
2 3/4 percent bonds of 1942-47.....	do.....	(c)	2 3/4				
Federal Housing Administration.....	(c)						



Home Owners' Loan Corporation: 4 percent bonds of 1933-51.....	Interest.....	(9)	4	July 1, 1933.....	Callable by lot at par upon not over 60 days' or under 30 days' published notice.	July 1, 1935 <sup>3</sup> .....	Jan. 1, July 1.
3 percent bonds, series A, 1944-52.....	Principal and interest.....	(9)	3	May 1, 1934.....	May 1, 1944.....	May 1, 1952.....	May 1, Nov. 1.
2½ percent bonds, series B, 1939-49.....	do.....	(9)	2½	Aug. 1, 1934.....	Aug. 1, 1939.....	Aug. 1, 1949.....	Feb. 1, Aug. 1.
1½ percent bonds, series C, 1936.....	do.....	(9)	1½	Aug. 15, 1934.....	Aug. 1, 1939.....	Aug. 15, 1936.....	Feb. 15, Aug. 15.
1½ percent bonds, series D, 1937.....	do.....	(9)	1½	do.....	do.....	Aug. 15, 1937.....	Do.
2 percent bonds, series E, 1938.....	do.....	(9)	2	do.....	do.....	Aug. 15, 1938.....	Do.
1½ percent bonds, series F, 1939.....	do.....	(9)	1½	June 1, 1935.....	June 1, 1939.....	June 1, 1939.....	June 1, Dec. 1.
Reconstruction Finance Corporation: 2½ percent notes, series E.....	do.....	(9)	2½	Various.....	Various.....	Dec. 15, 1935.....	June 15, Dec. 15.
3 percent notes, series G.....	do.....	(9)	3	do.....	do.....	June 10, 1936.....	Jan. 10, July 10 (last payment June 10).
2 percent notes, series H.....	do.....	(9)	2	do.....	do.....	July 1, 1937.....	Jan. 1, July 1.
ON CREDIT OF THE UNITED STATES							
Secretary of Agriculture.....	(9).....	(9)	½	Jan. 31, 1935.....	On or before maturity.....	July 31, 1935.....	At maturity or earlier payment.
Postal Savings System.....	(9).....	(9)	2	Date of deposit.....	On or before maturity.....	On demand.....	Quarterly, from first day of month following date of deposit.
Tennessee Valley Authority.....	(9).....	(9)					
OTHER OBLIGATIONS							
Federal Reserve notes.....	(7).....	(7)					

<sup>1</sup> Except where otherwise noted.  
<sup>2</sup> Debentures authorized to be issued by Federal Housing Administrator under National Housing Act in exchange for mortgages insured under the Mutual Mortgage Insurance Fund prior to July 1, 1937, shall be fully guaranteed as to principal and interest by the United States.  
<sup>3</sup> On May 20, 1935, public notice was given that all outstanding Home Owners' Loan Corporation 4 percent bonds of series of 1933-51, dated July 1, 1933, were called for redemption on July 1, 1935, and will cease to bear interest on that date.  
<sup>4</sup> The Secretary of Agriculture is authorized pursuant to act of May 12, 1933, to borrow money upon all cotton in his possession or control and deposit as collateral for such loans warehouse receipts for such cotton.  
<sup>5</sup> The faith of the United States is solemnly pledged to the payment of the deposits made in Postal Savings depository offices, with accrued interest thereon.  
<sup>6</sup> For certain purposes, the Corporation is authorized and empowered to issue on credit of the United States and to sell serial bonds not exceeding \$50,000,000 in amount, having a maturity not more than 50 years from date of issue thereof, and bearing interest not exceeding 3½ percent per annum.  
<sup>7</sup> Federal Reserve notes are obligations of the United States and shall be receivable by all national and member banks and Federal Reserve banks and for all taxes, customs, and other public debts. They are redeemable in lawful money on demand at the Treasury Department, in the city of Washington, District of Columbia, or at any Federal Reserve bank.  
 Tax exemptions:  
<sup>8</sup> Bonds and the income derived therefrom exempt from Federal, State, municipal, and local taxation (except surtaxes, estate, inheritance, and gift taxes).  
<sup>9</sup> Exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any District, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.  
<sup>10</sup> Exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

### CONDITION OF THE TREASURY EXCLUSIVE OF PUBLIC DEBT LIABILITIES

**TABLE 34.**—*Current assets and liabilities of the Treasury at the close of the fiscal years 1933, 1934, and 1935*

[On basis of daily Treasury statements (revised), see p. 293]

	1933	1934	1935
<b>GOLD</b>			
<b>Assets:</b>			
Gold.....	\$3, 234, 213, 011. 51	\$7, 856, 180, 556. 45	\$9, 115, 643, 491. 97
<b>Liabilities:</b>			
Gold certificates.....	1, 230, 717, 109. 00	958, 463, 029. 00	787, 646, 039. 00
Gold certificate fund, Federal Reserve Board <sup>1</sup> .....	1, 771, 485, 595. 89	3, 973, 332, 588. 66	5, 509, 710, 115. 48
Redemption fund, Federal Reserve notes <sup>2</sup> .....	44, 066, 151. 32	25, 722, 721. 73	22, 879, 855. 28
Gold reserve.....	156, 039, 088. 03	156, 039, 430. 93	156, 039, 430. 93
Exchange stabilization fund.....	1, 800, 000, 000. 00	1, 800, 000, 000. 00	1, 800, 000, 000. 00
Gold in General Fund.....	31, 905, 067. 27	942, 622, 786. 13	839, 368, 051. 28
<b>Total</b> .....	<b>3, 234, 213, 011. 51</b>	<b>7, 856, 180, 556. 45</b>	<b>9, 115, 643, 491. 97</b>
<b>SILVER</b>			
<b>Assets:</b>			
Silver bullion (sec. 45, act of May 12, 1933).....		1, 560, 000. 00	
Silver.....			313, 308, 863. 15
Silver dollars.....	507, 190, 969. 00	503, 847, 022. 00	509, 924, 145. 00
<b>Total</b> .....	<b>507, 190, 969. 00</b>	<b>505, 407, 022. 00</b>	<b>823, 233, 008. 15</b>
<b>Liabilities:</b>			
Silver certificates (sec. 45, act of May 12, 1933).....		1, 560, 000. 00	
Silver certificates.....	479, 817, 980. 00	493, 445, 255. 00	810, 013, 677. 00
Treasury notes of 1890.....	1, 186, 324. 00	1, 189, 324. 00	1, 181, 574. 00
Silver dollars in General Fund.....	26, 186, 665. 00	9, 212, 443. 00	12, 037, 757. 15
<b>Total</b> .....	<b>507, 190, 969. 00</b>	<b>505, 407, 022. 00</b>	<b>823, 233, 008. 15</b>
<b>GENERAL FUND</b>			
<b>Assets:</b>			
Gold.....	31, 905, 067. 27	942, 622, 786. 13	839, 368, 051. 28
Silver dollars.....	26, 186, 665. 00	9, 212, 443. 00	12, 037, 757. 15
United States notes.....	3, 960, 271. 00	1, 959, 827. 00	1, 884, 332. 00
Silver certificates (sec. 45, act of May 12, 1933).....		1, 190, 980. 00	
Federal Reserve notes.....	17, 070, 215. 00	13, 709, 100. 00	15, 974, 500. 00
Federal Reserve bank notes.....	513, 088. 00	2, 331, 360. 00	1, 584, 027. 00
National bank notes.....	19, 694, 260. 00	21, 662, 510. 00	29, 629, 101. 50
Subsidiary silver.....	9, 372, 110. 40	3, 515, 351. 45	4, 777, 101. 00
Minor coin.....	5, 677, 679. 96	3, 626, 309. 55	4, 636, 104. 55
Silver bullion (cost value).....	25, 839, 415. 92	45, 694, 665. 75	129, 031, 564. 76
Silver bullion (recoinage value).....			5, 789, 808. 66
Unclassified, collections, etc.....	493, 398. 53	1, 179, 760. 60	1, 732, 834. 90
<b>Total in Treasury offices</b> .....	<b>140, 712, 171. 08</b>	<b>1, 016, 705, 093. 43</b>	<b>1, 016, 445, 182. 80</b>
<b>In Federal Reserve banks:</b>			
To credit of Treasurer of the United States.....	35, 587, 765. 37	64, 185, 068. 68	102, 236, 863. 22
In transit.....	13, 209, 387. 45	<sup>3</sup> 402, 973. 35	<sup>3</sup> 4, 558, 525. 29
<b>Total in Federal Reserve banks</b> .....	<b>48, 797, 152. 82</b>	<b>63, 782, 093. 33</b>	<b>97, 678, 337. 93</b>
<b>In special depositories account of sales of Treasury bonds, notes, and certificates</b> .....	<b>836, 515, 161. 69</b>	<b>1, 854, 045, 099. 45</b>	<b>799, 020, 320. 27</b>
<b>In general and limited depository banks (except foreign):</b>			
To credit of Treasurer of the United States.....	7, 304, 771. 67	6, 546, 830. 05	8, 228, 196. 56
To credit of other Government officers.....	22, 019, 925. 31	24, 408, 600. 52	31, 485, 760. 00
In transit.....	1, 286, 554. 71	1, 143, 268. 42	3, 208, 912. 60
<b>Total in depository banks (except foreign)</b> .....	<b>30, 611, 251. 69</b>	<b>32, 098, 698. 99</b>	<b>42, 922, 869. 16</b>
<b>In treasury, Philippine Islands:</b>			
To credit of Treasurer of the United States.....	767, 400. 16	1, 110, 352. 99	2, 133, 257. 29
In transit.....	62. 50	90. 09	2, 843. 20
<b>Total in treasury, Philippine Islands</b> .....	<b>767, 462. 66</b>	<b>1, 110, 443. 08</b>	<b>2, 136, 100. 49</b>

<sup>1</sup> "Gold fund, Federal Reserve Board," in 1933.

<sup>2</sup> Redemption fund, Federal Reserve notes, carried as General Fund liability in 1933. In this table the 1933 figures have been revised to include this item as a gold account liability.

<sup>3</sup> Excess of credits (deduct).

TABLE 34.—*Current assets and liabilities of the Treasury at the close of the fiscal years 1933, 1934, and 1935—Continued*

	1933	1934	1935
GENERAL FUND—continued			
Assets—Continued.			
In foreign depositories:			
To credit of Treasurer of the United States.....	\$882, 105. 50	\$1, 338, 468. 05	\$968, 839. 44
To credit of other Government officers.....	1, 204, 437. 66	1, 750, 451. 20	1, 583, 599. 58
In transit.....	48, 653. 20	8, 258. 75	37, 740. 73
Total in foreign depositories.....	2, 195, 216. 36	3, 097, 178. 00	2, 590, 179. 75
Total assets in General Fund.....	1, 059, 598, 416. 30	3, 000, 838, 608. 33	1, 990, 792, 990. 40
Liabilities:			
Deposits:			
Redemption of Federal Reserve bank notes (5percent fund, lawful money)....	7, 392, 000. 00	4, 335, 000. 00	-----
Redemption of national bank notes (5 percent fund, lawful money).....	36, 888, 706. 91	32, 843, 393. 11	12, 206, 073. 92
Retirement of additional circulating notes, act of May 30, 1908.....	1, 350. 00	1, 350. 00	1, 350. 00
Board of trustees, Postal Savings System.....	81, 662, 349. 37	74, 129, 958. 29	67, 802, 212. 54
Total redemption and trust funds in the General Fund.....	125, 944, 406. 28	111, 309, 701. 40	80, 009, 636. 46
Uncollected items, exchanges, etc.....	11, 737, 480. 34	3, 362, 765. 44	4, 829, 628. 58
Treasurer's checks outstanding.....	817, 950. 82	9, 189, 331. 34	5, 079, 617. 19
Post Office Department balance.....	6, 554, 521. 63	13, 170, 485. 87	7, 783, 639. 54
Balance to credit of postmasters, clerks of courts, etc.....	60, 766, 282. 01	311, 301, 580. 86	81, 269, 202. 37
Total other liabilities.....	79, 876, 234. 80	337, 024, 163. 51	98, 962, 087. 68
Total liabilities, General Fund.....	205, 820, 641. 08	448, 333, 864. 91	178, 971, 724. 14
Balance in General Fund.....	853, 777, 775. 22	2, 552, 504, 743. 42	1, 811, 821, 266. 26
Total.....	1, 059, 598, 416. 30	3, 000, 838, 608. 33	1, 990, 792, 990. 40

<sup>4</sup> Includes increment resulting from reduction in the weight of the gold dollar of \$811,397,066 and \$700,097,188.85 at the close of the fiscal years 1934 and 1935, respectively.

