Annual Report

of the

Secretary of the Treasury

on the

State of the Finances

For the Fiscal Year Ended June 30, 1959

TREASURY DEPARTMENT

DOCUMENT NO. 3215

Secretary

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SECRETARIES, UNDER SECRETARIES, AND ASSISTANT SECRETARIES OF THE TREASURY DEPARTMENT FROM JANUARY 21, 1953, TO JANUARY 11, 1960 [1]

Term of service		Official
From—	To—	
		Secretaries of the Treasury
Jan. 21, 1953	July 28, 1957	George M. Humphrey, Ohio.
July 29, 1957	--------------	Robert B. Anderson, Connecticut.
		Under Secretaries [2]
Jan. 28, 1953	July 31, 1955	Marion B. Folsom, New York.
Aug. 3, 1954	Sept. 25, 1957	W. Randolph Burgess, Maryland.
Aug. 3, 1955	Jan. 31, 1956	H. Chapman Rose, Ohio.
Aug. 9, 1957	--------------	Fred C. Scribner, Jr., Maine.
Sept. 30, 1957	--------------	Julian B. Baird, Minnesota.
		Assistant Secretaries
Jan. 24, 1952	Feb. 28, 1957	Andrew N. Overby, District of Columbia.
Jan. 28, 1953	Aug. 2, 1955	H. Chapman Rose, Ohio.
Sept. 20, 1954	--------------	Laurence B. Robbins, Illinois.
Aug. 3, 1955	Dec. 15, 1957	David W. Kendall, Michigan.
Apr. 18, 1957	Aug. 8, 1957	Fred C. Scribner, Jr., Maine.
Dec. 4, 1957	Dec. 15, 1958	Tom B. Coughran, California.
Dec. 16, 1957	--------------	A. Gilmore Flues, Ohio.
Dec. 17, 1958	--------------	T. Graydon Upton, Pennsylvania.
		Deputies to the Secretary
Jan. 21, 1953	Aug. 2, 1954	W. Randolph Burgess, New York.
Jan. 9, 1957	Jan. 15, 1959	Dan Throop Smith, Massachusetts.
Oct. 15, 1959	--------------	John P. Weitzel, Massachusetts.
		Fiscal Assistant Secretaries
Mar. 16, 1945	June 17, 1955	Edward F. Bartelt, Illinois.
June 19, 1955	--------------	William T. Heffelfinger, District of Columbia.
		Administrative Assistant Secretary
Aug. 2, 1950	Aug. 31, 1959	William W. Parsons, California.
Sept. 14, 1959	--------------	A. E. Weatherbee, Maine.

[1] For officials from September 11, 1789, through January 20, 1953, see exhibit 55, p. 314, in the 1953 annual report.

[2] The positions of an additional Under Secretary and an additional Assistant Secretary were established under the provisions of an act approved July 22, 1954 (5 U.S.C. 244, 246).

PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE TREASURY DEPARTMENT AS OF JANUARY 11, 1960

SECRETARY

ROBERT B. ANDERSON

Fred C. Scribner, Jr	Under Secretary.
Eugene T. Rossides	Assistant to the Under Secretary.
A. E. Weatherbee	Administrative Assistant Secretary.
James H. Stover	Chief, Management Analysis Staff.
Paul McDonald	Director of Administrative Services.
Willard L. Johnson	Budget Officer.
S.T. Adams	Director of Personnel.
Nils A. Lennartson	Assistant to the Secretary (for public affairs).
Stephen C. Manning, Jr	Deputy Assistant to the Secretary.
Douglas H. Eldridge	Chief, Tax Analysis Staff.
Nathan N. Gordon	Chief, International Tax Staff.
Francis J. Gafford	Assistant to the Secretary and Personnel Security Officer.
Julian B. Baird	Under Secretary for Monetary Affairs.
Robert P. Mayo	Assistant to the Secretary (for debt management).
R. Duane Saunders	Chief, Debt Analysis Staff.
Charles E. Walker	Assistant to the Secretary (for debt management).
William T. Heffelfinger	Fiscal Assistant Secretary.
Martin L. Moore	Assistant to the Fiscal Assistant Secretary.
George F. Stickney	Technical Assistant (systems and methods).
Hampton A. Rabon, Jr	Technical Assistant.
Boyd A. Evans	Technical Assistant.
Frank F. Dietrich	Technical Assistant.
Sidney S. Sokol	Technical Assistant.
Frank A. Southard, Jr	Special Assistant to the Secretary.
Laurence B. Robbins	Assistant Secretary.
Robert W. Benner	Assistant to the Assistant Secretary.
A. Gilmore Flues	Assistant Secretary.
James P. Hendrick	Assistant to the Secretary.
Vacancy	Assistant to the Secretary for Law Enforcement.
Captain Q. R. Walsh, U.S.C.G	Aide to the Assistant Secretary.
T. Graydon Upton	Assistant Secretary.
A. H. Von Klemperer	Assistant to the Secretary.
David A. Lindsay	General Counsel.
Jay W. Glasmann	Assistant to the Secretary and Head, Legal Advisory Staff.
John P. Weitzel	Deputy to the Secretary.

BUREAU OF ACCOUNTS

Robert W. Maxwell	Commissioner of Accounts.
Harold R. Gearhart	Assistant Commissioner.
Julian F. Cannon	Chief Disbursing Officer.
Harold A. Ball	Chief Auditor.

Ray T. Bath	Deputy Commissioner — Accounting Systems.
Sidney Cox	Deputy Commissioner—Deposits and Investments.
John H. Henriksen	Assistant Commissioner for Administration.
Howard A. Turner	Deputy Commissioner — Central Accounts.
Samuel J. Elson	Deputy Commissioner — Central Reports.

BUREAU OF CUSTOMS

Ralph Kelly	Commissioner of Customs.
David B. Strubinger	Assistant Commissioner of Customs.
Lawton M. King	Deputy Commissioner of Management and Controls.
C. A. Emerick	Deputy Commissioner of Investigations.
Walter G. Roy	Deputy Commissioner of Appraisement Administration.

BUREAU OF ENGRAVING AND PRINTING

Henry J. Holtzclaw	Director, Bureau of Engraving and Printing.
Frank G. Uhler	Assistant to the Director.

BUREAU OF THE MINT

William H. Brett	Director of the Mint.
Leland Howard	Assistant Director.

BUREAU OF NARCOTICS

Harry J. Anslinger	Commissioner of Narcotics.
Henry L. Giordano	Deputy Commissioner.
Wayland L. Speer	Assistant to the Commissioner.

BUREAU OF THE PUBLIC DEBT

Edwin L. Kilby	Commissioner of the Public Dept.
Donald M. Merritt	Assistant Commissioner.
Ross A. Heffelfinger, Jr	Deputy Commissioner in Charge, Washington Office.
Charles D. Peyton	Deputy Commissioner in Charge, Chicago Office.

INTERNAL REVENUE SERVICE

Dana Latham	Commissioner of Internal Revenue.
Charles I. Fox	Deputy Commissioner
Vernon D. Acree	Assistant Commissioner (Inspection).
William H. Loeb	Assistant Commissioner (Operations).
Harold T. Swartz	Assistant Commissioner (Technical).
Bertrand M. Harding	Assistant Commissioner (Planning and Research).
Wilber A. Gallahan	Administrative Assistant to the Commissioner.
Gray W. Hume	Fiscal Management Officer.
Hart H. Spiegel	Chief Counsel.
Joseph L. Carrigg	Director of Practice.
Leo Speer	Technical Advisor to the Commissioner.

OFFICE OF THE COMPTROLLER OF THE CURRENCY

Ray M. Gidney	Comptroller of the Currency.
L. A. Jennings	First Deputy Comptroller of the Currency.
W. M. Taylor	Second Deputy Comptroller of the Currency.
G. W. Garwood	Third Deputy Comptroller of the Currency.
C. C. Fleming	Fourth Deputy Comptroller of the Currency.
H. S. Haggard	Chief National Bank Examiner.

OFFICE OF DEFENSE LENDING

Robert M. Seabury	Director.

OFFICE OF THE GENERAL COUNSEL

David A. Lindsay	General Counsel.
Elting Arnold	Assistant General Counsel.
John K. Carlock	Assistant General Counsel.
Hart H. Spiegel	Assistant General Counsel.
Fred B. Smith	Assistant General Counsel.
Jay W. Glasmann	Head, Legal Advisory Staff (Assistant to the Secretary).
Edward C. Rustigan	Associate Head, Legal Advisory Staff.

OFFICE OF INTERNATIONAL FINANCE

George H. Willis	Director.
Elting Arnold	Acting Director, Foreign Assets Control.

OFFICE OF THE TREASURER OF THE UNITED STATES

Ivy Baker Priest	Treasurer of the United States.
William T. Howell	Deputy Treasurer.
Willard E. Scott	Assistant Deputy Treasurer.

UNITED STATES COAST GUARD

Vice Admiral Alfred C. Richmond	Commandant, U.S. Coast Guard.
Rear Admiral James A. Hirshfield	Assistant Commandant and Chief of Staff.
Rear Admiral Edward H. Thiele	Engineer in Chief.
Rear Admiral Henry T. Jewell	Chief, Office of Merchant Marine Safety.

UNITED STATES SAVINGS BONDS DIVISION

Vacancy	National Director.
Bill McDonald	Assistant National Director.

UNITED STATES SECRET SERVICE

U. E. Baughman	Chief, U.S. Secret Service.
Russell Daniel	Deputy Chief.
E. A. Wildy	Assistant Chief—Security.

COMMITTEES AND BOARDS

Ivy Baker Priest	Chairman, Interdepartmental Savings Bond Committee.
A. E. Weatherbee	Chairman, Treasury Management Committee.
James H. Stover	Chairman, Treasury Awards Committee.
S. T. Adams	Chairman, Treasury Wage Board.
Willard E. Scott	Employment Policy Officer.

·ORGANIZATION OF THE DEPARTMENT OF THE TREASURY·

January 11, 1960

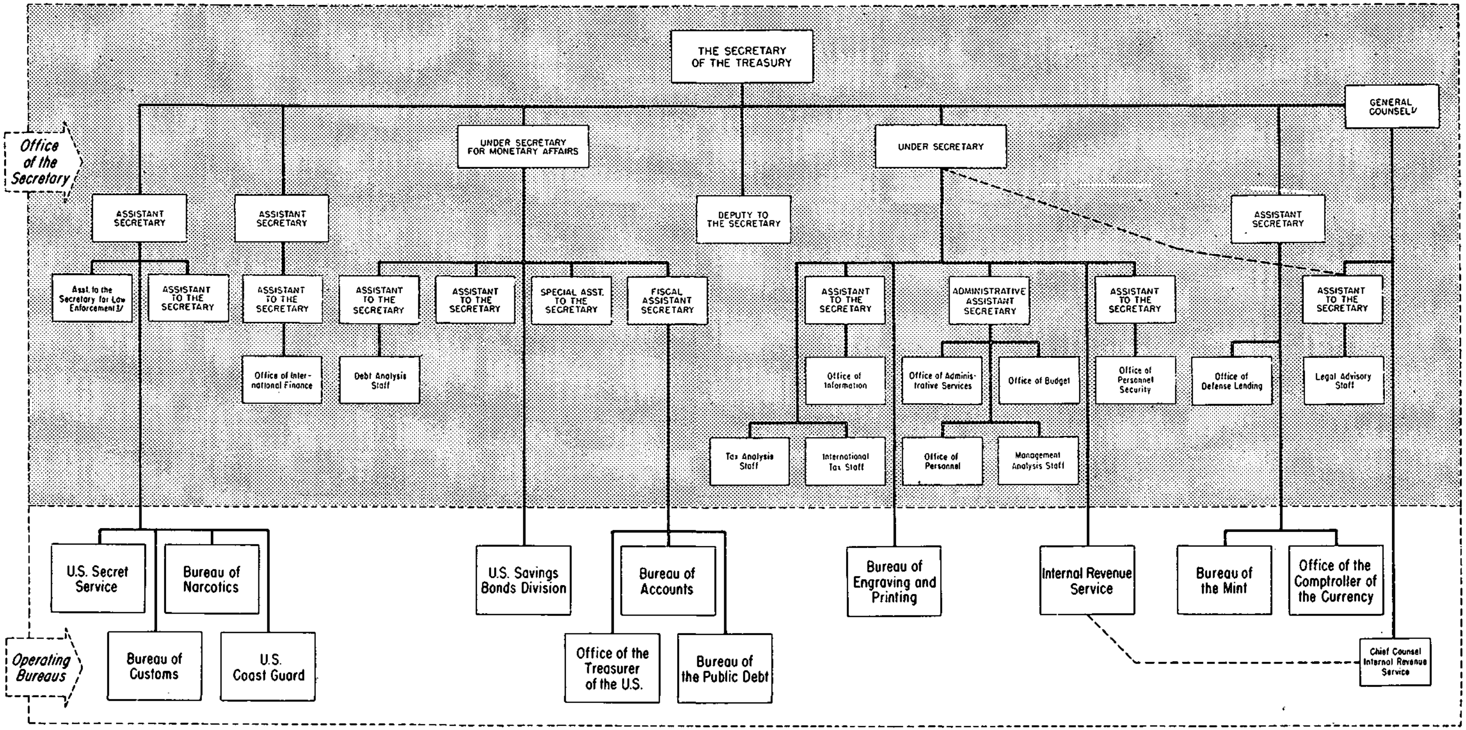

CHART 1

[1] The General Counsel serves as legal advisor to the Secretary, his associates, and heads of bureaus.
[2] The Assistant to the Secretary for Law Enforcement coordinates enforcement activities of the U.S. Secret Service, U.S. Coast Guard, Bureau of Customs, Bureau of Narcotics, and Internal Revenue Service.

ANNUAL REPORT ON THE FINANCES

TREASURY DEPARTMENT,
Washington, D.C., January 30, 1960.

SIRS: I have the honor to report to you on the finances of the Federal Government for the fiscal year ended June 30, 1959.

The economy during this period was characterized by strong recovery. Because revenues—and to some extent expenditures—reflect very largely economic conditions in an immediately preceding period, the recession period of 1957–58 had its strongest impact on the Government's fiscal position during the fiscal year 1959. As a result, the Federal Government had to close the gap between revenues and expenditures by additional new money borrowing in larger amounts than had been necessary in 1958.

A marked improvement in the Government's fiscal position has occurred in recent months. With continued prosperity, a balanced budget is in prospect for the fiscal year 1960 and a substantial surplus estimated for 1961.

ROBERT B. ANDERSON,
Secretary of the Treasury.

TO THE PRESIDENT OF THE SENATE.
TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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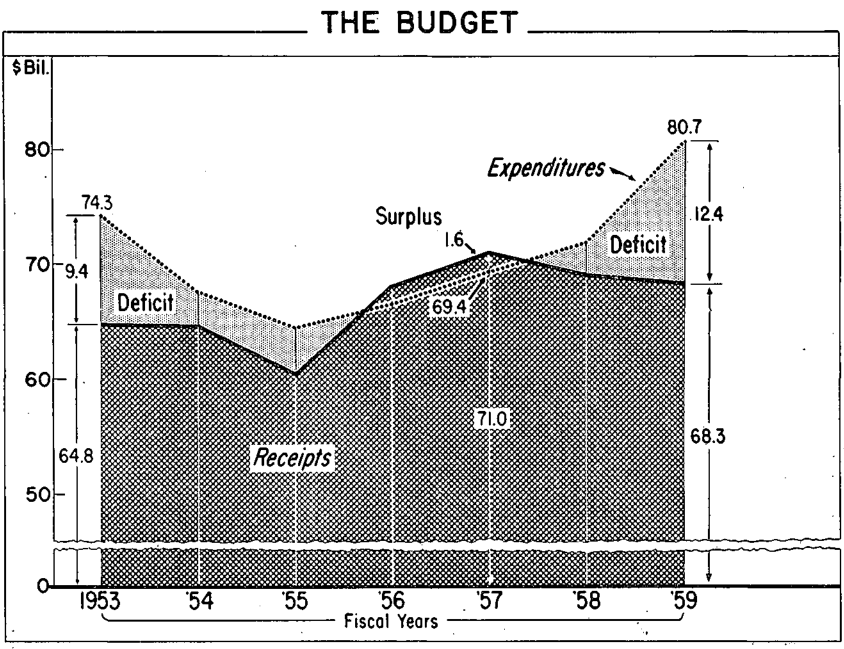
REVIEW OF FISCAL OPERATIONS

Summary of Fiscal Operations

Net budget receipts in fiscal 1959 amounted to $68.3 billion and budget expenditures to $80.7 billion, resulting in a $12.4 billion deficit.

The deficit was in large part an aftermath of the 1957–58 recession. Although the recession had ended before fiscal 1959 began, its impact on 1959 finances was substantial. Revenues fell below the preceding year's level because the payment of some taxes lags substantially behind the accrual of tax liabilities. This was most noticeable in corporation income tax receipts which in 1959 fell $2.8 billion below 1958 and $3.9 billion below 1957. Some tax receipts did reflect the recovery in business activity which began in the middle of the calendar year 1958. In particular, individual income tax collections in fiscal 1959 increased $2.0 billion compared with 1958.

CHART 2.



To some extent expenditures in 1959 were also affected by the 1957–58 recession. Expenditures under temporary programs to provide greater unemployment compensation and to aid housing construction were much larger in 1959 than in preceding years.

In consequence of the strength of the recovery movement which began in mid-1958, receipts in 1960 are estimated to exceed expenditures by approximately $200 million and a $4.2 billion surplus is anticipated for the fiscal year 1961.

The increase in the public debt during fiscal 1959 was less than the amount of deficit because part of it was financed by a $4.4 billion drawing down of the Treasury's cash balance. As of June 30, 1959, the public debt outstanding amounted to $284.7 billion compared with $276.3 billion a year earlier. The Government's fiscal operations in fiscal 1958 and 1959 and their effect on the public debt are summarized below.

	1958		1959	
	In billions of dollars			
Budget results:				
Net receipts	69.1		68.3	
Net expenditures	71.9		80.7	
Budget deficit		2.8		12.4
Plus:				
Trust account and other transactions, excess of expenditures, or receipts (−) [1]	−1.2		.3	
Change in Treasurer's balance:				
Increase, or decrease (−)	4.2	3.0	−4.4	−4.1
Equals: Public debt increase		5.8		8.4

[1] Includes net trust account transactions, etc.; net investments by Government agencies in public debt securities; net sales or redemptions of obligations of Government agencies in the market; changes in clearing and other accounts necessary to reconcile to Treasury cash; and changes in amount of cash held outside the Treasury.

It is anticipated that the surpluses estimated for 1960 and 1961 will combine to reduce the public debt to $280 billion by June 30, 1961.

Because the Government's expenditures are spread somewhat evenly during the fiscal year while tax receipts are not, the Treasury is required to provide some interim financing even in periods when the Government's revenues and expenditures for the fiscal year are in balance or result in a surplus. Receipts from corporation income taxes and from individual income taxes not withheld are regularly much less in the first half than in the second half of the fiscal year. For this reason, the first half of fiscal 1958 showed a deficit of $6.7 billion although the year-end deficit was $2.8 billion. In 1959 a deficit of $11.0 billion in the first six months accounted for almost 90 percent of the deficit for the entire year. Fiscal 1960 is expected to end with a surplus of $0.2 billion, although a $5.6 billion deficit was incurred in the first six months of the year.

BUDGET RECEIPTS AND EXPENDITURES

BUDGET RECEIPTS IN 1959

Net budget receipts in the fiscal year 1959 amounted to $68.3 billion, $0.8 billion below those in fiscal 1958 and $2.8 billion below the record 1957 receipts.

Receipts in 1958 reflected the decline in business profits during the latter part of the calendar year 1957 and the leveling off of personal income during the mid-1957 to mid-1958 period. Although a strong recovery movement commenced in mid-1958, receipts declined in fiscal 1959 because of the lag between tax liabilities and receipts which is characteristic of certain tax sources.

A comparison of net receipts after refunds and transfers, by major sources, for the fiscal years 1958 and 1959 is shown below. Additional data for 1959 on a gross basis are presented in table 10.

Source	1958	1959	Increase, or decrease (−)	
			Amount	Percent
	In millions of dollars			
Internal revenue:				
Individual income taxes	34,724	36,719	1,995	5.7
Corporation income taxes	20,074	17,309	−2,765	−13.8
Excise taxes	8,612	8,504	−108	−1.3
Employment taxes	333	321	−12	−3.6
Estate and gift taxes	1,393	1,333	−60	−4.3
Internal revenue not otherwise classified	6	5	−2	−24.9
Total internal revenue	65,142	64,190	−951	−1.5
Customs	782	925	144	18.4
Miscellaneous receipts	3,193	3,155	−38	−1.2
Net budget receipts	69,117	68,270	−846	−1.2

Individual income taxes.—Receipts from individual income taxes amounted to $36,719 million in 1959, an increase of $1,995 million over 1958. The bulk of the rise occurred in taxes withheld from salaries and wages, which reflect the growth in personal incomes more quickly than the taxes paid on declarations and on final returns.

Corporation income taxes.—Corporation income tax receipts amounted to $17,309 million in fiscal 1959, a decrease of $2,765 million below 1958. This reflected the sharp drop in profits during the calendar year 1958, the liability year which primarily determined receipts in fiscal 1959.

Excise taxes.—Receipts from this source are listed in the following table.

Source	1958	1959	Increase, or decrease (−)	
			Amount	Percent
	In millions of dollars			
Alcohol taxes	2,946	3,002	56	1.9
Tobacco taxes	1,734	1,807	73	4.2
Taxes on documents, other instruments, and playing cards	109	134	24	22.3
Manufacturers' excise taxes	3,974	3,959	−15	−.4
Retailers' excise taxes	342	356	14	4.1
Miscellaneous excise taxes	1,741	1,436	−305	−17.5
Undistributed depositary receipts and unapplied collections	−33	66	99	(1)
Gross excise taxes	10,814	10,760	−55	−.5
Deduct:				
Refunds of receipts	86	84	−2	−2.3
Transfer to highway trust fund	2,116	2,171	55	2.6
Net excise taxes	8,612	8,504	−108	−1.3

1 Percentage comparison inappropriate.

Total excise tax receipts were slightly lower in fiscal 1959 than in 1958. However, comparison between 1959 and 1958 is obscured by the repeal of the taxes on transportation of property and of oil by pipeline, effective August 1, 1958 (receipts from these taxes declined $347 million in 1959), and by the change on June 24, 1959, from a stamp system to a system of filing semimonthly returns for alcohol and tobacco taxes. Except for these taxes affected by legislative changes and by the reduced sales of automobiles in the calendar year 1958, virtually all excises gained in fiscal 1959 as a result of expanded business activity.

Employment taxes.—Receipts from the various employment taxes were as follows:

Source	1958	1959	Increase, or decrease (−)	
			Amount	Percent
	In millions of dollars			
Federal Insurance Contributions Act and Self-Employment Contributions Act	7,733	8,004	271	3.5
Railroad Retirement Tax Act	575	525	−50	−8.7
Federal Unemployment Tax Act	336	324	−12	−3.5
Gross employment taxes	8,644	8,854	209	2.4
Deduct:				
Refunds of receipts	4	3	(*)	−3.5
Transfers to:				
Federal old-age and survivors insurance trust fund	6,870	7,158	287	4.2
Federal disability insurance trust fund	863	847	−16	−1.9
Railroad retirement account	575	525	−50	−8.6
Net employment taxes	333	321	−12	−3.6

*Less than $500,000.

The increase in receipts under the Federal Insurance Contributions Act and the Self-Employment Contributions Act resulted principally from the one-quarter percent increase in rates each on employers and employees effective January 1, 1959 (by an act approved August 28, 1958 (26 U.S.C. 3101)), although higher taxable wages also contributed. Collections from both the Railroad Retirement Tax Act and the Federal Unemployment Tax Act were lower than in 1958. After transfers to the trust accounts, net budget receipts were affected only to the extent of the small decline in Federal Unemployment Tax Act collections.

Estate and gift taxes.—Receipts from estate and gift taxes amounted to $1,333 million in fiscal 1959, $60 million below receipts in 1958.

Customs.—Customs receipts continued their increase in 1959, reaching $925 million, $144 million above receipts in 1958.

Miscellaneous receipts.—Miscellaneous receipts decreased to $3,155 million in fiscal 1959. The decline of $38 million was in part the result of a decline in the interest paid to the Treasury by the Commodity Credit Corporation and the Federal Reserve Banks.

ESTIMATES OF RECEIPTS IN 1960 AND 1961

The Secretary of the Treasury is required each year to prepare and submit in his annual report to Congress estimates of the public revenue for the current fiscal year and for the fiscal year next ensuing (act of February 26, 1907 (5 U.S.C. 265)).

The estimates of receipts from taxes and customs for the current and coming fiscal years are prepared by the Treasury Department. In general, the estimates of miscellaneous receipts are prepared by the agencies depositing these receipts in the Treasury.

The estimates are based on the assumption of a continued rise in the level of economic activity through the period underlying the fiscal year 1961 receipts. The revenue estimates are consistent with an increase in the gross national product from about $480 billion in the calendar year 1959 to about $510 billion in calendar 1960. It is also assumed for fiscal 1961 that legislation will be enacted extending present corporation income and excise tax rates for a year beyond June 30, 1960; that aviation gas taxes will be increased and a new tax imposed on jet fuels, and both credited to the general fund; and that adequate fees and charges will be established for special services or benefits as recommended by the President.

Receipts in the fiscal year 1959 were adversely affected by the 1957–58 recession. The recovery and growth in business activity and profits which commenced in the middle of the calendar year 1958 are expected to result in an increase of $10.3 billion in receipts in fiscal 1960 as compared with 1959 and a further rise in receipts of

$5.4 billion for 1961. The amounts estimated for 1960 and 1961—$78.6 billion and $84 billion, respectively—are substantially higher than the level attained in any past year.

Detailed estimates of budget receipts under both existing and proposed legislation are contained in table 10.

Receipts by major sources

Actual receipts for 1959 and estimated receipts for 1960 and 1961 are compared by major sources in the following table. The amount shown for each receipt source is the net amount after deduction of refunds and transfers to trust funds.

Source	1959 actual	1960 estimate	1961 estimate	Increase, or decrease (−), 1961 over 1960
	In millions of dollars			
Individual income taxes	36,719	40,306	43,706	3,400
Corporation income taxes	17,309	22,200	23,500	1,300
Excise taxes	8,504	9,100	9,523	423
Employment taxes	321	333	340	7
Estate and gift taxes	1,333	1,470	1,620	150
Taxes not otherwise classified	5	5	5	----------
Customs	925	1,176	1,376	200
Miscellaneous receipts	3,155	4,010	3,930	−80
Net budget receipts	68,270	78,600	84,000	5,400

The individual income tax is estimated to remain by far the most important tax source in 1960 and 1961. Revenues from individual income taxes are about double the corporation income tax; together, the two income taxes are estimated to account for 80 percent of receipts in 1961.

Substantial increases are estimated for all major tax sources for the fiscal year 1961, with the largest share of the increase provided by the individual income tax. Another significant increase is provided by the corporation income tax.

Individual income taxes.—The yield from this source on a gross and net basis is shown in the following table.

Source	1959 actual	1960 estimate	1961 estimate	Increase 1961 over 1960
	In millions of dollars			
Individual income taxes:				
Withheld	29,001	32,100	35,200	3,100
Other	11,733	12,600	13,200	600
Gross individual income taxes	40,735	44,700	48,400	3,700
Less refunds of receipts	4,016	4,394	4,694	300
Net individual income taxes	36,719	40,306	43,706	3,400

Individual income tax receipts are estimated to increase by $3.4 billion in fiscal 1961. The rise of $7 billion in receipts from this source since 1959 reflects the growth in personal income which was resumed in mid-1958 and is estimated to continue through the fiscal year 1961.

Corporation income taxes.—Corporation receipts on a gross and net basis are shown in the following table.

Source	1959 actual	1960 estimate	1961 estimate	Increase 1961 over 1960
	In millions of dollars			
Corporation income taxes	18,092	23,000	24,300	1,300
Less refunds of receipts	782	800	800	
Net corporation income taxes	17,309	22,200	23,500	1,300

Receipts from corporation income taxes in each fiscal year are determined primarily by corporate profits of the calendar year ending in the fiscal year. Thus, receipts in fiscal 1960 largely reflect calendar year 1959 profits and receipts in fiscal 1961, calendar 1960 profits. Substantial gains have been reported for profits following the depressed first half of calendar 1958. Although restrained somewhat by the steel strike in the fall, profits for calendar 1959 will average substantially above those for calendar 1958. As a result, corporation income tax receipts are estimated to rise from $17.3 billion in 1959 to $22.2 billion in 1960. It is expected that profits will show a further rise for calendar 1960 as compared with calendar 1959 and will result in a rise of $1.3 billion in corporation income taxes to a total of $23.5 billion for 1961.

Comparisons of receipts in these years are affected by: (1) The completion with the fiscal year 1960 of the accelerated schedule of corporation income tax payments; and (2) the postponement from June to September 1959 of the payment of a substantial portion of life insurance liabilities for calendar 1958 as a result of the Life Insurance Company Income Tax Act of 1959.

Excise taxes.—The yield of the excise taxes is shown in the following table.

Source	1959 actual	1960 estimate	1961 estimate	Increase, or decrease (−), 1961 over 1960
	In millions of dollars			
Alcohol taxes	3,002	3,142	3,243	101
Tobacco taxes	1,807	1,892	1,957	65
Taxes on documents, other instruments, and playing cards	134	138	143	5
Manufacturers' excise taxes	3,959	4,821	5,332	511
Retailers' excise taxes	356	377	395	18
Miscellaneous excise taxes	1,436	1,395	1,487	92
Undistributed depositary receipts and unapplied collections	66	46		−46
Gross excise taxes	10,760	11,811	12,557	746
Deduct:				
Refunds of receipts	84	84	84	
Transfer to highway trust fund	2,171	2,627	2,950	323
Net excise taxes	8,504	9,100	9,523	423

Gross excise tax receipts are estimated to increase $1,051 million in 1960 and to rise further by $746 million in 1961. However, receipts transferred to the highway trust fund are estimated to increase by $456 million in 1960 and by $323 million in 1961. Consequently, the increase in net excise taxes remaining as general fund receipts is reduced to $596 million in 1960 and $423 million in 1961.

Receipts transferred to the highway trust fund will be augmented in 1960 and 1961 by an estimated increase in sales of taxable products, but the major reason for the much higher transfers is the increase of 1 cent per gallon in the tax rates on gasoline and diesel fuel effective October 1, 1959, and continuing until June 30, 1961. The increase in rates affects year-to-year comparisons since it is only partly effective in 1960 but fully operative in 1961. The amount transferred in 1961 is reduced by the retention in general fund receipts of the revenue from the tax on aviation gasoline under proposed legislation.

Net excise tax receipts in 1960 and 1961 are expected to increase because of the much higher volume of sales of taxable goods and services estimated to accompany higher consumer incomes. The increase is much larger for 1960 than for 1961 primarily because of the difference in the rate of increase in receipts from the tax on passenger automobiles. Receipts from this tax in 1960 are estimated to increase $346 million because of the sharp rise in production from the reduced level in the calendar year 1958. In 1961 a much more moderate increase of $65 million in receipts from this tax is estimated. However, increases in 1960 are generally greater than in 1961 because receipts in 1959 were adversely affected by the leveling off of personal incomes which lasted for about 1 year until the middle of the calendar year 1958.

Part of the rise in excise receipts which is estimated to occur in 1960 because of the rise in sales of taxable goods and services is offset by the effect of the repeal of taxes on the transportation of property and of oil by pipeline.

The estimate for excise tax receipts in 1961 includes the effect of the proposed legislation for aviation fuels. Under this proposal receipts from the tax on aviation gasoline will be credited to the general fund, the net rate will be increased from 2 to 4½ cents per gallon, and a new tax at the 4½-cent rate will be imposed on jet fuel.

Employment taxes.—The yield of the employment taxes is shown in the following table.

Source	1959 actual	1960 estimate	1961 estimate	Increase 1961 over 1960
	In millions of dollars			
Federal Insurance Contributions Act and Self-Employment Contributions Act	8,004	10,092	11,665	1,573
Railroad Retirement Tax Act	525	630	660	30
Federal Unemployment Tax Act	324	335	342	7
Gross employment taxes	8,854	11,057	12,667	1,610
Deduct:				
Refunds of receipts	3	2	2	
Transfers to:				
Federal old-age and survivors insurance trust fund	7,158	9,164	10,693	1,529
Federal disability insurance trust fund	847	928	972	44
Railroad retirement account	525	630	660	30
Net employment taxes	321	333	340	7

Receipts from the Federal Insurance Contributions Act and the Self-Employment Contributions Act are estimated to increase by $2,088 million in 1960 and $1,573 million in 1961. These increases are expected to occur partly because of growing levels of taxable wages, but principally because of changes in law effective January 1, 1959, and January 1, 1960. The January 1, 1959, changes consisted of an increase of one-fourth of 1 percent each in the tax rate on employers and employees and an increase in the maximum amount taxable from $4,200 to $4,800. These changes were partially reflected, therefore, in fiscal 1959 receipts but fully reflected in fiscal 1960 receipts. A further increase of one-half of 1 percent each on employers and employees was effective on January 1, 1960, partially affecting 1960 receipts but wholly effective in fiscal 1961.

Increases in the fiscal years 1960 and 1961 are also estimated for receipts from the Railroad Retirement Tax Act and the Federal Unemployment Tax Act.

Estate and gift taxes.—The yield from estate and gift taxes on a gross and net basis is shown in the following table.

Source	1959 actual	1960 estimate	1961 estimate	Increase 1961 over 1960
	In millions of dollars			
Estate and gift taxes	1,353	1,500	1,650	150
Less refunds of receipts	20	30	30	
Net estate and gift taxes	1,333	1,470	1,620	150

Receipts from the estate and gift taxes are expected to increase by about the same amounts in fiscal years 1960 and 1961. Because of the length of time after the date of death permitted in the filing of estate tax returns, which represent the bulk of these receipts, the income from this source does not immediately reflect changes in security and other asset values.

Customs.—Customs receipts on a gross and net basis are shown in the following table.

Source	1959 actual	1960 estimate	1961 estimate	Increase 1961 over 1960
	In millions of dollars			
Customs	948	1,200	1,400	200
Less refunds of receipts	23	24	24	
Net customs	925	1,176	1,376	200

Customs receipts are estimated to increase appreciably in both 1960 and 1961 as taxable imports rise with expanded business activity.

Miscellaneous receipts.—Receipts from this source on a gross and net basis are shown in the following table.

Source	1959 actual	1960 estimate	1961 estimate	Decrease (−), 1961 over 1960
	In millions of dollars			
Miscellaneous receipts	3,158	4,013	3,932	−81
Less refunds of receipts	3	3	2	−1
Net miscellaneous receipts	3,155	4,010	3,930	−80

The estimated increase of $855 million in 1960 is attributable for the most part to larger collections of interest on loans and of dividends and other earnings. Because of the nonrecurring nature of some of the collections in 1960, a small decrease is forecast for 1961. The 1961 estimate includes amounts under proposed legislation to increase charges for Government services which provide special benefits to identifiable individuals or groups.

BUDGET EXPENDITURES IN 1959

The budget expenditures of $80.7 billion in the fiscal year represented an increase of $8.8 billion over the expenditures of 1958 and reflected in substantial degree the impact of spending initiated in 1958 to halt the recession in national business activity. The distribution of the increase is shown in the comparative summary of expenditures which follows, and details of expenditures by major functions for the fiscal years 1952 through 1959 are shown in table 8.

Principal function	Fiscal year		Increase	
	1958	1959	Amount	Percent
	In billions of dollars			
Major national security	44.1	46.4	2.3	5
International affairs and finance	2.2	3.8	1.6	68
Interest	7.7	7.7		
Veterans' services and benefits	5.0	5.2	.2	4
Labor and welfare	3.4	4.4	1.0	30
Agriculture and agricultural resources	4.4	6.5	2.1	50
Natural resources	1.5	1.7	.1	7
Commerce and housing	2.1	3.4	1.3	62
General government	1.4	1.6	.2	14
Total	71.9	80.7	8.8	12

Major national security expenditures included increases of $2.1 billion for military defense, $0.3 billion for development and control of atomic energy, $0.2 billion for military assistance, and a reduction of $0.3 billion for stockpiling and defense production expansion. The rise of $1.5 billion for international affairs represented primarily the $1.4 billion payment to the International Monetary Fund on the increased United States subscription. Increases for agricultural program expenditures included $2.0 billion for stabilization of farm prices and farm income and $0.1 billion for conservation of land and water resources. Labor and welfare increases included $0.4 billion for labor and manpower, $0.2 billion for public assistance, $0.3 billion for promotion of health and education, and lesser amounts for other welfare services. Commerce and housing expenditures included increases of $0.9 billion for housing, $0.2 billion for aviation and flight technology, $0.1 billion for postal service, and small amounts for other aids and services. Expenditures for veterans' benefits, natural resources, and general government also increased slightly.

ESTIMATES OF EXPENDITURES IN 1960 AND 1961

Actual expenditures for the fiscal year 1959 and estimates for the fiscal years 1960 and 1961 are summarized by agencies in the following table. Further details will be found in table 10. The estimates are based on those submitted to the Congress in the *Budget of the United States Government for the Fiscal Year Ending June 30, 1961.*

Actual budget expenditures for the fiscal year 1959 and estimated expenditures for 1960 and 1961

[In millions of dollars. On basis of 1961 Budget document]

	1959 actual	1960 estimate	1961 estimate
Legislative branch	118	135	162
The judiciary	47	49	52
Agriculture Department (including Commodity Credit Corporation)	7,091	5,706	6,201
Atomic Energy Commission	2,541	2,675	2,689
Civil Service Commission	23	22	71
Commerce Department	382	544	473
Defense Department:			
Military functions	41,233	40,945	40,995
Military assistance	2,340	1,800	1,750
Civil functions	807	907	972
Expansion of defense production	239	170	89
Export-Import Bank of Washington	390	[a] 56	[a] 7
Federal Aviation Agency	441	567	681
General Services Administration	359	430	458
Health, Education, and Welfare Department	3,092	3,417	3,517
Housing and Home Finance Agency	1,152	361	500
Interior Department	751	744	809
Justice Department	250	259	271
Labor Department	1,016	544	540
Mutual security—economic	1,524	1,550	1,700
National Aeronautics and Space Administration	145	325	600
Post Office Department	774	604	49
Small Business Administration	110	102	120
State Department	264	238	292
Treasury Department:			
Interest on the public debt	7,593	9,300	9,500
Other	2,248	984	952
Veterans' Administration	5,232	5,367	5,446
Allowance for contingencies		75	200
All other	535	619	734
Net budget expenditures	80,697	78,383	79,816

[a] Excess of credits (deduct).

TRUST ACCOUNT AND OTHER TRANSACTIONS

Certain financial activities of Government agencies which result in an increase or decrease in the cash balance of the Treasurer of the United States or the cash held outside the Treasurer's account are nonbudgetary in character, that is, they do not affect the budget surplus or deficit of the Government. These transactions are shown in Treasury reports under the following classifications: Trust and deposit fund transactions; net investments of Government agencies in public debt securities; and net sales or redemptions of obligations of Government agencies in the market. For fiscal 1959 the aggregate of these transactions was an excess of expenditures of $329 million compared with an excess of receipts of $633 million in 1958. Details are shown in tables 5, 6, and 7. Annual data for the fiscal years 1952 through 1959 are summarized in table 9, and data for 1959 with estimates for 1960 and 1961 are shown in table 11.

Trust and deposit fund accounts

As defined under "Bases of Tables—Description of Accounts Relating to Cash Operations—Nonbudget Accounts," trust funds are maintained to account for moneys held by the Government for use in carrying out programs in accordance with trust agreements or statutes; and deposit funds are used to account for moneys held by the Government as banker or agent for others, or to account for funds held in suspense temporarily and later refunded or paid into some other account of the Government. Transactions relating to the majority of trust accounts are reported on a gross basis, but some trust accounts operating as revolving or working funds and deposit fund accounts are reported net. The principal Government trust accounts include: The Federal disability insurance trust fund; the Federal old-age and survivors insurance trust fund; the civil service retirement and disability fund; the employees' life insurance fund, Civil Service Commission; the veterans' life insurance funds; the highway trust fund; the railroad retirement account; and the unemployment trust fund. For the fiscal year 1959 the aggregate of transactions in trust and deposit fund accounts resulted in an excess of expenditures of $1,511 million, compared with an excess of receipts of $262 million in 1958.

Investments of Government agencies in public debt securities (net)

Transactions in this classification affect both budgetary and nonbudgetary accounts, but are not included in the classification of the parent account since they have no effect on the operating programs of the fund involved and represent an exchange of assets. The investments in United States securities, including a small amount of securities guaranteed by the United States, provide interest earnings for these accounts and are made primarily in accordance with statutory provisions which require investment of moneys not needed to meet current expenditures. In the fiscal year 1959 the total of sales and redemptions exceeded acquisitions by $1,112 million, compared with net acquisitions of $197 million in 1958. In addition there were net sales in 1959 for the accounts of Government-sponsored enterprises of $70 million, compared with net acquisitions of $460 million in 1958.

Sales and redemptions of obligations of Government agencies in the market (net)

Transactions in this classification represent financing operations between certain Government agencies and the public, and are reported at par value of the securities. Obligations of Government agencies currently issued are not guaranteed by the United States, except for the debentures of the Federal Housing Administration, which are issued in exchange for foreclosed insured mortgages. Nominal amounts of guaranteed obligations of the now liquidated Home Owners' Loan Corporation and Federal Farm Mortgage Corporation remain outstanding and funds for their payment are on deposit with the Treasurer of the United States. Transactions in fiscal 1959 resulted in net sales of $71 million, compared with $567 million of net sales in 1958. In addition Government-sponsored agencies had net sales of their obligations in 1959 of $1,222 million, compared with $167 million of net redemptions in 1958.

ACCOUNT OF THE TREASURER OF THE UNITED STATES

The account of the Treasurer of the United States, as published in the *Daily Statement of the United States Treasury*, consists of three sections: (1) The gold section discloses on the asset side the value of gold on hand and on the liability side the amount of gold certificates, etc., and the balance of gold available; (2) the silver section lists assets of silver bullion and silver dollars, and liabilities of silver certificates, etc., together with the balance of silver available; and (3) assets in the third section consist of the balances of gold and silver available, other silver bullion, coin, currency, unclassified collections, and funds of the Government on deposit with the Federal Reserve Banks and other depositaries. The liabilities of the third section include funds to the credit of the Board of Trustees of the Postal Savings Systems, and uncollected items, exchanges, etc.

The difference between the assets and liabilities constitutes the balance in the Treasurer's account. Of this balance, the available operating funds consist of the gold balance, the available funds on deposit in Federal Reserve Banks, and the balances in Treasury tax and loan accounts in commercial banks. Funds not immediately available for operating purposes include such items as currency in process of redemption, checks in process of collection, and deposits in general or other depositaries in consideration of certain services performed for Government officers. Table 53 contains details of the assets and liabilities in the account of the Treasurer of the United States as of June 30, 1958 and 1959.

During the fiscal year 1959 there was a decrease of $4,399 million in the balance in the account, bringing the balance to $5,350 million as of June 30, 1959. Daily balances in the account ranged from a high of $9,622 million on July 1, 1958, to a low of $2,624 million on January

20, 1959. The net change in the balance, on the basis of the *Daily Statement of the United States Treasury*, is accounted for as follows:

		(In millions of dollars)
Balance June 30, 1958		9, 749
Add:		
Net deposits	81, 612	
Net increase in gross public debt	8, 363	
Investments of Government agencies in public debt securities, net	1, 129	
Sales of obligations of Government agencies in market, net	699	
Certain public debt redemptions included as cash withdrawals below [1]	1, 090	
		92, 893
Total		102, 642
Deduct:		
Cash withdrawals	94, 042	
Accrual of discount on savings bonds and Treasury bills included in net increase in gross public debt above	3, 250	
		97, 292
Balance June 30, 1959		5 350

[1] Represents principally discount included in savings bond and Treasury bill redemptions.

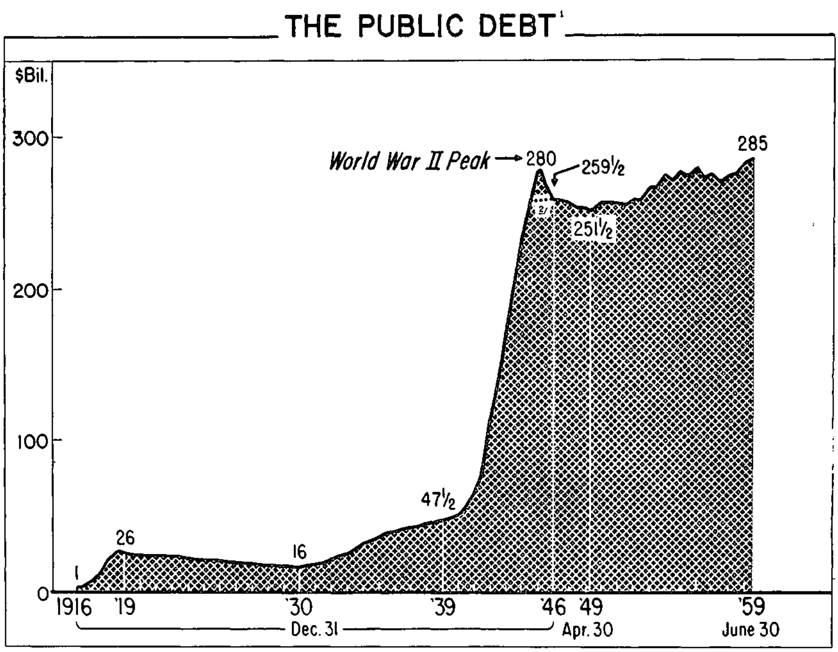
PUBLIC DEBT OPERATIONS AND OWNERSHIP OF FEDERAL SECURITIES

A net increase of $8.4 billion in the public debt and guaranteed obligations during the fiscal year brought the total Federal debt outstanding to $284.8 billion on June 30, 1959. This followed a net increase in the debt of $5.8 billion during the fiscal year 1958, in contrast with net declines aggregating $3.8 billion in the two fiscal years immediately preceding.

Changes in the total of outstanding Federal debt are determined mainly by the budget situation, together with increases or decreases in the cash balance between one year-end and the next. In the fiscal year 1959 the net budget deficit amounted to $12.4 billion. This was the largest peacetime deficit in history. It was financed in part by drawing on a temporarily high cash balance and in part by a rise of $8.4 billion in outstanding debt. In the fiscal year 1958, in contrast, part of the $5.8 billion increase in debt reflected a rise in the Treasury cash balance during the year as well as deficit financing.

Of the $8.4 billion total increase in debt during fiscal 1959 interest-bearing issues accounted for $7.1 billion and noninterest-bearing debt for $1.3 billion. The latter consisted mainly of additional notes held by the International Monetary Fund. The rise in public issues was due to an increase of $11.4 billion in marketable securities, partially offset by a decline of $2.7 billion in public nonmarketable issues. The decrease in public nonmarketable issues was largely attributable to the turning in for cash of a large volume of both matured and unmatured Series F and G savings bonds (which are no longer on sale). The decline of $1.5 billion in special issue holdings by Government investment accounts during the fiscal year reflected principally an excess of expenditures over receipts in the unemployment trust fund, the Federal old-age and survivors insurance trust fund, and the highway trust fund.

CHART 3.



[1] Including public debt and guaranteed obligations.
[2] Excluding Victory Loan proceeds used to repay debt in 1946.

A summary of changes in the debt during the year is shown in the accompanying table. Changes in the level of the debt since 1916 are illustrated in chart 3.

Class of debt	June 30, 1958	June 30, 1959	Increase, or decrease (−)
	In billions of dollars		
Public debt:			
Interest-bearing:			
Public issues:			
Marketable	166.7	178.0	11.4
Nonmarketable	61.8	59.1	−2.7
Total public issues	228.5	237.1	8.6
Special issues to Government investment accounts	46.2	44.8	−1.5
Total interest-bearing public debt	274.7	281.8	7.1
Matured debt on which interest has ceased	.6	.5	−.1
Debt bearing no interest	1.0	2.4	1.3
Total public debt	276.3	284.7	8.4
Guaranteed obligations not owned by the Treasury	.1	.1	(*)
Total public debt and guaranteed obligations	276.4	284.8	8.4

*Less than $50 million.

Progress toward debt management objectives

In addition to Treasury new money borrowing required to cover the deficit, a total of $45 billion of marketable Treasury issues (exclusive of all Treasury bills and tax anticipation certificates) reached maturity or were called during the year and required refinancing.

In both new money and refunding operations, the Treasury guided its operations by certain major objectives. First, it sought to secure the funds as much as possible from true savers rather than from commercial banks in order to reduce the inflationary potential of Treasury financing during a period of rising economic activity. Second, it continued its efforts to secure the necessary funds at as reasonable cost to the taxpayer as possible, consistent with the primary goal of contributing to sound economic growth. And finally, it sought to reduce the frequency of its operations and otherwise plan its borrowing programs so as to interfere as little as possible with Federal Reserve conduct of monetary policy.

A high and rising level of output and trade characterized the entire fiscal year, following the turn from recession to recovery which occurred close to the end of the fiscal year 1958. By the fall of 1958 Federal Reserve policy had changed from one of credit ease to one of gradually increasing restraint. Discount rates at the Federal Reserve Banks were increased four times during the fiscal year from 1¾ percent prevailing in June 1958 to 3½ percent in effect at the end of the fiscal year.

During the early months of fiscal 1959 there was unsettlement in the price structure of the Government bond market following unexpectedly large exchanges for the Treasury's June 1958 offering of 6-year 8-month 2⅝ percent bonds, together with large acquisitions of this issue by temporary holders. By January 1959, however, market and other conditions had become suitable for modest debt-lengthening operations. The Treasury issued $0.9 billion of 4 percent 21-year bonds for cash in that month (at a price of 99 for an effective yield of 4.07 percent), and in April 1959 issued $0.6 billion of 4 percent 10½ year bonds for cash (at par) through reopening an issue first offered in October 1957.

During the fiscal year the Treasury continued its program for achieving a more orderly scheduling of its maturities through grouping more of them on the four dates of mid-February, May, August, and November. The aims of this program are: To reduce the number of times each year that Treasury borrowing operations interfere with other borrowers such as corporations, States, and municipalities; to minimize the "churning" in the money markets on the major quarterly corporation income tax dates; and to facilitate the effective execution by the Federal Reserve of its monetary policy. At the end of the year the program for grouping maturities had advanced to the point where over 79 percent of outstanding Treasury marketable securities maturing within the next ten years (excluding all Treasury bills and tax anticipation certificates) will fall due in February, May, August, or November as compared with 69 percent maturing in those months at the end of fiscal 1958, and about 10 percent at the end of June 1953.

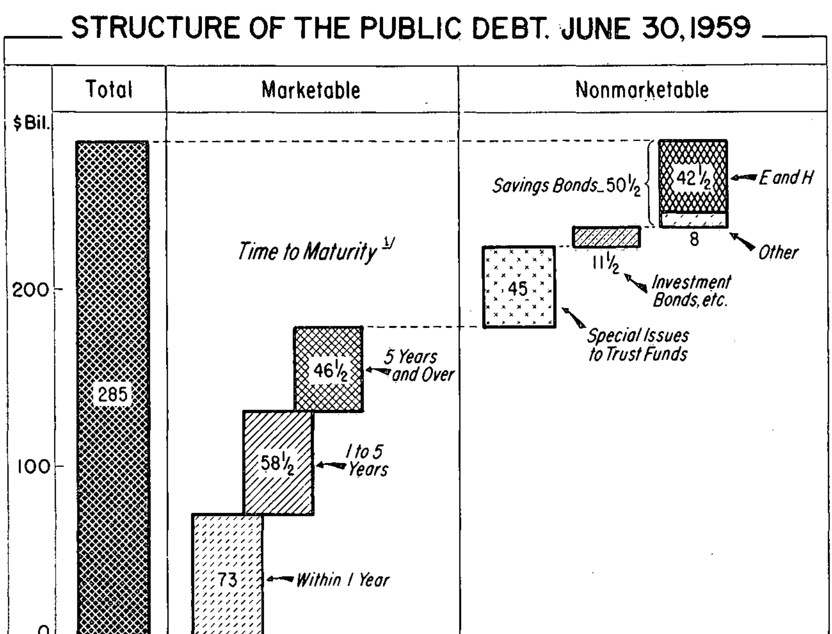
The major innovation in Treasury financing of marketable issues during the year was the initiation of a program leading to the establishment of bill cycles of six months and one year, in addition to the 13-week cycle of these auction-type issues in effect at the beginning of the fiscal year. In this way the handling of $30 billion to $35 billion of the public debt will be on a routine basis so that its constant refunding has a minimum impact upon the money markets. The first step in the new program was taken in December 1958 when 26-week bills were inaugurated. Further offerings of 26-week bills were made in each succeeding week of the fiscal year. This program at the end of the year included $25 billion of regular weekly Treasury bills: $14 billion of 3-month bills maturing at the rate of $1 billion to $1.2 billion per week, and about $11 billion of 6-month bills maturing at the rate of $400 million or $500 million per week. In addition the Treasury had $4 billion of longer-term Treasury bills maturing on mid-month dates in January 1960 and April 1960; and in June 1959 the Treasury announced that a third issue of $2 billion with a July 15, 1960, maturity would be offered in July 1959, with the expectation that a fourth issue of similar size with an October 1960 maturity would be offered later.

A further innovation in financing techiques during the year was the offering of one long-term bond and several certificate and note issues at prices slightly less than par. In the December 1958 exchange offering the Treasury issued a 3⅜ percent 11½-month certificate priced at 99.95 and a 3⅝ percent 2½-year note priced at 99⅞. In January 1959 a 3¼ percent 1-year 4-month note and a 4 percent 21-year bond were offered for cash at prices of 99¾ and 99.00, respectively. In May a 4 percent 1-year certificate was offered at 99.95 in exchange for maturing obligations.

In addition to the two issues of long-term bonds, offered in January and March 1959 and totaling $1.5 billion, over $11 billion of notes having maturities in the one- to five-year area were issued for cash or in exchange for maturing obligations during the course of the year. Nevertheless, the Treasury lost ground during the year in its efforts to keep the average maturity of the debt from constantly shortening. Toward the end of the fiscal year the 4¼ percent statutory interest rate ceiling currently applying to all new issues of Treasury bonds (which includes all new Treasury issues maturing in more than 5 years) acted in an increasing degree to prevent the Treasury from undertaking major debt lengthening operations.

At the end of the year the amount of marketable debt within one year of maturity amounted to $73 billion as compared with $68

CHART 4.



[1] Partially tax-exempt bonds are classified to earliest call date.

billion on June 30, 1958. Similarly, the average length of the marketable debt to final maturity (partially tax-exempt bonds to first call date) declined from 5 years and 3 months in June 1958 to 4 years and 7 months in June 1959. The passage of time, which always operates to shorten the debt, could not be offset effectively during the fiscal year 1959 because of the impact on credit markets of the record peacetime Federal budget deficit of $12.4 billion and the rising demands for credit in the private sector of the economy.

The most significant feature of debt ownership change during the year was a $13 billion increase in the portfolios of private nonbank investors. This was sufficient to absorb the increase in the total public debt as well as the decline in holdings of the banking system and Government investment accounts.

Treasury legislative program for facilitating debt management

On June 8, 1959, in accordance with the President's message of that date on public debt management, the Secretary of the Treasury transmitted to the Speaker of the House of Representatives two bills providing primarily for three major steps designed to strengthen the public debt management program, as follows:

(1) Removal of the present 3.26 percent interest rate ceiling on savings bonds which, together with other changes, would permit the Treasury to go forward with a reinvigorated savings bonds program;

(2) Removal of the present 4¼ percent interest rate ceiling on new Treasury bond issues; and

(3) An increase in the regular public debt limit from $283 billion to $288 billion, with a temporary increase to $295 billion through June 30, 1960.

These proposals were discussed in detail by the Secretary of the Treasury in his appearance before the House Ways and Means Committee on June 10, 1959 (see exhibit 17).

The Congress acted first on the proposal to increase the debt limit. A discussion of changes in the statutory limit and in the debt subject to limit during the fiscal year is given on page 27.

By an act approved September 22, 1959, Congress raised the permissible interest rate which could be paid on savings bonds when held to maturity from 3.26 percent to 4¼ percent. On the same date the Treasury announced, effective June 1, 1959, an increase in interest yields to 3¾ percent on all new Series E and H savings bonds when held to maturity, and increased investment yields for all outstanding E and H bonds by approximately ½ percent if held to maturity. Details of these changes will be found beginning on page 161, and in exhibit 16 on page 222.

In addition to permitting an increase in the interest rate ceiling on savings bonds, the act approved September 22, 1959, granted the Treasury authority which can be used to facilitate refunding of outstanding debt issues in advance of maturity. Under this new authority, whenever it is so provided by regulations issued by the Secretary of the Treasury concerning the issue of obligations of the United States, no gain or loss shall be recognized for Federal income tax purposes on the surrender to the United States of obligations issued under the Second Liberty Bond Act in exchange solely for other Treasury obligations.

The purpose of advance refunding as permitted by this legislation is to encourage long-term investors to retain their investments in Federal securities by offering them an opportunity to exchange their present bonds for new ones of longer maturity before the passage of time brings the maturity of their current holdings down into the short-term area. Treasury experience has been that the long-term investor frequently disposes of his Government obligations as they shorten in maturity in order to shift to longer-term securities other than Governments. Advance refunding thus affords an excellent technique for debt lengthening with a minimum market effect on the flow of current savings and investment funds. A statement by the Secretary of the Treasury describing the advance refunding technique may be found in exhibit 17 on page 259.

The first session of the 86th Congress adjourned in September 1959 without taking action on the administration's request for removal of the 4¼ percent interest rate ceiling effective on Treasury securities having a maturity of more than five years.

PUBLIC DEBT OPERATIONS

As noted previously, the Treasury was able to finance the $12.4 billion deficit in the fiscal year 1959 and refinance $45 billion of maturing obligations (exclusive of all Treasury bills and tax anticipation certificates) without increasing its borrowing from the commercial banking system.

In mid-July, in the first major financing of the year, holders of certificates maturing August 1 and of two bond issues called for redemption on September 15 were offered 1⅝ percent one-year certificates. This was followed on July 29 by a cash offering of 1½ percent tax anticipation certificates of indebtedness to mature on March 24, 1959. The tax anticipation certificates were planned to meet needs of the Treasury for cash during the July–December period, when receipts are seasonally low, by offering securities attractive particularly to corporations as they invest their tax reserves.

In September a further cash offering was made consisting of 3½ percent 13-month Treasury notes and an issue of 219-day Treasury bills. Instead of by the usual auction, the bills were offered at a fixed price of 98.023 to yield approximately 3.25 percent.

A second cash offering of tax anticipation securities was made in November, when the Treasury borrowed to meet seasonal needs by issuing tax anticipation bills (at auction) to mature immediately following the mid-June 1959 tax collection date. Further offerings of tax anticipation bills (at auction) to cover seasonal needs were made in February and May, to mature immediately after tax collection dates in September 1959 and December 1959, respectively.

In line with its efforts to achieve a more orderly scheduling of short-term maturities, the Treasury in its December 1958 exchange operations offered holders of maturing issues a choice of:

A 3⅜ percent 11½-month certificate maturing in November 1959, and priced at 99.95 to yield 3.43 percent, or

A 3⅝ percent 2½-year note maturing in May 1961 and priced at 99⅞ percent to yield 3.68 percent.

The next major financing exclusive of Treasury bill offerings occurred in January 1959 when the Treasury offered for cash a 4 percent 21-year bond and a 3¼ percent 16-month note. Both of these offerings were issued at a discount, to yield 4.07 percent for the bond and 3.45 percent for the note. It will be noted that the yield on the long-term bond required by current market conditions was at that time very close to the 4¼ percent interest rate ceiling effective on issues maturing in more than five years.

In February 1959 holders of the $14¾ billion securities maturing in the middle of that month were offered a 3¾ percent 1-year certificate and a 4 percent 3-year note.

Immediately following the February refunding a September 1959 tax anticipation bill was sold at auction to raise additional cash. The timing of the offering coincided closely with the cash paid out in connection with the refunding.

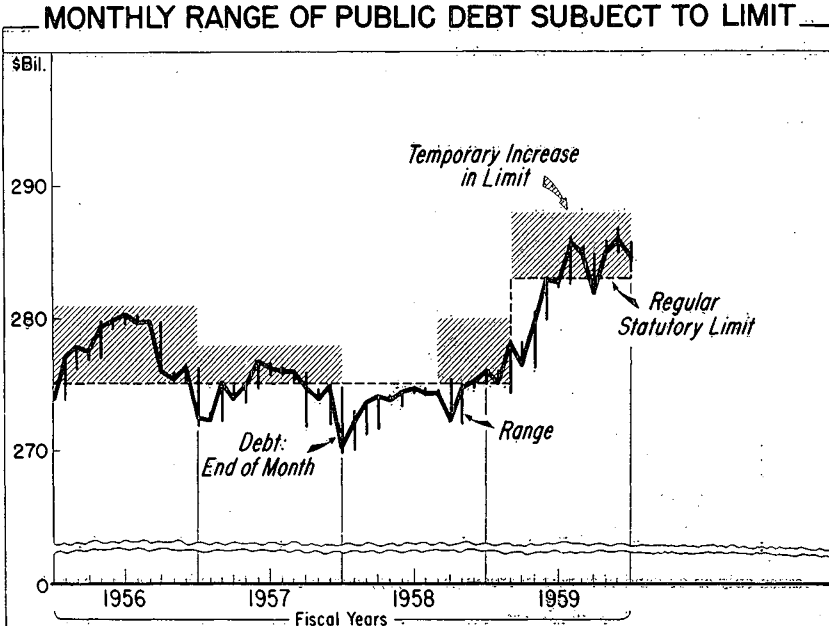
In April another cash offering was made of a 4 percent note having a maturity of a little over 4 years, and at the same time the 4 percent bond maturing in October 1969, originally issued in October 1957, was reopened for cash subscription. The last offerings of the fiscal year exclusive of regular weekly bills were a 4 percent 1-year certificate offered in exchange for a certificate maturing in May 1959 and a December 1959 tax anticipation bill (221-day) sold at auction to raise additional cash.

The inclusion in the March cash offering of a 289-day Treasury bill to be issued on an auction basis was noted by the Treasury at that time as the first step in a move looking to the eventual establishment of a pattern of one-year maturities on quarterly dates in mid-January, April, July, and October. A further step in this program was taken in May with the offering on an auction basis of a 340-day Treasury bill.

Borrowing in the early part of the fiscal year raised the debt very near to the statutory limit of $280 billion then in effect. A peak of $278.3 billion for the July–September quarter was reached on August 28, 1958. By Public Law 85–912, approved September 2, 1958, the permanent debt ceiling was raised from $275 billion to $283 billion and this in addition to the temporary increase of $5 billion already in effect as a result of the act of February 26, 1958, provided an operating ceiling of $288 billion for the remainder of the fiscal year. Additional borrowing as a result of a large deficit in the last half of the fiscal year kept the debt relatively close to the temporary limit of $288 billion. The highest amount in the year was $286.8 billion reached on May 11, 1959. On June 30, 1959, Public Law 86–74 was approved which immediately raised the permanent debt ceiling from $283 billion to $285 billion and authorized a temporary increase of $10 billion to be in effect only during the fiscal year 1960. A comparison of the statutory debt limit with the public debt outstanding subject to the limit since June 30, 1956, is shown in chart 5.

CHART 5.

MONTHLY RANGE OF PUBLIC DEBT SUBJECT TO LIMIT



For further detail on the statutory limit on the public debt and guaranteed obligations as of June 30, 1959, see table 28, and for a summary of amendments to the law limiting the debt see table 29.

The following tables summarize the financing operations during the fiscal year and show the results of the public offerings of marketable bonds, notes, certificates of indebtedness, and bills.

In handling its weekly offering of 13-week Treasury bills and the new 26-week bills which were offered on a regular weekly basis beginning on December 11, 1958, the Treasury raised a net amount of $2.6 billion of new cash during the fiscal year. Prior to the initiation of the 26-week cycle approximately $100 million of new cash was

Public offerings of marketable Treasury securities excluding refinancing of regular weekly bills, fiscal year 1959

[In millions of dollars]

Date of issue	Description of security and maturity date	Issued for cash	Issued in exchange for other securities	Total issued
	BONDS, NOTES, AND CERTIFICATES OF INDEBTEDNESS			
1958				
Apr. 1	1½% exchange note—Apr. 1, 1963 [1]		[2] 427	427
Aug. 1	1⅝% certificate—Aug. 1, 1959		13,500	13,500
Aug. 6	1½% certificate (tax anticipation)—Mar. 24, 1959	3,567		3,567
Oct. 1	1½% exchange note—Oct. 1, 1963 [1]		506	506
Oct. 10	3½% note—Nov. 15, 1959	1,184		1,184
Dec. 1	3⅜% certificate—Nov. 15, 1959, issued at 99.95		7,711	7,711
Dec. 1	3⅝% note—May 15, 1961, issued at 99⅞		4,078	4,078
1959				
Jan. 21	3¼% note—May 15, 1960, issued at 99¾	2,738		2,738
Jan. 23	4% bond—Feb. 15, 1980, issued at 99.00	884		884
Feb. 15	3¾% certificate—Feb. 15, 1960, issued at 99.993		11,363	11,363
Feb. 15	4% note—Feb. 15, 1962, issued at 99.993		1,435	1,435
Apr. 1	4% note—May 15, 1963	1,743		1,743
Apr. 1 [3]	4% bond—Oct. 1, 1969	619		619
Apr. 1	1½% exchange note—Apr. 1, 1964 [1]		130	130
May 15	4% certificate—May 15, 1960, issued at 99.95		1,269	1,269
	Total bonds, notes, and certificates of indebtedness	10,735	40,419	51,154
	BILLS [4] (MATURITY VALUE)			
1958				
Oct. 8	3.25% 219-day—May 15, 1959, issued at fixed price	2,735		2,735
Nov. 20	2.999% 214-day (tax anticipation)—June 22, 1959, auction	2,997		2,997
1959				
Feb. 16	3.293% 217-day (tax anticipation)—Sept. 21, 1959, auction	1,502		1,502
Apr. 1	3.386% 289-day—Jan. 15, 1960, auction	2,006		2,006
May 11	3.835% 340-day—Apr. 15, 1960, auction	2,003		2,003
May 15	3.565% 221-day (tax anticipation)—Dec. 22, 1959, auction	1,500		1,500
	Increase in offerings of regular 91-day weekly bills during period Sept. 11, 1958, through Nov. 13, 1958	1,000		1,000
	Changes in regular bill offerings Dec. 11, 1958, through June 30, 1959:			
	91-day 9,100			
	182-day 10,700			
		1,600		1,600
	Total bills	15,343		15,343
	Total public offerings	26,078	40,419	66,497

[1] Issued only on demand of owners in exchange for 2¾% Treasury Bonds, Investment Series B-1975-80.
[2] Issued subsequent to June 30, 1958.
[3] Reopening of bonds issued Oct. 1, 1957.
[4] Amounts are maturity value. Treasury bills are sold on a discount basis with competitive bids for each issue. (One issue of bills during the fiscal year was sold on a fixed price basis.) The average sale price for auctioned issues gives an approximate yield on a bank discount basis as indicated for each series.

Disposition of matured marketable Treasury securities excluding refinancing of regular weekly bills, fiscal year 1959

[In millions of dollars]

Date of refunding or retirement	Called or maturing security		Redeemed for cash or carried to matured debt [1]	Exchanged for new security	Total	Percent exchanged
	Description and maturity date	Issue date				
	BONDS, NOTES, AND CERTIFICATES OF INDEBTEDNESS					
1958						
Aug. 1	4% certificate—Aug. 1, 1958	Aug. 1, 1957	885	10,634	11,519	92.3
Aug. 1	2¼% bond—Sept. 15, 1956–59, called Sept. 15, 1958	Feb. 1, 1944	1,612	2,206	3,818	57.8
Aug. 1	2⅜% bond—Mar. 15, 1957–59, called Sept. 15, 1958	Mar. 1, 1952	267	660	927	71.2
Oct. 1	1½% exchange note—Oct. 1, 1958	Oct. 1, 1953	121	----------	121	----------
Dec. 1	3¾% certificate—Dec. 1, 1958	Dec. 1, 1957	100	9,733	9,833	99.0
Dec. 1	2½% bond—Dec. 15, 1958	Feb. 15, 1953	312	2,056	2,368	86.8
1959						
Feb. 15	2½% certificate—Feb. 14, 1959	Feb. 14, 1958	876	8,894	9,770	91.0
Feb. 15	1⅞% note—Feb. 15, 1959	May 17, 1954	1,199	3,904	5,102	76.5
Mar. 24	1½% certificate (tax anticipation)—Mar. 24, 1959	Aug. 6, 1958	3,567	----------	3,567	----------
Apr. 1	1½% exchange note—Apr. 1, 1959	Apr. 1, 1954	119	----------	119	----------
May 15	1¼% certificate—May 15, 1959	June 15, 1958	547	1,269	1,817	69.8
	Total bonds, notes, and certificates of indebtedness	----------	9,605	39,356	48,961	----------
	BILLS					
1959						
May 15	3¼% —May 15, 1959	Oct. 8, 1958	2,735	----------	2,735	----------
June 22	2.999% (tax anticipation)—June 22, 1959	Nov. 20, 1958	2,997	----------	2,997	----------
	Total bills	----------	5,732	----------	5,732	----------
	Total Treasury securities	----------	15,337	39,356	54,693	----------

[1] Including tax anticipation issues redeemed for taxes.

raised each week, beginning with the issue of September 11 and continuing through November 13. With the addition of the 26-week bills on December 11, approximately $200 million of new cash was raised each week during the period December 11 through January 15. During the period March 5 through March 26, $100 million of new money was raised each week. Regular weekly bills (including the 26-week bills) outstanding at the close of the fiscal year 1959, totaled $25 billion. An additional $4 billion was outstanding in Treasury bills of somewhat longer maturity under the program for gradually moving some of the debt into a new 1-year bill cycle which could be handled in routine fashion.

To raise additional cash for current requirements the Treasury, as already noted, issued approximately $6 billion of tax anticipation bills and approximately $3½ billion of tax anticipation certificates during the course of the fiscal year. The tax anticipation certificates issued in August 1958 were acceptable at par in payment of income and profits taxes due March 15, 1959. Similarly, the tax anticipation

Allotments of marketable Treasury securities other than regular weekly bills, fiscal year 1959 [1]

[In millions of dollars]

Date of financing	Issue—description of security and maturity date	Amount issued		Allotments by investor classes		
		For cash	In exchange for other securities	U.S. Government investment accounts and Federal Reserve Banks	Commercial banks [2]	All other
	BONDS, NOTES, AND CERTIFICATES OF INDEBTEDNESS					
1958						
Aug. 1	1⅝% certificate—Aug. 1, 1959-C		13,500	7,218	3,600	2,682
Aug. 6	1½% certificate (tax anticipation) Mar. 24, 1959-D	3,567			3,097	470
Oct. 10	3½% note—Nov. 15, 1959-B	1,184		105	664	415
Dec. 1	3⅜% certificate—Nov. 15, 1959-E		7,711	5,086	1,090	1,535
Dec. 1	3⅝% note—May 15, 1961-B		4,078	2,923	736	419
1959						
Jan. 21	3¼% note—May 15, 1960-B	2,738			2,302	436
Jan. 23	4% bond—Feb. 15, 1980	884		50	170	664
Feb. 15	3¾% certificate—Feb. 15, 1960-A		11,363	5,646	2,418	3,299
Feb. 15	4% note—Feb. 15, 1962-D		1,435	9	972	454
Apr. 1	4% note—May 15, 1963-B	1,743		100	1,331	312
Apr. 1[3]	4% bond—Oct. 1, 1969	619		50	335	234
May 15	4% certificate—May 15, 1960-B		1,269	155	367	747
	BILLS					
1958						
Oct. 8	3¼%—May 15, 1959	2,735			2,256	479
Nov. 20	2.999% (tax anticipation) June 22, 1959	2,997		n.a.	2,871	n.a.
1959						
Feb. 16	3.293% (tax anticipation)—Sept. 21, 1959	1,502		n.a.	1,443	n.a.
Apr. 1	3.386% —Jan. 15, 1960	2,006		n.a.	n.a.	n.a.
May 11	3.835% —Apr. 15, 1960	2,003			1,952	51
May 15	3.565% (tax anticipation)—Dec. 22, 1959	1,500			539	961

n.a. Not available.
[1] Excludes 1½% Treasury EA and EO notes issued in exchange for nonmarketable 2¾% Treasury Bonds, Investment Series B-1975-80.
[2] Includes trust companies and stock savings banks.
[3] Reopening of bonds issued October 1, 1957.

bills issued in November 1958, February 1959, and May 1959 were acceptable in payment of income and profits taxes due in June 1959, September 1959, and December 1959, respectively. (For additional information on all bill issues see exhibit 4.)

The tightening of credit, beginning in the fall of 1958, was reflected in an increase in Treasury borrowing costs. The average rate on new issues of 13-week Treasury bills, for example, increased from ¾ of 1 percent at the beginning of the fiscal year to about 3¼ percent at the close of the fiscal year.

The weekly average rates on new bill offerings throughout the year are shown in exhibit 4 and the trend of long-term rates is reflected in table 48. The average annual interest rate as computed on the total interest-bearing public debt was 2.867 percent on June 30, 1959, as compared with 2.638 percent a year earlier. (For further detail on the computed annual interest rate by security classes see table 45.)

Changes contributing to the net decline of $2.7 billion in the nonmarketable public debt are shown in the following table.

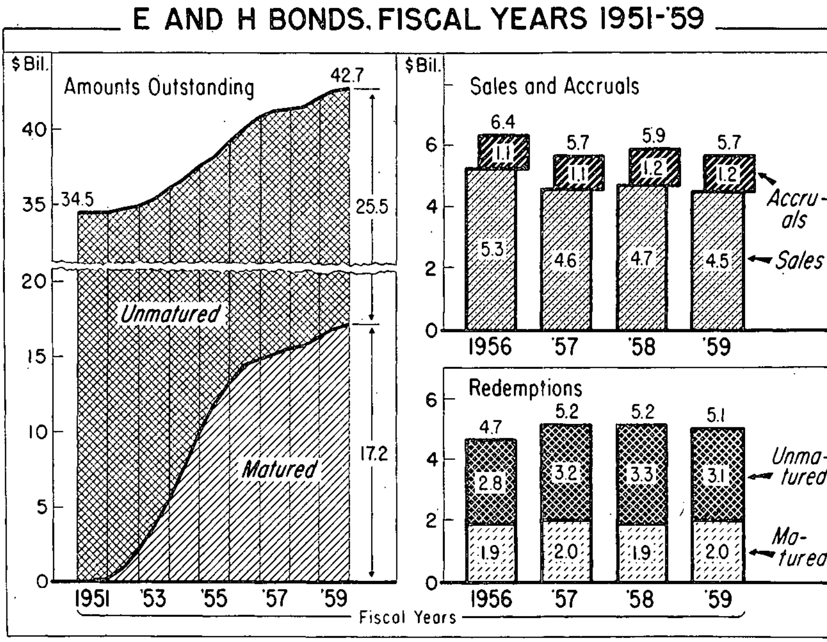
Class of security	June 30, 1958	June 30, 1959	Increase, or decrease (–)
	In billions of dollars		
United States savings bonds:			
Series E	38.1	38.0	(*)
Series H	4.1	4.7	.6
Subtotal E and H	42.1	42.7	.6
Series F and G	7.2	5.3	–1.9
Series J and K	2.7	2.5	–.2
Subtotal savings bonds	52.0	50.5	–1.5
Treasury bonds, investment series	9.6	8.4	–1.3
Depositary bonds	.2	.2	(*)
Total interest-bearing public nonmarketable issues	61.8	59.1	–2.7

* Less than $50 million.

The decline of $1.3 billion in investment series bonds outstanding was due principally to exchanges during the year of $1.1 billion of the 2¾ percent convertible Series B–1975–80 bonds into marketable 5-year 1½ percent notes.

The largest portion of the nonmarketable public issues outstanding is in United States savings bonds. The total of all series of interest-bearing savings bonds outstanding at the close of the fiscal year was $50.5 billion as compared with $52.0 billion as of June 30, 1958. The decline of approximately $1.5 billion in outstanding savings bonds was due mainly to the large redemption of Series F, G, J, and K savings bonds, both matured and unmatured. However, Series E and H savings bonds outstanding also dropped in the last few months of the fiscal year as a result of the trends of declining sales and increasing redemptions during these months. These trends were partially responsible for the Treasury's request in June 1959 for removal of the 3.26 percent interest rate ceiling then in effect for savings bonds. On September 22, 1959, as already noted, an act was approved raising the permissible interest rate which could be paid on savings bonds when held to maturity from 3.26 percent to 4¼ percent. On that day the Treasury, in accordance with an earlier announcement, made effective on June 1, 1959, an increase in interest yields for both new and old Series E and H savings bonds. All new E and H savings bonds will earn 3¾ percent when held to maturity and all outstanding E and H savings bonds will earn approximately ½ percent more than previously when held to next maturity, with lesser improvement in yields if redeemed earlier.

CHART 6.



The amount of E and H bonds outstanding (including accrued interest) reached an alltime peak of $42.7 billion on June 30, 1959, as compared with $42.1 billion on June 30, 1958.

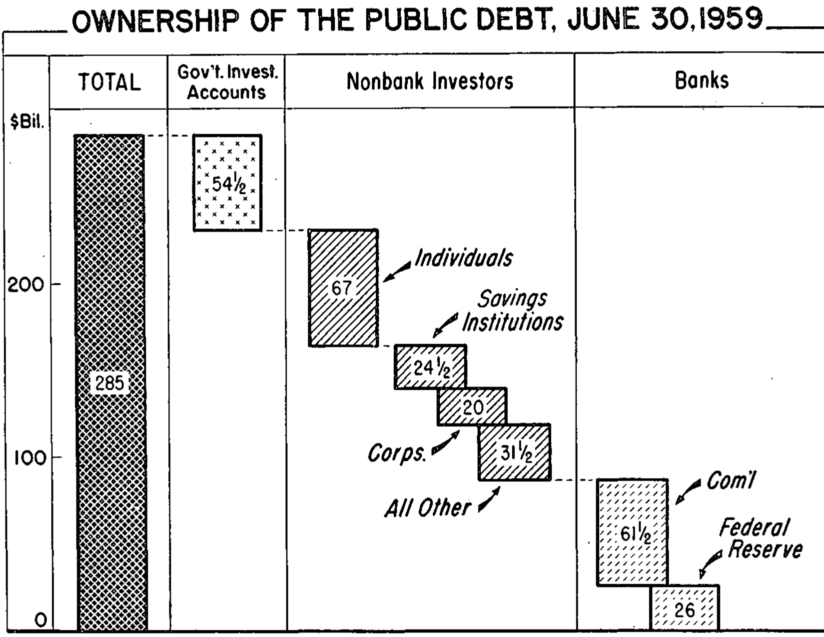
An excess of redemptions of E and H bonds over cash sales during the fiscal year was more than offset by the automatic accrual of interest on E bonds. Although sales of the smaller denomination E bonds ($200 or under) were still at a high level for the year as a whole, they were about 4 percent below those in fiscal 1958 and sales of the larger denomination bonds were off more than 7 percent. (For further detail on savings bonds sales by denominations see table 40.) Detailed information on savings bonds from March 1, 1935, when this type of security was first offered, through June 30, 1959, is given in tables 38 through 43.

OWNERSHIP OF FEDERAL SECURITIES

Private nonbank investors held an estimated $142.8 billion of Federal securities at the end of the fiscal year 1959—approximately one-half of the $284.8 billion total debt outstanding. These investors include individuals (and also partnerships and personal trust accounts), insurance companies, mutual savings banks, nonfinancial corporations, pension funds, foreign accounts, State and local governments, and nonprofit associations. Commercial banks and Federal

Reserve Banks together held $87.4 billion, representing nearly one-third of the debt. The remaining $54.6 billion of debt was held by Government investment accounts, primarily in social security and unemployment trust funds, veterans' insurance funds, and Government retirement funds.

CHART 7.



The major change in the ownership of Federal securities during the year, the increase of $13.0 billion by the private nonbank investor group, not only absorbed the $8.4 billion increase in the total debt but also the $3.3 billion decrease in holdings by the banking system and the $1.3 billion reduction in Government investment account holdings. The significant increases in holdings of the private nonbank investors were $2½ billion by individuals, $6 billion by nonfinancial corporations, and slightly more than $4 billion by miscellaneous investors which was held principally by foreign and international accounts. The banking system decrease reflected a $3.9 billion decline in commercial bank holdings and an $0.6 billion increase on the part of the Federal Reserve System. The following table presents figures on bank and nonbank ownership together with details on the holdings of Federal securities by the various other investor classes. Chart 7 also presents ownership by class of investor as of June 30, 1959.

525622—60——4

Ownership of Federal securities [1] by investor classes on selected dates, 1941–59

[Dollars in billions]

	June 30, 1941	Feb. 28, 1946 [2]	June 30, 1958	June 30, 1959	Change during fiscal year 1959
Estimated ownership by:					
Private nonbank investors:					
Individuals [3]	$11.2	$64.1	r $64.2	$66.8	$2.6
Insurance companies	7.1	24.4	r 12.2	12.5	.3
Mutual savings banks	3.4	11.1	7.4	7.3	-.1
Corporations [4]	2.0	19.9	r 13.9	20.0	6.1
State and local governments	.6	6.7	16.9	16.7	-.2
Miscellaneous investors [5]	.7	8.9	15.2	19.4	4.2
Total private nonbank investors	25.0	135.1	r 129.9	142.8	13.0
Federal Government investment accounts	8.5	28.0	55.9	54.6	-1.3
Commercial banks	19.7	93.8	r 65.3	61.3	-3.9
Federal Reserve Banks	2.2	22.9	25.4	26.0	.6
Total gross debt outstanding	55.3	279.8	276.4	284.8	8.4
	Percent of total				
Percent owned by:					
Private nonbank investors:					
Individuals	20	23	r 23	23	
Other	25	25	r 24	27	
Total	45	48	47	50	
Federal Government investment accounts	15	10	20	19	
Commercial banks	36	34	24	22	
Federal Reserve Banks	4	8	9	9	
Total gross debt outstanding	100	100	100	100	

r Revised.
[1] Gross public debt, and guaranteed obligations of the Federal Government held outside the Treasury.
[2] Immediate postwar peak of debt.
[3] Includes partnerships and personal trust accounts. Nonprofit institutions and corporate pension trust funds are included under "Miscellaneous investors."
[4] Exclusive of banks and insurance companies.
[5] Includes savings and loan associations, nonprofit institutions, corporate pension trust funds, dealers and brokers, and investments of foreign balances and international accounts in this country.

Within the nonbank group, individuals increased their holdings from $64.2 billion in June 1958 to $66.8 billion in June 1959, and became the largest single investor group in the Federal debt ownership structure. Over two-thirds of individuals' holdings were in savings bonds, with the E and H Series accounting for the major share. (The E and H Series are the only savings bonds now being sold.) Individuals increased their holdings of E and H bonds by $0.4 billion in 1959 (slightly less than in 1958) and redeemed $1.4 billion of Series F, G, J, and K bonds, a net decline of nearly $1.0 billion in their holdings of all savings bonds. Individuals' holdings of other United States Government securities, principally marketables, rose $3.6 billion during the year.

Federal securities held by insurance companies at the end of the fiscal year amounted to $12.5 billion, an increase of $0.3 billion during the year. Life insurance companies accounted for $7.2 billion, or almost 60 percent of total insurance holdings of Federal Government obligations at the end of the year. During 1959 these companies increased their Federal security holdings by $0.1 billion, reversing the consistent downward trend of the previous 12 fiscal years. Fire, casualty, and marine insurance companies held $5.3 billion of Federal securities on June 30, $0.2 billion more than a year earlier. This was the first increase since fiscal 1954 for these companies.

Mutual savings banks' holdings of Federal securities at the end of the fiscal year were $7.3 billion, $0.1 billion lower than on June 30, 1958. These banks have continued to increase their mortgage and corporate securities portfolios and during the year liquidated some of their holdings of Federal securities to aid in financing these acquisitions.

By the end of fiscal 1959 life insurance companies and mutual savings banks had acquired $0.3 billion of the $1.5 billion of over 10-year bonds issued during the year; nevertheless, the average maturity of their portfolios of Federal securities declined. The average maturity of life insurance companies' holdings of marketable issues declined about 6 months to an average of 9 years, and those of mutual savings banks dropped about 12 months to an average of about 7 years.

The $6.1 billion increase in Federal securities held by nonfinancial corporations brought their holdings to $20.0 billion on June 30, 1959. This increase can be attributed to higher corporate profits following the recession, the resulting higher corporate tax liabilities against which many corporations hold Federal securities as a reserve, and an increase in corporate liquidity.

Holdings of Federal securities by State and local governments amounted to $16.7 billion at the close of the fiscal year, $0.2 billion lower than a year earlier. Almost one-third of the Federal security holdings of these governmental units are in State and local government employee retirement funds.

The holdings of all other private nonbank investors amounted to $19.4 billion on June 30, 1959, an increase of $4.2 billion. Ownership of Federal securities by foreign and international accounts rose more than 50 percent over the June 30, 1958, amount of $6.4 billion to an alltime high of $9.9 billion on June 30, 1959. Special notes to the International Monetary Fund accounted for $1.4 billion of the $3.5 billion increase, with the bulk of the remainder representing acquisitions by foreign governments and official institutions. Savings and loan associations increased their holdings of Federal securities during the fiscal year by almost one-third, or $1.1 billion, to a June 30, 1959, level of $4.4 billion. Corporate pension trusts increased their holdings of Federal securities by $0.2 billion, bringing them up to $2.6 billion at the close of the year. Holdings of the remaining classes in this group (nonprofit associations, dealers and brokers, and certain smaller institutional groups) decreased $0.6 billion during the year.

Government investment accounts decreased their holdings of Federal securities by $1.3 billion. This decrease reflected heavy outlays on the part of the unemployment trust fund associated with the 1958 recession, increased payments by the Federal old-age and survivors insurance trust fund largely as a result of new legislation, and a heavy rate of withdrawals from the highway trust fund. Of the $54.6 billion held by all Government investment accounts, $44.8 billion, or more than 80 percent, was in the form of special issues held only by these accounts. Details on the ownership of securities by Government investment accounts are shown in table 61.

To illustrate the decrease in the holdings of Federal securities by banks and the increase by private nonbank investors, an analysis of the estimated changes during fiscal 1959 in bank versus nonbank ownership is given by type of issue in the following table.

Estimated changes in ownership of Federal securities [1] by type of issue, fiscal year 1959

[In billions of dollars]

	Total changes	Change accounted for by			
		Private nonbank investors	Government investment accounts	Commercial banks	Federal Reserve Banks
Marketable securities:					
Treasury bills:					
13-week	−2.9	1.0	−.1	−2.5	−1.3
26-week	5.5	4.7	(*)	.4	.4
Tax anticipation	3.0	2.8	(*)	.2	(*)
Other	4.0	2.2	(*)	1.6	.2
Total bills	9.6	10.7	−.1	−.3	−.7
Treasury certificates of indebtedness	.9	1.8	−.1	.5	−1.3
Treasury notes	6.9	2.8	.2	1.0	2.9
Treasury bonds, etc	−6.1	−1.0	.3	−5.1	−.3
Total marketable	11.4	14.3	.4	−3.9	.6
Nonmarketable securities, etc.:					
U.S. savings bonds	−1.5	−1.5		(*)	
Special issues to Government investment accounts	−1.5		−1.5		
Treasury bonds, investment series	−1.3	−1.1	−.2	(*)	
Other	1.2	1.2		(*)	
Total nonmarketable, etc	−3.0	−1.4	−1.6	(*)	
Total change	8.4	13.0	−1.3	−3.9	.6

*Less than $50 million.

[1] Gross public debt, and guaranteed obligations of the Federal Government held outside the Treasury.

CORPORATIONS AND CERTAIN OTHER BUSINESS-TYPE ACTIVITIES OF THE UNITED STATES GOVERNMENT

The operations of Government corporations and certain other business-type activities are financed according to law from their own receipts, from capital stock subscriptions or by appropriations, and from sale of their obligations to the public, or from borrowing from the

United States Treasury. The Secretary of the Treasury is authorized not only to purchase obligations of many of the agencies, but he is also, under certain circumstances, authorized to approve the terms and conditions of such obligations. Under provisions of the Government Corporation Control Act (31 U.S.C. 868), the obligations of most agencies issued to the public must be approved by the Secretary of the Treasury; the few agencies which are exempt from this requirement must consult with the Secretary of the Treasury before issuing obligations to the public. Most Government corporations and all other business-type activities are required to maintain their checking accounts with the Treasurer of the United States, although, with the approval of the Secretary of the Treasury, such accounts may be kept with the Federal Reserve Banks or with private banks designated as depositaries or fiscal agents of the United States.

Financial statements submitted to the Treasury

Financial data, consisting of balance sheets, statements of income and expense, and statements of source and application of funds, are required to be submitted to the Treasury by all Government corporations and business-type activities as well as certain other agencies. These reports are required, under the provisions of Department Circular No. 966 and Supplement No. 1 thereto, to be submitted quarterly and a statement of long-range commitments and contingencies is required to be furnished semiannually. The reports serve as a basis for combined statements designed to provide full disclosure regarding the operations as well as the financial condition and investment of the United States in these enterprises. The total combined assets of Government corporations and certain other agencies reporting under Circular No. 966, consisting primarily of inventories, loans and accounts receivable, and fixed property (land, structures, and equipment), amounted to $106,228 million as of June 30, 1959, compared with $101,563 million on June 30, 1958. The combined liabilities as of June 30, 1959, consisting primarily of accounts payable and borrowings from the public, amounted to $6,467 million, compared with $6,680 million on June 30, 1958. Borrowings from the Treasury are reported as part of the Government's investment. The combined total of the Government's investment as of June 30, 1959, amounted to $99,761 million and to $94,883 million on June 30, 1958. The Government's investment is exclusive of the U.S. interest in mixed-ownership or Government-sponsored corporations amounting to $2,569 million on June 30, 1959, and $2,405 million on June 30, 1958.

Individual and combined statements of the financial condition and operations of the reporting agencies are published periodically in the *Treasury Bulletin*. The combined financial statements as of June 30, 1959, are shown in tables 124, 125, and 126 in this report.

Borrowing authority and outstanding obligations

In accordance with statutory provisions, certain Government corporations and agencies are given authority to borrow funds for their operations and the Secretary of the Treasury is authorized to purchase the obligations of many of the agencies. New borrowing authority made available during fiscal 1959 amounted to $909 million, while reductions in authority amounted to $611 million, a net increase of $298 million. The unused borrowing authority as of June 30, 1959, amounted to $19,406 million as compared with $22,592 million on June 30, 1958. Data on the outstanding obligations and status of borrowing authority of these corporations and agencies are shown in table 120.

Advances by the Treasury

The Secretary of the Treasury is authorized by legislation to advance funds to certain Government corporations and agencies by the purchase of obligations or by the acceptance of notes of these agencies. Such loans or advances are generally applicable to the borrowing authority of the corporation or agency.

As indicated in the section on the financial statements submitted to the Treasury, the balance sheets of Government corporations and agencies show the borrowings and advances from the Treasury as part of the net investment of the United States in the enterprise. The advances by the Treasury generally are secured by formal obligations or agreements executed between the Secretary of the Treasury and the head of the agency involved. Excluding refinancing transactions, advances by the Treasury during the fiscal year 1959 amounted to $8,584 million, compared with $7,302 million in 1958, and repayments amounted to $5,099 million, compared with $8,170 million in the preceding year. The outstanding loans and advances as of June 30, 1959, amounted to $25,343 million, compared with $21,859 million on June 30, 1958. Details of the loans and advances are shown in table 119.

Interest and other payments made to the Treasury

The rates of interest on borrowings from the Treasury, except where fixed by statute, are determined by the Treasury from month to month, taking into account the cost which the Treasury would have to pay to borrow money in the current market, as reflected by prevailing market yields on Government obligations with maturities corresponding to the approximate duration of the advances to be used by the agencies for their programs. Information on amounts of borrowing from the Treasury outstanding as of June 30, 1959, a description of the securities held, and the applicable rates of interest are given in table 122.

On the basis of operating results of an enterprise, or as may be required by statute, Government corporations and agencies make payments into the Treasury representing interest, dividends, and other earnings. Interest paid to the Treasury amounted to $415 million, and other payments amounted to $62 million during fiscal 1959, compared with $641 million and $56 million, respectively, during 1958. Information covering these payments to the Treasury is given in table 128.

Guaranteed obligations of Government agencies

Certain Government corporations and agencies have statutory authority to issue obligations which are guaranteed as to principal and interest by the United States. Currently, the issuance of such guaranteed obligations is confined to notes of the District of Columbia Armory Board and to Federal Housing Administration debentures issued in exchange for foreclosed mortgages on behalf of its various mortgage insurance funds. Issues of guaranteed obligations amounted to $72 million and redemptions to $62 million during fiscal 1959, compared with $53 million and $59 million respectively, during 1958. As of June 30, 1959, the total outstanding was $111 million, compared with $101 million a year earlier. The amount outstanding on June 30, 1959, included $0.6 million of matured obligations of the now liquidated Federal Farm Mortgage Corporation and Home Owners' Loan Corporation. Funds are on deposit with the Treasurer of the United States for the payment of the principal and interest on these matured obligations. Details regarding the outstanding guaranteed obligations are given in table 26.

Nonguaranteed obligations of Government agencies

Under their available borrowing authority, certain mixed-ownership and Government-sponsored corporations issue nonguaranteed obligations to the public. Corporations issuing such obligations include the banks for cooperatives, Federal intermediate credit banks, Federal land banks, Federal home loan banks, and the Federal National Mortgage Association. Issues amounted to $6,197 million, and redemptions and other reductions amounted to $4,887 million during fiscal 1959, compared with $7,021 million and $6,611 million respectively during 1958. The total outstanding amounted to $6,768 million as of June 30, 1959, and [r] $5,458 million on June 30, 1958.

Subscriptions to and repayments of capital stock of Government corporations

During fiscal 1959 subscriptions to capital stock of Government-owned and Government-sponsored corporations amounted to $11 million representing subscriptions to capital stock of the Federal intermediate credit banks. Repayments and other reductions in the

[r] Revised.

Government-held capital stock amounted to $36 million, as follows: Federal Savings and Loan Insurance Corporation, $25 million; the banks for cooperatives, $7 million; and the Federal intermediate credit banks, $5 million. The amount of Government-held capital stock outstanding as of June 30, 1959, and the changes in holdings during the year are given in table 119.

SECURITIES OWNED BY THE UNITED STATES GOVERNMENT

The Government's ownership of, or participation in the financing of, certain business-type enterprises and programs authorized by Congress is evidenced by various types of securities. They include certificates of capital stock, bonds, and notes of corporations and agencies; notes covering loans to home owners, farmers, railroads, foreign governments, etc.; mortgages acquired from the sale of Government property; and securities attesting United States participation in international organizations.

During the fiscal year 1959 the United States Government subscription to the International Monetary Fund was increased by $1,375,000,000 pursuant to Public Law 86–48, approved June 17, 1959. The increase was effected by delivery to the Fund of gold in the value of $343,750,000.40 and noninterest-bearing special notes, dated June 23, 1959, and due June 23, 1964, in the amount of $1,031,249,999.60 (see also page 55).

Data on the securities holdings of the Government as of June 30, 1959, are shown in table 119 and in parts C and D of table 124, exclusive of those held by Government trust funds and certain other accounts.

TAXATION DEVELOPMENTS

The 1957–58 economic contraction had largely run its course when the fiscal year 1959 began. Its budgetary impact, however, was then only approaching its peak and increased expenditures with reduced revenues combined to produce a $12.4 billion deficit for the fiscal year. As the year progressed, most of the ground lost by the economic contraction was regained. Administration policy was directed to keeping the recovery on a sound basis and promoting sustained long-term expansion with price stability. In the conviction that the principal contribution the Government could make to this goal is to manage its own fiscal affairs prudently, the President's budget for fiscal 1960 called for a balance between expenditures and receipts at a level of $77 billion.

To implement this policy, the President recommended the extension of existing tax rates on corporation profits and certain excise taxes beyond their scheduled expiration on June 30, 1959. To strengthen the revenues and to make tax laws more equitable, he urged the Congress to enact a new plan for taxing the income of life insurance companies and to add corrective amendments to the laws on taxation of cooperatives and income from mineral products. To preserve the pay-as-we-go principle in financing the highway construction program, he recommended an increase in the motor fuel excise tax, and to defray the rising costs of operating the Federal airways, an increase in the tax on aviation fuel.

The President transmitted his Budget message to the Congress on January 19, 1959. That same day the Secretary of the Treasury sent the President of the Senate and the Speaker of the House a draft of proposed legislation. As approved by the President on June 30, 1959, the legislation (Public Law 86–75) provided for the extension of corporate and excise tax rates until July 1, 1960, for the reduction of the 10 percent tax on transportation of persons to 5 percent, and for the repeal of the 10 percent tax on general telephone service as of that date. The effect of this legislation on the Government's revenues is shown in detail in the following table.

Estimated net increase in revenue [1] resulting from extension of present corporation income and excise tax rates for one year beyond June 30, 1959, and reduction of certain excise taxes as of July 1, 1960

[In millions of dollars]

	Scheduled rate reduction	Increase, or decrease (−) in receipts		
		Fiscal year		Full year
		1960	1961	
Corporation income tax	52 percent to 47 percent	1,000	[2] 1,200	2,200
Excise taxes:				
Alcohol:				
Distilled spirits	$10.50 to $9.00 per gallon	157	3	160
Beer	$9.00 to $8.00 per barrel	72	1	73
Wines	Various	8		8
Total alcohol		237	4	241
Tobacco, cigarettes (small)	$4.00 to $3.50 per thousand	201	4	205
Manufacturers' excise taxes:				
Passenger automobiles	10 percent to 7 percent of manufacturers' price.	315	60	375
Parts and accessories for automobiles	8 percent to 5 percent of manufacturer's price.	50	10	60
Total manufacturers' excise taxes		365	70	435
Miscellaneous excise taxes:				
General telephone service	10 percent, repeal July 1, 1960.		−320	−430
Transportation of persons	10 percent to 5 percent		−98	−117
Total miscellaneous excise taxes			−418	−547
Total excise taxes		803	−340	334
Decrease in refunds of excise taxes		208		
Total estimated increase in receipts		2,011	860	2,534

[1] At levels of income estimated for the calendar year 1959 and fiscal year 1960.
[2] Includes small receipts in succeeding years.

Life insurance companies

A major development of the year was the enactment of legislation on June 30, 1959 (Public Law 86–69), providing a long-range basis for the taxation of life insurance companies. It embodies the substance of recommendations first made by the Secretary of the Treasury in identical letters to the Chairmen of the Ways and Means and Finance Committees on April 10, 1958. (See exhibit 26 in the 1958 annual report, pages 285–288.)

This legislation brought to fruition several years' efforts to obtain permanent legislation in the life insurance area. Life insurance companies will now be taxed on an income basis consisting of three parts: The taxable investment income margin above policyholder interest needs; one-half the excess of net operating gain over the investment income margin (chiefly underwriting gain); and to the extent distributed to stockholders or accumulated beyond stated limitations, the other half of the underwriting gain excluded from part 2. Beginning in 1959 the long-term capital gains of life insurance companies will be taxed separately at the 25 percent rate generally applicable to the capital gains of corporations. For this purpose gains will be measured with reference to market value on December 31, 1958, or cost, whichever is higher.

The new legislation is expected to result in about $500 million of revenue with respect to the 1958 income of life insurance companies, or about the same as the previously applicable law enacted in 1942. This is about $180 million, or 57 percent, more than the 1955 stopgap law would yield if extended to 1958. Since life insurance companies were granted an extension for filing their 1958 returns until September 15, 1959, final payment of 1958 liabilities otherwise due on June 15 was deferred to September 15, 1959. This shifted about $200 million of revenue collections from fiscal 1959 to fiscal 1960.

Highway financing

The 1956 highway legislation established the principle of paying for the Federal-aid highways as they are built with the proceeds of highway user taxes. Legislation enacted in 1958 increased the rate of spending from the fund without increasing its revenues. Therefore, in order to maintain the planned construction schedule without jeopardy to the pay-as-we-go basis of the program, the President recommended a temporary increase of 1½ cents a gallon in the Federal tax on motor fuels for a period of five years, effective July 1, 1959. At the same time, to help defray the rising cost of operating the Federal airways, he recommended an increase from 2 to 4½ cents a gallon in the excise tax on aviation gasoline, the imposition of a tax of 4½ cents a gallon on jet fuels (now tax free), and the retention of collections from the aviation fuel excises in general budget receipts. The President communicated to the Congress on the need for this legislation again on May 13 and August 26, 1959.

The Secretary of the Treasury sent to the President of the Senate and the Speaker of the House, on April 3, 1959, a draft bill embodying the President's recommendations. The Secretary utilized the occasion to make clear to the Congress that the apportionment of funds among the States for interstate highways would be virtually eliminated for fiscal 1961 unless additional revenues were provided to offset the large anticipated deficits in the highway trust fund.

Public Law 86–342, approved on September 21, 1959, provided for the imposition of an additional 1 cent per gallon tax on gasoline, diesel fuel, and special motor fuels for the 21-month period beginning October 1, 1959, and ending June 30, 1961. This, it is estimated, will increase the receipts of the highway trust fund by $300 million for fiscal year 1960 and by $575 million on a full-year basis. The legislation provided also for the allocation to the highway trust fund of 5 percentage points of the manufacturers' excise tax on passenger automobiles and of 5 percentage points of the tax on automotive parts and accessories for the 3-year period ending June 30, 1964. This, it is estimated, will transfer from the general fund to the highway trust fund (on a full-year basis) $700 million from the proceeds of the tax on passenger cars and $115 million from the proceeds of the tax on automobile parts and accessories.

Section 209(g) of the Highway Revenue Act of 1956 requires the Secretary of the Treasury to make a determination whether the amount expected to be available in the trust fund will be adequate to defray expenditures required as a result of the apportionment. After approval of the 1959 legislation, he determined that the amounts in the fund will be sufficient to defray, on a fiscal year basis, the expenditures required to cover a fiscal year 1961 apportionment of $1.8 billion for the entire State system.

Another provision of Public Law 86–342 permits wholesale distributors of gasoline to be treated as "producers" when they are registered and bonded for purposes of the gasoline tax.

Excise tax revision

Experience under last year's extensive excise tax legislation revealed that the new provisions required modification and clarification in several respects. These revisions were embodied in Public Law 86–344, approved September 21, 1959, which: Exempted "coral" from the tax on jewelry when sold as a stone and not as a part of a piece of mounted jewelry; clarified the exemption of purchases by nonprofit educational organizations, including parochial schools, from the retailers' and manufacturers' excise taxes and from the taxes on communications, transportation of persons, and admissions; modified the exemption of capital improvements of social clubs from the tax on club dues; restored the exemption for certain telephone lines or channels used by common carriers and communication companies from the taxes on communication services; modified the applicability of documentary stamp taxes to transfers of stock rights; and reduced the occupational tax applicable to certain gambling machines.

Other legislation (Public Law 86–319, approved September 21, 1959) broadened the admissions tax exemptions for athletic games benefiting crippled or retarded children to cover games played by a team composed of students who attended school or college at any time during the 8-month period ending on the date of the athletic game. Still another item, Public Law 86–37, approved May 29, 1959, suspended until July 1, 1960, the 3 cents tax (per pound) imposed on the first domestic processing of palm oil and related products in order to remove a competitive tax disadvantage.

Corrective legislation

During the year some progress was made in developing legislation to improve the provisions of the Internal Revenue Code governing the allowable treatment processes in determining gross income from mining which is the basis for computing the amount of percentage depletion. The need for this legislation arose from a series of Court decisions which, in the view of the Treasury, accord a considerably broader interpretation of gross income from mining than intended by Congress. The point at issue is the stage in production at which to measure the amount of income which is derived from mining or mineral extraction.

The need for corrective legislation was called to the attention of the Congress by the Secretary of the Treasury on January 26, 1959. The Department submitted two drafts of proposed legislation. One pertained to gas and oil; the other to other minerals. The Committee on Ways and Means conducted public hearings on the proposal relating to minerals other than oil and gas to hear industry witnesses and representatives of the Treasury. In its testimony, the Treasury emphasized that the proposed legislation would restore revenue already lost and would prevent very substantial additional revenue losses. It would also help resolve difficult and complex problems in determining for many mineral industries the stage at which taxpayers first obtained a commercially marketable mineral product.

The President's Budget message in January 1959 called attention to the need for corrective amendments in the taxation of cooperatives. Specific suggestions were made by the Secretary of the Treasury on

January 19, 1959, to implement the intent of Congress in the Revenue Act of 1951 to tax cooperative income in the year in which it is earned at either the cooperative or the patron level. This intent of the Congress was made largely ineffective by a series of Court decisions which held that patrons were not required to report as income patronage refunds received in the form of certificates without a fair market value, although such certificates are permitted to be excluded from the income of the cooperatives.

The Department proposed that cooperatives be permitted to deduct amounts paid to patrons during the taxable year only if paid in cash, or in the form of "qualified" patronage certificates. Qualified certificates would have to bear interest at the rate of at least 4 percent and be redeemable in cash within 3 years, and would in fact have to be redeemed in cash within the 3-year period. A cooperative would not be permitted a deduction for a nonqualified certificate until the document was redeemed in cash. Patrons would be required to include in income only cash amounts received, either current cash distributions or distributions in redemption of qualified or nonqualified certificates.

A bill embodying the Department's suggestions (H.R. 7875) was introduced on June 19, 1959, but the Congress took no action on the proposed legislation during its first session.

Public Law 86–346, approved September 22, 1959, relating to debt management, contains an amendment to the Revenue Code to provide that no gain or loss shall be recognized on the exchange of United States obligations when authorized by regulations.

Administrative interpretation and clarification of tax laws

In furtherance of the program to increase public understanding of the tax laws, nearly a hundred separate regulations (in the form of Treasury decisions) were published during the year.

Temporary rules, pending the publication of final regulations, were issued under the Technical Amendments Act of 1958 (Public Law 85–866 approved September 2, 1958) and the Excise Tax Technical Changes Act of 1958 (Public Law 85–859 approved September 2, 1958). Three complete new regulations were published under the 1954 Code relating to the gift tax, the documentary stamp taxes, and the wagering tax. Other Treasury decisions published during the year deal with such aspects of income taxation as inventories, reporting and substantiation of traveling and other business expenses of employees, accumulated earnings tax, exemption from tax of civic organizations and of educational, religious, and charitable organizations, amortization of grain storage facilities, rules for allocating income from sources partly within and without the United States, and personal holding companies.

A new income tax return form, 1040W, was introduced in 1959 to serve the needs of individual income taxpayers not eligible to use punch-card form 1040A, but whose affairs do not require all the detail specified on regular form 1040. The new form may be used by taxpayers whose incomes consist of salaries and wages regardless of amount, and not more than $200 of dividends and interest, and no other items of income.

Social security and unemployment legislation

The authority to make temporary unemployment compensation payments to unemployed persons who had exhausted their benefits, provided under legislation enacted in 1958, was scheduled to expire on April 1, 1959. Public Law 86-7, approved March 31, 1959, extended this program for three months to July 1, 1959.

Public Law 86-28, approved May 19, 1959, amended the railroad retirement and railroad unemployment insurance statutes to liberalize and increase retirement and survivors' benefits, as well as unemployment and sickness benefits, and increased railroad retirement taxes to cover the additional costs. The legislation increased the 6¼ percent employer and employee tax under the Railroad Retirement Tax Act to 6¾ percent on compensation paid for services rendered before January 1, 1962, and to 7¼ percent thereafter. It increased the monthly ceiling on taxable compensation for both taxes from $350 to $400, and increased these taxes on a contingent basis any time after December 31, 1964, by the same number of percentage points as the then current social security tax rate exceeds the 2¾ percent rate which had been scheduled under the Social Security Amendments of 1956 for the calendar years 1960 to 1964. Corresponding increases were made in the tax rate on employee representatives.

Public Law 86-284, approved September 16, 1959, permits certain State agreements under Section 218 of the Social Security Act to be modified to secure coverage for nonprofessional employees. It also extends to additional States the applicability of the provision of the social security law which permits social security coverage to be extended to policemen and firemen covered by State and local retirement systems.

Federal-State tax relations

The Treasury Department participated extensively in the work of the Joint Federal-State Action Committee, composed of Governors and Federal representatives, which had been created in 1957 by the Governors' Conference and the President to strengthen State governments.

To enable the States to accept complete financial responsibility for vocational education and the construction of waste treatment facilities, the committee proposed that a portion of the Federal excise tax on local telephone service be placed at the disposal of the States through the instrumentality of a Federal credit for taxes paid to the States. The President endorsed this recommendation in his Budget message. Subsequently, however, in connection with the 1959 tax rate extension legislation, Congress provided for the repeal of the tax on local telephone service on July 1, 1960. The Action Committee has also considered ways and means to increase the Federal estate tax credit for death taxes paid to States, in order to increase the States' share in this revenue. The Department has taken the lead in developing alternative methods for increasing the credit and in assembling factual information on how the revenues of the individual States would be affected. It has also investigated opportunities for simplifying and standardizing Federal and State death taxes.

During the year Congress enacted legislation (Public Law 86–272, approved September 14, 1959) on the subject of State tax jurisdiction over income derived from interstate commerce. The legislation was prompted by decisions of the U.S. Supreme Court [1] holding that where a foreign corporation comes into a State solely to solicit sales, that State may tax its income "provided the levy is not discriminatory and is properly apportioned on local activities within the taxing State forming a sufficient nexus to support the same." Following these decisions, several States revised their statutes to permit full taxation of out-of-State corporations doing business within their borders.

The new Federal legislation exempts from State taxation income derived from the sale of tangible personal property in interstate commerce where the only business activity within the State by the out-of-State company is solicitation of orders. It provides also that an out-of-State business shall not be considered to be conducting business activities within the State by reason of solicitation, or orders, or sales in that State in its behalf by an independent contractor, even if such an independent contractor maintains an office within the State.

Legislation (Public Law 86–380, approved September 24, 1959) was also enacted providing for the creation of a permanent Commission on Intergovernmental Relations to give continuing attention and study to the numerous phases of Federal, State, and local relationships and to advise all units of Government on intergovernmental problems. Public Law 86–371, approved September 23, 1959, amended the legislation which authorized the withholding of State

[1] *Northwestern States Portland Cement Company* v. *State of Minnesota; T. V. Williams, as State Tax Commissioner* v. *Stockham Valves and Fittings, Inc.*, 358 U.S. 450, 79 Sup. Ct. 357.

income taxes from Federal employees by providing that no department or agency of the United States shall accept compensation from any State or Territory for withholding State or Territorial income taxes.

International tax matters

In December 1958 the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means held hearings on private foreign investment at which the Treasury and other Government agencies presented their views on tax and other changes to promote a freer flow of private capital to foreign countries. Following the hearings a bill was introduced, H.R. 5, which provided, among other things, for: Deferment of United States tax on income derived abroad by certain domestic corporations (so-called "foreign business corporations"); a reduction in the 52 percent corporate tax rate to 38 percent on income from foreign sources—this would extend the Western Hemisphere trade corporation provisions on a world-wide basis; and a relaxation of the restrictions concerning the tax-free transfer of assets to foreign corporations. The Treasury Department took the position that this bill required substantial modification to prevent excessive loss of revenue. The committee adopted some of the proposed changes, but redrafting of the bill had not been completed at the time the Congress adjourned.

The Treasury submitted draft legislation on September 24, 1959, to exempt foreign central banks from the tax on the interest from Government securities. Under existing law the exemption of a foreign central bank may turn on whether it is an integral part of a foreign government or has a corporate existence that is separate from the government. The bill was designed to achieve uniform treatment of foreign central banks.

Discussions on income tax agreements were held with a number of foreign countries. Negotiations were completed on a technical level with the United Arab Republic, Israel, and Ceylon. A treaty with India was signed on behalf of both governments and readied for submission to the Senate for advice and consent to ratification. Although similar to the twenty-one other income tax conventions of the United States, the convention with India is unique in providing that the United States will allow a credit for tax exemption granted by India to promote industrial investment. Preliminary discussions were held with Thailand and the Republic of China on an income tax convention. Possible changes in the income tax treaty with Germany and Japan were considered. A tax convention with Cuba was negotiated on a technical level but the change in government resulted in the reopening of a convention. A draft convention with

Mexico was advanced substantially. Preliminary talks were also held with Canada on a new estate tax convention arising out of a basic change in the Canadian death duties.

Ratifications were exchanged on three income tax conventions. One was with Pakistan; another extended the British convention to certain of its overseas territories; the third extended the tax convention with Belgium to the Belgian Congo.

International Financial and Monetary Developments

The downturn of economic activity which had been experienced in varying degrees in most areas of the world in the fiscal year 1958, had, by the beginning of fiscal 1959, given way to a new period of economic growth and financial stability generally throughout the industrialized regions. The level of world trade, which had declined in 1958, showed some growth in the spring of 1959. United States payments for foreign goods and services were higher than in the previous fiscal year, while foreign payments for United States goods and services declined. The trade position of the other industrialized countries generally improved, and the international reserves of these countries in the form of gold holdings and liquid dollar assets in the United States reached a level higher than at any earlier time during the postwar period. Many of these countries removed the remaining restrictions on external convertibility of their currencies.

Notable progress in the currency field during the year highlighted the seriousness of other impediments to international trade, in particular the continued widespread use by many countries of quotas and other discriminatory restrictions. The question whether the maintenance of such restrictions was justified, especially by countries no longer having balance of payments difficulties, was a subject on which great importance was placed during meetings of international organizations.

The economic progress of many of the less-developed countries continued to be inhibited by inflationary pressures and a shortage of investment capital. The international reserve positions of these countries generally showed no marked improvement.

While the outflow of United States private capital declined somewhat from that during the previous fiscal year, public grants, loans, and other capital outflow continued at the 1958 level (exclusive of the $1,375 million payment to the International Monetary Fund for the increase in the United States quota), as the United States, directly and through international institutions, strongly supported stabilization efforts and economic development of other countries. In accordance with its statutory authority, the National Advisory Council

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on International Monetary and Financial Problems, of which the Secretary of the Treasury is the Chairman, continued to coordinate the policies and operations of the representatives of the United States on the International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance Corporation, and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange, or monetary transactions.

During the fiscal year the Congress approved legislation providing for an increase in the United States quota in the International Monetary Fund and an increase in the United States subscription in the International Bank for Reconstruction and Development. The increased United States participation in these institutions was made in conjunction with general and special increases in the participation of the other member countries.

The United States Government participated in the drafting of an agreement to establish the Inter-American Development Bank and, in August 1959, the Congress authorized the President to accept United States membership in this new institution.

Secretary of the Treasury Anderson, in his capacity as United States Governor of the three institutions, headed the United States Delegation to the Fourteenth Annual Meeting of the Boards of Governors of the International Monetary Fund and the International Bank for Reconstruction and Development and the concurrent Third Annual Meeting of the Board of Governors of the International Finance Corporation, held in Washington in September 1959. Under Secretary of State Douglas Dillon served as United States Alternate Governor; Under Secretary of the Treasury T. Graydon Upton (United States Executive Director of the International Bank) and Special Assistant to the Secretary of the Treasury Frank A. Southard, Jr. (United States Executive Director of the International Monetary Fund) served as temporary Alternate Governors. The delegation also included members of the Senate Foreign Relations Committee and of the House Banking and Currency Committee, members of the National Advisory Council on International Monetary and Financial Problems, a member of the White House staff and a member of the Council of Economic Advisers, and the President of the Federal Reserve Bank of New York.

During the annual meeting the Board of Governors of the International Bank unanimously approved a United States resolution calling for the formulation of articles of agreement of an International Development Association, to be affiliated with the International Bank, for submission to the member governments.

The United States balance of payments and gold and dollar movements [1]

During the fiscal year total United States payments to foreigners, excluding about $1.4 billion transferred to the International Monetary Fund for the increase in the United States quota, amounted to $27.7 billion, a rise of $1.2 billion over the previous year.[2] The increase in total payments was due primarily to higher imports of goods and services. Nonmilitary imports rose by $1.4 billion to $18.9 billion in the fiscal year 1959, and military expenditures abroad for goods and services increased by about $130 million to a total of $3.3 billion for the year. As in 1958, net United States Government nonmilitary grants and loans and other capital outflow totaled $2.5 billion (exclusive of the payment to the International Monetary Fund for the increase in the U.S. quota), and net remittances and pensions again totaled about $700 million. In contrast, U.S. net private capital outflow, $2.3 billion in the year, declined by about $350 million.

Foreign payments in the United States for goods and services, $22.9 billion, declined by $1.6 billion from the preceding fiscal year. This decrease was almost entirely accounted for by a reduction in United States nonmilitary merchandise exports. In addition, foreign long-term investment in the United States rose by $225 million over the previous fiscal year, amounting to about $290 million, while transactions not accounted for rose by a similar amount to a total of over $700 million.

The financial transactions between the United States and the rest of the world during the fiscal year 1959 (exclusive of the payment to the International Monetary Fund), thus resulted in a recorded gain by foreigners of $3.8 billion in gold and liquid dollar assets compared with a gain of $1.5 billion in the fiscal year 1958. Exclusive of the $344 million gold payment to the International Monetary Fund for part of the increase in the United States quota, these figures reflected declines in the United States gold stock of $1.3 billion in each of the fiscal years 1958 and 1959.

The gold and short-term dollar assets [3] of foreign countries (excluding gold holdings of the U.S.S.R., other Eastern European countries, and China Mainland) amounted to an estimated $34.3 billion on June 30, 1959, an increase of about $3.8 billion over the $30.5 billion held on June 30, 1958. (See table 111.) Continental Western European countries and their dependencies gained $3.0 billion of this total, more than double their gain during the previous fiscal year; the largest gain was made by Italy ($1 billion). Japanese

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[1] Figures for 1959 are preliminary. Differences between 1958 figures published in the 1958 Annual Report and those cited in this section are due to revisions made during the year.

[2] These figures exclude net transfers of military supplies and services financed by U.S. Government military grant aid.

[3] Includes official gold reserves and official and private holdings of short-term dollar assets as reported by United States banking institutions.

holdings rose by roughly $450 million, out of a total increase of about $550 million in Asia, a considerably higher gain than in the previous year. Canadian holdings increased by about $120 million, only one-third of the previous year's increase. Latin American gold and short-term dollar holdings declined by roughly $100 million, about half of last year's decline; losses by Venezuela and Cuba more than offset gains by other Latin American countries.

As of June 30, 1959, foreign countries held $1.1 billion in United States Government bonds and notes, a gain of about $120 million from the end of the fiscal year 1958. Almost the entire amount of the increase accrued to Western European countries.

The gold and liquid dollar assets of international institutions rose by $2.0 billion during the fiscal year, amounting to $5.2 billion as of June 30, 1959. The gain mainly reflected gold and dollar payments by member countries toward their increased quotas in the International Monetary Fund, and included the payment of $1,375 million by the United States for this purpose.

Total estimated world official gold holdings on June 30, 1959 (exclusive of the U.S.S.R., other Eastern European countries, and China Mainland) were $40.3 billion, of which the United States held $19.7 billion and international institutions held $1.9 billion.

Liberalization of international trade and payments

Gradual progress in recent years by most of the European countries in reducing the extent of restrictions on current international payments, the strengthening of their balance of payments and reserve positions, and the achievement of financial stability and confidence provided the setting, during the closing days of December 1958, for the movement to external convertibility of the major European currencies. By this action the monetary authorities of these countries made an official commitment that current earnings of their currencies by nonresidents would, upon demand, be exchanged into dollars (and, in effect, into any convertible currency) within official margins.

The European Payments Union, which had served since 1950 as a clearing and credit mechanism for transactions among seventeen European countries, was dissolved when most of its members established currency convertibility for nonresidents. These countries, members of the Organization for European Economic Cooperation, entered into the European Monetary Agreement, which provided that a portion of the assets of the European Payments Union would be placed into a European Fund to be used, on a case-by-case basis, to provide stabilization credits to members judged in need of assistance to meet temporary balance of payments difficulties. Pursuant to arrangements made during the drafting of the European Monetary

Agreement in 1955, the United States agreed to the transfer to this Fund of $123 million contributed originally to the European Payments Union.

The general movement to nonresident convertibility in Europe was accompanied by formal devaluation of the French franc. During the following months the Federal Republic of Germany removed its remaining foreign exchange restrictions on capital transactions and those on transactions of residents as well. Many other countries, in particular those in the monetary areas of Western European countries, took steps further to liberalize their own exchange restrictions.

In discussing the Annual Report of the International Monetary Fund at the Annual Meeting of the Board of Governors in September 1959, Secretary Anderson noted the movement to convertibility of the major European currencies and the very substantial improvement in the balance of payments position and reserves of these and other industrial countries. (See exhibit 31.) He said that such countries still, however, maintained substantial discriminatory restrictions against the trade of dollar countries. He urged the International Monetary Fund to declare its position on this matter and also to examine various policy questions related to the formal acceptance by many of these countries of their full obligations under the Fund Articles of Agreement. Secretary Anderson also pointed out that the other industrial countries had substantial payments surpluses with the less-developed areas, in which there was a serious capital shortage, that this was not a satisfactory pattern of world payments, and that these countries would need to increase their share in the provision of such capital.

On October 25, 1959, the Executive Directors of the International Monetary Fund announced the adoption of a decision that there was no longer any balance of payments justification for discrimination by members whose current receipts are largely in externally convertible currencies, and that such countries should eliminate discriminatory restrictions with all feasible speed.

Argentina, Chile, and Turkey undertook major financial programs under which their exchange systems were greatly simplified. The United States supported the efforts of these and other countries, and provided important financial facilities which supplemented the assistance made available by the International Monetary Fund. The Argentine and Chilean programs were supported by Treasury exchange agreements, described below, and by credits extended by United States commercial banks. To assist the Turkish stabilization program, the United States made available various financial facilities totaling $234 million, the International Monetary Fund agreed to a

$25 million drawing by Turkey, and credits equivalent to $100 million were extended by member governments of the Organization for European Economic Cooperation and by the European Payments Union. As a part of this program there was a standstill agreement in connection with a substantial part of Turkey's external debts during which new schedules of payment were negotiated.

The European Economic Community (Common Market), on January 1, 1959, applied the first tariff and quota measures called for under the Rome Treaty. With respect to trade within the Community, there was a 10 percent reduction in duties and a 20 percent average increase in quotas, with minimum quotas of 3 percent of national production. The 10 percent reduction in duties was extended also to all member countries of the General Agreement on Tariffs and Trade, including the United States, except in cases where such a reduction would reduce the duty below the future common external tariff of the Common Market. At the close of the fiscal year, seven European countries not belonging to the Common Market (Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom) were discussing the establishment of a free trade area among themselves. On November 20, 1959, representatives of these countries initialed the text of a convention establishing such an association for submission to their governments for ratification.

At the thirteenth and fourteenth sessions of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT) held during the fiscal year, the attention of the Contracting Parties was directed to governmental restrictions which impede the expansion of international trade. The United States delegations emphasized in particular the extent to which convertibility measures and the widespread improvement in payments positions had eliminated any balance of payments justification for the continuance of such restrictions. Subsequently, at the fifteenth session held during October and November 1959, the Contracting Parties reaffirmed that the removal of discriminatory restrictions was a vital step toward the achievement of the objectives of the General Agreement and the expansion of international trade, and agreed that the remaining discriminatory restrictions should quickly be eliminated.

Acting under the authority to reduce tariffs granted to the President by the Trade Agreements Extension Act of 1958, the United States proposed at the thirteenth session that another general round of multilateral tariff negotiations be held in 1960–61. The necessary steps were taken by the Contracting Parties to provide for the provisional accession of Switzerland and Israel to the General Agreement and for bringing Yugoslavia into a limited form of association.

A working party was established at the fourteenth session to examine the feasibility under the General Agreement of some closer relationship with Poland.

Increased resources of the International Monetary Fund and the International Bank

Major increases in the resources of the International Monetary Fund and of the International Bank for Reconstruction and Development became effective on September 15, 1959, when sufficient member countries had consented to the increases. The Fund's total quotas were increased from about $9 billion to about $15 billion, and the authorized capital of the bank was increased from $10 billion to $21 billion.

In recognition of the need for an increase in the resources of these institutions, the Boards of Governors, at the Thirteenth Annual Meeting held at New Delhi in October 1958, had unanimously adopted United States resolutions calling upon the Executive Directors of each institution to consider these questions and to submit appropriate proposals. The Executive Directors, reporting in December 1958, concluded that substantial enlargement of resources would be desirable, and put forth proposals for the enlargement which were adopted by the Boards of Governors in February 1959.

The proposals for the increased resources of the Fund were that the quotas of members be increased by 50 percent; that a number of the smaller countries be given the opportunity to increase their quotas beyond 50 percent according to a special formula; and that special increases beyond 50 percent be made in the quotas of Canada, the Federal Republic of Germany, and Japan. It was provided in all cases of members consenting to an increase in quota that 25 percent of the additional subscription be payable in gold and the balance in the member's currency.

While the general increase of Fund quotas was under consideration, several of the smaller countries requested that their quotas be increased beyond the recommended increases set forth in the proposals previously described. Following a favorable recommendation by the Executive Directors on March 6, 1959, the Board of Governors approved a resolution also recommending these additional increases for fourteen countries, including Argentina, Brazil, Denmark, Norway, Mexico, Turkey, and Venezuela.

The proposals for the increased resources of the International Bank provided for a doubling by member governments of their subscriptions and of special additional subscriptions by certain member governments, including Canada, Germany, and Japan, along the lines of the schedule for quota increases in the Fund. With the exception of a portion of the special additional subscriptions, necessitating certain payments of gold and currency by these members, the increased capital subscriptions are subject to call only to meet the Bank's obligations and no payments by members are now required. By this action, the major effect of which is to increase the Bank's guarantee fund, the Bank's ability to borrow funds for financing loans for economic development has been strengthened.

Legislation providing for the 50 percent increase in the United States quota in the Fund (as well as the increased U. S. capital subscription to the International Bank) was approved in June 1959 (Public Law 86–48). (See exhibits 25 and 27.) One quarter of the increase of $1,375 million, or $344 million, was paid to the Fund in gold; the remainder is represented by noninterest bearing notes of the United States which are held by the Fund. The new United States quota has thus become $4,125 million. Other major Fund quotas, as increased, are those of the United Kingdom ($1,950 million), France ($787.5 million), Germany ($787.5 million), India ($600 million), Canada ($550 million), and Japan ($500 million).

The Inter-American Development Bank

A number of important steps were taken during the fiscal year toward the establishment of an Inter-American Development Bank. The idea that the American Republics should have a financial institution of their own had been in evidence for a number of years. At the Economic Conference of the Organization of American States, held in Buenos Aires during the latter part of 1957, the United States joined with the Latin American countries in approving a resolution recommending the formation of a specialized committee of government representatives to study problems of financing economic development in Latin America, including consideration of proposals for an inter-American financial institution. In August 1958 the United States announced that it was prepared to consider the establishment of such a regional financial institution.

The United States and the twenty Latin American Republics formed the Specialized Committee for Negotiating and Drafting the Instrument of Organization of an Inter-American Financial Institution, which met in Washington from January 8 until April 8, 1959. The United States delegation was headed by Assistant Secretary of the Treasury T. Graydon Upton.

The Specialized Committee completed the draft of a charter for the Inter-American Development Bank which was then submitted to each government for final acceptance or ratification. The charter provides that the Bank will come into existence if countries representing 85 percent of the subscriptions foreseen for the Bank have indicated final approval by December 31, 1959.

Under the provisions of the charter, the Bank's primary purpose is to accelerate the economic development of its member countries by making loans and guarantees, by promoting the investment of public and private capital for economic development, and by providing technical assistance. The charter calls for total resources equivalent to $1 billion. Of this, $850 million represents authorized capital which can be used only to make loans repayable in the currency lent. Part of the authorized capital is provided in the form of callable capital constituting a guarantee of member governments for securities that the Bank is authorized to sell in capital markets. The balance of the resources, equivalent to $150 million, would constitute a Fund for Special Operations, administered by the Bank. Loans from this fund could be made repayable wholly or in part in the currency of the borrower. Paid-in subscriptions to the capital and to the Fund for Special Operations are payable in installments. The U.S. subscription to the Bank's capital amounts to $350 million, of which $200 million represents callable capital, and the U.S. subscription to the Fund for Special Operations amounts to $100 million.

United States membership in the Inter-American Development Bank was authorized by Public Law 86–147, approved August 7, 1959. (See exhibit 26.) Following the approval of the necessary appropriations (Public Law 86–213) Secretary Anderson, on behalf of the United States, signed the agreement on October 14, 1959.

The proposed International Development Association

The President of the United States, in his welcoming address at the opening joint session of the meeting of the Boards of Governors of the International Monetary Fund, the International Bank, and the International Finance Corporation, held in Washington in September 1959, pointed to the recent action by the member governments to increase the resources of the Fund and the Bank as an indication of the great confidence there is in these institutions. Stressing the importance of economic development throughout the world, President Eisenhower said it is recognized, however, that many sound projects cannot be financed by existing international institutions, and that to meet this situation the United States was proposing the creation of an International Development Association which would be affiliated with the International Bank.

Secretary Anderson, in his address to the opening joint session, (see exhibit 30), made further reference to the proposed International Development Association and to the informal discussions on the proposal which had been held during the past year among representatives of the member governments. These discussions, Secretary Anderson said, encouraged the United States Government to feel that this institution would be both feasible and desirable. As a result, the basic framework of an International Development Association had been outlined in a letter from Secretary Anderson to the President of the Bank, and, at the Secretary's request, this letter was circulated by the President of the Bank to the member governments. (See exhibits 28 and 29.) The United States Governor introduced a resolution requesting the International Bank's Executive Directors to formulate articles of agreement of the International Development Association, as an affiliate of the Bank, having regard to all aspects of the matter. Many Governors of the Bank indicated the support of their governments, and the resolution was unanimously adopted. Upon completion of the work of the Executive Directors, the articles of agreement will be submitted to the member governments for approval.

Other international meetings and discussions

Secretary Anderson headed the United States Delegation to the fourth meeting of the Joint United States-Canadian Committee on Trade and Economic Affairs held at Ottawa, Canada, on January 5 and 6, 1959. A wide range of subjects of common interest to the two countries was discussed, including lead and zinc quotas, voluntary limitations on petroleum imports into the United States, Canadian customs legislation, agricultural surplus matters, and relations between Canadian subsidiaries and their parent companies in the United States.

In July 1958 Assistant Secretary Tom B. Coughran accompanied Dr. Milton S. Eisenhower on his fact-finding trip to the five republics of Central America, Panama, and Puerto Rico. In April 1959 Assistant Secretary T. Graydon Upton, who succeeded Mr. Coughran during the fiscal year, attended the second meeting of the Special Committee to Study the Formulation of New Measures for Economic Cooperation ("Committee of 21") of the Council of the Organization of American States, in Buenos Aires, Argentina.

Also during the year the Treasury was represented on United States delegations to the Organization for European Economic Cooperation, various United Nations bodies, the Southeast Asia Treaty Organization, and the Colombo Plan Organization.

Private investments and public capital movements

Private investments.—In the calendar year 1958 American private investment abroad increased by about $4 billion (including reinvested earnings), slightly above the increase in the previous year. As economic activity slowed in many countries, the rate of investments by U.S. companies in their foreign branches and subsidiaries generally declined in 1958, and earnings also were somewhat lower. Portfolio investments, however, were substantially higher than in the previous year. At the end of 1958 total U.S. private investments abroad amounted to $40.8 billion compared with $36.8 billion at the end of 1957 and $33.0 billion at the end of 1956. The book value of U.S. direct investments abroad at the end of 1958 was over $27 billion, an increase of less than $2 billion for the year compared with an increase in 1957 of over $3 billion. Other long-term investments (principally portfolio holdings) rose by almost $2 billion, compared with an increase of only about $500 million in 1957. Short-term investments amounted to $3.5 billion at the end of 1958, a rise of roughly $300 million.

Direct investments in the petroleum industry had shown extraordinary growth in 1956 and 1957, and a drastic falling off in petroleum investments was mainly responsible for the lower direct investments in 1958 ($1.8 billion compared with $3.1 billion in 1957, including reinvested earnings). Manufacturing investments abroad were also substantially lower, although earnings and amounts of earnings reinvested remained strong. Mining investments declined slightly, but investments in public utilities and those to expand trade and distribution facilities increased.

After a record growth of $1.3 billion in 1957, the increase in direct investments in Latin America fell to $0.4 billion in 1958; such investments in Canada amounted to $0.6 billion, although here, too, there was some decrease from 1957 levels. While new direct investments in the United Kingdom were also smaller, particularly in the petroleum industry, investments in the Common Market countries of Europe were up substantially over the year, and, with the renewed advance of economic activity, capital outflows to both the United Kingdom and continental Europe showed a strong upswing in the early months of 1959. United States companies generally accelerated their investment activities in Africa and Asia during 1958.

The value of foreign-owned long-term assets in the United States increased by $2.4 billion to a total of $15.2 billion at the end of 1958, and continued to increase during the early months of 1959. Most of the increases, however, resulted from the upswing in the value of United States corporate stocks.

Foreign indebtedness to the United States Government.—During the fiscal year 1959 the outstanding indebtedness of foreign countries to the United States Government under various loan and credit agreements, concluded principally since the end of World War II, increased by $0.6 billion to a total of $12.8 billion. These agreements include lend-lease, surplus property, and similar settlements, the Anglo-American Financial Agreement, Export-Import Bank loans, and obligations arising under the mutual security and other foreign aid legislation. (See table 117.)

On December 31, 1958, the United Kingdom paid to the United States $141.4 million, in payment of interest and principal for 1958 and interest on deferred installments for 1957 and 1956, due on its obligations under the Anglo-American Financial Agreement, as amended. (See pp. 48 and 49 and exhibits 18–21 of the 1957 Annual Report of the Secretary of the Treasury and pp. 55 and 56 of the 1958 Annual Report concerning the deferment of the 1956 interest and 1957 principal and interest installments, respectively.)

In March 1959 the Federal Republic of Germany made an advance payment of $150 million against its $1 billion debt to the United States for postwar economic assistance. Under the terms of an agreement signed in London in 1953, which established the principal of the German debt to the United States, the United Kingdom, and France for such aid, Germany had begun regular amortization payments in 1958. The advance payment to the United States fulfilled a requirement of the 1953 agreement that proportionate treatment be accorded the United States in the event of German prepayment on corresponding debts to either the British or French Governments. The Federal Republic had agreed to make such a prepayment to the British Government as part of an agreement on financial assistance to cover a portion of the costs of supporting British troops stationed in Germany.

As part of the Second Supplemental Appropriation Act of 1959 (Public Law 86–30), Congress appropriated $23.8 million for payment to the Philippines, representing final settlement of a claim in connection with the reduction in the weight of the gold dollar in 1934. The payment, which had been authorized by Congress in 1934, was made on August 4, 1959. At the time of payment the Philippine Government was informed that its other "Omnibus" claims against the United States had, with specified exceptions, been finally rejected.

The Export-Import Bank.—During the fiscal year, which marked the completion of twenty-five years of operations of the Export-Import Bank, the Bank authorized 123 new credits totaling $885 million; disbursements under credit authorizations totaled $708 million. Private loans and investments accompanying Bank credits, without the guaranty of the Bank, totaled $296 million.

During its history until June 30, 1959, the Export-Import Bank authorized 1,645 credits in 69 countries totaling $10.2 billion, (including $1.7 billion in cancellations and expirations, and participations by others of $0.4 billion). Active credits at the end of the period totaled $6.8 billion, against which $1.3 billion had not yet been disbursed. The Bank's uncommitted lending authority was $2.2 billion. During the fiscal year the Bank had an income of $128 million and a net profit of $85 million; dividends of $22.5 million were paid on the capital stock of the Bank held by the Secretary of the Treasury.

The Export-Import Bank continued its lending operations under Section 104(e) of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, as amended, (7 U.S.C. 1704e). Under these provisions the Bank may receive up to 25 percent of the proceeds in foreign currencies of sales of agricultural commodities under Public Law 480 for making certain kinds of loans to foreign affiliates of United States firms or to foreign firms. Foreign currencies were first made available to the Bank for such purposes in June 1958. Since that time the Bank has authorized 70 credits in eleven currencies equivalent of $33.5 million.

The Development Loan Fund.—As authorized by the mutual security legislation, the Development Loan Fund makes financial facilities available to less-developed countries on a flexible basis; its loan terms may provide for repayment in local currencies as well as in dollars and for longer periods of maturity and lower interest rates than are provided under other financing. Completing its first full year of operations, the Development Loan Fund made loan commitments amounting to $591 million during the fiscal year 1959, bringing total commitments as of June 30 to $771 million to assist in developing the economic resources of 39 countries. Total disbursements under these commitments amounted to $67 million.

The International Bank.—The level of activity of the International Bank for Reconstruction and Development continued high during the fiscal year and in some ways surpassed previous levels. Thirty new loans to nineteen countries were made, totaling $703 million; disbursements were $583 million.

Participation of private capital in the loan operations of the International Bank reached a new high. Portfolio sales to other investors totaled $148 million, compared with $87 million during the previous fiscal year. Joint operations, under which the Bank's lending coincides with an approach by the borrower on the United States investment market, resulted in private loans totaling $130 million; joint operations in one case included also the European Investment Bank.

As of June 30, 1959, the International Bank had made loans (original principal less cancellations) totaling $4,426 million, of which $555 million had been sold to other investors and $264 million repaid to the Bank by borrowers. The funded debt of the Bank amounted to $1,905 million, an increase of $247 million during the year. Most new borrowing by the Bank during the year occurred from investors outside the United States. The Federal Republic of Germany was the largest single source of borrowed funds, and a placement of the equivalent of over $47 million of deutschemark bonds on the German market represented the largest public offering of non-dollar bonds so far made by the Bank.

The International Finance Corporation.—During the fiscal year new investments committed by the International Finance Corporation totaled $10.4 million for projects located in ten countries; disbursements during the year were $6.6 million. As an institution investing, without government guarantee, in productive private enterprises in member countries and their dependent territories, the Corporation endeavors to stimulate the flow of private investment capital toward less-developed areas, in part by securing the participation of private capital. Since the beginning of its operations in July 1956, the Corporation had committed investments of about $20 million in 21 companies located in eleven countries; more than three times this amount of private funds is being invested in these projects. As of June 30, 1959, the Corporation, which is closely affiliated with the International Bank, had 57 member governments and a subscribed capital of $93.7 million, all in United States dollars.

The International Monetary Fund

During the fiscal year fourteen member countries made drawings totaling $157 million on the resources of the International Monetary Fund, including $17.5 million in currencies other than the U.S. dollar. These transactions take the form of a member's purchase, with its own currency, of another member's currency temporarily needed to assist in the solution of foreign exchange payments problems.

All drawings this year were made by less-developed countries and were considerably smaller in total amount than during the two preceding years. In a majority of the cases the drawings were made under standby arrangements, under which the Fund, after having determined that a member country is taking appropriate steps to overcome its payments problems within a short period, assures the member that drawings up to specified amounts may be made without special Fund consideration during the period of the arrangement. Such standby arrangements have become increasingly important in recent years and are considered symbolic of Fund confidence in the special stabilization efforts of a member country; whether or not drawings are made under these arrangements, the knowledge that specified Fund resources are immediately available is considered helpful in instituting and carrying out stabilization programs.

Repayments to the Fund, nearly all as the result of the repurchase by countries of their own currencies, totaled $530 million during the year, the largest volume ever made. Repayments by the United Kingdom ($200.0 million), Japan ($125.0 million), the Netherlands

($63.8 million), Belgium ($50.0 million), and Denmark ($8.5 million) reflected the success of these countries in overcoming balance of payments difficulties and contributed significantly to replenishment of the Fund's gold and hard currency holdings. The Fund's ability to support the stabilization efforts of the less-developed members was thereby strengthened, and the revolving character of the Fund's resources was again demonstrated.

As of June 30, 1959, of the industrial countries which had drawn against the resources of the Fund, only the United Kingdom and France had drawings outstanding. France, in the previous year, had utilized a $131 million standby arrangement in conjunction with other external assistance to alleviate a critical payments situation, and under an agreement with the Fund is to commence repurchase operations in 1961. The United Kingdom notified the Fund that the outstanding sterling balance would be repurchased in monthly installments during 1960 and 1961; as of June 30, 1959, this balance amounted to $345 million. To the extent that other members, in the meantime, draw French francs or sterling, the obligations of France and the United Kingdom to repurchase their currencies would be correspondingly reduced.

The movement to external convertibility of the major European currencies has significance for the exchange operations of the International Monetary Fund, because these currencies may now become more widely demanded by members which draw upon the resources of the Fund. As of June 30, 1959, Fund holdings of such currencies totaled about $3,000 million.[4] The Fund's holdings of gold and United States and Canadian dollars increased during the year by $446 million to a total of $2,764 million,[4] largely as the result of the high level of repayments. Under standby arrangements as of June 30, 1959, there was available $1,106 million to ten countries. Drawings outstanding at that time by 24 countries totaled $1,507 million.

During the year two additional countries, Spain and Libya, became members of the International Monetary Fund (and of the International Bank for Reconstruction and Development). Since July 1958, Egypt and Syria have been regarded as a single member, the United Arab Republic. The effect of these changes was to raise total membership to 68.

Treasury exchange agreements

During the fiscal year a Treasury exchange agreement was negotiated with Argentina, and agreements with Chile, Peru, and Paraguay were renewed. An agreement with Mexico continued in effect, and an agreement with Bolivia expired during the year. As of June 30,

[4] Not including subscription payments made in anticipation of increase in quotas.

1959, therefore, agreements were in effect with five countries, all in Latin America, in the total amount of $163 million. No drawings were made under any of the agreements in effect during the year.

On December 29, 1958, a one-year Treasury exchange agreement in the amount of $50 million was signed with Argentina. The agreement formed part of financial facilities aggregating $329 million provided by the International Monetary Fund, the Export-Import Bank, the Development Loan Fund, eleven United States commercial banks, and the Treasury designed to assist Argentina in its efforts to achieve financial stabilization and to promote economic development. Under the terms of the Treasury agreement, the United States Exchange Stabilization Fund undertook to purchase Argentine pesos up to the equivalent of $50 million, if the occasion for such purchase should arise. Argentine pesos so acquired by the Treasury would subsequently be repurchased by Argentina for dollars.

A Treasury exchange agreement with Chile was announced in May 1959, in the amount of $15 million; it is scheduled to expire on December 31, 1959. This agreement replaced a similar agreement in the amount of $10 million, which had been renewed periodically since April 1956. The Chilean Government also entered into a standby arrangement with the International Monetary Fund for $8.1 million, also to expire on December 31, 1959. Further credits of $28.9 million for Chile were granted or renewed by the Export-Import Bank and the International Cooperation Administration. In addition Chile also negotiated agreements with eleven United States commercial banks for new credits and refunding of previous obligations in the total amount of $53 million. These arrangements were designed to support the Chilean Government's comprehensive program to achieve a greater measure of fiscal and financial stability while also assisting in a program of capital investments for public facilities and services.

Under a one-year Treasury exchange agreement of February 27, 1959, Peru may request the United States Exchange Stabilization Fund to purchase Peruvian soles up to the equivalent of $17.5 million if the need for such purchase should arise. This agreement renewed similar arrangements which had been in effect since February 1954. The agreement is designed to assist Peru in continuing its efforts to achieve economic stability and freedom for trade and exchange transactions. In connection with this program, the International Monetary Fund announced a standby arrangement in the amount of $13 million to replace the previous agreement of $25 million, under which $12 million had been drawn. Peru also renewed lines of credit in the amount of $17.5 million with United States commercial banks.

Lend-lease silver

During World War II the United States transferred a total of 410.8 million ounces of Treasury silver to certain foreign countries under authority of the Lend Lease Act of March 11, 1941. Although the agreements differed somewhat in detail, they provided that the debtor countries were to return a like kind and quantity of silver within five years after termination of the National Emergency, as determined by the President. Accordingly, the lend-lease silver was due to be returned by April 27, 1957, although the agreements with several of the countries permitted a postponement of part of the repayment for an additional two years. (See Annual Reports for 1957, pages 49–50, and 1958, pages 56–57.)

In the course of fiscal 1959 a total of 83.3 million fine troy ounces of silver, consisting of 65.3 million ounces from India, 8.3 million ounces from Pakistan, 5.4 million ounces from Ethiopia and 4.3 million ounces from the Netherlands, were returned and taken into the account of the Treasurer of the United States.

Lend-lease silver transactions as of June 30, 1959

[In millions of fine ounces]

Country	Silver transferred from the Treasury to lend-lease for account of foreign governments	Silver returned and taken into the account of Treasurer of the United States	Silver being returned	Silver to be returned
Australia	11.8	11.8		
Belgium	.3	.3		
Ethiopia	5.4	5.4		
Fiji	.2	.2		
India	172.5	164.6	7.9	
Netherlands	56.7	56.7		
Pakistan	53.5	23.3	30.2	
Saudi Arabia	[1] 22.3			22.3
United Kingdom	88.1	88.1		
Total	[1] 410.8	350.4	38.1	22.3

[1] Includes 1,031,250 ounces lost at sea while in transit.

Foreign Assets Control

The Foreign Assets Control Regulations prohibit all transactions, direct or indirect, with Communist China and its nationals. For the purpose of preventing Communist China from obtaining foreign exchange through the exportation of merchandise to the United States, the Regulations prohibit the unlicensed purchase and importation into the United States of Communist Chinese or North Korean merchandise, as well as numerous other commodities therein specified which are of types that have historically come from China in the past.

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The Control does not issue licenses authorizing importation of Chinese-type merchandise unless satisfactory evidence of its non-Communist Chinese origin is presented.

Importation under general licenses is authorized with respect to specific shipments of Chinese-type merchandise certified to be of non-Communist Chinese origin by the government of a foreign country from which they were directly exported, provided that the country in question has set up procedures for certification pursuant to standards agreed to by the Treasury Department. The following governments now have such certification procedures: Australia, Formosa, France, Hong Kong, India, Italy, Japan, the Netherlands, Switzerland, Viet-Nam, and the Republic of Korea. Notices of the availability of certificates of origin for particular commodities and of the governments prepared to issue them are published from time to time in the Federal Register. During the year a number of additional individual items became available for certification under existing agreements.

The enforcement measures of the Control resulted in a number of successful criminal prosecutions. A total of $82,000 was collected by the Government in forfeitures, fines, and other penalties as a result of proceedings under the Foreign Assets Control Regulations.

Pursuant to legislation passed during the fiscal year (Public Law 85–604), the blocked funds received from the sale of a Czechoslovak-owned steel mill, sold pursuant to an order issued by the Secretary on March 25, 1954, were centralized in an account in the Treasury. These funds will be available for the payment of awards to Americans whose claims with respect to property nationalized by Czechoslovakia are approved by the Foreign Claims Settlement Commission.

ADMINISTRATIVE REPORTS

Management Improvement Program

In addition to many intangible benefits, the Treasury's management improvement efforts during the fiscal year 1959 resulted in annual recurring savings of $7.8 million, the highest in several years. An additional $232 thousand was saved on a one-time basis. Many of the improvements produced more effective use of manpower, enabling the Treasury to continue to reduce employment while keeping abreast of a workload which increased in several important areas. There were 1,456 fewer civilian employees on the rolls as of June 30, 1959, than on the same date a year earlier, a reduction of about 2 percent.

Some of the more important improvements in organization, methods, and procedures are discussed in the administrative reports of the individual bureaus. Progress in a few special programs common to all bureaus is outlined below.

Incentive awards program

Of the savings mentioned above, $830 thousand resulted from the incentive awards program. This represented a decrease from 1958 when a special appeal from Secretary Anderson increased the number of suggestions submitted by employees to an alltime record. A comparison of overall results for fiscal 1958 and 1959 appears in table 133.

During 1959 the Treasury planned a new six-point program to recognize performance of employees at lower grade levels and to stimulate participation in the suggestion system. One feature is an annual award to be given by the Secretary to the bureau showing the best average results in the incentive awards program. The program also will give additional recognition to employees for extensive participation in the awards program and for length of service.

Training and executive development

The Department continued to encourage employees to take advantage of outside training opportunities as well as to develop and improve its own internal training methods. Employees participated in executive development programs of such organizations as the American Management Association, American Society for Public Administration, and Brookings Institution, as well as the Civil Service Commission. For the first time a Treasury employee was chosen for one of the Rockefeller Public Service Awards, which are given to enable outstanding public servants to advance their knowledge by university training or special study projects.

The larger Treasury bureaus have active training programs, which are discussed in the bureau reports which follow. In addition, the Treasury Law Enforcement School, which cuts across bureau lines to include enforcement personnel from all parts of the Department, trained 384 Treasury officers and several persons from other Federal agencies and from State and local governments. Most of those attending took the school's basic 6-week course in law enforcement and criminal investigation. In the Fiscal Service a carefully selected group of eight persons from the three fiscal bureaus participated in the executive development program for interns, bringing to 62 the number trained since the program began in 1951.

Safety program

The number of disabling injuries in the Treasury per million man-hours worked (frequency rate) in the calendar year 1958 was the lowest ever recorded—4.3, or an 8.5 percent reduction from the low level of 4.7 in calendar 1957.

In January 1959 a new program was initiated in the Treasury to award a safety plaque for the greatest improvement in the accident frequency rate to the bureau employing 1,000 or more personnel, and a separate plaque to the bureau employing less than 1,000 personnel. In addition, awards of honor will be given to individuals nominated either by the Safety Council or their bureau heads for outstanding contributions to bureau, department, or the overall Federal safety program. At the annual May meeting of the Safety Council and bureau heads, Secretary Anderson presented awards to the Bureau of the Public Debt and to the Office of the Secretary for calendar 1958.

Space and property

The Treasury's continuous review of property holdings and needs has resulted in monetary savings and improved coordination of the Department's activities. A major aim of the Treasury's space management program has been to consolidate Treasury offices in one building, particularly in field locations. In some cities, offices even of the same bureau are widely scattered. This not only is inconvenient to the public but has seriously affected operating efficiency. During the past fiscal year the several units of the office of the Regional Commissioner of Internal Revenue in Philadelphia were brought together in one building, and similar consolidations were made of scattered units of a number of district director's offices.

Other space improvements included the release to the Atomic Energy Commission of 10,500 square feet of space by the Bureau of Customs in New York, which saved the Government $30,500 annually. Also, real properties having an acquisition cost of $217,000, principally in the Coast Guard, were declared excess and reported to the General Services Administration for disposal.

Projects planned

The Treasury bureaus have under way or planned a large variety of projects to improve further internal operations and services to the public. Examples of a few of these projects follow.

The Internal Revenue Service is introducing a new streamlined tax form (1040W) for persons whose income consists of salary and wages with not more than $200 of dividends and interest, and no other items of income. The new two-page form with instructions will be mailed in a 12-page package to some 17 million taxpayers who formerly received the regular four-page 1040 in a 28-page package.

The Bureau of Customs has initiated several studies of methods and procedures for controlling the entry, transshipment, and in-bond movement of air cargo. The objective is to facilitate air commerce by improving service to carriers and the importing public, and to expedite processing of commercial air shipments. The Bureau also is studying and testing methods of making precise value, rate, and quantity determinations at the time duties are initially collected so that further duty collections or refunds will be unnecessary.

The Division of Disbursement of the Bureau of Accounts is collaborating with the Veterans' Administration in combining multiple payments to individual insurance beneficiaries into a single check. These are cases in which beneficiaries have been receiving two or three separate checks on the same due date. The consolidation of multiple payments will result in a reduction of over 900,000 checks to be issued per year.

The Division of Disbursement also is working closely with the Veterans' Administration in coordinating plans for centralizing their benefit accounting and statistical functions in Chicago. To handle the big job of maintaining payment files and issuing checks, the Division will install an electronic computer. As a preliminary, some 15 management analysts of the Division will be trained in various aspects of automatic data processing systems. This is part of a nationwide project to mechanize accounting of benefit payments.

The Office of the Secretary has created a Treasury Directives Review Committee with a working staff to review the present system of controlling and issuing directives and circulars and to make recommendations for improvement. All such directives are now under review and a system of control is being devised.

Bureau of the Comptroller of the Currency [1]

The Bureau of the Comptroller of the Currency is responsible for the execution of laws relating to the supervision of national banking associations. Duties of the office include those incident to the formation and chartering of new national banking associations, the examination of all national banks, the establishment of branch banks, the consolidation of banks, the conversion of State banks into national banks, recapitalization programs, and the issuance of Federal Reserve notes.

Changes in the condition of active national banks

The total assets of the 4,559 active national banks in the United States and possessions on June 10, 1959, amounted to $126,255 million, as compared with the total assets of 4,606 banks amounting to $122,469 million on June 23, 1958, an increase of $3,786 million during the year. The deposits of the banks in 1959 totaled $112,659 million, which was $2,253 million more than in 1958. The loans in 1959 were $55,816 million, exceeding the 1958 figure by $4,913 million. Securities held totaled $44,166 million, a decrease of $1,120 million during the year. Capital funds of $10,041 million were $565 million more than in the preceding year.

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[1] More detailed information concerning the Bureau of the Comptroller of the Currency is contained in the separate annual report of the Comptroller of the Currency.

Abstract of reports of condition of active national banks on the date of each report from June 23, 1958, to June 10, 1959

[In thousands of dollars]

	June 23, 1958 (4,606 banks)	Sept. 24, 1958 (4,599 banks)	Dec. 31, 1958 (4,585 banks)	Mar. 12, 1959 (4,569 banks)	June 10, 1959 (4,559 banks)
ASSETS					
Loans and discounts, including overdrafts	50,902,433	50,664,772	52,796,224	53,217,140	55,815,846
U.S. Government securities, direct obligations	34,599,192	35,281,644	35,821,327	34,787,430	33,147,723
Obligations guaranteed by U.S. Government	2,813	3,430	3,433	3,045	4,604
Obligations of States and political subdivisions	8,364,896	8,688,802	8,845,522	9,005,281	9,071,985
Other bonds, notes, and debentures	2,045,247	1,948,482	1,836,523	1,769,676	1,650,551
Corporate stocks, including stocks of Federal Reserve Banks	274,438	277,829	281,419	288,263	291,561
Total loans and securities	96,189,019	96,864,959	99,584,448	99,070,835	99,982,270
Cash, balances with other banks, including reserve balances, and cash items in process of collection	24,032,436	23,361,568	26,864,820	24,198,819	23,834,503
Bank premises owned, furniture and fixtures	1,252,651	1,292,535	1,326,352	1,365,748	1,399,868
Real estate owned other than bank premises	40,858	38,664	33,575	35,941	38,935
Investments and other assets indirectly representing bank premises or other real estate	121,766	126,150	127,075	125,461	130,657
Customers' liability on acceptances	334,949	288,394	321,852	272,213	261,640
Income accrued but not yet collected	263,311	272,093	538,844	511,462	606,918
Other assets	233,825	210,456			
Total assets	122,468,815	122,454,819	128,796,966	125,580,479	126,254,791
LIABILITIES					
Demand deposits of individuals, partnerships, and corporations	55,115,495	56,580,477	61,785,222	59,483,011	58,917,809
Time deposits of individuals, partnerships, and corporations	31,329,692	32,215,034	32,614,707	33,229,040	33,779,747
Deposits of U.S. Government and postal savings	4,994,800	2,569,006	2,574,937	1,632,249	1,764,845
Deposits of States and political subdivisions	8,611,982	8,042,579	8,426,763	8,168,870	8,072,361
Deposits of banks	8,685,161	8,959,581	9,809,186	8,585,962	8,522,813
Other deposits (certified and cashiers' checks, etc.)	1,669,619	1,430,623	1,875,313	1,618,181	1,601,688
Total deposits	110,406,749	109,797,300	117,086,128	112,717,313	112,659,263
Demand deposits	75,681,195	74,333,501	81,351,799	76,442,827	75,776,926
Time deposits	34,725,554	35,463,799	35,734,329	36,274,486	36,882,337
Bills payable, rediscounts, and other liabilities for borrowed money	491,502	998,291	43,035	917,898	1,419,817
Mortgages or other liens on bank premises and other real estate	1,062	1,475	1,626	1,549	1,566
Acceptances outstanding	345,382	299,253	330,616	281,528	270,010
Income collected but not yet earned	593,004	620,649			
Expenses accrued and unpaid	621,317	682,941	1,666,760	1,802,034	1,863,497
Other liabilities	534,145	434,126			
Total liabilities	112,993,161	112,834,035	119,128,165	115,720,322	116,214,153
CAPITAL ACCOUNTS					
Capital stock	2,867,859	2,930,459	2,951,279	3,054,457	3,078,875
Surplus	4,514,485	4,558,635	4,718,459	4,821,012	4,857,509
Undivided profits	1,839,600	1,862,819	1,711,435	1,712,065	1,843,558
Reserves and retirement account for preferred stock	253,710	268,871	287,628	272,623	260,696
Total capital accounts	9,475,654	9,620,784	9,668,801	9,860,157	10,040,638
Total liabilities and capital accounts	122,468,815	122,454,819	128,796,966	125,580,479	126,254,791

Summary of changes in number and capital stock of national banks

The authorized capital stock of the 4,563 national banks in existence on June 30, 1959, consisted of common stock aggregating $3,087 million, and preferred stock aggregating $3.1 million. The common stock of the 4,603 national banks in existence a year earlier amounted to $2,870 million and preferred stock to $3.5 million. During the year charters were issued to 31 national banks having an aggregate of $21.8 million of common stock. There was a net decrease of 40 in the number of national banks in the system by reason of voluntary liquidations, statutory consolidations and mergers, and conversions to and mergers or consolidations with State banks under the provisions of the act of August 17, 1950 (12 U.S.C. 214).

More detailed information regarding the changes in the number and capital stock of national banks in 1959 is shown in the following table.

Organizations, capital stock changes, and liquidations of national banks, fiscal year 1959

	Number of banks	Capital stock	
		Common	Preferred
Charters in force June 30, 1958, and authorized capital stock	r 4,603	r $2,870,183,030	$3,508,170
Increases:			
Charters issued	31	21,840,000	
Capital stock:			
221 cases by statutory sale		49,537,528	
482 cases by statutory stock dividends		136,411,626	
27 cases by statutory consolidation		11,356,800	
22 cases by statutory merger		6,448,250	
Total increases	31	225,594,204	
Decreases:			
Voluntary liquidations	14	2,545,000	
Statutory consolidations	19		
Statutory mergers	18		
Conversions into State banks	2	75,000	
Merged or consolidated with State banks	18	5,730,000	
Capital stock:			
2 cases by statutory reduction		89,000	
3 cases by statutory consolidation		197,500	
3 cases by statutory merger		420,000	
3 cases by retirement			417,500
Total decreases	71	9,056,500	417,500
Net change	−40	216,537,704	−417,500
Charters in force June 30, 1959, and authorized capital stock	4,563	3,086,720,734	3,090,670

r Revised.

Bureau of Customs

The Bureau of Customs is responsible for the assessment and collection of duties and taxes on imported merchandise and baggage; prevention of smuggling, undervaluations, and frauds on the customs revenue; apprehension of violators of the customs and navigation laws; entry and clearance of vessels and aircraft; issuance of documents and signal letters to vessels of the United States; admeasurement of vessels; collection of tonnage taxes on vessels engaged in foreign commerce; supervision of the discharge of imported cargoes; inspection of international traffic; control of the customs warehousing of imports; determination and certification for payment of the amount of drawback due upon the exportation of articles produced from duty-paid or tax-paid imports; enforcement of the antidumping and export control acts; regulation of the movement of merchandise into and out of foreign trade zones; and enforcement of the laws and regulations of other Government agencies affecting imports and exports.

Collections

Revenue collected by the Customs Service during the fiscal year 1959 totaled nearly $1,304 million, the largest volume on record, over 16 percent more than the $1,122 million collected in 1958. In addition to customs collections, the total included certain taxes collected for the Internal Revenue Service and some collections for other Government agencies.

Customs collections alone amounted to over $954 million, 18.4 percent more than the $806 million collected in 1958. They included duties, tonnage taxes, fees, and fines and penalties for the violation of customs and navigation laws. Of the customs collections more than $948 million was derived from duties (including import taxes) levied on imported merchandise. The sources of duty collections are shown in table 15. Collections of customs duties were higher in each month of fiscal 1959 than ever before. Collections by Customs of internal revenue taxes on imported liquors, wines, perfumes, etc., amounted to $349 million, 10.4 percent more than the $316 million collected in 1958, continuing the rise in recent years.

Considerably less than one-half of all imports into the United States were duty free and included some commodities such as copper and iron and steel scrap imported free for Government stockpile purposes or authorized by special acts of Congress for free entry although dutiable under the Tariff Act of 1930, or taxable under the Internal Revenue Code. The 60 percent which was dutiable constituted the basis of customs duties on imports.

Values and collections on dutiable imports by tariff schedule and country for fiscal 1958 which were omitted from last year's report because of technical difficulties will be found in tables 91 through 97.

By customs districts.—Larger customs collections than in 1958 were reported by 34 customs districts. The collections for each of the 45 customs districts from which collections are covered into the Treasury of the United States are shown in table 90.

By commodities.—For the eighth consecutive year, imports of metals and manufactures were the largest single source of customs revenue in fiscal 1959, with an increase of 25.8 percent more in duty collections than in fiscal 1958. The sundries schedule rose to second place with an increase of 29 percent, followed by the agricultural products schedule with an increase of 7.7 percent. The value of dutiable and taxable imports for consumption and duties and taxes collected by tariff schedules for fiscal 1958 and 1959, will be found in table 92. Comparable data covering fiscal 1957 and 1958, which were omitted in the report for fiscal year 1958, will be found in table 91.

Tables 94 and 95 show the value of and duties collected on imports for consumption by calendar years 1947 through 1958, and from January to June 1959. The trends in value and duty yield for imports dutiable at specific, ad valorem, and compound rates by fiscal years 1943 through 1959 are shown in table 93.

By countries of origin.—Imports from Japan were again the largest source of customs revenue. Duties collected were 37.6 percent more than in 1958. The United Kingdom ranked second with an increase of 26.4 percent. West Germany, with an increase of 24.3 percent, ranked third, and Canada retained fourth place although duty collections decreased by 7 percent. A comparison of the value of dutiable imports for consumption and the amount of duties collected by countries for fiscal 1957 and 1958, and 1958 and 1959, will be found in tables 96 and 97.

Extent of operations

Vehicles and persons entering.—More than 41 million vessels, aircraft, automobiles, buses, trains, and other vehicles entered U.S. harbors or crossed U.S. borders during fiscal 1959, bringing almost 144 million persons, and nearly 28 million persons walked across the borders. All were subject to customs inspection. The various types of vehicles and the number of persons entering the United States during 1958 and 1959 are shown in table 99, and the number of aircraft and passengers arriving in districts where this mode of travel is most prevalent is shown in table 100.

Entries of merchandise.—Imports into the United States in fiscal 1959 broke all records. Formal entries of merchandise (consumption and warehouse and rewarehouse entries) exceeded 1 million for the fourth consecutive year; the 1,312,279 entries filed were 11.7 percent more than in 1958. Informal entries and baggage declarations, covering both mail importations and other shipments valued at less than $250, rose 5.9 percent over 1958 to a record of 4,001,652. All other types of entries, with the exception of mail, showed similar increases. The number of each type of entry filed during the past 2 fiscal years is shown in table 98.

Drawback transactions.—Drawback, which is allowed on the exportation of merchandise manufactured from imported materials and for certain other export transactions, usually amounts to 99 percent of the customs duties paid at the time the goods are entered. More than 95 percent of the drawback allowed in 1958 was due to the export of products manufactured from imported raw materials. The principal imported materials used in manufactured exports in 1959 were iron and steel semimanufactures; petroleum and products; tobacco, unmanufactured; sugar; aluminum; paper and manufactures; chemicals; cotton cloth; watch movements; lead ore, matte pigs and bars; and tungsten ore.

Tables 101 and 102 show the drawback transactions for the fiscal years 1958 and 1959.

Appraisement of merchandise (including Customs Information Exchange).—There were 2,043,000 invoices filed in fiscal 1959 compared with 1,822,000 in 1958, an increase of 12.1 percent. This extraordinary rise was responsible for a 25 percent increase during 1959 in the backlog of unappraised invoices, from 176,000 to 222,000. Packages examined by appraisers' personnel increased 7 percent, from 1,375,000 to 1,454,000.

As a result of the enactment of Public Law 85-630 (19 U.S.C. 160-171) containing major amendments to the Antidumping Act (effective Aug. 14, 1958), the Washington headquarters office has for some months been engaged in revising the regulations pertaining to dumping.

Forty-five complaints of dumping under the Antidumping Act were received during the fiscal year 1959 as compared with 13 received in 1958. The probable cause of the increase was the enactment of the new legislation and increased awareness on the part of domestic industry of competitive foreign imports. Thirty-four dumping cases were disposed of during the year, leaving 37 cases under investigation at the end of 1959 as compared with 26 a year earlier.

The volume of countervailing duty cases was lower in fiscal 1959 than in 1958. Six complaints were received, compared with seven in 1958. Five countervailing duty cases were disposed of during the year and five remained on hand at its close.

The operations of the Customs Information Exchange, New York City, continued their upward trend as indicated by the number of reports received from and disseminated to appraising officers. Appraisers' reports of classification and value, covering a cross section of importations of merchandise received at each port, totaled 70,000 in fiscal 1959, as compared with 63,000 in 1958. These reports indicate the relative number of commodity items received at any given port for the first time, as well as regular items received at new prices or subject to different terms of sale from previous shipments.

Differences in classification and value indicate the number of instances where information varied at different ports as to value or classification and in which additional study and analysis were required before establishment of a uniform value or rate. There were 9,922 reports of value differences in fiscal 1959 as compared with 6,886 in 1958. Differences in classification numbered 3,996 in 1959 compared with 3,355 in 1958, indicating an increase in the number of new commodities received.

Foreign inquiries requiring detailed investigations abroad to secure information for appraisement purposes decreased from 454 in 1958 to 308 in 1959. This 32 percent decline may be attributed to the elimination of foreign value as a basis of appraisement under the terms of the Customs Simplification Act of 1956 (19 U.S.C. 1402) and to the current instructions which authorize the use of a foreign inquiry only after other means of securing value information have been exhausted.

Technical services.—This branch of the Customs Service furnishes chemical, engineering, statistical weighing and sampling, and other scientific and technical services; provides proper weighing and gauging equipment; designs and oversees the construction of border inspection stations; and directs the field operations of customs laboratories.

In 1959 the laboratories analyzed more than 120,000 samples, about one-half of which consisted of ores and metals, sugar, and wool. A slight overall decrease from 1958 was concentrated mainly in ores, minerals, smelter by-products, and raw sugar. Significant increases occurred in samples of coal-tar products, plastics and resins, narcotics, petroleum products, textiles, and wool. Most of the analyses were of "import" samples of dutiable merchandise analyzed to develop and report facts needed for tariff classification. Other types tested included those taken from customs seizures, mostly narcotics and other prohibited articles; preshipment samples of merchandise intended for shipment to the United States analyzed to assist in establishing proper classification; and samples tested for other Government agencies.

The Marquis reagent is now widely used by law enforcement officers to test for the presence of an opium alkaloid in suspected material. This test does not discriminate among the several opium alkaloids and, in addition, gives the purple "opium" color with certain nonnarcotic adulterants, such as some common antihistamines. Customs chemists have developed a new and simple field test which, when used in conjunction with the Marquis test will denote the presence of heroin hydrochloride but will not be affected by the nonnarcotic adulterants. Materials for the new test will be distributed in a field kit. The new test will eliminate much of the embarrassment now caused by the use of the Marquis test alone when a suspect is detained and materials seized in which narcotics are not actually present.

Statistical quality control of sample weighing operations was continued during the year by analyses of cargo sample weighing data to assure accuracy and precision within control limits. There were 793 such operations, consisting of 556 cargoes of raw sugar, 159 cargoes of refined sugar, and 78 cargoes of cigarette tobacco. Statistical control was continued also over the verification of liquidations by comptrollers (final determination of duties and taxes due).

Automatic sampling devices of two fluorspar plants were checked by a series of tests on replicate samples and a new manual sampling tool was designed and built by a customs laboratory. A proposed refinery method of testing fluorspar was evaluated by collaborative testing in the laboratories.

A contract was awarded for the construction and installation of a 50-ton truck scale at the U.S. Army Base, Boston, Mass. In cooperation with the General Services Administration and the Immigration and Naturalization Service plans were developed for the construction of temporary inspection facilities at Cordova Island, El Paso, Tex. Assistance was given the General Services Administration in plans for the construction of various projects for use by Customs and other Federal agencies. These included 5 locations scheduled for early construction and 12 locations for which preliminary plans have been made. Work was continued on the procurement of the six sites in anticipation of construction of border stations.

Export control.—There was a decline in 1959 for the second consecutive year in the number of export declarations authenticated. Shipments examined also declined. Although the number of seizures made was less than in 1958, the value was higher. The following table shows the volume of export control activities during fiscal 1958 and 1959.

Activity	1958	1959	Percentage increase, or decrease (−)
Export declarations authenticated	4,562,437	4,234,916	−7.2
Shipments examined	564,530	444,821	−21.2
Number of seizures	358	352	−1.7
Value of seizures	$460,005	$759,783	65.2
Export control employees	194	184	−5.2

Protests and appeals.—There was an increase in the number of protests filed by importers against the rate and amount of duty assessed and other decisions by the collectors. However, appeals for reappraisement filed by importers who did not agree with appraisers as to the value of merchandise were 29.3 percent less in 1958. The following table shows the number of protests and appeals filed and acted on during the fiscal years 1958 and 1959.

Protests and appeals	1958	1959	Percentage increase, or decrease (−)
Protests:			
Filed with collectors by importers	37,787	41,343	9.4
Allowed by collectors	3,182	3,540	11.3
Denied by collectors and forwarded to customs court	25,643	33,737	31.6
Appeals for reappraisement filed with collectors	28,664	20,270	−29.3

Entry and value.—Public Law 86–99, approved July 17, 1959, continued until July 1, 1961, the provisions of law which permit the entry free of duty of bona fide gifts sent to the United States by members of the Armed Forces stationed abroad. Previous periodic enactment of such legislation had provided for the extension of the privilege until July 1, 1959.

In order to comply with a provision of an act approved September 1958 (19 U.S.C. 1201), which permits U.S. residents to import rented automobiles free of duty for limited periods, it is not necessary that a bond be given for the exportation of the automobile, and the resident may arrange for someone else to return the rental car to the foreign renter or the resident may have a representative of the automobile rental agency in the United States arrange the return. The responsibility for timely return of the automobile rests in every case upon the importer.

If a U.S. resident, while still in the United States, makes a purchase agreement to secure an automobile, or other articles abroad at a later date, that automobile or articles may not be exempted from duty or taxes under regular personal exemptions. A recent ruling stated, however, that the establishing of a credit rating with a representative of a foreign manufacturer in the United States whereby a U.S. resident while abroad may purchase articles at the factory or from an authorized dealer on the strength of the credit rating does not, of itself, affect the resident's entitlement to the exemptions from duty and internal revenue taxes on the value of the articles imported.

Marine activities.—On June 30, 1959, there were 47,157 vessels in the documented fleet of the American merchant marine, compared with 46,071 a year earlier. In fiscal 1959, 2,580 vessels never before documented were added, which number roughly corresponds to the total of new vessels of all sizes built, and 1,494 vessels were removed from documentation. Of the documented total, slightly more than 4,200 were documented as yachts, while nearly 43,000 were authorized through documentation to be used in commercial activities in the foreign, coasting, or fishing trades. The following table shows the volume of marine documentation during the fiscal years 1958 and 1959.

Activity	1958	1959	Percentage increase, or decrease (−)
Total vessels documented at end of year	46,071	47,157	2.4
Documents issued (registers, enrollments, and licenses)	14,277	14,065	−1.5
Licenses renewed and changes of master endorsed	46,153	45,983	−.4
Mortgages, satisfactions, notices of lien, bills of sale, abstracts of title, and other instruments of title recorded	12,456	13,966	12.1
Abstracts of title and certificates of ownership issued	5,849	6,650	13.7
Navigation fines imposed	2,496	2,646	6.0
Tonnage tax payments	23,363	22,642	−3.1

The first meeting of the Subcommittee on Tonnage Measurement of the Intergovernmental Maritime Consultative Organization was held in London during June 1959. The U.S. delegation, headed by a Customs representative, proposed a new approach to tonnage problems which could simplify the system of admeasuring vessels, an artificial and cumbersome system in effect for more than a hundred years. Further data are being compiled and will be presented at a subsequent meeting of the subcommittee, after review by representatives of both the Government and the shipping industry.

A study initiated by the Bureau of Customs with the cooperation and assistance of the U.S. Coast Guard, has culminated in a draft of legislation to simplify the tonnage measurement of small vessels. The draft bill, under study, would enable persons untrained in the highly technical procedures of admeasurement to make tonnage computations, and would provide a firm standard of gross tonnage for application of vessel safety laws.

The admeasurement systems adopted and in force in the Federal People's Republic of Yugoslavia and the State of Israel were found sufficiently similar to those of the United States to warrant recognition of the tonnages expressed in registers issued in those countries. It was established also that reciprocal privileges are granted to vessels of the United States. The names of both countries accordingly were added to the list of nations whose measurement systems are recognized. Vessels of the listed nations are not required to be admeasured upon arrival in the United States and the tonnages shown on their registers are accepted as the basis for the computation of tonnage tax.

The following tabulation shows the number of entrances and clearances of vessels in fiscal 1958 and 1959.

Vessel movements	1958	1959	Percentage increase, or decrease (−)
Entrances:			
Direct from foreign ports	51, 822	48, 928	−5. 6
Via other domestic ports	33, 057	35, 267	6. 7
Total	84, 879	84, 195	−. 8
Clearances:			
Direct to foreign ports	46, 447	45, 966	−1. 0
Via other domestic ports	32, 945	37, 880	15. 0
Total	79, 392	83, 846	5. 6

The Shipping Coordinating Committee, sponsored by the Department of State to assist in the preparation of United States positions on shipping problems considered by the Intergovernmental Maritime Consultative Organization, created a subcommittee in May 1959 to work on a program to simplify shipping documents and procedures involved in the arrival, loading, discharging, and departure of vessels engaged in international trade. The subcommittee with the Bureau of Customs, other Government agencies, and the shipping industry is conducting a study of the possibilities.

The procedure whereby shipping lines may report crew members' purchases abroad, to insure payment of applicable customs duties, by means of an individual crew member's declaration rather than by a combined listing for all crew members, was extended during the year to vessels proceeding to other domestic ports. Heretofore the procedure had been limited to vessels returning to foreign ports directly from the port of first arrival.

The 1958 annual report (page 83) noted the practice of certain nations in providing vessels with papers showing two separate tonnages in the case of open and closed shelter-deck vessels and oil and ore carriers. At that time instructions had been issued to charge tonnage tax upon the higher of the two net tonnages shown. Since then arrangements have been worked out through appropriate diplomatic channels whereby the governments have agreed to certify, upon any given arrival of the vessel, which of the two tonnages is applicable. Appropriate instructions have been issued accordingly, which authorize the assessment of taxes on the applicable tonnages of vessels of foreign countries as certified by their governments.

After the opening of the Saint Lawrence Seaway, a meeting of the marine officers of Great Lakes ports and representatives from the Washington headquarters office was held at Milwaukee, Wis. The primary purpose was to afford the conferees an opportunity to compare the practices of the various other districts and to develop more uniform procedures in their marine transactions. Vessel operators, shippers, and other shipping industry personnel will benefit.

A waiver of the navigation laws for 1 year was granted to permit the transportation of Weather Bureau and Civil Aeronautics Administration personnel and certain merchandise between Tampa and the Swan Islands on scheduled sailings of foreign-flag vessels.

The Department forwarded to the Congress during the year certain draft legislation which would repeal existing statutes prohibiting the collection of fees in connection with the admeasurement, documentation, and inspection of vessels. If the proposed legislation is enacted into law, uniform charges will be prescribed under existing general authority to recover the Government's cost for the services provided.

The act of August 14, 1958, further amended section 4153 of the Revised Statutes (46 U.S.C. 77) by authorizing the exclusion from gross tonnage of ballast water spaces even though such spaces may be used for the carriage of ballast water for underwater drilling, mining, and related purposes including production. This legislation has particular application to the fleet of small vessels used in the offshore oil industry in the Gulf of Mexico. Appropriate regulations to give effect to the provisions of law were issued.

Public Law 85-902, approved September 2, 1958, added section 27A to the Merchant Marine Act of 1920 (46 U.S.C. 883-1), to permit domestic corporations meeting certain qualification requirements to be deemed citizens of the United States for the purpose of documentation and operation of vessels, without regard to the extent of control of such corporations by aliens. A qualifying corporation owning a vessel built in the United States which is non-self-propelled or which, if self-propelled, is of less than 500 gross tons is authorized to document the vessel under the laws of the United States and to engage in the coastwise trade subject to specific restrictions set forth in the act. Heretofore, a domestic corporation having a substantial percentage of alien stock ownership could not qualify as a citizen of the United States and thus was not able to document vessels owned by it or engage in the coastwise trade. Regulations were issued governing the documentation of vessels owned and operated as provided for in the act.

Legal problems and proceedings.—The Office of the Chief Counsel considers legal problems and questions arising in connection with the administration and enforcement of the customs and navigation laws and other related laws. Among these in 1959 were problems relating to classification and appraisement of imported merchandise; interpretation of enforcement provisions; rights and duties of Customs employees; delegations of authority to Customs officers; activities of customs brokers; settlement of tort claims; legal problems arising from the acquisition of sites for customs border stations; drafting proposed legislation; preparing and reviewing reports on pending legislation; and preparing and reviewing customs regulations. A substantial number of the questions considered were concerned with amendments of the Tariff Act and other new legislation. Especially considered were those bearing on the interpretation and implementation of the Antidumping Act; laws relating to insular possessions; and various matters relating to reimbursement for services and other benefits furnished to parties in interest.

Assistance was given to the Office of the Assistant Attorney General in charge of the trial and appeal of customs cases in the Customs Court and the Court of Customs and Patent Appeals, and also to the

Department of Justice in connection with litigation involving customs matters in the Court of Claims, the United States District Courts, and other Federal courts.

Law enforcement and investigative activities.—During fiscal 1959 the Customs Agency Service conducted 16,632 investigations, compared with 16,282 in 1958. Some of the investigations related to customs, navigation, and related laws administered by the Bureau of Customs; others to certain laws administered by other Government agencies but enforced by customs. Table 104 shows the investigative activities for the fiscal years 1958 and 1959. Major enforcement problems involved the smuggling into the United States of narcotic drugs, marihuana, and psittacine birds; and the smuggling out of the country of arms, ammunition, and implements of war, and the use of fraudulently undervalued invoices when filing customs entries for imported merchandise.

Customs seized 38,195 ounces of narcotic drugs and marihuana in fiscal 1959, a decrease of 3,651 ounces from fiscal 1958, which decrease was spread among all categories of narcotics seized.

Mexico continues to be the principal source of marihuana smuggled into the United States, and it is apparent from recent seizures on the California-Mexico border that Mexico is also becoming a major source of heroin. Heroin continues to be smuggled into the United States also by crew members of freighters engaged in trade with the Far East and Europe.

Opium is almost a thing of the past; the only substantial seizure consisted of 22 pounds of crude opium made jointly by local police, narcotic and customs agents in New York City following a lead originated by customs agents. This contraband had been smuggled ashore from a vessel at Baltimore, Md., by Chinese crew members who were later arrested. The smuggling of psittacine birds, chiefly along the California-Mexico border, continues to be a problem.

Notwithstanding the substantial reductions in the ad valorem rates of duties brought about by the several trade agreements with foreign governments, many importers, with the connivance of foreign manufacturers and exporters, are continuing their attempts to make customs entry for imported merchandise with the use of false invoices which fraudulently undervalue the imported merchandise. During fiscal 1959 customs agents investigated 1,919 cases involving undervaluation, false invoices, and other irregularities in customs entries. Action was taken under the civil provisions of Title 19, U.S.C. 1592 and in many cases the violations were referred to the U.S. attorney having jurisdiction for criminal prosecution under the provisions of 18 U.S.C. 542 and 1001.

The smuggling of arms, ammunition, and implements of war out of the country due to conflicts in Cuba and other Caribbean countries continued as a serious problem for customs officers. Practically all of these activities are centered in and around Florida. The Mutual Security Act, under which these attempted exports are prohibited, is administered by the Department of State and enforced by the Bureau of Customs.

Seizures of merchandise throughout the country during 1959 for violations of laws enforced by the Customs Service numbered 13,116 with an appraised value of $10,876,858, compared with 18,807 seizures in 1958, appraised at $8,443,569.

There was a decrease of 30.3 percent in the number of seizures but an increase of 28.8 percent in the appraised value. Title to only a small fraction of these seizures actually passes to the Government, as the majority are destroyed or remitted to the owners upon payment of fines or penalties. Details of seizures are shown in table 103. There were 1,255 arrests for violations of laws enforced by the Bureau of Customs in 1959, only 13 fewer than were made during the alltime record year 1958.

The following tabulation shows the number of arrests and dispositions during fiscal years 1958 and 1959.

Activity	1958	1959	Percentage increase, or decrease (−)
Arrests	1, 268	1, 255	−1. 0
Convictions	704	674	−4. 3
Acquittals	25	36	44. 0
Nolle prossed	61	88	44. 3
Dismissed	247	241	−2. 4
Not indicted	13	31	138. 5
Under, or awaiting indictment	372	440	18. 3

Foreign trade zones.—All activities at Foreign Trade Zone No. 1 at Staten Island, N.Y., increased during the fiscal year. The value of merchandise received rose by almost $11 million, the value of merchandise delivered from the zone, by over $8 million, and the amount of duties and taxes collected, by almost $2 million. Fifty-five ships berthed to laden domestic ship's stores and 23 ships used the zone facilities for discharging cargo from foreign countries. The largest operation of the year was the arrival of the Russian vessel S.S. *Ivan Moskvin,* laden with exhibits for the Russian fair at the New York Coliseum. Some exhibits were assembled at the zone and the balance went directly to the coliseum. The value of merchandise delivered from Foreign Trade Zone No. 2 at New Orleans, La., rose almost $6 million more than in 1958. There were also increases in the tonnages of merchandise received in and merchandise delivered from the zone. There was a decrease in the number of entries, however, in the value of merchandise received and in the duties and taxes collected. There are 435 damaged military vehicles in the zone having no Department of Commerce license to import. These will be repaired and exported. At Foreign Trade Zone No. 3 in San Francisco, Calif., there was an increase in the value of merchandise received, in the tonnage delivered, and also an increase of over $1 million in the value of merchandise delivered. All other activities decreased. The number of entries and the amount of duties and taxes collected at Foreign Trade Zone No. 5 at Seattle, Wash., increased over 1958. All other activities in this zone were considerably less than in 1958.

