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TREASURY DEPARTMENT, C. S. A., }
Richmond, February 22, 1864. }

The following Regulations and Instructions for carrying into effect the Act of February 17, 1864, "to reduce the currency and to authorize a new issue of Notes and Bonds" will be observed by all officers in the Treasury Department :

1. The holders of all Treasury Notes above the denomination of five dollars not bearing interest, are allowed until the 1st of April east of the Mississippi, and until the 1st of July west of the Mississippi, to fund the same in 20 years Registered Bonds bearing annual interest at the rate of four per cent. payable semi-annually. Until the Bonds can be prepared, the various Treasurers and Depositaries shall issue certificates in the form herewith prescribed, to be afterwards exchanged for Bonds at the same office from which the certificate was issued. The certificates shall be bound in a book, reserving a margin for the date, amount and party named in each certificate, and shall be cut from the book in a curved line so as to preserve the means of verifying the same.

2. The said certificates, before their exchange for Bonds, and the said Bonds after their exchange, shall be assignable and transferable in the same manner, and with the like authentication established at the Treasury for Registered Bonds.

3. Each Treasury officer who shall issue a certificate, shall report weekly to the Treasurer the number of the certificate, date of payment, name of party and amount. And when such certificate shall be presented to be exchanged for a Bond, he shall ascertain whether the assignments are made in form according to Article 2, and make a register thereof, by number, date, name of last assignee and amount. Such certificate shall then cease to be assignable. He shall report in like detail to the Register of the Treasury weekly, (or oftener if necessary) the certificates so presented; and upon such report being received, the Register shall forward the Bonds to the Treasurer or Depository to be ex-

changed for the certificates. The said Treasurer or Depository shall be charged with the same, and the proper voucher for his discharge will be the original certificate issued by him with the receipt of the party thereon.

4. After the said dates as specified in Article 1, all the said Treasury Notes outstanding may be exchanged for like certificates and Bonds at the rate of $66\frac{2}{3}$ cents for each dollar mentioned in each Treasury Note, excepting that when one hundred dollar notes are offered east of the Mississippi, there shall be deducted an additional sum of ten per cent. on the amount promised on the face of said Notes on the then value, at the end of each month succeeding the said first day of April, and when offered west of the Mississippi, the same deduction shall be made at the end of each month succeeding the 1st of July, 1864, and on and after the 1st of January, 1865, all further funding or exchanges of Treasury Notes for Bonds or certificates shall cease.

5. The notes received by each Assistant Treasurer and Depository shall be put up in packages of one hundred notes each, separating each denomination of each issue, and shall be cancelled, sealed, labeled and forwarded through the Treasurer to the First Auditor of the Treasury at Richmond weekly, with a detailed report of the same.

6. Until the 1st of April, 1864, all Treasury Notes not bearing interest, shall be received at their face in payment of public dues on the east side of the Mississippi, and until the 1st of July, 1864, on the west side, but after those days respectively, the one hundred dollar notes shall no longer be receivable for any public due, and all other notes except those of five dollars and under, shall be receivable at the rate of $66\frac{2}{3}$ cents to each dollar, until the 1st of January, 1865, when they will be absorbed and extinguished by the tax of one hundred per cent. The five dollar notes shall be receivable at par for public dues and fundable east of the Mississippi until the 1st of July, 1864, and west of the Mississippi until the 1st of October, 1864, after which dates they shall be receivable and fundable at $66\frac{2}{3}$ cents to each dollar until the 1st of January, 1865, when they will be absorbed and extinguished by the tax of 100 per cent.

7. The tax imposed upon the said Treasury Notes respectively attach to them, and must be deducted from each Note by every Government officer who may at any time have occasion to receive them. These taxes are $33\frac{1}{3}$ per cent. on all Treasury Notes not bearing interest, above the denomination of five dollars, outstanding east of the Mississippi on the 1st of April, 1864, and west of the Mississippi on the 1st of July, 1864; on five dollar notes east of the Mississippi on the 1st of July, 1864, and west of the Mississippi on the 1st of October, 1864, $33\frac{1}{3}$ per cent.; on one hundred dollar notes, an additional tax of ten per cent. per month on the face thereof until presented in payment, and on all Notes other than Notes under the denomination of five dollars outstanding on the 1st of January, 1865, a tax of one hundred per cent.

8. Notes of denominations under five dollars are not affected by the provisions of the act; they remain current and receivable as heretofore.