TABLE 35.—*Net balance in the General Fund of the Treasury at the end of each month, fiscal year 1935<sup>1</sup>*

[On basis of daily Treasury statements (unrevised), see p. 293]

End of month	Balance of increment resulting from reduction in weight of gold dollar	Seigniorage <sup>2</sup>	Working balance	Total net balance
July.....	\$811, 647, 919	-----	\$1, 660, 232, 940	\$2, 471, 880, 859
August.....	811, 916, 124	-----	1, 324, 760, 735	2, 136, 676, 859
September.....	812, 050, 966	-----	1, 381, 066, 473	2, 193, 117, 439
October.....	811, 370, 835	\$22, 199, 079	978, 048, 059	1, 811, 617, 973
November.....	809, 560, 740	47, 763, 573	740, 084, 526	1, 597, 408, 839
December.....	804, 226, 290	79, 604, 558	1, 680, 014, 669	2, 563, 845, 517
January.....	800, 838, 795	79, 604, 558	1, 438, 949, 082	2, 319, 392, 435
February.....	799, 021, 283	85, 896, 699	1, 195, 726, 110	2, 080, 644, 092
March.....	797, 016, 482	110, 601, 846	1, 538, 223, 544	2, 445, 841, 872
April.....	793, 504, 308	129, 634, 137	1, 011, 579, 088	1, 934, 717, 533
May.....	792, 744, 499	134, 689, 131	1, 029, 402, 625	1, 956, 836, 255
June.....	700, 091, 147	140, 111, 441	1, 001, 142, 951	1, 841, 345, 539

<sup>1</sup> For monthly net balances back to October 1915, see annual reports for 1930, p. 598, and 1934, p. 377.

<sup>2</sup> Seigniorage resulting from the issuance of silver certificates equal to the cost of the silver acquired under the Silver Purchase Act of 1934, and the amount returned for the silver received under the President's proclamation, dated Aug. 9, 1934.

TABLE 36.—*Securities owned by the United States Government, June 30, 1935*<sup>1</sup>

Foreign obligations:		
Funded indebtedness:		
Under the debt-funding agreements as authorized by acts of Congress and moratorium agreements as authorized by the act of Congress approved Dec. 23, 1931:		
		<i>Principal amount held</i>
Austria.....		\$23, 752, 217. 00
Belgium.....		400, 680, 000. 00
Czechoslovakia <sup>2</sup> .....		91, 879, 671. 03
Estonia <sup>3</sup> .....		16, 466, 012. 87
Finland.....		8, 412, 130. 51
France.....		3, 863, 650, 000. 00
Great Britain.....		4, 368, 000, 000. 00
Greece.....		31, 516, 000. 00
Hungary <sup>3</sup> .....		1, 908, 560. 00
Italy.....		2, 004, 900, 000. 00
Latvia <sup>3</sup> .....		6, 879, 464. 20
Lithuania <sup>3</sup> .....		6, 197, 682. 00
Poland <sup>3</sup> .....		206, 057, 000. 00
Rumania <sup>1</sup> .....		63, 860, 560. 43
Yugoslavia.....		61, 625, 000. 00
		<hr/> \$11, 155, 784, 298. 04
Unfunded indebtedness:		
Represented by obligations received for (1) cash advances made under authority of acts of Congress approved Apr. 24, 1917, and Sept. 24, 1917, as amended; (2) surplus war supplies sold on credit by Secretary of War under authority of acts of Congress approved July 9, 1918, and June 5, 1920; (3) relief supplies sold on credit by American Relief Administration under authority of act of Congress approved Feb. 25, 1919; and (4) relief supplies sold on credit by United States Grain Corporation under authority of act of Congress approved Mar. 30, 1920:		
Armenia.....		11, 959, 917. 49
Nicaragua.....		289, 898. 78
Russia.....		192, 601, 297. 37
		<hr/> 204, 851, 113. 64
German bonds:		
For account of reimbursements of the costs of the United States Army of Occupation and the awards of the Mixed Claims Commission, under the funding agreement of June 23, 1930, as authorized by the act of Congress approved June 5, 1930 (bonds are in reichsmarks, which for the purpose of this statement are converted at 40.33 cents to the reichsmark):		
Army costs.....	RM197, 500, 000	402, 291, 750. 00
Mixed claims <sup>5</sup> .....	RM2, 040, 000, 000	
Private awards (estimated).....	1, 415, 000, 000	
Government awards (estimated).....	625, 000, 000	252, 062, 500. 00
	<hr/> 1, 622, 500, 000	<hr/> 654, 354, 250. 00
Total foreign obligations.....		<hr/> <hr/> 12, 014, 989, 661. 68
Capital stock of war emergency corporations: <sup>6</sup>		
Capital stock of the United States Shipping Board Merchant Fleet Corporation.....		50, 000, 000. 00
Capital stock of the United States Housing Corporation, issued.....	\$70, 000, 000. 00	
Less amount retired.....	\$3, 500, 000. 00	
Cash deposited in Treasury on account of repayments on capital stock.....	32, 926, 903. 78	36, 426, 903. 78
		<hr/> 33, 573, 096. 22
Capital stock of the United States Spruce Production Corporation.....		100, 000. 00
War Finance Corporation (in liquidation):		
Capital stock outstanding.....		10, 000. 00
Total.....		<hr/> 83, 683, 096. 22
Capital stock, etc., of other governmental corporations and credit agencies: <sup>7</sup>		
Capital stock of the Panama Railroad Co.....		7, 000, 000. 00
Capital stock of the Inland Waterways Corporation (acquired pursuant to the act approved June 3, 1921, as amended by act of May 29, 1928).....		12, 000, 000. 00
Reconstruction Finance Corporation:		
Capital stock.....	\$500, 000, 000. 00	
Notes, series D.....	3, 655, 000, 000. 00	
		<hr/> \$4, 155, 000, 000. 00
Less:		
Funds expended for subscriptions to capital stock of other governmental corporations shown on this statement.....	633, 645, 700. 00	
Funds disbursed to other governmental agencies for making loans shown in this statement.....	35, 138, 745. 07	668, 784, 445. 07
		<hr/> 3, 486, 215, 554. 93

TABLE 36.—*Securities owned by the United States Government, June 30, 1935—Con.*

	<i>Principal amount held</i>	
Capital stock of the Home Owners' Loan Corporation, Home Owners' Loan Act of 1933, approved June 13, 1933, as amended <sup>5</sup> .....	\$200,000,000.00	
Less: Funds expended for subscriptions to capital stock of Federal Savings and Loan Insurance Corporation.....	100,000,000.00	
		\$100,000,000.00
Capital stock of the Federal Savings and Loan Insurance Corporation, National Housing Act, approved June 27, 1934 <sup>6</sup> .....		100,000,000.00
Capital stock of the Regional Agricultural Credit Corporations, Emergency Relief and Construction Act of 1932, approved July 21, 1932, as amended <sup>8</sup> .....		44,500,000.00
Capital stock of Federal home loan banks, Act of July 22, 1932, as amended <sup>5</sup> .....		81,645,700.00
Capital stock of the Federal Farm Mortgage Corporation, Federal Farm Mortgage Corporation Act, approved Jan. 31, 1934, as amended <sup>4</sup> .....		200,000,000.00
Capital stock of the Export-Import Bank of Washington, Executive order of Feb. 2, 1934, issued under authority of the National Industrial Recovery Act, approved June 16, 1933, as amended <sup>10</sup> .....		11,000,000.00
Capital stock of the Second Export-Import Bank of Washington, D. C., Executive order of Mar. 9, 1934, issued under authority of the National Industrial Recovery Act, approved June 16, 1933, as amended <sup>11</sup> .....		2,750,000.00
Capital stock of the R. F. C. Mortgage Company acquired under the provisions of section 5c of the Reconstruction Finance Corporation Act, approved Jan. 22, 1932, as amended <sup>5</sup> .....		10,000,000.00
Capital stock of production credit corporations acquired under the provisions of sec. 4 of the Farm Credit Act of 1933, approved June 16, 1933, as amended <sup>12</sup> .....		120,000,000.00
Capital stock of the Commodity Credit Corporation, Executive order of Oct. 16, 1933, issued under authority of the National Industrial Recovery Act, approved June 16, 1933, as amended.....		3,000,000.00
Capital stock of Electric Home and Farm Authority, Inc., Executive order dated Dec. 19, 1933, issued under authority of National Industrial Recovery Act, approved June 16, 1933, as amended.....		1,000,000.00
Capital stock of the Federal Deposit Insurance Corporation, Banking Act of 1933, approved June 16, 1933, as amended.....		150,000,000.00
Capital stock (preferred and full paid income shares) of Federal savings and loan associations, Home Owners' Loan Act of 1933, approved June 13, 1933, as amended.....		32,464,000.00
Capital stock of the Federal Subsistence Homesteads Corporation, Executive order of July 21, 1933, issued under authority of the National Industrial Recovery Act, approved June 16, 1933, as amended.....		10,000.00
Capital stock of Federal land banks, Federal Farm Loan Act, approved July 17, 1916, as amended.....		124,958,815.00
Subscriptions to paid-in surplus of Federal land banks, Federal Farm Loan Act, approved July 17, 1916, as amended.....		74,493,662.75
Capital stock of Federal intermediate credit banks acquired pursuant to the Federal Farm Loan Act, approved July 17, 1916, as amended <sup>13</sup> .....		70,000,000.00
Subscriptions to paid-in surplus of Federal intermediate credit banks, pursuant to the Federal Farm Loan Act, approved July 17, 1916, as amended <sup>8</sup> .....		30,000,000.00
Capital stock of Central Bank for Cooperatives acquired under the provisions of sec. 33 of the Farm Credit Act of 1933, approved June 16, 1933, as amended.....		65,000,000.00
Capital stock of banks for cooperatives acquired under the provisions of sec. 40, of the Farm Credit Act of 1933, approved June 16, 1933, as amended.....		60,000,000.00
Total.....		4,786,037,732.68
Other obligations and securities:		
Obligations of carriers acquired pursuant to sec. 207 of the Transportation Act, approved Feb. 28, 1920, as amended.....		5,219,500.00
Obligations of carriers acquired pursuant to sec. 210 of the Transportation Act, approved Feb. 28, 1920, as amended.....		25,972,656.36
Obligations acquired by the Federal Emergency Administration of Public Works.....		312,360,510.09
Notes received by the Farm Credit Administration evidencing outstanding advances made from the revolving fund created by the Agricultural Marketing Act.....		125,211,123.35
Securities received by the Secretary of War on account of sales of surplus war supplies.....		433,000.00
Securities received by the Secretary of the Navy on account of sales of surplus property.....		5,086,301.17
Securities received by the United States Shipping Board Bureau on account of sales of ships, etc.....		119,719,682.87
Obligations of farmers for seed, feed, and drought relief loans made in pursuance of various acts from 1921 to 1934.....		162,360,135.23
Obligations of farmers for crop production loans made in pursuance of sec. 2 of the act approved Jan. 22, 1932, as amended <sup>5</sup> .....		34,764,266.63
Obligations of joint stock land banks in pursuance of sec. 30 (a) of the Emergency Farm Mortgage Act of 1933, approved May 12, 1933, as amended <sup>5</sup> .....		374,478.44
Total.....		791,501,654.14
Grand total.....		17,676,212,144.72

For footnotes, see p. 410.

TABLE 36.—*Securities owned by the United States Government, June 30, 1935—Con.*

## MEMORANDUM

Amount due the United States from the Central Branch of the Union Pacific Railroad on account of bonds issued (Pacific Railroad aid bonds, acts approved July 1, 1862, July 2, 1864, and May 7, 1878):

	<i>Principal amount held</i>
Principal.....	\$1,600,000.00
Interest.....	1,695,442.13
Total.....	3,295,442.13

<sup>1</sup> This statement is made on the basis of the face value of the securities therein described as received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury, the statement is made up from reports received from other Government departments and establishments.

<sup>2</sup> Indebtedness of Czechoslovakia has been funded under the agreement of Oct. 13, 1925, but the original obligations have not been exchanged for the new bonds of that Government.

<sup>3</sup> Differences between principal here stated and face amount of obligations provided for in funding agreements represent deferred payments for which, under the funding agreements, gold bonds of the respective debtor governments have been or will be delivered to the Treasury.

<sup>4</sup> Original amount (\$66,560,560.43) included bonds aggregating \$21,970,560.43 representing interest accruing and remaining unpaid during first 14 years, payment of which under the funding agreement is extended over the last 48 years.

<sup>5</sup> Division of German bonds between private awards and Government awards is an estimate based upon best information available at this time. When the Mixed Claims Commission has completed its duties, a more accurate division may be made. Awards generally bear interest at 5 percent per annum. Bonds do not bear interest, but the aggregate face amount thereof will be sufficient to cover payment of the principal and interest due on the total awards finally entered by the Mixed Claims Commission. Bonds for private awards are held in trust, the proceeds thereof when received at maturity to be distributed by the Treasury to the claimants. Bonds mature on Mar. 31 and Sept. 30 of each year in the principal amount of RM20,400,000 each. No payments are to be made on Government awards until all private awards are paid in full.

<sup>6</sup> Cash on deposit with the Treasurer of the United States to the credit of all war emergency corporations having such deposits amounted to \$18,465,752.50.

<sup>7</sup> Cash on deposit with the Treasurer of the United States to the credit of corporations included in this group having such deposits amounted to \$358,704,365.73.

<sup>8</sup> Reconstruction Finance Corporation funds.

<sup>9</sup> Home Owners' Loan Corporation funds made available for capital stock subscriptions.

<sup>10</sup> Reconstruction Finance Corporation funds amounting to \$10,000,000, and appropriated funds amounting to \$1,000,000, set aside for capital stock subscriptions.

<sup>11</sup> Reconstruction Finance Corporation funds amounting to \$2,500,000, and appropriated funds amounting to \$250,000, set aside for capital stock subscriptions.