The following table contains a brief summary of foreign trade zone operations during fiscal 1959.

Trade zone	Number of entries	Received in zone		Delivered from zone		Duties and internal revenue taxes collected
		Long tons	Value	Long tons	Value	
New York	5,700	35,103	$30,835,708	27,340	$27,402,499	$6,277,101
New Orleans	4,366	37,726	19,189,079	37,876	20,040,025	1,183,057
San Francisco	5,673	1,575	2,521,392	2,131	3,334,523	144,582
Seattle	658	389	360,021	399	368,424	71,897

Customs ports of entry, stations, and airports.—Morgan City, La., Jackman, Maine, and Massena, N.Y., were designated ports of entry. The designations of Holeb-Jackman, Maine, San Ysidro, Calif., and Rooseveltown, N.Y., as ports of entry were revoked. The limits of the following ports were extended to include areas not heretofore covered: Burlington, Vt.; Cleveland, Ohio; San Diego, Calif., and Buffalo, N.Y. The name of Tok Junction, Alaska, was changed to Tok, Alaska, and the name of Port O'Minot Airport, Minot, N. Dak., was changed to Minot International Airport. The location of headquarters for the appraiser of merchandise for the Dakota district has been transferred from Noyes, Minn., to Pembina, N. Dak.

Cost of administration

During 1959 regular nonreimbursable employment, and export control employment financed by funds from the Department of Commerce decreased. These decreases were partially offset by increases in regular reimbursable employment, and in employment financed by funds transferred from the Department of Agriculture. Total employment decreased nearly three-quarters of one percent despite continuing sharp increases in workload.

The following table shows employment data during the fiscal years 1958 and 1959.

Operation	1958	1959	Percentage increase, or decrease (−)
Regular customs operations:			
Nonreimbursable	7,187	7,119	−1.0
Reimbursable [1]	291	296	1.7
Total regular customs employment	7,478	7,415	−.8
Export control	194	184	−5.2
Additional inspection for Department of Agriculture	170	190	11.8
Total employment	7,842	7,789	−1.0

[1] Salaries reimbursed to the Government by the private firms who received the exclusive services of these employees.

Customs operating expenses totaled $54,604,936, including export control expenses for which the Bureau was reimbursed by the Department of Commerce, and the cost of additional inspection reimbursed by the Department of Agriculture.

Management improvement program

Savings resulting from actions taken under the Customs management improvement program amounted to $271,000 during fiscal 1959. Of this amount, $239,000, the equivalent of 42.7 man-years, was annual recurring savings.

The bulk of the recurring savings was obtained through various improvements resulting in more effective use of personnel. Reassignment of personnel contributed to meeting the demands of the highest annual workload increase since 1953. At the same time total employment was substantially reduced.

The Customs management improvement program continued to emphasize the facilitation of international trade and travel and the development of an efficient customs organization. Marked progress was made during the year in both areas by improvements through administrative action and legislation sponsored by Customs.

Proposed legislation.—Legislation has been submitted to Congress to amend certain administrative provisions of the Tariff Act of 1930, several of which are intended to facilitate international trade and travel. Important provisions of the bill would permit an administrative review of the values found by appraisers on imported merchandise similar to that now permitted when protests are made against collectors' final computations of duties and taxes of imported merchandise; permit final determinations of duties and taxes of imported merchandise without awaiting final appraisement; provide more realistic exemptions from duty for articles brought into the United States by returning residents and nonresidents; allow language provisions in Customs term bonds which will permit such bonds to run indefinitely with a new principal sum each year; and repeal several obsolete provisions of law.

Trade and travel.—When a request for tariff classification of a prospective import is received and the appropriate customs field officer is satisfied that the article is properly classifiable under an established or uniform practice, he may now advise the inquirer of the proper classification, and state that the specified classification will not be changed by an administrative ruling which imposes a higher rate without prior notice. Also, if the Washington headquarters office receives a request for classification of the type usually referred to the United States Appraiser of Merchandise at New York for a report on practice, the U.S. Appraiser will reply directly to the inquirer if the merchandise is being classified under an established practice. Previously, only the Commissioner of Customs could issue classification rulings of this type.

Formal entries of unconditionally free merchandise no longer have to disclose the detailed computations by which the importer arrived at his entered value, e.g., gross amounts, deductions, and additions to invoice value, and other information previously required.

The circularization of a list of Japanese manufacturers and sellers who offer merchandise for sale both at an ex-factory and an ex-warehouse price has substantially reduced the time required by customs appraisers to establish the proper basis of appraisement and has resulted in more uniformity of appraisement. Appraising officers were furnished also with an explanation of the kind and quantity of information required from a Japanese manufacturer seeking to have his name added to the list. The Customs representative in Tokyo now prepares and forwards periodic price quotations on Japanese food products most frequently exported to the United States. These quotations are circulated quickly to the customs appraisers concerned with the result of an almost immediate appraisement. The importer is benefited by expedited entry, and Customs benefits because it is no longer necessary to maintain expensive value records on these commodities.

Customs procedures have been simplified for an individual importing shipments for his personal or household use. After a satisfactory showing that the shipment is in fact noncommercial, the importer in most cases may use the informal entry procedure, even though the value of the shipment exceeds $250 and a formal entry normally would be required. The new procedure, previously applicable only to mail importations, now applies to all such noncommercial shipments without regard to mode of arrival. The need for a special customs or commercial invoice and much traveling between offices at the larger ports have been eliminated.

Cording and sealing have been discontinued for: Baggage examined in a contiguous foreign territory by United States Customs personnel and shipped to the United States as checked baggage; and domestic baggage shipped between two ports in the United States through a foreign territory. Such cording and sealing already had been eliminated for baggage shipped in bond or in transit through the United States between two ports in Canada or Mexico.

When security and accounting controls are adequate, reasonable quantities of customs seals in excess of immediate requirements are being issued to commercial bonded carriers to facilitate the sealing of in-bond and in-transit shipments. The new procedure eliminates numerous petty transactions required before when only enough seals were issued to meet immediate requirements. Restrictions which limited the purchase of seals to bonded carriers have also been modified to permit commercial associations to purchase in-bond seals for bonded carrier members.

U.S. manufacturers exporting finished products of medicinal preparations and flavoring extracts may now file claims with the collector of customs for drawback of internal revenue taxes paid on domestic alcohol used. Heretofore, the collector of customs determined the amount of drawback due and the exporter filed his claim for payment with the Internal Revenue Service.

One of the most popular customs publications, the booklet *Customs Information for Exporters to the United States*, was revised to incorporate all recent legislative and procedural changes. This booklet, designed to assist American importers and foreign exporters to the United States, explains in plain nontechnical language customs requirements such as marking and invoicing for the importation of merchandise.

Public Law 86–14, approved April 22, 1959, permits articles imported for exhibition or for use in constructing, installing, or maintaining foreign exhibits at trade fairs to be entered free under bond. Before its enactment a separate law was required for each trade fair.

Other procedures established to expedite transactions include delegation of authority to collectors of customs to: Correct customs entries, appraisements, liquidations, or other transactions in which a clerical error, a factual mistake, or other inadvertence had occurred; approve general term bonds for the entry of merchandise; and approve additional types of supplemental drawback schedules.

Preflight customs clearance for persons departing on direct flights to the United States, a procedure already in effect at Toronto and Montreal, was inaugurated at Winnipeg, Canada. Clearing air passengers through U.S. Customs prior to departure enables them to proceed without delay upon their arrival in the United States.

Private aircraft operators frequently carry passengers for hire to Canada or depart for Canada to pick up passengers for hire, in neither case carrying export cargo. Aircraft clearance for such departures from the United States may now be made by telephone with subsequent filing of documents by mail. Formerly, such documents had to be filed personally with the nearest customs officer even though it might require flying many miles out of the way.

A standard baggage examination counter, similar to those installed at New York International Airport, has been designed for installation at airports handling commercial international traffic. Uniform designs and specifications are being furnished to airport authorities in connection with the construction of new terminal buildings or substantial modification and renovation of existing buildings. Installation of this type of equipment will insure the most modern facilities for examination and clearance of air passengers and their baggage upon arrival in the United States.

Under certain conditions an informal list of passengers in the form of a "souvenir list" is now acceptable for customs purposes instead of a formal passenger manifest. The new procedure is optional with the shipping lines and was developed for their benefit. It will be accepted when the Immigration and Naturalization Service uses the individual admission card rather than the formal passenger manifest.

A nonresident crew member of a vessel or aircraft, discharged in the United States and returned to his home either as a passenger or member of the crew of another vessel or aircraft, frequently experienced great difficulty and expense in avoiding payment of duty when he shipped his personal articles home. These difficulties have been eliminated by treating the crew member as an in-transit passenger and allowing him the exemption provided for in paragraph 1798(b)(3), Tariff Act of 1930, as amended (19 U.S.C. 1201), when the collector is satisfied that the articles will be taken out of the United States.

Internal operations.—Conveyor systems installed in the Chicago and Honolulu mail divisions to facilitate the examination of foreign mail parcels increased the productive capacity without additional personnel. At Chicago the increased capacity permitted that port to begin processing all ordinary and insured mail consigned to a 12 Midwestern State area, instead of only those parcels consigned to the States of Iowa and Illinois as before. The availability of greater capacity in the conveyor system in New York enabled that port to expand operations to include the processing of all ordinary and insured mail arriving there by vessel and destined to any place in the United States except the West Coast, Alaska, Iowa, Illinois, and the District of Columbia.

A new system was devised for controlling collections of duties and taxes assessed on merchandise not exceeding $250 in value imported by mail. Formerly, collections of duties on this type of mail entry were sent by the postmaster making the collection to the customs port where the mail entry was issued. Now postmasters deposit such collections in postal accounts and render a report to the regional postal comptroller. The comptroller periodically sends a check for total collections deposited by the postmasters in his region to the customs accounting office in New York. The new system transferred the function of disbursing duty collections from 38,000 postmasters to the 15 postal regional comptroller offices and will reduce the number of checks issued annually from 500,000 to approximately 200.

Instructions formulated for the guidance of customs field officers in forfeiture cases arising from the seizure of merchandise for violation of the export control laws have resulted in uniformity of treatment for violators and expedited the settlement of these cases. The instructions outline conditions under which a seizure is warranted, when and to what extent a forfeiture may be remitted under delegated authority, and which cases require attention of the Washington headquarters office.

"Liquidation" is the final determination of duties and taxes on imported merchandise. Continued efforts were made to increase liquidations per man and to reduce the backlog of unliquidated entries. Unconditionally free entries totaling 37,000 were liquidated at district subports, and 21,000 entries were transferred from ports with heavy backlogs to ports with seasonal surpluses of manpower. Even so, the very sharp rise in the number of entries filed resulted in a substantially larger backlog of unliquidated entries at the end of fiscal 1959.

Management teams and officials from the Washington headquarters office inspected 37 customs districts during the year. Manpower requirements were re-evaluated in terms of existing and anticipated workloads, simplified procedures were installed, and other improvements made, which, together with other major projects involving management personnel, produced savings of more than $120,000. A total of 849 employee suggestions were received, of which 266 were adopted with awards of $13,170. Identifiable savings resulting from the suggestions amounted to $43,000.

A formal program was established for the future training of customs personnel on a systematic, nationwide basis, and a full-time training officer was appointed to direct it. As part of this program a supervisory training course was developed to meet customs needs and will be given to supervisory officers throughout the Service. The first group to receive this training was assembled in June 1959 at Detroit, from Great Lakes and midwestern ports. A 3-month training course for new employees hired to fill customs examiner vacancies also was developed. The first session will be held at Boston early in fiscal 1960. After successful completion, the graduates will be assigned to various ports throughout the country for further on-the-job training. The new program of intensified classroom work, plus on-the-job training, is a considerable improvement over the old program which was limited almost entirely to on-the-job training.

The first major change in 20 years has been made in the uniform worn by customs employees. It has been completely redesigned and will be the same for all areas throughout the Customs Service. Customs inspectors, wearing the new uniform, will be easily distinguishable from the inspectional force of other Government agencies. The neat appearance of the uniform should make a better first impression on foreign visitors.

In 1959 there were 12,642 cubic feet of records disposed of and 24,403 cubic feet were transferred to Federal Records Centers. Records holdings on June 30, 1959, totaled 140,611 cubic feet, of which 103,122 were scheduled for disposal.

As a result of changes in requirements, procedural improvements, and employee suggestions, 44 customs forms were revised, 6 new forms adopted, and 6 abolished.

Office of Defense Lending

The Office of Defense Lending was established on July 1, 1957, by Treasury Order No. 185. Assigned to this Office were the following functions which had been transferred to the Secretary of the Treasury.

Activities under the Defense Production Act

The making and administering of loans to private business enterprises under the authority of section 302 of the Defense Production Act of 1950, as amended (50 app. U.S.C. 2153), were assigned to the Secretary of the Treasury by Executive Order No. 10489, dated September 26, 1953. Under section 302, this Office can consider only applications for loans which are certified as essential for national defense purposes by the Office of Civil and Defense Mobilization. During the fiscal year 1959 a certificate of essentiality was issued in the amount of $850,000 for an additional loan to a borrower. This loan was disbursed by a bank and this Office executed a deferred participation agreement with the bank covering 90 percent of the loan. No disbursement of Treasury funds is expected on account of this $765,000 commitment.

On July 1, 1958, there were loans outstanding amounting to $181.7 million and deferred participation commitments of $17 million. By the close of the fiscal year 1959 these loans had been reduced to $169.4 million and commitments to $15.8 million.

Civil defense loans

The lending functions under section 409 of the Federal Civil Defense Act were transferred to the Secretary of the Treasury on September 28, 1953, pursuant to section 104 of the Reconstruction Finance Corporation Liquidation Act (50 app. U.S.C. 2261). Beginning with the fiscal year 1956 no administrative expense allowance has been authorized for this program, and no applications for new loans have been accepted. It was necessary, however, during fiscal 1959 to approve an increase of $135,000 in a deferred participation commitment in a loan authorized before fiscal 1956. No disbursement of Treasury funds is anticipated on account of this commitment.

On July 1, 1958, there were loans outstanding amounting to $1,111,033 and deferred participation commitments of $2,538,994. By June 30, 1959, these loans had been reduced to $1,008,920 and the commitments to $2,436,727.

Liquidation of Reconstruction Finance Corporation assets

Pursuant to the provisions of Reorganization Plan No. 1 of 1957 the Reconstruction Finance Corporation was abolished effective at the close of June 30, 1957. Its remaining assets, liabilities, and obligations were transferred to the Secretary of the Treasury, the Administrator of the Small Business Administration, the Housing and Home Finance Administrator, and the Administrator of General Services.

The Secretary of the Treasury, functioning through the Office of Defense Lending, is responsible for completing the liquidation of business loans and securities with individual balances of $250,000 or more, securities of and loans to railroads, securities of financial institutions, and the windup of corporate affairs.

During fiscal 1959 there was paid into the Treasury as miscellaneous receipts $12,375,000, representing net income and proceeds of liquidation on the various loans, securities, and commitments. This brought to $24.5 million the total paid into the Treasury since July 1, 1957.

On June 30, 1959, the portfolio of RFC loans, securities, and commitments amounted to $34 million, a reduction of $11.3 million from the $45.3 million outstanding on July 1, 1958. This brought the total of reductions effected to $21.5 million or approximately 40 percent of the portfolio of $55.5 million transferred to the Secretary of the Treasury on July 1, 1957.

Except for a few items of acquired collateral from which some further minor recoveries are expected, the liquidation of loans to and securities of financial institutions has been completed. The last issue of securities of an open bank was retired at the beginning of fiscal 1959. More than $3.9 billion was invested in this program by the RFC during its 25-year existence.

In accordance with the requirements of section 6(c) of Reorganization Plan No. 1 of 1957, a final report on the corporate affairs of the RFC from inception through June 30, 1957, was submitted to the Congress during June 1959. This report reviews the 25-year history of the RFC and covers all of its lending in World War II and other programs.

Bureau of Engraving and Printing

The Bureau of Engraving and Printing designs, engraves, and prints United States currency, Federal Reserve notes, securities, postage and revenue stamps, and various commissions, certificates, and other forms of engraved work for Government agencies. The Bureau also prints bonds and postage and revenue stamps for the governments of insular possessions of the United States.

Deliveries of all classes of work in the fiscal year 1959 totaled 53,856,308,156 pieces, as compared with 49,231,137,328 pieces in 1958, an increase of 4,625,170,828 pieces, or approximately nine percent, in the overall deliveries of Bureau products. This increase was accomplished although there was a reduction in employees from 3,479 as of June 30, 1958, to 3,335 as of June 30, 1959.

Organizational changes

Two organizational changes were made in fiscal 1959 to provide the appropriate management structure for more efficient operations. On August 5 a reorganization of the Office of Industrial Relations took effect which merged four branches into three, the Employment and Training Branch, Employee Relations and Safety Branch, and Labor Relations and Wages Branch. On September 19 the Office of Engraving and Plate Manufacturing and the Office of Surface Printing and Ink Manufacturing were established, replacing the former Office of Reproduction and Surface Printing.

Management attainments

Management and supervisory personnel from all organizational units have cooperated as a team in meeting various problems encountered from day to day and in working continuously toward making improvements in all operations of the Bureau.

Continued efforts to effect further modifications and improvements in equipment and processing operations used in 32-subject currency production have resulted this year in an estimated recurring annual saving of $848,000. This saving is additional to the $1,000,000 reported in fiscal 1958. It includes associated benefits derived from: (1) The adoption of the use of new note counting machines, which has practically eliminated the hand counting of notes and increased the number of notes processed by single note examiners; and (2) the installation of reverse sequence numbering wheels on the currency overprinting presses, which, synchronized with procedural changes in sheet examining methods, has contributed significantly to increasing the daily production of the individual sheet examiners.

The greatest stamp printing and processing job in the history of the Bureau was accomplished during July 1958 in order to meet the unprecedented demand for postage stamps resulting from the postal rate increase effective on August 1, 1958.

During fiscal 1959 certain components of the new coil stamp manufacturing equipment purchased in the previous year were delivered and installed. This equipment was used, as required, to augment the production of the prototype model equipment. Deliveries processed on the new equipment totaled 1,758,642,400 stamps. This work was produced at an average manufacturing cost of $.2796 per thousand stamps as compared with $.5272 (exclusive of administrative and general overhead) under the former method. Based on fiscal year 1959 deliveries, it is estimated that the reduction in the manufacturing unit cost rate of $.2566 per thousand stamps will result in recurring annual savings of $451,268.

Establishment of improved work methods in postage stamp book operations, including the elimination of machine collating and the subsequent strip examining operation, has resulted in estimated recurring annual savings of $92,102.

On February 21, 1959, following extensive planning, study, and meetings with Post Office Department representatives, the Bureau began processing postmasters' punch-card requisitions for postage stamps. The conversion from paper to punch-card Post Office Department requisitions was made with a minimum of difficulty. Conferences and correspondence between Post Office Department and Bureau production and planning officials have brought agreement on several remaining problems of policy and procedure relating to the electric accounting machine system for processing the requisitions. From experience gained since the inception of the system the Bureau has modified the initial procedures for processing the requisitions and is incorporating the modified procedures into a manual.

On May 7, 1959, the Director issued a bulletin notifying employees of a reduction in the Bureau's work program due to the discontinuance of the use of cigarette and certain other internal revenue stamps, effective June 23, 1959. This change reduced the amount of Internal Revenue work produced in the Bureau by approximately 90 percent. However, the Director assured all employees engaged in these activities that they would be reassigned to other positions in the Bureau without loss in rate of pay. Printing of the affected internal revenue items was discontinued immediately, with the exception of items for which there was insufficient stock in the Bureau to fill requisitions. Immediate steps were taken to have the paper contractor stop production and shipment of all internal revenue paper; all orders for associated materials, such as corrugated boxes and chipboard, were canceled; and the ordering of other related supplies was reduced accordingly. Clearance was obtained to make blue watermarked internal revenue paper a nonsecurity item. A portion of the paper on hand was sold to a private concern and the remaining paper will be used by the Bureau.

Considerable effort was expended during the year in planning and effecting necessary emergency repairs to the stone facing on the Annex Building, occasioned by the falling early in the morning of October 11, 1958, of large pieces of limestone facing, weighing several tons. The emergency repairs, made by a private contractor, were completed in June. A purchase order has been placed with the General Services Administration to cover engineering services and preparation of plans and specifications for the repair of the stone facing on the entire Annex Building.

The Bureau has continued its efforts to improve paperwork management. Through the records management program approximately 746 cubic feet of obsolete records were disposed of. Through the forms management program a total of 1,218 requests for form services were processed, resulting in the preparation of 136 new forms, the elimination of 95 forms, and the improvement and revision of 345 forms. Instructions governing administrative and production operations were issued in manuals, "Procedure Issuances," and other written instructions.

Through the Bureau's training program, employees have participated in technical training courses relating to matters such as air conditioning, practical electronics, punch-card techniques, and heliarc welding: in various courses designed for office workers, such as office administration and letter writing practices; in supervisory development courses; and in the Civil Service Commission's management intern programs. The program has included training and orientation inside and outside the Bureau.

The safety program has continued to be one of vital interest and concern to the Director of the Bureau. It is the program's aim to instill the same interest in all supervisors and employees.

Under the Bureau's incentive awards program 554 contributions were processed during fiscal 1959. Of these contributions 154 suggestions were adopted, 15 of which will result in recurring annual savings of $5,065. For the third consecutive year the participation rate in the employee incentive awards program has moved upward, with a rate of 118 suggestions per 1,000 employees, compared with 115 for the preceding year. The adoption rate also increased to 33 percent of the total suggestions received from 28 percent in 1958. In addition 91 superior work performance awards were made.

In fiscal 1959, 80 internal audit reports were made containing 154 recommendations, of which 116 have been cleared. In addition 34 recommendations made in prior years were cleared.

Wage increases affecting approximately 2,766 ungraded employees, and amounting to approximately $504,682 annually, were made to keep wage rates for Bureau jobs aligned with those for comparable jobs in the Government Printing Office and the American Bank Note Company.

Throughout fiscal 1959 the Bureau has carried on an active research and development program in the interest of effecting refinements of inks, materials, equipment, and procedures wherever possible.

The estimated savings resulting from management improvement efforts for the fiscal year 1959 total 145 man-years and approximately $1,452,394 on a recurring annual basis. All savings realized have been applied against the cost of production and have been reflected in billing rates and in inventory valuations.

New issues of stamps and deliveries of finished work

New issues of postage stamps are shown in table 105. A comparative statement for 1958 and 1959 of deliveries of finished work appears in table 106.

Finances

The Bureau operations are financed by reimbursements to a working capital fund authorized by law. A statement of income and expense and balance sheets as of June 30, 1958 and 1959, follow.

Statement of income and expense for the fiscal years 1958 and 1959

	1958	1959
Operating revenue: Sales of engraving and printing	$25,890,982	$26,295,282
Operating costs:		
Cost of sales:		
Direct labor	10,265,006	10,367,930
Direct materials used	4,987,203	5,200,772
Prime cost	15,252,209	15,568,702
Overhead costs:		
Salaries and indirect labor	6,793,268	7,002,626
Factory supplies	1,114,485	1,210,032
Repair parts and supplies	342,374	278,298
Employer's contributions for retirement and life insurance	1,059,269	1,126,925
Utility services	415,859	400,094
Other contractual services	403,606	509,205
Depreciation and amortization	1,519,239	1,846,714
Losses on disposal or retirement of fixed assets	124,722	353,302
Sundry expense (net)	73,679	276,640
Total overhead	11,846,501	13,003,836
Total costs	27,098,710	28,572,538
Less:		
Nonproduction costs:		
Shop costs capitalized	369,585	266,157
Cost of miscellaneous services rendered other agencies	451,323	454,661
Net increase in finished goods and work in process inventories	363,375	1,547,092
	1,184,283	2,267,910
Cost of sales	25,914,427	26,304,628
Operating loss	23,445	9,346
Nonoperating revenue:		
Sales of card checks	1,104,245	1,252,051
Operation and maintenance of incinerator and space utilized by other Treasury activities	334,687	362,893
Other services	106,093	76,921
	1,545,025	1,691,865
Nonoperating costs:		
Purchases of card checks	925,106	1,043,502
Freight out-card checks	168,410	193,503
Other costs of miscellaneous services rendered other agencies	451,323	454,661
	1,544,839	1,691,666
Nonoperating profit	186	199
Net loss for the year	23,259	[1] 9,147

[1] In accordance with the act approved August 4, 1950 (31 U.S.C. 181–181e), the net losses will be recovered from any surplus accruing in a subsequent year before the balance of such surplus is deposited into the general fund of the Treasury as miscellaneous receipts.

Balance sheets as of June 30, 1958 and 1959

Assets	June 30, 1958	June 30, 1959
Current assets:		
Cash with Treasury	$4,350,258	$3,200,234
Accounts receivable	1,175,087	1,233,527
Inventories:		
Raw materials	993,701	996,520
Goods in process	2,379,216	3,279,407
Finished goods	1,498,882	2,145,783
Stores	1,290,977	1,272,061
Prepaid expenses	69,242	144,188
Total current assets	11,757,363	12,271,720
Fixed assets: [1]		
Plant machinery and equipment	17,583,313	18,467,312
Motor vehicles	67,970	68,402
Office machines	169,381	181,931
Furniture and fixtures	437,275	448,030
Dies, rolls, and plates	3,955,961	3,955,961
Building appurtenances	1,593,244	1,735,409
Fixed assets under construction	76,624	172,442
	23,883,768	25,029,487
Less portion charged off as depreciation	7,307,078	8,370,069
	16,576,690	16,659,418
Excess fixed assets (estimated realizable value)	3,045	20,882
Total fixed assets	16,579,735	16,680,300
Deferred charges	281,816	216,705
Total assets	28,618,914	29,168,725

Liabilities and investment of the United States	June 30, 1958	June 30, 1959
Liabilities:		
Accounts payable	$433,188	$979,364
Accrued liabilities:		
Payroll	910,438	823,913
Accrued leave	1,265,983	1,262,472
Other	99,758	207,179
Trust and deposit liabilities	712,110	699,405
Other liabilities	1,428	9,530
Total liabilities	3,422,905	3,981,863
Investment of the United States Government:		
Principal of the fund:		
Appropriation from United States Treasury	3,250,000	3,250,000
Donated assets, net	22,000,930	22,000,930
Total principal	25,250,930	25,250,930
Earned surplus, or deficit (—) [2]	—54,921	—64,068
Total investment of the United States Government	25,196,009	25,186,862
Total liabilities and investment of the United States Government	28,618,914	29,168,725

[1] Fixed assets acquired prior to July 1, 1950, are capitalized at appraised values (estimated replacement cost as of July 1, 1951, reduced to recognize the depreciated condition of the assets being capitalized); subsequent additions have been capitalized at cost, except that on and after July 1, 1951, all costs of manufacturing dies, rolls, and plates have been charged to current operations.

The act approved August 4, 1950 (31 U.S.C. 181–181e), which established the Bureau of Engraving and Printing Fund, specifically excluded from the assets of the fund the land and buildings occupied by the Bureau. In accordance with the Comptroller General's decision of October 4, 1951 (B–104492), however, replacements of building facilities and improvements to buildings made on and after July 1, 1951, have been financed by the fund. Such items of significant dollar amounts have been capitalized at cost and appear in the foregoing balance sheets under the caption "Building Appurtenances."

[2] Earned surplus or deficit arises through billing for products at unit prices established prior to the development of actual costs. Section 2(e) of the act of August 4, 1950, requires that any surplus accruing to the revolving fund during any fiscal year be deposited into the general fund of the Treasury as miscellaneous receipts during the ensuing fiscal year, provided that such surplus may first be applied to offset any deficit resulting from operation in prior years.

Fiscal Service

The Fiscal Service consists of the Office of the Fiscal Assistant Secretary, the Bureau of Accounts, the Bureau of the Public Debt, and the Office of the Treasurer of the United States and is under the general supervision of the Fiscal Assistant Secretary of the Treasury.

The Fiscal Assistant Secretary, under the general direction of the Under Secretary for Monetary Affairs, is responsible for the administration of the financing operations of the Treasury; preparation of estimates for the future cash position of the Treasury for use of the Department in its financing; direction of the distribution of funds between the Federal Reserve Banks and other Government depositaries; preparation of calls for the withdrawal of funds from the special depositaries to meet current expenditures; administration of Treasury responsibilities under Executive orders with respect to the purchase, custody, transfer, and sale of foreign currencies acquired under international agreements in connection with United States programs operated abroad; and direction of fiscal agency functions in general.

Additional responsibilities of the Fiscal Assistant Secretary include continuous liaison with other departments and agencies of the Government with respect to and the coordination of their financial operations with those of the Treasury; supervising the administration of accounting functions and related activities of all units of the Treasury Department through the Commissioner of Accounts; and carrying out the Treasury's participation in the joint accounting improvement program of the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General of the United States pursuant to the provisions of the Budget and Accounting Procedures Act of 1950.

More detailed explanations of the operations involved under the responsibilities of the Fiscal Assistant Secretary are given in the reports of the Bureau of Accounts, the Bureau of the Public Debt, and the Office of the Treasurer of the United States which follow.

BUREAU OF ACCOUNTS

Under delegation of authority, the Bureau of Accounts performs many functions that relate to statutory responsibilities of the Secretary of the Treasury. Most are of Government-wide significance. Principally, they consist of the maintenance of a system of central accounts; the preparation of central financial reports of the Government; participation in the joint program for improvement of Government accounting and reporting; the accounting and reporting for foreign currencies in the custody of the Secretary of the Treasury; the coordination and appraisal of the internal audit activities in the Department; the issuance of checks in payment of obligations incurred by agencies in the executive branch of the Government, with certain exceptions; administrative work relating to the designation of Government depositaries; the determination of qualifications and underwriting limitations of surety companies to write fidelity and other surety bonds covering Government activities; the investment of social security and other Government trust funds; and the administration of the loans and advances by the Treasury to corporations and other agencies of the Government.

The Bureau of Accounts also administers payments of claims under certain international agreements; maintains accounts and collects amounts due from foreign governments under lend-lease and other agreements; and furnishes Treasury bureaus and other executive agencies with technical guidance and assistance in accounting and reporting matters.

Accounting, Reporting, and Related Operations

Central accounting

Pursuant to Section 114 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 66b), the Bureau of Accounts through the Division of Central Accounts maintains the central system of accounting for the Federal Government, including summary controlling accounts for cash assets, certain liabilities, receipts, expenditures, and a related set of subsidiary budgetary, trust, and deposit accounts classified by appropriations and funds. Through this system the central summary accounts of the Federal Government are effectively integrated with the cash account of the Treasurer of the United States and the accounts of the administrative agencies of the Government. The Division of Central Accounts prescribes official appropriation, other fund, and receipt account symbols and titles, and issues all Treasury warrants establishing amounts appropriated pursuant to law.

The central accounts show the Government's receipts classified by sources and by collecting agencies, expenditures according to the related appropriations and funds made available to the several departments and agencies authorized by law to administer the funds; and certain assets and liabilities of the Government which primarily are derived from cash operations of the Treasurer of the United States, disbursing officers, collecting agents, and other fiscal officers accountable for the collection, custody, and disposition of the cash resources of the Federal Government.

The central accounts provide the accounting basis for the preparation of financial statements and reports covering the Government's receipt and expenditure transactions and balances for publication in official financial statements. These statements and reports include the *Monthly Statement of Receipts and Expenditures of the U.S. Government;* the monthly *Treasury Bulletin;* the *Annual Report of the Secretary of the Treasury;* and the actual financial data relating to the immediately preceding fiscal year required annually for the *Budget of the U.S. Government;* and various other financial statements prepared for official use.

A new classification of general fund receipt symbols and titles was developed during the year, effective beginning July 1, 1959, as prescribed in Department Circular No. 1027, dated May 25, 1959. A substantial reduction was made in the number of accounts previously prescribed. The new classification, which meets the requirements for central accounting and reporting, is the product of a study conducted by representatives of the Treasury Department, Bureau of

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the Budget, and General Accounting Office in consultation with several other departments and agencies.

The volume of accounting items processed by the central and regional accounting offices of the Division of Central Accounts decreased in 1959 from 1958 as follows:

Classification	Work volume	
	1958	1959
	Number	
Receipts	1, 621, 582	1, 590, 059
Expenditures	3, 081, 618	2, 910, 410
Other items	13, 536	14, 066
Total	4, 716, 736	4, 514, 535

The decrease resulted principally from simplifying procedures and increasing the average number of expenditure items contained in each document.

Accounting systems

The Accounting Systems staff of the Bureau of Accounts provided assistance to the office of the Fiscal Assistant Secretary, the Secret Service, the Bureau of Customs, the Office of Administrative Services, and the Bureau of Accounts in conducting surveys, studies, and work projects leading to the development or revision of Department circulars, fiscal procedures, and accounting systems. The staff also conducted an appraisal of the progress of Treasury bureaus and offices in the program for improvement of financial management, and continued to encourage and assist other Treasury bureaus toward the development of more effective accounting systems.

Other matters participated in by members of the staff included study or implementation of requirements for: Withholding by the Federal Government of State income taxes by agreements between the Treasury and the States involved; deposits of social security contributions by States under agreements reached with the Social Security Administration for coverage of State employees; deposits of withheld taxes and other receipts with depositary banks; and procedures for establishing within the unemployment trust fund the "Railroad Unemployment Insurance Administration Fund," as authorized by Public Law 85–927, approved September 6, 1958 (72 Stat. 1778).

Central reporting

The Division of Central Reports is responsible for the preparation of the *Annual Report of the Secretary of the Treasury*, the annual *Combined Statement of Receipts, Expenditures and Balances of the U.S. Government*, the *Monthly Statement of Receipts and Expenditures of the U.S. Government*, the monthly *Treasury Bulletin*, the monthly statement of *Budgetary Appropriations, and Other Authorizations, Expenditures and Unexpended Balances*, and various reports on foreign currency operations. Improvements in content and timeliness are made in these and other periodic central reports prepared by the Bureau to meet changing conditions and to serve the special needs of congressional committees, staff members of the Government agencies, and the public. Departmental and agency reporting is continuously evaluated by the Division and is coordinated with central financial reporting through liaison with Government agencies and collaboration with the Bureau of the Budget and the General Accounting Office. Progress was made during the yeaı in planning and providing for central reports in several broad economic areas.

In response to congressional inquiries, special data were compiled on Federal lending programs and authorizations to expend from public debt receipts. The supplying of these data disclosed the need for additional information on a continuing basis from the agencies involved. An amendment to Department Circular No. 966 is in preparation to require the reporting of such data to the Treasury. Department Circular No. 965 was revised, effective for the fiscal year 1959, to require reports by agencies on their unexpended balances stated in terms of availability as well as data on the withdrawal of unobligated balances and subsequent restorations. These reports are to replace those furnished under provisions of sec. 1311(b) of an act approved August 24, 1954 (31 U.S.C. 200(b)), which were amended by section 210(a) of Public Law 86–79, approved July 8, 1959.

Control of foreign currencies

The custodial control of foreign currencies acquired by the U.S. Government without the payment of dollars is a responsibility of the Treasury Department. Legislation enacted in 1959; additional agreements negotiated with foreign governments by the Secretary of State under the provisions of Public Law 480, as amended; and the collections of maturing interest and principal on loans under the Mutual Security Act, as amended, resulted in a greater accumulation of foreign currencies as reported in Treasury statements. In addition to the special section on foreign currency accounts in the annual *Combined Statement of Receipts, Expenditures and Balances*, periodic reports are prepared showing the status of operations cumulative from inception under Public Law 480, as amended. A quarterly report of the fiscal year transactions and balances in accounts of the Secretary of the Treasury for all foreign currencies acquired without the payment of dollars is prepared also.

Foreign currency collections or acquisitions, without payment of dollars, from all sources amounted to the equivalent of $1,282.6 million during the fiscal year 1959. Withdrawals and transfers of currencies for authorized uses without reimbursement were the equivalent of $951.5 million. Currencies sold to U.S. Government agencies for dollars were in the equivalent of $238.8 million. Balances of foreign currencies in Treasury accounts were in the equivalent amount of $1,514.6 million as of June 30, 1959. Of the currencies transferred without reimbursement and held for account of the various Federal agencies, the unexpended balances were equivalent to $565.1 million as of June 30, 1959. Summary statements showing the dollar equivalents of collections, withdrawals, and balances for the fiscal year 1959 and balances by countries as of June 30, 1959, are included in this report as tables 113 and 114.

Internal auditing

The Bureau has a dual responsibility for internal auditing, first, the general administration and coordination of fiscal internal auditing in the various bureaus of the Treasury Department, and second, making an internal audit of the Bureau's own operations.

Staff operations during the year included reviews of the internal audit systems in operation in the Office of the Treasurer of the United States, the Bureau of the Mint, and the Bureau of Narcotics; and the giving of constructive assistance where needed; dissemination of internal audit information to the bureaus; holding two general meetings of the head internal auditors of the bureaus for exchange of ideas and information; and liaison between the audit staff of the General Accounting Office assigned to the Treasury and the Treasury staff.

Internal audits made during the year of the Bureau of Accounts' own operations encompassed the large Government trust funds (Federal old-age and survivors insurance trust fund, Federal disability insurance trust fund, highway trust fund, etc.), the examination work of the Surety Bonds Branch in connection with determining qualifications of insurance companies to do surety business with the United States, the Bureau of Accounts purchase and supply function, and various administrative and other accounts. A comprehensive field audit was made of the Kansas City regional office and partial audits were made of a number of other regional offices.

Pursuant to Treasury Department Order No. 174, Amendment No. 1, dated October 10, 1958, the annual audit of the unissued stocks of Federal Reserve notes, previously performed by the Office of the Comptroller of the Currency was transferred to the Bureau of Accounts. In accordance with that order, the Bureau completed its first audit of the stocks as of February 13, 1959.

Commodity Credit Corporation appraisal

Under the act of March 8, 1938, as amended (15 U.S.C. 713 a–1), the Secretary of the Treasury is required as of June 30 of each year, to appraise all of the assets and liabilities of the Commodity Credit Corporation to determine the Corporation's net worth. The amended act defines asset values, for the purpose of determining the net worth, as the cost of such assets to the Corporation, and therefore the appraisal figure is stated in terms of realized losses or gains. Losses from certain programs of the Corporation for which the Congress has provided specific appropriations are not included in the amount of the impairment.

The appraisal disclosed an impairment of $1,535,424,413 in the Corporation's capital during the fiscal year ended June 30, 1958. By Public Law 86–80, approved July 8, 1959, the Congress appropriated $1,435,424,413, which was $100,000,000 less than the amount of the capital impairment.

Disbursing Operations

The Division of Disbursement is the Government's principal check-issuing organization and provides centralized disbursing service for the executive branch of the Government, except the military services of the Department of Defense, the Post Office Department, and certain Government corporations. Through its 21 regional offices, the Division processed payments and issued U.S. savings bonds for more than 1,500 separate Government offices located throughout the United States, its Territories, and the Philippines. Under arrangements with the Department of State, payments were made for all civilian agencies of the U.S. Government requiring foreign disbursing service. The Division also exercised technical supervision over all disbursing operations delegated by authority of the Chief Disbursing Officer to foreign disbursing offices and branches at embassies and consulates in foreign countries, assistant disbursing officers attached to agencies in the United States, South and Central America, in other foreign countries, and cashiers who make cash payments in the United States, the Territories, and foreign countries.

Appreciable savings were realized in the fiscal year 1959 through further advances in mechanical processes and improved procedures effected under the management improvement program. Recurring annual savings to the Division of Disbursement in 1959 amounted to $504,491.

In cooperation with the administrative agencies served, significant improvements were made possible in several areas of operation. These included: Microfilming U.S. savings bonds instead of preparing bond-issuance schedules; mechanization of Veterans' Administration benefit payment accounting functions which permitted regional disbursing offices to use a predetermined balance control procedure; further elimination of bookruns and utilization of check lists as vouchers through the punching of claim numbers into the checks from special addressograph plates or using punch-card payment files for veterans and social security benefits; mechanization of veterans' due-date insurance recurring payments which reduced disbursing office payment files approximately 12 percent; use of tabulating cards to prepare veterans' training allowance checks; elimination of certain special devices on tabulating equipment; extension of high-speed electronic check-processing equipment in regional disbursing offices; and development of a single item transfer printing device which reduces the number of typed checks and processing costs.

The completion of the social security rate change for payments due January 1, 1959, required the seven regional disbursing offices making these payments to change approximately 10½ million payment file plates and cards concurrently with the continued issuance of the regular monthly checks. All payments were made on scheduled dates.

The regional disbursing office at Birmingham, Ala., was reestablished in September 1958, terminating the test operation at that point for social security benefit payments. Based upon a determination that the work of the New Orleans regional office could be handled more economically in Birmingham and Dallas without impairing essential service, the New Orleans regional office was closed on March 1, 1959, and the work transferred. The retransfer of the workload of Veterans' Administration and other agencies' payments from the Atlanta regional office to Birmingham, effective March 1 and April 1, 1959, also resulted in savings to the Government.

In cooperation with the Veterans' Administration, plans were completed for the centralization in Chicago during the calendar year

1960 of veterans' benefit payments. The transfer of the veterans' check-issuance work from the various regional disbursing offices to the Chicago regional disbursing office will result in the closing of several regional offices where the remaining volume will no longer justify their continuance.

For fiscal 1959 the unit cost for processing checks was 4.28 cents as compared with 4.16 cents in 1958. This includes unusual costs, such as the nonrecurring cost of the social security benefit rate change, as well as the recurring additional costs for salary increases for the full fiscal year.

The volume of work completed during fiscal 1959 compared with that of 1958 was as follows:

Classification	Number	
	1958	1959
Payments made:		
Social security	115, 804, 163	122, 993, 153
Veterans' benefits	63, 665, 850	63, 183, 679
Income tax refunds	36, 794, 293	36, 461, 382
Veterans' national service life insurance dividend program	3, 843, 530	4, 252, 556
Other	41, 753, 268	43, 820, 407
Adjustments and transfers	278, 458	253, 930
Savings bonds issued	2, 933, 491	3, 322, 721
Total	265, 073, 053	274, 287, 828

Deposits, Investments, and Related Operations

Federal depositary system

Government depositaries provide the various departments and agencies with certain banking and financial services other than those provided by the Office of the Treasurer of the United States. The depositaries consist of the Federal Reserve Banks and branches and qualified commercial banks. The supervision of the depositaries, under the general direction of the Fiscal Assistant Secretary, is exercised through the Bureau of Accounts and is administered through Department regulations covering the authority, qualifications, and other requirements applicable to depositaries. The Bureau also supervises the procedures for the deposit in depositaries of certain income and excise taxes and withheld taxes collected for old-age insurance and for railroad retirement.

As the principal fiscal agents of the United States, each Federal Reserve Bank maintains an account in the name of the Treasurer of the United States. Ultimately, nearly all Government receipts are credited in these accounts and from them nearly all payments are made. As the facilities of the Federal Reserve Banks and branches are available at only 36 points in the United States, however, it has been necessary to supplement them by designating more than 11,500 commercial banking institutions at other points. Of these banks authorized to provide one or more of the following services: 11,377 receive proceeds from deposits of taxpayers and the sale of public debt securities for credit in Treasury tax and loan accounts; 800 receive deposits from directors of internal revenue, postmasters, military finance officers, and others for credit to the Treasurer of the United States; 3,000 maintain official checking accounts of postmasters, clerks of the United States Courts, and other Government officers; 2,266 furnish bank drafts to Government officers in exchange for collections, thereby facilitating the transmission of such collections for subsequent deposit to the credit of the Treasurer of the United States; and 75 service State unemployment compensation benefit payment and clearing accounts. They also operate limited banking facilities at 281 military posts and reservations in the continental United States and at 159 military installations overseas.

A complete description of the operations of each type of depositary appears in exhibit 44 in the Annual Report of the Secretary of the Treasury for 1955.

Investments

The Secretary of the Treasury under specific provisions of law is charged with the responsibility of investing trust and other Federal funds in obligations of the United States. The Investments Branch processes investment transactions and maintains administrative accounts and records. Records of securities held in safekeeping by the Treasurer of the United States and the Federal Reserve Banks subject to the order of the Secretary of the Treasury also are maintained.

Facilities of the Treasury Department are available also for handling investments for other agencies of the Government, for quasi-governmental funds, and for the Government of the District of Columbia. Table 61 shows the investments accounts handled primarily by the Treasury.

Highway trust fund.—Section 209(a) of the Highway Revenue Act of 1956 (23 U.S.C. 173), approved June 29, 1956, established the highway trust fund. The act requires the Secretary of the Treasury to estimate the amounts of collections of Federal excise taxes on gasoline, tires, trucks, and other highway-user levies to be transferred from the general fund to the highway trust fund, subject to adjustment to actual tax receipts, and to invest any of these receipts, in his judgment, not needed for current highway expenses. The act also requires the Secretary, after consultation with the Secretary of Commerce, to report annually to the Congress on the financial condition and the results of operations of the trust fund for the preceding year and give estimates of its anticipated condition and operations through fiscal 1973.

The report for fiscal 1958 was made on February 27, 1959 (House Document No. 92). Appropriations made to the trust fund during fiscal 1959 amounted to $2,171,015,864.15 and interest on investments amounted to $13,583,651.19. Expenditures amounted to $2,709,476,166.05. Table 71 shows the status of the fund as of June 30, 1959.

Loans and advances by the Treasury

Loans are made to Government corporations and agencies by the Secretary of the Treasury pursuant to specific provisions of law. The Secretary of the Treasury determines the interest rate on such loans if the rate is not established or specified in legislation. Loan agreements are prepared, ledgers are established and maintained, and repayment transactions are handled by the Investments Branch. Transactions are processed and records maintained relating to other advances and subscriptions to capital stock of Government corporations by the Secretary of the Treasury. Table 119 shows the status of loans made by the Treasury, including the repayments and other reductions in the fiscal year 1959.

Saint Lawrence Seaway Development Corporation.—The Corporation was created under the provisions of the act of May 13, 1954 (33 U.S.C. 981–985), for the purpose of constructing part of the Saint Lawrence Seaway in U.S. territory in the interest of national security. To finance its activities, the Corporation issues revenue bonds to the Secretary of the Treasury who is authorized and directed to purchase obligations of the Corporation up to a maximum of $140 million. The maximum which may be issued in any 1 year, however, is 50 percent of that amount. During the fiscal year the Secretary of the Treasury purchased bonds totaling $15,800,000. As of June 30, 1959, the bonds of the Corporation held by the Treasury amounted to $112,500,000.

Refugee relief.—The Refugee Relief Act of 1953 (50 app. U.S.C. 1971n) expired on December 31, 1956. Under the loan agreements the borrowing agencies have until June 30, 1963, to make interest free repayments. After that date the loans bear interest at the rate of three percent per annum on the unpaid balance. During the year ended June 30, 1959, the agencies repaid $62,000, and the balance outstanding was $139,000. Table 86 shows the amounts due from each of the three borrowing agencies having balances outstanding.

District of Columbia.—The Commissioners of the District of Columbia are authorized by the act of June 2, 1950 (sec. 43–1540 D.C. Code, 1951 edition), to borrow an amount not to exceed $35 million from the U.S. Treasury to finance the expansion and improvement of the water system in the District of Columbia. The loans are repayable over a period of 30 years from the borrowing date and bear interest rates of 2⅝ percent to 3¾ percent. Loans made during the fiscal year 1959 amounted to $3,250,000 and repayments amounted to $123,581.62. As of June 30, 1959, the principal outstanding amounted to $13,072,770.01 and the accrued interest amounted to $340,032.29.

Under the act of June 6, 1958 (9 D.C.C. 220), the Treasury is authorized to make loans not to exceed $75 million prior to June 30, 1968, to the District of Columbia for financing the cost of constructing facilities. Loans are repayable over a period of 30 years and bear interest at a rate to be determined by the Secretary of the Treasury. No loans were made during fiscal 1959.

Surety bonds

Certificates of authority are issued by the Secretary of the Treasury under the act approved July 30, 1947 (6 U.S.C. 8), to qualified sureties making application and qualifying to execute bonds in favor of the United States. A list of companies holding such certificates of authority (Circular 570, Revised) is published by the Treasury annually in the Federal Register on or about May 1. The Surety Bonds Branch examines the applications of companies requesting authority to write Federal bonds and currently reviews the qualifications of the companies so authorized. The branch also examines and approves as to corporate surety all bonds in favor of the United States, except certain bonds of the Post Office Department and the Department of the Army, and has custody of the bonds examined with the exception of contract bonds and some special type bonds.

As of June 30, 1959, there were 178 companies holding certificates of authority, 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 23 companies holding certificates of authority issued under Department Circular No. 297, as amended, as acceptable reinsurers only. During the fiscal year certificates of authority to act as sole sureties were issued to 11 companies and the authority of 9 was revoked. Certificates were issued to 4 companies as acceptable reinsurers only, and the authority of 1 reinsurer was extended to that of a sole surety. Three companies changed names. A total of 41,601 bonds and consent agreements cleared through the Bureau for approval as to corporate surety.

The head of each department and independent establishment in the executive branch of the Federal Government is required to obtain, under the provisions of Public Law 323, approved August 9, 1955 (6 U.S.C. 14), and regulations promulgated by the Secretary of the Treasury, blanket, position schedule, and other types of surety bonds covering civilian officers and employees and military personnel of each department or independent establishment who are required to be bonded. The law permits officials of the legislative and judicial branches at their discretion to obtain appropriate types of surety bonds covering officers and employees under their respective jurisdictions. The law further authorizes agencies to pay bond premiums from any funds available for administrative expenses.

A summary of the information reported by agencies, for transmittal to Congress by the Secretary of the Treasury, showing bonds in force at the close of the last 2 years follows.

	June 30, 1958	June 30, 1959
Number of officers and employees covered:		
Executive branch	944, 595	916, 798
Legislative and judicial branches	1, 275	1, 334
Total	945, 870	918, 132
Aggregate penal sums of bonds procured:		
Executive branch	$3, 405, 432, 311	$3, 221, 792, 413
Legislative and judicial branches	10, 280, 000	10, 523, 400
Total	3, 415, 712, 311	3, 232, 315. 813
Total premiums paid by Government:		
Executive branch	293, 459	269, 120
Legislative and judicial branches	4, 494	4, 579
Total	[1] 297, 953	273, 699
Administrative expenses:		
Executive branch	29, 050	25, 502
Legislative and judicial branches	456	571
Total	29, 506	26, 073

[1] Premiums on bonds are shown on the basis of the proportionate cost for 1 year, together with the premiums on 1-year bonds in order to arrive at an annual rate.

Foreign Indebtedness

World War I

The Treasury received semiannual payments of principal and interest from the Government of Finland during the fiscal year 1959 in the total amount of $396,641.86, due under funding and moratorium agreements covering indebtedness growing out of World War I. This amount was made available to the Department of State for financing educational exchange programs between Finland and the United States in accordance with provisions of the act of August 24, 1949 (20 U.S.C. 222).

Tables 115 and 116 show the status of the World War I indebtedness of foreign governments to the United States.

World War II

Under the lend-lease and surplus property agreements, the Treasury Department received payments from foreign governments during fiscal 1959 in U.S. dollars amounting to $106.8 million, foreign currencies having an equivalent value in U.S. dollars of approximately $53.6 million, and real property and improvements to real property having an estimated value of $1 million, resulting in total credits amounting to $160.6 million. From inception of the lend-lease and surplus property programs, payments in foreign currencies and real property and improvements represent a total estimated value received of $507.6 million, while the total U.S. dollar receipts and other credits have amounted to $2,634.8 million.

Pursuant to the Lend-Lease Act of March 11, 1941 (22 U.S.C. 411–419), silver bullion totaling 409,782,670.64 fine troy ounces and valued at $291,401,010.16 was transferred by the Treasury to certain foreign governments during World War II for coinage and industrial use. A total of 83,305,226.70 fine troy ounces of silver, valued at $59,274,827.86 was returned to the Treasury as repayments on these accounts during the fiscal year. Through June 30, 1959, foreign governments have returned a total of 350,318,695.86 fine troy ounces having a U.S. dollar value of $249,151,072.54. In addition 19,747,081 ounces of silver valued at $14,042,368 were received by the Bureau of the Mint, but as of June 30, 1959, had not been documented for recording in the central accounts of the Treasury.

The status of indebtedness of foreign governments under lend-lease and surplus property agreements is shown in table 118. As of June 30, 1959, the accounts receivable amounted to $1,816 million, including the silver transferred under the lend-lease program.

On January 30, 1958, the Governments of France and the United States entered into an agreement under which France could elect to postpone until 1981, 1982, and 1983 the annual installment payments due on July 1, 1958, 1959, and 1960, respectively, to the United States on account of lend-lease and surplus property purchases. Accordingly France elected to postpone to July 1, 1981, the installment payment of $29,112,102.65 which became due July 1, 1958.

Credit to the United Kingdom

The United States made a loan to the United Kingdom under the terms of the financial agreement dated December 6, 1945, amounting to $3,750,000,000. On March 6, 1957, the agreement was amended allowing the United Kingdom to defer any principal and interest installment due after 1956, with interest at the rate of 2 percent per annum, but limiting such deferrals to a total of seven. As of June 30, 1959, the United Kingdom had exercised its right to defer payment of the interest installment of $70,385,447.48 due December 31, 1956, and the principal and interest installments due December 31, 1957, amounting to $119,336,250. The installment due December 31, 1958, was paid. The balance of the indebtedness of the United Kingdom as of June 30, 1959, totaled $3,559,185,035.93, of which $139,791,878.93 represents deferred interest.

Germany, postwar (World War II) economic assistance

Under the External Debt Settlement Agreement of February 27, 1953, the Federal Republic of Germany agreed to pay $1 billion to the United States for postwar (World War II) economic assistance. During the fiscal year 1959, the Treasury received payments of principal in the amount of $172,721,125 (which included an advance payment of principal amounting to $150 million) and interest amounting to $24,858,875. The principal outstanding as of June 30, 1959, amounted to $827,278,875.

Claims Against Foreign Governments and Nationals

Foreign Claims Settlement Commission

Public Law 85-604, approved August 8, 1958 (22 U.S.C. 1641c), further amended the International Claims Settlement Act of 1949 to extend to August 8, 1958, the date for acquisition of citizenship for those individuals who had filed claims with the Foreign Claims Settlement Commission against the Government of Italy. The law (22 U.S.C. 1642) also authorized the Foreign Claims Settlement Commission to determine the validity of claims of American nationals against the Government of Czechoslovakia for losses resulting from the nationalization or other taking of property on or after January 1, 1945. A Czechoslovakian claims fund is authorized to be established in the Treasury for payment of awards of the Commission. In the event that the Government of Czechoslovakia does not provide funds by August 8, 1959, the Secretary of the Treasury is authorized to cover into the claims fund the heretofore blocked net proceeds of certain Czechoslovakian steel mill equipment sold by the Treasury under Executive order. Funds available for this purpose amount to $8,990,282.54 and are held in a special account in the Treasury.

The Foreign Claims Settlement Commission continues to certify awards to the Treasury for payment from the various international claims funds established in the Treasury on account of claims of American nationals against the Governments of Bulgaria, Hungary, Italy, Rumania, and the Soviet Union. The Commission is required to resolve the claims and to certify to the Treasury not later than August 9, 1959, the amounts awarded for payment from the fund established for each country in accordance with the International Claims Settlement Act, as amended. Payments on awards certified are subject to a system of priorities prescribed in the act. Subject to the adequacy of the particular fund, all awards in principal amounts of $1,000 or less are required to be paid in full, and an amount of

$1,000 is required to be paid on the principal of higher awards. Additional payments are made on a pro rata basis until the fund is exhausted or until the principal amounts of all awards have been paid in full. Any funds remaining, after payment of principal in full, are then applied to interest when allowed.

The origin and history of the claims of American nationals against these five governments are summarized in the 1958 annual report, page 112. The status as of June 30, 1959, of each of the five claims funds and their operations since inception are shown in the table following.

	Bulgaria	Hungary	Rumania	Italy	U.S.S.R.
Awards certified to Treasury:					
Number	219	1,213	518	536	1,821
Amount (principal)	$3,650,775.79	$19,850,963.14	$9,717,487.01	$1,846,078.97	$22,010,568.75
Deposits in claims funds	2,396,947.93	829,457.04	20,717,953.18	5,000,000.00	9,114,444.66
Statutory deduction for administrative expenses	119,847.39	41,472.89	1,035,897.65	250,000.00	455,722.23
Amount available for payment on awards	2,277,100.54	787,984.15	19,682,055.53	4,750,000.00	8,658,722.43
Payments on awards	141,124.21		376,798.27	429,435.45	1,890,051.47
Balance in claims funds	2,135,976.33	787,984.15	19,305,257.26	4,320,564.55	6,768,670.96

Mixed Claims Commission, United States and Germany

On April 1, 1959, the Federal Republic of Germany made the annual payment of $3,700,000 which was due under the terms of the agreement between the United States and Germany, signed at London on February 27, 1953, in partial settlement of German debts arising from World War I. A summary of the terms of this agreement was included in the annual report for 1954, page 109.

The Treasury Department was able to authorize a further distribution of 7.2 percent for the interest accrued on Class III awards (those over $100,000) of the Mixed Claims Commission, United States and Germany, and payments under Private Law No. 509, approved July 19, 1940.

Payments on awards and the status of the accounts as of June 30, 1959, are shown in table 107.

American-Mexican Claims Commission

Payments amounting to $2,406.05 were made under this program during fiscal 1959 to claimants who had not previously submitted an appropriate voucher for the final distribution authorized in 1956 or who had failed to present satisfactory evidence of their right to receive payment. A statement of the fund appears in table 108.

Yugoslav claims fund

Payments to holders of awards by the Foreign Claims Settlement Commission on account of claims against Yugoslavia continued into the fiscal year 1959 with $4,217.14 paid to award holders. The status of the fund as of June 30, 1959, is shown in table 109.

Divested property of enemy nationals

Under Public Law 285, approved August 9, 1955 (22 U.S.C. 163(b)), the net proceeds of any property vested in the Alien Property Custodian or the Attorney General after December 17, 1941, pursuant to the Trading with the Enemy Act, as amended, and which at the date of vesting was owned directly or indirectly by Bulgaria, Hungary, or Rumania, or any national thereof, shall, after completion of the administration, liquidation, and disposition of such property, be covered into the Treasury, except that proceeds of property owned by a natural person at the date of vesting shall be divested and carried in blocked accounts with the Treasury in the name of the owner thereof subject to claim.

As of June 30, 1959, moneys of 503 individuals had been divested, certified, and deposited in the Treasury. These funds, totaling $522,968.48, were credited to Treasury accounts as follows: For nationals of Bulgaria, $76,758.70; for nationals of Hungary, $266,970.99; and for nationals of Rumania, $179,238.79.

Claims for payment of the proceeds of liquidation of vested assets of individuals are being received in the Department of Justice and procedures for payment are being formulated.

Other Operations

Management improvement program

The continued search for additional operating economies resulted in the adoption during the year of improvements involving annual recurring savings of $512,718 (129.1 man-years). Nonrecurring savings amounted to $152,055. Examples of the money-saving achievements are cited in the preceding sections.

The Bureau continued its efforts to provide effective training of its employees and to develop replacements to meet future needs. Also vigorously continued was the program of safety training. Seven divisions and branches in the departmental service and twelve regional offices received the Secretary's Safety Award in 1959.

Participation in the Incentive Awards Program increased in fiscal 1959, with 330 suggestions submitted compared with 221 in 1958. The 144 suggestions adopted in 1959 compared with 90 in 1958.

Donations and contributions

During 1959 conditional gifts amounting to $19,597 were received to further the defense effort. So-called conscience fund contributions totaling $65,218 and other unconditional donations to the U.S. Government totaling $226,388, including a single bequest of $160,764, were deposited into the general fund of the Treasury. Other Government agencies received and deposited into the general fund "Conscience fund" contributions and unconditional donations amounting respectively to $218,255 and $10,785. There was also deposited in the Treasury $686,562 to the credit of the Library of Congress trust funds, permanent loan account, representing cash donations and proceeds from sale of securities belonging to these funds.

Government losses in shipment

The "Fund for the Payment of Government Losses in Shipment" was established in the Treasury Department under the provisions of the Government Losses in Shipment Act (5 U.S.C. 134–134h; 31 U.S.C. 528, 738a, 757c(i)), approved July 1, 1937. From this revolving fund are paid the losses sustained by the Government in the course of shipping money, bullion, securities, and other valuables between Government departments and agencies, and depositaries, losses incurred in the erroneous payment of U.S. savings bonds by paying agents, and certain losses incurred by the Postal Service. The administrative work in connection with processing the claims filed under the act is supervised by the Bureau of Accounts.

During the fiscal year 1959 claims amounting to $29,574 were paid from the revolving fund, while recoveries amounted to $2,990, making a net disbursement of $26,584 for losses. Claims allowed and in the process of payment amounted to $34,371. Detailed statements relating to the operations of the Government Losses in Shipment Act are found in table 129.

Payments to Federal Reserve Banks for industrial loans

The act of June 19, 1934 (48 Stat. 1105), added to the Federal Reserve Act, section 13b which authorized the Secretary of the Treasury to advance to the Federal Reserve Banks for industrial loans an amount not exceeding $139,299,557, the par value of the holdings of the twelve Federal Reserve Banks of Federal Deposit Insurance Corporation stock. Under this authorization the Treasury advanced $27,546,311 to the Banks, details of which may be obtained in the annual reports of the Secretary beginning with 1935 and 1936.

The industrial loan program was established to assist financial institutions to meet the working capital needs of their industrial and commercial customers during the period of recovery from the depression of the early 1930s. Although originally designed as an emergency measure rather than a program of continuing assistance to business enterprises, some loans were made during World War II and later.

Section 601 of Public Law 85–699 (12 U.S.C. 352a) approved August 21, 1958, repealed section 13b of the Federal Reserve Act to be effective August 21, 1959. Consequently, the authority for the Federal Reserve Banks to make industrial loans under the act expired on that date. Under section 602(a) of the act each Federal Reserve Bank was required to repay the aggregate amount which the Secretary of the Treasury had heretofore paid to each bank under the provisions of section 13b. On September 2, 1958, the Banks deposited the total sum of $27,546,310.97 into a special fund in the Treasury where it was made available for grants under section 7(d) of the Small Business Act, as provided for under section 602(b) of Public Law 85–699 (72 Stat. 698). Public Law 86–88 (73 Stat. 209), approved July 13, 1959, and Public Law 86–367 (73 Stat. 647), approved September 22, 1959, had the net effect of striking out the provisions under section 602(b) of Public Law 85–699 as they pertain to making the amount returned to the Treasury by the Banks available for grants under the Small Business Act. The amount of $111,753,246.02, representing the unexpended balance available for payment to the banks for loans, was deposited into miscellaneous receipts of the Treasury on September 22, 1958.

Deposits of interest charged on Federal Reserve notes

The Board of Governors of the Federal Reserve System is authorized by section 16 of the Federal Reserve Act, as amended (12 U.S.C. 414), to charge Federal Reserve Banks interest on the amount of unredeemed Federal Reserve notes issued to the Banks in excess of gold certificates held as collateral against the notes. By the exercise of this authority, annual interest payments equal to approximately 90 percent of the net earnings of the Federal Reserve Banks have been made to the U.S. Treasury beginning in 1947.

The amount deposited in fiscal 1959 was $491,220,608.88 as compared with the deposit of $663,728,837.41 in 1958. The total deposits since 1947 have amounted to $3,725,891,907.54 as shown in table 16.

Withholding of income taxes for States and Territories

The act of July 17, 1952 (5 USC 84b, 84c), authorizes the Secretary of the Treasury to enter into agreements with States and Territories for the withholding of income taxes from the compensation of Federal employees regularly employed in the States or Territories. Since the passage of the act, agreements have been entered into with 16 States and Territories, including those entered into during the fiscal year 1959 with Massachusetts, New York, and Utah. The District of Columbia entered into an agreement pursuant to the act of March 31, 1956 (77 Stat. 77).

Payment of pre-1934 Philippine bonds

Funds deposited by the Philippine Government are held in a trust account established in the U.S. Treasury for payments of principal and interest on pre-1934 bonds of the Philippines, as provided in the act of August 7, 1939, as amended (22 U.S.C. 1393(g) (4) (5)). Table 79 shows the status of the trust account as of June 30, 1959.

Withheld foreign checks

The delivery of U.S. Government checks issued to the order of payees residing in certain foreign areas continued to be restricted during 1959, in accordance with Treasury Department Circular No. 655, dated March 19, 1941, as amended by supplements 1 through 11. These restrictions applied during the year to Albania, Bulgaria, Communist-controlled China, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Rumania, the Union of Soviet Socialist Republics, the Russian Zone of Occupation of Germany, and the Russian Sector of Occupation of Berlin.

Delivery of checks to nationals of North Korea without appropriate licenses is prohibited by Foreign Assets Control regulations issued by the Treasury Department on December 17, 1950.

BUREAU OF THE PUBLIC DEBT

The Bureau of the Public Debt, in support of the management of the public debt, has responsibility for the preparation of circulars offering public debt securities, the direction of the handling of subscriptions and making of allotments, the formulation of instructions and regulations pertaining to each security issue, the issuance of the securities and conduct or direction of transactions in those outstanding. The Bureau is responsible for the final audit and custody of retired securities, the maintenance of the control accounts covering all public debt issues, the keeping of individual accounts with owners of registered securities and authorizing the issue of checks in payment of interest thereon, and the handling of claims on account of lost, stolen, destroyed, or mutilated securities.

Four offices are maintained. The principal office, including the headquarters of the Bureau, is in Washington, D.C. This office issues public debt securities and conducts subsequent transactions in those outstanding (including governmental agency securities) other than savings bonds, and audits and maintains custody of these securities as they are retired. A departmental office in Chicago, Ill., conducts transactions relating to savings bonds outstanding and maintains the issue and retirement records of the paper type savings bonds. A field branch audit office in Cincinnati, Ohio, audits redeemed paper type savings bonds and transmits records of their retirement to the Chicago office. All issue and retirement records of the new punch-card type savings bonds are prepared and maintained in a departmental office in Parkersburg, W. Va., where the major recording and accounting operations are performed through a large scale electronic data processing system.

Under Bureau supervision many transactions in public debt securities are conducted through nationwide agencies, which are, principally, Federal Reserve Banks, as fiscal agents of the United States, and their branches; selected post offices, private financial institutions, industrial organizations, and others, approximately 23,000 in all, which cooperate in the issuance of savings bonds; and nearly 19,000 financial institutions that redeem savings bonds.

Bureau administration

Management improvement.—Reduction in cost of any function wherever possible without diminishing adequate service to the public or impairing the integrity of public debt records is the constant aim of management. The Bureau management program regularly operates through continuing projects related to activities requiring day-to-day attention, and through special studies in selected areas. Two major projects with widespread functional implications were culminated during 1959.

In October 1958 the Parkersburg office began full application of a large scale, general purpose, electronic data processing system to the operations and the maintenance of records on Series E punch-card savings bonds. The system, composed of integrated business machines employing high-speed computer principles, is designed to expedite all phases of record keeping and accounting. It introduces new concepts of speed, capacity, and versatility for audit and classification of all card bond transactions, development of accounting data reflecting those transactions, and the establishment and maintenance of alphabetic records of card bond issues and numerical records of card bond issues and retirements.

Evaluation of the system under actual operating conditions led to a number of refinements in the basic programs and routines. These have produced savings in related key punching and balancing operations and have reduced the central processor time required for current work. This reduction in running time will ultimately permit more economical operation than originally estimated. More immediately it has freed the processor for liquidating substantial backlogs which antedate the installation of the equipment. It is anticipated that the work will be current in all phases by June 30, 1960, and that full benefits of the system will then be realized.

Of equal importance and complexity are the installation and mechanization of a new public debt accounting system. Initiated as a result of a survey by the Division of Public Debt Accounts and Audit confirming its practicability in October 1954, it was completed during 1959. The Division of Public Debt Accounts and Audit was reorganized June 5, 1959, to align the organizational structure with functions under the revised system. The procedures followed in maintaining accounts and preparing reports make full use of punch-card equipment and techniques.

The new system combines all financial and securities accounts having to do with the public debt, at the detail level, into one double-entry system administered by this Bureau. Provision has been made for the regular balancing of these accounts with the summary financial accounts of the Treasurer of the United States. The accounting information required is developed from daily reports of cash and securities transactions from Treasury offices and Federal Reserve Banks.

Development and installation of the new system were accomplished by an orderly series of transitional steps from old to new without any loss of accounting control. The daily reporting method for cash transactions was adopted in June 1956; and, on July 1, 1957, this Bureau was assigned responsibility for maintaining detailed cash accounts of public debt receipts, redemptions, and outstanding and preparing the public debt portion of the daily Treasury statement, the monthly statement of the public debt, and various annual reports. At the same time this Bureau undertook preparation of the monthly report of public debt principal transactions used by the Bureau of Accounts in maintaining the central summary accounts of the Government. Daily reporting of transactions in securities other than savings bonds began in December 1956, and complete conversion of these accounts was indicated by the discontinuance in September 1957 of the fiscal agency reports of cumulative monthly figures on security stock transactions, which were replaced by one line reports of stock balances. As a related development, the Federal Reserve Banks also discontinued accumulating accounting data on public debt securities transactions for the life of each loan and have simplified their stock accounting procedures. Extension of the system of daily reporting to savings bonds transactions began in March 1958 and was completed in October 1958. The monthly fiscal agency reports on savings bonds were discontinued in November 1958. This was the final step of the conversion of public debt accounts to the new system and relieved the Federal Reserve Banks of keeping cumulative transaction accounts for any public debt securities. The Bureau now has a modern double-entry accounting system, maintained with punch-card equipment, capable of providing current information and reports, and responsive to the needs of Department officials charged with responsibility for debt management.

The Chicago office workload has been materially reduced by the establishment of the Parkersburg office to service the punch-card savings bond. To permit the most effective employment of personnel, equipment, and space the organizational structure of the Chicago office was realigned as of July 1, 1959. The Registration Section was

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abolished and its remaining active functions were transferred to other segments, and changes were made also in the Claims and Ruling Section, and in the Office of the Deputy Commissioner.

Significant savings in reimbursable Federal Reserve Bank costs are being realized as a result of adoption of a new combined transmittal letter and control card for processing retired savings bonds. The form is prepared by the paying agents, and copies are provided for controlling, accounting, and settlement purposes as the bonds and covering form are routed through the Banks to the Bureau. Several intermediate processing steps have been eliminated.

Under the new safety awards program the Secretary of the Treasury on May 1, 1959, presented to the Bureau the first of the awards planned to be given annually to a Treasury bureau employing more than one thousand persons. The award was given for the most outstanding improvement in injury frequency rate between 1957 and 1958.

The Bureau has continued its efforts to provide effective training for its employees by both outside and on-the-job training. Emphasis has been placed on executive and supervisory training in academic and supervisory training courses.

During the fiscal year 261 employee suggestions were received and 145 were adopted with savings estimated at $77,067. Cash awards distributed for suggestions totaled $2,950. Fifty-six employees with outstanding performance ratings also were given cash awards amounting to $8,400 and $14,925 was distributed to 277 employees for sustained superior work performance. The Bureau has been active in establishing standards and developing plans under the incentive awards program for recognizing sustained superior performance on measurable work, and more than 20 percent of the Bureau's employees are now working in positions covered by such plans.

Bureau operations

The public debt.—The public debt of the United States falls into two broad categories: (1) public issues, and (2) special issues. The public issues consist of marketable obligations, chiefly Treasury bills, certificates of indebtedness, Treasury notes, and Treasury bonds; and nonmarketable obligations, chiefly United States savings bonds and Treasury bonds of the investment series. Special issues are made by the Treasury directly to various Government funds and are payable only for account of such funds.

During fiscal 1959 the gross public debt increased by $8,363 million and the guaranteed obligations held outside the Treasury increased by $10 million. The most significant changes in the composition of the outstanding debt during the year were the net increase of $11,352 million in interest-bearing marketable public issues, principally Treasury bills and notes, and the net decrease of $2,726 million interest-bearing nonmarketable public issues which was almost equally divided between United States savings bonds and Treasury bonds of the investment series. Total public debt issues, including issues exchanged for other securities, amounted to $199,885 million during 1959, and retirements amounted to $191,522 million.

A summary of public debt operations handled by the Bureau appears on pages 25 to 32 of this report, and a series of statistical tables dealing with the public debt will be found in tables 19 to 52.

The following statement gives a comparison of the changes during the fiscal years 1958 and 1959 in the various classes of public debt issues.

Classification	Increase, or decrease (−) (in millions of dollars)	
	1958	1959
Interest-bearing debt:		
Treasury bonds, investment series	−1,514	−1,256
United States savings bonds	−2,638	−1,482
Marketable obligations	10,970	11,352
Special issues	−581	−1,490
Other	−25	12
Total interest-bearing debt	6,212	7,136
Matured debt and debt bearing no interest	−396	1,227
Total	5,816	8,363

United States savings bonds.—In volume of work, the issuance and redemption of savings bonds represent the largest administrative problems of this Bureau. The registered form of these bonds and ownership by millions requires the setting up and maintaining of alphabetical and numerical ownership records for over 2.0 billion bonds, which have been issued continuously since 1935. The adjudicating of claims and replacing lost, stolen, and destroyed bonds, handling and recording retired bonds, and conducting the related accounting operations are also a considerable undertaking.

Receipts from sales during the year were $4,506 million and accrued discount charged to the interest account and credited to the savings bonds principal account amounted to $1,228 million, a total of $5,734 million. Expenditures for redeeming savings bonds charged to the Treasurer's account during the year, including about $3,621 million of matured bonds, amounted to $7,249 million. The amount of unmatured and matured savings bonds of all series outstanding on June 30, 1959, including accrued discount, was $50,834 million, a decrease of $1,515 million from the amount outstanding on June 30, 1958. Detailed information regarding savings bonds will be found in tables 38 to 43, inclusive, of this report.

During fiscal 1959, 89.6 million stubs representing issued bonds of Series E were received for registration, making a total of 2,083.1 million, including reissues, received through June 30, 1959. Original stubs of paper type bonds are first arranged alphabetically in semiannual blocks, by name of owner, and microfilmed. They are then arranged in the numerical sequence of their bond serial number in a full calendar year file and microfilmed, after which they are destroyed. These microfilms are permanent registration records. The original issue of paper bonds has been discontinued.

The issue stubs of the new punch-card type bonds are microfilmed by batches as they are received by this Bureau. Before being destroyed, the stubs are audited and recorded by electronic processing equipment. Magnetic tape files of the bond issues, in both alphabetical and numerical sequence, are established and maintained with each bond file item containing information indicating the location of the microfilm which contains the complete image of the original bond stub.

The following tables show the processing, by steps, of registration stubs of paper type and card type Series E savings bonds. The table on card type bonds also shows steps taken in retiring these bonds.

Period	Stubs of issued paper type Series E savings bonds in Chicago office (in millions of pieces)					
	Stubs received	Alphabetically sorted: Restricted basis sort [1]	Alphabetically sorted: Fine sort prior to filming [2]	Alphabetically filmed	Numerically filmed	Destroyed after filming
Cumulative through June 30, 1954	1,627.3	1,607.0	1,550.3	1,519.9	1,432.1	1,427.9
Fiscal year:						
1955	87.0	88.4	99.3	88.1	25.7	29.9
1956	91.5	87.2	85.0	88.0	5.8	----------
1957	91.1	88.9	90.4	108.1	192.3	191.3
1958	37.1	62.1	85.7	89.9	178.3	184.1
1959	2.1	2.5	24.4	41.1	100.9	101.9
Total	1,936.1	1,936.1	1,935.1	1,935.1	1,935.1	1,935.1

[1] Not in complete alphabetical arrangement but sorted to such a degree that individual stubs can be located. Includes those stubs fine sorted.
[2] Completely sorted.

Fiscal year	Received	Microfilmed	Keypunched	Converted to magnetic tape	Audited and classified	Balance: Unfilmed	Balance: Not keypunched	Balance: Not converted to magnetic tape	Balance: Unaudited
	Stubs of issued card type Series E savings bonds in Parkersburg office (in millions of pieces)								
1958	59.5	57.8	41.4	5.7	34.7	1.7	18.1	53.8	24.8
1959	87.5	88.2	103.4	119.0	106.9	1.0	2.2	22.3	5.4
Total	147.0	146.0	144.8	124.7	141.6	1.0	2.2	22.3	5.4
	Retired card type Series E savings bonds recorded in Parkersburg office (in millions of pieces)								
1958	17.5	16.7	10.5	0.1	7.3	0.8	7.0	17.4	10.2
1959	45.2	45.5	51.4	53.2	52.8	.5	.8	9.4	2.6
Total	62.7	62.2	61.9	53.3	60.1	.5	.8	9.4	2.6

There were 93.9 million retired savings bonds of all series received during the year. Retired paper bonds of all series are processed through a branch audit office where they are audited, microfilmed, and destroyed. A list of the bond serial numbers is transmitted to the Chicago departmental office for posting of retirement reference data to numerical ledgers as a permanent record. Retired card bonds, issued only in Series E, are handled in the Parkersburg office where, after microfilming, the bonds are permanently recorded and audited by an electronic data processing system prior to being destroyed.

The following statements show the status of these operations for the paper type bonds.

Period	Retired paper type savings bonds of all series in the branch audit offices (in millions of pieces)					
	Bonds received	Audited	Microfilmed	Balance		Destroyed
				Unaudited	Unfilmed [1]	
Cumulative through June 30, 1954	766.6	763.5	750.9	3.1	4.6	677.6
Fiscal year:						
1955	99.0	98.1	98.7	4.0	4.9	102.0
1956	97.4	96.5	96.0	4.9	6.3	117.9
1957	100.2	102.1	99.8	3.0	6.7	100.0
1958	81.8	81.2	82.6	3.6	5.9	79.3
1959	48.7	49.1	47.7	3.2	6.9	72.4
Total	1,193.7	1,190.5	1,175.7	3.2	6.9	1,149.2

[1] Beginning June 30, 1954, excludes 9.4 million pieces of unfilmed spoiled stock transferred to permanent storage and 1.7 million pieces of unissued stock to be destroyed without microfilming.

Period	Retired paper type savings bonds of all series recorded in Chicago office (in millions of pieces)				
	Number of retired bonds reported	Status of posting			
		Posted	Verified	Unposted	Unverified
Cumulative through June 30, 1954	1,224.3	1,219.6	1,215.7	4.7	3.9
Fiscal year:					
1955	101.3	102.7	[1] 23.7	3.3	----------
1956	98.2	96.7	93.4	4.8	8.1
1957	100.1	99.0	102.3	5.9	4.8
1958	84.6	87.2	64.0	3.3	28.0
1959	50.3	50.4	86.2	3.2	3.3
Total	1,658.8	1,655.6	1,585.3	3.2	[2] 3.3

[1] During the period October 1954 to June 1955, only a 7 percent test verification was made of the postings.
[2] Represents balance unverified on current work. Excludes 67.1 million pieces received in 1954 and 1955 which were not verified.

Of the 89.6 million Series A–E savings bonds redeemed prior to release of registration and received in the audit offices during the year, 86.2 million, or 96.2 percent, were redeemed by nearly 19,000 paying agents. These agents were reimbursed for this service in each quarter year at the rate of 15 cents each for the first 1,000 bonds paid and 10 cents each for all over the first 1,000. The total amount paid to agents on this account during the year was $10,910,111, which was at the average rate of 12.66 cents per bond.

The following table shows the number of issuing and paying agents for Series A–E savings bonds by classes.

Fiscal year	Post offices [1]	Banks	Building and savings and loan associations	Credit unions	Companies operating payroll plans	All others	Total
	Issuing agents						
1945	24,038	15,232	3,477	2,081	[2] 9,605	----------	54,433
1950	25,060	15,225	1,557	522	3,052	550	45,966
1955	2,476	15,692	1,555	428	2,942	588	23,681
1956	1,768	15,845	1,606	411	2,898	626	23,154
1957	1,401	15,978	1,665	379	2,788	611	22,822
1958	1,178	16,047	1,702	357	2,640	587	22,511
1959	1,120	16,178	1,778	336	2,401	688	22,501
	Paying agents						
1945	----------	13,466	----------	----------	----------	----------	13,466
1950	----------	15,623	874	137	----------	57	16,691
1955	----------	16,269	1,188	139	----------	56	17,652
1956	----------	16,441	1,300	138	----------	54	17,933
1957	----------	16,613	1,438	172	----------	59	18,282
1958	----------	16,744	1,580	171	----------	59	18,554
1959	----------	16,860	1,690	168	----------	60	18,778

[1] Estimated by the Post Office Department for 1955 and thereafter. Sale of Series E savings bonds was discontinued at post offices at the close of business on December 31, 1953, except in those localities where no other public facilities for their sale were available.
[2] Includes all others.

During fiscal 1959, 5,442,592 interest checks with a value of $287,061,461 were issued on current income type savings bonds. This was a decrease of 306,569 checks from the number issued during 1958, and a decrease in value of $25,855,680. A total of 230,910 new accounts was established compared with 215,136 in 1958. As of June 30, 1959, there were 2,056,659 active accounts with owners of this type savings bonds, a decrease of 85,800 accounts during the year. There were reductions of 230,810 in accounts of Series G bonds which have been maturing since May 1, 1953, and 11,264 in accounts of Series K which were first sold on May 1, 1952, and discontinued effective at the close of business April 30, 1957, and an increase of 156,274 in accounts of Series H bonds, which were first sold on June 1, 1952.

Applications during the year for the issue of duplicates of lost, stolen, or destroyed savings bonds amounted to 46,691. These, together with 1,877 cases on hand at the beginning of the year, totaled 48,568 cases. In 29,218 cases the bonds were recovered, and in 17,881 cases the issuance of duplicate securities was authorized. On June 30, 1959, 1,469 cases remained unsettled.

Other United States securities.—During the year 20,564 individual accounts covering publicly held registered securities were opened and 22,420 were closed. This reduced the total of open accounts on June 30, 1959, to 194,296 covering registered securities in the principal amount of $16.6 billion. There were 358,838 interest checks with a value of $461,984,951 issued to owners of record during the year. This was a decrease of 20,220 checks from the number issued during 1958, and a decrease in value of $48,338,819.

Redeemed and canceled securities received for audit included 3,894,000 bearer securities and 191,000 registered securities, a total of 4,085,000, as compared with 3,692,000 in 1958; and 16,281,000 coupons were received, which was 1,006,000 more than in 1958.

OFFICE OF THE TREASURER OF THE UNITED STATES

The Treasurer of the United States is charged by law with the receipt, custody, and disbursement, upon proper order, of the public moneys and is required by law and administrative authority to maintain records and make periodic reports on the source, location, and disposition of these funds.

Although the Treasurer does not maintain branch or field offices, the Federal Reserve Banks, as fiscal agents of the United States, perform many fiscal functions for the Treasurer throughout the country. These include the verification and destruction of United States paper currency, the redemption of public debt securities, keeping operating cash accounts in the name of the Treasurer, which includes charging these accounts for the great majority of the checks drawn on the Treasurer and accepting deposits made by Government officers for credit therein, and maintaining custody of bonds held to secure public deposits in commercial banks.

Commercial banks within and without the United States which have qualified as depositaries provide banking facilities for local activities of the Government. Information on the transactions handled in the name of the Treasurer by the Federal Reserve Banks and commercial banks flows into Washington where it is taken into the Treasurer's general accounts.

Specifically, the Treasurer maintains current accounts of all receipts and expenditures; pays the principal and interest on the public debt; provides checking account facilities for Government disbursing officers, corporations, and agencies; pays checks drawn on the Treasurer of the United States; procures, stores, issues, and redeems United States currency; audits redeemed Federal Reserve currency; examines and determines the value of mutilated currency; acts as special agent for the payment of principal and interest on certain obligations of corporations of the United States Government, Puerto Rico, and the Philippine Islands; and maintains facilities in the main Treasury building for (a) the deposit of public moneys by Government officers, (b) the cashing of United States savings bonds and checks drawn on the Treasurer, (c) the receipt of excess and/or unfit currency and coins from local concerns and banks, and (d) the conduct of transactions in both marketable and nonmarketable public debt securities for banks and for the public. The Office of the Treasurer prepares the *Daily Statement of the United States Treasury* and the monthly *Circulation Statement of United States Money*.

Under authority delegated by the Comptroller General of the United States, the Treasurer acts upon claims arising from the forgery of endorsements and other irregularities involving checks paid by the Treasurer and, in the case of unpaid checks which are lost or destroyed, passes upon claims for substitute checks.

The Treasurer of the United States is also Treasurer of the Board of Trustees of the Postal Savings System, and custodian of bonds held to secure public deposits in commercial banks, bonds held to secure postal savings on deposit in such banks, and miscellaneous securities and trust funds.

Management improvement and internal audit

The Office continued to appraise operations and methods during 1959 and numerous changes resulted in increased efficiency and economies. The following are among the more noteworthy improvements.

The Treasurer is now settling paid check claims involving repetitive payments without waiting for completion of a full field investigation in certain cases where the funds have been recovered from the presenting bank. This has improved service to the public.

Through the use of accounting machines intercoupled with key punches, the sorting, proving, controlling, and classification of credit and debit documents have been combined into one operation in check payment and reconciliation. As a byproduct, tabulating cards for certain types of documents are punched simultaneously. Personnel and monetary savings have resulted.

More effective programming, improved procedures, and more efficient utilization of the electronic equipment in the check payment and reconciliation system enabled the processing of all tax refund checks in the spring of 1959 without renting additional equipment, as was necessary in the past. The timing of the reconciliation cycle was revised to permit more checks to be paid and more blocks of checks to be cleared before reconciliation, thus permitting more of the work to be done mechanically.

Fiscal 1959 was the first full fiscal year in which all checks drawn on the Treasurer were paid and reconciled under the new electronic system which had been started in fiscal 1957. A comprehensive study was made, comparing costs under the new system with what the costs would have been if the former system were still in effect—a system which had involved payment operations in the Federal Reserve Banks and the Treasurer's Office and separate reconciliation operations in the General Accounting Office. The study disclosed Government-wide annual savings of almost $3 million, exceeding by about $800,000 the original expectations when the system was installed. There are now 418 fewer employees engaged in the check payment and reconciliation work than there were engaged in this work in the Treasurer's Office and General Accounting Office combined in fiscal 1956, and 331 fewer in the Federal Reserve Banks, notwithstanding a 15 percent increase in workload since then. Widespread recognition has been given to the progressive manner of handling the personnel problem by the operating organizations in converting to the new system, which directly affected 753 employees then in the Treasurer's Office and the General Accounting Office. Formal reduction-in-force proceedings were entirely precluded in the Treasurer's Office by promptly informing these employees of the plans, by offering them opportunities to qualify for training and placement in the more technical positions under the new system, and by assisting in placing them in vacant positions elsewhere within the Treasurer's Office and in other agencies throughout the Government.

Improved methods and procedures in currency redemption reduced the backlog of mutilated money cases from a peak of 416 to 50 at the end of June 1959. This improvement has resulted in faster service to the public.

Eleven Federal Reserve Banks and ten branch banks, acting as fiscal agents of the United States, redeem, verify, and destroy unfit United States currency. A representative of the Treasurer's Office visits each bank at least once a year to inspect and discuss the operations with responsible officials. These inspections afford an opportunity to determine (1) whether the internal controls are adequate and in conformity with regulations, and (2) whether the banks are following the established standard of fitness when sorting United States currency to determine which is fit for return to circulation and which should be destroyed. The banks are satisfactorily performing this currency function.

Internal audits provide management with independent appraisals of the fiscal activities. During the year the internal audit program was expanded to include all nonexpendable property in the Office. Audits were made of cash, securities, and other assets in the custody of the Treasurer, and various money operations were studied by the auditors. More frequent audits were made of tellers' operations. Recommendations resulting from the audits were adopted to improve accountability for and control over the assets for which the Treasurer is responsible.

Employee training, forms and reports analysis and control, records management, and periodic safety inspections are all continuing programs.

Under the incentive awards program, cash awards were made as follows: 29 for suggestions adopted, 56 individual and 3 group awards for superior performance, 7 for outstanding performance, and 4 individual and 2 group awards for special acts or services.

Assets and liabilities in the Treasurer's account

The assets of the Treasurer consist of gold and silver bullion, coin and paper currency, deposits in Federal Reserve Banks and in commercial banks designated as Government depositaries.

A summary of the assets and liabilities in the Treasurer's account at the close of the fiscal years 1958 and 1959 is shown in table 53.

Gold.—The gold assets, which stood at $21,356.0 million on the daily Treasury statement basis on June 30, 1958, declined steadily throughout the year as disbursements totaling $1,817.6 million were offset by receipts of only $166.0 million. The final balance of $19,704.4 million on June 30, 1959, was held to cover liabilities of $19,447.2 million in gold certificates or credits payable in gold certificates and $156.0 million for the gold reserve against currency, leaving a free gold balance of $101.2 million.

Silver.—Transactions in silver bullion during the year are summarized, in millions of dollars, in the following table.

Fiscal year 1959	Silver bullion held at		
	Monetary value	Cost value	Recoinage value
On hand July 1, 1958	$2,228.3	$125.7	$1.0
Received (net)		+69.5	+2.2
Revalued	+23.1	−16.2	
Used in coinage		−24.4	−3.0
On hand June 30, 1959	2,251.4	154.6	.2

The $2,251.4 million in silver bullion at the monetary value of $1.29+ per ounce, was held, together with $195.8 million in silver dollars, to secure outstanding silver certificates of $2,412.1 million and outstanding Treasury notes of 1890 of $1.1 million on June 30, 1959. This left a free balance of $34.0 million in monetized silver.

Balances with depositaries.—The following table shows the number of each class of depositaries and balances on June 30, 1959.

Class	Number of accounts with depositaries [1]	Deposits to the credit of the Treasurer of the United States June 30, 1959
Federal Reserve Banks and branches	36	[2] $807,265,901
Other banks in continental United States:		
General depositaries	1,506	329,068,692
Special depositaries, Treasury tax and loan accounts	11,121	3,744,302,686
Insular and territorial depositaries	42	42,705,940
Foreign depositaries [3]	57	56,929,751
Total	12,762	4,980,272,970

[1] Includes only depositaries having balances with the Treasurer of the United States on June 30, 1959. Excludes depositaries duly designated for this purpose but having no balances on that date and those designated to furnish official checking account facilities or other services to Government officers but which are not authorized to maintain accounts with the Treasurer. Banking institutions designated as general depositaries are frequently also designated as special depositaries; hence the total number of accounts exceeds the number of institutions involved.

[2] Includes checks for $272,670,964 in process of collection.

[3] Principally branches of institutions in the United States.

Review of operations

Receiving and disbursing public moneys.—Moneys collected by Government officers are deposited with the Treasurer at Washington, in Federal Reserve Banks, and in designated Government depositaries for credit to the account of the Treasurer of the United States, and all payments are withdrawn from this account. Moneys deposited and withdrawn for the fiscal years 1958 and 1959, exclusive of intragovernmental transactions, are shown in the following table on the basis of the *Daily Statement of the United States Treasury*.

Deposits, withdrawals, and balances in the Treasurer's account	1958	1959
Cash deposits (net) (includes internal revenue, customs, trust funds, etc.)	$82,093,702,765	$81,611,694,221
Public debt receipts [1]	213,716,956,869	[2] 198,853,820,389
Less accrued discount on U.S. savings bonds and Treasury bills	−1,890,245,129	−2,218,284,670
Total net deposits	293,920,414,505	278,247,229,940
Balance at beginning of fiscal year	5,589,952,362	9,749,102,978
Total	299,510,366,867	287,996,332,918
Cash withdrawals (includes budget and trust accounts, etc.)	83,188,037,485	94,041,924,037
Net transactions in:		
Investments of Government agencies in public debt securities, excess of investments, or redemptions (−)	713,880,040	−1,129,567,636
Sales and redemptions of obligations of Government agencies in market, excess of redemptions, or sales (−)	48,445,690	−698,961,939
Public debt redemptions [1]	207,900,911,020	191,522,381,057
Less redemptions included in cash withdrawals	−2,090,010,346	−1,089,834,364
Total net withdrawals	289,761,263,889	282,645,941,155
Balance at close of fiscal year	9,749,102,978	5,350,391,763

[1] For details for 1959, see table 30.
[2] Excludes $1,031,250,000 of noninterest bearing notes issued by the United States as part of the payment of its subscription to the International Monetary Fund.

Issuing and redeeming paper currency.—By law the Treasurer is the agent for the issue and redemption of United States currency. The Cashier of the Treasurer's Office procures all United States paper currency from the Bureau of Engraving and Printing and places it in circulation as needed, chiefly through the facilities of the Federal Reserve Banks and their branches.

The Federal Reserve Banks and branches as agents of the Treasury redeem and destroy most of the United States currency as it becomes unfit for circulation. Unfit Federal Reserve notes which the Banks redeem are not destroyed by them but are cut in half and the halves forwarded separately to Washington for verification and destruction.

The Currency Redemption Division of the Treasurer's Office verifies the lower halves of Federal Reserve notes redeemed by the Banks (the upper halves are verified by the Office of the Comptroller of the Currency); redeems unfit paper currency of all types received from local sources in Washington and from Government officers abroad; and examines and identifies for lawful redemption all burned and mutilated currency received from any source. The last operation requires special techniques and unlimited patience on the part of skilled examiners as the currency received may be charred, discolored, moldy, in fragments, or in claylike chunks. During fiscal 1959 such currency was examined for over 47,000 claimants and payment made therefor to the extent of $7.1 million.

A comparison of the amounts of paper currency of all classes, including Federal Reserve notes, issued, redeemed, and outstanding, during the fiscal years 1958 and 1959 follows.

	1958		1959	
	Pieces	Amount	Pieces	Amount
Outstanding July 1	3,368,064,093	$33,442,835,288	3,388,368,903	$33,315,466,705
Issues during year	1,751,734,454	7,563,339,000	1,765,752,437	8,221,735,188
Redemptions during year	1,731,429,644	7,690,707,583	1,600,652,302	7,461,171,355
Outstanding June 30	3,388,368,903	33,315,466,705	3,553,469,038	34,076,030,538

Table 60 shows by class and denomination the value of paper currency issued and redeemed during the fiscal year 1959 and the amounts outstanding at the end of the year. For further details on stock and circulation of money in the United States, see tables 55 through 58.

Checking accounts of disbursing officers and agencies.—As of June 30, 1959, the Treasurer maintained 2,369 disbursing accounts as compared with 2,430 accounts on June 30, 1958. The number of checks paid, by categories of disbursing officers, during the fiscal years 1958 and 1959 follows.

Disbursing officers	Number of checks paid	
	1958	1959
Treasury	267,457,016	271,978,244
Army	28,825,786	27,670,554
Navy	35,933,564	33,997,162
Air Force	33,880,664	32,211,139
Other	31,492,796	31,653,940
	397,589,826	397,511,039

Settling check claims.—During the fiscal year the Treasurer processed 287,000 requests for stopping payment against Government checks, including requests for information and for photostatic copies of paid checks.

The Treasurer acted upon 183,250 paid check claims during the year, referring to the United States Secret Service those which involved the forging, altering, counterfeiting, or fraudulent issuance and negotiation of Government checks. Reclamation was requested from those having liability to the United States on 34,280 claims, and $3.1 million was recovered. Settlements and adjustments were made on 26,842 forgery cases totaling $2.7 million. Disbursements from the check forgery insurance fund, established by Congress to enable the Treasurer to expedite settlement of check claims, totaled over $227,000. Claims for the proceeds of approximately 62,500 outstanding checks were processed and certified for settlement resulting in the issuance of substitute checks totaling $15.9 million by the Chief Disbursing Officer to replace checks that were not received or were lost, stolen, or destroyed.

The Treasurer also adjudicated 250 forgery claims for the proceeds of the Philippine War Damage Commission and Veterans' Administration checks payable to residents of the Philippines in that country's currency and certified 106 disbursements totaling approximately 64,000 pesos.

Collecting checks deposited by Government officers.—Almost six million commercial checks, drafts, money orders, etc., were deposited by Government officers with the Cash Division in Washington for collection during the fiscal year.

Sale of uncirculated coin sets.—The Cash Division also packaged and sold to collectors over 50,000 sets of uncirculated coins minted at the Philadelphia and Denver mints in 1958. This service was rendered at no expense to the Government as, in addition to the face value of the coins, a fee of 50 cents a set was charged for the cost of assembling and handling the coins.

Custody of securities.—The face value of securities held in the custody of the Treasurer as of June 30, 1958 and 1959, is shown in the following table.

Purpose for which held	June 30—	
	1958	1959
As collateral:		
To secure deposits of public moneys in depositary banks	$194, 646, 600	$202, 053, 100
To secure postal savings funds	25, 795, 200	22, 828, 500
In lieu of sureties	6, 370, 600	5, 593, 100
In custody for Government officers and others:		
Secretary of the Treasury [1]	26, 170, 785, 087	29, 852, 300, 796
Board of Trustees, Postal Savings System	829, 137, 000	676, 137, 000
Comptroller of the Currency	12, 575, 500	11, 973, 000
Federal Deposit Insurance Corporation	1, 267, 900, 000	1, 264, 300, 000
Rural Electrification Administration	73, 543, 411	77, 963, 411
District of Columbia	38, 259, 371	41, 519, 896
Commissioner of Indian Affairs	37, 571, 795	42, 496, 570
Foreign obligations [2]	12, 079, 782, 132	12, 075, 941, 132
Other [3]	85, 246, 106	90, 321, 026
For servicing outstanding Government issues:		
Unissued bearer securities	1, 223, 914, 250	1, 080, 378, 050
Total	42, 045, 527, 052	45, 443, 805, 581

[1] Includes those securities listed in table 119 as in custody of the Treasury.
[2] Issued by foreign governments to the United States for indebtedness arising from World War I.
[3] Includes United States savings bonds in safekeeping for individuals.

Servicing securities for Federal agencies and for certain other governments.—In accordance with agreements between the Secretary of the Treasury and various Government corporations and agencies and Puerto Rico, the Treasurer of the United States acts as special agent for the payment of principal of and interest on their securities (including pre-1934 bonds of the Philippine Government). The amounts of such payments during the fiscal year 1959, on the basis of the daily Treasury statement, were as follows:

Payments made for	Principal	Interest paid with principal	Registered interest [1]	Coupon interest
Federal home loan banks	$518, 680, 000	$7, 017, 180		$8, 821, 834
Federal land banks	638, 484, 100	96, 422	$4, 398, 492	55, 094, 223
Federal Farm Mortgage Corporation	25, 800	20		2, 340
Federal Housing Administration	62, 094, 900	545, 400	4, 328, 720	
Federal National Mortgage Association	929, 507, 000	21, 547, 826		71, 157, 321
Home Owners' Loan Corporation	43, 525			2, 726
Philippine Islands	25, 000			132, 413
Puerto Rico	480, 500	6, 030	46, 375	190, 075
Total	2, 149, 340, 825	29, 212, 878	8, 773, 587	135, 400, 932

[1] On the basis of checks issued.

Internal Revenue Service[1]

The Internal Revenue Service is responsible for the collection of the internal revenue and for the enforcement of the internal revenue laws and certain other statutes. These other statutes include the Federal Alcohol Administration Act (27 U.S.C. 201–212); the Liquor Enforcement Act of 1936 (now 18 U.S.C. 1261, 1262, 3615); and the Federal Firearms Act (15 U.S.C. 901–909).

Review of operations

Collections.—Internal revenue collections for the fiscal year 1959 totaled $79.8 billion, a slight decrease from the 1958 total of $80.0 billion. Collections of corporation income taxes decreased as a result of the sharp decline in corporate profits in the first half of calendar 1958. However, this decrease was largely offset by gains in collections of individual income taxes and employment taxes.

Collections by tax sources for the fiscal years 1929–59 are shown in detail in table 13 in the tables section of this report. Collections from the principal sources of tax revenue for the fiscal years 1958 and 1959 are summarized in the following table.

Source	In thousands of dollars	
	1958	1959
Income and profits taxes:		
Corporation	20,533,316	18,091,509
Individual:		
Withheld by employers [1]	27,040,911	29,001,375
Other [1]	11,527,648	11,733,369
Total individual income taxes	38,568,559	40,734,744
Total income and profits taxes	59,101,874	58,826,254
Employment taxes:		
Old-age and disability insurance [1]	7,733,223	8,004,355
Unemployment insurance	335,880	324,020
Railroad retirement	575,282	525,369
Total employment taxes	8,644,386	8,853,744
Estate and gift taxes	1,410,925	1,352,982
Excise taxes:		
Alcohol taxes	2,946,461	3,002,096
Tobacco taxes	1,734,021	1,806,816
Other excise taxes	6,133,786	5,950,637
Total excise taxes	10,814,268	10,759,549
Taxes not otherwise classified [2]	7,024	5,444
Total collections	79,978,476	79,797,973

NOTE.—Collections are adjusted to exclude amounts transferred to the Government of Guam under the act approved August 1, 1950 (48 U.S.C. 1421h). Excluded for 1959 was $3,967,000 in individual income tax withheld.

[1] Estimated. Collections of individual income tax withheld are not reported separately from old-age and disability insurance taxes on wages and salaries. Similarly, collections of individual income tax not withheld are not reported separately from old-age and disability insurance taxes on self-employment income. The amount of old-age and disability insurance tax collections shown is based on estimates made by the Secretary of the Treasury pursuant to the provisions of section 201(a) of the Social Security Act as amended (42 U.S.C 401(a)), and includes all old-age and disability insurance taxes. The estimates shown for the two classes of individual income taxes were derived by subtracting the old-age and disability insurance tax estimates from the combined totals reported.

[2] Includes amounts of unidentified and excess collections and profits from sale of acquired property.

[1] More detailed information will be found in the separate annual report of the Commissioner of Internal Revenue.

Receipt and processing of returns.—The number of tax returns filed during fiscal 1959 totaled 92.9 million, which was slightly below the 1958 total of 93.5 million returns. Individual and fiduciary income tax returns, the largest category of returns filed, decreased from 60.8 million in 1958 to 60.0 million in 1959, because of economic factors. The use of the simplified card return, Form 1040A, was expanded substantially through administrative efforts to encourage its use, and through a revision in its coverage to include salary and wage incomes up to $10,000. In previous years Form 1040A could be used only by persons with salary and wage incomes under $5,000. The number of information documents received totaled approximately 302 million.

Upon receipt in internal revenue offices, the tax returns are processed through a series of operations which include the assessment of the taxes reported, verification of tax credits, computation or verification of tax liability, issuance of bills for unpaid accounts, and the scheduling of tax refunds. Centralized machine processing of returns at the three service centers was expanded during 1959 to cover all districts except Honolulu. The service centers handled a larger portion of the individual income tax processing workload and undertook the processing of other classes of returns on an experimental basis. Service center facilities also were utilized in the matching of information documents, the mailing of tax return packages to taxpayers for the next year's filing, and in the processing of claims for refund of Federal tax on gasoline used on farms.

Machine processing of individual income tax returns also enabled the Revenue Service to act promptly on the refund claims of taxpayers who overpaid their tax for 1958. Nearly $4.0 billion in excessive prepayments was refunded to more than 35 million taxpayers during fiscal 1959, with the bulk of the refunds scheduled by the end of May, just six weeks after the April 15 filing deadline.

Verification of the tax computations on 52,465,000 individual income tax returns disclosed errors in 1,800,000 returns. Correction of the errors resulted in tax increases aggregating $84,688,000 and tax decreases totaling $42,268,000.

Enforcement activities.—The volume of returns examined was increased during 1959 for the fourth consecutive year, notwithstanding the fact that there was a slight decrease in audit personnel. Income tax examinations rose to 2,595,000 as compared with 2,496,000 in 1958. The gain resulted from steps taken to streamline audit operations and permit more effective utilization of manpower. Emphasis was concentrated on audit procedures to accelerate the closing of older cases and assure prompt examination of returns currently filed. Savings in clerical manpower were achieved through expanded use of service center machine facilities in the preparation of questionnaires to taxpayers and in the compilation of audit management reports. Post-audit review operations also were strengthened to provide for a more effective coordination of audit work throughout the district offices. A comparison of the number of returns examined during the last two fiscal years follows.

Type of return	(In thousands of returns)	
	1958	1959
Income tax:		
Corporation	159	173
Individual and fiduciary	2,336	2,422
Total income tax	2,496	2,595
Estate and gift taxes	28	29
Excise and employment taxes [1]	r 306	264
Grand total	r 2,829	2,888

r Revised.
[1] Excludes examinations resulting in no tax change where such examination was made from the taxpayers' copies of returns in the course of an audit covering both income and excise and/or employment tax.

The additional tax, interest, and penalties resulting from audit totaled $1,619,148,000 for 1959, showing a gain of nearly 12 percent over last year's total of $1,449, 564,000 and marking the highest total reached since the reorganization of 1952. The amount saved through the audit and disallowance of improper refund claims totaled $259,002,000 as compared with $271,168,000 in the preceding year.

Approximately one million investigations were completed in 1959 in cases where preliminary information indicated that the persons or firms involved had failed to file required returns for income, employment, excise, or other taxes. Through these investigations and the canvassing operations undertaken to discover nonfilers, 761,000 delinquent returns were secured, involving approximately $92 million in tax, penalties, and interest. Inquiries made in the course of tax audits also produced delinquent returns, with taxes aggregating over $25 million, bringing the total amount of delinquent returns secured to more than $117 million.

A comparison of the enforcement results for the fiscal years 1958 and 1959 follows.

Source	(In thousands of dollars)	
	1958	1959
Additional tax, interest, and penalties resulting from audit	1,449,564	1,619,148
Increase in income tax resulting from mathematical verification [1]	109,674	85,233
Tax, interest, and penalties on delinquent returns [2]	r 128,433	117,235
Total additional tax, interest, and penalties	r 1,687,671	1,821,616
Claims disallowed	271,168	259,002

r Revised.
[1] Consists almost entirely of individual income tax; amounts from fiduciary and corporation income tax returns, which comprised only about 2 percent of the 1958 figure, are not available for periods subsequent to December 31, 1958.
[2] Delinquent returns secured by Audit Division are included for both years.

The number of past-due accounts on hand was reduced in 1959 to the lowest point reached in nearly seven years. Dollar amounts outstanding also showed a substantial reduction, with the year-end figure dropping below that of any year since 1954. The inventory on June 30, 1959, totaled 1,202,000 cases involving $1,206,000,000 in unpaid taxes. This represents a reduction of 20 percent in number and 18 percent in amount, compared with a year ago. The accounts closed by collection, abatement, or other action during 1959 totaled 2,960,000 cases and $1,456,000,000, differing from 1958 only by a slight increase in amount. Collections amounted to $978,000,000, representing a slight decrease from 1958. The collection of delinquent accounts by office collection methods was further expanded, permitting the revenue officer staff to concentrate on the more difficult cases. In order to bring this work as nearly up-to-date as possible, efforts were continued to reduce the number of old accounts, without diminishing the attention given to current cases.

A higher degree of selectivity was achieved in fraud investigations in furtherance of the objective to create a greater deterrent effect. Efforts were concentrated on cases of substance, with significant prosecution potential, and provision was made for special agents to withdraw from investigations promptly when it is determined that a prosecution recommendation is not warranted. The concentration of effort on significant cases, coupled with a slight reduction in special agent man-years, resulted in a decrease in the number of full-scale investigations from 4,184 in 1958 to 3,969 in 1959. The investigations completed in 1959 included 1,640 cases in which prosecutions were recommended, as compared with 1,946 in 1958. Indictments were returned against 1,185 defendants during 1959 compared with 1,359 defendants indicted in 1958. In the cases reaching the courtroom, 796 defendants pleaded guilty or *nolo contendere*, 113 were convicted after trial, 72 were acquitted, and 177 were dismissed. The following table presents for the years 1953 through 1959 the record of convictions, including pleas of guilty or *nolo contendere*, in cases involving all classes of internal revenue taxes except alcohol or tobacco taxes.

Fiscal year	Number of individuals convicted	Fiscal year	Number of individuals convicted
1953	929	1957	1,256
1954	1,291	1958	1,096
1955	1,339	1959	909
1956	1,572		

International operations.—International operations of the Service are centralized in the International Operations Division with headquarters in Washington, D.C., and permanent field offices in France, England, Canada, the Philippines, and Puerto Rico. Through these offices and through brief visits made by revenue agents to other countries, the Service supplies information and assistance to United States taxpayers abroad, conducts a program of enforcement activities, and obtains information needed in tax cases under consideration in its domestic offices. Compliance with U.S. tax laws by citizens residing abroad was facilitated by enactment on September 2, 1958, of the Technical Amendments Act of 1958 (Public Law 85–866) which requires such persons to file U.S. tax returns and report all of their income, including earned income subject to exclusion under Section 911 of the Internal Revenue Code, even though no tax may be due.

Alcohol and tobacco tax administration.—Pressure of the preventive raw materials program during 1959 caused increasing disruption of the "moonshiner's" traditional sources of supply. The cost of sugar used in the manufacture of nontaxpaid distilled spirits rose to a level exceeded only during World War II sugar rationing. This new enforcement approach, combined with a concentrated drive to detect and prosecute organized groups of large-scale operators, has resulted in more convictions and longer sentences.

Seizures and arrests for violations of alcohol and tobacco tax laws decreased slightly in 1959, as shown in the following table.

Fiscal year	Number of stills seized	Gallons of mash seized	Number of arrests made [1]
1940	10,663	6,480,200	25,638
1945	8,344	2,945,000	11,104
1950	10,030	4,892,600	10,236
1955	12,509	7,375,300	10,545
1956	14,499	8,643,200	11,380
1957	11,820	6,756,600	11,513
1958	9,272	5,140,800	11,631
1959	9,225	4,655,600	10,912

[1] Includes arrests for firearms violations and, beginning 1955, tobacco tax violations. Arrests involving these two classes of violations during 1959 numbered 597 and 42, respectively.

The Excise Tax Technical Changes Act of 1958 (Public Law 85-859), enacted on September 2, 1958, incorporated the Revenue Service's recommendations for modernization of the distilled spirits provisions of the Internal Revenue Code, together with minor revisions in the wine, beer, and tobacco statutes.

The Liquor Enforcement Act of 1936 (now 18 U.S.C. 1261, 1262, 3615) ceased to apply to any State, upon the repeal of the Oklahoma Prohibition Ordinance and the Enabling Act by a vote of the electorate on April 7, 1959, and the signing of House Bill 825 of the Oklahoma legislature on June 23, 1959, by the Governor.

Refunds.—The total amount of internal revenue refunds, plus interest, for the fiscal year 1959 was $5,156,969,000 [1] as compared with $4,651,656,000 in 1958 and individual income tax refunds accounted for approximately 80 percent of the amount for each year. Interest payments included in these totals amounted to $69,480,000 in 1959 as compared with $73,675,000 in 1958. The amounts refunded and the interest thereon, as required by law, are paid out of appropriations separate from that covering Internal Revenue Service administrative expenses.

Appeals and civil litigation.—Cases in which an agreement cannot be reached in the district audit divisions are referred at the taxpayer's request to the regional appellate divisions for consideration of protests. The volume of protests referred to the appellate divisions in 1959 was somewhat higher than 1958, but showed a leveling off of the upward trend which has prevailed in recent years. As of June 30, 1959, the inventory of protested income, profits, estate, and gift tax cases pending in the appellate divisions totaled 14,628 as compared with 14,268 cases on hand at the beginning of the year. Notwithstanding the larger workload, the policy of considering protested

[1] Figures have not been reduced to reflect reimbursements from the Federal old-age and survivors insurance trust fund amounting to $83,430,000 in 1959 and $75,465,000 in 1958, and from the highway trust fund amounting to $96,900,000 in 1959 and $89,913,000 in 1958.

cases promptly has continued with the result that disposals increased and the inventory at the close of the year was in a substantially current condition.

The number of petitions filed with the Tax Court of the United States rose during the year as a result of the increases in audit activity and in the volume of protests considered. Disposals of petitioned cases likewise showed gains but did not equal receipts. Accordingly, the inventory of docketed Tax Court cases, in which the Service endeavors to reach agreements with taxpayers prior to trial, increased from 10,395 cases at the beginning of the year to 11,748 cases at the close of 1959.

In cases other than those appealed to the Tax Court, taxpayers who have paid a disputed tax can, if they wish, sue for refund in the Court of Claims or in a United States district court. Disposals of cases in courts other than the Tax Court exceeded receipts and backlogs were reduced slightly from 2,813 cases as of July 1, 1958, to 2,761 cases pending June 30, 1959.

Technical services.—Technical services include the interpretation of statutory provisions, the preparation and issuance of rulings and advisory statements to the public and revenue officials, the preparation of regulations and other tax guide materials, technical advice and assistance in the preparation and issuance of tax forms, continuing research of tax inequities, and the development of programs for clarification and simplification of tax rules. Technical assistance also is provided in programs for legislative revision and in conducting the negotiation of tax treaties.

Among the regulations published during the year were four new regulations under the Internal Revenue Code of 1954. This group consisted of gift tax regulations (T.D. 6334), documentary stamp tax regulations (T.D. 6351), wagering tax regulations (T.D. 6370), and a tobacco regulation (26 CFR Part 296).

Other important regulations published related to exempt organizations (T.D. 6301 and T.D. 6391); reporting and substantiation of business expenses by employees (T.D. 6306); extension of the bonding period on distilled spirits from 8 to 20 years (T.D. 6307); disaster losses of taxpaid alcohol and tobacco products (T.D. 6315, T.D. 6316, T.D. 6325, and T.D. 6392); public inspection of applications for tax exemption (T.D. 6331); and adjustments required by changes in method of accounting (T.D. 6366).

Enactment of the Technical Amendments Act of 1958 (Public Law 85–866) and the Excise Tax Technical Changes Act of 1958 (Public Law 85–859) required the issuance of numerous temporary rules, pending the issuance of final regulations, to permit taxpayers to conclude necessary business transactions, make tax elections, etc.

Requests for tax rulings and technical advice totaled 38,596, comprised of 33,670 from taxpayers and 4,926 from field offices.

Revenue rulings and revenue procedures published in the *Internal Revenue Bulletin* during the year totaled 546, compared with 687 in fiscal 1958.

Approximately 236 tax return forms, instructions, and publications were reviewed and revised to conform with recent legislation or to incorporate other changes under a continuing program seeking to achieve more simplicity and to promote more efficient processing and audit.

Personnel.—The employees on Internal Revenue Service rolls at the close of the year numbered 50,200, consisting of 2,633 employees in the national office and 47,567 in the regional and district offices. At the close of the preceding year the number of persons employed totaled 50,816, comprising 2,638 [r] national office employees and 48,178 regional and district office employees.

The number of employees in the various branches of the Internal Revenue Service at the close of the fiscal years 1958 and 1959 is shown in the following table.

Location and type	Number on payroll at close of fiscal year	
	1958	1959
BY LOCATION		
National office	r 2,638	2,633
Regional and district offices [1]	r 48,178	47,567
BY TYPE		
Permanent personnel:		
Supervisory personnel	547	566
Enforcement personnel:		
Revenue officers	5,476	5,172
Office auditors	2,095	2,003
Returns examiners	1,604	2,062
Revenue agents	10,510	10,171
Special agents	1,470	1,423
Alcohol tax inspectors	438	411
Alcohol tax investigators	912	884
Storekeeper-gaugers	771	730
Total enforcement personnel	23,276	22,856
Legal personnel	513	489
Other technical personnel	4,252	5,059
Clerical personnel, messengers, and laborers	21,246	19,002
Total permanent personnel	49,834	47,972
Temporary personnel	982	2,228
Grand total	50,816	50,200

r Revised.
[1] Includes International Operations Division personnel (headquarters and field offices) numbering 271 for 1958 and 305 for 1959.

Cost of administration.—The entire cost of Internal Revenue Service operations during the year, including all items of expense except amounts refunded to taxpayers, was $355,469,000 as compared with $337,429,000 for 1958. Over $15 million of the approximately $18 million increase over 1958 was attributable to full-year costs of the Government-wide salary increase effective in January 1958. The 1959 total includes $819,000 in advance procurement made available prior to the beginning of the 1959 fiscal year through special legislation.

Management improvements

Increased attention was given to long-range operational and financial planning in order to define future goals more clearly, as a guide in the preparation of annual work-plans and budgets. Efforts were continued during the year through improvements in organization, procedures, and facilities, to achieve more effective utilization of manpower in the administration of internal revenue taxes. Estimated

r Revised.

annual savings from these improvements totaled over $3.5 million which was applied to help meet increasing workloads in essential activities. The principal management actions are summarized below.

Organizational changes.—The new organizational alignment of collection division office branches, which had been developed and tested in the Pittsburgh and Phoenix districts during 1958, was extended to all districts prior to the 1959 filing period.

Changes in the organizational structure of district audit divisions were authorized in May 1959 to provide greater flexibility, a more effective span of control, and better utilization of both supervisory and technical personnel. The new organization provides for variations in the number of branches and the extent of intermediate supervision to fit the size and scope of the district's audit mission.

Advisory group.—An advisory group, consisting of 12 outstanding representatives of the legal, accounting, and tax teaching professions was organized. This group will serve as a clearing-house for suggestions from practitioners and the public for improving tax administration and will also provide valuable advice on general problems facing the Service.

Executive development.—Emphasis during the year was on maintaining and extending the "Blue Ribbon" career service program. For the fourth consecutive year the Service continued the successful operation of its executive development program. Participants in this program, carefully selected for their executive potentiality, are assigned to the position of assistant district director or other key positions in the Revenue Service upon completion of a 6-month training course. Basic and specialized supervisory training also was provided under local office sponsorship for both incumbent and potential management personnel throughout the Service.

Promotion guidelines.—Service-wide promotion guidelines were issued under the Civil Service Commission's Federal merit promotion program, effective January 1, 1959. It was already the policy of the Service to make promotions based upon merit but the new guidelines require a more formal application and documentation of merit principles in the selection of employees for promotion.

Return system for alcohol and tobacco taxes.—A semimonthly return system for the payment of alcohol and tobacco taxes was instituted on June 24, 1959, thereby eliminating the use of stamps for this purpose. The abolition of the historic stamp system (in use since 1868) marked a significant change in the method of collecting these taxes, from the purchase of stamps before removal to a return system similar to that employed for most other excise taxes. This change will save about $1.6 million annually in printing, distribution, and accounting costs.

Coordination of postaudit review.—A program has been initiated to improve the coordination of the regional postaudit review operations and to achieve a high level of uniformity in the application of the Code, regulations, and procedures. Information obtained will provide an improved basis for appraising the quality of audit work, preparing training materials, and determining the needs for changes in the Code or regulations.

Mechanization.—Studies of large-scale electronic data processing equipment were initiated to determine the availability of types having potential application to Revenue Service procedures and to determine the feasibility of adapting and modifying Service operations to utilize such equipment.

The mechanization of payroll operations was completed by the transfer of payrolls for the four western regions to the Western Service Center. Mechanization has not only reduced the cost of payroll processing but has also made it possible to obtain related employment data at relatively small expense for use in financial planning and personnel management.

Relocation and consolidation of space.—Upgrading and consolidation of office space were accomplished in the Los Angeles, Milwaukee, and Cincinnati district offices and in the Philadelphia regional office. The new office building for the Baltimore district office is scheduled for completion by the end of calendar 1960. Internal Revenue Service space requirements are included in Federal office buildings now under construction or scheduled for construction in Albuquerque, N. Mex.; Burlington, Vt.; Little Rock, Ark.; Omaha, Nebr.; Parkersburg, W. Va.; and Richmond, Va.

Other improvements.—A system was installed for identifying Service policies which derive from the discretionary powers of the Commissioner and procedures were formalized for establishing or modifying such policies. Manpower expended on taxpayer assistance during 1959 was reduced by 14 percent through improved operational techniques, combined with a comprehensive educational program, an improved series of tax guides and related publications, and expanded use of the simplified card return, Form 1040A. Taxpayer understanding of Service activities and requirements was promoted through the production of a documentary film, "Since the Beginning of Time," which was televised to audiences estimated at more than 40,000,000 and was also distributed widely for showings to schools and civic groups. The need for on-premises supervision and inspection of alcohol and tobacco manufacturers was reduced as a result of revisions in procedures. Adoption of a simplified payment method for official mailing eliminated costs previously incurred in postage meter rentals, purchase orders, accountability records and reports, and in weighing, rating, and affixing of postage. Through standardization of district office forms, the number in use was reduced by 32 percent.

Office of International Finance

The Office of International Finance assists the officers of the Department in the formulation and execution of policies and programs in international financial and monetary matters.

By direction of the Secretary, the responsibilities of the Office of International Finance include the Treasury's activities in relation to international financial and monetary problems, covering such matters as the convertibility of currencies, exchange rates and restrictions, and the extension of stabilization credits; gold and silver policy; the Bretton Woods Agreements Act, and the operations of the International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance Corporation, the proposed Inter-American Development Bank, and the proposed International Development Association; foreign lending and assistance; the North Atlantic Treaty Organization; the activities of the National Advisory Council on International Monetary and Financial Problems; the Anglo-American Financial Agreement; the United States Exchange Stabilization Fund; and the Foreign Assets Control.

The Office also acts for the Treasury on the financial aspects of international treaties, agreements, and organizations in which the United States participates, and it takes part in negotiations with foreign governments with regard to matters included within its responsibilities. It assists the Secretary on the international financial aspects of problems arising in connection with his responsibilities under the Tariff Act. The Office also represents the Treasury in the work of the subordinate organs of the National Advisory Council on International Monetary and Financial Problems, of which the Secretary of the Treasury is chairman.

The Office of International Finance advises Treasury officials and other departments and agencies of the Government concerning exchange rates and other financial problems encountered in operations involving foreign currencies. In particular, it advises the Department of State and the Department of Defense on financial matters related to their normal operations in foreign countries and on the special financial problems arising from defense preparation and military operations. In conjunction with its other activities the Office studies the financial policies of foreign countries, exchange rates, balances of payments, the flow of capital, and other related problems.

The Division of Foreign Assets Control administers certain regulations and orders issued under section 5(b) of the Trading with the Enemy Act. The Foreign Assets Control Regulations block all property in the United States in which any Communist Chinese or North Korean interest exists and prohibit all trade or other financial transactions with those areas or their nationals. The Control carries on licensing activities in connection with transactions otherwise prohibited and takes action to enforce the regulations.

The Control also administers regulations which prohibit persons in the United States from purchasing, selling, or arranging the purchase or sale of strategic commodities outside the United States for ultimate shipment to the Soviet bloc. These latter regulations supplement the export control laws administered by the Department of Commerce.

Bureau of the Mint [1]

The principal functions of the Bureau of the Mint include the manufacture of coin, both domestic and foreign; the distribution of domestic

[1] More detailed information concerning the Bureau of the Mint is contained in the separate annual report of the Director of the Mint.

coin between the mints, the Federal Reserve Banks and branches, and the Treasurer of the United States in Washington, D.C.; the custody, processing, and movement of gold and silver bullion; the administration of the regulations issued under the Gold Reserve Act of 1934, as amended (31 U.S.C. 440–446), and section 5b of the act of October 6, 1917, as amended (12 U.S.C. 95a), including the issuance and denial of licenses, the purchase of gold, and the sale of gold bullion for industrial use; the administration of silver regulations issued under the acts of July 6, 1939 (31 U.S.C. 316c), and July 31, 1946 (31 U.S.C. 316d); the manufacture of historic and special Government medals; and other technical services.

In addition to the Office of the Director of the Mint in Washington, D.C., six field institutions were in operation during the fiscal year 1959, including the Philadelphia and Denver mints where coins are manufactured; the San Francisco Mint, operating as an assay office and bullion depository; the Fort Knox Gold Bullion Depository; the New York Assay Office; and the West Point Silver Bullion Depository which operates as an adjunct of the New York Assay Office.

Coinage

The mints manufactured 1.6 billion domestic coins during the fiscal year 1959, compared with 2.0 billion coins in 1958. A change of design was made in the 1-cent piece at the beginning of January 1959. The portrait of Abraham Lincoln on the obverse side of the coin remains unchanged. The reverse side is that of the Lincoln Memorial in Washington, D.C., in honor of the Lincoln Sesquicentennial observance. The change is a permanent one to remain in effect for not less than 25 years as provided by law. The Lincoln-Wheat Wreath design 1-cent piece, minted continuously from June 1909 through December 1958, will continue to circulate. A table follows showing production of the five denominations coined during the fiscal year.

Denomination [1]	Metallic composition	Production [2]		
		Number of coins	Face value	Standard gross weight
		In millions		Short tons
1-cent pieces	Bronze (95% copper, 5% zinc and tin)	[3] 1,127.3	$11.3	3,865
5-cent pieces	Cupronickel (75% copper, 25% nickel)	124.0	6.2	684
Dimes	900 parts silver, 100 parts copper	239.6	24.0	660
Quarter dollars	do	63.4	15.9	437
Half dollars	do	21.4	10.7	294
Total		1,575.7	68.0	[4] 5,940

[1] No silver dollars were coined during the year; the last dollar coinage was in September 1935.
[2] Includes 988,784 sets of proof coins.
[3] Consists of 564.9 million coins with Lincoln-Wheat Wreath design manufactured July–December 1958, and 562.4 million coins with Lincoln-Lincoln Memorial design manufactured January–June 1959.
[4] Consists of 1,253 tons of silver, 4,323 tons of copper, 171 tons of nickel, and 193 tons of zinc and tin.

In addition to domestic coinage the Philadelphia Mint manufactured 137.4 million coins for four foreign governments, as follows:

Government	Denomination	Metallic composition	Number of coins produced (in millions)
Costa Rica	10 centimos	Chrome stainless-steel	10.5
	5 centimos	do	19.9
Total			30.4
Cuba	1 centavo	75% copper, 25% nickel	50.0
Honduras	20 centavos	900 parts silver, 100 parts copper	2.0
Philippines	50 centavos	70% copper, 18% zinc, 12% nickel	5.0
	25 centavos	do	10.0
	10 centavos	do	10.0
	5 centavos	80% copper, 20% zinc	10.0
	1 centavo	95% copper, 5% zinc	20.0
Total			55.0
Grand total			137.4

During the fiscal year 1959 the mints issued 1.7 billion U.S. coins for circulation. As in 1958, the 1-cent pieces and dimes were in greatest demand. The six denominations issued are shown in the following table.

Denomination	Number of coins issued [1]	Face value	Gross weight
	In millions		Short tons
1-cent pieces	1,195.4	$12.0	4,098
5-cent pieces	196.6	9.8	1,084
Dimes	213.2	21.3	587
Quarter dollars	93.0	23.2	641
Half dollars	27.2	13.6	375
Silver dollars	18.9	18.9	558
Total	1,744.3	98.9	7,343

[1] Includes 976,256 sets of proof coins sold by the Philadelphia Mint. A set is composed of five coins (minor and subsidiary silver denominations).

The total stock of domestic coins, comprising the amount held in the mints and other Treasury offices, in Federal Reserve Banks, commercial banks, and in the hands of the public, is compared at the close of the past two fiscal years in the following statement.

Stock of U.S. coins	Face value (in millions)		
	June 30, 1958	June 30, 1959	Increase, or decrease (−)
Minor coins	$509.8	$526.9	$17.1
Subsidiary silver coins	1,448.8	1,497.0	48.1
Silver dollars	488.2	488.0	[1]−.2
Total	2,446.8	2,511.9	65.1

[1] Decrease represents the amount of uncurrent (worn) silver dollars withdrawn from circulation and returned to the mints.

Gold

The three mints and the New York Assay Office received 4.8 million fine ounces of gold valued at $166.3 million during fiscal 1959. Issues of gold totaled 51.9 million ounces valued at $1,817.9 million. Included were sales of 1.4 million ounces valued at $49.2 million for domestic industrial, professional, and artistic use; and 9.8 million ounces valued at $343.8 million withdrawn for payment of the United States increase in its gold subscription to the International Monetary Fund as authorized by Public Law 86-48, approved June 17, 1959. The amount of gold stored in the Fort Knox Depository remained unchanged at 356.7 million ounces valued at $12,483.4 million. Total holdings in custody of the five mint institutions and transactions of the mints and the assay office for the year are shown in the following table.

Gold holdings and transactions (excluding intermint transfers [1])	Fine ounces	Value
	In millions	
Holdings on June 30, 1958	610.2	$21,356.1
Receipts	4.8	166.3
Issues	51.9	1,817.9
Holdings on June 30, 1959	563.0	19,704.6
Net decrease	47.2	1,651.6

[1] Intermint transfers amounted to 38.3 million ounces valued at $1,338.9 million during fiscal 1959.

Silver

Silver bullion transactions made at the three mints, the New York Assay Office, and the West Point Depository, and beginning and end-of-year holdings of the five institutions are summarized in the following statement.

Silver bullion holdings and transactions (excluding intermint transfers [1])	Fine ounces (in millions)
Holdings on June 30, 1958	[2] 1,839.9
Receipts during fiscal year 1959:	
Newly mined domestic silver, act of July 31, 1946 (31 U.S.C. 316d)	20.4
Lend-lease silver from foreign governments:	
Ethiopia	5.4
India	57.0
Netherlands	4.3
Pakistan	8.3
Total lend-lease silver	75.1
Recoinage bullion from uncurrent United States silver coins	1.6
Other miscellaneous silver	1.7
Total receipts	98.9
Issues during fiscal year 1959:	
Manufactured into United States subsidiary silver coins	36.5
Sold under act of July 31, 1946 (31 U.S.C. 316d)	11.2
Other miscellaneous issues	2.0
Total issues	49.8
Holdings on June 30, 1959	[3] 1,889.0
Net increase in silver bullion	49.1

[1] Intermint transfers of silver bullion, including physical and book transfers, amounted to 64.2 million ounces during fiscal 1959.
[2] Includes 1,658.7 million ounces held as security for silver certificates.
[3] Includes 1,676.6 million ounces held as security for silver certificates.

Revenue and monetary assets

Revenue deposited by the Bureau of the Mint into the general fund of the Treasury totaled $47.5 million during the fiscal year. Seigniorage on the 324.4 million subsidiary silver coins manufactured amounted to $22.7 million and on the 1,251.3 million minor coins manufactured, $14.5 million. Seigniorage on 17.9 million ounces of silver bullion revalued from cost to monetary value as security for silver certificates amounted to $6.9 million. In addition to the $44.1 million in seigniorage, other miscellaneous deposits totaled $3.4 million.

Monetary assets of gold and silver bullion, silver and minor coins, and other values in the six mint institutions totaled $23.8 billion at the beginning of the fiscal year and $22.2 billion at the close of the year.

United States gold and silver production and consumption

The estimates of United States gold and silver production and issues of gold and silver for domestic industrial, professional, and artistic use, made annually by the Office of the Director of the Mint, are on a calendar year basis.

Domestic gold production totaled 1,759,000 fine ounces, and silver production, 36,800,000 fine ounces during the calendar year 1958, compared with 1,800,000 fine ounces and 38,720,200 fine ounces, respectively, in 1957. Gold issued for domestic industrial, professional, and artistic use amounted to 1,833,251 fine ounces in 1958, and silver issued for the same purposes, to 85,500,000 fine ounces. These compare with 1,450,000 fine ounces of gold and 95,400,000 fine ounces of silver issued in 1957.

Management improvement

The management improvement program of the Bureau of the Mint continued to progress in all the mint locations. Modernization of the Philadelphia Mint continued to receive considerable attention. Some alterations were made to the breakdown rolling mill at the end of 1959, and this equipment will be in operation during 1960, when it is expected that results will be considerably improved. Improvements made at the Denver Mint included: Increased capacity of breakdown rolling mill; reduction in blank reviewing; extension to slab coil annealing furnace; X-ray gauge on finish rolling mill; and increased melting capacity.

Reduction in manpower requirements during fiscal 1959 amounted to 47 employees. Savings of $304,000 resulting from improvements made in melting and rolling operations at Philadelphia, reduced the requirement for appropriated funds below the amounts which otherwise would have been required. Additional savings of $37,800 at Philadelphia and Denver served to offset partially per diem employee wage increases and increased costs of supplies and materials.

Continuing Bureau-wide attention was given to the incentive awards program, records management, safety, control of communication costs, and forms and reports control. Cash awards to employees amounted to $1,275 for suggestions resulting in intangible benefits and savings of $25,386.31 per year.

Bureau of Narcotics [1]

The Bureau of Narcotics administers a program designed to accomplish the aims of the Federal statutes and international conventions relating to narcotic drugs and marihuana.

The principal objectives of the Bureau are: (1) To suppress the illicit traffic in such drugs and thus avoid the spread of addiction; (2) to control the legitimate manufacture and distribution of narcotic medicines and prevent their diversion for addiction purposes; (3) to cooperate through the State Department with other governments in control of the international drug traffic and the discharge of the obligations of the United States under the several narcotics conventions and protocols; and (4) to cooperate with the several States in narcotic drug legislation and local law enforcement.

Law enforcement

To suppress illicit traffic the Bureau concentrates its efforts as far as possible on: (1) Eliminating foreign sources of supply of clandestine drugs and preventing their entry into the United States; (2) the detection and prevention of illicit interstate traffic; (3) the detection and elimination of wholesale traffic within the States; and (4) cooperating with State and local officials to accomplish the elimination of retail peddling and the treatment and cure of addicts.

In foreign countries investigation, surveillance, and negotiation are undertaken to detect and locate narcotic drugs intended for illicit traffic and prevent their entering this country. During the fiscal year 1959 through cooperation with the Canadian, French, Greek, Italian, Lebanese, Swiss, Syrian, and Turkish governments large seizures of crude, semiprocessed, and finished products destined for the United States were effected, leading in some instances to the closure of large clandestine laboratories. The Bureau continues on guard against the large supplies of opium and heroin which are available in Communist China.

In the United States important and effective aid in discouraging illicit traffic continues to be afforded by the Narcotics Control Act of 1956 (21 U.S.C. 174). The effects of this law are reflected in the increased sentences imposed. In Federal courts the average sentence per conviction for unregistered narcotic violators was 6 years 7 months in 1959 as compared with 6 years 1 month in 1958; and for marihuana violators it was 5 years 7 months as compared with 4 years 11 months in 1958. The gradual stiffening of penalties at both national and State levels is slowly but steadily producing a deterrent to illicit traffic in jurisdictions where the policy of heavier sentences applies.

In the course of its enforcement activities during the fiscal year the Bureau seized a total of 94,223 grams of narcotics as compared with 82,272 grams in 1958. Seizures of marihuana amounted to 343 kilograms 194 grams bulk and 607 cigarettes as compared with 299 kilograms 236 grams bulk and 1,620 cigarettes in 1958.

The following table shows for the fiscal year the number of violations of the narcotic laws reported by Federal narcotic enforcement officers. Violations by persons registered to engage in legitimate narcotic and marihuana activities are shown separately from those

[1] Further information concerning narcotic drugs is available in the separate report of the Bureau of Narcotics entitled *Traffic in Opium and Other Dangerous Drugs for the Year Ended December 31, 1958.*

by persons who were not qualified by registration to possess or handle the drugs.

Number of violations of the narcotic and marihuana laws reported during the fiscal year 1959 with their dispositions and penalties

	Narcotic laws								Marihuana laws			
	Registered persons				Nonregistered persons				Nonregistered persons			
	Federal Court		State Court		Federal Court		State Court		Federal Court		State Court	
Pending July 1, 1958	22				711				104			
Reported during 1959:												
Federal [1]	8				1,600				146			
Joint [1]	---				---				---			
Total to be disposed of	30				2,311				250			
Convicted:												
Federal	1		---		806		262		89		38	
Joint	---		---		---		---		---		1	
Acquitted:												
Federal			---		65		22		3		6	
Joint	---		---		---		---		---		---	
Dropped:												
Federal	18		1		232		76		24		8	
Joint	---		---		---		1		1		---	
Total disposed of	20				1,464				170			
Pending June 30, 1959	10				847				80			
Sentences imposed:	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*
Federal	8	---	---	---	5,340	6	1,157	8	500	10	131	10
Joint	---	---	---	---	---	---	---	---	---	---	2	---
Total	8	---	---	---	5,340	6	1,157	8	500	10	133	10
Fines imposed:												
Federal	---		---		$155,724		$2,708		$6,453		$2,362	
Joint	---		---		---		---		---		50	
Total	---		---		155,724		2,708		6,453		2,412	
Average sentence per conviction:	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*	*Yrs.*	*Mos.*
1959	8	---	---	---	6	7	4	5	5	7	3	5
1958	2	3	1	3	6	1	3	10	4	11	2	10
Average fine per conviction:												
1959	---		---		$193		$10[illegible]		$73		$62	
1958	$2,065[illegible]		---		135		46[illegible]		21		182	

[1] Federal cases are made by Federal officers working independently while joint cases are made by Federal and State officers working in cooperation.

Control of manufacture and medical distribution

In its control of legitimate trade the Bureau issues permits for imports of crude materials, for exports of finished drugs, and for intransit movement of narcotic drugs and preparations passing through the United States from one foreign country to another. It supervises the manufacture and distribution of narcotic medicines within the country and has authority to license the growing of opium poppies to meet the medicinal needs of the country if and when their production should become in the public interest.

The importation, manufacture, and distribution of opium and coca leaves and their derivatives are subjected to a system of quotas and allocations designed to insure their proper distribution for medical needs. During the year 175,073 kilograms of raw opium were imported from Turkey and India and 135,186 kilograms of coca leaves were imported from Peru to meet medical requirements for opium derivatives and cocaine and to supply nonnarcotic coca flavoring extracts. The latter were obtained as a byproduct from the same leaves from which the cocaine was simultaneously extracted.

The quantity of narcotic drugs exported during 1959 was somewhat more than was exported during 1958. However, the export total is not significant in comparison with the quantity used within the United States. The manufacture of narcotics continued high, principally because of the high medical consumption of pethidine, codeine, and papaverine.

There were 1,325 thefts of narcotics reported during the year from persons authorized to handle the drugs as compared with 1,147 the previous year. The quantities reported stolen amounted to 51,399 grams during 1959 and 38,698 grams in 1958.

Approximately 319,000 persons registered to engage in lawful narcotic and marihuana activities, practically all of whom were engaged in the manufacture, wholesale or retail distribution, or dispensing or prescribing of narcotic drugs for legitimate medical uses. The industrial and scientific uses of narcotic substances are comparatively few in number and such use is insignificant in volume.

International cooperation

The Bureau submits to appropriate agencies of the United Nations advance estimates of annual requirements for each basic drug covered by the several international conventions and, after the year has ended, full and complete statistics of manufacture, distribution, imports, exports, and stocks of all such drugs. It applies a system of import, export, and intransit permits which conforms to the requirements of these conventions as well as to our own Narcotic Drugs Import and Export Act. It exchanges, direct with the narcotics control authorities of other governments, information relating to movements of drugs under such permits, as well as information relating to illicit traffickers and illicit movements of narcotics between countries. Through the State Department the Bureau cooperates in matters of narcotic policy with other governments and with the United Nations. The Commissioner of Narcotics is the American Representative on the United Nations Commission on Narcotic Drugs, which meets annually to review the work of the various international agencies concerned with narcotics and make recommendations on narcotic matters to the Economic and Social Council.

Cooperation with States and municipalities

Excellent cooperation continues between Federal, State, and municipal narcotic law enforcement agencies in the exchange of law enforcement information and in local law enforcement activities. Many types of minor violations and routine inspections formerly handled by the Bureau are now referred to local or State authorities for investigation and prosecution, or investigated jointly with them.

The names of 46,266 active addicts were recorded in the Bureau's central index as of December 31, 1958, many of whom were reported by State and municipal agencies.

Scope of activities

The scope of the Bureau's operations continues to enlarge as additional drugs are made subject to the narcotic laws. Opium and coca leaves and their derivatives have been under national control since 1915; marihuana has been under control since 1937; isonipecaine, a synthetic known more generally as meperidine and internationally as pethidine, was brought under control in 1944; and under the act of March 8, 1946 (26 U.S.C. 4731(g)), a total of 34 other synthetic narcotics have been brought under control through findings by the Secretary of the Treasury, proclaimed by the President that the drugs possess addiction liability similar to morphine.

Internationally, opium, coca leaves, marihuana, and their more important derivatives have been under control by the terms of the Opium Conventions of 1912, 1925, and 1931. In addition under Article II of the 1931 Convention and the international Protocol of November 19, 1948, two secondary derivatives of opium and 37 synthetic drugs have been found to have addicting qualities similar to morphine or cocaine and have been brought under international control by a procedure similar to that provided in our national legislation. The agreement to limit the production of opium to world medical and scientific needs signed at the United Nations on June 23, 1953, and approved by the United States Senate August 20, 1954, was followed by Senate Resolution 290 of June 14, 1956, urging other governments also to ratify. This Protocol requires the ratifications of 25 states including any three of seven named producing countries and any three of nine named manufacturing countries. As of June 30, 1959, 32 ratifications had been deposited including six from manufacturing countries, but only one from a producing country. When two additional producing states have deposited their ratification, the Protocol will become effective and should then accomplish a much further reduction in the amount of opium available to the illicit traffic.

Narcotics training school

The Bureau's narcotics training school, staffed by 20 experts in narcotic law enforcement, has now graduated 500 State and municipal law enforcement officers, representing 189 separate agencies from 39 States and Puerto Rico. Officers from Afghanistan, Canada, Ecuador, Indonesia, Iran, Iraq, Japan, Jordan, Korea, Lebanon, Mexico, Thailand, and Turkey also have attended, representing 19 separate agencies from the 13 countries.

Management improvement

During the fiscal year one Bureau field district was abolished and its territory assigned to adjoining districts, for better utilization of manpower. The procedure for handling forfeitures of seized automobiles was streamlined and shortened to effect quicker forfeitures and dispositions with substantial savings in time and costs of automobile storage. A blanket lump sum postage contract with the Post Office Department has simplified mailing procedures. A system of monetary property accounting was instituted under which the Bureau's nonexpendable property is under continuous accounting control. The Bureau changed from the avoirdupois system of pounds, ounces, and grains to the more flexible metric system (kilograms, grams) for reporting and accounting for seized narcotics. A beginning was made in transferring addict records to punch cards for accurate and rapid identification of addicts and machine compilation of addiction statistics. Courses in the Treasury Department law enforcement school were completed by 29 narcotics officers. Cash awards were paid 15 employees for management improvement suggestions or for especially meritorious services.

United States Coast Guard

Enforcing or assisting in enforcing Federal laws on the high seas and waters within the jurisdiction of the United States is a basic duty of the United States Coast Guard. These laws govern navigation, shipping and other maritime operations, and the allied protection of life and property. The Service also promotes the safety and efficiency of merchant vessels; develops, establishes, maintains, and operates aids to maritime navigation for commerce and the Armed Forces; maintains a state of readiness to function as a specialized service in the Navy in time of war; and trains and maintains an adequate reserve force. Marine casualties from unsafe and illegal maritime practices are prevented not only by strict law enforcement but also by an educational program enlisting the cooperation and self-regulation of shipowners and boatmen. Title 14 of the United States Code prescribes the basic duties.

Search and rescue operations

The rapid growth of the Nation's waterborne and airborne commerce and pleasure boating continues to make ever-increasing demands on the Coast Guard's search and rescue facilities. Lifeboat stations, air stations, and floating units along the coasts, the inland waterways, Alaska, Hawaii, Bermuda, Puerto Rico, and Newfoundland are integrated into an effective search and rescue network by radio stations, communication centers, and rescue coordination centers. All Coast Guard air and surface craft are available for search and rescue duties primarily, or in conjunction with regular assignments.

The new Atlantic merchant vessel position reporting program, effective July 1, 1958, is aimed at encouraging domestic and foreign merchant vessels to send voluntary position reports and navigational data to Coast Guard shore based radio stations and ocean station vessels. Relayed to a ships' plot center in New York and processed by machine, these data provide up-dated position information for Coast Guard rescue coordination centers. The centers may then direct only those vessels which can be of effective aid to craft or persons in distress. Thus, diversion of all merchant ships in a large area becomes unnecessary. During the first operational year of this system, 3,993 merchant ships representing 46 nations participated.

Typical examples of assistance rendered by the Coast Guard during the fiscal year 1959 were as follows:

Tanker collision.—A collision on August 7, 1958, of the merchant tankers *Gulfoil* and *Graham* in heavy fog in the entrance to Narragansett Bay, R.I., set fire to both vessels. Navy, Coast Guard, and commercial units fought the fires for three days, searched for missing crewmen, and assisted in directing traffic through the area. The U.S.C.G.C. *Laurel* directed all on-scene operations.

Train wreck.—A New Jersey Central passenger train plunged into Newark Bay through an open drawbridge, on September 15, 1958, submerging two engines and two coaches. Coast Guard small craft and helicopters assisted in rescuing 43 survivors and recovering 29 bodies.

Helicopter rescue.—A 590-foot tanker, the *African Queen*, ran aground on December 30, 1958, and split in two ten miles off Ocean City, Md. Within two hours all 47 crew members were evacuated successfully by 15 helicopters from nearby Navy, Marine, and Coast Guard bases. Operations were coordinated by the Coast Guard Rescue Coordination Center at New York.

Arctic search.—The Danish motor vessel *Hans Hedtoft*, on her maiden voyage, struck an iceberg 60 miles south of Cape Farewell, Greenland, on January 31, 1959, and presumably sank shortly thereafter with all 93 persons on board. The U.S.C.G.C. *Campbell* rushed to the scene from Ocean Station *Bravo* and directed an intensive nine-day coordinated air and surface search. Hampered by high winds, heavy seas, pack ice, and icebergs, searching units found no trace of the ship or survivors.

Airplane crash.—A Lockheed Electra, with 67 passengers and 5 crew members, crashed in the East River about midnight on February 3, 1959, while making its final approach for landing at La Guardia Airport. Two Coast Guard helicopters, three vessels, and 13 small craft assisted throughout the night in rescuing nine survivors and recovering 22 bodies.

Medical evacuation.—On April 7, 1959, the U.S.C.G.C. *Storis* was dispatched to evacuate an injured seaman from the Russian refrigerator ship *Pischavaya Industriya* 140 miles north of Dutch Harbor, Alaska. After picking up an interpreter and doctor, a rendezvous was made and the injured patient taken to Cold Bay where a waiting Coast Guard plane completed the evacuation to the Elmendorf Air Force Base Hospital without incident.

Jet plane collision.—Two U.S. Air Force jet planes collided on May 22, 1959, near Ocean Station *Echo*, occupied by the U.S.C.G.C. *Mendota*. An Air Force weather plane spotted both pilots in the water and within two hours of collision the *Mendota* had rescued them.

A statistical summary of search and rescue assistance follows:

Rescue operations	By aviation units	By vessels [1]	By other equipment [2]	Total
Vessels assisted:				
Refloated (number)	82	161	1,449	1,692
Towed (number)	208	1,970	7,898	10,076
Otherwise aided (number)	661	735	2,319	3,715
Property involved (value including cargo)				$405,102,700
Miles towed				97,794
Aircraft assisted:				
Escorted (number)	460	3	30	493
Otherwise aided (number)	116	20	209	345
Property involved (value including cargo)				$1,067,604,100
Miles escorted				64,164
Persons assisted	571	406	1,389	2,366
Miscellaneous assisted (floods, forest fires, etc.)	101	145	911	1,157
Attempts to assist (no physical assistance rendered)	2,007	1,679	4,812	8,498
Persons involved (number):				
Lives saved or rescued from peril				2,552
Medical assistance furnished				1,986
Other assistance				66,631
Menaces to navigation removed				1,862
Miscellaneous property involved (value)				$10,285,100

[1] Vessels 56-foot and over in length.
[2] Small boats, vehicular, and other equipment.

Rescue and survival training programs for overseas aircraft

This program is conducted by the Coast Guard to instruct and train civil and military air carrier organizations. Flight crews and others directly concerned with overwater operations, including those of communications and air traffic control, are indoctrinated in all subjects which may contribute to safety and ultimate survival. Coordination between distressed aircraft and search and rescue agencies, procedures for making emergency landings at sea, use of survival equipment, and rescue techniques are emphasized. Participating organizations in fiscal 1959 numbered 208 and 4,187 persons attended.

Marine inspection and allied safety measures

The Federal Boating Act of 1958 (Public Law 85–911), providing for the promotion of boating safety, and coordination and cooperation with the States in the interest of boating laws, was approved September 2, 1958. Under the act all undocumented vessels propelled by machinery of more than ten horsepower using the navigable waters of the United States and its Territories are required to be numbered in accordance with an overall system established by the Secretary of the Treasury. State numbering systems are approved by the Commandant of the Coast Guard under authority delegated by the Secretary. In those States not having approved numbering systems by April 1, 1960, the Coast Guard will administer a numbering program for owners of vessels requiring a certificate of number.

The Council of State Governments, as a result of conferences with representatives of the Coast Guard, drafted a "State Boat Act" with explanatory statement which it distributed to all States as a suggested model for enactment. Before the close of the fiscal year 18 States had enacted vessel numbering laws. Four applications for formal approval of State numbering systems had been received by the Coast Guard and one had been approved by June 30, 1959. Although the effective date of the numbering provisions of the Federal Boating Act of 1958 under the act are not effective until April 1, 1960, instructions effective March 10, 1959, were issued to implement the accident reporting sections.

The act of May 10, 1956 (46 U.S.C. 390 a–g), has brought approximately 3,057 additional small passenger vessels under inspection and certification since June 1, 1958. This law and the large number of biennial inspections of cargo vessels during the year caused a peak in inspections for certification, but these are expected to decrease in future years.

There were 5,018 marine casualties reported and investigated during the period. Ten, considered major, were investigated by marine boards of investigation, which determined that 558 persons lost their lives due to vessel casualties, 363 from personal accidents not connected with vessel casualties, and 215 from miscellaneous causes including natural deaths, suicides, and homicides. There were no passengers' lives lost during the year as a result of casualties to inspected passenger vessels or their equipment.

The most serious casualty during the year involved the Great Lakes bulk carrier S.S. *Carl D. Bradley*, which broke in two and sank in Lake Michigan with the loss of 33 of the vessel's 35 crew members. Weather conditions at the time, although severe, were not considered of sufficient force to be the sole cause of the casualty. It was concluded, therefore, that the vessel possibly had developed an undetected structural weakness or defect. Because of this possibility, a program has been initiated which will increase early detection of structural weaknesses, particularly in older vessels of design similar to the *Bradley*.

Ship design and shipbuilding have continued extremely active, although there has been a notable drop in new passenger vessel construction. Three large passenger vessels, the S.S. *Brazil*, S.S. *Argentina*, and S.S. *Santa Paula*, were completed, leaving only the N.S. *Savannah* (atomic powered) still under construction. In contrast, tanker and cargo vessel construction and conversion have increased. It is noteworthy that new ship designs reflect the general advancement in technology and represent a radical departure from the conventional design of the past.

Completed in fiscal 1959 was the conversion of the S.S. *Methane Pioneer*, the first vessel designed for carrying liquefied methane at atmospheric pressure, which requires the cargo to be maintained at approximately 250° F. below zero. The *Methane Pioneer*, converted on an experimental basis, has proved the feasibilty of transporting methane long distances by water, thus opening up markets for natural gas which often had been a nuisance waste product. It also indicates the possibility of a more economical method of transporting other liquefied petroleum gases such as propane and butane. Various shipyards, designers, and prospective owners have been working on schemes to build a more practical vessel to carry these products.

Contributing to the growing number of nonconventional ships is the "Container Ship." This type permits the carrying of containers of a fixed size which can be transported by trailer to and from the ship. At present, four conversion designs for container service are being studied.

Emphasis also is being placed on the roll-on, roll-off type vessel, in which trailers and other vehicles are driven aboard instead of being lifted aboard by conventional cargo gear. This change requires the solving of unique problems to provide safe access to the ship from the dock and access throughout the vessel by means of ramps and elevators.

In the past few years tank vessels have been increasing in size, thus creating new problems in design, construction, and operation. At present plan approval work is being performed on a tanker 940 feet long and of over 100,000 deadweight tons. In comparison, the T2-type tanker, the workhorse of World War II, was only 525 feet long and had a deadweight tonnage of 16,000 tons.

During the year the Industry Advisory Panel on the Carriage of Ores and Ore Concentrates, appointed by the Commandant in 1957 as a result of casualties, completed its task and submitted "The Code of Good Practice for the Stowage of Bulk Cargoes; such as, Ore, Ore Concentrates, and Similar Cargoes When Carried in General Cargo Vessels." Industry has made increasing demands for the bulk movement of various chemicals, previously restricted because of their poisonous, corrosive, or flammable nature. Based on recommendations of a joint industry-Coast Guard advisory panel, conditions under which the carriage in bulk of four such commodities will be permitted have been established, and four more are being considered.

At the request of the Coast Guard, the Atomic Energy Panel of the Society of Naval Architects and Marine Engineers has developed recommendations for the safe application of nuclear power to merchant shipping. These recommendations will be used as a guide in the design approval, manning, and inspection of nuclear merchant vessels.

The Joint Inter-Agency Committee, consisting of representatives from the Atomic Energy Commission, Maritime Administration, Public Health Service, and Coast Guard, was organized early in 1959 to develop operating procedures for the N.S. *Savannah* and to identify safety responsibilities of the agencies involved in the nuclear ship program.

In March 1959 a Merchant Marine Technical Section was established in the Coast Guard District Office in San Francisco. This Section will handle the approval of plans and other technical matters which arise concerning merchant ship construction, conversion, and alteration for the entire Pacific Coast area, including Alaska and Hawaii. This should speed up and improve plan approval procedure and facilitate discussion between industry and the Coast Guard regarding problems of merchant marine safety and application of vessel regulations.

A digest of certain marine inspection activities for the fiscal year follows:

	Number of vessels	Gross tonnage
Vessel inspections completed	6,259	13,389,945
Dry dock examinations	5,673	14,558,081
Reinspections	3,243	6,759,851
Miscellaneous inspections	23,879	
Undocumented vessels numbered under provisions of the act of June 7, 1918, as amended (46 U.S.C. 288)	521,361	
Violations of navigation and vessel inspection laws	10,019	
Factory inspections	1,053,228	
Merchant vessel plans reviewed	19,564	

The Merchant Marine Council held ten regular committee meetings and two public hearings, supplemented by numerous Coast Guard District Commanders' meetings and discussions with affected parties, to consider proposed regulations implementing new legislation or amending present requirements. The regulations promulgated covered the following: Implementation of the Federal Boating Act of 1958, including numbering standards for undocumented vessels; reckless or negligent operation of vessels; vaporizing-liquid type fire extinguishers; rules of the road interpretive rulings; lights and day signals for vessels working on wrecks or obstructions, etc., on certain inland waters or western rivers; specifications for work vests and authorization to use such approved vests on inspected vessels; and miscellaneous amendments to regulations including those relating to vessel inspection, dangerous cargo, and load line.

The Coast Guard participated in meetings and conferences promoting marine safety, including the marine section, and the general interest session relative to recreational boating safety, of the National Safety Council's Exposition and Congress in Chicago, Ill.; the American Merchant Marine Conference sponsored by the U.S. Propeller Club at San Francisco, Calif.; the Western Rivers Panel of the Merchant Marine Council at St. Louis, Mo.; the Motorboat and Yacht Advisory Panel of the Merchant Marine Council at New York, N.Y.; and the Advisory Panel of State Officials of the Merchant Marine Council at Washington, D.C.

A pamphlet entitled *Pleasure Craft* was prepared which includes highlights of the Federal Boating Act of 1958, minimum legal requirements for the operation of pleasure craft, and suggestions for safety. The pamphlet was printed, and 1,200,000 copies have been distributed to the public. During the year 21 publications containing rules and regulations or informational material were issued (16 revisions, 5 reprints). In addition approximately 14,200 copies of the publication *Proceedings of the Merchant Marine Council* were distributed monthly to persons interested in marine safety activities administered by the Coast Guard.

The Coast Guard is vitally concerned with the 1960 Conference to revise the 1948 Convention on Safety of Life at Sea, which will be attended by representatives from more than 50 signatory nations. The Commandant of the Coast Guard has overall responsibility for initiating and coordinating the preparation of the United States proposals for the 1960 Convention. In January of 1959 the inaugural meeting of the Intergovernmental Maritime Consultative Organization was held in London. The Commandant of the Coast Guard attended as a delegate, and two other Coast Guard officers were present as advisers. In June 1959 there was a meeting of the Tonnage Measurement Committee of IMCO to which the Department of State requested that the Coast Guard furnish an adviser.

Merchant marine personnel.—Merchant marine personnel were issued 75,746 documents during the fiscal year, and shipping commissioners supervised the execution of 8,232 sets of shipping articles in connection with the shipment and discharge of seamen.

Merchant marine investigating sections in major United States ports and merchant marine details in certain foreign ports investigated 14,295 cases involving negligence, incompetence, and misconduct. Charges were preferred and hearings held on 1,148 cases by civilian examiners. Security checks were made of 19,307 persons desiring employment on merchant vessels.

Significant revisions of licensing regulations were made during the fiscal year to reflect changes in qualification requirements for certain types of merchant mariners' documents. The licensing program required by Public Law 519 (46 U.S.C. 390 a–g) was fully developed and approximately 1,000 examination questions were compiled, edited, and distributed to the field offices.

Law enforcement

The entry of merchant vessels into United States ports is controlled under the port security program of the Coast Guard. Part of this program consists also of supervising the loading of Class A explosives and administration of regulations relating to dangerous and hazardous cargoes. The service has the additional responsibility of screening merchant seamen employed on certain categories of United States vessels, as well as waterfront workers for admittance to waterfront facilities under specified conditions. Selected vessels and waterfront facilities in designated port areas are protected from the waterside, and by spot check from the shoreside.

The Coast Guard also assisted the Federal agencies having primary responsibility for enforcing the Oil Pollution Act (33 U.S.C. 431–437), anchorage regulations, laws relating to internal revenue, customs, immigration, quarantine, and the conservation and protection of wildlife and the fisheries.

The following statistics reflect the volume of enforcement work of the Coast Guard during the fiscal year:

Vessels boarded	181, 415
Waterfront facilities inspected	20, 221
Violations of Motorboat Act reported	13, 911
Violations of port security regulations reported	621
Violations of the Oil Pollution Act reported	214
Violations of other laws reported	275
Explosives loading permits issued	1, 024
Explosives loadings supervised	1, 096
Explosives covered by above permits (tons)	136, 781
Other hazardous cargoes inspected	6, 279
Anchorage violations	16

Cooperation with other Federal agencies

The Coast Guard performed services for other Federal agencies as follows:

Alcohol Tax Unit, Treasury (aircraft days)	70
Coast and Geodetic Survey (aerial surveys days)	265
Fish and Wildlife (censuses taken)	331
Weather Bureau:	
(*a*) Reports furnished	79, 795
(*b*) Warnings disseminated	21, 036

Aids to navigation

On June 30, 1959, there were 39,932 aids to navigation maintained in the navigable waters of the United States, its Territories and possessions, the Trust Territory of the Pacific Islands, and at overseas bases. During the year 11,615 new aids to navigation were established and 11,675 aids were discontinued. A summary of those maintained at the close of each of the last two fiscal years follows:

Kind of aid	1958	1959
	Number	
Loran transmitters	54	[1] 60
Radiobeacons	193	194
Fog signals (except sound buoys)	579	579
Lights (including lightships)	10,344	10,321
Daybeacons	5,641	5,720
Buoys, lighted (including sound)	3,394	3,464
Buoys, unlighted sound	367	361
Buoys, unlighted metal	13,353	13,506
Buoys, Mississippi River type	4,937	5,118
Buoys, spar	1,130	609
Total	39,992	39,932

[1] Includes three experimental loran-B and three experimental loran-C stations.

On June 30, 1959, the world-wide loran system contained 70 stations, of which 60 were operated by the Coast Guard. Sixty-one of the total are loran-A, three are loran-B (experimental), and six are loran-C. Two replacement loran-A, three loran-B, and three loran-C stations were constructed during fiscal 1959, while three temporary loran-A stations were disestablished. One replacement loran-A had been previously constructed. Five stations are planned for completion during fiscal 1960.

The Coast Guard, in cooperation with the St. Lawrence Seaway Development Corporation and the Corps of Engineers, U.S. Army, completed the installations of the aids to navigation to mark the main channel of the St. Lawrence Seaway between St. Regis, N.Y., and Lake Ontario. This entire system includes 88 minor lights, 42 lighted buoys, and 33 unlighted buoys.

Ocean stations

Throughout fiscal 1959 the Coast Guard maintained four ocean stations in the North Atlantic Ocean and two in the North Pacific. From August 31, 1958, to February 1, 1959, an additional and special ocean station was maintained for the Department of Defense in the North Atlantic Ocean. Ocean station vessels at strategic points provided meteorological services for air and marine commerce; communications for transoceanic traffic; air navigation facilities in the ocean areas regularly traversed by aircraft of the United States and other cooperating governments; and search and rescue facilities. During the year these Coast Guard vessels rendered assistance in 94 cases, and cruised approximately 525,543 miles in this program.

International ice patrol

The International Ice Observation and Ice Patrol Service in the North Atlantic Ocean for calendar year 1959 began operations with aerial reconnaissance during January 1959. The severe iceberg season of 1959 required the use of two surface patrol vessels, the

U.S.C.G.C. *Acushnet* and the U.S.C.G.C. *Androscoggin* beginning in mid-April 1959. Iceberg activity drove shipping to the extra southerly track "ALFA" in April for the first time since 1946.

The U.S.C.G.C. *Evergreen* carried out scientific oceanographic work beginning in early April.

Bering Sea Patrol

The Bering Sea Patrol was carried out by the U.S.C.G.C. *Northwind* during June, July, and August 1958. This patrol performs certain law enforcement duties and assists other Federal agencies in law enforcement; aids distressed persons, vessels, and aircraft; provides logistic services to outlying Coast Guard units; performs aids to navigation duties and marine inspection; and collects hydrographic, oceanographic, and meteorological data. During this patrol, the *Northwind* cruised 7,368 miles, carried three passengers on missions in the public interest, and supplied medical treatment to 557 persons and dental treatment to 565 persons in remote areas contiguous to the Bering Sea and Arctic Ocean.

Facilities, equipment, construction, and development

Floating units.—Large ships in active commission at the end of the year consisted of 180 cutters and buoy tenders of various types, 80 patrol boats, 32 lightships, 39 harbor tugs, and 10 buoy boats. During the year 3,073,711 miles were cruised as compared with 2,950,118 miles the previous year. Included in the 180 cutters are two special units, the U.S.C.G.C. *Courier* and the U.S.C.G.C. *Eagle.* The *Courier,* a 339-foot vessel equipped with radio broadcasting facilities, is manned and operated by the Coast Guard for the United States Information Agency. The *Eagle,* a 295-foot bark, is used exclusively for training purposes. The program of replacing overage 83-foot wooden patrol boats with new steel 95-footers will be terminated this fiscal year. A new program has been started to replace the remaining 47 wooden boats with a newly designed 82-foot steel boat.

Shore establishments.—Group Office and Captain of the Port, New York, facilities were moved into their new quarters at Battery Park. Rehabilitation of the newly acquired Coast Guard Reserve Training Center at Yorktown, Va., was started, and completion of the work is expected early in fiscal 1960. One air detachment and a section office were established to support an overseas loran chain of three transmitting stations and one monitor station.

Five lifeboat stations were discontinued; two being replaced by seasonal manned moorings and two by light attendant stations. One new lifeboat station was established. Three light attendant stations were disestablished. Twelve manned light stations were eliminated either by conversion to automatic, unattended operation, or by outright discontinuance. Other changes were the addition of one manned mooring and one recruiting station.

Aviation and aircraft.—During fiscal 1959 the Coast Guard operated a total of 128 aircraft; approximately one-third of which were helicopters. The aircraft are deployed at nine air stations and fourteen air detachments. In addition to these permanent air units, helicopters were redeployed on a temporary basis to Los Angeles, Calif., and Rockland, Maine, for search and rescue duties, and to the U.S.C.G.C. *Northwind* for support of the Bering Sea Patrol.

The procurement and disposal program for aircraft during the past year has, except where modified by new loran requirements and fund limitations, followed the schedule in the *Joint Report on the Requirements of Coast Guard Aviation.* This report, presented to Congress on February 26, 1957, by the Secretary of the Treasury and the Commandant of the Coast Guard, contained a plan for aircraft replacement and for meeting the increased demands upon Coast Guard aviation.

This year the Coast Guard acquired six aircraft. Two were new Bell helicopters (HULs) which replaced two small overage utility aircraft, and four were C–123Bs acquired from the Air Force to meet expanding logistic support requirements for new loran stations. In addition, six Sikorsky helicopters (HUS) to replace overage helicopters were scheduled for delivery the latter part of this year. Technical difficulties, however, delayed the delivery of the helicopters until shortly after July 1, 1959. The HUS helicopter is essentially an all weather vehicle which should substantially improve the search and rescue capabilities of the Coast Guard.

A new air detachment was established at Naples, Italy, early this year to provide logistic support for new loran stations in the Mediterranean. This unit was equipped with two of the C–123B aircraft acquired from the Air Force.

In connection with aerial support of the International Ice Patrol, tests were conducted this year to determine if the normal process of destruction of icebergs could be accelerated by aerial bombing. For these tests thermite bombs were dropped from a UF aircraft. Although the results of these tests were not conclusive, the method appears promising.

This year for the first time the Coast Guard used a helicopter instead of a small fixed wing aircraft to support law enforcement activities of the Alcohol and Tobacco Tax Division of the Treasury Department. The helicopter proved to be considerably more effective than the fixed wing aircraft in locating "stills." Future plans call for their continued use.

The Coast Guard continued the installation of towing equipment in HO4S type helicopters and carried out an extensive training program. Operational experience acquired thus far indicates a definite need for this equipment.

Communications.—The Coast Guard has been participating actively in the preparation for the Ordinary Administrative Radio Conference to convene in Geneva on August 17, 1959, under the auspices of the International Telecommunications Union. A Coast Guard officer has been named principal spokesman for Operating Regulations, one of four major committees of the U.S. delegation.

Engineering developments

Some of the more significant engineering projects completed or underway are as follows:

A program for modernizing and standardizing radiobeacon installations has been initiated. New type transmitters and amplifiers have been obtained. Procurement of new dual-carrier radiobeacon transmitting equipment is in process, which will provide single side band transmission. Procurement has been initiated for two types of microwave radiobeacon systems, one featuring both omnidirectional and directional range capabilities and the other a talking beacon.

The conversion of FM communications equipment to higher frequency for port security operations has progressed satisfactorily. Installation of teletypewriters on ocean station vessels was started, with two completed during 1959 and installation of eighteen more expected during 1960. Experimental use of single side band communications equipment has progressed during the year. Modification of the AN/FRT–23 transmitters for single side band capability is under consideration. The AN/SPS–29 radar has been selected as the most desirable equipment for replacing the obsolete, overage air search radars now on ocean station vessels. The Department of the Navy has agreed to furnish this equipment.

To reduce midair collisions and to make aircraft more visible to persons in distress the high visibility painting scheme for aircraft was adopted. Comparative evaluation of lifeboat radar reflectors was completed. Approval tests of fire fighting and lifesaving equipment for use on merchant vessels were conducted. Fog detection equipment and transistorized flashers for lighted aids to navigation are under study, and a solar battery for powering these aids is being tested.

A structural restoration program for 125-foot WSC and 165-foot WPC patrol craft was begun. Two of each class were so reconditioned during fiscal year 1959, and 10 more are scheduled for restoration during fiscal 1960, as these old, obsolete hulls have deteriorated to an alarming extent. The U.S.C.G.C. *Bonham* (WSC–129) and the U.S.C.G.C. *Pandora* (WPC–113) required immediate replacement, which was accomplished by borrowing from other agencies for an indefinite period two ATA's, the *Modoc* and the *Comanche*.

Three 110-foot WYTs were re-engined with Navy surplus diesels, and the remainder of this class are scheduled for similar re-engining during fiscal 1960.

Tests were completed on a prototype plastic, self-bailing motor surfboat, and on a high speed, shallow draft surfboat. A prototype 40′ utility boat with a fiberglass-reinforced plastic hull has been constructed and is being tested. It has a single propeller and is designed as unsinkable even when fully flooded. Twenty-nine 16-foot, outboard motor boats with plastic hulls have been constructed. Twenty-five 16-foot boats with similar hulls but with inboard gasoline engines are now in the construction stage. All of these boats have epoxy resin hulls reinforced with fiberglass and promise to reduce small boat hull maintenance costs.

Plans are being completed for 3 twinscrew 600 H.P. 65-foot steel pusher tenders with greatly improved accommodations, and three 70-foot steel work barges for use on the smaller tributaries of the Mississippi-Missouri Rivers. The improved buoy handling, greater storage space, and improved habitability of this combination will ultimately reduce the number of tender-barges now required in this area.

The smallest known high speed, controllable pitch propeller was designed, constructed, and installed on a dieselized 83-foot patrol boat. The purpose of this installation is to gain experience in this method of ship speed control and to explore its suitability for small vessels.

Preliminary reports of tests, trials, and in-service evaluation are encouraging.

The Ship Structure Committee, whose member agencies are Coast Guard, Navy, Maritime Administration, and American Bureau of Shipping, published the results of four completed research projects and of several continuing projects. Many of these resulting techniques will be applied directly to the construction of improved ships.

The overall Coast Guard industrial establishment was the subject of close examination aimed at reducing maintenance costs. A requirement for industrial budgeting was introduced at bases.

Coast Guard Reserve

The mission of the Coast Guard Reserve is to provide trained units and qualified persons available for active duty in time of war or national emergency or at other times as may be required for national security. In the administration of the Reserve program, the Coast Guard conforms in general with policies outlined in Department of Defense directives implementing the various laws relative to the Reserve components.

An extensive training program was carried out during this fiscal year for approximately 7,500 Reserve personnel. A majority received port security training and the remainder received afloat training or individual specialty training at schools and on-the-job.

New Organized Reserve training units commissioned during the year numbered 45, making a total of 190 units as of June 30, 1959. Although the majority were port security and vessel augmentation units, additional Rescue Coordination Center units were established at three new locations and electronics specialty training units at four locations. An aviation ground support unit was established in Miami, Fla., and is expected to be duplicated in other districts during fiscal 1960.

Personnel

The following table enumerates the Coast Guard personnel as of June 30, 1958 and 1959:

	1958	1959
	Number	
Military personnel:		
Commissioned officers	2,824	2,897
Chief warrant officers	556	638
Warrant officers	419	336
Cadets	417	464
Enlisted men	25,912	26,113
Total	30,128	30,448
Civilian personnel:		
Salaried (General Service)	2,244	2,336
Wageboard	2,379	2,180
Lamplighters	347	240
Total (exclusive of vacancies)	4,970	4,756
Ready reservists:		
Officers	3,216	3,382
Enlisted men	26,402	30,985
Total	29,618	34,367

Throughout the year enlisted Reservists without previous active duty were called up for service. On June 30, 1959, there were an estimated 2,700 Reservists on active duty.

Changes in the numbers of officers on active duty as of June 30 in 1958 and 1959, are shown below. The net gain of 66 during 1959 was just sufficient to meet the increased commitments at the beginning of fiscal 1960:

	1958	1959
	Number	
Additions of commissioned officers:		
Coast Guard Academy graduates	79	80
Officer Candidate School graduates	203	216
Reserve officers called to active duty	21	22
Former merchant marine officers appointed	20	13
Total	323	331
Losses of commissioned officers:		
Regular [1]	78	100
Reserve (on completion of obligated service)	169	165
Total	247	265
Net gain	76	66

[1] Through retirements, resignations, revocations, and deaths.

Of the 377 graduates of the Officer Candidate School during the year, 293 civilians were commissioned as ensigns in the Coast Guard Reserve and 84 from enlisted and warrant status received temporary commissions in the regular Coast Guard. Twelve naval aviators were commissioned in the rank of lieutenant, junior grade, and called to active duty. The program to procure licensed officers of the merchant marine resulted in the appointment in December 1958 of 17 commissioned officers and 9 commissioned warrant officers in the regular Coast Guard. The direct commissioning program which provides Reserve officers for assignment to Reserve training units resulted in 165 recommendations for appointment.

During 1959, 245 recruiters manned 52 main stations and 18 substations. Four mobile recruiting trailers were eliminated, because of high operating costs and low procurement quotas.

Also during 1959, 18,000 persons applied for enlistment in the regular Coast Guard and 4,530 were enlisted. Of the applicants for enlistment in the Coast Guard Reserve 4,110 were enlisted, the majority under the training program of six months' active duty. Personnel enlisting in the regular Coast Guard are assigned to one of the two recruit receiving centers for 12 weeks of recruit training. During 1959, 1,553 recruits were trained at Cape May, N.J., and 703 at Alameda, Calif.

Coast Guard education program.—The education and training programs sponsored by and participated in by the Service are summarized for 1958 and 1959 in statistical form as follows:

	1958	1959
	Number	
Coast Guard Academy:		
Applications	2,616	3,347
Applications approved	2,137	2,797
Appointments	210	203
Cadets	417	464
Graduates (bachelor of science degrees)	79	80
Officer Candidate School graduates	211	377
Enlisted men graduated from basic petty officer schools:		
Coast Guard	1,568	1,644
Navy and other	713	21
Total graduates of basic petty officer schools	2,281	1,665
Advanced schools (Navy and other)	476	802
Coast Guard Institute courses:		
New enrollments	16,551	16,925
Completed	5,680	6,091
United States Armed Forces Institute courses:		
New enrollments	2,650	1,601
Completed	341	366
Naval correspondence schools courses completed by:		
Enlisted men	364	314
Officers	964	1,054
Other training:		
Postgraduate (officers)	42	41
Entered flight (officers)	35	36
Helicopter pilot, 8-week (aviators)	27	26
Jet aircraft familiarization (officers)[1]		9

[1] At Olathe, Kans.

Approximately 75 visitors from foreign countries, under the sponsorship of other Government agencies, were extended the use of Coast Guard facilities for training in aids to navigation, loran, search and rescue procedures, merchant marine safety, vessel inspection, port security, and law enforcement.

Public Health Service support.—On June 30, 1959, there were 85 Public Health Service personnel on duty with the Coast Guard serving at ocean weather stations, Bering Sea Patrol, Deep Freeze IV operation, and numerous shore stations.

Military justice.—The 830 court-martial cases recorded during 1959 represented a decrease of 155 from those in 1958. The official Court-Martial Reports issued during the year included opinions on ten Coast Guard cases. A numerical summary of cases received and settled follows:

Cases	Recorded	Final decisions by General Counsel of the Treasury[1]	Appellate review completed in field by district commanders
Summary courts-martial	643	39	596
Special courts-martial	185	40	93
General courts-martial	2		
Total	[2] 830	79	689

[1] In his capacity as Judge Advocate General of the Coast Guard.
[2] Of which 54 cases were referred to the Coast Guard Board of Review for appellate consideration (in accordance with Article 66 of the Uniform Code of Military Justice, 10 U.S.C. 866). In 5 cases petitions were submitted to the U.S. Court of Military Appeals for grant of review of the Board of Review decision. All 5 petitions were denied.

Board of Review, Discharges and Dismissals.—In conformance with 10 U.S.C. 1553, and 33 C.F.R. 51 the following actions were taken during fiscal 1959:

Discharges of former enlisted men	Reviewed	No change	Changed to—	
			Honorable	Under honorable conditions
Under honorable conditions	23	21	2	
Undesirable	16	11	1	4
Bad conduct	12	10		2
Total	51	42	3	6

Personnel safety program.—During the calendar year 1958, 1,007 lost-time injuries were reported. The Coast Guard had an exposure of approximately 10,946,430 military man-days and 10,047,249 civilian man-hours. The accident frequency rate for 30,214 military personnel was 9.02 per 100,000 man-days, and 7.66 per 1,000,000 man-hours for 4,627 civilian workers.

Fiscal and supply management

Mess management was emphasized service-wide during the fiscal year 1959. With careful management review at all levels and improved procurement practices, including cross-servicing agreements with the single manager for subsistence, the average cost of the ration was reduced approximately $0.037 or a projected estimated savings of approximately $250,000 annually. Coast Guard personnel continued to be fed the same nutritious and balanced diet as before.

Significant economies have been realized by arrangements with the Departments of the Army, Navy, and Air Force for common supply items and commissary items, and for the overhaul, repair, and parts support for Coast Guard aircraft.

Coast Guard inventories were decreased approximately $1,430,000 through the disposal of excess materials during the year. Additional material with a book value of approximately $1,890,000 awaits disposal.

Coast Guard Auxiliary

The primary purpose of this voluntary, nonmilitary organization is the promotion of safety in the operation, navigation, and maintenance of small boats. Functioning in over 500 communities, the Auxiliary conducts public instruction courses in basic seamanship and safe boat handling. These courses had an enrollment of 73,902 during the fiscal year. Another phase of the Auxiliary is the courtesy motorboat examination wherein qualified Auxiliarists check the vessels of fellow boatmen. Examinations of 84,976 motorboats were conducted during the year. The Auxiliary also assisted the Coast Guard in patrolling 659 regattas and voluntarily cooperated with its parent organization in answering 2,328 calls for assistance. On June 30, 1959, the organization had 18,407 members and 11,517 facilities consisting of boats, aircraft, and radio stations.

Funds available, obligations, and balances

The following table shows the amount of funds available for the Coast Guard during the fiscal year 1959, and the amounts of obligations and unobligated balances:

	Funds available [1]	Net total obligations	Unobligated balances
Appropriated funds:			
Operating expenses	$178,388,644	$178,345,044	$43,600
Reserve training	15,000,000	14,890,376	109,624
Retired pay	28,500,000	28,095,367	404,633
Acquisition, construction, and improvements	13,227,324	10,631,009	2,596,315
Total appropriated funds	235,115,968	231,961,796	3,154,172
Reimbursements:			
Operating expenses	30,427,938	30,427,938	
Acquisition, construction, and improvements	23,492,541	17,421,617	6,070,924
Total reimbursements	53,920,479	47,849,555	6,070,924
Trust fund, United States Coast Guard gift fund	11,497	4,084	7,413
Grand total	289,047,944	279,815,435	9,232,509

[1] Funds available include unobligated balances brought forward from prior year appropriations as follows:

Acquisition, construction, and improvements:	
Reimbursements	$3,430,884
United States Coast Guard gift fund	6,344

Funds available do not include fiscal year 1959 appropriated funds obligated in fiscal year 1958 for advance procurements as follows:

Operating expenses	$1,111,356
Acquisition, construction, and improvements	4,922,676

Management improvement

During fiscal 1959 the management improvement program of the Coast Guard led to more effective use of manpower, funds, and facilities, alleviating personnel shortages and offsetting increased operating costs. Major improvements, some of which have been described earlier in this report, were: Significant improvements in mess administration; use of plastic for small boat construction; conversion of light lists to "Foto-List" system; reorganization of shore units; and replacement of older vessels.

Incentive awards.—Civilian employees submitted 295 suggestions and military personnel approximately 98. Suggestions adopted totaled 113, bringing estimated first year monetary savings of $69,860, with valuable intangible benefits.

Recognition of superior work performance was given to 52 civilian employees who contributed materially to efficiency and economy, and to 7 others for special acts or services.

Paperwork management.—There were 22 recurring reports eliminated and 30 were revised, resulting in estimated annual savings of $12,000. Through obsolescence or consolidation, 52 forms were eliminated.

United States Savings Bonds Division

The United States savings bonds program—with tens of millions of American bond owners—continues to be the keystone of the Treasury's efforts to manage soundly our public debt by attracting long-term savings into Government bonds. It also continues to be an important part of the Government's efforts to encourage the increased savings in all forms which are needed to finance soundly our growing economy.

Over the 24 years' existence of the savings bonds program, it has served our Nation well in both respects. At the close of the 1959 fiscal year, Series E and H bonds outstanding had grown to over $42½ billion, representing 15 percent of the $285 billion total public debt outstanding on June 30, 1959. The E and H bonds program is, in fact, the only broad area in debt management where the Treasury has been successful in attracting long-term savings into Government securities during the period since the close of World War II. Holdings of Government securities by individuals outside of the E and H bonds program declined by $13 billion during the last 12 years, while holdings by savings institutions went down by more than $10 billion. During the same period the volume of E and H bonds outstanding rose by almost $12 billion.

Over the years the savings bonds program has also served a unique purpose in encouraging people to save in many ways. There is no way of estimating how much the thrift and savings habit taught through the program has contributed to the total of well over $300 billion which individuals have saved in this country during the past two decades, but there is no doubt that the contribution has been very large.

The United States Savings Bonds Division is a small Government staff which plans and directs the promotional activities of a large corps of volunteers. They consist of thousands of public-spirited men and women who serve voluntarily as a sales promotion force and as issuing agents. They have been primarily responsible for the success of the program over the years.

Experience has shown that the payroll savings plan is the most effective method of channeling regular, systematic savings into Series E bonds—the most popular Government security. Almost half of the current E and H bonds sales are accounted for by purchases on payroll savings plans by some eight million Americans throughout industry and Government. Many of these savings grow out of the convenience of the payroll plan, savings which would not be taking place in such volume if it were not for the savings bonds program. Corporations throughout America, large and small alike, are administering these payroll savings plans on a voluntary basis because they realize their importance and the benefits to their employees of regular habits of thrift. Similarly, thousands of banks and other financial institutions across the country sell bonds every day without compensation because it is a program in which they sincerely believe. Also, all advertising time and space costs of the program are borne by private industry as a public service at no cost to the Government. Currently the value of the advertising contributed amounts to more than $50 million a year.

There are many reasons why so many millions of Americans buy and hold Series E and H savings bonds. In addition to the convenience of buying bonds on the payroll savings plan, owners of savings bonds never need worry about market fluctuations; savings bonds redemption values at all times are known in advance and are guaranteed by the Treasury. Furthermore, unlike savings accounts where rates may move either up or down from year to year, the Treasury guarantees whatever rate of interest it puts on the bond for the full term of that bond. Americans also know that savings bonds are perfectly safe; the Treasury has replaced over a million of those which have been lost or destroyed since the program began. These are attributes of savings bonds which have not changed over the years, quite apart from the relative attractiveness of the interest rate.

Savings bonds sales efforts were hampered in the 1959 fiscal year, however, by a rising trend in interest rates generally which provided a more favorable interest return on some other forms of saving. The less favorable rate on Series E and H bonds—3¼ percent when held to their maturity as compared with, for example, more than 4 percent on long-term Treasury marketable securities and average rates paid of about 3⅜ percent on savings and loan shares during this period—was reflected, particularly in the latter half of the year, in declining sales and increased redemptions. While total cash purchases of E and H bonds combined during the full fiscal year 1959 amounted to $4,506 million and were only 3.5 percent below 1958, in the last half of the year sales were off 7.4 percent as compared with January–June 1958. For the 1959 fiscal year as a whole, redemptions of E and H bonds totaled $5,107 million (including accrued interest in the amount of $771 million) but were below those in the fiscal year 1958 by 1.5 percent. However, in the last half of the fiscal year, redemptions increased sharply and were 10 percent above the similar months of the preceding year. Nevertheless, the cash value of E and H bonds outstanding rose by $574 million in fiscal 1959 since the $1,174 million in interest accumulations on outstanding E bonds during the year, when added to cash sales, more than offset the redemptions.