9. Call certificates issued under section 3 of the funding Act of March 23d, 1863, for September (1863) money, or money issued since September, may be converted at the pleasure of the holder into the notes which they represent, or may be exchanged for four per cent. Registered Bonds or Certificates. If exchanged before the 1st of April, 1864, east of the Mississippi, or if before the 1st of July, 1864, west of the Mississippi, the holders will be entitled to receive Bonds or Certificates for the par value expressed on their face, together with the interest due; but if exchanged after those dates, they shall from those dates bear interest on $66\frac{2}{3}$ cents for every dollar promised on the face, and shall be redeemable only in Treasury Notes of the new issue at that rate. These call certificates for money issued previous to September, 1863, have lost their convertibility, and may be exchanged for six per cent. Bonds under the Act of March 23, 1863.

10. No call certificates shall hereafter be issued upon any deposit of Treasury Notes of the present issues.

11. A new issue of Treasury Notes will be made between the 1st of April, 1864, and the 1st of January, 1865. Any holder of Treasury Notes of the present issues not bearing interest, of any denomination of five dollars or more, (except one hundred dollar notes) may, after the 1st of April, 1864, on the east side of the Mississippi, and after the 1st of July, 1864, on the west side of the Mississippi, exchange the same for the new issues at the rate of three dollars of the old issues for two dollars of the new. The Treasurers and the Depositories will receive deposits from any person offering the same, and deliver new notes in exchange at the said rate, if he shall have sufficient new notes on hand, and if not, he shall issue a certificate for the amount of the deposit, shall cancel and forward the notes (as directed in Article 5,) to the Treasurer at Richmond, with a report of the same, and the Treasurer shall transfer to the Depository a sufficient amount in the new notes to meet the authorized demands. When cancelled notes shall have been reported upon by the accounting officer, drafts will be forwarded to the Depository for the amount.

12. The holders of the new issues or of the old, with the exception of the one hundred dollar notes, after they shall have been reduced by the tax to $66\frac{2}{3}$ cents in the dollar, shall be allowed to deposit the same at each principal pay Depository, in each State, and shall receive for the same a call certificate bearing interest at the rate of four per cent. per annum, and payable two years after peace with the United States, unless sooner reconverted.

13. The $7\frac{3}{8}\%$ interest bearing Treasury Notes are converted into Bonds payable two years after peace with the United States, with interest at the rate of two cents per day payable annually on the 1st of January. The interest will be paid annually by the pay Depositories as heretofore; but they are no longer receivable for public dues.

14. Any holder of a four per cent. bond which may be marked with the token agreed upon between the Secretary of the Treasury and the bank from which he may have received the same for his deposit, is entitled to convert the

said Bond into Treasury Notes. If any such Bond shall be presented for payment at any pay Depository before the 1st of April, 1864, such Depository shall pay the same at par in Treasury Notes of the present issues, and the said Bond, duly receipted, shall be a proper voucher to discharge him for the amount so paid.

15. As soon as proper six per cent. bonds can be prepared, the holders of call certificates which were converted into Bonds by the Act of March 23, 1863, are entitled to exchange their certificates for said Bonds upon the application of any holder of a call certificate at any pay Depository. Such Depository shall take up such certificate by paying the interest due, and issuing a certificate of deposit that the amount (of principal) has been deposited to the credit of the Treasurer, on account of 6 per cent. Loan, under the 18th section of the Act of February 17th, 1864, and shall report such deposits in his weekly returns to the Treasurer. He shall also send a statement of the certificates of deposit so issued in exchange to the Register of the Treasury, who shall forward to the Depository coupon or registered bonds, as may be desired, sufficient to meet the demand, and shall charge the Depository with the same. The proper voucher for the discharge of the Depository will be the certificate of deposit issued by him, endorsed by the party to whom the Bond was due. The Depository shall forward accounts for the call certificates so redeemed and for interest paid, accompanied by the vouchers, as in other cases of similar character.

16. Bonds under Act of February 17th, 1864, will be issued in denominations of \$100, \$500, \$1,000, \$3,000 and \$5,000.

17. Certificates may be issued for any sum of which \$100 is a multiple. When an amount presented for funding shall consist of funds belonging to more than one person, and be accompanied by a list of names and respective amounts only one certificate may be issued in the name of each person.

(Signed,)

C. G. MEMMINGER,
Secretary of Treasury.

[No. 116.]

AN ACT

TO REDUCE THE CURRENCY, AND TO AUTHORIZE A NEW
ISSUE OF NOTES AND BONDS.