<sup>12</sup> Reconstruction Finance Corporation funds amounting to \$45,000,000, and appropriated funds amounting to \$75,000,000 set aside for capital stock subscriptions.

<sup>13</sup> Reconstruction Finance Corporation funds amounting to \$10,000,000, and appropriated funds amounting to \$60,000,000, authorized under act of July 17, 1916.









TABLE 37.—Combined statement of assets and liabilities of governmental corporations and credit agencies of the United States as of June 30, 1935—Continued  
 DETAIL—Continued  
 [In millions of dollars]

	Financed wholly from Government funds										Total
	Recon- struction Finance Corpora- tion	Commod- ity Credit Corpora- tion	Export- Import banks	Public Works Adminis- tration	Regional agricultural credit cor- porations	Production credit cor- porations	Panama Railroad Co.	U. S. Shipping Board- Merchant Fleet Cor- poration	War emer- gency cor- porations and agencies <sup>8</sup>	Other <sup>9</sup>	
<b>LIABILITIES—continued</b>											
Capital and surplus:											
Capital stock.....	500	3	14	\$ 467	45	120	7	50	\$ 4,601		5,851
Paid-in surplus.....					11			19 3,599	12		3,623
Reserve for earned surplus.....	( <sup>1</sup> )				( <sup>2</sup> )	1			1		3
Reserve for dividends and contingencies.....											
Legal reserves.....	7 75	2	( <sup>4</sup> )		( <sup>3</sup> )	(3+7)	36	7 3,467	7 6		7 3,392
Earned surplus and undivided profits.....											
Total liabilities, capital, and surplus.....	4,542	154	14	467	78	121	44	195	6,088		11,717
	Financed partly from Government funds and partly from private funds										
	Federal land banks	Federal in- termediate credit banks	Federal Farm Mortgage Corpora- tion	Banks for coopera- tives	Home loan banks	Home Owners' Loan Cor- poration <sup>12</sup>	Federal Savings and Loan Insur- ance Cor- poration	Federal savings and loan associa- tions	Federal Deposit Insurance Corpora- tion	War Fi- nance Corpo- ration <sup>13</sup>	Total
<b>ASSETS</b>											
Loans:		10								( <sup>5</sup> )	( <sup>6</sup> )
Banks.....											
Railroads.....											
Insurance companies.....											
Credit unions.....											
Building and loan associations.....					79						79
Livestock and loan associations.....											
Mortgage credit corporations.....											
Mortgage loan companies.....											
Agricultural credit corporations.....											
Cooperative associations.....				24							31



TABLE 37.—Combined statement of assets and liabilities of governmental corporations and credit agencies of the United States as of June 30, 1935—Continued

DETAIL—Continued  
[In millions of dollars]

		Financed partly from Government funds and partly from private funds										
		Federal land banks	Federal intermediate credit banks	Federal Farm Mortgage Corporation	Banks for cooperatives	Home loan banks	Home Owners' Loan Corporation	Federal Savings and Loan Insurance Corporation	Federal Deposit Insurance Corporation	War Finance Corporation	Total	
<b>LIABILITIES</b>												
Bonds, notes, and debentures:												
Obligations guaranteed by United States.....		1,910	178	1,226			13,892			(3)	3,918	
Other.....				7			78				2,166	
Accrued interest payable:												
on account of United States.....			1				15				22	
Other.....		21	2	14	(3)	4	15	(3)	(3)		25	
Other liabilities.....		29	1	1	(3)						64	
Deferred income.....		5	1								8	
Reserves:												
For uncollectible items.....		14		9							23	
Other operating reserves.....				(3)			32		6		38	
Total liabilities other than interagency.....		1,982	182	1,257	(3)	4	2,831	(3)	6	(3)	6,262	
Interagency liabilities: Due to governmental corporations or agencies.....		61		6							67	
Total all liabilities.....		2,043	182	1,263	(3)	4	2,821	(3)	6	(3)	6,329	
Capital and surplus:												
Capital stock.....		235	70	200	126	105	200	100	289	(3)	1,358	
Paid-in surplus.....		1180	30						1541		1,152	
Reserves from earned surplus:												
Reserve for dividends and contingencies.....		9			(3)	1		1			10	
Legal reserves.....		25				1					27	
Earned surplus and undivided profits.....		1	5		4	1	730	(3)			120	
Total liabilities, capital, and surplus.....		2,363	287	1,463	130	112	3,001	102	337	(3)	7,856	

Note.—Figures are rounded to nearest million and will not necessarily add to totals. For complete figures see daily Treasury statement for July 31, 1935.

1 Exclusive of interagency assets and liabilities (except bond investments).

2 Adjusted for interagency items and items in transit.

3 Less than \$500,000.

4 Excludes contingent assets and liabilities amounting to \$566,769 for guaranteed loans, etc.

5 Non-stock (or includes nonstock proprietary interests).

6 Excess interagency assets (deduct).

7 Deficit (deduct).

8 Includes U. S. Housing Corporation; U. S. Railroad Administration; U. S. Spruce Production Corporation; and notes received on account of sale of surplus war supplies.  
9 Includes Agricultural Adjustment Administration; Electric Home and Farm Authority, Inc.; Farm Credit Administration (crop production and other loans); Federal Housing Administration; Federal Prisons Industries, Inc.; Resettlement Administration, Division of Subsistence Homesteads; Inland Waterways Corporation; R. F. C. Mortgage Co.; Tennessee Valley Associated Cooperatives, Inc.; Tennessee Valley Authority; loans to railroads, and interagency interests held by the U. S. Treasury.

10 Net after deducting estimated amount of uncollectible obligations held by the Farm Credit Administration.

11 Includes \$5,665,213 due to Federal land banks from the U. S. Treasury for subscriptions to paid-in surplus.

12 Preliminary statement.

13 Includes unissued bonds covering loans in process.

14 Assets not classified. Includes only amount of capital stock subscribed by the United States.

15 Includes assessments paid in by member banks and trust companies to the amount of \$11,460,730.

16 In liquidation.

17 Represents capital stock, paid-in surplus, and other proprietary interagency interests which are not deducted from the capital stock and paid-in surplus of the corresponding organizations.

18 Includes loans to Federal land banks amounting to \$60,983,363.

19 Appropriation provided by Congress.

## STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

TABLE 38.—Stock of money, in the Federal Reserve banks, and in circulation, June 30, 1913 to 1935 1

[000 omitted, except in per capita figures]

June 30—	Stock of money 2	Money held in the Treasury					Money outside of the Treasury 2			Population of United States (estimated)	
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve banks and agents		All other	Total	In circulation		
					Amount	Per capita			Amount		Per capita
1913	\$3,777,021	\$1,834,112	\$1,475,783	\$150,000	-----	\$208,329	\$3,418,692	\$3,418,692	\$35.12	97,337	
1914	3,797,825	1,845,570	1,507,179	190,000	-----	188,391	3,453,434	3,453,434	34.93	99,027	
1915	4,050,783	1,967,655	1,619,429	152,979	-----	195,259	3,702,547	3,319,582	32.96	100,725	
1916	4,541,730	2,356,536	2,057,409	152,979	-----	146,147	4,242,603	3,649,258	35.63	102,431	
1917	3,678,774	2,859,396	2,063,391	152,979	-----	116,731	4,882,769	3,646,404	39.05	101,145	
1918	6,906,237	2,976,251	1,407,694	152,979	\$526,295	210,496	5,337,681	4,871,697	42.83	108,369	
1919	7,088,413	2,907,812	906,973	152,979	1,416,086	432,974	5,687,275	4,871,697	43.95	106,136	
1920	8,138,496	2,379,664	704,638	152,979	1,184,276	337,771	6,483,470	5,467,889	51.38	106,422	
1921	8,174,528	2,921,089	919,643	152,979	1,537,857	310,610	6,173,082	4,910,992	45.29	109,893	
1922	8,276,070	3,515,583	1,000,578	152,979	2,108,887	253,139	5,791,065	1,292,089	40.61	111,693	
1923	8,702,788	3,821,846	1,150,168	152,979	2,985,170	233,529	6,031,111	1,297,893	43.18	113,727	
1924	8,846,542	4,248,438	1,628,139	152,979	2,985,170	206,429	6,226,243	1,376,935	42.64	115,378	
1925	8,299,382	2,059,790	2,059,790	153,621	2,960,801	210,217	6,182,769	1,367,591	41.73	117,136	
1926	8,428,971	4,210,358	1,94,770	153,621	1,752,744	199,050	6,338,384	1,473,118	40.90	118,628	
1927	8,667,282	4,159,056	2,096,205	156,421	1,712,003	195,427	6,604,431	4,885,266	39.07	120,013	
1928	8,118,091	3,723,630	1,986,761	156,039	1,712,003	195,199	6,379,202	1,582,576	39.08	121,455	
1929	8,538,796	3,789,886	1,854,373	156,039	1,387,650	195,199	6,603,293	1,856,986	36.71	124,591	
1930	8,306,564	4,021,937	1,978,448	156,039	1,362,426	217,049	6,293,075	4,521,988	38.86	124,822	
1931	9,079,624	4,227,735	2,196,103	156,039	1,796,639	91,211	6,047,962	2,226,059	45.63	125,693	
1932	10,078,417	3,493,122	1,979,137	156,039	1,235,737	122,209	7,490,520	1,795,349	42.50	126,422	
1933	10,078,417	3,797,692	1,711,721	156,039	1,771,486	158,446	7,992,446	2,271,682	43.51	126,422	
1934	13,634,381	8,408,392	5,453,713	156,039	3,999,055	2,798,640	6,679,455	1,805,985	43.78	127,172	
1935	15,113,035	9,997,362	7,131,431	156,039	5,532,590	2,709,891	6,714,514	1,147,422	43.78	127,172	

<sup>1</sup> The figures in this table differ from the monthly circulation statements for the following reasons: (a) Beginning June 30, 1922, the form of circulation statement was revised so as to include in the holdings of the Federal Reserve banks and agents, and hence in the stock of money, gold bullion, and foreign gold coin held by the Federal Reserve banks and agents, and to include in the holdings of the Federal Reserve banks and agents, and hence exclude from money in circulation, all forms of money held by the Federal Reserve banks and agents, whether as reserve against Federal Reserve notes or otherwise. For the sake of comparableness the figures in this table for earlier years have been revised to include these changes. For full explanation of this revision, see annual report for 1922, p. 433. (b) The form of the circulation statement was revised again beginning Dec. 31, 1927, so as to exclude earmarked gold coin from the stock of money, and hence from money in circulation; to include in the holdings of the Federal Reserve banks and agents, and hence in the stock of money, gold held abroad for the account of the Federal Reserve banks; and to include in all categories, minor coin (the bronze 1-cent piece and the nickel 5-cent piece). Beginning on Dec. 31, 1927, the circulation statement is dated for the end of the month instead of the beginning of the succeeding month, as was the practice theretofore, and figures on the revised daily Treasury statement basis for "money held in the Treasury", instead of the unrevised basis are used. For the sake of comparableness the figures in this table for earlier years have been revised to include these changes. For full explanation of this revision, see annual report for 1928, pp. 70-71, and for figures for years prior to 1913, pp. 350-351. Final revisions, minor in amount, are made in some figures of the June 30 circulation statements for use in these annual report tables.

<sup>2</sup> The amount of gold certificates, silver certificates, and Treasury notes of 1890 is excluded from the total stock of money to avoid duplication, since the gold and silver held in the Treasury as security against these currencies are included. However, gold certificates, silver certificates, and Treasury notes of 1890 outside of the Treasury, are included in money outside of the Treasury and must be deducted from the total of such money in combining with money in the Treasury to arrive at the total stock of money.

<sup>3</sup> Gold certificates, therefore, not included in total money in the Treasury, since the gold held as security against them is included in the second column preceding.

<sup>4</sup> Revised.

TABLE 39.—*Stock of money, by kinds, at the end of each fiscal year from 1913 to 1935* <sup>1 2</sup>

(In thousands)

June 30—	Gold	Standard silver dollars	Subsidiary silver	Minor coin	United States notes <sup>3</sup>	Federal Reserve notes <sup>3</sup>	Federal Reserve bank notes <sup>3</sup>	National bank notes <sup>3</sup>	Total	Percentage of gold to total money
1913	\$1,870,762	\$568,273	\$175,196	\$56,951	\$346,681	.....	.....	\$759,158	\$3,777,021	49.53
1914	1,909,657	568,272	182,007	59,536	346,681	.....	.....	750,672	4,797,823	49.78
1915	1,985,359	598,272	185,430	61,327	346,681	.....	.....	819,274	4,056,783	49.02
1916	2,441,636	598,271	188,890	63,909	346,681	.....	.....	744,175	4,541,730	53.83
1917	3,220,242	598,270	198,275	69,688	346,681	.....	.....	715,420	5,678,774	56.71
1918	3,162,808	499,516	231,857	78,146	346,681	.....	.....	724,205	6,906,237	45.80
1919	3,113,306	308,146	242,870	82,909	346,681	.....	.....	719,277	7,688,413	40.49
1920	2,865,482	298,857	258,855	92,479	346,681	.....	.....	2,687,557	8,158,496	35.12
1921	3,274,730	288,788	271,314	98,522	346,681	.....	.....	3,000,430	8,174,528	40.06
1922	3,784,652	381,174	381,174	98,593	346,681	.....	.....	758,202	8,276,070	45.73
1923	4,488,891	491,887	277,614	102,445	346,681	.....	.....	747,440	8,702,788	46.53
1924	4,300,382	522,061	283,472	104,004	346,681	.....	.....	778,012	8,846,542	50.74
1925	4,417,397	533,491	288,923	108,891	346,681	.....	.....	793,366	8,299,382	52.76
1926	4,587,298	537,944	265,500	113,295	346,681	.....	.....	702,689	8,428,971	52.93
1928	4,109,163	538,962	269,010	116,689	346,681	.....	.....	704,146	8,667,282	50.62
1929	4,324,351	539,960	310,978	120,040	346,681	.....	.....	699,521	8,118,091	50.61
1930	4,334,805	539,961	308,619	126,001	346,681	.....	.....	704,294	8,538,796	50.61
1931	4,955,921	539,961	308,619	126,887	346,681	.....	.....	698,317	8,306,564	54.58
1932	3,918,896	540,008	304,883	126,438	346,681	.....	.....	697,004	9,079,624	43.52
1933	4,317,554	546,007	298,634	126,746	346,681	.....	.....	736,674	9,004,505	48.52
1934	7,856,181	4,741,567	245,802	127,711	346,681	.....	.....	970,001	10,078,417	42.84
1935	9,115,643	4,858,951	312,416	133,040	346,681	.....	.....	954,695	13,634,381	57.62
						.....	.....	769,096	15,113,035	60.32

<sup>1</sup> See note 1, p. 419. For figures for years prior to 1913, see annual report for 1928, pp. 552-553.<sup>2</sup> See footnote 2, p. 419.