In June of 1959, the President transmitted to the Congress a group of legislative proposals to facilitate the sound management of the public debt. Included in the savings bonds proposals was a request for removal of the 3.26 percent statutory interest rate ceiling on savings bonds and a request for removal of the 10-year limitation on E bond extension. The Treasury promptly announced that if the enabling legislation was passed, it would increase to 3¾ percent the interest return on all Series E and H bonds issued on or after June 1, 1959, when held to their maturity, and further, all E and H bonds outstanding (including E bonds already in the extension period) would also earn approximately ½ percent more than previously if held to their maturity, beginning with their first semiannual interest period starting on or after June 1, 1959. Also, the Treasury announced that with the enabling legislation it would offer a second 10-year extension on E bonds issued from May 1941 through May 1949, and all outstanding unmatured E bonds would be given a 10-year extension privilege. (For details of the Treasury's announced changes, see exhibit 16, Secretary Anderson's letter of June 8, 1959, to the Speaker of the House of Representatives.)

While the interest rate ceiling on savings bonds was not removed, Congress took action shortly before it adjourned to raise the statutory limit to 4¼ percent. It also removed the 10-year limitation on E bond extension. The savings bonds legislation was signed by the President on September 22, 1959, and immediately, with the President's approval, the Treasury put into effect, retroactive to June 1, 1959, its announced revisions to increase the interest yield attractiveness of new as well as outstanding issues of Series E and H bonds and its announced changes in E bond extension.

The interest rate increases apply only to Series E and H savings bonds. They do not apply to outstanding issues of Series F, G, J, or K bonds, the investment-series type of savings bonds which was discontinued from sale in April 1957. However, all investors (except commercial banks) are now permitted to reinvest the proceeds of matured F and G bonds in E and H bonds without regard to the $10,000 (maturity value) annual purchase limits now in effect for each series.

With the new savings bonds legislation, the Savings Bonds Division and its host of volunteer workers are moving forward with a reinvigorated program to bring to the attention of all Americans the added attractions of savings bonds investments and their importance to the economic stability and financial strength of our Nation and its people.

Promotional efforts to increase savings stamp sales are also an integral part of the Treasury's efforts to bring new savers into the savings bonds program. Through the purchase of stamps, students at school, and others buy savings bonds on the installment plan. In the autumn of 1958 a brand new 25-cent stamp was offered, showing the Nation's flag in red, white, and blue, with the familiar volunteer—the Minute Man—in the foreground. At the same time, gift stamp books of ten or twenty of the new 25-cent stamps (costing $2.50 and $5.00) went on sale. Purchases of the new 25-cent stamps are at record levels. In 1959, 25-cent stamp sales exceeded every one of the past ten years. The total dollar sales of all denominations in 1959 amounted to approximately $19 million, representing some 110 million individual stamps.

Management

Headed by a National Director, the United States Savings Bonds Division is composed of three principal branches: Sales, Planning, and Advertising and Promotion. The chiefs of these branches, together with the National Director and Assistant National Director, comprise the Division's management committee, whose main objective is the improvement of services of the Division.

Management improvement

During 1959 decentralized regional organizations were further strengthened. In some instances, the area manager's post of duty was relocated and local sales territories within the States redrawn. More economical and effective work schedules resulted in better manpower utilization. Reorganization of the printing plant in the Distribution Center in Chicago thus far has resulted in the elimination of four positions. Savings from these improvements are estimated at $64,105.

Improved controls were devised through procedural guides developed for headquarters and field staffs, including uniform filing and records systems. Consolidation of certain types of printed materials and more selective distribution methods reduced the volume of promotional material and circular mailings. These improvements will bring estimated savings of $68,184 on an annual recurring basis.

Training courses for personnel throughout the year emphasized up-to-date sales techniques and efficient administrative methodology.

United States Secret Service

The major functions of the United States Secret Service are the protection of the President of the United States and members of his immediate family, the President-elect, and the Vice President at his request; the detection and arrest of persons committing any offenses against the laws of the United States relating to obligations and securities of the United States and of foreign governments; and the detection and arrest of persons violating certain laws relating to the Federal Deposit Insurance Corporation, Federal land banks, joint-stock land banks, and national farm loan associations. These and other duties of the Secret Service are defined in Section 3056 of Title 18, United States Code.

Management improvement

Some of the improvements made in administrative procedures during the year included the following.

An accounting system designed to meet requirements of the Budget and Accounting Procedures Act was developed in cooperation with the Accounting Systems Staff, Bureau of Accounts, and was placed in operation July 1, 1959.

A comprehensive financial management manual was compiled embodying detailed procedures and regulations for all segments of financial operations, including internal audit, budget, purchase and supply, accounting system, payroll procedures, voucher examination, reports and statements, and the filing system.

A determination that there is no legal requirement for redemption of paper money and coins altered with intent to defraud permitted the discontinuance of redemption procedures resulting in a savings of approximately $3,000 per year.

A system of classifying and coding handwriting was developed as an aid in associating forgeries of common authorship and identifying forgers engaged in interstate traffic in forged Government checks. This original system was installed in the headquarters office, effective August 1959.

Protective and security activities

During the year Secret Service agents rendered the usual protection to the President, members of his family, and the Vice President while in residence and during trips within the United States and abroad. Trips abroad included those of the President to Ottawa, Canada, in July 1958, to Acapulco, Mexico, in February 1959 and to Canada in June 1959 to participate with Queen Elizabeth in the dedication of the Saint Lawrence Seaway. In June 1959 advance agents of the Secret Service were in Russia making security arrangements for the scheduled visit of the Vice President.

Investigations concerning the protection of the President decreased by 33.7 percent, or 640 cases, in fiscal 1959 against 965 in 1958, and the number of such cases pending at the close of the year was 54.4 percent less than at the end of the previous year. Arrests in these cases increased from 78 in 1958 to 90 in 1959, or an increase of 15 percent.

Enforcement activities

Counterfeiting cases received increased by 38.9 percent and Secret Service agents seized a total of $1,924,536 in counterfeit notes, an increase of 174 percent over 1958. Of this amount, $1,664,207 was captured before it could be placed in circulation and $260,329 was passed on merchants and cashiers.

Representative value of counterfeit coins seized was $7,173.57, of which $6,766.32 was passed. There were 308 new issues of counterfeit notes, and for violating the counterfeiting laws 343 persons were arrested.

Summaries of some of the investigations follow.

In one case involving counterfeit $100 notes, 25 persons were arrested and $726,200 in the notes were seized before being placed in circulation. Approximately $25,000 of the notes had been passed in 22 States. Those arrested included three major Chicago distributors who had sold more than half a million dollars of the counterfeits to undercover agents.

In another case the owner of a chain of supermarkets and furniture stores in North Carolina and one of his employees were arrested for the manufacture and possession of counterfeit $20 notes. After several months of investigation, agents obtained a search warrant and staged a raid on a furniture store in Jacksonville, N.C. In a deep freezer bearing a tag marked "sold," agents found $776,680 of these counterfeit notes, none of which were ever placed in circulation.

The investigation of a ring of counterfeiters making counterfeit $10, $20, and $50 notes resulted in the arrest of 40 persons and the seizure of $138,660 of the counterfeit notes. Notes of this type had circulated in 38 States. The maker of the notes was arrested in Tennessee after delivering $72,000 to an undercover agent, and all of the counterfeiting paraphernalia was seized. Among the distributors arrested was a notorious Tennessee racketeer and fence for stolen goods.

A syndicate counterfeiting U.S. Treasury checks was broken up with the arrest of two ringleaders when they delivered 753 of the counterfeit checks to two undercover agents of the Secret Service who met them at the Washington National Airport. Along with the counterfeit Treasury checks, counterfeit Defense Department identification, counterfeit social security cards, counterfeit drivers' licenses, and counterfeit bank checks were seized by agents from the two ringleaders, both of whom were armed when arrested. Forty-one of the counterfeit Treasury checks had been passed in an area extending from Florida to Texas. Two others were arrested as a part of this conspiracy and arrest warrants have been issued for other members of the ring. This gang had plans for realizing over half a million dollars from the counterfeit Treasury checks.

The following table summarizes seizures of counterfeit money during the fiscal years 1958 and 1959.

Counterfeit money seized, fiscal years 1958 and 1959

	1958	1959	Increase, or decrease (−)	Percentage, increase, or decrease (−)
Counterfeit and altered notes:				
After circulation	$134,503.45	$260,329.25	$125,825.80	94
Before circulation	568,249.25	1,664,207.35	1,095,958.10	193
Total	702,752.70	1,924,536.60	1,221,783.90	174
Counterfeit coins seized:				
After circulation	8,118.81	6,766.32	−1,352.49	−17
Before circulation	421.35	407.25	−14.10	−3
Total	8,540.16	7,173.57	−1,366.59	−16
Grand total	711,292.86	1,931,710.17	1,220,417.31	171.6

During the fiscal year 1959 the number of cases involving the forgery of Government checks continued to rise. The Secret Service received 40,655 such cases, an increase of 20.8 percent over 1958, which, in turn, had increased 35.4 percent over those in 1957. Agents completed investigation of 32,173 check forgery cases, 17 percent more than in 1958. There had been 16,177 forged check cases on hand at the beginning of the year, and at its close there was a backlog of 24,659, an increase of 52.4 percent. Forged checks investigated had a representative value of $3,015,304. There were 2,878 arrests for forging Government checks.

The Secret Service received 5,232 cases concerning the forgery of United States savings bonds, 29.4 percent more than in 1958. Agents closed 3,618 such cases, the bonds involved having a representative value of $518,190. There were 67 offenders arrested for bond forgery At the beginning of the year, 2,027 such cases were pending, and at its close 3,641 were pending, an increase of 79.6 percent.

One of the largest check forgery rings ever encountered by the Secret Service was broken up in Dallas with the arrest of 18 members of the "Red Fox Cafe Gang." This ring was responsible for the theft and forgery of numerous Treasury checks, many of which had been altered to higher amounts. Several other members of the gang are being sought.

Agents in Richmond, Va., while investigating some 80 Treasury checks bearing forgeries of apparent common authorship learned that in one instance the forger had been driving a new Oldsmobile. Agents checked all Oldsmobile dealers in the vicinity and compared the forged endorsements with handwriting on all sales contracts. Through this tedious process agents eventually identified and arrested the forger who was sentenced to three years. He admitted forgeries totaling over $9,000.

Cases of all types received for investigation, including Presidential protection, counterfeiting, and forgery cases, aggregated 53,271, a rise of 20.8 percent. At the beginning of the year, there were 19,060 cases pending, and although 42,816 were closed during the year, there were 29,515 cases pending and 1,086 defendants awaiting prosecution as of June 30, 1959.

Secret Service agents arrested 167 persons for crimes other than counterfeiting and forgery, making a total of 3,455 offenders arrested. There were 3,163 convictions, representing 98.1 percent of all cases prosecuted, some of which had been pending from 1958.

The following tables show comparative case and arrest statistics for the fiscal years 1958 and 1959:

Criminal and noncriminal cases received, closed, and pending, fiscal years 1958 and 1959

Cases	1958	1959	Percentage increase, or decrease(−)
Received:			
Protective research	965	640	−33.7
Counterfeiting	3,173	4,408	38.9
Forged Government checks	33,648	40,655	20.8
Forged Government bonds	4,043	5,232	29.4
Miscellaneous criminal	464	438	−5.6
Miscellaneous noncriminal	1,809	1,898	4.9
Total	44,102	53,271	20.8
Closed:			
Protective research	1,092	683	−37.5
Counterfeiting	2,978	4,197	40.9
Forged Government checks	27,505	32,173	17.0
Forged Government bonds	4,205	3,618	−14.0
Miscellaneous criminal	436	430	−1.4
Miscellaneous noncriminal	1,818	1,715	−5.7
Total	38,034	42,816	12.6
Pending:			
Protective research	79	36	−54.4
Counterfeiting	452	663	46.7
Forged Government checks	16,177	24,659	52.4
Forged Government bonds	2,027	3,641	79.6
Miscellaneous criminal	125	133	6.4
Miscellaneous noncriminal	200	383	91.5
Total	19,060	29,515	54.9

Number of arrests, fiscal years 1958 and 1959

Arrests	1958	1959	Increase, or decrease(−)	Percentage increase, or decrease(−)
Arrests for:				
Counterfeiting	335	343	8	2.4
Forged Government checks	2,763	2,878	115	4.2
Violation of Gold Reserve Act	4	6	2	50.0
Stolen or forged bonds	72	67	−5	−7.0
Protective research	78	90	12	15.4
Miscellaneous	91	71	−20	−22.0
Total	3,343	3,455	112	3.4

EXHIBITS

Public Debt Operations, Calls of Guaranteed Obligations, Regulations, and Legislation

Treasury Certificates of Indebtedness, Treasury Notes, and Treasury Bonds Offered and Allotted

EXHIBIT 1.—Treasury certificates of indebtedness

Two Treasury circulars containing representative certificate offerings during the fiscal year 1959 are reproduced in this exhibit. The first circular is an exchange offering of the regular series of certificates and the second is a cash offering of tax anticipation certificates. Circulars pertaining to the other offerings are similar in form and therefore are not reproduced in this report. However, the essential details for each issue are summarized in the first table following the circulars and the final allotments of new certificates issued for cash or in exchange for maturing securities are shown in the second table.

DEPARTMENT CIRCULAR NO. 1012. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, July 21, 1958.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for certificates of indebtedness of the United States, designated 1⅝ percent Treasury certificates of indebtedness of Series C–1959, in exchange for which any of the following listed securities, singly or in combinations aggregating $1,000 or multiples thereof, may be tendered:

4 percent Treasury certificates of indebtedness of Series C–1958, maturing August 1, 1958

2¼ percent Treasury bonds of 1956–59, called for redemption on September 15, 1958

2⅜ percent Treasury bonds of 1957–59, called for redemption on September 15, 1958.

Exchanges will be made par for par in the case of the maturing certificates and in the case of the called bonds, at par with interest allowed to September 15 on the bonds and interest charged from August 1 to September 15 on the new certificates. The amount of the offering will be limited to the amount of the eligible securities of the three issues enumerated above tendered in exchange and accepted. The books will be open only on July 21 through July 23 for the receipt of subscriptions for this issue.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated August 1, 1958, and will bear interest from that date at the rate of 1⅝ percent per annum, payable semiannually on February 1 and August 1, 1959. They will mature August 1, 1959. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates is subject to all taxes imposed under the Internal Revenue Code of 1954. The certificates are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

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

4. Bearer certificates with interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $1,000,000, $100,000,000, and $500,000,000. The certificates will not be issued in registered form.

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

III. SUBSCRIPTION AND ALLOTMENT

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

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of certificates applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before August 1, 1958, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series C–1958, maturing August 1, 1958, Treasury bonds of 1956–59, called for redemption on September 15, 1958, or Treasury bonds of 1957–59, called for redemption on September 15, 1958, which will be accepted at par, and should accompany the subscription. Coupons dated August 1, 1958, should be detached from the maturing certificates and cashed when due. Coupons dated September 15, 1958, should be detached from both series of bonds and cashed when due. All subsequent coupons should be attached to coupon bonds when surrendered. Payment of accrued interest on the new certificates from August 1 to September 15, 1958 ($1.98709 per $1,000), should be made by all subscribers tendering coupon bonds in exchange when the subscription is tendered. In the case of registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury bonds of the two eligible issues in registered form tendered in payment for certificates offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for 1⅝ percent Treasury certificates of indebtedness of Series C–1959 to be delivered to ------------," in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or branch or to the Office of the Treasurer of the United States, Washington. The bonds must be delivered at the expense and risk of the holders.

VI. GENERAL PROVISIONS

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

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

ROBERT B. ANDERSON,
Secretary of the Treasury.

DEPARTMENT CIRCULAR NO. 1013. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, July 29, 1958.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for tax anticipation certificates of indebtedness of the United States, designated 1½ percent Treasury certificates of indebtedness of Series D–1959. The amount of the offering is $3,500,000,000, or thereabouts. The books will be open only on July 29 for the receipt of subscriptions.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated August 6, 1958, and will bear interest from that date at the rate of 1½ percent per annum, payable on a semiannual basis on March 24, 1959. They will mature March 24, 1959. They will not be subject to call for redemption prior to maturity.
2. The income derived from the certificates is subject to all taxes imposed under the Internal Revenue Code of 1954. The certificates are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.
3. The certificates will be acceptable to secure deposits of public moneys. They will be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1959.
4. Bearer certificates with one interest coupon attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, and $1,000,000. The certificates will not be issued in registered form.
5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of certificates applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 2 percent payment in excess of 2 percent of the amount of certificates allotted may be released upon the request of the subscribers.
2. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.
3. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of certificates applied for; and any action he may take in these respects shall be final. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made or completed on or before August 6, 1958, or on later allot-

ment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of certificates allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

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

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

ROBERT B. ANDERSON,
Secretary of the Treasury.

Summary of information pertaining to Treasury certificates of indebtedness issued during the fiscal year 1959

Date of preliminary announcement	Department circular		Concurrent offering, circular number	Certificates of indebtedness issued for cash or in exchange for maturing or called securities	Date of issue	Date of maturity	Date subscription books closed	Allotment payment date on or before (or on later allotment)
	Number	Date						
1958		*1958*			*1958*	*1959*	*1958*	*1958*
July 17	1012	July 21	----------	1⅝ percent Series C-1959 issued in exchange for—	Aug. 1	Aug. 1	July 23	[1] Aug. 1
				4 percent Series C-1958 certificates maturing Aug. 1, 1958.				
				2¼ percent Treasury bonds of 1956-59 called for redemption Sept. 15, 1958.				
				2⅜ percent Treasury bonds of 1957-59 called for redemption Sept. 15, 1958.				
July 25	1013	July 29	----------	1½ percent Series D-1959 (tax anticipation series) issued for cash	Aug. 6	Mar. 24	July 29	[2] Aug. 6
Nov. 18	1017	Nov. 19	1018	3⅜ percent Series E-1959 issued in exchange for—	Dec. 1	Nov. 15	Nov. 21	[3] Dec. 1
				3¾ percent Series D-1958 certificates maturing Dec. 1, 1958.				
				2½ percent Treasury bonds of 1958 maturing Dec. 15, 1958.				
1959		*1959*			*1959*	*1960*	*1959*	*1959*
Jan. 29	1021	Feb. 2	1022	3¾ percent Series A-1960 issued in exchange for—	Feb. 15	Feb. 15	Feb. 4	[4] Feb. 16
				2½ percent Series A-1959 certificates maturing Feb. 14, 1959.				
				1⅞ percent Series A-1959 Treasury notes maturing Feb. 15, 1959.				
Apr. 30	1025	May 11	----------	4 percent Series B-1960 issued in exchange for—	May 15	May 15	May 12	[5] May 15
				1¼ percent Series B-1959 certificates maturing May 15, 1959.				

[1] See Department Circular No. 1012, secs. III and IV, in this exhibit, for provisions for subscription and payment of interest.

[2] See Department Circular No. 1013, secs. III and IV, in this exhibit, for provisions for subscription and payment of certificates alloted. Qualified depositaries were permitted to make payment for certificates allotted to them and their customers by credit in Treasury tax and loan accounts.

[3] Following acceptance of surrendered certificates, Dec. 1, 1958, coupons detached, discount of $0.50 per $1,000 on certificates allotted was paid to subscribers and in the case of surrendered bonds, Dec. 15, 1958, coupons attached, accrued interest from June 15 to Dec. 1, 1958 ($11.54372 per $1,000) plus discount of $0.50 per $1,000 on certificates allotted was paid to subscribers.

[4] Following acceptance of surrendered certificates, final coupons detached, discount of $0.07 per $1,000 on certificates allotted was paid to subscribers.

[5] Following acceptance of surrendered certificates, May 15, 1959, coupons detached, discount of $0.50 per $1,000 on certificates allotted was paid to subscribers.

Allotments of Treasury certificates of indebtedness issued during

[In thousands

Federal Reserve district	1⅝ percent Series C–1959 certificates issued in exchange for—				1½ percent Series D-1959 certificates (tax anticipation series) issued for cash [1]
	4 percent Series C-1958 certificates maturing Aug. 1, 1958	2¼ percent Treasury bonds of 1956–59 called for redemption Sept. 15, 1958	2⅜ percent Treasury bonds of 1957–59 called for redemption Sept. 15, 1958	Total issued	
Boston	106, 589	80, 016	11, 127	197, 732	125, 251
New York	8, 720, 164	1, 035, 161	476, 183	10, 231, 508	1, 309, 296
Philadelphia	94, 069	63, 974	4, 598	162, 641	125, 629
Cleveland	194, 125	85, 473	13, 901	293, 499	299, 649
Richmond	70, 751	29, 888	4, 035	104, 674	116, 483
Atlanta	171, 828	69, 234	6, 082	247, 144	147, 945
Chicago	526, 107	376, 879	32, 566	935, 552	562, 834
St. Louis	182, 638	43, 621	6, 300	232, 559	107, 361
Minneapolis	117, 523	38, 531	9, 848	165, 901	70, 808
Kansas City	135, 893	63, 130	8, 089	207, 113	111, 399
Dallas	74, 422	65, 161	7, 057	146, 639	178, 091
San Francisco	229, 962	252, 261	78, 455	560, 679	412, 303
Treasury	10, 355	2, 482	1, 909	14, 746	
Government investment accounts					
Total certificate allotments	10, 634, 426	2, 205, 811	660, 150	13, 500, 387	3, 567, 049
Maturing securities: Exchanged in concurrent offerings					
Total exchanged	10, 634, 426	2, 205, 811	660, 150	13, 500, 387	
Redeemed for cash or carried to matured debt	884, 651	1, 612, 189	266, 661	2, 763, 501	
Total maturing securities	11, 519, 077	3, 818, 000	926, 811	16, 263, 888	

[1] Subscriptions for $100,000 or less were allotted in full and subscriptions in excess of $100,000 were allotted 59 percent but not less than $100,000.

the fiscal year 1959, by Federal Reserve districts

of dollars]

	3⅝ percent Series E-1959 certificates issued in exchange for—			3¾ percent Series A-1960 certificates issued in exchange for—			4 percent Series B-1960 certificates issued in exchange for 1¼ percent Series B-1959 certificates maturing May 15, 1959
	3¾ percent Series D-1958 certificates maturing Dec. 1, 1958 [2]	2½ percent Treasury bonds of 1958 maturing Dec. 15, 1958 [2]	Total issued	2½ percent Series A-1959 certificates maturing Feb. 14, 1959 [3]	1⅞ percent Series A-1959 Treasury notes maturing Feb. 15, 1959 [3]	Total issued	
	35,742	34,186	69,928	107,748	86,124	193,872	38,865
	5,966,217	717,072	6,683,289	7,014,047	1,779,563	8,793,610	764,754
	52,207	23,076	75,283	126,686	57,819	184,505	18,199
	57,177	79,011	136,188	124,894	87,114	212,008	49,907
	8,839	19,122	27,961	25,168	34,581	59,749	22,586
	23,823	28,540	52,363	93,563	108,868	202,431	22,889
	140,926	156,533	297,459	330,987	373,465	704,452	166,419
	36,776	47,530	84,306	98,083	77,111	175,194	28,511
	21,014	35,726	56,740	56,969	40,260	97,229	35,262
	36,787	41,394	78,181	71,171	99,120	170,291	54,588
	15,199	22,671	37,870	63,214	33,484	96,698	24,588
	34,876	68,219	103,095	176,604	260,971	437,575	33,445
	3,492	4,401	7,893	25,541	9,471	35,012	9,448
	6,433,075	1,277,481	7,710,556	8,314,675	3,047,951	11,362,626	1,269,461
	3,299,940	778,433	4,078,373	579,370	855,616	1,434,986	------------
	9,733,015	2,055,914	11,788,929	8,894,045	3,903,567	12,797,612	1,269,461
	99,704	312,452	412,156	875,846	1,198,710	2,074,556	547,056
	9,832,719	2,368,366	12,201,085	9,769,891	5,102,277	14,872,168	1,816,517

[2] Series B-1961 Treasury 3⅝ percent notes also offered in exchange for this maturity; see exhibit 2.
[3] Series D-1962 Treasury 4 percent notes also offered in exchange for this maturity; see exhibit 2.

EXHIBIT 2.—Treasury notes

Two Treasury circulars, one containing a cash and the other an exchange note offering during the fiscal year 1959, are reproduced in this exhibit. Circulars pertaining to the other note offerings during 1959 are similar in form and therefore are not reproduced in this report. However, the essential details for each issue are summarized in the first table following the circulars and the final allotments of the new notes issued for cash or in exchange for maturing securities are shown in the second table.

DEPARTMENT CIRCULAR NO. 1016. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, September 29, 1958.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accured interest, from the people of the United States for notes of the United States, designated 3½ percent Treasury notes of Series B–1959. The amount of the offering under this circular is $1,000,000,000, or thereabouts. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot up to $100,000,000 of these notes to Government investment accounts. The books will be open only on September 29 for the receipt of subscriptions for this issue.

II. DESCRIPTION OF NOTES

1. The notes will be dated October 10, 1958, and will bear interest from that date at the rate of 3½ percent per annum, payable on a semiannual basis on May 15 and November 15, 1959. They will mature November 15, 1959, and will not be subject to call for redemption prior to maturity.
2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.
3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.
4. Bearer notes with interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $1,000,000, $100,000,000, and $500,000,000. The notes will not be issued in registered form.
5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as offical agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit, but will be restricted in each case to an amount not exceeding 25 percent of the combined capital, surplus and undivided profits, of the subscribing bank. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of notes applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 2 percent payment in excess of 2 percent of the amount of notes alloted may be released upon the request of the subscribers.
2. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.

3. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of notes applied for, and to make different percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before October 10, 1958, or on later allotment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forefeited to the United States. Any qualified depositary will be permitted to make payment by credit for notes allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

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

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

ROBERT B. ANDERSON,
Secretary of the Treasury.

DEPARTMENT CIRCULAR NO. 1018. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, November 19, 1958.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at 99⅞ percent of their face value, from the people of the United States for notes of the United States, designated 3⅝ percent Treasury notes of Series B–1961, in exchange for a like face amount of 3¾ percent Treasury certificates of indebtedness of Series D–1958, maturing December 1, 1958, or 2½ percent Treasury bonds of 1958, maturing December 15, 1958, singly or in combinations aggregating $1,000 or multiples thereof. Interest will be adjusted as of December 1, 1958, in the case of the Treasury bonds of 1958, maturing December 15, 1958. In all cases a cash adjustment representing the discount from the face value of the new notes will be made in favor of the subscriber, as provided in Section IV, PAYMENT, hereof. The amount of the offering under this circular will be limited to the amount of maturing certificates and bonds tendered in exchange and accepted. The books will be open *only on November 19 through November 21* for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the maturing securities are offered the privilege of exchanging all or any part of such securities for 3⅜ percent Treasury certificates of indebtedness of Series E–1959, which offering is set forth in Department Circular No. 1017, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated December 1, 1958, and will bear interest from that date at the rate of 3⅝ percent per annum, payable on a semiannual basis on May 15 and November 15, 1959, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature May 15, 1961, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

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

4. Bearer notes with interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $1,000,000, $100,000,000, and $500,000,000. The notes will not be issued in registered form.

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

III. SUBSCRIPTION AND ALLOTMENT

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

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment for the face amount of notes allotted hereunder must be made on or before December 1, 1958, or on later allotment, and may be made only in a like face amount of Treasury certificates of indebtedness of Series D–1958, maturing December 1, 1958, or Treasury bonds of 1958, maturing December 15, 1958, which should accompany the subscription. Coupons dated December 1, 1958, should be detached from the Series D–1958 certificates by holders and cashed when due. The discount of $1.25 per $1,000 on notes allotted will be paid subscribers following acceptance of the certificates. In the case of the bonds, coupons dated December 15, 1958, must be attached to the bonds when surrendered and accrued interest from June 15, 1958, to December 1, 1958 ($11.54372 per $1,000), plus the discount of $1.25 per $1,000 on notes allotted will be paid subscribers, in the case of bearer bonds following their acceptance, and in the case of registered bonds following discharge of registration.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury bonds of 1958 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for 3⅝ percent Treasury Notes of Series B–1961 to be delivered to ------------," in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or branch, or to the Office of the Treasurer of the United States, Washington. The bonds must be delivered at the expense and risk of the holders.

VI. GENERAL PROVISIONS

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

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

ROBERT B. ANDERSON,
Secretary of the Treasury.

Summary of information pertaining to Treasury notes issued during the fiscal year 1959

Date of preliminary announcement	Department circular: Number	Department circular: Date	Concurrent offering, circular number	Treasury notes issued for cash or in exchange for maturing securities	Date of issue	Date of maturity	Date subscription books closed	Allotment payment date on or before (or on later allotment)
1958 Sept. 25	1016	*1958* Sept. 29		3½ percent Series B-1959 issued for cash	*1958* Oct. 10	*1959* Nov. 15	*1958* Sept. 29	*1958* [1,2] Oct. 10
Nov. 18	1018	Nov. 19	1017	3⅝ percent Series B-1961 issued in exchange for— 3¾ percent Series D-1958 certificates maturing Dec. 1, 1958. 2½ percent Treasury bonds of 1958 maturing Dec. 15, 1958.	Dec. 1	*1961* May 15	Nov. 21	[3] Dec. 1
1959 Jan. 8	1019	*1959* Jan. 12		3¼ percent Series B-1960 issued for cash	*1959* Jan. 21	*1960* May 15	*1959* Jan. 12	*1959* [2,4] Jan. 21
Jan. 29	1022	Feb. 2	1021	4 percent Series D-1962 issued in exchange for— 2½ percent Series A-1959 certificates maturing Feb. 14, 1959. 1⅞ percent Series A-1959 Treasury notes maturing Feb. 15, 1959.	Feb. 15	*1962* Feb. 15	Feb. 4	[5] Feb. 16
Mar. 19	1023	Mar. 23		4 percent Series B-1963 issued for cash	Apr. 1	*1963* May 15	Mar. 23	[2,6] Apr. 1

[1] See Department Circular No. 1016, secs. III and IV, in this exhibit for provisions for subscription and payment for notes allotted.

[2] Qualified depositaries were permitted to make payment for notes allotted to them and their customers by credit in Treasury tax and loan accounts.

[3] See Department Circular No. 1018, secs. III and IV, in this exhibit for provisions for subscription and payment of interest.

[4] Commercial banks were permitted to subscribe, without deposit, for their own account for an amount not exceeding 50 percent of the combined capital, surplus, and undivided profits of the subscribing bank. Payment for notes allotted was made at 99¾ and accrued interest, if any.

[5] Following acceptance of surrendered certificates of Series A-1959, with final coupons detached, discount of $0.07 per $1,000 on notes allotted was paid to subscribers.

[6] Commercial banks were permitted to subscribe, without deposit, for their own account for an amount not exceeding 50 percent of the combined capital, surplus, and undivided profits of the subscribing bank.

Allotments of Treasury notes issued during the fiscal year 1959, by Federal Reserve districts

[In thousands of dollars]

Federal Reserve district	3½ percent Series B-1959 Treasury notes issued for cash [1]	3⅝ percent Series B-1961 Treasury notes issued in exchange for—			3¼ percent Series B-1960 Treasury notes issued for cash [3]	4 percent Series D-1962 Treasury notes issued in exchange for—			4 percent Series B-1963 Treasury notes issued for cash [5]
		3¾ percent Series D-1958 certificates maturing Dec. 1, 1958 [2]	2½ percent Treasury bonds of 1958 maturing Dec. 15, 1958 [2]	Total issued		2½ percent Series A-1959 certificates maturing Feb. 14, 1959 [4]	1⅞ percent Series A-1959 Treasury notes maturing Feb. 15, 1959 [4]	Total issued	
Boston	50,253	5,820	14,423	20,243	95,115	40,630	27,150	67,780	84,702
New York	326,633	3,176,604	264,500	3,441,104	955,628	150,387	245,488	395,875	415,896
Philadelphia	38,503	2,479	12,578	15,057	119,900	24,285	10,062	34,347	52,088
Cleveland	58,452	12,735	46,120	58,855	207,802	56,725	44,496	101,221	90,963
Richmond	53,252	1,401	17,455	18,856	108,301	7,711	25,625	33,336	80,541
Atlanta	49,706	6,362	23,517	29,879	158,028	35,624	47,131	82,755	99,762
Chicago	197,077	47,735	160,530	208,265	440,972	116,144	208,415	324,559	393,530
St. Louis	69,918	6,195	33,892	40,087	101,521	29,471	43,104	72,575	66,973
Minneapolis	39,111	15,708	47,896	63,604	99,175	42,113	57,711	99,824	64,372
Kansas City	66,867	6,056	54,698	60,754	126,117	31,667	59,230	90,897	75,873
Dallas	52,425	6,375	35,686	42,061	119,529	11,736	32,969	44,705	102,692
San Francisco	80,928	11,417	59,196	70,613	205,076	27,938	50,320	78,258	114,281
Treasury	449	1,053	7,942	8,995	471	4,939	3,915	8,854	1,367
Government investment accounts	100,000								100,000
Total note allotments	1,183,574	3,299,940	778,433	4,078,373	2,737,635	579,370	855,616	1,434,986	1,743,040
Maturing securities:									
Exchanged in concurrent offerings		6,433,075	1,277,481	7,710,556		8,314,675	3,047,951	11,362,626	
Total exchanged		9,733,015	2,055,914	11,788,929		8,894,045	3,903,567	12,797,612	
Redeemed for cash or carried to matured debt		99,704	312,452	412,156		875,846	1,198,710	2,074,556	
Total maturing securities		9,832,719	2,368,366	12,201,085		9,769,891	5,102,277	14,872,168	

[1] Subscriptions for $50,000 or less were allotted in full and subscriptions in excess of $50,000 were allotted 35 percent but not less than $50,000.

[2] Series E-1959 Treasury 3⅜ percent certificates also offered in exchange for this maturity; see exhibit 1.

[3] Subscriptions for $100,000 or less were allotted in full and subscriptions in excess of $100,000 were allotted 47 percent but not less than $100,000.

[4] Series A-1960 Treasury 3¾ percent certificates also offered in exchange for this maturity; see exhibit 1.

[5] Subscriptions for $100,000 or less were allotted in full and subscriptions in excess of $100,000 were allotted 50 percent but not less than $100,000.

Exhibit 3.—Treasury bonds

A Treasury circular containing a cash bond offering during the fiscal year 1959 is reproduced in this exhibit. The circular pertaining to the other bond offering during 1959 is similar in form and therefore is not reproduced in this report. However, the essential details for each issue are summarized in the first table following the circular and the final allotments of new bonds issued for cash are shown in the second table. There were no bond offerings in exchange for maturing securities during fiscal 1959.

DEPARTMENT CIRCULAR NO. 1020. PUBLIC DEBT

Treasury Department,
Washington, January 12, 1959.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at 99 and accrued interest, from the people of the United States for bonds of the United States, designated 4 percent Treasury bonds of 1980. The amount of the offering under this circular is $750,000,000, or thereabouts. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot up to $75,000,000 of these bonds to Government investment accounts. The books will be open only on January 12 and January 13 for the receipt of subscriptions for this issue.

2. Deferred payment for bonds allotted hereunder may be made as provided in section IV hereof by any of the following subscribers, who for this purpose are defined as savings-type investors:

Pension and retirement funds—public and private
Endowment funds
Insurance companies
Mutual savings banks
Fraternal benefit associations and labor unions' insurance funds
Savings and loan associations
Credit unions
Other savings organizations (not including commercial banks)
States, political subdivisions or instrumentalities thereof, and public funds.

II. DESCRIPTION OF BONDS

1. The bonds will be dated January 23, 1959, and will bear interest from that date at the rate of 4 percent per annum, payable on a semiannual basis on August 15, 1959, and thereafter on February 15 and August 15 in each year until the principal amount becomes payable. They will mature February 15, 1980, and will not be subject to call for redemption prior to maturity.

2. The income derived from the bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000, and $1,000,000. 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.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment,[1] *provided:*

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[1] An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

(a) that the bonds were actually owned by the decedent at the time of his death; and

(b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the District Director of Internal Revenue at ____________ for credit on Federal estate taxes due from estate of ____________." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date;[2] bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,[3] properly completed, signed, and certified, and by proof of the representatives' authority in the form of a court certificate or a certified copy of the representatives' letters of appointment issued by the court. The certificate, or the certification to the letters, must be under the seal of the court, and except in the case of a corporate representative, must contain a statement that the appointment is in full force and be dated within six months prior to the submission of the bonds, unless the certificate or letters show that the appointment was made within one year immediately prior to such submission. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the District Director of Internal Revenue.

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

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit but will be restricted in each case to an amount not exceeding 4 percent of the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations, and other organizations not operated for profit), and of savings deposits, or 10 percent of the combined capital, surplus, and undivided profits, of the subscribing bank, whichever is greater. Subscriptions from States, political subdivisions or instrumentalities thereof, and public pension and retirement and other public funds also will be received without deposit. Subscriptions from all others must be accompanied by payment of 15 percent of the amount of bonds applied for, not subject to withdrawal until after allotment; provided, however, that all subscriptions up to a maximum of $25,000 will be allotted in full if accompanied

[2] The transfer books are closed from January 16 to February 15, and from July 16 to August 15 (both dates inclusive) in each year.

[3] Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington 25, D.C.

by 100 percent payment at the time of entering the subscriptions. Following allotment, any portion of the 15 percent payment in excess of 15 percent of the amount of bonds allotted may be released upon the request of the subscribers.

2. All subscribers will be required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bonds of this issue, until after January 13, 1959.

3. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.

4. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to allot less than the amount of bonds applied for, and to make different percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. The basis of the allotment will be publicly announced and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at 99 and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before January 23, 1959; provided, however, that where a subscriber eligible to defer payment under section I hereof elects to defer payment for part of the bonds allotted, not less than 25 percent of the bonds allotted must have been paid for by January 23, 1959, not less than 50 percent must have been paid for by February 24, 1959, not less than 75 percent must have been paid for by March 23, 1959, and full payment must be completed by April 23, 1959. All payments made subsequent to January 23, 1959, must be accompanied by accrued interest from that date, at the rate of $0.1096 per $1,000 per day. Where partial payment for bonds allotted is to be deferred beyond January 23, 1959, delivery of 5 percent of the total par amount of bonds allotted, adjusted to the next higher $500, will be withheld from all subscribers (except States, political subdivisions or instrumentalities thereof, and public pension and retirement and other public funds) until payment for the total amount allotted has been completed. In every case where payment is not so completed the 5 percent so withheld shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. In all other cases, where payment is not completed on or before January 23, 1959, or on later allotment, the payment with application up to 15 percent of the amount of bonds allotted 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.

V. GENERAL PROVISIONS

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

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

ROBERT B. ANDERSON,
Secretary of the Treasury.

Summary of information pertaining to Treasury bonds issued during the fiscal year 1959

Date of preliminary announcement	Department circular		Treasury bonds issued for cash	Date of issue	Date of maturity	Date subscription books closed	Allotment payment date on or before (or on later allotment) [4]
	Number	Date					
1959 Jan. 8	1020	*1959* Jan. 12	4 percent of 1980 issued for cash	*1959* Jan. 23	*1980* Feb. 15	*1959* Jan. 13	*1959* [1 2] Jan. 23
Mar. 19	1024	Mar. 23	4 percent of 1969 (additional issue) issued for cash.	*1957* Oct. 1 [3]	*1969* Oct. 1	Mar. 23	[2 4] Apr. 1

[1] See Department Circular No. 1020, secs. III and IV, in this exhibit for provisions for subscription and payment of bonds allotted.
[2] Qualified depositaries were permitted to make payment for bonds allotted to them and their customers by credit in Treasury tax and loan accounts.
[3] Accrual of interest from Apr. 1, 1959.
[4] Commercial banks were permitted to subscribe, without deposit, for their own account for an amount not exceeding 5 percent of the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations, and other organizations not operated for profit), and of savings deposits, or 15 percent of the combined capital, surplus, and undivided profits of the subscribing bank, whichever was greater. Subscriptions from States, political subdivisions or instrumentalities thereof, and public pension and retirement and other public funds were also received without deposit.

Allotments of Treasury bonds issued during the fiscal year 1959, by Federal Reserve districts

[In thousands of dollars]

Federal Reserve district	4 percent Treasury bonds of 1980 issued for cash [1]	4 percent Treasury bonds of 1969 (additional issue) issued for cash [2]
Boston	50, 412	25, 527
New York	310, 544	216, 957
Philadelphia	31, 544	22, 852
Cleveland	54, 608	43, 206
Richmond	38, 188	21, 573
Atlanta	42, 819	16, 289
Chicago	95, 632	94, 791
St. Louis	19, 347	14, 872
Minneapolis	13, 595	18, 924
Kansas City	35, 238	15, 585
Dallas	44, 283	21, 188
San Francisco	97, 145	57, 603
Treasury	761	94
Government investment accounts	50, 000	50, 000
Total bond allotments	884, 116	619, 461
Maturing securities: Exchanged in concurrent offerings		
Total exchanged		
Redeemed for cash or carried to matured debt		
Total maturing securities		

[1] 70 percent allotment to savings-type investors, a 35 percent allotment to commercial banks for their own account, and a 15 percent allotment to all other subscribers were made. Subscriptions up to $25,000 were allotted in full where accompanied by 100 percent payment at the time subscriptions were entered. All other subscriptions for $5,000 were allotted in full and subscriptions in excess of $5,000 were allotted not less than $5,000.
[2] A 65 percent allotment to savings-type investors, a 35 percent allotment to commercial banks for their own account, and a 20 percent allotment to all other subscribers were made. Subscriptions for $25,000 or less from savings-type investors and commercial banks and for $10,000 or less from all others were allotted in full. Subscriptions for more than these minimums were allotted not less than the minimums.

Treasury Bills Offered and Accepted

EXHIBIT 4.—Treasury bills

During the fiscal year 1959 there were 81 weekly issues of regular 13-week and 26-week Treasury bills (including 16 issues of 13-week bills, beginning March 12, 1959, which represent additional issues of bills with an original maturity of 26 weeks), 3 issues of the tax anticipation series, and 3 other issues of 219-, 289-, and 340-day bills. Five press releases and one Department circular inviting tenders and six releases announcing the acceptance of tenders are reproduced in this exhibit. The press releases of November 13 and November 18, 1958, are in a form representative of a weekly single issue of regular Treasury bills. Press releases of February 17 and February 21, 1959, are representative of a weekly double issue of regular Treasury bills (91- and 182-day) on the same issue date, while press releases of May 14 and May 19, 1959, are representative of a weekly double issue of regular bills (91- and 182-day) in which there is an additional issue of a currently outstanding issue of 182-day bills having 91 days remaining before maturity and a new issue of 182-day bills. The press release of December 1, 1958, announced the inauguration of this new cycle of 13-week and 26-week bills. The tax anticipation series is represented by the releases of April 30 and May 8, 1959. Department Circular No. 1015, dated September 29, 1958, and the press release of October 7, 1958, contain information on the offering of Treasury bills for cash only and issued at a fixed price, and press releases of April 30 and May 7, 1959, are in a form representative of bills offered for cash only and issued on a discount basis under competitive and noncompetitive bidding. The essential details regarding each issue of Treasury bills during the fiscal year 1959 are summarized in the table following the documents.

PRESS RELEASE OF NOVEMBER 13, 1958

The Treasury Department, by this public notice, invites tenders for $1,800,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing November 20, 1958, in the amount of $1,799,824,000, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated November 20, 1958, and will mature February 19, 1959, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, one-thirty o'clock p.m., eastern standard time, Monday, November 17, 1958. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on November 20, 1958, in cash or other immediately available funds, or in a like face amount of Treasury bills maturing November 20, 1958. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, Revised, 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.

PRESS RELEASE OF NOVEMBER 18, 1958

The Treasury Department announced last evening that the tenders for $1,800,000,000, or thereabouts, of 91-day Treasury bills to be dated November 20, 1958, and to mature February 19, 1959, which were offered on November 13, were opened at the Federal Reserve Banks on November 17.

The details of this issue are as follows:

Total applied for	$2,998,074,000
Total accepted (includes $301,272,000 entered on a noncompetitive basis and accepted in full at the average price shown below)	1,802,871,000
Range of accepted competitive bids:	
High, equivalent rate of discount approximately 2.769% per annum	99.300
Low, equivalent rate of discount 2.880% per annum	99.272
Average, equivalent rate of discount approximately 2.876% per annum	99.273

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

Federal Reserve district	Total applied for	Total accepted
Boston	$34,342,000	$16,087,000
New York	2,105,307,000	1,165,596,000
Philadelphia	54,890,000	19,055,000
Cleveland	59,797,000	31,538,000
Richmond	36,555,000	20,755,000
Atlanta	32,025,000	27,923,000
Chicago	382,625,000	326,095,000
St. Louis	25,034,000	21,301,000
Minneapolis	21,817,000	16,853,000
Kansas City	64,390,000	34,930,000
Dallas	24,796,000	23,846,000
San Francisco	156,496,000	98,892,000
Total	2,998,074,000	1,802,871,000

PRESS RELEASE OF FEBRUARY 17, 1959

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of $1,800,000,000, or thereabouts, for cash and in exchange for Treasury bills maturing February 26, 1959, in the amount of $1,802,782,000, as follows:

91-day bills for $1,400,000,000, or thereabouts, to be dated February 26, 1959, and to mature May 28, 1959.

182-day bills for $400,000,000, or thereabouts, to be dated February 26, 1959, and to mature August 27, 1959.

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, one-thirty o'clock p.m., eastern standard time, Friday, February 20, 1959. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guarantee of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $200,000 or less for the 91-day bills and noncompetitive tenders for $50,000 or less for the 182-day bills without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids for the respective issues. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on February 26, 1959, in cash or other immediately available funds or in a like face amount of Treasury bills maturing February 26, 1959. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, Revised, 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.

PRESS RELEASE OF FEBRUARY 21, 1959

The Treasury Department announced last evening that the tenders for two series of Treasury bills to be dated February 26, 1959, which were offered on February 17, were opened at the Federal Reserve Banks on February 20. Tenders were invited for $1,400,000,000, or thereabouts, of 91-day bills and for $400,000,000, or thereabouts, of 182-day bills. The details of the two series are as follows:

Range of accepted competitive bids	91-day Treasury bills maturing May 28, 1959		182-day Treasury bills maturing Aug. 27, 1959	
	Price	Approximate equivalent annual rate	Price	Approximate equivalent annual rate
High	99.366	2.508%	[a] 98.508	2.951%
Low	99.340	2.611%	98.483	3.001%
Average	99.346	2.589%	98.494	2.978%

79 percent of the amount of 91-day bills bid for at the low price was accepted.
33 percent of the amount of 182-day bills bid for at the low price was accepted.

Total tenders applied for and accepted by Federal Reserve districts

District	Applied for	Accepted	Applied for	Accepted
Boston	$29,876,000	$19,540,000	$2,361,000	$2,076,000
New York	1,710,137,000	946,047,000	594,411,000	271,393,000
Philadelphia	25,988,000	10,957,000	6,317,000	1,317,000
Cleveland	37,554,000	32,554,000	18,608,000	13,508,000
Richmond	16,048,000	12,148,000	2,002,000	530,000
Atlanta	19,305,000	16,221,000	5,865,000	5,865,000
Chicago	203,038,000	163,868,000	74,183,000	59,983,000
St. Louis	29,170,000	23,170,000	3,576,000	3,526,000
Minneapolis	11,348,000	9,843,000	6,011,000	2,911,000
Kansas City	40,113,000	39,987,000	10,488,000	10,455,000
Dallas	16,499,000	16,499,000	2,323,000	2,323,000
San Francisco	118,360,000	109,260,000	33,131,000	26,121,000
Totals	2,257,436,000	[b] 1,400,094,000	759,276,000	[c] 400,008,000

[a] Excepting two tenders totaling $120,000.
[b] Includes $197,738,000 noncompetitive tenders accepted at the average price of 99.346.
[c] Includes $29,964,000 noncompetitive tenders accepted at the average price of 98.494.

PRESS RELEASE OF MAY 14, 1959

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of $1,400,000,000, or thereabouts, for cash and in exchange for Treasury bills maturing May 21, 1959, in the amount of $1,399,999,000, as follows:

91-day bills (to maturity date) to be issued May 21, 1959, in the amount of $1,000,000,000, or thereabouts, representing an additional amount of bills dated February 19, 1959, and to mature August 20, 1959, originally issued in the amount of $401,127,000, the additional and original bills to be freely interchangeable.

182-day bills, for $400,000,000, or thereabouts, to be dated May 21, 1959, and to mature November 19, 1959.

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, one-thirty o'clock p.m., eastern daylight saving time, Monday, May 18, 1959. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guarantee of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $200,000 or less for the additional bills dated February 19, 1959 (91 days remaining until maturity date on August 20, 1959), and noncompetitive tenders for $50,000 or less for the 182-day bills without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids for the respective issues. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on May 21, 1959, in cash or other immediately available funds or in a like face amount of Treasury bills maturing May 21, 1959. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, Revised, 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.

PRESS RELEASE OF MAY 19, 1959

The Treasury Department announced last evening that the tenders for two series of Treasury bills, one series to be an additional issue of the bills dated February 19, 1959, and the other series to be dated May 21, 1959, which were offered on May 14, were opened at the Federal Reserve Banks on May 18. Tenders were invited for $1,000,000,000, or thereabouts, of 91-day bills and for

$400,000,000, or thereabouts, of 182-day bills. The details of the two series are as follows:

Range of accepted competitive bids	91-day Treasury bills maturing Aug. 20, 1959		182-day Treasury bills maturing Nov. 19, 1959	
	Price	Approximate equivalent annual rate	Price	Approximate equivalent annual rate
High	99.282	2.840%	[a] 98.310	3.343%
Low	99.270	2.888%	98.280	3.402%
Average	99.275	2.869%	98.293	3.376%

34 percent of the amount of 91-day bills bid for at the low price was accepted.
53 percent of the amount of 182-day bills bid for at the low price was accepted.

Total tenders applied for and accepted by Federal Reserve districts

District	Applied for	Accepted	Applied for	Accepted
Boston	$23,089,000	$11,959,000	$4,092,000	$4,069,000
New York	1,567,441,000	728,741,000	674,422,000	304,962,000
Philadelphia	28,237,000	12,892,000	12,654,000	7,504,000
Cleveland	33,612,000	18,437,000	19,140,000	9,056,000
Richmond	9,565,000	9,515,000	670,000	670,000
Atlanta	24,721,000	16,947,000	1,900,000	1,900,000
Chicago	180,507,000	99,527,000	66,103,000	29,848,000
St. Louis	15,003,000	14,903,000	2,992,000	2,942,000
Minneapolis	7,619,000	7,019,000	2,913,000	2,819,000
Kansas City	34,654,000	22,654,000	4,891,000	4,544,000
Dallas	15,885,000	15,860,000	2,237,000	2,037,000
San Francisco	55,266,000	41,924,000	39,930,000	29,766,000
Totals	1,995,599,000	[b] 1,000,378,000	831,944,000	[c] 400,117,000

[a] Excepting one tender of $35,000.
[b] Includes $210,749,000 noncompetitive tenders accepted at the average price of 99.275.
[c] Includes $21,827,000 noncompetitive tenders accepted at the average price of 98.293.

PRESS RELEASE OF DECEMBER 1, 1958

The Treasury Department announced today further details of its program to move gradually from the present cycle of 13-week Treasury bills aggregating $23.4 billion, to a new cycle which will include both 13-week and 26-week bills amounting to $26.0 billion.

On Thursday, December 4, 1958, the Treasury will invite tenders for $1.6 billion, or thereabouts, of 91-day Treasury bills, and $0.4 billion, or thereabouts, of 182-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding. Tenders for both series will be received on Monday, December 8, 1958. The bills of both series will be dated December 11, 1958, and will mature March 12, 1959, and June 11, 1959, respectively.

The Treasury expects to issue both 13-week and 26-week Treasury bills each week, although both the aggregate amount of bills and the relative proportion of 13-week and 26-week bills may be varied from week to week. It is presently contemplated that by the end of the first 13 weeks under the new program the aggregate amount of Treasury bills outstanding will be increased by $2.6 billion. After this additional cash is raised, the aggregate amount of the two weekly issues of bills to be offered is expected to be $1.6 billion.

PRESS RELEASE OF APRIL 30, 1959

The Treasury Department, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 221-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be designated tax anticipation series, they will be dated May 15, 1959, and they will mature December 22, 1959. They will be accepted at face value in payment of income and profits taxes due on December 15, 1959, and to the extent they are not presented for this purpose the face amount of these bills will be payable without interest at maturity. Taxpayers desiring to apply these bills in payment of December 15, 1959, income and profits taxes have the privilege of surrendering them to any Federal Reserve Bank or branch or to the Office of the Treasurer of the United States, Washington, not more than fifteen days before December 15, 1959, and receiving receipts therefor showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before December 15, 1959, to the District Director of Internal Revenue for the district in which such taxes are payable. The bills will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, one-thirty o'clock p.m., eastern daylight saving time, Thursday, May 7, 1959. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

All bidders are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bills of this issue, until after one-thirty o'clock p.m., eastern daylight saving time, Thursday, May 7, 1959.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $400,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on May 15, 1959.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, Revised, 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.

PRESS RELEASE OF MAY 8, 1959

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of tax anticipation series 221-day Treasury bills to be dated May 15, 1959, and to mature December 22, 1959, which were offered on April 30, were opened at the Federal Reserve Banks on May 7.

The details of this issue are as follows:

Total applied for	$1, 699, 421, 000
Total accepted (includes $110,167,000 entered on a noncompetitive basis and accepted in full at the average price shown below)	1, 500, 025, 000
Range of accepted competitive bids (excepting one tender of $15,000,000):	
High, equivalent rate of discount approximately 3.501% per annum	97. 851
Low, equivalent rate of discount approximately 3.655% per annum	97. 756
Average, equivalent rate of discount approximately 3.565% per annum	97. 811

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

Federal Reserve district	Total applied for	Total accepted
Boston	$21, 451, 000	$5, 451, 000
New York	1, 257, 054, 000	1, 124, 954, 000
Philadelphia	30, 029, 000	15, 029, 000
Cleveland	91, 231, 000	72, 231, 000
Richmond	9, 586, 000	9, 586, 000
Atlanta	34, 116, 000	31, 016, 000
Chicago	170, 801, 000	166, 801, 000
St. Louis	13, 404, 000	13, 404, 000
Minneapolis	8, 227, 000	8, 077, 000
Kansas City	13, 404, 000	13, 368, 000
Dallas	4, 131, 000	4, 121, 000
San Francisco	45, 987, 000	35, 987, 000
Total	1, 699, 421, 000	1, 500, 025, 000

DEPARTMENT CIRCULAR NO. 1015. PUBLIC DEBT

TREASURY DEPARTMENT,
Washington, September 29, 1958.

I. OFFERING OF BILLS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, and under the applicable terms and conditions of Treasury Department Circular No. 418, Revised, invites subscriptions at 98.023 (equivalent rate of discount approximately 3.25 percent per annum) for 219-day Treasury bills. The amount of the offering under this circular is $2,500,000,000, or thereabouts. The books will be open only on September 29 for the receipt of subscriptions for this issue.

II. DESCRIPTION OF BILLS

1. The bills of this issue will be dated October 8, 1958, and will mature May 15, 1959, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000 $500,000, and $1,000,000 (maturity value). Each subscription must be for an even multiple of $1,000 at the price stated above.

2. The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State,

but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

3. The bills will be acceptable at maturity value to secure deposits of public moneys. They will not be acceptable in payment of taxes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit, but will be restricted in each case to an amount not exceeding 50 percent of the combined capital, surplus, and undivided profits of the subscribing bank. Subscriptions from all others must be accompanied by payment of 2 percent of the face amount of bills applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 2 percent payment in excess of 2 percent of the amount of bills allotted may be released upon the request of the subscribers.

2. Commercial banks in submitting subscriptions will be required to certify that they have no beneficial interest in any of the subscriptions they enter for the account of their customers, and that their customers have no beneficial interest in the banks' subscriptions for their own account.

3. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of bills applied for, and to make different percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment for bills allotted hereunder must be made or completed on or before October 8, 1958, or on later allotment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of bills allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

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

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

ROBERT B. ANDERSON,
Secretary of the Treasury.

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PRESS RELEASE OF OCTOBER 7, 1958

The Treasury Department today announced the subscription and allotment figures with respect to the current cash offering of $1 billion of 3½ percent Treasury notes and $2½ billion of 219-day special Treasury bills priced to yield 3.25 percent. The notes will be dated October 10, 1958, and will mature November 15, 1959. The bills will be dated October 8, 1958, and will mature May 15, 1959. In addition, $100 million of the notes were allotted to Government investment accounts.

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

Federal Reserve district	Series B-1959 notes		219-day Treasury bills	
	Total subscriptions received	Total subscriptions allotted	Total subscriptions received	Total subscriptions allotted
Boston	$127,770,000	$50,253,000	$310,894,000	$143,075,000
New York	892,810,000	326,633,000	1,715,968,000	769,087,000
Philadelphia	93,968,000	38,503,000	278,503,000	129,572,000
Cleveland	141,182,000	58,432,000	530,659,000	243,964,000
Richmond	131,497,000	53,409,000	251,910,000	122,345,000
Atlanta	110,357,000	49,839,000	323,939,000	158,419,000
Chicago	469,618,000	197,075,000	961,539,000	460,442,000
St. Louis	158,401,000	70,034,000	209,346,000	109,387,000
Minneapolis	75,591,000	39,111,000	167,799,000	92,964,000
Kansas City	136,145,000	66,867,000	244,873,000	132,279,000
Dallas	128,116,000	52,474,000	313,594,000	149,255,000
San Francisco	219,453,000	80,928,000	495,407,000	224,506,000
Treasury	1,228,000	448,000	200,000	100,000
Government investment accounts		100,000,000		
Total	2,686,136,000	1,184,006,000	5,804,631,000	2,735,395,000

PRESS RELEASE OF APRIL 30, 1959

The Treasury Department, by this public notice, invites tenders for $2,000,000,000, or thereabouts, of 340-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated May 11, 1959, and will mature April 15, 1960, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, one-thirty o'clock p.m., eastern daylight saving time, Wednesday, May 6, 1959. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guarantee of payment by an incorporated bank or trust company.

All bidders are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of any bills of this issue, until after one-thirty o'clock p.m., eastern daylight saving time, Wednesday, May 6, 1959.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $400,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on May 11, 1959, provided, however, any qualified depositary will be permitted to make payment by credit in its Treasury tax and loan account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its district.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, does not have any exemption, as such, and loss from the sale or other disposition of Treasury bills does not have any special treatment, as such, under the Internal Revenue Code of 1954. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States is considered to be interest. Under sections 454(b) and 1221(5) of the Internal Revenue Code of 1954 the amount of discount at which bills issued hereunder are sold is not considered to accrue until such bills are sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, Revised, 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.

PRESS RELEASE OF MAY 7, 1959

The Treasury Department announced last evening that the tenders for $2,000,000,000, or thereabouts, of 340-day Treasury bills to be dated May 11, 1959, and to mature April 15, 1960, which were offered on April 30, were opened at the Federal Reserve Banks on May 6.

The details of this issue are as follows:

Total applied for	$3, 460, 864, 000
Total accepted (includes $297,414,000 entered on a non-competitive basis and accepted in full at the average price shown below)	2, 000, 289, 000
Range of accepted competitive bids (excepting one tender at $1,300,000):	
High, equivalent rate of discount approximately 3.740% per annum	96. 468
Low, equivalent rate of discount approximately 3.865% per annum	96. 350
Average, equivalent rate of discount approximately 3.835% per annum	96. 378

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

Federal Reserve district	Total applied for	Total accepted
Boston	$145, 841, 000	$84, 141, 000
New York	1, 427, 339, 000	822, 214, 000
Philadelphia	170, 568, 000	131, 918, 000
Cleveland	381, 150, 000	154, 000, 000
Richmond	95, 310, 000	63, 035, 000
Atlanta	142, 780, 000	88, 730, 000
Chicago	499, 871, 000	323, 896, 000
St. Louis	86, 458, 000	52, 308, 000
Minneapolis	80, 919, 000	50, 319, 000
Kansas City	87, 436, 000	64, 336, 000
Dallas	128, 983, 000	103, 383, 000
San Francisco	214, 209, 000	62, 009, 000
Total	3, 460, 864, 000	2, 000, 289, 000

Summary of information pertaining to Treasury bills [1] issued during the fiscal year 1959

[Dollar amounts in thousands]

Date of issue	Additional issue of bills dated	Date of maturity	Days to maturity	Maturity value					Prices and rates						Amount maturing on issue date of new offering
				Total applied for	Tenders accepted				Total bids accepted [2]		Competitive bids accepted				
											High		Low		
					Total accepted	On competitive basis	On noncompetitive basis [2]	In exchange	Average price per hundred [3]	Equivalent average rate [4] (percent)	Price per hundred	Equivalent rate [4] (percent)	Price per hundred	Equivalent rate [4] (percent)	
Regular Weekly															
1958		*1958*													
July 3	....	Oct. 2	91	$2,329,271	$1,699,816	$1,479,393	$220,423	$239,391	99.806	0.768	99.815	0.732	99.800	0.791	$1,700,087
10	....	9	91	2,320,915	1,700,110	1,466,952	233,158	20,263	99.764	0.934	99.793	0.819	99.748	0.997	1,700,140
17	....	16	91	2,652,278	1,699,154	1,402,205	296,949	30,340	99.713	1.136	[5] 99.724	1.092	99.706	1.163	1,701,300
24	....	23	91	2,593,401	1,700,411	1,415,489	284.922	29,659	99.750	0.988	[6] 99.757	0.961	99.746	1.005	1,699,865
31	....	30	91	2,753,952	1,700,297	1,444,696	255,601	23,211	99.751	0.984	99.767	0.922	99.746	1.005	1,701,714
Aug. 7	....	Nov. 6	91	2,429,312	1,700,012	1,448,483	251,529	21,705	99.706	1.164	[7] 99.729	1.072	99.696	1.203	1,700,410
14	....	13	91	2,481,817	1,699,217	1,414,441	284,776	22,042	99.615	1.524	[8] 99.640	1.424	99.602	1.575	1,700,027
21	....	20	91	2,515,279	1,799,824	1,514,594	285,230	230,225	99.521	1.895	[9] 99.539	1.824	99.512	1.931	1,800,750
28	....	28	92	2,463,298	1,799,938	1,527,714	272,224	226,871	99.448	2.161	[10] 99.469	2.078	99.436	2.207	1,800,230
Sept. 4	....	Dec. 4	91	2,567,764	1,800,317	1,565,038	235,279	127,371	99.378	2.461	[11] 99.400	2.374	99.369	2.496	1,800,204
11	....	11	91	2,549,457	1,800,067	1,446,352	353,715	33,015	99.404	2.359	99.419	2.298	99.398	2.382	1,700,209
18	....	18	91	2,635,580	1,800,120	1,444,122	355,998	31,623	99.342	2.604	[12] 99.368	2.500	99.331	2.647	1,701,012
25	....	26	92	2,575,593	1,799,811	1,440,327	359,484	143,431	99.358	2.511	99.375	2.446	99.352	2.536	1,700,384
		1959													
Oct. 2	....	Jan. 2	92	2,291,462	1,801,327	1,565,264	236,063	131,608	99.254	2.920	[13] 99.292	2.770	99.233	3.001	1,699,816
9	....	8	91	2,381,614	1,800,069	1,535,463	264,606	67,575	99.326	2.668	99.360	2.532	99.306	2.745	1,700,110
16	....	15	91	3,088,408	1,803,037	1,542,182	260,855	20,291	99.260	2.927	[14] 99.267	2.900	99.257	2.939	1,699,154
23	....	22	91	2,986,773	1,799,712	1,445,258	354,454	26,872	99.291	2.804	[15] 99.300	2.769	99.289	2.813	1,700,411
30	....	29	91	2,871,781	1,802,702	1,503,195	299,507	96,718	99.331	2.647	99.335	2.631	99.328	2.658	1,700,297
Nov. 6	....	Feb. 5	91	2,814,432	1,802,029	1,501,414	300,615	162,490	99.330	2.649	[16] 99.335	2.631	99.329	2.655	1,700,012
13	....	13	92	2,856,554	1,800,617	1,465,919	334,698	23,780	99.291	2.774	[17] 99.330	2.622	99.288	2.786	1,699,217
20	....	19	91	2,998,145	1,802,955	1,501,612	301,343	119,155	99.273	2.876	99.300	2.769	99.272	2.880	1,799,824
28	....	26	90	2,830,520	1,802,782	1,519,970	282,812	276,428	99.319	2.723	99.326	2.696	99.317	2.732	1,799,938
Dec. 4	....	Mar. 5	91	2,794,676	1,799,836	1,519,923	279,913	69,494	99.291	2.805	[18] 99.297	2.781	99.288	2.817	1,800,317
11 [19]	....	12	91	2,407,446	1,599,851	1,263,317	336,534	55,313	99.291	2.805	99.305	2.749	99.287	2.821	1,800,067
11	....	June 11	182	1,072,877	400,311	354,186	46,125	10,401	98.442	3.081	[20] 98.450	3.066	98.437	3.092	....
18	....	Mar. 19	91	2,475,630	1,600,423	1,285,018	315,405	34,787	99.266	2.904	99.295	2.789	99.263	2.916	1,800,120
18	....	June 18	182	764,282	400,101	361,368	38,733	3,907	98.435	3.095	[21] 98.450	3.066	98.427	3.111	....
26	....	Mar. 26	90	2,393,505	1,600,759	1,297,476	303,283	128,888	99.315	2.739	99.320	2.720	99.313	2.748	1,799,811
26	....	June 25	181	833,796	399,593	367,423	32,170	2,119	98.483	3.017	[22] 98.492	2.999	98.480	3.023	....

1959															
Jan. 2	----------	Apr. 2	90	2,478,873	1,600,275	1,379,496	220,779	11,880	99.327	2.690	99.335	2.660	99.324	2.704	1,801,327
2	----------	July 2	181	754,856	400,059	380,917	19,142	2,175	98.532	2.920	98.542	2.900	98.528	2.928	----------
8	----------	Apr. 9	91	2,508,228	1,599,337	1,334,691	264,646	161,734	99.323	2.678	99.331	2.647	99.319	2.694	1,800,069
8	----------	July 9	182	680,002	400,038	377,794	22,244	2,447	98.504	2.959	98.537	2.894	98.494	2.979	----------
15	----------	Apr. 16	91	2,178,447	1,599,657	1,299,682	299,975	24,835	99.290	2.808	99.325	2.670	99.280	2.848	1,803,037
15	----------	July 16	182	733,832	400,576	369,675	30,901	2,082	98.466	3.034	[23] 98.480	3.007	98.458	3.050	----------
22	----------	Apr. 23	91	2,375.099	1,400,834	1,102,559	298,275	103,119	99.233	3.034	99.300	2.769	99.230	3.046	1,799,712
22	----------	July 23	182	593,053	400,073	373,225	26,848	2,617	98.366	3.232	[24] 98.458	3.050	98.330	3.303	----------
29	----------	Apr. 30	91	2,625,868	1,399,273	1,116,708	282,565	130,330	99.248	2.975	[25] 99.267	2.900	99.245	2.987	1,802,702
29	----------	July 30	182	780,920	400,063	373,650	26,413	21,212	98.313	3.337	[26] 98.332	3.299	98.306	3.351	----------
Feb. 5	----------	May 7	91	2,299,876	1,399,734	1,134,167	265,567	219,936	99.312	2.721	99.333	2.639	99.309	2.734	1,802,029
5	----------	Aug. 6	182	716,112	399,912	371,685	28,227	20,655	98.429	3.107	98.468	3.030	98.408	3.149	----------
13	----------	May 14	90	2,303,623	1,401,266	1,128,622	272,644	95,565	99.298	2.809	99.340	2.640	99.295	2.820	1,800,617
13	----------	Aug. 13	181	725,262	399,998	373,558	26,440	21,396	98.328	3.326	98.445	3.093	98.304	3.373	----------
19	----------	May 21	91	2,394,816	1,399,999	1,138,443	261,556	111,371	99.311	2.726	99.319	2.694	99.309	2.734	1,802,955
19	----------	Aug. 20	182	922,130	401,127	372,585	28,542	6,090	98.355	3.253	[27] 98.380	3.204	98.352	3.260	----------
26	----------	May 28	91	2,257,271	1,399,930	1,202,357	197,573	193,376	99.346	2.589	99.366	2.508	99.340	2.611	1,802,782
26	----------	Aug. 27	182	754,629	395,362	370,045	25,317	3,934	98.494	2.978	[28] 98.508	2.951	98.483	3.001	----------
Mar. 5	----------	June 4	91	2,089,659	1,500,249	1,264,862	235,387	58,014	99.288	2.816	[29] 99.305	2.749	99.280	2.848	1,799,836
5	----------	Sept. 3	182	724,241	400,147	375,251	24,896	14,500	98.427	3.111	[30] 98.443	3.080	98.418	3.129	----------
	1958														
12[31]	Dec. 11	June 11	91	2,254,183	1,300,917	1,041,105	259,812	36,861	99.226	3.062	99.288	2.817	99.223	3.074	1,599,851
12	----------	Sept. 10	182	967,445	400,299	372,103	28,196	1,242	98.294	3.375	[32] 98.312	3.339	98.292	3.378	----------
19	Dec. 18	June 18	91	2,019,435	1,300,587	1,023,789	276,798	40,574	99.302	2.763	99.308	2.738	99.297	2.781	1,600,423
19	----------	Sept. 17	182	726,962	400,017	372,151	27,866	1,283	98.454	3.058	98.464	3.038	98.445	3.076	----------
26	Dec. 26	June 25	91	2,122,402	1,300,115	1,041,106	259,009	75,180	99.301	2.766	[33] 99.306	2.745	99.297	2.781	1,600,759
26	----------	Sept. 24	182	670,549	400,149	375,515	24,634	15,975	98.436	3.093	98.483	3.001	98.414	3.137	----------
	1959														
Apr. 2	Jan. 2	July 2	91	1,716,904	1,200,254	1,017,407	182,847	20,770	99.282	2.841	[34] 99.292	2.801	99.265	2.908	1,600,275
2	----------	Oct. 1	182	696,707	400,057	383,864	16,193	682	98.364	3.236	[35] 98.398	3.169	98.354	3.256	----------
9	Jan. 8	July 9	91	2,074,113	1,200,055	989,002	211,053	151,877	99.255	2.948	[36] 99.260	2.927	99.251	2.963	1,599,337
9	----------	Oct. 8	182	765,147	400,047	377,572	22,475	20,902	98.357	3.250	[37] 98.370	3.224	98.350	3.264	----------
16	Jan. 15	July 16	91	2,036,871	1,199,785	946,979	252,806	17,556	99.223	3.075	99.255	2.947	99.219	3.090	1,599,657
16	----------	Oct. 15	182	792,154	400,002	376,029	23,973	892	98.306	3.351	98.320	3.323	98.301	3.361	----------
23	Jan. 22	July 23	91	1,975,738	1,000,883	743,863	257,020	106,439	99.215	3.105	[38] 99.229	3.050	99.214	3.109	1,400,834
23	----------	Oct. 22	182	819,344	400,070	376,464	23,606	21,608	98.301	3.361	[39] 98.306	3.351	98.297	3.369	----------
30	Jan. 29	July 30	91	1,926,929	1,002,008	761,580	240,428	102,933	99.284	2.831	99.292	2.801	99.283	2.836	1,399,273
30	----------	Oct. 29	182	862,670	400,218	378,850	21,368	20,653	98.388	3.189	98.394	3.177	98.382	3.200	----------
May 7	Feb. 5	Aug. 6	91	1,910,880	1,000,970	784,405	216,565	194,390	99.258	2.935	[40] 99.267	2.900	99.256	2.943	1,399,734
7	----------	Nov. 5	182	760,532	400,032	383,255	16,777	43,625	98.324	3.316	[41] 98.340	3.284	98.306	3.351	----------
14	Feb. 13	Aug. 13	91	2,058,239	1,000,929	754,738	246,191	100,031	99.312	2.722	99.317	2.702	99.310	2.730	1,401,266
14	----------	Nov. 12	182	867,534	400,206	376,187	24,019	26,153	98.277	3.408	98.330	3.303	98.266	3.430	----------
21	Feb. 19	Aug. 20	91	1,995,719	1,000,498	789,629	210,869	133,156	99.275	2.869	99.282	2.840	99.270	2.888	1,399,999
21	----------	Nov. 19	182	832,014	400,187	378,290	21,897	20,690	98.293	3.376	[42] 98.310	3.343	98.280	3.402	----------
28	Feb. 26	Aug. 27	91	1,953,476	1,000,244	821,216	179,028	181,565	99.273	2.878	[43] 99.282	2.840	99.270	2.888	1,399,930
28	----------	Nov. 27	183	858,560	399,979	381,349	18,630	22,640	98.285	3.373	[44] 98.303	3.338	98.278	3.388	----------
June 4	Mar. 5	Sept. 3	91	1,999,534	1,100,646	922,810	177,836	65,728	99.204	3.149	[45] 99.210	3.125	99.200	3.165	1,500,249
4	----------	Dec. 3	182	946,772	400,244	382,749	17,495	20,398	98.236	3.489	[46] 98.254	3.454	98.232	3.497	----------
11	Mar. 12	Sept. 10	91	1,958,281	1,200,021	978,658	221,363	53,116	99.170	3.283	[47] 99.200	3.165	99.162	3.315	1,701,228
11	----------	Dec. 10	182	811,312	500,072	459,229	40,843	14,047	98.198	3.565	[48] 98.220	3.521	98.186	3.588	----------
18	Mar. 19	Sept. 17	91	1,924,903	1,200,695	952,739	247,956	72,682	99.172	3.276	99.180	3.244	99.170	3.284	1,700,688
18	----------	Dec. 17	182	751,565	500,103	449,863	50,240	22,408	98.238	3.486	98.256	3.450	98.230	3.501	----------
25	Mar. 26	Sept. 24	91	2,047,912	1,200,062	946,883	253,179	68,312	99.171	3.281	99.180	3.244	99.166	3.299	1,699,708
25	----------	Dec. 24	182	855,342	500,242	447,963	52,279	22,052	98.188	3.585	[49] 98.206	3.549	98.176	3.608	----------

Footnotes at end of table.

Summary of information pertaining to Treasury bills[1] *issued during the fiscal year 1959*—Continued

[Dollar amounts in thousands]

Date of issue	Additional issue of bills dated	Date of maturity	Days to maturity	Maturity value: Total applied for	Tenders accepted: Total accepted	Tenders accepted: On competitive basis	Tenders accepted: On noncompetitive basis[2]	Tenders accepted: In exchange	Total bids accepted[2]: Average price per hundred[3]	Total bids accepted[2]: Equivalent average rate[4] (percent)	Competitive bids accepted: High: Price per hundred	Competitive bids accepted: High: Equivalent rate[4] (percent)	Competitive bids accepted: Low: Price per hundred	Competitive bids accepted: Low: Equivalent rate[4] (percent)	Amount maturing on issue date of new offering
Tax Anticipation															
1958		*1959*													
Nov. 20[50]		June 22	214	5,950,347	2,996,699	2,249,339	747,360		98.217	2.999	[51] 98.276	2.900	98.193	3.040	
1959															
Feb. 16[50]		Sept. 21	217	2,984,435	1,501,759	1,297,645	204,114		98.015	3.293	98.106	3.142	97.983	3.346	
May 15		Dec. 22	221	1,699,191	1,499,795	1,389,858	109,937		97.811	3.565	[52] 97.851	3.501	97.756	3.655	
Other															
1958		*1959*													
Oct. 8[50]		May 15	219	5,804,804	[53] 2,735,421				[54] 98.023	3.25					
1959		*1960*													
Apr. 1[50]		Jan. 15	289	3,444,887	2,006,171	1,733,274	272,897		97.282	3.386	[55] 97.391	3.250	97.242	3.436	
May 11[50]		Apr. 15	340	3,463,889	2,003,314	1,703,375	299,939		96.378	3.835	[56] 96.468	3.740	96.350	3.865	

[1] The usual timing with respect to issues of Treasury bills is: Press release inviting tenders, 7 days before date of issue; closing date on which tenders are accepted, 3 days before date of issue; and press release announcing acceptance of tenders, 2 days before date of issue. Figures are final and differ in many instances from those shown in press release announcing preliminary details of a particular issue.

[2] Noncompetitive tenders, without stated price, from any one bidder for $200,000 or less in the case of the 90-, 91-, and 92-day issues, and for $50,000 or less (increased to $100,000 or less for issues dated June 11 through June 25, 1959) in the case of the 181-, 182-, and 183-day issues were accepted in full at the average price for accepted competitive bids. For the tax anticipation series dated Feb. 16, 1959, the amount was $300,000 and for the tax anticipation series dated Nov. 20, 1958, and May 15, 1959, and other issues dated Apr. 1 and May 11, 1959, the amount was $400,000.

[3] Price at which noncompetitive tenders were accepted.

[4] Bank-discount basis.

[5] Except $550,000 at 99.800, $1,000,000 at 99.770, $215,000 at 99.765, $1,000,000 at 99.750, and $400,000 at 99.743.

[6] Except $100,000 at 99.793 and $300,000 at 99.765.

[7] Except $300,000 at 99.755, $600,000 at 99.751, $300,000 at 99.750, $25,000 at 99.747, and $200,000 at 99.746.

[8] Except $210,000 at 99.706 and $400,000 at 99.696.

[9] Except $350,000 at 99.545.

[10] Except $200,000 at 99.539, $300,000 at 99.520, $650,000 at 99.502, and $100,000 at 99.490.

[11] Except $300,000 at 99.521, $300,000 at 99.464, $100,000 at 99.452, and $100,000 at 99.448.

[12] Except $2,340,000 at 99.404, $100,000 at 99.400, $100,000 at 99.390, and $100,000 at 99.380.

[13] Except $50,000 at 99.358 and $50,000 at 99.321.

[14] Except $13,000 at 99.368, $215,000 at 99.341, $500,000 at 99.324, and $1,000,000 at 99.290.

[15] Except $15,000 at 99.368, $300,000 at 99.343, $200,000 at 99.330, and $1,000,000 at 99.325.

[16] Except $400,000 at 99.342.

[17] Except $2,000,000 at 99.343 and $200,000 at 99.335.

[18] Except $800,000 at 99.326.

[19] New cycle of 13-week and 26-week bills inaugurated. See press release dated Dec. 1, 1958, in this exhibit.

[20] Except $200,000 at 99.291, $150,000 at 98.510, and $200,000 at 98.483.

[21] Except $150,000 at 98.468.

[22] Except $150,000 at 98.516.

[23] Except $150,000 at 98.500, $2,250,000 at 98.498, and $50,000 at 98.488.

[24] Except $200,000 at 98.500.

[25] Except $1,175,000 at 99.328.

[26] Except $50,000 at 98.400, $400,000 at 98.378, $250,000 at 98.366, and $50,000 at 98.350.

[27] Except $50,000 at 98.483.

[28] Except $20,000 at 99.330 and $100,000 at 98.533.

[29] Except $200,000 at 99.346.

[30] Except $750,000 at 98.500 and $265,000 at 98.494.

[31] For free interchangeability, all bills maturing on the same date to be the same issue regardless of whether they have 91 or 182 days to run at the time of original issuance.

[32] Except $150,000 at 98.427 and $50,000 at 98.365.

[33] Except $300,000 at 99.317.

[34] Except $100,000 at 99.390.

[35] Except $50,000 at 98.445 and $150,000 at 98.435.

[36] Except $400,000 at 99.282 and $58,000 at 99.280.

[37] Except $250,000 at 98.398.

[38] Except $350,000 at 99.241.

[39] Except $1,000,000 at 98.325.

[40] Except $300,000 at 99.304.

[41] Except $50,000 at 98.394 and $50,000 at 98.382.

[42] Except $35,000 at 98.330.

[43] Except $400,000 at 99.290.

[44] Except $500,000 at 98.350.

[45] Except $185,000 at 99.287, $50,000 at 99,270, and $5,000 at 99.234.

[46] Except $300,000 at 98.331, $200,000 at 98.285, and $100,000 at 98.280.

[47] Except $365,000 at 99.242 and $10,000 at 99.241.

[48] Except $100,000 at 98.236.

[49] Except $50,000 at 98.238 and $300,000 at 98.230.

[50] Qualified depositaries were permitted to make payment for bills allotted to them and their customers by credit in Treasury tax and loan accounts except that in the case of the 217-day tax anticipation series dated Feb. 16, 1959, payment by credit in tax and loan accounts was limited to not more than 75 percent of the bills allotted.

[51] Except $50,000 at 99.450 and $2,000,000 at 99.331.

[52] Except $15,000,000 at 97.888.

[53] Subscriptions in excess of $100,000 were allotted 44% but not less than $100,000 and subscriptions for $100,000 or less were allotted in full.

[54] Fixed price. See Department Circular No. 1015 in this exhibit.

[55] Except $600,000 at 97.544 and $50,000 at 97.421.

[56] Except $1,300,000 at 96.500.

Guaranteed Obligations Called

EXHIBIT 5.—Calls for partial redemption, before maturity, of insurance fund debentures

During the fiscal year 1959 there were eighteen calls for partial redemption, before maturity, of insurance fund debentures, ten dated September 19, 1958, and the others dated March 24, 1959. The notices of call were published in the Federal Registers of September 27, 1958, and March 31, 1959. The notice covering the sixth call of the 2½, 2⅝, 2¾, 2⅞, 3, 3¼, and 3⅜ percent Series AA mutual mortgage insurance fund debentures is shown in this exhibit. Since the other notices of call are similar to this exhibit, they have been omitted but the essential details are summarized in the table following the notice of call.

NOTICE OF CALL. FEDERAL REGISTER OF SEPTEMBER 27, 1958

To Holders of 2½, 2⅝, 2¾, 2⅞, 3, 3¼, and 3⅜ Percent Mutual Mortgage Insurance Fund Debentures, Series AA:

NOTICE OF CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2½, 2⅝, 2¾, 2⅞, 3, 3¼, AND 3⅜ PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES AA

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U.S.C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2½, 2⅝, 2¾, 2⅞, 3, 3¼, and 3⅜ percent mutual mortgage insurance fund debentures, Series AA, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on January 1, 1959, on which date interest on such debentures shall cease:

2½, 2⅝, 2¾, 2⅞, 3, 3¼, and 3⅜ percent mutual mortgage insurance fund debentures, Series AA

Denomination	*Serial numbers (all numbers inclusive)*
$50	1, 170 to 1, 411
$100	3, 809 to 4, 895
$500	1, 137 to 1, 478
$1,000	2, 737 to 3, 505
$5,000	1, 240 to 1, 555
$10,000	731 to 1, 375

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after October 1, 1958. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after October 1, 1958, and provision will be made for the payment of final interest due on January 1, 1959, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from October 1, 1958, to December 31, 1958, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after January 1, 1959, or for purchase prior to that date will be given by the Secretary of the Treasury.

APPROVED: *September 23, 1958.*

FRED C. SCRIBNER, JR.,
Acting Secretary of the Treasury.

NORMAN P. MASON,
Commissioner.

Final interest will be paid with principal at the rate of $12.50 per $1,000 for the 2½%; $13.125 per $1,000 for the 2⅝%; $13.75 per $1,000 for the 2¾%; $14.375 per $1,000 for the 2⅞%; $15.00 per $1,000 for the 3%; $16.25 per $1,000 for the 3¼%; and $16.875 per $1,000 for the 3⅜% debentures redeemed on January 1, 1959.

Final interest will be paid with principal at the rate of $0.067935 per day for each $1,000 for the 2½%; $0.071332 per day for each $1,000 for the 2⅝%; $0.074728 per day for each $1,000 for the 2¾%; $0.078125 per day for each $1,000 for the 2⅞%; $0.081522 per day for each $1,000 for the 3%; $0.088315 per day for each $1,000 for the 3¼%; and $0.091712 per day for each $1,000 for the 3⅜% debentures from July 1, 1958, to date of purchase on those purchased between October 1 and December 31, 1958.

Summary of information contained in the notices of call for partial redemption of insurance fund debentures during the fiscal year 1959

	2½, 2⅝, 2¾, 2⅞, 3, 3¼, and 3⅜ percent mutual mortgage insurance fund debentures, Series AA, sixth call	2½, 2⅝, 2¾, 2⅞, 3, 3¼, 3⅜, and 3½ percent mutual mortgage insurance fund debentures, Series AA, seventh call	2½, 2¾, and 3 percent housing insurance fund debentures, Series BB, third call	3½ percent section 221, housing insurance fund debentures, Series DD, first call	2⅞ and 3 percent servicemen's mortgage insurance fund debentures, Series EE, third call	2⅞, 3, 3¼, and 3⅜ percent servicemen's mortgage insurance fund debentures, Series EE, fourth call
Notice of call	Sept. 19, 1958	Mar. 24, 1959	Sept. 19, 1958	Mar. 24, 1959	Sept. 19, 1958	Mar. 24, 1959.
Redemption date	Jan. 1, 1959	July 1, 1959	Jan. 1, 1959	July 1, 1959	Jan. 1, 1959	July 1, 1959.
Serial numbers called by denominations:						
$50	1170–1411	1412–1669	4–19		4–8	9.
$100	3809–4895	4896–6069	40–91	9–12	21–35	36–53.
$500	1137–1478	1479–1744	6–50	3	3–6	7–10.
$1,000	2737–3505	3506–4374	25–129	11–13	19–28	29–45.
$5,000	1240–1555	1556–1918	10–37	5	2–4	5–6.
$10,000	731–1375	1376–1502	616–813		3–6	7–13.
Final date for transfers or denominational exchanges (but not for sale or assignment).	Sept. 30, 1958	Mar. 31, 1959	Sept. 30, 1958	Mar. 31, 1959	Sept. 30, 1958	Mar. 31, 1959
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$12.50 for 2½%, $13.125 for 2⅝%, $13.75 for 2¾%, $14.375 for 2⅞%, $15.00 for 3%, $16.25 for 3¼%, $16.875 for 3⅜%.	$12.50 for 2½%, $13.125 for 2⅝%, $13.75 for 2¾%, $14.375 for 2⅞%, $15.00 for 3%, $16.25 for 3¼%, $16.875 for 3⅜%, $17.50 for 3½%.	$12.50 for 2½%, $13.75 for 2¾%, $15.00 for 3%.	$17.50	$14.375 for 2⅞%, $15.00 for 3%.	$14.375 for 2⅞%, $15.00 for 3%, $16.25 for 3¼%, $16.875 for 3⅜%.
Presentation for purchase prior to call date:						
Period	Oct. 1–Dec. 31, 1958	Apr. 1–June 30, 1959	Oct. 1–Dec. 31, 1958	Apr. 1–June 30, 1959	Oct. 1–Dec. 31, 1958	Apr. 1–June 30, 1959.
Amount of accrued interest per $1,000 per day paid with principal.	$0.067935 for 2½%, $0.071332 for 2⅝%, $0.074728 for 2¾%, $0.078125 for 2⅞%, $0.081522 for 3%, $0.088315 for 3¼%, $0.091712 for 3⅜%, from July 1, 1958, to date of purchase.	$0.069061 for 2½%, $0.072514 for 2⅝%, $0.075967 for 2¾%, $0.079420 for 2⅞%, $0.082873 for 3%, $0.089779 for 3¼%, $0.093232 for 3⅜%, $0.096685 for 3½%, from Jan. 1, 1959, to date of purchase.	$0.067935 for 2½%, $0.074728 for 2¾%, $0.081522 for 3%, from July 1, 1958, to date of purchase.	$0.096685 from Jan. 1, 1959, to date of purchase.	$0.078125 for 2⅞%, $0.081522 for 3%, from July 1, 1958, to date of purchase.	$0.079420 for 2⅞%, $0.082873 for 3%, $0.089779 for 3¼%, $0.093232 for 3⅜%, from Jan. 1, 1959, to date of purchase.

Summary of information contained in the notices of call for partial redemption of insurance fund debentures during the fiscal year 1959—Con.

	2½ and 2¾ percent armed services housing mortgage insurance fund debentures, Series FF, third call	2½ percent armed services housing mortgage insurance fund debentures, Series FF, fourth call	2½ percent war housing insurance fund debentures, Series H		2½ percent Title I housing insurance fund debentures, Series L	
			Twentieth call	Twenty-first call	Ninth call	Tenth call
Notice of call	Sept. 19, 1958	Mar. 24, 1959	Sept. 19, 1958	Mar. 24, 1959	Sept. 19, 1958	Mar. 24, 1959.
Redemption date	Jan. 1, 1959	July 1, 1959	Jan. 1, 1959	July 1, 1959	Jan. 1, 1959	July 1, 1959.
Serial numbers called by denominations:						
$50			4041–4238	4239–4307	149–153	154–159.
$100		28–32	12372–13241	13242–13809	206–213	214–253.
$500		7	3079–3172	3173–3464, 3630	102–105	106–116.
$1,000		35–38	13454–14320	14321–15875	435–446	447–477.
$5,000		11	3446–3634	3635–3813		47–50, 52–57.
$10,000	684–1015	1021–1167	34838–36198	36199–37952		
Final date for transfers or denominational exchanges (but not for sale or assignment):	Sept. 30, 1958	Mar. 31, 1959	Sept. 30, 1958	Mar. 31, 1959	Sept. 30, 1958	Mar. 31, 1959.
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$12.50 for 2½%, $13.75 for 2¾%.	$12.50	$12.50	$12.50	$12.50	$12.50.
Presentation for purchase prior to call date:						
Period	Oct. 1–Dec. 31, 1958	Apr. 1–June 30, 1959	Oct. 1–Dec. 31, 1958	Apr. 1–June 30, 1959	Oct. 1–Dec. 31, 1958	Apr. 1–June 30, 1959.
Amount of accrued interest per $1,000 per day paid with principal.	$0.067935 for 2½%, $0.074728 for 2¾%, from July 1, 1958, to date of purchase.	$0.069061 from Jan. 1, 1959, to date of purchase.	$0.067935 from July 1, 1958, to date of purchase.	$0.069061 from Jan. 1, 1959, to date of purchase.	$0.067935 from July 1, 1958, to date of purchase.	$0.069061 from Jan. 1, 1959, to date of purchase.

Summary of information contained in the notices of call for partial redemption of insurance fund debentures during the fiscal year 1959—Con.

	2½ percent national defense housing insurance fund debentures, Series P, third call	2¾ percent Title I housing insurance fund debentures, Series R		3 percent Title I housing insurance fund debentures, Series T		2¾ percent national defense housing insurance fund debentures, Series Y, second call
		Seventh call	Eighth call	Sixth call	Seventh call	
Notice of call	Sept. 19, 1958	Sept. 19, 1958	Mar. 24, 1959	Sept. 19, 1958	Mar. 24, 1959	Sept. 19, 1958.
Redemption date	Jan. 1, 1959	Jan. 1, 1959	July 1, 1959	Jan. 1, 1959	July 1, 1959	Jan. 1, 1959.
Serial numbers called by denominations:						
$50	46-80	204-214	215-233	161-194	195-218	9-67.
$100	36-192	270-334	335-412	596-712	713-823	27-243.
$500	11-42	65-82	83-118	234-302	303-345	12-92.
$1,000	59-191	76-84	85-106	213-285	286-377	25-292.
$5,000	6-59	81-98	99-130	186-225	226-251	8-118.
$10,000	386-1004	------	------	7-11	------	238-602.
Final date for transfers or denominational exchanges (but not for sale or assignment).	Sept. 30, 1958	Sept. 30, 1958	Mar. 31, 1959	Sept. 30, 1958	Mar. 31, 1959	Sept. 30, 1958.
Redemption on call date, amount of interest per $1,000 paid in full with principal.	$12.50	$13.75	$13.75	$15.00	$15.00	$13.75.
Presentation for purchase prior to call date:						
Period	Oct. 1-Dec. 31, 1958	Oct. 1-Dec. 31, 1958	Apr. 1-June 30, 1959	Oct. 1-Dec 31, 1958	Apr. 1-June 30, 1959	Oct. 1-Dec. 31, 1958.
Amount of accrued interest per $1,000 per day paid with principal.	$0.067935 from July 1, 1958, to date of purchase.	$0.074728 from July 1, 1958, to date of purchase.	$0.075967 from Jan. 1, 1959, to date of purchase.	$0.081522 from July 1, 1958, to date of purchase.	$0.082873 from Jan. 1, 1959, to date of purchase.	$0.074728 from July 1, 1958, to date of purchase.

Regulations

EXHIBIT 6.—First amendment, May 1, 1959, to Department Circular No. 418, Revised, regulations governing Treasury bills

TREASURY DEPARTMENT,
Washington, May 1, 1959.

Department Circular No. 418, Revised, dated February 23, 1954 (31 CFR 309), is hereby amended by revising sections 309.3 and 309.5 as follows:

SEC. 309.3 *Denominations and exchange.*—Treasury bills will be issued in denominations (maturity value) of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000. Exchanges from higher to lower and lower to higher denominations of the same series (bearing the same issue and maturity dates) will be permitted at Federal Reserve Banks and at the Office of the Treasurer of the United States, Washington. Insofar as applicable, the general regulations of the Treasury Department governing transactions in bonds and notes will govern transactions in Treasury bills.

SEC. 309.5 *Acceptance as security for public deposits and in payment of taxes (when specifically provided for by the Secretary of the Treasury).*—Treasury bills will be acceptable at maturity value to secure deposits of public moneys. The Secretary of the Treasury, in his discretion, when inviting tenders for Treasury bills, may provide that Treasury bills of any series will be acceptable at maturity value, whether at or before maturity, under such rules and regulations as he shall prescribe or approve, in payment of income and profits taxes payable under the provisions of the Internal Revenue Code. Any Treasury bills which by the terms of their issue may be accepted in payment of income and profits taxes may be surrendered to any Federal Reserve Bank or branch, acting as fiscal agent of the United States, or to the Office of the Treasurer of the United States, Washington, fifteen days or less before the date on which the taxes become due. The Federal Reserve Bank or branch or the Office of the Treasurer of the United States will issue receipts to the owners showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before the specified tax payment dates to the District Director, Internal Revenue Service, with the owners' tax returns. Notes secured by Treasury bills are eligible for discount or rediscount at Federal Reserve Banks by member banks, as are notes secured by bonds and notes of the United States, under the provisions of section 13 of the Federal Reserve Act. They will be acceptable at maturity, but not before, in payment of interest or of principal on account of obligations of foreign governments held by the United States.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

EXHIBIT 7.—First amendment, August 15, 1958, to Department Circular No. 530, Eighth Revision, amending the provisions limiting the holdings of United States savings bonds

TREASURY DEPARTMENT,
Washington, August 15, 1958.

Section 315.11(c) of Department Circular No. 530, Eighth Revision, (31 C.F.R., 1957 Supp., 315) dated December 26, 1957, is hereby amended and revised to read as follows:

(c) *Bonds that may be excluded from computation.*—There need not be taken into account:

(1) Bonds on which that person is named beneficiary;

(2) Bonds in which his interest is only that of a beneficiary under a trust;

(3) Bonds to which he has become entitled under sec. 315.66 as surviving beneficiary upon the death of the registered owner, as an heir or legatee of the deceased owner, or by virtue of the termination of a trust or the happening of any other event;

(4) Bonds of Series E purchased with the proceeds of matured bonds of Series A, Series C–1938, and Series D, where such matured bonds were presented for that purpose;

(5) Bonds of Series E bearing issue dates from May 1, 1941, to December 1, 1945, inclusive, held by individuals in their own right which are not more than $5,000 (maturity value) in excess of the prescribed limit;

(6) Bonds of Series E or Series H reissued under sec. 315.60(b)(1);

(7) Bonds of Series E or Series H reissued in the name of a trustee of a personal trust estate which did not represent excess holdings prior to such reissue;

(8) Bonds of Series E or Series H purchased with the proceeds of bonds of Series F or Series G, maturing on and after September 1, 1958, where such matured bonds are presented for that purpose by individuals, legal guardians, committees (and similar representatives of the estates of minors and incompetents) and trustees of personal trust estates, subject to the terms of sec. 316.1a of Department Circular No. 653, Fourth Revision, as amended, offering bonds of Series E, and sec. 332.1a of Department Circular No. 905, Revised, as amended, offering bonds of Series H.

ROBERT B. ANDERSON,
Secretary of the Treasury.

EXHIBIT 8.—Second amendment, October 31, 1958, to Department Circular No. 530, Eighth Revision, further amending the provisions limiting the holdings of United States savings bonds

TREASURY DEPARTMENT,
Washington, October 31, 1958.

Section 315.11(c) of Department Circular No. 530, Eighth Revision, as amended (31 CFR, 1957 Supp., 315), dated December 26, 1957, is hereby further amended by revising it as follows:

(c) *Bonds that may be excluded from computation.*—There need not be taken into account:

(1) Bonds on which that person is named beneficiary;

(2) Bonds in which his interest is only that of a beneficiary under a trust;

(3) Bonds to which he has become entitled under sec. 315.66 as surviving beneficiary upon the death of the registered owner, as an heir or legatee of the deceased owner, or by virtue of the termination of a trust or the happening of any other event;

(4) Bonds of Series E purchased with the proceeds of matured bonds of Series A, Series C–1938, and Series D, where such matured bonds were presented for that purpose;

(5) Bonds of Series E bearing issue dates from May 1, 1941, to December 1, 1945, inclusive, held by individuals in their own right which are not more than $5,000 (maturity value) in excess of the prescribed limit;

(6) Bonds of Series E or Series H reissued under sec. 315.60(b)(1);

(7) Bonds of Series E or Series H reissued in the name of a trustee of a personal trust estate which did not represent excess holdings prior to such reissue;

(8) Bonds of Series E or Series H purchased with the proceeds of bonds of Series F or Series G, at or after maturity, where such matured bonds are presented for that purpose in accordance with the provisions of Department Circular No. 653, Fourth Revision, as amended, offering bonds of Series E, and Department Circular No. 905, Revised, as amended, offering bonds of Series H.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

EXHIBIT 9.—Second amendment, August 15, 1958, to Department Circular No. 653, Fourth Revision, extending to individuals and personal trust estates the privilege of reinvesting proceeds of Series F and G savings bonds maturing on and after September 1, 1958, in Series E savings bonds without regard to the limitation on holdings

TREASURY DEPARTMENT,
Washington, August 15, 1958.

Department Circular No. 653, Fourth Revision, dated April 22, 1957, as amended (31 CFR, 1957 Supp., 316) is hereby supplemented and further amended by the addition of the following new section:

SEC. 316.1a. *Special offering to owners of maturing savings bonds of Series F and G.*—(a) *General.*—The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (31 U.S.C. 757c) hereby offers owners of bonds of Series F and Series G maturing on and after September 1, 1958, the privilege of applying the proceeds of their matured bonds to the purchase of bonds of Series E without regard to the limitation on holdings prescribed in sec. 316.8 of this circular.

(b) *Restrictions and conditions.*—This offering is subject to the following restrictions and conditions:

(1) It extends only to individuals, that is, natural persons in their own right, legal guardians, committees, and similar representatives of estates of minors and incompetents, and to "personal trust estates." For this purpose the term "personal trust estates" means trusts established by natural persons in their own right, for the benefit of themselves or other such natural persons, in whole or in part, and common trust funds comprised in whole or in part of such trust estates.

(2) It is subject to the restrictions prescribed in sec. 315.6 of the savings bond regulations.[1]

(3) The matured bonds must be presented to a Federal Reserve Bank or branch for the specified purpose of taking advantage of this offering.

(4) Bonds of Series E may be purchased with the proceeds of the matured bonds only up to the denominational amounts that such proceeds will fully cover; any difference between the redemption value of the matured bonds and the purchase price of bonds of Series E will be paid to the owner.

(5) The bonds of Series E will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or branch.

(c) *Termination of offering.*—This offering will continue until terminated by the Secretary of the Treasury.

ROBERT B. ANDERSON,
Secretary of the Treasury.

EXHIBIT 10.—Third amendment, October 31, 1958, to Department Circular No. 653, Fourth Revision, extending to all bondowners, except commercial banks, the privilege of reinvesting proceeds of Series F and G savings bonds at or after maturity in Series E savings bonds without regard to the limitation on holdings

TREASURY DEPARTMENT,
Washington, October 31, 1958.

Department Circular No. 653, Fourth Revision, dated April 22, 1957, as amended (31 CFR, 1957 Supp., 316), is hereby further amended, effective December 1, 1958, by revising sec. 316.1a as follows:

Sec. 316.1a. *Special offering to owners of outstanding matured and maturing savings bonds of Series F and G.*—(a) *General.*—The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (31 U.S.C. 757c), hereby offers owners of outstanding bonds of Series F and Series G the privilege of applying the proceeds of the bonds, at or after maturity, to the purchase of bonds of Series E without regard to the limitation on holdings prescribed in sec. 316.8 of this circular.

(b) *Restrictions and conditions.*—This offering is subject to the following restrictions and conditions:

(1) It extends to all owners of matured and maturing bonds of Series F and Series G, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in sec. 315.6 of the savings bond regulations.[1]

(3) The matured bonds must be presented to a Federal Reserve Bank or branch for the specified purpose of taking advantage of this offering.

(4) Bonds of Series E may be purchased with the proceeds of the matured bonds only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of bonds of Series E will be paid to the owner.

(5) The bonds of Series E will be registered in the name of the owner in any authorized form of registration.

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[1] Department Circular No. 530.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or branch.

(c) *Termination of offering.*—This offering will continue until terminated by the Secretary of the Treasury.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

EXHIBIT 11.—Second amendment, August 15, 1958, to Department Circular No. 905, Revised, extending to individuals and personal trust estates the privilege of reinvesting proceeds of Series F and G savings bonds maturing on and after September 1, 1958, in Series H savings bonds without regard to the limitation on holdings

TREASURY DEPARTMENT,
Washington, August 15, 1958.

Department Circular No. 905, Revised, dated April 22, 1957, as amended (31 CFR, 1957 Supp., 332) is hereby supplemented and further amended by the addition of the following new section:

Sec. 332.1a. *Special offering to owners of maturing savings bonds of Series F and G.*—(a) *General.*—The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (31 U.S.C. 757c), hereby offers owners of bonds of Series F and Series G maturing on and after September 1, 1958, the privilege of applying the proceeds of their matured bonds to the purchase of bonds of Series H without regard to the limitation on holdings prescribed in sec. 332.9 of this circular.

(b) *Restrictions and conditions.*—This offering is subject to the following restrictions and conditions:

(1) It extends only to individuals, that is, natural persons in their own right, legal guardians, committees, and similar representatives of estates of minors and incompetents, and to "personal trust estates." For this purpose the term "personal trust estates" means trusts established by natural persons in their own right, for the benefit of themselves or other such natural persons, in whole or in part, and common trusts comprised in whole or in part of such trust estates.

(2) It is subject to the restrictions prescribed in sec. 315.6 of the savings bond regulations.[1]

(3) The matured bonds must be presented to a Federal Reserve Bank or branch for the specified purpose of taking advantage of this offering.

(4) Bonds of Series H may be purchased with the proceeds of the matured bonds only up to the denominational amounts that such proceeds will fully cover; any difference between the redemption value of the matured bonds and the purchase price of bonds of Series H will be paid to the owner.

(5) The bonds of Series H will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or branch.

(c) *Termination of offering.*—This offering will continue until terminated by the Secretary of the Treasury.

ROBERT B. ANDERSON,
Secretary of the Treasury.

EXHIBIT 12.—Third amendment, October 31, 1958, to Department Circular No. 905, Revised, extending to all bondowners, except commercial banks, the privilege of reinvesting proceeds of Series F and G savings bonds at or after maturity in Series H savings bonds without regard to the limitation on holdings

TREASURY DEPARTMENT,
Washington, October 31, 1958.

Department Circular No. 905, Revised, dated April 22, 1957, as amended (31 CFR, 1957 Supp., 332) is hereby further amended, effective December 1, 1958, by revising section 332.1a as follows:

Sec. 332.1a. *Special offering to owners of outstanding matured and maturing savings bonds of Series F and G.*—(a) *General.*—The Secretary of the Treasury,

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[1] Department Circular No. 530.

pursuant to the authority of the Second Liberty Bond Act, as amended (31 U.S.C. 757c) hereby offers owners of outstanding bonds of Series F and Series G the privilege of applying the proceeds of the bonds, at or after maturity, to the purchase of bonds of Series H without regard to the limitation on holdings prescribed in sec. 332.9 of this circular.

(b) *Restrictions and conditions.*—This offering is subject to the following restrictions and conditions:

(1) It extends to all owners of matured and maturing bonds of Series F and Series G, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in sec. 315.6 of the savings bond regulations.[1]

(3) The matured bonds must be presented to a Federal Reserve Bank or branch for the specified purpose of taking advantage of this offering.

(4) Bonds of Series H may be purchased with the proceeds of the matured bonds only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of bonds of Series H will be paid to the owner.

(5) The bonds of Series H will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or branch.

(c) *Termination of offering.*—This offering will continue until terminated by the Secretary of the Treasury.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

EXHIBIT 13.—Supplement, January 30, 1959, to Department Circular No. 300, Revised April 30, 1955, general regulations with respect to United States securities

TREASURY DEPARTMENT,
Washington, January 30, 1959.

To Owners of United States Securities, and Others Concerned:

The following sections of Department Circular No. 300, Revised April 30, 1955, have been amended and revised, effective December 25, 1958 (except as otherwise noted), to read:

SEC. 306.2(9). The words "assigned in blank" refer to assignments of bonds by or on behalf of the owner, but without the space provided for the name of the assignee being filled in. The words "bonds so assigned as to become, in effect, payable to bearer," refer to bonds assigned in blank or to "bearer" or those on which the assignment form or forms have been signed by or on behalf of the owner, and the words "The Secretary of the Treasury for exchange for coupon bonds" (or substantially similar words), or in the case of Treasury Bonds, Investment Series B–1975–80, the words "The Secretary of the Treasury for exchange for the current Series EA or EO Treasury notes," have been inserted in the space provided for the name of the assignee, without inserting also the name of the person to whom the bearer securities are to be delivered.

SEC. 306.3(a). *Registered securities.*—Transferable registered bonds are payable, according to their terms, only to the designated payees or "registered assigns" (including assignees or successors in title), and are transferable by delivery pursuant to assignments duly executed by them or their duly authorized representatives. Nontransferable securities, which are issued only in registered form, are payable according to their terms to the registered owners or recognized successors in title, but are not transferable by assignment or otherwise, except to the extent and in the manner provided in the offering circulars or applicable regulations. The interest due on registered bonds to which these regulations apply, in whole or in part, is paid by checks drawn on the Treasurer of the United States to the order of the owners of record. Bearer bonds may be exchanged for registered bonds and holders may wish to take advantage of this privilege for their own protection, particularly where adequate facilities for safekeeping are not available.

[1] Department Circular No. 530.

Relief may be granted on account of the loss, theft, or destruction of transferable or nontransferable registered securities upon compliance with the applicable provisions of Subpart L of this part.

SEC. 306.11(a)(2). *Natural guardians of minors.*—A bond may be registered in the name of a natural guardian of a minor for whose estate no legal guardian or similar representative has been appointed by a proper court or is otherwise legally qualified. Either parent with whom the minor resides or, if he does not reside with either parent, the person who furnishes his chief support, will be recognized as his natural guardian for the purposes of this paragraph, for example:

"John Jones as natural guardian of Henry Jones, a minor."

The person recognized as natural guardian will be considered as a fiduciary. Registration in the name of a minor himself (as distinguished from registration in the name of a legal or natural guardian) as owner or coowner is not authorized, except to the extent provided in section 306.57(a)(3) or (c).

SEC. 306.11(a)(7). *Private organizations (corporations, unincorporated associations, and partnerships).*—A bond may be registered in the name of any private corporation, unincorporated association, or partnership. The full legal name of the organization, as set forth in its charter, articles of incorporation, constitution, partnership agreement, or other authority from which its powers are derived, as the case may be, must be included in the registration, and may be followed, if desired by a parenthetical reference to a particular book account or fund other than a trust fund, in accordance with the rules and examples given below:

(i) *A corporation.*—The name of a business, fraternal, religious, or other private corporation must be followed by the words "a corporation," unless the corporate status is shown in the name or the name is that of an organization which is required by Federal law to be incorporated such as national banks, Federal building and loan associations, or Federal credit unions, for example:

"Smith Manufacturing Company, a corporation.
The Standard Manufacturing Corporation.
Jones and Brown, Inc.
First National Bank of ____________."

SEC. 306.12. *Forms or registration for nontransferable securities.*—The forms of registration set forth in sec. 306.11 are authorized upon authorized reissue of Treasury Bonds, Investment Series B–1975–80.

SEC. 306.15. *General.*—Transferable registered bonds are eligible for transfer, denominational exchange, and exchange for coupon bonds, except that Panama Canal bonds are eligible for transfer and denominational exchange only. Treasury Bonds, Investment Series B–1975–80, are eligible for transfer by way of authorized reissue and denominational exchange, and for exchange for the current series of 1½ percent 5-year Treasury notes. Coupon bonds and other bearer securities, other than Panama Canal bonds, are eligible for denominational exchange, except that Treasury bills may be exchanged only from higher to lower denominatons. Coupon bonds of any loan or issue are eligible for exchange for registered bonds. The securities submitted for any transaction must be presented and surrendered to a Federal Reserve Bank or branch or the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C. If the securities presented are in order for the transaction requested, they will be retired and new securities in an equal face amount in authorized denominations will be issued and delivered. Except as otherwise specifically provided, the new securities will be of the same loan and issue as those presented. Specific instructions for the issuance and delivery of the new securities, signed by the owner or his authorized representative, must accompany the securities presented. Securities presented for any transaction described in this section, except denominational exchange, must be received by the agency authorized to complete the transaction not less than one full month before the date on which the securities mature or become redeemable pursuant to a call for redemption before maturity, and any security so presented which is received too late to comply with this provision will be accepted for payment only or redemption-exchange if new securities are offered.

SEC. 306.16. *Transfers of registered securities.*—Registered bonds which are eligible for transfer from one person to another and presented for that purpose must be properly assigned in accordance with subpart F, except that no assignment will be required for transfer to a succeeding fiduciary or other legal successor, including a guardian or equivalent representative, representative or distributee of a decendent's estate or a trust estate, or a corporation with which another corporation has merged or consolidated, but satisfactory proof of successorship will be required. Assignments for transfer should be made to the transferee. Assignments in blank will also be accepted, but should be used with caution: See sec. 306.42. Specific signed instructions for the issuance and delivery of the new bonds must accompany the bonds presented. (Form PD 1644 may be used.) The new bonds will bear interest from the interest payment date next preceding the date of presentation, except as provided in sec. 306.37(b).

SEC. 306.17. *Denominational exchanges of registered securities.*—No assignment or endorsement will be required for the authorized exchange of registered Treasury bonds for like securities in the same names in other authorized denominations, as no change of ownership is involved. Specific signed instructions for the issuance and delivery of the new securities must accompany the securities presented. (Form PD 1827 may be used.)

SEC. 306.19. *Reissue of nontransferable securities.*—Nontransferable securities governed by these regulations may be reissued only in the names of (a) successors in title, including, but not limited to, succeeding organizations, persons entitled upon the dissolution of an organization, and succeeding trustees or persons entitled upon termination of a trust, or (b) persons entitled upon the death of the owner as legal representatives or distributees of the estate, except that Treasury Bonds, Investment Series A–1965, may be reissued only as provided in Department Circular No. 815, and Treasury Bonds, Investment Series B–1975–80, may also be reissued in the names of State supervisory authorities in pursuance of any pledge required of the owner under State law, or upon termination of the pledge in the names of the pledgors or their successors. Bonds presented for reissue must be properly assigned for that purpose in accordance with subpart F and must be accompanied by specific signed instructions for the issuance and delivery of the new bonds.

Footnote "3" to sec. 306.25 is deleted.

SEC. 306.25(d).—As to any other securities which are not specifically provided for in paragraphs (a), (b), and (c) of this section, the following will govern:

(1) One year in the case of securities issued for a term of five years or longer.

(2) Six months in the case of securities issued for a term of one year or more but less than five years.

(3) Three months in the case of securities issued for a term of less than one year.

(Effective December 2, 1958.)

SEC. 306.28(a). *General.*—Treasury bonds of certain issues are redeemable at par and accrued interest upon the death of the owner, at the option of the representatives of, or persons entitled to, his estate, for the purpose of having the proceeds applied in payment of the Federal estate taxes on the decedent's estate, in accordance with the terms of the offering circulars cited on the face of the bonds.[1] All bonds to be redeemed for this purpose must be presented and surrendered to a Federal Reserve Bank or branch or the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C. They must be accompanied by Form PD 1782, fully completed and duly executed on Part I by the representatives of or persons entitled to the estate, and by proof of their appointment or entitlement. Proof of appointment or entitlement should comply with the provisions of subpart H. Part II of the form should be executed by the appropriate persons as indicated thereon. Redemption will be made at par plus accrued interest from the last preceding interest payment date to the date of redemption, except that if registered bonds are received by a Federal Reserve Bank or branch or the Bureau of the Public Debt within one month preceding an interest payment date for redemption before that date a deduction will be made for interest from the date of redemption to the interest payment date, and a check for the full 6 months' interest will be paid in due course. The proceeds of redemption will be deposited to the credit of the District Director of Internal Revenue designated in Form PD 1782, the representatives of the estate will be notified of the deposit, and the District Director will in due course forward a formal receipt for the payment.

SEC. 306.28(c). *Restriction on amount redeemable; transactions after death of owner.*—The face amount of the bond or bonds which may be accepted for redemption at par, plus any accrued interest thereon, may not exceed the amount of the tax. The entire proceeds of redemption of bonds at par, including any accrued interest, must be applied in payment of the Federal estate tax, but if the

[1] A current list of eligible issues may be obtained from any Federal Reserve Bank or branch or the Bureau of the Public Debt.

bond or bonds available are in excess of the amount of the tax and are not in the lowest authorized denominations, they may be exchanged for bonds of lower denominations in accordance with sec. 306.17 or sec. 306.22, as applicable, in order that the maximum amount may be selected for redemption at par. In addition to such denominational exchange, other transactions in bonds owned by the decedent and constituting part of his estate which may be conducted after the death of the owner without affecting the eligibility of the bonds for redemption at par, if no change of ownership is involved, include: (1) exchange of registered bonds for coupon bonds, (2) transfer to the names of the representatives of his estate, and (3) exchange of coupon bonds for bonds registered in the names of the representatives of the estate, but all such transactions must be explained on Form PD 1782 or in a supplemental statement.

SEC. 306.37(b). *Closing of transfer books.*—The transfer books of the Treasury Department are closed for one full month preceding interest payment dates for the purpose of preparing interest checks. If the date set for the closing of the transfer books falls on Saturday, Sunday, or a legal holiday, the books will be closed at the close of business on the last business day preceding that date. Interest on outstanding registered bonds is paid on the interest payment date to the owners of record on the closing dates. Transactions in registered bonds of the loans involved, other than denominational exchanges (see sec. 306.17), may not be effected during the closed period except that exchanges of Treasury Bonds, Investment Series B–1975–80, for the current series of EA or EO 1½ percent 5-year Treasury notes, as provided in sec. 306.20, or optional redemption of bonds at par as provided in sec. 306.28, may be made at any time. If registered bonds forwarded for transfer or for exchange for coupon bonds or coupon bonds forwarded for exchange for registered bonds are actually received by the Bureau of the Public Debt after the day fixed for closing the books, the transfer or exchange thereof will not be made until the first business day following the date on which interest falls due, when the books are reopened for all purposes.

SEC. 306.37(e). *Endorsement of interest checks by voluntary guardians of incompetents.*—Any checks, drawn to the order of an incompetent (as defined in Sec. 306.58(a)) for whose estate no legal guardian or similar legal representative has been or is to be appointed, in payment of interest on bonds registered in the name of the incompetent, without reference to a voluntary guardian, should be returned to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C., with a full explanation of the circumstances. The relative responsible for the incompetent's care and support, or some other proper person, may apply on Form PD 1461 for authorization to collect the interest. To facilitate the collection of future interest checks, the applicant should also request the reissue of the bonds in the name of the incompetent, followed by that of the voluntary guardian, in the form "A, an incompetent under voluntary guardianship of B."

(Effective December 2, 1958.)

SEC. 306.41. *Assignment forms.*—Unless otherwise authorized by the Treasury Department or a Federal Reserve Bank, all assignments must be made on the backs of the bonds. Where all the assignment forms on the back of a bond have been used or spoiled and further assignment is to be made, a similar form, including the witnessing officer's certificate, may be written, typed, or stamped in any convenient space on the back of the bond. If there is not sufficient space for an additional form, in any particular case, instructions may be obtained from the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C., or any Federal Reserve Bank or branch.

SEC. 306.43(a)(5). Officers of Federal land banks, Federal intermediate credit banks, and banks for cooperatives, all located in Springfield (Mass.), Baltimore, Columbia (S.C.), Louisville, New Orleans, St. Louis, St. Paul, Omaha, Wichita, Houston, Berkeley, and Spokane, and the Central Bank for Cooperatives, Washington, D.C.

SEC. 306.43(b)(1).—Postmasters, acting postmasters, assistant postmasters, inspectors-in-charge, chief and assistant chief accountants, and superintendents of stations of any post office, but only for assignments of securities for redemption for the account of the assignor or for redemption-exchange for securities to be registered in his name.

SEC. 306.43(b)(4).—Officers of Federal savings and loan associations or other organizations which are members of the Federal Home Loan Bank System who have been authorized generally to bind their respective organizations by their acts, under the corporate seal, for assignments by the organizations or any of their regular customers of bonds of any class for any authorized transaction.

If an assignment is witnessed, under the corporate seal of an organization designated in subparagraph (4) of this paragraph, by the chairman of the board, the president, any vice president, the secretary or assistant secretary, or the treasurer or assistant treasurer, it will be presumed he was acting within the scope of his authority.

SEC. 306.43(c)(2).—Managers, assistant managers, and other officers of foreign branches of banks or trust companies chartered by or incorporated under the laws of the United States, or any State, Commonwealth, or Territory of the United States.

SEC. 306.44. *Duties of witnessing officers and responsibility for their acts.*—The assignor must appear before the witnessing officer, satisfactorily establish his identity, execute the assignment, and acknowledge it to be his free act and deed. The officer must complete the certification provided, by inserting the date, his signature, and his official title and address, and must impress or imprint the proper seal or stamp, if any. An officer of a corporation must use the corporate seal except as provided in sec. 306.43(a)(7). A clerk or judge of court must use the seal of the court. The signature of any post office official, other than a postmaster, must be in the following form: "John Doe, Postmaster, by Richard Roe, Superintendent of Station." Any post office official must use the official stamp of his office. Any other witnessing officer must use his official seal or stamp, if any, but, if he has neither, his official position and a specimen of his signature must be certified by some other authorized officer under official seal or stamp or otherwise proved to the satisfaction of the Treasury Department. No officer of the United States, except a clerk of a United States court, is authorized to charge a fee for witnessing an assignment of a United States bond, and banking institutions generally impose no charge for the service. The witnessing officer, and, if he is an officer of a corporation, the corporation, will be held responsible for any loss which the United States may suffer as the result of his fault or negligence.

SEC. 306.48. *Voidance of assignments.*—If an assignment to or for the account of another person has not been and is not to be completed by delivery of the security, the assignment may be voided by obtaining from that person a disclaimer of interest which should be executed in the presence of an officer authorized to witness assignments of bonds as provided in sec. 306.43. Unless otherwise authorized by the Treasury Department or a Federal Reserve Bank the disclaimer must be written, typed, or stamped on the back of the bond, in substantially the following form:

The undersigned as assignee of this bond hereby disclaims any interest therein.

(Signature)

I certify that the above-named person as described, whose identity is well known or proved to me, personally appeared before me the ------------ day of -------------------- (Month and year) at -------------------- (Place) and signed the above disclaimer of interest.

(SEAL)

(Signature of witnessing officer)

(Official designation)

In the absence of a disclaimer, affidavits should be submitted explaining why a disclaimer could not be obtained, setting forth all other material facts and circumstances relating to the transaction, and stating specifically that the bond was not delivered to the person named as assignee and that he acquired no right, title, or interest, in the bond. If an assignment to or for the account of another person was not properly witnessed or is otherwise imperfect, but has been completed by delivery, it cannot be considered void and must not be altered or erased. A new assignment must be executed in favor of the same assignee, unless the assignment can otherwise be perfected as directed by a Federal Reserve Bank or the Treasury Department.

SEC. 306.50. *Nontransferable securities.*—The provisions of this subpart, with the exception of those of secs. 306.42 and 306.48, shall apply to Treasury Bonds, Investment Series B–1975–80, and Treasury savings notes, provided, that sec. 306.46 shall apply with respect to assignments of the bonds or requests for payment of the notes. In applying these provisions to Treasury savings notes appropriate substitutions in terms should be made, as follows: "Note(s)" or

"Treasury savings note(s)" for "bond(s)" or "registered bond(s)"; "request(s) for payment" for "assignment(s)"; "requestor(s)" for "assignor(s)"; "certify" for "witness"; and "certifying officer" for "witnessing officer."

SEC. 306.55. *Signatures, minor errors, and change of name.*—The registered owner's signature to an assignment should be in the form in which his or her name has been inscribed on the face of the bond, unless the name as so inscribed is incorrect or has been changed since the bond was issued. In case of a minor error in inscription (not sufficient to raise any doubt in the mind of the witnessing officer in regard to the identity of the owner), the signature to the assignment should be in the following form, for example, "John Smythe, erroneously inscribed John Smith." In case of a more serious error in inscription, the procedure prescribed in sec. 306.13 should be followed. In case of a change in name, the signature to the assignment should show both names and the manner in which the change was made, for example "John Young, formerly John Jung (changed by court order)." Satisfactory proof of change of name will be required, but for reissue in the new name no assignment will be necessary. However, if the change resulted from marriage, no proof of the change is required to support an assignment if the signature is written, for example "Mrs. Mary J. Brown, before marriage Miss Mary Jones," and an authorized officer duly witnesses the assignment, thereby certifying that he is satisfied the assignor is the registered owner.

SEC. 306.57(a)(1). For redemption or for exhange for bearer securities, if satisfactory proof is furnished that the proceeds of the bonds are necessary and will be used for the support or education of the minor and the total face amount of Treasury bonds registered in the name of the minor for which redemption or such exchange is requested in any 90-day period does not exceed $1,000.

(Effective December 2, 1958.)

SEC. 306.57(a)(3). For redemption for reinvestment in other transferable bonds to be registered in the minor's name in the form "Miss Mary Smith, a minor," if the total face amount of bonds so registered exceeds $500 or if such amount does not exceed $500 but the minor is not of sufficient age and competency to sign his name and understand the nature of the transaction.

SEC. 306.57(c). *Assignments by minors.*—Bonds registered, before the effective date of these regulations, in the name of a minor for whose estate no guardian or similar representative has been appointed by a proper court or is otherwise legally qualified, may be assigned by the minor at maturity or call for redemption or redemption-exchange for new bonds to be registered in his name in the form "Henry Smith, a minor," if the total face amount of matured or called bonds so registered does not exceed $500, and if the minor, in the opinion of the witnessing officer, is of sufficient age and competency to sign his name to the assignments and understand the nature of the transaction. Payment will be made by check drawn to the order of the minor.

SEC. 306.58(c) (1) and (2). *Assignments by voluntary guardians.*—Bonds belonging to an incompetent for whose estate no legal guardian or similar representative has been appointed by a proper court or is otherwise legally qualified may be assigned by the relative responsible for his care and support or some other proper person as voluntary guardian:

(1) For redemption or exchange for bearer securities, if the proceeds of the bonds are necessary and will be used for the care or support of the incompetent or that of his legal dependents and the total face amount of registered Treasury bonds belonging to the incompetent for which redemption or such exchange is requested in any 90-day period does not exceed $1,000.

(2) For redemption if the bonds are matured or have been called and the proceeds are to be reinvested in other securities to be registered in the incompetent's name followed by that of his voluntary guardian in the form "A, an incompetent, under voluntary guardianship of B."

(Effective December 2, 1958.)

SEC. 306.59. *Attorneys in fact.*—Assignments by attorneys in fact for individual owners or coowners will be recognized if supported by adequate powers of attorney. The use of Form PD 1001 or 1002 is suggested but any form sufficient in substance may be used. Every power must be executed in the presence of an officer authorized to witness assignments of the bonds for the desired transactions. A power may be either general or specific, depending on whether the owner desires to authorize execution of assignments of all his bonds assignable under these regulations or to limit the authority to bonds of designated issues or to certain designated bonds. The original power must be filed with the Treasury Department, except that a photocopy certified by an officer of a Federal Reserve Bank or branch, or by an officer of a bank or trust company under its corporate seal, will be accepted, if the seal on the original power is legible on the copy or is copied by the certifying officer. An assignment by a substituted attorney in fact must be supported by an appropriate power of substitution, which must be supported in turn by an appropriate authorizing power of attorney. The use of Form PD 1005, 1006, 1007, or 1008 (the particular form depending on whether the power is to be general or specific and whether an individual or a corporation is to be named as attorney in fact) is suggested but any form sufficient in substance may be used. An assignment by an attorney in fact or a substituted attorney in fact for the apparent benefit of either will be accepted only if expressly authorized in both the power of attorney and power of substitution. A power of attorney or of substitution will be recognized until, but not after (unless the power is coupled with an interest) the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C., receives proof of revocation or proof of the grantor's death or incompetency, except that a pending transaction will be temporarily suspended on receipt of a request from the grantor of the power, by wire or otherwise, and except further that the Secretary of the Treasury may require evidence in any case that a power is still in full force at the time the Department is requested to act under it. If there are two or more joint attorneys in fact or substitutes all must unite in the assignment unless the power authorizes less than all to act or the bond has matured or been called, in which case less than all may assign for redemption for the account of the bond owner or for redemption and application of the proceeds in payment for new bonds offered in exchange to be registered in the name of the owner. An attorney in fact should execute an assignment with the signature written in the form "A, by B, attorney in fact."

SEC. 306.60. *Nontransferable securities.*—The provisions of this subpart, except those of secs. 306.56(a), 306.57(a)(1), and 306.58(c) relating to transfers, shall apply to Treasury Bonds, Investment Series B–1975–80, provided, that the term "exchange" as used in secs. 306.56(a), 306.57(a)(1), and 306.58(c)(1) shall be deemed to refer to the exchange of these bonds for the current series of 1½ percent 5-year Treasury notes. The provisions of this subpart with respect to assignments of bonds except those of sec. 306.56 and those of secs. 306.57(a)(1) and 306.58(c)(1) relating to transfers or exchanges shall apply to requests for payment of Treasury savings notes.

SEC. 306.70. *Nontransferable securities.*—The provisions of this subpart except those of sec. 306.66(b) relating to transfer shall apply to Treasury Bonds, Investment Series B–1975–80, provided, that the term "exchange" shall be deemed to refer to the exchange of these bonds for the current series of 1½ percent 5-year Treasury notes. The provisions of this subpart with respect to assignments of bonds shall apply to requests for payment of Treasury savings notes, provided, that the term "redemption," as used in sec. 306.66(a), shall be deemed to refer to payment of Treasury savings notes.

SEC. 306.82. *Nontransferable securities.*—The provisions of this subpart with respect to assignments are applicable to assignments of Treasury Bonds, Investment Series B–1975–80, and to requests for payment of Treasury savings notes.

SEC. 306.88. *Political entities and public corporations.*—Bonds registered in the name of a State, county, or other political entity, or in the name of an incorporated city, town, village, school district, or other public corporation or body may be assigned for any authorized transaction by a duly authorized officer or officers in accordance with the provisions of secs. 306.85 and 306.86, so far as applicable, except as otherwise provided herein. If evidence of authority derived from a municipal ordinance, charter of a public corporation or special act of a State legislature is required, a copy of the pertinent provision must be certified to the Department by the proper public officer under official seal. If evidence of authority derived from a State constitution or from a public law is required, the pertinent provision must be cited. If a certificate of incumbency is required, it must be executed by the proper public officer under official seal.

SEC. 306.89. *Public officers.*—Bonds registered in the title of a public officer who is the official custodian of public funds, for example, "Treasurer, State of North Carolina," may be assigned by the designated officer except that no assignment will be necessary for reissue in the title of the successor upon submission of evidence of succession by operation of law. No evidence will be required in support of an assignment for redemption for the officer's official account or for redemption and application of the proceeds in payment for new bonds offered in exchange to be registered in his official title or in the name of the political entity or public corporation for which he is acting. Any other assignment must be supported by satisfactory evidence that the assignor is the incumbent of the designated office, except that an assignment for his individual benefit will not be recognized. The evidence must be in the form of a certificate of incumbency executed by the proper public officer under official seal.

SEC. 306.90. *Partnerships.*—An assignment of a bond registered in the name of a partnership must be executed by a general partner in the form, for example:

"Smith and Jones, a partnership
By (signed) John Jones, a general partner."

An assignment for the benefit of one of the partners individually must be executed by another partner. Upon the death of a partner and the resulting dissolution of the partnership, assignment by all the surviving partners and by the persons entitled to assign in behalf of the decedent's estate will be required, unless the laws of the particular jurisdiction authorize the surviving partners to assign without regard to the decedent's estate. The assignment should be supported by an affidavit duly executed by a surviving partner identifying all the persons who had been partners immediately prior to the dissolution. Upon voluntary dissolution of a partnership, an assignment by a liquidating partner, as such, must be supported by a duly executed agreement among the partners appointing the liquidating partner.

SEC. 306.91. *Nontransferable securities.*—The provisions of this subpart shall apply to Treasury Bonds, Investment Series B–1975–80, and to requests for payment of Treasury savings notes.

SEC. 306.95(a). *General.*—The Treasury Department assumes no responsibility for the protection of the interest of any person in securities not in his possession, and neither the Department nor any of its agencies will accept notice of any claim or of pending judicial proceedings by any such person, except as specifically provided in these regulations. (See Subpart L for information in regard to the conditions under which caveats may be entered against transactions in securities of certain classes and relief granted on account of the loss, theft or destruction thereof.) These limitations are based on the fact that the ready marketability of the securities, especially bearer securities, depends in part upon the promptness and freedom with which transactions therein may be effected.

SEC. 306.100. *Nontransferable securities.*—The provisions of this subpart, with the exception of those of secs. 306.95, 306.96, and 306.98, shall apply to Treasury Bonds, Investment Series B–1975–80, provided, that the reference in sec. 306.97(2) to assignment by a sheriff, marshal, or other court officer, a trustee in bankruptcy, or a receiver or similar officer other than for redemption, shall be deemed to refer to assignment of the bonds for exchange for 1½ percent 5-year Treasury notes of EA or EO Series, and that the reference in sec. 306.99 relating to transfer of title and to an implied warranty of a presenter is not applicable. The provisions of this subpart, with the exception of those of secs. 306.95, 306.96, and 306.98 shall apply to Treasury savings notes, provided, that reference to assignment in sec. 306.97 shall be deemed to refer to a request for payment.

SEC. 306.117. *Nontransferables.*—The provisions of this subpart apply to all nontransferable securities, other than United States savings bonds, subject only to the limitations imposed by the terms of the particular issues.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

Legislation

EXHIBIT 14.—An act to increase the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time

[Public Law 86-74, 86th Congress, H.R. 7749]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C., sec. 757b), is amended to read as follows: "The face amount of obligations issued under authority of this Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate $285,000,000,000 outstanding at any one time."

Public Debt Act of 1959.
72 Stat. 1758.
73 Stat. 156.
73 Stat. 157.

SEC. 2. During the period beginning on July 1, 1959, and ending on June 30, 1960, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended, shall be temporarily increased by $10,000,000,000.

SEC. 3. This Act may be cited as the "Public Debt Act of 1959". Short title.

Approved June 30, 1959.

Public Debt Management

EXHIBIT 15.—Message to Congress by the President, June 8, 1959, requesting the removal of the ceilings on interest rates for savings bonds and new issues of Treasury bonds, and an increase in the statutory debt limitation

To the Congress of the United States:

Successful management of the debt of the Federal Government is one of the most important foundation stones of the sound financial structure of our Nation.

The public debt must be managed so as to safeguard the public credit. It must be managed in a way that is consistent with economic growth and stability. It must also be managed as economically as possible in terms of interest costs. The achievement of these goals is complicated today by several factors, despite the fact that U.S. Government securities are the safest investment in the world. Our growing prosperity, combined with Government programs to support mortgages and other types of debt obligations, has strengthened the position of these mortgage and other investments with which the Treasury must compete when it sells Government securities.

In addition, the rapid growth in borrowing demands of corporations, individuals, and State and local governments (which issue tax-exempt obligations) tends to diminish the amount of funds available for investment in direct Federal Government securities. Furthermore, the market for all fixed dollar obligations has been affected by a recent preference among some buyers for common stocks.

The achievement of a fiscal position that allows our revenues to cover our expenditures—as well as to produce some surplus for debt retirement—will improve substantially the environment in which debt management operates. Greater flexibility of debt management action is required, however, under present-day conditions if a reasonable schedule of maturities is to be maintained and the safeguards against inflation strengthened.

I am, therefore, asking the Secretary of the Treasury to transmit to the Congress today proposed legislation designed to improve significantly the Government's ability to manage its debt in the best interest of the Nation.

The legislation provides principally for—

(1) Removal of the present 3.26 percent interest rate ceiling on savings bonds. This, together with other changes, will reinvigorate the savings bond program.

(2) Removal of the present 4¼ percent interest rate ceiling on new issues of Treasury bonds. The present ceiling seriously restricts Treasury debt management and is inconsistent with the flexibility which the Secretary of the Treasury has on rates paid on shorter term borrowing.

(3) An increase in the regular public debt limit from $283 billion to $288 billion, and an increase in the temporary limit from $288 billion to $295 billion. These increases are essential to the orderly and prudent conduct of the financial operations of the Government, even with expenditures covered by revenues in the fiscal year 1960, as the Budget proposes.

Savings bonds

Removal of the present 3.26 percent maximum limit on savings bond interest, together with certain other changes, will permit the Treasury to improve the terms of savings bonds. This will strengthen the contribution of the program both to habits of thrift throughout the Nation and to a better structure of the public debt.

The Treasury is proposing the following revisions in the savings bond program, subject to approval of enabling legislation: A 3¾ percent interest rate to maturity for all series E and H savings bonds sold on or after June 1, 1959; an improved interest rate on all series E and H bonds outstanding and continued to be held; and improved extension terms for outstanding series E bonds when they mature.

Four and one-quarter percent maximum interest rate on new bond issues

There is no statutory maximum on the interest rate which can be paid by the Treasury for marketable borrowing of 5 years or less (bills, certificates, and notes). The Secretary of the Treasury should have similar flexibility with regard to Treasury bonds (which run 5 years or more to maturity).

The Treasury always tries to borrow as economically as it can, consistent with its other debt management objectives. But in our democracy no man can be compelled to lend the Government on terms he would not voluntarily accept. Therefore, when the Government borrows, it can do so successfully only at realistic rates of interest that are determined by the supply and demand for securities, as reflected in the prices and yields of outstanding issues established competitively in the Government securities market.

I am aware of the fact that many proposals have been made which are designed to produce lower interest rates. However, any debt management device which would seek to interfere with the natural interaction of the competitive forces of our free economy and produce unnatural reductions in interest rates would not only breach the fundamental principles of the free market, but under current conditions could be drastically inflationary. The additional cost of the Government alone from increased prices of the goods and services it must buy might far exceed any interest saving. The ultimate harm to the entire Nation of such a price rise could be incalculable.

Market yields on a number of Treasury bonds are already above 4¼ percent. With one exception all bonds which have 5 years or more to run to maturity have market yields above 4 percent. The Treasury recently has done substantial short-term borrowing. But it must avoid undue shortening of the public debt and therefore should continue to sell intermediate and longer term bonds whenever market conditions permit. It should not be prohibited from doing so by the existence of an artificial ceiling which under today's conditions makes it virtually impossible to sell bonds in the competitive market.

Debt limit

The Treasury's current estimates, assuming that revenues cover expenditures for the fiscal year 1960 as a whole, indicate the need for an increase in the regular (or permanent) statutory public debt limit from $283 billion to $288 billion. The $288 billion figure is $13 billion above the permanent limit of $275 billion in effect at the beginning of the fiscal year 1959. This $13 billion increase is approximately equal to the Federal Government deficit during the current fiscal year, as estimated in the Budget submitted in January.

The Treasury expects the debt to approximate $285 billion on June 30, 1959, leaving about $3 billion leeway under the proposed $288 billion regular ceiling—a leeway which is essential to protect the Government in case of unforeseen emergencies and to provide necessary flexibility in debt management operations.

Even with budget receipts covering expenditures in the next fiscal year the debt is expected to rise considerably above $288 billion next fall and winter as the Treasury borrows to cover seasonal needs. This seasonal borrowing can then be repaid before the end of the fiscal year. I am asking, therefore, for a temporary increase of $7 billion in the public debt limit beyond the $288 billion permanent ceiling to cover these seasonal borrowing needs. This temporary limit would expire June 30, 1960, and can be reviewed prior to that time.

Certain other technical proposals to improve the management of the public debt are also included in the proposed legislation.

The enactment of this program is essential to sound conduct of the Government's financial affairs. It will contribute significantly to the Treasury's ability to do the best possible job in the management of the public debt. I urge, therefore, that the Congress give prompt consideration to this request.

There is another matter to which I wish to call your attention, quite apart from the legislative program discussed above. When I submitted my budget to you in January interest costs on the public debt for the fiscal year 1960 were estimated at $8 billion. The increase in interest rates that has taken place since that estimate was made is now expected to add about half a billion dollars to this figure.

At the same time, however, I am informed that, because of the strength of economic recovery and growth beyond our earlier expectations, our revenue estimates for fiscal year 1960 will be sufficient to offset the increased interest cost on the public debt.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 8, 1959.*

EXHIBIT 16.—Letter of Secretary of the Treasury Anderson, June 8, 1959, to the Speaker of the House of Representatives transmitting drafts of two bills to facilitate management of the public debt and an analysis of the proposed new savings bond program

TREASURY DEPARTMENT,
Washington, June 8, 1959.

DEAR MR. SPEAKER: In accordance with the President's message today on public debt management, there are transmitted herewith drafts of two bills to facilitate management of the public debt (attachments A and B).

As mentioned in the President's message, these bills provide primarily for three major steps designed to strengthen the public debt management program, as follows:

(1) Removal of the present 3.26 percent interest rate ceiling on savings bonds which, together with other changes, will permit the Treasury to go forward with a reinvigorated savings bonds program;

(2) Removal of the present 4¼ percent interest rate ceiling on new Treasury bond issues; and

(3) An increase in the regular public debt limit from $283 billion to $288 billion, with a temporary increase to $295 billion through June 30, 1960.

The bills also provide certain technical amendments designed to improve the management of the public debt.

As an attachment to the proposed legislation, I am also transmitting herewith further details on the new savings bonds program, most of which I plan to put into effect as of June 1, 1959, if the proposed legislation is enacted (attachment C).

As the President stressed in his message, this program is urgently needed in the public interest to allow the Treasury to operate with appropriate flexibility in meeting its debt management responsibilities within the context of competitive markets and without resort to improvident procedures or controls.

It is hoped that the Congress can consider the proposed bills with reasonable promptness. We will be glad to present further details and all of the information concerning the proposals which will enable the Congress to effectively consider these important proposals.

Sincerely yours,

ROBERT B. ANDERSON,
Secretary of the Treasury.

ATTACHMENT A

A bill to facilitate management of the public debt, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Second Liberty Bond Act, as amended (31 U.S.C. 752), is amended by striking out the following: ", not exceeding 4¼ per centum per annum,".

SEC. 2. (a) The first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C. 757b), is amended to read as follows:

"SEC. 21. The face amount of obligations issued under authority of this Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate $288,000,000,000 outstanding at any one time."

(b) During the period beginning on the date of the enactment of this Act and ending June 30, 1960, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended, shall be temporarily increased by $7,000,000,000.

SEC. 3. Paragraphs (1) and (2) of subsection (b) of section 22 of the Second Liberty Bond Act, as amended (31 U.S.C. 757c(b) (1) and (2)), are amended to read as follows:

"(b)(1) Savings bonds and savings certificates may be issued on an interest-bearing basis, on a discount basis, or on a combination interest-bearing and discount basis. Such bonds and certificates may be sold at such price or prices and rate or rates of interest and in such denomination or denominations and may be redeemed before maturity upon such terms and conditions as the Secretary of the Treasury may prescribe.

"(b)(2) The Secretary of the Treasury, with the approval of the President, is authorized to provide by regulation:

"(i) that owners of series E and H savings bonds may, at their option, retain the bonds after maturity, or after any period beyond maturity during which they have earned interest, and continue to earn interest upon them;

"(ii) that series E and H savings bonds on which the rates of interest have been fixed prior to such regulations will earn interest at higher rates."

SEC. 4. Subsection (i) of section 22 of the Second Liberty Bond Act, as amended (31 U.S.C. 757c(i)), is amended by inserting after the third sentence thereof the following:

"Relief from liability shall be granted in all cases where the Secretary of the Treasury shall determine, under rules and regulations prescribed by him, that written notice of liability or potential liability has not been given, within ten years from the date of the erroneous payment, to any of the foregoing agents or agencies whose liability is to be determined: *Provided*, That no relief shall be granted in any case in which a qualified paying agent has assumed unconditional liability to the United States."

SEC. 5. (a) Section 3701 of the Revised Statutes (31 U.S.C. 742) is amended by adding at the end thereof the following:

"This exemption extends to every form of taxation that would require that either the obligations or the interest thereon, or both, be considered, directly or indirectly, in the computation of the tax, except franchise or other non-property taxes in lieu thereof imposed on corporations and except estate taxes or inheritance taxes."

(b) The following provisions of the Second Liberty Bond Act, as amended, relating to the tax-exempt status of obligations of the United States, are repealed, without changing the status of any outstanding obligation:

(1) Subsection (b) of section 5 (31 U.S.C. 754(b));
(2) The second and third sentences of section 7 (31 U.S.C. 747);
(3) Subsection (b) of section 18 (31 U.S.C. 753(b));
(4) The first sentence of subsection (d) of section 22 (31 U.S.C. 757c(d)).

SEC. 6. The following provisions of law are amended by striking out the words "on original issue at par" and inserting in lieu thereof the words "on original issue at the issue price":

(a) Section 6(g)(5) of the Act of March 24, 1934, as amended (22 U.S.C. 1393(g)(5));
(b) Section 201(d) of the Act of August 14, 1935, as amended (42 U.S.C. 401(d));
(c) Section 904(b) of the Act of August 14, 1935, as amended (42 U.S.C. 1104(b));
(d) Section 15(b) of the Act of August 29, 1935, as amended (45 U.S.C. 228o(b));
(e) Section 209(e)(2) of the Act of June 29, 1956 (23 U.S.C. 173(e)(2)).

SEC. 7. The amendments made by section 3 shall be effective as of June 1, 1959.

Section-by-Section Analysis of a Bill to Facilitate Management of the Public Debt

Section 1 would remove the present limit of 4¼ percent on the rate of interest on new issues of Treasury bonds.

Section 2 would provide a permanent increase in the debt limit to $288 billion and would provide a temporary debt limit of $295 billion through June 30, 1960.

Section 3 would remove the present limit of 3.26 percent on the rate of interest on savings bonds, it would remove the present limits on maturities of savings bonds, it would authorize further extensions of Series E savings bonds which have been authorized to earn interest after maturity, it would authorize similar extensions of Series H savings bonds, and it would authorize the increasing of interest rates upon Series E and H savings bonds after rates of interest have been fixed by contract.

Section 4 would relieve agents authorized to make payments in connection with the redemption of savings bonds from liability to the United States for erroneous payment unless written notice of potential liability is given within ten years from the date of the erroneous payment.

Section 5 would make it clear that present provisions of law exempting obligations of the United States from State and local taxation cover State income taxes.

Section 6 would permit certain Government trust funds which can now acquire Government securities on original issue only at par to acquire them at the issue price like any other purchaser from the Treasury.

Section 7 would provide an effective date of June 1, 1959, for amendments authorizing increased interest rates on savings bonds.

Attachment B

A bill to permit the Secretary of the Treasury to designate certain exchanges of Government securities to be without recognition of gain or loss for income tax purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part III of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to common nontaxable exchanges) is amended by adding at the end thereof the following new section:

"Sec. 1037. Certain Exchanges of United States Obligations.

"(a) *General rule.*—When so provided by regulations promulgated by the Secretary in connection with the issue of obligations of the United States, no gain or loss shall be recognized on the surrender to the United States of obligations of the United States issued under the Second Liberty Bond Act in exchange solely for other obligations issued under such Act. For rules relating to the recognition of gain or loss in a case where the preceding sentence would apply except for the fact that the exchange was not made solely for other obligations of the United States, see subsections (b) and (c) of section 1031.

"(b) *Application of section 1232.*—Notwithstanding any provision of this section, section 1031(b), or section 1031(d), section 1232 shall apply to any recognized gain to which it would otherwise apply, except that in the case of an exchange of a transferable obligation for another transferable obligation, the issue price of the obligation received by the taxpayer in exchange shall be considered to be the same as the issue price of the obligation given by the taxpayer in exchange. For purposes of this section, the holding period of any transferable obligation received by the taxpayer in exchange for another transferable obligation shall include the holding period of the obligation given by the taxpayer in exchange except with respect to any gain recognized at the time of the exchange.

"(c) *Cross references.*—For rules relating to the basis of obligations of the United States acquired in an exchange for other obligations described in subsection (a), see subsection (d) of section 1031."

(b) The table of sections for part III of subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Sec. 1037. Certain exchanges of United States obligations."

(c) Section 1031(b) (relating to gain from exchanges of property not solely in kind) is amended by striking out "the provisions of subsection (a), of section

1035(a), or of section 1036(a)," and inserting in lieu thereof "the provisions of subsection (a), of section 1035(a), of section 1036(a), or of section 1037(a),".

(d) Section 1031(c) (relating to loss from exchanges of property not solely in kind) is amended by striking out "the provisions of subsection (a), of section 1035(a), or of section 1036(a)," and inserting in lieu thereof "the provisions of subsection (a), of section 1035(a), of section 1036(a), or of section 1037(a),".

(e) Section 1031(d) (relating to basis in the case of exchanges of property held for productive use or investment) is amended by striking out "this section, section 1035(a), or section 1036(a)," in the first sentence thereof and inserting in lieu thereof "this section, section 1035(a), section 1036(a), or section 1037(a),".

SEC. 2. Section 4(a) of the Public Debt Act of 1941, as amended (31 U.S.C. 742a), is amended by striking out "under the Internal Revenue Code," and inserting in lieu thereof "except as provided under the Internal Revenue Code,".

SEC. 3. The amendments made by this Act shall be effective for taxable years ending after the date of enactment of this Act.

Section-By-Section Analysis of a Bill To Permit the Secretary of the Treasury To Designate Certain Exchanges of Government Securities To Be Without Recognition of Gain or Loss for Income Tax Purposes

Section 1 would permit the Secretary of the Treasury to designate certain exchanges of Government securities upon which recognition of gain or loss would be deferred for Federal income tax purposes. The characterization of the gain or loss so deferred, however, would not be affected except as the actual holding period would convert short-term gain or loss into long-term gain or loss. Also, a special rule is provided to eliminate the possible creation of original issue discount in the case of exchanges of transferable Government securities.

Section 2 would conform the Public Debt Act of 1941 to accord with the amendments of the Internal Revenue Code proposed in section 1.

Section 3 would provide an effective date.

Attachment C

Treasury savings bond program if proposed legislation is enacted (June 1959)

At the present time approximately $42½ billion Series E and H bonds are outstanding, owned by perhaps as many as 40 million Americans. Approximately 8 million Americans are buying bonds currently on payroll savings plans in industry and Government throughout the Nation. Many of these savings grow out of the convenience of the payroll plan and are savings which would not be taking place in such volume if the savings bond program did not exist.

The E and H program is the only broad area in the debt management picture where the Treasury has been successful in attracting long-term savings into Government securities during the period since the close of World War II. Holdings of Government securities by individuals outside of the E and H program have declined by $13 billion during the last 12 years, while holdings by savings institutions have gone down by $10½ billion. During the same period the volume of E and H bonds outstanding has risen by $12½ billion.

In recent years the E and H program has been attracting a declining share of individuals' liquid savings. In 1958, for example, only 6 percent of these savings (in saving accounts in banks, savings and loan shares, and E and H bonds) was accounted for by the savings bond program, as against 24 percent in the early postwar years.

Savings bonds are attractive to many investors largely because of their safety and their convenience of purchase and redemption. However, with interest rates on savings bonds lagging behind the increases in interest paid on other forms of saving it is apparent that in all fairness to present holders, as well as to new purchasers of savings bonds, some upward revision in interest rates is called for. In addition to increased rates, certain other features are being added to the program which will make it a much more positive force in stimulation of savings than it has been for many years. An increased volume of savings is important to the welfare of our Nation and contributes effectively to the sound financing of industry and government. It reduces the pressures leading to excessive increases in bank credit, which in turn result in an expansion of money supply beyond the normal needs of a growing economy.

The new savings bond program has three major features (subject, of course to the enactment of enabling legislation):

(1) All E and H bonds sold beginning June 1, 1959, will earn 3¾ percent if held to maturity—½ percent higher than at present—with lesser improved yields for shorter periods of holding.

(2) All E and H bonds outstanding will also earn approximately ½ percent more than they do now if held to maturity beginning with their first semiannual interest period which starts on or after June 1, 1959, with lesser improvement if redeemed earlier.

(3) All E bonds on which an extension has already been promised and which had not yet reached first maturity (before June 1, 1959) will be offered an improved extension on which 3¾ percent will be paid if held the full additional ten years, with lesser yields (starting at 3½ percent) for shorter periods of holding.

Each of these three items is discussed in the paragraphs which follow.

(1) *One-half percent increase on new bonds.*—The increase in interest earnings from 3¼ percent to 3¾ percent for full term of holding on E bonds is realized by shortening the term to maturity from the present 8 years and 11 months to 7 years and 9 months. The purchase price of the bond will continue to be 75 percent of its maturity value, thus preserving the advantages of the present well-ingrained system of bond purchases through payroll savings.

The amount of interest earned if the new E bond is redeemed before maturity will also be improved. The rate of interest earned at the 1-year point will be increased from 2.28 percent to 2.33 percent, at the 2-year point from 2¾ percent to 3 percent, and at the 3-year point from 3 percent to 3¼ percent. This modest increase in earnings for short-term holdings reflects the desire of the Treasury not to compete unfairly with the rates paid on accounts in private savings institutions for short periods of time. At the same time, the increased incentive to hold the new bond to maturity to earn the full 3¾ percent emphasizes even more strongly the Treasury's desire to appeal primarily to longer-term savers.

The planned increase in rates returns the relationship between E bonds and other forms of saving roughly to the same position they held when the E bond rate was increased from 2.90 percent to 3 percent seven years ago. The increase makes no attempt, however, to restore fully the 1952 relationship between the 3 percent E bond rate at that time and the 2.6 percent average rate on long-term marketable Treasury bonds. Even the new 3¾ percent rate is more than ¼ percent below comparable marketable bond yields at the present time (See Appendix 1 for detail on the new E bond).

The new H bond, like its predecessor, will continue to be a current income bond issued at par, redeemable at par on one month's notice at any time after six months' holding, and maturing at par at the end of its 10-year life. The H bond will continue to have approximately the same increasing schedule of interest earnings as the E bond by means of increasing interest checks up to two years, with a constant amount thereafter (See Appendix 2 for detail on the new H bond).

The present interest rate ceiling on savings bonds is 3.26 percent. Thus, the ceiling will have to be lifted in order to put the new rates into effect. A retroactive effective date of June 1 has been requested, however, so every bond bought on or after that date will benefit by the new terms regardless of what is stated on the bond. This procedure is similar to that followed when E and H bond terms were changed a little over two years ago.

(2) *Increased earnings for outstanding E and H bonds.*—In all previous savings bond revisions the Treasury has taken the position that no change should be made in the terms of savings bonds already outstanding. In both 1952 and 1957 it was pointed out to holders of such bonds that if they felt they could do better by turning in their old bond and buying a new one they were free to do so; but it was also pointed out that in the vast majority of cases it was still to their benefit to retain the existing bonds. In 1957, for example, this was true for continued holding of all bonds which had not yet reached first maturity, except for those purchased in the 2½ years preceding the change in terms. It was true also for most of the holders of bonds in the extension period who would in many cases be dissuaded from buying the new bond since they would have to pay upon redemption whatever taxes were due on the accumulated interest on the old bond. On the other hand, continued holding would defer the taxes, as well as permit continued earning of interest on the amount of deferred tax.

This position was quite satisfactory under conditions where the changes were only ⅒ percent as in 1952, or ¼ percent as in 1957. Under the conditions applying to a more substantial increase in the interest rate on E and H bonds, however—

particularly when added to the earlier increases—the volume of potential switches out of the old bond in order to buy the new one is much larger and could reach significant proportions. Such switches would be costly enough from the standpoint of the Treasury even if they would indeed result in purchases of the new bonds. As a practical matter it is recognized, however, that once the incentive to redeem the old bond is increased many holders, despite the more attractive interest rate, will prefer either to spend their money or invest it elsewhere at even higher rates of interest and would be lost to the savings bond program. This tendency would be accentuated by the fact that it is rarely possible to reinvest the exact proceeds of a redeemed bond in a new bond since the number of available denominations is limited.

There is, in addition, an important question of equitable treatment of all bondholders. The Treasury has something of a trusteeship function on behalf of millions of individual savers who do not follow interest rate trends closely. They buy bonds and hold bonds with understandable faith that the Government is giving them a square deal.

The new plan provides, therefore, for improved yields to start with the first 6-month interest period beginning June 1, 1959, or thereafter. Only future earnings will be affected; no retroactive increase in interest rates for past periods is involved. To bring the future earnings of bonds bought since January 1957—which are on a 3¼ percent basis if held for the full term to maturity—in line with the new 3¾ percent bond, ½ percent per year will be added to the interest earnings of such bonds for the remaining period to maturity if held until that maturity, with lesser increases of interest for each future period if redeemed before maturity.

Similarly, bonds issued from May 1952 through January 1957 will have ½ of 1 percent added to the yield of their present 3 percent bonds from now until maturity if they are held until that date. Bonds sold from December 1949 through April 1952 will have an increase of .60 percent above their original rate of 2.90 percent, so that they too, in effect, will earn 3½ percent from the beginning of the next interest accrual period until maturity if held that long (For list of categories of E bonds outstanding see Appendix 3 on revision of existing E bonds, table V).

The Treasury's decision to increase gradually the interest rate on outstanding bonds, rather than giving each bond a full ½ percent or .60 percent increase beginning with the next interest earning period, again reflects a desire to encourage continued holding of these securities.

The increased interest return on Series E bonds will be achieved through an improvement in the guaranteed redemption value on each bond over and above the schedule of redemption values printed on the bond. No action by the bondholder is necessary. In the first period the increased interest adjustment may be as little as 4¢ on a $100 bond, but in all cases a full half percent (or .60 percent, as the case may be) will be earned for future periods if the bond is held to its first maturity date (For example see Appendix 3 on revision of existing E bonds, tables VIII–X).

A similar adjustment will be made for all bonds which have passed their original maturity date and are in the extension period. In the case of bonds purchased from May 1942 through May 1949—bonds which already have a 10-year extension at 3 percent—the rate will be raised to approximately 3½ percent for the remaining number of 6-month interest periods to maturity if held for the full term. Similarly, the rates on bonds sold from May 1941 through April 1942, which have a 10-year 2.90 percent extension, will be raised by .60 percent so that they also, in effect, will earn 3½ percent if held to the second maturity date (For examples, see Appendix 3 on revision of existing E bonds, tables VI and VII).

The only outstanding bonds remaining are those sold from June through November 1949. These will be reaching first maturity on, or within the first 6 months thereafter, the effective date of the revision and thus will be entitled to the new 10-year extension described below.

The improved interest on Series H bonds will be paid directly to the holder as part of his regular semiannual interest check, beginning with interest checks payable on December 1, 1959. As in the case of interest earned on E bonds, the full ½ percent improvement in earnings from now until maturity will be realized only if the H bond is held until maturity (See Appendix 4 on revision of existing H bonds, tables XIII–XV, for list of categories and examples).

(3) *Improved extension terms on bonds which have already been promised a further extension.*—All unmatured bonds (before June 1, 1959) issued June 1949 through April 1957 have already been promised a 10-year 3-percent extension, which

period had not yet begun. There will be a 3¾ percent extension for all of these bonds if the bonds are held for the full 10-year extension period, with lesser yields (beginning at 3½ percent) if redeemed before the end of the 10-year extension period. The decision to offer a gradually increasing rate on the future extension of these bonds reflects again the Treasury's desire to give an added interest incentive for longer-term holding (See Appendix 3, table XI, for detail on revised extension of E bonds).

When the Treasury started issuing the present 3¼ percent E bond in the spring of 1957, it offered no extension beyond the original maturity of 8 years and 11 months. The Treasury is now announcing that a 10-year extension will be provided after maturity for the 3¼ percent E bonds issued May 1957 through May 1959, as well as the new 3¾ percent E bonds with issue dates beginning June 1959. However, other terms and conditions (including interest rates) pertaining to the 10-year extension will not be announced until the first of these bonds approaches maturity.

The first extended savings bonds will reach the end of their extension period in May 1961 (bonds originally sold in May 1941). The Treasury is announcing that, as that date approaches, the holders of all bonds which reached first maturity before June 1, 1959 (issued May 1941 through May 1949) will have the opportunity to extend their bonds for a further 10-year period, with other terms and conditions (including interest rates) to be announced prior to May 1961. As part of its legislative program, therefore, the Treasury has asked for removal of the present 10-year limitation on E bond extension, thus permitting this program to go forward at the appropriate time.

The Treasury also has asked that its present authority to extend Series E bonds be broadened to include Series H bonds. The Treasury has not reached any decision whether or not to extend H bonds when they begin coming due in February 1962. Broadening of the present authority will permit the Treasury to treat these securities in the same manner as the Congress has approved with regard to Series E bonds if it is deemed advisable.

The above three-pronged program is designed to make savings bonds more attractive and will add materially both to the encouragement of desirable habits of thrift throughout the country and to the ability of the Treasury to achieve a better balanced structure of the public debt. The attached appendices present further detail on each aspect of the new program.

Appendix 1 (Subject to Enabling Legislation)

Revised Series E savings bond—new purchases on or after June 1, 1959

Summary of terms and conditions

(1) *Date of announcement.*—June 8, 1959 (Treasury Circular No. 653—Fifth Revision).

(2) *Effective date.*—The revised terms apply to all bonds sold on or after June 1, 1959.

(3) *Issue price.*—75 percent of maturity (par) value.

(4) *Issue date.*—First day of month in which payment is received by an authorized issuing agent.

(5) *Maturity date.*—7 years and 9 months from issue date.

(6) *Interest.*—Accrues to par to provide an investment yield of 3¾ percent compounded semiannually if held to maturity; lesser yields if redeemed at earlier dates.[1]

(7) *Redeemability prior to maturity at option of Treasury.*—None.

(8) *Redeemability prior to maturity at option of holder.*—At any time not less than 2 months from issue date without notice, at stated redemption values, at any qualified bank or other paying agent, any Federal Reserve Bank or branch, or at the United States Treasury.[1]

(9) *Negotiability.*—None.

[1] For schedule of redemption values and investment yields see table I attached.

(10) *Eligibility as collateral for loans.*—None.

(11) *Eligible subscribers.*—For cash, any investor other than commercial banks. In exchange for matured and maturing Series F and G savings bonds, any holder other than commercial banks.

(12) *Limits on subscriptions by eligible subscribers.*—Annual limit for cash $10,000 (maturity value). Series E bonds obtained in exchange for matured and maturing Series F and G savings bonds are excluded from this limitation.

(13) *Denominations.*—$25, $50, $100, $200, $500, $1,000, and $10,000 (maturity value). (Also $100,000 denomination for certain employee savings plans).

(14) *Bearer or registered.*—Registered form only; may be registered in name of single owner (with or without beneficiary) or in coownership form.

(15) *Extension privileges.*—A 10-year extension will be provided if owner wishes to hold his bond beyond maturity. Other terms and conditions (including interest rates) of the extension will not be announced until bonds approach maturity.

(16) *Handling of subscriptions before new bonds are printed.*—Old stock will be used until new bonds are available. In all cases the regulations will apply the new terms and conditions to all bonds purchased on or after June 1, 1959. If the purchaser wishes, he may exchange any bond issued on or after June 1, 1959, on old stock for a new bond with the same dating when new stock is available, although his rights would be in no way impaired if he does not do so.

TABLE I.—*Revised Series E savings bond—new purchases on or after June 1, 1959, Schedule of redemption values and investment yields*

[Based on $100 bond maturity value; $75, issue price]

Period after issue date	Redemption value during each period	Approximate investment yields [1]	
		On issue price to beginning of each period	On current redemption value from beginning of each period to maturity
		Percent	*Percent*
First half year	$75.00		3.75
½ to 1 year	75.64	1.71	3.89
1 to 1½ years	76.76	2.33	3.96
1½ to 2 years	78.04	2.67	4.01
2 to 2½ years	79.60	3.00	4.01
2½ to 3 years	81.12	3.16	4.03
3 to 3½ years	82.64	3.26	4.05
3½ to 4 years	84.28	3.36	4.06
4 to 4½ years	86.00	3.45	4.06
4½ to 5 years	87.80	3.53	4.04
5 to 5½ years	89.60	3.59	4.03
5½ to 6 years	91.44	3.64	4.02
6 to 6½ years	93.28	3.67	4.01
6½ to 7 years	95.16	3.70	4.01
7 to 7½ years	97.08	3.72	3.99
7½ to 7 years and 9 months	99.00	3.74	4.06
Maturity value (7 years and 9 months from issue date)	100.00	3.75	

[1] Compounded semiannually.

TABLE II.—*Revised* [1] *and present Series E bond first maturity period redemption values and investment yields*

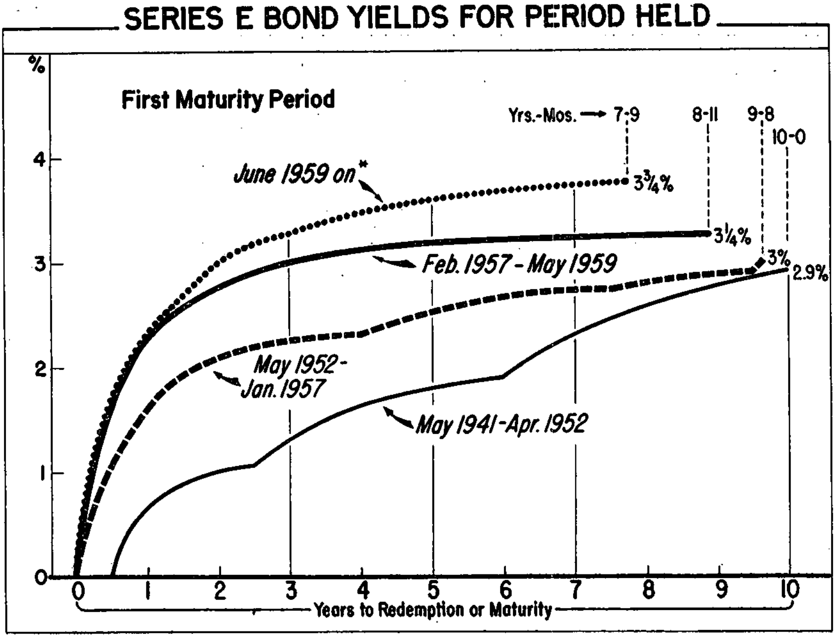
[$100 bond, face value]

Period after issue date (years)	Redemption value			Yield for [2]					
				Period held [3]			Remaining period to maturity [4]		
	Revised	Present	Increase	Revised	Present	Increase	Revised	Present	Increase
				Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
0-½	$75.00	$75.00	-------	-------	-------	-------	3.75	3.25	0.50
½-1	75.64	75.60	$0.04	1.71	1.60	0.11	3.89	3.35	.54
1-1½	76.76	76.72	.04	2.33	2.28	.05	3.96	3.38	.58
1½-2	78.04	77.92	.12	2.67	2.56	.11	4.01	3.39	.62
2-2½	79.60	79.24	.36	3.00	2.77	.23	4.01	3.39	.62
2½-3	81.12	80.60	.52	3.16	2.90	.26	4.03	3.39	.64
3-3½	82.64	82.00	.64	3.26	3.00	.26	4.05	3.38	.67
3½-4	84.28	83.40	.84	3.36	3.06	.30	4.06	3.38	.68
4-4½	86.00	84.84	1.16	3.45	3.11	.34	4.06	3.37	.69
4½-5	87.80	86.28	1.52	3.53	3.14	.39	4.04	3.37	.67
5-5½	89.60	87.76	1.84	3.59	3.17	.42	4.03	3.36	.67
5½-6	91.44	89.24	2.20	3.64	3.19	.45	4.02	3.36	.66
6-6½	93.28	90.72	2.56	3.67	3.20	.47	4.01	3.37	.64
6½-7	95.16	92.24	2.92	3.70	3.21	.49	4.01	3.37	.64
7-7½	97.08	93.76	3.32	3.72	3.21	.51	3.99	3.39	.60
7½-7¾	99.00	-------	-------	3.74	-------	-------	-------	-------	-------
7½-8	-------	95.32	3.68	-------	3.22	.52	4.06	3.41	.65
7¾ (maturity)	100.00	-------	-------	3.75	-------	-------	-------	-------	-------
8-8½	-------	96.88	-------	-------	3.23	-------	-------	3.49	-------
8½-8 11/12	-------	98.44	-------	-------	3.23	-------	-------	3.81	-------
8 11/12 (maturity)	-------	100.00	-------	-------	3.25	-------	-------	-------	-------

[1] Bonds issued after May 31, 1959.
[2] Compounded semiannually.
[3] From issue date to the beginning of any subsequent ½ year period.
[4] On current redemption value from the beginning of each ½ year period to maturity.

CHART A

SERIES E BOND YIELDS FOR PERIOD HELD



*Subject to enabling legislation.

APPENDIX 2 (SUBJECT TO ENABLING LEGISLATION)

Revised Series H savings bond—new purchases on or after June 1, 1959

Summary of terms and conditions

(1) *Date of announcement.*—June 8, 1959 (Treasury Circular No. 905—Second Revision).

(2) *Effective date.*—The revised terms apply to all bonds sold on or after June 1, 1959.

(3) *Issue price.*—Par.

(4) *Issue date.*—First day of month in which payment is received by a Federal Reserve Bank or branch, or the United States Treasury.

(5) *Maturity date.*—10 years from issue date.

(6) *Interest.*—Varying semiannual interest checks to provide an investment yield of approximately 3¾ percent per annum if held to maturity, lesser yields if redeemed at earlier dates.[1]

(7) *Redeemability prior to maturity at option of Treasury.*—None.

(8) *Redeemability prior to maturity at option of holder.*—On first day of any month after 6 months from issue date on 1 month's notice, at par, at any Federal Reserve Bank or branch, or at the United States Treasury.

(9) *Negotiability.*—None.

(10) *Eligibility as collateral for loans.*—None.

(11) *Eligible subscribers.*—For cash, any investor other than commercial banks. In exchange for matured and maturing F and G savings bonds, any holder other than commercial banks.

(12) *Limits on subscriptions by eligible subscribers.*—Annual limit for cash $10,000 (maturity value). Series H bonds obtained in exchange for matured and maturing Series F and G savings bonds are excluded from this limitation.

(13) *Denominations.*—$500, $1,000, $5,000, and $10,000.

(14) *Bearer or registered.*—Registered form only; may be registered in the name of single owner (with or without beneficiary) or in coownership form.

(15) *Extension privileges.*—None.

(16) *Handling of subscriptions before new bonds are printed.*—Old stock will be used until new bonds are available. In all cases the regulations will apply the new terms and conditions to all bonds purchased on or after June 1, 1959. If the purchaser wishes, he may exchange any bonds issued on or after June 1, 1959, on old stock for a new bond with the same dating when new stock is available, although his rights would be in no way impaired if he does not do so.

[1] For schedule of varying amounts of checks and investment yields see table III attached.

TABLE III.—*Revised Series H savings bond—new purchases on or after June 1, 1959* [1]*—Schedule of semiannual interest checks and investment yields*

[Based on $1,000 bond [2]]

Period of time bond is held after issue date	Interest check	Approximate investment yields [3]: From issue date to each interest payment date	Approximate investment yields [3]: From each interest payment date to maturity
		Percent	*Percent*
At issue date			3.75
½ year	$8.00	1.60	3.88
1 year	14.50	2.25	3.95
1½ years	16.00	2.56	4.00
2 years	20.00	2.91	4.00
2½ years	20.00	3.12	4.00
3 years	20.00	3.26	4.00
3½ years	20.00	3.36	4.00
4 years	20.00	3.44	4.00
4½ years	20.00	3.49	4.00
5 years	20.00	3.54	4.00
5½ years	20.00	3.58	4.00
6 years	20.00	3.61	4.00
6½ years	20.00	3.64	4.00
7 years	20.00	3.66	4.00
7½ years	20.00	3.68	4.00
8 years	20.00	3.70	4.00
8½ years	20.00	3.71	4.00
9 years	20.00	3.72	4.00
9½ years	20.00	3.74	4.00
10 years (maturity)	20.00	3.75	

[1] With investment return approximating return on revised series E bond.
[2] Redemption value at all times=$1,000.
[3] Compounded semiannually.

TABLE IV.—*Revised* [1] *and present Series H bond interest checks and investment yields*

[$1,000 bond [2]]

Period after issue date (years)	Interest checks: Revised	Interest checks: Present	Interest checks: Increase	Yield for [3]: Period held [4]: Revised	Period held [4]: Present	Period held [4]: Increase	Remaining period to maturity: Revised	Remaining period to maturity: Present	Remaining period to maturity: Increase
				Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
0							3.75	3.25	.50
½	$8.00	$8.00	0	1.60	1.60	0	3.88	3.35	.53
1	14.50	14.50	0	2.25	2.25	0	3.95	3.38	.57
1½	16.00	16.90	$-0.90	2.56	2.62	-.06	4.00	3.38	.62
2	20.00	16.90	3.10	2.91	2.80	.11	4.00	3.38	.62
2½	20.00	16.90	3.10	3.12	2.92	.20	4.00	3.38	.62
3	20.00	16.90	3.10	3.26	2.99	.27	4.00	3.38	.62
3½	20.00	16.90	3.10	3.36	3.04	.32	4.00	3.38	.62
4	20.00	16.90	3.10	3.44	3.08	.36	4.00	3.38	.62
4½	20.00	16.90	3.10	3.49	3.11	.38	4.00	3.38	.62
5	20.00	16.90	3.10	3.54	3.14	.40	4.00	3.38	.62
5½	20.00	16.90	3.10	3.58	3.16	.42	4.00	3.38	.62
6	20.00	16.90	3.10	3.61	3.18	.43	4.00	3.38	.62
6½	20.00	16.90	3.10	3.64	3.19	.45	4.00	3.38	.62
7	20.00	16.90	3.10	3.66	3.20	.46	4.00	3.38	.62
7½	20.00	16.90	3.10	3.68	3.21	.47	4.00	3.38	.62
8	20.00	16.90	3.10	3.70	3.22	.48	4.00	3.38	.62
8½	20.00	16.90	3.10	3.71	3.23	.48	4.00	3.38	.62
9	20.00	16.90	3.10	3.72	3.24	.48	4.00	3.38	.62
9½	20.00	16.90	3.10	3.74	3.24	.50	4.00	3.38	.62
10 (maturity)	20.00	16.90	3.10	3.75	3.25	.50			

[1] Bonds issued after May 31, 1959.
[2] Redemption value at all times=$1,000.
[3] Compounded semiannually.
[4] From issue date to any interest payment date.

Appendix 3 (Subject to Enabling Legislation)

Revision of existing Series E savings bonds, outstanding bonds issued before June 1, 1959

Summary of revisions in terms and conditions

(1) *Date of announcement.*—June 8, 1959 (Treasury Circular No. 653—Fifth Revision).

(2) *Effective date for start of increased yields.*—June 1, 1959, for all existing bonds dated June and December of any issue year; for all others the next date on which their redemption values increase. Therefore, the first change in redemption values from the schedules published in 4th revision of Treasury Department Circular No. 653 dated April 22, 1957, will take place ½ year after June 1, 1959, in the case of bonds dated June and December of any year and ½ year after the next date (after June 1959) on which redemption values increase in the case of all other bonds.

(3) *Revision of future yields until next maturity date.*—Beginning December 1, 1959, on bonds issued in June and December of any year (all other bonds on the next date of increase in value), future redemption values will be increased to provide an increase in investment yields for the remaining period to next maturity. At next maturity date the amount of the increase in investment yield (compounded semiannually) will be: 5/10 of 1 percent per annum on bonds now earning more than 2.90 percent per annum for their full current maturity period; and 6/10 of 1 percent per annum on bonds now earning 2.90 percent per annum for their full current maturity period, with lesser increases in investment yields if bonds are redeemed before next maturity.[1]

(4) *Extension privileges at first maturity.*—On bonds which have not already reached first maturity before the effective date of this revision.

(*a*) Bonds issued June 1949 through April 1957—if owner does not wish to cash his bond at maturity he may hold his bond for a period of 10 years more with interest accruing at a rate of approximtaely 3½ percent per annum (compounded semiannually) for the first ½ year period of holding during the 10-year extension and increasing gradually to approximately 3¾ percent per annum (compounded semiannually) for the entire 10 years if held to the end of the extension period.[2] (The redemption value of any bond at the beginning of the new extension will be the base upon which interest will accrue during the 10-year extension period.)

(*b*) Bonds issued May 1957 through May 1959—a 10-year extension will be provided if owner wishes to hold his bond beyond maturity. Other terms and conditions (including interest rates) of the extension will not be announced until bonds approach maturity.

(5) *Second extension privileges.*—On bonds which have reached first maturity before June 1, 1959 (issued May 1941 through May 1949), a second 10-year extension will be provided if owner wishes to hold his bond beyond second maturity (20 years from issue date). Other terms and conditions (including interest rates) of the extension will not be announced until bonds approach second maturity.

(6) No changes in other terms or conditions.

[1] The categories of outstanding E bonds are shown in table V attached. For examples of redemption values and investment yields in each category see tables VI through X attached.

[2] Schedule of redemption values and investment yields during extension shown in table XI.

TABLE V.—*Categories of outstanding Series E bonds, May 31, 1959*

Issue year and month	Current maturity period: Yield for full current maturity period	Current maturity period: Range of yields for remaining time to next maturity [1]: Present	Current maturity period: Range of yields for remaining time to next maturity [1]: Revised	Range of time to next maturity [1] (years)	Yields during new extension [2]
	Percent	*Percent*	*Percent*	*Percent*	*Percent*
Bonds in extension period:					
May 1941–April 1942	2.90	4.17–4.26	4.77–4.86	1½–2½	(3)
May 1942–May 1949	3.00	3.00–3.07	3.50–3.57	2½–9½	(3)
Maturing bonds:					
June 1949–November 1949	2.90	----	----	----	3.50–3.75
Bonds in first maturity period:					
December 1949–April 1952	2.90	4.08–4.26	4.68–4.86	½–2½	3.50–3.75
May 1952–January 1957	3.00	3.28–3.89	3.78–4.39	2⅙–7⅙	3.50–3.75
February 1957–May 1959	3.25	3.35–3.39	3.85–3.89	6 5/12–8 5/12	(4)

[1] Based on next date of increase in redemption values.
[2] For schedule of redemption values and investment yields during extension see table XI.
[3] A 10-year second extension will be provided. Other terms and conditions (including interest rates) of the second extension will not be announced until bonds approach next maturity.
[4] Bonds issued February through April 1957 have the same extension privilege as bonds issued May 1952–January 1957. For remaining bonds a 10-year extension will be provided; other terms and conditions (including interest rates) of the extension will not be announced until they approach maturity.

TABLE VI.—*Example of revision in existing Series E savings bonds, category of bonds issued May 1941 through April 1942* [1]*—redemption values and investment yields of bonds issued June through November 1941*

[Based on $100 face value bond]

Period after first maturity (years)	Redemption value during each period: Original	Redemption value during each period: Revised	Approximate investment yield [2] on: Value at effective date of revision to beginning of each period: Original	Value at effective date of revision to beginning of each period: Revised	Issue price to beginning of each period: Original	Issue price to beginning of each period: Revised	Current redemption value from beginning of each period to maturity: Original	Current redemption value from beginning of each period to maturity: Revised
			Percent		*Percent*		*Percent*	*Percent*
0–½	$100.00		----		2.90		2.90	----
½–1	101.25		----		2.88		2.92	----
1–1½	102.50		----		2.86		2.94	----
1½–2	103.75		----		2.84		2.97	----
2–2½	105.00		----		2.82		3.01	----
2½–3	106.25		----		2.81		3.05	----
3–3½	107.50		----		2.79		3.10	----
3½–4	108.75		----		2.77		3.16	----
4–4½	110.00		----		2.75		3.23	----
4½–5	111.25		----		2.74		3.32	----
5–5½	112.50		----		2.72		3.43	----
5½–6	113.75		----		2.71		3.56	----
6–6½	115.00		----		2.69		3.73	----
6½–7	116.25		----		2.67		3.96	----
7–7½	117.50		----		2.66		4.26	----
7½–8	120.00		----		2.70		4.26	----
8 (June 1–Nov. 1, 1959 [3])–8½	122.67		----		2.75		4.21	4.82
8½–9	125.33	125.44	4.34	4.52	2.79	2.80	4.17	4.92
9–9½	128.00	128.40	4.30	4.62	2.83	2.85	4.12	5.02
9½–10	130.67	131.56	4.26	4.72	2.87	2.90	4.08	5.11
10 (2d maturity)	133.33	134.92	4.21	4.82	2.90	2.96	----	----

[1] For categories of outstanding Series E bonds see table V.
[2] Compounded semiannually.
[3] Effective date of revision for bonds issued June through November 1941.

TABLE VII.—*Example of revision in existing Series E savings bonds, category of bonds issued May 1942 through May 1949* [1]*—redemption values and investment yields of bonds issued June through November 1942*

[Based on $100 face value bond]

Period after first maturity (years)	Redemption value during each period		Approximate investment yield [2] on: Value at effective date of revision to beginning of each period		Issue price to beginning of each period		Current redemption value from beginning of each period to maturity	
	Original	Revised	Original	Revised	Original	Revised	Original	Revised
			Percent		*Percent*		*Percent*	*Percent*
0-½	$100.00				2.90		3.00	
½-1	101.50				2.90		3.00	
1-1½	103.00				2.90		3.00	
1½-2	104.50				2.91		3.01	
2-2½	106.00				2.90		3.02	
2½-3	107.60				2.91		3.02	
3-3½	109.20				2.91		3.02	
3½-4	110.80				2.91		3.03	
4-4½	112.40				2.91		3.04	
4½-5	114.00				2.91		3.05	
5-5½	115.80				2.92		3.04	
5½-6	117.60				2.92		3.04	
6-6½	119.40				2.93		3.03	
6½-7	121.20				2.93		3.04	
7 (June 1-Nov. 1, 1959 [3])-7½	123.00				2.93		3.05	3.55
7½-8	124.80	124.84	2.93	2.99	2.93	2.93	3.07	3.66
8-8½	126.60	126.80	2.91	3.07	2.93	2.94	3.12	3.79
8½-9	128.60	129.08	2.99	3.24	2.94	2.96	3.10	3.85
9-9½	130.60	131.48	3.02	3.36	2.94	2.98	3.10	3.92
9½-10	132.60	134.00	3.03	3.46	2.94	3.00	3.14	4.00
10 (2d maturity)	134.68	136.68	3.05	3.55	2.95	3.02		

[1] For categories of outstanding Series E bonds see table V.
[2] Compounded semiannually.
[3] Effective date of revision for bonds issued June through November 1942.

TABLE VIII.—*Example of revision in existing Series E savings bonds, category of bonds issued December 1949 through April 1952* [1]*—redemption values and investment yields of bonds issued June through November 1950*

[Based on $100 face value bond]

Period after issue date (years)	Redemption value during each period		Approximate investment yield [2] on: Value at effective date of revision to beginning of each period		Issue price to beginning of each period		Current redemption value from beginning of each period to maturity	
	Original	Revised	Original	Revised	Original	Revised	Original	Revised
			Percent		*Percent*		*Percent*	*Percent*
0-½	$75.00		------		------		2.90	------
½-1	75.00		------		------		3.05	------
1-1½	75.50		------		.67		3.15	------
1½-2	76.00		------		.88		3.25	------
2-2½	76.50		------		.99		3.38	------
2½-3	77.00		------		1.06		3.52	------
3-3½	78.00		------		1.31		3.58	------
3½-4	79.00		------		1.49		3.66	------
4-4½	80.00		------		1.62		3.75	------
4½-5	81.00		------		1.72		3.87	------
5-5½	82.00		------		1.79		4.01	------
5½-6	83.00		------		1.85		4.18	------
6-6½	84.00		------		1.90		4.41	------
6½-7	86.00		------		2.12		4.36	------
7-7½	88.00		------		2.30		4.31	------
7½-8	90.00		------		2.45		4.26	------
8-8½	92.00		------		2.57		4.21	------
8½-9	94.00		------		2.67		4.17	------
9 (June 1-Nov. 1, 1959 [3])-9½	96.00		------		2.76		4.12	4.74
9½-10	98.00	98.16	4.17	4.50	2.84	2.85	4.08	4.97
10 (maturity)	100.00	100.60	4.12	4.74	2.90	2.96	------	------

[1] For categories of outstanding series E bonds see table V.
[2] Compounded semiannually.
[3] Effective date of revision for bonds issued June through November 1950.

TABLE IX.—*Example of revision in existing Series E savings bonds, category of bonds issued May 1952 through January 1957* [1]*—redemption values and investment yields of bonds issued June through November 1952*

[Based on $100 face value bond]

Period after issue date (years)	Redemption value during each period		Approximate investment yield [2] on: Value at effective date of revision to beginning of each period		Issue price to beginning of each period		Current redemption value from beginning of each period to maturity	
	Original	Revised	Original	Revised	Original	Revised	Original	Revised
			Percent		*Percent*		*Percent*	*Percent*
0–½	$75.00		---		---		3.00	---
½–1	75.40		---		1.07		3.10	---
1–1½	76.20		---		1.59		3.16	---
1½–2	77.20		---		1.94		3.19	---
2–2½	78.20		---		2.10		3.23	---
2½–3	79.20		---		2.19		3.28	---
3–3½	80.20		---		2.25		3.34	---
3½–4	81.20		---		2.28		3.41	---
4–4½	82.20		---		2.30		3.49	---
4½–5	83.60		---		2.43		3.50	---
5–5½	85.00		---		2.52		3.51	---
5½–6	86.40		---		2.59		3.54	---
6–6½	87.80		---		2.64		3.58	---
6½–7	89.20		---		2.69		3.64	---
7 (June 1–Nov. 1, 1959[3])–7½	90.60		---		2.72		3.74	4.24
7½–8	92.00	92.04	3.09	3.18	2.74	2.75	3.89	4.48
8–8½	93.60	93.76	3.28	3.46	2.79	2.81	4.01	4.71
8½–9	95.20	95.56	3.33	3.59	2.83	2.87	4.26	5.08
9–9½	96.80	97.44	3.34	3.67	2.86	2.93	4.94	5.94
9½–9⅔	98.40	99.40	3.33	3.74	2.88	2.99	9.92	11.81
9⅔ (maturity)	100.00	101.32	3.74	4.24	3.00	3.14	---	---

[1] For categories of outstanding Series E bonds see table V.
[2] Compounded semiannually.
[3] Effective date of revision for bonds issued June through November 1952.