SEC. 1. The Congress of the Confederate States of America do enact, That the holders of all Treasury notes above the denomination of five dollars, not bearing interest, shall be allowed until the first day of April, 1864, east of the Mississippi river, and until the 1st day of July, 1864, west of the Mississippi river, to fund the same, and, until the periods and at the places stated the holders of all such Treasury notes shall be allowed to fund the same in registered bonds, payable twenty years after their date, bearing interest at the rate of four per cent. per annum, payable on the 1st day of January and July of each year.

SEC. 2. The Secretary of the Treasury is hereby authorized to issue the bonds required for the funding provided for in the preceding section; and until the bonds can be prepared, he may issue certificates to answer the purpose. Such bonds and certificates shall be receivable, without interest, in payment of all Government dues payable in the year 1864, except export and import duties.

SEC. 3. That all Treasury notes of the denomination of one hundred dollars, not bearing interest, which shall not be presented for funding under the provisions of the first section of this act, shall, from and after the first day of April 1864, east of the Mississippi river, and the first day of July west of the Mississippi, cease to be receivable in payment of public dues; and said notes, if not presented at that time, shall, in addition to the tax of thirty-three and one-third cents imposed in the 4th section of this act, be subject to a tax of ten per cent. per month until so presented; which taxes shall attach to said notes whenever circulated, and shall be deducted from the face of said notes whenever presented for payment or for funding, and such notes shall not be exchangeable for the new issue of Treasury notes provided for in this act.

SEC. 4. That on all said Treasury notes not funded or used in payment of taxes at the dates and places prescribed in the first section of this act, there shall be levied at said dates and places a tax of thirty-three and one-third cents for every dollar promised on the face of said notes. Said tax shall attach to said notes wherever circulated, and shall be collected by deducting the same at the Treasury, its depositaries, and by the collectors, and by all Government officers receiving the same, wherever presented for payment or for funding, or in payment of Government dues, or for postage, in exchange for new notes as hereinafter provided, and said Treasury notes shall be fundable in bonds as provided in the first section of this act, until the first day of January, 1865, at the rate of sixty-six cents and two-thirds on the dollar, and it shall be the duty of the Secretary of the Treasury, at any time between the first of April, east, and first of July, 1864, west, of the Mississippi river, and the first of January, 1865, to substitute and exchange new Treasury notes for the same, at the rate of sixty-six and two-third cents on the dollar: Provided, that notes of the denomination of one hundred dollars shall not be entitled to the privilege of said exchange: Provided, further, that the right to fund any of said Treasury notes after the first of January, 1865, is hereby taken away: and provided, further, that upon all such Treasury

notes which remain outstanding on the first day of January, 1865, and which may not be exchanged for new Treasury notes, as herein provided, a tax of one hundred per cent. is hereby imposed.

SEC. 5. That after the first day of April next all authority heretofore given to the Secretary of the Treasury to issue Treasury notes, shall be, and is hereby, revoked: provided, the Secretary of the Treasury may, after that time, issue new Treasury notes in such form as he may prescribe, payable two years after the ratification of a treaty of peace with the United States, said new issue to be receivable in payment of all public dues, except export and import duties, and to be issued in exchange for old notes, at the rate of two dollars of the new for three dollars of the old issues, whether said old notes be surrendered for exchange by the holders thereof, or be received into the Treasury under the provisions of this act; and the holders of the new notes, or of the old notes, except those of the denomination of one hundred dollars, after they are reduced to sixty-six and two-thirds cents on the dollar, by the tax aforesaid, may convert into call certificates, bearing interest at the rate of four per cent. per annum, and payable two years after a ratification of a treaty of peace with the United States, unless sooner converted into new notes.

SEC. 6. That to pay the expenses of the Government not otherwise provided for, the Secretary of the Treasury is hereby authorized to issue six per cent. bonds to an amount not exceeding five hundred millions of dollars, the principal and interest whereof shall be free from taxation; and for the payment of the interest thereon, the entire net receipts of any export duty hereafter laid on the value of all cotton, tobacco and naval stores, which shall be exported from the Confederate States, and the net proceeds of the import duties laid, or so much thereof as may be necessary to pay annually the interest, are hereby specially pledged: Provided, that the duties now laid upon imports, and hereby pledged, shall hereafter be paid in specie, or in sterling exchange, or in coupons of said bonds.