<sup>3</sup> Gold certificates are secured dollar for dollar by gold held in the Treasury for their redemption for uses authorized by law; silver certificates are secured dollar for dollar by standard silver dollars held in the Treasury for their redemption (or by silver bullion); United States notes and Treasury notes of 1890 are secured by a gold reserve of \$196,039,431 held in the Treasury. Treasury notes of 1890 are also secured dollar for dollar by standard silver dollars held in the Treasury; these notes are being canceled and retired on deposit. Federal Reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal Reserve bank. Federal Reserve notes are secured by the receipt with Federal Reserve agents of a like amount of gold certificates (gold, previous to Jan. 30, 1934) or of gold certificates and such discontinued or purchased paper as is eligible under the terms of the Federal Reserve Act, or (from Feb. 27, 1932, until Mar. 3, 1937) of direct obligations of the United States if so authorized by a majority vote of the Federal Reserve Board. Federal Reserve banks must maintain a reserve in gold certificates (gold, previous to Jan. 30, 1934) of at least 40 percent, including the redemption fund which must be deposited with the United States Treasurer, against Federal Reserve notes in actual circulation. Federal Reserve bank notes are secured by direct obligations of the United States or commercial paper, except where lawful money has been deposited with the Treasurer of the United States for their retirement. National bank notes are secured by United States bonds except where lawful money has been deposited with the Treasurer of the United States for their retirement. National bank notes are secured by United States or Federal Reserve notes for the redemption of national bank notes and Federal Reserve bank notes. A 5 percent fund is maintained in lawful money with the Treasurer of the United States for the redemption of national bank notes and Federal Reserve bank notes.

<sup>4</sup> Includes \$1,560,000 in silver bullion in 1934 and \$313,309,000 in 1935.



TABLE 40.—Money in circulation, by kinds, at the end of each fiscal year from 1918 to 1935<sup>1</sup>

(In thousands)

June 30—	Gold coin	Gold certificates <sup>2</sup>	Standard silver dollars	Silver certificates <sup>2</sup>	Treasury notes of 1890 <sup>2</sup>	Subsidiary silver	Minor coin	United States notes <sup>2</sup>	Federal Reserve notes <sup>2</sup>	Federal Reserve bank notes <sup>2</sup>	National bank notes <sup>2</sup>	Total
1913.....	\$608,401	\$1,003,998	\$72,127	\$469,129	\$2,657	\$154,458	\$54,954	\$337,215	-----	-----	\$715,754	\$3,418,692
1914.....	611,545	1,026,119	70,300	478,602	2,428	159,963	57,419	337,846	-----	-----	713,180	3,439,434
1915.....	587,337	824,869	64,499	463,147	2,245	159,043	58,516	308,296	-----	-----	782,120	3,319,382
1916.....	624,939	1,030,266	66,231	476,279	2,098	171,178	62,998	328,227	-----	-----	716,204	3,649,258
1917.....	666,545	1,082,926	71,754	468,365	1,970	193,745	68,411	311,955	-----	-----	690,635	4,066,404
1918.....	537,230	511,190	77,201	370,349	1,851	216,492	74,958	291,859	-----	-----	691,407	4,481,697
1919.....	474,875	327,552	79,011	163,415	1,745	229,316	81,780	274,119	-----	-----	639,472	4,876,638
1920.....	474,822	239,007	76,749	97,606	1,656	248,863	90,958	278,144	-----	-----	689,608	5,467,589
1921.....	447,272	200,582	65,883	158,813	1,576	235,265	91,469	250,170	-----	-----	642,421	4,910,992
1922.....	415,937	173,312	57,973	265,335	1,510	229,310	89,157	292,343	-----	-----	721,421	4,463,172
1923.....	401,181	386,456	57,262	364,258	1,460	247,307	83,897	302,749	-----	-----	727,681	4,823,275
1924.....	393,330	801,381	54,015	364,414	1,423	252,995	96,952	297,740	-----	-----	733,835	4,849,307
1925.....	402,297	1,004,823	54,289	382,780	1,387	262,009	100,307	282,578	-----	-----	681,709	4,885,266
1926.....	391,703	1,057,371	51,577	377,741	1,356	275,072	104,194	294,916	-----	-----	651,477	4,851,321
1927.....	381,957	1,007,075	48,717	375,798	1,327	275,695	108,132	292,265	-----	-----	650,657	4,796,626
1928.....	377,028	1,039,149	46,222	384,577	1,304	278,175	111,060	292,188	-----	-----	652,812	4,746,267
1929.....	368,488	934,994	43,684	387,073	1,283	284,256	115,210	288,138	-----	-----	650,779	4,821,988
1930.....	357,236	994,841	38,629	386,915	1,260	281,231	117,436	288,389	-----	-----	648,363	4,821,933
1931.....	363,020	996,510	34,326	377,149	1,240	278,147	113,619	299,427	-----	-----	642,429	5,065,171
1932.....	452,763	715,083	36,115	352,605	1,222	256,220	113,619	289,076	-----	-----	700,894	5,373,470
1933.....	320,939	265,487	27,965	360,699	1,186	256,865	112,532	268,809	-----	-----	125,845	5,120,764
1934.....	149,740	149,740	30,013	401,456	1,189	280,400	119,142	279,608	-----	-----	901,872	5,373,470
1935.....	(5)	117,167	32,308	701,474	1,182	295,773	125,125	285,417	-----	-----	704,263	5,567,093

<sup>1</sup> See note 1, p. 419. For figures for years prior to 1913, see Annual Report for 1928, pp. 554-555.<sup>2</sup> For description of security held for redemption, see note 3, p. 420.<sup>3</sup> Under the order of the Secretary of the Treasury of Dec. 28, 1933, as amended and supplemented on Jan. 11 and 15, 1934, all gold coin domestically owned (with minor exceptions) was required to be delivered for the account of the Treasurer of the United States; and under the Gold Reserve Act of 1934 (Jan. 30) withdrawn from circulation and formed into bars. Gold coin (\$287,000,000) shown on Treasury records as being then outstanding was dropped from the monthly Circulation Statement as of January 31, 1934.

TABLE 41.—Stock of money, money in the Treasury, in the Federal Reserve banks, and in circulation, by kinds, June 30, 1935

Kind of money	Stock of money	Money held in the Treasury				Money outside of the Treasury				Population of continental United States (estimated)	
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve banks and agents	All other money	Total	Held by Federal Reserve banks and agents <sup>1</sup>	In circulation <sup>2</sup>		
									Amount		Per capita
Gold certificates.....	3,89,115,643,492	89,115,643,492	\$6,330,296,010	\$156,039,431	\$42,639,368,051	\$787,646,039	\$670,479,000	\$117,166,949	\$0.92	.....	
Standard silver dollars.....	(6,320,236,010)	(6,322,589,971)	505,470,152	509,924,145	4,453,963	35,717,657	3,469,261	32,308,396	.25	.....	
Silver bullion.....	313,308,863	313,308,863	305,725,069	.....	7,583,794	.....	.....	.....	.....	.....	
Silver certificates.....	<sup>3</sup> (810,013,677)	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Treasury notes of 1890.....	<sup>4</sup> (1,181,574)	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Subsidiary silver.....	312,416,169	4,777,101	.....	.....	4,777,101	.....	.....	.....	.....	.....	
Minor coin.....	133,039,735	4,636,105	.....	.....	4,636,105	.....	.....	.....	.....	.....	
United States notes.....	346,681,016	1,884,332	.....	.....	1,884,332	.....	.....	.....	.....	.....	
Federal Reserve notes.....	3,492,853,620	15,974,500	.....	.....	15,974,500	.....	.....	.....	.....	.....	
Federal Reserve bank notes.....	84,354,373	1,584,027	.....	.....	1,584,027	.....	.....	.....	.....	.....	
National bank notes.....	769,095,645	29,629,101	.....	.....	29,629,101	.....	.....	.....	.....	.....	
Total June 30, 1935.....	15,113,034,715	9,997,361,666	7,131,431,291	156,039,431	72,709,890,974	6,714,514,339	1,147,421,820	5,567,092,519	43.78	127,172,000	
Comparative totals:											
May 31, 1935.....	14,811,767,191	9,724,402,456	6,815,467,909	156,039,431	5,230,058,120	6,672,774,524	1,133,238,238	5,539,536,286	43.58	127,110,000	
June 30, 1931.....	13,634,380,567	8,408,392,036	5,453,712,918	156,039,431	3,999,055,310	6,679,455,159	1,305,985,407	5,373,469,752	42.50	126,425,000	
Oct. 31, 1920.....	8,479,620,824	2,436,894,530	718,674,378	152,979,026	352,850,336	6,761,430,672	1,063,216,060	5,698,214,612	53.21	107,096,005	
Mar. 31, 1917.....	5,396,596,677	2,952,020,313	2,681,691,072	152,979,026	117,350,216	5,136,297,436	953,321,522	4,172,945,914	40.23	103,716,000	
June 30, 1914.....	3,797,855,069	1,845,569,804	1,507,178,879	150,000,000	188,390,925	3,459,434,174	.....	.....	.....	99,027,000	
Jan. 1, 1879.....	1,007,084,483	212,420,402	21,602,640	100,000,000	90,817,762	816,266,721	.....	.....	.....	48,231,000	

<sup>1</sup> Includes money held by the Cuban agency of the Federal Reserve Bank of Atlanta.

<sup>2</sup> The money in circulation includes any paper currency held outside the continental limits of the United States.

<sup>3</sup> Does not include gold other than that held by the Treasury.

<sup>4</sup> Includes \$1,800,000,000 exchange stabilization fund.

<sup>5</sup> These amounts are not included in the total since the gold or silver held as security against gold and silver certificates and Treasury notes of 1890 is included under gold, standard silver dollars, and silver bullion, respectively.

<sup>6</sup> This total includes \$22,879,855 deposited for the redemption of Federal Reserve notes (\$1,321,295 in process of redemption), including notes chargeable to the retirement fund), \$1,350 lawful money deposited for the redemption of national bank notes (\$29,597,983 in process of redemption), and \$55,320,516 lawful money deposited as a reserve for postal savings deposits.

<sup>7</sup> The amount of gold and silver certificates and Treasury notes of 1890 outside of the Treasury should be deducted from this total before combining with total money held in the Treasury to arrive at the stock of money.

<sup>8</sup> Revised.

NOTE.—For description of security held, see note 3, p. 420.

## MISCELLANEOUS

TABLE 42.—Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of Nov. 15, 1935

Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness				Unfunded indebtedness			
		Indebtedness		Payments on account		Indebtedness		Payments on account	
		Principal (net)	Accrued interest	Principal	Interest	Principal (net)	Accrued interest	Principal	Interest
Armenia.....	\$862,688.00	\$23,752,217.00	\$70,274.87	\$862,688.00	\$11,939,917.49	\$9,451,203.14			
Austria.....	52,191,273.24	400,680,000.00	18,511,224.19	17,100,000.00			\$2,057,630.37	\$18,543,642.87	
Belgium.....	12,286,751.58						10,000,000.00	2,286,751.58	
Cuba.....	20,134,092.26	165,241,108.90	192,914.79	19,829,914.17				304,178.09	1,441.88
Czechoslovakia.....	1,248,432.07	16,466,012.87	2,207,662.14						
Estonia.....	4,079,694.77	8,412,130.51	211,124.60	587,869.19					
France.....	486,073,891.00	3,863,630,000.00	157,420,341.98	181,350,000.00			64,689,888.18	221,386,302.82	
Great Britain.....	2,024,848,817.69	4,308,000,000.00	594,027,403.95	292,000,000.00			202,181,641.56	337,896,657.11	
Greece.....	3,429,712.01	31,516,000.00	1,762,319.35	981,000.00					
Hungary.....	468,466.32	1,908,560.00	246,420.12	73,993.30					
Italy.....	100,829,880.16	2,004,900,000.00	7,678,968.07	37,100,000.00			364,319.28	57,598,852.62	
Latvia.....	761,549.07	6,879,461.20	804,623.10	9,200.00				130,828.95	
Lithuania.....	36,471.56	6,197,682.00	676,104.84	234,783.00			26,000.00	10,471.96	
Nicaragua.....	1,237,956.58						289,898.78	1,546.97	
Poland.....	442,689.30	168,575.84					141,950.36	26,625.48	
Rumania.....	3,233,685,305.40	296,037,000.00	27,628,305.40	1,287,297.37				2,048,224.28	
Russia.....	4,791,007.22	63,860,500.43	51,443.95	2,700,000.00			1,798,632.02	203,313.74	
Yugoslavia.....	356,471,892.98	4,875,031.88					192,601,297.37	48,750,311.88	
	61,625,000.00	61,625,000.00		1,225,000.00			727,712.55	636,059.14	
Total.....	12,328,960,509.67	11,229,145,735.91	4,721,489,130.85	475,341,727.83	204,851,113.64	173,474,529.27	281,990,396.99	671,354,430.62	

<sup>1</sup> Payments of governments which have funded were made prior to the date of the funding agreements.