TABLE X.—*Example of revision in existing Series E savings bonds, category of bonds issued February 1957 through May 1959* [1]—*redemption values and investment yields of bonds issued February through May 1957*

[Based on $100 face value bond]

Period after issue date (years)	Redemption value during each period		Approximate investment yield [2] on: Value at effective date of revision to beginning of each period		Issue price to beginning of each period		Current redemption value from beginning of each period to maturity	
	Original	Revised	Original	Revised	Original	Revised	Original	Revised
			Percent		*Percent*		*Percent*	*Percent*
0–½	$75.00						3.25	
½–1	75.60				1.60		3.35	
1–1½	76.72				2.28		3.38	
1½–2	77.92				2.56		3.39	
2–2½	79.24				2.77		3.39	
2½ (Aug. 1–Nov. 1, 1959 [3])–3	80.60				2.90		3.39	3.89
3–3½	82.00	82.04	3.47	3.57	3.00	3.01	3.38	3.92
3½–4	83.40	83.48	3.44	3.54	3.06	3.08	3.38	3.95
4–4½	84.84	85.00	3.45	3.58	3.11	3.15	3.37	3.99
4½–5	86.28	86.56	3.43	3.60	3.14	3.21	3.37	4.02
5–5½	87.76	88.20	3.43	3.64	3.17	3.27	3.36	4.05
5½–6	89.24	89.84	3.42	3.65	3.19	3.31	3.36	4.10
6–6½	90.72	91.56	3.41	3.68	3.20	3.35	3.37	4.15
6½–7	92.24	93.36	3.40	3.71	3.21	3.40	3.37	5.19
7–7½	93.76	95.24	3.39	3.74	3.21	3.44	3.39	4.23
7½–8	95.32	97.16	3.38	3.77	3.22	3.48	3.41	4.30
8–8½	96.88	99.12	3.37	3.80	3.23	3.52	3.49	4.45
8½–8 11/12	98.44	101.16	3.36	3.82	3.23	3.55	3.81	4.85
8 11/12 (maturity)	100.00	103.20	3.39	3.89	3.25	3.61		

[1] For categories of outstanding Series E bonds see table V.
[2] Compounded semiannually.
[3] Effective date of revision for bonds issued February through May 1957.

TABLE XI.—*Revised extension on Series E savings bonds reaching first maturity June 1, 1959, through September 1, 1966 (bonds issued June 1949 through April 1957)*[1]—*summary of redemption values and investment yields on bonds issued June through November 1949*

[Based on $100 face value bond [1]]

Period after first maturity date	Redemption value during each period	Approximate investment yields [2] — On first maturity value to beginning of each period	Approximate investment yields [2] — On current redemption value from beginning of each period to extended maturity
		Percent	*Percent*
First half year	$100.00		3.75
½ to 1 year	101.76	3.52	3.76
1 to 1½ years	103.56	3.53	3.77
1½ to 2 years	105.40	3.54	3.79
2 to 2½ years	107.32	3.56	3.80
2½ to 3 years	109.24	3.57	3.81
3 to 3½ years	111.24	3.58	3.82
3½ to 4 years	113.28	3.59	3.83
4 to 4½ years	115.36	3.60	3.85
4½ to 5 years	117.52	3.62	3.86
5 to 5½ years	119.72	3.63	3.87
5½ to 6 years	121.96	3.64	3.88
6 to 6½ years	124.28	3.66	3.89
6½ to 7 years	126.64	3.67	3.91
7 to 7½ years	129.04	3.68	3.93
7½ to 8 years	131.56	3.69	3.93
8 to 8½ years	134.12	3.70	3.94
8½ to 9 years	136.72	3.71	3.96
9 to 9½ years	139.40	3.73	3.98
9½ to 10 years	142.16	3.74	4.00
Extended maturity value (10 years from first maturity)	145.00	3.75	

[1] Bonds reaching first maturity beginning Dec. 1, 1959, will have maturity values higher than their face value. The ratio of the value at first maturity to the redemption value for any given period of holding will be approximately equal in all cases.
[2] Compounded semiannually.

TABLE XII.—*Revised* [1] *and present Series E bond extension period redemption values and investment yields*

[$100 bond, face value [2]]

Period after first maturity date (years)	Redemption value			Yield for: [3]					
				Period held [4]			Remaining period to second maturity		
	Revised	Present	Increase	Revised	Present	Increase	Revised	Present	Increase
				Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
0-½	$100.00	$100.00	0	--------	--------	--------	3.75	3.00	0.75
½-1	101.76	101.50	$.26	3.52	3.00	0.52	3.76	3.00	.76
1-1½	103.56	103.00	.56	3.53	2.98	.55	3.77	3.00	.77
1½-2	105.40	104.50	.90	3.54	2.96	.58	3.79	3.01	.78
2-2½	107.32	106.00	1.32	3.56	2.93	.63	3.80	3.02	.78
2½-3	109.24	107.60	1.64	3.57	2.95	.62	3.81	3.02	.79
3-3½	111.24	109.20	2.04	3.58	2.96	.62	3.82	2.02	.80
3½-4	113.28	110.80	2.48	3.59	2.95	.64	3.83	3.03	.80
4-4½	115.36	112.40	2.96	3.60	2.94	.66	3.85	3.04	.81
4½-5	117.52	114.00	3.52	3.62	2.93	.69	3.86	3.05	.81
5-5½	119.72	115.80	3.92	3.63	2.96	.67	3.87	3.04	.83
5½-6	121.96	117.60	4.36	3.64	2.97	.67	3.88	3.04	.84
6-6½	124.28	119.40	4.88	3.66	2.98	.68	3.89	3.03	.86
6½-7	126.64	121.20	5.44	3.67	2.98	.69	3.91	3.04	.87
7-7½	129.04	123.00	6.04	3.68	2.98	.70	3.93	3.05	.88
7½-8	131.56	124.80	6.76	3.69	2.98	.71	3.93	3.07	.86
8-8½	134.12	126.60	7.52	3.70	2.97	.73	3.94	3.12	.82
8½-9	136.72	128.60	8.12	3.71	2.98	.73	3.96	3.10	.86
9-9½	139.40	130.60	8.80	3.73	2.99	.74	3.98	3.10	.88
9½-10	142.16	132.60	9.56	3.74	2.99	.75	4.00	3.14	.86
10 (2d maturity)	145.00	134.68	10.32	3.75	3.00	.75	--------	--------	--------

[1] Bonds reaching first maturity after May 31, 1959 (bonds issued June 1949 through April 1957).
[2] For bonds reaching first maturity June–November 1959. Later maturing bonds will have first maturity values higher than their face value (see footnote 1, table XI).
[3] Compounded semiannually.
[4] On first maturity value to beginning of any subsequent ½-year period.

APPENDIX 4 (SUBJECT TO ENABLING LEGISLATION)

Revision of existing Series H savings bonds, outstanding bonds issued before June 1, 1959

Summary of revisions in terms and conditions

(1) *Date of announcement.*—June 8, 1959 (Treasury Circular No. 905—Second Revision).

(2) *Effective date for start of increased interest.*—June 1, 1959, for existing bonds dated June and December of any issue year; for all others the next date on which interest checks are due. Therefore, the first change in the amount of interest checks from the schedules published in Treasury Department Circular No. 905—revised, dated April 22, 1957, will take place ½ year after June 1, 1959, in the case of bonds dated June and December of any year and ½ year after the next date (after June 1959) on which interest checks are due in the case of all other bonds.

(3) *Revision of interest payable in the future until maturity.*—Beginning with interest checks due on December 1, 1959, for bonds issued June and December of any year (all other bonds on interest checks due ½ year after the effective date of the revision for such bonds) the amount of each check until maturity will be increased to provide a graduated increase in investment yield for the remaining period to maturity. At maturity the increase in investment yield will amount to approximately ½ of 1 percent (compounded semiannually), with lesser increases in investment yields if bonds are redeemed before maturity.[1]

(4) No changes in other terms or conditions.

[1] The categories of outstanding H bonds are shown in table XIII attached. For examples of changes in amounts of interest checks and investment yields see tables XIV and XV attached.

TABLE XIII.—*Categories of outstanding Series H bonds, May 31, 1959*

Issue year and month	Current maturity period: Yield for full current maturity period	Current maturity period: Range of yields for remaining time to next maturity[1]: Present	Current maturity period: Range of yields for remaining time to next maturity[1]: Revised	Range of time to next maturity[1] (years)	Extension yields
	Percent	*Percent*	*Percent*		
June 1952–January 1957	3.00	3.34–3.81	3.84–4.31	2⅔–7⅙	(2)
February 1957–May 1959	3.25	3.35–3.38	3.85–3.88	7½–9½	(2)

[1] Based on next date interest checks are due.
[2] No extension planned at this time.

TABLE XIV.—*Example of revision in existing Series H savings bonds, category of bonds issued June 1952 through January 1957* [1]*—interest checks and investment yields on bonds issued June through November 1952*

[Based on $1,000 bond [2]]

Period after issue date (years)	Interest check: Original	Interest check: Revised	Approximate investment yields[3]: From effective date of revision to each interest payment date: Original	From effective date of revision to each interest payment date: Revised	From issue date to each interest payment date: Original	From issue date to each interest payment date: Revised	From each interest payment date to maturity: Original	From each interest payment date to maturity: Revised
			Percent		*Percent*		*Percent*	*Percent*
0							3.00	
½	$4.00				0.80		3.13	
1	12.50				1.65		3.18	
1½	12.50				1.93		3.22	
2	12.50				2.07		3.27	
2½	12.50				2.15		3.34	
3	12.50				2.21		3.41	
3½	12.50				2.25		3.49	
4	12.50				2.28		3.58	
4½	17.00				2.40		3.60	
5	17.00				2.49		3.63	
5½	17.00				2.57		3.66	
6	17.00				2.63		3.69	
6½	17.00				2.69		3.74	
7 (June 1–Nov. 1, 1959 [4])	17.00				2.73		3.81	4.31
7½	17.00	17.50	3.40	3.50	2.77	2.78	3.91	4.51
8	17.00	17.50	3.40	3.50	2.81	2.82	4.07	4.83
8½	17.00	20.20	3.40	3.68	2.84	2.88	4.36	5.18
9	17.00	20.20	3.40	3.76	2.87	2.94	5.10	6.06
9½	17.00	20.20	3.40	3.82	2.89	2.99	10.37	12.37
9⅔ (maturity)	17.00	20.20	3.81	4.31	3.00	3.12		

[1] For categories of outstanding Series H bonds see table XIII.
[2] Redemption value at all times=$1,000.
[3] Compounded semiannually.
[4] Effective date of revision for bonds issued June through November 1952.

TABLE XV.—*Example of revision in existing Series H savings bonds category of bonds issued February 1957 through May 1959* [1]*—interest checks and investment yields on bonds issued February through May 1957*

[Based on $1,000 bond [2]]

Period after issue date (years)	Interest check		Approximate investment yields [3]					
			From effective date of revision to each interest payment date		From issue date to each interest payment date		From each interest payment date to maturity	
	Original	Revised	Original	Revised	Original	Revised	Original	Revised
			Percent		Percent		Percent	Percent
0							3.25	
½	$8.00				1.60		3.35	
1	14.50				2.25		3.38	
1½	16.90				2.62		3.38	
2	16.90				2.80		3.38	
2½ (Aug. 1–Nov. 1, 1959 [4])	16.90				2.92		3.38	3.88
3	16.90	17.40	3.38	3.48	2.99	3.01	3.38	3.92
3½	16.90	17.40	3.38	3.48	3.04	3.07	3.38	3.95
4	16.90	17.40	3.38	3.48	3.08	3.12	3.38	4.00
4½	16.90	17.40	3.38	3.48	3.11	3.16	3.38	4.05
5	16.90	17.40	3.38	3.48	3.14	3.19	3.38	4.11
5½	16.90	19.80	3.38	3.56	3.16	3.25	3.38	4.13
6	16.90	19.80	3.38	3.61	3.18	3.30	3.38	4.16
6½	16.90	19.80	3.38	3.65	3.19	3.35	3.38	4.19
7	16.90	19.80	3.38	3.68	3.20	3.39	3.38	4.23
7½	16.90	19.80	3.38	3.71	3.21	3.42	3.38	4.29
8	16.90	21.00	3.38	3.75	3.22	3.46	3.38	4.31
8½	16.90	21.00	3.38	3.78	3.23	3.50	3.38	4.35
9	16.90	21.00	3.38	3.81	3.24	3.53	3.38	4.42
9½	16.90	22.10	3.38	3.85	3.24	3.57	3.38	4.42
10 (maturity)	16.90	22.10	3.38	3.88	3.25	3.61		

[1] For categories of outstanding Series H bonds see table XIII.
[2] Redemption value at all times=$1,000.
[3] Compounded semiannually.
[4] Effective date of revision for bonds issued February through May 1957.

EXHIBIT 17.—Statement by Secretary of the Treasury Anderson, June 10, 1959, before the House Ways and Means Committee in support of improving the savings bond program, removing the ceiling on interest rates on new issues of Treasury bonds, and increasing the statutory debt limitation

I appear this morning to support policies I sincerely believe to be in the best interests of 176 million Americans. I do so in the realization that all thoughtful people share common objectives. We realize there are honest differences of opinion as to the methods by which these objectives may be attained.

Fundamentally, we Americans endeavor to achieve sustainable economic growth in terms of real goods and services. We seek a sustainable rate of growth that would promote maximum job opportunities, continuity of employment, and real earnings. We seek as well to insure that the process of saving, which underlies the growth of this or any other country, is not diminished but encouraged. We seek to protect the welfare of those individuals who now depend for their livelihood on accumulated savings, the proceeds of insurance policies, benefits of retirement systems, the aid of social security payments, and similar accumulations from a lifetime of effort.

We seek also to insure that those who plan for the education of their children, who guard against adversity, and who provide for their own economic well-being through any process of accumulated savings shall not have the rewards of their diligence and thrift diminished.

We live in a world of tensions and in a world where new nations with new freedoms are seeking to improve their standards of living and their economic well-being, where all eyes are turned toward America. A sound domestic economy is essential if we are to maintain sufficient military strength to preserve freedom and liberty for ourselves and our friends abroad. If we are to witness the growth of better conditions for our neighbors all over the world, we must adopt and stanchly support enduring sound monetary and fiscal policies, the same policies that we have strongly encouraged them to adopt in their own interests.

We must not be unmindful of the lessons to be learned from the financial history of others who have tried methods less demanding and less exacting, nor must we succumb to the belief that real wealth is created by any other means than by the physical and mental labor of human beings working with the physical resources with which each country is blessed.

It is with this belief that we support the proposals which have been laid before you by the President. In a world of economic complexities, there is a constant interrelationship between fiscal policy, monetary policy, and the individual and collective actions of all who participate in our economic structure. We cannot isolate one and set it apart as controlling, but we can say that each, in its own sphere, is a *sine qua non* to the achievement of our total objectives.

It is because of my belief that the people of our country are willing to subscribe to the disciplines which freedom exacts from government and individuals that I have confident faith in the security and well-being of our Nation's future.

I should like now to address myself to one important element of our economic life, the management of our national debt.

The public debt rose last month to an alltime high of $287.2 billion and is now only slightly below that figure. This represents over $1,600 for each man, woman, and child in America. The Federal Government owes as much money as all of the corporations in the United States put together. Our debt is as large as the debts of all the individual borrowers in the country put together plus the debts of all of our State and local governments.

The U.S. Government, therefore, owes about onethird of all of the debt in the United States and is the largest single borrower. In the calendar year 1958, the Treasury issued $69 billion of new marketable securities—$19 billion for cash and $50 billion in refinancing maturities, quite apart from the continuing rollover of about $22 billion of weekly bill maturities. All of the corporations in America issued slightly under $10 billion of new bonds and notes last year while State and municipal new security issuances amounted to $7½ billion.

In the year ahead, the Treasury faces the refinancing of $76 billion of short-term securities that will mature. In some ways, the volume of this short-term debt is as important a factor in our financing picture as the size of the total debt. Each time the Treasury goes to the market—either for refunding operations or for new cash borrowing needed to cover seasonal requirements or retirement of other securities—it is a significant event in all financial markets. Both the size of our borrowing requirements and the frequency of our trips to the market tend to interfere with the smooth marketing of new corporate and State and local government securities.

Another problem related to the large size of the debt maturing within 1 year is that such debt is only one step away from money. It should be realized, however, that in this country we have a large active and continuous demand for short-term debt instruments outside of the banking system inasmuch as corporations, State, and local governments, foreign accounts, and many other investors invest their short-term funds in this manner. Almost 60 percent of our under-1-year debt, therefore, is held outside of the banks—a larger percentage than in any other country we are aware of.

Even though it is preferable to have large amounts of short-term securities in the hands of nonbank investors rather than in commercial banks, we must never lose sight of the fact that a well-balanced debt structure calls for continued offerings of intermediate and longer term securities, whenever conditions permit, if debt management is to be conducted in a manner consistent with economic growth and stability.

The quest for a balanced structure of the debt is never-ending since the passage of time brings more and more of the outstanding debt into the short-term area. The high point of our under-1-year debt was reached at the end of 1953 when the total was $80 billion. The total is now $76 billion, having dropped below $60 billion for short periods in 1955 and 1956.

If the Treasury should be able to do nothing but issue under-1-year securities to replace maturing issues between now and December 1960, instead of the present $76 billion, we would have almost $100 billion of under-1-year debt outstanding at that time.

The Treasury does not intend this to happen. We must, therefore, continue to sell intermediate and longer term bonds whenever appropriate as we try to keep the short-term debt from growing. The only reason we have been able to keep the short-term debt from growing since December 1953 is that since then we have issued $34 billion of 5- to 10-year bonds, $2 billion of 10- to 20-year bonds, and $6½ billion of over 20-year bonds.

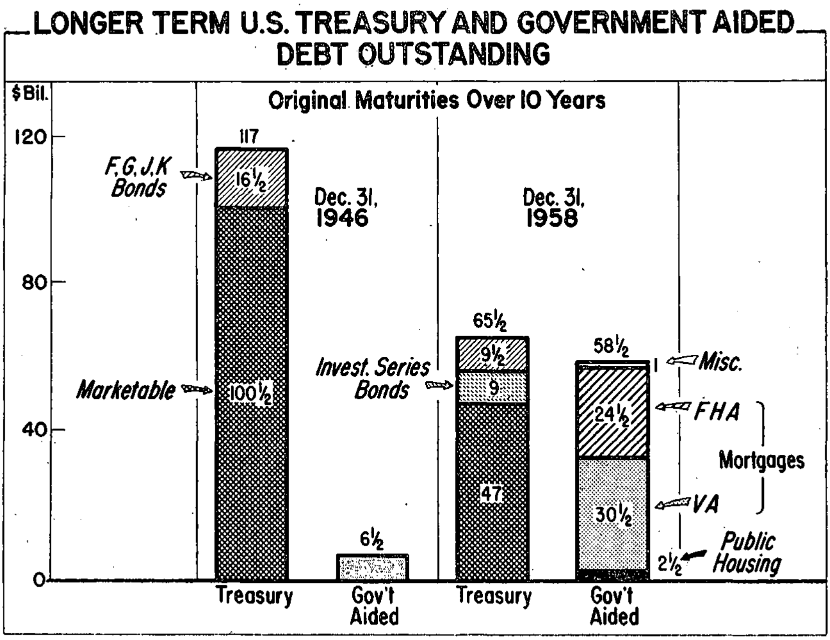
The competition which we face

Let us look at some of the competitive phases of our problems. Federal Government programs to guarantee home mortgages for veterans and to provide FHA insurance on various types of mortgages have contributed to the unprecedented volume of homebuilding in America since World War II. But they have also fostered a marked improvement in the quality of mortgages as investments for the billions of dollars that Americans each year save out of their earnings—savings which they invest directly or which insurance companies, savings banks, savings and loan associations, or pension funds invest in their behalf.

There are a great many other debt obligations outstanding today which our Government also aids in one way or another, including securities issued by many Federal Government agencies, even though those securities are not actually guaranteed by the U.S. Government. While the volume of long-term Government-aided obligations has been growing, the volume of long-term Treasury bonds has been declining. At the end of 1946, for example, there were $117 billion of U.S. Treasury bonds outstanding which originally bore maturities of over 10 years. In contrast, there was $6½ billion of what might be called long-term "Government-aided" debt outstanding. Twelve years later—December 31, 1958—the $117 billion total of long-term Government bonds had shrunk to $65½ billion, while the $6½ billion Government-aided total had grown to $58½ billion—$55 billion of which is in FHA and VA mortgages alone.

In addition, the continuation of high individual and corporate income tax rates in the postwar period has made the complete exemption from Federal income taxes which is enjoyed by State and local government securities very valuable. State and local debt outstanding has increased from $16 billion in 1946 to $59 billion in 1958. Tax exemption has contributed to the ability of State and local govern-

CHART B



ments to sell their securities, but it has also meant that Federal securities are relatively that much less attractive.

Competition for funds available for investment has also been increased in other ways. A high corporate income tax rate has made corporations more inclined to borrow than to issue stock, since interest payments are deductible for income tax purposes but dividend payments are not. Moreover, from the standpoint of the average small saver, Federal insurance of bank deposits and savings loan shares has practically eliminated any difference in risk between private savings and Government bonds.

The problem of encouraging more long-term investors to buy and hold Treasury securities is also increased by the tendency among some investors to prefer stocks to fixed dollar obligations because of what I believe to be a mistaken conviction that the purchasing power of the dollar will decline further. It is in this environment that the sale of enough long- and intermediate-term Treasury securities sufficient to keep the debt from getting shorter must also compete with large and growing demands for borrowing by State and local governments, by corporations for plant and equipment needs, and by homebuilders and buyers.

Many investors have also become increasingly confident in the continued growth potentials of our Nation. As this grows, the high quality of Government securities becomes relatively less important than in the past and the safest bonds in the world—U.S. Government securities—are more difficult to sell.

In recent years there has been substantial liquidation of long-term Government securities by investors who bought large amounts of such securities during World War II, based on the improvement in the relative attractiveness of other investments.

Long-term Treasury securities are held primarily by three broad classes of private investors other than commercial banks. The first group consists of savings institutions such as insurance companies, mutual savings banks, savings and loan associations, corporate pension funds, and State and local government pension funds. These investors, in the aggregate, held only $31 billion of Government securities in December 1958, as compared with $41½ billion 12 years ago.

When the rapid growth of institutional assets generally is taken into consideration the decline in their holdings of Government securities is even more striking. In 1946, life insurance companies had 45 percent of their assets invested in Government securities; the percentage now is 7 percent, far below the 18-percent level back in 1939.

Twelve years ago mutual savings banks had 63 percent of their assets invested in Government securities; that has now been reduced to 19 percent. Savings and loan associations now have only 7 percent of their assets in Governments, although their percentage has never been much higher.

Corporate pension funds have 12 percent of their assets in Governments as against 30 percent just a few years ago. Even in State and local pension funds, where statutory requirements are much less favorable to investments outside of Government securities, the percentage invested in Governments has fallen from 54 to 35 percent in the last 6 years alone.

The second group of long-term investors includes principally personal trust accounts and individuals in the upper income brackets. Their holdings of Governments have also declined substantially in the postwar years—from $34 billion in December 1946 to $21 billion now. It is in this group where competition with tax-exempt State and local obligations becomes most important.

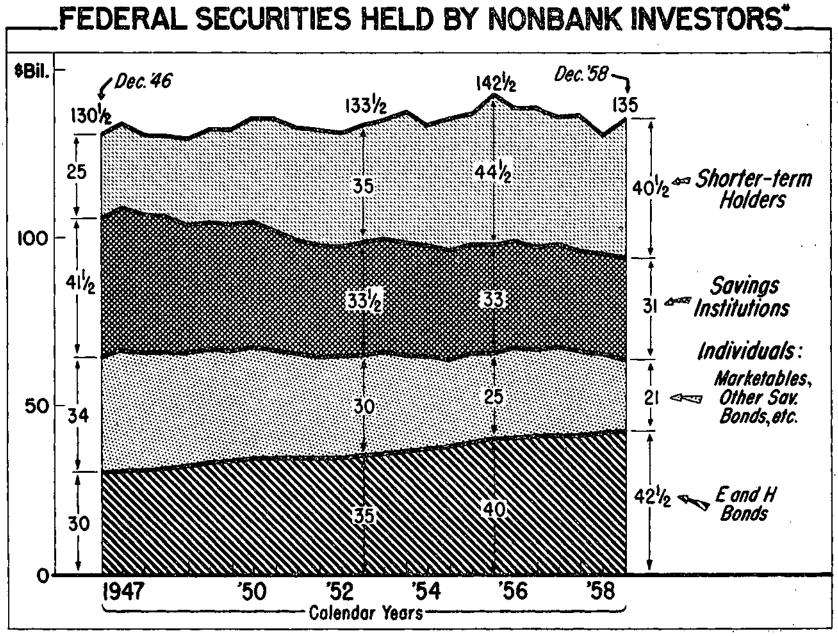
By contrast, there is a third group whose holdings have been growing. This group includes the millions of small savers who buy and hold series E and H savings bonds. Through the savings bond program they have added substantially to their holdings of Government securities in the postwar period—from $30 billion in 1946 to more than $42½ billion now.

There is also a fourth area of long-term investment demand for Government securities apart from private investors—Federal Government investment accounts.

These accounts—social security funds, veterans' life insurance funds, civil service and railroad retirement funds, et cetera, added substantially to their holdings during the entire postwar period at an average rate of about $2½ billion a year until last year. During the fiscal year 1959, however, trust fund expenditures are exceeding receipts, serving to complicate further the Treasury's task of keeping the short-term debt from growing.

We are just completing a fiscal year in which the largest peacetime deficit in the history of our country had to be financed. In contrast, we are looking forward to having sufficient budget receipts next year to cover our expenditures. That

CHART C



*Excluding Government Investment Accounts.

fact, in itself, should brighten significantly the opportunities to improve the debt structure. Budgetary soundness has a pervasive effect in improving the environment in which we operate. The confidence which grows out of proving that we can live within our means is contagious.

Our willingness and ability to act soundly in managing our debt and in conducting our fiscal affairs is important also to our friends throughout the free world who have a right to look to the United States as an example of fiscal integrity.

While the gold movements of the past 18 months have been in response to the normal functioning of gold in international exchange, the correction of prior adjustments, and the historical rebuilding of monetary reserves, they should serve as a reminder that the postwar dollar shortage has long since disappeared, although there remains a shortage of capital resources in many of the less-developed countries. These gold movements should remind us that other nations have built strong financial and industrial communities and that we must reorient our thinking in order to perform our full responsibility in the conduct of our internal and international economic affairs.

We have demonstrated the ability of a free economy to come out of an economic recession; it remains for us to demonstrate the willingness to pursue appropriate policies during a period of high and rising business activity. Under current conditions, such policies would include at least a balanced budget and sufficient flexibility for the Treasury to permit sound management of the public debt.

We would be less than frank, however, to suggest that living within our means as a national government will automatically cure the entire problem of managing the public debt. We would also be less than frank if we suggested that the legislation which you have before you will solve all of our problems. We feel very strongly, however, that the proposed legislation can contribute significantly to a fuller realization of our goals of managing the debt in a way that is consistent with sound economic progress.

The President has already outlined his program to you, incorporating principally improvements in the savings-bond program, removing the 4¼ percent ceiling on Treasury bond interest rates, and an increase in the debt limit. Proposed legislation on these three parts of the program is incorporated in sections

1 through 3 of the first of the bills we have placed before you. With your permission I should like to discuss each of these three items with you, and also to take up the second proposed bill.

Sections 4, 5, and 6 of the first proposed bill deal with three somewhat technical matters on which I am submitting a short written statement for the record. These sections would provide a 10-year statute of limitations on the liability of paying agents who in rare instances may redeem savings bonds by erroneous payments; clarify the statute which exempts U.S. obligations from State and local taxes, and authorize the issuance of bonds to the Government's various trust funds at the same prices as bonds are issued from time to time to the public. If there are any questions on these provisions, one of my associates will be glad to answer them later.

Improvements in the savings bond program

The statement on the savings-bond program which was attached to my letter to the Speaker of the House of Representatives on June 8, 1959, contains a complete description of our savings bond plans, if the first proposed bill is enacted.

As I pointed out in that statement, the new savings bond program has three major features.

(1) All series E and H bonds sold beginning June 1, 1959, will earn interest of 3¾ percent per annum if held to maturity—one-half percent more than at present—with lesser improved yields for shorter periods of holding.

(2) All series E and H bonds outstanding will also earn approximately one-half percent per annum more than they do now, if held to maturity, starting with their first full semiannual interest period which starts on or after June 1, 1959, with lesser improvement if redeemed earlier.

(3) All series E bonds on which an extension has already been promised and which had not yet reached first maturity before June 1, 1959, will be offered an improved extension on which 3¾ percent will be paid if held the full additional 10 years, with lesser yields (starting at 3½ percent) for shorter periods of holding.

The savings bond program is a program that every American has a right to be proud of. It puts more of the public debt in the hands of long-term investors—few people realize that the average dollar invested in these bonds stays with the Treasury approximately 7 years. It also encourages desirable habits of thrift throughout the Nation. Almost half of the current E- and H-bond sales are accounted for by purchases on payroll savings plans by some 8 million Americans throughout industry and Government. Many of these savings grow out of the convenience of the payroll plan, savings which would not be taking place in such volume if it were not for the savings program.

Corporations throughout America, large and small alike, are administering these payroll savings plans on a voluntary basis because they realize their importance and the benefits to their employees of regular habits of thrift. Similarly thousands of banks and other financial institutions across the country are selling bonds every day without compensation because this is a program they sincerely believe in.

As you know, series E and H bonds are designed particularly for small savers. We have more than $42½ billion of E and H bonds outstanding at the present time—$38 billion in the accrual-type series E bonds issued at 75 percent of their face value with the interest reflected in successively higher redemption values each 6 months to maturity—and $4½ billion in Series H bonds which pay interest currently by semiannual check to give a sliding scale of investment yields approximating E bond yields for similar periods of holding. These are the only series of saving bonds which the Treasury has currently on sale, although approximately $8½ billion of the old series F, G, J, and K bonds (sales of which were discontinued 3 years ago) are still outstanding.

There are many reasons why so many millions of Americans buy and hold series E and H savings bonds. I have already mentioned the convenience of buying bonds on the payroll savings plan, and you are familiar with the convenience of savings bond redemption privileges throughout the country. Owners of savings bonds never need to worry about market fluctuations; their redemption values at all times are known in advance and are guaranteed by the Treasury. Furthermore, unlike savings accounts, where rates may move either up or down from year to year, the Treasury guarantees whatever rate of interest it puts on the bond for the full term of that bond.

Americans also know that savings bonds are perfectly safe; the Treasury has replaced over a million of them which have been lost or destroyed since the program began. These are attributes of savings bonds which have not changed over the years, quite apart from the relative attractiveness of the interest rate.

Current savings bond trends

Sales of Series E and H bonds improved slightly from 1957 to 1958 but were still behind sales for 1955 and 1956. Redemptions in 1958 declined significantly from the 1957 peak. But the 1959 record to date has not been good. Sales for the first 5 months are 6 percent behind a year ago, with a worsening trend. Similarly, 1959 redemptions through May are 9 percent above a year ago, also with a worsening trend. The amount of E and H bonds outstanding (including accumulated interest on E bonds) declined by $36 million in April and May—a greater decline than in any 2-month period since the autumn of 1950.

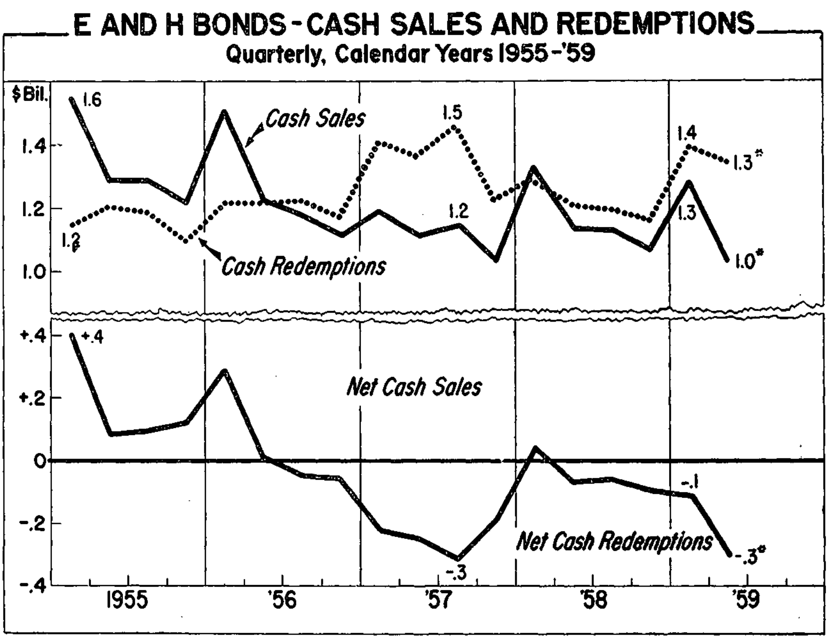
Furthermore, on a cash basis, the net drain on the Treasury of an excess of redemptions over sales of E and H bonds in the current quarter is expected to amount to approximately $300 million—equal to the cash drain at the low point in the third quarter of 1957. This decline will undoubtedly become much more serious as time goes on unless the present terms of these bonds are improved.

Furthermore, we can expect enthusiastic cooperation of financial groups and employers in sponsoring the program only when they can conscientiously recommend savings bonds to themselves, to their customers, and to their employees.

The rate of interest return on E and H bonds is now much less favorable in comparison with savings accounts, as well as with other types of securities—both Government and private—than in earlier years. At the end of World War II series E-bonds paid 2.90 percent for a full 10-year term of holding, as compared with 2¼ percent on long-term maturities of marketable Government securities, an average of 2⅜ percent on savings and loan shares, 1⅝ percent on mutual savings bank deposits, and less than 1 percent on commercial bank savings deposits.

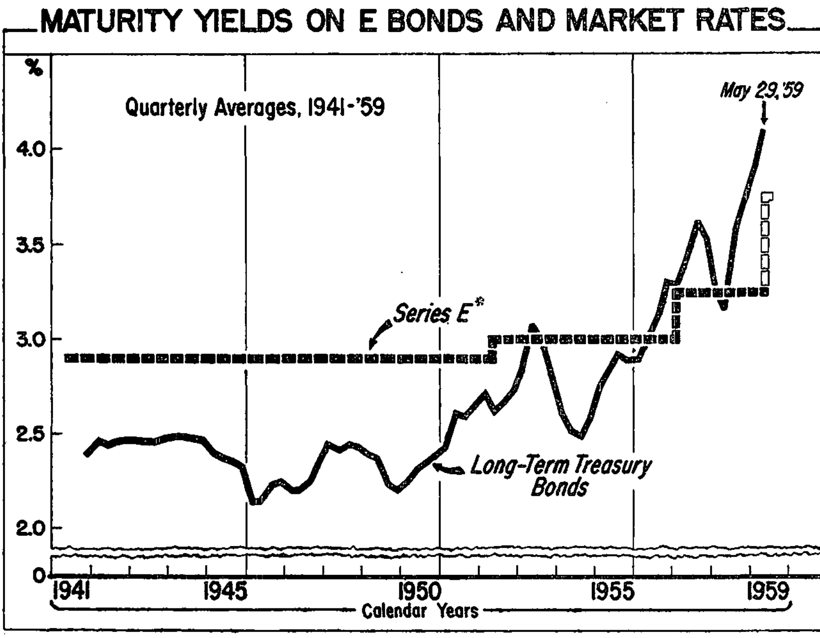
At the present time the rate on E and H bonds held to maturity is 3¼ percent as compared with more than 4 percent on long-term Treasury marketable securities, and average rates paid of 3⅜ percent on savings and loan shares, 3¼ percent on mutual savings bank accounts, and 2¼ percent on accounts in commercial banks. Furthermore, the holder of an E bond has to wait 3 years to get as much

CHART D



*Estimate based on April and May 1959.

CHART E



*Also H bonds beginning June 1952.

CHART F

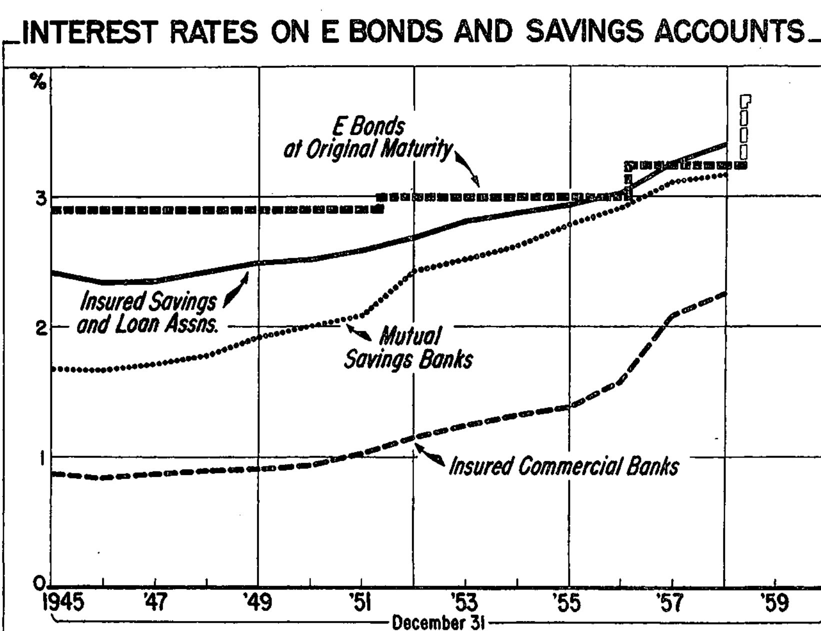
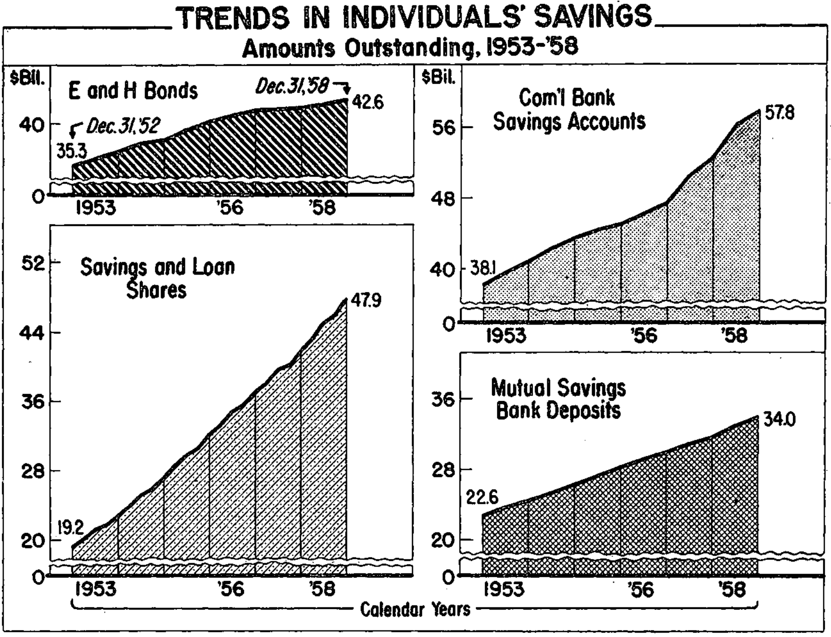


CHART G



as 3 percent on his money, whereas the applicable rates on savings accounts apply to a far shorter period of holding.

This is the principal reason, therefore, that the growth of savings bonds in recent years has been far overshadowed by the rapid expansion of savings in mutual savings banks, commercial banks, and—particularly—savings and loan associations.

The percentage increases during the past 6 years shown on the chart are revealing: 52 percent for commercial bank savings, 50 percent for accounts in mutual savings banks, 150 percent for savings and loan shares, and only 21 percent for E and H bonds.

Overall Series E savings bond rates were improved from 2.90 to 3 percent in the spring of 1952, and from 3 to 3.25 percent early in 1957. In neither case did the increased rate make up for the increased return on competing savings since the preceding change.

Some features of the new savings bond program

The Treasury's present plan attempts to correct this situation by bringing the savings bond program back approximately to the same competitive position that it held in 1952. It would, by so doing, contribute both to a greater awareness of the advantages of thrift throughout the country and to a better structure of the public debt.

Two of the three features in the new program—a higher rate on new bonds being sold and an improved extension term for bonds reaching maturity—follow the same pattern as in earlier savings bond revisions. You will note that we would like to make these changes effective as of June 1, 1959, regardless of when the legislation is approved, so that purchasers will know it is unwise to stop buying bonds on the false grounds that by waiting they could buy a better bond.

The other feature of our savings bond program is new and although it is rather completely described in the attachment to which I have been referring, I want to call it particularly to your attention. We feel quite strongly that the Government has an obligation to the millions of Americans who hold E and H bonds to improve the future earnings of bonds already outstanding. We plan no additional interest on holdings of savings bonds for any period in the past. But we do feel that each holder of an outstanding bond is entitled to an increase of approximately one-half percent per annum on the future earnings of his bond if he holds it to maturity just as we are planning now to pay one-half of 1 percent more to the buyers of new bonds.

Thus, present holders of E or H bonds would have little or no incentive to cash present bonds and buy new ones. Such switching operations would be costly both to the investor and to the Treasury.

The Treasury has, however, an even more important reason for taking this step—a reason which relates to the equitable treatment of all bondholders. The Treasury has something of a trusteeship function on behalf of millions of individual savers who do not follow interest rate trends closely. They buy bonds and hold bonds with understandable faith that the Government is giving them a square deal.

The new savings bond program is expected to add $30 to $35 million to the savings bond part of the budget cost of interest on the public debt for the fiscal year 1960. Approximately $5 million of this increased cost is attributable to the higher rate on new bond sales and to improved extension terms. The remainder is accounted for by increased interest on outstanding E and H bonds.

In assessing the true cost of the new program, however, in terms of overall budget costs of interest on the public debt, allowance should be made for some expectation of increased sales and decreased redemptions as a result of the new program in comparison with a continued deterioration of the savings bond picture if present terms are continued.

The Treasury can borrow more economically through the proposed increase in savings bond terms at the present time than it can by borrowing through marketable securities. We believe, therefore, that the net addition to next year's budget costs for interest on the public debt because of the new savings bond program may be less than $10 million, and could quite conceivably result in no net increase at all.

It is realized, of course, that the gross cost on savings bonds will tend to build up in later years, but the saving in comparison with alternative borrowing would very likely continue to be a sizable offset.

The inauguration of the new savings bond program will depend on the favorable consideration by the Congress of section 3 of the first proposed bill. Section 3 will permit the Treasury to pay interest in excess of the present maximum interest rate of 3.26 percent, to pay increased interest on bonds already outstanding, and to permit future extensions of bonds for more than 10 years (the present limit) beyond their original maturity dates.

Background of the 4¼ percent interest rate ceiling

I should like to consider next the 4¼ percent interest rate ceiling currently applying to all new issues of Treasury bonds, which includes all new Treasury issues maturing in more than 5 years. Section 1 of the first proposed bill would repeal the present limit.

The earliest of all public debt statutes, in 1790, authorized the President to borrow money on the credit of the United States for the specific purposes of payment of the foreign debt, funding of the existing domestic debt, and assumption of the debts of the several States.

The President delegated this authority to the Secretary of the Treasury, Alexander Hamilton, and this pattern of responsibility continued in general until the early Civil War period. At that time (1861) the Congress directly authorized the Secretary of the Treasury to conduct the financing of the war through the issuance of bonds, 1-year notes, and demand notes.

Prior to World War I, however, the Secretary of the Treasury had little discretion in the actual carrying out of the public debt operations. The acts of Congress authorizing the issuance of U.S. Government obligations usually specified the terms and conditions applicable to each individual issue.

World War I brought a change in this situation. Because of the large amounts of borrowing involved and the expectation that a number of loan operations would be required, Congress departed from its previous policy of specifying the terms and conditions of the obligations to be issued. Instead, in the first and succeeding Liberty Bond Acts, Congress gave the Secretary of the Treasury broader authority to determine the terms and conditions of issue, conversion, redemption, maturities, payment, and the rate and time of payment of interest in respect to the several classes of obligations authorized to be issued. Interest rate ceilings on Treasury bonds were still set forth in the statutes, however; the last one was the present 4¼ percent rate ceiling.

In making these changes, Congress proceeded in several steps. In the first of the war-financing operations of World War I, authorized by the First Liberty Bond Act in April 1917, Congress departed from its policy of determining the specific terms and conditions of each Treasury issue. The Secretary of the Treasury was authorized, with the approval of the President, to issue securities to the extent of $5 billion at a rate of interest on bonds issued under this authorization not to exceed 3½ percent. The bonds were to be offered at not less than par and no commissions were to be paid; other terms were left to the discretion of the Secretary.

There was an expectation that wartime rates might move higher. It was provided, therefore, that these first Liberty loan bonds could be converted into bonds bearing a higher rate than 3½ percent, if any subsequent series of bonds should be issued at a higher rate before the termination of the war. It may be noted that the effective return on the new bonds was actually higher than 3½ percent for many owners in comparison with corporate bonds or mortgages, since both principal and interest were exempt from all taxation—Federal, State, and local—except estate and inheritance taxes.

In the same act, authorization was given to the Secretary of the Treasury to issue up to $2 billion of certificates of indebtedness, 1 year or less to maturity. The interest rate ceiling of 3½ percent and the tax-exemption privileges provided for the bonds applied also to the certificates.

The Second Liberty Bond Act in September 1917 in effect increased the Treasury's bond-issuing authority under both acts to $7.5 billion and increased the interest rate ceiling on bonds to 4 percent. The conversion privilege was retained for the new bonds except that in this instance the privilege was to arise only once instead of each time new bonds were issued at a rate higher than 4 percent. In this act and thereafter, the rate of interest payable on certificates was left to the discretion of the Secretary. Tax exemption was retained under the Second Liberty Bond Act, but to a lesser degree.

By the spring of 1918, when a third Liberty loan was under consideration, the bonds of the previous loans were selling below par and industrial and other securities were yielding a return much in excess of the rate on Government bonds. The Third Liberty Bond Act (April 1918), therefore, authorized the issue of 4¼ percent nonconvertible bonds. The tax exemption status of the new bonds was virtually unchanged from the second Liberty loan.

The 4¼ percent interest rate ceiling was retained for the $7 billion of bonds issued under the Fourth Liberty Bond Act (July 1918). In order to make the rate more attractive, however, tax exemption privileges were considerably extended with respect to surtaxes, excess profits taxes, and war-profits taxes payable during the war and within a fixed time after the termination of the war.

During the early months of 1919 it became clear that new financing would again be required in the near future. A complicating element in the situation was the fact that the final session of the 65th Congress would terminate on March 4, 1919, considerably before the expected date of the new financing. Carter Glass, then Secretary of the Treasury, wrote to the chairmen of both the House Committee on Ways and Means and the Senate Committee on Finance and presented a strong case for giving the Treasury greater leeway in setting the terms of new issues. He cited at length the difficulty under conditions then prevailing of fixing the terms of loans considerably in advance of the offering.

In a statement before the Ways and Means Committee on February 13, 1919, the Secretary made a number of specific requests in connection with the forthcoming Victory loan, including the request that the interest rate ceiling be removed for notes and for bonds having maturities of less than 10 years.

> To withhold from the Secretary of the Treasury the power to issue bonds or notes bearing such rate of interest as may be necessary to make this refunding possible [i.e., refunding the interim certificates issued between the fourth and fifth (Victory) loans] might result in a catastrophe—

the Secretary stated. He added that:

> To specify in the act the maximum amount of interest at a figure sufficient to cover all contingencies would be costly, because the maximum would surely be taken by the public as the minimum.

It may be noted that the interest rate on certificates issued in anticipation of the third Liberty loan had risen to 4½ percent a year earlier (February 1918) and had remained at that figure on subsequent issues in anticipation of the fourth and Victory loans. Certificate rates later rose to 6 percent.

Before its adjournment, Congress responded to the Secretary's appeal in March 1919 with the Victory-Liberty Loan Act. This act granted increased discretion to the Secretary of the Treasury to enable him to deal with the situation as it might develop as far as notes were concerned, but his request on bonds was not granted.

A note issue (one of the possibilities previously suggested by the Secretary) was authorized in the amount of $7 billion—

* * * containing such terms and conditions and at such rate or rates of interest as the Secretary of the Treasury may prescribe.

The notes were to run not less than 1 year nor more than 5 years from the date of issue. In April 1919, the Treasury offered $4½ billion 4¾ percent 3–4 year gold notes, exempt from State and local taxes (except estate and inheritance) and from normal Federal income taxes, and convertible at the option of the holder into 3¾ percent 3–4 year gold notes exempt from all Federal, State, and local taxes (except estate and inheritance). The 4¼ percent interest rate ceiling on bonds was thus not involved in the final financing of World War I, but only because no bonds were authorized or issued.

The 4¼ percent ceiling in our current environment

Until recently, the trend of interest rates in the past 25 years has made the 4¼ percent ceiling a somewhat academic problem. Except for a short period in the early 1930's, interest rates were low all through the depression. Confidence in the future had been seriously shaken and available savings exceeded the demand for borrowed funds. In World War II, interest rates were held down artificially on Federal borrowing and the demands for borrowed funds by State and local governments, businesses and individuals were reduced to a minimum by rationing and other direct controls.

After World War II the demand for funds by non-Federal borrowers began to grow again and interest rates started to rise. This was aided by the fact that the Federal Government has not been able to reduce its debt in the postwar period as a whole. Budget surpluses in the 1920's allowed the Federal Government to reduce the public debt by more than one-third (from $26 billion in 1919 to $16 billion in 1930). As a direct result, interest rates declined during a period of general prosperity.

Today, current demands for funds by businesses, homebuilders, State and local governments, and other borrowers continue to push heavily against a relatively modest volume of savings, and interest rates have risen further.

At the present time it is extremely unlikely that the Treasury would be able to issue bonds in any volume at a rate of 4¼ percent or less. This is particularly true of the intermediate term area (5–10 years), where the volume of new bonds which the Treasury can sell is usually substantially larger than the more limited market for bonds in the long-term area. By the end of May 1959, a number of bonds with more than 5 years to run were selling in the market with yields above 4¼ percent.

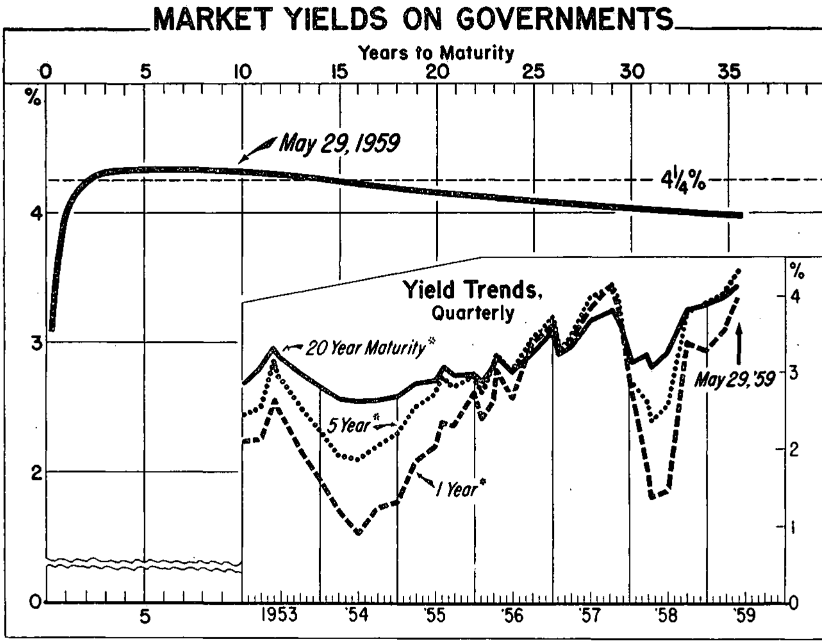
Chart H on the market pattern of rates on outstanding bonds reveals that a large part of the "market curve" is above 4¼ percent. Furthermore, since the market for longer bonds is very thin (very little buying or selling) the "market yield curve" in the longer area is low as an index of what the Treasury would have to pay for a long bond if one were to be issued today.

To date the Treasury has been able under the 4¼ percent ceiling to sell bonds beyond 5 years to maturity. Last January we sold more than three-quarters of a billion dollars of 21-year bonds to yield 4.07 percent and in March we sold more than half a billion dollars of 4 percent bonds due in 10½ years. But the market has moved down further since these offerings (down in price, up in yield) and with the present level of interest rates the Treasury would be seriously restricted by the present ceiling from taking advantage of reasonable opportunities to improve the structure of the public debt by issuing intermediate and longer term bonds.

It should be mentioned that since March 1942 the Treasury has had the right to offer securities at a discount. It is permissible under present statutory authority, therefore, for the Treasury to issue a bond with a 4¼ percent coupon rate at a price below par to yield any rate of interest to the investor above 4¼ percent which may be required by market conditions. The Treasury has not believed it appropriate, however, to circumvent the 4¼ percent ceiling in this way and is taking the direct approach to the problem by requesting appropriate legislation.

As the President stressed in his message the Treasury borrows at the lowest interest rate at which it can successfully sell the securities it should issue. How-

CHART H



*Estimated yields at constant maturities.

ever the Treasury must secure its funds in the competitive market for credit as it exists at the time it needs the money. It must sell its securities at rates sufficient to attract buyers who always have the alternative opportunity to buy outstanding securities or new issues of corporate or municipal securities.

These are conditions which are true of both Government and private borrowing. Typically, over recent years, the average new highest grade corporate security, for example, has cost the borrower about three-tenths of 1 percent more than the market rate on outstanding issues. The Treasury's pricing of new issues has been even closer to the market pattern of rates on outstanding issues than corporate pricing, as is shown in chart I, in comparison between the new Treasury issue interest cost and the estimated market rates. All borrowers—including the Treasury—try to do their borrowing as cheaply as possible, but each new issue must be attractive or fail.

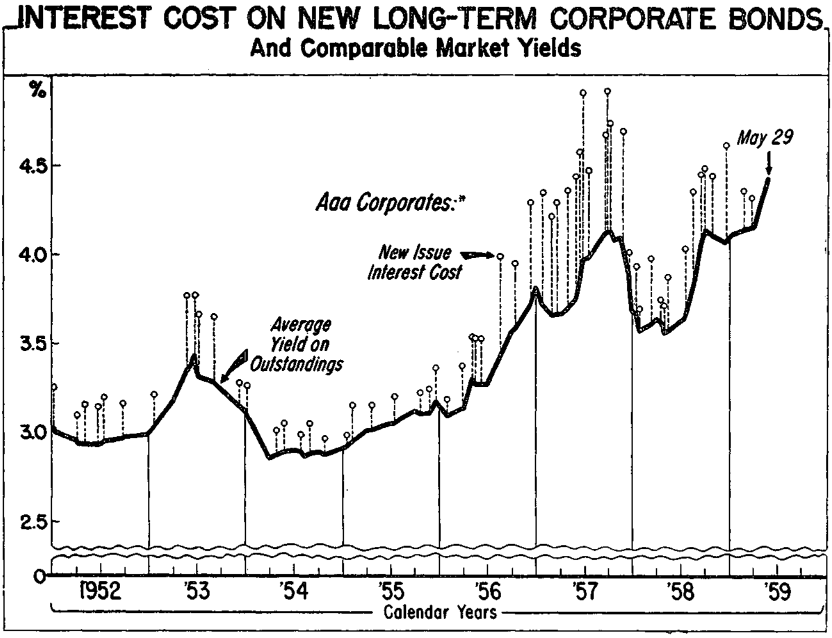
Interest yields on long-term Government securities are higher today in the United States than at any time since the 1920's except for a very brief period in the early 1930's. They are still, however, among the lowest in the world.

Long-term Government-bond yields in Canada average approximately 5 percent; long-term yields in the United Kingdom are almost the same, and have been as high as 5½ percent within the past 2 years.

Any comparison between present interest rates in the United States and the rates on Government bonds in 1918, at the time the 4¼ percent rate was originally established, should also recognize that the original 4¼ percent rate was in large part a tax-exempt rate, whereas all Treasury bonds issued since February 1941 have been fully taxable—and at income tax rates which are substantially higher than in 1918.

The request for removal of the limit reflects an honest appraisal of market conditions for what they are—conditions which have now made the 4¼ percent ceiling a barrier to effective debt management. Under current conditions, continuation of the 4¼ percent ceiling would not only deny the Government the opportunity to extend debt, but also could easily increase reliance on short-term financing to such an extent as to result in further imbalance in the debt structure,

CHART I



*Moody's Investors Service.

CHART J

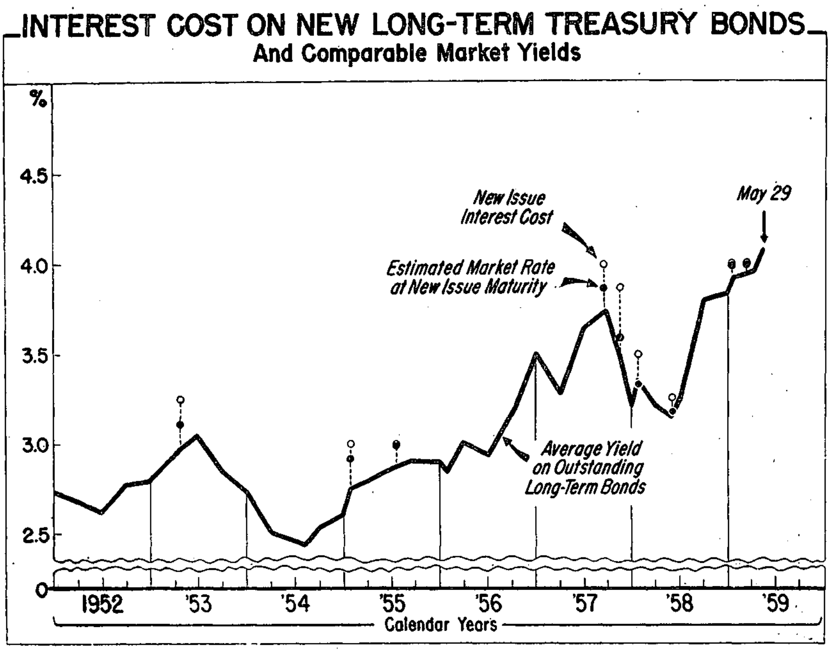
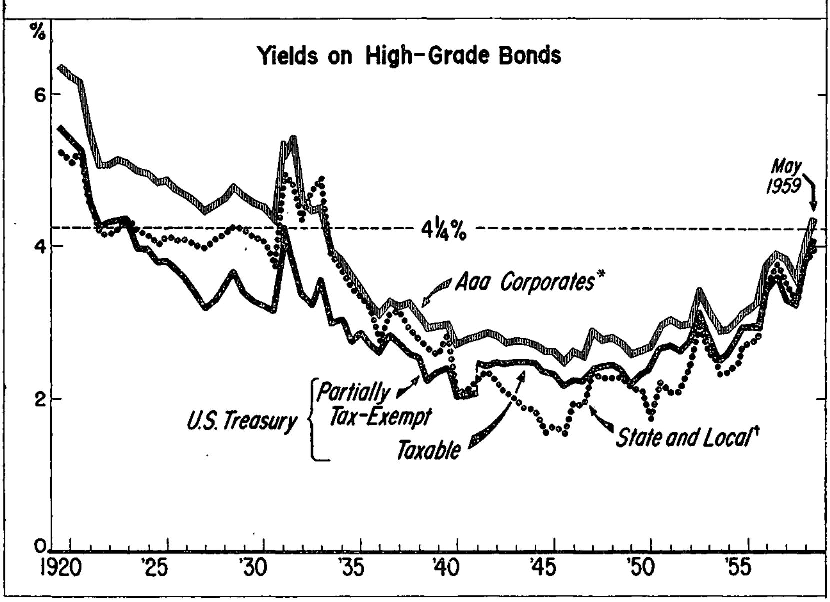


CHART K

LONG-TERM INTEREST RATES SINCE 1920



*Moody's Investors Service. †Standard and Poor's Municipal Average.

add to inflationary pressures, and push short-term rates to relatively high levels.

It has been alleged that the removal of the 4¼ percent ceiling would raise interest rates. This is simply not the case. The inflationary aspects of debt management policy under the present ceiling would raise increasing apprehension both here and abroad as to the future value of the dollar. Nothing contributes so strongly to forcing interest rates upward as fear of inflation. Those investors who want to invest in fixed-dollar obligations (rather than in stocks) will demand higher interest rates to compensate for their expectation of a shrinking purchasing power of the future repayments of principal and interest.

Those who feel that removing the 4¼ percent ceiling would raise rates need only look to the market for shorter term issues, where no ceiling applies.

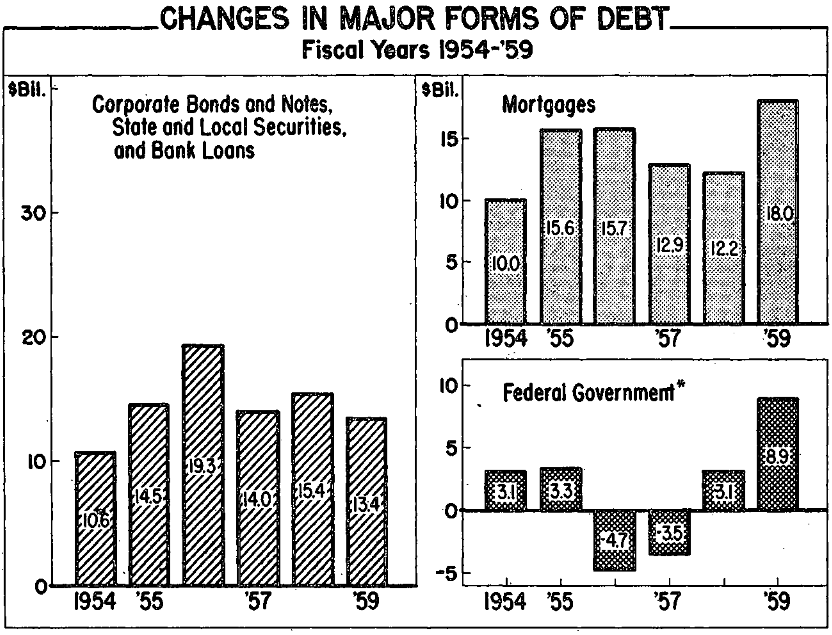
Treasury 91-day bill rates in a competitive market have moved up and down with the business cycle—up to almost 2½ percent in 1953, down to five-eighths of 1 percent a year later, up to 3⅝ percent in 1957, down to five-eighths of 1 percent a year ago, and up again to over 3 percent now. Even the 5-year rate has fluctuated from below 2 percent to more than 4 percent within the last business cycle.

The President has requested that the limit be removed, not just raised to a higher figure. If the principle of flexibility has any meaning at all, it is clear that it applies here. Any figure selected for a new limit would carry with it the connotation that the Government thought that is where interest rates should properly go. As Secretary Glass said in 1919—such a "maximum would surely be taken by the public as the minimum."

How interest rates operate

Popular discussion of interest rates is often clouded by misunderstanding of their nature in a free market economy. It is often incorrectly stated that the level of rates is determined by actions of the Federal Reserve authorities, or that the Treasury determines general interest rate policy each time it issues a new security. The view is also incorrectly expressed that interest rates somehow are fixed at high levels by large financial institutions.

CHART L



*Excluding debt held by Federal Reserve Banks and Government Investment Accounts.

The rise in interest rates which has occurred since last summer—following a rather sharp decline in the preceding 8 months—has been incorrectly attributed by some to have been the result of Federal Reserve and Treasury policies, and it is said that these policies have, in effect, cost the Treasury large sums in interest payments on the public debt. This view is followed with the suggestion that interest rates are "too high" and that something must be done to bring them down.

A supplemental statement that I am submitting contains a description of the factors affecting interest rates in our free market economy, a discussion of the forces causing higher interest rates during the current fiscal year, and an analysis of the various courses of action which might be effective in inducing lower rates of interest. I shall simply summarize briefly at this point the major conclusions reached in my supplemental statement.

The interest rate is a price—the price of borrowed money. It responds to forces that operate through demand and supply in free credit markets. This being the case, the primary determinants of interest rates are the actions of millions of individuals and institutions rather than those of the Treasury or the Federal Reserve. The rise in interest rates since the end of World War II has resulted primarily from unprecedented demands for credit on the part of individuals, businesses, and State and local governmental units. In addition, the Federal debt has expanded, rather than contracting as it did during the prosperity of the 1920's.

A major factor contributing to the rise in interest rates since last summer has been the record peacetime Federal budget deficit of approximately $13 billion. As is shown in the chart, during the current fiscal year expansion in several categories of debt—which reflect demand pressures in credit markets—have been moderate in comparison with other recent years. Mortgage debt has increased substantially since last summer, but the total expansion in corporate bonds and notes, State and local government securities, and bank loans has been less than in any fiscal year since 1954. In addition, growth in consumer credit, except for recent months, has been moderate. On the other hand, the rise of almost $9 billion in publicly held Federal securities is in sharp contrast to the moderate increases in fiscal years 1954, 1955, and 1958 and the decrease in 1956 and 1957.

These figures support the judgment that the Federal deficit, rather than debt management or monetary policies, has been an important major factor promoting higher interest rates during this fiscal year, a fact which my supplementary statement treats in detail.

Is there, as some suggest, some practicable way of inducing lower interest rates in this country without causing great harm to our Nation?

The interest burden on the public debt—now about $8 billion per year—is, of course, of deep concern. Of much more concern, however, is the need to maintain freedom and flexibility in our economy and, at the same time, avoid more erosion in the purchasing power of the dollar. The causes of inflation in a highly industrialized, free-market economy are many and complex. Consequently, a program of inflation control must be broad gaged, and cannot rely on monetary and fiscal policy alone.

Nevertheless, monetary and fiscal policy are indispensable instruments in our attempts to protect the value of the dollar. Logic and experience show that attempts to maintain interest rates at artificially low levels—either through creation of high-powered money by the central bank or by legislative attempts to maintain artificially low interest-rate ceilings—foster inflationary pressures. Inflation works its greatest hardships on people of modest means, whose savings are primarily in savings accounts, savings bonds, insurance policies, and similar types of fixed-dollar assets. Furthermore, an inflationary upsurge is usually followed by recession—the greatest enemy of sustained, rewarding economic growth.

Therefore, in any attempts to promote lower rates of interest, I would strongly counsel against some suggested techniques (discussed in detail in my supplemental statement) that would rely upon the ability of the Federal Reserve System to create large amounts of high-powered dollars.

This does not mean, however, that we cannot take actions which, although perhaps not leading immediately to lower levels of interest rates, would remove some of the significant pressures in the Government fiscal field that have tended to push rates higher during the past year.

In particular, we must have a clear demonstration of our willingness to maintain fiscal and monetary discipline. A period of high and rising business activity, such as the present, requires a surplus in Federal fiscal operations for debt retirement, and freedom for Federal Reserve authorities to conduct flexible credit policies. A budget surplus in the coming fiscal year can convert the Federal Government from a net borrower in credit markets to a net supplier of funds through debt retirement. Pressures on interest rates can be considerably less than if the Treasury had to compete strongly with other borrowers for funds to finance a deficit.

As I have said before, the clearly mistaken view that inflation is somehow inevitable has tended to push interest rates higher. Inflationary expectations generate higher rates primarily because borrowers are anxious to obtain funds that they expect to repay in cheaper dollars, whereas many individuals and institutions with funds to invest prefer equities over debt obligations, or will make loans or purchase bonds only if interest rates are high enough to compensate for the expected rise in prices.

Any actions that would let borrowers and lenders know that the value of the dollar will be preserved would remove one of the pressures promoting higher interest rates. This can be done only by means of a broad-gaged attack on all of the forces and practices that stimulate inflationary pressures. I would reemphasize, however, that under current conditions the most important single action would be a clear demonstration of our determination to maintain fiscal and monetary discipline.

Coupled with this demonstration is the need for greater flexibility in debt management, so that a better balance in the debt structure can be achieved, and so that markets will not become unsettled over such matters as an impinging interest rate ceiling. The removal of the 4¼ percent ceiling on new issues of Treasury bonds would be an important and necessary step in this direction.

The overriding advantage of this approach to reducing pressures on interest rates stems from the fact that the actions would be consistent with the requirements of sustainable economic growth, and would also transmit effects through market forces of demand and supply rather than by means of Government decree or regulation.

By proceeding in this way, the Federal Government would be promoting "maximum employment, production, and purchasing power," as required in the Employment Act of 1946, in a manner consistent with those crucially important but often overlooked words in the act which stipulate that such actions be carried out "in a manner calculated to foster and promote free competitive enterprise and the general welfare."

Needed increases in the debt limit

I turn now to the third part of my discussion of the major elements in our public debt legislative package; namely, the President's request for an increase in the public debt limit, as provided for in section 2 of the first proposed bill.

The existence of a restrictive debt limit plays an important part in our struggle for fiscal soundness. Unlike my views on the 4¼ percent interest rate ceiling, I believe a specific dollar ceiling on the public debt serves a useful purpose and can be effective in focusing attention in a unique way on the part of the executive departments, the Congress, and the public to the problems of sound Government finance. Such a limit should be restrictive enough to accomplish this purpose, yet not so rigid as to impede the normal operations of the Treasury. The debt limit changes the President has requested meet this test.

Last July the President recommended enactment of legislation to increase the regular (permanent) statutory debt limit from $275 billion to $285 billion and to provide for an additional temporary increase of $3 billion to expire June 30, 1960. Instead, the act of Congress approved September 2, 1958, increased the regular statutory debt limit to $283 billion and the temporary increase of $5 billion for the period ending June 30, 1959, provided for in the act of February 26, 1958, was allowed to continue in effect. As a result, the statutory debt limit will revert to $283 billion on June 30, 1959, with no provision for any temporary increase in the limitation beyond that time.

On June 30, 1957, after 2 fiscal years of budget surpluses aggregating more than $3 billion, the public debt subject to the statutory debt limitation was $270.2 billion. However, as a result of the recession in late 1957 through early 1958, the Treasury incurred a budget deficit of $2.8 billion in the fiscal year 1958 and will incur a budget deficit of almost $13 billion during the year that will end on June 30, 1959, based on the President's January budget estimates.

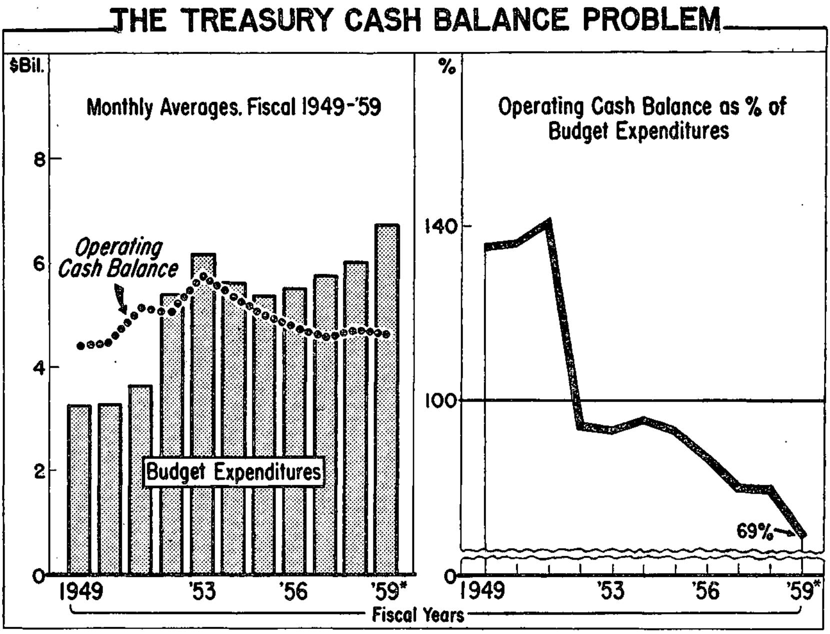
The financing of these budget deficits is now expected to bring the public debt subject to limit to approximately $285 billion on June 30, 1959—$2 billion over the present regular ceiling. As a result the President is proposing an increase in the regular statutory limit to $288 billion, an increase equal to the $275 billion debt limit in effect at the beginning of the fiscal year plus the estimated deficit for the current year.

This will enable the Treasury to conduct its debt operations with a margin of $3 billion to allow the flexibility in debt management operations and contingencies. A $3 billion margin is essential to proper handling of the Government's operations. The Treasury has been operating on an average cash balance of about $4½ billion during each of the last 3 fiscal years. This is relatively small; the average operating cash balance this year has averaged only 69 percent of average monthly budget expenditures—the lowest percentage for any recent year, as is shown on the right side of the chart below. The Treasury's cash balance is no higher today than it was a decade ago, when budget spending was half its present rate.

The efficient use of cash balances in this way has, however, gone about as far as it can without impairing efficiency of Treasury operations. There are times when a somewhat larger cash balance would have given the Treasury much needed flexibility in timing its borrowing operations so that it could ride out a period of market apathy for new issues, rather than forcing the Treasury to borrow in an unfavorable atmosphere because it was running out of cash.

In addition to maintaining an adequate cash balance, the Treasury should also be prepared to sell new issues of securities a week or so in advance of the maturity of old securities if such action would add materially to the success of a particular financing operation. This was true, for example, of the recently completed May 1959 financing. As part of this financing the Treasury sold $2 billion of 11-month Treasury bills with an issue date of May 11 to provide most of the funds necessary to pay off a $2.7 billion Treasury bill issue maturing on May 15. For the intervening 4 days, therefore, there was an increase in debt of $2 billion. This was possible only because the Treasury had some flexibility under the $288 billion temporary ceiling—flexibility which we requested and which the Congress approved last summer.

CHART M



*Estimate on basis of January 1959 Budget Message.

A third reason for our firm belief that a $3 billion debt leeway is a minimum relates to the possibility which always exists that there may be sudden demands on the Treasury in event of a national emergency, when the Congress might not be in session.

Our debt projections for fiscal 1960

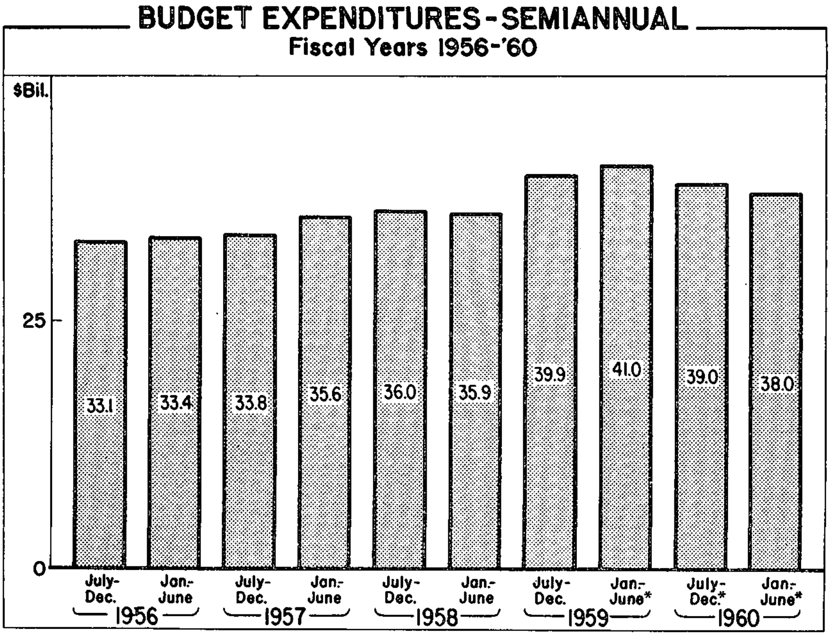
The outlook for the fiscal year beginning July 1, 1959, is for a level of budget receipts sufficient to cover budget expenditures. Even with this improvement in our fiscal outlook, however, there will still be a large seasonal deficit in the first half of the fiscal year, offset by a heavy seasonal surplus next spring.

There is no distinct seasonal pattern in budget expenditures between the two halves of the year, as indicated by the chart below, which is based on the January budget estimates.

On the other hand the budget receipts follow a distinct seasonal pattern. Even when the speedup in corporate tax collections, growing out of revisions in the Revenue Code of 1954, is completed there will still be a substantial seasonal disparity in tax receipts. As you know, smaller-sized corporations will continue to concentrate payments in the spring which, together with the concentration of individuals' declarations and final payments, will still result in relatively high tax receipts in January-June of each year. Again, the January budget estimates provide the basis for these figures. We expect, therefore, that even with a balance between expenditures and receipts for the fiscal year as a whole expenditures will exceed receipts by approximately $6 billion during the July-December half of the year. The July-December 1959 deficit will be only slightly more than half of the $11 billion deficit in July-December 1958.

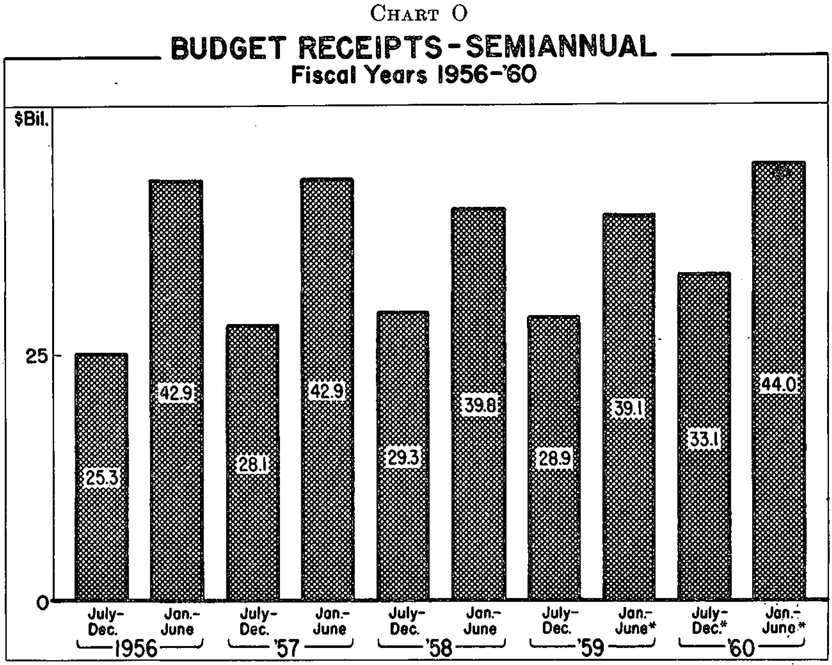
At intermediate points, such as December 15 and January 15, the cumulative deficit—and, therefore, borrowing needs—will reach or exceed $7 billion. That is why the President has requested a temporary debt ceiling of $295 billion. We are asking that this temporary limit be provided only through June 30, 1960, although a valid case can be made for a provision that would, for a longer period of time, control the debt at fiscal yearends and yet provide for seasonal requirements

CHART N



*Estimate on basis of January 1959 Budget Message.

CHART O



*Estimate on basis of January 1959 Budget Message.

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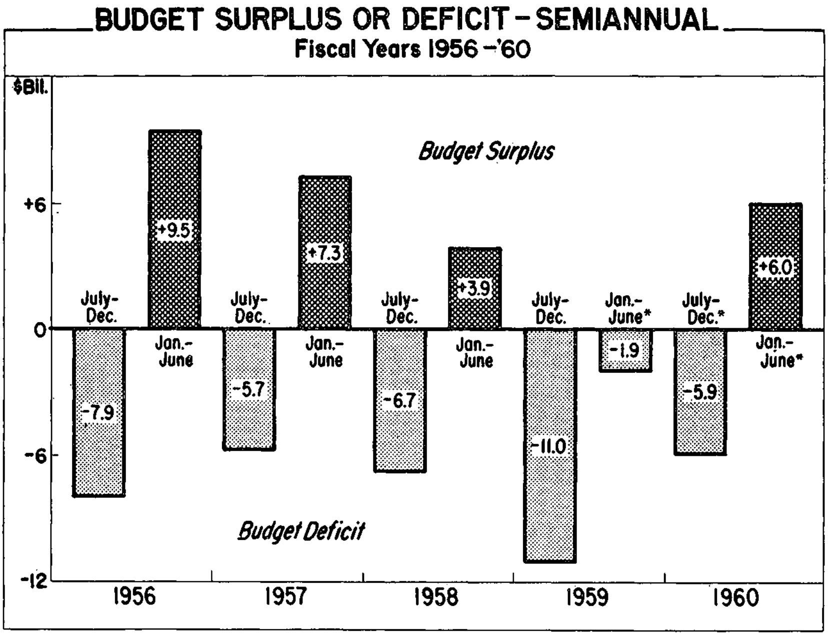
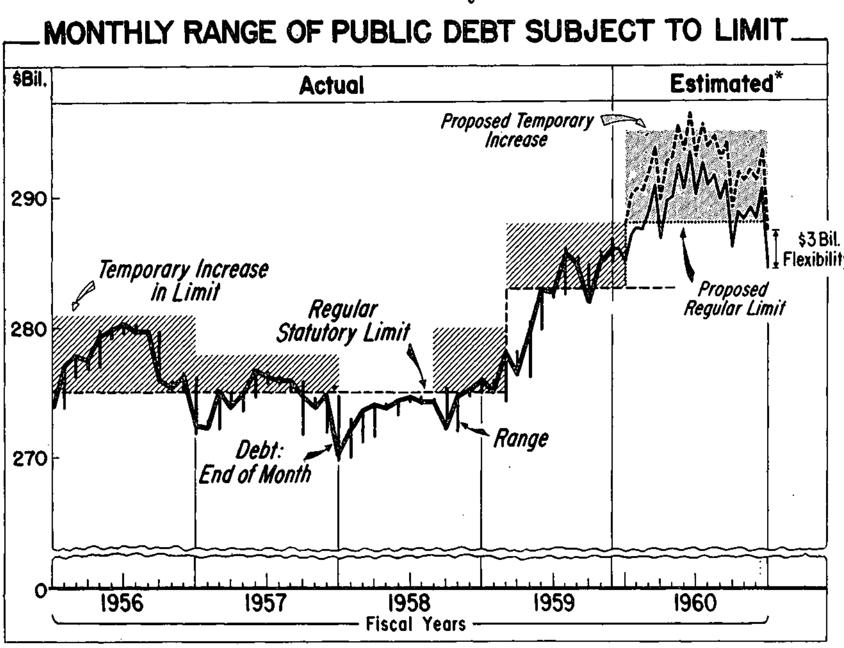
CHART P



*Estimate on basis of January 1959 Budget Message.

CHART Q



*Semimonthly; assuming $3.5 billion operating balance excluding free gold.

within the year. It is entirely appropriate for the Congress to review the debt limit situation each year, however, if it so desires.

Table I, attached at the end of this statement, indicates in detail our current semimonthly projection of the debt subject to the limit during the fiscal year 1960, assuming a constant $3½ billion operating cash balance.[1] The projections are stated both before and after the allowance for $3 billion flexibility. As you will note from the table, and also from chart Q above, on December 15, for example, even the $295 billion temporary debt limit would appear to be insufficient for a few days, but we will be able to operate within that limitation without undue impairment of our flexibility.

Chart Q also indicates the wide fluctuations in the amount of debt outstanding within each month during the fiscal year just ending.

The fiscal 1960 estimates on which the current request for an increase in the debt limitation is based are the same as those contained in the budget which the President submitted to you earlier this year—budget receipts of $77.1 billion and budget expenditures of $77 billion.

Those estimates were prepared 6 months ago and as the President indicated in his message on public debt management, it now appears that interest on the public debt during the forthcoming year will amount to about $8½ billion instead of the $8 billion included in the budget.

As I pointed out earlier, only a negligible amount of this half-billion-dollar increase, perhaps less than $5 million, represents the net additional cost of the new savings bond program. For all practical purposes the entire increase is attributable to the rise in interest rates which has taken place since the earlier estimate was made. The President also made it clear in his public debt message that the strength of our economic recovery beyond earlier expectations has improved the revenue outlook for the fiscal year 1960 sufficiently to offset the increased interest cost.

Facilitating exchanges of Treasury securities

Before discussion of the remaining sections of the first proposed bill, I would like to complete my statement by discussing briefly the provisions of the second proposed bill.

I have already spelled out in some detail the problem of an ever-shortening public debt and the Treasury's determination to issue intermediate and long-term bonds whenever market conditions are appropriate.

Typically, new Treasury bond issues arise either from a new issue sold for cash or a new issue offered in exchange to holders of securities which are maturing within a matter of weeks. Many of these maturing securities were originally long-term bonds, bought initially by long-term investors such as individuals, personal trust accounts, life insurance companies, mutual savings banks, or pension funds.

When the bonds approach maturity, however, most of these longer term investors have already liquidated their holdings and at maturity the bonds are usually held largely by commercial banks or by nonfinancial corporations or other short-term investors. Therefore, both of the traditional methods of issuing long-term securities which the Treasury uses involve a substantial amount of churning in the market as long-term investors seek to raise the cash to pay for a new cash issue or to buy the maturing issue which gives them the right to exchange the maturing issue for the new one.

There is a third approach, however, to the problem of selling longer term securities to long-term investors, and it is an approach which we believe would add materially to the Treasury's ability to encourage such investors to maintain investment in long-term securities. This approach may be characterized as "advance refunding." It is a technique which was used in the Canadian conversion loan operation last summer, whereby $6 billion of securities having from 6 months to 8 years yet to run to maturity were exchanged for securities with maturities ranging from 3 to 25 years—an operation involving about 40 percent of that country's national debt.

Because of fundamental differences in the financial systems of the two nations, the U.S. Treasury has no intention of embarking on such an ambitious program in attempting to solve our debt problem. The basic thought behind the Canadian operation should be given careful consideration, however, as to its possible application in the United States in a much more limited way.

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[1] Similar data for the fiscal year 1959 are shown in table II at the end of the statement.

One of many possibilities in this direction, when and if market conditions are appropriate at some time in the future, is to offer new long-term bonds to the holders of the large amount of 2½ percent bonds sold immediately before or during World War II.

Such a new issue, or issues, would be sold on terms that would be attractive to the present holders and would permit the Treasury to do a substantial amount of debt extension on a straight exchange basis with existing holders, and, therefore, with a minimum of effect on the Government securities and capital markets. These are investors who already hold substantial amounts of Government securities. We want to keep them invested in Governments if we can.

Under present law, however, the exchange of one Federal security for another in any refunding operation requires that the gain or loss from the exchange must be recognized for tax purposes if value of the old security on the books of the investor is above or below the market value of the new issue as of the date of exchange. In practice, this type of advance refunding operation would be expected to establish a loss for tax purposes to most holders because the Treasury would be likely to engage in advance refunding only if the obligations to be exchanged are selling below par in the market. The 2½ percent bonds referred to, for example, were selling at prices ranging from $83 to $88 per $100 bond as of end of May. The terms of the new, longer issue would, of course, be set so that it would be worth approximately the same price in the market as the issue being turned in. Whether an investor would accept such an offer or not would be entirely his own decision. No holder can be compelled to give up his present contract rights by taking an exchange issue unless he wants to.

Under these circumstances, the present taxable character of the exchange represents an immediate tax advantage to any taxable holder since he may take a loss which he can employ for tax purposes. If he holds the new issue to maturity or sells at a higher price, he may realize a corresponding gain on the new security. He will then have to pay a tax on this gain, but in the meantime he has had the benefit of postponing the tax on the loss deduction under present law.

Under the proposed bill postponing the recognition of gain or loss, the reason that an investor may find an exchange more attractive, despite the denial of a tax advantage, is because of his balance sheet and reserve position. So long as gain or loss on the exchange must be recognized for tax purposes many governmental authorities who supervise financial institutions require that the institution record the loss on its books. This means a corresponding reduction in earnings and in surplus, which is understandably distasteful to many investors.

If recognition of gain or loss were to be postponed until the ultimate disposition of the new security, however, it would become possible on the assumption that governmental supervisory authorities approve, for the institutional investor to carry the new securities at the same basis of valuation that he has been carrying the old ones. Thus, removal of the need to accept a book loss would make the exchange more attractive to many investors. Any investor who would benefit, under present law, from taking a tax loss could sell the old security and buy the new issue in the market.

Enactment of the second proposed bill would permit the investor to carry over the valuation basis of the bonds which are directly exchanged for the new bonds in this way. This could be done only under rules which we would prescribe for each exchange of securities so that the recognition of gain or loss for tax purposes could be deferred. There would be no change in present provisions of law where exchanges of obligations other than U.S. Government securities are involved.

I would like to emphasize again that the practical application of this bill at the time of any such exchange—to the extent that the bondholder is a taxpayer in the first place—is to postpone recognition of a tax loss and, therefore, would tend initially to increase rather than reduce revenues.

Actually, the effect on tax revenues will be small because of the character of many of the institutions involved—pension funds, mutual savings banks, savings and loan associations, and charitable organizations

I thank you for your patience in bearing with me through my long statement. I hope it has given you some insight into our problems and why we feel prompt enactment of both proposed bills is essential.

TABLE I.—*Forecast of public debt outstanding, fiscal year 1960, based on constant operating cash balance $3.5 billion (excluding free gold) (based on 1960 Budget document)*

[In billions]

	Operating balance, Federal Reserve Banks and depositaries (excluding free gold)	Public debt subject to limitation	Allowance to provide flexibility in financing and for contingencies	Total public debt limitation indicated
July 15, 1959	$3.5	$287.1	$3.0	$290.1
July 31	3.5	287.6	3.0	290.6
Aug. 15	3.5	287.5	3.0	290.5
Aug. 31	3.5	288.9	3.0	291.9
Sept. 15	3.5	290.8	3.0	293.8
Sept. 30	3.5	286.7	3.0	289.7
Oct. 15	3.5	289.7	3.0	292.7
Oct. 31	3.5	290.0	3.0	293.0
Nov. 15	3.5	292.5	3.0	295.5
Nov. 30	3.5	290.6	3.0	293.6
Dec. 15	3.5	293.5	3.0	296.5
Dec. 31	3.5	290.2	3.0	293.2
Jan. 15, 1960	3.5	292.6	3.0	295.6
Jan. 31	3.5	290.9	3.0	293.9
Feb. 15	3.5	291.7	3.0	294.7
Feb. 29	3.5	289.8	3.0	292.8
Mar. 15	3.5	291.3	3.0	294.3
Mar. 31	3.5	286.1	3.0	289.1
Apr. 15	3.5	288.9	3.0	291.9
Apr. 30	3.5	288.3	3.0	291.3
May 15	3.5	289.3	3.0	292.3
May 31	3.5	288.3	3.0	291.3
June 15	3.5	290.6	3.0	293.6
June 30	3.5	284.4	3.0	287.4

NOTE.—When the 15th of a month falls on Saturday or Sunday, the figures relate to the following business day.

TABLE II.—*Actual cash balance and public debt outstanding, July 1958–May 1959*

[In billions]

	Operating balance, Federal Reserve Banks and depositaries (excluding free gold)	Public debt subject to limitation
Actual:		
July 15, 1958	$5.5	$275.2
July 31	3.9	275.1
Aug. 15	5.3	277.8
Aug. 31	5.3	278.2
Sept. 15	1.5	276.3
Sept. 30	3.9	276.4
Oct. 15	4.7	280.0
Oct. 31	3.3	279.9
Nov. 15	2.2	279.9
Nov. 30	5.3	282.7
Dec. 15	2.1	282.2
Dec. 31	3.8	282.6
Jan. 15, 1959	1.7	282.6
Jan. 31	4.5	285.5
Feb. 15	2.8	284.8
Feb. 28	3.9	284.8
Mar. 15	2.1	284.6
Mar. 31	3.2	281.7
Apr. 15	4.2	285.4
Apr. 30	4.4	285.0
May 11	6.1	286.8
May 15	4.2	285.0
May 31	4.7	286.0

NOTE.—From Feb. 26 to Sept. 2, 1958, the statutory debt limitation was $280,000,000,000 including a temporary increase of $5,000,000,000 which was scheduled to expire June 30, 1959. The act approved Sept. 2, 1958, increased the limitation to $288,000,000,000, which will revert to $283,000,000,000 on June 30, 1959.

When the 15th of a month falls on Saturday or Sunday, the figures relate to the following business day.

SUPPLEMENTAL STATEMENT BY SECRETARY OF THE TREASURY ANDERSON, JUNE 10, 1959, ON PUBLIC DEBT MANAGEMENT BEFORE THE HOUSE WAYS AND MEANS COMMITTEE

Interest rates in a free market economy

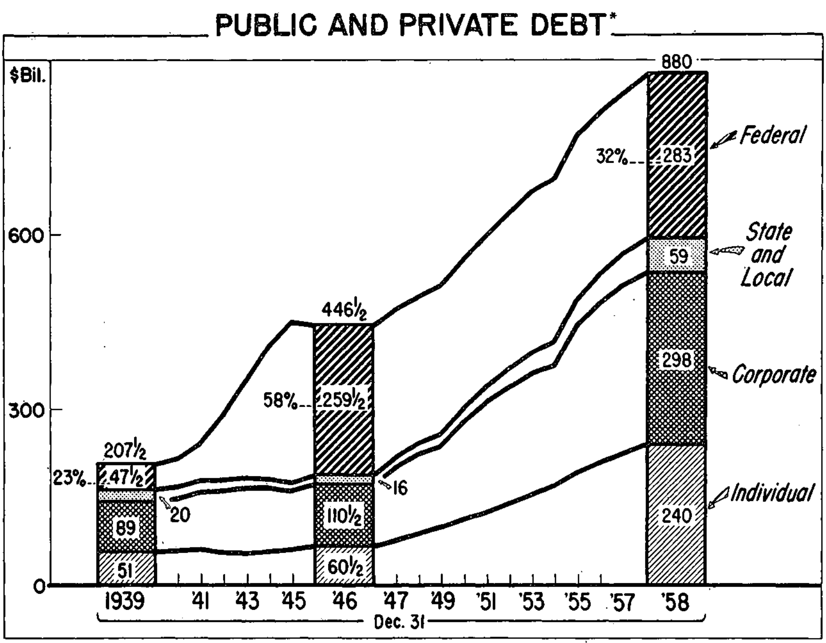
As I observed in the main portion of my statement before this committee, popular discussion of interest rates is often clouded by misunderstanding of their nature in a free market economy. The purpose of this supplementary statement is to discuss in some detail the nature of interest rates—particularly the factors that cause them to rise or fall; the reasons for the increase in rates since last summer; and several alternative courses of action that might be effective in inducing a lower level of interest rates.

Demand and supply in credit markets

Speaking broadly, the interest rate is nothing more nor less than a price, namely, the price of borrowed money. As a price, the rate reacts to the same sort of influences as other prices in a free market economy—influences that operate through the demand for and supply of funds available in credit markets. Just as an increase in the demand for goods or services tends to increase the prices of these items, so does an increase in the demand for funds tend to increase interest rates. And an increase in the supply of funds available in credit markets has the same basic effect as an increase in the supply of any good or service in any market; price tends to fall. This is true under our present market arrangements; it will remain true so long as credit markets remain free and borrowers and lenders are permitted to manage their affairs with a minimum of interference and regulation.

From the side of demand, the principal impact on interest rates reflects the actions of four groups of borrowers: individuals, corporations, State and local governmental units, and the Federal Government. As is shown in the chart, total indebtedness of these borrowers has almost doubled since 1946.

CHART R



*Gross debt.

Individuals, borrowing to finance purchases of a variety of goods and services and to construct or purchase homes, increased their gross indebtedness from \$60½ billion to \$240 billion between 1946 and 1958. The gross debt of business corporations, which seek credit to finance working capital needs and for longer-run purposes in expanding and modernizing plant and equipment, rose from \$110½ billion to \$298 billion. State and local governmental units, confronted with growing needs for schools, highways and streets, and a variety of other facilities, have borrowed heavily in the postwar period; their gross debt expanded from \$16 billion in 1946 to \$59 billion in 1958. The Federal Government, the fourth major borrower in credit markets, seeks funds to meet seasonal needs and to finance a deficit. The public debt increased from \$259½ billion in 1946 to \$283 billion in December 1958. As of the end of June, the debt is expected to total \$285 billion.

The postwar pressure on interest rates arising from the demand for credit is apparent. Concomitant with the large expansion in demand, however, has been a growth in the supply of funds available in credit markets. These funds come ultimately from two sources: savings or money creation. It makes little difference to the borrower whether the ultimate source is one or the other; dollars flowing out of money creation are fully as spendable as those made available from savings. The ultimate source may be of crucial importance from the standpoint of achieving price stability and sustainable economic growth, however, simply because dollars generated through money creation represent an increase in the total pool of dollars available for spending and, if not matched by a more or less equal increase in output of goods and services, tend to force prices up. It is no accident that consumer and wholesale prices have more than doubled during the past twenty years, in view of the fact that a fourfold increase in the active money supply was only partly matched by an approximate doubling of real production of goods and services.

There is no need to go in detail into the various forms of saving—by individuals, business firms, and governmental units—or to differentiate sharply between funds flowing from current saving and those that represent savings of earlier years that subsequently are made available to borrowers. The really important point relates to the distinction between funds obtained from existing pools of dollars and those generated by money creation.

How does money creation take place? Largely through the lending and investing activities of the more than 13,000 commercial banks in this country. Suppose that John Doe wants funds for use in his business, or to improve his home, or to meet medical or other expenses. And suppose that he applies for a loan from a commercial bank to obtain the funds. If the loan is granted, John Doe simply signs his promissory note and acquires a credit to his deposit account in the bank. This transaction represents no transfer of existing dollars; quite the contrary, John Doe has an extra \$100, \$1,000, or \$10,000, depending on the amount of the loan, but no other individual or institution has any less money. Money creation has indeed taken place. Moreover, not only John Doe, but thousands of business firms, many State and local governmental units, and the Federal Government also borrow, directly or indirectly, from commercial banks. Each bank credit extension of this type which is not offset by a reduction in other bank loans or investments results in an equivalent amount of new money creation.

Do commercial banks have unlimited ability to create money in this fashion? Not by any means. People borrow money primarily in order to spend, and the banker who makes such loans knows that within a relatively short period of time the newly created deposit will probably be withdrawn from his bank. This will probably take the form of a transfer to another bank, perhaps in the same city, perhaps somewhere else in the Nation. But, the important point is that the banker must be able to meet a drain of cash out of his bank; and his ability to do so depends on his cash reserve position. In other words, he cannot afford to make large extensions of credit unless he has extra cash on hand (or on deposit with his Federal Reserve Bank) to meet the resulting drains, or unless he is in a position to obtain additional cash as the drains take place.

This is where the Federal Reserve System comes into the picture. Through various devices (e.g., discount policy, open market operations, and control over member banks' reserve requirements), Federal Reserve authorities can influence the cost and availability of bank cash reserves. In so doing, the willingness and ability of commercial banks to make new loans and investments—and thus add to the flow of funds available in credit markets—is very much affected.

The resiliency of bank credit expansion and contraction can serve as an important balancing wheel in credit markets—or, it can operate as a serious destabilizing factor in our attempts to achieve a stable price structure and relatively full and efficient use of our economic resources. The critical question is, of course, the rate at which bank deposits come into or go out of existence. During a period of high and rising business activity, when credit demands are especially strong, and when men, machines, and materials are being used at high capacity, an excessive amount of money creation tends to add to inflationary pressures. Spending in the economy as a whole may expand rapidly but, with resources in relatively full use, the volume of goods and services that can be produced can only be increased slowly. Inflation is then the result. And judging by past experience, an inflationary upsurge is likely to be followed by readjustment and recession, so that our end objective of achieving maximum economic growth is actually impeded.

Since recession is a serious deterrent to sustained economic growth, bank credit expansion may be desirable when economic activity is lagging. Under these conditions, the men, machines, and materials necessary to support increases in production are available. Greater spending by consumers and business firms is to be desired.

Consequently, sustained and rewarding economic growth—which requires reasonable price stability and relatively full and efficient use of our economic resources—can be attained only if the aggregate flow of credit is consistent with the ability of the economy to absorb that flow, when translated into spending, at a given time. And, the Federal Reserve System, in fulfilling its statutory obligations, is constrained to employ its monetary powers flexibly. In a free market economy, an inevitable result of the interaction of demand and supply forces in credit markets—including the impact of Federal Reserve actions—is fluctuations in interest rates.

Stated simply, flexible credit policies, attuned to the business situation as it unfolds over time, can be effective only if interest rates are free to respond to the forces of demand and supply in credit markets. But it must be emphasized that the major forces affecting those rates stem from actions of free and independent lenders of funds. The law of supply and demand is a powerful and inescapable economic force; attempts to thwart it in the past have inevitably led to greater difficulties later on.

At times interest rates seem to decline faster than might be expected in view of basic trends in credit demands, savings, and the availability of bank credit. At other times they seem to rise faster than might seem warranted in view of these forces. For example, the sharp decline in rates in late 1957 and early 1958 seemed to outrun basic forces of demand and supply, and the same can be said of the sharp increase in rates in the summer of 1958.

The explanation of such sharp shifts can be found primarily in the impact of expectations on credit markets. In late 1957 it became clear that recessionary forces were gathering strength. The Federal Reserve System, consistent with its responsibility to conduct its operations flexibly, shifted from the restrictive policy of the preceding 2½ years toward a policy of monetary ease. In view of the shift in the business situation, which implied a slackening demand for funds in credit markets, and in view of the reversal of Federal Reserve policy, which implied an increase in availability of bank credit, market participants reasoned that the uptrend in interest rates that had prevailed since 1954 would be reversed, and that the outlook for some time to come was for declining rates.

Declining interest rates are synonymous with rising prices for outstanding Government and other types of bonds. Consequently, individuals and institutions with funds to invest tended to step up purchases of such instruments—the supply of funds available in credit markets expanded sharply; and individuals and institutions with bonds for sale became more reluctant to part with them—the demand for funds subsided, relatively speaking. The result: sharp declines in interest rates (or increases in bond prices), stimulated largely by expectations of lagging business and easy money.

The decline in business activity came to an end much sooner than many observers anticipated. In June 1958, the strengthening business picture gave rise to rumors that Federal Reserve policy might be in the process of shifting away from the aggressively expansive policies of preceding months. Many investors in debt instruments, including Government bonds, became anxious to dispose of the securities before interest rates rose and bond prices declined; potential buyers became less anxious to buy. The result: sharp increases in interest rates, stimulated largely by expectations.

Thus, one type of expectation is related primarily to the swings in business activity and the impact of flexible monetary policies. But at times other types of expectations exert important influences. During the past year, the increase in interest rates has been stimulated partly by a growing—but, in my judgment, mistaken—conviction that inflation is inevitable. Many investors have been reluctant to purchase debt instruments, which carry a fixed interest return and principal payment, as opposed to equities. This reluctance to purchase bonds, and the preference for equities, has contributed to relatively low bond prices (high interest rates) and high stock prices.

It is important to emphasize, however, that effects of expectations are likely to be short-lived, unless later ratified by the expected events. The sharp decline in interest rates in late 1957 and early 1958 could not have been sustained had it not been for the fact that recession did occur, credit demands did subside, and monetary policy did assume a posture of aggressive ease. Again, the sharp rise of last summer was later ratified, in part, by the vigorous expansion of business activity, with the accompanying demands for credit, and the impact of a $13 billion Federal deficit on credit markets. Finally, the impact of inflationary expectations on the level of interest rates can be minimized only when it becomes clear to participants in free credit markets that the integrity of the dollar will be preserved.

In summary, interest rates in a free market economy are influenced by a number of factors which can best be understood in terms of the forces working through demand and supply in credit markets. Of primary importance on the demand side are borrowings by individuals, businesses, State and local governmental units, and the Federal Government. The supply of funds available in credit markets is mainly a reflection of the availability of financial savings, coupled with net changes in commercial bank credit. Federal Reserve policy, by influencing reserve positions of commercial banks, affects the rate of flow of bank funds into credit markets.

Before examining the reasons for the rise in interest rates in this country since last summer, it might be worthwhile to discuss briefly two popularly held views concerning the nature of interest rates that, in my judgment, are mistaken.

One often hears the statement that increases in interest rates are necessarily inflationary, in that interest is a cost of doing business and sellers of goods tend to pass on rate increases in the form of higher prices. The people who hold this view overlook the fact that rising interest rates are indicative of pressures in credit markets growing out of strong demands for funds relative to the supply. Inasmuch as individuals and institutions borrow money primarily to facilitate spending, rising interest rates reflect an inability of all potential borrowers to obtain as much credit as they would like to have. In other words, spending is impeded, and the rise in interest rates is one measure of the degree of restriction on spending. And, under normal circumstances, anything that tends to dampen spending when business activity is high and rising tends to diminish—not to augment—inflationary pressures.

Moreover, available figures indicate clearly that interest, as a cost of doing business, is a decidedly minor expense. In 1957, for example, net interest costs of all manufacturing corporations were only 4/10 of 1 percent of gross sales. Thus, of the cost of an article selling for $100, only 40 cents represented interest cost. Admittedly, interest expenses of wholesalers and retailers, who also must finance some of their operations by borrowing, would add slightly to total interest cost included in items bought by final consumers. Still, however, the contribution of interest expense to total cost would be small.

It has been suggested that public utility rates are influenced significantly by interest costs, since such firms rely heavily on bonded indebtedness. In this case, however, net interest expense is estimated to be less than 4½ percent of gross revenues.

The evidence seems clear that an increase in interest rates exerts only a small direct effect on prices of goods and services, and that this impact is far outweighed by the restrictions on total spending stemming from limited availability of funds in credit markets.

There is also a misconception concerning the identity of the recipients of interest payments on the Federal debt. Some observers appear to believe that large financial institutions are not only the major recipients of such payments, but that their share has increased as interest rates have advanced in the postwar years.

The accompanying table, which presents estimates of the distribution of interest payments on the public debt in 1946 and 1958, indicates clearly that such is not the case. In 1946, the major financial institutions—commercial banks, mutual savings banks, and insurance companies—received an estimated $2.1 billion in interest on holdings of Government securities, or about 45 percent of the total of such payments. By 1958, the share of these institutions had declined to $2.0 billion, representing only 26 percent of total payments.

Estimated distribution of the interest on the public debt, fiscal years 1946 and 1958

[In billions of dollars]

	Budget expenditures	
	1946	1958
Investor classes:		
Individuals:		
Savings bonds	.7	1.5
Other securities	.5	.4
Subtotal	1.2	1.9
Commercial banks	1.4	1.5
Mutual savings banks	.2	.2
Insurance companies	.5	.3
Nonfinancial corporations	.2	.6
State and local governments	.2	.4
Miscellaneous investors	.2	.4
Federal Reserve Banks	.1	.8
Government investment accounts	.7	1.5
Total	4.7	7.6

Moreover, a significant portion of the interest income of banks has been passed on to customers in the form of higher rates on time and savings deposits. For example, in 1946 member bank interest payments to depositors were only 20 percent of interest income on their holdings of Treasury securities. Reflecting the sharp increase in rates paid on time and savings deposits in the past few years, member banks in 1958 paid almost 90 percent of their interest income on Governments to depositors.

Other important trends brought out by the table include an $800 million increase in interest payments on savings bonds, held mostly by individuals; a $700 million expansion in payments to Federal Reserve Banks, which returned 90 percent of their net earnings to the Treasury; and an $800 million increase in payments to Government investment accounts, which are operated almost wholly for the benefit of individuals.

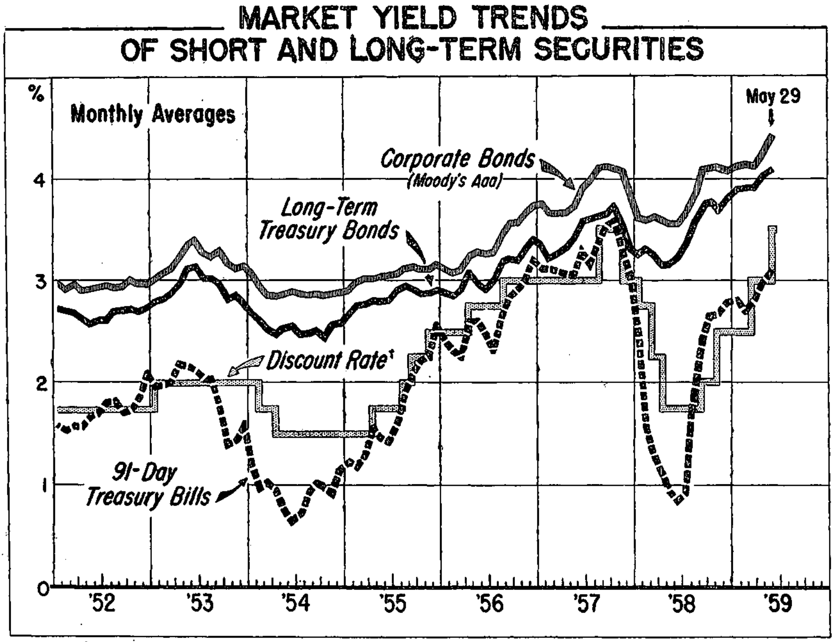
These figures indicate, therefore, that a substantial portion of payments on the debt accrue directly or indirectly to the benefit of individuals, many of whom are of relatively modest means. Moreover, the increase in interest payments since 1946 reflects increased payments primarily to individuals, Federal Reserve Banks, and Government investment accounts, rather than to private financial institutions.

The rise in interest rates since last summer

Trends in interest rates over a period of several years, or of several months, can be understood only in terms of the major demand and supply forces at work. Accordingly, it might be worth while to examine closely the increase in rates that has occurred during the current fiscal year in order to gain an understanding of the factors underlying the advance.

Interest rates on Treasury and other securities have risen considerably from the lows reached during the recession of 1957–58. Yields on long-term Treasury bonds, which averaged 3.12 percent in April 1958, had risen to an average of 4.08 percent in May 1959. Average issuing rates on 3-month Treasury bills, which fell below 1 percent in the spring and summer of 1958, have recently risen above 3 percent. Similarly, rates on commercial paper, bankers' acceptances, prime bank loans, corporate and municipal bonds, and other debt instruments have advanced substantially during the past year.

CHART S



[1]Federal Reserve Bank of New York

What factors lie behind this rise in rates? First, let's look at the demand for credit.

The growth of consumer credit in the current fiscal year has been less than in most recent years. Thus, pressure on interest rates from this source has been moderate, except for the past few months, in which demand for consumer credit has risen substantially. Individuals have indeed been active borrowers of funds, primarily in the form of mortgage credit. Total real estate mortgages, consisting largely of individuals' borrowings, are expected to increase $18 billion this fiscal year, a greater rise than in any of the past five fiscal years. This increase can be viewed as having contributed to demand pressures in credit markets. (See page 253 for chart showing changes in major forms of debt, fiscal years 1954–59.)

Total corporate bonds and notes, State and local government securities, and bank loans have increased less than in any fiscal year since 1954. Thus, these credit demands have not exerted significant pressures on financial markets.

The demand for credit on the part of the Federal Government, to finance a record peacetime deficit of approximately $13 billion, has been much greater than in any of the preceding five fiscal years. The publicly held Federal debt will increase by almost $9 billion in this fiscal year, as contrasted with increases of $3.1 to $3.3 billion in fiscal years 1954, 1955, and 1958, and declines of $4.7 and $3.5 billion, respectively, in 1956 and 1957. (The difference between the $13 billion deficit and the $9 billion increase in Federal debt in this fiscal year results primarily from a reduction in the Treasury's cash balance.)

These figures demonstrate clearly that the more important demand pressures on interest rates during the past year have stemmed from the increase in mortgage debt and the record peacetime Federal deficit. However, the rise in mortgage debt, although substantial, is not much greater than in fiscal years 1955 and 1956. Thus, it appears that a major factor contributing to the sharply rising demand for credit in fiscal 1959 has been the record peacetime Federal deficit. The addition of almost $9 billion in Federal securities to what might be viewed as more or less normal aggregate credit demands could only exert strong pressure on interest rates.

As I noted earlier, however, trends in interest rates are also influenced by forces working through the supply of funds available in credit markets. While data on savings are difficult to interpret in terms of impact on credit markets, there appears to be no evidence that a shift in the availability of savings has contributed to the rise in rates during the past year.

As to the timing of the events in the summer of 1958, it is important to note that member bank reserve positions and short-term money market rates reflected a continuation of monetary ease until August—a full two months following the reversal of market rates on intermediate- and longer-term Government bonds. Thus, the market appears to have led monetary policy and, as stated earlier, the market shift resulted primarily from radical changes in expectations. The shift in expectations resulted, in turn, from: (1) a growing comprehension that the recession had ended and that vigorous recovery was under way, with its consequent impact on demand for credit; (2) a belief that Federal Reserve credit policies, in view of the shift in the business situation, would soon move toward restraint in keeping with the requirements of flexible administration of such policies; (3) a realization that in fiscal year 1959 the Federal Government would be confronted with a deficit of $10 to $15 billion, with its strong impact on demand for credit; and (4) a growing—even if unfounded—conviction on the part of investors that further inflation would probably occur, stemming from the rigidity of prices during the recession, the impact of business recovery, and the inflationary ramifications of a record peacetime deficit during a period of rising business activity. In addition, market pressures were increased significantly by liquidation of heavy speculative holdings of Government and other securities, built up earlier in the year and in June, sometimes on relatively thin margins.

It should be emphasized again, however, that the increases in rates arising from expectations could not have been sustained had not the expectations later been ratified. And most of them were indeed ratified. Business activity has expanded vigorously; a $13 billion deficit was confirmed by official sources; and Federal Reserve credit policy did shift away from the strongly expansive policies of early 1958. The expectation of continuing inflation has not been confirmed; whether or not it will be depends in no small measure on the degree of fiscal and monetary discipline that is maintained during this period of high and rising business activity.

Furthermore, the available evidence points only to a mild degree of credit restraint since last summer. For one thing, the strong upward trend in production, employment, and income with, as yet, absence of strong inflationary pressures, indicates that credit has been sufficiently available to meet the needs of the economy. Moreover, monetary growth since last summer, as measured by the annual rate of expansion in the seasonally adjusted money supply, has been at least equal to and perhaps slightly greater than what is usually thought of as a normal rate.

All things considered, it seems to me clear that the major factor contributing to the rise in interest rates during the past year has been the $13 billion Federal deficit. It has exerted a twofold impact: First, by stimulating expectations in the summer of 1958 of strong credit demands and of a further erosion in the value of the dollar; and, second, by adding almost $9 billion in Federal securities to the demand side of credit markets.

Consequences of various proposals to induce lower interest rates

Are there any courses of action, open to Congress, the executive branch, or the Federal Reserve System, which might be successful in inducing lower interest rates? It must be emphasized that any such actions, to be effective without leading to later difficulties, must operate through the basic forces of demand and supply. As I stated earlier, the law of supply and demand is a powerful economic force. Any attempt to hold interest rates to artificially low levels would be doomed to ultimate failure unless appropriate steps were taken to adjust demand and supply forces consistent with the selected level of rates. And even then, later difficulties may well arise. The situation is parallel to attempts to maintain price ceilings on goods and services during national emergencies; prices can be prevented from rising, if inflationary pressures are strong, only through resort to rationing, allocation of materials and labor, and so on. Similarly, interest rates can be kept from responding to the forces of demand and supply only through direct intervention in credit markets and a consequent abridgement of economic freedom. It is therefore assumed that any courses of action to be considered would involve influencing demand and supply.

With this stipulation accepted, six proposals might be mentioned. Several of these proposals, however, would so harm the Nation that responsible people would be unwilling even to consider them. They are presented solely for the purpose of bringing forward issues which apparently are often misunderstood.

(1) One approach would be for the Government, through various means, to promote recessionary pressures in the economy. Interest rates commonly decline during recessions, partly because of a slackening demand for funds on the part of individuals and businesses, partly because of a relative increase in availability of financial savings, and partly because of greater availability of bank credit in connection with a flexible shift of monetary policy toward credit ease.

This first alternative is, of course, absurd; no responsible government would attempt to induce recession—with its accompanying loss of production and rise in unemployment—simply to produce lower rates of interest. But the introduction of this alternative highlights the fact that high and rising interest rates are a sign of expanding business. For a responsible government, the choice between high levels of business activity and employment as opposed to low interest rates is actually no choice at all. Stated differently, high interest rates are not an end in themselves; rather they are the usual accompaniment of the active credit demands that characterize expansion in production, employment, and income.

(2) It has been suggested that interest rates could be reduced if the Federal Reserve Banks were directed by Congress to purchase all new issues of Government securities; this would tend to reduce pressures on interest rates, since the Federal Reserve Banks would in effect create the funds necessary for the purchase of the securities. The actual process would involve credit to the Treasury's deposit balance in Federal Reserve Banks in return for the newly issued Government securities.

There are at least two serious objections to this course of action. In the first place, the prohibition of direct sales of securities by the Treasury to the central bank, except under unusual and very limited circumstances, has been an important characteristic of our financial mechanism ever since the establishment of the Federal Reserve System in 1913. As one adjunct to their primary function of influencing the flow of money and credit, the Federal Reserve Banks were envisaged, by the framers of the act, as fiscal agents for the Government—to hold Treasury working balances; to clear Treasury checks; to issue, redeem and pay interest on Government securities; and so on—not as a source of credit to finance the Government's needs. Experience in a number of foreign countries has demonstrated the dangers of easy access to central bank credit on the part of the branch of Government that has the responsibility for financing the Government's requirements. Fiscal discipline is especially difficult to preserve if the exchequer has, in effect, a "blank check" on the money-creating authority.

A second major objection to sale of new Treasury issues directly to the Federal Reserve Banks arises from the fact that the transaction would provide the basis for a highly inflationary expansion of the money supply. The recipients of Treasury checks drawn on the newly created deposits at the Reserve Banks would deposit most of the proceeds in Federal Reserve member banks, and the member banks in turn would send the checks to their district reserve banks for payment. Payment would be effected in the usual way, by crediting—or increasing—the reserve balances of the banks on the books of the Reserve Banks. Bank reserves would be increased by the amount of the credits; this would provide a basis for additional lending and investing by the banking system by an amount equal to about six times the increase in reserve balances. Growth in the money supply would, therefore, be strongly stimulated. Interest rate pressures would have been restrained only at the cost of highly inflationary increases in bank credit and the money supply. Moreover, as I pointed out in the main portion of my statement, strong inflationary pressures tend to promote even higher levels of interest rates.

Recognizing the objection that large-scale purchases of Government securities by the Federal Reserve Banks would be highly inflationary, advocates of this course of action sometimes maintain that the inflationary growth in the money supply could be avoided simply by raising member bank reserve requirements. In other words, the new reserves created by the Federal Reserve purchases would be immobilized immediately by increasing the percentages of idle funds that member banks must hold in relation to deposits.

There is an important practical objection to this proposal. The purchase of, say, $5 billion of new Government securities by the Federal Reserve Banks would result in the creation of $5 billion in new bank reserves, but these reserves would flow into the banking system, and be disseminated among individual banks, in accordance with market forces. No one could predict the ultimate distribution of the new reserves in advance. Some banks would receive a large portion, some a smaller portion; the ultimate distribution would depend primarily upon the location of the individuals and institutions who received the Government payments financed by the deficit borrowing.

An increase in member bank reserve requirements, however, affects all banks in a given classification (central reserve city, reserve city, and "country") equally in terms of percentage points of reserve requirements. Consequently, a blanket increase in reserve requirements of the magnitude required to neutralize the reserve-creating impact of large-scale Federal Reserve purchases of Governments might well lead to severe dislocations and disturbances in credit markets. Some banks would have ample reserves, others would find themselves severely pinched. It can be argued that market forces would tend to correct these imbalances, and they would—over time. But in the short run, forces might well be set in motion leading to abrupt swings in interest rates and availability of credit; credit "droughts" in one part of the country and "surpluses" in another; and so on. And, in any event, the credit market, while highly efficient, by no means operates with complete perfection in transferring funds from areas of plenty to areas of shortage.

To this important practical objection against selling Government securities to the Reserve banks and then offsetting the inflationary impact by raising member bank reserve requirements can be added a more basic objection, if it is assumed that one purpose of the action would be to prevent interest rates from rising. As I noted earlier, purchases of $5 billion of Federal securities by the Reserve Banks would result in an equivalent increase in the money supply as the recipients of the checks deposited the proceeds in their commercial banks. In the first instance, then, there would be an important inflationary impact, resulting from the spending of the funds by the Government and the expansion in the money supply.

A large increase in reserve requirements could indeed nullify the growth in the money supply, but only by severely restricting the lending and investing activities of commercial banks. This, in turn, would exert pressure on individuals, business firms, and State and local governments, and tend to force interest rates for such borrowers to higher levels. The inflationary impact of the increase in money supply resulting from Treasury borrowing from the Reserve Banks can be offset only if credit contraction occurs in other segments of the economy; the $5 billion increase in deposits held by recipients of the Treasury checks must be offset by a $5 billion decline in funds of other individuals and institutions. This can be achieved, in free credit markets, only through credit restriction, which implies additional pressure on interest rates. Thus, during a period of prosperity and a growing demand for credit, the choice is either between a somewhat higher level of interest rates, or stimulation of inflationary pressures through monetary expansion. There are no other choices.

The recommendation that Federal Reserve Banks buy all or substantial portions of new issues of Treasury securities involves one other aspect that deserves discussion. Specifically, it has been recommended that the Federal Reserve Banks be required to purchase only that portion of a new issue that investors other than commercial banks would not purchase; thus, the Reserve Banks, in effect, would replace commercial banks as buyers of Goverments. This recommendation is based partly upon the assumption that commercial banks do not perform a necessary service in buying Government obligations. Their ability to create money, it is maintained, permits them to buy these securities; but in fact the authority over money creation is constitutionally vested in Congress. Thus, it is argued that the Government should perform this function, through the Federal Reserve Banks, without burdening taxpayers with interest charges.

This argument deserves several comments. In the first place, as noted earlier, purchases of Government securities directly by Federal Reserve Banks would be highly inflationary. Secondly, whether or not the commercial banks perform a "necessary" service in creating money, there is little doubt that they perform an important economic function. Demand deposits in commercial banks have assumed a monetary function simply because people prefer to hold funds and make payments in that form, rather than in the form of currency. Moreover, money is essential to efficient performance of a highly industrialized market economy and, if the commercial banks did not perform the money-creating function, some other institution or agency would have to do so.

Furthermore, commercial banks do indeed perform a useful service in purchasing and holding Government securities. The business of commercial banking, in essence, is that of holding relatively illiquid assets—principally loans and investments—against liabilities that are largely redeemable on demand. This involves risk and, in assuming that risk, stockholders of commercial banks are entitled to a return for a service performed. The fact that an asset is a Government security rather than a commercial loan is not germane; marketable Government securities, while devoid of risk relating to interest and principal payments, do possess risk as to the price at which they can be sold in the market. Because of the nature of their liabilities, banks must be prepared—and at times may be compelled—to liquidate assets in order to meet deposit drains. They are therefore providing an economic service by holding liquid assets which the public does not desire to hold at the time, and in return furnishing the public with the liquidity—or money—that it desires.

There are at least two important reasons why the money-creating function should not be assigned wholly to the Federal Reserve Banks. In the first place under our institutional arrangements the money-creating function is closely allied with that of granting credit to a wide variety of borrowers. It is a cardinal principle of our type of government that private institutions should dominate credit-granting activities; otherwise, the ability to obtain credit might rest less on credit-worthiness and more on noneconomic factors.

Secondly, lodgment of the money-creating authority wholly in the Federal Reserve Banks, along with expanded authortiy for the Reserve Banks to lend directly to the Government, would permit the Government to finance its residual needs through the Reserve Banks and thus by-pass the market. This would violate the basic principle set forth earlier, namely, that direct entry of the Government to the central bank for purposes of meeting fiscal requirements should be severely limited.

In many respects, the question of transferring in whole or in part the money-creating function from the commercial banks to the Federal Reserve Banks is actually a question of whether the banking system should be nationalized. When it is said that "the commercial banks do not perform a necessary service in purchasing Government securities," it should be realized that there are many other services that the Government could perform for itself. It could, for example, organize its own construction crews to build the interstate highways, rather than encouraging the States to undertake this work through private contractors; it could establish its own transportation network for carrying mail and other Government property; it could set up manufacturing establishments to produce missiles, airplanes, warships, and a variety of items now purchased from private industry—it could, in short, perform many of the economic functions now performed by the private sector of the economy. The crucial question is, of course, whether it could perform those functions as efficiently as private enterprise and—of prime importance—whether the act of doing so would not ultimately destroy economic and political freedom in our Nation.

(3) A third suggestion for inducing lower interest rates would involve a congressional directive forcing the Federal Reserve Banks to "peg" prices of Government securities at some predetermined level, presumably par. Then, if market holders decided to sell Government securities, purchases by the Federal Reserve Banks would provide a floor under which bond prices could not fall (interest rates on Governments could not rise).

The unfortunate experience with this technique between the end of World War II and 1951 should convince serious observers of the dangers involved; the Federal Reserve System could indeed be transformed into an "engine of inflation" rather than a responsible central bank attempting to promote sustainable economic growth. Once market yields on Governments rose to the predetermined levels, the System would be able to operate in only one direction; as a creator of bank reserves, through purchases of the securities, in whatever amounts market holders might desire. Flexible administration of credit policies would be impossible.

The dangers of this course of action, especially during a period of high and rising business activity, are obvious. Nor is it at all certain that, in the long run, the Federal Reserve Banks could be successful in keeping interest rates from rising. As inflationary pressures mounted, borrowers of funds would be strongly encouraged to borrow heavily as soon as possible, in order to repay the debts in eroded dollars. Lenders would be encouraged to cut back on lending, realizing that the dollars they received in payment would be worth less in real terms. Consequently, the pressure on interest rates to increase would magnify—borrowers would be willing to pay higher rates, lenders would be willing to lend only at higher rates. In order to stem the tide, the Federal Reserve Banks would have to buy more and more Governments from market holders, and thus create even more bank reserves and provide a basis for further inflationary credit expansion. The spiral could ultimately come to a halt only as a result of a crisis and subsequent readjustment.

Some observers point to experience in this country in 1947 and 1948, when the Federal Reserve was indeed pegging prices of Government securities at predetermined levels, as an illustration of an instance in which the consequences were not too bad. But it should be recalled that the Federal Government experienced a total cash surplus of almost $14 billion in calendar years 1947 and 1948. The lesson of that experience is that an inflationary monetary policy can be offset in part by large cash surpluses in Federal fiscal operations; but, if the cash surpluses had not existed, inflationary pressures would have been much more severe than they were. A disastrous spiral might well have occurred. Nowadays, advocates of System pegging of Governments most often do so because of a desire to facilitate easy Federal financing of deficits. The combination of a large Federal deficit and unbridled creation of bank reserves, in a period of high and rising business activity, could only result in the severest type of inflationary pressures, ultimate reaction and recession, and disruption of the process of economic growth.

(4) A fourth alternative that should perhaps be mentioned in passing relates to the apparent preference of some investors to purchase equities rather than debt instruments. To the extent this preference prevails, stock yields tend to be low and bond yields tend to be high. It might be, therefore, that some action which would contribute to a severe break in the stock market would in turn contribute to a shift from stocks to bonds; interest rates would tend to decline.

To suggest that a break in the stock market be induced either through Federal regulation or otherwise would, of course, be irresponsible. Moreover, to the extent that preference for equities over bonds reflects a fear of inflation, the answer to the problem is to remove the bases of the fear of inflation. As stated earlier, this would require, in part, a clear demonstration of the determination of the Government to maintain fiscal and monetary discipline. Conviction on the part of investors that the value of the dollar will be protected would do more than any other single thing to increase the attractiveness of debt instruments and thereby reduce pressures on interest rates.

(5) Inasmuch as Treasury securities occupy an important position in credit markets, interest rates could perhaps be reduced if significant progress were made in retiring part of the public debt. In this respect, there have been several proposals over the past few months to set aside a specified portion of Government revenues each fiscal year; these funds would be earmarked for debt retirement.

During a period of prosperity, retirement of some portion of our huge public debt is certainly desirable; if we cannot achieve some debt reduction when incomes are high and rising, there is serious question as to whether we shall ever be able to do so. Consequently, all proposals to establish a fixed annual percentage of debt retirement should be given serious consideration.

Many of the proposals, however, fail to drive to the heart of the problem, in that no provision is made for assuring that Government revenues would actually exceed expenditures by an amount large enough to permit the selected percentage of debt retirement. The use of, say, $2.8 billion of tax revenues to effect a 1 percent reduction in the debt would, in the absence of a surplus in the budget, achieve nothing; additional borrowing would be necessary to supplant the tax revenues used for debt retirement. In essence, therefore, the securities retired would be replaced in the market by an equivalent amount of new securities; interest rate pressures would not be reduced. Moreover, total public debt would actually grow, instead of decline, if the revenue-tax relationship continued to reflect an overall deficit. Again, I should like to repeat that these plans are laudable in purpose; but undue attention to them tends to obscure the hard, basic fact that meaningful debt retirement can be effected only by means of an overall surplus of budget receipts over expenditures.

(6) There is a sixth and final alternative for reducing pressures on interest rates, although it must be admitted that success in pursuing this sixth course of action would not necessarily result in lower rates. This is because the basic trends in demand and supply in free credit markets reflect the actions of millions of indi-

viduals and institutions, and these actions might work toward higher rates even though some of the more significant pressures were reduced.

The sixth alternative can be summarized quite simply, as follows:

(*a*) Convert the Federal Government from a net borrower to a supplier of funds in credit markets by achieving a surplus in the budget during periods of high and rising business activity. A net surplus permits the Treasury to retire debt, on balance; consequently, Government actions would result in a net supply of funds available for private borrowers, not a subtraction as is the case when the Federal Government borrows to finance a deficit.

(*b*) Convince investors that the value of the dollar will be protected, thus removing the pressures for higher interest rates stemming from a conviction that further inflation is likely to occur. This can be done only by means of attention to all of the factors and practices that stimulate inflationary pressures. But it should be re-emphasized that the most important single action would be a clear demonstration of the Government's determination to maintain fiscal and monetary discipline. During periods of high and rising business activity, fiscal and monetary discipline requires a surplus in the budget, for debt retirement, and freedom for Federal Reserve authorities to pursue flexible monetary policies.

(*c*) Provide the Treasury with sufficient flexibility for sound management of the public debt, so that a better balance in debt structure can be achieved—including larger amounts of longer-term securities outstanding—and so that bond markets will not become unsettled over such things as an impinging interest-rate ceiling. The Government securities market is understandably sensitive to the existence of an artificial interest-rate ceiling; this is one reason why the President has proposed that the 4¼ percent limit be removed completely, rather than merely raised. An increase in the limit would only act as a signal to investors that the new ceiling is the new "normal" level as defined by Government action.

As I emphasized in the main portion of my statement, the interest burden on the public debt—now close to $8 billion—is of deep concern to me. But the alternative to sound fiscal and monetary policies—further shrinkage in the purchasing power of the dollar—concerns me even more. In the long run, no one benefits from inflation; by stimulating the excesses that develop in a period of business expansion, and thus sowing the seeds of readjustment and recession, inflation actually hinders the attainment of a high rate of economic growth. Moreover, inflation strikes hardest at those groups in our society least able to protect themselves. The man of modest means, not the rich man or the large business institution, is the primary victim of a shrinking dollar.

The overriding advantage of this sixth and final approach to reducing pressures on interest rates stems from the fact that the actions it requires would not only be directly beneficial in terms of economic growth, but would also transmit effects through market forces of demand and supply rather than by means of Government decree or regulation. And I would like to repeat that, in proceeding in this way, the Federal Government would be promoting "maximum employment, production, and purchasing power," as required in the Employment Act of 1946, in a manner consistent with those crucially important but often overlooked words in the act which stipulate that such actions be carried out "in a manner calculated to foster and promote free competitive enterprise and the general welfare."

Statement By Secretary of the Treasury Anderson, June 10, 1959 on Technical Phases of Proposed Debt Management Legislation Before the House Ways and Means Committee

Sections 1 through 3 of the first proposed bill have been discussed in the opening statement; this statement reviews sections 4 through 6.

* * * * * * *

Section 4 of the bill would amend section 22(i) of the Second Liberty Bond Act, as amended (31 U.S.C. 757c(i)), to direct the Secretary of the Treasury to relieve any authorized agent from liability to the United States for a loss incurred in savings bonds redemptions where written notice of liability or potential liability has not been given by the United States to the agent within 10 years after the date of the payment. This limitation would be similar to the limitation upon the time within which the Government may proceed against a person who cashes a Government check upon a forged endorsement. In that case the time limit imposed upon the Government is six years.

Presently the law directs the Secretary to relieve an agent from liability only when he can determine that the loss resulted from no fault or negligence on the agent's part, regardless of the length of time between the date of payment and the date the loss is discovered. In some cases the time lapse may be considerable because the owner of the bonds may not discover their loss or theft until their maturity or thereabouts, and would have no reason to expect that they might have been fraudulently negotiated. It should be emphasized that this proposed legislation in no way limits the time within which the real owner may make a claim upon a savings bond which was fraudulently negotiated.

Where there is a long lapse of time between the date of the payment and the date the United States discovers it has, or may have, incurred a loss resulting therefrom, it would be extremely difficult for a paying agent to prove that the loss resulted from no fault or negligence on its part. In view of this, as well as the fact that the risks involved arise from the assumption of a task which was urged upon them by the United States and which was not related to the ordinary course of their business, the Treasury Department believes that so-called "qualified" paying agents, that is, commercial banks, trust companies, savings and loan associations, building and loan associations, and similar financial institutions, should have some limitation upon the time during which they may be liable.

Because they would have the same problem of proof, and for the sake of uniformity and orderly administration, the proposed legislation would give the same immunity to the Treasurer of the United States, the Federal Reserve Banks, and the Post Office Department or the Postal Service, which are also accountable for losses incurred by the United States in savings bond redemptions.

The proposed legislation excludes cases arising under special regulations issued by the Treasury Department which authorize qualified paying agents to pay savings bonds without obtaining the signatures of the owners on the bonds, if the agents unconditionally assume liability to the United States for any loss resulting from such payments. In making payments under these regulations, which paying agents requested for their own and their customers' convenience, they represent that they have the owners' instructions to redeem the bonds, and guarantee the validity of the transactions.

* * * * * * *

Section 5 of the bill would amend section 3701 of the Revised Statutes (31 U.S.C. 742) to clarify the exemption it accords to the interest on obligations of the United States from State and local income taxes.

Section 3701 of the Revised Statutes provides that obligations of the United States shall be exempt from taxation by or under State or local authority. The Supreme Court of the United States has held that this provision also exempts the interest on obligations of the United States from taxation by or under State or local authority (*N.J. Realty Title Ins. Co.* v. *Div. of Tax Appeals* (1950), 338 U.S. 665).

In recent years the State of Idaho has taken the position that its income tax law enacted in 1933 has required the inclusion of interest on obligations of the United States in computing gross income (from which taxable net income was determined), and that the Federal statutes have not precluded this requirement. The Idaho statute provided that there shall be levied "upon every individual . . . a tax which shall be according to and measured by his net income." The term "gross income" (from which taxable net income was determined) was defined to include, among other items, "all interest received from federal, state, municipal or other bonds." The law elsewhere provided, however, that "all income, except . . . income not permitted to be taxed under . . . the constitution or laws of the United States, shall be included and considered in determining net income of taxpayers."

It has apparently been the position of the State of Idaho not that the Federal Government is without power to exempt the interest on its obligations from State income taxes, but rather that it has not exempted that interest from a tax such as the Idaho tax.

The reasoning of the Idaho authorities appears to have been as follows: The Federal statute has exempted the interest on Federal obligations from State taxation, and the State tax statute excluded income not permitted to be taxed by the Federal exempting statute, but the Idaho statute did not attempt to tax this income. Rather it carefully provided that there should be levied "upon every individual . . . a tax . . . measured by his net income." Apparently their position has been that this has a different effect from the State statute before 1933, which provided that there should be levied "upon the net income of every individual . . . a tax," which was therefore a tax not permitted under the Federal exempting statute.

The Treasury and the Department of Justice have felt that the position of the State of Idaho rests upon a distinction of words which is without substance. We have not, however, been able to persuade the Idaho authorities to change their position. Since this position does not rest upon a theory of lack of congressional power to exempt interest on Federal obligations from a tax such as Idaho has had, but rather upon the theory that Congress has not exercised its power, the Treasury and the Department of Justice believe that the simplest resolution of the matter would be through congressional action which would clarify the exemption by expressly exempting Federal obligations and the interest on them from every form of State and local income taxes. The proposed provision would accomplish that purpose.

It should be mentioned that on March 20, 1959, the State of Idaho adopted a new income tax law. The new law declares it to be its intent to impose a tax identical as far as possible to the income tax imposed by the Federal Internal Revenue Code. Since the Federal Internal Revenue Code imposes a tax "on the taxable income of every individual" it has been suggested that Idaho may no longer attempt to maintain its position that the Federal exemption statute does not extend to its income tax. We have communicated with responsible State authorities, however, and have been unable to obtain assurances that the State will discontinue requiring the inclusion of interest on obligations of the United States in computing State income taxes.

In these circumstances, we believe it to be highly desirable for the Congress to make the exemption statute more specific at this time. If positions such as Idaho has held are adopted by other States the resulting taxation could have a serious adverse effect on the sale of United States savings bonds, which are so widely held by individuals, and could have undesirable effects on Treasury financing operations in general.

* * * * * * *

Section 6 of the bill would authorize the issuance of obligations of the United States to Government trust funds at the issue price. The Congress has established some fifty Government trust funds. Portions of any of these funds not currently needed may be invested in obligations of the United States. With respect to six of these trust funds, however, the Congress has specified that Government obligations may be acquired on original issue only at par. Thus in the act of August 14, 1935, establishing the unemployment trust fund, it was provided that "such obligations may be acquired (1) on original issue at par, or (2) by purchase of outstanding obligations at the market price." Substantially identical language has been used in four other provisions dealing with five other trust funds. The trust funds and the citations to the pertinent provisions governing them are: Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund (42 U.S.C. 401(d)); the railroad retirement account (45 U.S.C. 2280(b)); the special trust account for the payment of bonds of the Philippines (22 U.S.C. 1393(g)(5)); and the highway trust fund (23 U.S.C. 173(e)(2)). The reason for providing in these relatively few cases that acquisition on original issue must be at par is not known.

When the first of these provisions was enacted in 1935 the Treasury could not issue interest-bearing bonds at a discount. In 1942 the law was amended to permit issuance at a discount, but none were issued in this manner before last November. Therefore the requirement that obligations be acquired on original issue only at par has not created a problem until recently. With the possibility of more obligations being issued at a discount or at a premium in the future, however, the requirement that these six trust funds acquire obligations on original issue only at par is highly discriminatory against them. For example, the Treasury recently issued 4 percent bonds of 1980 at 99; the public could subscribe for these bonds at 99 and any of the trust funds other than these six could acquire them at 99, but the law prohibited any of these six trust funds from acquiring them on original issue except at 100. If the Secretary of the Treasury had issued these bonds at par on original issue for account of these funds, they would have earned interest at a lower effective rate than any of the other trust funds or any member of the public acquiring them on original issue.

There does not appear to be any sound reason for this result. It has therefore been recommended that these provisions of law be amended to authorize these trust funds to acquire obligations of the United States on original issue at the issue price, which is the price the other trust funds or the public would pay.

EXHIBIT 18.—Message to Congress by the President, August 25, 1959, again requesting the removal of the ceiling on interest rates on new issues of Treasury bonds.

To the Congress of the United States:

On June 8, I transmitted to Congress a message requesting legislation that would (1) remove the artificial limitation which the law now imposes on the interest rate at which the Treasury is allowed to borrow money for more than five years, and (2) remove a similar limitation on the rate the Government can pay on savings bonds.

Last week, the Committee on Ways and Means of the House of Representatives voted to suspend consideration of these proposals for the remainder of this session. This action was a grave disappointment to me.

The American people have a tremendous stake in this proposed legislation. Failure to enact it means that—millions of thrifty Americans cannot be fairly treated, since the Treasury will be unable to pay a fair rate of interest on savings bonds; the cost of living may rise further, as the Treasury will be forced to manage our $290 billion debt in a way that adds to pressure on prices; responsible people at home and abroad can only conclude that we have not yet determined to manage our financial affairs as soundly as we should.

I would like to make two things absolutely clear:

First, the administration is willing to assume full responsibility for managing the Federal Government's debt if it is allowed to do so free from artificial restrictions and on a parity with other borrowers.

Second, if the requested legislation is not enacted, those in the Congress who are unwilling to pass it must assume full responsibility for the possibly serious consequences.

This country's outstanding public debt of almost $290 billion is held by our citizens and financial institutions, and by foreign central banks and investors who have accumulated dollars as part of their reserves. Each investor has his own investment requirements. He buys different kinds of securities in order to meet those needs. Common to all investors, however, is the requirement that the rate of interest paid on the securities be fair and equitable in the light of other investment opportunities and, secondly, that the purchasing power of their invested dollars will not be impaired.

These considerations apply directly to the way in which the Government handles its debt. There can be no question as to the Government's obligation to deal fairly and justly with the millions of its citizens who invest a portion of their savings, sometimes as a patriotic duty, in Government bonds. And there should be no question as to our determination to manage our debt soundly and in the best interests of all of the people.

We have worked tirelessly for a balanced budget. We need this balance so that we can avoid the deficits that lead to higher prices, to a rising cost of living, and to an eating away of the value of the billions of dollars that thrifty and far-sighted Americans have saved. But congressional inaction on our debt management proposal could do much to offset the progress we have made toward fiscal responsibility.

To manage the public debt in a sound manner the Treasury must be able to borrow money for long as well as short periods of time. A 1918 statute now prescribes, however, that we cannot pay more than 4¼ percent for long-term money. So long as the present prosperity contributes to a strong demand for credit, and thus keeps the cost of new long-term borrowing higher than 4¼ percent, we will not be able to borrow for periods longer than five years.

Let me suggest one simple parallel to show why the Treasury should be able to borrow for longer periods. Suppose that an individual had a mortgage on his home that had to be renewed every few months. He would be exposed to every shift in the economy and to every change in financial conditions. Yet, the Congress in effect is forcing the Treasury into this type of exposed position. It is saying to the Treasury, "When you have any borrowing to do, do it all on a short-term basis."

Within the next twelve months the Government must borrow $85 billion to cover maturing securities, redemptions, and seasonal cash needs. This Government, with its great financial resources, can normally carry a sizeable amount of short-term debt. But it cannot afford to rely exclusively on borrowing that must be continually renewed. Yet, if the Congress insists that we continue to finance wholly with short-term securities, the whole $290 billion debt will grow shorter and shorter. This will make it even harder to handle in the future.

The vital interests of all Americans are at stake because excessive reliance on short-term financing can have grave consequences for the purchasing power of the dollar. The issuance of a large amount of short-term Treasury debt would have an effect not greatly different from the issuance of new money. Because these securities are soon to be paid off, their holders can treat them much like ready cash. Moreover short-term securities are more likely to become lodged in commercial banks. When a commercial bank acquires a million dollars of Government securities, bank deposits rise by a million dollars. This is the same as a million dollar increase in the money supply. When the money supply builds up too rapidly relative to production, inflation is the result. The piling up of an excessive amount of short-term debt poses a serious threat that may generate both the fear and the fact of future inflation at an unforeseeable time.

Now, while the Nation is enjoying a period of rapid economic advancement, we want to keep the cost of living steady. And, if we act wisely, we should be able to do so. We must live within our means and we must exercise all the necessary precautions in the use of credit. We have made good progress toward preventing excessive Government spending. But we may fail in our efforts to keep prices from rising if we do not handle our debt in the proper way. This is why the Treasury must have the capacity to finance the Government's requirements in free credit markets without artificial restrictions.

The need for sound debt management stems not only from domestic considerations. Foreign investors have substantial holdings of our securities, as well as other claims on this Nation. With so large a financial stake in our economy, these foreign central banks and other foreign investors have a very practical interest in the manner in which we handle our affairs. It is essential that they, too, continue to view the American dollar as a strong and stable currency. In a free market economy, confidence is not the simple result of legislation. It is earned by adherence to sound practices.

Let me state as plainly as I can that this is not legislation to increase interest rates. This administration is not in favor of high interest rates. We always seek to borrow as cheaply as we can without resorting to unsound practices. The Treasury already has the authority to borrow at any rates of interest on obligations up to five years. What we are seeking is the authority, already possessed by all other borrowers, to obtain funds for longer periods as well. To prohibit the Treasury from paying the market price for long-term money is just as impracticable as telling the Defense Department that it cannot pay the fair market price for a piece of equipment. The result would be the same in either case: the Government could not get what it needs.

The need for congressional action with respect to the existing 3.26 percent interest rate ceiling on savings bonds is equally pressing. The Government occupies a dual trusteeship position with respect to the 40,000,000 Americans who own savings bonds and the 8,000,000 people who purchase them regularly. The average holder looks to the Government for a fair rate of return, reasonably competitive with other savings opportunities. The Treasury has announced that when the ceiling is removed, it will immediately raise the rate from 3.25 percent to 3.75 percent on all newly issued E and H bonds, if held to maturity. Whenever legislation is enacted, this rate increase will be made retroactive to June 1, 1959. In addition, the future return to the investor on savings bonds purchased before June 1 and held to maturity would be increased by ½ of one percent. These actions would result in fair and equitable rates of return on savings bonds.

The second part of the trusteeship relationship of the Government with respect to holders of savings bonds involves the purchasing power of the dollars invested in the bonds. The savings bond holder expects the Government to try to insure that the future value of his savings will not be eaten away by progressive erosion of the dollar. To help assure that the value of the dollar will be protected, the whole debt management proposal should be enacted.

Each of these trusteeship considerations is vital; the thrifty American is entitled to both.

The issue with respect to our legislative proposals is whether we are going to demonstrate responsibility in the management of our Federal debt. Ours is the richest economy in the world. We have a large public debt, but we can certainly handle it soundly and efficiently if we remove the artificial obstacles to borrowing competitively in the free market. By adopting the administration's proposals, the Congress would be demonstrating to people at home and abroad that we have the determination to preserve our financial integrity and to protect our currency.

No issue of greater importance has come before this session of Congress. In the best interests of the American people, I urge the Congress to enact the administration's proposals at this session.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 25, 1959.*

EXHIBIT 19.—Statement by Secretary of the Treasury Anderson, September 3, 1959, on the proposal to remove interest rate ceilings on Government securities

The bill providing for the payment of interest rates above the present ceiling on United States savings bonds, while inadequate, should be promptly enacted if this is all that is achievable at this time. However, this view should not be regarded as any compromise of the administration's firm position on the need for removing the interest rate ceiling on marketable bonds.

The entire debt management legislation requested by the President almost three months ago is even more important today than when first presented. The responsibility for the consequences which could occur if the full proposal is not enacted would have to rest with those who opposed it.

The holders of Government securities—both savings bonds and marketable issues—are entitled to a fair rate of return on their investment. But they must also be assured that the Government's financial policies are helping to prevent the purchasing power of their invested dollars from being impaired by inflation.

Although the present measure provides needed relief for savings bonds purchasers and holders and makes certain technical improvements, we shall continue to urge that the ceiling on the marketable debt be removed in order that the Government may act most prudently in managing the debt, so as to maintain confidence both at home and abroad in our determination to handle our financial affairs soundly.

EXHIBIT 20—Statement by Secretary of the Treasury Anderson, July 24, 1959, before the Joint Economic Committee and a joint statement by the Secretary and Chairman of the Board of Governors of the Federal Reserve System relating to the Treasury-Federal Reserve study of the Government's securities market

Our national economic objectives can be summarized under three broad headings: (1) continuity of employment opportunities for those able, willing, and seeking to work; (2) a high and sustainable rate of economic growth; and (3) reasonable stability of price levels. Each of these objectives is important; each is related to the others.

The rapid upsurge in economic activity of the past 15 months provides an appropriate background for your study of these national economic goals and the best methods of achieving them. The recent resurgence in output, income, and employment to record levels has once again demonstrated the basic strength and resilience of our free choice, competitive economy. Thus, we visualize the task with which your committee is confronted not as one of devising drastic changes in our techniques for achieving our economic goals. Rather, it is to evaluate, within the perspective of developments of the past few years and during the postwar period as a whole, the existing techniques toward the end of sharpening their use. There may perhaps be weapons not now in our arsenal that should be developed. There are, no doubt, ways in which existing techniques can be improved. But the performance of our economy supports the judgment that basically our economy is sound and healthy.

Much could be said about government economic techniques, their nature, interrelationships, strengths, and shortcomings. I am sure, however, that your committee will explore these matters thoroughly, drawing both from current thinking and from the vast body of earlier study performed both by committees of the Congress and by private individuals and organizations.

Before discussing the Treasury-Federal Reserve study of the Government securities market, in which you have expressed particular interest, I should like to consider briefly economic growth as a goal of public policy.

Some in our country express a belief that the Government should undertake the primary role in promoting economic growth. It is my belief that in our system the Government is not the predominant factor in our Nation's economic advancement. It must foster and facilitate economic progress; it cannot force it.

What we all seek is sound substantial growth, not any kind of growth, or growth at any cost.

Should our efforts to spur progress lead to inflation it will bring only disappointment and hardship. But when growth is in terms of goods and services that people need and can buy, it will bring great rewards.

Only within the past decade has economic growth been explicitly recognized as a major goal of public policy. This recognition, coupled with considerable public discussion of the importance of growth to our economy, provides an important reason for taking a careful look at growth as a national economic objective.

What is economic growth? What determines the rate of economic growth in a free-choice market economy? And, finally, what is the proper role of government in promoting a high and sustainable rate of economic growth?

What is economic growth? The most commonly cited definition of economic growth is in terms of the annual advance in real gross national product; that is, growth in the dollar value of total output, adjusted for changes in price levels. For some purposes this is a good measure of economic growth; for others it is not.

An overall measure of growth tells us nothing about its nature. For any period, we must get behind the broad figures to determine what type of growth has taken place. This is simply another way of saying that promotion of growth for its own sake may well result in either fictitious or unsustainable growth. An increase in output, to be meaningful, must consist of the goods and services that people want and are able to buy. It is not enough to select some hypothetical maximum of growth. The actual growth that occurs must consist of useful and desirable things as opposed to unwanted or undesirable goods.

Thus, in trying to decide whether growth over a period of years was at an adequate rate, we would first have to look within the total, to get behind the figures, and try to determine the characteristics of the growth.

Some of the questions we would ask would be:

How much did personal consumption expand relative to Government use of goods and services? Within the Government component, what portion consisted of defense spending as opposed to schools, highways, and other public facilities?

How much of the increase in output consisted of goods the people did not want, and thus ended up in Government warehouses, being given away or destroyed?

What portion of total output was devoted to investment in the instruments of production, to modernization of plant and equipment, and to research?

How much of our effort had to be devoted merely to maintenance of our productive plant, as opposed to net new additions?

There are other important questions.

How were the fruits of the growth in output distributed among various groups in the economy?

Did the growth carry with it certain imbalances that would hamper future growth?

To what extent was temporary growth fostered by reliance on actions that impinged directly on the free choice of individuals and institutions?

These are but a few of the questions we should ask. They indicate that economic growth, in terms of a broad, aggregate figure, is not necessarily an end in itself. It must be growth of the right kind; it must be sustainable growth.

What determines the rate of economic growth? The role of public policy in fostering a high and sustainable rate of economic growth in a free-choice, competitive economy can be properly assessed only on the basis of an understanding of the determinants of growth.

The factors influencing the rate of growth are manifold and complex. Among those of major importance is the pace of technological advance. No one can study the economic history of this or any other advanced industrial nation without being impressed by the vital contributions of the inventor, the innovator, and the engineer. A stagnant technology is likely to be accompanied by a stagnant economy. Man's ingenuity in tackling and solving his problems lies at the heart of the growth process.

This is perhaps another way of saying that growth and change are inseparably intertwined. If we would enjoy maximum growth, we must not only be willing to improve the production process through accepting new ways of doing things, but we must also actively seek out such techniques. Moreover, the integral role played by change and technological advance in the growth process contributes to unevenness in growth over time. Technological advance does not come at a steady, constant rate. Thus we cannot expect growth, to the extent it reflects such forces, to proceed at a steady rate year in and year out.

Technological advance, however, cannot alone assure a high rate of growth. The best ideas and the best techniques are of little benefit if the means are not available to translate them into operating productive processes. This requires real capital, which can only grow out of saving and productive investment. Thus, real capital formation—

which consists of the machinery and instruments of production, tools of all sorts, and new plant buildings—is a basic ingredient of economic growth. An economy in which additions to the stock of capital equipment are small cannot be a rapidly growing economy.

The importance of an adequate rate of capital formation in the growth process deserves special emphasis. Broadly speaking, current output can be directed either into consumption goods, represented by durable and nondurable consumer goods and services, or into investment goods, represented principally by new industrial plant and equipment. So long as our economic resources are being utilized close to capacity, as has indeed been the case almost continuously since 1941, the more of our output we devote to capital formation, the less that is available for current consumption. The more we consume, the less we can devote to capital formation.

This is a basic but apparently little understood principle of economics. There appear to be some observers who believe that, on top of providing adequately for national defense and devoting a considerably larger volume of current output to public projects, we can still achieve uninterrupted future growth in the private sector of the economy at a rate higher than ever before realized in this country. Perhaps this is possible, but it seems clear to me that it can occur only at the expense of current consumption. It can take place, in other words, only if we are willing to accept a lower current standard of living. With our pressing needs for adequate national defense, we cannot have an ultrahigh "maximum" rate of economic growth in the future, requiring as it does heavy current investment in plant and equipment, without restricting current consumption. We cannot have our cake and eat it, too.

A third important requisite for a high and sustained rate of growth is reasonably full, efficient, and continuous use of our economic resources. Economic recession is the No. 1 enemy of sustained growth in this country. Idle manpower and idle equipment represent production that is irretrievably lost. Moreover, inefficiencies in use of resources can also carry a heavy toll in terms of lost output.

It is important to emphasize that success in achieving high and sustained employment, and in providing useful job opportunities for our growing population is closely related to our success in promoting an adequate rate of capital formation. In our highly industrialized economy, workers must have the machines with which to work. These machines will come into existence only to the extent that productive investment takes place.

In short, economic growth in a free-choice, competitive economy tends to vary more or less directly with the pace of technological advance, the rate of capital formation and the extent to which economic resources are effectively employed. To be effective, any government program designed to foster growth must operate largely through these basic determinants.

Government's role in fostering growth: Government can play an important role in fostering a high and sustainable rate of economic growth. One basic principle should be clear, however. In an economy in which major reliance is placed on individual initiative and decisions and in which the alternative uses of economic resources respond through the market mechanism, primarily to consumer demand, government can and should play only a facilitating, not a predominant, role in the growth process.

The moving forces which promote growth in a free-choice market economy are basically the same as those that account for economic progress on the part of the individual. Thus, the individual's desire for a higher and more secure standard of living for himself and for his family is the basic stimulus. This is the prime mover. To this end he studies, plans, works, saves, and invests. He searches out new ways of doing things, developing new techniques and processes. Where such instincts as these are strong, the forces promoting growth in society as a whole are strong. Where they are weak, the impetus for growth is also weak.

The first role of Government in promoting growth is to safeguard and strengthen the traditions of freedom in our economy. Stated differently, the proper and effective role of Government is to provide an atmosphere conducive to growth, not directly to attempt to force growth through direct intervention in markets or through an improvident enlargement of the public sector of the economy. Indeed, governmental efforts to promote growth that rely on, or subsequently lead to, excessive intervention in and direction of market processes can only impede growth in the long run.

The case for this approach to promoting growth is strengthened by the fact that technological advance flourishes in an atmosphere of freedom. Basic to technological advance is pure research, and a fundamental belief in our society that pure research makes its greatest contribution when minds are free to meet the challenges of the future.

Government can also promote rapid, healthy growth by fostering competition in the economy. Competition sharpens interest in reducing costs and in developing more efficient methods of production. It places a premium on skills in business management. It stimulates business investment, both as a means of economizing in the production process by use of more efficient machinery and by enlarging capacity in order to capture a larger share of the market. Healthy and widespread competition, in short, is the primary stimulant to efficiency in use of our economic resources, both human and material, through technological advance and by stamping out waste and inefficiency in productive processes.

Our tax system may hamper growth in a number of ways. One of the objectives of the study recently initiated by the House Ways and Means Committee, and in which the Treasury is cooperating, is to determine what changes can be made that will be conducive to healthy and sustainable economic growth. I am hopeful that this study will lead to significant results.

All of these methods of aiding growth are important. I am convinced, however, that Government can make a most significant contribution to growth primarily by using its broad financial powers—fiscal, debt management, and monetary policies—to promote reasonable stability of price levels and relatively complete and continuous use of our economic resources.

As noted earlier, a high rate of saving is indispensable in achieving a high rate of economic growth. Under conditions of near-capacity production, resources can be devoted to capital formation only to the extent that they are freed from output of goods for current consumption. This, in turn, is possible only to the extent that saving occurs.

In the years since the war, incentives to save in traditional forms—in savings accounts, bonds, and through purchasing insurance—have been somewhat impaired by the conviction of some that inflation is inevitable. In my judgment, this is a mistaken conviction. But the fact remains that if we allow a lack of confidence to develop in the future value of the dollar, the desire to save will be weakened.

Full confidence in the future value of the dollar can be maintained and strengthened only by a concerted, broad-gage attack on all of the forces and practices that tend to promote inflation. Some of these forces and practices may be new and thus require further study before they can be identified and before appropriate policies to control them can be devised. But there should be little doubt in our minds as to the proper role of general stabilization policies. Under present-day conditions, with production, employment, and income advancing rapidly to record levels, such policies should be directed toward self-discipline and restraint. This requires Federal revenues in excess of expenditures to provide a surplus for debt retirement, flexible management of the public debt, and monetary policies directed toward preventing excessive credit expansion from adding unduly to overall demand for goods and services.

Some observers have argued recently that we are not now confronted with monetary inflation or with a situation in which "too much money is chasing too few goods."

They point to the high degree of price stability during the past year as proof of this contention.

This same argument could well have been made in mid-1955, when that recovery was also merging into the boom phase of the cycle. At that time the Consumer Price Index had actually declined slightly during the preceding 18 months; the wholesale price index had been stable for about 30 months.

We failed to recognize at that time, just as we may be in danger of failing to recognize now, that the high levels of demand generated in the recovery had sown the seeds of later increases in prices. Thus, wholesale prices rose moderately in the last half of 1955, at a steady and relatively rapid rate throughout 1956, and moderately during 1957. Consumer prices, exhibiting the customary lag, did not begin to advance until the spring of 1956, but thereafter rose steadily until early 1958.

The important point is that effective control of inflation requires actions to restrain inflationary pressures at the time that such pressures are developing. To wait until the pressures have permeated the economy and have finally emerged in the form of price increases is to delay action until the situation is much more difficult to cope with.

Effective stabilization actions to limit inflationary pressures during this period of rapid business expansion, in addition to promoting stability of price levels, will stimulate sustained growth in still another important way. Such policies, by helping to assure that the current healthy advance in business activity does not rise to an unsustainable rate and then fall back, would promote relatively full and continuous use of our economic resources. I am firmly convinced that the degree of severity of a business recession reflects to a considerable extent the development of unsustainable expansion in the preceding boom. By exercising restraint and moderation during periods of prosperous business we can keep booms from getting out of hand, and, in so doing, minimize the impact of later adjustments.

Appropriate current governmental policy to promote growth must be consistent with long-range objectives and not resort to quick expedients that endanger sustainable development. We must reject the arguments of those who would attempt to force growth through the artificial stimulants of heavy Government spending and excessive expansion of money and credit.

If we would foster growth—not of the temporary, unsustainable type, but long-lasting and rewarding—we need first to reinforce our efforts to maintain reasonable price stability and relatively full and continuous use of our economic resources.

Both logic and experience demonstrate clearly that heavy reliance on Government spending and monetary and credit excesses during a period of strong demand, rather than promoting growth, can lead only to inflation. Inflation tends to dry up the flow of savings and leads ultimately to recession, the No. 1 enemy of growth.

We live in what is basically a free-choice economy. Within rather broad limits we are free to dispose of our labor, property, and incomes as we see fit. In disposing of our incomes we are free to spend or to save, to invest or to hoard. So long as we maintain the basic freedoms that foster competitive enterprise and stimulate technological advance, and so long as we use our broad financial powers to promote stability in the value of our currency and to avoid the extremes of economic recession, I am confident that economic growth will proceed at a high and sustainable rate. The strength of our economy lies in its very reliance on the integrity, wisdom, and initiative of the individual. We must not weaken this basic strength.

The Government securities market study: I will now make some brief observations on the Treasury-Federal Reserve study of the Government securities market.

Our national economic objectives are, of course, fundamental. It is only in relation to the successful achievement of these objectives that the financial policies pursued by our Government can have real meaning. Furthermore, fiscal, debt management and monetary policies can make their maximum contribution to national economic goals only if they can operate in a market which is responsive to policy actions both in terms of basic understanding of those actions by the investing public and in terms of the efficiency and maximum usefulness of market organization.

The Government securities market is the largest financial market in the world, with a daily trading volume of more than $1 billion. It is an extremely complex market and is sharply competitive. It is very responsive to trends and expectations as to business activity, Government policies and international developments.

Its responsiveness and competitiveness, under widely varying circumstances, mean that it can provide the proper environment for the successful flotation of the tremendous volume of frequent Treasury security offerings to the public, which last year alone totaled almost $50 billion, exclusive of the rollover of weekly Treasury bill maturities. Similiarly, it can provide an efficient mechanism through which Federal Reserve monetary policy can operate. Moreover, it must provide for the smooth transfer of large amounts of Government securities among investors as liquidity and investment needs are satisfied.

The Treasury, the Federal Reserve and the entire business and financial community, therefore, have a joint responsibility, collectively and individually, to encourage the market to resist any forces which threaten to impair its maximum performance. If market techniques become distorted or restrictive practices arise, the consequences can extend far beyond any immediate impact on investors, speculators or suppliers of credit. It can undermine the basic contribution which a smoothly functioning Government securities market should make to the national welfare.

It is with this realization of the importance of the Government securities market that the Treasury and Federal Reserve last spring undertook their joint study of the way in which the market operates, with particular reference to the market's performance around the time of the reversal of the economic downturn a little more than a year ago.

A study of market mechanisms is necessarily technical. The results of any such study are understandably less dramatic than studies of the broad aspects of fiscal, monetary, and debt management policy which, together with general economic trends and expectations, provide the environment in which these market mechanisms operate.

Our joint Treasury-Federal Reserve study group has been working continuously toward the objectives which were laid out when the project was announced on March 9, 1959. Part I of the study group's factual report is now in final form; parts II and III are only in preliminary form. All three parts are being made available for public release.

Your committee already has a joint statement by Chairman Martin and myself relating to the study. The virtual completion of the factual study by the study group provides a background which Federal Reserve and Treasury policy officials can now carefully review as we work toward official conclusions and recommendations growing out of the study.

These conclusions cannot be prejudged. Treasury and Federal Reserve officials have been following the progress of the study group with great interest, but, because of the late completion of the report, we have had little opportunity to examine the factual material which the study group has assembled.

As Chairman Martin and I state in the concluding paragraphs of our joint statement, markets are dynamic institutions which require adaptation to changing needs. The public interest is served only if the study of these adaptations is continuous, even though it may be intensified from time to time as in the present study.

We both recognize—and I want to emphasize it again—that improvements in market mechanisms, helpful though they may be, cannot be expected to solve the basic financial problems which our Nation faces—the problems of fiscal imbalance during prosperous times, the tendency for the public debt to grow shorter in its maturity structure, the need for continuous flexibility in adapting monetary policies to varying circumstances, the need to encourage increased savings to finance soundly the Nation's heavy capital requirements, and the problem of the instability of financial markets as they react to turning points in economic cycles.

These are basic problems. We are glad to work with your committee in seeking their solutions in the best interest of the public.

JOINT STATEMENT RELATING TO THE TREASURY-FEDERAL RESERVE STUDY OF THE GOVERNMENT SECURITIES MARKET BY ROBERT B. ANDERSON, SECRETARY OF THE TREASURY, AND WILLIAM MCCHESNEY MARTIN, JR., CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

(Presented for the record in connection with Secretary Anderson's appearance before the Joint Economic Committee, July 24, 1959)

The objectives of national financial policy as pursued by both the Treasury and the Federal Reserve System have meaning, of course, only as they contribute to the sound functioning of our Nation's economy. For our economy to remain healthy and growing, market mechanisms must perform their essential function of providing a meeting place where the forces of supply and demand can operate to achieve the best utilization of resources. One of the problems which has constantly confronted us as a Nation has been how to protect freely competitive markets from forces which would hamper or restrict the performance of this essential function. Only as everyone concerned remains alert to new developments in marketing techniques and organization can we be assured that distortions and restrictive practices have not crept in, to the detriment of healthy growth. This is, of course, just as important and necessary in the financial sector as it is in other areas of the economy.

Developments in the Government securities market a year ago led the Treasury and the Federal Reserve System to undertake a joint study of current techniques and organization in that market. This joint statement is devoted to a discussion of the progress of the study thus far.

OBJECTIVES AND CONDUCT OF STUDY

The immediate background of our joint study was the wide and rapid price fluctuation in the Government securities market during the economic recession and revival of 1957–58. These market movements were naturally a matter of concern to the Treasury in view of its debt management responsibilities. They were of equal concern to the Federal Reserve because of its responsibilities for overall credit and monetary conditions.

In undertaking the study our purposes were to find out how organization and techniques in the Government securities market might be improved, and by what means the danger of future speculative excesses in this market might be lessened. The first step, we felt, was to provide the widest possible basis of factual information. Accordingly, we undertook a detailed and analytic study of the underlying causes of the 1957–58 movements. At the same time we undertook a broad reexamination and reconsideration of the market's general organization.

While experience of the Government securities market during a particular recent period thus provided a specific occasion for initiating this special study, both the Treasury and the Federal Reserve have recognized for some time the need for such a study. The last such study, with somewhat more restricted objectives, was made in 1952 under the auspices of the Federal Reserve's Open Market Committee. The Treasury did not participate in that study since it was primarily concerned with the interrelationship of the market and Federal Reserve operations. Since that time there have been many new developments in the market's machinery and practices, and both the Treasury and the Federal Reserve felt that these developments needed careful evaluation.

The published version of our study will consist of three parts. Part I, which is being made available for public release next Monday, consists, first, of a summary of informal consultations—some conducted in person and some through written communication—held with informed observers of the Government securities markets and important participants in that market. Part I also includes a special technical study of the possibilities of an organized exchange, or auction market, to take care of the major part of the huge volume of Government securities transactions. These are handled at present, as you know, in the over-the-counter or dealer market, where more than $1 billion of transactions are handled in a typical trading day.

The informal consultations represented one of the major phases of our study program. These consultations had three objectives: First, to obtain informed impressions and judgments on basic causes of last year's market experience, especially toward midyear and after; second, to find out how market observers and participants viewed and appraised existing market processes and mechanisms; and third, to get the benefit of whatever suggestions might be made for improving and strengthening the market. While our consultations were limited by the special purposes of the study to those who were thoroughly acquainted with market practices, our aim throughout was to seek out the means whereby the Government securities market could function best in the public interest. In our inquiry the needs of the small buyers and sellers were considered carefully, along with those of the Government and of institutional and other large investors.

Consultants included various officials of large commercial banks, of insurance companies and savings banks, and of investment banking firms; primary dealers and intermediary brokers in the Government securities market; financial officers of several large nonfinancial corporations; a number of members and officials of the New York Stock Exchange; a group of financial economists; and a group of academic economists. In all, approximately 75 persons participated in individual or group consultation and about 30 others provided written comments. The individual and group consultations were held in Washington, D.C., and in New York City, and each lasted from an hour to a full day. The discussions with financial and academic economists were on a panel basis, but the remaining consultations were held separately on an informal basis with one or more individuals from a single organization.

Part II of our study is a factual analysis of the performance of the Government securities market from late 1957 to late 1958. Rapidly changing market conditions in this period presented an unusually wide range of problems. To obtain the most complete information possible on the market forces at work, special questionnaire surveys were addressed to all major lenders and participants in the market. On the basis of the answers received, we were able to compile much new data relating especially to market developments from spring through early fall of 1958.

Concerning this second part of the study, it is gratifying to report that the responses to our detailed requests for new statistical information were exceptionally good—indeed, virtually 100 percent.

Part III of the joint project consists of four supplementary and technical studies growing out of the suggestions and findings of the first two parts. We comment later on their particular focus and scope. Neither part II nor part III has been printed as yet, but both are being made available in preliminary form also for release Monday morning.

Before turning to the substance of the entire study itself, a word should be added about how the project was staffed. Both the Treasury and the Federal Reserve System assigned to the study senior personnel experienced in the observation and analysis of the Government securities market. In addition, the Treasury retained the services of a former staff official, having both debt management experience in the Treasury and practical experience in the market, as technical consultant on the study. Federal Reserve personnel were drawn mainly from staffs of the Board of Governors and the New York Federal Reserve Bank, but selected personnel from other Reserve banks also shared in the work. A central Treasury-Federal Reserve staff group was given full responsibility for carrying out the project, and since early spring the members of this group have devoted a major share of their time to it.

INTERPRETATION OF THE 1957–58 MARKET EXPERIENCE

As noted earlier, our study of the Government securities market was focused on the wide swings in market prices and yields of Government securities from late 1957 through the fall of 1958, with special attention paid to the mid-1958 market experience. Through systematic reexamination of available data and the development of new data, we endeavored to find out what lessons could be derived from this experience which would be of benefit to investors generally as well as to those who are responsible for fiscal policy, debt management policy, and monetary policy.

We have not had sufficient time as yet to make a complete evaluation of all the data which have been brought to light by the joint study. Four general observations relating to private investment and credit extension, fiscal policy, debt management, and monetary policy, however, are pointed out by the staff group, as follows:

First, for purchasers of marketable Government securities and for lenders, the risks of speculation on anticipated cyclical price movements of fixed-income Government securities, and particularly of speculation on slim margin, credit-financed holdings, have been widely learned.

Second, in the area of fiscal policy, there is the problem that recession deficits often run to very large size and are delayed beyond the turn in the economy; as a result, they provide stiff financing competition when growing demands for the financing of recovery must be satisfied from a more slowly growing savings supply, and this competition for savings funds may have significant, but largely unavoidable, effects on securities prices and interest rates.

Third, in the area of debt management, there is the problem as to whether, in periods when easy credit conditions lend investor favor to longer term, higher yielding issues, a large and rapid shift in the maturity structure of the debt may result in supply and demand distortions, which may later have upsetting and disruptive effects on the market.

Fourth, in the area of monetary policy, there is the problem as to whether easy credit conditions and accelerating monetary expansion for countercyclical objectives may be carried to the point where banks and other lenders respond too actively to speculative demands for credit, so that lenders, in their zeal to keep their funds employed to fullest advantage, may too easily relax the credit standards which long experience has taught to be sound.

These broad conclusions arising out of our study point up a major financial dilemma which is faced in coping with recession in a free enterprise, market economy.

We all agree that reduction of economic instability is one of our major objectives. National financial policy—which refers to fiscal policy, debt management policy, and monetary policy in combination—is the primary means available to the Federal Government for cushioning recession and stimulating recovery.

Yet, the vigorous use of financial policy to promote economic stability runs the risk of being accompanied by instability in the financial markets, where flexible movement is an essential part of market mechanism. This appears to be a risk which we must take, while doing everything we can to minimize the incidence of instability in these markets.

We know, of course, that many difficulties arise in the effective use of fiscal policy in recession. Deficits in recession are incurred either automatically because of reduced tax receipts and increased social insurance payments or because of specific public policy actions taken to combat recession. These in turn have a direct impact on the prices of Government securities.

The additional burden of increasing debt in such periods—particularly when preceded by inadequate budget surpluses for debt reduction during the preceding rise in the economy—may also have a psychological effect on investors. This may be expected because of the fact that investors are concerned about future budgetary policies as well as the size of the particular financing needs of the moment.

There are other perplexing dilemmas in periods of general economic instability which arise from the very flexibility of our market mechanisms. Investors, for example, are faced in recessionary periods with either keeping their funds highly liquid (with low earnings) or attempting to obtain higher yields available only on longer term investments and thus sacrificing liquidity. Concentration on liquidity would, of course, accentuate recession tendencies, while emphasis on higher yields would help to counteract such tendencies.

The Treasury faces difficult choices during a recession. The orthodox theory of debt management emphasizes short-term financing when resources are not fully employed. At such times, however, the long-term market is receptive to offerings—perhaps for the first time since the middle part of the previous upswing in the business cycle. When the Treasury enters such a period with a large and growing floating debt, it would seem advantageous to refinance some part of this debt at longer term. Such a course is also desirable to provide greater leeway in choosing financing alternatives when the recession-induced deficit is sooner or later encountered. And since a recession deficit when it occurs must be financed within a relatively short period of time, the Treasury must look forward to making heavy calls on available savings during the deficit-financing period. In the second half of 1958, for instance—a recovery period, but one coinciding with heavy deficit financing requirements—the Treasury was obliged to absorb the equivalent of a third or more of the total new savings funds then available. The Treasury's problem of maintaining a debt structure adaptable to changing circumstances without itself contributing to instability of the economy is a formidable one.

Monetary policies, if they are to contribute to resolving our problems of general economic instability, must be deliberately and appropriately adjusted to combating recession and they must be shifted when an upturn is evident. The timing and extent of monetary actions—like those in the fiscal field—must surely be determined by other considerations in addition to their impact upon interest rates and the prices of securities. Again, however, such effects are not to be ignored.

SOME FINDINGS ABOUT MARKET FUNCTIONING

While the study indicated certain broad lessons from the 1957–58 experience for both investors and national financial policy, and also highlighted some of the fundamental and conflicting dilemmas inherent in such a period, it focuses on the functional and mechanical aspects of the Government securities market in this setting of recession and recovery. A specific interest was the speculative and credit excesses that developed. Our objective in studying these developments was to arrive at possible adaptations of public policy and also of market institutions which might lessen the market's exposure to such excesses in the future.

The excesses which occurred last year were associated with the buildup in the Government securities market prior to the Treasury's offering in late May 1958 of 2⅝ percent, 7-year bond as one option available in its June 15 refinancing of $9½ billion of maturing obligations held by the public. The other option was a 1-year 1¼ percent certificate. Altogether the holders of about $7½ billion of the maturing issues prefered the 2⅝ percent bonds—a figure which was more than double what had been estimated by the financial community or by Government agencies as true investor demand. This was a surprise to the market and suggested that a sizable amount of the newly acquired securities were speculatively held. Nevertheless, there was general market agreement after the announcement was made that the market would be able to absorb the excess supply over a period of time.

About this same time, however, market observers were beginning to realize that the Federal deficit in the year ahead would be the largest since World War II, and that most of it would have to be financed in the second half of 1958, coinciding with the period of heavy Treasury seasonal borrowing. At least part of the flow of economic information in the first half of June had been mildly encouraging; but it was not until around mid-June that market observers took into account that economic recovery might soon begin and that conditions of active ease in credit markets might be coming to an end. In this setting, liquidation of temporary holdings of 2⅝ percent bonds began and gathered rapid momentum, with an accompanying sharp decline in market prices of Government securities and an associated sharp rise in security yields. As you know, the opportunity for either profits or losses on the price behavior of a longer term bond is much greater than on short-term securities for a given change in interest rates.

This liquidation period, you may recall, occasioned intervention in the market, first by the Treasury in late June and early July to relieve the market of some of the excess supply of 2⅝ percent bonds issued at mid-June, and second by the Federal Reserve later in July to correct a disorderly condition which developed around the time of the international crisis in the Middle East and a Treasury financing.

Many observers have placed principal blame for this upsetting market episode on excessive speculation in the June refundings, financed by the use of credit extended on unduly thin margins. Our study shows that there was indeed a substantial volume of credit-financed participation in the June refunding—about $1.2 billion. Considering that $7½ billion of the 2⅝ percent bonds were issued, it is obvious that at least four-fifths of the subscriptions represented outright holdings. A significant share of these were probably also temporary holdings purchased in the hope of speculative gain. The outright holdings largely represented subscriptions on the part of commercial banks and business corporations.

In retrospect, one key to this widespread speculation may have been the absence of adequate information about current tendencies in the Government securities market itself, which is, of course, the pivotal market in this economy's financial organization. Much more important, however, is the fact that too many speculatively motivated exchanges into the 2⅝ percent bonds were apparently based on investor judgments that recession would continue for some time, and that long-term interest yields would decline further.

Speculation financed by credit created a particular problem in this instance because there were large blocks of holdings acquired by newcomers to the market who bought or made commitments to buy Government securities on very thin margin—or in many cases on no margin at all. Several stock exchange houses made large commitments themselves and acted between lenders and speculators. Some commercial banks and business corporations, actively seeking higher yielding outlets for funds than were provided by Treasury bills and other short-dated securities, directly or indirectly helped to finance these operations.

The activities of one stock exchange member specializing in money brokerage facilitated the financing of a substantial volume of the June rights. These operations were found to be in violation of stock exchange rules. The enforced unwinding of these very large positions came at a particularly sensitive stage of the market decline and, combined with other liquidation of speculative holdings, put the market under severe supply pressure. The New York Stock Exchange has since modified its rules so as to prevent a repetition of this kind of speculative financing activity in the future.

While positions financed on credit were not the largest speculative element in the market at the time of the June refunding, they were certainly important in initiating and accentuating the June–July decline in market prices which accompanied the economic upturn. Once liquidation of the new Treasury bonds was underway and prices were declining sharply, it was inevitable that some margin calls and related selling to protect lenders' positions would occur. At the same time, there was substantial liquidation by holders who had done no borrowing at all as they realized that profits were not in prospect and sought to minimize or avoid losses by selling out. The development of the Lebanon crisis in mid-July and the growing awareness of the prospects of large Treasury deficit financing in a period of rising private demand for loan funds and accompanying expectations of tightening credit conditions, based in part on rumors of a shift in Federal Reserve policy, heightened market uncertainties during this period of liquidation. There also was considerable uneasiness due to fears that the large budgetary deficit would induce renewed inflationary pressures.

Over this entire period of rapid market change, the figures compiled for the study indicate that dealers operated chiefly in their normal primary function as intermediaries. As the June financing approached, dealers were called upon to absorb large amounts of short-term issues that were being sold to meet corporate liquidity needs over dividend dates and the June tax period. As a result, dealers' holdings of Government securities increased substantially. The enlargement occurred mainly in Treasury bills and in June "rights" (maturing issues eligible for the exchange), and these rights were largely exchanged for the 2⅝ percent bonds.

To make matters more difficult over the period covered by the June financing, dealers had to meet large maturities of repurchase agreements which they had made with nonfinancial business corporations. Under these agreements, corporations accumulating funds in earlier months invested a large portion of them by arrangements to buy Government securities and, at the same time, agreeing to resell the securities to dealers on a fixed date in June—again to cover cash needs related to dividend and income tax disbursements at that time. The short-term securities underlying these arrangements had to be refinanced in June through placement by dealers with banks or other lenders.

When the June exchanges were completed dealers undertook to accomplish a distribution of their underwriting holdings of the new 2⅝ percent bonds. Such underwriting can result in losses as well as profits to dealers because of the market risks assumed by them. These risks proved to be real in the June financing. Normally, the distribution of the securities acquired in underwriting would have proceeded throughout the remainder of June and July. In view of the then existing market uncertainties, dealers intensified their distribution efforts and cut back on their total positions generally. These activities also contributed to supply pressures in the market.

Once market decline had set in, investors, speculators, and dealers were obliged to make market judgments in the light of their own portfolio and speculative situations and their individual appraisal of current and future uncertainties. There were times in this period, we were told by market participants, when dealers in order to protect their own capital positions would accept large-size orders to sell only on an agency basis, promising to make the best effort possible to carry out the customers' requests. The volume of Government security transactions by the dealer market, however, continued large throughout the decline.

The question still to be answered from our examination of the 1957–58 market experience is just what specific findings and interpretations may be drawn about market excesses and mechanisms. While any specific conclusions at this stage are subject to later modifications or supplement, the following are the main ones drawn by the study group in the preliminary version of part II of the study (ch. VIII).

"(1) Investor and speculator judgments in the late spring period preceding the June refunding were made largely in the light of information pertaining to an economic situation of 1 to 2 months earlier. This lag in the flow of economic information was a factor of basic import in conditioning expectations in this critical period of market development. The role of changing market expectations as to the economic outlook in this period of 1958 clearly emphasizes the need for an adequate supply of current information about trends in the economy generally to facilitate the orderly functioning of financial markets.

"(2) Underlying the late spring speculative positioning of Government securities was a very low absolute level of short-term market interest rates, as well as an unusually wide spread between short- and long-term market yields. This low short-term rate level, together with the prevailing yield structure, vitally influenced the shaping of market expectations of further increases in Government bond prices. It further provided the incentives that led to unusual adaptations of customary credit instruments and terms, which facilitated a rapid swelling in the market's use of credit. This development made the market vulnerable to liquidation pressures.

"(3) These conditions in the market, along with investor expectations of still higher prices of Government bonds, resulted in a situation whereby market participants in the June refunding were encouraged to convert an undue amount of short-term issues into longer term issues, thus oversupplying the longer term area of the market and at the same time sharply reducing the market supply of short-term instruments. Pressure on earnings created by the low level of short-term yields led many banks and some corporations to reach out for the higher yields available in the June financing in an effort to protect their earnings.

"(4) Speculative positioning of 'rights' to the June refunding on the part of outright owners, together with the conversion into 2⅝ percent bonds of a disproportionate amount of their investment holdings of the maturing issues, was of greater volume than speculative positioning by investors who financed by credit. A large number of banks and business corporations participated in this outright speculative positioning.

"(5) Although speculation on an outright basis in the June financing was larger than credit-financed speculation, the latter was excessive considering the size of the refunding operation. Moreover, liquidation of credit-financed positions appeared almost immediately upon the settlement date for the refunding for various reasons and both triggered and accentuated the declining phase of the market.

"(6) The equity margins put up in this period by credit speculators were, in too many instances, either nonexistent or too thin. Despite the low margins, the losses suffiered on credit-financed transactions were incurred chiefly by the borrowers rather than the lenders.

"(7) In the speculative market buildup, the use of the repurchase form of credit financing as a vehicle to carry the speculative positions of nonprofessional and unsophisticated participants proved to be unsound. Use of this particular type of financing instrument, in effect, resulted in lenders advancing credit to unknown borrowers of unknown credit standing or capacity.

"(8) Even among known borrowers of professional standing the use of the repurchase agreement device was stretched in terms of the types of the security which it covered. In the past this instrument was employed in the dealer market mainly to finance securities of the shortest term. In its 1958 market usage the instrument was extended in numerous instances to longer term securities where the maturity bore little or no relationship to the date of termination of the agreement.