SEC. 7. That the Secretary of the Treasury is hereby authorized from time to time, as the wants of the Treasury may require it, to sell or hypothecate for Treasury notes, said bonds or any part thereof, upon the best terms he can, so as to meet appropriations by Congress, and at the same time reduce and restrict the amount of circulation in Treasury notes within reasonable and safe limits.

SEC. 8. The bonds authorized by the 6th section of this act may either be registered or coupon bonds, as the parties taking them may elect, and they may be exchanged for each other under such regulations as the Secretary of the Treasury may prescribe; they shall be for one hundred dollars or some multiple of one hundred dollars, and shall, together with the coupons thereto attached, be in such form and of such authentication as the Secretary of the Treasury may prescribe: the interest shall be payable half yearly, on the first of January and July in each year; the principal shall be payable not less than thirty years from their date.

SEC. 9. All call certificates shall be fundable, and shall be taxed in all respects as is provided for the Treasury notes into which they are convertible, if not converted before the time fixed for taxing the Treasury notes. Such certificates shall from that time bear interest upon only sixty-six and two-thirds cents for every dollar promised upon their face, and shall be redeemable only in new Treasury notes at that rate; but after the passage of this act no call certificates shall be issued until after the first day of April, 1864.

SEC. 10. That if any bank of deposit shall give its depositors the bonds authorized by the first section of this act in exchange for their deposits, and specify the same on the bonds by some distinctive mark or token, to be agreed upon with the Secretary of the Treasury, then the said depositors shall be entitled to receive the amount of said bonds in Treasury

notes, bearing no interest and outstanding at the passage of this act: Provided, the said bonds are presented before the privilege of funding said notes at par shall cease, as herein prescribed.

SEC. 11. That all Treasury notes heretofore issued of the denomination of five dollars shall continue to be receivable in payment of public dues, as provided by law, and fundable at par under the provisions of this act, until the first of July, 1864, east, and until the first of October, 1864, west of the Mississippi river: but after that time they shall be subject to a tax of thirty-three and a third cents on every dollar promised on the face thereof, said tax to attach to said notes wherever circulated, and said notes to be fundable and exchangeable for new Treasury notes as herein provided, subject to the deduction of said tax.

SEC. 12. That any State holding Treasury notes received before the times herein fixed for taxing said notes shall be allowed until the 1st day of January, 1865, to fund the same in six per cent. bonds of the Confederate States, payable twenty years after date, and the interest payable semi-annually. But all Treasury notes received by any State after the time fixed for taxing the same, as aforesaid, shall be held to have been received diminished by the amount of said tax. The discrimination between the notes subject to the tax and those not so subject shall be left to the good faith of each State, and the certificate of the Governor thereof shall in each case be conclusive.

SEC. 13. That Treasury notes heretofore issued, bearing interest at the rate of seven dollars and thirty cents on the hundred dollars per annum, shall no longer be received in payment of public dues, but shall be deemed and considered bonds of the Confederate States, payable two years after the ratification of a treaty of peace with the United States, bearing the rate of interest specified on their face, payable the first of January of each and every year.

SEC. 14. That the Secretary of the Treasury be, and he is hereby, authorized in case the exigencies of the Government should require it, to pay the demand of any public creditor, whose debt may be contracted after the passage of this act, willing to receive the same, in a certificate of indebtedness, to be issued by said Secretary in such form as he may deem proper, payable two years after a ratification of a treaty of peace with the United States, bearing interest at the rate of six per cent. per annum, payable semi-annually, and transferable only by special endorsement, under regulations to be prescribed by the Secretary of the Treasury, and said certificates shall be exempted from taxation in principal and interest.

SEC. 15. The Secretary of the Treasury is authorized to increase the number of depositories so as to meet the requirements of this act, and with that view to employ such of the banks of the several States as he may deem expedient.

SEC. 16. The Secretary of the Treasury shall forthwith advertise this act in such newspapers published in the several States, and by such other means as shall secure immediate publicity; and the Secretary of War and the Secretary of the Navy shall each cause it to be published in general orders for the information of the army and navy.

SEC. 17. The 42d section of the act for the assessment and collection of taxes, approved May 1, 1863, is hereby repealed.

SEC. 18. The Secretary of the Treasury is hereby authorized and required, upon the application of the holder of any call certificate, which by the first section of the act to provide for the funding and further issue of Treasury notes, approved March 23d, 1863, was required to be hereafter deemed to be a bond, to issue to such holder a bond therefor upon the terms provided by said act.

APPROVED FEBRUARY 17, 1864.

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