<sup>2</sup> Differences between principal of funded indebtedness and amounts here stated represent deferred payments provided for in the funding agreements, for which gold bonds of the respective debtor governments have been or will be delivered to the Treasury.

<sup>3</sup> Increase over amount funded due to exercise of options with respect to the payment of interest due on original issue of bonds of debtor governments.

<sup>4</sup> Represents proceeds of liquidation of financial affairs of the Russian Government in this country. (Copies of letter dated May 29, 1922, from the Secretary of State and of reply of the Secretary of the Treasury dated June 2, 1922, in regard to loans to the Russian Government and liquidation of affairs of the latter in this country, appear in the Annual Report of the Secretary of the Treasury for 1922, as exhibit 79, p. 283, and in the combined annual reports of the World War Foreign Debt Commission, exhibit 2, p. 84.)

<sup>5</sup> Includes balances of amounts postponed under provisions of joint resolution of Dec. 23, 1931. (For amounts postponed, see p. 35 of Annual Report of the Secretary of the Treasury for 1932.)

TABLE 43.—Estimated amount of securities outstanding interest on which is wholly or partially exempt from the Federal income tax, June 30, 1913 to 1935, by type of obligor

[000,000 omitted]

## A. TOTAL OUTSTANDING ISSUES

Year	Grand total	States, counties, cities, etc. <sup>1</sup>	United States Government <sup>2</sup>	Territories and insular possessions	Federal Farm Loan System <sup>3</sup>	Reconstruction Finance Corporation	Home Owners' Loan Corporation
June 30, 1913.....	5, 531	4, 528	966	37	-----	-----	-----
1914.....	5, 954	4, 949	968	37	-----	-----	-----
1915.....	6, 427	5, 417	970	40	-----	-----	-----
1916.....	6, 887	5, 875	972	40	-----	-----	-----
1917.....	9, 049	6, 290	2, 713	46	-----	-----	-----
1918.....	18, 786	6, 643	11, 986	46	111	-----	-----
1919.....	32, 597	7, 042	25, 234	47	274	-----	-----
1920.....	32, 257	7, 746	24, 061	49	401	-----	-----
1921.....	32, 724	8, 476	23, 737	61	450	-----	-----
1922.....	33, 411	9, 893	22, 711	77	730	-----	-----
1923.....	33, 788	10, 598	22, 008	120	1, 062	-----	-----
1924.....	33, 978	11, 633	20, 982	132	1, 231	-----	-----
1925.....	34, 681	12, 830	20, 211	134	1, 506	-----	-----
1926.....	34, 855	13, 664	19, 384	148	1, 659	-----	-----
1927.....	34, 931	14, 735	18, 251	156	1, 789	-----	-----
1928.....	35, 043	15, 699	17, 318	160	1, 866	-----	-----
1929.....	35, 429	16, 760	16, 639	163	1, 867	-----	-----
1930.....	35, 947	17, 985	15, 922	169	1, 871	-----	-----
1931.....	37, 758	19, 188	16, 520	165	1, 885	-----	-----
1932.....	41, 088	19, 635	19, 161	162	1, 780	350	-----
1933.....	44, 702	19, 107	22, 158	158	1, 694	1, 585	-----
1934.....	52, 308	18, 942	26, 480	151	2, 499	3, 490	746
1935.....	57, 245	19, 277	27, 645	146	3, 625	3, 905	2, 647

B. NET OUTSTANDING ISSUES <sup>4</sup>

June 30, 1913.....	4, 889	3, 887	966	36	-----	-----	-----
1914.....	5, 245	4, 242	967	36	-----	-----	-----
1915.....	5, 652	4, 644	969	39	-----	-----	-----
1916.....	6, 658	5, 049	970	39	-----	-----	-----
1917.....	8, 127	5, 371	2, 711	45	-----	-----	-----
1918.....	17, 664	5, 622	11, 943	45	54	-----	-----
1919.....	31, 237	5, 951	25, 103	46	137	-----	-----
1920.....	30, 789	6, 645	23, 861	48	235	-----	-----
1921.....	31, 010	7, 268	23, 418	57	267	-----	-----
1922.....	31, 444	8, 415	22, 362	76	591	-----	-----
1923.....	31, 729	9, 015	21, 636	118	960	-----	-----
1924.....	31, 801	9, 921	20, 627	125	1, 128	-----	-----
1925.....	32, 221	10, 975	19, 737	125	1, 384	-----	-----
1926.....	32, 123	11, 672	18, 790	133	1, 528	-----	-----
1927.....	31, 975	12, 610	17, 542	138	1, 685	-----	-----
1928.....	31, 882	13, 452	16, 522	146	1, 762	-----	-----
1929.....	32, 039	14, 358	15, 773	146	1, 762	-----	-----
1930.....	32, 776	15, 887	14, 969	155	1, 765	-----	-----
1931.....	35, 483	17, 457	16, 098	149	1, 779	-----	-----
1932.....	38, 312	17, 828	18, 673	137	1, 674	-----	-----
1933.....	40, 404	17, 072	21, 613	131	1, 588	-----	-----
1934.....	45, 283	16, 771	25, 323	123	2, 094	235	737
1935.....	48, 419	16, 895	26, 137	117	2, 544	250	2, 476

<sup>1</sup> Includes long term and short term.<sup>2</sup> On basis of daily Treasury statements (revised), see p. 293.<sup>3</sup> Includes Federal land bank bonds (both those issued by the individual banks and the consolidated series), Federal intermediate credit bank debentures, joint stock land bank bonds, and Federal Farm Mortgage Corporation bonds. Does not include stocks.<sup>4</sup> "Total outstanding issues" less "Held in U. S. Government trust funds, or owned by U. S. Government or by governmental agencies" and "Held in sinking funds."

TABLE 44.—Estimated amount of securities outstanding, interest on which is wholly exempt from normal income tax and surtax of the Federal Government, June 30, 1913 to 1935, by type of obligor<sup>1</sup>

[000,000 omitted]

## A. TOTAL OUTSTANDING ISSUES

Year	Grand total	States, counties, cities, etc. <sup>2</sup>			United States Government <sup>5</sup>	Territories and insular possessions	Federal Farm Loan System <sup>6</sup>
		Total	Long term <sup>3</sup>	Short term <sup>4</sup>			
June 30, 1913.....	\$5,531	\$4,528	\$4,284	\$244	\$966	\$37	-----
1914.....	5,954	4,949	4,673	276	968	37	-----
1915.....	6,427	5,417	5,109	308	970	40	-----
1916.....	6,887	5,875	5,535	340	972	40	-----
1917.....	9,049	6,290	5,918	372	2,713	46	-----
1918.....	9,187	6,643	6,239	404	2,387	46	\$111
1919.....	10,159	7,042	6,606	436	2,796	47	274
1920.....	11,308	7,746	7,278	468	3,112	49	401
1921.....	11,922	8,476	7,976	500	2,935	61	450
1922.....	12,994	9,893	9,362	531	2,294	77	730
1923.....	14,074	10,598	10,140	458	2,294	120	1,062
1924.....	15,290	11,633	11,119	514	2,294	132	1,231
1925.....	16,645	12,830	12,135	695	2,175	134	1,506
1926.....	17,635	13,664	13,146	518	2,164	148	1,659
1927.....	18,844	14,735	14,195	540	2,164	156	1,789
1928.....	19,891	15,699	15,081	618	2,166	160	1,866
1929.....	20,958	16,760	15,825	935	2,168	163	1,867
1930.....	23,789	17,985	16,770	1,215	3,764	169	1,871
1931.....	25,881	19,188	17,730	1,458	4,643	165	1,885
1932.....	28,623	19,635	18,025	1,610	7,046	162	1,780
1933.....	31,092	19,107	17,911	1,196	10,133	158	1,694
1934.....	33,474	18,942	17,995	947	12,194	151	2,187
1935.....	35,387	19,277	18,192	1,085	13,565	146	2,399

B. HELD IN UNITED STATES GOVERNMENT TRUST FUNDS OR OWNED BY UNITED STATES GOVERNMENT OR BY GOVERNMENTAL AGENCIES<sup>7</sup>

Year	Total	States, counties, cities, etc.	United States Government	Territories and insular possessions	Federal Farm Loan System
June 30, 1913.....	-----	-----	-----	-----	-----
1914.....	\$1	-----	\$1	-----	-----
1915.....	1	-----	1	-----	-----
1916.....	2	-----	2	-----	-----
1917.....	2	-----	2	-----	-----
1918.....	61	-----	4	-----	\$57
1919.....	142	-----	5	-----	137
1920.....	173	-----	7	-----	166
1921.....	191	-----	8	-----	183
1922.....	147	-----	8	-----	139
1923.....	111	-----	9	-----	102
1924.....	113	-----	10	-----	103
1925.....	132	-----	10	-----	122
1926.....	141	-----	10	-----	131
1927.....	115	-----	10	-----	104
1928.....	117	-----	11	\$1	104
1929.....	118	-----	11	2	105
1930.....	333	-----	224	2	106
1931.....	369	-----	259	3	106
1932.....	385	-----	275	3	106
1933.....	503	-----	368	3	106
1934.....	1,022	-----	549	3	317
1935.....	2,034	-----	764	3	928

For footnotes, see p. 426.

TABLE 44.—Estimated amount of securities outstanding, interest on which is wholly exempt from normal income tax and surtax of the Federal Government, June 30, 1913 to 1935, by type of obligor—Continued

[000,000 omitted]

## C. HELD IN SINKING FUNDS

Year	Total	States, counties, cities, etc.	Territories and insular possessions	Year	Total	States, counties, cities, etc.	Territories and insular possessions
June 30, 1913.....	\$642	\$641	\$1	June 30, 1925.....	\$1,864	\$1,855	\$9
1914.....	708	707	1	1926.....	2,007	1,992	15
1915.....	774	773	1	1927.....	2,142	2,125	17
1916.....	827	826	1	1928.....	2,259	2,247	12
1917.....	920	919	1	1929.....	2,417	2,402	15
1918.....	1,022	1,021	1	1930.....	2,110	2,097	13
1919.....	1,092	1,091	1	1931.....	1,744	1,730	14
1920.....	1,102	1,101	1	1932.....	1,829	1,806	23
1921.....	1,212	1,208	4	1933.....	2,033	2,009	24
1922.....	1,479	1,478	1	1934.....	2,043	2,018	25
1923.....	1,585	1,583	2	1935.....	2,068	2,043	25
1924.....	1,719	1,712	7				

D. NET OUTSTANDING ISSUES <sup>8</sup>

Year	Grand total	States, counties, cities, etc.			United States Government	Territories and insular possessions	Federal Farm Loan System
		Total	Long term	Short term			
June 30, 1913.....	\$4,889	\$3,887	\$3,643	\$244	\$966	\$36	-----
1914.....	5,245	4,242	3,966	276	967	36	-----
1915.....	5,652	4,644	4,336	308	969	39	-----
1916.....	6,058	5,049	4,709	340	970	39	-----
1917.....	8,127	5,371	4,999	372	2,711	45	-----
1918.....	8,104	5,622	5,218	404	2,383	45	\$54
1919.....	8,925	5,951	5,515	436	2,791	46	137
1920.....	10,033	6,645	6,177	468	3,105	48	235
1921.....	10,519	7,268	6,768	500	2,927	57	267
1922.....	11,368	8,415	7,884	531	2,286	76	591
1923.....	12,378	9,015	8,557	458	2,285	118	960
1924.....	13,458	9,921	9,407	514	2,284	125	1,128
1925.....	14,649	10,975	10,280	695	2,165	125	1,384
1926.....	15,487	11,672	11,154	518	2,154	133	1,528
1927.....	16,587	12,610	12,070	540	2,154	138	1,685
1928.....	17,515	13,452	12,834	618	2,155	146	1,762
1929.....	18,423	14,358	13,423	935	2,157	146	1,762
1930.....	21,316	15,887	14,672	1,215	3,540	154	1,765
1931.....	23,768	17,457	15,999	1,458	4,384	148	1,779
1932.....	26,409	17,828	16,218	1,610	6,771	136	1,674
1933.....	28,556	17,072	15,876	1,196	9,765	131	1,588
1934.....	30,409	16,771	15,824	947	11,645	123	1,870
1935.....	31,285	16,895	15,810	1,085	12,801	118	1,471

<sup>1</sup> Revised in 1935.