"(9) Where used in the mid-1958 period to finance holdings of longer term securities, the repurchase agreement technique in some cases provided a convenient means to circumvent owners' equity requirements that would have been applicable on loans through margins required by lenders.

"(10) The use of forward delivery contracts in the pre-June market buildup involving 'rights' to the June exchange offerings, though of lesser magnitude than repurchase financing, nevertheless facilitated an excessive amount of speculative positioning in this issue without any commitment of purchaser funds.

"(11) In the pre-June market buildup, dealers and brokers were not always aware that their credit standing was in effect used by others to underwrite speculation with no equity. The preponderance of June 'rights' among the forward delivery contracts would suggest a strong preference for 'new' Treasury issues as the mechanism for this speculation.

"(12) The total number of commercial banks outside New York City and also the total number of nonfinancial corporations drawn into the credit financing of the mid-1958 speculative buildup was relatively small, and the major portion of the credit extended was from only a few banks and business corporations.

"(13) In the late spring market buildup some lending by New York City banks, collateraled by Government securities, was at rates and margins that under the prevailing market psychology and the then existing conditions was conducive to the financing of speculative positions.

"(14) The sizable increase in dealer positions prior to the Treasury's June 1958 financing was partly associated with the heavy volume of market trading in that period. Although largely concentrated in short-term securities, the expanded dealer positions did provide a market for these issues which facilitated the lengthening of portfolios and speculative positioning by many investors during the period, particularly banks.

"(15) Even though dealer positions at the time of the June refunding were heaviest in the short-term maturities in the market, liquidation of these positions in the following 3 months, though largely necessary to protect dealer capital positions, did add significantly to the supply pressures otherwise present in the market during this liquidation phase.

"(16) The extensive use of the repurchase instrument for financing all types of Government securities in late spring of 1958 resulted in very large repurchase maturities in mid-June coincident with other churning in the money market in connection with settlement for the Treasury refunding. The necessity of refinancing the securities underlying these repurchase transactions put the Government securities market under heavy internal strain at that time.

"(17) The absence of a Treasury tax anticipation security maturing at mid-

June led to much corporate interest in the June maturities as corporations made use of these issues to invest accumulating funds to meet their June tax and dividend needs. This accounted for a considerable part of the market churning at the time of the refunding.

"(18) The availability of regularly issued statistical information about the market itself might have succeeded to some extent in forewarning market participants and interested public agencies of potential speculative dangers around mid-1958. The fact of the matter, however, is that no such objective information was available to either group to gage the extent of the speculative forces that were present in the market.

"(19) In the closing months of 1958, when many commercial banks were experiencing seasonal credit demands, study data show a movement of funds from the Government securities market to the banks effected through the vehicle of the repurchase agreement. In other words, some dealers were functioning as money brokers, acting as principals in obtaining funds from business corporations under repurchase arrangements and in turn supplying funds to banks under a reverse repurchase arrangement (resale agreement) with them. Question can be raised regarding the appropriateness of a money brokerage function as part of the dealer operation.

"(20) Most of the decline in market interest rates on Government securities, following confirmation in the late fall of 1957 that economic recession had set in, was effected within a short-time span—less than 4 months. The sharp rise in market rates on Treasury issues, following confirmation after mid-1958 that economic recovery had begun, was likewise effected in a short-time span—about 4 months. Although liquidation of Government security positions, built up in hopes of speculative gains in the June refunding, played a central role in accentuating the rise in market interest rates after mid-1958, it does not necessarily follow that the upward interest rate movement of the entire recovery period would have been smaller if the earlier speculative distortions had been avoided. Upward pressures on interested rates from cyclical Federal deficit financing in combination with expanding private demands for financing, given the savings supply over these months, would still have resulted in a substantial, if not identical, rise in market interest rates."

AN ORGANIZED EXCHANGE OR A DEALER MARKET?

At the hearing of the Joint Economic Committee earlier this year on the President's Economic Report, there was some discussion of the functioning of the Government securities market. The question was raised whether the market might not be more effective if it were a formally organized exchange or auction-type market, with maximum current publicity on transactions rather than an informal over-the-counter dealer market subject to more limited public observation.

As part of this current study of the Government securities market, accordingly, we not only raised this question with market participants but asked our study group to provide a special technical evaluation of the suggestion. The New York Stock Exchange also gave very careful consideration to the question and reported its conclusions to us.

A specialized market tends to develop in a particular form as the individual participants compete to serve more efficiently and economically the needs of buyers and sellers of the kind of security or commodity traded. The present market mechanism for Government securities has grown as a specialized market ever since World War I. Transactions in Treasury issues in the 1920's were carried out both on the New York Stock Exchange and through the over-the-counter dealer market. Even during the early 1920's, however, a steady decline in transactions on the auction market represented by the exchange and a steady rise in the volume handled on dealer markets was taking place. By the mid-1920's, the dealer market was dominant and agency transactions of the Federal Reserve Bank of New York for the account of the Treasury were moved to the dealer market.

Only marketable Treasury bonds are listed on the New York Stock Exchange and this has been true throughout its history. Therefore, the introduction of the Treasury bill in 1929 and its subsequent development as the primary liquidity instrument of the money market—a development accelerated by war and postwar financial trends—further added to the importance of the over-the-counter dealer market. The growth in the Federal debt in the 1930's and during the war years, together with the broader participation of large financial institutions in the market, greatly increased the size of typical market transactions in Governments. Large transactions are more efficiently managed in a dealer-type market, and consequently the number of transactions that could be effectively handled through the auction mechanism of the exchange continued to decline. By 1958 trading in Government bonds on the exchange had dwindled to an insignificant volume in comparison with trading in such securities in the over-the-counter dealer market.

The standards of performance to be applied in evaluating the present dealer market are, of course, related to the specific job which the market has to do as well as to the public interest in a well-functioning market economy. The job to be done first of all is the matching up of purchases and sales by investors and traders. But it also involves the Treasury as issuer of new securities and the Federal Reserve through the execution of its monetary policies. It is the conclusion of our joint study to date that both the broad public interest and the special interests of the Treasury and the Federal Reserve—which are, of course, designed only to serve the public interest—are being effectively served through the present market. Those who participated in our study, including a broad range of investors as well as dealers and brokers, were virtually unanimous in the view that the present type of over-the-counter dealer market in Government securities is preferable to an exchange, auction-type market. Even if confined to bonds, and therefore excluding bills, certificates, and notes, the exchange-type market was regarded as an unsatisfactory alternative.

Probably the most important standard of performance required of the Government securities market in serving existing interests is its ability to handle without disruptive price effects the typically large transactions that arise as large institutional holders adjust their liquidity and investment positions. These individual transactions—by commercial banks in adjusting their reserve and portfolio positions, by corporations adjusting to their cash flow needs around dividend and tax dates, or by savings institutions or other institutional investors in making portfolio changes—often run to many millions of dollars, particularly in short-term issues. If these holders were unable to purchase and sell readily in such large amounts, their interest in Treasury issues would decline.

The dealers in Government securities appear to have developed better facilities and techniques for handling large transactions promptly and without excessive price effects than would be possible in an organized exchange. They do this by purchasing and selling for their own account; by maintaining substantial inventories of securities in different maturity categories; by a chain of transactions with other dealers—purchases, sales, and exchanges or swaps; and by keeping themselves informed, through their nationwide organizations or correspondent networks, of major sources of supply and demand for Government securities throughout the country. In its operations, the dealer market acts as a buffer to equalize hourly and daily movements in supply and demand, and to absorb the impact of large individual transactions that might otherwise result in abrupt price effects or undue delays in execution of orders.

The specialized dealer market provides a number of other services that institutional customers consider to be valuable. The cost of a transaction in this market is very small because of the large volume of business, because of keen competition among dealers, and because dealer profits do not depend solely on trading margins. A significant part of dealers' earnings is derived from managing their own portfolios and from supplying, through repurchase agreements, investment instruments which have the exact maturity date needed by customers. Such operations also, of course, involve risk of loss.

The dealer market is effectively organized to serve customers throughout the country even though its organization is informal. Transactions are completed promptly by telephone and customers know the price or price range when the order is placed for execution. Moreover, through their intimate experience with the highly technical aspects of each Treasury issue as well as the ways in which the Treasury, the Federal Reserve, and the money market operate generally, dealers provide specialized market advice that customers value. The primary dealers further provide important services in the secondary distribution of new Treasury issues. They also provide a convenient point of contact for Federal Reserve open market operations in short-term Government securities.

The major defects attributed by some critics to the dealer market in U.S. Government securities reflect three features: First, the market is concentrated in a relatively small group of primary dealers, and therefore may not be as competitive as an organized exchange market; second, there is little information about its operations, without supervision or formal rules governing its practices, despite its special public interest; and third, the market is not geared to handling small and odd lot transactions nor is it especially interested in them.

As to competition, there is no question that the primary dealer market is very highly competitive, even though it comprises only 12 nonbank firms and 5 bank dealers, most of whom have central offices in New York City. There is necessarily spirited competition between the dealers for the available volume of trading business. Any offers to sell at a price even slightly below the market usually are quickly taken advantage of, as are offers to buy at anything above whatever the price may be at the moment. In volume, the Government securities market is by far the largest financial market in the country. It handles each year a dollar volume of transactions approximating $200 billion, or more than 3 times as much as the dollar volume of transactions in all corporate stocks as well as bonds on the New York Stock Exchange.

The dealers are principally wholesalers and their customers consist of several hundred nonfinancial corporations, several thousand commercial banks who submit orders both for their own account and for customers, other security brokers and dealers handling transactions for customers, hundreds of insurance companies, mutual savings banks, pension funds, and savings and loan associations thoughout the country, the special funds of State and local governments, personal trust accounts, and some individual investors of substantial means. These investors and traders who use the market to buy or sell are generally themselves expertly informed and experienced in investment matters. Each is seeking the best return on the funds he places in Government securities; each is continuously comparing these returns with those on alternative investment opportunities; and each of the larger investors, who regularly use the services of several dealers, is constantly comparing the relative performance of the dealers with whom he is in contact.

In this type of highly competitive market, the dealer who succeeds must execute the buy or sell orders of these numerous and varied investors promptly and efficiently and the business must be handled in accordance with high ethical standards. Moreover, if he is to obtain future business, such investment advisory services as the dealer renders his customers must stand the test of time.

Each of the primary dealers, through one means or another, operates throughout the country because broad coverage is essential to the maintenance of a sufficient volume of business for profitable operations. This is probably a major reason why there are not more dealer firms active in the market. Another reason, according to information received in this study, is that the number of qualified and experienced personnel available to staff new firms is relatively small.

Regarding the criticism of market mechanics, it is true that the dealer market makes available to the public practically no information on its operations other than market bid and offer quotations. There is no requirement for making available either to the public or to a duly constituted authority the records of dealer net positions in securities or amounts borrowed, such as are required of members of the New York Stock Exchange.

The lack of formal rules, supervision, and adequate information leaves the market open on occasion to suspicion that it may not always be operating in the public interest. It has been suggested that in instances dealers' interests may conflict with those of customers, that dealer operations may unduly accentuate swings in securities prices, and that dealer advice may not be entirely accurate. There was, however, little or no evidence gathered in the study that such problems are common in the dealer market. All of the market customers consulted in the present study expressed their full confidence in the Government securities dealers, individually and as a group, and testified to their high standards of integrity and business practice.

Concerning small transactions in the market, consultants to the study have indicated that they generally go through other brokers and dealers and commercial banks, and that when they reach the market they are handled promptly by dealers at a relatively low cost that is in part subsidized by the large transaction. As the dealers are organized primarily to handle large transactions, it is understandable that they view the small deals as an accommodation, and do not actively encourage them. It seems clear that if facilities designed more specifically to serve small investors' interests in marketable bonds are to be established, there would have to be some additional incentive provided.

The New York Stock Exchange, prompted by our study, reviewed the potentialities for reestablishing a vigorous auction-type market in Government securities on the exchange. After extended consideration of the matter, however, exchange officials concluded that, even though such a development was theoretically possible, problems raised by the suggestion would be insurmountable unless both the Government and the exchange shifted a number of fundamental policies.

One specific problem to be resolved is the difficulty under existing conditions of encouraging exchange specialists to take the financial risk of making a market in Government securities. The specialists would be in competition with established Government securities dealers. In addition, they might on many occasions need to build up very large positions in Government securities, since this is a heavy volume market and, when sharp price movements occur, quotations on maturities throughout the list tend to move together much more so than in the market for specific corporate stocks or bonds. Finally, because of the public nature of transactions at exchange trading posts, specialists taking positions to make orderly and continuous markets would be unduly exposed to possible raids by nonmember dealers and other large traders.

There is also the problem of developing an adequate incentive for handling Government securities on the exchange through a commission schedule that would be competitive with narrow spreads prevailing in the dealer market.

Other conditions set by the exchange for an effective auction market under its auspices would be—

(*a*) A larger supply of long-term Government bonds in the market, especially of bonds attractive to individual investors through tax exemption or other special features since these investors now find only limited interest in Governments other than savings bonds.

(*b*) The placing on the exchange of all Federal Reserve agency transactions in bonds, possibly plus official support of the exchange market; and

(*c*) A potential requirement for the execution of all transactions of member firms in Government bonds on the exchange, except for some off-flavor trades in special circumstances.

(*d*) Some protection of the position of member firms who are acting as Government security dealers.

The exchange did not suggest that its facilities could be adaptable at all to trading in Treasury bills, certificates of indebtedness, or notes, which together constitute more than half of the outstanding marketable Federal debt and are also the issues in which the overwhelming volume of market transactions takes place.

These conditions make it clear to us that it would be difficult to develop an auction-type market for Government securities on a broad scale under the existing organized exchange mechanism.

The alternative approach of improving the mechanism and institutions of the present Government securities market, by carefully studying and remedying defects in the dealer market as they come to light, appears to us to promise results that will serve the public interest. At the same time, the New York Stock Exchange should be encouraged to develop further the auction facilities it now provides for transactions in Government bonds. The total market cannot be harmed and may indeed be improved by more active competition between the exchange market and the dealer market in bond trading.

AREAS FOR IMPROVING MARKET MECHANISMS AND FUNCTIONING

Our study was launched, as stated earlier, in the hope that the suggestions advanced and problems revealed might indicate certain improvements in the way the Government securities market operates, with particular emphasis on the prevention of future speculative excesses in the market. In the light of consultants' suggestions and of findings of our factual review of the 1957–58 market experience, our study group initiated four supplementary studies to evaluate possible means of improving the market's functioning. These are in the nature of working papers for consideration by Treasury and Federal Reserve officials. As their preparation has just been completed in preliminary form, they have not yet been reviewed. Hence, they cannot be interpreted as reflecting any official recommendations for market improvement. There may also be other supplementary studies undertaken as we reexamine market processes and mechanisms and we naturally intend to pursue this phase of our inquiry as far as will serve a constructive purpose.

A first area of supplementary study pertains to the adequacy of statistical and other information relating to the dealer market. As mentioned earlier, it is commonly recognized that openly competitive and efficient markets are characterized by informed buyers and sellers. A broad range of objective information needs to be available to serve effectively the interests of all market participants, including the Treasury as issuer of securities for the market and the Federal Reserve as it participates in the market in regulating overall credit and monetary conditions. In this light the present flow of information relating to the market is inadequate, a point that was agreed to by many of our study consultants.

As a result, our study group undertook a thorough analysis of the information that ought to be regularly available. We were encouraged in this by the excellent cooperation received from dealers and other market participants in supplying information for our review of market experience in 1957–58. We believe, therefore, that a reporting program can be worked out by the Federal Reserve and Treasury staffs to put an adequate information program into active operation in the not too distant future.

A second area of supplementary study is the credit financing of Government securities transactions. Last year's market experience has clearly indicated that at times an undue amount of speculation financed on thinly margined credit can be detrimental to the market and that competition of lenders in extending credit to prospective holders may result in deterioration in appropriate equity margin standards. This experience raises the question of the need for some action to assure that sound credit standards will be consistently maintained by lenders in credit extension backed by Government securities and also to keep the total volume of such credit from expanding unduly at times.

Our study has indicated that there are three approaches which the Government might consider in dealing with this problem: First, a statement by bank supervisors to each lending institution within its jurisdiction indicating minimum margins to be adhered to as standard; second, a requirement that each investor participating in the exchange of maturing Treasury issues for new issues state his equity position in those securities in compliance with Treasury standards (plus the continuing requirement by the Treasury of appropriate deposits on subscription to its new issues offered for cash); and, third, the introduction of special margin regulation, similar to that now applicable under the Federal Reserve Board regulations T and U to the purchasing or carrying of corporate securities. The latter type of regulation would, of course, require congressional action, since present law specifically exempts Government securities from this type of credit regulation. It must be reemphasized here that these are merely possible approaches; they have not yet been fully appraised by either Treasury or Federal Reserve officials and other alternatives may be developed in the light of additional study.

A third area for special study is the use of the repurchase arrangement in credit financing of Government securities. This is not a new method of credit financing, but it is a method that is easy to apply to Government securities transactions and, because of its flexibility and adaptability, has become much more popular in recent years. Government securities market activity last year brought to light certain uses of repurchases that were not in the public interest when such financing was arranged without the borrower putting up adequate margin. The study discusses various alternatives which might be applied to prevent future abuse.

A fourth area of special study of the existing mechanism of the Government securities market relates to its present lack of formal organization. In our consultations, a number of market participants and observers suggested that the market might be improved and strengthened through cooperative action of primary dealers themselves, working through a dealers' association. Various specific functions that an association might perform to improve the market's functioning were indicated, including: (*a*) the adoption of standard rules to assure fair treatment of buyers and sellers in both large and small transactions; (*b*) the development of standard practices to help maintain dealer solvency; and (*c*) greater liaison between the Treasury and the dealers in Treasury financing operations. It was also suggested that a dealers' association could be useful in identifying primary dealers in Government securities both to improve dealer service and to apply any market rules which may be adjudged in the public interest. Since the possible advantages of such an organization as well as its possible disadvantages obviously require careful and detailed examination, the task of this supplementary study has been to make this much-needed evaluation.

A question that naturally arises at this point is whether in the light of the present study there will be any occasion later for special legislative requests pertaining to the operation of the Government securities market. This question cannot be answered yet. Before it is, we must try to determine what can be accomplished in improving market processes and mechanisms without legislative action and then ask whether these improvements are enough. The fact of the study itself, together with educational efforts undertaken by the Treasury and Federal Reserve System, has already set in process a fuller appreciation on the part of market participants of the undesirable effects of certain market practices. If we find that desired improvement of market mechanisms and institutions requires new statutory authority, we will propose appropriate legislation to the Congress.

Markets are dynamic economic institutions. They require succesive adaptation to changing needs. From the standpoint of the public interest, study of these adaptations is never ending. Study efforts may be intensified from time to time as the case of the present Treasury-Federal Reserve study, but they are basically continuous. Continuing observation and study of the Government securities market is a responsibility which both the Treasury and the Federal Reserve recognize.

In conclusion, we repeat that improvement in the processes and mechanisms of the Government securities market will in no way solve our problems of fiscal imbalance. Nor can they correct our problems of too much short-term public debt; of our need for continuous flexibility in our approach to monetary policies; of attaining a volume of savings which will match our expanding investment needs: or of the cyclical instability of our financial markets. These are basic problems. We must all work toward their ultimate solution in the public interest.

Taxation Developments

EXHIBIT 21.—Statement by Secretary of the Treasury Anderson, February 5, 1959, before the Joint Economic Committee on the Government's fiscal outlook and some of its implications for the Nation's economy

I welcome the opportunity to appear before your committee and to discuss the Government's fiscal outlook and some of its implications for the Nation's economy.

First, I should like to discuss the budget for the fiscal year 1960. We estimate total receipts of $77.1 billion. Of this total $40.7 billion is expected to come from individual income taxes, and $21.4 billion from corporation income taxes. The assumptions for the calendar year 1959 underlying these figures are $374 billion for personal income, and $47 billion for corporate profits.

These income assumptions were arrived at after careful studies and consultations utilizing all data and judgment available both inside and outside the Government. The increases they represent imply a continued vigorous recovery, but at a slightly lesser rate than we experienced after the 1954 recession. Somewhat larger revenue gains, too, were attained in moving out of the recession of 1954, if we adjust the timing of corporate tax payments for comparability. The personal income figure of $374 billion compares with a rate for December 1958 of $359 billion; the corporate profits assumption of $47 billion for 1959 compares with a rate for the fourth quarter 1958 of $44 billion.

I present these estimates with the full realization that the revenue results for fiscal 1959 will turn out to be substantially less than we originally estimated.

I believe, however, that our assumptions for fiscal 1960 are sound and will turn out much closer to the mark. They are within the range of calculations made by private estimators, and I understand that similar figures have also been mentioned by some of the experts that have testified before your committee.

Let us now look at our present situation in a broader perspective. We are well along in the recovery from a recession which is now substantially contributing to the largest peacetime deficit in our history—$12.9 billion at present estimates. Of this deficit, about half will result from a shortfall in revenues. The remaining is the result of increases in expenditures over original budgetary estimates.

The drop in revenues in fiscal 1959 is the direct result of the recession. The increase in expenditures reflects for the most part increases that came about automatically or through actions not primarily related to the recession. Among these are the higher cost of the agricultural program because of larger crops, the Federal Government pay increases, higher defense expenditures, and the proposed subscription to the International Monetary Fund. Some $2 billion of spending, chiefly FNMA mortgage purchases, the extension of unemployment benefits, and direct housing loans by the Veterans' Administration, represent actions designed to combat the recession.

What conclusions seem to follow from this experience? First, it seems to me that the economy has once more demonstrated remarkable resilience and resistance to recession. This is indicated by the fact that personal income declined very little, and that the recovery set in very quickly. I attribute this good performance to the inherent qualities of our economy, to the confidence and good sense maintained by our people, and to the automatic stabilizers that have become a part of the economy.

Second, I am concerned with the size of the deficit that the recession in large part produced and with its continuation in a period of growing prosperity. A deficit of this magnitude, unless quickly corrected, can produce serious inflationary pressures in the longer run, even though in the short run these pressures are held in check by excess plant capacity and other factors. The extended unemployment benefits proved timely, but the economy turned around before several of the others could have their full budget effect. Meanwhile these expenditures will continue as we move closer to increased prosperity.

Third, the decision by the administration and the Congress to avoid a major tax cut last spring has been justified by events. Had we resorted to a tax cut we would not have had this demonstration of the economy's inherent recuperative powers. We would have helped develop a philosophy that tax relief was necessary to pull us out of a downturn. Also, a tax cut would have increased our present deficit and our public debt, and with them the danger of inflationary pressures in the future.

I fear, however, that price pressures may eventually revive, if we do not finally close the budget gap. I sincerely believe that a nation as rich and productive as ours must, in times of prosperity, at least pay its way. We can afford to do all that is necessary, and much that is desirable, and pay for it. But we should not reach for everything at the same time. Even a rich country can get into trouble if it keeps spending beyond what it pays for currently.

Some people seem to feel that to be for meeting current expenses from current revenues means to be "against" or "negative." Let us not be misled. The fact of the matter is there is almost nothing which is more positive and more important to be for than fiscal soundness. This is an essential condition of our economic health, without which we can have neither adequate military security nor the adequate provision of other needed governmental services. Meeting our expenses currently and all that that means in the way of fiscal soundness and a healthy economy is a highly positive objective which deserves the support of everyone.

Growth requires capital formation, through saving and investment. As a consequence, we should meet our expenditures out of current revenues in prosperous times. A Federal deficit financed outside the banks tends to absorb resources that could otherwise go into private capital formation. A deficit, during prosperity, which is financed through the banks, in itself of course brings inflationary consequences.

A current deficit and the fear of future deficits can keep people from saving because of possible loss of these savings to inflation. If we ever reach the point where people believe that to speculate is safe but to save is to gamble then we are indeed in trouble.

If rising prices which will follow from continued deficits cut into saving habits, the result will be further to diminish the supply of capital for economic growth.

We cannot indefinitely expect people to continue their saving if they expect prices to go on rising indefinitely. Our habits of saving, our financial institutions, our monetary system, must not be jeopardized.

Our needs for capital will increase as our labor force begins to expand more rapidly in the early sixties. This expanding labor force, the result of the high birth rate of the forties, will give a powerful impetus to the economy. But if job opportunities are to be found, with a rising degree of productivity, investment in plant and equipment will have to advance correspondingly.

Finally, orderly finances in our country are a key to maintaining the strength of the free world, and our role in it. Our prestige in the world is not enhanced if we fail to practice what we preach. The world watches us very closely. On my trip to and from New Delhi, for the annual meetings of the International Bank and Monetary Fund, I was impressed to discover how well informed foreign officials are about even the details of our budget.

But more than prestige is at stake here. If we run continuing large deficits in prosperity and so almost inevitably drive up prices, we may price ourselves out of world markets. Aside from the losses that this will mean to us, how are we to discharge our world-wide responsibilities if our international economic position weakens?

Because we are for sustainable and healthy growth, because we are for increasing job opportunities, because we look to the long run and a possibly long period of world tension, we must be for the maintenance of orderly finances and a stable dollar. I believe that the time to face this issue is now. Americans have faith in their money. That faith is justified. Confidence, if shaken, is hard to reestablish. That is why we must keep our expenditures under control, and the budget in hand.

Your committee has asked me to deal with certain questions. I would now like to turn to the first three of these. With your permission, I shall then ask Mr. Charles Gable, who assists Under Secretary Baird and myself in debt management matters to discuss with you the fourth question, relating to the management of the public debt.

Question 1.—What would you regard as the proper division of labor between tax policy and monetary policy as instruments of economic stabilization during the coming year?

Answer.—The first consideration of tax policy is, of course, to keep intact the system by which the United States Government raises its revenues to finance the Government service that the Nation requires.

Tax policy and monetary policy should continue to work closely to foster economic health with stability of prices as our economy grows.

After a deficit of $12.9 billion expected for fiscal year 1959, the President's budget proposes a budget balance for the fiscal year 1960. For quite a few months ahead, the net effect of fiscal policy will still be to stimulate the economy. As prosperity advances, so will our revenues until the deficit is eliminated at a high level of economic activity if spending is under control.

At the income levels projected in the budget, the tax system is expected to produce revenues approximately equal to proposed expenditures in fiscal 1960. If we achieve our objectives there will be no need, consequently, for an increase in taxes.

By eliminating the deficit, tax policy will greatly ease the task of monetary policy. If we fail to keep 1960 expenditures within income, we contribute to inflationary pressures and complicate the problems of monetary management. Tax policy will render additional assistance to monetary policy by avoiding further permanent borrowing by the Treasury in the market. This will also facilitate the Treasury's own job of handling the public debt.

Question 2.—Is the present structure of the Federal tax system adequate in light of the Nation's economic growth and stability requirements? If not, what changes would you recommend?

Answer.—I believe that any tax structure can always be improved. By that I do not mean to say that we cannot live with our present taxes. We certainly can. If new imperative revenue needs should arise, we could live with higher taxes than the present. Ours is the most productive economy in the world and I do not believe that it would be crushed by its tax burdens, if we are reasonable.

We must constantly evaluate in terms of continuing economic growth both elements of tax reform and, when proper, tax reduction. While these are closely related, they are not necessarily identical.

The Treasury has been studying and continues to study various improvements in the tax system and in tax administration. In this we are cooperating, and shall continue to cooperate, with the appropriate committees of Congress. Many of the adjustments under review are of a technical character. Their application depends in many cases on the resolution of administrative difficulties. It depends further on future business conditions and other factors that cannot now be foreseen. As this is a continuing study both in the Treasury and the committees of the Congress, it would be premature to attempt any detailed discussion.

The committee questions deal also with the relation of taxes to the stability of the economy. I take it that this refers principally to the cushioning effect that declining tax collections can have during a recession. Illustrative of this effect, of course, is the sharp decline in collection of corporate taxes growing out of the recent recession. It also focuses our attention on the fact that deficits may well continue after the economy has moved up and is advancing toward full prosperity. This sort of complex problem deserves, and will have, our continuing study.

The high degree of resilience which our economy has just demonstrated seems to suggest that we should be cautious and analytical in our evaluations and flexible enough, if some future downturn should require it, to be willing to use whatever instrument seems most appropriate to the occasion. In this connection, some advance planning is proper so that the right decisions can be appropriately taken when we are confronted with cyclical movements in our economy.

Question 3.—Under what circumstances can we reduce Federal taxes? What are the prospects for realizing these circumstances?

Answer.—The circumstances and prospects of tax reduction would first depend very much on future expenditures and the maintenance of our economic growth. Economic growth can be expected to raise our revenues, but it will produce no surplus if we do not control expenditures. Unless we spend wisely we will have trouble taking care of such new requirements as may prove really essential.

Next, tax reduction must be weighed against debt reduction out of surplus. I believe that in years of prosperity we should endeavor to achieve some debt reduction. This policy commends itself as an act of fiscal soundness. It would ease the task of monetary policy and the management of the public debt.

Circumstances for a tax reduction would depend further upon the degree to which we can succeed in avoiding inflation. At times of inflationary pressure we should aim at some budget surplus.

I would not now want to prescribe a precise formula or to try to predict a precise time when tax reduction might properly be considered. I have tried to point out the varying factors which would influence our judgment at the time when such a judgment seems to be appropriate.

EXHIBIT 22.—Statement by Deputy to the Secretary of the Treasury Smith December 1, 1958, before the Subcommittee on Foreign Trade Policy of the House Committee on Ways and Means on the existing tax treatment of foreign income

I am glad to be here today on behalf of the Treasury Department to discuss with you some of the tax aspects of the very important problem that your subcommittee is considering. We look forward to the testimony that will be presented before your subcommittee. We believe that out of it will emerge a significant contribution toward facilitating the flow of private capital especially to the less developed countries and will help to establish an increasingly firm bond between free institutions here and free institutions in the other countries.

A free flow of capital funds is important for economic development. The general investment climate is by far the most important influence on the flow of funds. Inherently unattractive situations cannot be made attractive by artificial stimulants. But at the same time, barriers and impediments to the flow of funds should be kept to a minimum and private capital should be encouraged to fulfill its proper role in economic development.

The administration is giving intensive study to various proposals designed to promote our foreign economic policy. At this time, however, while the budget and general legislative recommendations are still being developed, it is not possible to make specific recommendations in this area. We believe that these hearings will be most helpful in the formulation of any recommendations that may be made.

As this subcommittee, perhaps more than any other, is aware, on almost every occasion that something in the public interest is to be achieved through private business activity, proposals are made for tax incentives to encourage the desired action. This is true in connection with the present issue. It seems appropriate therefore to review briefly the present method of taxing income from abroad, and to show the factors in the law today that encourage international trade and investment.

The existing tax treatment of foreign income rests on the basic tenet that all income, irrespective of source, shall be taxed equally. This is achieved by the inclusion of foreign income in the tax base and by the allowance of a credit against the U.S. tax for the taxes imposed by foreign countries on income derived within their borders. Without a foreign tax credit, income from foreign sources would bear an aggregate tax load substantially above that imposed on domestic income. The foreign tax credit provision reflects the view that each country has a primary right to tax income originating within its borders. One effect of the provision is to eliminate U.S. tax completely in many cases, for where a foreign country's taxes are equal to or exceed those of the United States, no additional tax on income derived within its borders is collected by the United States. In other cases, the United States collects only small amounts of tax, the difference between the foreign rate and our own.

It may be of interest to note that this treatment of foreign taxes is considerably more favorable than the treatment accorded taxes imposed by the State governments. A foreign income tax (whether national or local) is treated as if it had been paid to the United States, but State income taxes are considered a cost of doing business, deductible from gross income rather than from the tax itself. It may be noted in passing that, for reasons that are largely accidental, the method of computing the credit for foreign taxes is such that income derived abroad through the medium of foreign subsidiaries is frequently taxed at a combined foreign and domestic rate which falls short of the tax rate that applies to income derived from domestic business operations.

The treatment of income derived abroad by American companies operating through foreign subsidiaries merits attention. A corporation which is created under the laws of a foreign country and derives its income abroad does not fall within the scope of our tax system, irrespective of the fact that ownership rests in the United States and its management and control are also located in the United States. This has been a basic feature of our income tax structure since its enactment, but it is not a universal rule for the tax treatment of companies. In some countries, a corporation that is managed and controlled by residents of the country is considered to be a legal entity of that country and subject to its tax laws. This is true not only in the United Kingdom and countries influenced by British law, but in a number of the continental countries as well. One result of our approach is that a substantial proportion of the income each year from investments made abroad by U.S. firms does not fall within the scope of our tax system. Consequently investments through foreign subsidiaries benefit from whatever advantages foreign countries are prepared to offer by way of tax rate concessions, development allowances, accelerated depreciation, and the like.

Despite the underlying philosophy of uniformity in our tax system there is in our tax structure a rate differential for certain investments abroad. The principal provision is the Western Hemisphere trade corporation deduction which provides a rate reduction of 14 percentage points. A corporation that qualifies is taxed at a rate of 38 percent instead of the 52 percent imposed on corporate income generally. The application of this differential rate has spilled over into other activities somewhat removed from the type of enterprise for which the provision was originally intended. The combination of the reduced rate and the credit for foreign taxes means that income from the Western Hemisphere, even more so than from other parts of the world, produces little revenue for the United States Government.

The basic provisions of the tax law applicable to income from foreign sources are supplemented by a network of 21 income tax treaties, which help eliminate tax barriers to the international movement of trade and investment. Their principal purpose is to set forth agreed rules of source, either explicitly or implicitly through reciprocal tax rate reductions and exemptions, which reduce the cases in which two countries impose tax on the same income without either one giving recognition to the tax imposed by the other. Let me illustrate the problem. While we allow a credit for the tax imposed by Country X on income derived in that country, our concepts of source may differ from those accepted in the foreign country. As a result there may be a flow of income to an American firm which is considered under U.S. law to be income from sources within the United States, but which under the laws of the foreign country may be considered income from sources within its borders. Both countries would impose a tax on that income, but we would not allow a credit for the foreign tax, since the income does not have its origin in that country so far as the U.S. law is concerned. With tax rates as they are, the combined tax burden in such a case might well exceed the total income involved. This problem arises, in greater or lesser degree, in connection with various types of international transactions, including trading activities, the rendition of personal services, licensing arrangements, and the like.

Of late we have undertaken another step in connection with the tax treaty program which holds considerable promise of facilitating the international movement of investment. I refer to the credit for "tax incentives" or "tax sparing" which some less developed countries have chosen to use as part of their programs to attract capital and know-how from abroad and to encourage reinvestment of profits. The tax credit mechanism designed to achieve equality of tax burdens operates so as to offset, to some extent, tax incentives granted by a foreign country. For as the tax imposed in a foreign country is reduced, whatever the reason may be, the amount of the tax credit allowed against U.S. tax is also reduced. When the tax credit declines, the amount of U.S. tax payable tends to increase and thus to negate the tax reduction offered by the foreign country. This has been a source of irritation among some foreign countries. Though it may not be desirable from the point of view of an ideal tax system, uniformly administered, to give a credit for an amount of tax which has not been collected by a foreign government, it is our view that in the interest of foreign economic policy we should recognize, rather than nullify, the revenue sacrifices made by a foreign government under certain conditions. This question is developed more fully at a later point.

From this brief sketch it is evident that our tax system offers several inducements to foreign investment as compared with domestic investment. Nevertheless various proposals have been made in recent years to modify further the U.S. tax treatment of income from foreign sources. Doubtless new ones will emerge in the hearings before your committee. By way of introduction some of the main proposals that have been made may be listed and some of their features discussed.

The suggestion that has probably evoked most interest in recent months is that there be created a special class of domestic corporation for tax purposes which would be permitted to conduct business operations abroad or otherwise derive income from foreign sources without incurring any liability for tax in the United States unless and until its income is repatriated to the United States. So-called base companies can now be created under the laws of certain other countries, and can, through subsidiaries or directly, carry on business outside the country of incorporation under favorable tax conditions. Indeed, a number of other countries are making a determined effort to attract the formation of such corporations within their jurisdiction. The proposal to create a special class of foreign business domestic corporations is to make possible the creation of a so-called base company under United States law.

Your committee will recall that the administration's tax recommendations in 1954 included the deferral of tax on income derived abroad through a branch of a domestic corporation. Of course a domestic corporation that was engaged exclusively in business abroad would have qualified for deferral just as under the proposals currently under discussion. The major argument for such a domestic base company, or foreign business corporation, or overseas trading corporation, is that it would give some impetus to foreign investment without appearing to make any serious incursion into the principle that equal amounts of income should bear equal tax burdens. A supplementary argument is that American firms are now in a position to create such a company abroad and no sound public purpose is served by requiring American firms to subject themselves to foreign jurisdictions. It is argued that they should be able to organize such companies under U.S. law. This would at the same time bring under the scrutiny of our own tax authorities transactions that might otherwise go unnoticed. Whatever the merits of the proposal, it should be borne in mind that as a practical matter tax deferment is tax exemption to the extent that the income of a base company is not distributed. Given the reinvestment policies of American firms, therefore, a substantial portion of profits would in fact be exempt for an indefinite period from U.S. tax. Attention may also be called in passing to the many questions which must be answered if a foreign business corporation law were adopted. What kind of operations could such a company engage in? Would it have to be engaged in business operations directly in foreign countries, or could it own stock in other companies which are engaged in business? If the latter, must it have a substantial equity interest in the foreign operating company or could it have a small portfolio interest? Should the company be allowed to transfer its profits freely from one company to another or from one country to another, or should it be required to restrict its investments in certain channels? In other words, should it be possible for a company deriving profits from mining in a high-risk country to invest excess funds in portfolio investment in a low-risk country. At what stage would its profits become subject to U.S. tax? When dividends are declared to a U.S. shareholder, or when it transfers assets to a bank account in the United States or invests them in the United States in some other way? If the company is to engage in operating activities, should these activities be restricted in any way? Should a firm which exports goods from the United States qualify? And if such an enterprise can qualify, should a company which manufactures for export also qualify? If passive portfolio investment is to be encouraged, should other income flows be similarly treated—such as interest or royalties from patents and copyrights? These are some of the questions that would have to be resolved in connection with the enactment of any legislation along this line. A more fundamental question is whether enactment of this legislation would in fact promote the kind of investment flows to the regions of the world where U.S. investment could do the greatest good.

This question of how much additional foreign investment will be generated by a particular course of action applies equally to other proposals besides tax deferral. A second frequently proposed suggestion is to reduce the tax rate on income derived from foreign sources. In its most extreme form, this proposal involves complete tax exemption for income derived abroad. In its more common form, the suggestion is that the rate on foreign income be reduced by 14 percentage points, just as in the case of Western Hemisphere trade corporations. While it is often referred to as an extension of the Western Hemisphere provisions to a world-wide basis, the Treasury proposal of 1954 on this subject contained certain important restrictions. One was that the corporation eligible for the reduced rate could not also take a percentage depletion deduction. It was also our recommendation that the reduced rate should apply only where a taxpayer was engaged in an active business role abroad through the firm commitment of tangible resources. Passive portfolio investment did not appear to merit special treatment any more than portfolio investment in domestic enterprises. To be sure, the risks associated with portfolio investment in some foreign countries are greater than the risks in the United States. But this is not uniformly true in foreign countries and there is also great differentiation in risk among domestic investments. In addition foreign income eligible for the preferential rate was so defined as to exclude profits derived from the export of domestic goods. This was deemed essential to avoid giving a tax subsidy to exports and unfairly undermining the position of other countries in international markets.

These considerations apart, it should be noted that while a general tax rate reduction for foreign income may arouse new interest in foreign investment, it may not have the incentive effect that first appears. A reduction in the U.S. tax rate of 14 percentage points on foreign income may produce an incentive effect of only 7 percentage points in a country which has a 45 percent tax rate. In a country with a tax rate of 50 percent, it may have the incentive effect of only a 2-point reduction. It is ironic to note in this connection that some of the countries most in need of capital both from foreign and from domestic sources impose taxes at rates that are higher than those in the United States. A tax reduction would have no impact on investments in such countries over the long haul, and if a generally applicable rate reduction were adopted with these countries in mind, it would merely provide windfalls for investors in other countries where new investment may need no special stimulus.

In appraising a 14 percent rate reduction it is necessary to keep in mind that it would apply uniformly across the board to income from both old investment and new and to all countries unless made specially selective. Tax rate reduction may have an effect quite opposite to that intended by its proponents so far as concerns the reinvestment abroad of income derived in foreign countries. If the U.S. tax rate on dividends from a foreign subsidiary is to be 38 percent, the incentive to repatriate profits rather than to plow them back in the business venture abroad will be greater than is the case today when a 52 percent rate may apply to such income. Thus a rate reduction, instead of promoting investment abroad, may have a contrary result.

It should not be inferred from these comments that a general 14 percent tax rate reduction might not have a beneficial effect on investment flows abroad. The foregoing comments are intended to bring out certain aspects of the problem which are often overlooked.

Another proposal which has received some attention in the past is to scrap completely the present method of taxing foreign income, including the credit for foreign income tax, and to levy a special corporate tax at the rate of, say, 5 or 10 percent on such business income, whether in the form of dividends from a foreign corporation, profits from the active conduct of a trade or business, interest, royalties, and so on. The tax base would be foreign income after the deduction of foreign taxes. Depending upon the rate imposed, such a tax could either produce the same amount of revenue that we now get from taxes on foreign income or it might even provide for a modest increase.

The simplicity of this proposal has much to commend it. Such a low flat rate tax would leave considerable scope for whatever tax inducements might be offered by a foreign country to new investment. Any dollar of foreign tax saved would be subject to the U.S. tax, but in view of the low rate the major portion of any foreign tax rate reduction would accrue to the benefit of the investor. All foreign income would pay some tax to the United States, including income which is now exempt because of the effect of the foreign tax credit. But this advantage also reveals the principal disadvantage of this plan. Since all foreign income would be subject to tax, profits derived abroad which are already subject to a tax of 52 percent, or 38 percent, or even 60 percent would bear an additional tax.

The arithmetic may be clarified by an illustration. Suppose that Country X imposed a tax of 30 percent on income derived within its borders. One hundred dollars of income derived in that country would leave $70 available to the American investor, and this $70 would be subject to the flat rate tax of, say, 10 percent, or a liability of $7. The total foreign and U.S. tax on the $100 of profits would come to $37. Suppose the foreign tax rate were 10 percent, then the combined tax on such $100 of profit would be $10 abroad and $9 in the United States, or a total of $19. If the foreign tax rate were 60 percent, then the combined tax liability would be $60 to the foreign country and $4 to the United States. This type of tax on foreign income would doubtless involve a tax reduction in some cases, but in other instances it would mean an increase in the aggregate taxes now imposed. In general, it may be said that if the U.S. tax were fixed at 10 percent this approach would involve a tax reduction where the foreign tax rate is 46.7 percent or lower, and would involve a net addition to tax where the foreign rate is above that figure. In the Western Hemisphere the comparable breakeven point is 31.1 percent. Whether the benefits to be derived from this approach are significant enough to justify its adoption is a matter to which your subcommittee will want to give careful consideration.

One objective of the tax proposals under review is to make it possible for American firms investing abroad to benefit from the tax inducements offered by foreign governments to attract new capital. As previously noted, such inducements can now be taken advantage of by a foreign subsidiary engaged in business abroad and seeking to plow back its earnings. However, if a business is conducted abroad through a branch, or if the opportunity and desire to reinvest are lacking, then the tax incentives offered by a foreign country are offset by operation of our tax system. This problem has already been mentioned, but the declaration of policy which the administration has made in connection with the tax treaty program may be repeated at this point. It has announced that we are prepared to consider the inclusion in tax treaties with less developed countries of a provision by which recognition would be given to tax incentive schemes under so-called pioneer industries legislation or laws for the development of new and necessary industries. Briefly, what we are proposing is this: If a country believes that by giving up tax revenues in certain cases, it will be serving the cause of economic development, we will forego the opportunity to increase our tax revenues by nullifying their concessions. However, we would be prepared to forego this only under certain conditions. First, there should be a firm commitment to eliminate unnecessary and inequitable tax barriers to the flow of private investment in accordance with sound rules of taxation such as are generally embodied in our income tax treaties. This includes agreement not to discriminate against American business enterprises. Second, its tax incentive laws should be of general application, thus assuring maximum benefit to the economy from such legislation. Third, the conditions and terms under which the tax incentives are available should be those provided in an existing law with full disclosure of the conditions under which they are granted, and with procedures for granting or withholding tax incentives which involve a minimum of administrative discretion. Fourth, the tax incentive should be for a limited duration of time, and preferably limited in amount. Finally, the tax from which exemption is granted must be a genuine part of the country's tax structure and not a spurious levy created for the occasion. Whatever one may think about a credit for "taxes spared" as an element in an ideal tax system, and there are some who have misgivings, it is our view that this is a sensible way to approach an issue that is of considerable importance to foreign countries and that has the seeds of substantial growth in promoting private investment abroad at a minimum cost.

It may be said of the tax treaty program that a credit for taxes spared permits foreign governments to determine the tax burden imposed on American firms and to vary that tax burden among American firms in different ways. In a broad sense, this is quite correct. However, it is a charge that is equally true of any method of taxing foreign income which in any way removes income from the scope of the U.S. tax. It is true in large measure today of income derived abroad through foreign subsidiaries.

Another suggestion which appears to merit careful attention would extend the principle of the loss treatment found in the Small Business Tax Revision Act of 1958 to certain foreign corporations. Under the 1958 legislation, losses incurred by an individual or partnership on stock issued to the shareholder by a small business corporation may be treated as an ordinary loss within certain limits. However, only a domestic corporation can qualify as a small business corporation. You may wish to consider whether this limitation should be removed so that business ventures abroad conducted through foreign corporations could also qualify. Or conditions other than those applicable under the Small Business Tax Act might be made to apply where a foreign corporation was involved. This would mean that losses incurred in connection with business venture abroad would be deductible from ordinary income, but gains would be treated as a capital gain. The loss of revenue is kept to a minimum by the self interest of the investor, while the opportunity of offsetting losses against other income might represent a significant step in promoting foreign investment.

You will recall that in the case of certain regulated investment companies which devote more than 50 percent of their assets to investments in foreign corporations, a so-called pass-through of the foreign tax credit to shareholders is permitted which the corporation would itself be entitled to take if it were a taxed entity. The suggestion has been made that this pass-through of the foreign tax credit should be expanded to include companies which have a smaller proportion of their assets in foreign securities. This might stimulate some interest in foreign investment by regulated investment companies which now place their funds largely, if not exclusively, in domestic investment outlets. On the other hand, the complaint has been made that the amount of tax credit passed through to a shareholder in a regulated investment company which qualifies under existing law is so small in view of the complexity involved that it is not much of an incentive to the ordinary shareholder. The tax credit that would be available in the case of a regulated investment company with more diversified investments may involve an even smaller credit and be correspondingly less attractive to its shareholders.

Another proposal, incorporated in a bill introduced by the chairman of this subcommittee, would permit a domestic corporation to transfer assets without any tax consequences to a foreign corporation if such assets are connected with business activities conducted abroad. Such a step would introduce greater uniformity of treatment as between companies that are engaged in business abroad through domestic subsidiaries or branches and companies engaged in business abroad through foreign subsidiaries which are controlled by a foreign holding company. If legislation authorizing a foreign business corporation of the type previously discussed were to be adopted, consideration would have to be given as to whether to permit the transfer of property to a foreign business corporation as if it were a tax-free reorganization. If it adopts such an approach then transfers to foreign corporations would presumably not need to be encouraged. But if the subcommittee does not adopt the foreign business corporation device, then the tax-free transfer of assets to foreign corporations will continue to be of interest to many firms. In our view the issue is not very different from that which involves tax-free reorganizations of domestic corporations. However, to prevent such reorganizations from becoming avenues of tax avoidance through the transfer of appreciated property to a foreign corporation and the subsequent liquidation of the foreign corporation either tax-free or at capital gain rates, your subcommittee would want to consider whether the gain on liquidation or otherwise should be taxed at ordinary rates. In 1950, when the Ways and Means Committee was considering legislation relating to the liquidation of foreign subsidiaries, the Treasury then recommended such ordinary income treatment.

Finally, I would draw your attention to the proposal that an election be permitted taxpayers to choose between the per country limitation in computing the foreign tax credit and the overall limitation. The per country limitation gives companies operating at a loss in some countries the right to continue to take tax credits for the taxes paid in countries where they operate profitably without having to offset for losses in the other countries. The overall limitation would give companies operating in countries with tax rates above the United States rates the right to offset those higher taxes against income tax in other countries where the tax rates are lower than the United States rates. Prior to 1954, both limitations applied. In that year the overall limitation was removed to eliminate the tax barrier which discouraged companies from going into ventures in new countries where they might be expected to have a loss in the first few years. This was a sound change in the law. It is questionable whether it would be reasonable to permit higher taxes than those imposed in the United States to be offset, indirectly, against U.S. taxes, as would be possible if the overall limitation were now established as an alternative to the per country limitation.

The theoretical justification for the overall limitation appears to be that taxpayer income can be separated into two baskets, one of which includes domestic income only and the other includes foreign income only. One may doubt whether this type of separation is indeed a valid one. There would seem to be little in common between income derived in Canada or the United Kingdom and income derived in Iran. In any event, if such a dichotomy were to be adopted, consistency would require the elimination of the per country limitation and, indeed, of the deduction of foreign losses from domestic income. Moreover, the need for making the choice involved in this proposal seems largely to have disappeared as a result of the recent legislation allowing the carryover of foreign tax credits.

This list of tax proposals to promote private foreign investment is likely to be expanded by subsequent witnesses before your subcommittee. As you may know, there are several groups in the executive branch of the Government giving intensive study to various proposals. It is our hope that these hearings will assist in this purpose. The Treasury Department will be glad to cooperate with the subcommittee in whatever way it can in the further work in this area.

EXHIBIT 23.—Letter from Secretary of the Treasury Anderson, May 6, 1959, to the Chairman of the House Committee on Ways and Means on a bill, H.R. 5. to provide tax relief for foreign income

MY DEAR MR. CHAIRMAN: This is in reply to your request for the comments of the Treasury Department on H.R. 5, a bill entitled "Foreign Investment Incentive Tax Act of 1959," introduced on January 7, 1959, by Mr. Boggs. The purpose of this bill is to provide in certain areas tax relief for foreign income in order to provide incentives for the expansion of United States investment abroad.

The need to enlist the vast resources and talents of American enterprise in helping to improve the economies of the less developed countries is particularly important today with a hostile Communist bloc actively pressing a massive economic offensive against the free world. The Departments of State, Commerce, and Treasury have given careful study to various proposals designed to promote this country's foreign economic policy, with a view to facilitating the flow of private capital abroad and especially to the less developed countries of Asia, Africa, the Middle East, and Latin America. As indicated by administration witnesses during the hearings last December before the Subcommittee on Foreign Trade Policy, many of these proposals are aimed at the creation of a more favorable investment climate abroad through removal of present barriers impeding private investment. Such obstacles include problems of currency convertibility, customs difficulties, political instability, threats of expropriation, inflation, and the like. In recent years various proposals have been made for changes in our tax laws in order to encourage investment abroad by American business. A number of these proposals are embodied in H.R. 5.

These are: Broadened deferral of tax on foreign income (sec. 2); the liberalization of present restrictions on tax-free transfers of property to foreign corporations (sec. 3); a 14 percent reduction in tax rates (sec. 4); modification of the foreign tax credit to include an "overall" limitation (sec. 5); a credit for taxes spared by foreign countries to attract American industry (sec. 6); and nonrecognition of gain on the involuntary conversion of property of foreign subsidiaries (sec. 7).

While recognizing that tax incentives alone cannot successfully stimulate private investment in the critical underdeveloped areas of the free world where the need is greatest, the Treasury Department has given sympathetic consideration to these and other proposals for changing the present methods of taxing income from abroad. In this connection, we have reviewed the hearings before the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means held in December 1958, the special report prepared at the request of the Department of State on "Expanding Private Investment for Free World Economic Growth," which was prepared under the direction of Ralph I. Straus, a special consultant to the Under Secretary of State for Economic Affairs, and a report of the Committee on World Economic Practices of the Business Advisory Council, dated January 22, 1959, which committee was chairmanned by Mr. Harold Boeschenstein.

While private U.S. investments abroad nearly doubled between 1950 and 1957, the real problem is that almost half of our private investments are in Canada and Western Europe, 35 percent are in Latin America with extractive industries such as petroleum, iron ore, and bauxite predominating, and less than 9 percent of our direct private investments (again mostly in the extractive industries) are in the critical areas of the Middle East, Asia, and Africa. The Treasury Department would favor adoption of legislation which would in fact promote the flow of United States investment into the less developed regions of the free world, including Latin America, Asia, the Middle East, and Africa. Measures to bring about this desirable result, which the Treasury would support, include:

(1) The deferral of tax on income derived by a foreign business corporation which obtains substantially all of its income from investments in one or more of the less developed areas of the free world.

(2) Ordinary loss treatment for losses incurred by original investors on stock of such a foreign business corporation.

(3) The early implementation; by treaty or by negotiated agreement authorized by legislation, of the principle of tax sparing in order to make it possible for American firms investing in an underdeveloped country to benefit from the tax inducements offered by such country to attract new capital.

In the interest of fiscal soundness, however, the Treasury Department must oppose at this time the enactment of legislation providing tax benefits to encourage foreign investment in the more industrialized areas of the world. It has been argued that United States private investment in industrialized countries will eventually result in more private investment in the less developed countries. Even if this should occur to some extent, it would seem to be an inefficient means of stimulating economic growth in the less developed areas where a relatively small amount of capital is required to put a laborer to useful work as compared with the situation in the highly industrialized countries. In practice tax deferral on income earned in industrialized countries would result in substantial tax benefits to existing U.S. investment in those countries at considerable cost to the revenue.

In presenting herein the Treasury views on the provisions of this bill, we shall set forth the position of the Treasury on each section of the bill in order, and include where appropriate certain additional recommendations.

Tax deferral, general comments (section 2)

This provision would permit the creation of a special domestic corporation, referred to as a foreign business corporation, which would be entitled to tax deferral on its foreign earnings until they are repatriated. The Treasury Department favors, on a basis limited to the less developed countries of the free world, deferring the imposition of tax on income earned by a U.S. foreign business corporation from the active conduct of a business abroad until such time as the earnings are distributed in this country.

The postponement of tax provides an effective incentive for companies to reinvest their profits abroad for a longer period of time, without relieving them of their obligation to share in the tax burdens of this country when the profits are eventually brought back. Moreover, under existing law American firms are able to defer United States tax on income earned abroad by operating through foreign subsidiaries. Indeed, an argument frequently made in support of the provisions under section 2 is that it is illogical to require U.S. taxpayers to incorporate in a foreign country in order to obtain tax deferral on foreign income.

Although recognizing the merits of section 2 of H.R. 5, the Treasury Department nevertheless is compelled to oppose unlimited deferral at this time because of the substantial revenue losses involved in extending the deferral provisions to include investments in and exports to all regions of the world by American firms. While the estimates are exceedingly difficult to make, it is believed that section 2, if enacted, would involve a revenue loss ranging from $300,000,000 to $500,000,000 annually, depending upon the dividend policies followed by foreign business corporations. If export income were entirely excluded the revenue loss would be in the neighborhood of $100,000,000 a year. Revenue losses of this magnitude cannot be accepted at this time without contributing to an unsound fiscal position.

As indicated above, the Treasury Department does support a more limited deferral provision which would apply to foreign business corporations which obtain substantially all of their income from investments in the less developed areas of the free world. Possibly income derived from exports to such areas might also qualify for deferral provided it is reinvested by the foreign business corporation in one or more of the less developed countries. It may be necessary, as suggested in the Straus report, to limit the deferral provision to foreign business corporations which do not earn more than 50 percent of their gross income from exports. This would prevent purely trading activities that take place without substantial investments in underdeveloped areas from utilizing the tax benefits of a foreign business corporation.

We believe that enactment of a deferral provision limited to the less developed countries would have a relatively small impact upon the revenues, although in this connection additional study would be needed to determine whether a ceiling should be placed upon the amount of export income of a foreign business corporation which may qualify for deferral treatment.

As a further stimulus to investment overseas where the need is greatest, the Treasury recommends enactment of a provision permitting deduction as an ordinary loss, within prescribed limits, of losses incurred by the original investor on stock of a foreign business corporation deriving substantially all of its income from the active conduct of a trade or business, utilizing plant and equipment, in one or more of the less developed countries. The objective of this selective tax relief would be to induce American firms to invest in manufacturing facilities in the areas of greatest need by reducing the after-tax cost and thus the risk of incurring losses.

These two proposals—tax deferral and ordinary loss treatment for investment losses—coupled with the early implementation of the tax sparing principle and the expansion of our investment-guaranty program, should do much to encourage U.S. firms to operate in the less developed areas.

As the adoption of either section 2 of H.R. 5 or the more limited deferral proposal of the Treasury would provide tax deferral for foreign business corporations, there are a number of important technical questions arising under section 2 which the committee may wish to consider. For convenience we have placed our detailed comments on section 2 in an appendix to the report.

Liberalization of the present restrictions on tax-free transfers to foreign corporations (section 3)

Under present law (section 367 of the 1954 Code) assets held by United States corporations cannot be transferred tax free to foreign corporations without the Commissioner's advance approval based on a showing that the transaction does not involve tax avoidance. Section 3(a) of H.R. 5 would modify section 367 by eliminating the requirement of advance approval by the Commissioner in the case of transfers of certain business assets to a foreign corporation.

It may be appropriate to consider section 3 in connection with section 2 of the bill, which provides for the United States foreign business corporation. One of the chief arguments for the enactment of section 2 is that it will encourage Americans to conduct their business abroad through U.S. corporations. However, section 3 would encourage freer transfers of assets to foreign corporations and thus provide additional incentives for the increased use of foreign corporations as opposed to domestic corporations by U.S. investors. Accordingly, consideration might well be given to a provision permitting tax-free transfers of business property from a foreign corporation to a United States foreign business corporation. A limited amendment of the advance ruling requirement may also be desirable in the case of transfers of business property from a foreign business corporation to one or more of its foreign subsidiaries, provided distribution limitations are placed on the foreign subsidiaries, similar to those provided in section 2 for the foreign business corporation itself.

Further liberalization in this area might tend to encourage further the use of foreign corporations as avenues of tax avoidance. Accordingly, unless amendments were adopted, along the lines suggested above, that are generally applicable to foreign corporations controlled by U.S. interests, the Treasury would be opposed to further liberalization of section 367 of the present law.

The foregoing comments on the proposed amendment of section 367 apply equally to the amendment of section 1492 proposed in section 3(b) of the bill.

Reduction in tax rate (section 4)

This provision would reduce the tax on foreign income by 14 percentage points and is commonly referred to as an extension on a world-wide basis of the present Western Hemisphere trade corporation provisions. As drafted, the proposed rate reduction applies to export income and is expanded to cover royalties, dividends, and other investment income. Moreover, the provision would apply equally to earnings from existing as well as new investments. A major effect of such a provision would be to create an incentive to repatriate foreign earnings rather than reinvest them abroad. A rate reduction as broad as that proposed would benefit taxpayers who have established investments in foreign countries where economic development needs no special stimulus and others who have made no capital investment abroad. The revenue loss from this provision alone is in the order of magnitude of $200,000,000. Considering the doubtful effect of a rate reduction as an incentive for the expansion of American business abroad, it is difficult to justify a loss in revenue of this magnitude. Therefore, the Treasury Department is opposed to section 4 of H.R. 5.

Liberalization of the foreign tax credit allowance in cases where foreign operations are carried on in two or more foreign countries (section 5)

Section 904 of the present law permits taxpayers to offset their United States tax liability by the amount of income taxes paid to each foreign country, but this credit is limited to the amount of the United States tax attributable to foreign income on a "per country" basis. Taxpayers operating in two or more countries sometimes pay taxes to one foreign country in excess of this limitation and thus under the per country limitation receive no credit for the excess amount. Section 5 of the bill would give the taxpayer the benefit of the so-called overall limitation, limiting the foreign tax credit to the aggregate United States tax on all foreign income, wherever such limitation would be more advantageous than the per country limitation.

The proposal to give the taxpayer the advantage of the "overall" limitation might encourage investment in some of the underdeveloped countries which are most in need of capital but which impose taxes at rates that are higher than those in the United States. On the other hand, if section 5 were enacted, the immediate revenue loss, based upon existing United States private investments abroad, would be substantial. Most of this tax relief would go to a few large corporations. Our studies indicate, for example, that in the case of one company alone the revenue loss would be $19 million.[1] On revenue grounds, the Treasury Department must oppose section 5 at this time, unless amendments are adopted which would considerably reduce the impact on the revenue. This might be accomplished, if deemed fair and appropriate, by two changes in the computation of the overall limitation: first, treat dividends and interest from domestic subsidiaries operating abroad as other than foreign source income and, second, exclude any unused foreign tax credit attributable to the lower United States tax rate paid by Western Hemisphere trade corporations.

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[1] Based on a special survey of foreign income for the year 1955.

Tax sparing by underdeveloped countries (section 6)

Section 6 of the bill amends section 903 of existing law to provide for a foreign tax credit where the laws of certain countries provide for a reduction of tax in order to provide incentives for the expansion of investment. Under present law the effect of such laws may be nullified to the extent that the foreign tax credit is reduced and the United States tax correspondingly increased. Under the bill the taxpayer would be entitled to a credit only if the waiver of taxes by the foreign country is certified by the Secretary of State to be an inducement extended and accepted by the taxpayer in good faith to continue certain business activities in such country. A credit for taxes waived would be allowed only for a period not exceeding ten taxable years.

The Department favors, in general, the policy of allowing a foreign tax credit where taxes are waived by the foreign country pursuant to investment incentive legislation. Under the bill, however, it appears that the United States would be required to accept the application of tax sparing on an unlimited and unilateral basis, the only qualification being that the taxes otherwise payable are waived as an inducement extended and accepted in good faith in order to encourage certain industrial development in the foreign country involved. It is believed that policy considerations guiding the selection of foreign taxes for this purpose should remain flexible, and that "tax sparing" should be implemented on a selective basis either by treaties or by negotiated agreements authorized by statute.

Nonrecognition of gain or involuntary conversion of property of a foreign subsidiary (section 7)

The proposal contained in section 7 of the bill would amend section 1033 to provide nonrecognition of gain arising from the involuntary conversion of property owned by a foreign subsidiary where the insured is a domestic parent corporation. Under present law the nonrecognition principle in section 1033 applies only where the entities receiving insurance proceeds also own the property which is involuntarily converted. It has been suggested that this provision is necessary because in many foreign countries it is impossible or difficult to obtain adequate insurance coverage. The Department wishes to reserve its position on section 7 until information can be obtained as to the countries involved and the precise nature of the conditions or restrictions which result in the absence of adequate foreign insurance protection.

Subject to further study as to the need for such an amendment, the Department would favor the proposal contained in section 7 if it was limited in application to foreign business corporations. We would oppose a general application of such an amendment of existing law for the same reasons that we do not favor a general liberalization of the advance ruling requirement under section 367 of present law. Before adopting any provision which would tend to encourage the use of foreign corporations and foreign holding companies as the medium for investment abroad, we believe that restrictions should be placed upon the opportunities for tax avoidance now offered by the favorable tax treatment accorded liquidations and other transactions affecting foreign corporations.

Other recommendations

In view of the omnibus nature of H.R. 5, the committee, in reviewing the present provisions of the Code applicable to foreign investment, may find it appropriate to consider a number of other legislative proposals. In this regard we believe the following items have merit and deserve favorable consideration:

(1) *Information returns as to formation, organization, or reorganization of foreign corporations.*—Section 6046 of the 1954 Code provides that every attorney, accountant, fiduciary, bank, trust company, financial institution, or other person, who aids, assists, counsels, or advises in, or with respect to, the formation, organization, or reorganization of any foreign corporation, shall, within 30 days thereafter make a return in accordance with regulations. Each person required to make a return must set forth, in respect of each such corporation, to the full extent of the information within his possession or knowledge or under his control, such information as the forms, or regulations prescribe, except that an attorney, at-law need not furnish information with respect to any advice given or information obtained by him through the relationship of attorney and client.

The foregoing provisions have not been effective in securing for the Service any appreciable amount of really helpful information concerning the formation, organization, and reorganization of foreign corporations, because of the widespread claim of the right of privileged communications between attorneys-at-law and their clients. It is, therefore, recommended that the existing provision be repealed and that there be substituted therefor a requirement that such information be furnished by every citizen or resident of the United States who is an officer or director of the corporation within 60 days after its formation, etc., and by every United States shareholder of the corporation who at any time within 60 days after its formation, etc., owns 5 percent or more in value of its stock then outstanding.

(2) *Information returns by officers, directors, and shareholders of foreign personal holding companies.*—Section 6035 of the 1954 Code provides that officers and directors of a foreign personal holding company shall on the 15th day of each month make a return setting forth with respect to the preceding month the name and address of each shareholder, the class and number of shares held by each, together with any changes in stockholdings during such period, the name and address of any holder of securities convertible into stock of such corporation, and such other information with respect to the stock and securities of the corporation as the forms or regulations require. Section 6035 also provides that officers and directors of a foreign personal holding company shall on the 60th day after the close of the taxable year of the company make a return setting forth in complete detail the gross income, deductions and credits, taxable income, and undistributed foreign personal holding company income of such company for such taxable year. A United States shareholder, by or for whom 50 percent or more in value of the outstanding stock of a foreign personal holding company is owned, directly or indirectly, is required to file a monthly return setting forth the same information as is required of officers and directors in their monthly returns, but is required to file an annual return only if he has not filed the required monthly returns.

It is recommended that the requirement of monthly returns from officers, directors, and certain shareholders of foreign personal holding companies be eliminated and that the annual return of officers and directors combine the information now required of such persons on the present "monthly" and annual returns, and the annual return of shareholders be expanded to include the same information as is required of officers and directors. This recommendation would relieve officers, directors, and stockholders of filing a great number of unnecessary returns and in lieu thereof would require the filing of a limited number of returns which are more informative and of much greater value in the administration of the tax laws. It is also recommended that the filing requirement with respect to officers and directors be changed to require returns from only those officers and directors who are citizens or residents of the United States (the proposed regulations would so provide). It is further recommended that the filing requirement with respect to shareholders be extended to cover those United States shareholders of a foreign personal holding company who own 5 percent or more in value of the outstanding stock of such company.

(3) *Deduction for dividends paid by foreign personal holding companies which fail to file timely returns.*—Under section 882 of existing law a foreign personal holding company which fails to file a return is, in computing its undistributed personal holding company income, denied all deductions allowed in Subtitle A, including the deduction for dividends paid. The rule under the 1939 Code was to allow deductions of such dividends. The harsh rule under the 1954 Code appears to result from a drafting mistake in section 882(c) wherein the term "Subtitle" was substituted for the term "Chapter" as used under the 1939 Code.

The denial of the deduction for dividends paid can lead to the imposition of a confiscatory tax. Thus, if a foreign corporation subject to the personal holding company tax filed no return, but paid 30 percent on its United States income by way of withholding and distributed its remaining income to its shareholders, the corporation might still be liable to an additional 85 percent tax on its undistributed personal holding company income, which would be its gross income if the deduction for dividends paid was not allowed. This would make its total tax at least 115 percent of its income.

It is believed that present law imposes a penalty out of proportion to that which should apply in the case of a failure to file a timely return by a foreign personal holding company, particularly where the failure to file is due to reasonable cause. Accordingly, we would recommend that Congress enact corrective legislation in this area.

The State and Commerce Departments agree with the substance of the conclusions stated in this report.

The Bureau of the Budget has advised the Treasury Department that there is no objection to the presentation of this report.

During the consideration of H.R. 5 by your committee, the Treasury staff would be pleased to work cooperatively with the congressional tax staffs in the development of the legislation.

Sincerely yours,

Robert B. Anderson,
Secretary of the Treasury.

APPENDIX

Detailed Comments on Section 2 of H.R. 5

(1) Limitation on dividends received from a foreign holding company

One of the significant justifications for the adoption of deferral is to permit the simplification of existing corporate structures employed in connection with investment abroad. In particular, it has been suggested that the foreign business corporation provision will be an inducement for the repatriation of foreign holding companies which are set up for the purpose of obtaining tax deferral under present law. Under the bill, however, a taxpayer who elects foreign business corporation status may, nevertheless, continue operating abroad through foreign holding companies.

Paragraph (2) of section 951(a) provides that income from the active conduct of a trade or business includes dividends received from a 10 percent owned corporation whether domestic or foreign and regardless of whether or not the related corporation is itself engaged in the active conduct of a trade or business. We believe that dividends from a 10 percent owned corporation should be treated as income from the active conduct of a trade or business only where that corporation itself derives at least 95 percent of its gross income from foreign sources and at least 90 percent from the active conduct of a trade or business abroad.

(2) Limitation of deductions in determining taxable distributions

Under proposed new section 951 (b)(2) of the Code, the amount subject to tax as a result of a distribution is limited to the earnings and profits of the distributing corporation. Thus, although tax is imposed at the corporate level, amounts which are not deductible in computing taxable income would reduce earnings and profits and may very likely, therefore, reduce the taxable income attributable to a distribution. For example, capital losses incurred by a foreign business corporation as in the case of other corporations reduce earnings and profits. The same is true of charitable deductions in excess of the limitation in section 170 of existing law. Similarly, foreign taxes paid by the corporation reduce earnings and profits even though such taxes are also available for the foreign tax credit. In each case, therefore, the possibility arises that such items would have the same effect as ordinary deductions in computing taxable income. A special problem arises in connection with reduction of earnings and profits by the amount attributable to foreign taxes paid. If limitations are not added in the bill, a foreign business corporation under certain circumstances would be entitled in effect to a deduction for foreign taxes as well as a foreign tax credit. Moreover, the tie-in of distributions to earnings and profits may open a loophole in that under certain circumstances the earnings and profits of a foreign business corporation might be wiped out by the acquisition of all the assets of a concern having substantial deficits.

For these reasons it is recommended that the amount includable in income with respect to a distribution by a foreign business corporation be determined by reference to taxable income without regard to adjustments in earnings and profits.

(3) 100 percent dividends received credit

Under present law dividends paid by domestic corporations are subject to tax when received by a corporate shareholder at the rate of 52 percent after the allowance of an 85 percent dividends received deduction as provided in section 243 of the Code. Section 2 of the bill, however, would allow a 100 percent deduction in the case of dividends received by a corporate shareholder of a foreign business corporation. To this extent section 2 of the bill provides for a significant reduction in existing tax rates otherwise applicable to repatriated foreign income. It would, for example, give an immediate and, we think, unwarranted tax reduction of more than $25 million to the corporate shareholders of one domestic subsidiary which would qualify as a foreign business corporation, without any change or increase whatsoever in its investments abroad. The overall loss in revenue has not been pinpointed to date, but it would be substantially in excess of $25 million. The Treasury, therefore, opposes the 100 percent dividends received deduction allowed under the bill and suggests that it should be limited to the 85 percent deduction under present section 243.

(4) Additional limitations of a technical nature

In addition to the above general comments, we believe that the following additional limitations of a technical nature should be noted briefly:

Requirements for qualifications.—Paragraph (1) of proposed section 951(a) requires that 90 percent of the gross income of a foreign business corporation be derived from foreign sources. Under the present provisions applicable to Western Hemisphere trade corporations as well as under proposals in prior years for tax deferral, the comparable limitation is 95 percent. A possible justification for such a modification is suggested in the explanation accompanying the bill in which it is stated that the reduction in the percent of foreign income required is necessary to avoid disqualification arising from the receipt of major items of nonrecurring income such as interest received in connection with tax refunds. In the case of a foreign business corporation, however, some measure of protection against such disqualification is already available to the extent that termination of foreign business corporation status requires disqualification for two successive years. We believe, therefore, that the foreign income requirement should remain 95 percent.

Limitations on "distribution".—Proposed section 951(b)(3) defines the term "distribution" to include a distribution treated under present law as a dividend as well as certain other transactions. In several respects these provisions should be further limited and clarified.

Subparagraph (B) of paragraph (3) provides that a distribution includes a transfer covered by section 361, relating to certain transfers which constitute a reorganization as defined in section 368. An exception to this rule is created where such transfers are made in connection with a statutory merger or consolidation under section 368(a)(1)(A) or a recapitalization under section 368(a)(1)(E) if the acquiring corporation has foreign business corporation status for the taxable year of the transfer. The justification for the selection of a statutory merger or consolidation for application of this exception is not clear in view of the fact that tax-free reorganizations under other provisions having the same general effect are excluded. Moreover, the application of the exception in this context to recapitalizations is not understood since it is doubtful whether such transactions are covered by section 361. It is believed that the scope of this paragraph should be reconsidered in the light of the foregoing comments.

Third, subparagraph (C) of proposed section 951(b)(3) includes as a distribution any payment to acquire, or to reduce a debt incurred to acquire, property situated in the United States. For this purpose, however, local bank deposits, United States obligations, and stock in another domestic corporation which qualifies as a foreign business corporation are not considered to be property situated in the United States. In addition, the purchase of United States property used in connection with the conduct of a business, 90 percent of the gross income of which is from foreign sources, is also permitted. As compared with the treatment of foreign corporations under existing law, there is precedent for the exclusion of bank deposits, but interest derived from investments in obligations of the United States is fully taxable in the case of a foreign corporation. It is believed that appropriate limitations should be made applicable to income derived from the latter source in order to reduce the opportunity for tax avoidance through the accumulation of funds in the United States in the form of Government interest-bearing obligations.

Although a distribution is stated to include payments made in connection with the acquisition of United States property, there is no clear limitation upon transactions under which the foreign business corporation makes available to its parent corporation or other domestic entities funds representing foreign income in the form of loans. The possibility of such transactions constitutes a significant means of diverting funds from foreign investment to domestic purposes and express limitations to prevent such a result should be made applicable.

The exclusion of payments made to acquire property used in a business which derives 90 percent of its income from foreign sources appears to permit continued deferral with respect to payments made in connection with the acquisition of property used in a business having substantial activities in the United States and, possibly, no activities abroad. This exclusion should be limited to property used by a foreign business corporation in the conduct of its foreign business operations.

Finally, subparagraph (D) includes as a distribution the ownership of any property on the last day of the taxable year if payment for such property would have been a distribution under subparagraph (C). The purpose of this provision is to treat as a distribution the ownership of property, the acquisition of which was not taxed as a distribution under subparagraph (C), if the property is converted to a purpose other than described in subparagraph (C). The taxable amount (adjusted basis or fair market value, whichever is lower) is reduced by indebtedness on the property. Because of a drafting oversight, payments in reduction of such indebtedness, after subparagraph (D) applies, are not considered distributions, although it appears they should be.

One of the troublesome problems connected with foreign business corporations is that there is nothing in H.R. 5 to prevent such companies from accumulating profits and investing them in portfolio securities abroad, as for example in nondividend paying stock of certain Canadian investment companies. Consideration should be given to imposing a limit upon accumulations of income which are not reinvested in active businesses abroad.

Includable reinvested foreign business income.—Under paragraph (4) when a distribution is made, the amount to be reported in gross income apparently includes both the amount actually distributed and the deferred United States income tax attributable thereto. A number of difficult administrative problems will inevitably arise in connection with determining the amount includable in gross income under this "gross up" technique. As drafted, the language of paragraph (4) is not completely clear and may be susceptible to various interpretations. In addition, the paragraph should be expanded to include rules as to the treatment of such items as net operating losses and the foreign tax credit.

The above comments, while not intended to be exhaustive, do point out what now appear to us to be the most significant of the technical problems under section 2 of the bill.

EXHIBIT 24.—Statement by Assistant to the Secretary of the Treasury Lindsay, March 3, 1959, before the Senate Finance Committee on H.R. 4245 relating to the taxation of the income of life insurance companies

I welcome this opportunity to appear before your committee and to present the views of the Treasury Department on H.R. 4245, the Life Insurance Company Income Tax Act of 1959.

The Treasury Department supports this important measure. We believe that it provides an equitable, long-range basis for the taxation of life insurance companies.

Before commenting on the proposed legislation in greater detail, I wish to express the appreciation of the Treasury Department for the careful and objective study which your committee and the Congress have given to this difficult area over the years. These studies and discussions have contributed greatly to the present understanding of the problems involved in the taxation of life insurance companies.

The formulation of a reasonable net income basis for taxing life insurance companies has been complicated by the fact that the industry comprises both stock and mutual sectors which represent alternative and competitive ways of conducting the life insurance business.

At the end of 1958 the life insurance industry had assets of around \$107 billion. Its investment portfolios have been growing at a rate of about 6 percent annually. For 1958 the industry had net investment income of \$3.75 billion, total income from premiums and investments of around \$20 billion, and a net operating gain of some \$1.2 billion. Insurance in force was on the order of \$500 billion.

The number of life insurance companies has been increasing rapidly in recent years, having more than doubled since 1950. Of about 1,350 life insurance companies in operation in 1958, less than 200 were mutual and about 1,200 were stock companies.

Mutual companies hold about three-fourths of the assets of the industry, have about 63 percent of the insurance in force, and account for some 58 percent of the net operating gain after policy dividends. There have always been certain difficulties in applying the same tax formula to both stock and mutual companies, and it is important that the tax law should not damage the competitive situation of either type of company.

Since 1921 life insurance companies, both stock and mutual, have been taxed only on a portion of their net investment income, after deducting an allowance designed to cover the interest required to meet obligations to policyholders. The various tax formulas have ignored premium receipts and the underwriting profit which results when premiums exceed actual mortality costs, other policyholder claims or benefits, and related expenses. Capital gains and losses of life insurance companies have also been disregarded for tax purposes.

In 1947 the then applicable law, adopted in 1942, resulted in no Federal income tax on the life insurance business. In the last 10 years a series of "stopgap" formulas were adopted. The latest of these, adopted in 1955, taxed each life insurance company on a fraction of its net investment income after a reserve and other policy liability deduction of 87½ percent on the first $1 million of net investment income and 85 percent on net investment income in excess of $1 million.

The 1955 stopgap formula was originally enacted for 1 year only and was extended on a year-to-year basis. For any year in which it is not extended, the 1942 formula automatically reapplies.

The present situation, therefore, is that in the absence of further legislation, the 1942 formula would apply to 1958 income, resulting in revenues of about $500 million. The 1955 stopgap, if extended, would produce $319 million.

The latest extension of the 1955 stopgap was adopted, as the committee will recall, in March of 1958, applicable to income for the calendar year 1957.

While the Treasury went along with the extension of the 1955 stopgap to 1957 income, it was made clear that recommendations for permanent legislation would be submitted by the Treasury Department in the near future. The Department has opposed a further extension of the 1955 stopgap.

In April of 1958 the Secretary of the Treasury in similar letters to the chairman of this committee and the chairman of the House Ways and Means Committee submitted suggestions for the development of a permanent tax formula for life insurance companies. These proposals became the basis of intensive study and helpful discussions within the life insurance industry.

In the April 1958 letter, the Treasury recommended that the Congress consider alternative methods for taxing life insurance companies, giving first consideration to a "net operating gain" or "total income" approach which would reach underwriting profits.

In the course of subsequent consultations with industry representatives, it was urged that a change to the total income approach would shift much of the burden of taxes to stock companies and permit mutual companies to avoid a share of the tax, thus placing stock companies at a competitive disadvantage.

Stock companies typically write nonparticipating life insurance contracts (with fixed net premiums and no dividends to policyholders), and have relatively lower reserves and higher surpluses than mutual companies. Mutual companies write participating life insurance contracts, charging higher premiums at the outset but distributing dividends to policyholders throughout the life of the policies. Since the total income approach would start from "net gain from operations after payment of dividends to policyholders," the stock companies have contended that the mutuals, by increasing the size of their dividends, would greatly minimize their tax burdens in a manner not available to the stock companies.

As a result of the conversations with industry representatives, stock and mutual alike, the Treasury suggested a combination formula which would combine elements of the net investment income and total income approaches. This suggestion was outlined by Under Secretary Scribner in his statement before the Subcommittee of the Ways and Means Committee November 17, 1958. It invoked favorable response, some of which is reflected in the public hearings of the subcommittee. The combination approach, with some constructive modifications, was adopted by the Ways and Means Committee and is contained in the bill now before your committee.

In brief the bill would tax life insurance companies on an income base consisting of three parts: (1) the taxable investment income margin above interest needs,

(2) one-half the excess of net operating gain over the investment income margin (this part would comprise chiefly underwriting gain), and (3) to the extent distributed to shareholders, the other half of the "underwriting gain" on which tax was postponed in step 2.

Capital gains of life insurance companies would be taxed separately at a 25 percent rate, beginning in 1959. Gains would be measured with reference to the December 31, 1958, market value or cost, whichever is higher.

The bill differs from the present treatment in several important respects.

The proposed new formula provides an improved approach in measuring the deduction for interest needs and the taxable margin of investment income. The deduction is determined with reference to the situation of the individual company rather than on the basis of a fixed percentage based on an industry average, as do the 1955 stopgap and 1942 formula.

The bill recognizes that underwriting gains are part of the income of life insurance companies. Trends in the industry toward group, credit, and term insurance which produce underwriting profits but relatively little investment income make it increasingly unrealistic to confine the tax base to investment income.

The bill also recognizes underwriting losses. If the net operating gain computed in step 2 is less than the investment income base, the net operating gain is the tax base. If there is a net operating loss, there would be no tax liability. Present law imposes a tax on investment income even if the company is operating overall at a loss.

Policy dividends would be deductible in computing net operating gain but not to the extent this would reduce the net operating gain below the taxable investment income. This is intended to keep the investment income tax as a kind of stabilizer or minimum to prevent mutual companies from deriving an undue tax or competitive advantage by deducting policy dividends.

The proposed recognition of only half the "underwriting gain" on a current basis takes account of the long-term nature of the insurance business and the resulting difficulty in making a final determination of profit in any one year. This approach postpones the tax on the other half of such income if it is kept in the company for the protection of the policyholders. No tax is imposed on this other half until it exceeds certain limits or is paid in cash to stockholders.

For the assistance of small companies, the bill provides a special deduction equal to 5 percent of investment income, up to a maximum deduction of $25,000. This allowance is similar to the additional 2½ percent deduction on net investment income up to $1 million under the 1955 law, but is more liberal for the smaller companies.

For future years H.R. 4245 also provides a special deduction for investment income on qualified pension plan reserves in computing the investment income tax base. This deduction, equal to the actual earnings rate of the company on pension plan reserves, is made gradually effective in three steps, becoming one-third effective in 1959 and fully effective in 1961. This special treatment is in recognition of the existing exemption of qualified pension trusts and the fact that small business employers frequently insure their pension plans through insurance companies rather than set up pension trusts.

It is estimated that H.R. 4245 would produce between $540 and $560 million revenue on the 1958 income of life insurance companies. This compares with the $500 million under the 1942 formula and $319 million under the 1955 stopgap, if extended. Some $500 million of the total would arise from the step 1 tax on investment income. The 1958 estimate takes no account of the tax on capital gains or distributions which might arise in future years.

Of the total estimated tax under H.R. 4245, about 72 percent would be paid by the mutuals and 28 percent by the stock companies. This represents a small shift of burden percentagewise to stock companies. However, it brings the shares of tax more closely in line with the shares of business in force.

Basically H.R. 4245 embodies a net operating gain or total net income approach. The following more detailed discussion indicates how the bill provides for arriving at a tax on the net operating gain in three steps, with features which help meet the special problems encountered in the taxation of the income of life insurance companies.

Phase 1.—Determination of taxable margin of investment income

One of the major features of H.R. 4245 is an improved formula for measuring the taxable portion of net investment income. In general outline the proposed formula appears to afford the best available approach in determining the amount of investment income subject to tax after deducting all interest needed for solvency and competitive requirements.

Under both the 1955 stopgap and the 1942 formula, the deduction for required interest is a specified percentage of investment income, fixed by statute or determined on the basis of an industry-wide ratio of interest needs to earnings. This percentage deduction is 85 percent under the 1955 stopgap, and about 75½ percent under the 1942 formula for 1958. Under each of these formulas the percentage deduction is the same for each company regardless of its own experience or situation.

H.R. 4245 provides a deduction for investment income required to meet reserve and other policy contract obligations in a manner which reflects each individual company's surplus position and the relationship between its earned and assumed rates of interest.

Part of this deduction is for interest paid on policyholder deposits, policy dividend accumulations, and similar indebtedness. Past formulas have subjected this deduction like the reserve interest needs to an averaging process.

The most important part of the deduction for required interest is for reserve interest needed to build up life insurance and annuity reserves. In this important area the bill provides that the deduction is computed as a certain percentage, termed a "deduction rate," of each company's adjusted insurance reserves. This deduction rate is the mean of the actual rate earned by the company on its investments and the rate of interest assumed by the company in computing its reserves (or the industry assumed rate, if higher). In no case is the deduction rate to be higher than the earned rate.

In applying the "deduction rate," the policy reserves are adjusted to the extent the deduction rate differs from the actual assumed rate used in computing reserves. This adjustment is designed to make the reserves consistent with the deduction rate used. If the deduction rate is higher than the assumed rate, as would almost always be the case, the reserves are adjusted downward.

The adjustment of reserves is carried out on the basis of a statutory rule, the validity of which has been demonstrated by industry experience. Under this rule, for each 1 percentage point by which the deduction rate exceeds the assumed rate, the reserves are reduced by 10 percent.

The use of a deduction rate which combines an assumed rate and the actual earnings rate of the company not only takes account of interest needed to maintain solvency. It also recognizes that competition within the industry generally requires companies to build into their premium structure a credit to policyholders for interest which is somewhat greater than the more conservative rate generally assumed in building up reserves.

In computing the deduction rate, the industry average assumed rate is permitted as a possible relief measure to avoid a possible tax penalty on a company that has been more conservative than the industry consensus. On the other hand, in permitting a company to use its own assumed rate, where this is higher than the industry average, the bill provides for unusual needs of individual companies.

Since the deduction rate is a combination of the earned and assumed rate, the effect of varying reserve interest assumptions on the deduction rate would appear to be minor. Consequently, this provision of the bill serves to minimize the problem of possible reserve manipulation for tax reasons.

Phase 2.—Excess of net operating gain over the taxable margin of investment income (chiefly underwriting gains)

The second phase of the proposed tax formula deals with a problem presented by past formulas based on investment income only, namely, the omission from the tax base of underwriting gains.

Important changes within the life insurance industry since 1921 have increasingly outmoded the old formulas based on the concept that the only income of life insurance companies is their investment earnings. Between 40 and 50 percent of the life insurance now in force involves relatively little investment income. Yet it may produce substantial underwriting profit or loss.

Phase 2 of the bill reaches such underwriting profits by means of a simple and direct procedure. The company would first compute its net operating gain from all sources. Net operating gain would represent gross receipts from all sources less all expenses and all additions to reserves and benefit payments to policyholders.

From the amount of net operating gain thus determined, the company would deduct the taxable investment computed in phase 1, since this amount has already been included in the company's tax base. The excess would represent primarily underwriting profit, plus whatever excess of investment income over interest requirements was not reached in step 1.

After determining the excess of the net operating gain over taxable investment income, the company would add one-half of the excess to its taxable investment income base to arrive at the combined tax base under phases 1 and 2. The 50 percent reduction in the so-called underwriting gain for purposes of current taxation takes account of the point on which the life insurance industry has insisted that it is difficult, if not impossible, to establish with certainty the true net income of a life insurance company on an annual basis. This uncertainty is said to reflect the long-term nature of the contracts and the resulting need to retain what may temporarily appear as income in the current year as surplus or contingency reserves.

The 50 percent reduction also has the effect of applying a reduced rate of tax on underwriting gains so long as they are kept in the company for the protection of policyholders. Consequently, the incentive to alter reserves and adopt other changes in business or accounting practice merely for tax purposes is correspondingly reduced.

If the net operating gain is less than the taxable investment income or if there is an actual net operating loss, the bill provides for the appropriate recognition of underwriting losses. The amount by which the net operating gain is less than the taxable investment income margin may be subtracted in full from the step 1 income base. If there is a net operating loss for the year there would be no tax liability.

This feature of the bill should be of particular importance to small new companies, which characteristically have net operating losses in the early years when the business is being established. These small new companies have been required in the past to pay tax on their investment income regardless of the fact that they may have had an overall loss situation.

The bill also provides for a three-year carryback and a five-year carryforward of net operating losses in a manner comparable to that applicable to corporations generally.

Phase 3.—Tax upon distributions of stock companies

The third step provided under the bill provides a supplement for the partial tax on underwriting gains under step 2. One-half of the underwriting gains are taxed currently under step 2 but tax is postponed on the other half in view of the uncertainty as to the ultimate earnings results. Tax is deferred on this portion of the underwriting gain so long as it is kept in the company for the protection of policyholders or until it is accumulated beyond stated limitations.

The tax on distributions would apply under any of the following conditions: (1) if the company pays cash dividends or cash distributions to stockholders which are in excess of the amounts of investment income and underwriting income which have previously been taxed; (2) if the cumulative amount on which tax is postponed exceeds 25 percent of life insurance reserves or 60 percent of the net premium income, whichever is greater; or (3) if the company ceases to be a life insurance company.

Provisions for equalization of stock and mutual companies

One of the major considerations in the formulation of an equitable long-range formula for the taxation of life insurance companies is the comparative treatment of mutual and stock companies.

Throughout the development of this legislation, stock companies have been concerned that the mutuals, by increasing the size of their dividends, might greatly minimize their tax liabilities in a manner not available to the stock companies. To meet this objection, the bill has provided that policy dividends may be deducted from the step 2 tax but are not allowed to reduce the investment income base.

The portion of the tax base established in step 2 consists chiefly of underwriting gain arising primarily from the excess of premiums paid over mortality cost and other expenses. Consequently, it represents moneys contributed by the policyholders themselves which it would be inappropriate to tax if returned to the policyholders. On the other hand, the investment income base represents income received from third parties which it would be inappropriate to exempt after a reasonable allowance is made for the amount of interest required to build up policy reserves and meet other interest obligations on a sound and competitive basis.

Because of the redundant premiums charged by mutual life insurance companies, they have an additional cushion besides their surplus with which to meet possible adverse operating experience. Stock companies, with their lower initial premiums, do not have this cushion and, consequently, must maintain a larger surplus. In recognition of this situation, the bill provides a deduction of 10 percent of the net increase in reserves on nonparticipating life insurance contracts. This special deduction is limited to the step 2 or underwriting gain portion of the tax base. It would not be permitted to reduce the net investment income base

Other features of the bill

In computing the net operating gain, the companies are allowed a special deduction of 2 percent of net premiums on group life and group accident and health insurance business. This allowance is patterned after the reserve requirements of two States for purposes of strengthening the financial safety of companies conducting this kind of business.

The bill also permits companies using the preliminary term method of computing reserves to determine their income tax as if they were on the stronger net level premium reserve basis. This feature would generally be of assistance to smaller companies.

In view of the more adequate taxation which the bill provides of the entire net operating gain from all sources, it also extends the generally applicable individual dividend-received credit and exclusion to stockholders of life insurance companies.

Conclusion

The income tax liability under H.R. 4245, as compared with the liability under past formulas, would be more in accordance with the true taxable capacity of life insurance companies. The bill would remove the inequities and inadequacies of the past formulas which have required some companies to pay tax although they had no true net earnings while imposing a disproportionately low tax based on investment income in the case of other companies with large profits.

The staff of the Treasury will be ready to assist the committee at its request in its further consideration of the bill and related aspects of its work on the taxation of life insurance companies.

International Financial and Monetary Developments

EXHIBIT 25.—Statement by Secretary of the Treasury Anderson, March 9, 1959, before the Senate Foreign Relations Committee on increasing the resources of the International Bank for Reconstruction and Development and the International Monetary Fund [1]

I welcome the opportunity to appear today to support legislation to carry out the recommendations made by the President to the Congress on February 12, 1959. The purpose of S. 1094 is to authorize increases in the United States quota in the International Monetary Fund, in the U.S. subscription to the capital of the International Bank for Reconstruction and Development, and the capital of the Bank, by amending the Bretton Woods Agreements Act of 1945.

I know that this committee, with its great interest in the foreign policy of the United States, is well acquainted with the problems with which the Bank and Fund were established to deal. Vigorous growth of the economic system is the concern of every country, but particularly of those countries whose economic development is less advanced. Sound currencies which encourage savings and investment and are the basis of foreign exchange stability are also a leading objective of all responsible governments. These matters are, of course, major points of emphasis in our economic foreign policy.

The International Monetary Fund and the International Bank were created by international agreement arrived at during the conference at Bretton Woods, N.H., in 1944. United States participation was authorized by the Congress in 1945 through the adoption of the Bretton Woods Agreements Act. The two

[1] Secretary Anderson also testified on the same subject on March 3, 1959, before the House Committee on Banking and Currency.

institutions have operated successfully for more than twelve years. Sixty-eight countries have subscribed to the Articles of Agreement of the Bank and Fund and each country appoints a governor, usually the Secretary of the Treasury, the Minister of Finance, or the head of the central bank. I am the U.S. Governor in both institutions, and the Under Secretary of State, Mr. C. Douglas Dillon, is the Alternate Governor. The day-to-day work of the institutions is carried on by boards of executive directors located in Washington and by the managements consisting of a president in the case of the Bank and a managing director in the case of the Fund, with technical staffs. The U.S. Executive Director for the Bank is Mr. T. Graydon Upton and the U.S. Executive Director for the Fund is Mr. Frank A. Southard, Jr.

The Bretton Woods Agreements Act created the National Advisory Council on International Monetary and Financial Problems to coordinate and supervise U.S. participation in the Bank and the Fund and other international financial matters. The members are the Secretary of the Treasury as chairman, the Secretaries of State and Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the President of the Export-Import Bank. In accordance with the provisions of that act the Council has regularly reported to the Congress on the activities of these institutions, and in its special reports has dealt with the basic questions of policy relating to them. All of these reports over the past decade have expressed the judgment that the Fund and the Bank have played major and successful roles in fostering sound financial policy and promoting economic development. The reports show that, in carrying out their policies in accordance with their Articles of Agreement, the two institutions have been fulfilling some of the important objectives of the United States in foreign financial and economic policy.

Members of the Senate and House participated in the formulation of the Articles of Agreement, and as members of the United States Delegation, have attended every annual meeting, including the more recent ones abroad at Mexico City, Istanbul, and New Delhi. This congressional participation has been most welcome and helpful.

The Bretton Woods Agreements Act provides that only Congress may authorize increases in the capitalization of the Bank, the United States subscription to the capital of the Bank, and the United States quota in the Fund. The proposed amendments to the Bretton Woods Agreements Act as contained in S. 1094 are intended to give such authorization. It is our view that these recommended increases, together with the proposed increases in the subscriptions and quotas of the other members, should be sufficient to permit these bodies to continue their useful work in the foreseeable future. This is the only approach which has been made to member governments for additional resources since the two institutions began operations in 1946.

I might at this point note that the contribution which we make in the form of capital to the Fund and the Bank is the only financial support we give to these institutions. Within the framework of their capital structure they are self-supporting. No periodic appropriation is needed to cover our financial participation. The Bank and the Fund defray their expenses out of the income earned from their operations, and both of them are building up reserves out of earnings in excess of operating expenses. Moreover, as I shall point out presently, the increase in our subscriptions will involve a present cash outlay by the United States, which although large is a relatively small proportion of the total new subscriptions. No budgetary provision is needed in the case of the Bank, and while in the case of the Fund the entire additional quota of $1.375 billion is included in the budget, only the gold payment of $344 million really represents an immediate cash expenditure. Since the purposes and operations of the Fund and the Bank differ and the budgetary consequences of increasing our subscription also differ, I shall take up the two institutions successively and explain the differences in the procedures contemplated by the President's message.

The International Monetary Fund

The International Monetary Fund was created as a permanent international organization to promote sound foreign exchange policies through the elimination of exchange restrictions, to assist in the establishment and maintenance of convertible currencies, and to give greater assurance of stability in exchange markets. The Fund has worked toward these objectives by annual consultations with members, technical advice in setting up stabilization programs, and short-term advances to, or standby arrangements with member countries. These activities have grown in scope and increased in effectiveness in the past twelve years, and have been accompanied by real progress by member countries in achieving good results in the foreign exchange field.

The Fund does not finance long-run development programs nor is it intended to provide long-range economic assistance to improve the standards of living of its member countries. In simple terms, the Fund is a short-term credit institution which assists the monetary authorities of the member countries to carry out sound financial policies. The Fund's resources in gold, dollars, and other leading currencies are regarded by the members as a secondary line of reserves which can be drawn upon under appropriate conditions to supplement their own reserves of gold and foreign exchange at times when they have encountered temporary difficulties. Fund drawings are repayable in three to five years at the outside limit. As table I shows, the presently outstanding drawings are within these limits, almost all earlier drawings having been repaid.

TABLE I.—*International Monetary Fund transactions outstanding on Dec. 31, 1958*

Time elapsed from purchase to Dec. 31, 1958	Amount in millions of U.S. dollars	Time elapsed from purchase to Dec. 31, 1958	Amount in millions of U.S. dollars
Up to and including 12 months	349.13	37 to 48 months	25.00
13 to 18 months	203.83	49 to 60 months	20.25
19 to 24 months	987.27	Over 60 months	2.50
25 to 30 months	88.38		
31 to 36 months	17.00	Total outstanding Dec. 31, 1958	1,693.36

Fluctuations in the balances of payments of the member countries can be of considerable size. These fluctuations have occurred over the years for a variety of reasons, including shifts in trade and investment, political events, and changes in price levels. The resulting increases or decreases in reserves can be very large and can occur very quickly. Fund assistance gives a member country a breathing spell in which it can make the necessary adjustment in its internal and external policies so as to restore equilibrium without unduly increasing restrictions on international transactions.

The proposed legislation involves no change in the method of operating the Fund and no change in its policies. What is proposed, is to give the Fund more adequate resources to attain its objectives under present world conditions. The existing quotas, which at the end of 1958 amounted to $9.2 billion, were based on data for the period preceding the Bretton Woods Conference. These data included factors such as prewar foreign trade, the relative size of the national incomes, and the monetary reserves of the member countries. On this basis the United States quota was set at $2.75 billion.

Since 1944 the relevant magnitudes of the factors affecting the balances of payments of the member countries have changed enormously. There have been very large increases in national incomes, in the volume and value of world trade, in price levels, and in monetary reserves. With the increase in the value of trade and financial transactions, the magnitudes of the fluctuations in foreign exchange earnings and in reserves have also increased. In 1937, for example, as table II shows, total imports of the free world amounted to about $27 billion, compared with about $100 billion at present. This great expansion in the total value of world trade has resulted from the combined effects of the increase in prices since the war, and the larger volume of goods traded. Both factors have been important. Along with this very large increase in the value of world trade, there has been a corresponding growth in various service transactions (such as tourist expenditures) and in capital movements between countries.

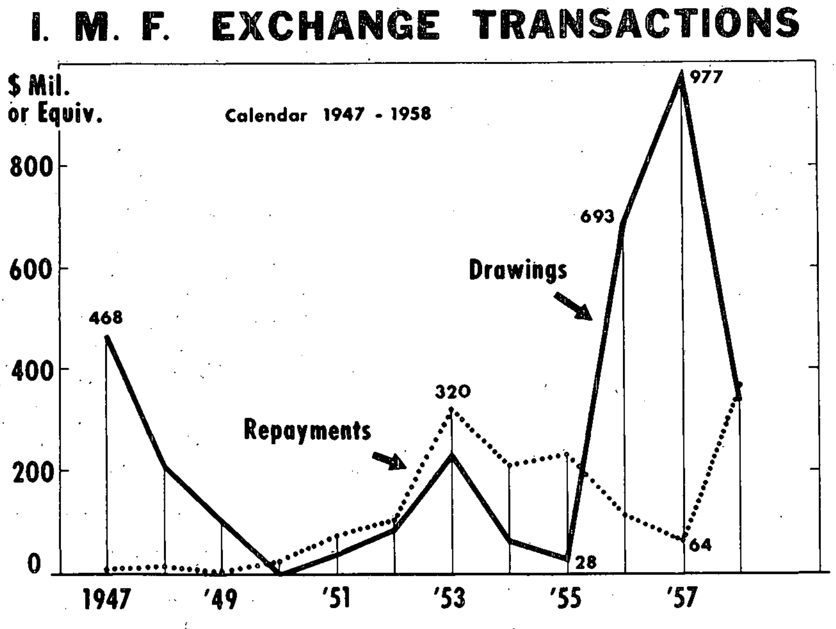
The result has been that Fund quotas have shrunk greatly in relation to the pressures on foreign exchange reserves to which Fund members are subjected. Taking one simple measure, the percent of quotas to total imports, the quotas of most members are less than 10 percent of their annual imports. In time of need a country finds that the temporary assistance it can hope to obtain from the Fund is scarcely equal to one month's imports. This illustrates vividly the need for increased quotas and larger total resources if the Fund is to be able to meet large

TABLE II.—*Free world trade, 1937, 1946, and 1950 through 1958*

Calendar years	Exports (f.o.b.)	Imports (c.i.f.)	Calendar years	Exports (f.o.b.)	Imports (c.i.f.)
	In millions of U.S. dollars			In millions of U.S. dollars	
1958 (est.)	94,000	99,000	1952	73,891	80,196
1957	100,484	107,429	1951	76,573	81,399
1956	93,647	98,206	1950	56,690	59,338
1955	84,317	88,980	1946	33,846	37,441
1954	77,677	79,608	1937	24,199	27,275
1953	74,875	76,569			

SOURCE.—Based on *International Financial Statistics.*

CHART T



and sudden foreign exchange situations, and if members are to regard their quotas as reasonably adequate second lines of reserves.

The experience of the Fund has been that the need for short-term assistance has fluctuated greatly over the years. On chart T, you will see the volume of the Fund's exchange transactions since it started operations. This chart also shows the rate at which resources were returned to the Fund. As repayments are made, the country whose currency has been used in the repayment takes back any cash in excess of the Fund's working balances, in exchange for noninterest-bearing notes. Large amounts have flowed back to the U.S. Treasury in this way during periods when repayments in dollars have exceeded new dollar drawings.

When a member country requests assistance from the Fund, it buys a currency it needs for a relatively short period of time by selling its own currency to the Fund in exchange. For example, under the arrangement recently agreed to with Argentina, as that country needs dollars to meet a temporary foreign exchange deficit, it buys the dollars from the Fund and pays the equivalent in pesos to the Fund. The same procedure would be used to obtain, say, deutsche marks or sterling. The total of the Fund's assets does not change, but the currency composition of the Fund does change with each transaction. Then after a period of time the country which has drawn from the Fund repurchases its own currency from the Fund, using gold or convertible currency for this purpose. In this way the Fund's assets are restored to their original position.

If you will look at chart T, you will see that in 1947 the Fund had exchange transactions of $468 million. The annual amount of new drawings decreased in 1948 and 1949, and Fund transactions were relatively small in amount up to 1956. This was partly because the large requirements of postwar reconstruction were being met principally from other sources; and also because, in the strong economic upsurge in the latter part of this period, Fund members as a whole did not need short-term assistance. Moreover, in the earlier years the Fund, as a new institution, proceeded cautiously in working out policies on the use of its resources. In fact, if you will look at the dotted line on the chart you will see that between 1950 and 1956, the member countries which had previously used the Fund's assets had for the most part repurchased their currencies from the Fund. At the end of 1955, outstanding drawings on the Fund had been reduced to a total of $234 million. The outstanding amounts consisted mainly of drawings made in 1953 and 1954 by Japan and various Latin American countries.

Two developments account for the very great increase in use of Fund resources in the last three years. First, a period of acute exchange difficulties began late in 1956 with the Suez situation and culminated in the exchange crisis of May–September 1957, which led to very large demands on the Fund. In little more than a year, dollar drawings amounted to $1.6 billion, and standby commitments reached almost another billion dollars. Second, the Fund has been very active in assisting member countries to carry out stabilization programs. In these circumstances of severe exchange crisis and of monetary and exchange stabilization, the Fund has made its resources decisively available. The Fund's resources were thus a vital element in surmounting major financial emergencies which would have had damaging effects on a worldwide basis if they had not been brought quickly to an end, and in supporting important efforts by countries to restore financial stability.

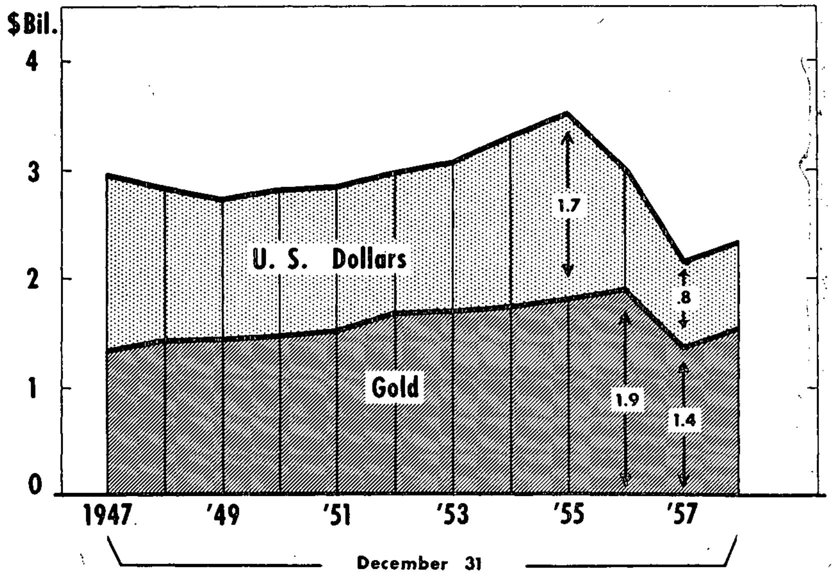
Chart T shows that the Fund's resources revolve. Its transactions are not long-term loans. They are transactions which are reversed within a relatively short period of time. The quality of the resources is not impaired in this process, since repurchases are made in gold and convertible currencies. Of the total drawings to date, the currency used has been mainly the dollar. There have also been substantial drawings of sterling and deutsche marks and small drawings of Canadian dollars, Belgian francs, and Dutch guilders. Belgium, the Netherlands, and the United Kingdom have been in the position of drawing dollars from the Fund at times when they needed dollars, but also at other times having their currencies drawn by other countries which needed them. The recently widened convertibility of major European currencies should facilitate drawings of these currencies. However, the Fund's holdings of gold and U.S. dollars will continue to be the most essential elements in its operations. With gold the Fund can obtain any needed currency. Moreover, if a country with a major currency should encounter foreign exchange difficulties, it would ordinarily draw dollars from the Fund to carry out support operations.

The Fund must be in a liquid position if it is to operate satisfactorily as a second line of reserves for its members. This means that it must have adequate amounts of dollars and other major currencies which members can draw to help surmount their foreign exchange difficulties. The members must have the assurance that under appropriate conditions they can count upon the Fund to come to their aid when they have balance of payments deficits, or are undertaking important programs of financial and economic stabilization. It can never be predicted which country will need the Fund's aid or precisely how much it will need. But the Fund must have adequate resources when help is needed, and be ready to act promptly. As shown in chart U, at the end of 1958 the Fund's gold and dollar resources amounted to $2.3 billion, against which there were standby commitments of $911 million. The net amount of $1.4 billion was small in relation to potential demands. As I have explained, the Fund's resources were reduced to this level principally by the large drawings and standby commitments arising out of the exchange crises of 1956–57. At their present level, the Fund would not be in a position to meet a recurrence of a drain of that magnitude. But the Fund must be able to cope with big demands, no matter how frequently or how unexpectedly they occur.

In addition to making cash advances, the Fund enters into standby arrangements with members. These standby arrangements provide an assured line of

CHART U

I. M. F. GOLD AND DOLLARS



credit, giving the country the right to draw up to a specified amount within a stated time, usually a year, but sometimes six months. Standby arrangements have been used to assist countries to maintain the par value of their currencies, or to undertake important financial reforms, such as the establishment of new exchange systems or the elimination of complex multiple currency practices. An important example is the large standby arrangement presently outstanding in favor of the United Kingdom. Another is the one recently concluded with the Argentine Republic. The Fund at the end of 1958 had outstanding commitments amounting to $911 million under these standby arrangements. At times the fact that a country has a standby arrangement provides in itself sufficient reassurance, and there is no need actually to draw against it. For example, the United Kingdom has not drawn against its standby arrangement and the Netherlands did not draw throughout the life of the arrangement entered into in 1957.

At a number of points I have mentioned that the Fund uses its resources to assist members to attain the objectives set forth in the Articles of Agreement, including stable and convertible currencies, freedom from restrictions on payments, and expanding world trade. To this end, countries seeking to use the Fund's resources beyond the amount of the gold payment must satisfy the Fund as to the policies and measures which are expected to restore or maintain internal and external stability. In some instances, for example where the country has need of assistance only to meet a seasonal exchange shortage, a simple reaffirmation of existing policies is sufficient. But in other cases the balance of payments difficulties are large and persistent and arise from substantial imbalance in the domestic economy usually reflected in severe inflation. What is needed in these cases is a comprehensive stabilization program, including action in the fiscal, credit, and exchange fields. The Fund consults closely with any member which requests its advice in working out such a program. If an adequate program is developed and the member assures the Fund that it will be carried out, the Fund will make its resources available through a drawing or a standby arrangement or both. In some instances U.S. banks and agencies of the U.S. Government have joined in assisting the stabilization effort as have also the Organization for European Economic Cooperation and some European governments.

Many examples of this work of the Fund could be cited, including Argentina, Brazil, Chile, France, Haiti, Paraguay, and Turkey. The Fund, as an international institution, is able to bring to bear a degree of objective judgment and to insist on rigorous corrective measures in a way which no government could successfully attempt in advising another government. The Fund keeps the stabilization programs under close review and consults with the member country as to the progress being made. They have not all been carried out to the full extent of the original plan. But even the least successful have had beneficial results. In my view these stabilization activities are one of the most important and beneficial parts of the Fund's work.

The large and important financial operations of the Fund in the past few years have made it clear that consideration should be given as to the adequacy of Fund resources to meet foreign exchange emergencies and other demands in the future. It was this situation which led the President last August to direct me to propose to the Board of Governors of the Fund "that prompt consideration be given to the advisability of a general increase in the quotas assigned to the member governments." In October, I introduced a resolution at the New Delhi meeting of the Governors calling on the executive directors to study and report on this question, and the resolution was unanimously adopted. The directors did so and on December 21, 1958, submitted their report to the Governors accompanied by appropriate resolutions. Copies of this report have been supplied to the members of this committee. On the closing date for voting, Governors with 99 percent of voting power had approved the resolutions.

The resolutions proposed by the Fund for action by the governments can be summarized very briefly. It is proposed to increase the quotas of most countries by 50 percent. This would increase the United States quota by $1.375 billion from $2.75 billion to $4.125 billion. Very small quotas will be adjusted to bring them up to a reasonable level. The quotas of three countries (Canada, Germany, and Japan) will be increased substantially more than 50 percent. I am sure you will agree that the willingness of these three countries to make this relatively larger contribution to the Fund's resources is a vivid evidence of the importance which members attach to the role of the Fund. German marks and Canadian dollars have been among the currencies which Fund members have drawn.

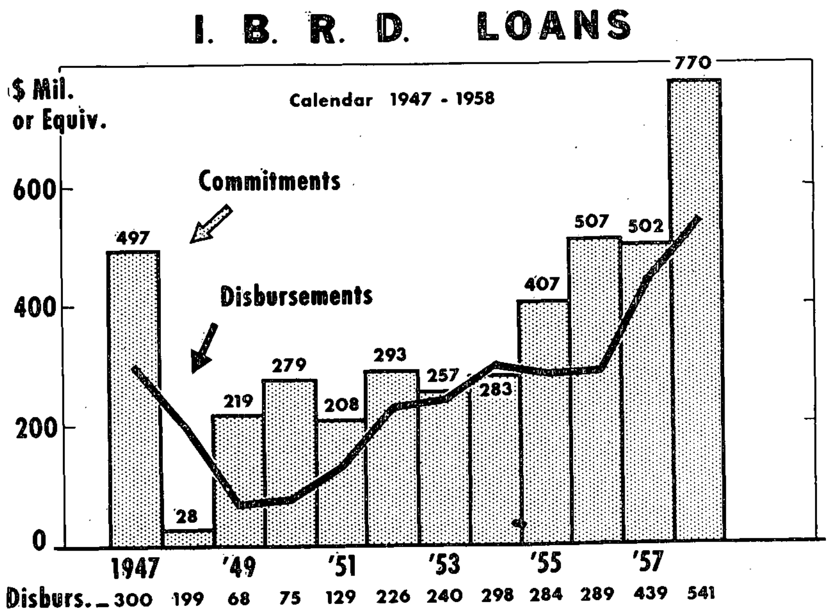
Every country will be required to pay 25 percent of its increase in quota to the Fund in gold. This means that while the increase in the quota of a country gives it additional drawing privileges on the Fund, each country is also required to add proportionately to the Fund's gold reserve. The United States will pay $344 million in gold and the other members as a group will pay a total of about $900 million. Gold is the basic and most liquid resource of the Fund. The Fund has sold gold to the United States to obtain dollars in the past and it will undoubtedly do so again when conditions warrant. Similarly, with gold the Fund can buy sterling or marks or any other currency when its holdings of the currency are low. The Fund is an international cooperative effort; other countries will make their contributions to increase the Fund's resources and in the aggregate these will be large.

The increase in Fund quotas will be effective only as the member countries increase their subscriptions to the Bank. This will maintain the parallelism between the Fund and the Bank which has existed since their foundation, each institution working in its own field and the two aiming at a prosperous and expanding economy for the free world.

I should make clear that the proposed increase in the quota of the United States does not mean that the Fund will spend these new resources at once. The United States will pay one-fourth of its quota increase in gold, but the balance will be held in noninterest-bearing demand notes, which will not represent a cost to the United States until such time as the Fund cashes them. Moreover, when the Fund's holdings of dollars increase as a result of repayments, the Fund returns cash to the U.S. Treasury and takes new notes. In this way the cost of our participation in the Fund is kept to the minimum, as required by the Bretton Woods Agreements Act. As I mentioned earlier, there have been a number of years in which the Fund returned more dollars to the U.S. Treasury than it took out to meet new drawings.

This concludes my discussion of the Fund. The bill before you proposes to authorize me, as U.S. Governor for the Fund, to consent to an increase of 50 percent in the quota of the United States, and it makes financial provision for this increase through a public debt transaction in the same way as the original Bretton Woods Agreements Act did. In my opinion it is essential that the Fund should have these enlarged resources promptly.

CHART V



International Bank

I turn now to the proposed increase in the capital of the International Bank and in the U.S. subscription to the capital. The members of the committee, I am sure, are generally familiar with the work of the Bank. Its function is less complex than that of the International Monetary Fund. The Bank advises member countries in the field of economic development, and makes long-term loans to finance such development. The reconstruction phase of the Bank's activities ended a few years after its organization. In this period the Bank made important loans to assist reconstruction in France, Denmark, Luxembourg, and the Netherlands. Since that time, it has devoted its loans entirely to economic development. Chart V shows commitments and disbursements by years. The Bank has made a few development loans to European countries, such as those for the economic development of Southern Italy and the construction of power plants in Austria. But the bulk of its loans have financed economic development in Asia, Africa, and Latin America.

The largest single item for which the Bank has made loans is the construction of electric power plants and the distribution of electrical energy. This single purpose accounts for about one-third of the development loans. About another third has been loaned for the improvement of transportation facilities, ports, harbors, railways, and highways. The balance of the loans have been for various industrial projects and agricultural reclamation and improvement purposes. The Bank's activities are worldwide. In its 12 years of operations the Bank has made over 200 separate loans in 49 countries amounting to $4.3 billion.

The Bank lends only to member countries, or with the guarantee of member countries. When it lends to private business, the loan must be guaranteed by the government of the country in which the project is located. Each loan follows a period of intense study, engineering examination, and negotiation. The loans which the Bank has made have been sound and the Bank has had no defaults.

The Bank also gives extensive technical services to its members, assisting them in the formulation of projects and the direction of their capital investments into appropriate channels. These technical services are performed in several ways, notably by sending well-planned technical missions to the member country to survey the entire economy. These surveys are an important guide to the Bank's lending activities.

The Bank obtains most of the funds for its loans from the paid-in capital subscriptions of its members and the sale of its own bonds to investors. The uncalled capital comprises a guarantee fund which is the indispensable backing for the Bank's bonds. The bill before you proposes to give the consent of the United States to an increase in its subscription and an increase in the total capital of the Bank, so as to enlarge the guarantee fund.

The Bank's capital is divided into three parts. The first part, two percent of every member's subscription, must be paid to the Bank in dollars at the time the country joins the Bank. The second part, 18 percent, is paid in by members in their own currencies and may be used by the Bank only with the consent of the member and under the conditions specified by it. The third part, 80 percent of the capital, comprises the uncalled capital or guarantee fund. It may be called by the Bank only to meet its obligations on securities which it has issued or guarantees which it has given.

The two percent and the 18 percent of capital are available for the Bank's operations. Up to date, the Bank has used the entire two percent and approximately $1 billion out of a total of $1.7 billion of the 18 percent subscribed capital. Member countries have agreed to make available to the Bank an additional $260 million within the next few years. About $450 million of the 18 percent capital remains to be released by various member countries, almost all of which are importers of capital.

The bulk of the Bank's funds for financing its operations has come not from its own capital but from the sale of securities to investors in the United States and abroad. It now has outstanding in bond issues $1.8 billion, of which $1.5 billion are denominated in dollars and the balance in Swiss francs, German marks, Canadian dollars, Netherlands guilders, and sterling. The bonds denominated in dollars have not all been sold to American investors. Some short-term issues have been sold entirely outside of the United States to foreign investors, largely central banks, which have used the Bank's bonds as a form of dollar investment of their monetary reserves. Moreover, foreign private investors have purchased the Bank's bonds for ordinary investment purposes, in the same way as have American investors. The Bank estimates that approximately 60 percent of its bond financing has come from American investors and the balance from abroad.

Investors have recognized that the Bank has operated prudently and that its loans have been sound. This has done much to establish the high quality of the Bank's bonds. However, the ability of the Bank to sell its bonds to institutional and individual investors depends in large part on the fact that back of the Bank's own assets is the contingent liability of the member governments to meet the obligations of the Bank through possible calls on the uncalled 80 percent portion of the capital. In other words, this 80 percent portion of the Bank's capital constitutes a guarantee undertaken jointly and severally by all the member governments to supply dollars or other currencies needed to meet the Bank's obligations in the unlikely event that the Bank cannot meet these obligations from its own sources. There has been no call on the 80 percent capital, and there is little likelihood of a call unless there should be a drastic deterioration of the international financial situation.

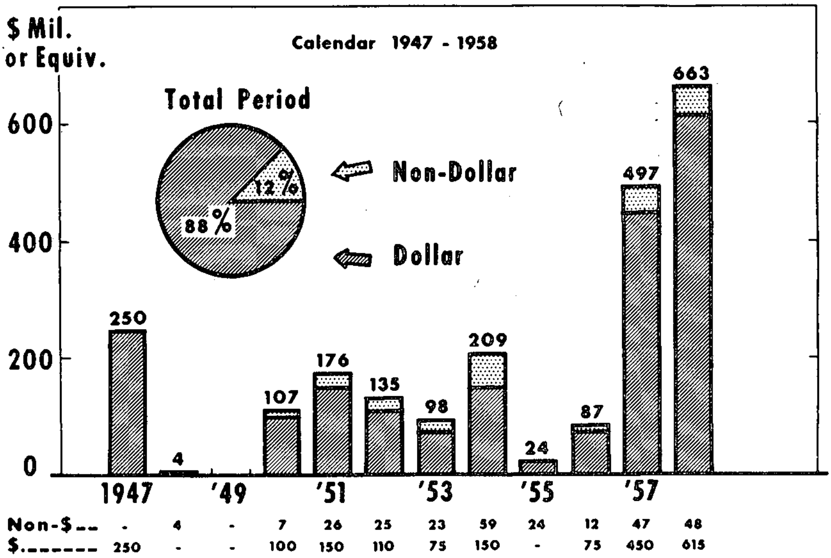
In accordance with its Articles of Agreement, the Bank has since the beginning of its operations charged a special commission of one percent on all loans. The money obtained from these commissions has been placed in a special reserve and invested in U.S. Government securities. This fund now amounts to $121 million. The Bank has also followed the policy, concurred in by the governors, of adding its annual net earnings to a supplemental reserve against losses and this supplemental reserve is $260 million. The reserve policy which has been followed gives added reason for believing that the Bank will not have to call up additional capital to meet its obligations.

Why under these circumstances are we requesting the Congress to approve an increase in the Bank's capital and an increase in the U.S. subscription? The answer is that only through these increases can the Bank continue issuing the dollar bonds which will provide funds for large-scale lending operations.

The maximum contingent liability of the United States under the Bank's Articles is at present $2.54 billion. As I mentioned, against this the Bank has outstanding a funded debt of $1.8 billion. Currently, the Bank is lending at a rate of $700 to $800 million a year. Its borrowings in the last year amounted to $663 million, as chart W shows, and may reach a larger amount in coming years. Continuation of the Bank's lending at its present rate can be successfully carried out only if more and more investors can be convinced that the bonds of the Bank

CHART W

I. B. R. D. BORROWING



are and will continue to be of the highest quality. In the judgment of the management of the Bank, most of the United States institutional investors and many of the non-United States investors in the Bank's dollar securities have been willing to take up, at reasonable rates of interest, the increasingly large and frequent offerings of the Bank's bonds chiefly because the bonds have the backing of the \$2.54 billion representing the uncalled 80 percent portion of the United States subscription. At the current rate of lending and borrowing the Bank within the next two years will reach the limit of the United States guarantee. As the amount of funded debt of the Bank approaches this point, the Bank is likely to find increasing hesitancy on the part of the market to take up its new issues of bonds. Some investors are already expressing concern over the relatively small remaining margin of the guarantee fund. The increase in the Bank's capital recommended by the Directors of the Bank will give renewed assurance to investors that the Bank's bonds are and will continue to be of the highest quality, and should provide the basis for continued favorable reception of the Bank's securities. This is the reason that we propose an increase in our subscription to the Bank along with an increase in the subscriptions of the other member countries.

The proposal which the Board of Governors of the Bank has approved by unanimous vote consists of two basic parts. The first is to increase the total authorized capital of the Bank to \$21 billion. The second is to increase the subscriptions of the present members by 100 percent. The increase in the capital to \$21 billion will provide shares for the increased subscriptions and also provide about \$1 billion of shares to take care of the admission of new members and adjustments in the subscriptions of various members which may be made from time to time in the future. The 100 percent increase in the subscriptions will more than double the security behind the Bank's bonds. The proposal provides that the Bank will not call up any part of the increased capital subscriptions unless it is necessary to meet obligations of the Bank, which as I have already indicated is a very remote contingency. Unlike the original subscriptions to the Bank, the first 20 percent of the additional capital will not be called up for use in the Bank's operations, but will simply be added to the contingent obligations of the members in the form of subscribed but uncalled capital. In this way, there will be no cash expenditure required of the United States Government or other member countries. The United States will be increasing its contingent liability by \$3.175 billion.

There are two other features of the proposal which should be mentioned. While the general increase in capital is 100 percent, the capital subscriptions of Germany, Canada, and Japan are to be increased in larger proportions. This corresponds to the special increases proposed for the quotas of these countries in the Fund. Their additional capital subscriptions will raise the liability of these three countries to an amount more in line with their current standing in the world economy. Secondly, the increase in capital subscriptions is not to be effective unless at least $7 billion of new capital is subscribed. In other words, the proposed greater contingent obligation of the United States to the Bank will become effective only if the members holding the bulk of the stock enlarge their liability at least proportionally.

The Bretton Woods Agreements Act provides that the Governor for the United States may not vote for an increase in the Bank's capital without the authorization of Congress, and the U.S. subscription also cannot be increased without congressional action. The bill proposes to authorize me, as Governor for the United States, to agree to an increase in the Bank's capital to $21 billion and an increase of 100 percent in the U.S. capital subscription. As I have already noted, this does not call for any cash expenditure by the United States. It does not mean that the Treasury will have to issue any additional securities. We have had authority on the books for 12 years to issue Treasury securities if needed to meet our contingent obligations to the Bank. We have not had to use that authority, and we do not expect to use the authority to be given by the bill before you. I believe that in the interests of the United States foreign economic policy, we should give this additional assurance to the investors who purchase the bank's securities, so as to enable it to continue its great work of financing the economic growth of the less developed countries of the free world.

* * * * * * *

I would like to state again that with these increases in our subscription to the Bank and our quota in the Fund, we will be making important contributions to the well-being of the free world. The larger resources of the Fund should help it to meet the foreign exchange difficulties and emergencies which may arise in the years ahead. The increase in the capital of the Bank will permit it to continue to finance its lending operations through the sale of its bonds to American and other investors. These two institutions have demonstrated over the last dozen years that they efficiently use the resources entrusted to them to advance the economic development of the less industrialized areas and to promote sound international exchange and financial policies.

Because the United States, since the very outset, has played a leading role in the Bank and Fund, other members are now looking to us for early action on this proposal to strengthen the financial resources of these two institutions. In his message to the Congress, President Eisenhower pointed out that there was real urgency for prompt action. I cannot emphasize too strongly that it is most important for the United States Government to maintain the posture of leadership which it now holds in connection with these proposals designed to insure further progress toward a better life for the peoples of the free world. I sincerely hope that the Congress will act promptly in this exceedingly important matter.

EXHIBIT 26.—Statement by Secretary of the Treasury Anderson, June 3, 1959, before the House Banking and Currency Committee on the proposed Inter-American Development Bank [1]

The President on May 11 sent a special message to the Congress recommending that the United States accept membership in the proposed Inter-American Development Bank. Attached to this message was a special report of the National Advisory Council on International Monetary and Financial Problems strongly recommending such action. I am appearing before you today to support the President's recommendation and urge your favorable consideration of this request. The bills before you, H.R. 7072 and H.R. 7073, provide for the acceptance of membership by the United States and make provision for authorization of the financial contribution necessary to effect our participation in this new institution.

[1] Assistant Secretary of the Treasury Upton read a statement by Secretary Anderson on the same subject before the Senate Foreign Relations Committee on June 23, 1959.

Over a major portion of our history, the United States has forged a chain of cooperation with the nations of the Western Hemisphere. Step by step, together, we have acted on matters of mutual interest and for our mutual defense. The Organization of American States, the Inter-American Defense Board, the Inter-American Economic and Social Council, as well as many bilateral commissions and boards, bear witness to this fact of hemispheric cooperation. It has become apparent in recent years that an Inter-American financial institution would be an important link in this chain. Our neighbors to the south have advocated such an institution which would be tailored specifically to the needs and demands of the economic development of Latin America. They and we believe that a financial institution dealing specifically with Latin-American problems would be of tremendous importance and assistance, not only in terms of additional financing which would become available, but even more so in terms of the greater concentration of interest, activity, and mutual understanding of the economic development problems of Latin-America.

Projects for an Inter-American Bank have been discussed over many years. At Buenos Aires in 1957 at the Economic Conference of the Organization of American States, the United States joined with the Latin American countries in a resolution recommending that the Inter-American Economic and Social Council convoke a specialized committee of governmental representatives to study the problems of financing economic development, including consideration of proposals for an Inter-American financial institution. Here in the United States, the conviction has grown that it would be in our interest to join with the other American Republics in founding a new bank which would concentrate on the problems of this hemisphere and in which the Latin American countries would provide a substantial part of the resources and a great deal of the initiative and management.

At no time in the past have conditions appeared so propitious for establishment of an Inter-American Bank as they do at the present time. In recent years there has been a marked growth in Latin American interest in economic cooperation not only with the United States but among the various Latin American countries themselves.

This new trend toward economic cooperation means, I believe, that efforts to establish a new Inter-American Bank now are much more timely than they would have been in the past and that such efforts are much more likely to be successful.

United States support for the establishment of a new institution was announced last August by Under Secretary of State Dillon. A specialized committee for negotiating and drafting a charter for the new financial institution met in Washington in January 1959 at the Pan-American Union and drafted an agreement which was signed on April 9 by the representatives of the 21 American Republics. This agreement was widely hailed as a great step forward in United States-Latin American relations. In a letter to the Conference, President Eisenhower stated:

"I believe that the proposed Inter-American Development Bank, when approved by the members of the Organization of American States, will make a significant contribution to the continuing economic progress of the American Republics and stand as an enduring testimonial to the spirit of cooperation among these nations."

This agreement is now being submitted to the governments for acceptance or ratification in accordance with their own constitutional processes. H.R. 7072 and 7073 provide the necessary authority for participation by the United States.

As a matter of national policy, the United States has developed over many years close relations with the 20 other republics in this hemisphere. We have had for more than a century the friendliest relationships with these countries, both politically and economically. The new Bank will help to maintain and strengthen these good relations and intimate associations in world affairs.

One aspect of this relationship is our trade with Latin America, which forms a large part of our total international trade. About 30 percent of our imports come from Latin American countries, and about one-fourth of our exports go to those countries. Our imports from these 20 countries have been running in recent years at an annual rate of $3½ billion. Our exports to Latin America have been around $4 billion. We sell to these countries machinery and vehicles, chemicals and textiles, and a great variety of manufactured products. Trade with the United States is also of the greatest importance to the Latin American countries. Over half of their imports annually come from the United States, and about half of their exports go to the United States. Our trade relations, therefore, necessarily loom very large in the thinking of the Latin American countries and our trade with Latin America is of tremendous importance to us. It is vital for us to continue the expansion of our trade with the American Republics.

American industry also has a tremendous stake in Latin America. American companies have invested $8.8 billion in branches and subsidiaries in Latin America. Our investments in Latin America represent about 35 percent of our total foreign direct investments. In recent years U.S. investors have reinvested in Latin America annually over $200 million of their earnings. Our investments are an added reason for assisting Latin American economic development.

Many of the countries of Latin America today are far from realizing their economic potential. Many of them have vast natural resources which are as yet untapped. In fact, some of these countries have never even been fully explored. With their expanding populations, they have increasing manpower to develop their resources and industries, and with further investment of capital and technical assistance, they can utilize this manpower more efficiently to produce more for their own consumption and for world markets. In Latin America as elsewhere, the main source of capital must, of course, be the work and savings of the people living there. But these economies cannot obtain the capital goods they need for expanding production except by importing these goods from abroad and obtaining from abroad a considerable part of the necessary financing, as the United States did in the last century. Private capital has been and must continue to be the major source of such financing, but there are areas in which private capital cannot be expected to do the job.

The proposed Inter-American Development Bank has been designed for the particular purpose of expanding the growth of Latin America under present conditions. The Bank will provide additional needed finance by making loans to supplement other sources of credit. It will also provide assistance to these countries in formulating development programs and in engineering and organizing particular projects. Its technical assistance work will help Latin American countries in obtaining capital, not only from the Inter-American Bank, but from other existing institutions, and more importantly, from the private capital market. The Inter-American Bank can assist the countries in formulating and presenting their projects and in making most effective use of their borrowing capacity.

The Inter-American Development Bank is designed to enlist the full cooperation of the Latin American countries in a joint enterprise with the United States. All will share a part of the cost and in the responsibility for managing the institution successfully. The Bank should assist the countries in mobilizing their own resources and in encouraging domestic and foreign private capital to undertake desirable investments. By concentrating on the problems of the other American Republics, it can give close attention to their needs. The assumption by the Latin Americans of a major responsibility for management, both as lenders and as borrowers, should facilitate the harmonious economic development of all these countries.

The total resources of the Bank will amount to $1 billion, of which $850 million will be the authorized capital stock for its ordinary operations, and $150 million will be the initial resources of the "Fund for Special Operations," which I will discuss presently.

The United States subscription will be $350 million, or 41 percent of the total ordinary capital of the Bank. The shares of the other members are generally in proportion to their proposed new quotas in the International Monetary Fund. Of the total capital, $400 million is to be paid-in capital, with an initial installment of 20 percent to be paid by each country on or after acceptance of membership, but in any event not later than September 30, 1960. A second installment of 40 percent will be payable when the Bank calls it, not before September 30, 1961, and a third installment of 40 percent when the Bank calls it, not before September 30, 1962. The three-installment arrangement will spread the burden on the budgets of the member countries and on their foreign exchange resources over a period of two or more years.

One-half of each installment must be paid by each member country in gold or United States dollars. The other half is paid in the national currency of the member. The second installment cannot be called unless 90 percent of the total amount due from all members on the first installment has been paid, and similarly the third installment cannot become due until 90 percent of the second installment has been paid. These provisions assure that practically all of the members must participate. The 10 percent leeway may be necessary in case one or two countries are definitely unable to provide their payments.

The second part of the Bank's capital is to consist of $450 million in callable capital. This part of the capital is intended to provide a guarantee fund for the bonds, or other securities which the Bank may sell to private investors. In this way, eventually a good portion of the resources which the Bank will have for its lending operations will come from the private investors who buy its securities rather than from the public treasuries of the members. You will note that the bills before you also make provision for the marketing of these securities in the United States on the same basis as the securities of the International Bank. It is not anticipated that the Bank will find it necessary to make a call, since calls may be made only to meet the Bank's liabilities on obligations which it has issued or guarantees which it has made. Should a call be made, it will be on a pro rata basis and must be paid in gold, dollars, or the currency actually needed to discharge the Bank's obligations.

The ordinary operations of the Bank will be financed from the capital subscriptions of the members, from borrowings, and from reinvested earnings. From these resources the Bank will make loans, repayable in the currency lent on normal terms for international lending. Loans may be made to the governments of member countries, to their political subdivisions, or to private enterprises. In the case of loans to private entities, the Bank may require, as a condition of the loan, a guarantee by the Government or a public financial institution of the country in which the project is located. While the Bank may not finance a private project to which the member country objects, it is not required to obtain a government guarantee. The Bank may also make loans to several countries in one transaction where these loans are part of joint or regional projects.

As in the case of the International Bank for Reconstruction and Development, the Inter-American Development Bank will charge a commission of one percent on all loans, which it will invest in liquid securities to meet any liabilities of the Bank on its borrowings or its guarantees.

Since the ordinary loans of the Bank must be repaid in the currency lent, the resources of the Bank will revolve. As portions of principal and interest are paid in dollars or other currency that has been used to provide foreign exchange, the Bank will continue to have usable currencies available for additional loans.

The Bank agreement provides that the capital may be increased when additional funds are required for its operations. It is anticipated that some time after September 30, 1962, when the payments on the paid-in capital have been completed, the Bank will wish to increase its callable capital by an additional $500 million. This increase in capital will require a three-fourths affirmative vote in the Board of Governors. This arrangement was made in recognition of the conviction of the Latin American representatives that provision for an increase in the capital of the Bank should be made at an early date. Since this increase would be in the form of callable capital and not paid-in capital, it would result in the United States assuming an additional contingent liability of $200 million.

As the President pointed out in his message, the U.S. representatives agreed that such an increase would be desirable, but believed that it would be wise to have an initial period of experience with the Bank's operations before the additional capital is subscribed. The President said: "Accordingly, if the Bank's operations are established on an effective basis in accordance with expectations, the United States will in good faith be committed to vote for the increase and subscribe to its share of the increased capital." The bill before you makes no provision for this increase in the subscription of the United States, and specifically requires the authorization of law before the United States can subscribe to this increase. I call this provision to the attention of the Congress as an indication of the announced intentions of the United States. While a United States vote for an increase in the capital can be given only with congressional authorization, it should be understood that this increase may be requested after 1962 if the Bank's operations prove to be as successful and as valuable as we expect them to be.

Aside from this $500 million increase in the Bank's callable capital, which may be anticipated after several years, the agreement provides that the capital of the Bank can be increased at any time by a vote of two-thirds of the Governors with at least three-fourths of the total voting power. In brief, the capital of the Bank cannot be increased unless the United States as well as the other countries agree to it and in accordance with the bill before you, this increase in capital could not be effected without special authorization of law.

I turn now to the "Fund for Special Operations" to which I referred earlier The loans of the "Fund" are to be made on terms and conditions appropriate for dealing with special circumstances arising in specific countries or with respect to specific projects. It must be recognized that some of the Latin American countries from time to time may not be in a position to service additional hard loans repayable entirely in dollars or other currencies which can be used to finance imports of capital equipment. There are also some projects which may be important for a general program of economic development in a country, which will contribute to an increase in its productive capacity and ultimately to its ability to service foreign debt, but which will not directly and immediately increase its debt servicing capacity. Some countries may find themselves in a difficult foreign exchange situation which will reduce, at least temporarily, their ability to repay "hard" loans.

For these reasons, the "Fund for Special Operations" is intended to make loans which may be made repayable, partly or wholly, in the currency of the borrowing country. Payment of interest and amortization of these loans, to the extent that they are repayable in local currencies, will not impose a direct burden on the balance of payments of the country in which the loans are made. The "Fund" is intended for this type of extraordinary assistance in development programs, but it is to be small in comparison with the ordinary operations of the Bank. The initial resources of the "Fund for Special Operations" are to be the equivalent of $150 million, of which the United States share will be $100 million. Of the United States contribution, $50 million is payable in the first installment and the rest at a later date, in one or more installments. Because the United States is providing such a large portion of the resources, its affirmative vote will be necessary for a loan from these resources, since a two-thirds vote is required. In accepting the responsibility of contributing to the "Fund for Special Operations," the Latin American countries have given an effective demonstration of their willingness to help each other in the field of economic development. In the past, loans of this special type have been made only by the United States. The precedent of cooperation by other countries in this area is one that we consider important. We feel that the "Fund" will be a very useful adjunct to the operations of the Bank to make it an instrument fashioned to be of assistance to all Latin American countries.

As I have mentioned previously, one-half of each member's subscription to the ordinary capital, and one-half of its quota in the "Fund" are to be paid in gold or dollars and one-half in the national currency of the member. The gold and dollar payments in both departments are "untied" and may be used by borrowers for payments anywhere. The part of the member's subscription paid in its own currency may be used without restriction for payments of goods and services produced in its territories. These currencies, therefore, may be used to pay for exports of materials needed in connection with loans by the Bank. National currencies may also be used for payments in other countries, unless the member specifically restricts the currency to payments in its own territory. Fifty percent of the United States subscription is considered national currency in this sense, and may be used under the same terms as the currencies of the other members.

The Bank will use its foreign exchange resources ordinarily only to finance foreign exchange costs of a loan project. It may, however, lend a member country its own local currency paid in on subscription to finance local currency costs, and only in special cases the Bank may provide foreign exchange to cover a reasonable portion of local currency costs, particularly if the result of a project is to increase the borrowing country's needs for foreign exchange.

It might be useful to indicate to you that there are similarities and differences between the Inter-American Development Bank and the International Bank. In the Inter-American Bank a larger portion of its total resources comes from paid-in capital and less from borrowed capital than in the International Bank. Moreover, in the Inter-American Bank a larger portion of the paid-in capital is in the form of gold or dollars, so that it will encounter fewer difficulties in utilizing the capital subscriptions of its members than the International Bank has had.

Like the International Bank, this institution will make ordinary loans repayable in the currency lent, but unlike the International Bank it has a supplementary "Fund for Special Operations," which will enable it to aid economic development in all Latin American countries. In view of the special circumstances affecting particular countries or projects, the loans from the "Fund" may be made repayable partially or wholly in the borrower's currency.

The activities and accounts of this "Fund" however, may not be mingled with the operations of its ordinary department, so that the security behind the Bank's borrowings will not be diluted through the less-liquid loans of the "Fund."

The organization of the Inter-American Bank in a general way is similar to that of the International Bank. The final authority is a Board of Governors, meeting annually, with each country appointing a Governor. Voting in the Board of Governors will be in proportion to stockholding, except that each country has 135 additional "membership" votes. As in the case of the International Bank, this provision gives a somewhat larger voice to the smaller countries.

As in the International Bank, the active operations of the Bank will be controlled by a Board of Executive Directors, to which the Governors may delegate all but a few reserved powers. The Board of Executive Directors will consist of seven members, one appointed by the United States, and the six others elected by a rather complex voting scheme, which will give representation to both the large and the small countries and to the various geographical areas of Latin America. Voting in the Executive Board will be proportional to the votes of the countries which the directors represent. Except for the United States, the executive directors and their alternates must be of different nationalities so that at any one time 12 of the Latin American countries will have one of their nationals following the day-by-day operations of the Bank.

The Bank's staff will be headed by a President, who will be elected by the Board of Governors. There is also to be an executive vice president, appointed by the Board of Executive Directors, on the President's recommendation. The Board of Executive Directors is to appoint a vice president in charge of the "Fund for Special Operations" and may appoint additional vice presidents.

The Inter-American Bank will have full juridical personality and will be given certain exemptions in matters of legal process and taxation so as to perform its functions effectively as an international financial institution. The proposed legislation includes a section to give effect to these provisions.

The bill, which the committee has under consideration, contains five basic provisions. (1) It empowers the President to accept membership in the Inter-American Development Bank for the United States in accordance with the Agreement. (2) It authorizes funds for paying our subscription. (3) It makes provision for the marketing of the Bank's securities in the United States. (4) The bill provides for giving the Bank the required immunities under American law and establishes the procedure for dealing with such legal disputes as might arise in courts in the United States. (5) Finally, it provides for coordination of the activities of the United States Governor and Executive Director of the Inter-American Bank by the National Advisory Council in the same way as is now provided by law for the United States representatives on the International Bank and the International Monetary Fund.

The bill authorizes the appropriation of $350 million to the President to pay for our capital stock in the Bank, and also provides an authorization of $100 million without fiscal year limitation for payment of the United States subscription to the "Fund for Special Operations." On or after the date on which this Government accepts the agreement (but no later than September 30, 1960), the United States will be required to pay in $30 million to the Bank's capital for ordinary operations and $50 million to the "Fund." An additional appropriation of $60 million will be required when called by the Bank but not before September 30, 1961, to make a second payment to the ordinary capital subscription; the third payment will not become due before September 30, 1962, when the third payment of $60 million to the paid-in capital is due. As I pointed out earlier, the Bank will not be able to call the second installment of our subscription until 90 percent of the total subscriptions of the membership are paid in. Similarly it will not be able to call the third installment until 90 percent of the second has been paid, and it will also not be able to call the second $50 million of our payment to the "Fund" until at least a year after the Bank has begun operations. In this way, $80 million will be all that will have to be paid to the Inter-American Bank before September 30, 1960.

The National Advisory Council on International Monetary and Financial Problems strongly recommends that the United States promptly accept membership in the Inter-American Development Bank in accordance with the agreement signed here in Washington on April 8. We believe that this Bank will be of great value to the countries in this hemisphere in expanding their production and developing their economies. We believe that the United States should act promptly and show the other American Republics that we have their interest in mind and that we are willing and anxious to help them to improve their economic life.

Our relationship with Latin America has always been close, as evidenced by our membership in the Organization of American States and other regional institutions. We are joined with these countries in mutual assistance and defense pacts. We have consistently aided each other in times of stress and strain. The establishment of the Inter-American Development Bank will serve as a further link in these close political and military associations, and will strengthen the economic ties which are the essential ingredient of a stable and strong and unified Western Hemisphere.

Exhibit 27.—Press release, June 18, 1959, announcing that Secretary of the Treasury Anderson was making arrangements to increase the U.S. subscription to the International Bank for Reconstruction and Development and the International Monetary Fund

Treasury Secretary Robert B. Anderson, acting as the United States Governor for the International Bank for Reconstruction and Development and the International Monetary Fund, today notified the two institutions that he is making arrangements to increase the United States subscription to both organizations.

Secretary Anderson's letter of notification follows authorization of Public Law 86–48, signed into law by President Eisenhower on Wednesday.

By this action the United States is agreeing to increase the United States subscription to the Monetary Fund by $1,375 million, of which $343,750,000 will be in gold. The gold transfer will be made to the Monetary Fund in the next few days through the Federal Reserve Bank of New York. The remainder of the Fund subscription is in noninterest-bearing demand notes.

The subscription of the additional shares of stock in the Bank will not involve any cash payment but it will increase by $3,175 million the United States guaranty behind obligations to be issued by the Bank. This increase will facilitate the continued sale of the Bank's securities to private investors in the United States.

The membership of the United States in these institutions was authorized by Congress in the Bretton Woods Agreements Act of 1945. Both institutions have been outstandingly successful in establishing an effective and continuing system of international cooperation in the field of monetary and exchange policies and economic development. The increase in their resources will enable these two institutions to continue to operate successfully over the years ahead.

Exhibit 28.—Letter from Secretary of the Treasury Anderson, July 31, 1959, to the President of the International Bank for Reconstruction and Development on establishing an International Development Association

My Dear Mr. Black: At the opening joint session of the 1958 annual meeting of the International Bank for Reconstruction and Development and the International Monetary Fund at New Delhi, I called attention to the fact that the United States was studying a proposal to establish an International Development Association as an affiliate of the International Bank. President Eisenhower had earlier asked me to ascertain the attitudes of member governments toward the proposal, and, if the creation of an International Development Association appeared feasible, to initiate negotiations to that end.

The New Delhi meeting offered an opportunity for fruitful contacts among the Governors of the Bank, and the preliminary responses to the International Development Association proposal voiced there were encouraging. Since last October, we in the United States Government have been engaged in further study of the International Development Association in an attempt to formulate a more specific project. We have had subsequent discussions with other members of the Bank, and many members have shown a favorable attitude toward the concept of an International Development Association. We are continuing our discussions with other Bank members.

You will recall that as a basis for these discussions the United States Executive Director of the Bank recently circulated to all the other directors an informal paper giving the major outlines of an International Development Association as we presently visualize it. We realized that in many cases a director would be in a position to give only his personal views, and would not have the considered views of the government or governments he represents. Nevertheless, the reactions of directors to this informal paper were useful and illuminating, and we have kept these in mind in drawing up the memorandum which I have attached to this letter.

We have been much impressed, as I am sure you also have been, with the role played by the Executive Board of the Bank in bringing to fruition several complex proposals in the recent past. The International Finance Corporation, for example, came into being after a proposal was formulated in the Board of Executive Directors and submitted to the member governments for approval. Just last year, the executive directors were charged with the task of submitting an appropriate proposal for increasing the Bank's resources. This task was successfully discharged, and governments are now acting on the resolutions drafted in the Executive Board. I believe the executive directors, in the case of the International Development Association, can again perform the invaluable function of taking the basic outline of an idea and fashioning it into a specific proposal. I am convinced that there exists a sufficiently broad base of support for an International Development Association among the member governments that a plan carefully worked out by the executive directors would meet with widespread acceptance.

It is my hope that this year's meeting of the Governors will be the occasion for taking definite steps looking toward the establishment of an International Development Association along the lines of the attached paper. As Governor for the United States, I am planning to place before the Board of Governors in September a resolution calling upon the executive directors to study carefully the question of establishing an International Development Association and, if feasible, to formulate articles of agreement for appropriate submission to the member governments. I would appreciate it, therefore, if you would place the subject of the International Development Association on the agenda for the September meeting. The formal text of a resolution will be transmitted to the Bank by the United States at the proper time.

If the executive directors make their recommendations within a reasonable time and if these recommendations are expeditiously presented to member governments, the matter could be acted upon formally by member governments early in 1960. In the case of the United States, this would mean that the Congress would consider the International Development Association during the 1960 session.

I am certain you will agree with me that the question of establishing an International Development Association is a matter of the first importance, and that the assent of the Governors at the annual meeting to a resolution calling for a study and recommendations by the executive directors would be a significant step toward the desired goal. It is my hope that between now and September the idea will receive earnest consideration within the member governments, and that the Governors will be in a position to support the United States resolution when it is offered. In this connection, I request that you forward a copy of this letter to each of the Governors, together with any comments you might consider appropriate.

Sincerely yours,

ROBERT B. ANDERSON,

Governor for the United States International Bank for Reconstruction and Development.

GUIDELINES FOR USE IN IBRD EXECUTIVE DIRECTORS' STUDY OF A PROPOSED INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)

To facilitate the consideration of the IDA by the executive directors, the United States submits herein certain guidelines which it hopes will form the basic framework of the proposed organization.

1. *Purpose.*—The purpose of the International Development Association would be to promote, by financing sound projects of high priority, the economic development of less-developed member countries whose needs cannot be adequately met under International Bank lending programs.

2. *Structure.*—IDA should be a close affiliate of the IBRD; membership in IDA would be open to all members of the IBRD. IDA should be a separate financial entity, but should be manned by IBRD personnel.

3. *Voting.*—Voting should be on a weighted basis, according to capital subscribed.

4. *Size.*—The authorized capital of IDA should be $1 billion. Members would pay in 50 percent of their subscriptions initially, and the remainder in equal installments over five years.

5. *U.S. subscription.*—The U.S. subscription would be proportional to the U.S. subscription in the International Bank, taking into account the proposed increases in the IBRD. This would amount to about $320 million.

6. *Replenishment.*—At 5-year intervals the Governors of IDA should consider the desirability of increasing the capital of the institution. Any increase would require approval of three-fourths of the total voting power. Each member would have the right, although not the obligation, to subscribe to a portion of the increase in accordance with its proportion of the initial capital. The Board of Governors could also, by three-fourths vote, approve an increase in capital at any other time, provided prior capital obligations of members have been substantially discharged.

7. *Currency subscribed.*—Members would make their subscriptions in part in gold or fully convertible currencies, and in part in their own national currencies. Each payment made under the installment arrangements mentioned in paragraph 4 would consist in part of gold or fully convertible currencies, and in part of national currencies, in the proportions set forth in paragraph 8. The basis on which each part of a member's subscription may be used by IDA is also outlined in paragraph 8.

8. *Use of currencies subscribed.*—Twenty percent of each payment by each member should be in gold or in fully convertible currencies which would be freely disposable by IDA. The remaining 80 percent should be in national currencies and should be usable at a minimum for procurement of nationally produced goods and services for use in connection with IDA-financed development projects within the country concerned, or for procurement of nationally produced goods and services for export and use elsewhere in connection with IDA-financed projects. In no event would IDA engage in financing trade in commodities not related to IDA-financed development projects.

In addition to the basic minimum usability of the 80 percent of subscriptions paid in national currency, there should be provision in regard to this 80 percent for:

(*a*) The convertibility of 30 percent as required by IDA. The obligation to make this portion of its national currency convertible on demand should extend to all members except those to whom IDA granted a suspension of the obligation. This suspension would not be given to any of the industrialized countries, and countries receiving suspensions should not have an aggregate of more than about a quarter of total subscriptions.

(*b*) The convertibility of the remaining 50 percent of subscriptions paid in national currency by the industrialized countries if and when all of the industrialized countries agree to such a move. The United States would make this portion of its subscription available on a fully convertible basis so long as the other industrial countries do the same. Under these arrangements, the IDA would have the responsibility for taking account of the economic position of a less-developed country in using such a country's currency, from whatever source acquired. An operating principle of IDA would be that IDA would maintain reasonably uniform rates of usage among the subscriptions in national currencies which become convertible as provided in (*a*) or (*b*) above, after first using the holdings of the currency of the country of procurement.

9. *Borrowing authority.*—IDA should have authority to borrow from member governments or other sources.

10. *Special resources provided in local currencies.*—Arrangements should be made to permit IDA to receive from one member the currency of another member. Transfers of such currency would be over and above the member's subscription to the regular capital of IDA. Currencies so transferred should be available on terms which impose no greater restrictions on their use by IDA than previously applied to their use. Efforts would be made to secure the agreement of member countries, in accepting the IDA charter, to cooperate in facilitating reasonable transfers to IDA of their currency which another country wishes to make available.

The member would receive nonvoting "special development certificates" in exchange for currency provided. These certificates would carry a right of recovery of any such currency remaining upon liquidation of IDA. In addition, holders of certificates would be eligible to receive half of net operating profits derived from use of the resources provided.

EXHIBIT 29.—Letter from the President of the International Bank for Reconstruction and Development, August 3, 1959, to each of the Governors of the Bank on establishing an International Development Association

MY DEAR GOVERNOR: The Governor for the United States has requested me to forward to you and the other Governors of the Bank the attached letter [1] concerning the International Development Association. The letter expresses the Governor's intention to introduce a resolution on that subject at the next annual meeting and requests that the matter be placed on the agenda for that meeting.

I have often said that in many less-developed countries the achievement of reasonable rates of growth will require more external capital than can properly be provided by conventional loans of the kind which the International Bank is authorized to make, and that there would be substantial advantage in channeling a large part of such further external aid through a soundly organized international institution. This is the essential concept of the proposed International Development Association. It is my opinion that, given suitable resources and functions, such an institution would be a valuable supplement to the International Bank's efforts to meet the pressing problems of development financing in the world today.

Without expressing any views at this stage on specific aspects of the proposal, I can say that I am fully in accord with the suggestion of the Governor for the United States that our meeting in September should be the occasion for taking action looking toward its consideration and, as I would hope, toward the establishment of an International Development Association.

Yours sincerely,

EUGENE R. BLACK,
President of the International Bank for Reconstruction and Development.

EXHIBIT 30.—Statement by Secretary of the Treasury Anderson as Governor for the United States, September 28, 1959, at the opening joint session of the International Monetary Fund and the International Bank for Reconstruction and Development

I wish to join, both personally and on behalf of my delegation, in the welcome extended to all of you by the President of the United States. We hope your stay here will be pleasant and that these deliberations, so notably inaugurated, Mr. Chairman, by your thoughtful address, will be highly productive.

At last year's meeting, the Governors considered the need for both the Bank and the Fund to increase their financial capacity in order to assist more effectively with the problems of economic development and financial and economic stability. The member countries have acted with dispatch to approve the proposals formulated by the Executive Directors. I am sure that not only the financial response itself but also the clear expression of confidence in the Bank and the Fund will greatly enhance the usefulness of these two institutions in their future operations.

We have seen in recent years intensified efforts in the less developed countries represented here to move ahead economically. The Fund and the Bank, in their respective roles, have done much to help, and as a result of their new resources they will be in a better position to meet appropriate demands on their funds. However, the needs of the less developed countries to attain sound and sustainable growth still further challenge the economic and financial statesmanship which this group, coming here from the many nations of the free world, has shown in the past.

Those of us from the industrial countries have seen impressive gains in our economies. New and higher levels of economic activity have been achieved. This has been reassuring to the United States since our international activities over many years have been directed toward cooperating in the postwar reconstruction of other industrial countries as well as in helping the efforts of the less developed areas. We welcome the return of these other industrial countries to an economic position where they are capable to an increasing extent of participating, both directly and through international financial institutions, in supplementing the basic efforts of the developing countries themselves.

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[1] See exhibit 28.

I do not think it appropriate for me to comment on the mechanisms of carrying out direct financial relations between other countries. I would like, however, to say that the very character of development financing requires longer term lending than has been available from many existing national financial institutions.

There is a need, in addition to these direct efforts of each of us, for further joint action by those represented here to help progress of the less developed areas in a way which will not bear heavily on their external payments. I refer to the International Development Association, which is on the agenda of the Bank meeting. You will recall that at last year's meeting, at the direction of President Eisenhower, I stated the view of my Government that an International Development Association as an affiliate of the International Bank warranted serious study. I had no definite course of action to suggest at that time for such an association, but expressed the hope that you would all give thought to this matter.

The subsequent informal discussions with many of you and your representatives encouraged my Government to feel that this institution would be both feasible and desirable. As a result of our further study, and greatly aided by the valuable opinions received in our consultations, we have outlined our thoughts on the basic framework of an International Development Association. These ideas were circulated by the President of the Bank to each of you early in August. In forwarding that letter to you, Mr. Black expressed his view that such an Association could be a valuable supplement to the efforts of the International Bank.

We all realize that there are situations in the less developed countries where a sound project may require financing which cannot be provided under the criteria of our established international lending institutions. It would be unfortunate if we did not help in these situations, where often only a relatively small margin of capital is needed. It would be equally regrettable if, in jointly meeting this responsibility, we set up an organization which competed or conflicted with the operations of our other proven international institutions. It is, therefore, of great importance to accomplish this purpose by establishing the new institution within the framework of the IBRD. In this manner we will not impair this existing lending institution which can meet the needs of bankable projects. We also want to be sure that we are sufficiently imaginative and resourceful to bring about effective use of two forms of credit and at the same time sufficiently discriminating so that we add to, rather than take from, the capacity of existing sound organizations.

It is equally important that an effort of this nature be made through an institution the membership of which consists of the community of free nations subscribing to the sound monetary policies represented by the IMF and adhering to the belief that the maximum accomplishment of any society can be attained within the framework of free economies. If we can accomplish these objectives, we can make a contribution of lasting benefit to the less developed countries.

We recognize that we are breaking new ground in an international undertaking of this sort. Because it is new we need to approach it with an attitude of flexibility. The Executive Directors of the IBRD have the experience and resourcefulness to develop effective policies and we can confidently rely on them in their task of carrying out the operations of this new institution.

The proposed International Development Association provides the opportunity for member countries to join together to further economic progress in the less developed areas. The positive effort we will be making through this new institution will be an additional and effective answer to the challenge before us. The need for it is clear. Accordingly, the United States has introduced a resolution asking the Bank's Executive Directors to formulate articles of agreement for the International Development Association after full consideration of all aspects which they deem pertinent. The Executive Directors have more than adequately demonstrated their ability in the past to pursue this kind of task expeditiously. I urge your approval of this resolution when it is presented for action.

Exhibit 31.—Statement by Secretary of the Treasury Anderson as Governor for the United States, September 29, 1959, at the discussion of the Annual Report of the International Monetary Fund

It was to be expected that the Annual Report of the Fund would point to evidences that the past year was one of great advance in several important phases of the economy of the free world. The first evidence is the sharp upswing of industrial production in the United States and renewed expansion in other industrial countries. Second, is the continued very substantial growth in gold and foreign exchange reserves of those other industrial countries. Third, is the move to external convertibility, which signaled the end of the postwar period of inconvertibility and its accompanying comprehensive exchange restrictions.

However, the Fund Report also calls attention to the less satisfactory experience of many of the less developed countries. I agree fully with the Report that the difficult problems with which these countries have had to deal make it all the more to their credit that so many of them have taken steps to introduce or maintain comprehensive stabilization programs. All of our countries, whether industrialized or underdeveloped, face common problems arising out of the pressure of demand on economic resources, and all of us, as financial officials, are engaged in an unending struggle to contain the destructive forces of inflation.

We are glad to note that the Fund has continued to play an important role. The fact that the Fund has been ready and able to assist in the maintenance of convertibility undoubtedly was an important encouragement to the countries which made formal moves during the year. At the same time the Fund has continued to give technical advice and financial support to countries which have been planning or intensifying their stabilization efforts. Use of the Fund's resources by these countries was substantial. For many of them, however, standby arrangements with the Fund were as important or even more important than the actual use of Fund resources.

There is sometimes a tendency to refer to the stabilization programs with which the Fund is associated as if they were something which the Fund devised and sought to impose on one or another member country. I am sure that this view is not held by my fellow Governors. The desire to achieve and maintain stability in the economy and a sound currency as the reliable basis for economic development must arise within the country itself. If it does not, and if in consequence this objective does not have the support of all major sectors of public opinion—responsible business and labor leaders, consumers, and public officials—the efforts of the Fund to extend either technical advice or financial support are unlikely to be successful. I have noted with interest the discussion of this subject which appears at the end of chapter II of the Report. For us in the United States Government it is encouraging to observe the effective collaboration between the Fund and a number of the member countries, and I am confident that over the years this alliance between Fund and members in the effort to provide a sound financial basis for economic expansion will be one of the most important activities of the Fund.

A year ago at the meeting in New Delhi I had the pleasure of introducing a resolution looking to an increase in the resources of the Bank and the Fund, and the great satisfaction of finding that the resolution met with the unanimous support of the Boards of Governors. Now, a year later, we can note with real pride that the executive boards have presented their reports, the Governors have virtually unanimously approved the proposed resolutions, and the required percentages of actual participation in the increase in resources have been exceeded. This has been an outstandingly successful international cooperative effort to increase the pool of resources available to the Fund and to increase the capacity of the International Bank to make loans.

This year the United States is proposing consideration of the establishment of the International Development Association as a desirable additional means of providing capital for the economic development of the free world.

In his address the Managing Director of the Fund has commented on two aspects of Fund policy which are of very real interest to us in the United States Government. One of these, which is also mentioned in the Annual Report, relates to discrimination in trade and payments. During the first decade after the war, currency inconvertibility was very widespread and, for most of that period, was severe. Under those circumstances it was to be expected that countries would husband their earnings and reserves in convertible currencies. This resulted, of course, in massive discrimination against the countries having convertible currencies—discrimination which extended to imports of goods and to various so-called invisible transactions, such as tourist travel and remittances. Although these discriminatory arrangements affected the trade of the United States, we concurred in the Fund's policy of sympathetic toleration of them pending the time when inconvertibility would give way to convertibility at least among the major currencies.

This time has come and it has been accompanied by, and in considerable part made possible by, a very substantial improvement in the balance of payments positions of the other industrial countries and by large increases in their reserves. In our view, the countries which no longer suffer from inconvertibility in their current international receipts do not have any balance of payments justification for discriminatory restrictions—that is, there is no reason for these countries to favor imports from non-dollar countries over those from dollar countries. We have been very much gratified by the substantial progress which countries have made in reducing and eliminating discriminatory restrictions. But it has to be said that discrimination against the trade of dollar countries is still substantial, and that it applies to commodity trade and some other transactions, especially the freedom of tourists to obtain funds to travel wherever they wish. We consider that it is most important for the Fund to declare its position on this matter clearly and forcefully. This would be shown not only by the actions of individual countries but by the Fund itself in the weeks following this annual meeting. This is of particular concern to the collaboration between the Fund and the GATT.

The Managing Director has mentioned that many countries have reached the point where they soon will no longer need to avail themselves of the transitional privileges of article XIV, which deals with restriction on payments and transfers in international transactions, and will accept the obligations of article VIII. We agree with this view, and we also agree with him that it is time for the Executive Board of the Fund to examine the several important questions of policy connected with article VIII which will need clarification as a guide to the many member countries still operating under article XIV.

I should like now briefly to review some of the economic and financial developments in the United States during the year. The Annual Report gives considerable attention to the United States and I appreciate the objective way in which the developments in my country have been analyzed. We in the United States Government keep always in the forefront of our minds that our economy is a very large one and that what happens here, whether good or bad, is of concern for other countries of the free world. At the same time, however, I agree with the line of analysis in the Annual Report pointing to the steady strengthening of the European economies in recent years and to the substantial and autonomous economic power and influence of the Western European economy in world affairs.

The main purpose of the United States in the financial and economic field is to maintain a strong and expanding economy on both the domestic and international fronts. Only economic strength can support a steadily rising standard of living for the people of the United States and only through economic strength can the United States play its proper role in the defense of the free world and in assisting the underdeveloped countries of the world, to whom economic advance is so vital.

To maintain and enlarge the economic strength of the United States we rely on a few main lines of policy. These include, first, a sound fiscal position which will both avoid inflation and meet the very large expenditures at home and abroad which the United States Government must undertake. Second, firm and yet flexible monetary policies aimed at achieving and maintaining stable purchasing power for the dollar and an adequate basis for large and growing savings. Third, maintenance of competitive private enterprise and high employment opportunities within the framework of sound social and economic policies. Fourth, improvement of our technology and production efficiency so that we can expand our markets at home and abroad.

Turning to the balance of payments position of the United States, the present situation is this. The excess of exports of United States goods and services over our imports is currently running at the rate of about $3 billion per year. This excess is not sufficient to meet three large categories of out-payments by the United States which in the aggregate amount to about $7½ billion a year. There is a difference of roughly $4½ billion. Some of these out-payments are directly associated with and add to our exports; others bear a much more indirect relationship to our trade. But their overall effect is to provide foreign countries with substantial net receipts of dollars.

One of these three large out-payments by the United States consists of military expenditures abroad, which have been running over $3 billion in recent years. The second is net U.S. Government grants, loans, and other capital outflow of about $2½ billion a year. The third is the outflow of private capital which amounts to $2 billion or more per year. Despite heavy demands on our savings at home, reflected by rising interest rates, we are making substantial amounts of these savings available to underdeveloped countries. Moreover, large contributions to the defense of the free world are an important part of the international policy of the United States Government and of all of the free world.

The resulting large payments deficit or difference of about $4½ billion is accounted for mainly by foreign gains of gold, dollar holdings, and both short- and long-term foreign investments in the United States. It is our hope that this large payments difference will be reduced by increases in our commercial exports of goods and services relative to our imports of them. But, while we will put emphasis on strengthening our capacity to export, we cannot be unmindful of other factors and therefore we will also keep our whole international financial position under review.

The U.S. dollar is a reserve currency. In our modern monetary and exchange systems, the role of a reserve currency is essential, and it is natural that foreign central banks and treasuries as well as private persons and institutions abroad should hold dollars in substantial amounts. This means that while it is, of course, in our own interest to keep the strength of the dollar beyond question, we must also be aware of the interest of other countries which rely on the dollar as a reserve currency.

It is, however, important also to look at the world payments situation as a whole and not at the position of the United States alone. In 1958 the other industrial countries of the free world had a substantial payments surplus not only with the United States but also with the less developed members of our institutions. These surpluses substantially exceeded the long-term financing made available by these countries to the rest of the world. That is to say, their net exports were substantially greater than the financing which they provided to cover them, resulting in an unusually large addition to liquid holdings of foreign exchange, on both official and private account. A similar situation has continued in 1959. This large excess of exports over the outflow of capital does not represent a satisfactory pattern of world payments, and cannot be expected to persist.

The passage of time changes circumstances and these changes continually force upon us all the need to review our policies. Following World War II, when many countries were suffering from the ravages of war and when their foreign exchange reserves were very low, the principal policies of the United States in the foreign financial and economic fields were designed to assist in rebuilding economies and to strengthen currencies. But now there has been a restoration of the relative competitive positions of the other industrial countries of the free world. No longer is the United States the dominant supplier of capital goods and other manufactures. The other industrial countries have improved their own financial positions. This means that there is no longer a justification for the discriminatory practices of the earlier period of their economic and financial weakness. Finally, the changed circumstances of the industrial countries ought to put at rest any unfounded idea that the economic problems of the free world are based either on a shortage of dollars or on a general lack of liquidity.

What we must recognize is that we are confronted today not with a dollar shortage, but with a capital shortage. The demand for capital is high in all countries, both industrial and underdeveloped. But on a comparative basis, there is in the underdeveloped countries a strong and pressing demand for long-term funds from countries with high savings to supplement their own savings, so as to accelerate the pace of economic development. This demand for capital need not be satisfied by any one currency, but by all convertible and usable currencies. We in the United States will not shirk any part of our responsibility to help in this situation. But I believe that examination of the recent past shows that financing by the United States has exceeded the amount of its net exports of goods and services and that other industrial countries have generally financed less than their exports of goods and services. There must be a reorientation of the policies of the earlier postwar period and a new determination by all the industrial countries to face the common obligation to share in the task of providing capital to the less developed parts of the free world.

Turning now to the domestic side, I am very glad to be able to report, as does the Annual Report itself, that the year since we met in New Delhi has been one of continued economic upsurge in the United States. By June, just prior to the steel strike, industrial production had reached 6 percent above the prerecession peak. Gross national product is currently running about $485 billion per annum compared with $442 billion in the year before the recession. Moreover, this dramatic and rapid increase in economic activity has been achieved with substantial price stability. Since the beginning of recovery in May 1958, the broad index of wholesale prices has shown no net increase, while consumer prices have risen only 1 percent.

The fiscal position of the United States, which is a major factor in our attempts to stabilize prices, has shown a notable improvement. Following the large deficit of $12½ billion in the fiscal year ended June 30, 1959, the United States Government has made great efforts to restore a balanced budget in the current fiscal year. My report to you on the state of affairs in the United States would be less optimistic were I not able to state that this objective appears to have been substantially attained. In this achievement we have faced the difficulties common to many countries in the world today, who must postpone or curtail some government expenditures in order that financial stability may be maintained.

The credit and monetary policies of the United States, including our firm policy of maitaining unchanged the present official price of gold, have also been directed toward promoting financial stability in the interest of sustainable economic growth. The present business boom, which has carried production, employment, and incomes to record high levels, has resulted in a rising tide of demand for bank credit from many sources. This has been reflected, of course, in sharp increases in market rates of interest and in appropriate increases in rediscount rates. Yet a large volume of new bank funds has been made available to finance the growing needs of business, as indicated by an increase of $9½ billion in loans and investments of all banks during the 12 months through August, and an increase in the money supply during that period of $4 billion.

In summary, I can say that the outlook for the economy of the United States is good. We have contained the inflationary pressures which were running strong a year ago. Our budget position is sound. The purchasing power of the dollar has held virtually unchanged over the past year. Output and employment and incomes are at record high levels. Expanding world markets provide us an opportunity to increase our exports.

In all these vital matters of fiscal affairs, currency stability, expanding output, and a sound balance of payments, we in the United States Government support the same sound position as do the governments represented around this table. Firm policies and vigilant and energetic execution of those policies are essential. The task of achieving sustainable growth and reasonable currency stability is never completed.

Exhibit 32.—Statement by Assistant Secretary of the Treasury Upton as Temporary Alternate Governor, September 30, 1959, at the discussion of the Annual Report of the International Finance Corporation

In his Annual Report, the President of the Corporation has succinctly stated the concept which has been central to the entire development of the IFC, that is, the importance of private enterprise and its vital role in the economic growth of the less developed nations. The development of my own country and that of the other industrialized countries of the free world is testimony to the soundness of this age-old principle. In an era in which the continued existence of governments emphasizing the freedom and dignity of the individual may significantly depend on the vitality of individual motivation which such governments inspire, we do well to reaffirm our conviction in the dynamic concept of private enterprise. The existence of the Corporation is itself an indication of our mutual judgment that the creative forces involved in private undertakings are a vital factor in growth and development. It is therefore a reassuring confirmation of our ideas that private enterprise has participated in the Corporation's projects with an amount of risk capital more than triple the sums invested by the Corporation itself.

There is much concrete activity we can welcome in the twelve-month period covered by the Report before us. President Garner has suggested that the best measure of IFC's usefulness should be the number of enterprises which it helps to finance and the volume of private capital participating in the financing, rather than the absolute amount of IFC funds invested. By either of these measures the year ended June 30, 1959, was one of significant activity. The number of enterprises to which commitments for financing were extended rose from 9 to 21.

These enterprises were located in 11 countries around the world, more than double the number of countries in which IFC had invested a year ago. The latter fact is of special significance because of what might be called the "demonstration impact" of the Corporation's first project in a country. That is, the first investment frequently results in other projects in the country or neighboring countries being quickly brought to the Corporation.

By the more conventional criterion of total funds invested, the Corporation has also made commendable progress. The level of net commitments rose during the year from $9.5 million to $19.8 million, and a substantial number of new projects are under consideration. We may reasonably anticipate, therefore, that the recent accelerated rate at which the Corporation is investing will continue to gain momentum. I think we can all subscribe to the hope that in the not too distant future the President will be able to inform us that the bulk of the Corporation's assets have been put to work in productive investments in member countries.

Certainly it is not too early to give serious thought to the problem of developing channels through which the Corporation's assets can be made to revolve. Some of the investments in its portfolio should, with some additional seasoning, begin to be attractive items to potential purchasers. In this connection, an important development is that the Corporation has been able to secure participation by private financial institutions in several of its investments. The relationships which the Corporation is developing with these financial institutions will be of great value, not only as an additional source of funds to the borrowers from the Corporation, but also to the Corporation itself as a possible future market for sales from its portfolio.

In noting the progress of the past year, let us not, however, be complacent about the magnitude of the task ahead. Additional techniques remain to be worked out which will make the resources of the Corporation available in the less developed countries to private business enterprises which might seem small by the standards of many advanced countries. An important job of explaining the functions and policies of the Corporation in countries where no IFC investments have yet been made is still to be accomplished, even though determined efforts have already been put forward in that direction.

After building a sound foundation the IFC is now moving forward with rapidly increasing momentum. I extend to the Corporation our congratulations and our best wishes for accelerated progress in its chosen field of stimulating investment in private enterprises.

Address on the Future Economic Growth of the Nation

EXHIBIT 33.—Remarks by Secretary of the Treasury Anderson, April 20, 1959, before the Associated Press, New York, N.Y.

This country can have a bright economic future; it can have it without inflation. This country cannot have an enduring bright economic future with inflation. This is a principal tenet of my belief. It is a faith I should like to examine with you in historic perspective and as a basis for future real growth in our Nation.

Demosthenes once said: "The time for extracting a lesson from history is ever at hand for them who are wise." Surely the world has never been in greater need of wisdom than now.

The history of every nation is in fact the fruition of the lives and beliefs and ideas of men. Almost 500 years before the birth of Christ, another great leader of the Greek people urged his fellow citizens to "remember that prosperity can be only for the free, and that freedom is the sure possession of those alone who have courage to defend it."

We are dedicated to security that we may preserve freedom. Long-term security must rely on sound economic growth to support it. Should we impair either military security or economic growth in our efforts to achieve both, we shall have failed in our trust.

The story of a nation's downturn has been in one way or another the chronicle of its unwillingness to face reality. Time and again, the choice has been made of an apparent easy way out. People have been misled by a seeming innovation in government or finance, by a misguided leader, or simply through accepting the notion that undesirable developments are inevitable. They have listened to promises that unromantic hard work can be done away with and that difficult problems can be pushed aside.

Where have these choices led?

There is no lack of answers.

Rome is a classic example. But we need not go that far back in history. One has only to look at what happened in Germany after the downfall of the Kaiser. One has only to look at the economic problems which have faced some other European countries—not newcomers to democracy—in recent years.

In the rest of the world, too, are countries which in their efforts to effect rapid economic changes have sacrificed financial soundness. In these countries we may see the dramatic symbols—impressive installations, public works, large buildings. But meanwhile, in all too many instances, the standard of living for the average man has remained low. Prices have gone up. Disease is a scourge. Job opportunities and job security are lacking. The savings which could lead to a better use of both resources and labor sometimes are not forthcoming.

In the United States we have an abundance of resources, skilled manpower, technological capacity. These are vital. But we must relate them to the well-being of people.

We are dedicated to maximum employment. We are equally dedicated to growth in real terms. We are determined to maintain a free economy. These goals are consistent with and contribute to each other.

Every economy is an exercise in change.

Growth is the process of the development and expansion of economic segments. Each day sees a new horizon of accomplishment; tomorrow it becomes a part of our economic fabric. The process takes place when there is a climate of confidence—where there is free play for initiative and incentive. The foundation is the willingness of people to save and invest; the ambition of workers for self betterment that flows from the right to choose occupations and to bargain for a fair share of the product.

The factor of competition provides a basic insurance against exploitation. It is a motivating drive toward making the best use of new inventions and new processes. It lies at the root of satisfying real demands with the goods and services people want and will work to acquire.

Growth in a competitive society is historically uneven. Members of the same industry tend to expand or contract at the same time in order to maintain competitive positions. There are frequent shifts in geographical areas of operations that bring additional dislocations. In any given period, differing industries may be exhibiting very different patterns of growth or decline.

When a pattern of expansion or retraction becomes general in a number of industries and interests, the economy is characterized by inflationary or recessionary trends.

It is a task of Government to minimize the impact of such adjustments on the individual, the community, and the Nation. It is our task to prevent a spiraling effect in either direction. To this end, we have established certain stabilizers in our Government. We must have an awareness of—and a readiness to use—all of the instrumentalities of Government to prevent undesirable cumulative effects and to soften the impact on every segment of society. We must strive continually to reduce the levels of unemployment.

The utilization of these instrumentalities available to us, however, must be judged in the context of both the short- and long-range effects.

We must remember that although the Government has a number of responsibilities when the economy moves too far in either direction, we are essentially a Nation of private, competitive enterprise. The course our economy will pursue is finally determined by the multitudes who engage in every phase of productive activity and of consumption.

The Government taxes and spends and, therefore, plays an important role in the economy. Its influence is felt both through direct demand for goods and services and through the effect of Government requirements on the amounts available for other consumers to buy. However, measured against the scale of national earnings and national consumption, the Government role is not the primary one.

The rate of our growth and the development of our capacity to meet the expanding demands of our economy as a whole are still essentially anchored to the growth and the development of private business and industry.

In considering the task which this imposes on our free enterprise system, I should like to suggest certain guiding principles which I believe should be a part of our basic thinking.

1. We must realize that long-term economic growth in real terms can be achieved not with but only without inflation.

2. We must strive for an achievable rate of relatively constant growth—not a succession of sharp ups and downs.

3. We must not, as we come out of a recession, seek to force the economy into a quick boom which can later injure our long-run capacity to produce.

4. We must put major reliance upon the private sector of the economy to increase production.

5. We must give maximum free rein to incentives to save, to work, to produce, to invest.

6. We must maintain the priceless incentive of confidence in the value of money.

7. We must achieve a budget that is in balance or better during periods of high level activity.

8. We must be willing to seek out the impediments to growth in our economy whether these are found in traditional business practices, in organized labor, in Government subsidy programs, or in any other area.

9. We must encourage the inventiveness and research necessary for new products, new jobs, and improved living standards in a growing economy.

10. We must accept the imposition of discipline and prudent responsibility.

11. We must not passively allow either inflation or deflation to run its course.

12. We must, and by "we" I mean businessmen, workers, investors, and not only officials of Government, make our day-to-day decisions with the welfare of the whole in mind, and not merely the advantage of the moment for some narrow segment.

13. Finally, we must have confidence—and this confidence I have deep faith is well justified—that the American people are wise enough and perceptive enough to support the principles which can leave for your children and mine an America not ravaged by economic turmoil, but full of strength and growth and hope.

In sharp contrast to these principles, we are hearing talk today on what I believe to be some false assumptions.

One of them is that "a little inflation is good for economic growth."

So long as our aim is to increase real wages and real goods and services, I do not believe that any characteristic which could contribute to the debasement of the currency is a desirable ingredient in our economy.

Concern about price inflation during periods of rapid peacetime growth is a relatively new phenomenon. Most of the price inflation in our history has been the accompaniment or the aftermath of war. During the previous century, price inflation was associated with the War of 1812, the banking and credit inflation of the 1830's, and the Civil War. In this century, it has been associated with World War I, World War II, and the Korean War.

Apart from these temporary periods, our great economic growth since the beginning of the nineteenth century frequently has occurred against the background of a general downtrend in prices. This was particularly marked in the late 1800's. But it has been evident also in this century.

From 1910 to 1915, for example, manufacturing production increased thirty percent while prices showed a moderate decline. During the decade of the 1920's we had one of the most notable periods of sustained economic growth in the history of our country prior to World War II, with national output rising 50 percent in eight years. Yet this decade was characterized by remarkable price stability. Between 1951 and 1955, a period again characterized by relative stability in the broad indexes of wholesale and consumer prices, we reached the most prosperous levels attained in our economy up to that time.

It is not only our experience of the recent and war-remote past that demonstrates growth goes hand in hand with stable prices. Any realistic appraisal of continuing instability, with the speculation and the waste that inflation produces, makes it quite clear that this is not the way to attain steady and enduring growth.

Then, too, the judgments of business men and investors would be distorted and create maladjustments which could finally result in serious fluctuations in the economy. Also, of course, if serious inflation occurs, public opinion may well demand government controls over almost every facet of our lives.

I am confident that this Nation is not now going to adopt a philosophy that inflation is a necessary part of the price of progress. For in addition to what it does to our economic structure, inflation exacts a penalty that would be levied on the pocketbook of every American. It would fall with the most hardship on the wage-earner, the self-employed, the teachers, the holders of insurance policies, depositors in savings associations, parents trying to provide for their children's education, those on social security, and others like them. The rich and those with the capacity for self-protection would suffer least.

Such a doctrine I reject!

Another false assumption we hear discussed is that deficit financing has little to do with inflation.

The fact is that when the Government has to borrow from commercial banks, as is often the case in times of high business activity, such borrowing adds to the money supply by the amount of the borrowing and so increases inflationary pressures. Continued deficits are bound to add to monetary inflation. They are bound to have the same effect, over a period of time, as a resort to printing press money.

Today, our gross national product for the first quarter on an annual basis is 465 billions of dollars. Personal income for the first quarter stood at an annual rate of almost 366 billion dollars. Corporate profits for the first quarter of this year are at an alltime high. The Federal Reserve Board index of industrial production has reached 147, another alltime high.

If in a period like this we say to ourselves and to the world that we cannot live within our means, everyone has the right to ask: When do you expect to do so?

Finally, one hears from time to time that the efforts to balance the budget are without hope. This assumption I also reject.

On the revenue side we estimated our revenue in January to be 77 billion dollars. Today, I believe there is even more evidence to support this estimate than there was last January.

The level of expenditures as submitted in the January budget continues to be sound. I believe that there will be a great deal more said about how we divide the Government's income in the fiscal year 1960 than there will be about how much more than our income we as a nation are willing to spend.

I have this judgment because I believe that the American people have shown and are showing their determination to pursue prudent policies that help avoid dangerous pressures for either inflation or deflation.

In a free economy, we can never wholly eliminate the incidence of inflationary pressures during some periods and recessionary pressures during others. The problem is to walk the narrow path which allows neither to become dominant, to maintain the capacity and the willingness to exercise flexibility and reversibility, and to constantly pursue the sound objective of maximum employment, reasonable growth, and freedom of economic activity.

Recession must not be allowed to develop in a cumulative downward spiral of declining wages and profits, reduced buying, and curtailed employment. These factors, if unimpeded, feed upon each other. Monetary policy, our fiscal system, the utilization of unemployment compensation, and other resources at the command of the Government must be wisely administered in terms of both the short and the long run.

By the same token, we must maintain a constant awareness of the dangers of inflation during the upward swing of the cycle. However unpopular, we must be willing to exercise at such a time the restraints which changes in monetary controls, Government fiscal policy, and the maintenance of budgetary surpluses can bring about.

We must remember that what we are trying to protect is our way of life. This protection cannot be accomplished by having absolute controls over prices, wages, salaries, choice of occupation, right to expand, and similar activities of a free society. If we resort to such controls we surrender many of our freedoms and threaten others.

In a competitive economy which is going to have its adjustments from time to time, how then are we going to assure national security and at the same time pursue a long range policy of economic soundness and the furtherance of human welfare?

The administration is determined to do this, first, by adopting policies which give primary call on our resources and our output to maintaining the physical security of the United States. The determination of what this involves must be made by the one man who has the responsibility for a comprehensive view of the total national effort—the President.

After that, we must determine how much of our resources we can afford to give to promoting growth and a rising standard of living, not neglecting the need for a surplus of revenues over expenditures which can be used for debt reduction. We cannot expect such a surplus during periods of readjustment such as we experienced in 1958. But a surplus should be part of our fiscal program during periods of high and rising business activity. If it is not—if instead we adopt the philosophy that at no time in our history is anything more required of us than barely breaking even—we begin to cast reasonable doubt upon our willingness to accept the responsibilities which are ours.

To ignore the obligation of paying off some part of our debt during prosperous times is contrary to all of our American traditions of good faith and performance. Failure to reduce our debt when we can means passing on the problems of the debt to another generation, which we have no moral right to do. It also means foregoing the restraining effect of budget surpluses on the inflationary pressures that historically exist during periods of high activity. Budget surpluses are effective weapons in our arsenal; we cannot afford to ignore them.

The whole world is watching us closely. The countries who are new to democracy, in particular, are observing very carefully the extent to which we practice what we preach. On my trip to and from New Delhi last fall, for the annual meetings of the International Bank and Monetary Fund, I was impressed to discover how well informed foreign officials are about even the details of our fiscal attitudes and position.