<sup>2</sup> Securities outstanding of States, counties, cities, etc., estimated. Based on decennial censuses of the United States Bureau of the Census for 1913, 1922, and 1932, centered within each of the 3 years as indicated by frequency distributions of the endings of fiscal years. Adjusted from year to year on the basis of new-issue statistics published in the State and Municipal Compendium of the Commercial and Financial Chronicle and incomplete annual census data.

<sup>3</sup> Figures for 1934 and 1935 are adjusted by the deduction of the amount of debt of drainage, levee, and irrigation districts compromised through the instrumentality of the Reconstruction Finance Corporation.

<sup>4</sup> An indeterminate amount of short-term special assessment debt is included with "long term."

<sup>5</sup> On basis of daily Treasury statements (revised), see p. 293.

<sup>6</sup> Includes Federal land bank bonds (both those issued by the individual banks and the consolidated series), Federal intermediate credit bank debentures, and joint stock land bank bonds. Does not include stocks.

<sup>7</sup> Excludes stabilization fund and Federal Reserve banks.

<sup>8</sup> "Total outstanding issues" less "Held in United States Government trust funds, or owned by United States Government or by governmental agencies" and "Held in sinking funds."

TABLE 45.—Amount of securities outstanding interest on which is exempt from normal income tax, but not surtax, of the Federal Government, June 30, 1918 to 1935, by direct obligor <sup>1</sup>

[000,000 omitted]

## A. TOTAL OUTSTANDING ISSUES

Year	Total	United States Government <sup>2</sup>	Reconstruction Finance Corporation	Home Owners' Loan Corporation	Federal Farm Mortgage Corporation
June 30, 1918.....	\$9,599	\$9,599			
1919.....	22,439	22,439			
1920.....	20,949	20,949			
1921.....	20,803	20,803			
1922.....	20,417	20,417			
1923.....	19,714	19,714			
1924.....	18,688	18,688			
1925.....	18,036	18,036			
1926.....	17,220	17,220			
1927.....	16,087	16,087			
1928.....	15,152	15,152			
1929.....	14,471	14,471			
1930.....	12,158	12,158			
1931.....	11,876	11,876			
1932.....	12,466	12,116	\$350		
1933.....	13,610	12,025	1,585		
1934.....	18,834	14,286	3,490	\$746	
1935.....	21,859	14,081	3,905	2,647	\$312
					1,226

B. HELD IN UNITED STATES GOVERNMENT TRUST FUNDS, OR OWNED BY UNITED STATES GOVERNMENT OR BY GOVERNMENTAL AGENCIES <sup>3</sup>

Year	Total	United States Government	Reconstruction Finance Corporation	Home Owners' Loan Corporation	Federal Farm Mortgage Corporation
June 30, 1918.....	\$39	\$39			
1919.....	127	127			
1920.....	193	193			
1921.....	312	312			
1922.....	341	341			
1923.....	363	363			
1924.....	345	345			
1925.....	464	464			
1926.....	584	584			
1927.....	699	699			
1928.....	785	785			
1929.....	855	855			
1930.....	729	729			
1931.....	162	162			
1932.....	564	214	\$350		
1933.....	1,762	177	1,585		
1934.....	3,960	608	3,255	\$9	\$88
1935.....	4,724	745	3,655	171	153

<sup>1</sup> No securities of this type were outstanding in 1917 and prior years.<sup>2</sup> On basis of daily Treasury statements (revised), see p. 293.<sup>3</sup> Excludes stabilization fund and Federal Reserve banks.

TABLE 45.—Amount of securities outstanding, interest on which is exempt from normal income tax, but not surtax, of the Federal Government, June 30, 1918 to 1935, by direct obligor—Continued

[000,000 omitted]

C. NET OUTSTANDING ISSUES <sup>4</sup>

Year	Total	United States Government	Reconstruction Finance Corporation	Home Owners' Loan Corporation	Federal Farm Mortgage Corporation
June 30, 1918.....	\$9,560	\$9,560	-----	-----	-----
1919.....	22,312	22,312	-----	-----	-----
1920.....	20,756	20,756	-----	-----	-----
1921.....	20,491	20,491	-----	-----	-----
1922.....	20,076	20,076	-----	-----	-----
1923.....	19,351	19,351	-----	-----	-----
1924.....	18,343	18,343	-----	-----	-----
1925.....	17,572	17,572	-----	-----	-----
1926.....	16,636	16,636	-----	-----	-----
1927.....	15,388	15,388	-----	-----	-----
1928.....	14,367	14,367	-----	-----	-----
1929.....	13,616	13,616	-----	-----	-----
1930.....	11,429	11,429	-----	-----	-----
1931.....	11,714	11,714	-----	-----	-----
1932.....	11,902	11,902	-----	-----	-----
1933.....	11,848	11,848	-----	-----	-----
1934.....	14,874	13,678	\$235	\$737	\$224
1935.....	17,135	13,336	250	2,476	1,073

<sup>4</sup>“Total outstanding issues” less “Held in United States Government trust funds, or owned by United States Government or by governmental agencies.” The United States government and its agencies issuing this type of bonds maintain no sinking fund in which bonds are held alive.

TABLE 46.—United States Government direct obligations held by Federal Reserve banks, classified by the degree of exemption of the interest thereon from the Federal income tax, June 30, 1915 to 1935

[000,000 omitted]

Year	Total	Wholly exempt	Partially exempt	Year	Total	Wholly exempt	Partially exempt
June 30, 1915.....	\$8	\$8	-----	June 30, 1926.....	\$385	\$3	\$382
1916.....	57	57	-----	1927.....	370	3	367
1917.....	66	66	-----	1928.....	235	3	232
1918.....	255	58	\$197	1929.....	216	3	213
1919.....	292	25	267	1930.....	591	301	290
1920.....	341	25	316	1931.....	668	451	217
1921.....	259	22	237	1932.....	1,784	1,422	362
1922.....	555	17	538	1933.....	1,998	1,582	416
1923.....	102	12	90	1934.....	2,432	1,990	442
1924.....	431	6	425	1935.....	2,433	2,143	290
1925.....	353	3	350				



TABLE 47.—*Net expenditures for Federal aid to States, fiscal years 1920, 1934, and 1935, and amounts appropriated for 1936,<sup>1</sup> by appropriations*

[1920 on basis of warrants issued, 1934 and 1935 on basis of checks issued]

Appropriation titles	1920	1934	1935	1936 <sup>1</sup>
<b>I. APPROPRIATIONS FROM WHICH DIRECT PAYMENTS ARE MADE TO STATES</b>				
INDEPENDENT OFFICES				
<i>Federal Power Commission</i>				
Payment to States under Federal Water Power Act.....		\$75,325.62	\$64,912.25	<sup>2</sup> \$66,424.00
<i>Interdepartmental Social Hygiene Board</i>				
Payments for prevention and research, venereal diseases.....	\$1,759,262.72			
<i>Social Security Board</i>				
Grants to States under Social Security Act, Aug. 14, 1935 (49 Stat., 620-648).....				(3)
<i>Veterans' Administration</i>				
State and Territorial homes for disabled soldiers and sailors <sup>4</sup> .....	1,094,584.44	522,840.00	<sup>4</sup> 486,626.63	<sup>4</sup> 600,000.00
DEPARTMENT OF AGRICULTURE				
Payment to States and Territories for agricultural experiment stations (formerly carried under titles: "General expenses, States Relations Service", for 1920-23; "General expenses, Office of Experiment Stations", for 1924-26; "Payments to States for agricultural experiment stations", for 1927-29; "Payment to States and Hawaii for agricultural experiment stations", for 1930-31; and "Payment to States, Hawaii and Alaska for agricultural experiment stations", for 1932-33).....	1,440,000.00	4,358,317.35	4,383,978.70	4,995,000.00
Cooperative agricultural extension work.....	4,471,593.71	8,351,957.91	8,579,539.70	<sup>5</sup> 16,758,096.00
Payments to States and Territories from the national forests fund.....	1,069,886.88	650,860.74	821,399.64	<sup>2</sup> 660,000.00
Payments to school funds, Arizona and New Mexico, national forests fund.....	78,867.32	28,456.33	23,242.59	<sup>2</sup> 28,500.00
Payments to States from receipts under Migratory Bird Conservation Act (act June 15, 1935, 49 Stat., 383).....				(6)
Forest fire cooperation.....		1,585,294.96	1,502,863.88	1,578,632.00
Cooperative distribution of forest planting stock.....		61,222.55	43,733.87	56,379.00
Cooperative construction of rural post roads..... (See also items of similar type under class II.)	20,305,622.75	43,326,881.02	13,271,200.56	8,559,256.14
Federal-aid highway system, advances to States, etc.....		181,528,819.63	<sup>7</sup> 268,245,330.97	<sup>8</sup> 140,000,000.00
	27,365,970.66	239,891,810.49	296,871,289.91	172,635,863.14
DEPARTMENT OF THE INTERIOR				
Colleges for agriculture and mechanic arts.....	2,500,000.00	2,550,000.00	2,550,000.00	2,550,000.00
Further endowment of colleges of agriculture and the mechanic arts.....				980,000.00
Payments to States from receipts under mineral leasing act.....		1,215,157.98	1,201,799.88	1,200,000.00
Payment to States under Grazing Act June 28, 1934, public lands.....				(9)
Payment to States under Grazing Act June 28, 1934, Indian ceded lands.....				(9)
Payment to Utah from royalties, oil and gas, Navajo Reservation (act Mar. 1, 1933, 47 Stat., 1418).....				(9)
5 percent funds to States (public lands).....		4,662.90	22.95	(9)
Payment to States of 5 per centum of proceeds of public lands (receipt limitation).....				2,000.00
Coos Bay wagon-road-grant fund.....		1,651.22	1,060.97	(9)

See footnotes at end of table.

TABLE 47.—*Net expenditures for Federal aid to States, fiscal years 1920, 1934, and 1935, and amounts appropriated for 1936,<sup>1</sup> by appropriations—Continued*

Appropriation titles	1920	1934	1935	1936 <sup>1</sup>
<b>I. APPROPRIATIONS FROM WHICH DIRECT PAYMENTS ARE MADE TO STATES—Continued</b>				
DEPARTMENT OF THE INTERIOR—contd.				
Payment of proceeds of sales of Coos Bay wagon-road-grant lands and timber (receipt limitation).....				\$3,000.00
The Oregon and California land-grant fund.....		\$244,060.92	\$244,325.61	( <sup>9</sup> )
Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation).....				250,000.00
Payment to Oklahoma from royalties, oil and gas, south half of Red River.....		7,531.26	12,000.77	( <sup>9</sup> )
Payment to Oklahoma from royalties, oil and gas, south half of Red River (receipt limitation).....				12,000.00
	\$2,500,000.00	4,023,064.28	4,009,210.18	4,997,000.00
<i>Office of Education, Vocational Education</i>				
Cooperative vocational education in agriculture.....	707,130.02	3,056,308.94	3,903,848.74	3,990,000.00
Cooperative vocational education in trades and industries.....	780,096.35	2,423,677.26	3,996,703.80	4,035,000.00
Cooperative vocational education, teachers, etc.....	619,556.42	878,349.08	1,070,864.58	1,075,000.00
Cooperative vocational education in home economics.....		640,439.97	1,025,400.96	1,030,000.00
Cooperative vocational rehabilitation of persons disabled in industry.....		861,890.83	1,029,473.84	<sup>2</sup> 1,050,000.00
	2,106,782.79	7,860,666.08	11,026,291.92	11,180,000.00
	4,606,782.79	11,883,730.36	15,035,502.10	16,177,000.00
DEPARTMENT OF LABOR				
Grants to States under Social Security Act, Aug. 14, 1935 (49 Stat. 629-634).....				( <sup>3</sup> )
United States Employment Service.....		909,306.08	1,926,947.61	3,000,000.00
NAVY DEPARTMENT				
State marine schools, act Mar. 4, 1911.....	176,689.36	101,800.80	182,328.64	190,000.00
TREASURY DEPARTMENT				
Grants to States under Social Security Act, Aug. 14, 1935 (49 Stat. 634).....				( <sup>4</sup> )
To promote the education of the blind (American Printing House for the Blind).....	30,000.00	75,000.00	75,000.00	75,000.00
WAR DEPARTMENT				
National Guard.....	2,663,485.27	24,552,252.93	28,769,978.87	33,987,323.00
Total, class I.....	37,696,775.24	278,012,066.28	343,412,586.01	225,751,610.14
<b>II. APPROPRIATIONS FOR COOPERATIVE WORK WITH STATES<sup>10</sup></b>				
DEPARTMENT OF AGRICULTURE				
Cooperative construction, etc., of roads and trails, national forests.....	1,699,043.82			
Federal forest road construction.....	2,550,513.26			
Forest roads and trails.....		12,659,411.33	<sup>11</sup> 10,134,014.67	7,082,600.00
Cooperative fire protection of forested watersheds of navigable streams.....	86,886.73			
Cooperative farm forestry.....		44,610.89	( <sup>12</sup> )	( <sup>12</sup> )
	4,336,443.81	12,704,022.22	10,134,014.67	7,082,600.00

See footnotes at end of table.