As we face the problems of our day, we have the comforting realization that we have recently been able to achieve, not without effort, a rather high degree of price stability. The value of the dollar has not decreased in 12 months. The all-commodity index of wholesale prices has been substantially level. We have a substantial amount of unused capacity in basic industries.

Nevertheless, I must repeat that in a free economy there is never a complete absence of the inflationary or deflationary threat.

There are those who say that in this period of stability no voice should be raised about the dangers of inflation. There are those who say that the realities of the moment should shield us from the disturbing prospects of what future inflation might produce. There are those who say that if we warn against future dangers we are contributors to the inflationary process.

What would they have us do? Would they have us ignore the future consequences of what we now propose or do? Such a doctrine must be alien to those of you who have the responsibility of keeping the Nation informed as to the problems of today and equally alert to the problems of tomorrow.

As publishers and editors of the great newspapers of our Nation, you have more than a working familiarity with the difficulties and dangers involved in Government financing. By giving expression in realistic perspective to the whole panorama of viewpoints on these complex and unromantic areas of the news, you can help millions of Americans obtain a much-needed insight into the nature of our financial responsibilities as a Nation.

The Treasury is willing and anxious to give all the help it can in supplying the facts. It is obvious, however, that we must refrain from making public information which is confidential under law, as well as giving out information which would be inappropriate in light of a pending financing, or information which might improperly serve to promote speculation in any market. Within these limits we do make information available to the maximum limit.

The fact that fiscal matters are little understood—even by some rather prominent and otherwise well-informed people—was brought home to me one day when a visitor in my office remarked: "You talk of the dangers of monetization of the debt, Mr. Secretary. You know I just don't believe there is such a danger. Probably because I don't quite understand what monetization means!"

I said this to my visitor: "Now suppose I wanted to write checks of $100 million starting tomorrow morning, but the Treasury was out of money. If I called up a bank and said, Will you loan me $100 million at 3½ percent for 6 months if I send you over a note to that effect, the banker would probably say, 'Yes, I will.' "

"Where would he get the $100 million with which to credit the account of the United States Treasury? Would he take it from the account of someone else? No, certainly not. He would merely create that much money, subject to reserve requirements, by crediting our account in that sum and accepting the Government's note as an asset. When I had finished writing checks for $100 million the operation would have added that sum to the money supply. Now certainly that approaches the same degree of monetization as if I had called down to the Bureau of Engraving and Printing and said, 'Please print me up $100 million worth of greenbacks which I can pay out tomorrow.' "

At this point my visitor broke in to say: "Oh, I would be against printing those greenbacks!"

There are many lessons to be learned from the history—and particularly from the history of man's struggle to achieve and maintain human freedom. But one lesson stands out: Each generation must have the wisdom, the courage, and the toughness to accept the responsibilities which are uniquely theirs. If they do not—if difficult problems are pushed aside—the generations that follow will surely pay the price.

Alfred North Whitehead has said that every epoch has its character determined by the way its population reacts to the material events they encounter. They may rise to greatness—or they may collapse.

In writing of the Greeks and Romans, one of our greatest classical scholars summed up their story as follows: "In the end, more than they wanted freedom, they wanted security, a comfortable life, and they lost all—security and comfort and freedom. . . . When the Athenians finally wanted, not to give to the Society, but the Society to give to them, when the freedom they wished most for was freedom from responsibility, then Athens ceased to be free and was never free again."

Let us remember.

Let us remember, too, George Washington's admonition to the new American republic. "Liberty and self-government," he said, "are finally staked on the experiment entrusted to the hands of the American people."

The stark truth of Washington's statement is being underscored almost every day by events in the headlines. The imperialist programs of the communist dictatorships represent the greatest challenge to freedom which the world has ever known. The success or failure of that challenge depends very largely on the choices of the American people. Our country will make the right choice; our freedom will be preserved.

Organization and Procedure

EXHIBIT 34.—Treasury Department orders relating to organization and procedure

NO. 107, REVISION NO. 6, APRIL 3, 1959.—DESIGNATION OF AUTHORITY TO AFFIX THE SEAL OF THE TREASURY DEPARTMENT

By virtue of the authority vested in me as Secretary of the Treasury, including the authority conferred by section 161 of the Revised Statutes, it is hereby ordered that:

1. Except as provided for in paragraph 2, the following officers are authorized to affix the Seal of the Treasury Department in the authentication of originals and copies of books, records, papers, writings, and documents of the Department, for all purposes, including the purposes authorized by 28 U.S.C. 1733(b):

(a) In the Office of Administrative Services:
- (1) Director of Administrative Services.
- (2) Chief, Printing and Office Services Division.
- (3) Chief, Staff Services Section.
- (4) Chief, Document Distribution Unit.

(b) In the Internal Revenue Service:
- (1) Commissioner of Internal Revenue.
- (2) Director, and Assistant Director, Collection Division.
- (3) Chief, and Assistant Chief, Collection Operations Branch, Collection Division.
- (4) Chief, and Assistant Chief, Miscellaneous Services Section, Collection Operations Branch, Collection Division.

(c) In the Bureau of Customs:
- (1) Commissioner of Customs.
- (2) Assistant Commissioner of Customs.
- (3) Deputy Commissioner, Division of Investigations.
- (4) Deputy Commissioner, Division of Appraisement Administration.

(5) Deputy Commissioner, Division of Management and Controls.
(d) In the Bureau of the Public Debt:
(1) Commissioner of the Public Debt.
(2) Deputy Commissioner in Charge of the Chicago Office.
(3) Assistant Deputy Commissioner in Charge of the Chicago Office.

2. Copies of documents which are to be published in the Federal Register may be certified only by the officers named in paragraph 1(a) of this order.

3. The Director of Administrative Services, the Commissioner of Internal Revenue Service, and the Commissioner of the Public Debt are authorized to procure and maintain custody of the dies of the Treasury Seal.

The officers authorized in paragraph 1(c) may make use of such dies.

FRED C. SCRIBNER, Jr.,
Acting Secretary of the Treasury.

No. 123, RECISION, JUNE 16, 1959.—ORDER ESTABLISHING THE TREASURY DEPARTMENT DEFERMENT COMMITTEE

This order, as amended, relating to the establishment of a Treasury Department Deferment Committee, is rescinded.

FRED C. SCRIBNER, Jr.,
Acting Secretary of the Treasury

No. 148, REVISION No. 5, JANUARY 16, 1959.—SUPERVISION OF BUREAUS OF THE TREASURY DEPARTMENT

The following assignments of bureaus of the Treasury Department are hereby ordered:

Under Secretary (Mr. Fred C. Scribner, Jr.):
- Internal Revenue Service.
- Administrative Assistant Secretary (Mr. William W. Parsons):
  - Office of Administrative Services.
  - Office of Budget.
  - Office of Personnel.
  - Bureau of Engraving and Printing.
- Assistant to the Secretary (Mr. Nils A. Lennartson):
  - Information Service.
- Assistant to the Secretary (Mr. Francis J. Gafford):
  - Personnel Security Office.
- Assistant to the Secretary (Mr. Henry C. Wallich):
  - Tax Analysis Staff.
  - International Tax Staff.

Under Secretary for Monetary Affairs (Mr. Julian B. Baird):
- Fiscal Assistant Secretary (Mr. William T. Heffelfinger):
  - Bureau of Accounts.
  - Bureau of the Public Debt.
  - Office of the Treasurer of the United States.
- United States Savings Bonds Division.
- Debt Analysis Staff.
- Assistant to the Secretary (Mr. Charles J. Gable, Jr.).
- Special Assistant to the Secretary (Mr. Frank A. Southard, Jr.).

Assistant Secretary (Mr. Laurence B. Robbins):
- Office of Defense Lending.
- Bureau of the Mint.
- Office of the Comptroller of the Currency.

Assistant Secretary (Mr. A. Gilmore Flues):
- United States Coast Guard.
- United States Secret Service.
- Bureau of Customs.
- Bureau of Narcotics.
- Assistant to the Secretary (Mr. James P. Hendrick).
- Assistant to the Secretary for Law Enforcement (Mr. Myles J. Ambrose).

Assistant Secretary (Mr. T. Graydon Upton):
- Office of International Finance (including Foreign Assets Control).

General Counsel (Mr. Nelson P. Rose):
- Legal Division.
- Assistant to the Secretary and Head, Legal Advisory Staff (Mr. David A. Lindsay).

ROBERT B. ANDERSON,
Secretary of the Treasury.

No. 148, REVISION No. 6, JUNE 1, 1959.—SUPERVISION OF BUREAUS OF THE TREASURY DEPARTMENT

The following assignments of bureaus of the Treasury Department are hereby ordered:

Under Secretary (Mr. Fred C. Scribner, Jr.):
- Internal Revenue Service.
- Administrative Assistant Secretary (Mr. William W. Parsons):
  - Office of Administrative Services.
  - Office of Budget.
  - Office of Personnel.
  - Bureau of Engraving and Printing.
- Assistant to the Secretary (Mr. Nils A. Lennartson):
  - Information Service.
- Assistant to the Secretary (Mr. Francis J. Gafford):
  - Personnel Security Office.
- Tax Analysis Staff.
- International Tax Staff.

Under Secretary for Monetary Affairs (Mr. Julian B. Baird):
- Fiscal Assistant Secretary (Mr. William T. Heffelfinger):
  - Bureau of Accounts.
  - Bureau of the Public Debt.
  - Office of the Treasurer of the United States.
- United States Savings Bonds Division.
- Debt Analysis Staff.
- Assistant to the Secretary (Mr. Robert P. Mayo).
- Assistant to the Secretary (Mr. Charls E. Walker).
- Special Assistant to the Secretary (Mr. Frank A. Southard, Jr.).

Assistant Secretary (Mr. Laurence B. Robbins):
- Office of Defense Lending.
- Bureau of the Mint.
- Office of the Comptroller of the Currency.

Assistant Secretary (Mr. A. Gilmore Flues):
- United States Coast Guard.
- United States Secret Service.
- Bureau of Customs.
- Bureau of Narcotics.
- Assistant to the Secretary (Mr. James P. Hendrick).
- Assistant to the Secretary for Law Enforcement (Mr. Myles J. Ambrose).

Assistant Secretary (Mr. T. Graydon Upton):
- Office of International Finance (including Foreign Assets Control).

General Counsel (Mr. Nelson P. Rose):
- Legal Division.
- Assistant to the Secretary and Head, Legal Advisory Staff (Mr. David A. Lindsay).

ROBERT B. ANDERSON,
Secretary of the Treasury.

No. 150–35, REVISION No. 1, MAY 8, 1959.—DELEGATION OF AUTHORITY TO THE COMMISSIONER OF INTERNAL REVENUE WITH RESPECT TO THE INSPECTION OF CERTAIN TAX RETURNS

There are hereby delegated to the Commissioner of Internal Revenue the functions of the Secretary of the Treasury prescribed by any Treasury decision relating to the granting of permission to inspect returns to any agency of the executive branch of the United States Government.

The functions herein delegated to the Commissioner may be exercised by any officer or employee of the Internal Revenue Service who is so authorized by the Commissioner, under such rules as may be prescribed by him.

FRED C. SCRIBNER, Jr.,
Acting Secretary of the Treasury.

No. 150–47, SEPTEMBER 27, 1958.—DELEGATION OF FUNCTIONS TO THE DEPUTY COMMISSIONER OF INTERNAL REVENUE

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there are hereby transferred to Deputy Commissioner of Internal Revenue O. Gordon Delk all functions now authorized to be performed by the Commissioner of Internal Revenue. Without limitation this authority includes authority to delegate functions hereby transferred and to amend or cancel existing delegations heretofore made by the Commissioner pursuant to Treasury Department Order No. 150–2, May 15, 1952, and Treasury Department Order No. 129, as revised. In the absence of such cancellation or amendment, those delegations of the Commissioner shall remain in effect.

In the performance of the functions herein delegated, Mr. Delk is designated as Acting Commissioner of Internal Revenue.

This order shall become effective as of 12:01 a.m., October 1, 1958.

ROBERT B. ANDERSON,
Secretary of the Treasury.

No. 150–48, NOVEMBER 5, 1958.—DELEGATION OF FUNCTIONS TO THE COMMISSIONER OF INTERNAL REVENUE, AND TERMINATION OF AUTHORITY DELEGATED TO THE DEPUTY COMMISSIONER IN ORDER NO. 150–47, SEPTEMBER 27, 1958

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, the functions transferred to Deputy Commissioner of Internal Revenue O. Gordon Delk by Treasury Department Order No. 150–47, dated September 27, 1958, are hereby transferred to Commissioner of Internal Revenue Dana Latham. The authority of Mr. Delk to perform functions under Treasury Department Order No. 150–47 shall terminate at 12:00 noon, November 5, 1958, and by virtue of this order such functions shall be performed thereafter by Commissioner Latham.

ROBERT B. ANDERSON,
Secretary of the Treasury.

No. 165 (REVISED), AMENDMENT NO. 4, DECEMBER 4, 1958.—TRANSFER TO THE COMMISSIONER OF CUSTOMS OF CERTAIN FUNCTIONS, POWERS, AND DUTIES RELATING TO THE DOCUMENTATION AND OPERATION OF VESSELS AND FINES, PENALTIES, AND FORFEITURES ARISING THEREUNDER

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 (3 CFR, 1950 Supp., Ch. III), the functions, powers, and duties vested in the Secretary of the Treasury by the act of September 2, 1958 (Public Law 85–902, 85th Cong.; 72 Stat. 1736), are hereby transferred to the Commissioner of Customs. The Commissioner of Customs is authorized to delegate all such functions, powers, and duties to subordinates in the Bureau of Customs in such manner as he shall from time to time direct.

Subparagraph (h) of Treasury Department Order No. 165, Revised, issued on November 2, 1954 (T.D. 53654; 19 F.R. 7241), as amended, is further amended by deleting "and" after item (30); changing the period after item (31) to a semicolon and adding the word "and"; and by adding a new item (32) reading as follows:

"(32) Section 27A, Merchant Marine Act of 1920, as amended (46 U.S.C. 883–1), so far as that section imposes any fine or penalty (including forfeiture) for falsifying any certificate under oath or for transporting merchandise or passengers for hire."

A. GILMORE FLUES,
Acting Secretary of the Treasury.

No. 165–2, Amendment No. 1, March 9, 1959.—Transfer to the Commissioner of Internal Revenue of the Function of Refunding Excess Deposits of Internal Revenue Tax Previously Collected by Collectors of Customs

Treasury Department Order No. 165–2, dated October 29, 1953 (T.D. 53368; 18 F.R. 7177), transferred from the Commissioner of Internal Revenue to the Commissioner of Customs the function of refunding excess deposits of internal revenue tax, previously collected by collectors of customs, which are found to be due and the functions of determining, allowing, and paying interest in connection with such refunds.

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 (3 CFR, 1950 Supp., Ch. III) there are hereby transferred from the Commissioner of Customs to the Commissioner of Internal Revenue the functions of refunding such deposits, and of determining, allowing, and paying interest, in any case in which the allowance or making of the refund is not now or hereafter excepted from the application of section 6423 of the Internal Revenue Code of 1954, as added by the act of February 11, 1958 (Public Law 85–323).

The functions herein transferred may be delegated by the Commissioner of Internal Revenue to subordinates in such manner as he shall direct.

In all other respects Treasury Department Order No. 165–2, dated October 29, 1953, shall remain in full force and effect.

Fred C. Scribner, Jr.,
Acting Secretary of the Treasury.

No. 165–9, August 13, 1958.—Transfer and Delegation to the Commissioner of Customs of Authority To Allow Drawback of Internal Revenue Tax on Domestic Alcohol Under Section 313(d) of the Tariff Act of 1930, as Amended

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 (3 CFR, 1950 Supp., Ch. III) there is hereby transferred from the Commissioner of Internal Revenue and delegated to the Commissioner of Customs the function, authorized by section 313(d) of the Tariff Act of 1930, as amended (19 U.S.C. 1313(d)), of allowing the drawback of an amount equal to the internal revenue tax found to have been paid on domestic alcohol used in the manufacture or production in the United States of flavoring extracts and medicinal or toilet preparations (including perfumery) that have been exported.

The function herein transferred and delegated may be delegated by the Commissioner of Customs to other officers or employees of the Customs Service in such manner as the Commissioner shall direct.

This order shall be effective January 1, 1959.

Fred C. Scribner, Jr.,
Acting Secretary of the Treasury.

No. 165–10, September 23, 1958.—Delegation to the Commissioner of Customs of the Function of Publishing the Notice in the Federal Register Required by Section 201(b) of the Antidumping Act, 1921, as Amended

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 (3 CFR, 1950 Supp. Ch. III) there is hereby transferred to the Commissioner of Customs the function of publishing the notice in the Federal Register which is required by section 201(b) of the Antidumping Act, 1921, as amended by the act of August 14, 1958, Public Law 85–630 (19 U.S.C. 160(b)).

A. Gilmore Flues,
Acting Secretary of the Treasury.

Nos. 167–18, Revision No. 1, and 167–32 Through 167–36.—Delegations of Functions to the Commandant, U.S. Coast Guard

No. 167–18 Revision No. 1, July 11, 1958

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and by 14 U.S.C. 631 and 633, there are transferred to the Commandant, U.S. Coast Guard, the functions of the Secretary of the Treasury under:

1. Section 182 of Title 14, U.S. Code, but a cadet shall have the right to appeal to the Secretary from a determination of the Commandant that he shall be separated from the Academy and the Service for misconduct, inaptitude, or physical disability.
2. Section 303 of the Career Compensation Act of 1949, as amended.
3. The Armed Forces Leave Act of 1946, as amended, except the functions pertaining to Armed Forces leave bonds.

The Commandant may make provisions for the performance by subordinates in the Coast Guard of the functions transferred by paragraph 1 above relating to voluntary separation of cadets from the Academy and the Service.

A. Gilmore Flues,
Acting Secretary of the Treasury.

No. 167–32, September 23, 1958

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 and by 14 U.S.C. 631, there are transferred to the Commandant, U.S. Coast Guard, the functions of the Secretary of the Treasury under the Federal Boating Act of 1958 (Public Law 85–911; 72 Stat. 1754–1758), an act to promote boating safety on the navigable waters of the United States.

The Commandant may make provisions for the performance by subordinates in the Coast Guard of any of the functions transferred except the functions of prescribing rules and regulations and making determinations that a State system for numbering meets the standards set forth in the law.

A. Gilmore Flues,
Acting Secretary of the Treasury.

No. 167–33, September 23, 1958

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and by 14 U.S.C. 631, there are transferred to the Commandant, U.S. Coast Guard, the functions of the Secretary of the Treasury under Public Law 85–656 (72 Stat. 612, 613) relating to pilot rules for certain inland waters and pilot rules for western rivers.

The Commandant may make provision for the performance by subordinates in the Coast Guard of any of the functions transferred except the functions of prescribing rules and regulations.

A. Gilmore Flues,
Acting Secretary of the Treasury.

No. 167–34, September 24, 1958

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and by 14 U.S.C. 92, 631, and 633, there are transferred to the Commandant, U.S. Coast Guard, the following functions of the Secretary of the Treasury:

All functions in Section 1(8) of Public Law 85–422, 72 Stat. 125, relating to proficiency pay for enlisted personnel and special pay for certain designated officers.

The regulations prescribed by the Commandant in accordance with the authority delegated herewith shall be uniform with those of the other Armed Forces to the extent practicable.

A. GILMORE FLUES,
Acting Secretary of the Treasury.

No. 167-35, October 24, 1958

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and by 14 U.S.C. 631, there are transferred to the Commandant, U.S. Coast Guard, the functions of the Secretary of the Treasury under Section 613 of the Reserve Officer Personnel Act of 1954, as amended (14 U.S.C. 789), pertaining to the maximum ages for retention of Reserve officers in active status.

A. GILMORE FLUES,
Acting Secretary of the Treasury.

No. 167-36, January 13, 1959

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and by 14 U.S.C. 631, there are transferred to the Commandant, U.S. Coast Guard, the functions vested in the Secretary of the Treasury by:

1. 10 U.S.C. 2571 as amended by Clause 49 of section 1 of Public Law 85-861, pertaining to the interchange of property and services between the Armed Forces.
2. Executive Order No. 10789 pertaining to contracts to facilitate the national defense, but only for actions obligating $50,000 or less.

The Commandant may make provisions for the performance by subordinates in the Coast Guard of the functions delegated herein.

A. GILMORE FLUES,
Acting Secretary of the Treasury.

No. 174, AMENDMENT No. 1, OCTOBER 10, 1958.—DELEGATION TO THE BUREAU OF ACCOUNTS OF THE FUNCTION CONCERNING AUDIT OF UNISSUED STOCKS OF FEDERAL RESERVE NOTES

By virtue of the authority vested in me as Secretary of the Treasury by Reorganization Plan No. 26 of 1950, it is hereby ordered that paragraph 3 of Treasury Department Order No. 174, dated May 27, 1953, is amended to read as follows:

"3. The function heretofore performed by the Office of the Comptroller of the Currency of the audit of unissued stocks of Federal Reserve notes is transferred to the Bureau of Accounts to be conducted by that Bureau under procedures prescribed by the Commissioner of Accounts. Technical and nontechnical services required in making the audits will be furnished by Treasury bureaus upon request of the Bureau of Accounts."

FRED C. SCRIBNER, Jr.,
Acting Secretary of the Treasury.

No. 177-17, SEPTEMBER 22, 1958.—DELEGATION OF AUTHORITY TO THE COMMISSIONER OF ACCOUNTS TO ADMINISTER FUNDS TO PAY ALLOWANCES TO FORMER PRESIDENTS AND PENSIONS TO WIDOWS OF FORMER PRESIDENTS

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, the authority conferred upon the Secretary of the Treasury by Public Law 85-745, approved August 25, 1958, relating to administration of funds made available to pay monetary allowances to former Presidents and pensions to widows of former Presidents, is hereby delegated to the Commissioner of Accounts.

The Commissioner of Accounts may redelegate the authority transferred herein to such subordinates in his Bureau as he deems necessary.

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

No. 186, July 7, 1958.—Establishment of a Committee on Investment Policies for Trust Funds

There is hereby established a Committee on Investment Policies for Trust Funds which shall be composed of the Under Secretary for Monetary Affairs, who shall act as Chairman; the Fiscal Assistant Secretary, who shall act as Secretary; the General Counsel; and an Assistant Secretary designated by the Secretary of the Treasury.

The Committee shall review from time to time the policies and practices followed by the Treasury in the administration of investments for trust funds and other accounts under the jurisdiction of the Secretary of the Treasury and shall make such recommendations to the Secretary of the Treasury with respect to these investment policies and practices and the securities held for such trust funds and other accounts as they deem advisable.

Purchases and sales of marketable investments for trust funds and other accounts under the jurisdiction of the Secretary of the Treasury may be authorized by the Under Secretary for Monetary Affairs or the Fiscal Assistant Secretary, in accordance with policies and practices established by the Secretary of the Treasury.

Robert B. Anderson,
Secretary of the Treasury.

No. 186-1, July 7, 1958.—Designation of an Assistant Secretary as a Member of the Committee on Investment Policies for Trust Funds

Assistant Secretary Laurence B. Robbins is designated to serve as a member of the Committee on Investment Policies for Trust Funds established pursuant to Treasury Order No. 186.

Robert B. Anderson,
Secretary of the Treasury.

TABLES

NOTE.—In tables where figures have been rounded to a specified unit and where calculations have been made from unrounded figures, the details may not check to the totals shown.

Bases of Tables

The figures in this report are shown on the basis of: (a) The *Daily Statement of the United States Treasury*, (b) the *Monthly Statement of Receipts and Expenditures of the United States Government*, (c) warrants issued, (d) public debt accounts, and (e) administrative accounts and reports. Where no basis is indicated, the figures are derived from administrative reports prepared according to various specifications. Where more than one basis is used in a single table that covers a period of years, the dates of the changes in bases are stated.

Data on the first two bases are derived from the publications indicated by their titles. The monthly statement was first published in February 1954, and reports budget results which previously had been shown in the daily statement. At the same time, the latter became a statement of cash deposits and withdrawals affecting the account of the Treasurer of the United States. (See exhibits 69, 70, and 71 in the 1954 Annual Report.) The sources of data used in these two publications and the bases of tables in this report are hereinafter described.

Daily Statement of the United States Treasury

Until February 1954 the daily Treasury statement (publication of which started on January 2, 1895) not only covered transactions cleared through the Treasurer's account but included certain transactions by Government agencies which were handled through commercial bank accounts. It carried information on the status of the Treasurer's account and on public debt issues, retirements, and amounts outstanding. Receipts and expenditures were classified beginning with July 1, 1930, to show the budget results for a given period and were used as a basis for reporting the results under the President's budget program as enacted by the Congress. Prior to October 1, 1915, receipts and expenditures were reported in the statement on the basis of warrants issued and, beginning with that date, the reporting was changed to a clearance basis, that is, on the basis of information shown on bank transcripts received and cleared by the Treasurer's Office. Effective July 1, 1946, and through February 16, 1954, expenditures were on the basis of checks issued through the facilities of the Treasury Department's Division of Disbursement while certain others, principally those of the Department of Defense and its predecessor organizations, were on the basis of checks paid or clearance basis.

Since February 1954 the *Daily Statement of the United States Treasury* has covered only transactions which clear through the Treasurer's account. For each business day it reflects cash deposits and withdrawals in that account and the status of the account.

No distinction is made as to type of account (budget, trust, etc.) in reporting deposits and withdrawals, which are segregated in a limited number of classifications. The deposits are on the basis of certificates of deposit cleared through the accounts of the Treasurer of the United States. Total withdrawals are on the basis of checks paid or cash disbursements made out of the Treasurer's account. Some of the withdrawal classifications shown are reported on the basis of mailed reports of checks issued, adjusted by means of clearing accounts to the total checks paid. Except for relatively minor amounts, interfund and intragovernmental transactions are excluded. In order to facilitate current reporting and classification, Federal Reserve Banks at the close of each day report by telegraph the balances they carry in the Treasurer's account and certain other information. The public debt figures in the daily Treasury statement are also on the clearance basis, as confirmed for classification purposes by the Bureau of the Public Debt. During periods when new marketable public debt issues are being sold or when issues mature, reports of transactions are based upon telegrams received from the Federal Reserve Banks. (See the 1953 Annual Report of the Secretary of the Treasury, pages 108 and 321, for more detailed information on the daily Treasury statement.)

Monthly Statement of Receipts and Expenditures of the United States Government

In February 1954 this monthly statement replaced the daily statement as the primary source of budget results (budget surplus or deficit) and other receipt and expenditure data classified by type of account. (See "Description of Accounts Relating to Cash Operations" on p. 364) This statement shows all receipts and expenditures of the Government, including those made from cash accounts held outside the United States Treasury. The information in the monthly statement is compiled from reports of the Treasurer of the United States and of other collecting and disbursing agencies, including those agencies which maintain checking accounts in commercial banks. These reports cover transactions recorded in the accounts of collecting and disbursing agencies during the reporting period. The net of transactions as compiled from these reports is reconciled in the monthly statement to changes in the cash balances in the Treasurer's account, cash held outside the Treasurer's account, and changes in the public debt outstanding.

The budget receipts and expenditures as reported in this statement are on the following bases.

Receipts.—Receipts of taxes and customs duties are reported on a collection basis, which means that they are reported as of the time that the cash received is placed under accounting control. The various other receipts are reported partially on a collection basis and partially on a deposits confirmed basis, that is, when the deposits are acknowledged by the depositary banks.

Expenditures.—Expenditures, except those for interest on the public debt, are reported on the basis of checks issued by disbursing officers. Certain modifications of this basis are described in the following paragraphs:

(a) Where payment is made in cash rather than by check, the cash payment also is considered as an expenditure; (b) transactions of an interfund or intragovernmental nature are included even though actual issuance of checks or actual receipt of cash may not be involved. Examples of these transactions are: (1) Charges made against budget appropriations representing a part of employees' salaries which are transferred to the civil service retirement and disability fund and the employees' life insurance fund, or which are withheld for individual income taxes and for bond allotments; (2) public debt securities which are acquired in lieu of other properties, or donated, are considered as a constructive receipt of cash and therefore the par amounts of such securities are included as budget receipts of the acquiring agency; (3) where a debt instrument is issued by a wholly owned Government enterprise to either the public or another wholly owned enterprise, in lieu of a check in payment of a liability, the issuance of the debt instrument is considered to be a budget expenditure, and a corresponding budget receipt of the receiving agency. On the other hand, payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and for disposition of earnings are excluded in reporting both budget receipts and expenditures as these transactions do not affect the budget surplus or deficit. For the same reason, financing transactions such as borrowings from or repayments to the United States Treasury are excluded.

Certain other transactions are excluded from budget expenditures even though the issuance of checks is involved. Examples of these transactions are: (a) Checks issued for cash advances to imprest funds, agent cashiers, and others. Expenditures are then taken up as payments are made from such advances (travel advances, however, are treated as expenditures when advanced); (b) checks issued representing transfers between disbursing officers or between checking accounts; (c) transactions representing investments in or sales of public debt securities; and (d) sales or redemptions of obligations of Government agencies in the market.

From February 1954 through May 1955 the public debt interest expenditure figures represented interest which became due and payable; since June 1955, interest on the public debt has been reported on an accrual basis.

Warrants issued

Until 1950 the use of warrants was an integral part of the accounting for receipts and expenditures and the basis for many earlier financial statements. The Budget and Accounting Procedures Act of 1950 permitted the Secretary of the Treasury and the Comptroller General of the United States jointly to waive the legal requirements with respect to the use of warrants. Under the authority of this act, the following joint regulations were issued: No. 1, effective November

1, 1950, eliminated the necessity for issuance of covering warrants, the requisitioning of funds, and the use of accountable warrants in connection with repayments to appropriations; No. 2, effective May 1, 1951, provided that appropriated funds be made immediately available in the accounts of disbursing officers; No. 3, effective July 1, 1951, provided that certain special fund and trust fund receipts be credited directly to the accounts of disbursing officers; and No. 4, effective July 1, 1955, waived the requirements with regard to the requisitioning and advancing of funds to accountable officers and the issuance and countersignature of warrants acknowledging receipt of money to be covered into the Treasury. An explanation of the warrant basis for receipts and expenditures follows.

Receipts.—Section 305 of the Revised Statutes as amended (31 U.S.C. 147) provides that the receipts for all moneys received by the Treasurer of the United States "shall be indorsed upon warrants signed by the Secretary of the Treasury, without which warrant, so signed, no acknowledgment for money received into the Public Treasury shall be valid." Covering warrants were prepared from certificates of deposit mailed to the Treasury, principally by Government depositaries, showing deposits received. The figures thus compiled were on a "warrants-issued" basis. Table 2 for the years prior to 1916 shows receipts on this basis. Since these certificates did not reach the Treasury simultaneously, all receipts for a fiscal year could not be covered into the Treasury by warrant of the Secretary immediately upon the close of the fiscal year. Therefore, certain certificates of deposit representing amounts deposited during one fiscal year were reported as the next year's receipts.

Prior to the fiscal year 1954 all collections of internal revenue, customs, and miscellaneous receipts, except repayments to appropriations and certain special and trust fund receipts as provided by the joint regulations previously described, were covered into the Treasury by warrants signed by the Secretary of the Treasury. Beginning with the fiscal year 1954, the recording of receipts by Treasury offices designated for that purpose by the Secretary of the Treasury, in receipt accounts, or appropriation and fund accounts, pursuant to the act of July 31, 1894, as amended (5 U.S.C. 255), and section 114(b) of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 66b(b)), has constituted the official acknowledgment of moneys received and covered into the Treasury.

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 as amended (31 U.S.C. 147) 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. Prior to 1916, reports of expenditures were based on the amount of accountable and settlement warrants issued and charged to the appropriation accounts. Since accountable warrants covered advances to disbursing officers, such expenditure reports necessarily included the balances of funds remaining unexpended to the credit of the disbursing officers at the close of the fiscal year. Effective July 1, 1955, joint regulation No. 4 waived the requirements with regard to the requisitioning and advancing of funds to accountable officers by warrant.

Public Debt accounts

The figures reported on this basis represent transactions which have been audited by the Bureau of the Public Debt. It is sometimes several months after a financing operation before all the transactions have been reported and audited. Therefore, the public debt figures on this basis differ from those reported in the daily Treasury statement since the latter consist of transactions cleared through the Treasurer's account during the reporting period (see explanation under "Daily Statement of the United States Treasury," on p. 361). A reconciliation of figures on the two bases is given in table 23.

Administrative accounts and reports

Certain tables in this report are developed from the accounts, records, and reports of the administrative agencies concerned, which may be on various bases. These tables include internal revenue collections, customs, postal receipts, sales of savings bonds by States, prices and yields of securities, customs statistics, foreign currency transactions in the accounts of the Secretary of the Treasury, and balance sheets, statements of income and expense, and source and application of funds of public enterprise funds.

Internal revenue collections (tables 13 and 14) are stated partly on the basis of reports of directors of internal revenue representing collections made by these officers and partly on the basis of reports of deposits made directly to the Federal Reserve Banks under the depositary receipt procedure.

Customs collections (table 15) are based upon reports of collectors of customs representing collections made during the period.

Postal revenues (table 17) are based upon reports of the Post Office Department prepared on a modified accrual basis (revenues earned less deferred box rentals, etc.).

Description of Accounts Relating to Cash Operations

Three classes of accounts are maintained with respect to the cash operations of the Federal Government. First, there are the accounts of fiscal officers or agents, collectively, who receive money for deposit in the United States Treasury or for other authorized disposition or who make expenditures by drawing checks on the Treasurer of the United States or by effecting payments in some other manner. Second, there are the accounts of the Treasurer of the United States whose office, generally speaking, is responsible for the receipt and custody of money deposited by fiscal officers or agents; for the payment of checks drawn on the Treasurer and the payment of public debt securities redeemed. These accounts indicate the bank or financial institution holding cash balances in the name of the Treasurer of the United States. Third, a set of central accounts is maintained in the Treasury Department for the purpose of consolidating financial data reported periodically from these two operating segments in order that the results of cash operations may be presented in central financial reports on a unified basis for the Government as a whole, and as a means of internal control.

The central accounts relating to cash operations disclose monthly and fiscal year information on: (1) The Government's receipts by principal sources, and its expenditures according to the different appropriations and other funds involved; and (2) the cash transactions, classified by types, together with certain directly related assets and liabilities which underlie such receipts and expenditures. The accounting for receipts is substantially on the basis of collections, and that for expenditures is on the basis of checks issued and cash payments made except that interest on the public debt is on an accrual basis. The structure of the accounts provides for a reconciliation, on a firm accounting basis, between the published reports of receipts and expenditures and budget results for the Government as a whole and changes in the Treasurer's cash balance by means of such factors as checks outstanding, deposits in transit, and cash held outside the Treasury. Within the central accounts, receipt and expenditure accounts are classified as described in the following paragraphs.

Budget accounts

Included in the Budget accounts are only those accounts that determine the budget surplus or deficit of the United States Government as follows:

General fund receipt accounts.—The general fund receipt accounts are credited with all receipts which are not earmarked by law for a specific purpose. General fund receipts consist principally of internal revenue collections, which include income taxes, excise taxes, estate, gift, and employment taxes. The remainder consist of customs duties and a large number of miscellaneous receipts, including fees for permits and licenses; fines, penalties, and forfeitures; interest and dividends; rentals; royalties; sale of Government property; and seigniorage.

Special fund receipt accounts.—Special fund receipt accounts are credited with receipts from specific sources, as authorized by law, but which are not generated from a cycle of operations. Such receipts may be expended only for the particular purposes specified by law. The Congress may appropriate these receipts for special purposes on an annual basis or for an indefinite period of time. Although such receipts are not available for general purposes, they are included in the totals of budget receipts. Examples of special fund receipts are those arising from rents and royalties under the Mineral Leasing Act, the revenue from visitors to Yellowstone National Park, the proceeds of the sale of certain timber and reserve lands, and other receipts authorized to be credited to the reclamation fund.

General fund expenditure accounts.—General fund expenditure accounts are established to record amounts (either specific or indefinite) appropriated by the Congress to be expended respectively for the general support of the Government. Such accounts are classified according to the limitations that are established by the Congress with respect to the period of availability for obligation of the appropriation, as 1-year, multiple-year, or "no-year" (without a time limit), and with respect to the agency authorized to enter into obligations and approve expenditures.

Special fund expenditure accounts.—Special fund expenditure accounts are established to record appropriated amounts of receipts from specific sources to be expended only for the specific purpose authorized by law. These accounts are generally available without time limit, but may also be subject to fiscal limitations as in the case of general fund accounts.

Revolving and management fund accounts.—These are funds authorized by specific provisions of law to: (a) Finance a continuing cycle of operations with receipts derived from such operations available without further action by Congress; or (b) facilitate accounting for and administration of intragovernmental operations, other than a continuing cycle of operations. Treasury reports generally show the net effect of operations in the accounts (excess of disbursements or collections and reimbursements for the period) which affect the budget surplus or deficit. These accounts are usually designated as "no-year" accounts and are without limitation as to period of availability for obligation or expenditure. Examples of such accounts include corporate revolving funds such as those under the Export-Import Bank of Washington, the Commodity Credit Corporation, and other revolving funds such as the General Supply Fund administered by the General Services Administration and the working capital fund of the Public Buildings Service.

Consolidated working fund accounts.—These are accounts established to receive and disburse advance payments by an agency from other agencies or bureaus pursuant to Section 601 of the Economy Act (31 U.S.C. 686) or other provisions of law to be expended for purposes authorized by law. "Consolidated" working funds may be credited with advances from two or more appropriations for the procurement of goods or services to be furnished by the performing agency, with the use of its own facilities within the same fiscal year. Expenditure transactions recorded in these accounts are stated net of advances credited and are classified under the agencies administering the accounts. The accounts are subject to the fiscal year limitations of the parent appropriations or other accounts from which advanced.

Nonbudget accounts

Trust accounts.—These are accounts maintained to record the receipt and expenditure of moneys held in trust by the Government for use in carrying out the specific purposes or programs in accordance with the terms of a trust agreement or statute. The receipts of many trust funds, especially the major ones, not needed for current benefits and other payments, are invested in United States securities. Generally, trust fund accounts consist of separate receipt and expenditure accounts, but when the trust corpus is established to perform a business-type operation, the fund entity is called a "trust revolving fund" and a combined receipt and expenditure account is used. Unlike the funds in general and special accounts, the trust funds are not available for general or special purposes and do not enter into the budget surplus or deficit. Some of the major trust accounts are the Federal old-age and survivors insurance trust fund, unemployment trust fund, civil service retirement fund, and the national service life insurance fund.

Deposit fund accounts.—Deposit funds are combined receipt and expenditure accounts established to account for receipts that are either (a) held in suspense temporarily and later refunded or paid into some other fund of the Government upon administrative or legal determination as to the proper disposition thereof, or (b) held by the Government as banker or agent for others and paid out at the direction of the depositor. Such funds are not available for paying salaries, expenses, grants, or other expenditures of the Government. As in the case of the trust funds, the transactions in these accounts are not included in the budget totals.

Summary of

TABLE 1.—*Summary of fiscal operations,*

[On basis of daily Treasury statements through 1952;[1] thereafter on basis of "Monthly State-

Fiscal year or month	Budget receipts and expenditures			Trust account and other transactions, net receipts, or expenditures (—)[4]	Clearing account[5]
	Net receipts[2]	Expenditures[3]	Surplus, or deficit (—)		
1932	$1, 923, 913, 117	$4, 659, 202, 825	—$2, 735, 289, 708	—$5, 178, 050	
1933	2, 021, 212, 943	4, 622, 865, 028	—2, 601, 652, 085	—5, 009, 989	
1934	3, 064, 267, 912	6, 693, 899, 854	—3, 629, 631, 943	834, 880, 108	
1935	3, 729, 913, 845	6, 520, 965, 945	—2, 791, 052, 100	402, 724, 190	
1936	4, 068, 936, 689	8, 493, 485, 919	—4, 424, 549, 230	187, 063, 025	
1937	4, 978, 600, 695	7, 756, 021, 409	—2, 777, 420, 714	3, 314, 169	
1938	5, 615, 221, 162	6, 791, 837, 760	—1, 176, 616, 598	98, 934, 030	
1939	4, 996, 299, 530	8, 858, 457, 570	—3, 862, 158, 040	1, 209, 673, 564	
1940	5, 144, 013, 044	9, 062, 032, 204	—3, 918, 019, 161	442, 538, 143	
1941	7, 102, 931, 383	13, 262, 203, 742	—6, 159, 272, 358	907, 790, 781	
1942	12, 555, 436, 084	34, 045, 678, 816	—21, 490, 242, 732	—1, 612, 785, 695	
1943	21, 986, 700, 787	79, 407, 131, 152	—57, 420, 430, 365	—337, 796, 138	
1944	43, 635, 315, 356	95, 058, 707, 898	—51, 423, 392, 541	—2, 221, 918, 654	
1945	44, 475, 303, 665	98, 416, 219, 790	—53, 940, 916, 126	791, 293, 666	
1946	39, 771, 403, 710	60, 447, 574, 319	—20, 676, 170, 609	—523, 587, 210	
1947	39, 786, 181, 036	39, 032, 393, 376	753, 787, 660	—1, 102, 524, 942	$554, 706, 981
1948[6]	41, 488, 178, 842	33, 068, 708, 998	8, 419, 469, 844	—294, 342, 662	—507, 106, 039
1949[6]	37, 695, 549, 449	39, 506, 989, 497	—1, 811, 440, 048	—494, 733, 365	366, 441, 900
1950	36, 494, 900, 837	39, 617, 003, 195	—3, 122, 102, 357	99, 137, 360	482, 656, 886
1951	47, 567, 613, 484	44, 057, 830, 859	3, 509, 782, 624	679, 223, 478	—214, 140, 135
1952	61, 390, 944, 552	65, 407, 584, 930	—4, 016, 640, 378	147, 077, 201	—401, 389, 312
1953	64, 825, 044, 026	74, 274, 257, 484	—9, 449, 213, 457	434, 671, 979	—249, 920, 729
1954	64, 655, 386, 989	67, 772, 353, 245	—3, 116, 966, 256	327, 762, 083	—303, 126, 484
1955	60, 389, 743, 895	64, 569, 972, 817	—4, 180, 228, 921	231, 296, 942	283, 518, 269
1956	68, 165, 329, 582	66, 539, 776, 178	1, 625, 553, 403	—193, 580, 583	521, 955, 153
1957	71, 028, 649, 978	69, 433, 078, 427	1, 595, 571, 550	194, 731, 536	—522, 892, 840
1958	69, 116, 717, 311	71, 936, 171, 353	—2, 819, 454, 041	632, 513, 036	530, 045, 771
1959	68, 270, 252, 715	80, 697, 239, 466	—12, 426, 986, 751	—328, 663, 331	—5, 750, 464
1958—July	2, 945, 768, 612	6, 613, 124, 486	—3, 667, 355, 874	—376, 092, 432	290, 113, 192
August	4, 837, 544, 789	6, 198, 325, 233	—1, 360, 780, 444	83, 576, 254	—483, 058, 546
September	7, 208, 420, 407	6, 633, 486, 430	574, 933, 976	—200, 144, 426	165, 854, 297
October	2, 768, 768, 294	7, 144, 329, 053	—4, 375, 560, 758	—84, 480, 397	349, 917, 318
November	4, 962, 031, 185	6, 236, 512, 476	—1, 274, 481, 290	352, 064, 061	64, 680, 815
December	6, 179, 545, 438	7, 080, 026, 626	—900, 481, 188	—37, 253, 151	—488, 556, 596
1959—January	4, 528, 049, 488	6, 776, 205, 358	—2, 248, 155, 869	—80, 796, 644	407, 552, 839
February	6, 576, 035, 309	6, 331, 241, 437	244, 793, 872	278, 523, 913	—470, 109, 743
March	8, 426, 396, 013	6, 461, 338, 650	1, 965, 057, 362	—193, 897, 535	462, 259, 364
April	4, 258, 420, 853	6, 427, 445, 610	—2, 169, 024, 756	—33, 742, 665	414, 472, 525
May	5, 424, 970, 239	6, 164, 421, 742	—739, 451, 503	73, 812, 053	—364, 809, 763
June	10, 154, 302, 082	8, 630, 782, 360	1, 523, 519, 722	—110, 232, 365	—354, 066, 168

1 With the exceptions that public debt figures are on the basis of daily Treasury statements for all years shown and guaranteed obligations for 1934–39 are on the basis of Public Debt accounts and thereafter on the basis of daily Treasury statements (guaranteed obligations held by the Treasury are excluded).

2 Total receipts less: Refunds of receipts beginning with fiscal 1931; and transfers of tax receipts to the Federal old-age and survivors insurance trust fund beginning in fiscal 1937, to the railroad retirement account beginning in fiscal 1938, and to the Federal disability insurance trust fund and highway trust fund beginning in fiscal 1957.

3 Expenditures are "net" after allowance for reimbursements to appropriations, receipts of revolving und appropriations, and receipts credited to disbursing accounts of corporations and agencies having authority to use collections without formal covering into the Treasury. The figures include transfers to trust accounts. Beginning with 1951, the net investments by wholly owned Government corporations and agencies in public debt securities are excluded from budget expenditures and are included in trust account and other transactions. The expenditure figures also exclude public debt retirements chargeable, to the sinking fund, etc., under special provisions of law. Effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and disposition of earnings are excluded from both receipts and expenditures. Prior year adjustments of such payments are shown in table 2, footnote 3.

4 Consists of transactions of trust and deposit fund accounts, net investments by Government agencies in public debt securities, and net redemptions or sales of obligations of Government agencies in the market (see table 9). Investment by wholly owned Government corporations in public debt securities are included in budget expenditures before 1951. Retirements of national bank notes chargeable against the increment on gold (fiscal years 1935–39) are excluded

5 For checks outstanding and telegraphic reports from Federal Reserve Banks; public debt interest accrued and unpaid beginning with June and the fiscal year 1955 (previously included from November 1949 as interest checks and coupons outstanding); also deposits in transit and changes in cash held outside the Treasury and in certain other accounts beginning with the fiscal year 1954. For 1955 includes adjustment of —$207,183,858 for effect on balance in Treasurer's account due to reclassification in November 1954 of Post Office disbursing accounts.

Fiscal Operations

fiscal years 1932–59 and monthly 1959

ment of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Public debt, net increase, or decrease (−)	Cash balance in account of the Treasurer of the U. S., net increase, or decrease (−)	Amount, end of period				
		Cash balance in account of the Treasurer of the U. S.	Debt outstanding [1]			
			Public debt [1]	Guaranteed obligations [1]	Total [1]	Subject to limitation [6] [7]
$2, 685, 720, 952	−$54, 746, 805	$417, 197, 178	$19, 487, 002, 444	------------	$19, 487, 002, 444	(6)
3, 051, 670, 116	445, 008, 042	862, 205, 221	22, 538, 672, 560	------------	22, 538, 672, 560	(6)
4, 514, 468, 854	1, 719, 717, 020	2, 581, 922, 240	27, 053, 141, 414	$680, 767, 817	27, 733, 909, 231	(6)
1, 647, 751, 210	−740, 576, 701	1, 841, 345, 539	28, 700, 892, 625	4, 122, 684, 692	32, 823, 577, 316	(6)
5, 077, 650, 869	840, 164, 664	2, 681, 510, 204	33, 778, 543, 494	4, 718, 033, 242	38, 496, 576, 735	(6)
2, 646, 070, 239	−128, 036, 307	2, 553, 473, 897	36, 424, 613, 732	4, 664, 604, 533	41, 089, 218, 265	(6)
740, 126, 583	−337, 555, 984	2, 215, 917, 913	37, 164, 740, 315	4, 852, 791, 651	42, 017, 531, 967	$36,881,899,956
3, 274, 792, 096	622, 307, 620	2, 838, 225, 533	40, 439, 532, 411	5, 450, 834, 099	45, 890, 366, 510	40, 371, 110, 606
2, 527, 998, 627	−947, 482, 391	1, 890, 743, 141	42, 967, 531, 038	5, 529, 070, 655	48, 496, 601, 693	43, 219, 123, 375
5, 993, 912, 498	742, 430, 921	2, 633, 174, 062	48, 961, 443, 536	6, 370, 252, 580	55, 331, 696, 116	49, 493, 588, 731
23, 461, 001, 581	357, 973, 154	2, 991, 147, 216	72, 422, 445, 116	4, 568, 259, 630	76, 990, 704, 746	74, 154, 457, 607
64, 273, 645, 214	6, 515, 418, 710	9, 506, 565, 926	136, 696, 090, 330	4, 099, 943, 046	140, 796, 033, 376	140, 469, 083, 742
64, 307, 296, 891	10, 661, 985, 696	20, 168, 551, 622	201, 003, 387, 221	1, 623, 069, 301	202, 626, 456, 522	208, 077, 255, 051
57, 678, 800, 189	4, 529, 177, 729	24, 697, 729, 352	258, 682, 187, 410	433, 158, 392	259, 115, 345, 802	268, 670, 763, 468
10, 739, 911, 763	−10,459,846,056	14, 237, 883, 295	269, 422, 099, 173	476, 384, 859	269, 898, 484, 033	268, 932, 355, 302
−11,135,716,065	−10,929,746,366	3, 308, 136, 929	258, 286, 383, 109	89, 520, 185	258, 375, 903, 294	257, 491, 416, 060
−5, 994, 136, 596	1, 623, 884, 548	4, 932, 021, 477	252, 292, 246, 513	73, 460, 818	252, 365, 707, 331	251, 541, 571, 385
478, 113, 347	−1, 461, 618, 165	3, 470, 403, 312	252, 770, 359, 860	27, 275, 408	252, 797, 635, 268	252, 027, 712, 585
4, 586, 992, 491	2, 046, 684, 380	5, 517, 087, 692	257, 357, 352, 351	19, 503, 034	257, 376, 855, 385	256, 652, 133, 429
−2, 135, 375, 536	1, 839, 490, 432	7, 356, 578, 123	255, 221, 976, 815	29, 227, 169	255, 251, 203, 984	254, 566, 629, 670
3, 883, 201, 970	−387, 750, 519	6, 968, 827, 604	259, 105, 178, 785	45, 565, 346	259, 150, 744, 131	258, 506, 598, 138
6, 965, 882, 853	−2, 298, 579, 356	4, 670, 248, 248	266, 071, 061, 639	52, 072, 761	266, 123, 134, 400	265, 521, 736, 381
5, 188, 537, 469	2, 096, 206, 813	6, 766, 455, 061	271, 259, 599, 108	81, 441, 386	271, 341, 040, 494	270, 790, 304, 616
3, 114, 623, 694	−550, 790, 014	[9] 6, 215, 665, 047	274, 374, 222, 802	44, 142, 961	274, 418, 365, 763	273, 914, 849, 696
−1, 623, 409, 153	330, 518, 820	6, 546, 183, 868	272, 750, 813, 649	73, 888, 475	272, 824, 702, 124	272, 361, 216, 449
−2, 223, 641, 752	−956, 231, 505	5, 589, 952, 362	270, 527, 171, 896	107, 137, 950	270, 634, 309, 846	270, 188, 321, 086
5, 816, 045, 849	4, 159, 150, 615	9, 749, 102, 977	276, 343, 217, 745	101, 220, 600	276, 444, 438, 345	276, 013, 439, 621
8, 362, 689, 332	−4, 398, 711, 214	5, 350, 391, 763	284, 705, 907, 078	111, 019, 150	284, 816, 926, 228	284, 398, 474, 090
−877, 053, 321	−4, 630, 388, 435	5, 118, 714, 542	275, 466, 164, 424	102, 094, 400	275, 568, 258, 824	275, 139, 111, 507
3, 009, 368, 607	1, 249, 105, 871	6, 367, 820, 413	278, 475, 533, 032	108, 478, 775	278, 584, 011, 807	278, 155, 742, 176
−1, 809, 627, 072	−1, 268, 983, 223	5, 098, 837, 189	276, 665, 905, 959	117, 839, 525	276, 783, 745, 484	276, 356, 382, 533
3, 545, 550, 808	−564, 573, 027	4, 534, 264, 161	280, 211, 456, 768	111, 943, 650	280, 323, 400, 418	279, 897, 309, 958
2, 848, 471, 000	1, 990, 734, 586	6, 524, 998, 748	283, 059, 927, 768	107, 105, 675	283, 167, 033, 443	282, 741, 444, 956
−137, 504, 184	−1, 563, 795, 120	4, 961, 203, 627	282, 922, 423, 583	108, 777, 550	283, 031, 201, 133	282, 606, 973, 414
2, 878, 590, 600	957, 190, 926	5, 918, 394, 554	285, 801, 014, 183	105, 713, 050	285, 906, 727, 233	285, 483, 669, 178
−697, 353, 007	−644, 144, 964	5, 274, 249, 589	285, 103, 661, 176	112, 308, 300	285, 215, 969, 476	284, 793, 367, 247
−3, 069, 381, 881	−835, 962, 689	4, 438, 286, 899	282, 034, 279, 295	118, 760, 625	282, 153, 039, 920	281, 732, 296, 343
3, 319, 080, 529	1, 530, 785, 635	5, 969, 072, 535	285, 353, 359, 825	106, 604, 200	285, 459, 964, 025	285, 040, 255, 908
949, 580, 280	−80, 868, 932	5, 888, 203, 603	286, 302, 940, 106	107, 500, 975	286, 410, 441, 081	285, 991, 626, 894
−1, 597, 033, 028	−537, 811, 840	5, 350, 391, 763	284, 705, 907, 078	111, 019, 150	284, 816, 926, 228	284, 398, 474, 090

[6] Prior to May 26, 1938, the limitation applied to particular segments of the debt, not to the total.

[7] The total amounts of the statutory limitations in effect from February 19, 1941, to date are summarized in table 29. Guaranteed securities held outside the Treasury are included in the limitation beginning April 3, 1945. Savings bonds are included at current redemption value beginning June 26, 1946; before that date they are included at maturity value. In the debt outstanding, savings bonds are carried at current redemption value.

[8] Sec. 114 (f) of the Economic Cooperation Act of 1948, approved Apr. 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund," and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in the fiscal year 1948 for expenditures made in the fiscal year 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of $3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of $3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to Sec. 114 (f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

	Fiscal year 1948	*Fiscal year 1949*
Budget receipts	$42, 210, 770, 493	$38, 245, 667, 810
Budget expenditures	36, 791, 300, 649	37, 057, 107, 858
Budget surplus	5, 419, 469, 844	1, 188, 559, 952

[9] Includes adjustment of −$207,183,858 which reflects the reclassification, begun in November 1954, of Post Office Department and postmasters' disbursing accounts (formerly treated as liability accounts of the Treasurer of the United States) to net expenditures on the basis of cash receipts and expenditures as reported by the Post Office Department.

Receipts and

TABLE 2.—*Receipts and expendi-*

On basis of warrants issued from 1789 to 1915, and on basis of daily Treasury statements for 1916 through of the United States Government." General, special, emergency, and trust accounts combined from see "Bases of Tables"]

Year[1]	Receipts					
	Customs (including tonnage tax)	Internal revenue		Other receipts[2]	Total receipts[3]	Net receipts[4]
		Income and profits taxes	Other			
1789-91	$4,399,473			$19,440	$4,418,913	
1792	3,443,071		$208,943	17,946	3,669,960	
1793	4,255,307		337,706	59,910	4,652,923	
1794	4,801,065		274,090	356,750	5,431,905	
1795	5,588,461		337,755	188,318	6,114,534	
1796	6,567,988		475,290	1,334,252	8,377,530	
1797	7,549,650		575,491	563,640	8,688,781	
1798	7,106,062		644,358	150,076	7,900,496	
1799	6,610,449		779,136	157,228	7,546,813	
1800	9,080,933		809,396	958,420	10,848,749	
1801	10,750,779		1,048,033	1,136,519	12,935,331	
1802	12,438,236		621,899	1,935,659	14,995,794	
1803	10,479,418		215,180	369,500	11,064,098	
1804	11,098,565		50,941	676,801	11,826,307	
1805	12,936,487		21,747	602,459	13,560,693	
1806	14,667,698		20,101	872,132	15,559,931	
1807	15,845,522		13,051	539,446	16,398,019	
1808	16,363,551		8,211	688,900	17,060,662	
1809	7,296,021		4,044	473,408	7,773,473	
1810	8,583,309		7,431	793,475	9,384,215	
1811	13,313,223		2,296	1,108,010	14,423,529	
1812	8,958,778		4,903	837,452	9,801,133	
1813	13,224,623		4,755	1,111,032	14,340,410	
1814	5,998,772		1,662,985	3,519,868	11,181,625	
1815	7,282,942		4,678,059	3,768,023	15,729,024	
1816	36,306,875		5,124,708	6,246,088	47,677,671	
1817	26,283,348		2,678,101	4,137,601	33,099,050	
1818	17,176,385		955,270	3,453,516	21,585,171	
1819	20,283,609		229,594	4,090,172	24,603,375	
1820	15,005,612		106,261	2,768,797	17,880,670	
1821	13,004,447		69,028	1,499,905	14,573,380	
1822	17,589,762		67,666	2,575,000	20,232,428	
1823	19,088,433		34,242	1,417,991	20,540,666	
1824	17,878,326		34,663	1,468,224	19,381,213	
1825	20,098,713		25,771	1,716,374	21,840,858	
1826	23,341,332		21,590	1,897,512	25,260,434	
1827	19,712,283		19,886	3,234,195	22,966,364	
1828	23,205,524		17,452	1,540,654	24,763,630	
1829	22,681,966		14,503	2,131,158	24,827,627	
1830	21,922,391		12,161	2,909,564	24,844,116	
1831	24,224,442		6,934	4,295,445	28,526,821	
1832	28,465,237		11,631	3,388,693	31,865,561	
1833	29,032,509		2,759	4,913,159	33,948,427	
1834	16,214,957		4,196	5,572,783	21,791,936	
1835	19,391,311		10,459	16,028,317	35,430,087	
1836	23,409,941		370	27,416,485	50,826,796	
1837	11,169,290		5,494	13,779,369	24,954,153	
1838	16,158,800		2,467	10,141,295	26,302,562	
1839	23,137,925		2,553	8,342,271	31,482,749	
1840	13,499,502		1,682	5,978,931	19,480,115	
1841	14,487,217		3,261	2,369,682	16,860,160	
1842	18,187,909		495	1,787,794	19,976,198	
1843[1]	7,046,844		103	1,255,755	8,302,702	
1844	26,183,571		1,777	3,136,026	29,321,374	
1845	27,528,113		3,517	2,438,476	29,970,106	
1846	26,712,668		2,897	2,984,402	29,699,967	
1847	23,747,865		375	2,747,529	26,495,769	
1848	31,757,071		375	3,978,333	35,735,779	
1849	28,346,739			2,861,404	31,208,143	
1850	39,668,686			3,934,753	43,603,439	
1851	49,017,568			3,541,736	52,559,304	
1852	47,339,327			2,507,489	49,846,816	
1853	58,931,866			2,655,188	61,587,054	
1854	64,224,190			9,576,151	73,800,341	
1855	53,025,794			12,324,781	65,350,575	
1856	64,022,863			10,033,836	74,056,699	

Footnotes at end of table

Expenditures

tures, fiscal years 1789–1959

1952. Beginning with fiscal year 1953 on basis of the "Monthly Statement of Receipts and Expenditures 1789 through 1930. Trust accounts excluded for 1931 and subsequent years. For explanation of accounts

Expenditures					Surplus, or deficit (−)
Department of the Army (formerly War Department)[5 6]	Department of the Navy [5]	Interest on the public debt	Other [2]	Total expenditures [3]	
$632, 804	$570	$2, 349, 437	$1, 286, 216	$4, 269, 027	$149, 886
1, 100, 702	53	3, 201, 628	777, 149	5, 079, 532	−1, 409, 572
1, 130, 249	------------	2, 772, 242	579, 822	4, 482, 313	170, 610
2, 639, 098	61, 409	3, 490, 293	800, 039	6, 990, 839	−1, 558, 934
2, 480, 910	410, 562	3, 189, 151	1, 459, 186	7, 539, 809	−1, 425, 275
1, 260, 264	274, 784	3, 195, 055	996, 883	5, 726, 986	2, 650, 544
1, 039, 403	382, 632	3, 300, 043	1, 411, 556	6, 133, 634	2, 555, 147
2, 009, 522	1, 381, 348	3, 053, 281	1, 232, 353	7, 676, 504	223, 992
2, 466, 947	2, 858, 082	3, 186, 288	1, 155, 138	9, 666, 455	−2, 119, 642
2, 560, 879	3, 448, 716	3, 374, 705	1, 401, 775	10, 786, 075	62, 674
1, 672, 944	2, 111, 424	4, 412, 913	1, 197, 301	9, 394, 582	3, 540, 749
1, 179, 148	915, 562	4, 125, 039	1, 642, 369	7, 862, 118	7, 133, 676
822, 056	1, 215, 231	3, 848, 828	1, 965, 538	7, 851, 653	3, 212, 445
875, 424	1, 189, 833	4, 266, 583	2, 387, 602	8, 719, 442	3, 106, 865
712, 781	1, 597, 500	4, 148, 999	4, 046, 954	10, 506, 234	3, 054, 459
1, 224, 355	1, 649, 641	3, 723, 408	3, 206, 213	9, 803, 617	5, 756, 314
1, 288, 686	1, 722, 064	3, 369, 578	1, 973, 823	8, 354, 151	8, 043, 868
2, 900, 834	1, 884, 068	3, 428, 153	1, 719, 437	9, 932, 492	7, 128, 170
3, 345, 772	2, 427, 759	2, 866, 075	1, 641, 142	10, 280, 748	−2, 507, 275
2, 294, 324	1, 654, 244	2, 845, 428	1, 362, 514	8, 156, 510	1, 227, 705
2, 032, 828	1, 965, 566	2, 465, 733	1, 594, 210	8, 058, 337	6, 365, 192
11, 817, 798	3, 959, 365	2, 451, 273	2, 052, 335	20, 280, 771	−10, 479, 638
19, 652, 013	6, 446, 600	3, 599, 455	1, 983, 784	31, 681, 852	−17, 341, 442
20, 350, 807	7, 311, 291	4, 593, 239	2, 465, 589	34, 720, 926	−23, 539, 301
14, 794, 294	8, 660, 000	5, 754, 569	3, 499, 276	32, 708, 139	−16, 979, 115
16, 012, 097	3, 908, 278	7, 213, 259	3, 453, 057	30, 586, 691	17, 090, 980
8, 004, 237	3, 314, 598	6, 389, 210	4, 135, 775	21, 843, 820	11, 255, 230
5, 622, 715	2, 953, 695	6, 016, 447	5, 232, 264	19, 825, 121	1, 760, 050
6, 506, 300	3, 847, 640	5, 163, 538	5, 946, 332	21, 463, 810	3, 139, 565
2, 630, 392	4, 387, 990	5, 126, 097	6, 116, 148	18, 260, 627	−379, 957
4, 461, 292	3, 319, 243	5, 087, 274	2, 942, 944	15, 810, 753	−1, 237, 373
3, 111, 981	2, 224, 459	5, 172, 578	4, 491, 202	15, 000, 220	5, 232, 208
3, 096, 924	2, 503, 766	4, 922, 685	4, 183, 465	14, 706, 840	5, 833, 826
3, 340, 940	2, 904, 582	4, 996, 562	9, 084, 624	20, 326, 708	−945, 495
3, 659, 914	3, 049, 084	4, 366, 769	4, 781, 462	15, 857, 229	5, 983, 629
3, 943, 194	4, 218, 902	3, 973, 481	4, 900, 220	17, 035, 797	8, 224, 637
3, 938, 978	4, 263, 877	3, 486, 072	4, 450, 241	16, 139, 168	6, 827, 196
4, 145, 545	3, 918, 786	3, 098, 801	5, 231, 711	16, 394, 843	8, 368, 787
4, 724, 291	3, 308, 745	2, 542, 843	4, 627, 454	15, 203, 333	9, 624, 294
4, 767, 129	3, 239, 429	1, 913, 533	5, 222, 975	15, 143, 066	9, 701, 050
4, 841, 836	3, 856, 183	1, 383, 583	5, 166, 049	15, 247, 651	13, 279, 170
5, 446, 035	3, 956, 370	772, 562	7, 113, 983	17, 288, 950	14, 576, 611
6, 704, 019	3, 901, 357	303, 797	12, 108, 379	23, 017, 552	10, 930, 875
5, 696, 189	3, 956, 260	202, 153	8, 772, 967	18, 627, 569	3, 164, 367
5, 759, 157	3, 864, 939	57, 863	7, 890, 854	17, 572, 813	17, 857, 274
12, 169, 227	5, 807, 718	------------	12, 891, 219	30, 868, 164	19, 958, 632
13, 682, 734	6, 646, 915	------------	16, 913, 847	37, 243, 496	−12, 289, 343
12, 897, 224	6, 131, 596	14, 997	14, 821, 242	33, 865, 059	−7, 562, 497
8, 916, 996	6, 182, 294	399, 834	11, 400, 004	26, 899, 128	4, 583, 621
7, 097, 070	6, 113, 897	174, 598	10, 932, 014	24, 317, 579	−4, 837, 464
8, 805, 565	6, 001, 077	284, 978	11, 474, 253	26, 565, 873	−9, 705, 713
6, 611, 887	8, 397, 243	773, 550	9, 423, 081	25, 205, 761	−5, 229, 563
2, 957, 300	3, 727, 711	523, 595	4, 649, 469	11, 858, 075	−3, 555, 373
5, 179, 220	6, 498, 199	1, 833, 867	8, 826, 285	22, 337, 571	6, 983, 803
5, 752, 644	6, 297, 245	1, 040, 032	9, 847, 487	22, 937, 408	7, 032, 698
10, 792, 867	6, 454, 947	842, 723	9, 676, 388	27, 766, 925	1, 933, 042
38, 305, 520	7, 900, 636	1, 119, 215	9, 956, 041	57, 281, 412	−30, 785, 643
25, 501, 963	9, 408, 476	2, 390, 825	8, 075, 962	45, 377, 226	−9, 641, 447
14, 852, 966	9, 786, 706	3, 565, 578	16, 846, 407	45, 051, 657	−13, 843, 514
9, 400, 239	7, 904, 709	3, 782, 331	18, 456, 213	39, 543, 492	4, 059, 947
11, 811, 793	9, 005, 931	3, 696, 721	23, 194, 572	47, 709, 017	4, 850, 287
8, 225, 247	8, 952, 801	4, 000, 298	23, 016, 573	44, 194, 919	5, 651, 897
9, 947, 291	10, 918, 781	3, 665, 833	23, 652, 206	48, 184, 111	13, 402, 943
11, 733, 629	10, 798, 586	3, 071, 017	32, 441, 630	58, 044, 862	15, 755, 479
14, 773, 826	13, 312, 024	2, 314, 375	29, 342, 443	59, 742, 668	5, 607, 907
16, 948, 197	14, 091, 781	1, 953, 822	36, 577, 226	69, 571, 026	4, 485, 673

TABLE 2.—*Receipts and expenditures,*

Year [1]	Receipts					
	Customs (including tonnage tax)	Internal revenue		Other receipts [2]	Total receipts [3]	Net receipts [4]
		Income and profits taxes	Other			
1857	$63,875,905			$5,089,408	$68,965,313	
1858	41,789,621			4,865,745	46,655,366	
1859	49,565,824			3,920,641	53,486,465	
1860	53,187,512			2,877,096	56,064,608	
1861	39,582,126			1,927,805	41,509,931	
1862	49,056,398			2,931,058	51,987,456	
1863	69,059,642	$2,741,858	$34,898,930	5,996,861	112,697,291	
1864	102,316,153	20,294,732	89,446,402	52,569,484	264,626,771	
1865	84,928,261	60,979,329	148,484,886	39,322,129	333,714,605	
1866	179,046,652	72,982,159	236,244,654	69,759,155	558,032,620	
1867	176,417,811	66,014,429	200,013,108	48,188,662	490,634,010	
1868	164,464,600	41,455,598	149,631,991	50,085,894	405,638,083	
1869	180,048,427	34,791,856	123,564,605	32,538,859	370,943,747	
1870	194,538,374	37,775,874	147,123,882	31,817,347	411,255,477	
1871	206,270,408	19,162,651	123,935,503	33,955,383	383,323,945	
1872	216,370,287	14,436,862	116,205,316	27,094,403	374,106,868	
1873	188,089,523	5,062,312	108,667,002	31,919,368	333,738,205	
1874	163,103,834	139,472	102,270,313	39,465,137	304,978,756	
1875	157,167,722	233	110,007,261	20,824,835	288,000,051	
1876	148,071,985	588	116,700,144	29,323,148	294,095,865	
1877	130,956,493	98	118,630,310	31,819,518	281,406,419	
1878	130,170,680		110,581,625	17,011,574	257,763,879	
1879	137,250,048		113,561,611	23,015,526	273,827,185	
1880	186,522,064		124,009,374	22,995,173	333,526,611	
1881	198,159,676	3,022	135,261,364	27,358,231	360,782,293	
1882	220,410,730		146,497,596	36,616,924	403,525,250	
1883	214,706,497		144,720,369	38,860,716	398,287,582	
1884	195,067,490	55,628	121,530,445	31,866,307	348,519,870	
1885	181,471,939		112,498,726	29,720,041	323,690,706	
1886	192,905,023		116,805,936	26,728,767	336,439,726	
1887	217,286,893		118,823,391	35,292,993	371,403,277	
1888	219,091,174		124,296,872	35,878,029	379,266,075	
1889	223,832,742		130,881,514	32,335,803	387,050,059	
1890	229,668,585		142,606,706	30,805,693	403,080,984	
1891	219,522,205		145,686,250	27,403,992	392,612,447	
1892	177,452,964		153,971,072	23,513,748	354,937,784	
1893	203,355,017		161,027,624	21,436,988	385,819,629	
1894	131,818,531		147,111,233	27,425,552	306,355,316	
1895	152,158,617	77,131	143,344,541	29,149,130	324,729,419	
1896	160,021,752		146,762,865	31,357,830	338,142,447	
1897	176,554,127		146,688,574	24,479,004	347,721,705	
1898	149,575,062		170,900,642	84,845,631	405,321,335	
1899	206,128,482		273,437,162	36,394,977	515,960,621	
1900	233,164,871		295,327,927	38,748,054	567,240,852	
1901	238,585,456		307,180,664	41,919,218	587,685,338	
1902	254,444,708		271,880,122	36,153,403	562,478,233	
1903	284,479,582		230,810,124	46,591,016	561,880,722	
1904	261,274,565		232,904,119	46,908,401	541,087,085	
1905	261,798,857		234,095,741	48,380,087	544,274,685	
1906	300,251,878		249,150,213	45,582,355	594,984,446	
1907	332,233,363		269,666,773	63,960,250	665,860,386	
1908	286,113,130		251,711,127	64,037,650	601,861,907	
1909	300,711,934		246,212,644	57,395,920	604,320,498	
1910	333,683,445	20,951,781	268,981,738	51,894,751	675,511,715	
1911	314,497,071	33,516,977	289,012,224	64,806,639	701,832,911	
1912	311,321,672	28,583,304	293,028,896	59,675,332	692,609,204	
1913	318,891,396	35,006,300	309,410,666	60,802,868	724,111,230	
1914	292,320,014	71,381,275	308,659,733	62,312,145	734,673,167	
1915	209,786,672	80,201,759	335,467,887	72,454,509	697,910,827	
1916	213,185,846	124,937,253	387,764,776	56,646,673	782,534,548	
1917	225,962,393	359,681,228	449,684,980	88,996,194	1,124,324,795	
1918	179,998,385	2,314,006,292	872,028,020	298,550,168	3,664,582,865	
1919	184,457,867	3,018,783,687	1,296,501,292	652,514,290	5,152,257,136	
1920	322,902,650	3,944,949,288	1,460,082,287	966,631,164	6,694,565,389	
1921	308,564,391	3,206,046,158	1,390,379,823	719,942,589	5,624,932,961	
1922	356,443,387	2,068,128,193	1,145,125,064	539,407,507	4,109,104,151	
1923	561,928,867	1,678,607,428	945,865,333	820,733,853	4,007,135,481	
1924	545,637,504	1,842,144,418	953,012,618	671,250,162	4,012,044,702	

Footnotes at end of table.

fiscal years 1789–1959—Continued

Expenditures					
Department of the Army (formerly War Department)[5] [6]	Department of the Navy [5]	Interest on the public debt	Other [2] [7]	Total expenditures [3]	Surplus, or deficit (—) [7]
$19,261,774	$12,747,977	$1,678,265	$34,107,692	$67,795,708	$1,169,605
25,485,383	13,984,551	1,567,056	33,148,280	74,185,270	—27,529,904
23,243,823	14,642,990	2,638,464	28,545,700	69,070,977	—15,584,512
16,409,767	11,514,965	3,177,315	32,028,551	63,130,598	—7,065,990
22,981,150	12,420,888	4,000,174	27,144,433	66,546,645	—25,036,714
394,368,407	42,668,277	13,190,325	24,534,810	474,761,819	—422,774,363
599,298,601	63,221,964	24,729,847	27,490,313	714,740,725	—602,043,434
690,791,843	85,725,995	53,685,422	35,119,382	865,322,642	—600,695,871
1,031,323,361	122,612,945	77,397,712	66,221,206	1,297,555,224	—963,840,619
284,449,702	43,324,118	133,067,742	59,967,855	520,809,417	37,223,203
95,224,415	31,034,011	143,781,592	87,502,657	357,542,675	133,091,335
123,246,648	25,775,503	140,424,046	87,894,088	377,340,285	28,297,798
78,501,991	20,000,758	130,694,243	93,668,286	322,865,278	48,078,469
57,655,676	21,780,230	129,235,498	100,982,157	309,653,561	101,601,916
35,799,992	19,431,027	125,576,566	111,369,603	292,177,188	91,146,757
35,372,157	21,249,810	117,357,840	103,538,156	277,517,963	96,588,905
46,323,138	23,526,257	104,750,688	115,745,162	290,345,245	43,392,960
42,313,927	30,932,587	107,119,815	122,267,544	302,633,873	2,344,883
41,120,646	21,497,626	103,093,545	108,911,576	274,623,393	13,376,658
38,070,889	18,963,310	100,243,271	107,823,615	265,101,085	28,994,780
37,082,736	14,959,935	97,124,512	92,167,292	241,334,475	40,071,944
32,154,148	17,365,301	102,500,875	84,944,003	236,964,327	20,799,552
40,425,661	15,125,127	105,327,949	106,069,147	266,947,884	6,879,301
38,116,916	13,536,985	95,757,575	120,231,482	267,642,958	65,883,653
40,466,461	15,686,672	82,508,741	122,051,014	260,712,888	100,069,405
43,570,494	15,032,046	71,077,207	128,301,693	257,981,440	145,543,810
48,911,383	15,283,437	59,160,131	142,053,187	265,408,138	132,879,444
39,429,603	17,292,601	54,578,379	132,825,661	244,126,244	104,393,626
42,670,578	16,021,080	51,386,256	150,149,021	260,226,935	63,463,771
34,324,153	13,907,888	50,580,146	143,670,952	242,483,139	93,956,587
38,561,026	15,141,127	47,741,577	166,488,451	267,932,181	103,471,096
38,522,436	16,926,438	44,715,007	167,760,920	267,924,801	111,341,274
44,435,271	21,378,809	41,001,484	192,473,414	299,288,978	87,761,081
44,582,838	22,006,206	36,099,284	215,352,383	318,040,711	85,040,273
48,720,065	26,113,896	37,547,135	253,392,808	365,773,904	26,838,543
46,895,456	29,174,139	23,378,116	245,575,620	345,023,331	9,914,453
49,641,773	30,136,084	27,264,392	276,435,704	383,477,953	2,341,676
54,567,930	31,701,294	27,841,406	253,414,651	367,525,281	—61,169,965
51,804,759	28,797,796	30,978,030	244,614,713	356,195,298	—31,465,879
50,830,921	27,147,732	35,385,029	238,815,764	352,179,446	—14,036,999
48,950,268	34,561,546	37,791,110	244,471,235	365,774,159	—18,052,454
91,992,000	58,823,985	37,585,056	254,967,542	443,368,583	—38,047,248
229,841,254	63,942,104	39,896,925	271,391,896	605,072,179	—89,111,558
134,774,768	55,953,078	40,160,333	289,972,668	520,860,847	46,380,005
144,615,697	60,506,978	32,342,979	287,151,271	524,616,925	63,068,413
112,272,216	67,803,128	29,108,045	276,050,860	485,234,249	77,243,984
118,629,505	82,618,034	28,556,349	287,202,239	517,006,127	44,874,595
165,199,911	102,956,102	24,646,490	290,857,397	583,659,900	—42,572,815
126,093,894	117,550,308	24,590,944	299,043,768	567,278,914	—23,004,229
137,326,066	110,474,264	24,308,576	298,093,372	570,202,278	24,782,168
149,775,084	97,128,469	24,481,158	307,744,131	579,128,842	86,731,544
175,840,453	118,037,097	21,426,138	343,892,632	659,196,320	—57,334,413
192,486,904	115,546,011	21,803,836	363,907,134	693,743,885	—89,423,387
189,823,379	123,173,717	21,342,979	359,276,990	693,617,065	—18,105,350
197,199,491	119,937,644	21,311,334	352,753,043	691,201,512	10,631,399
184,122,793	135,591,956	22,616,300	347,550,285	689,881,334	2,727,870
202,128,711	133,262,862	22,899,108	366,221,282	724,511,963	—400,733
208,349,746	139,682,186	22,863,957	364,185,542	735,081,431	—408,264
202,160,134	141,835,654	22,902,897	393,688,117	760,586,802	—62,675,975
183,176,439	153,853,567	22,900,869	374,125,327	734,056,202	48,478,346
377,940,870	239,632,757	24,742,702	1,335,365,422	1,977,681,751	—853,356,956
4,869,955,286	1,278,840,487	189,743,277	6,358,163,421	12,696,702,471	—9,032,119,606
9,009,075,789	2,002,310,785	619,215,569	6,884,277,812	18,514,879,955	—13,362,622,819
1,621,953,095	736,021,456	1,020,251,622	3,025,117,668	6,403,343,841	291,221,548
1,118,076,423	650,373,836	999,144,731	2,348,332,700	5,115,927,690	509,005,271
457,756,139	476,775,194	991,000,759	1,447,075,808	3,372,607,900	736,496,251
397,050,596	333,201,362	1,055,923,690	1,508,451,881	3,294,627,529	712,507,952
357,016,878	332,249,137	940,602,913	1,418,809,037	3,048,677,965	963,366,737

TABLE 2.—*Receipts and expenditures,*

Year [1]	Receipts					
	Customs [8]	Internal revenue		Other receipts [2]	Total receipts [3]	Net receipts [4]
		Income and profits taxes	Other			
1925	$547,561,226	$1,760,537,824	$828,638,068	$643,411,567	$3,780,148,685	
1926	579,430,093	1,982,040,088	855,599,289	545,686,220	3,962,755,690	
1927	605,499,983	2,224,992,800	644,421,542	654,480,116	4,129,394,441	
1928	568,986,188	2,173,952,557	621,018,666	678,390,745	4,042,348,156	
1929	602,262,786	2,330,711,823	607,307,549	492,968,067	4,033,250,225	
1930	587,000,903	2,410,986,978	628,308,036	551,645,785	4,177,941,702	
1931	378,354,005	1,860,394,295	569,386,721	381,503,611	3,189,638,632	$3,115,556,923
1932	327,754,969	1,057,335,853	503,670,481	116,964,134	2,005,725,437	1,923,913,117
1933	250,750,251	746,206,445	858,217,512	224,522,534	2,079,696,742	2,021,212,943
1934	313,434,302	817,961,481	1,822,642,347	161,515,919	3,115,554,050	3,064,267,912
1935	343,353,034	1,099,118,638	2,178,571,390	179,424,141	3,800,467,202	3,729,913,845
1936	386,811,594	1,426,575,434	2,086,276,174	216,293,413	4,115,956,615	4,068,936,689
1937	486,356,599	2,163,413,817	2,433,726,286	210,093,535	5,293,590,237	4,978,600,695
1938	359,187,249	2,640,284,711	3,034,033,726	208,155,541	6,241,661,227	5,615,221,162
1939	318,837,311	2,188,757,289	2,972,463,558	187,765,468	5,667,823,626	4,996,299,530
1940	348,590,636	2,125,324,635	3,177,809,353	241,643,315	5,893,367,939	5,144,013,044
1941	391,870,013	3,469,637,849	3,892,037,133	242,066,585	7,995,611,580	7,102,931,383
1942	388,948,427	7,960,464,973	5,032,652,915	294,614,145	13,676,680,460	12,555,436,084
1943	324,290,778	16,093,668,781	6,050,300,218	934,062,619	23,402,322,396	21,986,700,787
1944	431,252,168	34,654,851,852	7,030,135,478	3,324,809,903	45,441,049,402	43,635,315,356
1945	354,775,542	35,173,051,373	8,728,950,555	3,493,528,901	47,750,306,371	44,475,303,665
1946	435,475,072	30,884,796,016	9,425,537,282	3,492,326,920	44,238,135,290	39,771,403,710
1947	494,078,260	29,305,568,454	10,073,840,241	4,634,701,652	44,508,188,607	39,786,181,036
1948 [10]	421,723,028	31,170,968,403	10,682,516,849	3,823,599,033	46,098,807,314	41,488,178,842
1949 [10]	384,484,796	29,482,283,759	10,825,001,116	2,081,735,850	42,773,505,520	37,695,549,449
1950	422,650,329	28,262,671,097	11,185,936,012	1,439,370,414	41,310,627,852	36,494,900,837
1951 [11]	624,008,052	37,752,553,688	13,353,541,306	1,638,568,845	53,368,671,892	47,567,613,484
1952	550,696,379	51,346,525,736	14,288,368,522	1,813,778,921	67,999,369,558	61,390,944,552
1953	613,419,582	54,362,967,793	15,808,006,083	1,864,741,185	72,649,134,647	64,825,044,026
1954	562,020,618	53,905,570,964	16,394,080,537	2,311,263,612	73,172,935,738	64,655,386,989
1955	606,396,634	49,914,825,888	16,373,865,694	2,559,107,420	69,454,195,640	60,389,743,895
1956	704,897,516	56,632,598,140	18,476,485,054	3,006,445,461	78,820,426,174	68,165,329,582
1957	754,461,446	60,560,424,638	19,611,546,168	2,748,872,386	83,675,304,639	71,028,649,978
1958	799,504,808	59,101,874,167	20,876,602,316	3,195,519,017	83,973,500,309	69,116,717,311
1959	948,412,215	58,826,253,507	20,971,719,301	3,157,881,036	83,904,266,060	68,270,252,715

[1] From 1789 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.

[2] For postal receipts and expenditures, see table 17.

[3] Effective Jan. 3, 1949, amounts refunded by the Government, principally for the overpayment of taxes, have been reported as deductions from total receipts rather than as expenditures. Also, effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations for retirement of capital stock and for disposition of earnings, have been excluded in reporting both budget receipts and expenditures. Neither of these changes affects the size of the budget surplus or deficit. Prior year figures, beginning with the fiscal year 1931, have been adjusted accordingly for comparative purposes. For amounts of adjustments on account of refunds of receipts and capital transfers for the fiscal years 1931 through 1948, see 1958 annual report, p. 396, footnote 3.

[4] Total receipts less: refunds of receipts beginning with fiscal year 1931; transfer of tax receipts to the Federal old-age and survivors insurance trust fund beginning in fiscal year 1937; to the railroad retirement account beginning in fiscal year 1938; and to the Federal disability insurance trust fund and highway trust fund beginning in fiscal year 1957.

[5] Excludes civil expenditures under War and Navy Departments in Washington through 1915. After 1915 includes all expenditures made by the Departments of the Army (including rivers and harbors and Panama Canal), Navy, and, beginning with the fiscal year 1949, the Air Force. Beginning with 1952, Department of Defense expenditures not classified under any one of these three departments are included in "Other."

[6] Title was changed pursuant to act of July 26, 1947. Figures for Department of the Army include expenditures of Department of the Air Force from funds made available prior to fiscal year 1949. Expenditures for Office of the Secretary of Defense and interservice activities of the Defense Department are included in "Other."

fiscal years 1789–1959—Continued

Expenditures						Surplus, or deficit (−) [7]
Department of the Army (formerly War Department) [5,6]	Department of the Navy [5]	Department of the Air Force [5,9]	Interest on the public debt	Other [2,7]	Total expenditures [3,7]	
$370, 980, 708	$346, 142, 001	----------------	$881, 806, 662	$1, 464, 175, 961	$3, 063, 105, 332	$717, 043, 353
364, 089, 945	312, 743, 410	----------------	831, 937, 700	1, 588, 840, 768	3, 097, 611, 823	865, 143, 867
369, 114, 122	318, 909, 096	----------------	787, 019, 578	1, 498, 986, 878	2, 974, 029, 674	1, 155, 364, 766
400, 989, 683	331, 335, 492	----------------	731, 764, 476	1, 639, 175, 204	3, 103, 264, 855	939, 083, 301
425, 947, 194	364, 561, 544	----------------	678, 330, 400	1, 830, 020, 348	3, 298, 859, 486	734, 390, 739
464, 853, 515	374, 165, 639	----------------	659, 347, 613	1, 941, 902, 117	3, 440, 268, 884	737, 672, 818
486, 141, 754	353, 768, 185	----------------	611, 559, 704	2, 125, 964, 360	3, 577, 434, 003	−461, 877, 080
476, 305, 311	357, 517, 834	----------------	599, 276, 631	3, 226, 103, 049	4, 659, 202, 825	−2, 735, 289, 708
434, 620, 860	349, 372, 794	----------------	689, 365, 106	3, 149, 506, 267	4, 622, 865, 028	−2, 601, 652, 085
408, 586, 783	296, 927, 490	----------------	756, 617, 127	5, 231, 768, 454	6, 693, 899, 854	−3, 629, 631, 943
487, 995, 220	436, 265, 532	----------------	820, 926, 353	4, 775, 778, 841	6, 520, 965, 945	−2, 791, 052, 100
618, 587, 184	528, 882, 143	----------------	749, 396, 802	6, 596, 619, 790	8, 493, 485, 919	−4, 424, 549, 230
628, 104, 285	556, 674, 066	----------------	866, 384, 331	5, 704, 858, 728	7, 756, 021, 409	−2, 777, 420, 714
644, 263, 842	596, 129, 739	----------------	926, 280, 714	4, 625, 163, 465	6, 791, 837, 760	−1, 176, 616, 598
695, 256, 481	672, 722, 327	----------------	940, 539, 764	6, 549, 938, 998	8, 858, 457, 570	−3, 862, 158, 040
907, 160, 151	891, 484, 523	----------------	1, 040, 935, 697	6, 222, 451, 833	9, 062, 032, 204	−3, 918, 019, 161
3, 938, 943, 048	2, 313, 057, 956	----------------	1, 110, 692, 812	5, 899, 509, 926	13, 262, 203, 742	−6, 159, 272, 358
14, 325, 508, 098	8, 579, 588, 976	----------------	1, 260, 085, 336	9, 880, 496, 406	34, 045, 678, 816	−21, 490, 242, 732
42, 525, 562, 523	20, 888, 349, 026	----------------	1, 808, 160, 396	14, 185, 059, 207	79, 407, 131, 152	−57, 420, 430, 365
49, 438, 330, 158	26, 537, 633, 877	----------------	2, 608, 979, 806	16, 473, 764, 057	95, 058, 707, 898	−51, 423, 392, 541
50, 490, 101, 935	30, 047, 152, 135	----------------	3, 616, 686, 048	14, 262, 279, 670	98,416, 219, 790	−53, 940, 916, 126
27, 986, 769, 041	15, 164, 412, 379	----------------	4, 721, 957, 683	12, 574, 435, 216	60, 447, 574, 319	−20, 676, 170, 609
9, 172, 138, 869	5, 597, 203, 036	----------------	4, 957, 922, 484	19, 305, 128, 987	39, 032, 393, 376	753, 787, 660
7, 698, 556, 403	4, 284, 619, 125	----------------	5, 211, 101, 865	15, 874, 431, 605	33, 068, 708, 998	8, 419, 469, 844
7, 862, 397, 097	4, 434, 705, 920	$1, 690, 460, 724	5, 339, 396, 336	20, 180, 029, 420	39, 506, 989, 497	−1, 811, 440, 048
5, 789, 467, 599	4, 129, 545, 653	3, 520, 632, 580	5, 749, 913, 064	20, 427, 444, 299	39, 617, 003, 195	−3, 122, 102, 357
8, 635, 938, 754	5, 862, 548, 845	6, 358, 603, 828	5, 612, 654, 812	17, 588, 084, 620	44, 057, 830, 859	3, 509, 782, 624
17, 452, 710, 349	10, 231, 264, 765	12, 851, 619, 343	5, 859, 263, 437	19, 012, 727, 036	65, 407, 584, 930	−4, 016, 640, 378
17, 054, 333, 370	11, 874, 830, 152	15, 085, 227, 952	6, 503, 580, 030	23, 756, 285, 980	74, 274, 257, 484	−9, 449, 213, 457
13, 515, 388, 452	11, 292, 803, 940	15, 668, 473, 393	6, 382, 485, 640	20, 913, 201, 820	67, 772, 353, 245	−3, 116, 966, 256
9, 450, 383, 082	9, 731, 611, 019	16, 405, 038, 348	6, 370, 361, 774	22, 612, 578, 594	64, 569, 972, 817	−4, 180, 228, 921
9, 274, 300, 874	9, 743, 715, 334	16, 749, 647, 622	6, 786, 598, 862	23, 985, 513, 486	66, 539, 776, 178	1, 625, 553, 403
9, 704, 788, 331	10, 397, 223, 998	18, 360, 926, 051	7, 244, 193, 486	23, 725, 946, 561	69, 433, 078, 427	1, 595, 571, 550
9, 775, 877, 444	10, 913, 287, 404	18, 436, 830, 585	7, 606, 774, 062	25, 203, 401, 856	71, 936, 171, 353	−2, 819, 454, 041
10, 284, 059, 445	11, 720, 053, 749	19, 083, 326, 404	7, 592, 769, 102	32, 017, 030, 764	80, 697, 239, 466	−12, 426, 986, 751

[7] The practice of including statutory debt retirements in budget expenditures was discontinued effective with the fiscal year 1948. Such expenditures are not included in this table, nor does the "Surplus or deficit" take into account such expenditures. Table 35 shows details of statutory debt retirements.

[8] Includes the tonnage tax through 1931. Beginning with 1932 the tonnage tax has been covered into the general fund as miscellaneous receipts and is included in this table in "Other receipts."

[9] Expenditures for the Department of the Air Force (established September 18, 1947) formerly included under Department of the Army.

[10] Sec. 114 (f) of the Economic Cooperation Act of 1948, approved Apr. 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund" and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in the fiscal year of 1948 for expenditures made in the fiscal year 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of $3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of $3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to Sec. 114 (f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

	Fiscal year 1948	*Fiscal year 1949*
Budget receipts	$42, 210, 770, 493	$38, 245, 667, 810
Budget expenditures	36, 791, 300, 649	37, 057, 107, 858
Budget surplus	5, 419, 469, 844	1, 188, 559, 952

[11] Beginning with the fiscal year 1951, investments of wholly owned Government corporations in public debt securities are excluded from budget expenditures and included with other investments under "Trust account and other transactions." See tables 6 and 9.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Receipts [1]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Internal revenue:							
Individual income taxes:							
Withheld [2]	1,194,538	3,476,029	2,093,253	1,225,050	3,640,662	2,139,064	[3] 947,887
Other [2]	258,188	123,400	1,815,290	162,321	94,333	373,367	[3] 1,996,075
Total individual income taxes	1,452,726	3,599,428	3,908,543	1,387,370	3,734,995	2,512,432	2,943,963
Corporation income taxes	478,748	315,640	2,267,063	374,292	319,102	2,419,207	424,093
Excise taxes	925,885	907,814	912,457	954,298	811,023	852,840	847,224
Employment taxes:							
Federal Insurance Contributions Act and Self-Employment Contributions Act [2]	337,883	1,032,013	504,084	365,028	747,170	396,619	[3] 267,287
Railroad Retirement Tax Act	16,721	72,314	43,951	20,633	67,782	43,715	14,316
Federal Unemployment Tax Act	857	873	757	819	671	725	39,052
Total employment taxes	355,461	1,105,200	548,793	386,480	815,623	441,060	320,655
Estate and gift taxes	113,279	94,514	92,409	103,140	81,798	102,713	113,323
Internal revenue not otherwise classified	1,526	17	−430	−530	−751	−32	125
Total internal revenue	3,327,625	6,022,613	7,728,834	3,205,050	5,761,790	6,328,219	4,649,383
Customs	71,766	67,143	74,680	81,531	71,628	78,442	75,643
Miscellaneous receipts:							
Interest, dividends, and other earnings	73,124	82,691	53,235	45,480	43,676	272,524	78,207
Realization upon loans and investments	42,295	32,219	6,557	72,789	38,957	69,678	53,702
Recoveries and refunds	23,050	17,236	[4] 177,697	[5] −7,201	18,471	22,284	16,628
Sales of Government property and products	62,164	56,717	45,374	21,524	17,129	51,906	76,797
Seigniorage	2,052	2,691	2,905	2,472	2,938	4,033	1,418
Other	21,596	[6] −921	29,752	24,530	24,313	20,734	4,452
Total miscellaneous receipts	224,281	190,634	315,521	159,593	145,485	441,159	231,205
Gross budget receipts	3,623,672	6,280,390	8,119,034	3,446,174	5,978,903	6,847,820	4,956,230
Deduct:							
Transfers to Federal old-age and survivors insurance trust fund [2]	301,001	917,345	449,858	324,768	662,668	352,551	[3] 242,262
Transfers to Federal disability insurance trust fund [3]	36,882	114,668	54,226	40,260	84,501	44,069	[3] 25,025
Transfers to highway trust fund	176,700	205,707	188,000	179,700	197,514	164,200	172,100
Transfers to railroad retirement account	16,721	72,236	43,951	20,633	67,781	43,715	14,314
Refunds of receipts:							
Internal revenue	143,666	129,228	172,074	109,712	[7] 2,480	62,080	[8] −27,455
Customs	2,116	3,408	2,325	2,161	1,768	1,545	1,872
Other	818	253	180	172	159	115	62
Total deductions	677,903	1,442,845	910,614	677,405	1,016,872	668,275	428,181
Net budget receipts	2,945,769	4,837,545	7,208,420	2,768,768	4,962,031	6,179,545	4,528,049

Receipts [1]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Internal revenue:							
Individual income taxes:							
Withheld [2]	4,355,536	2,213,114	[10] 968,878	4,195,612	[11] 2,551,751	29,001,375	27,040,911
Other [2]	845,997	725,381	[10] 3,032,631	617,450	[11] 1,688,937	11,733,369	11,527,648
Total individual income taxes	5,201,533	2,938,496	4,001,508	4,813,062	4,240,688	40,734,744	38,568,559
Corporation income taxes	361,599	5,458,947	476,621	409,853	4,786,343	18,091,509	20,533,316
Excise taxes	906,408	926,889	852,211	1,020,297	842,203	10,759,549	10,814,268
Employment taxes:							
Federal Insurance Contributions Act and Self-Employment Contributions Act [2]	948,888	799,350	[10] 540,090	1,416,771	[11] 649,171	8,004,355	7,733,223
Railroad Retirement Tax Act	71,198	42,883	16,166	70,049	45,641	525,369	575,282
Federal Unemployment Tax Act	261,357	15,218	1,432	1,312	945	324,020	335,880
Total employment taxes	1,281,443	857,451	557,687	1,488,132	695,758	8,853,744	8,644,386
Estate and gift taxes	106,719	132,036	178,725	129,891	104,436	1,352,982	1,410,925
Internal revenue not otherwise classified	−4	1,084	841	2,585	1,013	5,444	7,024
Total internal revenue	7,857,699	10,314,903	6,067,594	7,863,820	10,670,442	79,797,973	79,978,476
Customs	70,401	89,005	84,693	89,029	94,453	948,412	799,505
Miscellaneous receipts:							
Interest, dividends, and other earnings	76,959	39,752	50,267	58,896	232,284	1,107,095	1,418,600
Realization upon loans and investments	29,296	181,735	33,962	31,879	−15,081	577,988	322,866
Recoveries and refunds	28,782	10,620	27,426	35,800	42,955	413,748	415,598
Sales of Government property and products	52,036	50,881	74,271	45,093	119,782	673,674	648,478
Seigniorage	2,992	4,632	5,509	7,701	4,790	44,133	59,475
Other	34,206	30,298	31,476	23,006	97,801	341,243	330,502
Total miscellaneous receipts	224,272	317,918	222,911	202,376	482,529	3,157,881	3,195,519
Gross budget receipts	8,152,372	10,721,826	6,375,197	8,155,225	11,247,423	83,904,266	83,973,500
Deduct:							
Transfers to Federal old-age and survivors insurance trust fund [2]	850,558	717,897	[10] 481,440	1,273,959	[11] 583,367	7,157,674	6,870,362
Transfers to Federal disability insurance trust fund [2]	98,330	81,454	[10] 58,649	142,812	[11] 65,804	846,681	862,862
Transfers to highway trust fund	181,927	152,300	148,400	213,668	190,800	2,171,016	2,116,028
Transfers to railroad retirement account	71,196	42,870	16,165	70,000	45,638	525,220	574,899
Refunds of receipts:							
Internal revenue	[12] 372,905	1,298,875	1,410,248	1,028,097	205,248	[13] 4,907,159	[13] 4,412,604
Customs	1,352	1,970	1,680	1,567	1,456	23,221	17,838
Other	68	64	194	151	808	3,043	2,191
Total deductions	1,576,337	2,295,430	2,116,776	2,730,255	1,093,121	15,634,013	14,856,783
Net budget receipts	6,576,035	8,426,396	4,258,421	5,424,970	10,154,302	68,270,253	69,116,717

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Legislative branch:							
Senate	2, 816	1, 989	1, 843	1, 876	1, 890	2, 032	1, 941
House of Representatives	4, 075	5, 316	4, 125	3, 188	2, 871	4, 013	3, 222
Architect of the Capitol	1, 142	1, 199	1, 591	1, 715	1, 537	1, 765	1, 851
Botanic Garden	27	22	22	32	23	23	24
Library of Congress	656	1, 203	781	991	1, 173	1, 252	599
Government Printing Office:							
General fund appropriations	1, 413	1, 944	1, 460	1, 121	606	736	888
Revolving fund (net)	2, 274	−245	−406	1, 168	−311	1, 677	−72
Total legislative branch	12, 402	11, 428	9, 416	10, 090	7, 787	11, 497	8, 453
The judiciary:							
Supreme Court of the United States	122	183	132	144	134	135	163
Court of Customs and Patent Appeals	29	23	20	21	21	25	16
Customs Court	67	75	59	56	56	55	56
Court of Claims	76	77	63	78	71	57	54
Courts of appeals, district courts, and other judicial services	4, 252	3, 489	3, 438	3, 663	3, 457	4, 145	3, 038
Total the judiciary	4, 546	3, 847	3, 713	3, 962	3, 739	4, 417	3, 326
Executive Office of the President:							
Compensation of the President	12	12	12	12	12	12	12
The White House Office	254	248	136	187	177	161	146
Special projects	131	134	132	93	89	113	116
Executive mansion and grounds	48	60	36	38	39	40	59
Bureau of the Budget	493	524	335	336	324	327	328
Council of Economic Advisers	34	37	27	32	26	28	33
National Security Council	91	72	47	85	53	47	55
Office of Civil and Defense Mobilization:							
Civil defense procurement fund (net)	−50	−5	−15	−16	−16	−8	18
Other	4, 700	8, 764	3, 479	4, 670	2, 163	3, 686	3, 919
President's Advisory Committee on Government Organization	6	6	5	4	4	5	5
Other	----------	−45	5	4	4	3	−23
Total Executive Office of the President	5, 719	9, 807	4, 200	5, 447	2, 876	4, 414	4, 669
Funds appropriated to the President:							
Disaster relief	627	−30	142	205	1, 116	933	865
Emergency fund for the President	27	14	4	16	3	2	2
Expansion of defense production (net)	24, 420	55, 541	25, 594	26, 064	15, 603	18, 521	12, 475

Expenditures [14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Legislative branch:							
Senate	2, 011	2, 039	2, 000	2, 212	2, 095	24, 744	21, 080
House of Representatives	3, 040	3, 926	3, 023	3, 193	3, 890	43, 882	39, 705
Architect of the Capitol	2, 022	1, 573	1, 925	1, 525	3, 256	21, 099	17, 799
Botanic Garden	23	27	42	28	28	320	266
Library of Congress	1, 350	1, 358	1, 063	1, 455	1, 447	13, 327	11, 695
Government Printing Office:							
General fund appropriations	1, 148	1, 401	1, 417	1, 133	1, 747	15, 013	12, 787
Revolving fund (net)	−1, 824	−591	−2, 515	159	148	−539	−4, 574
Total legislative branch	7, 770	9, 734	6, 956	9, 705	12, 610	117, 846	98, 757
The judiciary:							
Supreme Court of the United States	148	133	137	143	138	1, 713	1, 621
Court of Customs and Patent Appeals	30	20	21	20	26	271	261
Customs Court	56	59	57	62	56	713	667
Court of Claims	68	62	61	77	69	813	778
Courts of appeals, district courts, and other judicial services	3, 182	3, 461	3, 669	3, 694	4, 074	43, 563	40, 297
Total the judiciary	3, 484	3, 736	3, 944	3, 996	4, 363	47, 073	43, 624
Executive Office of the President:							
Compensation of the President	12	12	12	12	12	150	150
The White House Office	175	251	157	179	182	2, 253	1, 958
Special projects	96	121	93	89	63	1, 269	1, 320
Executive mansion and grounds	42	43	38	41	38	522	448
Bureau of the Budget	324	606	333	345	339	4, 615	4, 157
Council of Economic Advisers	29	46	26	38	26	383	339
National Security Council	57	56	76	72	56	767	613
Office of Civil and Defense Mobilization:							
Civil defense procurement fund (net)	−16	−20	−12	(*)	−11	−151	215
Other	3, 180	2, 870	3, 598	2, 712	2, 192	45, 934	65, 831
President's Advisory Committee on Government Organization	4	9	4	4	−1	54	43
Other	6	10	7	7	13	−8	----------
Total Executive Office of the President	3, 910	4, 003	4, 334	3, 498	2, 910	55, 788	75, 076
Funds appropriated to the President:							
Disaster relief	2	396	191	−40	270	4, 678	12, 701
Emergency fund for the President	46	83	114	41	64	415	382
Expansion of defense production (net)	27, 878	10, 970	6, 257	8, 816	6, 982	239, 119	440, 754

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Funds appropriated to the President—Continued							
Expenses of management improvement	5	8	20	5	14	3	4
President's special international program	388	1,992	382	862	397	614	740
Refugee relief	(*)	1	−1	(*)	(*)	(*)	(*)
Miscellaneous	----------	1	−1	15	1	2	(*)
Mutual security:							
Military assistance:							
Defense Department:							
Interservice activities	5,358	4,277	15,222	5,046	7,748	12,240	9,755
Army	88,088	63,670	93,070	89,753	89,208	156,576	66,955
Navy	19,163	20,792	18,294	16,022	11,242	15,677	11,826
Air Force	202,166	38,100	40,034	42,642	76,922	47,061	55,279
Financing military sales [15]	----------	−19,729	−494	----------	−7	----------	−90
International Cooperation Administration	666	572	625	383	−205	172	462
All other agencies	290	1,167	244	419	215	977	356
Total military assistance	315,731	108,849	166,995	154,265	185,123	232,703	144,543
Economic assistance:							
Defense Department	2,280	3,567	2,874	2,695	3,419	3,023	4,558
International Cooperation Administration	94,817	90,049	101,979	124,329	97,126	96,046	128,893
Public enterprise funds (net):							
Development loan fund	564	1,491	612	511	185	1,377	12,520
Foreign investment guaranty fund	−7	−62	−546	−44	−11	−93	−11
All other agencies	14,080	9,621	10,916	27,877	12,496	15,952	27,892
Total economic assistance	111,734	104,666	115,834	155,367	113,215	116,306	173,852
Total funds appropriated to the President	452,932	271,042	308,969	336,799	315,473	369,083	332,481
Independent offices:							
Advisory Committee on Weather Control	----------	(*)	----------	(*)	----------	----------	(*)
Alaska International Rail and Highway Commission	5	4	6	1	----------	1	2
American Battle Monuments Commission	360	441	414	325	304	224	302
Atomic Energy Commission:							
Defense production guaranties (net)	(*)	−9	−9	(*)	−8	−8	(*)
Other	221,591	215,223	189,574	220,546	210,850	211,129	212,706

Expenditures [14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Funds appropriated to the President—Continued							
Expenses of management improvement	3	29	4	3	3	99	102
President's special international program	336	287	510	1,083	418	8,010	16,251
Refugee relief	1	1	(*)	(*)	(*)	1	108
Miscellaneous	75	2	−1	−3	10	101	46
Mutual security:							
Military assistance:							
Defense Department:							
Interservice activities	2,305	5,029	15,535	7,524	2,586	92,625	101,038
Army	58,585	71,900	77,020	67,104	51,100	973,026	912,144
Navy	23,351	27,169	29,592	26,735	39,436	259,299	210,642
Air Force	56,897	93,225	86,529	64,961	228,778	1,032,593	951,233
Financing military sales [15]	----------	−3,085	−60	48	−4,038	−27,455	----------
International Cooperation Administration	191	123	23	161	−266	2,907	2,433
All other agencies	1,145	307	1,168	193	800	7,281	9,945
Total military assistance	142,473	194,668	209,807	166,725	318,395	2,340,278	2,187,436
Economic assistance:							
Defense Department	1,169	3,698	827	3,913	2,253	34,276	52,650
International Cooperation Administration	90,655	125,058	90,523	85,666	100,506	1,225,646	1,162,147
Public enterprise funds (net):							
Development loan fund	3,188	14,706	6,814	7,715	16,806	66,490	1,500
Foreign investment guaranty fund	−230	−125	−15	−39	−185	−1,367	−655
All other agencies	8,639	16,288	12,593	19,052	16,187	191,593	208,000
Total economic assistance	103,420	159,625	110,742	116,307	135,568	1,516,637	1,423,642
Total funds appropriated to the President	274,233	366,061	327,624	292,931	461,709	4,109,339	4,081,423
Independent offices:							
Advisory Committee on Weather Control	----------	----------	----------	----------	----------	(*)	187
Alaska International Rail and Highway Commission	2	2	3	2	2	31	36
American Battle Monuments Commission	217	317	184	211	263	3,562	3,512
Atomic Energy Commission:							
Defense production guaranties (net)	−6	−8	(*)	−5	−7	−61	−95
Other	203,674	217,029	210,969	213,872	213,896	2,541,060	2,268,014

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Independent offices—Continued							
Central Intelligence Agency, construction	845	532	788	558	342	206	352
Civil Aeronautics Board [16]	3,987	4,564	4,617	4,660	3,644	8,570	10
Civil Service Commission	2,570	1,654	2,613	1,713	1,695	1,669	1,874
Commission on Civil Rights	12	122	27	51	32	45	51
Commission on Government Security							
Commission on Increased Industrial Use of Agricultural Products		(*)					
Commission on Organization of the Executive Branch of the Government							
District of Columbia Auditorium Commission							
Export-Import Bank of Washington (net)	48,873	94,481	11,334	32,179	35,404	54,365	5,402
Farm Credit Administration:							
Public enterprise funds (net):							
Federal Farm Mortgage Corporation	−2,041	1	(*)	−1	5	(*)	1
Federal intermediate credit banks investment fund	500	600					1,500
Production credit associations investment fund	−20	50		500	100	−90	−470
Agricultural marketing revolving fund	−457	−6,332					
Administrative expenses	236	153	159	235	150	157	170
Total Farm Credit Administration	−1,783	−5,529	159	734	255	67	1,201
Federal Aviation Agency [17]	37,501	31,428	17,825	46,007	33,834	36,555	40,271
Federal Coal Mine Safety Board of Review	4	4	4	6	4	4	4
Federal Communications Commission	1,080	754	1,113	699	740	749	742
Federal Home Loan Bank Board (net):							
Federal Savings and Loan Insurance Corporation	−2,881	−2,307	−3,142	−3,891	−3,615	−3,366	−3,994
Other	−152	400	−202	180	108	−147	−143
Federal Mediation and Conciliation Service	430	421	306	299	298	287	298
Federal Power Commission	768	525	728	487	510	505	506
Federal Trade Commission	723	504	490	747	505	489	503
Foreign Claims Settlement Commission	−4	56	55	77	55	57	51
General Accounting Office	4,434	3,050	4,417	3,057	2,958	2,919	3,054
Historical and memorial commissions	26	18	29	23	25	29	27
Indian Claims Commission	13	17	13	13	13	11	16
Interstate Commerce Commission	2,095	2,046	1,444	1,427	1,478	1,453	2,045
Interstate Commission on Potomac River Basin		5					
National Aeronautics and Space Administration [18]	9,620	7,112	7,874	11,233	8,468	10,270	10,241
National Capital Housing Authority	1	5	2	2	3	3	3
National Capital Planning Commission	111	82	24	167	97	63	90
National Labor Relations Board	1,169	797	836	1,247	953	991	972
National Mediation Board	147	151	99	128	104	96	101

Expenditures [14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Independent offices—Continued							
Central Intelligence Agency, construction	902	371	589	251	515	6, 252	3, 622
Civil Aeronautics Board [16]	8, 473	4, 276	2, 948	8, 141	5, 261	59, 150	43, 428
Civil Service Commission	1, 679	2, 778	1, 722	1, 592	1, 486	23, 047	21, 605
Commission on Civil Rights	51	52	56	76	80	655	
Commission on Government Security							101
Commission on Increased Industrial Use of Agricultural Products						(*)	9
Commission on Organization of the Executive Branch of the Government							(*)
District of Columbia Auditorium Commission							6
Export-Import Bank of Washington (net)	40, 381	−1, 250	20, 894	33, 028	15, 307	390, 398	339, 826
Farm Credit Administration:							
Public enterprise funds (net):							
Federal Farm Mortgage Corporation	(*)	(*)	(*)	(*)	(*)	−2, 035	−2, 344
Federal intermediate credit banks investment fund		1, 600	3, 500	2, 700	900	11, 300	600
Production credit associations investment fund	50	35		−200		−45	2, 040
Agricultural marketing revolving fund	−2			(*)	−1	−6, 791	−5, 728
Administrative expenses	157	158	235	157	156	2, 122	1, 980
Total Farm Credit Administration	206	1, 793	3, 735	2, 657	1, 055	4. 552	−3, 452
Federal Aviation Agency [17]	30, 830	40, 305	37, 980	47, 322	41, 542	441, 400	276, 534
Federal Coal Mine Safety Board of Review	4	4	6	4	4	51	52
Federal Communications Commission	737	1, 085	793	787	641	9, 920	8, 349
Federal Home Loan Bank Board (net):							
Federal Savings and Loan Insurance Corporation	−2, 581	−3, 397	−3, 765	−4, 354	−3, 770	−41, 064	−38, 135
Other	−24	−8	153	−24	−87	55	−183
Federal Mediation and Conciliation Service	306	433	309	306	297	3, 990	3, 507
Federal Power Commission	529	778	536	546	549	6, 967	5, 572
Federal Trade Commission	493	505	735	482	511	6, 687	5, 917
Foreign Claims Settlement Commission	55	53	73	49	43	619	459
General Accounting Office	2, 916	4, 290	2, 967	2, 959	3, 013	40, 035	35, 233
Historical and memorial commissions	27	47	44	45	35	377	277
Indian Claims Commission	13	18	14	14	13	169	162
Interstate Commerce Commission	1, 450	1, 489	1, 467	1, 482	1, 466	19, 341	16, 580
Interstate Commission on Potomac River Basin						5	5
National Aeronautics and Space Administration [18]	12, 148	13, 730	20, 140	15, 191	19, 465	145, 491	89, 193
National Capital Housing Authority	4	3	3	4	2	35	38
National Capital Planning Commission	56	71	46	727	59	1, 595	1, 226
National Labor Relations Board	969	1, 091	1, 459	1, 026	1, 068	12, 580	9, 442
National Mediation Board	109	131	112	104	112	1, 393	1, 233

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Independent offices—Continued							
National Science Foundation:							
Research and development of rubber program (net)							
Other	8,522	3,981	4,762	11,325	6,901	4,036	7,240
National Security Training Commission							
Outdoor Recreation Resources Review Commission					2	3	3
Permanent Committee for the Oliver Wendell Holmes Devise	5	20		14			
President's Advisory Commission on Presidential Office Space							
Renegotiation Board	352	230	228	329	233	230	229
River basin study commissions							
Saint Lawrence Seaway Development Corporation (net)	3,483	3,066	1,893	669	729	1,649	1,734
Securities and Exchange Commission	809	550	856	585	606	597	582
Selective Service System	3,137	2,760	2,825	2,836	2,034	2,109	3,206
Small Business Administration:							
Public enterprise funds (net)	10,666	9,850	−1,452	17,950	6,414	11,301	881
Salaries and expenses	87	133	−7,781	1,002	1,059	1,060	1,109
Smithsonian Institution	793	748	518	1,154	944	845	1,091
Subversive Activities Control Board	26	26	33	26	25	25	26
Tariff Commission	206	147	149	216	151	152	156
Tennessee Valley Authority (net)	−2,209	1,718	3,215	4,477	−6,832	2,123	−1,012
The Tax Court of the United States	120	142	110	124	114	119	123
United States Information Agency:							
Informational media guaranty fund (net)	376	470	863	993	−382	596	614
Other	7,902	8,641	8,536	8,397	7,097	6,280	7,767
Veterans' Adminstration:							
Compensation, pensions, and benefit programs	313,748	316,696	306,747	320,565	345,880	349,330	344,068
Public enterprise funds (net)	3,533	12,760	3,937	6,006	6,415	7,106	4,425
Other	107,293	81,710	82,722	116,173	83,430	86,170	86,764
Total Veterans' Administration	424,574	411,166	393,406	442,745	435,725	442,606	435,257
Total independent offices	790,396	800,195	649,597	815,518	753,876	800,969	735,694
General Services Administration:							
Real property activities:							
Public enterprise funds (net)	−34	−42	−62	−44	−39	106	
Intragovernmental funds (net)	1,517	746	−5,295	−23,461	7,703	9,925	−21,604
Other	20,733	18,735	22,430	42,699	14,265	15,298	40,113
Personal property activities:							
Intragovernmental funds (net)	2,074	934	5,484	−6,750	458	473	−11,772
Other	2,460	1,998	2,346	3,772	1,522	1,362	2,880

Expenditures [14]	Fiscal year 1959: February 1959	March 1959	April 1959	May 1959	June 1959	Total fiscal year 1959	Total fiscal year 1958 [9]
Independent offices—Continued							
National Science Foundation:							
Research and development of rubber program (net)	----	----	----	----	----	----	22
Other	7,444	9,851	7,093	16,272	19,016	106,442	49,699
National Security Training Commission	----	----	----	(*)	----	(*)	2
Outdoor Recreation Resources Review Commission	8	12	5	6	22	61	----
Permanent Committee for the Oliver Wendell Holmes Devise	6	----	----	8	----	52	39
President's Advisory Commission on Presidential Office Space	----	----	----	----	----	----	2
Renegotiation Board	229	235	328	226	233	3,082	2,946
River basin study commissions	4	12	19	17	37	90	----
Saint Lawrence Seaway Development Corporation (net)	491	−594	1,498	397	345	15,358	48,323
Securities and Exchange Commission	599	886	594	616	619	7,898	6,491
Selective Service System	2,209	2,515	2,050	1,951	2,676	30,308	26,648
Small Business Administration:							
Public enterprise funds (net)	11,834	8,117	5,709	5,975	19,960	107,205	76,604
Salaries and expenses	1,137	1,693	1,273	579	1,303	2,655	2,204
Smithsonian Institution	1,173	1,298	1,254	866	922	11,606	7,043
Subversive Activities Control Board	26	33	26	25	27	324	327
Tariff Commission	143	158	218	153	155	2,004	1,713
Tennessee Valley Authority (net)	−569	−715	650	2,450	3,834	7,130	37,766
The Tax Court of the United States	120	149	122	116	125	1,485	1,442
United States Information Agency:							
Informational media guaranty fund (net)	678	368	337	200	430	5,544	3,840
Other	14,083	7,857	7,007	7,124	13,221	103,911	104,824
Veterans' Administration:							
Compensation, pensions, and benefit programs	342,681	347,918	351,677	347,734	346,764	4,033,807	3,953,552
Public enterprise funds (net)	15,147	8,929	9,738	10,070	8,136	96,201	145,247
Other	83,261	85,611	116,898	85,824	86,075	1,101,934	998,937
Total Veterans' Administration	441,090	442,458	478,313	443,628	440,975	5,231,942	5,097,736
Total independent offices	784,325	760,322	810,668	807,105	806,721	9,315,387	8,559,932
General Services Administration:							
Real property activities:							
Public enterprise funds (net)	----	----	----	----	----	−114	−589
Intragovernmental funds (net)	8,280	11,847	−8,627	−4,393	18,973	−4,390	−1,767
Other	10,862	12,827	29,845	23,361	5,912	257,081	203,355
Personal property activities:							
Intragovernmental funds (net)	205	765	2,915	−343	3,763	−1,795	10,931
Other	1,226	1,377	2,929	2,132	1,770	25,773	21,565

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959: July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
General Services Administration—Continued							
Records activities	860	629	794	1,271	596	612	980
Transportation and utilities activities	210	131	209	259	122	123	201
Defense materials activities:							
Public enterprise funds (net)	−129	−376	386	170	−363	28	230
Strategic and critical materials	15,298	7,968	8,714	7,868	4,170	2,477	6,874
General activities:							
Public enterprise funds (net)	−28	5	−1	−111	7	−87	−260
Intragovernmental funds (net)	108	172	−651	−1,877	997	1,057	−2,327
Other	140	22	15	40	33	29	33
Total General Services Administration	43,208	30,923	34,370	23,835	29,472	31,403	15,348
Housing and Home Finance Agency:							
Office of the Administrator:							
Public enterprise funds (net):							
College housing loans	14,277	17,029	10,459	8,838	10,402	12,985	15,389
Liquidating programs	−3,496	−2,604	−1,622	−1,886	−1,696	−1,510	−2,125
Urban renewal fund	−2,672	12,505	7,892	4,537	7,756	5,866	8,542
Other	424	809	723	729	−6,533	908	585
Other	1,291	1,164	1,490	1,718	1,138	1,216	−444
Federal National Mortgage Association (net):							
Loans for secondary market operations	18,589	−2,839	3,543	3,921	11,915	25,057	23,743
Management and liquidating functions	−14,992	−15,661	−18,898	−22,870	−11,265	−22,439	−9,498
Special assistance functions	4,479	9,243	26,130	47,613	59,196	99,320	115,827
Federal Housing Administration (net)	712	−3,163	927	−4,507	−4,117	−7,741	−6,333
Public Housing Administration (net):							
Low-rent public housing program	18,046	15,729	5,637	11,438	22,633	−11,625	4,763
Administrative expenses	(*)	−29	1,149	----------	(*)	(*)	(*)
Total Housing and Home Finance Agency	36,658	32,182	37,430	49,531	89,426	102,037	150,449
Agriculture Department:							
Agricultural Research Service:							
Intragovernmental funds (net)	193	−179	−49	142	−54	−65	101
Other	27,200	11,554	16,876	14,894	10,364	16,757	10,648
Extension Service	27,128	1,155	777	1,335	646	693	27,281
Farmer Cooperative Service	−274	87	79	114	77	79	78
Soil Conservation Service:							
Conservation operations	8,837	6,507	6,563	9,269	6,301	6,127	6,527
Flood prevention, watershed protection, and other	3,123	3,092	3,367	3,721	2,889	2,935	2,379
Great Plains conservation program	391	270	307	397	289	273	265

Expenditures [14]	Fiscal year 1959: February 1959	Fiscal year 1959: March 1959	Fiscal year 1959: April 1959	Fiscal year 1959: May 1959	Fiscal year 1959: June 1959	Total fiscal year 1959	Total fiscal year 1958 [9]
General Services Administration—Continued							
Records activities	605	561	775	981	579	9,243	7,537
Transportation and utilities activities	121	121	186	149	144	1,975	1,591
Defense materials activities:							
Public enterprise funds (net)	−374	98	−559	−88	169	−809	−421
Strategic and critical materials	4,532	5,970	7,117	1,069	1,235	73,293	184,224
General activities:							
Public enterprise funds (net)	−56	11	−1,053	53	2	−1,519	−2,004
Intragovernmental funds (net)	1,012	1,017	−2,248	1,654	746	−340	−288
Other	32	24	21	52	353	793	462
Total General Services Administration	26,443	34,619	31,300	24,627	33,646	359,194	424,596
Housing and Home Finance Agency:							
Office of the Administrator:							
Public enterprise funds (net):							
College housing loans	17,545	10,298	18,271	21,626	22,602	179,722	164,464
Liquidating programs	−3,482	−2,263	−1,945	−2,219	−1,436	−26,285	−28,069
Urban renewal fund	4,834	2,742	−4,056	11,467	15,832	75,243	55,586
Other	1,591	2,078	556	254	2,339	4,462	−3,540
Other	−393	−240	1,697	1,033	1,039	10,708	9,173
Federal National Mortgage Association (net):							
Loans for secondary market operations	−27,747	28,880	−61,078	27,476	−9,927	41,531	−3,234
Management and liquidating functions	−15,232	−19,497	−22,991	−23,002	−18,527	−214,870	−157,625
Special assistance functions	146,207	133,385	146,346	108,345	118,985	1,015,076	128,975
Federal Housing Administration (net)	−1,178	−2,852	−6,981	−5,519	−10,607	−51,359	−62,939
Public Housing Administration (net):							
Low-rent public housing program	1,543	14,231	7,340	13,487	13,659	116,882	96,722
Administrative expenses	(*)					1,119	−409
Total Housing and Home Finance Agency	123,690	166,761	77,157	152,948	133,959	1,152,229	199,105
Agriculture Department:							
Agricultural Research Service:							
Intragovernmental funds (net)	−76	−126	48	−40	−8	−110	−18
Other	10,503	16,729	14,811	11,126	12,481	173,943	131,523
Extension Service	751	803	1,323	631	661	63,185	58,819
Farmer Cooperative Service	74	76	112	77	51	630	545
Soil Conservation Service:							
Conservation operations	6,221	6,385	9,306	6,383	5,979	84,405	71,665
Flood prevention, watershed protection, and other	2,308	2,438	3,094	2,880	3,220	35,446	26,272
Great Plains conservation program	329	443	734	696	1,001	5,395	1,563

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Agriculture Department—Continued							
Agricultural Conservation Program Service:							
Agricultural conservation program	61,959	16,875	14,887	22,624	21,709	25,776	24,646
Emergency conservation measures	804	908	384	117	118	120	246
Agricultural Marketing Service:							
Marketing research and service	4,413	2,913	2,998	4,841	3,147	3,125	3,283
Payments to States, Territories, and possessions	600	38	----------	35	----------	57	----------
School lunch program	439	9,202	16,103	17,614	13,368	16,452	13,915
Removal of surplus agricultural commodities	12,061	12,760	19,738	14,416	15,391	14,460	15,421
Intragovernmental funds (net)	−125	−4	68	−124	103	68	−149
Other	71	47	55	73	49	56	48
Foreign Agricultural Service	152	656	401	31	335	247	797
Commodity Exchange Authority	104	70	72	102	67	70	70
Soil bank program	155,844	166,055	245,075	94,500	55,703	28,159	830
Commodity Stabilization Service:							
Acreage allotments and marketing quotas	11,959	−11	21	8,882	50	−2	7,832
Sugar Act program	2,148	255	224	424	12,042	13,295	15,185
Intragovernmental funds (net)	−15,599	8,882	−9,542	−9,376	5,636	9,162	−7,629
Commodity Credit Corporation:							
Public enterprise funds (net):							
Price support, supply, and related programs, and special milk program [19]	287,752	178,160	315,413	356,776	301,425	507,469	493,055
Special activities financed by Commodity Credit Corporation [20]	1,237	51,667	106,847	99,287	104,742	106,666	134,556
Federal Crop Insurance Corporation:							
Administrative expenses	626	614	478	642	420	463	237
Capital and insurance fund (net)	−1,453	−1,587	−2,307	−3,187	−2,139	−2,201	479
Rural Electrification Administration:							
Loans	25,957	24,658	22,398	28,516	24,823	27,692	23,277
Salaries and expenses	1,125	798	648	1,128	727	752	714
Farmers' Home Administration:							
Loans	14,555	16,044	20,362	23,433	18,078	24,842	33,629
Public enterprise funds (net):							
Disaster loans revolving fund	−2,897	−4,607	−3,109	−6,438	−12,840	−11,076	−3,566
Farm tenant-mortgage insurance fund	−823	204	1,773	1,677	297	2,264	2,621
Salaries and expenses	3,593	2,566	2,577	3,711	2,537	2,483	2,557
Office of the General Counsel	359	250	247	357	240	246	241
Office of the Secretary:							
Intragovernmental funds (net)	51	25	−10	14	−7	−42	54
Other	319	220	231	317	221	209	230

Expenditures [14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Agriculture Department—Continued							
Agricultural Conservation Program Service:							
Agricultural conservation program	10,567	15,922	3,824	4,849	12,452	236,091	211,871
Emergency conservation measures	339	127	89	33	−73	3,211	1,975
Agricultural Marketing Service:							
Marketing research and service	2,962	2,810	4,199	1,479	2,853	39,023	28,244
Payments to States, Territories, and possessions	387	5	7	8	23	1,160	1,160
School lunch program	15,957	21,258	15,314	2,555	1,615	143,793	99,990
Removal of surplus agricultural commodities	14,463	13,480	6,292	−244	2,713	140,950	125,452
Intragovernmental funds (net)	66	66	−41	45	54	26	−9
Other	53	53	77	57	56	695	570
Foreign Agricultural Service	253	256	353	270	391	4,142	3,910
Commodity Exchange Authority	67	69	102	69	69	929	824
Soil bank program	[21] −2,606	4,319	9,211	10,323	16,514	783,929	612,441
Commodity Stabilization Service:							
Acreage allotments and marketing quotas	8	19	10,502	2,517	−7	41,770	40,625
Sugar Act program	14,687	5,720	1,473	1,571	250	67,275	69,572
Intragovernmental funds (net)	4,975	6,498	−16,891	6,316	14,942	−2,625	300
Commodity Credit Corporation:							
Public enterprise funds (net):							
Price support, supply, and related programs, and special milk program [19]	143,125	143,303	115,043	35,679	−27,621	2,849,578	1,053,495
Special activities financed by Commodity Credit Corporation [20]	322,103	102,193	123,219	128,762	325,972	1,607,249	1,591,650
Federal Crop Insurance Corporation:							
Administrative expenses	760	681	746	510	241	6,418	6,379
Capital and insurance fund (net)	292	−203	−144	−587	−1,512	−14,548	−4,869
Rural Electrification Administration:							
Loans	25,807	21,267	27,261	30,063	23,268	304,987	288,192
Salaries and expenses	724	750	1,015	742	730	9,853	8,700
Farmers' Home Administration:							
Loans	35,493	36,222	24,559	16,293	15,534	279,045	253,314
Public enterprise funds (net):							
Disaster loans revolving fund	7,025	6,976	1,065	−885	−709	−31,060	−4,664
Farm tenant-mortgage insurance fund	5,848	1,214	677	7,668	2,813	26,233	−5,053
Salaries and expenses	2,350	2,485	3,615	2,496	1,307	32,277	28,682
Office of the General Counsel	241	247	370	251	250	3,298	2,869
Office of the Secretary:							
Intergovernmental funds (net)	−17	−52	97	−12	−69	32	−47
Other	213	218	311	219	212	2,920	2,606

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Agriculture Department—Continued							
Office of Information	120	96	69	169	138	82	105
Library	79	48	69	92	60	55	65
Forest Service:							
Intragovernmental funds (net)	−311	374	−953	−656	−101	38	−322
Other	14, 030	19, 118	19, 551	21, 572	38, 072	12, 387	10, 928
Total Agriculture Department	645, 746	529, 779	802, 688	711, 442	624, 921	810, 173	820, 638
Commerce Department:							
General administration:							
Public enterprise funds (net)	−1	(*)	----------	(*)	(*)	(*)	(*)
Other	297	155	39	395	234	242	297
Bureau of the Census	1, 856	1, 372	1, 329	2, 215	1, 563	1, 382	1, 459
Coast and Geodetic Survey	1, 196	1, 459	1, 519	1, 706	1, 119	1, 165	1, 366
Business and Defense Services Administration	763	546	547	816	586	516	427
Bureau of Foreign Commerce	509	377	422	1, 520	347	416	354
Office of Business Economics	130	88	89	136	115	77	92
Maritime activities:							
Public enterprise funds (net)	1, 046	−1, 089	−129	−665	−1	−1, 540	−316
Other	10, 892	27, 023	6, 739	16, 603	22, 271	13, 878	10, 032
Inland Waterways Corporation (net)	−675	−2	----------	(*)	(*)	1	−3
Patent Office	2, 430	1, 385	1, 940	2, 321	1, 572	1, 405	1, 545
Bureau of Public Roads [22]	5, 051	4, 688	5, 845	6, 100	4, 289	4, 483	3, 807
National Bureau of Standards:							
Intragovernmental funds (net)	2, 297	529	−2, 884	−1, 475	−458	−1, 087	152
Other	1	1, 056	2, 421	905	1	1, 956	788
Weather Bureau	4, 707	4, 285	3, 854	4, 905	2, 817	3, 274	3, 828
Total Commerce Department [23]	30, 501	41, 872	21, 730	35, 479	34, 455	26, 169	23, 828
Defense Department:							
Military functions:							
Office of the Secretary of Defense	5, 945	4, 499	7, 634	22, 441	18, 654	19, 505	19, 611
Interservice activities:							
Public enterprise funds (net)	4, 123	202	870	2, 462	285	1, 392	−2, 394
Other	56, 200	54, 476	57, 537	77, 009	56, 069	56, 994	55, 982
Department of the Army:							
Public enterprise funds (net)	−21	−50	−11	−41	−8	−33	553
Intragovernmental funds (net)	−3, 862	−47, 280	−45, 656	−29, 561	−29, 121	−22, 525	−14, 358
Other	657, 837	850, 480	883, 044	902, 208	802, 894	850, 611	758, 687

Expenditures [14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Agriculture Department—Continued							
Office of Information	80	319	123	83	91	1,474	1,377
Library	57	79	95	59	77	834	767
Forest Service:							
Intragovernmental funds (net)	−14	394	225	327	561	−439	−70
Other	10,418	9,438	11,791	10,013	12,629	189,945	164,315
Total Agriculture Department	636,795	422,881	374,005	283,282	429,011	7,091,362	4,874,936
Commerce Department:							
General administration:							
Public enterprise funds (net)	------	------	------	------	------	(*)	------
Other	254	227	179	377	143	2,838	2,685
Bureau of the Census	1,484	2,986	2,272	2,331	3,203	23,451	11,103
Coast and Geodetic Survey	730	1,165	1,304	1,264	1,388	15,383	12,492
Business and Defense Services Administration	549	612	646	830	660	7,498	6,165
Bureau of Foreign Commerce	367	336	348	539	405	5,937	5,347
Office of Business Economics	95	89	122	137	88	1,256	1,011
Maritime activities:							
Public enterprise funds (net)	1,713	79	−209	1,438	−623	−295	−5,003
Other	30,253	11,279	21,098	16,837	15,111	202,017	178,708
Inland Waterways Corporation (net)	−1	------	------	(*)	−984	−1,664	9
Patent Office	1,867	1,374	1,854	2,233	1,562	21,489	18,532
Bureau of Public Roads [22]	2,600	[24] −1,889	3,023	3,658	3,798	45,454	51,119
National Bureau of Standards:							
Intragovernmental funds (net)	101	32	408	1,451	417	−516	−4,603
Other	1,012	1,089	1,483	1,087	1,053	12,851	9,913
Weather Bureau	3,595	3,686	3,004	4,911	3,544	46,409	39,274
Total Commerce Department [23]	44,618	21,065	35,532	37,093	29,767	382,108	326,753
Defense Department:							
Military functions:							
Office of the Secretary of Defense	25,711	22,588	25,599	39,325	28,287	239,800	16,442
Interservice activities:							
Public enterprise funds (net)	2,766	1,194	208	3,192	1,478	15,777	39,253
Other	55,545	56,026	56,981	56,598	57,725	697,142	613,638
Department of the Army:							
Public enterprise funds (net)	−561	−82	−34	3	−11	−296	−321
Intragovernmental funds (net)	−18,681	−20,959	−27,453	−9,812	5,137	−264,131	−541,928
Other	727,294	823,300	792,751	765,370	917,522	9,731,998	9,593,219

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Defense Department—Continued							
Military functions—Continued							
Department of the Navy:							
Public enterprise funds (net)	−18	−7	48	−103	21	72	−27
Intragovernmental funds (net)	85, 589	31, 187	5, 952	−614, 561	−9, 243	65, 669	78, 148
Other	934, 538	856, 340	898, 349	1, 648, 913	907, 948	946, 186	930, 190
Department of the Air Force:							
Intragovernmental funds (net)	17, 773	26, 628	5, 736	17, 465	9, 193	24, 846	−56, 867
Other	1, 416, 784	1, 437, 891	1, 662, 883	1, 790, 469	1, 414, 553	1, 805, 854	1, 546, 152
Total military functions	3, 174, 888	3, 214, 365	3, 476, 388	3, 816, 699	3, 171, 243	3, 748, 571	3, 315, 678
Civil functions:							
Army:							
Corps of Engineers:							
Rivers and harbors and flood control	39, 403	60, 218	63, 503	76, 749	67, 399	74, 134	52, 031
Intragovernmental funds (net)	538	1, 914	−2, 182	−4, 168	−2, 555	2, 632	−1, 005
Panama Canal:							
Canal Zone Government	(*)	1, 446	3, 040	1, 808	1, 729	1, 644	1, 664
Panama Canal Company:							
Public enterprise funds (net)	−435	−1, 093	−2, 184	10, 881	−1, 545	−2, 025	1, 907
Panama Canal Bridge	----------	----------	98	27	97	69	92
Defense production guaranties (net)	−178	−27	−29	−6	53	−3	−9
Payment of Texas City claims	52	----------	75	----------	----------	----------	25
Other	716	1, 568	−106	740	1, 209	924	714
Navy, defense production guaranties (net)	−7, 693	−86	−41	−56	−24	−42	−55
Air Force:							
Defense production guaranties (net)	−104	−706	−112	2, 386	19	−179	−138
Other	1	2	2	1	2	1	1
Total civil functions	32, 300	63, 237	62, 064	88, 362	66, 383	77, 156	55, 227
Total Defense Department	3, 207, 189	3, 277, 602	3, 538, 452	3, 905, 061	3, 237, 626	3, 825, 728	3, 370, 906
Health, Education, and Welfare Department:							
American Printing House for the Blind	400	----------	----------	----------	----------	----------	----------
Food and Drug Administration	1, 270	947	1, 293	985	847	877	928
Freedmen's Hospital	351	242	390	166	165	276	348
Gallaudet College	259	233	303	257	163	267	380
Howard University	403	335	569	465	720	724	461

Expenditures [14]	Fiscal year 1959 February 1959	March 1959	April 1959	May 1959	June 1959	Total fiscal year 1959	Total fiscal year 1958 [9]
Defense Department—Continued							
Military functions—Continued							
Department of the Navy:							
Public enterprise funds (net)	−70	16	−78	71	67	−8	−175
Intragovernmental funds (net)	−68, 131	−128, 114	84, 828	44, 925	−9, 146	−432, 898	−541, 796
Other	978, 314	1, 083, 728	919, 658	887, 076	1, 169, 913	12, 161, 155	11, 448, 157
Department of the Air Force:							
Intragovernmental funds (net)	−4, 511	19, 046	−4, 128	11, 206	−55, 786	10, 602	−15, 860
Other	1, 514, 382	1, 582, 844	1, 615, 610	1, 444, 856	1, 841, 288	19, 073, 566	18, 451, 211
Total military functions	3, 212, 060	3, 439, 588	3, 463, 943	3, 242, 811	3, 956, 473	41, 232, 708	39, 061, 840
Civil functions:							
Army:							
Corps of Engineers:							
Rivers and harbors and flood control	46, 333	52, 798	56, 729	64, 757	121, 321	775, 375	697, 336
Intragovernmental funds (net)	2, 477	2, 981	174	−657	3, 262	3, 413	1, 936
Panama Canal:							
Canal Zone Government	1, 613	1, 481	1, 750	1, 975	1, 937	20, 088	16, 751
Panama Canal Company:							
Public enterprise funds (net)	−1, 422	−2, 016	4, 283	−1, 697	885	5, 540	−1, 224
Panama Canal Bridge	145	201	159	284	213	1, 384	160
Defense production guaranties (net)	−32	−208	−57	−9	−9	−515	−354
Payment of Texas City claims	25					176	162
Other	679	1, 619	929	897	1, 137	11, 027	10, 140
Navy, defense production guaranties (net)	−25	−45	−58	−27	−44	−8, 195	7, 102
Air Force:							
Defense production guaranties (net)	−137	−518	61	48	−1, 482	−863	1, 459
Other	1	2	5	2	2	21	21
Total civil functions	49, 657	56, 294	63, 975	65, 574	127, 221	807, 451	733, 488
Total Defense Department	3, 261, 716	3, 495, 882	3, 527, 918	3, 308, 385	4, 083, 695	42, 040, 159	39, 795, 328
Health, Education, and Welfare Department:							
American Printing House for the Blind						400	328
Food and Drug Administration	895	1, 327	867	994	935	12, 165	9, 814
Freedmen's Hospital	128	421	249	124	281	3, 142	2, 971
Gallaudet College	296	382	341	403	306	3, 591	2, 722
Howard University	543	574	525	674	521	6, 514	5, 867

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959 July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Health, Education, and Welfare Department—Continued							
Office of Education:							
Assistance for school construction	8,248	6,329	6,466	6,994	7,347	5,129	4,568
Payments to school districts	4,010	5,200	5,364	8,297	6,558	10,357	10,086
Other	19,549	2,609	1,323	2,691	1,912	628	6,236
Office of Vocational Rehabilitation	8,769	2,581	509	13,798	974	876	12,769
Public Health Service:							
Grants for hospital construction	8,195	9,838	10,727	12,441	8,677	15,084	11,931
Operation of commissaries, narcotic hospitals (net)	2	3	−1	1	−5	3	(*)
Other	31,051	46,134	50,589	34,132	32,719	39,069	47,041
Saint Elizabeths Hospital	1,445	1,022	−958	−1,961	1,308	1,306	−1,526
Social Security Administration:							
Grants for public assistance	154,184	163,498	132,385	181,615	185,579	156,006	177,076
Grants for maternal and child welfare	6,313	1,752	5,092	4,850	1,648	4,508	4,760
Operating fund, Bureau of Federal Credit Unions (net)	133	33	119	8	33	57	−322
Other	549	462	283	377	374	392	429
Office of the Secretary:							
Intragovernmental funds (net)	128	−68	20	−60	52	−115	−35
Other	785	559	−604	567	550	583	582
Total Health, Education, and Welfare Department	246,046	241,708	213,871	265,621	249,622	236,027	275,712
Interior Department:							
Departmental offices	825	1,209	951	1,127	1,371	829	1,284
Commission of Fine Arts	4	3	3	4	3	3	3
Bonneville Power Administration	3,054	2,164	2,531	2,556	2,144	2,378	2,320
Southeastern Power Administration	123	33	19	56	30	32	63
Southwestern Power Administration	336	126	298	372	242	360	377
Bureau of Land Management	3,622	14,206	21,575	3,336	2,629	2,234	2,341
Bureau of Indian Affairs:							
Public enterprise funds (net):							
Revolving fund for loans	492	4	−9	−19	−6	22	261
Other	---------	---------	---------	(*)	−3	(*)	(*)
Other	8,816	8,229	10,990	14,470	9,931	9,757	8,394
Bureau of Reclamation:							
Public enterprise funds (net):							
Upper Colorado River Basin fund	8,633	4,004	3,561	4,608	4,422	4,402	4,289
Continuing fund for emergency expenses, Fort Peck project, Montana	68	178	−475	77	54	−465	123
Other	19,834	17,071	22,344	22,490	17,806	14,994	12,952

Expenditures[14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958[9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Health, Education, and Welfare Department—Continued							
Office of Education:							
Assistance for school construction	7,758	5,971	5,691	4,792	7,917	77,211	79,553
Payments to school districts	10,078	17,730	20,206	22,111	18,879	138,874	109,282
Other	25,215	9,555	7,828	32,865	24,832	135,245	55,936
Office of Vocational Rehabilitation	902	749	10,608	939	1,118	54,590	49,336
Public Health Service:							
Grants for hospital construction	10,427	11,779	15,137	12,005	10,072	136,314	106,589
Operation of commissaries, narcotic hospitals (net)	1	−2	3	−3	(*)	3	−7
Other	39,991	45,089	48,294	41,323	42,751	498,185	370,231
Saint Elizabeths Hospital	1,179	1,985	−1,648	1,198	1,280	4,631	7,809
Social Security Administration:							
Grants for public assistance	165,066	166,720	166,720	168,400	149,145	1,966,394	1,794,687
Grants for maternal and child welfare	2,236	4,973	4,532	2,143	692	43,498	40,721
Operating fund, Bureau of Federal Credit Unions (net)	−187	74	−14	−42	−42	−150	−12
Other	377	568	411	375	407	5,005	4,375
Office of the Secretary:							
Intragovernmental funds (net)	42	9	34	−62	21	−33	5
Other	570	846	585	383	603	6,009	4,819
Total Health, Education, and Welfare Department	265,519	268,749	280,371	288,621	259,719	3,091,587	2,645,026
Interior Department:							
Departmental offices	919	442	803	416	454	10,629	9,737
Commission of Fine Arts	3	3	4	3	2	39	36
Bonneville Power Administration	1,673	2,267	2,314	1,777	2,680	27,858	34,301
Southeastern Power Administration	19	20	55	18	20	490	2,007
Southwestern Power Administration	414	579	441	429	501	4,474	5,841
Bureau of Land Management	16,944	2,016	2,701	1,945	2,969	76,520	70,240
Bureau of Indian Affairs:							
Public enterprise funds (net):							
Revolving fund for loans	314	257	170	152	357	1,996	631
Other	(*)	(*)	(*)	(*)	(*)	−4	----------
Other	9,192	8,904	11,234	9,707	15,465	125,088	102,894
Bureau of Reclamation:							
Public enterprise funds (net):							
Upper Colorado River Basin fund	3,851	3,363	4,127	4,450	3,430	53,139	33,013
Continuing fund for emergency expenses, Fort Peck project, Montana	22	82	62	−930	53	−1,150	−1,096
Other	12,271	11,239	15,186	13,340	14,723	194,251	194,063

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Interior Department—Continued							
Geological Survey	5,598	3,924	3,782	5,424	3,425	2,390	2,677
Bureau of Mines:							
Development and operation of helium properties (net)	648	71	−5	−1,661	−168	264	−187
Other	3,741	2,277	2,059	3,356	2,836	2,378	2,512
National Park Service	8,973	8,834	11,493	11,151	8,744	6,774	4,462
Fish and Wildlife Service:							
Office of Commissioner of Fish and Wildlife	103	40	28	45	22	23	30
Bureau of Sport Fisheries and Wildlife	3,543	3,710	3,822	4,984	3,596	4,625	4,397
Bureau of Commercial Fisheries:							
Public enterprise fund (net)	70	137	−57	−23	−87	40	163
Other	1,470	1,502	1,494	1,859	1,125	1,179	1,120
Office of Territories:							
Public enterprise funds (net):							
Alaska Railroad	459	304	743	614	332	462	−164
Other	--------	−10	−9	5	−26	−17	−9
Other	1,556	3,303	1,087	878	4,926	476	258
Virgin Islands Corporation (net)	112	−487	93	220	25	133	123
Office of the Secretary	364	118	−164	399	259	250	268
Total Interior Department	72,446	70,952	86,155	76,328	63,631	53,523	48,057
Justice Department:							
Legal activities and general administration	4,418	3,514	3,489	4,159	3,430	3,938	3,552
Federal Bureau of Investigation	8,730	8,543	8,756	13,327	7,722	8,546	8,592
Immigration and Naturalization Service	5,709	4,378	4,061	5,983	3,991	3,967	4,223
Federal Prison System:							
Federal Prison Industries, Inc. (net)	−658	241	−214	−526	−540	250	−1,271
Other	4,225	3,398	4,072	3,751	3,191	3,180	3,445
Total Justice Department	22,424	20,073	20,164	26,694	17,794	19,880	18,541
Labor Department:							
Office of the Secretary	−51	213	155	238	211	220	219
Office of the Solicitor	298	317	194	191	205	195	188
Bureau of Labor Standards	143	110	84	97	81	76	96
Bureau of Veterans' Reemployment Rights	71	66	47	44	44	40	52
Bureau of Apprenticeship and Training	439	458	319	317	321	294	294

Expenditures [14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Interior Department—Continued							
Geological Survey	1,522	3,721	4,600	3,631	3,452	44,147	34,901
Bureau of Mines:							
Development and operation of helium properties (net)	−76	−179	−112	85	−61	−1,380	454
Other	2,601	3,455	5,432	3,652	5,181	39,477	25,714
National Park Service	3,919	4,435	5,516	5,001	6,124	85,428	68,807
Fish and Wildlife Service:							
Office of Commissioner of Fish and Wildlife	23	29	36	27	29	435	834
Bureau of Sport Fisheries and Wildlife	4,295	3,548	5,539	3,815	3,953	49,828	40,866
Bureau of Commercial Fisheries:							
Public enterprise fund (net)	55	104	68	16	198	684	2,794
Other	1,087	1,060	1,347	1,258	1,176	15,678	13,626
Office of Territories:							
Public enterprise funds (net):							
Alaska Railroad	−304	−75	262	134	169	2,937	4,665
Other	−30	−13	−6	45	13	−56	1
Other	1,634	260	328	1,476	688	16,871	19,024
Virgin Islands Corporation (net)	121	309	394	−20	43	1,066	(*)
Office of the Secretary	181	163	424	151	297	2,711	2,391
Total Interior Department	60,652	45,988	60,927	50,579	61,915	751,154	665,742
Justice Department:							
Legal activities and general administration	3,523	3,613	3,555	4,270	3,939	45,400	40,315
Federal Bureau of Investigation	8,428	8,342	8,601	12,579	8,425	110,591	105,748
Immigration and Naturalization Service	3,987	4,203	4,459	6,056	4,100	55,116	48,847
Federal Prison System:							
Federal Prison Industries, Inc. (net)	−202	−50	−273	−453	−777	−4,474	−2,416
Other	3,484	4,256	3,694	3,358	3,381	43,433	36,316
Total Justice Department	19,220	20,365	20,036	25,810	19,067	250,066	228,810
Labor Department:							
Office of the Secretary	−200	294	158	59	1	1,517	1,491
Office of the Solicitor	217	289	205	196	208	2,704	2,084
Bureau of Labor Standards	134	138	90	164	169	1,384	988
Bureau of Veterans' Reemployment Rights	44	62	40	40	44	596	523
Bureau of Apprenticeship and Training	333	445	305	301	310	4,136	3,571

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Labor Department—Continued							
Bureau of Employment Security:							
Grants to States for unemployment compensation and employment service administration	29,382	26,013	17,489	58,376	13,952	1,615	73,151
Unemployment compensation for veterans and Federal employees	15,763	7,315	13,312	15,975	11,772	4,545	16,631
Farm labor supply fund (net)	−548	−599	−1,622	−148	333	218	118
Temporary unemployment compensation	50,372	66,201	74,751	59,826	41,738	32,176	42,031
Other	558	1,096	727	767	672	704	713
Bureau of Employees' Compensation	4,981	5,342	5,035	5,234	4,764	12,373	6,167
Bureau of Labor Statistics	945	575	572	843	641	538	761
Women's Bureau	63	58	35	37	42	34	36
Wage and Hour Division	1,312	1,402	870	885	861	848	831
Total Labor Department	103,727	108,567	111,970	142,685	75,637	53,875	141,289
Post Office Department:							
Public enterprise fund (net), postal fund [25]	156,465	68,896	106,869	52,506	33,956	3,178	56,115
State Department:							
Administration of foreign affairs:							
Salaries and expenses	11,029	5,490	14,432	14,564	11,332	9,899	14,082
Acquisition, operation, and maintenance of buildings abroad	1,187	1,171	311	1,546	1,342	1,496	1,861
Payment to foreign service retirement and disability fund	2,025	---	---	---	---	---	---
Intragovernmental funds (net)	156	102	−48	−2,182	195	208	193
Other	1,660	3,206	3,013	2,322	2,546	3,827	1,742
International organizations and conferences:							
Contributions to international organizations	33,718	3,674	563	141	12	---	3,010
Other	403	291	322	442	297	302	320
International commissions	864	445	749	728	626	411	698
Educational exchange	665	1,311	1,402	3,033	2,076	2,032	991
Other	22	5,314	10	73	16	16	15
Total State Department	51,729	21,004	20,753	20,666	18,441	18,191	22,911
Treasury Department:							
Office of the Secretary:							
Investment in International Monetary Fund	---	---	---	---	---	---	---
Public enterprise funds (net):							
Reconstruction Finance Corporation liquidation	−2,002	−417	−468	−276	−157	−261	−362
Civil defense loan program	2	−8	−9	−8	−7	−7	−75
Intragovernmental funds (net)	−10	---	---	3	---	3	---
Other	336	264	256	417	255	265	251

Expenditures [14]	Fiscal year 1959 February 1959	March 1959	April 1959	May 1959	June 1959	Total fiscal year 1959	Total fiscal year 1958 [9]
Labor Department—Continued							
Bureau of Employment Security:							
Grants to States for unemployment compensation and employment service administration	5,710	1,252	24,326	14,354	40,415	306,037	295,480
Unemployment compensation for veterans and Federal employees	15,616	10,802	21,046	12,716	8,889	154,382	132,047
Farm labor supply fund (net)	−6	−111	−164	−479	109	−2,899	−486
Temporary unemployment compensation	19,497	20,630	24,688	4,551	10,389	446,850	47,742
Other	816	956	688	690	675	9,061	2,474
Bureau of Employees' Compensation	6,229	6,105	5,649	5,143	5,333	72,354	62,449
Bureau of Labor Statistics	777	843	556	568	473	8,092	7,286
Women's Bureau	45	54	40	35	40	519	447
Wage and Hour Division	967	1,235	852	818	837	11,718	10,540
Total Labor Department	50,179	42,993	78,480	39,156	67,893	1,016,451	566,636
Post Office Department:							
Public enterprise fund (net), postal fund [25]	58,466	61,277	37,679	102,545	35,934	773,887	673,992
State Department:							
Administration of foreign affairs:							
Salaries and expenses	4,772	8,566	12,201	[26] −2,651	1,919	[27] 105,634	93,053
Acquisition, operation, and maintenance of buildings abroad	1,752	2,011	1,586	1,131	5,633	21,028	16,602
Payment to foreign service retirement and disability fund						2,025	1,667
Intragovernmental funds (net)	190	334	361	205	302	17	55
Other	3,856	1,994	3,210	1,567	2,676	31,618	12,423
International organizations and conferences:							
Contributions to international organizations	8	3	6	5,499	208	46,840	45,461
Other	249	213	196	449	534	4,018	3,098
International commissions	616	537	471	438	559	7,141	7,125
Educational exchange	1,389	2,068	2,917	965	2,834	21,681	23,662
Other	1,945	68	141	116	24,068	31,802	2,990
Total State Department	14,776	15,793	21,089	7,718	38,732	271,805	206,136
Treasury Department:							
Office of the Secretary:							
Investment in International Monetary Fund					[28] 1,375,000	[28] 1,375,000	
Public enterprise funds (net):							
Reconstruction Finance Corporation liquidation	−83	−275	−4,938	−1,894	−222	−11,355	−11,218
Civil defense loan program	−8	−8	−7	−7	−8	−150	−146
Intragovernmental funds (net)	−7			4		−6	(*)
Other	253	268	344	250	239	3,396	3,073

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Expenditures [14]	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Treasury Department—Continued							
Bureau of Accounts:							
Interest on uninvested funds	131		3,040	323	641	110	130
Payment to unemployment trust fund							
Private relief acts, judgments, and other claims	594	748	15,311	702	479	266	341
Government losses in shipment fund (net)	1	3	2	3	11	1	(*)
Salaries and expenses	3,706	1,000	1,145	1,636	1,087	1,060	5,330
Other							
Bureau of the Public Debt	2,760	6,596	2,967	3,285	5,174	2,710	3,418
Office of the Treasurer:							
Check forgery insurance fund (net)	10	−1	−2	(*)	1	11	−11
Other	440	1,734	1,427	1,707	1,789	1,406	1,608
Bureau of Customs:							
Intragovernmental funds (net)	−1,000	96	87	817			
Other	6,112	4,410	4,179	4,464	4,252	4,170	4,235
Internal Revenue Service:							
Interest on refunds of taxes	5,901	4,350	5,411	7,277	5,768	4,684	4,952
Payments to Samoa and Puerto Rico for taxes collected	1,663	1,836	1,469	2,641	1,391	1,402	1,105
Salaries and expenses	39,458	26,677	26,828	38,926	28,191	26,298	29,035
Bureau of Narcotics	434	304	332	443	296	295	299
U.S. Secret Service	512	396	459	605	383	425	383
Bureau of the Mint	490	512	459	468	391	317	491
Bureau of Engraving and Printing (net)	1,843	−1,026	−599	529	−574	−272	−233
U.S. Coast Guard:							
Intragovernmental funds (net)	−422	1,074	−1,032	−1,272	524	1,217	592
Other	20,464	20,880	23,937	[29] −769	20,576	17,883	21,571
Interest on the public debt: [30]							
Public issues	540,630	473,033	476,098	499,965	507,541	548,315	576,830
Special issues	101,016	101,193	101,405	100,415	99,580	99,116	97,878
Total Treasury Department	723,070	643,651	662,702	662,301	677,593	709,414	747,770
District of Columbia:							
Federal payment	8,185	14,676					
Loans to District of Columbia for capital outlay			500	500		150	
Unclassified expenditure transfers	−266	123	−60	−137	185	−102	17
Total budget expenditures	6,613,124	6,198,325	6,633,486	7,144,329	6,236,512	7,080,027	6,776,205
Budget surplus (+) or deficit (−)	−3,667,356	−1,360,780	+574,934	−4,375,561	−1,274,481	−900,481	−2,248,156

Expenditures [14]	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [9]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Treasury Department—Continued							
Bureau of Accounts:							
Interest on uninvested funds	1,003	2,030	614	684	102	8,808	8,397
Payment to unemployment trust fund							39,532
Private relief acts, judgments, and other claims	554	93	317	1,127	4,563	25,094	20,458
Government losses in shipment fund (net)	(*)	−1	1	1	6	27	22
Salaries and expenses	1,230	954	1,691	1,159	3,721	23,719	20,702
Other					(*)	(*)	2
Bureau of the Public Debt	5,629	2,928	3,792	5,694	3,555	48,507	46,594
Office of the Treasurer:							
Check forgery insurance fund (net)	(*)	14	−2	−6	2	18	1
Other	1,335	1,297	1,661	1,466	2,319	18,189	17,671
Bureau of Customs:							
Intragovernmental funds (net)							25
Other	4,217	4,060	6,113	4,077	4,051	54,339	47,703
Internal Revenue Service:							
Interest on refunds of taxes	4,746	5,879	4,347	6,959	9,206	69,480	73,675
Payments to Samoa and Puerto Rico for taxes collected	1,506	2,064	2,078	1,683	2,126	20,964	18,680
Salaries and expenses	26,997	27,665	41,348	28,296	27,091	366,811	321,538
Bureau of Narcotics	295	315	438	331	306	4,089	3,737
U.S. Secret Service	421	420	568	404	429	5,404	4,622
Bureau of the Mint	317	361	553	346	428	5,134	4,913
Bureau of Engraving and Printing (net)	−12	639	797	524	−467	1,150	111
U.S. Coast Guard:							
Intragovernmental funds (net)	771	777	−158	782	673	3,528	−2,580
Other	15,798	22,531	17,535	19,094	26,283	225,783	221,509
Interest on the public debt: [30]							
Public issues	533,037	552,294	555,048	552,765	579,841	6,395,398	6,383,732
Special issues	96,968	97,073	96,467	96,896	109,363	1,197,371	1,223,042
Total Treasury Department	694,968	721,378	728,608	720,635	2,148,605	9,840,696	8,445,794
District of Columbia:							
Federal payment				5,000		27,861	22,504
Loans to District of Columbia for capital outlay	400		700	700	300	3,250	2,000
Unclassified expenditure transfers	79	−269	118	85	226		
Total budget expenditures	6,331,241	6,461,339	6,427,446	6,164,422	8,630,782	80,697,239	71,936,171
Budget surplus (+) or deficit (−)	+244,794	+1,965,057	−2,169,025	−739,452	+1,523,520	−12,426,987	−2,819,454

Footnotes on following page.

*Less than $500.

[1] Internal revenue and customs receipts are stated on the basis of reports of collections received from collecting officers. Other receipts are reported on the basis of confirmed deposits in Treasury accounts.

[2] Distribution between income taxes and employment taxes is made in accordance with provisions of sec. 201 of the Social Security Act, as amended, for transfer to the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund (42 U.S.C. 401(a)).

[3] "Individual income taxes withheld" have been decreased $81,805,307 to correct estimate for the quarter ending March 1958 and prior quarters, and "Individual income taxes—other" have been decreased $6,705,754 to correct estimates for the calendar years 1956 and prior years. The total of the above adjustments ($88,511,061) is shown as an increase of employment taxes under "Federal Insurance Contributions Act and Self-Employment Contributions Act," representing additions in appropriations of $83,467,114 for the Federal old-age and survivors insurance trust fund and $5,043,947 for the Federal disability insurance trust fund.

[4] Includes $111,753,246 representing the remaining balance of funds set aside in the Treasury for payments under sec. 13b of the Federal Reserve Act which, under provisions of sec. 602(b) of Public Law 85–699, approved August 21, 1958, was required to be covered into the Treasury as miscellaneous receipts.

[5] Includes adjustment due to reclassification.

[6] Reflects reclassification of approximately $40,000,000 for fiscal year 1959 to "Sales of Government property and products."

[7] Includes reimbursement of tax refunds from the highway trust fund of $67,291,830.

[8] Includes reduction of $83,430,000 based upon estimates of taxes subject to refund as provided under section 103(e) of the Social Security Amendments of 1956 on wages paid in the calendar year 1957 and prior years.

[9] Certain figures for fiscal year 1958 have been adjusted to correspond to classifications for fiscal year 1959.

[10] "Individual income taxes withheld" have been increased $129,327,365 to correct estimates for the quarter ended June 1958 and prior quarters, and "Individual income taxes other" have been decreased $1,975,219 to correct estimates for the calendar year 1956 and prior years. The net total of the above adjustments ($127,352,145) is shown as a decrease of employment taxes under "Federal Insurance Contributions Act and Self-Employment Contributions Act," representing reductions in appropriations of $114,055,785 for the Federal old-age and survivors insurance trust fund and $13,296,360 for the Federal disability insurance trust fund. "Individual income taxes other" also excludes $400,000,000 estimated taxes on self-employed individuals classified as "Employment taxes, Federal Insurance Contributions Act and Self-Employment Contributions Act."

[11] "Individual income taxes withheld" have been increased $137,809,427 to correct estimates for the quarter ended September 1958 and prior quarters, and "Individual income taxes other" have been decreased $14,015,051 to correct estimates for the calendar year 1957 and prior years. The net total of the above adjustments ($123,794,377) is shown as a decrease of employment taxes under "Federal Insurance Contributions Act and Self-Employment Contributions Act," representing reductions in appropriations of $111,280,460 for the Federal old-age and survivors insurance trust fund and $12,513,917 for the Federal disability insurance trust fund.

[12] Includes reimbursement from the highway trust fund of internal revenue collection refunds totaling $27,596,210 for quarter ending December 31, 1958.

[13] Consists of the following (exclusive of interest payments):

	1959	1958
Individual income taxes	$4,016,080,413	$3,844,766,225
Corporation income taxes	782,465,420	459,211,509
[illegible]	84,370,342	86,318,439
Estate and gift taxes	$20,072,618	$18,007,121
Employment taxes:		
Railroad Retirement Tax Act	128,737	381,559
Federal Unemployment Tax Act	3,363,207	3,236,584
Other	678,443	682,160
Total	4,907,159,180	4,412,603,597

The amount shown for "Individual income taxes" has been reduced by refunds of taxes from Federal old-age and survivors insurance trust fund in the amounts of $83,430,000 for fiscal year 1959 and $75,465,000 for fiscal year 1958. "Excise taxes" have been reduced by refund of taxes from the highway trust fund in the amounts of $96,899,743 and $89,913,008 for fiscal years 1959 and 1958 respectively.

[14] Expenditures are stated on the basis of checks issued and cash payments made as reported by Government disbursing officers.

[15] Represents net cash transactions under provisions of sec. 2(a)(3) of Public Law 85–141, approved August 14, 1957.

[16] Formerly shown under Commerce Department.

[17] Pursuant to Public Law 85–726, approved August 23, 1958, Airways Modernization Board and the Civil Aeronautics Administration were transferred to the Federal Aviation Agency.

[18] Pursuant to Public Law 85–568, approved July 29, 1958, the National Advisory Committee for Aeronautics was transferred to the National Aeronautics and Space Administration effective October 1, 1958.

[19] Represents residual of gross receipts and expenditures after reduction for noncash costs which are included in amounts shown for special activities financed by Commodity Credit Corporation.

[20] Represents special activities financed by Commodity Credit Corporation which are now classified as public enterprise funds in the Budget document for 1960. Includes certain costs transferred from price support operations for which expenditures may have been made in prior years, in addition to adjustments for prior months' transactions.

[21] Negative item resulting from expenditure advance of funds made during month of January not credited to accounts until February.

[22] The greater part of Bureau of Public Roads expenditures are made from the highway trust fund.

[23] Civil Aeronautics Administration and Civil Aeronautics Board formerly shown under Commerce Department are now included under independent offices.

[24] Includes $4,784,072 representing reimbursement to the Federal-Aid highway program from the highway trust fund for costs incurred in prior years which are properly chargeable to the highway trust fund.

[25] Amounts included for each month except the month of June are partially estimated and are adjusted in the following month.

[26] Includes reimbursements for administrative support furnished to other agencies amounting to approximately $15,382,879.

[27] Gives effect to reimbursements collected for administrative support furnished to other agencies amounting to $63,836,492.

[28] Represents payments, pursuant to Public Law 86–48, approved June 17, 1959, of increase in quota of the United States to the International Monetary Fund. The payment was made in gold in the amount of $343,750,000 and in nonnegotiable, non-interest-bearing demand notes of the United States in the amount of $1,031,250, in place of a like amount of currency.

[29] Gives effect to $20,000,000 transferred from the Department of the Navy pursuant to Public Law 85–852, approved August 28, 1958.

[30] Expenditures are stated on an accrual basis.

TABLE 4.—*Public enterprise revolving funds, receipts and expenditures for fiscal year 1959, and net 1958 and 1959*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Classification	Fiscal year 1959			Fiscal year 1958
	Receipts	Expenditures	Net receipts (−), or expenditures	Net receipts (−), or expenditures
Executive Office of the President:				
Office of Civil and Defense Mobilization, civil defense procurement fund	335	184	−151	215
Funds appropriated to the President:				
Expansion of defense production	60,303	299,422	239,119	440,754
Mutual security:				
Development loan fund	105	66,595	66,490	1,500
Foreign investment guaranty fund	1,368	1	−1,367	−655
Total funds appropriated to the President	61.777	366,018	304,241	441,599
Independent offices:				
Atomic Energy Commission, defense production guaranties	61	1	−61	−95
Export-Import Bank of Washington	436,057	826,455	390,398	339,826
Farm Credit Administration:				
Federal Farm Mortgage Corp	2,042	7	−2,035	−2,344
Federal intermediate credit banks investment fund		11,300	11,300	600
Production credit associations investment fund	880	835	−45	2,040
Agricultural marketing revolving fund	6,791		−6,791	−5,728
Total Farm Credit Administration	9,713	12,142	2,429	−5,432
Federal Home Loan Bank Board:				
Federal Savings and Loan Insurance Corp	38,349	−2,715	−41,064	−38,135
Other	8,194	8,249	55	−183
National Science Foundation				22
Saint Lawrence Seaway Development Corp	5,453	20,810	15,358	48,323
Small Business Administration	104,922	212,128	107,205	76,604
Tennessee Valley Authority	265,712	272,842	7,130	37,766
United States Information Agency, informational media guaranty fund	5,297	10,841	5,544	3,840
Veterans' Administration	162,016	258,217	96,201	145,247
Total independent offices	1,035,775	1,618,970	583,195	607,783
General Services Administration:				
Real property activities	230	116	−114	−589
Defense materials activities	4,273	3,465	−809	−421
General activities	2,013	494	−1,519	−2,004
Total General Services Administration	6,516	4,075	−2,441	−3,014
Housing and Home Finance Agency:				
Office of the Administrator:				
College housing loans	21,682	201,404	179,722	164,464
Liquidating programs	30,646	4,360	−26,285	−28,069
Urban renewal fund	53,847	129,090	75,243	55,586
Other	26,443	30,905	4,462	−3,540
Federal National Mortgage Association:				
Loans for secondary market operations		41,531	41,531	−3,234
Management and liquidating functions	307,975	93,105	−214,870	−157,625
Special assistance functions	55,187	1,070,263	1,015,076	128,975
Federal Housing Administration	230,197	178,838	−51,359	−62,939
Public Housing Administration	158,303	275,185	116,882	96,722
Total Housing and Home Finance Agency	884,280	2,024,681	1,140,401	190,341

Footnotes at end of table.

TABLE 4.—*Public enterprise revolving funds, receipts and expenditures for fiscal year 1959, and net 1958 and 1959*—Continued

[In thousands of dollars]

Classification	Fiscal year 1959			Fiscal year 1958
	Receipts	Expenditures	Net receipts (−), or expenditures	Net receipts (−), or expenditures
Agriculture Department:				
Commodity Credit Corporation:				
Price support, supply, and related programs, and special milk program [1]	2,006,624	4,856,201	2,849,578	1,053,495
Special activities financed by Commodity Credit Corporation [2 3]	148,671	1,755,921	1,607,249	1,591,650
Federal Crop Insurance Corp	19,885	5,338	−14,548	−4,869
Farmers' Home Administration:				
Disaster loans, revolving fund	75,632	44,572	−31,060	−4,664
Farm tenant-mortgage insurance fund	8,333	34,565	26,233	−5,053
Total Agriculture Department	2,259,144	6,696,597	4,437,452	2,630,559
Commerce Department:				
General administration	1	(*)	(*)	----------
Maritime activities	13,200	12,906	−295	−5,003
Inland Waterways Corp	1,667	3	−1,664	9
Total Commerce Department	14,868	12,909	−1,959	−4,994
Defense Department:				
Military functions:				
Interservice activities	48,298	64,075	15,777	39,253
Army	822	526	−296	−321
Navy	1,719	1,711	−8	−175
Total military functions	50,840	66,313	15,473	38,757
Civil functions:				
Army:				
Panama Canal Company	90,172	95,712	5,540	−1,224
Defense production guaranties	625	110	−515	−354
Navy, defense production guaranties	8,248	52	−8,195	7,102
Air Force, defense production guaranties	15,263	14,399	−863	1,459
Total civil functions	114,308	110,274	−4,034	6,982
Total Defense Department	165,147	176,587	11,439	45,739
Health, Education, and Welfare Department:				
Public Health Service, operation of commissaries, narcotic hospitals	213	216	3	−7
Social Security Administration, operating fund, Bureau of Federal Credit Unions	3,261	3,111	−150	−12
Total Health, Education, and Welfare Department	3,474	3,327	−147	−19
Interior Department:				
Bureau of Indian Affairs:				
Loans to Indians	1,587	3,583	1,996	631
Hoonah housing project liquidation	4	----------	−4	----------
Bureau of Reclamation:				
Upper Colorado River Basin fund	1,291	54,429	53,139	33,013
Fort Peck project, Montana	2,138	987	−1,150	−1,096
Bureau of Mines, development and operation of helium properties	7,120	5,740	−1,380	454
Fish and Wildlife Service, Bureau of Commercial Fisheries	124	808	684	2,794
Office of Territories:				
Alaska Railroad	17,351	20,288	2,937	4,665
Other	152	96	−56	1
Virgin Islands Corporation	957	2,023	1,066	(*)
Total Interior Department	30,724	87,956	57,232	40,461
Labor Department, farm labor supply fund	6,464	3,565	−2,899	−486
Post Office Department, postal fund	3,061,111	3,834,998	773,887	673,992

Footnotes at end of table.

TABLE 4.—*Public enterprise revolving funds, receipts and expenditures for fiscal year 1959, and net 1958 and 1959*—Continued

[In thousands of dollars]

Classification	Fiscal year 1959			Fiscal year 1958
	Receipts	Expenditures	Net receipts (−), or expenditures	Net receipts (−), or expenditures
Treasury Department:				
Office of the Secretary:				
Reconstruction Finance Corp. liquidation	12,133	778	−11,355	−11,218
Civil defense loan program	170	20	−150	−146
Bureau of Accounts, Government losses in shipment fund	3	30	27	22
Office of the Treasurer, check forgery insurance fund	209	227	18	1
Total Treasury Department	12,515	1,054	−11,461	−11,341
Total public enterprise funds	7,542,131	14,830,921	7,288,790	4,610,835

NOTE.—This table supplies receipt and expenditure data for public enterprise funds included in table 3 on a net basis.

*Less than $500.

[1] Represents residual of gross receipts and expenditures after reduction for certain costs which are included in amounts shown for special activities.

[2] Includes certain costs transferred from price support operations for which expenditures may have been made in prior years, in addition to adjustments for prior months' transactions.

[3] Special activities financed by Commodity Credit Corporation which are now classified as public enterprise funds in the Budget document for 1960.

TABLE 5.—*Trust account and other receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Trust accounts, etc. Receipts	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Legislative branch:							
Payments from general fund	1	----	----	----	----	82	----
Other	134	74	739	137	87	176	137
The judiciary:							
Judicial survivors annuity fund:							
Contributions	50	39	32	53	40	31	50
Interest on investments	----	9	----	----	6	1	----
Funds appropriated to the President	9,458	16,901	13,327	28,837	10,384	21,514	1,668
Independent offices:							
Civil Service Commission:							
Civil service retirement and disability fund:							
Deductions from employees' salaries, etc	55,875	76,504	54,030	72,244	56,168	67,427	59,665
Payments from other funds:							
Employing agency contributions	55,890	76,473	54,024	72,150	56,199	67,474	59,533
Federal contribution	----	----	32	4,900	----	77	----
Voluntary contributions, donations, etc	1,581	1,157	995	1,093	1,020	890	1,215
Interest and profits on investments	120	4,499	423	1,209	3,293	866	1,526
Railroad Retirement Board:							
Railroad retirement account:							
Transfers (Railroad Act taxes): [1]							
Appropriated	9,162	75,988	47,014	10,718	64,530	54,866	12,009
Unappropriated [2]	7,559	−3,752	−3,064	9,915	3,251	−11,151	2,305
Interest and profits on investments	175	620	507	1,316	1,356	1,009	1,307
Payment from Federal old-age and survivors insurance and Federal disability insurance trust funds	124,441	----	----	----	----	----	----
Unemployment insurance administration fund	−409	917	−982	−6	3	----	----
Veterans' Administration:							
Government life insurance fund:							
Premiums and other receipts	3,439	2,668	936	1,986	1,296	1,791	2,796
Interest on investments	8	18	22	52	41	48	96
National service life insurance fund:							
Premiums and other receipts	38,971	39,307	35,826	36,714	33,435	32,910	45,837
Payments from general and special funds	807	----	----	2,876	1,283	1,208	797
Interest on investments	9	21	42	56	87	98	62
Other	140	98	146	132	146	182	104
Other independent offices	29	7	4	3	6	2	2
General Services Administration	4	(*)	4	(*)	9	1	2
Agriculture Department	3,644	2,388	2,117	4,108	2,696	2,498	4,861

Trust accounts, etc. Receipts	Fiscal year 1959 February 1959	March 1959	April 1959	May 1959	June 1959	Total fiscal year 1959	Total fiscal year 1958 [3]
Legislative branch:							
Payments from general fund					89	172	148
Other	105	91	155	164	109	2,108	1,178
The judiciary:							
Judicial survivors annuity fund:							
Contributions	1	41	40	39	39	455	486
Interest on investments	10			6	1	31	27
Funds appropriated to the President	12,273	39,039	49,555	24,262	17,060	244,278	244,904
Independent offices:							
Civil Service Commission:							
Civil service retirement and disability fund:							
Deductions from employees' salaries, etc	54,738	65,127	60,707	65,232	61,173	748,889	664,452
Payments from other funds:							
Employing agency contributions	54,757	65,176	60,771	65,229	61,233	748,908	583,900
Federal contribution						5,009	
Voluntary contributions, donations, etc	963	1,008	899	1,094	1,134	13,046	10,688
Interest and profits on investments	5,649	1,574	2,622	4,314	193,654	219,749	194,052
Railroad Retirement Board:							
Railroad retirement account:							
Transfers (Railroad Act taxes): [1]							
Appropriated	57,508	59,926	11,443	74,677	43,074	520,917	579,353
Unappropriated [2]	13,688	−17,056	4,721	−4,677	2,564	4,303	−4,454
Interest and profits on investments	1,845	1,865	2,892	2,476	93,261	108,629	120,277
Payment from Federal old-age and survivors insurance and Federal disability insurance trust funds						124,441	
Unemployment insurance administration fund					477		9,449
Veterans' Administration:							
Government life insurance fund:							
Premiums and other receipts	1,656	1,982	2,083	1,510	2,056	24,198	26,816
Interest on investments	111	127	85	122	38,424	39,154	40,538
National service life insurance fund:							
Premiums and other receipts	36,869	40,892	37,921	36,095	38,573	453,351	459,130
Payments from general and special funds	1,224	1,052	921	1,056	971	12,195	14,429
Interest on investments	97	238	192	289	167,579	168,769	166,225
Other	118	161	111	135	134	1,607	1,601
Other independent offices	1	8	4	79	4,082	4,227	199
General Services Administration	4	4	28	5	6	67	1,546
Agriculture Department	2,844	1,952	2,873	2,904	3,793	36,678	39,641

Footnotes at end of table.

TABLE 5.—*Trust account and other receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars.]

Trust accounts, etc. Receipts	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Commerce Department:							
Highway trust fund:							
Transfers (Highway Revenue Act of 1956)[4]	176,700	205,707	188,000	179,700	197,514	164,200	172,100
Interest on investments	----	127	----	178	1,721	6,937	14
Other	421	696	1,296	771	1,031	355	850
Defense Department:							
Military functions	7,175	−7,173	67	2	1	81	135
Civil functions:							
Payments from general fund	----	----	648	----	641	----	----
Other	1,402	3,442	535	1,295	1,157	1,582	1,818
Health, Education, and Welfare Department	4	4	8	11	3	22	5
Interior Department:							
Indian tribal funds	23,061	3,259	5,582	4,027	3,676	6,068	4,044
Payments from general fund	9	(*)	7,151	328	----	28	(*)
Other	949	577	763	1,170	594	837	1,092
Labor Department:							
Transfer from unemployment trust fund	----	----	----	----	----	----	----
Other	7	19	3	10	2	25	4
State Department:							
Foreign service retirement and disability fund:							
Deductions from salaries and other receipts	164	172	190	182	141	172	177
Payments from general fund	2,025	----	----	----	----	----	----
Interest on investments	1	2	3	3	4	6	6
Other	----	201	201	−1	3	301	(*)
Treasury Department:							
Federal disability insurance trust fund:							
Transfers from general funds receipts[5]	36,882	114,668	54,226	40,260	84,501	44,069	25,025
Deposits by States	1,292	14,627	516	455	11,716	260	1,219
Interest on investments	46	410	188	403	554	13,523	102
Federal old-age and survivors insurance trust fund:							
Transfers from general fund receipts[5]	301,001	917,345	449,858	324,768	662,668	352,551	242,262
Deposits by States	124,595	5,182	3,404	84,044	12,258	2,506	62,305
Interest on investments	1,614	11,943	15,960	21,384	9,530	214,020	1,980
Interest payments by railroad retirement account	----	----	----	----	----	----	----
Other	11	15	25	8	15	10	2

Trust accounts, etc. Receipts	Fiscal year 1959 February 1959	March 1959	April 1959	May 1959	June 1959	Total fiscal year 1959	Total fiscal year 1958 [3]
Commerce Department:							
Highway trust fund:							
Transfers (Highway Revenue Act of 1956)[4]	181,927	152,300	148,400	213,668	190,800	2,171,016	2,116,028
Interest on investments	----	----	287	320	4,000	13,584	17,686
Other	1,425	2,663	1,000	4,004	182	14,693	14,645
Defense Department:							
Military functions	169	89	71	69	10,653	11,339	696
Civil functions:							
Payments from general fund	648	----	----	656	----	2,594	2,423
Other	1,835	3,677	1,767	967	1,718	21,194	20,416
Health, Education, and Welfare Department	2	16	2	31	55	164	124
Interior Department:							
Indian tribal funds	3,544	6,938	4,923	3,496	16,168	84,786	48,866
Payments from general fund	355	2,057	614	28	2,068	12,638	6,024
Other	715	1,774	1,030	992	1,281	11,774	9,402
Labor Department:							
Transfer from unemployment trust fund	----	−7	----	----	----	−7	6,079
Other	4	4	3	6	2	90	89
State Department:							
Foreign service retirement and disability fund:							
Deductions from salaries and other receipts	153	141	263	146	290	2,192	1,997
Payments from general fund	----	----	----	----	----	2,025	1,667
Interest on investments	7	8	9	9	972	1,031	945
Other	12	−27	10	−30	5	674	684
Treasury Department:							
Federal disability insurance trust fund:							
Transfers from general funds receipts [5]	98,330	81,454	58,649	142,812	65,804	846,681	862,862
Deposits by States	10,278	710	70	16,418	504	58,064	63,542
Interest on investments	794	387	491	640	16,196	33,734	16,131
Federal old-age and survivors insurance trust fund:							
Transfers from general fund receipts [5]	850,558	717,897	481,440	1,273,959	583,367	7,157,674	6,870,362
Deposits by States	24,714	9,523	145,338	4,250	2,972	481,092	472,089
Interest on investments	15,934	17,245	22,445	10,835	200,087	542,979	555,398
Interest payments by railroad retirement account	----	----	----	----	----	----	1,588
Other	10	462	7	21	11	597	457

Footnotes at end of table.

TABLE 5.—*Trust account and other receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Trust accounts, etc. Receipts and Expenditures	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
RECEIPTS							
Treasury Department—Continued							
Unemployment trust fund:							
Deposits by States	97,775	337,815	15,633	76,980	236,535	15,190	42,372
Federal unemployment account (payments from general fund)	----	----	----	----	----	----	----
Less transfer of receipts to Department of Labor	----	----	----	----	----	----	----
Railroad unemployment insurance account:							
Deposits by Railroad Retirement Board	783	10,548	12,701	823	10,472	13,283	573
Transfer of receipts from railroad unemployment insurance administration fund	477	----	6,554	75	911	1,155	[6] −4,418
Interest on investments	278	1,137	1,614	11,680	1,257	81,976	327
Other	809	840	842	831	992	942	984
District of Columbia:							
Revenues from taxes, etc	6,864	12,225	23,221	25,625	11,560	8,217	10,293
Payments from general fund:							
Federal contribution	8,185	14,676	----	----	----	----	----
Loans for capital outlay	----	----	500	500	----	150	----
Other loans and grants	7,384	13,342	1,296	1,117	1,274	964	1,288
Total trust fund receipts	1,111,001	1,955,740	997,160	1,025,121	1,486,069	1,171,432	758,533
Increment from reduction in weight of gold dollar	(*)	(*)	[7] −111,753	(*)	(*)	(*)	(*)
Total receipts	1,111,001	1,955,740	885,407	1,025,121	1,486,069	1,171,432	758,533
EXPENDITURES							
Legislative branch	109	111	86	151	100	102	102
The judiciary—judicial survivors annuity fund	27	27	27	27	28	31	28
Funds appropriated to the President	23,784	11,458	12,539	20,676	16,581	18,454	9,765
Independent offices:							
Civil Service Commission:							
Civil service retirement fund	57,202	57,937	65,168	66,387	65,547	65,767	63,956
Employees' life insurance fund (net)	5,187	−1,100	−2,156	−573	−3,291	−36,837	−735
Farm Credit Administration:							
Federal intermediate credit banks [8]	34,382	1,945	−11,522	−29,393	−36,722	−18,953	115,622
National Capital Housing Authority (net)	−676	−937	−4,156	1,057	1,106	1,449	−21
Railroad Retirement Board:							
Railroad retirement account:							
Administrative expenses	690	964	775	740	651	674	749
Benefit payments, etc	62,569	61,891	62,623	62,685	62,320	62,912	61,773
Interest payment to Federal old-age and survivors insurance trust fund	----	----	----	----	----	----	----

Trust accounts, etc. Receipts and Expenditures	Fiscal year 1959 February 1959	March 1959	April 1959	May 1959	June 1959	Total fiscal year 1959	Total fiscal year 1958 [3]
RECEIPTS							
Treasury Department—Continued							
Unemployment trust fund:							
Deposits by States	177, 532	14, 074	155, 313	515, 489	15, 867	1, 700, 575	1, 500, 686
Federal unemployment account (payments from general fund)							39, 532
Less transfer of receipts to Department of Labor		7				7	−6, 079
Railroad unemployment insurance account:							
Deposits by Railroad Retirement Board	7, 438	16, 269	830	10, 015	18, 280	102, 014	90, 442
Transfer of receipts from railroad unemployment insurance administration fund	613	1, 415	59	715	318	7, 874	
Interest on investments	1, 338	1, 684	11, 709	1, 130	72, 777	186, 908	230, 881
Other	830	1, 893	1, 243	802	1, 110	12, 117	14, 614
District of Columbia:							
Revenues from taxes, etc	12, 196	23, 787	27, 033	15, 446	7, 423	183, 892	177, 447
Payments from general fund:							
Federal contribution				5, 000		27, 861	22, 504
Loans for capital outlay	400		700	700	300	3, 250	2, 000
Other loans and grants	969	1, 862	688	5, 718	7, 746	43, 648	12, 626
Total trust fund receipts	1, 637, 190	1, 321, 506	1, 302, 419	2, 503, 323	1, 950, 441	17, 219, 934	16, 329, 435
Increment from reduction in weight of gold dollar	2	3	(*)	[9] −23, 863	(*)	[10] −135, 610	8
Total receipts	1, 637, 191	1, 321, 509	1, 302, 419	2, 479, 460	1, 950, 441	17, 084, 324	16, 329, 443
EXPENDITURES							
Legislative branch	109	134	148	118	102	1, 371	1, 234
The judiciary—judicial survivors annuity fund	28	27	27	27	28	332	285
Funds appropriated to the President	22, 051	23, 796	26, 102	25, 313	10, 678	221, 195	344, 538
Independent offices:							
Civil Service Commission:							
Civil service retirement fund	65, 383	69, 584	70, 647	68, 936	72, 090	788, 603	696, 405
Employees' life insurance fund (net)	−152	−3, 485	−1, 845	−1, 181	−12, 210	−58, 378	−37, 422
Farm Credit Administration:							
Federal intermediate credit banks [8]						55, 359	222, 866
National Capital Housing Authority (net)	1, 354	−5, 599	1, 015	1, 234	863	−3, 310	282
Railroad Retirement Board:							
Railroad retirement account:							
Administrative expenses	641	1, 021	914	668	889	9, 376	8, 618
Benefit payments, etc	64, 557	65, 121	67, 459	67, 078	67, 223	768, 211	719, 542
Interest payment to Federal old-age and survivors insurance trust fund							1, 588

Footnotes at end of table.