TABLE 47.—*Net expenditures for Federal aid to States, fiscal years 1920, 1934, and 1935, and amounts appropriated for 1936,<sup>1</sup> by appropriations—Continued*

Appropriation titles	1920	1934	1935	1936 <sup>1</sup>
<b>II. APPROPRIATIONS FOR COOPERATIVE WORK WITH STATES—Continued</b>				
<b>TREASURY DEPARTMENT</b>				
<i>Public Health Service</i>				
Preventing the spread of epidemic diseases.....	\$495,792.75	\$198,494.59	\$203,030.47	\$261,668.00
Interstate quarantine service.....	5,097.70	32,978.83	34,220.69	36,535.00
Studies of rural sanitation.....	64,527.64	22,275.07	27,210.22	25,000.00
	565,418.09	253,748.49	264,461.38	323,203.00
<b>Total, class II.....</b>	<b>4,901,861.90</b>	<b>12,957,770.71</b>	<b>10,398,476.05</b>	<b>7,405,803.00</b>
<b>Grand total.....</b>	<b>42,598,637.14</b>	<b>290,969,836.99</b>	<b>353,811,062.06</b>	<b>234,137,413.14</b>

<sup>1</sup> In addition to the amounts appropriated for the service of the fiscal year 1936, as shown in this column, there are under many of the titles unexpended balances of appropriations provided for previous fiscal years which are available for expenditure during 1936 to meet outstanding obligations incurred in such previous years. The amounts shown do not include any allotments of funds or payments to States under the emergency activities of the Government, such as the Reconstruction Finance Corporation, National Industrial Recovery, Agricultural Adjustment Administration, Federal Emergency Relief Administration, Emergency Relief Appropriation Act of 1935, etc., except in a few instances as shown by footnotes pertaining to such items.

<sup>2</sup> Indefinite (special fund) appropriation based on certain receipts—estimated amount for 1936.

<sup>3</sup> Under the Social Security Act, Aug. 14, 1935, sums are authorized to be appropriated to cover grants to States during the fiscal year 1936 as follows, but no appropriations have been provided therefor:

Social Security Board: Old-age assistance.....	\$49,750,000
Department of the Interior: Cooperative vocational rehabilitation of persons disabled in industry (additional amount).....	841,000
Department of Labor:	
Maternal and child-health services.....	3,800,000
Services for crippled children.....	2,850,000
Child-welfare services.....	1,500,000
Treasury Department: State and local public health services.....	8,000,000

**Total.....** 66,741,000

<sup>4</sup> Transferred from War Department to Veterans' Administration by Executive order of July 21, 1931. Included in appropriation "Salaries and Expenses, Veterans' Administration", beginning with the fiscal year 1934. The Veterans' Administration reports expenditures of \$486,626.63 during the fiscal year 1935, and an allocation of \$600,000 to cover estimated expenditures during 1936.

<sup>5</sup> Includes appropriation of \$8,000,000 provided in Deficiency Act of Aug. 12, 1935 (49 Stat. 582), pursuant to act of June 29, 1935 (49 Stat. 438).

<sup>6</sup> Indefinite (special fund) appropriation based on certain receipts—no amount estimated for 1936.

<sup>7</sup> This amount covers expenditures under the following appropriation accounts:

National Industrial Recovery, Agriculture:	
Highway funds, 1933-35.....	\$216,947,452.13
Highway funds, act June 16, 1933.....	650,641.28
Highway funds, Emergency Appropriation Act, June 19, 1934.....	44,798,099.32
Work-relief highways, 1933-35.....	3,713,475.36
Federal-aid highway system, advances to States, emergency construction, act July 21, 1932.....	2,135,662.88

**Total.....** 268,245,330.97

<sup>8</sup> Includes \$100,000,000 transferred to "National Industrial Recovery, Highway Funds", from "Emergency Relief, 1935-37" under Emergency Relief Appropriation Act of 1935 (49 Stat. 115).

<sup>9</sup> Special fund accounts repealed as permanent appropriations, effective July 1, 1935, by sec. 4, Permanent Appropriation Repeal Act, June 26, 1934 (48 Stat. 1227); annual appropriations provided for same objects for fiscal year 1936 as shown under titles following each of the repealed appropriations.

<sup>10</sup> Only the more important appropriations under class II are shown.

<sup>11</sup> This amount covers expenditures under the following appropriation accounts:

Forest roads and trails.....	\$2,003,471.32
Forest roads and trails, emergency construction, act June 19, 1934.....	4,583,659.59
National Industrial Recovery:	
Forest roads, trails, etc., 1933-35.....	3,361,190.68
Forest roads, trails, etc., act June 16, 1933.....	185,693.08

**Total.....** 10,134,014.67

<sup>12</sup> Beginning with the fiscal year 1935, expenditures for this activity are provided for under the appropriation "Salaries and Expenses, Extension Service."

NOTE.—Data for fiscal years 1921 to 1930 are shown in the annual report for 1930, pp. 617-622; and for fiscal years 1931, 1932, and 1933, in annual reports for those years, pp. 563, 440, and 379, respectively.



Michigan.....	90,000.00	228,629.09	2,792.84	105,700.00	1,650.00	135,831.76	37,947.53	9,806,406.01	50,000	413,181.90
Minnesota.....	90,000.00	187,963.83	2,298.69	91,900.00	500.00	118,281.00	49,886.79	6,821,372.34	50,000	248,443.18
Mississippi.....	90,000.00	200,619.60	37.19	21,345.00	500.00	1,935,857.08	49,886.79	7,374,644.76	50,000	228,301.64
Missouri.....	90,000.00	267,004.25	42,226.67	30,050.00	1,500.00	128,371.09	.01	4,805,865.88	50,000	62,779.08
Montana.....	90,000.00	91,889.88	1,248.70	1,490.00	1,850.00	414,065.51	4,627,113.13	2,866,130.46	50,000	182,534.88
Nbraska.....	90,000.00	155,474.12	18,924.71	15,400.00	1,700.00	151,237.92	14,229.09	1,654,901.31	50,000	44,516.81
Nevada.....	90,000.00	46,489.95	6,494.95	29,400.00	1,820.00	44,660.77	531,233.35	4,137,606.21	50,000	53,505.14
New Hampshire.....	90,000.00	59,042.25	6,494.95	29,400.00	1,820.00	44,660.77	531,233.35	4,137,606.21	50,000	317,473.50
New Jersey.....	90,000.00	123,012.59	363.12	2,200.00	1,880.00	153,083.82	128,014.47	3,620,571.03	50,000	58,563.01
New Mexico.....	90,000.00	76,294.94	25,126.13	71,800.00	1,880.00	966,661.69	128,014.47	15,408,105.21	50,000	949,910.11
New York.....	89,724.17	286,223.82	6,951.84	48,922.46	1,150.18	999,476.47	37,559.60	5,950,914.53	50,000	321,181.43
North Carolina.....	90,000.00	310,339.50	1,750.00	1,750.00	1,810.00	439,153.84	129,793.34	10,379,665.91	50,000	75,801.29
North Dakota.....	90,000.00	296,338.49	5,200.00	5,200.00	1,810.00	117,103.84	26,047.13	3,882,372.78	50,000	564,039.74
Ohio.....	90,000.00	238,540.57	1,180.18	11,767.64	1,500.00	44,118.28	26,047.13	3,882,372.78	50,000	284,363.07
Oklahoma.....	90,000.00	102,714.07	70,099.45	94,200.00	1,300.00	251,107.17	107,473.19	3,939,697.97	50,000	87,099.98
Oregon.....	90,000.00	388,856.07	1,957.87	22,562.00	1,700.00	34,240.81	14,345,184.39	14,345,184.39	50,000	770,349.96
Pennsylvania.....	25,000.00	70,000.00	70,000.00	2,000.00	1,690.00	62,867.28	1,533,761.91	1,533,761.91	50,000	109,533.40
Philippine Islands.....	90,000.00	36,286.32	591.39	30,240.00	1,590.00	41,011.38	88,473.71	3,570,151.07	50,000	684,610.48
Puerto Rico.....	90,000.00	204,100.00	14,782.42	750.00	1,100.00	87,674.85	57,283.61	3,408,375.94	50,000	182,253.64
Rhode Island.....	90,000.00	99,540.90	2,143.76	16,876.81	1,500.00	293,809.39	54,721.42	6,094,408.10	50,000	66,769.00
South Carolina.....	90,000.00	291,244.09	48,255.79	36,200.00	1,000.00	146,299.91	15,771,483.97	15,771,483.97	50,000	272,920.55
Tennessee.....	90,000.00	481,952.77	1,132.68	5,500.00	1,000.00	207,799.55	126,374.98	2,418,885.46	50,000	595,316.14
Texas.....	90,000.00	70,703.67	1,132.68	5,500.00	1,500.00	6,553.48	1,450,578.63	1,450,578.63	50,000	55,357.80
Utah.....	90,000.00	68,619.04	2,383.86	31,760.00	1,283.76	311,007.22	308,467.62	4,843,439.55	50,000	44,122.28
Vermont.....	90,000.00	250,645.29	113,528.22	93,100.00	1,473.00	16,168.04	3,005,734.02	3,005,734.02	50,000	123,397.66
Virgin Islands.....	90,000.00	121,236.55	440.76	30,500.00	1,500.00	64,564.16	54,523.46	2,309,191.64	50,000	139,079.72
Washington.....	88,363.36	191,460.67	211.03	71,300.00	1,500.00	63,232.12	4,371.82	6,152,831.24	50,000	278,433.17
West Virginia.....	90,000.00	295,573.29	44,127.95	1,011.71	1,011.71	94,398.04	3,198,826.47	3,198,826.47	50,000	54,976.71
Wisconsin.....	90,000.00	58,828.39	821,399.64	23,242.59	51,499.69	12,657,266.66	2,153,662.88	259,874,846.99	2,550,000	1,201,799.88
Wyoming.....	4,383,978.70	8,580,609.96	1,457,145.88	51,499.69	2,153,662.88	259,874,846.99	2,153,662.88	259,874,846.99	2,550,000	11,050,088.76
Total.....										

For footnotes, see p. 435.



New York.....	307,740.00	25,000	4,877.85	2,294,901.24	523.20	263,370.573	1,392,531.15	285,378,465.91
North Carolina.....	.....	.....	2,986.20	400,101.22	76.88	24,288,895	906,200.41	32,994,765.72
North Dakota.....	.....	.....	440.20	105,366.20	.....	25,227,907	178,617.57	29,676,262.71
Ohio.....	156,975.25	.....	3,402.60	1,081,145.46	.....	107,879,632	2,344,454.14	193,112,512.80
Oklahoma.....	8,899.00	.....	1,772.69	605,022.92	.....	31,364,356	611,411.24	39,183,301.37
Oregon.....	10,793.33	.....	1,749.52	365,848.45	6,608.45	11,928,847	83,494.23	17,383,898.41
Pennsylvania.....	107,671.83	25,000	5,044.42	1,721,961.39	37.75	173,151,822	1,262,273.34	192,025,666.83
Philippine Islands.....	.....	.....	297.43	.....	.....	11,991,678	.....	297.43
Puerto Rico.....	.....	.....	.....	148,172.82	146.84	3,765,271	.....	12,396,221.06
Rhode Island.....	.....	.....	594.86	203,696.76	.....	18,803,873	157,843.60	5,976,176.94
South Carolina.....	.....	.....	1,106.44	298,070.63	4,244.73	27,565,643	372,412.83	23,736,874.09
South Dakota.....	.....	.....	2,335.38	150,369.99	121.65	22,437,282	456,181.25	32,447,402.83
Tennessee.....	.....	.....	2,641.18	369,487.94	.....	69,259,307	533,234.13	30,380,269.37
Texas.....	4,259.20	.....	4,259.20	1,051,525.13	.....	13,364,011	1,226,261.36	85,682,605.48
Utah.....	273.64	.....	273.64	153,793.79	1,541.37	2,343,607	391,032.13	17,006,357.81
Vermont.....	.....	.....	.....	112,634.30	3,052.17	497,700	202,612.83	4,373,912.41
Virgin Islands.....	.....	.....	.....	.....	.....	15,299,838	.....	497,700.00
Virginia.....	15,565.86	.....	1,665.61	416,420.13	.....	22,020,654	1,200,275.51	23,073,115.39
Washington.....	.....	.....	1,130.24	366,598.77	6,073.78	22,426,749	704,735.76	27,649,248.45
West Virginia.....	10,680.00	.....	1,582.33	175,613.06	1.35	45,155,519	325,943.63	50,944,255.14
Wisconsin.....	71,850.00	.....	3,236.04	568,424.93	1,579.38	7,927,116	813,678.36	34,317,990.90
Wyoming.....	5,000.00	.....	.....	111,160.67	164.39	.....	33,991.69	12,056,603.92
Total.....	1,257,255.97	100,000	75,000.00	22,343,059.00	64,912.25	1,857,490,291	34,447,607.56	2,201,313,214.34

1 Columns 1 to 9, inclusive, based upon figures furnished by Department of Agriculture; columns 10 to 13, inclusive, and columns 15, 16, and 19, based upon warrants issued by Treasury Department; column 14 based upon figures furnished by the Department of the Interior; column 17 based upon figures furnished by American Printing House for the Blind; column 18 based upon figures furnished by National Guard Bureau, War Department; column 20 based upon figures furnished by the Director of Finance, Veterans' Administration; column 21 based upon figures furnished by the Federal Emergency Relief Administration; column 22 based upon figures furnished by the Federal Emergency Administrator of Public Works.

2 Payments shown in column 13 were from following special-fund appropriations:  
 Oklahoma: Payment to Oklahoma from royalties, oil and gas, south half of Red River..... \$12,000.77

Oregon:  
 Coos Bay wagon-road-grant fund..... 1,000.97  
 The Oregon and California land-grant fund..... 244,323.61  
 245,386.58

NOTE.—This statement does not include appropriations made by Congress for direct relief or loans to States on account of floods, hurricanes, fires, drought, etc.

## PERSONNEL

TABLE 49.—Number of employees in the departmental service of the Treasury in Washington, by months, June 1934 to June 1935<sup>1</sup>

Bureau, office, or division	June	July	August	September	October	November	December
Accounts and Deposits.....	46	46	46	46	46	43	44
Bookkeeping and Warrants.....	72	72	71	72	75	75	75
Disbursement.....	343	343	343	343	343	343	631
Appointments.....	21	22	22	22	22	22	22
Budget.....	30	34	34	32	31	31	30
Chief Clerk.....	409	395	392	393	393	395	398
Coast Guard.....	233	233	230	231	230	230	228
Comptroller of the Currency.....	367	360	356	349	345	344	338
Customs.....	170	172	175	175	174	174	174
Emergency Banking.....	<sup>2</sup> 360	416	416	456	468	516	523
Engraving and Printing.....	3,993	4,029	4,234	4,229	4,095	4,050	4,050
Internal Revenue.....	3,798	3,872	3,954	4,049	4,072	4,132	4,152
Mint.....	14	14	14	14	14	10	10
Narcotics.....	94	93	93	93	93	92	92
Printing <sup>3</sup> .....	98	95	93	93	91	93	93
Procurement:							
Branch of Supply.....	325	327	357	312	326	337	373
Public Works Branch.....	764	863	1,142	1,259	1,342	1,592	1,664
Public Debt:							
Accounts and Audit.....	111	113	115	211	207	201	245
Bond roll.....	19	19	19	18	15	10	11
Loans and Currency.....	1,816	1,859	1,772	1,597	1,734	1,736	1,525
Miscellaneous.....	28	27	27	27	26	24	25
Office of Commissioner.....	25	48	26	26	25	24	26
Register of the Treasury.....	275	277	282	391	389	390	387
Public Health.....	179	179	181	181	180	181	180
Secret Service.....	15	15	15	15	15	15	15
Secretary.....	49	62	62	63	65	63	65
Solicitor of the Treasury.....	6						
Treasurer of the United States.....	1,705	1,431	1,448	1,427	1,387	1,206	1,157
Total.....	<sup>4</sup> 15,365	15,416	15,919	16,124	16,203	16,329	16,533

Bureau, office, or division	January	February	March	April	May	June	Increase (+) or decrease (-) during year
Accounts and Deposits.....	42	42	41	41	41	45	-1
Bookkeeping and Warrants.....	76	76	74	74	71	74	+2
Disbursement.....	631	631	631	631	631	631	+288
Appointments.....	22	22	22	20	21	21	-----
Budget.....	29	29	30	30	30	30	-----
Chief Clerk.....	401	399	398	398	400	401	-8
Coast Guard.....	227	219	212	212	212	207	-26
Comptroller of the Currency.....	337	335	334	331	328	314	-53
Customs.....	173	172	172	172	175	172	+2
Emergency Banking.....	551	546	558	549	542	510	+150
Engraving and Printing.....	4,024	4,266	4,262	4,280	4,183	4,156	+163
Internal Revenue.....	4,202	4,239	4,241	4,248	4,267	4,300	+502
Mint.....	10	10	10	10	12	12	-2
Narcotics.....	92	91	91	89	90	89	-5
Printing <sup>3</sup> .....	93	94	94	92	93	93	-5
Procurement: <sup>4</sup>							
Branch of Supply.....	408	384	367	355	374	423	+98
Public Works Branch.....	1,514	1,511	1,577	1,584	1,592	1,625	+861
Public Debt:							
Accounts and Audit.....	205	210	214	211	211	210	+99
Bond roll.....	11	12	12	13	13	13	-6
Loans and Currency.....	1,591	1,718	1,728	1,759	1,718	1,746	-70
Miscellaneous.....	27	28	27	28	28	28	-----
Office of Commissioner.....	25	25	25	24	25	25	-----
Register of the Treasury.....	369	453	382	387	410	428	+153
Public Health.....	180	180	180	180	184	183	+4
Secret Service.....	14	14	14	14	14	14	-1
Secretary.....	68	69	71	73	73	73	+24
Solicitor of the Treasury.....							-6
Treasurer of the United States.....	1,183	1,164	1,188	1,199	1,208	1,135	-570
Total.....	16,505	16,939	16,955	17,004	16,946	16,958	+1,593

<sup>1</sup> The figures in this table show the actual number of names appearing on pay rolls for the period covering the last half of each month.<sup>2</sup> Revised; 360 employees on the emergency banking roll, Office of the Comptroller of the Currency, on June 30, 1934, were not included in the annual report for the fiscal year 1934.<sup>3</sup> Formerly the Division of Supply.



TABLE 50.—Number of employees in the departmental and field services of the Treasury, June 1934 and June 1935<sup>1</sup>

Bureau, office, or division	June 1934			June 1935			Increase (+) or decrease (-)		
	Departmental	Field	Total	Departmental	Field	Total	Departmental	Field	Total
Coast Guard.....	233	10,464	10,697	207	10,575	10,782	-26	+111	+85
Customs.....	170	8,637	8,807	172	8,495	8,667	+2	-142	-140
Disbursement.....	343	6	349	631	63	694	+288	+57	+345
Internal Revenue.....	3,798	12,720	16,518	4,300	14,732	19,032	+502	+2,012	+2,514
Mint.....	14	751	765	12	1,785	1,797	-2	+1,034	+1,032
Narcotics.....	94	295	389	89	299	388	-5	+4	-1
Procurement (Public Works Branch).....	764	1,308	2,072	1,625	1,399	3,024	+861	+91	+952
Public Debt.....	2,274	16	2,290	2,450	16	2,466	+176	-----	+176
Public Health.....	179	10,836	11,065	183	11,382	11,565	+4	+496	+500
Secret Service.....	15	162	177	14	162	176	-1	-----	-1
All others.....	2 7,481	-----	2 7,481	7,275	-----	7,275	-206	-----	-206
Total.....	215,365	45,245	260,610	16,953	48,908	65,866	+1,593	+3,663	+5,256

<sup>1</sup> The figures in this table show the actual number of names appearing on pay rolls for the period covering the last half of each month.

<sup>2</sup> Revised; 360 employees on the emergency banking roll, Office of the Comptroller of the Currency, on June 30, 1934, were not included in the annual report for 1934.

TABLE 51.—Number of persons retired, and number of persons eligible for retirement retained, departmental and field services of the Treasury, Aug. 20, 1920, to June 30, 1935

Bureau, office, or division	Retired—				Total	Retained as of June 30, 1935
	On account of age	On account of disability	Involuntary separation, 15 years' service	Involuntary separation, 30 years' service		
<b>DEPARTMENTAL</b>						
Accounts and Deposits.....	1	1	-----	1	3	-----
Appointments.....	1	3	2	-----	6	-----
Auditors.....	86	11	1	-----	98	-----
Bookkeeping and Warrants.....	10	6	-----	2	18	-----
Chief Clerk.....	111	36	1	-----	148	-----
Coast Guard.....	9	8	-----	3	20	1
Comptroller of the Currency.....	43	18	1	19	81	-----
Customs.....	8	2	-----	3	13	1
Disbursement.....	6	6	-----	1	13	1
Engraving and Printing.....	686	433	15	1	1,135	2
Internal Revenue.....	95	122	8	14	239	1
Mint.....	1	1	-----	2	4	-----
Narcotics.....	1	2	-----	1	4	-----
Printing <sup>1</sup> .....	7	10	-----	-----	17	1
Procurement.....	51	34	2	19	106	2
Prohibition.....	5	-----	-----	-----	5	-----
Public Debt:	-----	-----	-----	-----	-----	-----
Office of Commissioner.....	8	5	-----	-----	13	-----
Public Debt Accounts and Audit.....	4	5	-----	-----	9	-----
Loans and Currency.....	61	96	-----	-----	157	-----
Register of the Treasury.....	42	63	1	1	107	-----
Public Health.....	7	8	6	-----	21	-----
Public Moneys.....	3	1	-----	-----	4	-----
Secret Service.....	10	2	-----	-----	12	1
Secretary.....	-----	3	-----	3	6	-----
Treasurer.....	108	195	-----	66	369	-----
War Risk Insurance.....	14	1	-----	-----	15	-----
Total departmental.....	1,378	1,072	37	136	2,623	10
<b>FIELD</b>						
Coast Guard.....	24	4	1	1	30	-----
Custodian.....	725	252	5	4	986	-----
Customs.....	1,375	368	6	146	1,895	3
Internal Revenue.....	432	138	149	70	789	-----
Mint and Assay.....	297	50	5	2	354	-----
Narcotics.....	2	2	-----	-----	4	-----
Prohibition.....	16	6	5	-----	27	-----
Public Health.....	92	77	12	6	187	1
Subtreasury.....	24	3	31	-----	58	-----
Total field.....	2,987	900	214	229	4,330	4
Grand total.....	4,365	1,972	251	365	6,953	14

<sup>1</sup> Formerly the Division of Supply.



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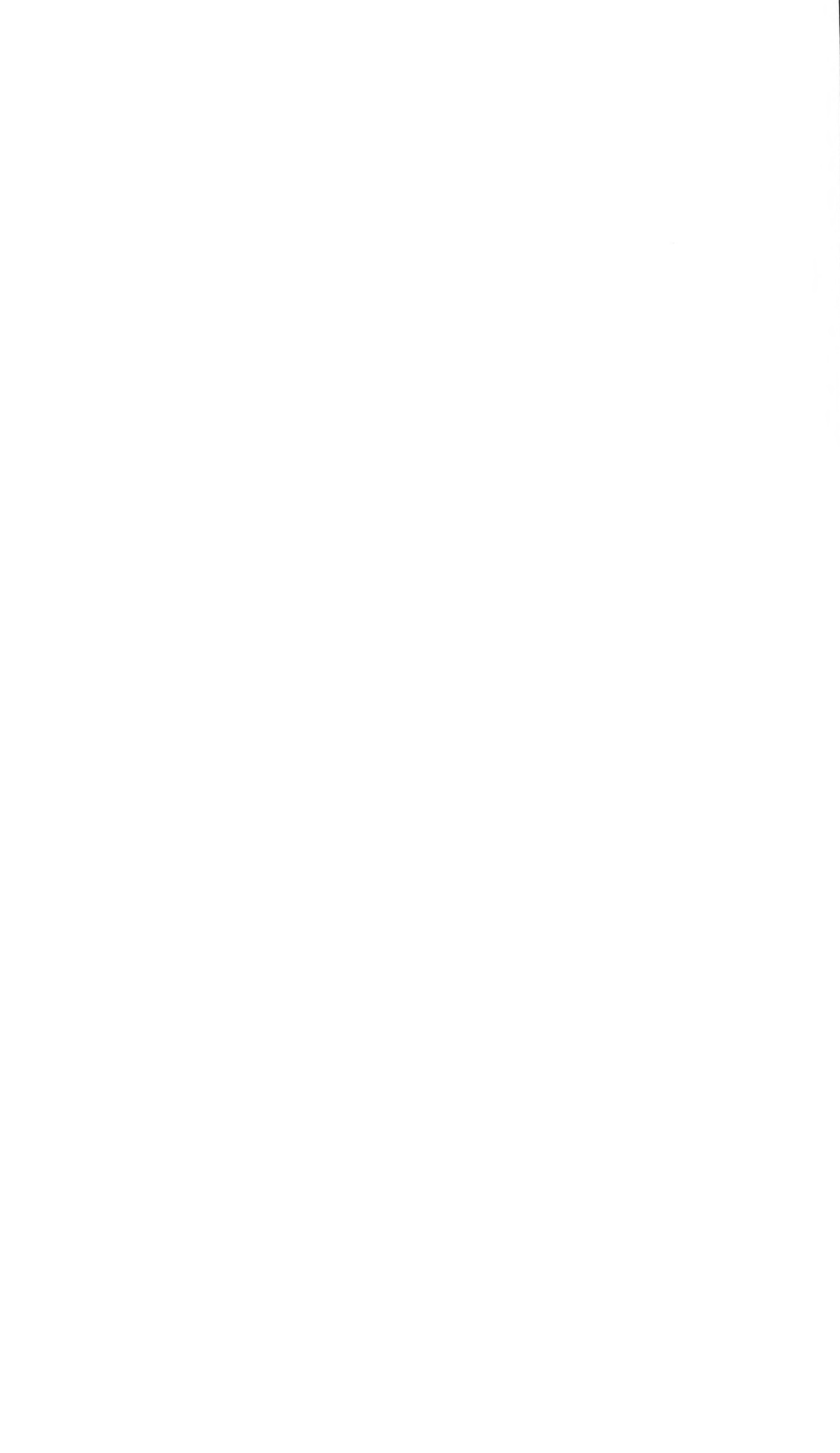
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