TABLE 5.—*Trust account and other receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Trust accounts, etc. Expenditures	Fiscal year 1959 July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Independent offices—Continued							
Veterans' Administration:							
Government life insurance fund—benefits, refunds, etc.	11, 219	6, 873	4, 302	6, 041	5, 191	6, 050	7, 330
National service life insurance fund—benefits, refunds, and dividends	49, 018	47, 947	41, 218	47, 032	42, 135	40, 481	48, 432
Other	171	179	208	252	268	374	440
Other independent offices	102	52	6	−475	21	15	9
General Services Administration:							
Trust enterprise funds (net)	−7	−3	−5	1	4	4	3
Other	34	38	15	10	7	11	4
Housing and Home Finance Agency:							
Federal National Mortgage Association:							
Loans for secondary market operations (net)	−18, 589	2, 839	−3, 543	−3, 921	−11, 915	−25, 057	−23, 743
Other (net)	−35, 973	−3, 446	3, 501	3, 051	10, 514	28, 505	24, 744
Agriculture Department:							
Trust enterprise funds (net)	956	290	979	111	367	489	1, 044
Other	3, 544	3, 588	3, 398	4, 439	3, 051	2, 903	2, 732
Commerce Department:							
Highway trust fund:							
Federal-Aid Highway Act of 1956	204, 313	222, 297	236, 319	324, 354	280, 424	307, 858	186, 092
Refunds and labor standards	-------	-------	144	-------	67, 292	-------	-------
Other	541	1, 152	938	699	977	1, 035	713
Defense Department:							
Military functions	3	5	65	8	5	77	186
Civil functions:							
Trust enterprise funds (net)	1	−5	1	−4	−3	5	4
Other	982	664	2, 446	1, 495	1, 844	2, 711	1, 399
Health, Education, and Welfare Department	2	−1	8	4	6	8	8
Interior Department:							
Indian tribal funds	4, 525	2, 040	5, 414	4, 785	5, 874	9, 521	3, 563
Other	545	727	449	1, 366	731	668	699
Justice Department	453	30	3, 827	113	−173	554	293
Labor Department:							
Bureau of Employment Security	424	(*)	1	−14	2	−1	(*)
Other	−8	−132	72	22	26	22	22
State Department:							
Foreign service retirement and disability fund	214	228	223	237	272	258	238
Other	73	64	139	90	53	40	35

Trust accounts, etc. Expenditures	Fiscal year 1959: February 1959	March 1959	April 1959	May 1959	June 1959	Total fiscal year 1959	Total fiscal year 1958 [3]
Independent offices—Continued							
Veterans' Administration:							
Government life insurance fund—benefits, refunds, etc.	5,419	6,713	6,097	6,170	8,175	79,582	119,917
National service life insurance fund—benefits, refunds, and dividends	47,231	50,979	51,282	46,100	50,199	562,052	543,619
Other	330	352	260	267	220	3,321	2,230
Other independent offices	36	141	91	84	3,767	3,848	3,700
General Services Administration:							
Trust enterprise funds (net)	5	2	1	3	−13	−5	11
Other	4	4	4	6	4	141	1,427
Housing and Home Finance Agency:							
Federal National Mortgage Association:							
Loans for secondary market operations (net)	27,747	−28,880	61,078	−27,476	9,927	−41,531	3,234
Other (net)	22,289	27,881	30,386	27,476	36,619	175,549	101,917
Agriculture Department:							
Trust enterprise funds (net)	1,126	372	728	403	−1,883	4,982	−8,384
Other	2,545	2,485	3,372	2,890	3,119	38,067	40,450
Commerce Department:							
Highway trust fund:							
Federal-Aid Highway Act of 1956	133,093	[11] 193,972	184,735	191,558	147,561	[11] 2,612,576	1,511,395
Refunds and labor standards	27,596			1,868		96,900	90,121
Other	1,935	1,279	1,101	743	791	11,904	15,440
Defense Department:							
Military functions	156	70	53	72	9,950	10,649	1,091
Civil functions:							
Trust enterprise funds (net)	−5	−3	1	−3	2	−10	4
Other	1,610	1,781	1,143	1,446	2,499	20,021	16,208
Health, Education, and Welfare Department	8	11	6	11	24	95	148
Interior Department:							
Indian tribal funds	4,120	7,730	2,276	3,051	4,595	57,493	67,183
Other	662	1,049	769	697	921	9,285	10,021
Justice Department	379	1,150	213	−1,505	133	5,467	−20,472
Labor Department:							
Bureau of Employment Security	(*)	(*)	2	(*)	(*)	414	5,656
Other	23	34	59	−2	34	173	60
State Department:							
Foreign service retirement and disability fund	258	272	270	255	264	2,989	2,698
Other	51	15	86	20	54	721	635

Footnotes at end of table

TABLE 5.—*Trust account and other receipts and expenditures, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

[In thousands of dollars]

Trust accounts, etc. Expenditures	Fiscal year 1959 July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Treasury Department:							
Federal disability insurance trust fund:							
Administrative expenses—reimbursement to Federal old-age and survivors insurance							
Payments to general fund:							
Administrative expenses	69	69	69	545	545	545	738
Refunds of taxes							9,750
Benefit payments	18,747	19,551	22,646	26,060	27,021	23,189	32,793
Federal old-age and survivors insurance trust fund:							
Administrative expenses—Bureau of Old-Age and Survivors Insurance	15,419	10,588	17,661	13,718	12,212	15,721	12,939
Reimbursement for administrative expenses from Federal disability insurance trust fund							
Payments to general fund:							
Administrative expenses	3,302	3,302	4,981	3,160	3,160	3,160	2,838
Refunds of overpayment of payroll tax receipts							73,680
Payment to Railroad Retirement Board	124,441						
Benefit payments	697,743	707,613	716,471	703,008	698,756	703,598	751,454
Construction	419	520	645	730	1,125	1,439	935
Unemployment trust fund:							
Railroad unemployment insurance account:							
Administrative expenses	682	1,284	5,017	690	[6] 1,044	671	[6] −3,851
Benefit payments	17,776	24,534	23,557	24,176	20,356	24,981	25,600
State accounts—withdrawals by States	302,289	277,921	261,562	182,490	178,841	239,503	299,526
Other	767	883	909	1,027	787	839	818
District of Columbia	18,366	22,726	21,052	28,063	21,401	19,490	26,513
Deposit fund accounts (net):							
District of Columbia	99	436	−159	−262	186	73	147
Government sponsored enterprises:							
Investments in public debt securities, net investment (+), or sales (−)	−7,547	−78,688	−24,313	−50,700	−64,170	−123,980	+201,435
Sales and redemptions of obligations in market, net sales (−), or redemptions (+)	−72,586	+1,992	−163,026	−125,930	−55,965	+345	+73,649
Other [8]	78,154	85,764	187,374	168,964	127,378	118,313	−289,311
Indian tribal funds	15,283	−3,539	2,165	−995	−3,023	−209	1,562
Other	166,306	−80,258	−103,272	111,241	−173,420	−78,697	156,090
Total trust and deposit fund expenditures	1,785,546	1,412,422	1,396,853	1,597,440	1,309,526	1,419,112	1,882,788
Payment of melting losses on gold							
Total expenditures	1,785,546	1,412,422	1,396,853	1,597,440	1,309,526	1,419,112	1,882,788
Excess of trust and other receipts (+), or expenditures (−)	−674,545	543,318	−511,445	−572,319	176,543	−247,680	−1,124,255

*Less than $500.

[1] Amounts equal to taxes on carriers and their employees, minus refunds, are transferred to the railroad retirement account.

[2] Represents change in amount of unappropriated receipts for the period.

[3] Certain figures for fiscal year 1958 have been adjusted to correspond to classification for the fiscal year 1959.

[4] Transfers of amounts equivalent to specified percentages of receipts from certain excise taxes are made monthly to the highway trust fund on the basis of estimates by the Secretary of the Treasury as required by sec. 209(c)(3) of the Highway Revenue Act of 1956 (23 U.S.C. 173(c)).

[5] Distribution between individual income taxes and employment taxes is made in accordance with provisions of sec. 201 of the Social Security Act as amended (42 U.S.C. 401(a)), for transfer to the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund.

[6] Adjustment due to reclassification.

Trust accounts, etc. Expenditures	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958 [3]
	February 1959	March 1959	April 1959	May 1959	June 1959		
Treasury Department:							
Federal disability insurance trust fund:							
Administrative expenses—reimbursement to Federal old-age and survivors insurance		17,967				17,967	9,437
Payments to general fund:							
Administrative expenses	246	246	270	270	270	3,884	2,963
Refunds of taxes						9,750	
Benefit payments	31,096	32,860	31,945	33,696	39,628	339,231	168,420
Federal old-age and survivors insurance trust fund:							
Administrative expenses—Bureau of Old-Age and Survivors Insurance	13,183	20,201	13,627	12,965	14,964	173,197	138,857
Reimbursement for administrative expenses from Federal disability insurance trust fund		−17,526				−17,526	−9,149
Payments to general fund:							
Administrative expenses	2,838	2,838	3,042	3,291	3,042	38,957	34,479
Refunds of overpayment of payroll tax receipts						73,680	75,465
Payment to Railroad Retirement Board						124,441	
Benefit payments	790,721	812,432	816,871	826,599	823,880	9,049,146	7,874,932
Construction	1,378	1,095	983	1,097	1,257	11,623	1,587
Unemployment trust fund:							
Railroad unemployment insurance account:							
Administrative expenses	1,089	1,003	322	875	483	9,309	8,233
Benefit payments	17,076	13,379	15,236	12,437	28,552	247,660	221,588
State accounts—withdrawals by States	263,226	270,975	221,774	154,822	143,990	2,796,920	2,926,370
Other	819	847	966	877	1,006	10,544	11,897
District of Columbia	22,838	21,234	24,203	21,918	30,693	278,497	227,272
Deposit fund accounts (net):							
District of Columbia	128	−63	−36	−521	925	954	−1,307
Government sponsored enterprises:							
Investments in public debt securities, net investment (+), or sales (−)	+175,415	+22,435	−173,750	+167,775	−114,195	−70,283	+460,058
Sales and redemptions of obligations in market, net sales (−), or redemptions (+)	−205,867	−47,361	−93,709	−296,876	−236,678	−1,222,012	+167,166
Other [8]	42,231	21,015	234,732	164,768	337,356	1,276,738	−620,071
Indian tribal funds	−15	2,067	2,441	−246	2,315	17,805	−17,308
Other	−124,537	−142,233	297,828	−93,828	52,236	−12,542	−79,289
Total trust and deposit fund expenditures	1,462,450	1,451,419	1,905,229	1,426,247	1,546,348	18,595,380	16,067,847
Payment of melting losses on gold					(*)	(*)	(*)
Total expenditures	1,462,450	1,451,419	1,905,229	1,426,247	1,546,348	18,595,380	16,067,847
Excess of trust and other receipts (+), or expenditures (−)	174,741	−129,910	−602,810	1,053,213	404,093	−1,511,056	261,597

[7] Transferred to miscellaneous receipts pursuant to sec. 602(b) of Public Law 85-699, approved August 21, 1958 (12 U.S.C. 352a note).

[8] Beginning with January 1959, in accordance with sec. 201(b) of the Farm Credit Act of 1956 (12 U.S.C. 1023b), the net transactions of the operating fund of the Federal intermediate credit banks have been transferred from the trust fund and are shown under "Deposit fund accounts, Government-sponsored enterprises, other."

[9] Transferred to miscellaneous receipts pursuant to Public Law 86-30, approved May 20, 1959.

[10] See footnotes 7 and 9.

[11] Amounts shown include $4,784,072 representing transfer to the Federal-aid highway program from the highway trust fund for costs incurred in prior years which are properly chargeable to the highway trust fund.

TABLE 6.—*Investments of Government agencies in public debt securities (net), monthly for fiscal year 1959 and totals for 1958 and 1959* [1]

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Trust accounts, etc.:							
Federal disability insurance trust fund [2]	30,728	85,392	50,900	12,784	29,800	56,696	−4,080
Employees' life insurance fund	407			500		40,705	1,200
Federal employees' retirement funds	72,422	94,913	75,181	58,753	52,056	52,919	77,384
Federal intermediate credit banks						190	[3] −99,710
Federal National Mortgage Association:							
Guaranteed securities		15	−15	−14	14		
Federal old-age and survivors insurance trust fund [2]	−289,228	214,054	−186,629	−354,236	−150,600	−44,143	−557,508
Highway trust fund	43,200	−58,300	5,500	−32,001	−195,000	−200,000	−104,000
Judicial survivors annuity fund					53		50
Railroad retirement account	71,274	13,683	−16,625	−51,629	2,744	−7,785	−52,784
Unemployment trust fund [2]	−229,968	87,406	−241,469	−152,928	59,457	−129,118	−295,500
Veterans' life insurance funds:							
Government life insurance fund	−6,000	−4,000	−3,000	−5,000	−3,000	−3,000	−5,000
National service life insurance fund	−6,000	−6,000	−7,000	−6,000	−8,000	−7,000	−4,000
Other	−1,267	17,076	−283	10,192	−6,968	−9,485	−18,033
Public enterprise funds:							
Federal Housing Administration:							
Public debt securities	3,670	16,975	3,100	−7,150	8,700	7,300	9,280
Guaranteed securities	−1,999						−3,245
Federal Savings and Loan Insurance Corporation	−21,350	3,000	3,000	3,000	4,000	3,000	4,000
Federal National Mortgage Association:							
Guaranteed securities	3,425	4,548	1,992	3,157	−6,158	−106	2,666
Other	800	1,108	1,100	1,200	800	1,100	2,300
Net investments, or sales (−)	−329,886	469,870	−314,248	−519,371	−212,102	−238,727	−1,046,980
MEMORANDUM [4]							
Government-sponsored enterprises:							
Banks for cooperatives							
Federal Deposit Insurance Corporation		2,500	1,000	4,000	2,500	8,500	77,000
Federal home loan banks	−7,547	−81,188	−25,513	−54,800	−66,770	−132,480	23,900
Federal intermediate credit banks							[3] 100,535
Federal land banks			200	100	100		

	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958
	February 1959	March 1959	April 1959	May 1959	June 1959		
Trust accounts, etc.:							
Federal disability insurance trust fund [2]	42,676	67,350	28,730	86,580	64,860	552,416	729,095
Employees' life insurance fund	1,071		1,606		12,489	57,978	35,600
Federal employees' retirement funds	61,529	53,902	48,885	65,393	245,056	958,393	671,065
Federal intermediate credit banks						[3] −99,520	190
Federal National Mortgage Association:							
Guaranteed securities					−1	−1	22
Federal old-age and survivors insurance trust fund [2]	−115,458	131,116	−295,290	423,500	−65,338	−1,289,759	−499,129
Highway trust fund	74,000	54,600	−45,700	−38,310	102,999	−393,012	417,782
Judicial survivors annuity fund						104	240
Railroad retirement account	−6,302	−3,668	−55,358	8,489	62,612	−35,349	−33,105
Unemployment trust fund [2]	−107,500	−226,676	−156,902	433,021	−51,004	−1,011,180	−1,255,065
Veterans' life insurance funds:							
Government life insurance fund	−5,000	−5,000	−3,000	−4,000	29,119	−16,881	−56,311
National service life insurance fund	−5,000	−11,000	−8,000	−11,000	155,229	76,229	95,009
Other	−2,970	3,098	−1,684	−501	−2,103	−12,926	529
ublic enterprise funds:							
Federal Housing Administration:							
Public debt securities	7,964	1,676	−11,200	10,992	7,020	58,327	53,671
Guaranteed securities						−5,244	−2,428
Federal Savings and Loan Insurance Corporation	3,000	1,000	6,000	4,000	4,000	16,650	19,160
Federal National Mortgage Association:							
Guaranteed securities	2,050	2,338	−679	881	148	14,261	6,059
Other	2,800	1,600	1,392	1,200	2,497	17,897	14,168
Net investments, or sales (−)	−47,139	70,336	−491,200	980,245	567,583	−1,111,618	196,552
MEMORANDUM [4]							
Government-sponsored enterprises:							
Banks for cooperatives							−1,300
Federal Deposit Insurance Corporation	12,000	1,000	−23,200	32,200	6,000	123,500	115,400
Federal home loan banks	162,915	21,435	−153,550	135,575	−121,195	−299,218	345,933
Federal intermediate credit banks			3,000		1,000	[3] 104,535	
Federal land banks	500					900	25

[1] Includes certain guaranteed securities.

[2] Takes into account accrued interest, discount, or premium on securities purchased, and net amortization or repayments relating to these items.

[3] Includes $99,935,300 due to reclassification of net transactions of the operating fund under "Deposit Fund Accounts, Government-sponsored enterprises, Other." See table 5, footnote 8.

[4] The security transactions of Government-sponsored enterprises are included in deposit fund accounts (net) in table 5, and excluded from net sales or investments of wholly owned Government agencies in public debt securities.

TABLE 7.—*Sales and redemptions of obligations of Government agencies in market (net), monthly for fiscal year 1959 and totals for 1958 and 1959*

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Table"]

	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Public enterprise funds:							
Guaranteed by the United States:							
Federal Farm Mortgage Corporation	(*)	4	2	1	(*)	6	4
Federal Housing Administration	−875	−6,398	−9,370	5,891	4,837	−1,679	3,059
Home Owners' Loan Corporation	1	10	7	4	1	2	1
Not guaranteed by the United States:							
Federal National Mortgage Association (management and liquidation program)	5,382	501	68	151	168	52	17
Home Owners' Loan Corporation	----------	(*)	----------	(*)	----------	(*)	----------
Trust enterprise funds:							
Not guaranteed by the United States:							
Federal intermediate credit banks	−37,380	−3,910	11,700	25,355	31,475	29,900	[1] 400
Federal National Mortgage Association (secondary market operations)	64,305	−335	540	130	100	20	40
Net redemptions, or sales (−)	31,433	−10,128	2,947	31,532	36,581	28,300	3,522
MEMORANDUM [2]							
Government sponsored enterprises:							
Not guaranteed by the United States:							
Banks for cooperatives	20	----------	−33,260	−20,075	305	10	----------
Federal home loan banks	−29,830	250	−129,945	−105,945	25	----------	79,895
Federal intermediate credit banks	----------	----------	----------	----------	----------	----------	−6,400
Federal land banks	−42,776	1,742	178	90	−56,295	335	154

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	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958
	February 1959	March 1959	April 1959	May 1959	June 1959		
Public enterprise funds:							
Guaranteed by the United States:							
Federal Farm Mortgage Corporation	3	1	4	1	-----	26	25
Federal Housing Administration	−6,600	−6,455	12,148	−902	−3,520	−9,864	5,869
Home Owners' Loan Corporation	1	2	4	4	2	40	23
Not guaranteed by the United States:							
Federal National Mortgage Association (management and liquidation program)	60	7	1	13	-----	6,420	−233,411
Home Owners' Loan Corporation	1	2	-----	-----	(*)	4	(*)
Trust enterprise funds:							
Not guaranteed by the United States:							
Federal intermediate credit banks	-----	-----	-----	-----	-----	57,540	−224,900
Federal National Mortgage Association (secondary market operations)	−50,110	95	−90,025	40	−49,740	−124,940	−115,075
Net redemptions, or sales (−)	−56,644	−6,349	−77,868	−844	−53,258	−70,775	−567,468
MEMORANDUM [2]							
Government sponsored enterprises:							
Not guaranteed by the United States:							
Banks for cooperatives	5	−6,035	6,010	25	−32,560	−85,555	−20,150
Federal home loan banks	−106,075	33,535	26,465	−198,905	−123,880	−554,410	282,275
Federal intermediate credit banks	−49,825	−75,600	−40,360	−87,870	−80,340	−340,395	-----
Federal land banks	−49,972	739	−85,824	−10,126	102	−241,652	−94,959

*Less than $500.

[1] Represents adjustment for December transactions reclassified under "Deposit Fund Accounts, Government-sponsored enterprises, Other" See table 5, footnote 8.

[2] The security transactions of Government-sponsored enterprises are included in deposit fund accounts (net) in table 5, and excluded from net sales or redemptions of obligations of wholly owned Government agencies in the market.

TABLE 8.—*Budget receipts by sources and expenditures by major functions, fiscal years 1952–59*

[In millions of dollars. Expenditures classified on basis of 1961 Budget document]

Classification	1952	1953	1954	1955	1956	1957	1958	1959
RECEIPTS								
Individual income taxes	29,880	32,768	32,383	31,650	35,334	39,030	38,569	40,735
Corporation income taxes	21,467	21,595	21,523	18,265	21,299	21,531	20,533	18,092
Excise taxes	8,893	9,934	10,014	9,211	10,004	10,638	10,814	10,760
Employment taxes	4,573	4,983	5,425	6,220	7,296	7,581	8,644	8,854
Estate and gift taxes	833	891	945	936	1,171	1,378	1,411	1,353
Internal revenue taxes not otherwise classified			9	7	5	15	7	5
Total internal revenue	65,646	70,171	70,300	66,289	75,109	80,172	79,978	79,798
Customs	551	613	562	606	705	754	800	948
Miscellaneous receipts	1,803	[1] 1,865	2,311	2,559	3,006	2,749	3,196	3,158
Total receipts	67,999	72,649	73,173	69,454	78,820	83,675	83,974	83,904
Deduct:								
Transfers to:								
Federal old-age and survivors insurance trust fund	3,569	4,086	4,537	5,040	6,337	6,301	6,870	7,158
Federal disability insurance trust fund						333	863	847
Highway trust fund						1,479	2,116	2,171
Railroad retirement account	738	620	603	599	634	616	575	525
Refunds of receipts (excluding interest)	2,302	3,118	3,377	3,426	3,684	3,917	4,433	4,933
Net receipts	61,391	64,825	64,655	60,390	68,165	71,029	69,117	68,270
EXPENDITURES [2]								
Major national security:								
Military defense	38,899	43,611	40,336	35,532	35,791	38,439	39,062	41,233
Development and control of atomic energy	1,670	1,791	1,895	1,857	1,651	1,990	2,268	2,541
Stockpiling and defense production expansion	966	1,008	1,045	944	588	490	625	312
Military assistance	2,442	3,954	3,629	2,292	2,611	2,352	2,187	2,340
Total major national security	43,976	50,363	46,904	40,626	40,641	43,270	44,142	46,426
International affairs and finance:								
Conduct of foreign affairs	142	150	130	121	120	157	r 173	237
Economic and technical development	2,584	1,960	1,511	1,960	r 1,613	r 1,683	r 1,910	3,403
Foreign information and exchange activities	99	106	91	100	111	133	149	139
Total international affairs and finance	2,826	2,216	1,732	2,181	r 1,843	r 1,973	r 2,231	3,780
Veterans' services and benefits:								
Veterans' education and training	1,326	659	546	664	767	774	699	574
Other veterans' readjustment benefits	122	138	158	150	123	126	168	177
Veterans' compensation and pensions	2,178	2,420	2,482	2,681	2,798	2,870	3,104	3,275
Veterans' insurance and servicemen's indemnities	216	102	100	57	105	47	43	35
Veterans' hospitals and medical care	784	757	782	727	788	801	856	921
Other veterans' services and administration	238	223	188	178	176	175	156	193
Total veterans' services and benefits	4,863	4,298	4,256	4,457	4,756	4,793	5,026	5,174

Footnotes at end of table.

TABLE 8.—*Budget receipts by sources and expenditures by major functions, fiscal years 1952–59*—Continued

[In millions of dollars]

Classification	1952	1953	1954	1955	1956	1957	1958	1959
EXPENDITURES—Continued								
Labor and welfare:								
Labor and manpower	275	281	277	328	475	400	458	844
Public assistance	1,180	1,332	1,439	1,428	1,457	1,558	1,797	1,969
Promotion of public health	330	318	290	275	351	469	546	704
Promotion of education	r 177	r 291	r 274	r 325	r 281	r 292	r 319	468
Promotion of science, research, libraries, and museums	39	34	33	53	56	71	72	119
Correctional and penal institutions	21	27	26	28	31	32	34	39
Other welfare services and administration	r 146	r 143	r 146	r 136	r 169	r 201	r 221	279
Total labor and welfare	2,168	2,426	2,485	2,575	2,821	3,022	3,447	4,421
Agriculture and agricultural resources:								
Stabilization of farm prices and farm income	46	2,125	1,689	3,486	3,900	3,430	3,151	5,126
Financing farm ownership and operation	272	109	256	236	231	227	239	250
Financing rural electrification and rural telephones	243	239	217	204	217	267	297	315
Conservation and development of agricultural land and water resources	340	r 319	r 252	r 290	305	r 374	448	547
Research, and other agricultural services	144	142	142	173	215	227	255	291
Total agriculture and agricultural resources	1,045	2,936	2,557	r 4,388	r 4,867	r 4,525	4,389	6,529
Natural resources:								
Conservation and development of land and water resources	1,140	1,234	1,056	935	803	925	1,138	1,183
Conservation and development of forest resources	95	107	117	r 119	r 139	r 163	174	201
Conservation and development of mineral resources	35	38	37	37	38	62	59	71
Conservation and development of fish and wildlife	30	34	38	43	45	51	60	68
Recreational use of natural resources	33	30	33	35	44	59	69	86
General resource surveys and administration	32	34	35	34	35	38	43	60
Total natural resources	1,366	r 1,477	r 1,316	1,202	r 1,105	r 1,297	r 1,544	1,669
Commerce and housing:								
Promotion of water transportation	420	455	370	349	420	365	392	436
Provision of highways	470	572	586	647	783	40	31	30
Promotion of aviation	169	161	186	179	180	219	315	494
Space exploration and flight technology	67	79	90	74	71	76	89	145
Postal service	740	659	312	356	463	518	674	774
Community development and facilities	15	45	37	56	4	49	78	108
Public housing programs	148	29	−401	−115	31	60	51	97
Other aids to housing	511	413	−142	270	19	−60	228	1,085
Other aids to business	−169	−111	−330	−404	−83	59	115	139
Regulation of commerce and finance	190	137	45	38	41	45	49	58
Civil and defense mobilization	34	53	63	45	58	65	66	46
Disaster insurance, loans, and relief	28	12	1	12	43	21	21	8
Total commerce and housing	2,624	2,504	817	1,504	2,030	1,455	2,109	3,421

Footnotes at end of table.

TABLE 8.—*Budget receipts by sources and expenditures by major functions, fiscal years 1952–59*—Continued

[In millions of dollars]

Classification	1952	1953	1954	1955	1956	1957	1958	1959
EXPENDITURES—Continued								
General government:								
Legislative functions	50	49	49	60	77	90	88	102
Judicial functions	30	29	29	31	38	40	44	47
Executive direction and management	13	9	8	9	9	9	10	12
Federal financial management	438	442	449	431	475	476	502	566
General property and records management	232	185	155	164	164	194	239	291
Central personnel management and employment costs	368	387	93	115	334	627	140	205
Civilian weather services	26	28	26	25	34	38	39	46
Protective services and alien control	176	147	160	157	188	187	199	216
Territories and possessions, and the District of Columbia	50	55	53	67	r 72	r 77	r 75	89
Other general government	79	140	213	139	238	51	20	30
Total general government	1,463	1,472	1,235	1,199	r 1,630	r 1,790	r 1,359	1,606
Interest:								
Interest on the public debt	5,853	6,504	6,382	6,370	6,787	7,244	7,607	7,593
Interest on refunds of taxes, etc.[3]	76	75	83	62	54	57	74	70
Interest on uninvested funds	5	5	5	5	6	6	8	9
Total interest	5,934	6,583	6,470	6,438	6,846	7,308	7,689	7,671
Adjustment to daily Treasury statement basis	−857							
Net expenditures	65,408	74,274	67,772	64,570	66,540	69,433	71,936	80,697
Budget surplus (+), or deficit (−)	−4,017	−9,449	−3,117	−4,180	+1,626	+1,596	−2,819	−12,427

r Revised for reclassification.
[1] Includes adjustment to daily Treasury statement.
[2] Expenditures are net of receipts of public enterprise funds.
[3] Includes interest on refunds under Renegotiation Act, in nominal amounts.

TABLE 9.—*Trust account and other transactions by major classifications, fiscal years 1952–59*

[In millions of dollars. On basis of daily Treasury statements through 1952. Beginning with fiscal year 1953 on basis of the "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

Classification	1952	1953	1954	1955	1956	1957	1958	1959
TRUST ACCOUNTS, ETC.								
RECEIPTS								
Federal old-age and survivors insurance trust fund	3,932	4,516	5,080	5,586	7,003	7,159	7,900	8,182
Federal disability insurance trust fund						339	943	938
Railroad retirement account	850	742	737	700	739	723	695	758
Unemployment trust fund	1,643	1,594	1,492	1,425	1,728	1,912	1,855	1,997
National service life insurance fund	786	637	619	590	649	608	640	634
Government life insurance fund	87	79	78	78	73	69	67	63
Federal employees' retirement funds[1]	912	961	691	708	1,025	1,397	1,458	1,741
Highway trust fund						1,482	2,134	2,185
Other trust funds and accounts[2]	597	401	457	449	467	681	638	585
Total receipts	8,807	8,929	9,155	9,536	11,685	14,369	16,329	17,084
EXPENDITURES								
(Except net investments)								
Federal old-age and survivors insurance trust fund[3]	2,067	2,750	3,405	4,487	5,551	6,723	8,116	9,454
Federal disability insurance trust fund						1	181	371
Railroad retirement account	391	465	502	585	611	682	730	778
Unemployment trust fund	1,049	1,010	1,745	1,965	1,393	1,644	3,148	3,054
National service life insurance fund	996	588	623	538	512	515	544	562
Government life insurance fund	82	82	147	84	87	86	120	80
Federal employees' retirement funds[1]	300	363	411	430	507	591	699	792
Highway trust fund						966	1,602	2,709
Other trust funds and accounts[4]	413	441	495	399	537	1,536	1,020	806
Deposit fund accounts (net):								
Government-sponsored enterprises:								
Redemptions, or sales (−), of agency obligations in the market	(5)	(5)	(5)	−269	−872	−86	167	−1,222
Investments in public debt securities	(5)	(5)	(5)	170	548	39	460	−70
Other	−395	−120	−437	99	334	39	−620	1,277
Other deposit funds[6]	49	−410	−121	56	229	224	−98	6
Total expenditures	4,952	5,169	6,769	8,545	9,435	12,959	16,068	18,595
Excess of receipts, or expenditures (−)	3,855	3,760	2,386	991	2,250	1,409	262	−1,511
INVESTMENTS OF GOVERNMENT AGENCIES IN PUBLIC DEBT SECURITIES (NET)								
Employees' life insurance fund					1	5	36	58
Federal old-age and survivors insurance trust fund	1,950	1,545	1,522	[7] 1,241	1,463	220	−499	−1,290
Federal disability insurance trust fund						325	729	552

Footnotes at end of table.

TABLE 9.—*Trust account and other transactions by major classifications, fiscal years 1952–59*—Continued

[In millions of dollars]

Classification	1952	1953	1954	1955	1956	1957	1958	1959
INVESTMENTS OF GOVERNMENT AGENCIES IN PUBLIC DEBT SECURITIES (NET)—Continued								
Railroad retirement account	449	280	202	141	121	36	−33	−35
Unemployment trust fund	583	590	−248	−545	258	274	−1,255	−1,011
National service life insurance fund	−245	59	23	73	135	89	95	76
Government life insurance fund	1	−2	−65	−1	−16	−16	−56	−17
Federal employees' retirement funds [1]	624	588	252	314	548	803	671	958
Highway trust fund						404	418	−393
Other trust funds and accounts [8]	−6	9	1	14	7	122	1	−112
Public enterprise funds [9]	101	79	−77	126	101	36	91	102
Government-sponsored enterprises	179	153	443	(10)	(10)	(10)	(10)	(10)
Net investments, or sales (−)	3,636	3,301	2,054	1,362	2,617	2,300	197	−1,112
SALES AND REDEMPTIONS OF OBLIGATIONS OF GOVERNMENT AGENCIES IN MARKET (NET)								
Guaranteed (public enterprise funds) [11]	−16	−7	−29	37	−30	−33	6	−10
Not guaranteed: [11]								
Public enterprise funds	−98	65	44	−639	−44	136	−233	6
Trust enterprise funds					−100	−1,188	−340	−67
Government-sponsored enterprises	186	−33	−11	(10)	(10)	(10)	(10)	(10)
Net redemptions, or sales (−)	72	25	4	−602	−173	−1,085	−567	−71
Net of trust account and other transactions, excess of receipts, or expenditures (−)	147	435	328	231	−194	195	633	−329

[1] Consists of civil service and foreign service retirement funds.

[2] Includes District of Columbia, Indian tribal funds, island possessions, adjusted service certificate fund, increment resulting from reduction in weight of gold dollar. Beginning with the fiscal year 1954, includes the railroad unemployment insurance administration fund, previously classified as a budget account.

[3] Includes reimbursement for certain administrative expenses met out of general fund appropriations, and beginning Dec. 31, 1952, for employment tax refunds as provided under Sec. 109 (a) (9) of the Social Security Act Amendments of 1950.

[4] Includes adjusted service certificate fund, District of Columbia, Indian tribal funds, expenditures chargeable against increment on gold, and transactions under the Mutual Security Act and other funds appropriated to the President. Beginning with fiscal 1954, includes the railroad unemployment insurance administration fund, previously classified as a budget account. Beginning with fiscal 1955, includes the employees' life insurance fund (net); and other trust enterprise funds (net).

[5] Included with similar security transactions of other agencies shown later in this table.

[6] Includes transactions by the Air Force and the Army beginning 1952.

[7] Includes $300 million redemption for adjustment of excess transfers.

[8] Includes adjusted service certificate fund and investments of other accounts. Beginning with fiscal year 1957 includes Federal National Mortgage Association (secondary market operations) and judicial survivors annuity fund. Federal intermediate credit banks are included from January 1, 1957 through December 31, 1958; beginning January 1, 1959, they are classified as Government sponsored enterprises.

[9] Includes guaranteed securities beginning in fiscal 1955. For current amounts see table 6.

[10] Included net in deposit fund expenditures.

[11] For current details see table 7.

TABLE 10.—*Budget receipts and expenditures, based on existing and proposed legislation, actual for the fiscal year 1959 and estimated for 1960 and 1961*

[In millions of dollars. On basis of 1961 Budget document]

Source	1959 actual	1960 estimate	1961 estimate
BUDGET RECEIPTS			
Internal revenue:			
Individual income taxes:			
Withheld	29,001	32,100	35,200
Other	11,733	12,600	13,200
Total individual income taxes	40,735	44,700	48,400
Corporation income taxes:			
Under existing legislation	18,092	23,000	23,100
Under proposed legislation			1,200
Total corporation income taxes under existing and proposed legislation	18,092	23,000	24,300
Excise taxes:			
Alcohol taxes:			
Under existing legislation:			
Distilled spirits (domestic and imported)	2,098	2,220	2,152
Beer	767	785	709
Rectification tax	22	21	21
Wines (domestic and imported)	91	91	84
Special taxes in connection with liquor occupations	23	25	25
Total alcohol taxes under existing legislation	3,002	3,142	2,991
Under proposed legislation			252
Total alcohol taxes under existing and proposed legislation	3,002	3,142	3,243
Tobacco taxes:			
Under existing legislation:			
Cigarettes (small)	1,738	1,825	1,672
Manufactured tobacco (chewing, smoking, and snuff)	17	17	16
Cigars (large)	51	50	50
Cigarette papers and tubes	1	1	1
All other	(*)	(*)	(*)
Total tobacco taxes under existing legislation	1,807	1,892	1,739
Under proposed legislation			218
Total tobacco taxes under existing and proposed legislation	1,897	1,892	1,957
Documents, other instruments, and playing cards taxes:			
Issues of securities, stock and bond transfers, and deeds of conveyance	126	130	135
Playing cards	8	8	8
Silver bullion sales or transfers	(*)	(*)	(*)
Total taxes on documents, other instruments, and playing cards	134	138	143
Manufacturers' excise taxes:			
Under existing legislation:			
Gasoline	1,700	2,075	2,404
Lubricating oils	74	78	80
Passenger automobiles	1,039	1,385	1,100
Automobile trucks, buses, and trailers	215	258	262
Parts and accessories for automobiles	166	170	122
Tires, inner tubes, and tread rubber	279	306	318
Electric, gas, and oil appliances	62	69	72
Electric light bulbs	29	33	36
Radio and television receiving sets, phonographs, phonograph records, and musical instruments	188	223	239
Mechanical refrigerators, quick-freeze units, and self-contained air-conditioning units	41	48	52
Business and store machines	94	100	108
Photographic equipment	24	26	28
Matches	5	5	5

Footnotes at end of table.

TABLE 10.—*Budget receipts and expenditures, based on existing and proposed legislation, actual for the fiscal year 1959 and estimated for 1960 and 1961*—Con.

[In millions of dollars]

Source	1959 actual	1960 estimate	1961 estimate
BUDGET RECEIPTS—Continued			
Internal revenue—Continued			
Excise taxes—Continued			
Manufacturers' excise taxes—Continued			
Under existing legislation—Continued			
Sporting goods, including fishing rods, creels, etc.	17	19	21
Firearms, shells, and cartridges	14	15	16
Pistols and revolvers	2	2	2
Fountain and ball point pens; mechanical pencils	8	9	9
Total manufacturers' excise taxes under existing legislation	3,959	4,821	4,874
Under proposed legislation			458
Total manufacturers' excise taxes under existing and proposed legislation	3,959	4,821	5,332
Retailers' excise taxes:			
Jewelry	156	163	168
Furs	30	31	32
Toilet preparations	108	120	130
Luggage, handbags, wallets, etc.	61	63	65
Total retailers' excise taxes	356	377	395
Miscellaneous excise taxes:			
Under existing legislation:			
Toll telephone service, telegraph and teletypewriter service, wire mileage service, etc.	292	319	335
General telephone service	398	435	113
Transportation of oil by pipe line	8		
Transportation of persons	227	246	155
Transportation of property	143	3	
Diesel fuel, including special motor fuels	53	81	93
Use tax on certain vehicles	33	36	38
Admissions, exclusive of cabarets, roof gardens, etc.	50	35	35
Cabarets, roof gardens, etc.	45	47	49
Wagering taxes, including occupational taxes	7	7	7
Club dues and initiation fees	65	67	70
Leases of safe deposit boxes	6	6	6
Coconut and other vegetable oils, processed	2	1	17
Sugar tax	86	88	89
Coin-operated amusement and gaming devices	17	19	20
Bowling alleys and billiard and pool tables	3	4	4
All other miscellaneous excise taxes	1	1	1
Total miscellaneous excise taxes under existing legislation	1,436	1,395	1,032
Under proposed legislation			455
Total miscellaneous excise taxes under existing and proposed legislation	1,436	1,395	1,487
Undistributed depositary receipts and unapplied collections	66	46	
Total excise taxes:			
Under existing legislation	10,760	11,811	11,174
Under proposed legislation			1,383
Total excise taxes under existing and proposed legislation	10,760	11,811	12,557
Employment taxes:			
Federal Insurance Contributions Act and Self-Employment Contributions Act	8,004	10,092	11,665
Railroad Retirement Tax Act	525	630	660
Federal Unemployment Tax Act	324	335	342
Total employment taxes	8,854	11,057	12,667

TABLE 10.—*Budget receipts and expenditures, based on existing and proposed legislation, actual for the fiscal year 1959 and estimated for 1960 and 1961*—Con.

[In millions of dollars]

Source	1959 actual	1960 estimate	1961 estimate
BUDGET RECEIPTS—Continued			
Internal revenue—Continued			
Estate and gift taxes	1,353	1,500	1,650
Internal revenue not otherwise classified	5	6	6
Total internal revenue under existing and proposed legislation	79,798	92,073	99,580
Customs	948	1,200	1,400
Miscellaneous receipts:			
Under existing legislation:			
Miscellaneous taxes	4	4	4
Seigniorage	44	40	49
Bullion charges	3	3	3
Fees for permits and licenses	54	57	61
Fines, penalties, and forfeitures	23	19	19
Gifts and contributions	1	(*)	(*)
Interest	601	1,007	1,053
Dividends and other earnings	506	1,043	843
Rents	93	106	116
Royalties	93	197	221
Sale of products	350	372	383
Fees and other charges for services	92	69	48
Sale of Government property	325	421	450
Realization upon loans and investments	587	471	458
Recoveries and refunds	383	204	213
Total miscellaneous receipts under existing legislation	3,158	4,013	3,921
Under proposed legislation			12
Total miscellaneous receipts under existing and proposed legislation	3,158	4,013	3,932
Gross budget receipts under existing and proposed legislation	83,904	97,286	104,912
Deduct:			
Transfer to Federal old-age and survivors insurance trust fund	7,158	9,164	10,693
Transfer to Federal disability insurance trust fund	847	928	972
Transfer to railroad retirement account	525	630	660
Transfer to highway trust fund:			
Under existing legislation	2,171	2,627	2,984
Under proposed legislation			−34
Refunds of receipts:			
Internal revenue:			
Individual income taxes	4,016	4,394	4,694
Corporation income taxes	782	800	800
Excise taxes:			
Under existing legislation	84	84	299
Under proposed legislation			−215
Employment taxes	3	2	2
Estate and gift taxes	20	30	30
Internal revenue not otherwise classified	1	1	1
Total internal revenue:			
Under existing legislation	4,907	5,310	5,826
Under proposed legislation			−215
Customs	23	24	24
Miscellaneous receipts	3	3	2
Total refunds of receipts:			
Under existing legislation	4,933	5,337	5,852
Under proposed legislation			−215
Net budget receipts	68,270	78,600	84,000

Footnote at end of table.

TABLE 10.—*Budget receipts and expenditures, based on existing and proposed legislation, actual for the fiscal year 1959 and estimated for 1960 and 1961*—Con.

[In millions of dollars]

Source	1959 actual	1960 estimate	1961 estimate
NET BUDGET EXPENDITURES			
Legislative branch	118	135	162
The judiciary	47	49	52
Executive Office of the President	56	67	79
Funds appropriated to the President:			
Mutual security—economic	1,524	1,550	1,700
Other	252	198	114
Independent Offices:			
Atomic Energy Commission	2,541	2,675	2,689
Civil Aeronautics Board	59	67	77
Civil Service Commission	23	22	71
Export-Import Bank of Washington	390	[a] 56	[a] 7
Farm Credit Administration	5	6	8
Federal Aviation Agency	441	567	681
Federal Home Loan Bank Board	[a] 41	[a] 50	[a] 85
National Aeronautics and Space Administration	145	325	600
National Science Foundation	106	125	160
Saint Lawrence Seaway Development Corporation	15	7	4
Small Business Administration	110	102	120
Tennessee Valley Authority	7	35	73
United States Information Agency	109	110	124
Veterans' Administration	5,232	5,367	5,446
Other	171	190	220
General Services Administration	359	430	458
Housing and Home Finance Agency	1,152	361	500
Department of Agriculture	7,091	5,706	6,201
Department of Commerce	382	544	473
Department of Defense:			
Military functions	43,573	42,745	42,745
Civil functions	807	907	972
Department of Health, Education, and Welfare	3,092	3,417	3,517
Department of the Interior	751	744	809
Department of Justice	250	259	271
Department of Labor	1,016	544	540
Post Office Department	774	604	49
Department of State	264	238	292
Treasury Department:			
Interest on the public debt	7,593	9,300	9,500
Other	2,248	984	952
District of Columbia	31	34	48
Allowance for contingencies	------------	75	200
Net budget expenditures	80,697	78,383	79,816
Budget surplus, or deficit (−)	−12,427	217	4,184

*Less than $500,000.
[a] Excess of credit (deduct).

TABLE 11.—*Trust account and other transactions, actual for the fiscal year 1959 and estimated for 1960 and 1961*

[In millions of dollars. On basis of 1961 Budget document]

Source	1959 actual	1960 estimate	1961 estimate
RECEIPTS			
Federal disability insurance trust fund:			
Transfer from general fund receipts	847	928	972
Deposits by States	58	60	62
Interest on investments	34	49	61
Payments from railroad retirement account	----	26	2
Federal employees' retirement and disability funds:			
Deductions from employees' salaries and other receipts	751	724	724
Interest and profits on investments	221	246	262
Payments from general and special accounts	769	737	784
Federal old-age and survivors insurance trust fund:			
Transfer from general fund receipts	7,158	9,164	10,693
Deposits by States	481	500	515
Interest on investments	543	513	512
Other receipts	1	1	1
Highway trust fund:			
Transfer from general fund receipts	2,171	2,627	2,984
Interest and profits on investments	14	1	----
Railroad retirement account:			
Payments from general and special accounts	650	1,198	945
Interest and profits on investments	109	110	114
Unemployment trust fund:			
Deposits by States	1,701	1,850	1,900
Deposits by Railroad Retirement Board	102	150	170
Interest on investments	187	189	190
Payments from general fund, etc	8	111	24
Veterans' life insurance funds:			
Premiums and other receipts	----	----	----
Interest on investments	698	718	739
Payments from general and special funds	----	----	----
Other trust funds	585	794	890
Total trust fund receipts	17,084	20,696	22,547
EXPENDITURES			
Other than investments and sales and redemptions of obligations of Government agencies:			
Federal disability insurance trust fund	371	563	624
Federal employees' retirement funds	792	884	986
Federal National Mortgage Association: Secondary market operations fund	134	980	800
Federal old-age and survivors insurance trust fund	9,454	11,196	11,652
Highway trust fund	2,613	3,028	2,689
Railroad retirement account	778	1,063	982
Unemployment trust fund	3,054	2,384	1,973
Veterans' life insurance funds	642	658	652
Other trust accounts	769	889	1,031
Deposit funds (net)	[a] 8	[a] 135	[a] 111
Total trust fund expenditures	18,597	21,510	21,278

Footnote at end of table.

TABLE 11.—*Trust account and other transactions, actual for the fiscal year 1959 and estimated for 1960 and 1961*—Continued

[In millions of dollars]

Source	1959 actual	1960 estimate	1961 estimate
EXPENDITURES—Continued			
Investments in public debt securities:			
Federal disability insurance trust fund	552	517	476
Federal employees' retirement funds	958	814	774
Federal old-age and survivors insurance trust fund	[a] 1,290	[a] 1,012	[a] 33
Highway trust fund	[a] 393	[a] 429	-----------
Railroad retirement account	[a] 35	244	71
Unemployment trust fund	[a] 1,011	[a] 88	305
Veterans' life insurance funds	59	68	90
Other trust accounts	[a] 56	94	87
Wholly owned Government corporations and agencies	102	161	185
Total	[a] 1,113	369	1,954
Sales and redemptions of obligations of Government agencies in the market (net):			
Federal intermediate credit banks	58	-----------	-----------
Federal National Mortgage Association: Secondary market operations	[a] 125	[a] 980	[a] 800
Housing and Home Finance Agency:			
Federal Housing Administration	[a] 10	[a] 5	9
Management and liquidation functions fund	6	(*)	-----------
Tennessee Valley Authority	-----------	-----------	[a] 115
Other	(*)	(*)	(*)
Total	[a] 71	[a] 985	[a] 906
Total expenditures	17,413	20,894	22,326
Net receipts, or expenditures (—)	—329	—198	221

(*) Less than $500,000.
[a] Excess of sales (deduct).

TABLE 12.—*Effect of financial operations on the public debt, actual for the fiscal year 1959 and estimated for 1960 and 1961*

[In millions of dollars. On basis of 1961 Budget document]

Source	1959 actual	1960 estimate	1961 estimate
Budget surplus, or deficit (−)	−12,427	217	4,184
Net receipts, or expenditures (−), including investments, of trust accounts and other transactions	−329	−198	221
Increase, or decrease (−) in outstanding checks, deposits in transit, etc.[1]	−29	99	95
Increase (−) in cash held outside the Treasury	23	88	
Decrease, or increase (−) in balance in Treasurer's account	4,399		
Decrease, or increase (−) in public debt	−8,363	206	4,500
Balance in Treasurer's account:			
Beginning of year	9,749	5,350	5,350
Change during year	−4,399		
End of year	5,350	5,350	5,350
Public debt outstanding:			
Beginning of year	276,343	284,706	284,500
Change during year	8,363	−206	−4,500
End of year	284,706	[2] 284,500	[2] 280,000

[1] Gives effect to changes in amounts of outstanding checks, deposits in transit, public debt interest checks, coupons, accruals outstanding, and telegraphic reports from the Federal Reserve Banks.

[2] Because of wide swings in receipts and expenditures and the heavy concentration of taxes in the latter half of the fiscal year, there will be periods during the year when the public debt will be greater than this amount.

TABLE 13.—*Internal revenue collections by tax sources, fiscal years 1929–59* [1]

[In thousands of dollars. As reported by Internal Revenue Service, see "Bases of Tables" and Note]

Fiscal year	Income and profits taxes					Employment taxes			Capital stock tax [4]	Estate tax	Gift tax
	Individual income taxes [2]			Corporation income and profits taxes [3]	Total income and profits taxes [3]	Old-age, disability, and unemployment insurance taxes [2]	Railroad retirement tax	Total employment taxes [2]			
	Withheld by employers	Other	Total individual income taxes								
1929	-----	1,095,541	1,095,541	1,235,733	2,331,274	-----	-----	-----	5,956	61,897	-----
1930	-----	1,146,845	1,146,845	1,263,414	2,410,259	-----	-----	-----	47	64,770	-----
1931	-----	833,648	833,648	1,026,393	1,860,040	-----	-----	-----	-----	48,078	-----
1932	-----	427,191	427,191	629,566	1,056,757	-----	-----	-----	-----	47,422	-----
1933	-----	352,574	352,574	394,218	746,791	-----	-----	-----	-----	29,693	4,617
1934	-----	419,509	419,509	400,146	819,656	-----	-----	-----	80,168	103,985	9,153
1935	-----	527,113	527,113	578,678	1,105,791	-----	-----	-----	91,508	140,441	71,671
1936	-----	674,416	674,416	753,032	1,427,448	-----	48	48	94,943	218,781	160,059
1937	-----	1,091,741	1,091,741	1,088,101	2,179,842	265,458	287	265,745	137,499	281,636	23,912
1938	-----	1,286,312	1,286,312	1,342,718	2,629,030	593,185	149,476	742,660	139,349	382,175	34,699
1939	-----	1,028,834	1,028,834	1,156,281	2,185,114	631,002	109,427	740,429	127,203	332,280	28,436
1940	-----	982,017	982,017	1,147,592	2,129,609	711,473	122,048	833,521	132,739	330,886	29,185
1941	-----	1,417,655	1,417,655	2,053,469	3,471,124	787,985	137,871	925,856	166,653	355,194	51,864
1942	-----	3,262,800	3,262,800	4,744,083	8,006,884	1,014,953	170,409	1,185,362	281,900	340,323	92,217
1943	686,015	5,943,917	6,629,932	9,668,956	16,298,888	1,287,554	211,151	1,498,705	328,795	414,531	32,965
1944	7,823,435	10,437,570	18,261,005	14,766,796	33,027,802	1,473,361	265,011	1,738,372	380,702	473,466	37,745
1945	10,264,219	8,770,094	19,034,313	16,027,213	35,061,526	1,494,420	284,758	1,779,177	371,999	596,137	46,918
1946	9,857,589	8,846,947	18,704,536	12,553,602	31,258,138	1,416,570	284,258	1,700,828	352,121	629,601	47,232
1947	9,842,282	9,501,015	19,343,297	9,676,459	29,019,756	1,644,810	379,555	2,024,365	1,597	708,794	70,497
1948	11,533,577	9,464,204	20,997,781	10,174,410	31,172,191	1,821,229	560,113	2,381,342	1,723	822,380	76,965
1949	10,055,502	7,996,320	18,051,822	11,553,669	29,605,491	1,913,379	562,734	2,476,113	6,138	735,781	60,757
1950	9,888,976	7,264,332	17,153,308	10,854,351	28,007,659	2,096,537	548,038	2,644,575	266	657,441	48,785
1951	13,089,770	9,907,539	22,997,308	14,387,569	37,384,878	3,047,702	579,778	3,627,480	(4)	638,523	91,207
1952	17,929,047	11,345,060	29,274,107	21,466,910	50,741,017	3,843,642	620,622	4,464,264	(4)	750,591	82,556
1953	21,132,275	11,403,942	32,536,217	21,594,515	54,130,732	4,089,433	628,969	4,718,403	(4)	784,590	106,694
1954	22,077,113	10,736,578	32,813,691	21,546,322	54,360,014	4,502,402	605,221	5,107,623	(4)	863,344	71,778
1955	21,253,625	10,396,480	31,650,106	18,264,720	49,914,826	5,619,559	600,106	6,219,665	(4)	848,492	87,775
1956	24,015,676	11,321,966	35,337,642	21,298,522	56,636,164	6,661,461	634,323	7,295,784	(4)	1,053,867	117,370
1957	26,727,543	12,302,229	39,029,772	21,530,653	60,560,425	6,964,502	616,020	7,580,522	(4)	1,253,071	124,928
1958	27,040,911	11,527,648	38,568,559	20,533,316	59,101,874	8,069,104	575,282	8,644,386	(4)	1,277,052	133,873
1959	29,001,375	11,733,369	40,734,744	18,091,509	58,826,254	8,328,375	525,369	8,853,744	(4)	1,235,823	117,160

Fiscal year	Excise taxes									
	Alcohol taxes [5]					Tobacco taxes [5]				Documents, other instruments, and playing cards [7]
	Distilled spirits [6]	Beer [6]	Wines	Other, including occupational taxes	Total alcohol taxes	Cigarettes	Cigars	Other	Total tobacco taxes, etc.	
1929	11,590	------------	293	894	12,777	342,034	22,872	69,539	434,445	64,174
1930	10,718	------------	239	738	11,695	359,881	21,443	69,015	450,339	77,729
1931	9,579	------------	228	625	10,432	358,961	18,296	67,019	444,277	46,954
1932	7,907	------------	187	610	8,704	317,565	14,434	66,580	398,579	32,241
1933	6,745	33,090	290	3,050	43,174	328,440	11,479	62,821	402,739	57,338
1934	68,468	163,271	3,411	23,762	258,911	350,299	11,806	63,063	425,169	66,580
1935	165,634	211,215	6,780	27,393	411,022	385,477	11,837	61,865	459,179	43,133
1936	222,431	244,581	8,968	29,484	505,464	425,505	12,361	63,299	501,166	68,990
1937	274,049	277,455	5,991	36,750	594,245	476,046	13,392	62,816	552,254	69,919
1938	260,066	269,348	5,892	32,673	567,979	493,454	12,882	61,846	568,182	46,233
1939	283,575	259,704	6,395	38,126	587,800	504,056	12,913	63,190	580,159	41,083
1940	317,732	264,579	8,060	33,882	624,253	533,059	12,995	62,464	608,518	38,681
1941	428,642	316,741	11,423	63,250	820,056	616,757	13,514	67,805	698,077	39,057
1942	574,598	366,161	23,986	83,772	1,048,517	704,949	14,482	61,551	780,982	41,702
1943	781,873	455,634	33,663	152,476	1,423,646	835,260	23,172	65,425	923,857	45,155
1944	899,437	559,152	34,095	126,091	1,618,775	904,046	30,259	54,178	988,483	50,800
1945	1,484,306	638,682	47,391	139,487	2,309,866	836,753	36,678	58,714	932,145	65,528
1946	1,746,580	650,824	60,844	67,917	2,526,165	1,072,971	41,454	51,094	1,165,519	87,676
1947	1,685,369	661,418	57,196	70,779	2,474,762	1,145,268	48,354	44,146	1,237,768	79,978
1948	1,436,233	697,097	60,962	61,035	2,255,327	1,208,204	46,752	45,325	1,300,280	79,466
1949	1,397,954	686,368	65,782	60,504	2,210,607	1,232,735	45,590	43,550	1,321,875	72,828
1950	1,421,900	667,411	72,601	57,291	2,219,202	1,242,851	42,170	43,443	1,328,464	84,648
1951	1,746,834	665,009	67,254	67,711	2,546,808	1,293,973	44,275	42,148	1,380,396	93,107
1952	1,589,730	727,604	72,374	159,412	2,549,120	1,474,072	44,810	46,281	1,565,162	84,995
1953	1,846,727	762,983	80,535	90,681	2,780,925	1,586,782	46,326	21,803	1,654,911	90,319
1954	1,888,336	769,774	78,678	60,929	2,797,718	1,513,740	45,899	20,873	1,580,512	90,000
1955	1,870,599	737,233	81,824	53,183	2,742,840	1,504,197	46,246	20,770	1,571,213	112,049
1956	2,023,334	765,441	86,580	45,219	2,920,574	1,549,045	45,040	19,412	1,613,497	114,927
1957	2,080,104	760,520	87,428	45,143	2,973,195	1,610,908	44,858	18,283	1,674,050	107,546
1958	r 2,054,184	757,597	90,303	r 44,377	2,946,461	1,668,208	r 47,247	r 18,566	1,734,021	109,452
1959	2,098,496	767,205	90,918	45,477	3,002,096	1,738,050	51,101	17,665	1,806,816	133,817

Footnotes at end of table.

TABLE 13.—*Internal revenue collections by tax sources, fiscal years 1929–59* [1]—Continued

[In thousands of dollars]

Fiscal year	Excise taxes—Continued												
	Manufacturers' excise taxes [8]												
	Gasoline	Lubricating oils	Passenger automobiles and motorcycles	Automobile trucks and busses	Parts and accessories for automobiles	Tires, tubes, and tread rubber	Business and store machines	Refrigerators, air-conditioners, etc.	Radio and television receiving sets and phonographs, parts	Electric, gas, and oil appliances	Electrical energy	All other [9]	Total manufacturers' excise taxes
1929	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	5,712	5,712
1930	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	2,665	2,665
1931	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	138	138
1932	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	87	87
1933	124,929	16,233	12,574	1,654	3,597	14,980	-----	2,112	2,207	-----	28,563	36,751	243,600
1934	202,575	25,255	32,527	5,048	5,696	27,630	-----	5,526	3,157	-----	33,134	44,743	385,291
1935	161,532	27,800	38,003	6,158	6,456	26,638	-----	6,664	3,625	-----	32,577	32,692	342,145
1936	177,340	27,103	48,201	7,000	7,110	32,208	-----	7,939	5,075	-----	33,575	37,165	382,716
1937	196,533	31,463	65,265	9,031	10,086	40,819	-----	9,913	6,754	-----	35,975	44,744	450,581
1938	203,648	31,565	43,365	6,697	7,989	31,567	-----	8,829	5,849	-----	38,455	39,188	417,152
1939	207,019	30,497	42,723	6,008	7,935	34,819	-----	6,958	4,834	-----	39,859	16,323	396,975
1940	226,187	31,233	59,351	7,866	10,630	41,555	-----	9,954	6,080	-----	42,339	11,957	447,152
1941	343,021	38,221	81,403	10,747	13,084	51,054	-----	13,279	6,935	-----	47,021	12,609	617,373
1942	369,587	46,432	77,172	18,361	28,088	64,811	6,972	16,246	19,144	17,702	49,978	57,406	771,898
1943	288,786	43,318	1,424	4,230	20,478	18,345	6,461	5,966	5,561	6,913	48,705	54,559	504,746
1944	271,217	52,473	1,222	3,247	31,551	40,334	3,760	2,406	3,402	5,027	51,239	37,584	503,462
1945	405,563	92,865	2,558	20,847	49,440	75,257	10,120	1,637	4,753	12,060	57,004	50,406	782,511
1946	405,695	74,602	25,893	37,144	68,871	118,092	15,792	9,229	13,385	r 25,492	59,112	69,365	922,671
1947	433,676	82,015	204,680	62,099	99,932	174,927	25,183	37,352	63,856	65,608	63,014	113,052	1,425,395
1948	478,638	80,887	270,958	91,963	122,951	159,284	32,707	58,473	67,267	87,858	69,701	128,548	1,649,234
1949	503,647	81,760	332,812	136,797	120,138	150,899	33,344	77,833	49,160	80,935	79,347	124,860	1,771,533
1950	534,270	70,072	452,066	123,630	88,733	151,795	30,012	64,316	42,085	80,406	85,704	112,966	1,836,053
1951	588,647	77,639	653,363	121,285	119,475	198,383	44,491	96,319	128,187	121,996	93,184	140,706	2,383,677
1952	734,715	73,746	578,149	147,445	164,135	161,328	48,515	57,970	118,244	89,544	53,094	122,059	2,348,943
1953	890,679	73,321	785,716	210,032	177,924	180,047	50,259	87,424	159,383	113,390	(10)	134,613	2,862,788
1954	836,893	68,029	867,482	149,914	134,759	152,567	48,992	75,059	135,535	97,415	(10)	122,488	2,689,133
1955	954,678	69,818	1,047,813	134,805	136,709	164,316	57,281	38,004	136,849	50,859	(10)	93,883	2,885,016
1956	1,030,397	74,584	1,376,372	189,434	145,797	177,872	70,146	49,078	161,098	71,064	(10)	110,171	3,456,013
1957	1,458,217	73,601	1,144,233	199,298	157,291	251,454	83,175	46,894	149,192	75,196	(10)	123,374	3,761,925
1958	1,636,629	69,996	1,170,003	206,104	166,720	259,820	90,658	39,379	146,422	61,400	(10)	127,004	3,974,135
1959	1,700,253	73,685	1,039,272	215,279	166,234	278,911	93,894	40,593	152,566	62,373	(10)	135,728	3,958,789

Fiscal year	Excise taxes—Continued										
	Retailers' excise taxes					Miscellaneous excise taxes					
										Admissions	
	Jewelry	Furs	Toilet preparations	Luggage, handbags, wallets	Total retailers' excise taxes	Telephone, telegraph, radio and cable facilities	Local telephone service	Transportation of persons	Transportation of property	General admissions	Cabarets
1929	----------	----------	----------	----------	----------	----------	----------	----------	----------	5,419	664
1930	----------	----------	----------	----------	----------	----------	----------	----------	----------	3,519	712
1931	----------	----------	----------	----------	----------	----------	----------	----------	----------	2,271	508
1932	----------	----------	----------	----------	----------	----------	----------	----------	----------	1,460	399
1933	----------	----------	----------	----------	----------	14,565	----------	----------	----------	14,771	750
1934	----------	----------	----------	----------	----------	19,251	----------	----------	----------	14,019	595
1935	----------	----------	----------	----------	----------	19,741	----------	----------	----------	14,426	954
1936	----------	----------	----------	----------	----------	21,098	----------	----------	----------	15,773	1,339
1937	----------	----------	----------	----------	----------	24,570	----------	----------	----------	18,185	1,555
1938	----------	----------	----------	----------	----------	23,977	----------	----------	----------	19,284	1,517
1939	----------	----------	----------	----------	----------	24,094	----------	----------	----------	18,029	1,442
1940	----------	----------	----------	----------	----------	26,368	----------	----------	----------	20,265	1,623
1941	----------	----------	----------	----------	----------	27,331	----------	----------	----------	68,620	2,343
1942	41,501	19,744	18,922	----------	80,167	48,231	26,791	21,379	----------	107,633	7,400
1943	88,366	44,223	32,677	----------	165,266	91,174	66,987	87,132	82,556	138,054	16,397
1944	113,373	58,726	44,790	8,343	225,232	141,275	90,199	153,683	215,488	178,563	26,726
1945	184,220	79,418	86,615	73,851	424,105	208,018	133,569	234,182	221,088	300,589	56,877
1946	223,342	91,706	95,574	81,423	492,046	234,393	145,689	226,750	220,121	343,191	72,077
1947	236,615	97,481	95,542	84,588	514,227	252,746	164,944	244,003	275,701	392,873	63,350
1948	217,899	79,539	91,852	80,632	469,923	275,255	193,521	246,323	317,203	385,101	53,527
1949	210,688	61,946	93,969	82,607	449,211	311,380	224,531	251,389	337,030	385,844	48,857
1950	190,820	45,781	94,995	77,532	409,128	312,339	247,281	228,738	321,193	371,244	41,453
1951	210,239	57,604	106,339	82,831	457,013	354,660	290,320	237,617	381,342	346,492	42,646
1952	220,339	51,436	112,892	90,799	475,466	395,434	310,337	275,174	388,589	330,816	45,489
1953	234,659	49,923	115,676	95,750	496,009	417,940	357,933	287,408	419,604	312,831	46,691
1954	209,256	39,036	110,149	79,891	438,332	412,508	359,473	247,415	395,554	271,952	38,312
1955	142,366	27,053	71,829	50,896	292,145	230,251	290,198	200,465	398,039	106,086	39,271
1956	152,340	28,261	83,776	57,519	321,896	241,543	315,690	214,903	450,579	104,018	42,255
1957	156,604	29,494	92,868	57,116	336,081	266,186	347,024	222,158	467,978	75,847	43,241
1958	156,134	28,544	98,158	58,785	341,621	279,375	370,810	225,809	462,989	54,683	42,919
1959	156,382	29,909	107,968	61,468	355,728	292,412	398,023	227,044	[11] 143,250	49,977	45,117

Footnotes at end of table.

TABLE 13.—*Internal revenue collections by tax sources, fiscal years 1929–59* [1]—Con.

[In thousands of dollars]

Fiscal year	Excise taxes—Continued						Taxes not otherwise classified	Grand total
	Miscellaneous excise taxes—Continued				Unclassified excise taxes [13]	Total excise taxes		
	Club dues and initiation fees	Sugar	All other [12]	Total miscellaneous excise taxes				
1929	11,245	----------	5,492	22,820	----------	539,927	----------	2,939,054
1930	12,521	----------	5,891	22,642	----------	565,070	----------	3,040,146
1931	11,478	----------	4,053	18,310	----------	520,110	----------	2,428,229
1932	9,205	----------	2,876	13,939	----------	453,550	----------	1,557,729
1933	6,679	----------	55,122	91,886	----------	838,738	----------	1,619,839
1934	5,986	----------	112,052	151,902	----------	1,287,854	[14] 371,423	2,672,239
1935	5,784	----------	67,418	108,324	----------	1,363,802	[14] 526,222	3,299,436
1936	6,091	----------	44,656	88,957	----------	1,547,293	[14] 71,637	3,520,208
1937	6,288	----------	46,964	97,561	----------	1,764,561	----------	4,653,195
1938	6,551	30,569	49,410	131,307	----------	1,730,853	----------	5,658,765
1939	6,217	65,414	46,900	162,096	----------	1,768,113	----------	5,181,574
1940	6,335	68,145	43,171	165,907	----------	1,884,512	----------	5,340,452
1941	6,583	74,835	45,143	224,855	----------	2,399,417	----------	7,370,108
1942	6,792	68,230	131,461	417,916	----------	3,141,183	----------	13,047,869
1943	6,520	53,552	192,460	734,831	----------	3,797,503	----------	22,371,386
1944	9,182	68,789	193,017	1,076,921	----------	4,463,674	----------	40,121,760
1945	14,160	73,294	188,700	1,430,476	----------	5,944,630	----------	43,800,388
1946	18,899	56,732	172,249	1,490,101	----------	6,684,178	----------	40,672,097
1947	23,299	59,152	75,176	1,551,245	----------	7,283,376	----------	39,108,386
1948	25,499	71,247	88,035	1,655,711	----------	7,409,941	----------	41,864,542
1949	27,790	76,174	89,799	1,752,792	----------	7,578,846	----------	40,463,125
1950	28,740	71,188	98,732	1,720,908	----------	7,598,405	----------	38,957,132
1951	30,120	80,192	79,210	1,842,598	----------	8,703,599	----------	50,445,686
1952	33,592	78,473	89,568	1,947,472	----------	8,971,158	----------	65,009,586
1953	36,829	78,130	103,799	2,061,164	----------	9,946,116	----------	69,686,535
1954	31,978	74,477	104,858	1,936,527	----------	9,532,222	----------	69,934,980
1955	41,963	78,512	107,848	1,492,633	114,687	9,210,582	[15] 7,352	66,288,692
1956	47,171	82,894	109,445	1,608,497	−31,209	10,004,195	[15] 5,269	75,112,649
1957	54,236	86,091	155,749	1,718,509	66,237	10,637,544	[15] 15,482	80,171,971
1958	60,338	85,911	158,494	1,741,327	−32,749	10,814,268	[15] 7,024	79,978,476
1959	64,813	86,378	128,939	1,435,953	66,351	10,759,549	[15] 5,444	79,797,973

NOTE.—These figures are from Internal Revenue Service reports of collections and are not directly comparable to budget receipts from internal revenue as reported in other tables. The differences in amounts occur because of differences in the time when payments are included in the respective reports. Tax payments are included in budget receipts when reported in the account of the Treasurer of the United States. Through 1954, the payments were included in Internal Revenue Service collection reports after the returns to which they applied had been received in internal revenue offices.

Under arrangements begun in 1950, for withheld income tax and old-age insurance taxes and later extended to railroad retirement taxes and many excises, these taxes are paid currently into Treasury depositaries and the depositary receipts, as evidence of such payment, are attached to quarterly returns to the Internal Revenue Service. Under this procedure, the payments are included in budget receipts in the month in which the depositary receipts are issued to taxpayers.

Revised accounting procedures effective July 1, 1954, extended this practice to Internal Revenue Service collection reports, so that these reports likewise include depositary receipts in the month in which they are issued instead of the month in which tax returns supported by the receipts were received in directors' offices. It is not possible to make a complete classification of excise taxes paid into depositaries until the returns are received. Accordingly, the item "Unclassified excise taxes" includes the amount of "undistributed depositary receipts", i.e., the amount of depositary receipts issued, less the amount of depositary receipts received with returns and distributed by classes of tax.

[r] Revised.

[1] For figures for 1863–1915, see 1929 annual report, p. 419; and for 1916–1928, see 1947 annual report, p. 310.

[2] Beginning with January 1951, withheld income taxes and old-age insurance taxes on employees and employers and, beginning with January 1957, disability insurance taxes on employees and employers are paid into the Treasury in combined amounts without separation as to type of tax. Similarly, for the same periods, the old-age insurance and disability insurance taxes on self-employment income are combined with income tax other than withheld. The distribution of amounts of these taxes by type is based on estimates made in accordance with provisions of Section 201 (a) of the Social Security Act, as amended (42 U. S. C. 401 (a)). Individual income taxes withheld by employers, 1951 through 1956, include amounts subsequently transferred to the Government of Guam, under the provisions of the act approved August 1, 1950 (48 U. S. C. 1421 h). Beginning with 1957 these amounts are excluded.

[3] Beginning with 1952 includes the tax on business income of exempt organizations. Includes income tax on the Alaska Railroad, which was repealed effective for taxable years ending after June 30, 1952.

[4] Repealed for years ending in period July 1, 1926, through June 30, 1932, and for years ending after June 30, 1945. Beginning with 1951 included under "Miscellaneous excise taxes, All other."

[5] Beginning with 1954 includes amounts of tax collected in Puerto Rico upon products of Puerto Rican manufacture coming into the United States; data for earlier years are exclusive of such amounts.

[6] For 1956 and earlier years amounts shown for "Distilled spirits" include amounts collected by Customs on imports of both distilled spirits and beer. Beginning with 1957 the method of reporting has been revised to include imported beer under "Beer" instead of "Distilled spirits."

[7] Includes stamp taxes on bonds, issues of capital stock, deeds of conveyance, transfers of capital stock and similar interest sales, playing cards, and silver bullion sales or transfers.

[8] Includes taxes on sales under the act of October 22, 1914; manufacturers', consumers', and dealers' excise taxes under war revenue and subsequent acts; and for 1932 and subsequent years, manufacturers' excise taxes under the act of 1932, as amended. Soft drink taxes are included under "Miscellaneous excise taxes, All other."

[9] Beginning with 1933 includes manufacturers' excise taxes on jewelry, furs, and toilet preparations; beginning 1942 includes manufacturers' excise taxes on phonograph records, musical instruments, and luggage. The tax on phonograph records for 1933 through 1941 was not reported separately and is included in "Radio and television receiving sets and phonographs, parts."

[10] Repealed by Revenue Act of 1951. Collections for the years subsequent to 1952 are included under "Miscellaneous excise taxes, All other."

[11] Repealed effective August 1, 1958.

[12] Includes collections from sources other than the miscellaneous excise taxes shown, and also (a) certain delinquent taxes collected under repealed laws, except automobile taxes for 1929 and 1930 which are included under "Manufacturers' excise taxes, All other," and capital stock taxes prior to 1951 which are shown under "Capital stock"; (b) internal revenue collected through customs offices for 1929–33; subsequently such collections are included under "Alcohol taxes"; and (c) various other taxes not shown separately.

[13] Includes undistributed depositary receipts and unapplied collections of excise taxes.

[14] Consists of agricultural adjustment taxes.

[15] Beginning with 1955, includes unidentified and excess collections, and profit from sale of acquired property. For 1954 and earlier years such amounts are included in "Miscellaneous excise taxes, All other." For 1955 through 1957 also includes depositary receipts outstanding six months or more for which no tax accounts were identified.

TABLE 14.—*Internal revenue collections and refunds by States,*[1] *fiscal year 1959*

[In thousands of dollars. As reported by Internal Revenue Service; see "Bases of Tables" and the note to table 13]

States, etc.	Individual income and employment taxes	Corporation income and profits taxes	Excise taxes	All other	Total	Refunds of taxes
Alabama	396, 904	115, 659	13, 604	8, 514	534, 681	66, 077
Alaska	42, 822	3, 319	1, 738	63	47, 942	(2)
Arizona	213, 615	40, 614	7, 151	4, 987	266, 366	29, 937
Arkansas	159, 162	29, 452	5, 443	3, 423	197, 480	26, 050
California	4, 893, 235	1, 175, 999	712, 297	142, 086	6, 923, 618	574, 606
Colorado	769, 473	119, 590	72, 353	14, 552	975, 968	57, 148
Connecticut	903, 474	291, 056	99, 153	42, 095	1, 335, 778	82, 434
Delaware	286, 438	389, 773	2, 069	7, 824	686, 104	14, 496
Florida	829, 834	209, 508	67, 869	40, 070	1, 147, 281	121, 384
Georgia	582, 847	195, 848	94, 138	16, 086	888, 919	74, 108
Hawaii	132, 769	30, 730	7, 552	4, 126	175, 176	17, 318
Idaho	116, 472	25, 655	2, 934	2, 041	147, 103	14, 425
Illinois	3, 931, 543	1, 638, 913	730, 159	94, 236	6, 394, 851	318, 668
Indiana	1, 129, 026	303, 269	306, 412	20, 380	1, 759, 087	106, 419
Iowa	500, 565	146, 635	24, 617	11, 895	683, 712	53, 708
Kansas	412, 316	121, 662	34, 138	14, 635	582, 750	53, 023
Kentucky	392, 622	154, 704	981, 835	11, 875	1, 541, 037	53, 754
Louisiana	461, 237	149, 437	66, 867	11, 688	689, 229	63, 143
Maine	144, 394	39, 002	3, 819	5, 669	192, 884	20, 306
Maryland [3]	1, 409, 978	242, 355	247, 251	37, 884	1, 937, 468	120, 493
Massachusetts	1, 526, 038	475, 558	153, 989	54, 183	2, 209, 768	168, 819
Michigan	2, 549, 802	1, 037, 143	1, 363, 814	60, 044	5, 010, 803	312, 466
Minnesota	836, 797	337, 239	100, 474	17, 434	1, 291, 944	87, 888
Mississippi	150, 830	25, 861	10, 394	6, 045	193, 130	27, 750
Missouri	1, 204, 692	467, 925	214, 053	29, 219	1, 915, 889	108, 167
Montana	112, 914	23, 219	4, 920	3, 919	144, 973	14, 249
Nebraska	357, 578	72, 672	45, 028	9, 497	484, 774	25, 843
Nevada	86, 108	15, 151	10, 607	3, 032	114, 898	8, 996
New Hampshire	120, 509	25, 790	2, 573	3, 920	152, 792	14, 565
New Jersey	1, 608, 513	506, 244	261, 994	66, 049	2, 442, 800	199, 635
New Mexico	149, 431	20, 560	5, 286	2, 415	177, 693	19, 623
New York	8, 536, 182	5, 098, 596	1, 571, 035	227, 371	15, 433, 184	704, 171
North Carolina	580, 851	294, 162	1, 095, 639	13, 090	1, 983, 742	84, 203
North Dakota	82, 238	10, 287	2, 084	967	95, 576	12, 219
Ohio	3, 098, 242	1, 307, 558	568, 711	72, 874	5, 047, 385	288, 429
Oklahoma	454, 850	141, 875	201, 948	11, 193	809, 866	56, 609
Oregon	400, 067	68, 534	15, 100	8, 216	491, 917	47, 246
Pennsylvania	3, 517, 996	1, 089, 551	683, 152	102, 099	5, 392, 798	324, 920
Rhode Island	227, 746	55, 176	14, 785	13, 551	311, 258	23, 754
South Carolina	216, 194	56, 396	7, 685	7, 290	287, 565	40, 018
South Dakota	90, 302	13, 538	2, 593	1, 167	107, 600	11, 944
Tennessee	478, 022	127, 381	29, 529	9, 770	644, 702	65, 459
Texas	1, 868, 515	545, 334	198, 162	70, 467	2, 682, 478	209, 888
Utah	157, 094	42, 709	15, 567	1, 706	217, 076	23, 576
Vermont	59, 826	10, 760	4, 926	2, 627	78, 139	9, 535
Virginia	635, 554	207, 781	373, 338	14, 780	1, 231, 453	83, 510
Washington	715, 178	176, 235	59, 788	19, 087	970, 288	86, 768
West Virginia	234, 473	52, 964	13, 709	6, 882	308, 029	37, 441
Wisconsin	889, 771	352, 157	151, 677	15, 883	1, 409, 488	94, 248
Wyoming	60, 734	8, 345	6, 368	2, 347	77, 794	7, 087
International [4]	127, 448	2, 006	23, 449	7, 174	160, 078	20, 189
Undistributed	745, 266	−376	65, 771	----------	810, 661	777
Total	[5] 49, 588, 488	18, 091, 509	[6] 10, 759, 549	1, 358, 426	79, 797, 973	[7] 5, 087, 489

NOTE.—Collections in full detail by tax source and region are shown in the *Annual Report of the Commissoner of Internal Revenue* and in lesser detail in the *Combined Statement of Receipts, Expenditures and Balances of the United States Government, fiscal year 1959.*

1 Collections in the various States do not necessarily indicate the Federal tax burden of the respective States, since the taxes collected in one State are, in many instances, borne by residents of other States. Likewise, payments of refunds within a State may not be applicable to the collections within that State, since refunds are payable in the State of residence or principal place of business of the taxpayer which may not be the point at which collections are made.

2 Included with State of Washington.

3 Includes District of Columbia.

4 Consists of collections from and refunds to United States taxpayers in Puerto Rico, Canal Zone, etc., and in foreign countries.

5 Includes $8.5 billion transferred to the Federal old-age and survivors insurance trust fund, the Federal disability insurance trust fund, and the railroad retirement account as provided by the Social Security Act, as amended (42 U.S.C. 401(a)(b)) and the Railroad Retirement Tax Act (65 Stat. 222 and 66 Stat. 371), for benefit payments within the States.

6 Includes $2.2 billion gasoline and certain other highway user levies transferred to the highway trust fund for highway construction in the States, in accordance with the act approved June 29, 1956 (23 U.S.C. 173).

7 Not reduced by the reimbursement of $180 million to the general fund from the Federal old-age and survivors insurance trust fund, the Federal disability insurance trust fund, and the highway trust fund, the estimated aggregate of refunds due on the taxes collected and transferred to these funds.

TABLE 15.—*Customs collections and refunds, fiscal years 1958 and 1959*

[On basis of Bureau of Customs accounts]

	1958	1959	Percentage increase, or decrease (−)
Collections:			
Duties:			
Consumption entries	$637,640,194	$777,077,562	21.9
Warehouse withdrawals	135,348,449	141,017,710	4.2
Mail entries	8,003,280	8,097,599	1.2
Baggage entries	1,920,263	2,507,922	30.6
Informal entries	5,336,182	5,978,137	12.0
Appraisement entries	316,633	460,702	45.5
Supplemental duties	10,082,654	12,218,774	21.2
Withheld duties	56,613	93,868	65.8
Other duties	800,541	960,124	19.9
Total duties	799,504,809	948,412,398	18.6
Miscellaneous: [1]			
Violations of customs laws	1,348,475	1,295,278	−4.0
Navigation fines	24,283	29,074	19.7
Storage and related charges	170,012	135,879	−20.1
Tonnage tax	4,253,614	4,102,235	−3.6
Fees	553,453	579,216	4.7
Unclaimed funds	34,714	40,561	16.8
Recoveries	4,871	2,198	−54.9
Sale of Government property	13,548	9,025	−33.4
All other customs receipts	40,600	35,546	−12.5
Total miscellaneous	6,443,570	6,229,012	−3.3
Total customs collections	805,948,379	954,641,410	18.4
Refunds:			
Excessive duties and other refunds	9,147,694	13,959,549	52.6
Drawback payments	8,690,254	9,261,089	6.6
Total refunds	17,837,948	23,220,638	30.2

NOTE.—Additional customs statistics will be found in tables 89 through 104.

[1] Includes miscellaneous customs collections of Puerto Rico.

TABLE 16.—*Deposits by the Federal Reserve Banks representing interest charges on Federal Reserve notes, fiscal years 1947–59* [1]

Federal Reserve Bank	1947-56	1957	1958	1959	Cumulative through 1959
Boston	$131,368,253.22	$22,321,826.87	$33,819,953.16	$24,791,243.50	$212,301,276.75
New York	527,955,085.54	117,349,890.92	174,921,152.96	130,304,518.13	950,530,647.55
Philadelphia	138,364,560.80	27,281,550.19	39,222,640.20	28,615,921.81	233,484,673.00
Cleveland	197,911,304.16	37,146,481.16	57,464,267.45	43,026,591.51	335,548,644.28
Richmond	133,829,627.08	25,539,682.39	40,699,017.41	31,271,236.00	231,339,562.88
Atlanta	113,822,732.19	21,410,801.39	33,009,026.22	22,799,293.27	191,041,853.07
Chicago	347,580,601.81	82,758,458.18	121,229,268.57	90,095,997.31	641,664,325.87
St. Louis	102,909,572.98	16,411,427.92	24,957,699.78	18,039,401.46	162,318,102.14
Minneapolis	61,334,992.00	8,810,368.75	12,623,685.52	8,572,250.85	91,341,297.12
Kansas City	95,812,191.64	18,749,435.60	27,858,917.69	20,631,083.19	163,051,628.12
Dallas	81,801,434.37	14,330,829.28	22,972,130.52	17,338,035.47	136,442,429.64
San Francisco	204,751,623.74	41,389,729.07	74,951,077.93	55,735,036.38	376,827,467.12
Total	2,137,441,979.53	433,500,481.72	663,728,837.41	491,220,608.88	3,725,891,907.54

[1] Pursuant to sec. 16 of the Federal Reserve Act, as amended (12 U.S.C. 414).

TABLE 17.—*Postal receipts and expenditures, fiscal years 1916–59* [1]

Year	Postal revolving fund as reported to the Treasury by the Post Office Department				Surplus revenue paid into the Treasury [3]	Advances from the Treasury to cover postal deficiencies [4]
		Postal expenditures [2]				
	Postal revenues	Extraordinary expenditures as reported under act of June 9, 1930	Other	Surplus, or deficit (−)		
1916	$312,057,689		$306,228,453	$5,829,236		$5,500,000
1917	329,726,116		319,889,904	9,836,212	$5,200,000	
1918	388,975,962		324,849,188	64,126,774	48,630,701	2,221,095
1919	436,239,126		362,504,274	73,734,852	89,906,000	343,511
1920	437,150,212		[5] 418,722,295	18,427,917	5,213,000	[5] 114,854
1921	463,491,275		[5] 619,634,948	−156,143,673		[5] 130,128,458
1922	484,853,541		[5] 545,662,241	−60,808,700	81,494	[5] 64,346,235
1923	532,827,925		[5] 556,893,129	−24,065,204		[5] 32,526,915
1924	572,948,778		[5] 587,412,755	−14,463,976		[5] 12,638,850
1925	599,591,478		[5] 639,336,505	−39,745,027		[5] 23,216,784
1926	659,819,801		[5] 679,792,180	−19,972,379		[5] 39,506,490
1927	683,121,989		714,628,189	−31,506,201		27,263,191
1928	693,633,921		725,755,017	−32,121,096		32,080,202
1929	696,947,578		782,408,754	−85,461,176		94,699,744
1930	705,484,098	$39,669,718	764,030,368	−98,215,987		91,714,451
1931	656,463,383	48,047,308	754,482,265	−146,066,190		145,643,613
1932	588,171,923	53,304,423	740,418,111	−205,550,611		202,876,341
1933	587,631,364	61,691,287	638,314,969	−112,374,892		117,380,192
1934	586,733,166	66,623,130	564,143,871	−44,033,835		52,003,296
1935	630,795,302	69,537,252	627,066,001	−65,807,951		63,970,405
1936	665,343,356	68,585,283	685,074,398	−88,316,324		86,038,862
1937	726,201,110	51,587,336	721,228,506	−46,614,732		41,896,945
1938	728,634,051	42,799,687	729,645,920	−43,811,556		44,258,861
1939	745,955,075	48,540,273	736,106,665	−38,691,863		41,237,263
1940	766,948,627	53,331,172	754,401,694	−40,784,239		40,870,336
1941	812,827,736	58,837,470	778,108,078	−24,117,812		30,064,048
1942	859,817,491	73,916,128	800,040,400	−14,139,037		18,308,869
1943	966,227,289	122,343,916	830,191,463	13,691,909		14,620,875
1944	1,112,877,174	126,639,650	942,345,968	43,891,556	1,000,000	[6] −28,999,995
1945	1,314,240,132	116,198,782	1,028,902,402	169,138,948	188,102,579	649,769
1946	1,224,572,173	100,246,983	1,253,406,696	−129,081,506		160,572,098
1947	1,299,141,041	92,198,225	1,412,600,531	−205,657,715	12,000,000	241,787,174
1948	1,410,971,284	96,222,339	1,591,583,096	−276,834,152		310,213,451
1949	1,571,851,202	120,118,663	2,029,203,465	−577,470,926		524,297,262
1950	1,677,486,967	119,960,324	2,102,988,758	−545,462,114		592,514,046
1951	1,776,816,354	104,895,553	2,236,503,513	−564,582,711		624,169,406
1952	1,947,316,280	107,209,837	2,559,650,534	−719,544,090		740,000,000
1953	2,091,714,112	103,445,741	2,638,680,670	−650,412,299		660,121,483
1954 [7]	2,263,389,229	(8)	2,575,386,760	−311,997,531		521,999,804
1955 [7]	2,336,667,658	(8)	2,692,966,698	−356,299,040		285,261,181
1956 [7]	2,419,211,749	(8)	2,882,291,063	−463,079,314		382,311,040
1957 [7]	2,547,589,618	(8)	3,065,126,065	−517,536,447		516,502,460
1958 [7]	2,583,459,773	(9)	3,257,452,203	−673,992,431		921,750,883
1959 [7]	3,061,110,753	(9)	3,834,997,671	−773,886,918		605,184,335

[1] For figures from 1789 through 1915 see Secretary's annual report for 1946, p. 419.

[2] Includes adjusted losses, etc., postal funds and expenditures from postal balances, but excludes departmental expenditures in Washington, D. C., through 1922, and amounts transferred to the civil service retirement and disability fund, 1921 through 1926. From 1927 to date includes salary deductions paid to and deposited for credit to the retirement fund.

[3] On basis of warrants-issued adjusted to basis of daily Treasury statements through 1947.

[4] Advances to the Postmaster General to meet estimated deficiencies in postal revenues, reduced by repayments from prior year advances. Excludes allowances for offsets of extraordinary expenditures or the cost of free mailings. Figures are on basis of warrants issued adjusted to basis of daily Treasury statements through 1953, and thereafter on basis of the central accounts of the U. S. Government maintained by the Treasury Department.

[5] Excludes payments from general fund appropriation "Additional Compensation, Postal Service," pursuant to act of November 8, 1919, as follows: 1920, $35,698,400; 1921, $1,374,015; and 1922, $6,700. Also excludes transfers to the civil service retirement and disability fund on account of salary deductions, as follows: 1921, $6,519,683; 1922, $7,899,006; 1923, $8,284,081; 1924, $8,679,658; 1925, $10,266,977; and 1926, $10,472,289 (see note 2).

[6] Repayment of unexpended portion of prior years' advances.

[7] Transactions for 1954 through 1959 are on the basis of cash receipts and expenditures as reported by the Post Office Department. Reports of the Postmaster General are on a modified accrual basis.

[8] See letter of the Postmaster General in exhibits in annual reports prior to 1958.

[9] Under the act of May 27, 1958 (72 Stat. 143), the Postmaster General is no longer required to certify the estimated amounts of postage that would have been collected on certain free or reduced-rate mailings.

TABLE 18.—*Cash income and outgo, fiscal years 1952–59*

[In millions of dollars. On basis of daily Treasury statements through 1952, and on basis of the daily Treasury statements and the "Monthly Statement of Receipts and Expenditures of the United States Government" for 1953–59. See Note at end of table]

I.—SUMMARY OF FEDERAL GOVERNMENT CASH TRANSACTIONS WITH THE PUBLIC

Fiscal year	Net cash transactions with the public other than borrowing			Plus: Net cash borrowing from the public, or repayment (−)	Plus: Receipts from exercise of monetary authority	Equals: Change in cash balances	
	Federal receipts from the public	Federal payments to the public	Excess of receipts, or payments (−)			Treasurer's account balance, increase, or decrease (−)	Cash held outside Treasury, increase, or decrease (−)
1952	68,013	67,964	49	−505	68	−388	....
1953	71,499	76,773	−5,274	2,919	56	−2,299	....
1954	71,627	71,860	−232	2,512	73	2,096	257
1955	67,836	70,538	−2,702	1,809	29	−551	−312
1956	77,088	72,617	4,471	−4,366	23	331	−202
1957	82,107	80,008	2,099	−3,100	49	−956	5
1958	81,893	83,413	−1,520	5,760	59	4,159	140
1959	81,660	94,804	−13,144	8,678	44	−4,399	−23

II.—SUMMARY OF CASH TRANSACTIONS THROUGH THE ACCOUNT OF THE TREASURER OF THE UNITED STATES

Fiscal year	Net cash transactions other than borrowing			Plus: Net cash borrowing, or repayment of borrowing (−)	Equals: Treasurer's account balance, increase, or decrease (−)
	Cash deposits	Cash withdrawals	Excess of deposits, or withdrawals (−)		
1952	68,081	67,794	287	−674	−388
1953	71,345	76,407	−5,062	2,763	−2,299
1954	71,815	71,974	−159	2.255	2,096
1955	67,758	69,888	−2,130	1,579	−551
1956	77,079	71,984	5,096	−4,765	331
1957	81,875	79,183	2,692	−3,648	−956
1958	82,094	83,188	−1,094	5,253	4,159
1959	81,612	94,042	−12,430	8,032	−4,399

TABLE 18.—*Cash income and outgo, fiscal years 1952–59*—Continued

[In millions of dollars]

III. DERIVATION OF FEDERAL GOVERNMENT RECEIPTS FROM THE PUBLIC, AND RECONCILIATION TO CASH DEPOSITS IN THE ACCOUNT OF THE TREASURER OF THE UNITED STATES

Fiscal year	Receipts			Less: Deductions from receipts				Equals: Federal receipts from the public	Reconciliation to cash transactions in the Treasurer's account		Equals: Cash deposits in the Treasurer's account
	Budget (net) [1]	Trust account [2]	Total	Intragovernmental transactions (see V)	Excess profits tax refund bond redemptions [3]	Receipts from exercise of monetary authority [4]	Total deductions		Plus: Receipts from exercise of monetary authority [4]	Adjustment for net difference due to reporting method (see IV)	
1952	61,391	8,807	70,198	2,116	1	68	2,185	68,013	68		68,081
1953	64,825	8,929	73,754	2,199	(*)	56	2,255	71,499	56	−210	71,345
1954	64,655	9,155	73,811	2,110	(*)	73	2,183	71,627	73	114	71,815
1955	60,390	9,536	69,926	2,061	(*)	29	2,090	67,836	29	−107	67,758
1956	68,165	11,685	79,851	2,739	(*)	23	2,763	77,088	23	−32	77,079
1957	71,029	14,369	85,397	3,242	(*)	49	3,290	82,108	49	−281	81,875
1958	69,117	16,329	85,446	3,493	(*)	59	3,553	81,893	59	141	82,094
1959	68,270	17,084	85,355	3,650	(*)	44	3,694	81,660	44	−93	81,612

*Less than $500,000.

[1] For further detail, see table 3.

[2] For further detail, see table 5.

[3] Treated as noncash refund deductions from receipts when issued and as cash refund deductions when redeemed.

[4] Consists of seigniorage and the increment resulting from reduction in the weight of the gold dollar; excluded from receipts from the public but included in cash deposits in the Treasurer's account.

IV.—DERIVATION OF FEDERAL GOVERNMENT PAYMENTS TO THE PUBLIC, AND RECONCILIATION TO CASH WITHDRAWALS FROM THE ACCOUNT OF THE TREASURER OF THE UNITED STATES

Fiscal year	Expenditures				Less: Deductions from expenditures		Equals: Federal payments to the public	Reconciliation to cash transactions in the Treasurer's account			Equals: Cash withdrawals from the Treasurer's account
								Less: Payments to the public not reflected in the Treasurer's account		Adjustment for net difference due to reporting method (see III)	
	Budget [1]	Trust and deposit fund account [2 5]	Government sponsored enterprise (net) [6]	Total	Intragovernmental transactions (see V)	Accrued interest and other noncash expenditures (see VI)		From cash held outside the Treasury [7]	From proceeds of sales in the market of agency obligations and public debt securities (see VII)		
1952	65,408	5,317	−366	70,359	2,116	279	67,964	----------	170	----------	67,794
1953	74,274	5,288	−119	79,443	2,199	472	76,773	----------	155	−210	76,407
1954	67,772	[8] 7,204	[8] −435	74,542	2,110	572	71,860	−257	256	114	71,974
1955	64,570	8,546	98	73,214	2,061	615	70,538	312	230	−107	69,888
1956	66,540	[9] 9,436	324	76,299	2,739	943	72,617	202	399	−32	71,984
1957	69,433	12,961	45	82,439	3,242	−811	80,008	−5	549	−281	79,183
1958	71,936	16,069	−629	87,377	3,493	470	83,413	−140	506	141	83,188
1959	80,697	18,597	1,290	100,585	3,650	2,131	94,804	23	646	−93	94,042

[1] For further detail, see table 3.

[2] For further detail, see table 5.

[5] Includes net change in balances in Government-sponsored enterprise deposit fund accounts with the Treasurer of the United States (see also footnote 8).

[6] Net operating expenditures, or receipts (−), as measured by funds provided by or applied to net security transactions reflected in Treasury reports (see Part VII). To a large extent, these Government-sponsored enterprises secure funds for their operations by direct borrowing from the public or by cashing Federal securities which they hold, and they apply the net income received from operations to repayment of borrowing from the public or to investment in Federal securities. On that basis, net expenditures for operations are shown in this table in terms of the combined net of disinvestment in Federal securities and sale of agency obligations in the market, and net receipts from operations are shown in terms of the combined net of investment in Federal securities and redemption of agency obligations in the market.

[7] Not reported prior to 1954.

[8] Beginning with 1954, figures in this column include small amounts of net security transactions by other agencies, in accordance with the classification followed by the Bureau of the Budget. In table 9, these amounts are excluded from deposit fund expenditures and included with appropriate security transactions.

[9] Excludes revolving fund receipts representing acquired securities amounting to $1,643,070 (par value).

TABLE 18.—*Cash income and outgo, fiscal years 1952–59*—Continued

[In millions of dollars]

V.—INTRAGOVERNMENTAL TRANSACTIONS EXCLUDED FROM BOTH RECEIPTS AND PAYMENTS

Fiscal year	Budget receipts which are also budget expenditures		Budget receipts which are also trust fund expenditures [11]	Budget receipts which are also Government-sponsored enterprise expenditures [12]	Trust fund receipts which are also budget expenditures				Trust fund receipts which are also trust fund expenditures [15]	Total
	Interest paid to Treasury by public enterprise funds	Other [10]			Interest on investment in public debt securities	Interest on uninvested trust funds	Payroll deductions for employees' retirement [13]	Other [14]		
1952	102	(*)	25	10	987	5	411	573	3	2,116
1953	144	6	59		1,094	5	420	463	7	2,199
1954	228	6	68		1,188	5	430	167	18	2,110
1955	173	7	81	1	1,173	5	439	166	16	2,061
1956	297	18	102	2	1,207	5	574	521	12	2,739
1957	455	10	104	1	1,318	6	644	695	10	3,242
1958	557	9	221	1	1,342	8	662	681	11	3,493
1959	342	12	239	6	1,315	9	746	846	135	3,650

*Less than $500,000.

[10] Consists of Federal intermediate credit bank franchise tax through December 1956 and, beginning with 1953, also reimbursement by the Panama Canal Company for expenses and services.

[11] Includes reimbursement by Federal old-age and survivors insurance trust fund and Federal disability insurance trust fund for administrative expenses, and also for refunds of taxes (treated as an offset to refunds rather than being credited to receipts) beginning with 1953 for the former and 1959 for the latter; reimbursement by highway trust fund for refunds of taxes; reimbursement by the District of Columbia; payment of dividends, interest, etc., by Federal National Mortgage Association's secondary market operations; and Federal intermediate credit bank franchise tax and repayment of capital stock to the Treasury after December 1956 and before January 1959.

[12] Consists of payment of earnings and repayment of capital stock to the Treasury for 1952; and payment of franchise tax by banks for cooperatives beginning 1955, and by Federal intermediate credit banks beginning January 1959.

[13] Includes relatively small amounts of deductions from salaries paid by trust funds and Government-sponsored enterprises. Beginning with fiscal year 1958 excludes deductions from salaries of District of Columbia employees (see footnote 15), and beginning with fiscal year 1959 excludes voluntary contributions.

[14] Consists of payments to employees' retirement funds representing United States and Government corporation shares of contributions; payments to the railroad retirement account (for creditable military service), the unemployment trust fund, veterans' life insurance funds, judicial survivors annuity fund, trust fund for technical services and other assistance under agricultural conservation program, and District of Columbia; and awards of Indian Claims Commission.

[15] Includes payment by District of Columbia to the civil service retirement fund for its share of contributions, and beginning with 1958 also deductions from its payrolls; payments between railroad retirement account and Federal old-age and survivors insurance trust fund; transfers from civil service retirement fund to foreign service retirement fund from 1955 through 1957; and transfers from raliroad unemployment insurance administration fund to unemployment trust fund through 1955.

VI.—ACCRUED INTEREST AND OTHER NONCASH EXPENDITURES EXCLUDED FROM PAYMENTS

Fiscal year	Net accrued interest on savings bonds and Treasury bills [16]	Clearing account for public debt interest [17]	Noncash expenditures involving issuance of public debt securities [18]			Clearing account for checks outstanding, etc.[22]	Total
			Adjusted service bonds [19]	Armed Forces leave bonds [20]	Notes to International Monetary Fund [21]		
1952	758		−1	−68	−9	−401	279
1953	718		−1	−24	28	−250	472
1954	524	68	−1	−14	109	−115	572
1955	497	26	−1	−8	156	−55	615
1956	456	−15	(*)	−7	175	335	943
1957	388	234	(*)	−6	−674	−753	−811
1958	254	91	(*)	−4	−450	579	470
1959	801	87	(*)	−2	[23] 1,361	−116	2,131

*Less than $500,000.

[16] Accrued discount on savings bonds and bills less interest paid on savings bonds and bills redeemed.

[17] Public debt interest due and accrued beginning June 30, 1955, effective date of the change in accounting and reporting from a due and payable basis to an accrual basis; for 1954, consists only of public debt interest checks and coupons outstanding; net increase, or decrease (−). Not reported as a separate clearing account prior to 1954.

[18] Treated as noncash expenditures at the time of issuance of the securities and as cash expenditures at the time of their redemption; net issuance or redemption (−).

[19] Issued in 1936 in exchange for adjusted service certificates held by veterans of World War I. The bonds matured in 1945.

[20] Issued in 1947 in payment for accumulated leave. The last of these bonds matured in 1951.

[21] Part of the United States subscription to the capital of the International Monetary Fund was paid in the form of noninterest-bearing nonnegotiable notes payable on demand (see 1947 Annual Report of the Secretary of the Treasury, pages 48, 350, and 385).

[22] Checks outstanding less deposits in transit, and changes in other accounts; net increase, or decrease (−). Prior to 1954 includes also public debt interest due and unpaid (see also footnote 17).

[23] Includes $1,031 million notes issued as part of the additional United States subscription authorized by Public Law 86-48, approved June 17, 1959.

TABLE 18.—*Cash income and outgo, fiscal years 1952–59*—Continued

[In millions of dollars; negative figures indicate net repayment of borrowing]

VII.—DERIVATION OF FEDERAL GOVERNMENT NET CASH DEBT TRANSACTIONS WITH THE PUBLIC AND RECONCILIATION TO NET CASH DEBT TRANSACTIONS THROUGH THE ACCOUNT OF THE TREASURER OF THE UNITED STATES

Fiscal year	Change in public debt and agency obligations held by the public						
	Public debt increase, or decrease (−)	Plus: Net sale of obligations of Government enterprises in the market		Less: Net investment in Federal securities by Government agencies			Equals: Increase in securities held by the public, or decrease (−)
		Public and trust enterprise funds	Government-sponsored enterprises	Trust funds	Public enterprise funds	Government-sponsored enterprises	
1952	3,883	114	−186	3,355	101	179	175
1953	6,966	−59	33	3,068	79	153	3,640
1954	5,189	−14	11	[8] 1,686	−77	[8] 446	3,130
1955	3,115	602	269	1,236	126	171	2,454
1956	−1,623	173	872	[24] 2,516	101	549	−3,743
1957	−2,224	1,085	86	2,262	36	41	−3,392
1958	5,816	567	−167	105	91	461	5,560
1959	8,363	71	1,222	−1,215	102	−68	10,837

[8] Beginning with 1954, in accordance with treatment in budget document, net investment in United States securities by Government-sponsored enterprises includes a small amount by other enterprises regarded as representing net transactions with the public. In table 9, these amounts are excluded from deposit fund expenditures and included with appropriate security transactions.

[24] Excludes investments representing acquired securities amounting to $1,643,070 (par value) and donation of securities amounting to $45,800 (par value).

[25] Accrued discount on savings bonds and bills, which is included in the principal of the public debt, less interest paid on savings bonds and bills redeemed.

[26] Treated as noncash transactions at the time of issuance and as cash transactions at the time of redemption; net issuance, or redemption (−).

[27] Excluded from borrowing because the transactions are treated as expenditures in VI.

[28] Excluded from borrowing because the transactions are treated as deductions from receipts in III.

[29] Market transactions in public debt securities and agency obligations.

Fiscal year	Less: Deductions for noncash transactions						Equals: Net cash borrowing from the public, or repayment (−)	Less: Transactions not reflected in the Treasurer's account [29]	Equals: Net cash borrowing through the Treasurer's account, or repayment (−)
	Net accrued interest on savings bonds and Treasury bills [25]	Issuance of public debt securities representing expenditures, or refunds of receipts [26]				Total deductions			
		Adjusted service bonds [27]	Armed Forces leave bonds [27]	Notes to International Monetary Fund [27]	Excess profits tax refund bonds [28]				
1952	758	−1	−68	−9	−1	680	−505	170	−674
1953	718	−1	−24	28	(*)	722	2, 919	155	2, 763
1954	524	−1	−14	109	(*)	618	2, 512	256	2, 255
1955	497	−1	−8	156	(*)	644	1, 809	230	1, 579
1956	456	(*)	−7	175	(*)	623	−4, 366	399	−4, 765
1957	388	(*)	−6	−674	(*)	−292	−3, 100	549	−3, 648
1958	254	(*)	−4	−450	(*)	−200	5, 760	506	5, 253
1959	801	(*)	−2	[23] 1, 361	(*)	2, 160	8, 678	646	8, 032

NOTE.—The cash income and outgo data in this table are on a basis consistent with receipts from and payments to the public as derived in the 1957 and subsequent Budget documents, Special Analysis A. Reconciliation to cash deposits and withdrawals in the account of the Treasurer of the United States is shown on the same basis as in the Budget documents. There is also shown the amount of net cash borrowing from, or repayment of borrowing to, the public.

The Budget series of cash transactions is designed to provide information on the flow of money between the public and the Federal Government as a whole, and therefore includes transactions not cleared through the Treasurer's account. Receipts and payments include transactions both in budget accounts and in trust and deposit fund accounts. Operations of Government-sponsored enterprises are included in payments on a net basis as reflected in Treasury reports. Major intragovernmental transactions which are reported as both expenditures and receipts are eliminated from both. Noncash items which represent accrued obligations of the Government to make payments in the future are also eliminated from expenditures but are added later when actual payments are made. Receipts from the exercise of monetary authority (mostly seigniorage on silver) are excluded as not representing cash received from the public. Federal cash borrowing from the public includes net borrowing by the Treasury through public debt transactions and also net borrowing by Government agencies and Government-sponsored enterprises through sales of their own securities. It excludes changes in the public debt which do not represent direct cash borrowing from the public. The net effect of all these transactions with the public is reflected in changes in the balance in the Treasurer's account and in cash held outside the Treasury.

Cash transactions through the Treasurer's account are similar in general concept to those included in the Budget series, but are limited in coverage to transactions which affect the balance in that account. On the other hand, they include receipts from the exercise of monetary authority, which are excluded from receipts from the public in the Budget series.

Beginning with figures for the fiscal year 1953, the series of transactions with the public is based on the *Monthly Statement of Receipts and Expenditures of the United States Government*, which is compiled from reports by all collecting and disbursing officers and includes those transactions not cleared through the Treasurer's account. Cash deposits and withdrawals in the Treasurer's account, beginning with figures for the same year, are reported in daily Treasury statements. For those years prior to 1953 both cash transactions series are based on a single source, namely, the earlier basis of daily Treasury statements which reported separate classifications for budget results, trust account transactions, etc. Because of later reclassifications of certain transactions, the cash deposits and withdrawals may differ from those originally published in the daily Treasury statements.

*Less than $500,000.

Public Debt, Guaranteed Obligations, Etc.

I.—Outstanding

TABLE 19.—*Principal of the public debt, 1790–1959*

[On basis of Public Debt accounts from 1790 through 1915, and on basis of daily Treasury statements from 1916 to date, see "Bases of Tables" and Note]

Date	Total gross debt	Date	Total gross debt	Date	Total gross debt
December 31—		December 31—		December 31—	
1790	$75,463,477	1812	$55,962,828	1833	$4,760,082
1791	77,227,925	1813	81,487,846	1834	37,733
1792	80,358,634	1814	99,833,660	1835	37,513
1793	78,427,405	1815	127,334,934	1836	336,958
1794	80,747,587	1816	123,491,965	1837	3,308,124
1795	83,762,172	1817	103,466,634	1838	10,434,221
1796	82,064,479	1818	95,529,648	1839	3,573,344
1797	79,228,529	1819	91,015,566	1840	5,250,876
1798	78,408,670	1820	89,987,428	1841	13,594,481
1799	82,976,294	1821	93,546,677	1842	20,201,226
1800	83,038,051	1822	90,875,877	June 30—	
1801	80,712,632	1823	90,269,778	1843	32,742,922
1802	77,054,686	1824	83,788,433	1844	23,461,653
1803	86,427,121	1825	81,054,060	1845	15,925,303
1804	82,312,151	1826	73,987,357	1846	15,550,203
1805	75,723,271	1827	67,475,044	1847	38,826,535
1806	69,218,399	1828	58,421,414	1848	47,044,862
1807	65,196,318	1829	48,565,407	1849	63,061,859
1808	57,023,192	1830	39,123,192	1850	63,452,774
1809	53,173,218	1831	24,322,235	1851	68,304,796
1810	48,005,588	1832	7,011,699	1852	66,199,342
1811	45,209,738				

June 30	Interest-bearing [1]	Matured debt on which interest has ceased	Debt bearing no interest	Total gross debt	Gross debt per capita [2]
1853	$59,642,412	$162,249		$59,804,661	$2.32
1854	42,044,517	199,248		42,243,765	1.59
1855	35,418,001	170,498		35,588,499	1.30
1856	31,805,180	168,901		31,974,081	1.13
1857	28,503,377	197,998		28,701,375	.99
1858	44,743,256	170,168		44,913,424	1.50
1859	58,333,156	165,225		58,498,381	1.91
1860	64,683,256	160,575		64,843,831	2.06
1861	90,423,292	159,125		90,582,417	2.80
1862	365,356,045	230,520	$158,591,390	524,177,955	15.79
1863	707,834,255	171,970	411,767,456	1,119,773,681	32.91
1864	1,360,026,914	366,629	455,437,271	1,815,830,814	52.08
1865	2,217,709,407	2,129,425	458,090,180	2,677,929,012	75.01
1866	2,322,116,330	4,435,865	429,211,734	2,755,763,929	75.42
1867	2,238,954,794	1,739,108	409,474,321	2,650,168,223	70.91
1868	2,191,326,130	1,246,334	390,873,992	2,583,446,456	67.61
1869	2,151,495,065	5,112,034	388,503,491	2,545,110,590	65.17
1870	2,035,881,095	3,569,664	397,002,510	2,436,453,269	61.06
1871	1,920,696,750	1,948,902	399,406,489	2,322,052,141	56.72
1872	1,800,794,100	7,926,547	401,270,191	2,209,990,838	52.65
1873	1,696,483,950	51,929,460	402,796,935	2,151,210,345	50.02
1874	1,724,930,750	3,216,340	431,785,640	2,159,932,730	49.05
1875	1,708,676,300	11,425,570	436,174,779	2,156,276,649	47.84
1876	1,696,685,450	3,902,170	430,258,158	2,130,845,778	46.22
1877	1,697,888,500	16,648,610	393,222,793	2,107,759,903	44.71
1878	1,780,735,650	5,594,070	373,088,595	2,159,418,315	44.82
1879	1,887,716,110	37,015,380	374,181,153	2,298,912,643	46.72
1880	1,709,993,100	7,621,205	373,294,567	2,090,908,872	41.60
1881	1,625,567,750	6,723,615	386,994,363	2,019,285,728	39.18
1882	1,449,810,400	16,260,555	390,844,689	1,856,915,644	35.16
1883	1,324,229,150	7,831,165	389,898,603	1,721,958,918	31.83
1884	1,212,563,850	19,655,955	393,087,639	1,625,307,444	29.35
1885	1,182,150,950	4,100,745	392,299,474	1,578,551,169	27.86
1886	1,132,014,100	9,704,195	413,941,255	1,555,659,550	26.85
1887	1,007,692,350	6,114,915	451,678,029	1,465,485,294	24.75
1888	936,522,500	2,495,845	445,613,311	1,384,631,656	22.89
1889	815,853,990	1,911,235	431,705,286	1,249,470,511	20.23
1890	711,313,110	1,815,555	409,267,919	1,122,396,584	17.80
1891	610,529,120	1,614,705	393,662,736	1,005,806,561	15.63
1892	585,029,330	2,785,875	380,403,636	968,218,841	14.74
1893	585,037,100	2,094,060	374,300,606	961,431,766	14.36
1894	635,041,890	1,851,240	380,004,687	1,016,897,817	14.89
1895	716,202,060	1,721,590	378,989,470	1,096,913,120	15.76

Footnotes at end of table.

TABLE 19.—*Principal of the public debt, 1790–1959*—Continued

June 30	Interest-bearing [1]	Matured debt on which interest has ceased	Debt bearing no interest	Total gross debt [3]	Gross debt per capita [2]
1896	$847, 363, 890	$1, 636, 890	$373, 728, 570	$1, 222, 729, 350	$17. 25
1897	847, 365, 130	1, 346, 880	378, 081, 703	1, 226, 793, 713	16. 99
1898	847, 367, 470	1, 262, 680	384, 112, 913	1, 232, 743, 063	16. 77
1899	1, 046, 048, 750	1, 218, 300	389, 433, 654	1, 436, 700, 704	19. 21
1900	1, 023, 478, 860	1, 176, 320	238, 761, 733	1, 263, 416, 913	16. 60
1901	987, 141, 040	1, 415, 620	233, 015, 585	1, 221, 572, 245	15. 74
1902	931, 070, 340	1, 280, 860	245, 680, 157	1, 178, 031, 357	14. 88
1903	914, 541, 410	1, 205, 090	243, 659, 413	1, 159, 405, 913	14. 38
1904	895, 157, 440	1, 970, 920	239, 130, 656	1, 136, 259, 016	13. 83
1905	895, 158, 340	1, 370, 245	235, 828, 510	1, 132, 357, 095	13. 51
1906	895, 159, 140	1, 128, 135	246, 235, 695	1, 142, 522, 970	13. 37
1907	894, 834, 280	1, 086, 815	251, 257, 098	1, 147, 178, 193	13. 19
1908	897, 503, 990	4, 130, 015	276, 056, 398	1, 177, 690, 403	13. 28
1909	913, 317, 490	2, 883, 855	232, 114, 027	1, 148, 315, 372	12. 69
1910	913, 317, 490	2, 124, 895	231, 497, 584	1, 146, 939, 969	12. 41
1911	915, 353, 190	1, 879, 830	236, 751, 917	1, 153, 984, 937	12. 29
1912	963, 776, 770	1, 760, 450	228, 301, 285	1, 193, 838, 505	12. 52
1913	965, 706, 610	1, 659, 550	225, 681, 585	1, 193, 047, 745	12. 27
1914	967, 953, 310	1, 552, 560	218, 729, 530	1, 188, 235, 400	11. 99
1915	969, 759, 090	1, 507, 260	219, 997, 718	1, 191, 264, 068	11. 85
1916	971, 562, 590	1, 473, 100	252, 109, 877	1, 225, 145, 568	12. 02
1917	2, 712, 549, 477	14, 232, 230	248, 836, 878	2, 975, 618, 585	28. 77
1918	12, 197, 507, 642	20, 242, 550	237, 475, 173	12, 455, 225, 365	119. 13
1919	25, 236, 947, 172	11, 176, 250	236, 382, 738	25, 484, 506, 160	242. 56
1920	24, 062, 500, 285	6, 745, 237	230, 075, 945	24, 299, 321, 467	228. 23
1921	23, 738, 900, 085	10, 688, 160	227, 862, 308	23, 977, 450, 553	220. 91
1922	22, 710, 338, 105	25, 250, 880	227, 792, 723	22, 963, 381, 708	208. 65
1923	22, 007, 043, 612	98, 738, 910	243, 924, 844	22, 349, 707, 365	199. 64
1924	20, 981, 242, 042	30, 278, 200	239, 292, 747	21, 250, 812, 989	186. 23
1925	20, 210, 906, 915	30, 258, 980	275, 027, 993	20, 516, 193, 888	177. 12
1926	19, 383, 770, 860	13, 359, 900	246, 085, 555	19, 643, 216, 315	167. 32
1927	18, 252, 664, 666	14, 718, 585	244, 523, 681	18, 511, 906, 932	155. 51
1928	17, 317, 694, 182	45, 335, 060	241, 263, 959	17, 604, 293, 201	146. 09
1929	16, 638, 941, 379	50, 749, 199	241, 397, 905	16, 931, 088, 484	139. 04
1930	15, 921, 892, 350	31, 716, 870	231, 700, 611	16, 185, 309, 831	131. 51
1931	16, 519, 588, 640	51, 819, 095	229, 873, 756	16, 801, 281, 492	135. 45
1932	19, 161, 273, 540	60, 079, 385	265, 649, 519	19, 487, 002, 444	156. 10
1933	22, 157, 643, 120	65, 911, 170	315, 118, 270	22, 538, 672, 560	179. 48
1934	26, 480, 487, 870	54, 266, 830	518, 386, 714	27, 053, 141, 414	214. 07
1935	27, 645, 241, 089	230, 662, 155	824, 989, 381	28, 700, 892, 625	225. 55
1936	32, 988, 790, 135	169, 363, 395	620, 389, 964	33, 778, 543, 494	263. 79
1937	35, 800, 109, 418	118, 529, 815	505, 974, 499	36, 424, 613, 732	282. 75
1938	36, 575, 925, 880	141, 362, 460	447, 451, 975	37, 164, 740, 315	286. 27
1939	39, 885, 969, 732	142, 283, 140	411, 279, 539	40, 439, 532, 411	308. 98
1940	42, 376, 495, 928	204, 591, 190	386, 443, 919	42, 967, 531, 038	325. 23
1941	48, 387, 399, 539	204, 999, 860	369, 044, 137	48, 961, 443, 536	367. 09
1942	71, 968, 418, 098	98, 299, 730	355, 727, 288	72, 422, 445, 116	537. 13
1943	135, 380, 305, 795	140, 500, 090	1, 175, 284, 445	136, 696, 090, 330	999. 83
1944	199, 543, 355, 301	200, 851, 160	1, 259, 180, 760	201, 003, 387, 221	1, 452. 44
1945	256, 356, 615, 818	268, 667, 135	2, 056, 904, 457	258, 682, 187, 410	1, 848. 60
1946	268, 110, 872, 218	376, 406, 860	934, 820, 095	269, 422, 099, 173	1, 905. 42
1947	255, 113, 412, 039	230, 913, 536	2, 942, 057, 534	258, 286, 383, 109	1, 792. 05
1948	250, 063, 348, 379	279, 751, 730	1, 949, 146, 403	252, 292, 246, 513	1, 720. 71
1949	250, 761, 636, 723	244, 757, 458	1, 763, 965, 680	252, 770, 359, 860	1, 694. 75
1950	255, 209, 353, 372	264, 770, 705	1, 883, 228, 274	257, 357, 352, 351	1, 696. 68
1951	252, 851, 765, 497	512, 046, 600	1, 858, 164, 718	255, 221, 976, 815	1, 653. 42
1952	256, 862, 861, 128	418, 692, 165	1, 823, 625, 492	259, 105, 178, 785	1, 650. 06
1953	263, 946, 017, 740	298, 420, 570	1, 826, 623, 328	266, 071, 061, 639	1, 666. 74
1954	268, 909, 766, 654	437, 184, 655	1, 912, 647, 799	271, 259, 599, 108	1, 670. 14
1955	271, 741, 267, 507	588, 601, 480	2, 044, 353, 816	274, 374, 222, 803	1, 660. 16
1956	269, 883, 068, 041	666, 051, 697	2, 201, 693, 911	272, 750, 813, 649	r 1, 621. 82
1957	268, 485, 562, 677	529, 241, 585	1, 512, 367, 635	270, 527, 171, 896	r 1, 580. 22
1958	274, 697, 560, 009	597, 324, 889	1, 048, 332, 847	276, 343, 217, 746	1, 587. 60
1959	281, 833, 362, 429	476, 455, 003	2, 396, 089, 647	284, 705, 907, 078	[4] 1, 607. 35

r Revised.
[1] Exclusive of bonds issued to the Pacific railroads (acts of 1862, 1864, and 1878), since statutory provision was made to secure the Treasury against both principal and interest, and the Navy pension fund, which was not a debt as principal and interest were the property of the United States. The Statement of the Public Debt included the railroad bonds from issuance and the Navy fund from September 1, 1866, until the Statement of June 30, 1890.
[2] Based on the Bureau of the Census estimated population for continental United States.
[3] Includes certain obligations not subject to statutory limitation; see table 1, notes 6 and 7.
[4] Subject to revision.

NOTE.—From 1789–1842, the fiscal year ended December 31; from 1843, on June 30. Detailed figures for 1790–1852 are not available on a basis comparable with those of later years. The amounts for 1790–1852, except for 1835, are from the 1900 annual report of the Secretary of the Treasury; for 1835, from the 1834–35 annual reports, pp. 504 and 629; for 1853–85, from the "Statement of Receipts and Expenditures of the Government from 1855 to 1885 and Principal of Public Debt from 1791 to 1885" compiled from the Register's official records; from 1886–1915, from the monthly debt statements and revised figures in the Secretary's annual reports; and for 1916 to date, from the "Statement of the Public Debt" in the daily Treasury statements.

TABLE 20.—*Public debt and guaranteed obligations outstanding June 30, 1934–59*

[Gross public debt on basis of daily Treasury statements. Guaranteed obligations from 1934 through 1939 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements]

June 30	Gross public debt [1]	Guaranteed obligations held outside the Treasury [2]			Total gross public debt and guaranteed obligations [1]	
		Interest-bearing	Matured [3]	Total	Total	Per capita [4]
1934	$27,053,141,414	$680,767,817		$680,767,817	$27,733,909,231	$219.46
1935	28,700,892,625	4,122,684,692		4,122,684,692	32,823,577,316	257.95
1936	33,778,543,494	4,718,033,242		4,718,033,242	38,496,576,735	300.63
1937	36,424,613,732	4,664,594,533	$10,000	4,664,604,533	41,089,218,265	318.95
1938	37,164,740,315	4,852,559,151	232,500	4,852,791,651	42,017,531,967	323.65
1939	40,439,532,411	5,450,012,899	821,200	5,450,834,099	45,890,366,510	350.63
1940	42,967,531,038	5,497,556,555	31,514,100	5,529,070,655	48,496,601,693	367.08
1941	48,961,443,536	6,359,619,105	10,633,475	6,370,252,580	55,331,696,116	414.85
1942	72,422,445,116	4,548,529,255	19,730,375	4,568,259,630	76,990,704,746	571.02
1943	136,696,090,330	4,091,686,621	8,256,425	4,099,943,046	140,796,033,376	1,029.82
1944	201,003,387,221	1,515,638,626	107,430,675	1,623,069,301	202,626,456,522	1,464.17
1945	258,682,187,410	409,091,867	24,066,525	433,158,392	259,115,345,802	1,851.70
1946	269,422,099,173	466,671,984	9,712,875	476,384,859	269,898,484,033	1,908.79
1947	258,286,383,109	83,212,285	6,307,900	89,520,185	258,375,903,294	1,792.67
1948	252,292,246,513	68,768,043	4,692,775	73,460,818	252,365,707,331	1,721.21
1949	252,770,359,860	23,862,383	3,413,025	27,275,408	252,797,635,268	1,694.93
1950	257,357,352,351	17,077,809	2,425,225	19,503,034	257,376,855,385	1,696.81
1951	255,221,976,815	27,364,069	1,863,100	29,227,169	255,251,203,984	1,653.61
1952	259,105,178,785	44,092,646	1,472,700	45,565,346	259,150,744,131	1,650.35
1953	266,071,061,639	50,881,686	1,191,075	52,072,761	266,123,134,400	1,667.06
1954	271,259,599,108	80,415,386	1,026,000	81,441,386	271,341,040,495	1,670.64
1955	274,374,222,803	43,257,786	885,175	44,142,961	274,418,365,764	1,660.42
1956	272,750,813,649	73,100,900	787,575	73,888,475	272,824,702,124	r 1,622.26
1957	270,527,171,896	106,434,150	703,800	107,137,950	270,634,309,846	r 1,580.84
1958	276,343,217,746	100,565,250	655,350	101,220,600	276,444,438,346	1,588.18
1959	284,705,907,078	110,429,100	590,050	111,019,150	284,816,926,228	[5] 1,607.97

r Revised.
[1] Includes certain obligations not subject to statutory limitation. For amounts subject to limitation, see table 1.
[2] Consists of obligations issued by certain Government corporations and credit agencies, obligations which are guaranteed by the United States as to both principal and interest. They were first authorized in 1932, but no such obligations were outstanding at the end of the fiscal years 1932 and 1933.
[3] Amounts shown represent outstanding principal only. The amount of interest for the fiscal year 1959 was $121,414.
[4] Based on Bureau of the Census estimated population for continental United States.
[5] Subject to revision.

TABLE 21.—*Public debt outstanding by security classes, June 30, 1952–59*

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Class	1952	1953	1954	1955	1956	1957	1958	1959
Interest-bearing:								
Public issues:								
Marketable issues:								
Treasury bills:								
Regular weekly	17,219	18,906	19,515	19,514	20,808	21,919	22,406	25,006
Tax anticipation	-------	800	-------	-------	-------	1,501	-------	3,002
Other	-------	-------	-------	-------	-------	-------	-------	4,009
Certificates of indebtedness	28,423	15,854	18,405	13,836	16,303	20,473	32,920	33,843
Treasury notes	18,963	30,425	31,960	40,729	35,952	30,973	20,416	27,314
Treasury bonds:								
Bank eligible	48,200	63,980	71,706	81,057	81,840	80,789	90,883	84,803
Bank restricted [1]	27,460	17,245	8,672	-------	-------	-------	-------	-------
Panama Canal loan bonds	50	50	50	50	50	50	50	50
Postal savings bonds	92	74	46	21	-------	-------	-------	-------
Total marketable issues	140,407	147,335	150,354	155,206	154,953	155,705	166,675	178,027
Nonmarketable issues:								
Treasury notes—tax and savings	6,612	4,453	5,079	1,913	-------	-------	-------	-------
U.S. savings bonds	57,685	57,886	58,061	58,365	57,497	54,622	51,984	50,503
Depositary bonds	373	447	411	417	310	196	171	183
Treasury bonds—investment series	14,046	13,288	12,775	12,589	12,009	11,135	9,621	8,365
Total nonmarketable issues	78,717	76,073	76,326	73,285	69,817	65,953	61,777	59,050
Total public issues	219,124	223,408	226,681	228,491	224,769	221,658	228,452	237,078
Special issues:								
Adjusted service certificate fund certificates	5	5	5	5	5	-------	-------	-------
Canal Zone Postal Savings System notes	1	1	1	1	1	(*)	-------	(*)
Civil service retirement fund:								
Certificates	-------	846	2,268	4,055	6,051	5,707	4,249	298
Notes	4,998	4,739	3,571	2,097	596	740	1,540	2,072
Bonds	-------	-------	-------	-------	-------	925	1,925	6,212
Farm tenant mortgage insurance fund notes	1	1	1	1	-------	-------	-------	-------
Federal Deposit Insurance Corp. notes	888	846	892	835	673	718	673	629
Federal disability insurance trust fund:								
Certificates	-------	-------	-------	-------	-------	258	658	89
Notes	-------	-------	-------	-------	-------	30	150	394
Bonds	-------	-------	-------	-------	-------	38	188	1,050
Federal home loan banks:								
Certificates	-------	-------	-------	-------	2	10	-------	-------
Notes	50	50	232	200	50	40	165	165
Federal Housing Administration notes:								
Armed services housing mortgage insurance fund	-------	-------	-------	-------	2	3	1	(*)
Housing insurance fund	(*)	2	(*)	-------	1	2	1	4
Housing investment insurance fund	-------	(*)	-------	-------	-------	-------	(*)	(*)
Military housing insurance fund	-------	2	-------	2	-------	-------	-------	-------
Mutual mortgage insurance fund	-------	16	10	16	26	26	18	15
National defense housing insurance fund	-------	2	5	2	2	2	4	1
Section 220 housing insurance fund	-------	-------	-------	1	1	1	1	1
Section 221 housing insurance fund	-------	-------	-------	1	1	1	1	1
Servicemen's mortgage insurance fund	-------	-------	-------	1	1	2	3	2
Title I housing insurance fund	-------	-------	-------	1	1	1	1	1
Title I insurance fund	-------	-------	-------	38	43	43	34	29
War housing insurance fund	2	4	-------	3	8	8	7	6

Footnotes at end of table.

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TABLE 21.—*Public debt outstanding by security classes, June 30, 1952–59*—Con.

[In millions of dollars]

	1952	1953	1954	1955	1956	1957	1958	1959
Interest-bearing—Continued								
Special issues—Continued								
Federal old-age and survivors insurance trust fund:								
Certificates	14,047	15,532	17,054	18,239	19,467	14,963	9,925	400
Notes						2,000	3,860	4,032
Bonds						2,500	4,825	12,795
Federal Savings and Loan Insurance Corporation notes	79	61	84	94	103	103	112	116
Foreign service retirement fund:								
Certificates		3	9	10	16	22	24	26
Notes	17	13	6	6	4			
Government life insurance fund certificates	1,300	1,299	1,234	1,233	1,217	1,200	1,144	1,12
Highway trust fund certificates						404	822	429
National service life insurance fund notes	5,191	5,249	5,272	5,346	5,481	5,570	5,665	5,742
Postal Savings System notes	551	451	212	90	5	5		
Railroad retirement account notes	2,863	3,128	3,345	3,486	3,600	3,475	3,531	3,417
Unemployment trust fund certificates	7,745	8,287	8,024	7,479	7,737	7,996	6,671	5,636
Veterans special term insurance fund certificates		(*)	3	10	20	34	48	66
Total special issues	37,739	40,538	42,229	43,250	45,114	46,827	46,246	44,756
Total interest-bearing debt	256,863	263,946	268,910	271,741	269,883	268,486	274,698	281,833
Matured debt on which interest has ceased	419	298	437	589	666	529	597	476
Debt bearing no interest:								
Special notes of the United States, International Monetary Fund series	1,274	1,302	1,411	1,567	1,742	1,068	618	1,979
U.S. savings stamps [2]	50	50	50	48	49	51	51	50
Excess profits tax refund bonds	2	1	1	1	1	1	1	1
U.S. notes (less gold reserve)	191	191	191	191	191	191	191	191
Deposits for retirement of national bank and Federal Reserve Bank notes	301	277	254	232	213	196	182	169
Other debt bearing no interest	6	6	6	6	6	6	6	6
Total debt bearing no interest	1,824	1,827	1,913	2,044	2,202	1,512	1,048	2,396
Total gross debt [3]	259,105	266,071	271,260	274,374	272,751	270,527	276,343	284,706

[1] See 1946 annual report, pp. 42, 43, and 654, and 1955 annual report, p. 515, note 5.
[2] On October 1, 1942, they replaced postal savings stamps which had been Postal Savings System's obligations.
[3] Includes certain obligations not subject to statutory limitation; see table 1.

NOTE.—For comparable data 1931–43, see 1943 annual report, p. 564, and for 1944–51, see 1954 annual report, p. 472. Composition of the public debt 1916–45, is shown in the 1947 annual report, p. 361. For reconciliation with Public Debt accounts for 1959, see table 24. *Less than $500,000.

TABLE 22.—*Guaranteed obligations held outside the Treasury*[1] *by issuing Government corporations and other business-type activities, June 30, 1952–59*

[Face amount, in thousands of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Agency	1952	1953	1954	1955	1956	1957	1958	1959
UNMATURED OBLIGATIONS								
Commodity Credit Corporation notes, etc.	558							
Federal Housing Administration debentures:								
Mutual mortgage insurance fund	9,180	8,127	8,501	9,021	8,471	10,638	9,987	8,699
Armed services housing mortgage insurance fund				725	9,695	10,209	8,324	10,466
Housing insurance fund		1,632	1,742	2,317	5,838	10,135	8,987	9,970
National defense housing insurance fund				1,462	16,108	40,738	47,734	[2] 59,446
Section 221 housing insurance fund							8	8
Servicemen's mortgage insurance fund						12	78	38
Title I housing insurance fund		23	31	35	224	482	377	213
War housing insurance fund	34,355	41,100	70,141	29,697	32,765	34,220	25,070	21,591
Total unmatured obligations	44,093	50,882	80,415	43,258	73,101	106,434	100,565	[3] 110,429
MATURED OBLIGATIONS[4]								
Federal Farm Mortgage Corporation	521	434	383	333	295	265	240	214
Home Owners' Loan Corporation	952	757	643	552	493	438	415	376
Total matured obligations	1,473	1,191	1,026	885	788	704	655	590
Total based on guarantees	45,565	52,073	81,441	44,143	73,888	107,138	101,221	[3] 111,019

[1] For obligations held by the Treasury, see table 122.
[2] Includes $179 thousand face amount redeemed as of June 30, 1959, but omitted from transactions cleared on that date.
[3] Does not include guaranteed obligations of the District of Columbia Armory Board in the amount of $96 thousand not reported in the daily Treasury statement of June 30, 1959.
[4] Funds on deposit with the Treasurer of the United States for payment of principal and interest.

NOTE.—For figures from 1946–51, see 1958 annual report, p. 474.

TABLE 23.—*Maturity distribution of marketable interest-bearing public debt and guaranteed obligations, June 30, 1946–59* [1]

[In millions of dollars. On basis of daily Treasury statements]

Fiscal year	Within 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 years and over	Various	Total
	By call classes (due or first becoming callable)							
1946	62,091	35,057	32,847	16,012	21,227	22,372	43	189,649
1947	52,442	42,522	18,932	13,326	27,076	14,405	38	168,740
1948	49,870	46,124	10,464	12,407	41,481	----------	27	160,373
1949	52,302	39,175	15,067	13,715	34,888	----------	13	155,160
1950	42,448	51,802	15,926	19,281	25,853	----------	16	155,325
1951	60,860	31,022	16,012	21,226	8,797	----------	27	137,944
1952	70,944	29,434	13,321	20,114	6,594	----------	44	140,451
1953	76,017	30,162	13,018	26,546	----------	1,592	51	147,386
1954	63,291	38,407	27,113	19,937	----------	1,606	80	150,435
1955	51,152	46,399	42,755	11,371	----------	3,530	43	155,250
1956	64,910	36,942	40,363	8,387	----------	4,351	73	155,026
1957	76,697	41,497	26,673	6,488	----------	4,349	106	155,811
1958	73,050	39,401	45,705	657	2,258	5,604	101	166,776
1959	81,678	58,256	28,075	1,276	2,256	6,485	110	178,138
	By maturity classes [2]							
1946	61,974	22,129	44,442	8,707	8,754	43,599	43	189,649
1947	51,211	21,851	35,562	13,009	5,588	41,481	38	168,740
1948	48,742	21,630	32,264	14,111	2,118	41,481	27	160,373
1949	48,130	32,562	16,746	14,111	8,710	34,888	13	155,160
1950	42,338	51,292	7,792	10,289	17,746	25,853	16	155,325
1951	43,908	46,526	8,707	8,754	21,226	8,797	27	137,944
1952	46,367	47,814	13,933	5,586	20,114	6,594	44	140,451
1953	65,270	36,161	15,651	2,117	26,546	1,592	51	147,386
1954	62,734	29,866	27,515	8,696	19,937	1,606	80	150,435
1955	49,703	39,107	34,253	17,242	11,371	3,530	43	155,250
1956	58,714	34,401	28,908	20,192	8,287	4,351	73	155,026
1957	71,952	40,669	12,328	19,919	6,488	4,349	106	155,811
1958	67,782	42,557	21,476	26,999	654	7,208	101	166,776
1959	72,958	58,304	17,052	20,971	654	8,088	110	178,138

[1] Excludes guaranteed obligations held by the Treasury.
[2] All issues classified to final maturity except partially tax-exempt bonds which are classified to earliest call date.

TABLE 24.—*Summary of public debt and guaranteed obligations by security classes, June 30, 1959*

Class of security	Computed rate of interest [1]	Amount outstanding on basis of Public Debt accounts	Net adjustment to basis of daily Treasury statement [2]	Amount outstanding on basis of daily Treasury statement
PUBLIC DEBT				
INTEREST-BEARING DEBT				
Public issues:				
Marketable obligations:				
Treasury bills:				
Regular weekly	[3] 3.213	$25,006,329,000.00		$25,006,329,000.00
Tax anticipation	[3] 3.556	3,001,554,000.00		3,001,554,000.00
Other	[3] 3.791	4,009,485,000.00		4,009,485,000.00
Certificates of indebtedness (regular)	2.842	33,843,030,000.00		33,843,030,000.00
Treasury notes	3.304	27,319,579,000.00	−$5,482,000.00	27,314,097,000.00
Treasury bonds	2.619	84,802,363,850.00	+656,000.00	84,803,019,850.00
Other bonds	2.902	49,800,000.00		49,800,000.00
Subtotal	2.891	178,032,140,850.00	−4,826,000.00	178,027,314,850.00
Nonmarketable obligations:				
U.S. savings bonds	2.961	50,393,459,558.31	+109,097,520.61	50,502,557,078.92
Depositary bonds	2.000	182,587,500.00	+7,000.00	182,594,500.00
Treasury bonds, investment series	2.730	8,359,783,000.00	+5,482,000.00	8,365,265,000.00
Subtotal	2.925	58,935,830,058.31	+114,586,520.61	59,050,416,578.92
Total public issues	2.899	236,967,970,908.31	+109,760,520.61	237,077,731,428.92
Special issues:				
Canal Zone, Postal Savings System	2.000	300,000.00		300,000.00
Civil service retirement fund	2.577	8,581,531,000.00		8,581,531,000.00
Federal Deposit Insurance Corp.	2.000	629,300,000.00		629,300,000.00
Federal disability insurance trust fund	2.598	1,533,450,000.00		1,533,450,000.00
Federal home loan banks	1.500	164,800,000.00		164,800,000.00
Federal Housing Administration funds	2.000	59,382,000.00		59,382,000.00
Federal old-age and survivors insurance trust fund	2.566	17,227,237,000.00		17,227,237,000.00
Federal Savings and Loan Insurance Corp.	2.000	115,500,000.00		115,500,000.00
Foreign service retirement fund	3.952	26,416,000.00		26,416,000.00
Government life insurance fund	3.500	1,127,235,000.00		1,127,235,000.00
Highway trust fund	2.875	429,214,000.00		429,214,000.00
National service life insurance fund	3.000	5,741,548,000.00		5,741,548,000.00
Railroad retirement account	3.000	3,417,239,000.00		3,417,239,000.00
Unemployment trust fund	2.750	5,636,315,000.00		5,636,315,000.00
Veterans special term insurance fund	2.625	66,164,000.00		66,164,000.00
Subtotal	2.694	44,755,631,000.00		44,755,631,000.00
Total interest-bearing debt	2.867	281,723,601,908.31	+109,760,520.61	281,833,362,428.92
MATURED DEBT ON WHICH INTEREST HAS CEASED		556,869,430.26	−80,414,427.50	476,455,002.76
DEBT BEARING NO INTEREST:				
International Monetary Fund		1,979,249,999.60		1,979,249,999.60
Other		418,802,624.89	−1,962,977.95	416,839,646.94
Total gross public debt		284,678,523,963.06	+27,383,115.16	284,705,907,078.22
GUARANTEED OBLIGATIONS NOT OWNED BY THE TREASURY				
Interest-bearing debt:				
Federal Housing Administration	2.628	110,429,100.00		110,429,100.00
Matured debt on which interest has ceased		590,050.00		590,050.00
Subtotal		111,019,150.00		[4] 111,019,150.00
Total gross public debt and guaranteed obligations		284,789,543,113.06	+27,383,115.16	284,816,926,228.22
Deduct debt not subject to statutory limitation		418,444,637.09	−7,500.75	418,452,137.84
Total debt subject to limitation		284,371,098,475.97	+27,375,614.41	284,398,474,090.38

[1] On daily Treasury statement basis. [2] Items in transit on June 30, 1959.
[3] Included in debt outstanding at face amount, but the annual interest rate is computed on the discount value. [4] Components shown in table 26.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959* [1]

[On basis of Public Debt accounts,[2] see "Bases of Tables"]

Security and rate of interest	Date of security	When redeemable or payable [3]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT [a]							
Public Issues							
Marketable:							
Treasury bills series maturing and approximate yield to maturity (%) [4 5 6]:							
Regular weekly:							
July 2, 1959 2.920	Jan. 2, 1959	July 2, 1959		$98.532 Cash	$397,884,000.00		$1,600,313,000.00
				Exchange	2,175,000.00		
2.841	Apr. 2, 1959			$99.282 Cash	1,179,484,000.00		
				Exchange	20,770,000.00		
July 9, 1959 2.959	Jan. 8, 1959	July 9, 1959		$98.504 Cash	397,591,000.00		1,600,093,000.00
				Exchange	2,447,000.00		
2.948	Apr. 9, 1959			$99.255 Cash	1,048,178,000.00		
				Exchange	151,877,000.00		
July 16, 1959 3.034	Jan. 15, 1959	July 16, 1959		$98.466 Cash	398,494,000.00		1,600,361,000.00
				Exchange	2,082,000.00		
3.075	Apr. 16, 1959			$99.223 Cash	1,182,229,000.00		
				Exchange	17,556,000.00		
July 23, 1959 3.232	Jan. 22, 1959	July 23, 1959		$98.366 Cash	397,456,000.00		1,400,956,000.00
				Exchange	2,617,000.00		
3.105	Apr. 23, 1959			$99.215 Cash	894,444,000.00		
				Exchange	106,439,000.00		
July 30, 1959 3.337	Jan. 29, 1959	July 30, 1959		$98.313 Cash	378,851,000.00		1,402,071,000.00
				Exchange	21,212,000.00		
2.831	Apr. 30, 1959			$99.284 Cash	899,075,000.00		
				Exchange	102,933,000.00		
Aug. 6, 1959 3.107	Feb. 5, 1959	Aug. 6, 1959		$98.429 Cash	379,257,000.00		1,400,882,000.00
				Exchange	20,655,000.00		
2.935	May 7, 1959			Cash	806,580,000.00		
				$99.258 Exchange	194,390,000.00		
Aug. 13, 1959 3.326	Feb. 13, 1959	Aug. 13, 1959		$98.328 Cash	378,602,000.00		1,400,927,000.00
				Exchange	21,396,000.00		
2.722	May 14, 1959			$99.312 Cash	900,948,000.00		
				Exchange	99,981,000.00		
Aug. 20, 1959 3.253	Feb. 19, 1959	Aug. 20, 1959		$98.355 Cash	395,037,000.00		1,401,625,000.00
				Exchange	6,090,000.00		
2.869	May 21, 1959			$99.275 Cash	867,342,000.00		
				Exchange	133,156,000.00		
Aug. 27, 1959 2.978	Feb. 26, 1959	Aug. 27, 1959		$98.494 Cash	391,428,000.00		1,395,606,000.00
				Exchange	3,934,000.00		
2.878	May 28, 1959			$99.273 Cash	818,679,000.00		
				Exchange	181,565,000.00		

Sept. 3, 1959	3.111	Mar. 5, 1959	Sept. 3, 1959	Sold at a discount; payable at par on maturity.	$98.427 (Cash	385,647,000.00		1,500,793,000.00
					(Exchange	14,500,000.00		
	3.149	June 4, 1959			$99.204 (Cash	1,034,918,000.00		
					(Exchange	65,728,000.00		
Sept. 10, 1959	3.375	Mar. 12, 1959	Sept. 10, 1959		$98.294 (Cash	399,057,000.00		1,600,320,000.00
					(Exchange	1,242,000.00		
	3.283	June 11, 1959			$99.170 (Cash	1,146,905,000.00		
					(Exchange	53,116,000.00		
Sept. 17, 1959	3.058	Mar. 19, 1959	Sept. 17, 1959		$98.454 (Cash	398,734,000.00		1,600,712,000.00
					(Exchange	1,283,000.00		
	3.276	June 18, 1959			$99.172 (Cash	1,128,013,000.00		
					(Exchange	72,682,000.00		
Tax anticipation: [6]								
Sept. 21, 1959	3.293	Feb. 16, 1959	Sept. 21, 1959		$98.015 (Cash	1,501,759,000.00		1,501,759,000.00
Regular weekly:								
Sept. 24, 1959	3.093	Mar. 26, 1959	Sept. 24, 1959		$98.436 (Cash	384,174,000.00		1,600,211,000.00
					(Exchange	15,975,000.00		
	3.281	June 25, 1959			$99.171 (Cash	1,131,750,000.00		
					(Exchange	68,312,000.00		
Oct. 1, 1959	3.236	Apr. 2, 1959	Oct. 1, 1959		$98.364 (Cash	399,375,000.00		400,057,000.00
					(Exchange	682,000.00		
Oct. 8, 1959	3.250	Apr. 9, 1959	Oct. 8, 1959		$98.357 (Cash	379,145,000.00		400,047,000.00
					(Exchange	20,902,000.00		
Oct. 15, 1959	3.351	Apr. 16, 1959	Oct. 15, 1959		$98.306 (Cash	399,110,000.00		400,002,000.00
					(Exchange	892,000.00		
Oct. 22, 1959	3.361	Apr. 23, 1959	Oct. 22, 1959		$98.301 (Cash	378,462,000.00		400,070,000.00
					(Exchange	21,608,000.00		
Oct. 29, 1959	3.189	Apr. 30, 1959	Oct. 29, 1959		$98.388 (Cash	379,565,000.00		400,218,000.00
					(Exchange	20,653,000.00		
Nov. 5, 1959	3.316	May 7, 1959	Nov. 5, 1959		$98.324 (Cash	356,407,000.00		400,032,000.00
					(Exchange	43,625,000.00		
Nov. 12, 1959	3.408	May 14, 1959	Nov. 12, 1959		$98.277 (Cash	374,003,000.00		400,206,000.00
					(Exchange	26,203,000.00		
Nov. 19, 1959	3.376	May 21, 1959	Nov. 19, 1959		$98.293 (Cash	379,497,000.00		400,187,000.00
					(Exchange	20,690,000.00		
Nov. 27, 1959	3.373	May 28, 1959	Nov. 27, 1959		$98.285 (Cash	377,339,000.00		399,979,000.00
					(Exchange	22,640,000.00		
Dec. 3, 1959	3.489	June 4, 1959	Dec. 3, 1959		$98.236 (Cash	379,846,000.00		400,244,000.00
					(Exchange	20,398,000.00		
Dec. 10, 1959	3.565	June 11, 1959	Dec. 10, 1959		$99.198 (Cash	486,025,000.00		500,072,000.00
					(Exchange	14,047,000.00		
Dec. 17, 1959	3.486	June 18, 1959	Dec. 17, 1959		$98.238 (Cash	477,695,000.00		500,103,000.00
					(Exchange	22,408,000.00		
Tax anticipation: [7]								
Dec. 22, 1959	3.565	May 15, 1959	Dec. 22, 1959		$97.811 Cash	1,499,795,000.00		1,499,795,000.00
Regular weekly:								
Dec. 24, 1959	3.585	June 25, 1959	Dec. 24, 1959		$98.188 (Cash	478,190,000.00		500,242,000.00
					(Exchange	22,052,000.00		
Other:								
Jan. 15, 1960	3.386	Apr. 1, 1959	Jan. 15, 1960		$97.282 Cash	2,006,171,000.00		2,006,171,000.00
Apr. 15, 1960	3.835	May 11, 1959	Apr. 15, 1960		$96.378 Cash	2,003,314,000.00		2,003,314,000.00
Total Treasury bills						32,017,368,000.00		32,017,368,000.00

Footnotes at end of table.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959*[1]—Continued

Security and rate of interest	Date of security	When redeemable or payable [3]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT [5]—Continued							
Public Issues—Continued							
Marketable—Continued							
Certificates of indebtedness: [7]							
Regular:							
1⅝% Series C-1959	Aug. 1, 1958	Aug. 1, 1959	Feb. 1, Aug. 1	Exchange at par	$13,500,387,000.00		$13,500,387,000.00
3⅜% Series E-1959 (Effective rate 3.4286%)	Dec. 1, 1958	Nov. 15, 1959	May 15, Nov. 15	Exchange at 99.95	7,710,556,000.00		7,710,556,000.00
3¾% Series A-1960 (Effective rate 3.7572%)	Feb. 15, 1959	Feb. 15, 1960	Aug. 15, Feb. 15	Exchange at par	3,047,951,000.00		
				Exchange at 99.993	8,314,675,000.00		
					11,362,626,000.00		11,362,626,000.00
4% Series B-1960 (Effective rate 4.0515%)	May 15, 1959	May 15, 1960	Nov. 15, May 15	Exchange at 99.95	1,269,461,000.00		1,269,461,000.00
Total certificates of indebtedness.					33,843,030,000.00		33,843,030,000.00
Treasury notes: [7]							
3½% Series B-1959	Oct. 10, 1958	Nov. 15, 1959	May 15, Nov. 15	Par	1,183,574,000.00		1,183,574,000.00
3½% Series A-1960	Feb. 15, 1957	May 15, 1960	do	Par	942,426,000.00		
				exchange at par	1,463,699,000.00		
					2,406,125,000.00		2,406,125,000.00
3¼% Series B-1960 (Effective rate 3.4462%)	Jan. 21, 1959	do	do	99.75% of par	2,737,635,000.00		2,737,635,000.00
4% Series A-1961	Aug. 1, 1957	On Aug. 1, 1959, at option of holder upon 3 months' notice; on Aug. 1, 1961.[8]	Feb. 1, Aug. 1	Par	100,000,000.00		
				Exchange at par	2,508,528,000.00		
					2,608,528,000.00		2,608,528,000.00
3⅝% Series B-1961 (Effective rate 3.6787%)	Dec. 1, 1958	May 15, 1961	May 15, Nov. 15	Exchange at 99.875	4,078,373,000.00		4,078,373,000.00
3⅝% Series A-1962	May 1, 1957	Feb. 15, 1962	Feb. 15, Aug. 15	Exchange at par	647,057,000.00		647,057,000.00
4% Series B-1962	Sept. 26, 1957	On Feb. 15, 1960, at option of holder upon 3 months' notice; on Aug. 15, 1962.	do	Par	2,000,387,000.00		2,000,387,000.00
3¾% Series C-1962	Nov. 29, 1957	Nov. 15, 1962	May 15, Nov. 15	Par	1,142,956,000.00		1,142,956,000.00
4% Series D-1962 (Effective rate 4.0025%)	Feb. 15, 1959	Feb. 15, 1962	Aug. 15, Feb. 15	Exchange at 99.993	579,370,000.00		
				Exchange at par	855,616,000.00		
					1,434,986,000.00		1,434,986,000.00
2⅝% Series A-1963	Apr. 15, 1958	Feb. 15, 1963	Feb. 15, Aug. 15	Par	3,970,698,000.00		3,970,698,000.00
4% Series B-1963	Apr. 1, 1959	May 15, 1963	Nov. 15, May 15	Par	1,743,040,000.00		1,743,040,000.00
1½% Series EO-1959	Oct. 1, 1954	Oct. 1, 1959	Apr. 1, Oct. 1	Exchange at par	99,108,000.00		99,108,000.00

1½% Series EA-1960	Apr. 1, 1955	Apr. 1, 1960	do	do	198, 041, 000. 00		198, 041, 000. 00
1½% Series EO-1960	Oct. 1, 1955	Oct. 1, 1960	do	do	277, 542, 000. 00		277, 542, 000. 00
1½% Series EA-1961	Apr. 1, 1956	Apr. 1, 1961	do	do	144, 033, 000. 00		144, 033, 000. 00
1½% Series EO-1961	Oct. 1, 1956	Oct. 1, 1961	do	do	331, 975, 000. 00		331, 975, 000. 00
1½% Series EA-1962	Apr. 1, 1957	Apr. 1, 1962	do	do	551, 176, 000. 00		551, 176, 000. 00
1½% Series EO-1962	Oct. 1, 1957	Oct. 1, 1962	do	do	590, 195, 000. 00		590, 195, 000. 00
1½% Series EA-1963	Apr. 1, 1958	Apr. 1, 1963	do	do	533, 150, 000. 00		533, 150, 000. 00
1½% Series EO-1963	Oct. 1, 1958	Oct. 1, 1963	do	do	505, 574, 000. 00		505, 574, 000. 00
1½% Series EA-1964	Apr. 1, 1959	Apr. 1, 1964	do	do	135, 426, 000. 00		135, 426, 000. 00
Total Treasury notes					27, 319, 579, 000. 00		27, 319, 579, 000. 00
Treasury bonds: [7]							
2¼% of 1959–62	June 1, 1945	On and after Dec. 15, 1959; on June 15, 1962 [9] [10]	June and Dec. 15	Par	5, 284, 068, 500. 00	$18, 112, 500. 00	5, 265, 956, 000. 00
2¼% of 1959–62	Nov. 15, 1945	On and after Dec. 15, 1959; on Dec. 15, 1962 [9] [10]	do	Par	3, 469, 671, 000. 00	14, 985, 000. 00	3, 454, 686, 000. 00
2⅛% of 1960	Aug. 15, 1954	On Nov. 15, 1960	May and Nov. 15	Exchange at par	3, 806, 484, 000. 00	1, 000. 00	3, 806, 483, 000. 00
2¾% of 1960–65 [8]	Dec. 15, 1938	On and after Dec. 15, 1960; on Dec. 15, 1965.	June and Dec. 15	Par	402, 892, 800. 00		
(Effective rate 2.6259%)				Exchange at par	188, 196, 700. 00		
				Exchange at $102.375	894, 295, 600. 00		
					1, 485, 385, 100. 00	2, 000. 00	1, 485, 383, 100. 00
2¾% of 1961	Nov. 9, 1953	On Sept. 15, 1961	Mar. and Sept. 15	Par	2, 239, 262, 000. 00		2, 239, 262, 000. 00
2½% of 1961	Feb. 15, 1954	On Nov. 15, 1961	May and Nov. 15	Exchange at par	11, 177, 153, 500. 00	1, 500. 00	11, 177, 152, 000. 00
2½% of 1962–67	May 5, 1942	On and after June 15, 1962; on June 15, 1967 [9]	June and Dec. 15	Par	2, 118, 164, 500. 00	7, 200, 000. 00	2, 110, 964, 500. 00
2½% of 1963	Dec. 15, 1954	On Aug. 15, 1963	Feb. and Aug. 15	Exchange at par	6, 754, 695, 500. 00		6, 754, 695, 500. 00
2½% of 1963–68	Dec. 1, 1942	On and after Dec. 15, 1963; on Dec. 15, 1968.[9]	June and Dec. 15	Par	2, 830, 914, 000. 00	12, 026, 500. 00	2, 818, 887, 500. 00
3% of 1964	Feb. 14, 1958	On Feb. 15, 1964	Feb. and Aug. 15	Exchange at par	3, 854, 181, 500. 00		3, 854, 181, 500. 00
2½% of 1964–69	Apr. 15, 1943	On and after June 15, 1964; on June 15, 1969.[9]	June and Dec. 15	Par	3, 761, 904, 000. 00	19, 962, 000. 00	3, 741, 942, 000. 00
2½% of 1964–69	Sept. 15, 1943	On and after Dec. 15, 1964; on Dec. 15, 1969.[9]	do	Par	3, 778, 754, 000. 00		
				Exchange at par	59, 444, 000. 00		
					3, 838, 198, 000. 00	21, 194, 500. 00	3, 817, 003, 500. 00
2⅝% of 1965	June 15, 1958	On Feb. 15, 1965	Feb. and Aug. 15	do	7, 387, 534, 000. 00	491, 300, 000. 00	6, 896, 234, 000. 00
2½% of 1965–70	Feb. 1, 1944	On and after Mar. 15, 1965; on Mar. 15, 1970.[9]	Mar. and Sept. 15	Par	5, 120, 861, 500. 00		
				Exchange at par	76, 533, 000. 00		
					5, 197, 394, 500. 00	500, 158, 000. 00	4, 697, 236, 500. 00
3% of 1966	Feb. 28, 1958	On Aug. 15, 1966	Feb. and Aug. 15	Par	1, 484, 298, 000. 00		1, 484, 298, 000. 00
2½% of 1966–71	Dec. 1, 1944	On and after Mar. 15, 1966; on Mar. 15, 1971.[9]	Mar. and Sept. 15	Par	3, 447, 511, 500. 00		
				Exchange at par	33, 353, 500. 00		
					3, 480, 865, 000. 00	535, 642, 500. 00	2, 945, 222, 500. 00

Footnotes at end of table.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959* [1]—Continued

Security and rate of interest	Date of security	When redeemable or payable [3]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT [a]—Continued							
Public Issues—Continued							
Marketable—Continued							
Treasury bonds—Continued							
2½% of 1967-72	June 1, 1945	On and after June 15, 1967; on June 15, 1972.[9]	June and Dec. 15	Par	$7,967,261,000.00	$6,138,251,000.00	$1,829,010,000.00
2½% of 1967-72	Oct. 20, 1941	On and after Sept. 15, 1967; on Sept. 15, 1972.	Mar. and Sept. 15	Par	2,527,073,950.00		
				Exchange at par	188,971,200.00		
					2,716,045,150.00	57,900.00	2,715,987,250.00
2½% of 1967-72	Nov. 15, 1945	On and after Dec. 15, 1967; on Dec. 15, 1972.[9]	June and Dec. 15	Par	11,688,868,500.00	7,999,212,500.00	3,689,656,000.00
4% of 1969	Oct. 1, 1957	On Oct. 1, 1969 [9]	Apr. and Oct. 1	Par	1,276,394,000.00	1,000.00	1,276,393,000.00
3⅞% of 1974	Dec. 2, 1957	On Nov. 15, 1974 [9]	May and Nov. 15	Par	653,811,500.00		653,811,500.00
3¼% of 1978-83	May 1, 1953	On and after June 15, 1978; on June 15, 1983.[9]	June and Dec. 15	Par	1,188,769,175.00		
				Exchange at par	417,314,825.00		
					1,606,084,000.00	3,488,000.00	1,602,596,000.00
4% of 1980 (Effective rate 4.0712%)	Jan. 23, 1959	On Feb. 15, 1980 [9]	Feb. and Aug. 15	$99.00	884,115,500.00		884,115,500.00
3¼% of 1985 (Effective rate 3.2222%)	June 3, 1958	On May 15, 1985 [9]	May and Nov. 15	$100.50	1,134,867,500.00		1,134,867,500.00
3½% of 1990	Feb. 14, 1958	On Feb. 15, 1990 [9]	Feb. and Aug. 15	Exchange at par	1,727,014,500.00	110,000.00	1,726,904,500.00
3% of 1995	Feb. 15, 1955	On Feb. 15, 1995 [9]	do	Par	821,474,500.00		
				Exchange at par	1,923,642,500.00		
					2,745,117,000.00	5,682,000.00	2,739,435,000.00
Total Treasury bonds					100,569,751,750.00	15,767,387,900.00	84,802,363,850.00
Other bonds:							
3% Panama Canal of 1961 [h] (Effective rate 2.9018%)	June 1, 1911	On June 1, 1961	Mar., June, Sept. and Dec. 1.	$102.5825	50,000,000.00	200,000.00	[11] 49,800,000.00
Total marketable obligations.					193,799,728,750.00	15,767,587,900.00	178,032,140,850.00
Nonmarketable: [f]							
Depositary bonds:							
2% First Series	Various dates from: July 1947	At option of United States or owner any	June and Dec. 1	Par	705,380,500.00	522,793,000.00	182,587,500.00

		time upon 30 to 60 days' notice; 12 years from issue date.					
Treasury bonds, investment series:							
2½% Series A-1965	Oct. 1, 1947	On and after Apr. 1, 1948, on demand at option of owner on 1 month's notice; on Oct. 1, 1965.	Apr. and Oct. 1	Par	969, 960, 000. 00	286, 045, 000. 00	683, 915, 000. 00
2¾% Series B-1975-80	Apr. 1, 1951	Apr. 1, 1975, exchangeable at any time at option of owner for marketable Treasury notes; on Apr. 1, 1980.[9] [12]	do	Par	451, 397, 500. 00		
				Exchange at par	14, 879, 956, 500. 00		
					15, 331, 354, 000. 00	7, 655, 486, 000. 00	7, 675, 868, 000. 00
Total Treasury bonds, investment series.					16, 301, 314, 000. 00	7, 941, 531, 000. 00	8, 359, 783, 000. 00
U.S. savings bonds: series and approximate yield to maturity (%):[13]	First day of each month:	After 60 days from issue date, on demand at option of owner; 10 years from issue date, but, at the option of owner, may be held and will accrue interest for additional 10 years.[14]	Sold at a discount; payable at par on maturity.				
E-1941 2.90 [15]	May to Dec. 1941	do	do	$75.00	1, 766, 563, 285. 87	1, 371, 165, 652. 95	395, 397, 632. 92
E-1942 2.90 [16]	Jan. to Apr. 1942	do	do	$75.00	2, 164, 542, 943. 04	1, 656, 093, 907. 46	508, 449, 035. 58
E-1942 2.95 [16]	May to Dec. 1942	do	do	$75.00	5, 675, 964, 600. 36	4, 506, 490, 674. 56	1, 169, 473, 925. 80
E-1943 2.95 [15]	Jan. to Dec. 1943	do	do	$75.00	12, 663, 820, 327. 27	10, 015, 670, 199. 72	2, 648, 150, 127. 55
E-1944 2.95 [15]	Jan. to Dec. 1944	do	do	$75.00	14, 737, 155, 296. 02	11, 527, 760, 598. 31	3, 209, 394, 697. 71
E-1945 2.95 [15]	Jan. to Dec. 1945	do	do	$75.00	11. 518, 986, 536. 29	8, 746, 674, 622. 80	2, 772, 311, 913. 49
E-1946 2.95 [15]	Jan. to Dec. 1946	do	do	$75.00	5, 143, 280, 272. 50	3, 617, 653, 147. 76	1, 525, 627, 124. 74
E-1947 2.95 [15]	Jan. to Dec. 1947	do	do	$75.00	4, 819, 402, 253. 46	3, 147, 942, 976. 38	1, 671, 459, 277. 08
E-1948 2.95 [15]	Jan. to Dec. 1948	do	do	$75.00	4, 951, 850, 327. 64	3, 050, 946, 241. 49	1, 900, 904, 086. 15
E-1949 2.95 [17]	Jan. to June 1949	do	do	$75.00	2, 599, 282, 869. 29	1, 506, 256, 459. 29	1, 093, 026, 410. 00
E-1949 2.90	July to Dec. 1949	do	do	$75.00	2, 235, 605, 918. 10	1, 222, 295, 797. 50	1, 013, 310, 120. 60
E-1950 2.90	Jan. to Dec. 1950	do	do	$75.00	4, 163. 159, 609. 38	2, 246, 522, 611. 88	1, 916, 636, 997. 50
E-1951 2.90	Jan. to Dec. 1951	do	do	$75.00	3, 582, 764, 471. 68	2, 003, 477, 972. 43	1, 579, 286, 499. 25

Footnotes at end of table.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959* [1]—Continued

Security and rate of interest	Date of security	When redeemable or payable [3]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT [a]—Continued							
Public Issues—Continued							
Nonmarketable—Continued							
U.S. savings bonds: series and approximate yield to maturity (%): [13]—Continued							
E-1952 2.90 (Jan. to Apr. 1952).	Jan. to Apr. 1952	After 60 days	Sold at a discount; payable at par on maturity.	$75.00	$1,223,234,161.28	$693,137,908.91	$530,096,252.37
E-1952 3.00 (May to Dec. 1952).	May to Dec. 1952	After 2 months from issue date, on demand at option of owner; 9 years 8 months from issue date, but, at the option of owner, may be held and will accrue interest for additional 10 years. [14]	Sold at a discount; payable at par on maturity.	$75.00	2,526,032,104.10	1,395,733,435.90	1,130,298,668.20
E-1953 3.00	Jan. to Dec. 1953	do	do	$75.00	4,258,013,870.60	2,268,875,633.80	1,989,138,236.80
E-1954 3.00	Jan. to Dec. 1954	do	do	$75.00	4,305,716,647.00	2,194,118,092.55	2,111,598,554.45
E-1955 3.00	Jan. to Dec. 1955	do	do	$75.00	4,462,328,758.35	2,183,882,786.95	2,278,445,971.40
E-1956 3.00	Jan. to Dec. 1956	do	do	$75.00	4,303,218,617.45	2,047,253,994.75	2,255,964,622.70
E-1957 3.00 (Jan. 1957)	Jan. 1957	do	do	$75.00	354,612,637.80	158,330,733.90	196,281,903.90
E-1957 3.25 (Feb. to Dec. 1957).	Feb. to Dec. 1957	After 2 months from issue date, on demand at option of owner; 8 years 11 months from issue date. [15]	do	$75.00	3,640,856,160.75	1,513,492,275.51	2,127,363,885.24
E-1958 3.25	Jan. to Dec. 1958	do	do	$75.00	3,834,147,195.29	1,218,809,204.36	2,615,337,990.93
E-1959 3.25 (Jan. to June 1959).	Jan. to June 1959	do	do	$75.00	1,566,841,856.25	207,959,212.50	1,358,882,643.75
Unclassified sales and redemptions.					27,205,116.15	694,838.52	26,510,277.63
Total Series E					106,524,585,835.92	68,501,238,980.18	38,023,346,855.74
F-1947 2.53	Jan. to Dec. 1947	After 6 months from issue date,	Sold at discount; payable	$74.00	410,235,162.73	307,158,684.23	103,076,478.50

		on demand at option of owner on 1 month's notice; 12 years from issue date.	at par on maturity.				
F-1948 2.53	Jan. to Dec. 1948	do	do	$74.00	595, 385, 759. 74	255, 549, 533. 34	339, 836, 226. 40
F-1949 2.53	Jan. to Dec. 1949	do	do	$74.00	275, 977, 880. 43	142, 610, 940. 58	133, 366, 939. 85
F-1950 2.53	Jan. to Dec. 1950	do	do	$74.00	469, 996, 404. 93	209, 874, 929. 58	260, 121, 475. 35
F-1951 2.53	Jan. to Dec. 1951	do	do	$74.00	141, 037, 411. 62	56, 501, 270. 83	84, 536, 140. 79
F-1952 2.53	Jan. to Apr. 1952	do	do	$74.00	45, 608, 175. 43	17, 156, 206. 63	28, 451, 968. 80
Unclassified sales and redemptions.					520. 00	91, 447. 00	[19] 90, 927. 00
Total Series F					1, 938, 241, 314. 88	988, 943, 012. 19	949, 298, 302. 69
G-1947 2.50	Jan. to Dec. 1947	do	Semiannually	Par	2, 247, 340, 000. 00	1, 694, 394, 400. 00	552, 945, 600. 00
G-1948 2.50	Jan. to Dec. 1948	do	do	Par	2, 542, 182, 700. 00	1, 179, 343, 100. 00	1, 362, 839, 600. 00
G-1949 2.50	Jan. to Dec. 1949	do	do	Par	1, 433, 060, 200. 00	639, 208, 300. 00	793, 851, 900. 00
G-1950 2.50	Jan. to Dec. 1950	do	do	Par	1, 938, 695, 600. 00	831, 368, 100. 00	1, 107, 327, 500. 00
G-1951 2.50	Jan. to Dec. 1951	do	do	Par	644, 428, 000. 00	231, 983, 400. 00	412, 444, 600. 00
G-1952 2.50	Jan. to Apr. 1952	do	do	Par	163, 428, 200. 00	52, 514, 400. 00	110, 913, 800. 00
Unclassified sales and redemptions.						89, 900. 00	[19] 89, 900. 00
Total Series G					8, 969, 134, 700. 00	4, 628, 901, 600. 00	4, 340, 233, 100. 00
H-1952 3.00	June to Dec. 1952	After 6 months from issue date, on demand at option of owner on 1 month's notice; 9 years 8 months from issue date.	Semiannually	Par	191, 480, 500. 00	56, 495, 000. 00	134, 985, 500. 00
H-1953 3.00	Jan. to Dec. 1953	do	do	Par	470, 499, 500. 00	118, 888, 000. 00	351, 611, 500. 00
H-1954 3.00	Jan. to Dec. 1954	do	do	Par	877, 680, 500. 00	203, 280, 500. 00	674, 400, 000. 00
H-1955 3.00	Jan. to Dec. 1955	do	do	Par	1, 173, 080, 000. 00	245, 868, 500. 00	927, 211, 500. 00
H-1956 3.00	Jan. to Dec. 1956	do	do	Par	893, 175, 500. 00	138, 981, 000. 00	754, 194, 500. 00
H-1957 3.00 (Jan. 1957)	Jan. 1957	do	do	Par	64, 506, 000. 00	7, 847, 500. 00	56, 658, 500. 00
H-1957 3.25 (Feb. to Dec. 1957).	Feb. to Dec. 1957	After 6 months from issue date, on demand at option of owner on 1 month's notice; 10 years from issue date.	do	Par	567, 686, 500. 00	41, 497, 000. 00	526, 189, 500. 00
H-1958 3.25	Jan. to Dec. 1958	do	do	Par	890, 247, 000. 00	30, 177, 500. 00	860, 069, 500. 00
H-1959 3.25 (Jan. to June 1959)	Jan. to June 1959	do	do	Par	373, 136, 500. 00	150, 000. 00	372, 986, 500. 00
Unclassified sales and redemptions.					22, 712, 000. 00	500. 00	22, 711, 500. 00
Total Series H					5, 524, 204, 000. 00	843, 185, 500. 00	4, 681, 018, 500. 00

Footnotes at end of table.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959* [1]—Continued

Security and rate of interest	Date of security	When redeemable or payable [3]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT [a]—Continued							
Public Issues—Continued							
Nonmarketable:—Continued							
U.S. savings bonds: series and approximate yield to maturity (%): [13]—Continued							
J-1952 2.76	May to Dec. 1952	After 6 months from issue date, on demand at option of owner on 1 month's notice; 12 years from issue date.	Sold at a discount; payable at par on maturity.	$72.00	$99,913,041.32	$39,045,613.48	$60,867,427.84
J-1953 2.76	Jan. to Dec. 1953	do	do	$72.00	145,229,392.76	45,032,538.06	100,196,854.70
J-1954 2.76	Jan. to Dec. 1954	do	do	$72.00	356,169,663.81	152,762,517.45	203,407,146.36
J-1955 2.76	Jan. to Dec. 1955	do	do	$72.00	253,379,943.70	79,554,644.80	173,825,298.90
J-1956 2.76	Jan. to Dec. 1956	do	do	$72.00	158,321,469.00	28,963,494.87	129,357,974.13
J-1957 2.76	Jan. to Apr. 1957	do	do	$72.00	33,187,244.73	4,087,321.78	29,099,922.95
Unclassified sales and redemptions.							
Total Series J					1,046,200,755.32	349,446,130.44	696,754,624.88
K-1952 2.76	May to Dec. 1952	do	Semiannually	Par	291,932,000.00	96,856,000.00	195,076,000.00
K-1953 2.76	Jan. to Dec. 1953	do	do	Par	302,931,500.00	79,596,000.00	223,335,500.00
K-1954 2.76	Jan. to Dec. 1954	do	do	Par	981,680,000.00	361,910,500.00	619,769,500.00
K-1955 2.76	Jan. to Dec. 1955	do	do	Par	633,925,500.00	169,902,000.00	464,023,500.00
K-1956 2.76	Jan. to Dec. 1956	do	do	Par	318,825,500.00	52,694,000.00	266,131,500.00
K-1957 2.76	Jan. to Apr. 1957	do	do	Par	53,978,500.00	4,325,000.00	49,653,500.00
Unclassified sales and redemptions.							
Total Series K					2,583,273,000.00	765,283,500.00	1,817,989,500.00
Total United States savings bonds.					126,585,639,606.12	76,076,998,722.81	50,508,640,883.31
Total nonmarketable obligations.					143,592,334,106.12	84,541,322,722.81	59,051,011,383.31
Total public issues					337,392,062,856.12	100,308,910,622.81	237,083,152,233.31

Special Issues [1]							
Canal Zone, Postal Savings (notes):		Reedemable after 1 year from date of issue and payable on June 30:					
2% Series 1963	Aug. 19, 1958	1963	June 30, Dec. 31	Par	300,000.00		300,000.00
Civil service retirement fund:							
Certificates:							
2⅝% Series 1960	June 30, 1959	On demand on June 30, 1960.	June 30	Par	297,577,000.00		297,577,000.00
Notes:		Redeemable after 1 year from date of issue and payable on June 30:					
2⅝% Series 1961	June 30, 1959	1961	do	Par	179,211,000.00		179,211,000.00
2⅝% Series 1962	do	1962	do	Par	179,211,000.00		179,211,000.00
2⅝% Series 1963	do	1963	do	Par	179,211,000.00		179,211,000.00
2⅝% Series 1964	do	1964	do	Par	179,211,000.00		179,211,000.00
	Various dates from:						
2½% Series 1960	June 30, 1957	1960	do	Par	385,000,000.00		385,000,000.00
2½% Series 1961	do	1961	do	Par	385,000,000.00		385,000,000.00
2½% Series 1962	do	1962	do	Par	385,000,000.00		385,000,000.00
2½% Series 1963	June 30, 1958	1963	do	Par	200,000,000.00		200,000,000.00
Bonds:		On demand; on June 30:					
2⅝% Series 1965	June 30, 1959	1965	do	Par	179,211,000.00		179,211,000.00
2⅝% Series 1966	do	1966	do	Par	179,211,000.00		179,211,000.00
2⅝% Series 1967	do	1967	do	Par	179,211,000.00		179,211,000.00
2⅝% Series 1968	do	1968	do	Par	364,211,000.00		364,211,000.00
2⅝% Series 1969	do	1969	do	Par	564,211,000.00		564,211,000.00
2⅝% Series 1970	do	1970	do	Par	564,211,000.00		564,211,000.00
2⅝% Series 1971	do	1971	do	Par	564,211,000.00		564,211,000.00
2⅝% Series 1972	do	1972	do	Par	564,211,000.00		564,211,000.00
2⅝% Series 1973	do	1973	do	Par	564,211,000.00		564,211,000.00
2⅝% Series 1974	do	1974	do	Par	564,211,000.00		564,211,000.00
2½% Series 1963	June 30, 1957	1963	do	Par	185,000,000.00		185,000,000.00
	Various dates from:						
2½% Series 1964	June 30, 1957	1964	do	Par	385,000,000.00		385,000,000.00
2½% Series 1965	do	1965	do	Par	385,000,000.00		385,000,000.00
2½% Series 1966	do	1966	do	Par	385,000,000.00		385,000,000.00
2½% Series 1967	do	1967	do	Par	385,000,000.00		385,000,000.00
2½% Series 1968	June 30, 1958	1968	do	Par	200,000,000.00		200,000,000.00
Federal Deposit Insurance Corporation (notes):	Various dates from Dec. 1:	Redeemable after 1 year from date of issue and payable on Dec. 1:					
2% Series 1959	1954	1959	June 1, Dec. 1	Par	233,700,000.00	152,700,000.00	81,000,000.00
2% Series 1960	1955	1960	do	Par	104,800,000.00		104,800,000.00
2% Series 1961	1956	1961	do	Par	227,800,000.00	1,500,000.00	226,300,000.00
2% Series 1962	1957	1962	do	Par	115,900,000.00	300,000.00	115,600,000.00
2% Series 1963	1958	1963	do	Par	113,000,000.00	11,400,000.00	101,600,000.00

Footnotes at end of table.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959* [1]—Continued

Security and rate of interest	Date of security	When redeemable or payable [3]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT [a]—Continued							
Special Issues [i]—Continued							
Federal disability insurance trust fund:							
Certificates:							
2⅝% Series 1960	June 30, 1959	On demand; on June 30: 1960	June 30, Dec. 31	Par	$88,950,000.00		$88,950,000.00
Notes:		Redeemable after 1 year from date of issue and payable on June 30:					
2⅝% Series 1961	do	1961	do	Par	63,000,000.00		63,000,000.00
2⅝% Series 1962	do	1962	do	Par	63,000,000.00		63,000,000.00
2⅝% Series 1963	do	1963	do	Par	63,000,000.00		63,000,000 00
2⅝% Series 1964	do	1964	do	Par	63,000,000.00		63,000,000.00
2½% Series 1960	Various dates from: June 30, 1957	1960	do	Par	37,500,000.00		37,500,000.00
2½% Series 1961	do	1961	do	Par	37,500,000.00		37,500,000.00
2½% Series 1962	do	1962	do	Par	37,500,000.00		37,500,000.00
2½% Series 1963	June 30, 1958	1963	do	Par	30,000,000.00		30,000,000.00
Bonds:		On demand; on June 30:					
2⅝% Series 1965	June 30, 1959	1965	do	Par	63,000,000.00		63,000,000.00
2⅝% Series 1966	do	1966	do	Par	63,000.00.000		63,000,000.00
2⅝% Series 1967	do	1967	do	Par	63,000.000 00		63,000,000.00
2⅝% Series 1968	do	1968	do	Par	70,500,000.00		70,500,000 00
2⅝% Series 1969	do	1969	do	Par	100,500,000.00		100,500,000.00
2⅝% Series 1970	do	1970	do	Par	100,500,000.00		100,500,000.00
2⅝% Series 1971	do	1971	do	Par	100,500,000.00		100,500,000.00
2⅝% Series 1972	do	1972	do	Par	100,500,000.00		100,500,000.00
2⅝% Series 1973	do	1973	do	Par	100,500,000.00		100,500,000.00
2⅝% Series 1974	do	1974	do	Par	100,500,000.00		100,500,000.00
2½% Series 1963	June 30, 1957	1963	do	Par	7,500,000.00		7,500,000.00
2½% Series 1964	Various dates from: June 30, 1957	1964	do	Par	37,500,000.00		37,500,000.00
2½% Series 1965	do	1965	do	Par	37,500,000.00		37,500,000.00
2½% Series 1966	do	1966	do	Par	37,500,000.00		37,500,000.00
2½% Series 1967	do	1967	do	Par	37,500,000.00		37,500,000.00
2½% Series 1968	June 30, 1958	1968	do	Par	30,000,000.00		30,000,000.00

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		1 year from date of issue and payable on June 30:					
Federal home loan banks (notes):							
1½% Series 1960	do	1960	do	Par	164, 800, 000. 00		164, 800, 000. 00
Federal Housing Administration:							
Armed services housing mortgage insurance fund (notes):	Various dates from:						
2% Series 1963	July 23, 1958	1963	do	Par	850, 000. 00	526, 000. 00	324, 000. 00
Housing insurance fund (notes):							
2% Series 1962	Sept. 18, 1957	1962	do	Par	3, 598, 000. 00	3, 450, 000. 00	148, 000. 00
2% Series 1963	July 23, 1958	1963	do	Par	3, 620, 000. 00		3, 620, 000. 00
Housing investment insurance fund (notes):							
2% Series 1962	Feb. 5, 1958	1962	do	Par	70, 000. 00		70, 000. 00
Mutual mortgage insurance fund (notes):							
2% Series 1962	Mar. 31, 1958	1962	do	Par	16, 888, 000. 00	1, 779, 000. 00	15, 109, 000. 00
National defense housing insurance fund (notes):	Various dates from:						
2% Series 1962	May 21, 1958	1962	do	Par	3, 000, 000. 00	2, 600, 000. 00	400, 000. 00
2% Series 1963	July 23, 1958	1963	do	Par	375, 000. 00		375, 000. 00
Section 220 housing insurance fund (notes):							
2% Series 1961	June 12, 1957	1961	do	Par	100, 000. 00		100, 000. 00
	Various dates from:						
2% Series 1962	Mar. 24, 1958	1962	do	Par	450, 000. 00		450, 000. 00
2% Series 1963	July 23, 1958	1963	do	Par	140, 000. 00		140, 000. 00
2% Series 1964	June 30, 1959	1964	do	Par	550, 000. 00		550, 000. 00
		Redeemable after 1 year from date of issue and payable on June 30:					
Section 221 housing insurance fund (notes):	Various dates from:						
2% Series 1962	Apr. 23, 1958	1962	do	Par	50, 000. 00		50, 000. 00
2% Series 1963	July 23, 1958	1963	do	Par	150, 000. 00		150, 000. 00
2% Series 1964	June 30, 1959	1964	do	Par	650, 000. 00		650, 000. 00
Servicemen's mortgage insurance fund (notes):	Various dates from:						
2% Series 1960	Dec. 30, 1955	1960	do	Par	500, 000. 00		500, 000. 00
2% Series 1961	July 18, 1956	1961	do	Par	550, 000. 00		550, 000. 00
2% Series 1962	Mar. 24, 1958	1962	do	Par	925, 000. 00		925, 000. 00
Title I housing insurance fund (notes):							
2% Series 1960	Feb. 1, 1956	1960	do	Par	700, 000. 00	670, 000. 00	30, 000. 00
2% Series 1961	Sept. 19, 1956	1961	do	Par	500, 000. 00		500, 000. 00
2% Series 1963	July 23, 1958	1963	do	Par	190, 000. 00		190, 000. 00
Title I insurance fund (notes):							
2% Series 1960	Oct. 21, 1955	1960	do	Par	5, 400, 000. 00		5, 400, 000. 00
2% Series 1962	Mar. 31, 1958	1962	do	Par	23, 179, 000. 00		23, 179, 000. 00
War housing insurance fund (notes):	Various dates from:						
2% Series 1963	July 23, 1958	1963	do	Par	12, 375, 000. 00	6, 403, 000. 00	5, 972, 000. 00

Footnotes at end of table.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959* [1]—Continued

Security and rate of interest	Date of security	When redeemable or payable [3]	Interest payment date	Average price received (per $100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT [a]—Continued							
Special Issues [i]—Continued							
Federal old-age and survivors insurance trust fund:							
Certificates:							
2⅝% Series 1960	June 30, 1959	On demand; on June 30, 1960.	June 30, Dec. 31	Par	$400, 237, 000. 00		$400, 237, 000. 00
Notes:		Redeemable after 1 year from date of issue and payable on June 30:					
2⅝% Series 1961	do	1961	do	Par	168, 000, 000. 00		168, 000, 000. 00
2⅝% Series 1962	do	1962	do	Par	168, 000, 000. 00		168, 000, 000. 00
2⅝% Series 1963	do	1963	do	Par	168, 000, 000. 00		168, 000, 000. 00
2⅝% Series 1964	do	1964	do	Par	168, 000, 000. 00		168, 000, 000. 00
2½% Series 1960	Various dates from: June 30, 1957	1960	do	Par	965, 000, 000. 00		965, 000, 000. 00
2½% Series 1961	do	1961	do	Par	965, 000, 000. 00		965, 000, 000. 00
2½% Series 1962	do	1962	do	Par	965, 000, 000. 00		965, 000, 000. 00
2½% Series 1963	June 30, 1958	1963	do	Par	465, 000, 000. 00		465, 000, 000. 00
Bonds:		On demand on June 30:					
2⅝% Series 1965	June 30, 1959	1965	do	Par	168, 000, 000. 00		168, 000, 000. 00
2⅝% Series 1966	do	1966	do	Par	168, 000, 000. 00		168, 000, 000. 00
2⅝% Series 1967	do	1967	do	Par	168, 000, 000. 00		168, 000, 000. 00
2⅝% Series 1968	do	1968	do	Par	668, 000, 000. 00		668, 000, 000. 00
2⅝% Series 1969	do	1969	do	Par	1, 133, 000, 000. 00		1, 133, 000, 000. 00
2⅝% Series 1970	do	1970	do	Par	1, 133, 000, 000. 00		1, 133, 000, 000. 00
2⅝% Series 1971	do	1971	do	Par	1, 133, 000, 000. 00		1, 133, 000, 000. 00
2⅝% Series 1972	do	1972	do	Par	1, 133, 000, 000. 00		1, 133, 000, 000. 00
2⅝% Series 1973	do	1973	do	Par	1, 133, 000, 000. 00		1, 133, 000, 000. 00
2⅝% Series 1974	do	1974	do	Par	1, 133, 000, 000. 00		1, 133, 000, 000. 00
2½% Series 1963	June 30, 1957	1963	do	Par	500, 000, 000. 00		500, 000, 000. 00
2½% Series 1964	Various dates from: June 30, 1957	1964	do	Par	965, 000, 000. 00		965, 000, 000. 00
2½% Series 1965	do	1965	do	Par	965, 000, 000. 00		965, 000, 000. 00
2½% Series 1966	do	1966	do	Par	965, 000, 000. 00		965, 000, 000. 00
2½% Series 1967	do	1967	do	Par	965, 000, 000. 00		965, 000, 000. 00
2½% Series 1968	June 30, 1958	1968	do	Par	465, 000, 000. 00		465, 000, 000. 00

Federal Savings and Loan Insurance Corporation:	Various dates from:						
Notes:							
2% Series 1960	June 30, 1955	1960	do	Par	25, 500, 000. 00	9, 000, 000. 00	16, 500, 000. 00
2% Series 1961	July 11, 1956	1961	do	Par	21, 000, 000. 00		21, 000, 000. 00
2% Series 1962	Aug. 16, 1957	1962	do	Par	41, 000, 000. 00		41, 000, 000. 00
2% Series 1963	July 9, 1958	1963	do	Par	37, 000, 000. 00		37, 000, 000. 00
Foreign service retirement fund:		On demand; on June 30:					
Certificates:							
4% Series 1960	June 30, 1959	1960	June 30	Par	25, 151, 000. 00		25, 151, 000. 00
3% Series 1960	do	do	do	Par	1, 265, 000. 00		1, 265, 000. 00
Government life insurance fund:							
Certificates:							
3½% Series 1960	do	do	do	Par	1, 127, 235, 000. 00		1, 127, 235, 000. 00
Highway trust fund:							
Certificates:							
2⅞% Series 1960	do	do	June 30, Dec. 31	Par	429, 214, 000. 00		429, 214, 000. 00
National service life insurance fund:	Various dates from June 30:	Redeemable after 1 year from date of issue and payable on June 30:					
Notes:							
3% Series 1960	1955	1960	June 30	Par	416, 608, 000. 00		416, 608, 000. 00
3% Series 1961	1956	1961	do	Par	873, 440, 000. 00		873, 440, 000. 00
3% Series 1962	1957	1962	do	Par	464, 727, 000. 00		464, 727, 000. 00
3% Series 1963	1958	1963	do	Par	1, 297, 544, 000. 00		1, 297, 544, 000. 00
3% Series 1964	1959	1964	do	Par	2, 689, 229, 000. 00		2, 689, 229, 000. 00
Railroad retirement account:							
Notes:							
3% Series 1960	1955	1960	do	Par	786, 013, 000. 00	168, 639, 000. 00	617, 374, 000. 00
3% Series 1961	1956	1961	do	Par	777, 202, 000. 00		777, 202, 000. 00
3% Series 1962	1957	1962	do	Par	1, 178, 688, 000. 00	238, 000. 00	1, 178, 450, 000. 00
3% Series 1963	June 30, 1958	1963	do	Par	751, 106, 000. 00		751, 106, 000. 00
3% Series 1964	June 30, 1959	1964	do	Par	93, 107, 000. 00		93, 107, 000. 00
Unemployment trust fund:							
Certificates:		On demand; on					
2¾ Series 1960	do	June 30, 1960	June 30, Dec. 31	Par	5, 636, 315, 000. 00		5, 636, 315, 000. 00
Veterans special term insurance fund:							
Certificates:							
2⅝% Series 1960	do	do	June 30	Par	66, 164, 000. 00		66, 164, 000. 00
Total special issues					45, 114, 836, 000. 00	359, 205, 000. 00	44, 755, 631, 000. 00
Total interest-bearing debt outstanding					382, 506, 898, 856. 12	100, 668, 115, 622. 81	281, 838, 783, 233. 31

Footnotes at end of table.

TABLE 25.—*Description of public debt issues outstanding June 30, 1959* [1]—Continued

Title of loan	Amount outstanding	Title of loan	Amount outstanding
MATURED DEBT ON WHICH INTEREST HAS CEASED		**MATURED DEBT ON WHICH INTEREST HAS CEASED**	
Old debt matured-issued prior to April 1, 1917 [20] [b]	[11] $1,370,720.26	Treasury notes, tax series [a]	$189,800.00
2½% Postal savings bonds [c]	[11] 723,760.00	Certificates of indebtedness, at various interest rates [a]	5,049,050.00
First Liberty bonds, at various interest rates [d]	[11] 754,900.00	Treasury bills [a]	34,227,000.00
Other Liberty bonds and Victory notes, at various interest rates [a]	5,090,500.00	Treasury savings certificates [a]	[11] 76,075.00
Treasury bonds, at various interest rates [a]	59,782,400.00	United States savings bonds [a]	307,561,675.00
Adjusted service bonds of 1945 [a]	2,340,100.00	Armed Forces leave bonds [a]	12,883,325.00
Treasury notes, at various interest rates [a]	9,076,700.00		
Treasury savings notes [a]	2,562,100.00	Total matured debt on which interest has ceased	441,688,105.26

Title of loan	Amount outstanding
DEBT BEARING NO INTEREST	
Special notes of the United States (issued pursuant to the provisions of the Bretton Woods Agreements Act, approved July 31, 1945, and under the authority of and subject to the provisions of the Second Libery Bond Act, as amended. The notes are nonnegotiable, bear no interest, and are payable on demand):	
International Monetary Fund series	$1,979,249,999.60
United States savings stamps (Public Debt Act of 1942)	52,238,878.06
Excess profits tax refund bonds (issued under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended, and Sections 780 to 783, inclusive, of the Internal Revenue Code, as amended. Issued in series depending upon the tax years for which credits are available and in amounts certified to the Secretary of the Treasury by the Commissioner of Internal Revenue. Bear no interest and mature at yearly intervals after the cessation of hostilities, as provided by Section 780 (E) of the Internal Revenue Code, as amended, and are redeemable at the option of the owner on or after Jan. 1, 1946):	
First Series	460,797.44
Second Series	381,267.56
Total excess profits tax refund bonds	842,065.00
Old demand notes (acts of July 17, 1861 (12 Stat. 259); Aug. 5, 1861 (12 Stat. 313); Feb. 12, 1862 (12 Stat. 338)). (The $60,030,000 issued includes $60,000,000 authorized to be outstanding and amounts issued on deposits including reissues.)	[11] 52,917.50
Fractional currency (acts of July 17, 1862 (12 Stat. 592); Mar. 3, 1863 (12 Stat. 711); June 30, 1864 (13 Stat. 220)). (The $368,724,080 issued includes $50,000,000 authorized to be outstanding and amounts issued on deposits including reissues.)	[11] [21] 1,965,808.76
Legal tender notes (acts of Feb. 25, 1862 (12 Stat. 345); July 11, 1862 (12 Stat. 532); Mar. 3, 1863 (12 Stat. 710); May 31, 1878 (20 Stat. 87); Mar. 14, 1900 (31 Stat. 45); Mar. 4, 1907 (34 Stat. 1200)). (Greatest amount ever authorized to be outstanding, $450,000,000.)	346,681,016.00
Less gold reserve	156,039,430.93
Total legal tender notes less gold reserve	[11] 190,641,585.07

National bank notes (redemption account) (the act of July 14, 1890 (20 Stat. 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 debt of the United States bearing no interest). (Authorized to be outstanding at one time. Indefinite.)	[11] 169, 355, 069. 50
Thrift and Treasury savings stamps	[11] 3, 706, 301. 00
Total debt bearing no interest	2, 398, 052, 624. 49
Gross debt (including $25,343,138,369.78 debt incurred to finance expenditures of Government corporations for which obligations of such corporations are held by the Treasury)	284, 678, 523, 963. 06
Guaranteed obligations not owned by the Treasury	111, 019, 150. 00
Total gross public debt and guaranteed obligations	284, 789, 543, 113. 06
Deduct debt not subject to statutory limitation (see footnote 11)	418, 444, 637. 09
Total debt subject to limitation [22]	284, 371, 098, 475. 97

[1] Interest rates on Series E and H savings bonds were increased on Sept. 22, 1959, retroactive to June 1, 1959. See account of Public Debt Operations, p. 31, and allied exhibits. The rates shown in this table are those in effect as of June 30, 1959, before the increase.

[2] Reconciliation of summary to the basis of daily Treasury statements is shown in table 24.

[3] Redeemable at the option of the United States on and after dates indicated, except where otherwise stated. In case of Treasury bonds and Treasury Bonds, Investment Series B-1975-80, now outstanding, such bonds may be redeemed only on interest dates; and 4 months' notice of redemption must be given.

[4] Treasury bills shown in this table are noninterest-bearing and are sold on a discount basis with competitive bids for each issue. The average sale price of these series gives an approximate yield on a bank discount basis (360 days a year) as indicated opposite each issue of bills. This yield differs slightly from the yield on a true discount basis (365 days a year) which is shown in the summary in table 24.

[5] Treasury bills are shown at maturity value.

[6] Acceptable in payment of income and profits taxes due Sept. 15, 1959.

[7] Acceptable in payment of income and profits taxes due Dec. 15, 1959.

[8] Owners have exercised the option to redeem $472,914,000.00 of these notes.

[9] Redeemable, at par and accrued interest, to date of payment, at any time upon the death of the owner at the option of the duly constituted representative of the deceased owner's estate, provided entire proceeds of redemption are applied to payment of Federal estate taxes due from deceased owner's estate.

[10] Not called for redemption on first call date. Callable on succeeding interest payment dates.

[11] Not subject to the statutory debt limitation.

[12] May be exchanged at option of owner for marketable 1½ percent 5-year Treasury notes, dated Apr. 1 and Oct. 1, next preceding the date of exchange.

[13] Amounts issued and retired for Series E, F, and J include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G, H, and K are stated at par value.

[14] During this additional 10-year period interest on bonds bearing issue dates of May 1, 1941, through April 1, 1942, will accrue at the rate of 2½ percent simple interest each year for the first 7½ years, and then increase for the remaining 2½ years to bring the aggregate interest return to approximately 2.90 percent, compounded semiannually. On bonds bearing issue date of May 1, 1942, and subsequent dates, interest will accrue after maturity at the rate of approximately 3 percent per annum, compounded semiannually, for each half-year period of the extension period.

[15] Approximate yield if held from issue date to end of 10-year extension period.

[16] If held from issue date to end of 10-year extension period, bonds of this series dated Jan. 1, 1942, through Apr. 1, 1942, yield approximately 2.90 percent and those dated May 1, 1942, through Dec. 1, 1942, yield approximately 2.95 percent.

[17] Matured bonds of this series yield approximately 2.95 percent if held from issue date to end of 10-year extension period, and unmatured bonds of this series yield approximately 2.90 percent if held to maturity.

[18] Bonds issued February through April 1957, at the option of the owner, may be held and will accrue interest for an additional 10 years.

[19] Deduct.

[20] For detailed information see 1956 annual report, page 435.

[21] After deducting amounts officially estimated to have been lost or irrevocably destroyed.

[22] Statutory debt limit of $283,000,000,000 was changed to $285,000,000,000 by the act approved June 30, 1959. The limit, including temporary increase, was $280,000,000,000 from Feb. 26 to Sept. 2, 1958; $288,000,000,000 from Sept. 2, 1958 to June 29, 1959; and $290,000,000,000 on June 30, 1959. For additional information on the statutory debt limitation see tables 28 and 29.

(Footnotes continued on following page)

AUTHORIZING ACTS:

(a) Sept. 24, 1917, as amended, except the Panama Canal bonds authorized Aug. 5, 1909, Feb. 4, 1910, and Mar. 2, 1911.

(b) Various.

(c) June 25, 1910.

(d) Apr. 24, 1917.

TAX STATUS:

(e) Any income derived from Treasury bills, whether interest or gain from their sale or other disposition does not have any exemption, as such, and loss from the sale or other disposition of any such bills does not have any special treatment, as such, under the Internal Revenue Code or laws amendatory or supplementary thereto. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which the bills are originally sold by the United States is to be considered to be interest.

(f) Income derived from these securities is subject to all taxes now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. The securities are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. The following is applicable to savings bonds only: For the purposes of taxation any 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. For exception, see Treasury bonds, 2¾% of 1960–65 and note g.

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.

(g) 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.

(h) 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.)

(i) These issues, being investments of various Government funds and payable only for the account of such funds, have no present tax liability.

In hands of foreign holders—Applicable only to securities issued prior to Mar. 1, 1941: 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.

MEMORANDUM RELATING TO OTHER OBLIGATIONS

	Amount
Obligations of the United States payable on presentation:	
United States registered interest checks payable	$225,691,921.94
United States interest coupons due and outstanding	93,936,612.25
Interest payable with and accrued discount added to principal of United States securities	8,307,222.39
Total	327,935,756.58

TABLE 26.—*Description of guaranteed obligations held outside the Treasury, June 30, 1959*

[On basis of daily Treasury statements, see "Bases of Tables"]

Security	Rate of interest	Amount
UNMATURED OBLIGATIONS [1] [2]		
Federal Housing Administration debentures issued under act of June 27, 1934, as amended (12 U.S.C. 1701-1750g):		
Mutual mortgage insurance fund:	*Percent*	
Series A[3]	3	$3,379,550.00
Series AA	2½	810,550.00
Series AA	2⅝	382,700.00
Series AA	2¾	291,350.00
Series AA	2⅞	2,550,200.00
Series AA	3	670,100.00
Series AA	3¼	194,550.00
Series AA	3⅜	183,300.00
Series AA	3½	236,350.00
Armed services housing mortgage insurance fund:		
Series FF	2½	2,664,500.00
Series FF	2¾	7,801,150.00
Housing insurance fund:		
Series BB	2½	5,910,000.00
Series BB	2⅝	19,750.00
Series BB	2¾	3,260,050.00
Series BB	3	581,750.00
Series BB	3⅜	198,200.00
National defense housing insurance fund:		
Series GG	2½	[4] 30,245,850.00
Series GG	2¾	28,557,400.00
Series GG	2⅞	149,000.00
Series P	2½	493,750.00
Section 221 housing insurance fund:		
Series DD	3⅜	7,750.00
Servicemen's mortgage insurance fund:		
Series EE	3	13,900.00
Series EE	3⅜	24,150.00
Title I housing insurance fund:		
Series L	2½	8,750.00
Series R	2¾	82,950.00
Series T	3	121,000.00
War housing insurance fund:		
Series H	2½	21,590,550.00
Total unmatured obligations		[5] [6] 110,429,100.00
MATURED OBLIGATIONS [7]		
Commodity Credit Corporation, interest		11.25
Federal Farm Mortgage Corporation:		
Principal		214,400.00
Interest		43,362.80
Home Owners' Loan Corporation:		
Principal		375,650.00
Interest		78,020.20
Reconstruction Finance Corporation, interest		19.25
Total matured obligations		711,463.50
Total based on guarantees		[6] 111,140,563.50

NOTE.—For obligations held by the Treasury, see table 122.

[1] Issued on various dates and payable on various dates. Interest is payable semiannually, Jan. 1 and July 1. All unmatured obligations except the Series A debentures are redeemable on any interest day or days, on 3 months' notice. Unmatured Series A debentures are not redeemable until maturity.

[2] Under the Public Debt Act of 1941 (31 U.S.C. 742a), income or gain derived from these securities except mutual mortgage insurance fund debentures, Series A, is subject to all Federal taxes now or hereafter imposed. The securities are subject to surtaxes, estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, municipality, or local taxing authority. Debentures issued on contracts entered into before Mar. 1, 1941, are exempt from all taxation except surtaxes, estate, inheritance, and gift taxes.

[3] Series A debentures are subject only to such Federal, State, and local taxes as the mortgages in exchange for which they are issued would be subject to in the hands of the holders of the debentures.

[4] Includes $178,700 face amount redeemed as of June 30, 1959, but omitted from transactions cleared on that date.

[5] Includes Series A debentures amounting to $1,623,800, maturing on July 1, 1959; and debentures called for redemption on July 1, 1959, at par plus accrued interest, as follows: Series AA, $995,150; Series FF, $6,000; Series EE, $38,050; Series L, $8,750; Series R, $21,550; Series T, $54,450; and Series H, $917,000.

[6] Does not include guaranteed obligations of the District of Columbia Armory Board in the amount of $96,000 not reported in the statement of guaranteed obligations in the daily Treasury statement of June 30, 1959.

[7] Funds on deposit with the Treasurer of the United States for payment of principal and interest.

TABLE 27.—*Postal Savings Systems' deposits and Federal Reserve notes outstanding June 30, 1946–59*

[Face amount in thousands of dollars. On basis of reports received by the Treasury]

June 30	Deposits in Postal Savings Systems [1]			Federal Reserve notes [4]
	U.S. Postal Savings System [2]	Canal Zone Postal Savings System [3]	Total	
1946	3, 119, 656	9, 612	3, 129, 268	23, 434, 613
1947	3, 392, 773	9, 602	3, 402, 375	23, 444, 193
1948	3, 379, 130	9, 129	3, 388, 259	23, 136, 167
1949	3, 277, 402	8, 943	3, 286, 346	22, 783, 823
1950	3, 097, 316	8, 643	3, 105, 959	22, 398, 284
1951	2, 788, 199	7, 044	2, 795, 244	22, 975, 292
1952	2, 617, 564	7, 005	2, 624, 569	24, 135, 367
1953	2, 457, 548	6, 848	2, 464, 396	25, 040, 465
1954	2, 251, 419	6, 506	2, 257, 926	24, 726, 731
1955	2, 007, 996	6, 290	2, 014, 286	25, 030, 031
1956	1, 765, 470	6, 313	1, 771, 783	25, 523, 779
1957	1, 462, 268	6, 139	1, 468, 408	25, 836, 574
1958	1, 212, 672	5, 713	1, 218, 385	25, 862, 932
1959	[5] 1, 041, 792	[6] 5, 492	1, 047, 284	[7] 26, 479, 923

[1] The faith of the United States is solemnly pledged to the payment of deposits (plus accrued interest at the rate of 2 percent) made in postal savings depositary offices. Interest is payable quarterly from the first day of the month next following date of deposit and on deposits made after Mar. 1, 1941 (under the Public Debt Act of 1941 (31 U.S.C. 742a)), is subject to all Federal taxes.

[2] Established by the act of June 25, 1910, as amended (39 U.S.C. 751–771).

[3] Established by the act of June 13, 1940 (2 Canal Zone Code 273–280).

[4] Authority for the issuance of Federal Reserve notes was given under the act of Dec. 23, 1913, as amended (12 U.S.C. 411–416). The notes are obligations of the United States and are receivable by all national and member banks and Federal Reserve Banks and for all taxes, customs, and other public dues. They are redeemable in lawful money on demand at the Treasury Department, Washington, D.C., or at any Federal Reserve Bank.

[5] Funds due depositors on June 30, 1959, including interest of $85,285,056 totaling $1,127,076,584, are offset by cash in designated depositary banks amounting to $21,760,490, which is secured by the pledge of collateral as provided in the regulations of the Postal Savings System, having a face value of $22,828,500; Government securities with a face value of $1,052,703,000; and cash in possession of the System and other net assets of $52,613,094.

[6] Funds due depositors on June 30, 1959, including interest of $248,858 totaling $5,741,093, are offset by Government securities having a face value of $6,050,000 and other assets.

[7] In actual circulation, exclusive of $921,950,104 redemption fund deposited in the Treasury and $874,555,890 of their own Federal Reserve notes held by the issuing banks. The collateral security for Federal Reserve notes issued consists of $10,750,000,000 in gold certificates and in credits with the Treasurer of the United States payable in gold certificates, $18,710,000,000 face amount of U.S. Government securities, and $149,955,000 face amount of commercial paper. Notes issued by a Federal Reserve Bank are a first lien against the assets of such Bank.

TABLE 28.—*Statutory limitation on the public debt and guaranteed obligations, June 30, 1959*

[In millions of dollars]

PART I.—STATUS UNDER LIMITATION, JUNE 30, 1959

Maximum amount of securities which may be outstanding at any one time under limitations imposed by section 21 of the Second Liberty Bond Act, as amended by the acts of Feb. 26, 1958, and June 30, 1959 (31 U.S.C. 757b). (The following table lists the amendments.)	290,000
Amount of securities outstanding subject to such statutory debt limitation:	
U.S. Government securities issued under the Second Liberty Bond Act, as amended	284,287
Guaranteed obligations (excluding those held by the Treasury)	111
Total amount of securities outstanding subject to statutory debt limitation	284,398
Balance issuable under limitation	5,602

PART II.—APPLICATION OF LIMITATION TO PUBLIC DEBT AND GUARANTEED OBLIGATIONS OUTSTANDING JUNE 30, 1959

Class of security	Subject to statutory debt limitation	Not subject to statutory debt limitation	Total outstanding
Public debt:			
Interest-bearing securities:			
Marketable:			
Treasury bills	32,017		32,017
Certificates of indebtedness	33,843		33,843
Treasury notes	27,314		27,314
Treasury bonds	84,803		84,803
Panama Canal bonds		50	50
Total marketable	177,977	50	178,027
Nonmarketable:			
U.S. savings bonds (current redemption value)	50,503		50,503
Depositary bonds	183		183
Treasury bonds, investment series	8,365		8,365
Total nonmarketable	59,050		59,050
Special issues to Government agencies and trust funds	44,756		44,756
Total interest-bearing securities	281,783	50	281,833
Matured debt on which interest has ceased	473	3	476
Debt bearing no interest:			
United States savings stamps	50		50
Excess profits tax refund bonds	1		1
Special notes of the United States:			
International Monetary Fund Series	1,979		1,979
United States notes (less gold reserve)		191	191
Deposits for retirement of national bank and Federal Reserve Bank notes		169	169
Other debt bearing no interest		6	6
Total debt bearing no interest	2,030	366	2,396
Total public debt	284,287	419	284,706
Guaranteed obligations (excluding those held by the Treasury):			
Interest-bearing	110		110
Matured	1		1
Total guaranteed obligations	111		111
Total public debt and guaranteed obligations	284,398	419	284,817

TABLE 29.—*Debt limitation under sec. 21 of the Second Liberty Bond Act, as amended*

Act	History of legislation	Amount
	1917	
Sept. 24, 1917	Sec. 1 (40 Stat. 288) authorized bonds in the amount of	[1] $7,538,945,400
	Sec. 5 (40 Stat. 290) authorized certificates of indebtedness outstanding (revolving authority)	[2] 4,000,000,000
	1918	
Apr. 4, 1918	Amending sec. 1 (40 Stat. 502) increased bond authority to	[1] 12,000,000,000
	Amending sec. 5 (40 Stat. 504) increased authority for certificates outstanding to	[2] 8,000,000,000
July 9, 1918	Amending sec. 1 (40 Stat. 844) increased bond authority to	[1] 20,000,000,000
	1919	
Mar. 3, 1919	Amending sec. 5 (40 Stat. 1311) increased authority for certificates outstanding to	[2] 10,000,000,000
	New sec. 18 added (40 Stat. 1309) authorized notes in the amount of	[1] 7,000,000,000
	1921	
Nov. 23, 1921	Amending sec. 18 (42 Stat. 321) increased note authority to outstanding (establishing revolving authority)	[2] 7,500,000,000
	1929	
June 17, 1929	Amending sec. 5 (46 Stat. 19) authorized Treasury bills in lieu of certificates of indebtedness, no change in limitation for the outstanding	[2] 10,000,000,000
	1931	
Mar. 3, 1931	Amending sec. 1 (46 Stat. 1506) increased bond authority to	[1] 28,000,000,000
	1934	
Jan. 30, 1934	Amending sec. 18 (48 Stat. 343) increased authority for notes outstanding to	[2] 10,000,000,000
	1935	
Feb. 4, 1935	Amending sec. 1 (49 Stat. 20) limited bonds outstanding, establishing revolving authority to	[2] 25,000,000,000
	New sec. 21 added (49 Stat. 21) consolidated authority for certificates and bills (sec. 5) and authority for notes (sec. 18); same aggregate amount outstanding	[2] 20,000,000,000
	New section 22 added (49 Stat. 21) authorized U.S. savings bonds within authority of sec. 1.	
	1938	
May 26, 1938	Amending secs. 1 and 21 (52 Stat. 447) consolidated in sec. 21, authority for bonds, certificates of indebtedness, Treasury bills, and notes (outstanding bonds limited to $30,000,000,000); same aggregate total outstanding	[2] 45,000,000,000
	1939	
July 20, 1939 (53 Stat. 1071)	Amending sec. 21 removed limitation on bonds without change total authorized outstanding of bonds, certificates of indebtedness, Treasury bills, and notes	[2] 45,000,000,000
	1940	
June 25, 1940 (54 Stat. 526)	Sec. 302, sec. 21 of the Second Liberty Bond Act, as amended, is hereby further amended by inserting "(a)" after "21," and by adding at the end of such section a new paragraph as follows: "(b) In addition to the amount authorized by the preceding paragraph of this section, any obligations authorized by sections 5 and 18 of this Act, as amended, not to exceed in the aggregate $4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under section 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor, any such obligations so issued shall be designated 'National Defense Series'."	[3] 4,000,000,000

Footnotes at end of table.

TABLE 29.—*Debt limitation under sec. 21 of the Second Liberty Bond Act, as amended*—Continued

Act	History of legislation	Amount
	1941	
Feb. 19, 1941 (55 Stat. 7)	Amending sec. 21 to read: "*Provided*, That the face amount of obligations issued under the authority of this Act shall not exceed in the aggregate $65,000,000,000 outstanding at any one time." Eliminates separate authority for $4,000,000,000 of National Defense Series obligations	[2] $65,000,000,000
	1942	
Mar. 28, 1942 (56 Stat. 189)	Amending sec. 21, increasing limitation to $125,000,000,000	[2] 125,000,000,000
	1943	
Apr. 10, 1943 (57 Stat. 63)	Amending sec. 21, increasing limitation to $210,000,000,000	[2] 210,000,000,000
	1944	
June 9, 1944 (58 Stat. 272)	Amending sec. 21, increasing limitation to $260,000,000,000	[2] 260,000,000,000
	1945	
Apr. 3, 1945 (59 Stat. 47)	Amending sec. 21 to read: "The face amount of obligations issued under authority of this Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate $300,000,000,000 outstanding at any one time."	300,000,000,000
	1946	
June 26, 1946 (60 Stat. 316)	Amending sec. 21, decreasing limitation to $275,000,000,000 and adding, "the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder thereof shall be considered, for the purposes of this section, to be the face amount of such obligation."	[2] 275,000,000,000
	1954	
Aug. 28, 1954 (68 Stat. 895)	Amending sec. 21, effective Aug. 28, 1954, and ending June 30, 1955, temporarily increasing limitation by $6,000,000,000 to	[2] 281,000,000,000
	1955	
June 30, 1955 (69 Stat. 241)	Amending Aug. 28, 1954, act, by extending until June 30, 1956, increase in limitation to	[2] 281,000,000,000
	1956	
July 9, 1956 (70 Stat. 519)	Amending act of Aug. 28, 1954, temporarily increasing limitation by $3,000,000,000, for period beginning on July 1, 1956, and ending on June 30, 1957, to	[2] 278,000,000,000
	1957	
Feb. 26, 1958 (72 Stat. 27)	Effective July 1, 1957; temporary increase terminates and limitation reverts, under act of June 26, 1946, to	[3] 275,000,000,000
	1958	
	Amending sec. 21, effective January 1958, and ending June 30, 1959, temporarily increasing limitation by $5,000,000,000 to	[3] 280,000,000,000
	1959	
Sept. 2, 1958 (72 Stat 1758)	Amending sec. 21 to raise permanent ceiling to	[3] 283,000,000,000
	1958–59	
	Continuing $5,000,000,000 temporary addition from act of Feb. 26, 1958, providing a limitation to June 30, 1959, of	[3] 288,000,000,000
	June 30, 1959	
June 30, 1959 (72 Stat. 1758, 73 Stat. 156 and 157).	Amending sec. 21, effective June 30, 1959, increasing permanent ceiling to $285,000,000,000, which, with temporary increase of Feb. 26, 1958, makes limitation on June 30, 1959	[3] 290,000,000,000
	1960	
	Amending sec. 21, effective July 1, 1959, and ending June 30, 1960, temporarily increasing limitation by $10,000,000,000 to	[3] 295,000,000,000

[1] Limitation on issue. [2] Limitation on outstanding. [3] Limitation on issues less retirements.

II.—Operations

TABLE 30.—*Public debt receipts and expenditures by security classes, monthly for fiscal year 1959 and totals for 1958 and 1959*

[On basis of daily Treasury statements, see "Bases of Tables"]

Receipts (issues)	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Public issues:							
Marketable obligations:							
Treasury bills:							
Regular weekly	$8,156,924,000.00	$6,498,148,000.00	$6,864,875,000.00	$8,663,783,000.00	$6,626,530,000.00	$7,492,062,000.00	$9,141,657,000.00
Tax anticipation					2,996,699,000.00		
Other				2,735,421,000.00			
Certificates of indebtedness:							
Regular							
Tax anticipation		3,567,049,000.00					
Special							
Treasury notes				1,183,723,000.00	[a] 149,000.00		2,737,725,000.00
Treasury bonds							797,912,500.00
Subtotal	8,156,924,000.00	10,065,197,000.00	6,864,875,000.00	12,582,927,000.00	9,623,080,000.00	7,492,062,000.00	12,677,294,500.00
Exchanges:							
Treasury bills, regular weekly	342,864,000.00	500,843,000.00	335,440,000.00	343,064,000.00	581,853,000.00	308,812,000.00	458,528,000.00
Certificates of indebtedness:							
Regular	18,190,000.00	13,500,802,000.00	[a] 345,000.00			7,710,556,000.00	
Tax anticipation							
Treasury notes	82,832,000.00	165,772,000.00	84,161,000.00	126,865,000.00	10,255,000.00	4,123,031,000.00	109,199,000.00
Treasury bonds	29,548,000.00	1,440,000.00		182,000.00			
Subtotal	473,434,000.00	14,168,857,000.00	419,256,000.00	470,111,000.00	592,108,000.00	12,142,399,000.00	567,727,000.00
Total marketable	8,630,358,000.00	24,234,054,000.00	7,284,131,000.00	13,053,038,000.00	10,215,188,000.00	19,634,461,000.00	13,245,021,500.00
Nonmarketable obligations:							
Depositary bonds	35,435,000.00	5,490,000.00	36,193,000.00	663,000.00	80,000.00	586,000.00	492,000.00
Special notes of International Monetary Fund series	14,000,000.00		33,000,000.00	61,000,000.00		70,000,000.00	
U.S. savings bonds:							
Issue price	418,233,477.50	369,063,724.75	351,984,096.00	377,751,373.35	324,490,884.15	370,446,126.80	485,862,391.47
Accrued discount	121,409,562.00	94,980,275.90	96,197,901.21	86,021,663.58	97,014,321.80	122,436,375.07	127,243,147.90
U.S. savings stamps	638,597.75	535,175.50	879,533.75	986,780.25	1,969,400.20	1,794,445.50	1,956,853.80
Total nonmarketable	589,716,637.25	470,069,176.15	518,254,530.96	526,422,817.18	423,554,606.15	565,262,947.37	615,554,393.17
Total public issues	9,220,074,637.25	24,704,123,176.15	7,802,385,530.96	13,579,460,817.18	10,638,742,606.15	20,199,723,947.37	13,860,575,893.17

Receipts (issues)	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958
	February 1959	March 1959	April 1959	May 1959	June 1959		
Public issues:							
Marketable obligations:							
Treasury bills:							
Regular weekly	$6,525,005,000.00	$6,758,851,000.00	$7,139,067,000.00	$4,880,795,000.00	$6,263,342,000.00	$85,011,039,000.00	$85,223,823,000.00
Tax anticipation	1,501,759,000.00			1,499,795,000.00		5,998,253,000.00	3,001,664,000.00
Other			2,006,171,000.00	2,003,314,000.00		6,744,906,000.00	1,751,093,000.00
Certificates of indebtedness:							
Regular							1,132,565,000.00
Tax anticipation						3,567,049,000.00	
Special							207,000,000.00
Treasury notes	[a] 90,000.00		1,743,040,000.00			5,664,249,000.00	7,214,041,000.00
Treasury bonds	36,134,500.00	29,122,500.00	640,407,000.00			1,503,576,500.00	3,929,910,000.00
Subtotal	8,062,808,500.00	6,787,973,500.00	11,528,685,000.00	8,383,904,000.00	6,263,342,000.00	108,489,072,500.00	102,460,096,000.00
Exchanges:							
Treasury bills, regular weekly	672,323,000.00	243,629,000.00	464,312,000.00	722,250,000.00	338,743,000.00	5,312,661,000.00	3,608,474,000.00
Certificates of indebtedness:							
Regular		[a] 400,000.00				21,228,803,000.00	41,758,565,000.00
Tax anticipation	11,363,026,000.00			1,269,461,000.00		12,632,487,000.00	
Treasury notes	1,482,447,000.00	130,919,000.00	150,274,000.00	70,455,000.00	39,725,000.00	6,575,935,000.00	3,675,709,000.00
Treasury bonds						31,170,000.00	12,937,560,000.00
Subtotal	13,517,796,000.00	374,148,000.00	614,586,000.00	2,062,166,000.00	378,468,000.00	45,781,056,000.00	61,980,308,000.00
Total marketable	21,580,604,500.00	7,162,121,500.00	12,143,271,000.00	10,446,070,000.00	6,641,810,000.00	154,270,128,500.00	164,440,404,000.00
Nonmarketable obligations:							
Depositary bonds	464,000.00	3,118,000.00	1,017,000.00	846,000.00	1,318,000.00	85,702,000.00	50,726,500.00
Special notes of International Monetary Fund Series	14,000,000.00	200,000,000.00		7,000,000.00	1,057,249,999.60	1,456,249,999.60	38,000,000.00
U.S. savings bonds:							
Issue price	383,380,605.06	413,978,322.35	349,685,455.20	338,394,296.87	322,691,622.50	4,505,962,376.00	4,670,164,156.70
Accrued discount	97,204,126.21	98,099,062.77	84,297,407.54	85,122,019.43	118,036,776.99	1,228,062,640.40	1,225,889,419.39
U.S. savings stamps	1,627,846.20	1,959,970.95	2,230,378.30	221.75	2,646,669.20	17,225,873.15	19,084,793.10
Total nonmarketable	496,676,577.47	717,155,356.07	437,230,241.04	431,362,538.05	1,501,943,068.29	7,293,202,889.15	6,003,864,869.19
Total public issues	22,077,281,077.47	7,879,276,856.07	12,580,501,241.04	10,877,432,538.05	8,143,753,068.29	161,563,331,389.15	170,444,268,869.19

Footnotes at end of table.

TABLE 30.—*Public debt receipts and expenditures by security classes, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

Receipts (issues)	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Special issues:							
Canal Zone, Postal Savings System notes	----------	$300,000.00	----------	----------	----------	----------	----------
Civil service retirement fund:							
Certificates	$131,391,000.00	157,002,000.00	$144,188,000.00	$128,164,000.00	$119,167,000.00	$122,032,000.00	$144,626,000.00
Notes	----------	----------	----------	----------	----------	----------	----------
Bonds	----------	----------	----------	----------	----------	----------	----------
Federal Deposit Insurance Corp. notes	----------	2,500,000.00	1,000,000.00	4,000,000.00	2,500,000.00	19,900,000.00	67,100,000.00
Federal disability insurance trust fund:							
Certificates	52,558,000.00	106,900,000.00	81,100,000.00	44,900,000.00	61,200,000.00	88,096,000.00	47,670,000.00
Notes	----------	----------	----------	----------	----------	----------	----------
Bonds	----------	----------	----------	----------	----------	----------	----------
Federal home loan banks:							
Certificates	----------	----------	----------	----------	----------	----------	----------
Notes	----------	----------	----------	----------	----------	----------	----------
Federal Housing Administration funds notes	3,670,000.00	1,760,000.00	1,275,000.00	----------	----------	----------	----------
Federal old-age and survivors insurance trust fund:							
Certificates	571,890,000.00	974,600,000.00	549,300,000.00	375,400,000.00	591,100,000.00	697,600,000.00	376,150,000.00
Notes	----------	----------	----------	----------	----------	----------	----------
Bonds	----------	----------	----------	----------	----------	----------	----------
Federal Savings and Loan Insurance Corp. notes	3,000,000.00	3,000,000.00	3,000,000.00	2,000,000.00	4,000,000.00	3,000,000.00	4,000,000.00
Foreign service retirement fund certificates	2,231,000.00	161,000.00	243,000.00	201,000.00	154,000.00	177,000.00	212,000.00
Government life insurance fund certificates	----------	----------	----------	----------	----------	----------	----------
Highway trust fund certificates	43,200,000.00	----------	5,500,000.00	18,199,000.00	----------	----------	----------
National service life insurance fund notes	----------	----------	----------	----------	----------	----------	----------
Postal Savings System notes	----------	----------	----------	----------	----------	----------	----------
Railroad retirement account notes	133,608,000.00	76,683,000.00	47,375,000.00	11,693,000.00	65,744,000.00	55,715,000.00	12,972,000.00
Unemployment trust fund certificates	39,532,000.00	188,000,000.00	6,550,000.00	----------	122,500,000.00	76,900,000.00	----------
Veterans special term insurance fund certificates	800,000.00	1,100,000.00	1,100,000.00	1,200,000.00	800,000.00	1,100,000.00	2,300,000.00
Total special issues	981,880,000.00	1,512,006,000.00	840,631,000.00	585,757,000.00	967,165,000.00	1,064,520,000.00	655,030,000.00
Total public debt receipts	10,201,954,637.25	26,216,129,176.15	8,643,016,530.96	14,165,217,817.18	11,605,907,606.15	21,264,243,947.37	14,515,605,893.17

Receipts (issues)	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958
	February 1959	March 1959	April 1959	May 1959	June 1959		
Special issues:							
Canal Zone, Postal Savings System notes						$300,000.00	
Civil service retirement fund:							
Certificates	$129,103,000.00	$121,518,000.00	$120,872,000.00	$134,983,000.00	$415,781,000.00	1,868,827,000.00	$5,398,840,000.00
Notes					716,844,000.00	716,844,000.00	800,000,000.00
Bonds					4,287,110,000.00	4,287,110,000.00	1,000,000,000.00
Federal Deposit Insurance Corp. notes	12,000,000.00	1,000,000.00	3,000,000.00	4,000,000.00	6,000,000.00	123,000,000.00	116,400,000.00
Federal disability insurance trust fund:							
Certificates	74,688,000.00	121,570,000.00	68,668,000.00	126,080,000.00	148,615,000.00	1,022,045,000.00	1,540,940,000.00
Notes					252,000,000.00	252,000,000.00	120,000,000.00
Bonds					862,500,000.00	862,500,000.00	150,000,000.00
Federal home loan banks:							
Certificates							160,100,000.00
Notes							164,800,000.00
Federal Housing Administration funds notes	6,100,000.00	3,175,000.00	925,000.00	320,000.00	1,675,000.00	18,900,000.00	65,831,000.00
Federal old-age and survivors insurance trust fund:							
Certificates	689,570,000.00	1,002,654,000.00	563,550,000.00	1,288,500,000.00	757,437,000.00	8,437,751,000.00	16,996,713,000.00
Notes					672,000,000.00	672,000,000.00	1,860,000,000.00
Bonds					7,970,000,000.00	7,970,000,000.00	2,325,000,000.00
Federal Savings and Loan Insurance Corp. notes	3,000,000.00	1,000,000.00	3,000,000.00	4,000,000.00	4,000,000.00	37,000,000.00	41,000,000.00
Foreign service retirement fund certificates	201,000.00	159,000.00	234,000.00	160,000.00	26,591,000.00	30,724,000.00	28,169,000.00
Government life insurance fund certificates					1,127,235,000.00	1,127,235,000.00	1,144,116,000.00
Highway trust fund certificates	74,000,000.00	79,600,000.00			528,214,000.00	748,713,000.00	1,453,198,000.00
National service life insurance fund notes					2,689,229,000.00	2,689,229,000.00	1,297,544,000.00
Postal Savings System notes							15,000,000.00
Railroad retirement account notes	59,198,000.00	63,032,000.00	13,479,000.00	76,989,000.00	138,112,000.00	754,600,000.00	1,024,092,000.00
Unemployment trust fund certificates	83,000,000.00			467,500,000.00	5,636,315,000.00	6,620,297,000.00	7,509,578,000.00
Veterans special term insurance fund certificates	2,800,000.00	1,600,000.00	1,400,000.00	1,200,000.00	67,264,000.00	82,664,000.00	61,367,000.00
Total special issues	1,133,660,000.00	1,395,308,000.00	775,128,000.00	2,103,732,000.00	26,306,922,000.00	38,321,739,000.00	43,272,688,000.00
Total public debt receipts	23,210,941,077.47	9,274,584,856.07	13,355,629,241.04	12,981,164,538.05	34,450,675,068.29	199,885,070,389.15	213,716,956,869.19

Footnotes at end of table.

TABLE 30.—*Public debt receipts and expenditures by security classes, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

Expenditures (retirements)	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Public issues:							
Marketable obligations:							
Treasury bills:							
Regular weekly	$8,150,692,000.00	$6,512,495,000.00	$6,567,794,000.00	$8,151,395,000.00	$6,412,695,000.00	$6,898,221,000.00	$8,544,111,000.00
Tax anticipation	227,000.00	102,000.00	16,000.00	110,000.00	85,000.00	40,000.00	10,000.00
Other							
Certificates of indebtedness:							
Regular	1,214,000.00	863,328,000.00	10,858,000.00	5,964,000.00	1,789,100.00	99,621,000.00	2,334,500,000
Tax anticipation	93,000.00				130,000.00		21,000.00
Special							
Treasury notes	14,994,000.00	6,154,000.00	2,334,500.00	121,418,300.00	1,421,000.00	2,060,500.00	911,000.00
Treasury bonds	440,961,250.00	12,614,850.00	1,729,652,750.00	65,704,800.00	18,564,650.00	309,071,950.00	35,284,900.00
Other	37,256.50	35,807.00	26,838.50	31,690.25	18,472.50	18,728.00	50,857.25
Subtotal	8,608,218,506.50	7,394,729,657.00	8,310,682,088.50	8,344,623,790.25	6,434,703,222.50	7,309,033,178.00	8,582,723,257.25
Exchanges:							
Treasury bills, regular weekly	342,864,000.00	500,843,000.00	335,440,000.00	343,064,000.00	581,853,000.00	308,812,000.00	458,528,000.00
Treasury certificates, regular		10,634,540,000.00	a 114,000.00			9,733,015,000.00	
Treasury notes	398,000.00	20,000.00					
Treasury bonds	47,340,000.00	2,867,682,000.00	a 231,000.00	182,000.00		2,055,919,000.00	a 5,000.00
Subtotal	390,602,000.00	14,003,085,000.00	335,095,000.00	343,246,000.00	581,853,000.00	12,097,746,000.00	458,523,000.00
Total marketable	8,998,820,506.50	21,397,814,657.00	8,645,777,088.50	8,687,869,790.25	7,016,556,222.50	19,406,779,178.00	9,041,246,257.25
Nonmarketable obligations:							
Adjusted service bonds	27,050.00	18,400.00	15,900.00	28,050.00	19,300.00	14,750.00	21,100.00
Armed Forces leave bonds	a 675.00	393,925.00		484,700.00	84,725.00	241,925.00	125,900.00
Depositary bonds	1,985,000.00	486,000.00	1,088,000.00	28,452,000.00	10,105,000.00	3,846,000.00	7,515,000.00
Excess profits tax refund bonds	1,354.96	3,202.51	6,287.71	3,172.32	2,743.71	2,637.33	9,899.71
Special notes, International Monetary Fund series		13,000,000.00	26,000,000.00				9,000,000.00
Treasury bonds, investment series	14,122,000.00	17,786,000.00	13,051,000.00	7,826,000.00	15,962,000.00	21,065,000.00	11,383,000.00
Treasury tax and savings notes	46,175.00	40,775.00	51,450.00	256,125.00	37,600.00	57,300.00	107,775.00
U.S. savings bonds:							
Matured:							
Issue price	245,995,377.75	134,392,657.50	279,071,265.75	214,982,238.00	107,371,704.50	209,809,677.00	114,739,902.25
Accrued discount	48,774,702.08	35,054,243.39	56,506,733.61	47,914,153.27	23,513,091.26	53,136,710.83	30,375,493.02
Unmatured:							
Issue price	292,993,067.75	254,090,854.75	253,914,594.50	285,272,877.25	296,280,175.00	281,985,978.75	465,468,656.50
Accrued discount	11,674,686.32	8,230,214.84	13,294,028.95	12,344,596.31	6,071,448.05	13,764,070.65	8,221,980.03
Unclassified [1]	26,451,340.63	102,052,647.71	a 79,535,362.22	a 9,687,967.20	47,671,033.19	27,328,654.74	248,608,181.95

Expenditures (retirements)	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958
	February 1959	March 1959	April 1959	May 1959	June 1959		
Public issues:							
Marketable obligations:							
Treasury bills:							
Regular weekly	$6,534,353,000.00	$6,367,337,000.00	$7,127,655,000.00	$4,881,270,000.00	$6,294,633,000.00	$82,442,651,000.00	$83,604,452,000.00
Tax anticipation	5,000.00	7,000.00	1,000.00	21,000.00	2,944,349,000.00	2,944,973,000.00	4,517,413,000.00
Other				2,729,958,000.00	2,657,000.00	2,732,615,000.00	1,749,155,000.00
Certificates of indebtedness:							
Regular	870,077,000.00	3,673,000.00	2,195,000.00	546,312,000.00	1,300,000.00	2,408,665,600.00	1,074,978,200.00
Tax anticipation		3,527,995,000.00	37,018,000.00	1,577,000.00	180,000.00	3,567,014,000.00	801,000.00
Special							207,000,000.00
Treasury notes	1,183,798,250.00	10,404,050.00	120,408,300.00	1,844,000.00	825,500.00	1,466,573,400.00	969,440,050.00
Treasury bonds	15,922,800.00	25,590,200.00	31,816,650.00	19,332,150.00	15,976,150.00	2,720,493,100.00	449,669,600.00
Other	30,051.25	18,922.50	51,400.25	40,562.25	26,798.75	387,385.00	733,167.50
Subtotal	8,604,186,101.25	9,935,025,172.50	7,319,145,350.25	8,180,354,712.25	9,259,947,448.75	98,283,372,485.00	92,573,642,017.50
Exchanges:							
Treasury bills, regular weekly	672,323,000.00	243,629,000.00	464,312,000.00	722,250,000.00	338,743,000.00	5,312,661,000.00	4,752,914,000.00
Treasury certificates, regular	8,894,625,000.00	[a] 580,000.00		1,269,461,000.00		30,530,947,000.00	29,373,975,000.00
Treasury notes	3,903,437,000.00	130,000.00				3,903,985,000.00	20,457,465,000.00
Treasury bonds						4,970,887,000.00	6,228,773,000.00
Subtotal	13,470,385,000.00	243,179,000.00	464,312,000.00	1,991,711,000.00	338,743,000.00	44,718,480,000.00	60,813,127,000.00
Total marketable	22,074,571,101.25	10,178,204,172.50	7,783,457,350.25	10,172,065,712.25	9,598,690,448.75	143,001,852,485.00	153,386,769,017.50
Nonmarketable obligations:							
Adjusted service bonds	24,700.00	25,300.00	22,000.00	13,850.00	12,650.00	243,050.00	283,750.00
Armed Forces leave bonds		374,975.00	277,675.00	215,950.00	[a] 75.00	2,199,025.00	3,532,850.00
Depositary bonds	11,759,000.00	3,531,000.00	2,824,000.00	1,614,500.00	718,500.00	73,924,000.00	75,858,000.00
Excess profits tax refund bonds	1,722.18	3,346.67	3,726.98	2,735.87	6,576.63	47,406.58	33,922.95
Special notes, International Monetary Fund series		39,000,000.00	4,000,000.00		4,000,000.00	95,000,000.00	488,000,000.00
Treasury bonds, investment series	17,175,000.00	9,349,000.00	32,189,000.00	19,600,000.00	14,144,000.00	193,652,000.00	346,669,000.00
Treasury tax and savings notes	40,850.00	122,375.00	99,075.00	75,425.00	54,025.00	988,950.00	2,010,650.00
U.S. savings bonds:							
Matured:							
Issue price	300,396,770.75	516,657,708.25	304,691,369.75	242,801,171.75	267,826,168.25	2,938,736,011.50	3,062,804,661.00
Accrued discount	73,599,648.33	111,020,159.24	69,478,494.00	61,406,435.90	72,043,681.55	682,823,546.48	666,750,060.66
Unmatured:							
Issue price	243,763,342.25	213,249,154.50	172,405,147.25	441,920,607.75	413,775,177.25	3,615,119,633.50	4,564,706,344.95
Accrued discount	17,423,691.58	20,731,201.78	16,446,890.99	15,740,990.52	18,663,088.40	162,606,888.42	174,145,414.14
Unclassified[1]	[a] 50,988,847.03	[a] 208,824,490.92	60,733,021.26	[a] 175,985,162.56	[a] 137,958,406.09	[a] 150,135,356.54	75,135,923.50

Footnotes at end of table.

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TABLE 30.—*Public debt receipts and expenditures by security classes, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

Expenditures (retirements)	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Public issues:—Continued							
Nonmarketable obligations:—Con.							
U.S. savings stamps	$2, 254, 322. 70	$1, 218, 160. 55	$1, 094, 526. 45	$993, 821. 65	$654, 562. 80	$1, 099, 959. 65	$1, 650, 591. 35
Subtotal	644, 324, 402. 19	566, 767, 081. 25	564, 558, 424. 75	588, 869, 766. 60	507, 773, 383. 51	612, 352, 663. 95	897, 227, 479. 81
Exchanges:							
Treasury bonds, investment series	82, 832, 000. 00	165, 772, 000. 00	84, 161, 000. 00	126, 865, 000. 00	10, 255, 000. 00	44, 653, 000. 00	109, 204, 000. 00
Total nonmarketable	727, 156, 402. 19	732, 539, 081. 25	648, 719, 424. 75	715, 734, 766. 60	518, 028, 383. 51	657, 005, 663. 95	1, 006, 431, 479. 81
Total public issues	9, 725, 976, 908. 69	22, 130, 353, 738. 25	9, 294, 496, 513. 25	9, 403, 604, 556. 85	7, 534, 584, 606. 01	20, 063, 784, 841. 95	10, 047, 677, 737. 06
Special issues:							
Canal Zone, Postal Savings System notes							
Civil service retirement fund:							
Certificates	61, 000, 000. 00	62, 000, 000. 00	69, 000, 000. 00	89, 362, 000. 00	67, 000, 000. 00	69, 000, 000. 00	105, 723, 000. 00
Notes							
Federal Deposit Insurance Corp. notes				10, 000, 000. 00	50, 000, 000. 00	11, 400, 000. 00	
Federal disability insurance trust fund:							
Certificates	21, 830, 000. 00	21, 500, 000. 00	30, 200, 000. 00	37, 116, 000. 00	31, 400, 000. 00	31, 400, 000. 00	51, 750, 000. 00
Notes							
Federal home loan banks:							
Certificates							
Notes							
Federal Housing Administration funds notes				12, 550, 000. 00		3, 325, 000. 00	
Federal old-age and survivors insurance trust fund:							
Certificates	882, 140, 000. 00	760, 500, 000. 00	735, 800, 000. 00	754, 578, 000. 00	741, 700, 000. 00	741, 700, 000. 00	947, 357, 000. 00
Notes							
Federal Savings and Loan Insurance Corp. notes	24, 350, 000. 00			2, 000, 000. 00			
Foreign service retirement fund certificates	200, 000. 00	250, 000. 00	250, 000. 00	250, 000. 00	265, 000. 00	290, 000. 00	275, 000. 00
Government life insurance fund certificates	6, 000, 000. 00	4, 000, 000. 00	3, 000, 000. 00	5, 000, 000. 00	3, 000, 000. 00	3, 000, 000. 00	5, 000, 000. 00
Highway trust fund certificates		58, 300, 000. 00		50, 200, 000. 00	195, 000, 000. 00	200, 000, 000. 00	104, 000, 000. 00

Expenditures (retirements)	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958
	February 1959	March 1959	April 1959	May 1959	June 1959		
Public issues:—Continued							
Nonmarketable obligations:—Con.							
U. S. savings stamps	$1, 905, 229. 60	$2, 236, 106. 20	$1, 678, 250. 60	$1, 734, 122. 60	$1, 850, 161. 65	$18, 369, 815. 80	$18, 699, 406. 84
Subtotal	615, 101, 107. 66	707, 475, 835. 72	664, 848, 650. 83	609, 140, 626. 83	655, 135, 547. 64	7, 633, 574, 970. 74	9, 478, 629, 984. 04
Exchanges:							
Treasury bonds, investment series	47, 411, 000. 00	130, 969, 000. 00	150, 274, 000. 00	70, 455, 000. 00	39, 725, 000. 00	1, 062, 576, 000. 00	1, 167, 181, 000. 00
Total nonmarketable	662, 512, 107. 66	838, 444, 835. 72	815, 122, 650. 83	679, 595, 626. 83	694, 860, 547. 64	8, 696, 150, 970, 74	10, 645, 810, 984. 04
Total public issues	22, 737, 083, 208. 91	11, 016, 649, 008. 22	8, 598, 580, 001. 08	10, 851, 661, 339. 08	10, 293, 550, 996. 39	151, 698, 003, 455. 74	164, 032, 580, 001. 54
Special issues:							
Canal Zone, Postal Savings System notes							400, 000. 00
Civil service retirement fund:							
Certificates	67, 500, 000. 00	67, 500, 000. 00	101, 946, 000. 00	69, 500, 000. 00	4, 990, 565, 000. 00	5, 820, 096, 000. 00	6, 856, 940, 000. 00
Notes					185, 000, 000. 00	185, 000, 000. 00	
Federal Deposit Insurance Corp. notes			46, 200, 000. 00	49, 000, 000. 00		166, 600, 000. 00	161, 000, 000. 00
Federal disability insurance trust fund:							
Certificates	32, 000, 000. 00	54, 000, 000. 00	49, 938, 000. 00	39, 500, 000. 00	1, 190, 755, 000. 00	1, 591, 389, 000. 00	1, 140, 509, 000. 00
Notes					7, 500, 000. 00	7, 500, 000. 00	
Federal home loan banks:							
Certificates							170, 200, 000. 00
Notes							39, 900, 000. 00
Federal Housing Administration funds notes			10, 375, 000. 00		4, 600, 000. 00	30, 850, 000. 00	83, 740, 000. 00
Federal old-age and survivors insurance trust fund:							
Certificates	805, 000, 000. 00	870, 000, 000. 00	893, 782, 000. 00	865, 000, 000. 00	8, 964, 742, 000. 00	17, 962, 299, 000. 00	22, 034, 813, 000. 00
Notes					500, 000, 000. 00	500, 000, 000. 00	
Federal Savings and Loan Insurance Corp. notes			7, 000, 000. 00			33, 350, 000. 00	31, 840, 000. 00
Foreign service retirement fund certificates	275, 000. 00	275, 000. 00	275, 000. 00	250, 000. 00	25, 705, 000. 00	28, 560, 000. 00	26, 304, 000. 00
Government life insurance fund certificates	5, 000, 000. 00	5, 000, 000. 00	3, 000, 000. 00	4, 000, 000. 00	1, 098, 116, 000. 00	1, 144, 116, 000. 00	1, 200, 427, 000. 00
Highway trust fund certificates		25, 000, 000. 00	45, 700, 000. 00	38, 310, 000. 00	425, 215, 000. 00	1, 141, 725, 000. 00	1, 035, 416, 000. 00

Footnotes at end of table.

TABLE 30.—*Public debt receipts and expenditures by security classes, monthly for fiscal year 1959 and totals for 1958 and 1959*—Continued

Expenditures (retirements)	Fiscal year 1959						
	July 1958	August 1958	September 1958	October 1958	November 1958	December 1958	January 1959
Special issues—Continued							
National service life insurance fund notes	$6,000,000.00	$6,000,000.00	$7,000,000.00	$6,000,000.00	$8,000,000.00	$7,000,000.00	$4,000,000.00
Postal Savings System notes							
Railroad retirement account notes	80,184,000.00	63,000,000.00	64,000,000.00	84,822,000.00	63,000,000.00	63,500,000.00	74,606,000.00
Unemployment trust fund certificates	269,500,000.00	100,000,000.00	248,000,000.00	162,928,000.00	63,000,000.00	206,000,000.00	295,500,000.00
Veterans special term insurance fund certificates							
Total special issues	1,351,204,000.00	1,075,550,000.00	1,157,250,000.00	1,214,806,000.00	1,222,365,000.00	1,336,615,000.00	1,588,211,000.00
Other (principally national bank and Federal Reserve Bank notes)	1,827,050.00	856,830.00	897,090.00	1,256,452.00	487,000.00	1,348,290.00	1,126,556.00
Total public debt expenditures	11,079,007,958.69	23,206,760,568.25	10,452,643,603.25	10,619,667,008.85	8,757,436,606.01	21,401,748,131.95	11,637,015,293.06
Excess of receipts, or expenditures (−)	−877,053,321.44	3,009,368,607.90	−1,809,627,072.29	3,545,550,808.33	2,848,471,000.14	−137,504,184.58	2,878,590,600.11

Expenditures (retirements)	Fiscal year 1959					Total fiscal year 1959	Total fiscal year 1958
	February 1959	March 1959	April 1959	May 1959	June 1959		
Special issues—Continued							
National service life insurance fund notes	$5,000,000.00	$11,000,000.00	$8,000,000.00	$11,000,000.00	$2,534,000,000.00	$2,613,000,000.00	$1,202,535,000.00
Postal Savings System notes							19,800,000.00
Railroad retirement account notes	65,500,000.00	66,700,000.00	98,837,000.00	68,500,000.00	75,500,000.00	868,149,000.00	968,412,000.00
Unemployment trust fund certificates	190,500,000.00	226,000,000.00	171,902,000.00	34,000,000.00	5,687,346,000.00	7,654,676,000.00	8,834,528,000.00
Veterans special term insurance fund certificates					64,767,000.00	64,767,000.00	47,182,000.00
Total special issues	1,170,775,000.00	1,325,475,000.00	1,436,955,000.00	1,179,060,000.00	25,753,811,000.00	39,812,077,000.00	42,853,946,000.00
Other (principally national bank and Federal Reserve Bank notes)	435,876.00	1,842,729.00	1,013,710.00	862,918.00	346,100.00	12,200,601.00	14,385,018.27
Total public debt expenditures	23,908,294,084.91	12,343,966,737.22	10,036,548,711.08	12,031,584,257.08	36,047,708,096.39	191,522,381,056.74	207,900,911,019.81
Excess of receipts, or expenditures (−)	−697,353,007.44	−3,069,381,881.15	3,319,080,529.96	949,580,280.97	−1,597,033,028.10	8,362,689,332.41	5,816,045,849.38

[a] Contra entry (deduct).
[1] Represents redemptions (all series) not yet classified as between matured and unmatured issues or as between issue price and accrued discount.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]

[On basis of Public Debt accounts,[2] see "Bases of Tables"]

Security	Outstanding June 30, 1958	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1959
INTEREST-BEARING DEBT					
Public Issues					
Marketable:					
Treasury bills, series maturing: [3]					
Regular weekly:					
July 3, 1958	$1,700,087,000.00		$1,700,072,000.00	$15,000.00	
July 10, 1958	1,700,140,000.00		1,700,140,000.00		
July 17, 1958	1,701,300,000.00		1,701,260,000.00	40,000.00	
July 24, 1958	1,699,865,000.00		1,699,829,000.00	36,000.00	
July 31, 1958	1,701,714,000.00		1,701,714,000.00		
Aug. 7, 1958	1,700,410,000.00		1,700,405,000.00	5,000.00	
Aug. 14, 1958	1,700,027,000.00		1,700,027,000.00		
Aug. 21, 1958	1,800,750,000.00		1,800,695,000.00	55,000.00	
Aug. 28, 1958	1,800,230,000.00		1,800,230,000.00		
Sept. 4, 1958	1,800,204,000.00		1,800,104,000.00	100,000.00	
Sept. 11, 1958	1,700,209,000.00		1,700,209,000.00		
Sept. 18, 1958	1,701,012,000.00		1,701,012,000.00		
Sept. 25, 1958	1,700,384,000.00		1,700,384,000.00		
Oct. 2, 1958		$1,699,816,000.00	1,699,816,000.00		
Oct. 9, 1958		1,700,110,000.00	1,699,935,000.00	175,000.00	
Oct. 16, 1958		1,699,154,000.00	1,699,154,000.00		
Oct. 23, 1958		1,700,411,000.00	1,700,410,000.00	1,000.00	
Oct. 30, 1958		1,700,297,000.00	1,700,297,000.00		
Nov. 6, 1958		1,700,012,000.00	1,699,937,000.00	75,000.00	
Nov. 13, 1958		1,699,217,000.00	1,699,217,000.00		
Nov. 20, 1958		1,799,824,000.00	1,799,824,000.00		
Nov. 28, 1958		1,799,938,000.00	1,799,935,000.00	3,000.00	
Dec. 4, 1958		1,800,317,000.00	1,800,317,000.00		
Dec. 11, 1958		1,800,067,000.00	1,800,042,000.00	25,000.00	
Dec. 18, 1958		1,800,120,000.00	1,800,120,000.00		
Dec. 26, 1958		1,799,811,000.00	1,799,811,000.00		
Jan. 2, 1959		1,801,327,000.00	1,801,262,000.00	65,000.00	
Jan. 8, 1959		1,800,069,000.00	1,800,044,000.00	25,000.00	
Jan. 15, 1959		1,803,037,000.00	1,803,037,000.00		
Jan. 22, 1959		1,799,712,000.00	1,799,712,000.00		
Jan. 29, 1959		1,802,702,000.00	1,802,692,000.00	10,000.00	
Feb. 5, 1959		1,802,029,000.00	1,802,029,000.00		
Feb. 13, 1959		1,800,617,000.00	1,800,612,000.00	5,000.00	
Feb. 19, 1959		1,802,955,000.00	1,802,945,000.00	10,000.00	
Feb. 26, 1959		1,802,782,000.00	1,802,739,000.00	43,000.00	
Mar. 5, 1959		1,799,836,000.00	1,799,723,000.00	113,000.00	
Mar. 12, 1959		1,599,851,000.00	1,599,737,000.00	114,000.00	

Mar. 19, 1959		1,600,423,000.00	1,600,386,000.00	37,000.00	
Mar. 26, 1959		1,600,759,000.00	1,600,719,000.00	40,000.00	
Apr. 2, 1959		1,600,275,000.00	1,600,204,000.00	71,000.00	
Apr. 9, 1959		1,599,337,000.00	1,599,213,000.00	124,000.00	
Apr. 16, 1959		1,599,657,000.00	1,599,571,000.00	86,000.00	
Apr. 23, 1959		1,400,834,000.00	1,400,751,000.00	83,000.00	
Apr. 30, 1959		1,399,273,000.00	1,399,191,000.00	82,000.00	
May 7, 1959		1,399,734,000.00	1,399,306,000.00	428,000.00	
May 14, 1959		1,401,266,000.00	1,401,186,000.00	80,000.00	
Other (fixed price):					
May 15, 1959		2,735,421,000.00	2,734,018,000.00	1,403,000.00	
Regular weekly:					
May 21, 1959		1,399,999,000.00	1,399,878,000.00	121,000.00	
May 28, 1959		1,399,930,000.00	1,399,827,000.00	103,000.00	
June 4, 1959		1,500,249,000.00	1,500,071,000.00	178,000.00	
June 11, 1959		1,701,228,000.00	1,700,260,000.00	968,000.00	
June 18, 1959		1,700,688,000.00	1,699,405,000.00	1,283,000.00	
Tax anticipation:					
June 22, 1959		2,996,699,000.00	2,970,620,000.00	26,079,000.00	
Regular Weekly:					
June 25, 1959		1,699,708,000.00	1,698,030,000.00	1,678,000.00	
July 2, 1959		1,600,313,000.00			$1,600,313,000.00
July 9, 1959		1,600,093,000.00			1,600,093,000.00
July 16, 1959		1,600,361,000.00			1,600,361,000.00
July 23, 1959		1,400,956,000.00			1,400,956,000.00
July 30, 1959		1,402,071,000.00			1,402,071,000.00
Aug. 6, 1959		1,400,882,000.00			1,400,882,000.00
Aug. 13, 1959		1,400,927,000.00			1,400,927,000.00
Aug. 20, 1959		1,401,625,000.00			1,401,625,000.00
Aug. 27, 1959		1,395,606,000.00			1,395,606,000.00
Sept. 3, 1959		1,500,793,000.00			1,500,793,000.00
Sept. 10, 1959		1,600,320,000.00			1,600,320,000.00
Sept. 17, 1959		1,600,712,000.00			1,600,712,000.00
Tax anticipation:					
Sept. 21, 1959		1,501,759,000.00			1,501,759,000.00
Regular weekly:					
Sept. 24, 1959		1,600,211,000.00			1,600,211,000.00
Oct. 1, 1959		400,057,000.00			400,057,000.00
Oct. 8, 1959		400,047,000.00			400,047,000.00
Oct. 15, 1959		400,002,000.00			400,002,000.00
Oct. 22, 1959		400,070,000.00			400,070,000.00
Oct. 29, 1959		400,218,000.00			400,218,000.00
Nov. 5, 1959		400,032,000.00			400,032,000.00
Nov. 12, 1959		400,206,000.00			400,206,000.00
Nov. 19, 1959		400,187,000.00			400,187,000.00
Nov. 27, 1959		399,979,000.00			399,979,000.00
Dec. 3, 1959		400,244,000.00			400,244,000.00
Dec. 10, 1959		500,072,000.00			500,072,000.00
Dec. 17, 1959		500,103,000.00			500,103,000.00
Tax anticipation:					
Dec. 22, 1959		1,499,795,000.00			1,499,795,000.00

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1959
INTEREST-BEARING DEBT—Continued					
Public Issues—Continued					
Marketable—Continued					
Treasury bills, series maturing—Continued					
Regular weekly:					
Dec. 24, 1959		$500, 242, 000. 00			$500, 242, 000. 00
Other:					
Jan. 15, 1960		2, 006, 171, 000. 00			2, 006, 171, 000. 00
Apr. 15, 1960		2, 003, 314, 000. 00			2, 003, 314, 000. 00
Total Treasury bills	$22, 406, 332, 000. 00	103, 066, 859, 000. 00	$93, 422, 064, 000. 00	$33, 759, 000. 00	32, 017, 368, 000. 00
Certificates of indebtedness:					
Regular:					
4% Series C-1958	11, 519, 077, 000. 00		11, 518, 076, 000. 00	1, 001, 000. 00	
3¾% Series D-1958	9, 832, 719, 000. 00		9, 832, 633, 000. 00	86, 000. 00	
2½% Series A-1959	9, 769, 891, 000. 00		9, 769, 530, 000. 00	361, 000. 00	
1¼% Series B-1959	1, 815, 042, 000. 00	1, 475, 000. 00	1, 815, 621, 000. 00	896, 000. 00	
1⅝% Series C-1959		13, 500, 387, 000. 00			13, 500, 387, 000. 00
Tax anticipation:					
1½% Series D-1959		3, 567, 049, 000. 00	3, 566, 908, 000. 00	141, 000. 00	
Regular:					
3⅜% Series E-1959		7, 710, 556, 000. 00			7, 710, 556, 000. 00
3¾% Series A-1960		11, 362, 626, 000. 00			11, 362, 626, 000. 00
4% Series B-1960		1, 269, 461, 000. 00			1, 269, 461, 000. 00
Total certificates of indebtedness	32, 936, 729, 000. 00	37, 411, 554, 000. 00	36, 502, 768, 000. 00	2, 485, 000. 00	33, 843, 030, 000. 00
Treasury notes:					
1⅞% Series A-1959	5, 102, 277, 000. 00		5, 100, 548, 000. 00	1, 729, 000. 00	
3½% Series B-1959		1, 183, 574, 000. 00			1, 183, 574, 000. 00
3½% Series A-1960	2, 406, 125, 000. 00				2, 406, 125, 000. 00
3¼% Series B-1960		2, 737, 635, 000. 00			2, 737, 635, 000. 00
4% Series A-1961	2, 608, 528, 000. 00				2, 608, 528, 000. 00
3⅝% Series B-1961		4, 078, 373, 000. 00			4, 078, 373, 000. 00
3⅝% Series A-1962	647, 057, 000. 00				647, 057, 000. 00
4% Series B-1962	2, 000, 387, 000. 00				2, 000, 387, 000. 00
3¾% Series C-1962	1, 142, 956, 000. 00				1, 142, 956, 000. 00
4% Series D-1962		1, 434, 986, 000. 00			1, 434, 986, 000. 00
2⅝% Series A-1963	3, 970, 698, 000. 00				3, 970, 698, 000. 00
4% Series B-1963		1, 743, 040, 000. 00			1, 743, 040, 000. 00
1½% Series EO-1958	121, 269, 000. 00		121, 205, 000. 00	64, 000. 00	
1½% Series EA-1959	118, 847, 000. 00		118, 581, 000. 00	266, 000. 00	

1½% Series EO-1959	99,108,000.00				99,108,000.00
1½% Series EA-1960	198,041,000.00				198,041,000.00
1½% Series EO-1960	277,542,000.00				277,542,000.00
1½% Series EA-1961	144,033,000.00				144,033,000.00
1½% Series EO-1961	331,975,000.00				331,975,000.00
1½% Series EA-1962	551,176,000.00				551,176,000.00
1½% Series EO-1962	590,195,000.00				590,195,000.00
1½% Series EA-1963	112,714,000.00	420,436,000.00			533,150,000.00
1½% Series EO-1963		505,574,000.00			505,574,000.00
1½% Series EA-1964		135,426,000.00			135,426,000.00
Total Treasury notes	20,422,928,000.00	12,239,044,000.00	5,340,334,000.00	2,059,000.00	27,319,579,000.00
Treasury bonds:					
2¼% of 1956–59	3,818,002,500.00		3,786,817,000.00	31,185,500.00	
2⅜% of 1957–59	926,811,000.00		925,941,000.00	870,000.00	
2½% of 1958	2,368,365,500.00		2,365,928,000.00	2,437,500.00	
2¼% of 1959–62 (dated June 1, 1945)	5,268,180,500.00		2,224,500.00		5,265,956,000.00
2¼% of 1959–62 (dated Nov. 15, 1945)	3,456,501,500.00		1,815,500.00		3,454,686,000.00
2⅛% of 1960	3,806,483,000.00				3,806,483,000.00
2¾% of 1960–65	1,485,383,100.00				1,485,383,100.00
2¾% of 1961	2,239,262,000.00				2,239,262,000.00
2½% of 1961	11,177,153,000.00		1,000.00		11,177,152,000.00
2½% of 1962–67	2,112,865,500.00		1,901,000.00		2,110,964,500.00
2½% of 1963	6,754,695,500.00				6,754,695,500.00
2½% of 1963–68	2,821,164,000.00		2,276,500.00		2,818,887,500.00
3% of 1964	3,854,181,500.00				3,854,181,500.00
2½% of 1964–69 (dated Apr. 15, 1943)	3,745,892,000.00		3,950,000.00		3,741,942,000.00
2½% of 1964–69 (dated Sept. 15, 1943)	3,820,983,000.00		3,979,500.00		3,817,003,500.00
2⅝% of 1965	7,257,173,500.00	31,170,000.00	392,109,500.00		6,896,234,000.00
2½% of 1965–70	4,702,647,000.00		5,410,500.00		4,697,236,500.00
3% of 1966	1,484,298,000.00				1,484,298,000.00
2½% of 1966–71	2,950,546,000.00		5,323,500.00		2,945,222,500.00
2½% of 1967–72 (dated June 1, 1945)	1,847,931,500.00		18,921,500.00		1,829,010,000.00
2½% of 1967–72 (dated Oct. 20, 1941)	2,715,994,850.00		7,600.00		2,715,987,250.00
2½% of 1967–72 (dated Nov. 15, 1945)	3,736,428,000.00		46,772,000.00		3,689,656,000.00
4% of 1969	656,933,000.00	619,461,000.00	1,000.00		1,276,393,000.00
3⅞% of 1974	653,811,500.00				653,811,500.00
3¼% of 1978–83	1,604,141,000.00		1,545,000.00		1,602,596,000.00
4% of 1980		884,115,500.00			884,115,500.00
3¼% of 1985	1,134,867,500.00				1,134,867,500.00
3½% of 1990	1,727,014,500.00		110,000.00		1,726,904,500.00
3% of 1995	2,742,128,500.00		2,693,500.00		2,739,435,000.00
Total Treasury bonds	90,869,838,450.00	1,534,746,500.00	7,567,728,100.00	34,493,000.00	84,802,363,850.00
Other bonds:					
3% Panama Canal of 1961	49,800,000.00				49,800,000.00
Total marketable	166,685,627,450.00	154,252,203,500.00	142,832,894,100.00	72,796,000.00	178,032,140,850.00

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1959
INTEREST-BEARING DEBT—Continued					
Public Issues—Continued					
Nonmarketable:					
U.S. savings bonds: [4]					
Series E-1941	$424,629,120.08	$13,668,552.86	$42,900,040.02		$395,397,632.92
Series E-1942	1,817,076,719.47	48,235,356.60	187,389,114.69		1,677,922,961.38
Series E-1943	2,861,873,901.23	85,621,295.62	299,345,069.30		2,648,150,127.55
Series E-1944	3,473,905,098.60	98,056,036.96	362,566,437.85		3,209,394,697.71
Series E-1945	2,999,453,272.62	83,990,182.67	311,131,541.80		2,772,311,913.49
Series E-1946	1,649,327,532.66	47,122,926.71	170,823,334.63		1,525,627,124.74
Series E-1947	1,818,831,927.57	52,694,613.66	200,067,264.15		1,671,459,277.08
Series E-1948	2,187,381,486.90	67,297,108.00	353,774,508.75		1,900,904,086.15
Series E-1949	2,249,680,728.62	92,570,645.88	235,914,843.90		2,106,336,530.60
Series E-1950	1,939,023,657.25	83,173,553.60	105,560,213.35		1,916,636,997.50
Series E-1951	1,602,542,312.00	71,772,754.50	95,028,567.25		1,579,286,499.25
Series E-1952 (Jan. to Apr.)	539,080,834.05	25,105,529.45	34,090,111.13		530,096,252.37
Series E-1952 (May to Dec.)	1,171,595,727.85	36,591,074.25	77,888,133.90		1,130,298,668.20
Series E-1953	2,069,418,358.35	66,623,960.20	146,904,081.75		1,989,138,236.80
Series E-1954	2,210,905,989.85	67,853,460.10	167,160,895.50		2,111,598,554.45
Series E-1955	2,433,453,077.80	58,588,316.60	213,595,423.00		2,278,445,971.40
Series E-1956	2,459,290,681.65	60,034,542.55	263,360,601.50		2,255,964,622.70
Series E-1957 (Jan.)	216,455,798.10	5,495,209.30	25,669,103.50		196,281,903.90
Series E-1957 (Feb. to Dec.)	2,431,627,557.39	68,898,462.31	373,162,134.46		2,127,363,885.24
Series E-1958	1,462,859,118.75	2,167,644,232.79	1,015,165,360.61		2,615,337,990.93
Series E-1959 (Jan. to May)		1,488,256,631.25	207,952,800.00		1,280,303,831.25
Series E-1959 (June)		78,585,225.00	6,412.50		78,578,812.50
Unclassified sales and redemptions	31,953,764.98	[5] 5,401,456.45	42,030.90		26,510,277.63
Total Series E	38,050,366,665.77	4,862,478,214.41	4,889,498,024.44		38,023,346,855.74
Series F-1946	85,044,738.00	1,727,698.00	72,968,911.00	$13,803,525.00	
Series F-1947	199,841,194.23	7,539,840.79	104,304,556.52	26,424,725.00	76,651,753.50
Series F-1948	341,910,472.39	11,616,406.66	13,690,652.65		339,836,226.40
Series F-1949	138,694,981.25	4,268,261.90	9,596,303.30		133,366,939.85
Series F-1950	271,454,718.12	8,020,619.02	19,353,861.79		260,121,475.35
Series F-1951	87,411,565.60	2,646,132.85	5,521,557.66		84,536,140.79
Series F-1952	28,870,181.25	901,619.15	1,319,831.60		28,451,968.80
Unclassified sales and redemptions	[6] 126,248.10	520.00	[5] 34,801.10		[6] 90,927.00
Total Series F	1,153,101,602.74	36,721,098.37	226,720,873.42	40,228,250.00	922,873,577.69

Series G-1946	600, 225, 500. 00	[5] 5, 000. 00	563, 039, 100. 00	37, 181, 400. 00	----------
Series G-1947	1, 239, 031, 100. 00	----------	686, 085, 500. 00	88, 756, 600. 00	464, 189, 000. 00
Series G-1948	1, 454, 145, 200. 00	5, 000. 00	91, 310, 600. 00	----------	1, 362, 839, 600. 00
Series G-1949	855, 718, 800. 00	----------	61, 866, 900. 00	----------	793, 851, 900. 00
Series G-1950	1, 202, 216, 900. 00	----------	94, 889, 400. 00	----------	1, 107, 327, 500. 00
Series G-1951	439, 870, 900. 00	----------	27, 426, 300. 00	----------	412, 444, 600. 00
Series G-1952	116, 844, 000. 00	----------	5, 930, 200. 00	----------	110, 913, 800. 00
Unclassified sales and redemptions	[6] 389, 400. 00	----------	[5] 299, 500. 00	----------	[6] 89, 900. 00
Total Series G	5, 907, 663, 000. 00	----------	1, 530, 248, 500. 00	125, 938, 000. 00	4, 251, 476, 500. 00
Series H-1952	142, 384, 000. 00		7, 398, 500. 00	----------	134, 985, 500. 00
Series H-1953	369, 478, 500. 00	----------	17, 867, 000. 00	----------	351, 611, 500. 00
Series H-1954	709, 190, 000. 00	----------	34, 790, 000. 00	----------	674, 400, 000. 00
Series H-1955	981, 184, 500. 00	[5] 4, 000. 00	53, 969, 000. 00	----------	927, 211, 500. 00
Series H-1956	798, 862, 500. 00	[5] 500. 00	44, 667, 500. 00	----------	754, 194, 500. 00
Series H-1957 (Jan.)	59, 532, 000. 00	----------	2, 873, 500. 00	----------	56, 658, 500. 00
Series H-1957 (Feb. to Dec.)	551, 784, 000. 00	36, 000. 00	25, 630, 500. 00	----------	526, 189, 500. 00
Series H-1958	438, 034, 000. 00	452, 025, 500. 00	29, 990, 000. 00	----------	860, 069, 500. 00
Series H-1959 (Jan. to May)	----------	354, 769, 500. 00	150, 000. 00	----------	354, 619, 500. 00
Series H-1959 (June)	----------	18, 367, 000. 00	----------	----------	18, 367, 000. 00
Unclassified sales and redemptions	35, 468, 000. 00	[5] 12, 757, 500. 00	[5] 1, 000. 00	----------	22, 711, 500. 00
Total Series H	4, 085, 917, 500. 00	812, 436, 000. 00	217, 335, 000. 00	----------	4, 681, 018, 500. 00
Series J-1952	63, 504, 674. 40	1, 923, 518. 77	4, 560, 765. 33	----------	60, 867, 427. 84
Series J-1953	103, 869, 735. 83	3, 000, 927. 71	6, 673, 808. 84	----------	100, 196, 854. 70
Series J-1954	211, 965, 299. 55	5, 768, 438. 41	14, 326, 591. 60	----------	203, 407, 146. 36
Series J-1955	184, 012, 130. 07	4, 421, 215. 53	14, 608, 046. 70	----------	173, 825, 298. 90
Series J-1956	135, 560, 581. 28	2, 896, 395. 14	9, 099, 002. 29	----------	129, 357, 974. 13
Series J-1957	30, 543, 105. 32	532, 074. 51	1, 975, 256. 88	----------	29, 099, 922. 95
Unclassified sales and redemptions	[6] 11, 766. 27	----------	[5] 11, 766. 27	----------	----------
Total Series J	729, 443, 760. 18	18, 542, 570. 07	51, 231, 705. 37	----------	696, 754, 624. 88
Series K-1952	209, 539, 000. 00	----------	14, 463, 000. 00	----------	195, 076, 000. 00
Series K-1953	237, 595, 500. 00	1, 500. 00	14, 261, 500. 00	----------	223, 335, 500. 00
Series K-1954	673, 284, 500. 00	----------	53, 515, 000. 00	----------	619, 769, 500. 00
Series K-1955	496, 217, 500. 00	----------	32, 194, 000. 00	----------	464, 023, 500. 00
Series K-1956	281, 951, 500. 00	----------	15, 820, 000. 00	----------	266, 131, 500. 00
Series K-1957	51, 980, 000. 00	----------	2, 326, 500. 00	----------	49, 653, 500. 00
Unclassified sales and redemptions	----------	----------	----------	----------	----------
Total Series K	1, 950, 568, 000. 00	1, 500. 00	132, 580, 000. 00	----------	1, 817, 989, 500. 00
Total U.S. savings bonds	51, 877, 060, 528. 69	5, 730, 179, 382. 85	7, 047, 614, 103. 23	166, 166, 250. 00	50, 393, 459, 558. 31

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1959
INTEREST-BEARING DEBT—Continued					
Public Issues—Continued					
Nonmarketable—Continued					
Depositary bonds:					
First Series	$170,816,500.00	$85,702,000.00	$73,931,000.00		$182,587,500.00
Treasury bonds, investment series:					
2½% Series A-1965	723,350,000.00		39,435,000.00		683,915,000.00
2¾% Series B-1975-80	8,891,521,000.00		1,215,653,000.00		7,675,868,000.00
Total Treasury bonds, investment series	9,614,871,000.00		1,255,088,000.00		8,359,783,000.00
Total nonmarketable	61,662,748,028.69	5,815,881,382.85	8,376,633,103.23	$166,166,250.00	58,935,830,058.31
Total public issues	228,348,375,478.69	160,068,084,882.85	151,209,527,203.23	238,962,250.00	236,967,970,908.31
Special Issues					
Canal Zone, Postal Savings System:					
2% notes		300,000.00			300,000.00
Civil service retirement fund:					
2⅝% certificates		1,868,827,000.00	1,571,250,000.00		297,577,000.00
2½% certificates	4,248,846,000.00		4,248,846,000.00		
2⅝% notes		716,844,000.00			716,844,000.00
2½% notes	1,540,000,000.00		185,000,000.00		1,355,000,000.00
2⅝% bonds		4,287,110,000.00			4,287,110,000.00
2½% bonds	1,925,000,000.00				1,925,000,000.00
Federal Deposit Insurance Corporation:					
2% notes	672,900,000.00	123,000,000.00	166,600,000.00		629,300,000.00
Federal disability insurance trust fund:					
2⅝% certificates		1,022,045,000.00	933,095,000.00		88,950,000.00
2½% certificates	658,294,000.00		658,294,000.00		
2⅝% notes		252,000,000.00			252,000,000.00
2½% notes	150,000,000.00		7,500,000.00		142,500,000.00
2⅝% bonds		862,500,000.00			862,500,000.00
2½% bonds	187,500,000.00				187,500,000.00
Federal home loan banks:					
1½% notes	164,800,000.00				164,800,000.00
Federal Housing Administration:					
Armed services housing mortgage insurance fund:					
2% notes	1,424,000.00	850,000.00	1,950,000.00		324,000.00
Housing insurance fund:					
2% notes	1,348,000.00	3,620,000.00	1,200,000.00		3,768,000.00

Housing investment insurance fund:					
2% notes	70,000.00				70,000.00
Mutual mortgage insurance fund:					
2% notes	18,309,000.00		3,200,000.00		15,109,000.00
National defense housing insurance fund:					
2% notes	4,500,000.00	375,000.00	4,100,000.00		775,000.00
Section 220 housing insurance fund:					
2% notes	1,100,000.00	690,000.00	550,000.00		1,240,000.00
Section 221 housing insurance fund:					
2% notes	800,000.00	800,000.00	750,000.00		850,000.00
Servicemen's mortgage insurance fund:					
2% notes	2,725,000.00		750,000.00		1,975,000.00
Title I housing insurance fund:					
2% notes	880,000.00	190,000.00	350,000.00		720,000.00
Title I insurance fund:					
2% notes	33,579,000.00		5,000,000.00		28,579,000.00
War housing insurance fund:					
2% notes	6,597,000.00	12,375,000.00	13,000,000.00		5,972,000.00
Federal old-age and survivors insurance trust fund:					
2⅝% certificates		8,437,751,000.00	8,037,514,000.00		400,237,000.00
2½% certificates	9,924,785,000.00		9,924,785,000.00		
2⅝% notes		672,000,000.00			672,000,000.00
2½% notes	3,860,000,000.00		500,000,000.00		3,360,000,000.00
2⅝% bonds		7,970,000,000.00			7,970,000,000.00
2½% bonds	4,825,000,000.00				4,825,000,000.00
Federal Savings and Loan Insurance Corporation:					
2% notes	111,850,000.00	37,000,000.00	33,350,000.00		115,500,000.00
Foreign service retirement fund:					
4% certificates	23,065,000.00	29,417,000.00	27,331,000.00		25,151,000.00
3% certificates	1,187,000.00	1,307,000.00	1,229,000.00		1,265,000.00
Government life insurance fund:					
3½% certificates	1,144,116,000.00	1,127,235,000.00	1,144,116,000.00		1,127,235,000.00
Highway trust fund:					
2⅞% certificates		442,913,000.00	13,699,000.00		429,214,000.00
2¾% certificates		79,600,000.00	79,600,000.00		
2⅝% certificates		74,000,000.00	74,000,000.00		
2½% certificates	822,226,000.00	152,200,000.00	974,426,000.00		
National service life insurance fund:					
3% notes	5,665,319,000.00	2,689,229,000.00	2,613,000,000.00		5,741,548,000.00
Railroad retirement account:					
3% notes	3,530,788,000.00	754,600,000.00	868,149,000.00		3,417,239,000.00
Unemployment trust fund:					
2¾% certificates		6,110,365,000.00	474,050,000.00		5,636,315,000.00
2⅝% certificates	6,670,694,000.00	509,932,000.00	7,180,626,000.00		
Veterans special term insurance fund:					
2⅝% certificates		66,164,000.00			66,164,000.00
2½% certificates	48,267,000.00	16,500,000.00	64,767,000.00		
Total special issues	46,245,969,000.00	38,321,739,000.00	39,812,077,000.00		44,755,631,000.00
Total interest-bearing debt outstanding	274,594,344,478.69	198,389,823,882.85	191,021,604,203.23	238,962,250.00	281,723,601,908.31

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1959
MATURED DEBT ON WHICH INTEREST HAS CEASED					
Postal savings bonds, etc.:					
6% Compound interest note 1864-66	$155,960.00				$155,960.00
3% Loan of 1908-18	98,200.00			$20.00	98,180.00
2½% Postal savings bonds	915,700.00			191,940.00	723,760.00
All other issues [7]	1,116,580.26				1,116,580.26
Total postal savings bonds, etc	2,286,440.26			191,960.00	2,094,480.26
Liberty loan bonds:					
First Liberty loan:					
First 3½'s	377,800.00			42,050.00	335,750.00
First 4's	93,100.00			800.00	92,300.00
First 4¼'s	337,050.00			13,250.00	323,800.00
First-Second 4¼'s	3,050.00				3,050.00
Total	811,000.00			56,100.00	754,900.00
Second Liberty loan:					
Second 4's	352,050.00			3,700.00	348,350.00
Second 4¼'s	386,450.00			3,850.00	382,600.00
Total	738,500.00			7,550.00	730,950.00
Third Liberty loan 4¼'s	1,255,600.00			8,250.00	1,247,350.00
Fourth Liberty loan 4¼'s	2,826,050.00			125,600.00	2,700,450.00
Total Liberty loan bonds	5,631,150.00			197,500.00	5,433,650.00
Victory notes:					
Victory 3¾'s	700.00				700.00
Victory 4¾'s	413,600.00			2,550.00	411,050.00
Total Victory notes	414,300.00			2,550.00	411,750.00
Treasury bonds:					
3⅜% of 1940-43	30,100.00			4,500.00	25,600.00
3⅜% of 1941-43	75,750.00			9,800.00	65,950.00
3¼% of 1941	24,700.00			50.00	24,650.00
3⅜% of 1943-47	125,500.00			27,900.00	97,600.00
3¼% of 1943-45	328,750.00			19,650.00	309,100.00
3¼% of 1944-46	639,100.00			89,350.00	549,750.00
4% of 1944-54	364,500.00			87,400.00	277,100.00

2¾% of 1945–47	276,000.00			31,800.00	244,200.00
2½% of 1945	8,200.00			200.00	8,000.00
3¾% of 1946–56	128,100.00			2,000.00	126,100.00
3% of 1946–48	158,950.00			6,250.00	152,700.00
3⅛% of 1946–49	442,000.00			32,300.00	409,700.00
4¼% of 1947–52	580,000.00			37,600.00	542,400.00
2% of 1947	16,100.00				16,100.00
2% of 1948–50 (dated Mar. 15, 1941)	8,250.00				8,250.00
2¾% of 1948–51	1,441,500.00			1,407,700.00	33,800.00
1¾% of 1948	150,000.00			33,500.00	116,500.00
2½% of 1948	17,250.00			2,000.00	15,250.00
2% of 1948–50 (dated Dec. 8, 1939)	31,000.00			20,400.00	10,600.00
2% of 1949–51 (dated Jan. 15, 1942)	12,550.00			10,200.00	2,350.00
2% of 1949–51 (dated May 15, 1942)	48,500.00			9,000.00	39,500.00
2% of 1949–51 (dated July 15, 1942)	30,900.00			500.00	30,400.00
3⅛% of 1949–52	89,250.00			14,700.00	74,550.00
2½% of 1949–53	283,650.00			34,300.00	249,350.00
1½% of 1950	1,171,000.00			359,500.00	811,500.00
2% of 1950–52 (dated Oct. 19, 1942)	38,100.00			7,000.00	31,100.00
2½% of 1950–52	130,350.00			3,050.00	127,300.00
2% of 1950–52 (dated Apr. 15, 1943)	780,000.00			166,500.00	613,500.00
2¼% of 1951–53	100,800.00			450.00	100,350.00
2% of 1951–53	2,366,500.00			504,000.00	1,862,500.00
2¾% of 1951–54	254,650.00			36,550.00	218,100.00
2% of 1951–55	314,600.00			54,750.00	259,850.00
3% of 1951–55	1,497,800.00			186,500.00	1,311,300.00
2½% of 1952–54	223,000.00			11,050.00	211,950.00
2% of 1952–54 (dated June 26, 1944)	2,585,500.00			681,500.00	1,904,000.00
2% of 1952–54 (dated Dec. 1, 1944)	4,942,500.00			1,254,000.00	3,688,500.00
2¼% of 1952–55	241,800.00			42,400.00	199,400.00
2% of 1953–55	129,750.00			4,600.00	125,150.00
2¼% of 1954–56	328,600.00			42,000.00	286,600.00
2⅞% of 1955–60	6,807,750.00			1,798,850.00	5,008,900.00
2½% of 1956–58	5,887,350.00			4,715,450.00	1,171,900.00
2¾% of 1956–59	1,389,250.00			589,450.00	799,800.00
2¼% of 1956–59			$31,185,500.00		31,185,500.00
2⅜% of 1957–59			870,000.00		870,000.00
2½% of 1958			2,437,500.00		2,437,500.00
2⅜% of 1958	59,582,500.00			58,249,000.00	1,333,500.00
2¾% of 1958–63	14,609,150.00			12,814,450.00	1,794,700.00
Total Treasury bonds	108,691,550.00		34,493,000.00	83,402,150.00	59,782,400.00
3% Adjusted service bonds of 1945	2,583,600.00	$650.00		244,150.00	2,340,100.00
U.S. savings bonds:					
Series A–1935	749,075.00			96,150.00	652,925.00
Series B–1936	1,386,950.00			215,575.00	1,171,375.00
Series C–1937	1,686,975.00			242,450.00	1,444,525.00
Series C–1938	2,487,450.00			341,200.00	2,146,250.00
Series D–1939	4,479,425.00			831,275.00	3,648,150.00

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1959
MATURED DEBT ON WHICH INTEREST HAS CEASED—Con.					
U.S. savings bonds—Continued					
Series D-1940	$9,694,325.00			$1,495,800.00	$8,198,525.00
Series D-1941	12,126,950.00			2,008,850.00	10,118,100.00
Series F-1941	4,830,500.00			1,575,675.00	3,254,825.00
Series F-1942	25,359,800.00			7,058,450.00	18,301,350.00
Series F-1943	38,232,400.00			10,111,000.00	28,121,400.00
Series F-1944	39,887,550.00			12,079,400.00	27,808,150.00
Series F-1945	38,069,025.00			14,454,300.00	23,614,725.00
Series F-1946	22,395,100.00		$13,803,525.00	12,850,550.00	23,348,075.00
Series F-1947			26,424,725.00		26,424,725.00
Series G-1941	2,437,700.00			810,600.00	1,627,100.00
Series G-1942	13,811,800.00			4,082,800.00	9,729,000.00
Series G-1943	27,054,400.00			8,737,300.00	18,317,100.00
Series G-1944	45,143,300.00			16,454,300.00	28,689,000.00
Series G-1945	71,053,600.00			34,610,100.00	36,443,500.00
Series G-1946	95,260,700.00		37,181,400.00	71,514,500.00	60,927,600.00
Series G-1947			88,756,600.00		88,756,600.00
Total U.S. savings bonds	456,147,025.00		166,166,250.00	199,570,275.00	422,743,000.00
Armed Forces leave bonds:					
Series 1943:					
Apr. 1, 1943	35,875.00			4,100.00	31,775.00
July 1, 1943	57,975.00			6,775.00	51,200.00
Oct. 1, 1943	93,500.00			11,775.00	81,725.00
Series 1944:					
Jan. 1, 1944	93,975.00			13,775.00	80,200.00
Apr. 1, 1944	69,325.00			8,750.00	60,575.00
July 1, 1944	79,250.00			11,450.00	67,800.00
Oct. 1, 1944	86,400.00			10,550.00	75,850.00
Series 1945:					
Jan. 1, 1945	184,325.00			27,675.00	156,650.00
Apr. 1, 1945	159,850.00			23,025.00	136,825.00
July 1, 1945	390,175.00			55,275.00	334,900.00
Oct. 1, 1945	1,499,075.00			224,900.00	1,274,175.00
Series 1946:					
Jan. 1, 1946	6,329,625.00			966,925.00	5,362,700.00
Apr. 1, 1946	3,382,975.00			555,225.00	2,827,750.00
July 1, 1946	1,291,100.00			211,750.00	1,079,350.00
Oct. 1, 1946	1,512,750.00			250,900.00	1,261,850.00
Total Armed Forces leave bonds	15,266,175.00			2,382,850.00	12,883,325.00

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Treasury notes:					
Regular series:					
5¾% A-1924	6,200.00				6,200.00
4¾% A-1925	1,000.00				1,000.00
4⅜% B-1925	6,600.00				6,600.00
4½% C-1925	5,700.00				5,700.00
4¾% A-1926	2,600.00				2,600.00
4¼% B-1926	1,600.00				1,600.00
4½% A-1927	2,200.00				2,200.00
4¾% B-1927	9,500.00				9,500.00
3½% A-1930-32	80,600.00			100.00	80,500.00
3½% B-1930-32	9,850.00				9,850.00
3½% C-1930-32	6,900.00			300.00	6,600.00
2⅛% B-1934	5,000.00				5,000.00
3% A-1935	7,000.00				7,000.00
2½% C-1935	10,000.00				10,000.00
2½% D-1935	80,000.00				80,000.00
3¼% A-1936	1,300.00				1,300.00
2¾% B-1936	13,100.00				13,100.00
2⅞% C-1936	8,600.00				8,600.00
3¼% A-1937	77,100.00				77,100.00
3% B-1937	28,000.00				28,000.00
3% C-1937	10,000.00				10,000.00
2⅝% A-1938	200.00				200.00
2⅞% B-1938	20,000.00				20,000.00
3% C-1938	10,000.00				10,000.00
2½% D-1938	1,400.00				1,400.00
2⅛% A-1939	30,200.00				30,200.00
1⅜% B-1939	100.00				100.00
1½% C-1939	1,300.00				1,300.00
1⅝% A-1940	5,150.00				5,150.00
1½% B-1940	50,000.00				50,000.00
1½% C-1940	10,000.00				10,000.00
1½% A-1941	3,000.00			3,000.00	
1⅜% B-1941	5,000.00				5,000.00
1¼% C-1941	5,000.00				5,000.00
1¾% A-1942	22,000.00				22,000.00
2% B-1942	2,000.00				2,000.00
1¾% C-1942	103,000.00				103,000.00
1⅛% A-1943	13,500.00				13,500.00
1½% B-1943	80,100.00				80,100.00
1% C-1943	317,500.00			7,200.00	310,300.00
¾% A-1944	310,000.00				310,000.00
1% B-1944	740,000.00				740,000.00
1% C-1944	85,000.00				85,000.00
¾% D-1944	1,200.00			600.00	600.00
¾% A-1945	2,270,400.00				2,270,400.00
¾% B-1945	4,000.00			1,500.00	2,500.00
1½% B-1946	12,700.00			7,700.00	5,000.00
.90% D-1946	5,000.00			5,000.00	
1½% A-1947	5,500.00			3,000.00	2,500.00

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1959
MATURED DEBT ON WHICH INTEREST HAS CEASED—Con.					
Treasury notes—Continued					
Regular series—Continued					
1¼% B-1947	$107,000.00			$29,000.00	$78,000.00
1¼% C-1947	78,000.00			4,000.00	74,000.00
1½% A-1948	10,000.00			1,000.00	9,000.00
1% B-1948	7,000.00				7,000.00
1⅛% A-1949	9,000.00				9,000.00
1⅜% A-1950	37,000.00				37,000.00
1¼% A-1951	26,000.00			6,000.00	20,000.00
1¼% C-1951	2,000.00				2,000.00
1¼% D-1951	4,000.00				4,000.00
1¼% E-1951	4,000.00				4,000.00
1¼% G-1951	6,000.00				6,000.00
2⅛% A-1953	3,000.00				3,000.00
1⅜% A-1954	152,000.00			17,000.00	135,000.00
1⅞% B-1954	6,000.00				6,000.00
1½% A-1955	116,000.00			39,000.00	77,000.00
1¾% B-1955	276,000.00			115,000.00	161,000.00
1⅝% A-1956	107,000.00			49,000.00	58,000.00
2% B-1956	172,000.00			157,000.00	15,000.00
2⅞% A-1957	296,000.00			139,000.00	157,000.00
1⅝% B-1957	96,000.00			56,000.00	40,000.00
2% C-1957	305,000.00			260,000.00	45,000.00
2¾% D-1957	191,000.00			173,000.00	18,000.00
2⅞% A-1958	24,401,000.00			22,901,000.00	1,500,000.00
1⅞% A-1959			$1,729,000.00		1,729,000.00
1½% EA-1956	11,000.00			5,000.00	6,000.00
1½% EO-1956	3,000.00			3,000.00	
1½% EA-1957	32,000.00			20,000.00	12,000.00
1½% EO-1957	122,000.00			103,000.00	19,000.00
1½% EA-1958	465,000.00			407,000.00	58,000.00
1½% EO-1958			64,000.00		64,000.00
1½% EA-1959			266,000.00		266,000.00
Tax series:					
A-1943	16,525.00			4,675.00	11,850.00
B-1943	6,700.00			100.00	6,600.00
A-1944	15,975.00			625.00	15,350.00
B-1944	7,100.00			5,000.00	2,100.00
A-1945	206,450.00			52,550.00	153,900.00
Savings series:					
C-1945	2,000.00				2,000.00
C-1946	239,800.00			54,500.00	185,300.00

C-1947	359, 900. 00			60, 100. 00	299, 800. 00
C-1948	302, 700. 00			12, 400. 00	290, 300. 00
C-1949	109, 500. 00			1, 300. 00	108, 200. 00
C-1950	38, 900. 00			13, 600. 00	25, 300. 00
C-1951	2, 300. 00			1, 000. 00	1, 300. 00
D-1951	39, 900. 00			15, 600. 00	24, 300. 00
D-1952	138, 900. 00			22, 600. 00	116, 300. 00
D-1953	207, 700. 00			33, 500. 00	174, 200. 00
D-1954	414, 600. 00			36, 000. 00	378, 600. 00
A-1954	154, 300. 00			68, 500. 00	85, 800. 00
A-1955	666, 500. 00			128, 000. 00	538, 500. 00
B-1955	393, 700. 00			167, 800. 00	225, 900. 00
C-1955-A	71, 000. 00			33, 500. 00	37, 500. 00
A-1956	338, 200. 00			269, 400. 00	68, 800. 00
Total Treasury notes	35, 262, 750. 00		2, 059, 000. 00	25, 493, 150. 00	11, 828, 600. 00
Certificates of indebtedness:					
Tax issue series:					
4½% T-10	1, 000. 00				1, 000. 00
4¾% TM-1921	500. 00				500. 00
6% TJ-1921	1, 500. 00				1, 500. 00
6% TS-1921	1, 500. 00				1, 500. 00
6% TD-1921	2, 000. 00				2, 000. 00
5½% TS2-1921	1, 000. 00				1, 000. 00
5¾% TM-1922	1, 000. 00				1, 000. 00
4½% TS2-1922	500. 00				500. 00
4½% TD-1922	1, 000. 00				1, 000. 00
4¼% TM-1923	1, 000. 00				1, 000. 00
3¾% TS-1923	500. 00				500. 00
4½% TM-1924	1, 000. 00				1, 000. 00
4% TM-1925	1, 000. 00				1, 000. 00
4½% TJ-1929	1, 100. 00				1, 100. 00
4¾% TD2-1929	1, 500. 00			1, 000. 00	500. 00
5⅛% TM-1930	3, 000. 00			1, 000. 00	2, 000. 00
4⅞% TJ-1930	500. 00				500. 00
1⅛% TS-1932	3, 500. 00				3, 500. 00
3% TS2-1932	100, 500. 00			500. 00	100, 000. 00
3¾% TM-1933	12, 500. 00				12, 500. 00
2% First—matured Mar. 15, 1933	5, 050. 00			100. 00	4, 950. 00
4% TAG-1933	11, 000. 00			11, 000. 00	
1¼% TS-1933	10, 000. 00				10, 000. 00
¾% TD-1933	60, 000. 00				60, 000. 00
4¼% TD2-1933	16, 000. 00				16, 000. 00
Regular:					
4½% IVA-1918	500. 00				500. 00
5¼% G-1920	1, 000. 00				1, 000. 00
5½% H-1921	500. 00				500. 00
5½% A-1922	1, 000. 00				1, 000. 00
3¾% A-1933	500. 00				500. 00
⅞% B-1944	73, 000. 00				73, 000. 00

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1959
MATURED DEBT ON WHICH INTEREST HAS CEASED—Con.					
Certificates of indebtedness—Continued					
Regular—Continued					
⅞% E-1944	$87,000.00			$2,000.00	$85,000.00
⅞% A-1945	140,000.00			21,000.00	119,000.00
⅞% C-1945	77,000.00			5,000.00	72,000.00
⅞% H-1945	61,000.00			9,000.00	52,000.00
⅞% A-1946	8,000.00				8,000.00
⅞% B-1946	1,000.00				1,000.00
⅞% E-1946	152,000.00			34,000.00	118,000.00
⅞% G-1946	3,000.00				3,000.00
⅞% H-1946	20,000.00			10,000.00	10,000.00
⅞% K-1946	58,000.00			15,000.00	43,000.00
⅞% B-1947	1,000.00				1,000.00
⅞% D-1947	80,000.00				80,000.00
⅞% E-1947	88,000.00			2,000.00	86,000.00
⅞% F-1947	1,000.00				1,000.00
⅞% H-1947	2,000.00				2,000.00
⅞% L-1947	5,000.00			5,000.00	
⅞% A-1948	5,000.00				5,000.00
⅞% C-1948	2,000.00				2,000.00
1⅛% C-1949	5,000.00				5,000.00
1⅛% D-1949	16,000.00			15,000.00	1,000.00
1⅛% F-1949	2,000.00			2,000.00	
1¼% G-1949	3,000.00				3,000.00
1¼% A-1950	9,000.00				9,000.00
1¼% B-1950	36,000.00			36,000.00	
1¼% D-1950	11,000.00				11,000.00
1⅞% A-1952	7,000.00				7,000.00
1⅞% B-1952	26,000.00				26,000.00
1⅞% C-1952	16,000.00			4,000.00	12,000.00
1⅞% D-1952	15,000.00				15,000.00
1⅞% E-1952	15,000.00			15,000.00	
1⅞% A-1953	10,000.00				10,000.00
1⅞% B-1953	12,000.00			10,000.00	2,000.00
2% C-1953	37,000.00			33,000.00	4,000.00
2¼% A-1954	2,000.00				2,000.00
2⅝% B-1954	1,079,000.00			54,000.00	1,025,000.00
Tax anticipation:					
2½% C-1954	8,000.00			1,000.00	7,000.00
Regular:					
2⅝% D-1954	91,000.00			82,000.00	9,000.00
2⅝% E-1954	63,000.00			17,000.00	46,000.00

1⅛% B-1955	47,000.00			44,000.00	3,000.00
1⅛% D-1955	5,000.00				5,000.00
1¼% E-1955	6,000.00				6,000.00
Tax anticipation:					
1⅞% A-1956	40,000.00			20,000.00	20,000.00
Regular:					
2⅝% D-1956	27,000.00			21,000.00	6,000.00
2⅝% A-1957	68,000.00			50,000.00	18,000.00
Tax anticipation:					
2¾% B-1957	241,000.00			226,000.00	15,000.00
Regular:					
3¼% C-1957	3,000.00			3,000.00	
3¼% D-1957	182,000.00			72,000.00	110,000.00
3⅝% E-1957	50,000.00			50,000.00	
3⅜% A-1958	1,276,000.00			1,152,000.00	124,000.00
3½% B-1958	1,863,000.00			1,789,000.00	74,000.00
4% C-1958			1,001,000.00		1,001,000.00
3¾% D-1958			86,000.00		86,000.00
2½% A-1959			361,000.00		361,000.00
1¼% B-1959			896,000.00		896,000.00
Tax anticipation:					
1½% D-1959			141,000.00		141,000.00
Total certificates of indebtedness	6,376,650.00		2,485,000.00	3,812,600.00	5,049,050.00
Treasury bills, maturity date:					
Regular:					
June 5, 1940	30,000.00				30,000.00
Jan. 14, 1942	4,000.00				4,000.00
June 3, 1942	2,000.00			2,000.00	
June 10, 1942	3,000.00			3,000.00	
Feb. 3, 1943	1,000.00				1,000.00
June 2, 1943	6,000.00			6,000.00	
June 7, 1945	85,000.00			85,000.00	
Oct. 4, 1951	10,000.00			10,000.00	
Feb. 14, 1952	1,200,000.00			1,100,000.00	100,000.00
May 28, 1953	10,000.00				10,000.00
July 29, 1954	5,000.00				5,000.00
Jan. 13, 1955	50,000.00			50,000.00	
Apr. 21, 1955	65,000.00			65,000.00	
May 19, 1955	1,000.00				1,000.00
June 16, 1955	35,000.00			35,000.00	
Feb. 2, 1956	13,000.00				13,000.00
Tax anticipation:					
Mar. 23, 1956	5,000.00				5,000.00
Regular:					
Aug. 2, 1956	100,000.00			100,000.00	
Aug. 9, 1956	200,000.00			200,000.00	
Aug. 23, 1956	5,000.00				5,000.00
Jan. 17, 1957	17,000.00				17,000.00

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1959
MATURED DEBT ON WHICH INTEREST HAS CEASED—Con.					
Treasury bills, maturity date—Continued					
Regular—Continued					
Feb. 7, 1957	$2,000.00				$2,000.00
Mar. 28, 1957	15,000.00			$15,000.00	
Apr. 4, 1957	65,000.00			65,000.00	
Apr. 18, 1957	20,000.00			20,000.00	
Apr. 25, 1957	40,000.00				40,000.00
May 2, 1957	3,000.00			3,000.00	
June 6, 1957	5,000.00			5,000.00	
July 5, 1957	15,000.00			15,000.00	
July 11, 1957	10,000.00			10,000.00	
Aug. 15, 1957	15,000.00			10,000.00	5,000.00
Sept. 12, 1957	1,000.00			1,000.00	
Tax anticipation:					
Sept. 23, 1957	40,000.00			40,000.00	
Regular:					
Oct. 10, 1957	33,000.00			25,000.00	8,000.00
Oct. 24, 1957	8,000.00				8,000.00
Oct. 31, 1957	2,000.00			2,000.00	
Nov. 29, 1957	10,000.00			10,000.00	
Dec. 5, 1957	25,000.00			25,000.00	
Dec. 19, 1957	15,000.00			13,000.00	2,000.00
Jan. 2, 1958	10,000.00			5,000.00	5,000.00
Jan. 9, 1958	55,000.00			55,000.00	
Jan. 16, 1958	15,000.00			15,000.00	
Jan. 23, 1958	66,000.00			60,000.00	6,000.00
Feb. 6, 1958	191,000.00			161,000.00	30,000.00
Feb. 13, 1958	44,000.00			44,000.00	
Feb. 20, 1958	17,000.00			17,000.00	
Feb. 27, 1958	13,000.00			13,000.00	
Mar. 6, 1958	120,000.00			120,000.00	
Mar. 13, 1958	85,000.00			66,000.00	19,000.00
Mar. 20, 1958	142,000.00			132,000.00	10,000.00
Tax anticipation:					
Mar. 24, 1958	599,000.00			584,000.00	15,000.00
Regular:					
Mar. 27, 1958	114,000.00			114,000.00	
Apr. 3, 1958	77,000.00			77,000.00	
Apr. 10, 1958	250,000.00			250,000.00	
Apr. 15, 1958	1,938,000.00			1,860,000.00	78,000.00
Apr. 17, 1958	369,000.00			339,000.00	30,000.00
Apr. 24, 1958	848,000.00			829,000.00	19,000.00

May 1, 1958	460,000.00			460,000.00	
May 8, 1958	119,000.00			119,000.00	
May 15, 1958	183,000.00			183,000.00	
May 22, 1958	1,067,000.00			1,067,000.00	
May 29, 1958	196,000.00			196,000.00	
June 5, 1958	638,000.00			638,000.00	
June 12, 1958	1,070,000.00			1,070,000.00	
June 19, 1958	2,123,000.00			2,123,000.00	
June 26, 1958	2,399,000.00			2,399,000.00	
Regular:					
July 3, 1958			$15,000.00		15,000.00
July 17, 1958			40,000.00		40,000.00
July 24, 1958			36,000.00		36,000.00
Aug. 7, 1958			5,000.00		5,000.00
Aug. 21, 1958			55,000.00		55,000.00
Sept. 4, 1958			100,000.00		100,000.00
Oct. 9, 1958			175,000.00		175,000.00
Oct. 23, 1958			1,000.00		1,000.00
Nov. 6, 1958			75,000.00		75,000.00
Nov. 28, 1958			3,000.00		3,000.00
Dec. 11, 1958			25,000.00		25,000.00
Jan. 2, 1959			65,000.00		65,000.00
Jan. 8, 1959			25,000.00		25,000.00
Jan. 29, 1959			10,000.00		10,000.00
Feb. 13, 1959			5,000.00		5,000.00
Feb. 19, 1959			10,000.00		10,000.00
Feb. 26, 1959			43,000.00		43,000.00
Mar. 5, 1959			113,000.00		113,000.00
Mar. 12, 1959			114,000.00		114,000.00
Mar. 19, 1959			37,000.00		37,000.00
Mar. 26, 1959			40,000.00		40,000.00
Apr. 2, 1959			71,000.00		71,000.00
Apr. 9, 1959			124,000.00		124,000.00
Apr. 16, 1959			86,000.00		86,000.00
Apr. 23, 1959			83,000.00		83,000.00
Apr. 30, 1959			82,000.00		82,000.00
May 7, 1959			428,000.00		428,000.00
May 14, 1959			80,000.00		80,000.00
Other (fixed price):					
May 15, 1959			1,403,000.00		1,403,000.00
Regular:					
May 21, 1959			121,000.00		121,000.00
May 28, 1959			103,000.00		103,000.00
June 4, 1959			178,000.00		178,000.00
June 11, 1959			968,000.00		968,000.00
June 18, 1959			1,283,000.00		1,283,000.00
Tax anticipation:					
June 22, 1959			26,079,000.00		26,079,000.00
Regular:					
June 25, 1959			1,678,000.00		1,678,000.00
Total Treasury bills	15,379,000.00		33,759,000.00	14,911,000.00	34,227,000.00

Footnotes at end of table.

TABLE 31.—*Changes in public debt issues, fiscal year 1959* [1]—Continued

Security	Outstanding June 30, 1958	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1959
MATURED DEBT ON WHICH INTEREST HAS CEASED—Con.					
Treasury savings certificates issued:					
Dec. 15, 1921	$9,825.00			$25.00	$9,800.00
Sept. 30, 1922	51,100.00			1,225.00	49,875.00
Dec. 1, 1923	16,825.00			425.00	16,400.00
Total Treasury savings certificates	77,750.00			1,675.00	76,075.00
Total matured debt on which interest has ceased	648,116,390.26	$650.00	$238,962,250.00	330,209,860.00	556,869,430.26
DEBT BEARING NO INTEREST					
U.S. savings stamps	51,397,500.96	19,200,072.90		18,358,695.80	52,238,878.06
Excess profits tax refund bonds:					
First Series	481,102.43			20,304.99	460,797.44
Second Series	408,369.15			27,101.59	381,267.56
Total excess profits tax refund bonds	889,471.58			47,406.58	842,065.00
Special notes of the United States, International Monetary Fund:					
Various issue dates	618,000,000.00	1,456,249,999.60		95,000,000.00	1,979,249,999.60
United States notes (less gold reserve)	190,641,585.07				190,641,585.07
Old demand notes	52,917.50				52,917.50
National bank and Federal Reserve Bank notes	181,655,670.50			12,300,601.00	169,355,069.50
Fractional currency	1,965,808.76				1,965,808.76
Thrift and Treasury savings stamps	3,707,543.75			1,242.75	3,706,301.00
Total debt bearing no interest	1,048,310,498.12	1,475,450,072.50		125,707,946.13	2,398,052,624.49
Total gross public debt	276,290,771,367.07	199,865,274,605.35		191,477,522,009.36	284,678,523,963.06

[1] Interest rates on Series E and H savings bonds were increased on September 22, 1959, retroactive to June 1, 1959. See account of Public Debt Operations, p. 31, and allied exhibits. The rates shown in this table are those in effect as of June 30, 1959, before the increase.

[2] Reconciliation of summary to the basis of the daily Treasury statement is shown in table 24.

[3] Treasury bills are shown at maturity value.

[4] Amounts issued and retired for Series E, F, and J, include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G, H, and K, are stated at par value.

[5] Deduct.

[6] Excess of unclassified redemptions over unclassified sales—deduct.

[7] Consists of issues in which there were no transactions during the fiscal year 1959; for amount of each issue outstanding (unchanged since June 30, 1956) see 1956 annual report, p. 435.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]

[On basis of daily Treasury statements, supplemented by special statements by the Bureau of the Public Debt on public debt transactions]

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958				
July 3	Treasury bills:			
	Regular weekly:			
	Issued Apr. 3, 1958:			
	Redeemed in exchange for series dated July 3, 1958	*Percent* 1.148		$239,391,000.00
	Redeemable for cash			1,460,696,000.00
3	Maturing Oct. 2, 1958:			
	Issued in exchange for series dated Apr. 3, 1958	0.768	$239,391,000.00	
	Issued for cash		1,460,425,000.00	
10	Issued Apr. 10, 1958:			
	Redeemed in exchange for series dated July 10, 1958	1.074		20,263,000.00
	Redeemable for cash			1,679,877,000.00
10	Maturing Oct. 9, 1958:			
	Issued in exchange for series dated Apr. 10, 1958	0.934	20,263,000.00	
	Issued for cash		1,679,847,000.00	
17	Issued Apr. 17, 1958:			
	Redeemed in exchange for series dated July 17, 1958	1.226		30,340,000.00
	Redeemable for cash			1,670,960,000.00
17	Maturing Oct. 16, 1958:			
	Issued in exchange for series dated Apr. 17, 1958	1.136	30,340,000.00	
	Issued for cash		1,668,814,000.00	
24	Issued Apr. 24, 1958:			
	Redeemed in exchange for series dated July 24, 1958	1.055		29,659,000.00
	Redeemable for cash			1,670,206,000.00
24	Maturing Oct. 23, 1958:			
	Issued in exchange for series dated Apr. 24, 1958	0.988	29,659,000.00	
	Issued for cash		1,670,752,000.00	
31	Issued May 1, 1958:			
	Redeemed in exchange for series dated July 31, 1958	1.366		23,211,000.00
	Redeemable for cash			1,678,503,000.00
31	Maturing Oct. 30, 1958:			
	Issued in exchange for series dated May 1, 1958	0.984	23,211,000.00	
	Issued for cash		1,677,086,000.00	
	U.S. savings bonds:			
31	Series E-1941	[5] 2.90	508,399.36	3,232,885.68
31	Series E-1942	[6] 2.90	5,001,072.72	14,139,846.99
31	Series E-1943	[5] 2.95	6,587,588.95	22,868,151.66
31	Series E-1944	[5] 2.95	11,930,667.45	27,249,751.08
31	Series E-1945	[5] 2.95	6,223,762.97	25,094,896.93
31	Series E-1946	[5] 2.95	5,094,748.01	13,439,116.34
31	Series E-1947	[5] 2.95	5,924,536.44	16,470,619.41
31	Series E-1948	[7] 2.90	8,160,750.03	25,434,208.55
31	Series E-1949	2.90	10,192,245 85	8,523,052.18
31	Series E-1950	2.90	9,521,011.60	7,796,762.80
31	Series E-1951	2.90	7,434,576.75	7,109,976.25
31	Series E-1952 (January to April)	2.90	4,189,719.50	2,702,637.00
31	Series E-1952 (May to December)	3.00	2,438,101.75	6,300,004.78
31	Series E-1953	3.00	6,778,362.65	11,282,562.20
31	Series E-1954	3.00	6,529,251.00	13,315,328.80
31	Series E-1955	3.00	6,009,755.50	17,893,393.56
31	Series E-1956	3.00	6,261,392.15	24,133,212.15
31	Series E-1957 (January)	3.00	2,982,219.25	2,552,600.70
31	Series E-1957 (February to December)	3.25	[8] 136,671,378.03	113,311,260.08
31	Series E-1958	3.25	458,315,031.50	37,582,750.00
31	Unclassified sales and redemptions		1,045,427.75	792,419.78
31	Series F-1946	2.53	348,924.05	12,380,614.00
31	Series F-1947	2.53	[8] 266,025.64	649,665.80
31	Series F-1948	2.53	3,886,673.07	704,040.03
31	Series F-1949	2.53	514,829.01	643,884.80
31	Series F-1950	2.53	481,718.14	582,033.79
31	Series F-1951	2.53	327,641.85	311,806.28

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958	U.S. savings bonds—Continued	*Percent*		
July 31	Series F-1952	2.53	$170,361.08	$77,288.55
31	Unclassified sales and redemptions			1,297,393.08
31	Series G-1946	2.50		126,613,100.00
31	Series G-1947	2.50		4,993,000.00
31	Series G-1948	2.50		3,921,700.00
31	Series G-1949	2.50		3,060,300.00
31	Series G-1950	2.50		2,565,400.00
31	Series G-1951	2.50		1,503,700.00
31	Series G-1952	2.50		290,600.00
31	Unclassified sales and redemptions			22,639,400.00
31	Series H-1952	3.00		621,000.00
31	Series H-1953	3.00		1,398,500.00
31	Series H-1954	3.00		3,029,000.00
31	Series H-1955	3.00		4,406,000.00
31	Series H-1956	3.00		3,685,000.00
31	Series H-1957 (January)	3.00		138,000.00
31	Series H-1957 (February to December)	3.25	$19,500.00	2,561,500.00
31	Series H-1958	3.25	90,455,500.00	36,500.00
31	Unclassified sales and redemptions		8,125,500.00	162,000.00
31	Series J-1952	2.76	112,433.50	187,418.80
31	Series J-1953	2.76	[8] 427,869.92	383,572.02
31	Series J-1954	2.76	512,961.19	1,132,859.90
31	Series J-1955	2.76	501,320.74	859,190.93
31	Series J-1956	2.76	347,120.21	540,596.36
31	Series J-1957	2.76	75,209.07	109,495.52
31	Unclassified sales and redemptions			772,627.77
31	Series K-1952	2.76		672,000.00
31	Series K-1953	2.76		579,000.00
31	Series K-1954	2.76		2,433,500.00
31	Series K-1955	2.76		1,856,500.00
31	Series K-1956	2.76		970,500.00
31	Series K-1957	2.76		107,000.00
31	Unclassified sales and redemptions			787,500.00
31	Depositary bonds, First Series	2.00	35,435,000.00	1,985,000.00
31	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1963	2¾		82,832,000.00
31	Treasury notes, Series EA-1963	1½	82,832,000.00	
31	Miscellaneous			424,946,000.00
	Total July		9,157,698,039.50	9,623,757,624.53
Aug. 1	Certificates of indebtedness, Series C-1958, regular:			
	Redeemed in exchange for certificates Series C-1959	4.00		10,634,426,000.00
	Redeemable for cash			884,651,000.00
1	Treasury bonds of 1956-59:			
	Redeemed in exchange for certificates Series C-1959	2¼		2,205,811,000.00
	Treasury bonds of 1957-59:			
1	Redeemed in exchange for certificates Series C-1959	2⅜		660,150,000.00
1	Certificates of indebtedness, Series C-1959, regular	1⅝	13,500,387,000.00	
	Certificates of indebtedness, Series D-1959, tax anticipation:			
6	Issued for cash	1½	3,567,049,000.00	
	Treasury bills:			
	Regular weekly:			
7	Issued May 8, 1958:			
	Redeemed in exchange for series dated Aug. 7, 1958	1.187		21,705,000.00
	Redeemable for cash			1,678,705,000.00
7	Maturing Nov. 6, 1958:			
	Issued in exchange for series dated May 8, 1958	1.164	21,705,000.00	
	Issued for cash		1,678,307,000.00	
14	Issued May 15, 1958:			
	Redeemed in exchange for series dated Aug. 14, 1958	1.112		22,042,000.00
	Redeemable for cash			1,677,985,000.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills—Continued			
1958	Regular weekly—Continued			
Aug. 14	Maturing Nov. 13, 1958:			
	Issued in exchange for series dated May 15, 1958	*Percent* 1.524	$22,042,000.00	
	Issued for cash		1,677,175,000.00	
21	Issued May 22, 1958:			
	Redeemed in exchange for series dated Aug. 21, 1958	.930		$230,225,000.00
	Redeemable for cash			1,570,525,000.00
21	Maturing Nov. 20, 1958:			
	Issued in exchange for series dated May 22, 1958	1.895	230,225,000.00	
	Issued for cash		1,569,599,000.00	
28	Issued May 29, 1958:			
	Redeemed in exchange for series dated Aug. 28, 1958	.635		226,871,000.00
	Redeemable for cash			1,573,359,000.00
28	Maturing Nov. 28, 1958:			
	Issued in exchange for series dated May 29, 1958	2.161	226,871,000.00	
	Issued for cash		1,573,067,000.00	
	U.S. savings bonds:			
31	Series E-1941	[5] 2.90	399,956.65	2,648,777.09
31	Series E-1942	[6] 2.90	3,238,531.08	10,520,297.58
31	Series E-1943	[5] 2.95	5,236,783.50	16,218,772.55
31	Series E-1944	[5] 2.95	8,927,598.95	20,652,352.28
31	Series E-1945	[5] 2.95	4,475,675.12	18,368,288.52
31	Series E-1946	[5] 2.95	3,817,848.34	9,374,491.01
31	Series E-1947	[5] 2.95	6,078,532.09	11,677,316.86
31	Series E-1948	[7] 2.90	6,307,494.85	18,550,687.10
31	Series E-1949	2.90	7,697,547.50	6,012,295.70
31	Series E-1950	2.90	6,970,492.90	5,641,447.20
31	Series E-1951	2.90	5,911,107.56	5,414,457.25
31	Series E-1952 (January to April)	2.90	3,129,877.57	1,962,955.65
31	Series E-1952 (May to December)	3.00	2,255,517.15	4,839,086.85
31	Series E-1953	3.00	5,454,702.45	8,195,117.65
31	Series E-1954	3.00	5,354,183.45	9,780,628.05
31	Series E-1955	3.00	3,914,836.50	13,324,898.30
31	Series E-1956	3.00	5,307,612.35	18,136,380.20
31	Series E-1957 (January)	3.00	18.75	1,698,252.25
31	Series E-1957 (February to December)	3.25	6,745,906.25	115,061,047.98
31	Series E-1958	3.25	299,391,617.75	66,028,518.75
31	Unclassified sales and redemptions		[9] 404,362.25	687,324.47
31	Series F-1946	2.53	283,164.85	6,137,540.00
31	Series F-1947	2.53	555,794.08	128,377.01
31	Series F-1948	2.53	436,382.02	88,000.60
31	Series F-1949	2.53	332,985.65	12,163.42
31	Series F-1950	2.53	337,348.17	21,387.02
31	Series F-1951	2.53	224,045.50	10,641.40
31	Series F-1952	2.53	120,267.55	20,303.40
31	Unclassified sales and redemptions			7,859,737.37
31	Series G-1946	2.50		47,629,200.00
31	Series G-1947	2.50		230,500.00
31	Series G-1948	2.50		160,000.00
31	Series G-1949	2.50		131,200.00
31	Series G-1950	2.50		279,300.00
31	Series G-1951	2.50		147,100.00
31	Series G-1952	2.50		9,200.00
31	Unclassified sales and redemptions			69,686,200.00
31	Series H-1952	3.00		38,000.00
31	Series H-1953	3.00		18,500.00
31	Series H-1954	3.00		45,500.00
31	Series H-1955	3.00		68,500.00
31	Series H-1956	3.00		45,500.00
31	Series H-1957 (January)	3.00		500.00
31	Series H-1957 (February to December)	3.25	4,000.00	25,500.00
31	Series H-1958	3.25	83,729,500.00	59,000.00
31	Unclassified sales and redemptions		[9] 13,601,500.00	15,355,000.00
31	Series J-1952	2.76	78,844.10	78,796.70
31	Series J-1953	2.76	223,900.36	57,249.52
31	Series J-1954	2.76	456,086.56	275,209.50
31	Series J-1955	2.76	302,856.09	59,575.85
31	Series J-1956	2.76	280,486.27	21,094.84

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958	U.S. savings bonds—Continued	*Percent*		
Aug. 31	Series J-1957	2.76	$68,144.94	$1,530.90
31	Unclassified sales and redemptions		216.00	3,074,885.87
31	Series K-1952	2.76		89,500.00
31	Series K-1953	2.76		139,500.00
31	Series K-1954	2.76		317,000.00
31	Series K-1955	2.76		160,500.00
31	Series K-1956	2.76		251,500.00
31	Series K-1957	2.76		20,000.00
31	Unclassified sales and redemptions			5,389,500.00
31	Depositary bonds, First Series	2.00	5,490,000.00	486,000.00
31	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1963	2¾		165,772,000.00
31	Treasury notes, Series EA-1963	1½	165,772,000.00	
31	Miscellaneous			23,655,200.00
	Total August		24,701,733,000.65	22,099,304,286.69
	Treasury bills:			
	Regular weekly:			
Sept. 4	Issued June 5, 1958:			
	Redeemed in exchange for series dated Sept. 4, 1958	.723		127,371,000.00
	Redeemable for cash			1,672,833,000.00
4	Maturing Dec. 4, 1958:			
	Issued in exchange for series dated June 5, 1958	2.461	127,371,000.00	
	Issued for cash		1,672,946,000.00	
11	Issued June 12, 1958:			
	Redeemed in exchange for series dated Sept. 11, 1958	.841		33,015,000.00
	Redeemable for cash			1,667,194,000.00
11	Maturing Dec. 11, 1958:			
	Issued in exchange for series dated June 12, 1958	2.359	33,015,000.00	
	Issued for cash		1,767,052,000.00	
15	Treasury bonds of 1956-59:			
	Redeemable for cash	2¼		1,611,928,500.00
15	Treasury bonds of 1957-59:			
	Redeemable for cash	2⅜		266,658,000.00
	Treasury bills:			
	Regular weekly:			
18	Issued June 19, 1958:			
	Redeemed in exchange for series dated Sept. 18, 1958	.953		31,623,000.00
	Redeemable for cash			1,669,389,000.00
18	Maturing Dec. 18, 1958:			
	Issued in exchange for series dated June 19, 1958	2.604	31,623,000.00	
	Issued for cash		1,768,497,000.00	
25	Issued June 26, 1958:			
	Redeemed in exchange for series dated Sept. 25, 1958	1.006		143,431,000.00
	Redeemable for cash			1,556,953,000.00
25	Maturing Dec. 26, 1958:			
	Issued in exchange for series dated June 26, 1958	2.511	143,431,000.00	
	Issued for cash		1,656,380,000.00	
	U.S. savings bonds:			
30	Series E-1941	[5] 2.90	408,739.52	3,544,994.19
30	Series E-1942	[6] 2.90	3,542,848.16	16,277,995.02
30	Series E-1943	[5] 2.95	12,661,778.50	25,230,764.20
30	Series E-1944	[5] 2.95	4,217,693.77	31,659,673.39
30	Series E-1945	[5] 2.95	4,075,275.72	26,973,224.96
30	Series E-1946	[5] 2.95	3,574,636.18	14,668,708.13
30	Series E-1947	[5] 2.95	4,199,162.26	18,124,077.11
30	Series E-1948	[7] 2.90	5,740,065.60	34,402,112.37
30	Series E-1949	2.90	7,336,164.60	9,568,881.50
30	Series E-1950	2.90	6,751,460.30	8,939,819.00
30	Series E-1951	2.90	5,747,068.25	7,998,714.00
30	Series E-1952 (January to April)	2.90	2,984,261.25	2,965,312.50
30	Series E-1952 (May to December)	3.00	2,250,157.95	6,720,450.50
30	Series E-1953	3.00	5,450,817.45	12,100,504.85
30	Series E-1954	3.00	5,252,375.55	14,409,111.10

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958	U.S. savings bonds—Continued	*Percent*		
Sept. 30	Series E-1955	3.00	$4,931,077.75	$19,589,961.75
30	Series E-1956	3.00	4,985,381.70	25,891,156.10
30	Series E-1957 (January)	3.00	1,706.25	2,836,487.00
30	Series E-1957 (February to December)	3.25	6,681,939.92	9,536,249.80
30	Series E-1958	3.25	295,111,645.00	89,234,775.00
30	Unclassified sales and redemptions		[9] 955,920.50	[9] 635,066.87
30	Series F-1946	2.53	215,851.50	13,974,081.00
30	Series F-1947	2.53	597,204.00	939,098.31
30	Series F-1948	2.53	414,785.88	791,443.68
30	Series F-1949	2.53	332,863.00	707,629.14
30	Series F-1950	2.53	303,519.06	565,425.57
30	Series F-1951	2.53	191,247.36	422,820.84
30	Series F-1952	2.53	93,801.50	120,412.02
30	Unclassified sales and redemptions			[9] 6,876,987.17
30	Series G-1946	2.50		142,792,900.00
30	Series G-1947	2.50		5,932,700.00
30	Series G-1948	2.50		5,372,700.00
30	Series G-1949	2.50		4,056,900.00
30	Series G-1950	2.50		3,917,500.00
30	Series G-1951	2.50		1,819,900.00
30	Series G-1952	2.50		428,100.00
30	Unclassified sales and redemptions			[9] 71,300,900.00
30	Series H-1952	3.00		532,000.00
30	Series H-1953	3.00		1,381,500.00
30	Series H-1954	3.00		2,747,500.00
30	Series H-1955	3.00		4,435,000.00
30	Series H-1956	3.00		3,798,000.00
30	Series H-1957 (January)	3.00	[8] $20,500.00	$259,000.00
30	Series H-1957 (February to December)	3.25	20,500.00	2,310,500.00
30	Series H-1958	3.25	65,956,000.00	479,000.00
30	Unclassified sales and redemptions		[9] 6,336,000.00	587,500.00
30	Series J-1952	2.76	111,178.86	256,879.00
30	Series J-1953	2.76	230,881.83	532,224.88
30	Series J-1954	2.76	458,467.32	787,310.08
30	Series J-1955	2.76	372,644.74	1,074,517.09
30	Series J-1956	2.76	237,315.14	1,032,690.98
30	Series J-1957	2.76	54,291.84	260,622.83
30	Unclassified sales and redemptions		[9] 216.00	[9] 141,408.18
30	Series K-1952	2.76		749,500.00
30	Series K-1953	2.76		1,118,500.00
30	Series K-1954	2.76		2,177,000.00
30	Series K-1955	2.76		1,755,500.00
30	Series K-1956	2.76		1,418,500.00
30	Series K-1957	2.76		177,500.00
30	Unclassified sales and redemptions			[9] 1,168,500.00
30	Depositary bonds, First Series	2.00	36,193,000.00	1,088,000.00
30	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1963	2¾		84,161,000.00
30	Treasury notes, Series EA-1963	1½	84,161,000.00	
30	Miscellaneous			22,185,500.00
	Total September		7,768,851,171.21	9,398,092,465.67
	Treasury notes, Series EO-1958:			
Oct. 1	Redeemable for cash	1½		121,269,000.00
	Treasury bills:			
	Regular weekly:			
2	Issued July 3, 1958:			
	Redeemed in exchange for series dated Oct. 2, 1958	.768		131,608,000.00
	Redeemable for cash			1,568,208,000.00
2	Maturing Jan. 2, 1959:			
	Issued in exchange for series dated July 3, 1958	2.920	131,608,000.00	
	Issued for cash		1,669,719,000.00	
	Other (fixed price):			
8	Maturing May 15, 1959:			
	Issued for cash	3.25	2,735,421,000.00	
	Regular weekly:			
9	Issued July 10, 1958:			
	Redeemed in exchange for series dated Oct. 9, 1958	.934		67,575,000.00
	Redeemable for cash			1,632,535,000.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills—Continued			
1958	Regular weekly—Continued			
Oct. 9	Maturing Jan. 8, 1959:			
	Issued in exchange for series dated July 10, 1958	*Percent* 2.668	$67,575,000.00	
	Issued for cash		1,732,494,000.00	
10	Treasury notes, Series B-1959	3½	1,183,574,000.00	
	Treasury bills:			
	Regular weekly:			
16	Issued July 17, 1958:			
	Redeemed in exchange for series dated Oct. 16, 1958	1.136		$20,291,000.00
	Redeemable for cash			1,678,863,000.00
16	Maturing Jan. 15, 1959:			
	Issued in exchange for series dated July 17, 1958	2.927	20,291,000.00	
	Issued for cash		1,782,746,000.00	
23	Issued July 24, 1958:			
	Redeemed in exchange for series dated Oct. 23, 1958	.988		26,872,000.00
	Redeemable for cash			1,673,539,000.00
23	Maturing Jan. 22, 1959:			
	Issued in exchange for series dated July 24, 1958	2.804	26,872,000.00	
	Issued for cash		1,772,840,000.00	
30	Issued July 31, 1958:			
	Redeemed in exchange for series dated Oct. 30, 1958	.984		96,718,000.00
	Redeemable for cash			1,603,579,000.00
30	Maturing Jan. 29, 1959:			
	Issued in exchange for series dated July 31, 1958	2.647	96,718,000.00	
	Issued for cash		1,705,984,000.00	
	U.S. savings bonds:			
31	Series E-1941	[5] 2.90	64,780.50	2,912,881.11
31	Series E-1942	[6] 2.90	3,324,712.58	13,445,169.15
31	Series E-1943	[5] 2.95	9,370,662.05	21,384,698.25
31	Series E-1944	[5] 2.95	3,107,449.68	27,343,297.11
31	Series E-1945	[5] 2.95	4,372,640.67	22,916,302.82
31	Series E-1946	[5] 2.95	3,300,677.99	12,726,933.66
31	Series E-1947	[5] 2.95	3,640,492.54	15,351,131.41
31	Series E-1948	[7] 2.90	5,263,994.25	29,203,453.96
31	Series E-1949	2.90	6,525,389.73	8,766,260.70
31	Series E-1950	2.90	5,975,429.70	8,109,755.45
31	Series E-1951	2.90	5,590,580.44	7,519,670.00
31	Series E-1952 (January to April)	2.90	2,618,387.75	2,807,919.63
31	Series E-1952 (May to December)	3.00	2,173,280.50	6,195,880.72
31	Series E-1953	3.00	5,247,003.40	11,418,685.40
31	Series E-1954	3.00	4,667,275.40	13,716,508.05
31	Series E-1955	3.00	4,407,106.25	18,401,724.70
31	Series E-1956	3.00	4,470,845.20	23,305,263.45
31	Series E-1957 (January)	3.00	[8] 150,527.25	2,536,936.00
31	Series E-1957 (February to December)	3.25	5,409,933.23	117,168,668.96
31	Series E-1958	3.25	316,487,975.55	27,042,906.25
31	Unclassified sales and redemptions		1,232,535.85	[9] 270,037.07
31	Series F-1946	2.53	241,669.65	11,004,329.50
31	Series F-1947	2.53	516,681.31	760,441.08
31	Series F-1948	2.53	311,433.41	845,403.86
31	Series F-1949	2.53	426,312.99	615,560.60
31	Series F-1950	2.53	1,691,631.22	571,780.75
31	Series F-1951	2.53	208,096.31	353,109.38
31	Series F-1952	2.53	75,043.48	113,689.02
31	Unclassified sales and redemptions			1,513,928.81
31	Series G-1946	2.50		100,271,300.00
31	Series G-1947	2.50		4,957,500.00
31	Series G-1948	2.50		4,815,700.00
31	Series G-1949	2.50		3,413,000.00
31	Series G-1950	2.50		2,730,200.00
31	Series G-1951	2.50		1,806,200.00
31	Series G-1952	2.50		359,900.00
31	Unclassified sales and redemptions			[9] 10,794,100.00
31	Series H-1952	3.00		550,500.00
31	Series H-1953	3.00		1,418,500.00
31	Series H-1954	3.00		2,842,500.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958	U.S. savings bonds—Continued	*Percent*		
Oct. 31	Series H-1955	3.00		$3,993,000.00
31	Series H-1956	3.00		3,839,000.00
31	Series H-1957 (January)	3.00	$20,500.00	237,000.00
31	Series H-1957 (February to December)	3.25	[8] 19,500.00	2,208,000.00
31	Series H-1958	3.25	58,527,500.00	569,000.00
31	Unclassified sales and redemption		3,368,000.00	[9] 742,500.00
31	Series J-1952	2.76	107,213.20	146,288.40
31	Series J-1953	2.76	207,596.27	276,192.10
31	Series J-1954	2.76	412,773.79	1,079,457.37
31	Series J-1955	2.76	360,132.09	1,025,529.71
31	Series J-1956	2.76	162,658.75	759,872.29
31	Series J-1957	2.76	55,111.95	180,135.99
31	Unclassified sales and redemptions			[9] 821,758.94
31	Series K-1952	2.76		507,500.00
31	Series K-1953	2.76		901,000.00
31	Series K-1954	2.76		1,816,000.00
31	Series K-1955	2.76		1,809,500.00
31	Series K-1956	2.76		1,110,000.00
31	Series K-1957	2.76		392,000.00
31	Unclassified sales and redemptions			1,426,500.00
31	Depositary bonds, First Series	2.00	663,000.00	28,452,000.00
31	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1963	2¾		94,293,000.00
31	Treasury notes, Series EA-1963	1½	94,293,000.00	
31	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1963	2¾		32,572,000.00
31	Treasury notes, Series EO-1963	1½	32,572,000.00	
31	Miscellaneous			14,639,200.00
	Total October		13,517,143,480.43	9,331,878,369.63
	Treasury bills:			
	Regular weekly:			
Nov. 6	Issued Aug. 7, 1958:			
	Redeemed in exchange for series dated Nov. 6, 1958	1.164		162,490,000.00
	Redeemable for cash			1,537,522,000.00
6	Maturing Feb. 5, 1959:			
	Issued in exchange for series dated Aug. 7, 1958	2.649	162,490,000.00	
	Issued for cash		1,639,539,000.00	
13	Issued Aug. 14, 1958:			
	Redeemed in exchange for series dated Nov. 13, 1958	1.524		23,780,000.00
	Redeemable for cash			1,675,437,000.00
13	Maturing Feb. 13, 1959:			
	Issued in exchange for series dated Aug. 14, 1958	2.774	23,780,000.00	
	Issued for cash		1,776,837,000.00	
20	Issued Aug. 21, 1958:			
	Redeemed in exchange for series dated Nov. 20, 1958	1.895		119,155,000.00
	Redeemable for cash			1,680,669,000.00
20	Maturing Feb. 19, 1959:			
	Issued in exchange for series dated Aug. 21, 1958	2.876	119,155,000.00	
	Issued for cash		1,683,800,000.00	
	Tax anticipation:			
20	Maturing June 22, 1959:			
	Issued for cash	2.999	2,996,699,000.00	
	Regular weekly:			
28	Issued Aug. 28, 1958:			
	Redeemed in exchange for series dated Nov. 28, 1958	2.161		276,428,000.00
	Redeemable for cash			1,523,510,000.00
28	Maturing Feb. 26, 1959:			
	Issued in exchange for series dated Aug. 28, 1958	2.723	276,428,000.00	
	Issued for cash		1,526,354,000.00	

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958	U. S. savings bonds:	*Percent*		
Nov. 30	Series E-1941	[5] 2.90	$1,178,560.49	$1,354,109.29
30	Series E-1942	[6] 2.90	4,410,471.00	6,402,865.49
30	Series E-1943	[5] 2.95	5,177,907.35	10,932,700.60
30	Series E-1944	[5] 2.95	6,537,015.94	12,583,395.42
30	Series E-1945	[5] 2.95	12,344,946.66	10,607,613.15
30	Series E-1946	[5] 2.95	3,680,353.49	6,043,177.70
30	Series E-1947	[5] 2.95	3,680,450.36	7,456,155.91
30	Series E-1948	[7] 2.90	5,625,094.80	15,653,145.20
30	Series E-1949	2.90	6,738,564.60	4,183,730.80
30	Series E-1950	2.90	6,049,819.00	3,695,818.70
30	Series E-1951	2.90	5,506,806.75	3,480,437.00
30	Series E-1952 (January to April)	2.90		1,245,791.50
30	Series E-1952 (May to December)	3.00	4,282,409.40	2,892,432.60
30	Series E-1953	3.00	5,144,435.80	5,486,351.95
30	Series E-1954	3.00	4,793,680.00	6,502,805.65
30	Series E-1955	3.00	4,597,284.40	8,412,772.30
30	Series E-1956	3.00	4,872,026.70	10,749,113.75
30	Series E-1957 (January)	3.00	[8] 75.00	1,054,203.10
30	Series E-1957 (February to December)	3.25	6,741,592.57	184,212,409.54
30	Series E-1958	3.25	275,730,928.80	22,187,468.75
30	Unclassified sales and redemptions		7,759.15	282,141.66
30	Series F-1946	2.53	248,051.00	5,596,306.50
30	Series F-1947	2.53	465,409.49	599,162.10
30	Series F-1948	2.53	319,383.94	336,832.86
30	Series F-1949	2.53	292,200.19	395,050.20
30	Series F-1950	2.53	542,839.98	575,592.75
30	Series F-1951	2.53	197,894.00	258,150.08
30	Series F-1952	2.53		40,794.01
30	Unclassified sales and redemptions			7,367,622.22
30	Series G-1946	2.50		51,851,400.00
30	Series G-1947	2.50		4,614,200.00
30	Series G-1948	2.50		5,029,600.00
30	Series G-1949	2.50		3,406,000.00
30	Series G-1950	2.50		3,213,700.00
30	Series G-1951	2.50		1,859,000.00
30	Series G-1952	2.50		421,600.00
30	Unclassified sales and redemptions			33,554,400.00
30	Series H-1952	3.00		509,000.00
30	Series H-1953	3.00		1,441,000.00
30	Series H-1954	3.00		2,762,000.00
30	Series H-1955	3.00		4,656,000.00
30	Series H-1956	3.00		3,600,000.00
30	Series H-1957 (January)	3.00		331,500.00
30	Series H-1957 (February to December)	3.25	500.00	1,899,000.00
30	Series H-1958	3.25	53,682,500.00	1,248,500.00
30	Unclassified sales and redemptions		[9] 2,799,500.00	[9] 278,000.00
30	Series J-1952	2.76	273,431.03	315,007.70
30	Series J-1953	2.76	241,693.85	843,811.54
30	Series J-1954	2.76	457,645.78	804,188.83
30	Series J-1955	2.76	318,773.98	969,809.74
30	Series J-1956	2.76	164,350.45	592,228.34
30	Series J-1957	2.76		78,413.76
30	Unclassified sales and redemptions			[9] 184,130.69
30	Series K-1952	2.76		489,000.00
30	Series K-1953	2.76		709,500.00
30	Series K-1954	2.76		1,869,500.00
30	Series K-1955	2.76		1,678,000.00
30	Series K-1956	2.76		935,000.00
30	Series K-1957	2.76		205,000.00
30	Unclassified sales and redemptions			6,929,000.00
30	Depositary bonds, First Series	2.00	80,000.00	10,105,000.00
30	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1963	2¾		10,255,000.00
30	Treasury notes, Series EO-1963	1½	10,255,000.00	
30	Miscellaneous			21,383,200.00
	Total November		10,636,922,205.95	7,517,675,580.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958	Certificates of indebtedness, Series D–1958, regular:			
Dec. 1	Redeemed in exchange for certificates, Series E–1959	*Percent* 3¾		$6,433,075,000.00
	Redeemed in exchange for Treasury notes, Series B–1961			3,299,940,000.00
	Redeemable for cash			99,704,000.00
	Treasury bonds of 1958:			
1	Redeemed in exchange for certificates, Series E–1959	2½		1,277,481,000.00
	Redeemed in exchange for Treasury notes, Series B–1961			778,433,000.00
	Redeemable for cash			312,451,500.00
1	Certificates of indebtedness, Series E–1959, regular	3⅜	$7,710,556,000.00	
1	Treasury notes, Series B–1961	3⅝	4,078,373,000.00	
	Treasury bills:			
	Regular weekly:			
4	Issued Sept. 4, 1958:			
	Redeemed in exchange for series dated Dec. 4, 1958	2.461		69,494,000.00
	Redeemable for cash			1,730,823,000.00
4	Maturing Mar. 5, 1959:			
	Issued in exchange for series dated Sept. 4, 1958	2.805	69,494,000.00	
	Issued for cash		1,730,342,000.00	
11	Issued Sept. 11, 1958:			
	Redeemed in exchange for series dated Dec. 11, 1958, due Mar. 12, 1959	2.359		55,313,000.00
	Redeemed in exchange for series dated Dec. 11, 1958, due June 11, 1959			10,401,000.00
	Redeemable for cash			1,734,353,000.00
11	Maturing Mar. 12, 1959:			
	Issued in exchange for series dated Sept. 11, 1958	2.805	55,313,000.00	
	Issued for cash		1,544,538,000.00	
11	Maturing June 11, 1959:			
	Issued in exchange for series dated Sept. 11, 1958	3.081	10,401,000.00	
	Issued for cash		389,910,000.00	
18	Issued Sept. 18, 1958:			
	Redeemed in exchange for series dated Dec. 18, 1958, due Mar. 19, 1959	2.604		34,787,000.00
	Redeemed in exchange for series dated Dec. 18, 1958, due June 18, 1959			3,907,000.00
	Redeemable for cash			1,761,426,000.00
18	Maturing Mar. 19, 1959:			
	Issued in exchange for series dated Sept. 18, 1958	2.904	34,787,000.00	
	Issued for cash		1,565,636,000.00	
18	Maturing June 18, 1959:			
	Issued in exchange for series dated Sept. 18, 1958	3.095	3,907,000.00	
	Issued for cash		396,194,000.00	
26	Issued Sept. 25, 1958:			
	Redeemed in exchange for series dated Dec. 26, 1958, due Mar. 26, 1959	2.511		128,888,000.00
	Redeemed in exchange for series dated Dec. 26, 1958, due June 25, 1959			2,119,000.00
	Redeemable for cash			1,668,804,000.00
26	Maturing Mar. 26, 1959:			
	Issued in exchange for series dated Sept. 25, 1958	2.739	128,888,000.00	
	Issued for cash		1,471,871,000.00	
26	Maturing June 25, 1959:			
	Issued in exchange for series dated Sept. 25, 1958	3.017	2,119,000.00	
	Issued for cash		397,474,000.00	

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1958	U.S. savings bonds:	*Percent*		
Dec. 31	Series E-1941	[5] 2.90	$2,386,853.06	$3,326,604.53
31	Series E-1942	[5] 2.90	5,605,094.55	15,115,852.79
31	Series E-1943	[5] 2.95	5,713,467.70	25,281,453.05
31	Series E-1944	[5] 2.95	14,951,402.99	28,582,812.00
31	Series E-1945	[5] 2.95	12,217,802.12	24,595,489.13
31	Series E-1946	[5] 2.95	4,801,048.22	13,977,866.80
31	Series E-1947	[5] 2.95	4,829,951.84	16,653,227.77
31	Series E-1948	[5] 2.95	7,812,146.48	32,946,377.11
31	Series E-1949	2.90	8,769,679.00	9,793,814.90
31	Series E-1950	2.90	7,237,524.50	8,809,853.45
31	Series E-1951	2.90	6,576,772.75	8,103,756.00
31	Series E-1952 (January to April)	2.90		3,004,265.00
31	Series E-1952 (May to December)	3.00	5,388,829.55	6,836,932.05
31	Series E-1953	3.00	6,204,900.45	12,248,329.70
31	Series E-1954	3.00	5,792,937.35	14,846,788.00
31	Series E-1955	3.00	5,529,426.65	19,149,726.45
31	Series E-1956	3.00	5,508,807.45	24,226,173.60
31	Series E-1957 (January)	3.00	56.25	2,312,752.55
31	Series E-1957 (February to December)	3.25	8,052,076.59	86,626,631.91
31	Series E-1958	3.25	307,203,556.80	39,606,356.80
31	Unclassified sales and redemptions		110,860.05	[9] 99,733.62
31	Series F-1947	2.53	567,010.66	731,174.89
31	Series F-1948	2.53	422,382.15	1,806,991.71
31	Series F-1949	2.53	365,368.04	637,630.16
31	Series F-1950	2.53	714,280.07	1,596,863.16
31	Series F-1951	2.53	199,918.49	198,733.79
31	Series F-1952	2.53		64,482.63
31	Unclassified sales and redemptions			6,163,612.30
31	Series G-1947	2.50		5,206,900.00
31	Series G-1948	2.50		7,859,200.00
31	Series G-1949	2.50		4,489,500.00
31	Series G-1950	2.50		7,426,700.00
31	Series G-1951	2.50		1,397,900.00
31	Series G-1952	2.50		539,700.00
31	Unclassified sales and redemptions			13,312,300.00
31	Series H-1952	3.00		517,500.00
31	Series H-1953	3.00		1,395,500.00
31	Series H-1954	3.00		2,495,500.00
31	Series H-1955	3.00		4,008,000.00
31	Series H-1956	3.00		3,160,500.00
31	Series H-1957 (January)	3.00		202,000.00
31	Series H-1957 (February to December)	3.25		1,986,000.00
31	Series H-1958	3.25	58,713,500.00	1,197,500.00
31	Unclassified sales and redemptions		5,095,500.00	2,836,000.00
31	Series J-1952	2.76	271,905.70	219,380.90
31	Series J-1953	2.76	312,032.76	319,146.56
31	Series J-1954	2.76	586,002.93	815,726.09
31	Series J-1955	2.76	336,182.27	963,709.99
31	Series J-1956	2.76	205,016.45	482,351.28
31	Series J-1957	2.76		117,269.08
31	Unclassified sales and redemptions			1,452,476.06
31	Series K-1952	2.76		606,500.00
31	Series K-1953	2.76		812,000.00
31	Series K-1954	2.76		2,763,000.00
31	Series K-1955	2.76		2,447,000.00
31	Series K-1956	2.76		1,333,500.00
31	Series K-1957	2.76		142,500.00
31	Unclassified sales and redemptions			3,664,000.00
31	Depositary bonds, First Series	2.00	586,000.00	3,846,000.00
31	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1963	2¾		44,653,000.00
31	Treasury notes, Series EO-1963	1½	44,653,000.00	
31	Miscellaneous			31,435,200.00
	Total December		20,127,524,293.87	19,962,647,778.57

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills:			
1959	Regular weekly:			
Jan. 2	Issued Oct. 2, 1958:			
	Redeemed in exchange for series dated Jan. 2, 1959, due Apr. 2, 1959	*Percent* 2.920		$11,880,000.00
	Redeemed in exchange for series dated Jan. 2, 1959, due July 2, 1959			2,175,000.00
	Redeemable for cash			1,787,272,000.00
2	Maturing Apr. 2, 1959:			
	Issued in exchange for series dated Oct. 2, 1958	2.690	$11,880,000.00	
	Issued for cash		1,588,395,000.00	
	Maturing July 2, 1959:			
	Issued in exchange for series dated Oct. 2, 1958	2.920	2,175,000.00	
	Issued for cash		397,884,000.00	
8	Issued Oct. 9, 1958:			
	Redeemed in exchange for series dated Jan. 8, 1959, due Apr. 9, 1959	2.668		161,734,000.00
	Redeemed in exchange for series dated Jan. 8, 1959, due July 9, 1959			2,447,000.00
	Redeemable for cash			1,635,888,000.00
8	Maturing Apr. 9, 1959:			
	Issued in exchange for series dated Oct. 9, 1958	2.678	161,734,000.00	
	Issued for cash		1,437,603,000.00	
8	Maturing July 9, 1959:			
	Issued in exchange for series dated Oct. 9, 1958	2.959	2,447,000.00	
	Issued for cash		397,591,000.00	
15	Issued Oct. 16, 1958:			
	Redeemed in exchange for series dated Jan. 15, 1959, due Apr. 16, 1959	2.927		24,835,000.00
	Redeemed in exchange for series dated Jan. 15, 1959, due July 16, 1959			2,082,000.00
	Redeemable for cash			1,776,120,000.00
15	Maturing Apr. 16, 1959:			
	Issued in exchange for series dated Oct. 16, 1958	2.808	24,835,000.00	
	Issued for cash		1,574,822,000.00	
15	Maturing July 16, 1959:			
	Issued in exchange for series dated Oct. 16, 1958	3.034	2,082,000.00	
	Issued for cash		398,494,000.00	
21	Treasury notes, Series B-1960:			
	Maturing May 15, 1960:			
	Issued for cash	3.25	2,737,635,000.00	
	Treasury bills:			
	Regular weekly:			
22	Issued Oct. 23, 1958:			
	Redeemed in exchange for series dated Jan. 22, 1959, due Apr. 23, 1959	2.804		103,119,000.00
	Redeemed in exchange for series dated Jan. 22, 1959, due July 23, 1959			2,617,000.00
	Redeemable for cash			1,693,976,000.00
22	Maturing Apr. 23, 1959:			
	Issued in exchange for series dated Oct. 23, 1958	3.034	103,119,000.00	
	Issued for cash		1,297,715,000.00	
22	Maturing July 23, 1959:			
	Issued in exchange for series dated Oct. 23, 1958	3.232	2,617,000.00	
	Issued for cash		397,456,000.00	
23	Treasury bonds of 1980:			
	Maturing Feb. 15, 1980:			
	Issued for cash	4.00	884,115,500.00	

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills:			
1959	Regular weekly:			
Jan. 29	Issued Oct. 30, 1958:			
	Redeemed in exchange for series dated Jan. 29, 1959, due Apr. 30, 1959	*Percent* 2.647		$130,330,000.00
	Redeemed in exchange for series dated Jan. 29, 1959, due July 30, 1959			21,212,000.00
	Redeemable for cash			1,651,160,000.00
29	Maturing Apr. 30, 1959:			
	Issued in exchange for series dated Oct. 30, 1958	2.975	$130,330,000.00	
	Issued for cash		1,268,943,000.00	
29	Maturing July 30, 1959:			
	Issued in exchange for series dated Oct. 30, 1958	3.337	21,212,000.00	
	Issued for cash		378,851,000.00	
	U.S. savings bonds:			
31	Series E-1941	[5] 2.90	1,076,780.62	2,022,978.85
31	Series E-1942	[6] 2.90	4,878,556.49	8,827,515.34
31	Series E-1943	[5] 2.95	6,530,128.60	14,581,963.25
31	Series E-1944	[5] 2.95	12,335,049.64	16,557,432.92
31	Series E-1945	[5] 2.95	6,095,600.64	13,814,630.59
31	Series E-1946	[5] 2.95	4,924,317.60	7,978,816.44
31	Series E-1947	[5] 2.95	5,808,188.27	9,399,300.57
31	Series E-1948	[5] 2.95	6,917,735.12	17,806,417.36
31	Series E-1949	[7] 2.90	10,074,991.30	5,456,062.30
31	Series E-1950	2.90	9,394,489.50	5,087,504.25
31	Series E-1951	2.90	7,326,364.50	4,681,067.50
31	Series E-1952 (January to April)	2.90	4,076,132.00	1,708,129.00
31	Series E-1952 (May to December)	3.00	2,368,242.65	3,782,832.05
31	Series E-1953	3.00	6,666,788.75	7,073,319.00
31	Series E-1954	3.00	7,353,048.45	8,634,287.40
31	Series E-1955	3.00	5,891,470.75	11,071,993.10
31	Series E-1956	3.00	6,127,365.15	13,896,165.45
31	Series E-1957 (January)	3.00	2,790,587.00	1,327,258.05
31	Series E-1957 (February to December)	3.25	3,671,158.00	77,673,785.90
31	Series E-1958	3.25	311,349,722.66	276,790,383.30
31	Series E-1959	3.25	67,540,619.25	
31	Unclassified sales and redemptions		799,298.97	658,825.36
31	Series F-1947	2.53	1,042,649.95	974,226.79
31	Series F-1948	2.53	4,002,926.31	686,213.24
31	Series F-1949	2.53	517,562.59	555,838.88
31	Series F-1950	2.53	469,064.81	937,097.55
31	Series F-1951	2.53	316,251.09	312,358.82
31	Series F-1952	2.53	162,434.56	44,484.57
31	Unclassified sales and redemptions			35,154,115.32
31	Series G-1947	2.50		5,770,700.00
31	Series G-1948	2.50		7,634,500.00
31	Series G-1949	2.50		3,993,700.00
31	Series G-1950	2.50		5,542,500.00
31	Series G-1951	2.50		1,620,100.00
31	Series G-1952	2.50		457,500.00
31	Unclassified sales and redemptions			210,240,500.00
31	Series H-1952	3.00		437,000.00
31	Series H-1953	3.00		1,110,500.00
31	Series H-1954	3.00		2,214,500.00
31	Series H-1955	3.00		3,666,500.00
31	Series H-1956	3.00		3,228,500.00
31	Series H-1957 (January)	3.00		166,500.00
31	Series H-1957 (February to December)	3.25		1,923,500.00
31	Series H-1958	3.25	51,747,000.00	1,828,000.00
31	Series H-1959	3.25	34,904,000.00	
31	Unclassified sales and redemptions		24,061,500.00	2,140,000.00
31	Series J-1952	2.76	116,282.89	330,816.76
31	Series J-1953	2.76	286,451.04	182,122.34
31	Series J-1954	2.76	512,859.40	820,080.04
31	Series J-1955	2.76	515,535.18	631,143.27
31	Series J-1956	2.76	375,466.58	579,331.01
31	Series J-1957	2.76	83,795.14	129,635.41
31	Unclassified sales and redemptions			962,741.27
31	Series K-1952	2.76		1,113,500.00
31	Series K-1953	2.76		685,500.00
31	Series K-1954	2.76		4,485,000.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1959	U.S. savings bonds—Continued	*Percent*		
Jan. 31	Series K-1955	2.76		$1,978,000.00
31	Series K-1956	2.76		1,258,000.00
31	Series K-1957	2.76		300,000.00
31	Unclassified sales and redemptions			[9] 548,000.00
31	Depositary bonds, First Series	2.00	$492,000.00	7,515,000.00
31	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1963	2¾		109,204,000.00
31	Treasury notes, Series EO-1963	1½	109,204,000.00	
31	Miscellaneous			20,108,100.00
	Total January		13,944,741,915.45	9,956,051,473.25
	Treasury bills:			
	Regular weekly:			
Feb. 5	Issued Nov. 6, 1958:			
	Redeemed in exchange for series dated Feb. 5, 1959, due May 7, 1959	2.649		$219,936,000.00
	Redeemed in exchange for series dated Feb. 5, 1959, due Aug. 6, 1959			20,655,000.00
	Redeemable for cash			1,561,438,000.00
5	Maturing May 7, 1959:			
	Issued in exchange for series dated Nov. 5, 1958	2.721	$219,936,000.00	
	Issued for cash		1,179,798,000.00	
5	Maturing Aug. 6, 1959:			
	Issued in exchange for series dated Nov. 5, 1958	3.107	20,655,000.00	
	Issued for cash		379,257,000.00	
13	Issued Nov. 13, 1958:			
	Redeemed in exchange for series dated Feb. 13, 1959, due May 14, 1959	2.774		95,565,000.00
	Redeemed in exchange for series dated Feb. 13, 1959, due Aug. 13, 1959			21,396,000.00
	Redeemable for cash			1,683,656,000.00
13	Maturing May 14, 1959:			
	Issued in exchange for series dated Nov. 13, 1958	2.809	95,565,000.00	
	Issued for cash		1,305,701,000.00	
13	Maturing Aug. 13, 1959:			
	Issued in exchange for series dated Nov. 13, 1958	3.326	21,396,000.00	
	Issued for cash		378,602,000.00	
	Certificates of indebtedness, Series A-1959, regular:			
15	Redeemed in exchange for certificates Series A-1960	2½		8,314,675,000.00
	Redeemed in exchange for Treasury notes, Series D-1962			579,370,000.00
	Redeemable for cash			875,846,000.00
	Treasury notes, Series A-1959:			
15	Redeemed in exchange for certificates Series A-1960	1⅞		3,047,951,000.00
	Redeemed in exchange for Treasury notes, Series D-1962			855,616,000.00
	Redeemable for cash			1,198,710,000.00
15	Certificates of indebtedness, Series A-1960, regular	3¾	11,362,626,000.00	
15	Treasury notes, Series D-1962	4.00	1,434,986,000.00	
	Treasury bills:			
	Tax anticipation:			
16	Maturing Sept. 21, 1959:			
	Issued for cash	3.293	1,501,759,000.00	

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills—Continued			
1959	Regular weekly:			
Feb. 19	Issued Nov. 20, 1958:			
	Redeemed in exchange for series dated Feb. 19, 1959, due May 21, 1959	*Percent* 2.876		$111,371,000.00
	Redeemed in exchange for series dated Feb. 19, 1959, due Aug. 20, 1959			6,090,000.00
	Redeemable for cash			1,685,494,000.00
19	Maturing May 21, 1959:			
	Issued in exchange for series dated Nov. 20, 1958	2.726	$111,371,000.00	
	Issued for cash		1,288,628,000.00	
	Maturing Aug. 20, 1959:			
	Issued in exchange for series dated Nov. 20, 1958	3.253	6,090,000.00	
	Issued for cash		395,037,000.00	
26	Issued Nov. 28, 1958:			
	Redeemed in exchange for series dated Feb. 26, 1959, due May 28, 1959	2.723		193,376,000.00
	Redeemed in exchange for series dated Feb. 26, 1959, due Aug. 27, 1959			3,934,000.00
	Redeemable for cash			1,605,472,000.00
26	Maturing May 28, 1958:			
	Issued in exchange for series dated Nov. 26, 1958	2.589	193,376,000.00	
	Issued for cash		1,206,554,000.00	
	Maturing Aug. 27, 1959:			
	Issued in exchange for series dated Nov. 26, 1958	2.978	3,934,000.00	
	Issued for cash		391,428,000.00	
	U.S. savings bonds:			
28	Series E-1941	[5] 2.90	768,870.62	4,801,543.36
28	Series E-1942	[6] 2.90	3,174,715.02	20,004,705.53
28	Series E-1943	[5] 2.95	5,112,481.80	31,556,987.55
28	Series E-1944	[5] 2.95	9,522,063.42	37,680,243.32
28	Series E-1945	[5] 2.95	4,436,174.80	34,011,055.15
28	Series E-1946	[5] 2.95	3,850,928.72	17,937,799.23
28	Series E-1947	[5] 2.95	4,162,998.30	20,962,324.10
28	Series E-1948	[5] 2.95	5,217,948.45	49,078,569.64
28	Series E-1949	[7] 2.90	7,600,475.80	12,298,579.70
28	Series E-1950	2.90	6,880,040.70	10,945,254.10
28	Series E-1951	2.90	5,827,238.00	9,788,307.00
28	Series E-1952 (January to April)	2.90	3,066,404.25	3,394,346.50
28	Series E-1952 (May to December)	3.00	2,227,209.60	8,578,844.65
28	Series E-1953	3.00	5,360,240.55	15,092,663.40
28	Series E-1954	3.00	6,081,715.50	17,439,009.45
28	Series E-1955	3.00	4,810,747.50	22,592,824.25
28	Series E-1956	3.00	5,161,505.25	28,366,228.20
28	Series E-1957 (January)	3.00		2,616,954.45
28	Series E-1957 (February to December)	3.25	6,707,940.54	[8] 52,906,926.93
28	Series E-1958	3.25	96,487,476.21	97,295,906.35
28	Series E-1959	3.25	218,793,702.75	
28	Unclassified sales and redemptions		[9] 199,797.94	725,421.59
28	Series F-1947	2.53	583,331.03	1,487,715.82
28	Series F-1948	2.53	447,962.36	1,050,069.96
28	Series F-1949	2.53	334,618.62	1,180,589.20
28	Series F-1950	2.53	324.896.58	2,292,040.06
28	Series F-1951	2.53	214,475.34	517,651.04
28	Series F-1952	2.53	116,337.26	155,518.66
28	Unclassified sales and redemptions			[9] 5,835,960.14
28	Series G-1947	2.50		7,648,900.00
28	Series G-1948	2.50		8,479,900.00
28	Series G-1949	2.50		6,862,400.00
28	Series G-1950	2.50		11,389,900.00
28	Series G-1951	2.50		2,847,700.00
28	Series G-1952	2.50		532,000.00
28	Unclassified sales and redemptions			[9] 37,686,300.00
28	Series H-1952	3.00		617,000.00
28	Series H-1953	3.00		1,658,000.00
28	Series H-1954	3.00		3,308,500.00
28	Series H-1955	3.00		5,081,000.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1959	U.S.savings bonds—Continued	*Percent*		
Feb. 28	Series H-1956	3.00		$3,896,000.00
28	Series H-1957 (January)	3.00		154,500.00
28	Series H-1957 (February to December)	3.25		2,386,500.00
38	Series H-1958	3.25	$5,457,000.00	2,324,500.00
28	Series H-1959	3.25	84,106,000.00	
28	Unclassified sales and redemptions		[9] 17,496,000.00	[9] 2,050,000.00
28	Series J-1952	2.76	85,167.93	540,828.14
28	Series J-1953	2.76	223,619.50	787,318.82
28	Series J-1954	2.76	463,230.96	1,691,454.59
28	Series J-1955	2.76	291,308.02	1,044,294.01
28	Series J-1956	2.76	307,659.98	818,959.06
28	Series J-1957	2.76	75,518.35	250,579.55
28	Unclassified sales and redemptions			[9] 1,190,508.48
28	Series K-1952	2.76		2,339,000.00
28	Series K-1953	2.76		1,881,500.00
28	Series K-1954	2.76		5,420,500.00
28	Series K-1955	2.76		3,710,500.00
28	Series K-1956	2.76		1,414,000.00
28	Series K-1957	2.76		225,000.00
28	Unclassified sales and redemptions			[9] 4,951,500.00
28	Depositary bonds, First Series	2.00	464,000.00	11,759,000.00
23	Treasury bonds, Investment Series B-1975–80: Redeemed in exchange for Treasury notes, Series EO-1963	2¾		47,411,000.00
28	Treasury notes, Series EO-1963	1½	47,411,000.00	
28	Miscellaneous			25,014,400.00
	Total February		22,025,160,205.77	22,589,276,090.88
	Treasury bills:			
	Regular weekly:			
Mar. 5	Issued Dec. 4, 1958:			
	Redeemed in exchange for series dated Mar. 5, 1959, due June 4, 1959	2.805		58,014,000.00
	Redeemed in exchange for series date Mar. 5, 1959, due Sept. 3, 1959			14,500,000.00
	Redeemable for cash			1,727,322,000.00
5	Maturing June 4, 1959:			
	Issued in exchange for series dated Dec. 4, 1958	2.816	58,014,000.00	
	Issued for cash		1,442,235,000.00	
5	Maturing Sept. 3, 1959:			
	Issued in exchange for series dated Dec. 4, 1958	3.111	14,500,000.00	
	Issued for cash		385,647,000.00	
12	Issued Dec. 11, 1958:			
	Redeemed in exchange for series dated Mar. 12, 1959, due June 11, 1959	2.805		36,861,000.00
	Redeemed in exchange for series dated Mar. 12, 1959, due Sept. 10, 1959			1,242,000.00
	Redeemable for cash			1,561,748,000.00
12	Maturing June 11, 1959:			
	Issued in exchange for series dated Dec. 11, 1958	3.062	36,861,000.00	
	Issued for cash		1,264,056,000.00	
12	Maturing Sept. 10, 1959:			
	Issued in exchange for series dated Dec. 11, 1958	3.375	1,242,000.00	
	Issued for cash		399,057,000.00	
19	Issued Dec. 18, 1958:			
	Redeemed in exchange for series dated Mar. 19, 1959, due June 18, 1959	2.904		40,574,000.00
	Redeemed in exchange for series dated Mar. 19, 1959, due Sept. 17, 1959			1,283,000.00
	Redeemable for cash			1,558,566,000.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills—Continued			
1959	Regular weekly—Continued			
Mar. 19	Maturing June 18, 1959:			
	Issued in exchange for series dated Dec. 18, 1958	*Percent* 2.763	$40,574,000.00	
	Issued for cash		1,260,013,000.00	
19	Maturing Sept. 17, 1959:			
	Issued in exchange for series dated Dec. 18, 1958	3.058	1,283,000.00	
	Issued for cash		398,734,000.00	
	Certificates of indebtedness D-1959, tax anticipation:			
24	Issued Aug. 6, 1958:			
	Redeemable for cash	1½		$3,567,049,000.00
	Treasury bills:			
	Regular weekly:			
26	Issued Dec. 26, 1958:			
	Redeemed in exchange for series dated Mar. 26, 1959, due June 25, 1959	2.739		75,180,000.00
	Redeemed in exchange for series dated Mar. 26, 1959, due Sept. 24, 1959			15,975,000.00
	Redeemable for cash			1,509,604,000.00
26	Maturing June 25, 1959:			
	Issued in exchange for series dated Dec. 26, 1958	2.766	75,180,000.00	
	Issued for cash		1,224,935,000.00	
26	Maturing Sept. 24, 1959:			
	Issued in exchange for series dated Dec. 26, 1958	3.093	15,975,000.00	
	Issued for cash		384,174,000.00	
	U.S. savings bonds:			
31	Series E-1941	[5] 2.90	741,253.12	6,940,571.91
31	Series E-1942	[6] 2.90	3,516,516.92	28,270,786.65
31	Series E-1943	[5] 2.95	12,541,528.35	43,285,647.90
31	Series E-1944	[5] 2.95	4,398,944.68	54,528,408.16
31	Series E-1945	[5] 2.95	4,051,989.68	46,751,597.26
31	Series E-1946	[5] 2.95	3,653,726.56	26,063,887.68
31	Series E-1947	[5] 2.95	4,161,801.00	30,667,572.13
31	Series E-1948	[5] 2.95	4,858,919.55	58,109,710.38
31	Series E-1949	[7] 2.90	7,305,824.10	36,559,789.90
31	Series E-1950	2.90	6,717,971.00	13,938,745.80
31	Series E-1951	2.90	5,719,050.50	12,130,517.00
31	Series E-1952 (January to April)	2.90	2,959,189.50	4,209,540.88
31	Series E-1952 (May to December)	3.00	2,239,615.10	9,893,775.35
31	Series E-1953	3.00	5,420,731.05	17,948,370.75
31	Series E-1954	3.00	6,012,636.70	20,528,195.70
31	Series E-1955	3.00	4,895,253.00	25,405,397.45
31	Series E-1956	3.00	4,945,107.25	31,493,776.40
31	Series E-1957 (January	3.00	2,250.00	3,172,733.45
31	Series E-1957 (February to December)	3.25	6,652,775.44	3,250,531.02
31	Series E-1958	3.25	1,203,369.75	4,416,036.00
31	Series E-1959	3.25	336,366,159.75	1,135,638.75
31	Unclassified sales and redemptions		2,735,869.57	[9] 41,293,189.62
31	Series F-1947	2.53	608,995.22	28,008,653.18
31	Series F-1948	2.53	385,149.33	2,911,363.45
31	Series F-1949	2.53	321,867.13	555,071.02
31	Series F-1950	2.53	276,202.65	1,496,741.76
31	Series F-1951	2.53	174,563.43	638,750.41
31	Series F-1952	2.53	89,669.80	80,982.33
31	Unclassified sales and redemptions			[9] 24,367,307.60
31	Series G-1947	2.50		215,163,900.00
31	Series G-1948	2.50		16,541,000.00
31	Series G-1949	2.50		5,809,800.00
31	Series G-1950	2.50		6,322,300.00
31	Series G-1951	2.50		2,692,300.00
31	Series G-1952	2.50		511,700.00
31	Unclassified sales and redemptions			[9] 156,119,500.00
31	Series H-1952	3.00		606,500.00
31	Series H-1953	3.00		1,442,500.00
31	Series H-1954	3.00		2,546,000.00
31	Series H-1955	3.00		4,216,000.00
31	Series H-1956	3.00		3,371,500.00
31	Series H-1957 (January)	3.00		197,500.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1959	U.S. savings bonds—Continued	*Percent*		
Mar. 31	Series H-1957 (February to December)	3.25	$6,500.00	$1,984,000.00
31	Series H-1958	3.25	3,106,000.00	2,423,000.00
31	Series H-1959	3.25	73,116,000.00	
31	Unclassified sales and redemptions		1,479,000.00	5,726,500.00
31	Series J-1952	2.76	103,351.25	462,047.74
31	Series J-1953	2.76	215,796.58	563,871.90
31	Series J-1954	2.76	434,753.01	697,638.12
31	Series J-1955	2.76	364,067.05	987,966.63
31	Series J-1956	2.76	242,068.01	890,090.92
31	Series J-1957	2.76	58,351.69	128,740.79
31	Unclassified sales and redemptions			1,801,506.30
31	Series K-1952	2.76		1,102,000.00
31	Series K-1953	2.76	1,500.00	917,000.00
31	Series K-1954	2.76		3,756,500.00
31	Series K-1955	2.76		2,711,000.00
31	Series K-1956	2.76		999,000.00
31	Series K-1957	2.76		128,000.00
31	Unclassified sales and redemptions			5,427,500.00
31	Depositary bonds, First Series	2.00	3,118,000.00	3,531,000.00
31	Treasury bonds, Investment Series B-1975–80: Redeemed in exchange for Treasury notes, Series EO-1963	2¾		130,969,000.00
31	Treasury notes, Series EO-1963	1½	130,969,000.00	
31	Miscellaneous			18,571,400.00
	Total March		7,648,651,317.72	10,901,729,557.85
	Treasury notes, Series EA-1959:			
Apr. 1	Redeemable for cash	1½		118,847,000.00
	Treasury notes, Series B-1963:			
1	Issued for cash	4.00	1,743,040,000.00	
	Treasury bonds of 1969, additional issue, maturing Oct. 1, 1969:			
1	Issued for cash	4.00	619,461,000.00	
	Treasury bills:			
	Other:			
1	Maturing Jan. 15, 1960:			
	Issued for cash	3.386	2,006,171,000.00	
	Regular weekly:			
2	Issued Jan. 2, 1959:			
	Redeemed in exchange for series dated Apr. 2, 1959, due July 2, 1959	2.690		20,770,000.00
	Redeemed in exchange for series dated Apr. 2, 1959, due Oct. 1, 1959			682,000.00
	Redeemable for cash			1,578,823,000.00
2	Maturing July 2, 1959:			
	Issued in exchange for series dated Jan. 2, 1959	2.841	20,770,000.00	
	Issued for cash		1,179,484,000.00	
2	Maturing Oct. 1, 1959:			
	Issued in exchange for series dated Jan. 2, 1959	3.236	682,000.00	
	Issued for cash		399,375,000.00	
9	Issued Jan. 8, 1959:			
	Redeemed in exchange for series dated Apr. 9, 1959, due July 9, 1959	2.678		151,877,000.00
	Redeemed in exchange for series dated Apr. 9, 1959, due Oct. 8, 1959			20,902,000.00
	Redeemable for cash			1,426,558,000.00
9	Maturing July 9, 1959:			
	Issued in exchange for series dated Jan. 8, 1959	2.948	151,877,000.00	
	Issued for cash		1,048,178,000.00	
9	Maturing Oct. 8, 1959:			
	Issued in exchange for series dated Jan. 8, 1959	3.250	20,902,000.00	
	Issued for cash		379,145,000.00	

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills—Continued			
1959	Regular weekly—Continued			
Apr. 15	Issued Jan. 15, 1959:			
	Redeemed in exchange for series dated Apr. 15, 1959, due July 16, 1959	*Percent* 2.808		$17,556,000.00
	Redeemed in exchange for series dated Apr. 15, 1959, due Oct. 15, 1959			892,000.00
	Redeemable for cash			1,581,209,000.00
15	Maturing July 16, 1959:			
	Issued in exchange for series dated Jan. 15, 1959	3.075	$17,556,000.00	
	Issued for cash		1,182,229,000.00	
15	Maturing Oct. 15, 1959:			
	Issued in exchange for series dated Jan. 15, 1959	3.351	892,000.00	
	Issued for cash		399,110,000.00	
23	Issued Jan. 22, 1959:			
	Redeemed in exchange for series dated Apr. 23, 1959, due July 23, 1959	3.034		106,439,000.00
	Redeemed in exchange for series dated Apr. 23, 1959, due Oct. 22, 1959			21,608,000.00
	Redeemable for cash			1,272,787,000.00
23	Maturing July 23, 1959:			
	Issued in exchange for series dated Jan. 22, 1959	3.105	106,439,000.00	
	Issued for cash		894,444,000.00	
23	Maturing Oct. 22, 1959:			
	Issued in exchange for series dated Jan. 22, 1959	3.361	21,608,000.00	
	Issued for cash		378,462,000.00	
30	Issued Jan. 29, 1959:			
	Redeemed in exchange for series dated Apr. 30, 1959, due July 30, 1959	2.975		102,933,000.00
	Redeemed in exchange for series dated Apr. 30, 1959, due Oct. 29, 1959			20,653,000.00
	Redeemable for cash			1,275,687,000.00
30	Maturing July 30, 1959:			
	Issued in exchange for series dated Jan. 29, 1959	2.831	102,933,000.00	
	Issued for cash		899,075,000.00	
30	Maturing Oct. 29, 1959:			
	Issued in exchange for series dated Jan. 29, 1959	3.189	20,653,000.00	
	Issued for cash		379,565,000.00	
	U.S. savings bonds:			
30	Series E-1941	[5] 2.90	797,409.29	3,937,052.78
30	Series E-1942	[6] 2.90	3,160,933.54	17,448,443.68
30	Series E-1943	[5] 2.95	8,430,446.96	26,856,212.10
30	Series E-1944	[5] 2.95	3,242,258.71	35,105,487.29
30	Series E-1945	[5] 2.95	4,343,663.41	28,361,387.20
30	Series E-1946	[5] 2.95	3,285,368.04	15,798,750.13
30	Series E-1947	[5] 2.95	3,388,414.88	18,304,643.98
30	Series E-1948	[5] 2.95	3,948,068.48	28,882,801.29
30	Series E-1949	[7] 2.90	6,285,976.50	30,155,046.00
30	Series E-1950	2.90	5,733,989.55	9,504,005.00
30	Series E-1951	2.90	5,330,849.50	8,545,828.50
30	Series E-1952 (January to April)	2.90	2,408,773.13	3,026,383.50
30	Series E-1952 (May to December)	3.00	2,125,175.50	6,716,470.05
30	Series E-1953	3.00	4,962,872.95	12,601,297.40
30	Series E-1954	3.00	5,175,647.55	14,654,455.85
30	Series E-1955	3.00	4,079,405.85	18,515,076.40
30	Series E-1956	3.00	4,043,906.20	23,032,889.40
30	Series E-1957 (January)	3.00	2,025.00	2,313,122.15
30	Series E-1957 (February to December)	3.25	11,545,799.01	[8] 192,050,075.30
30	Series E-1958	3.25	126,727,495.33	103,682,039.38
30	Series E-1959	3.25	161,063,855.75	33,898,936.25
30	Unclassified sales and redemptions		[9] 1,129,424.20	183,875,960.21
30	Series F-1947	2.53	552,317.35	23,968,251.65
30	Series F-1948	2.53	335,257.14	1,651,438.52

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1959	U. S. savings bonds—Continued	*Percent*		
Apr. 30	Series F-1949	2.53	$299,564.50	$1,519,528.92
30	Series F-1950	2.53	1,663,848.16	2,255,728.04
30	Series F-1951	2.53	208,600.17	953,483.40
30	Series F-1952	2.53	75,422.70	236,099.96
30	Unclassified sales and redemptions			[9] 14,351,725.57
30	Series G-1947	2.50		132,973,200.00
30	Series G-1948	2.50		18,263,000.00
30	Series G-1949	2.50		12,076,300.00
30	Series G-1950	2.50		11,933,800.00
30	Series G-1951	2.50		5,588,800.00
30	Series G-1952	2.50		927,800.00
30	Unclassified sales and redemptions			[9] 72,011,300.00
30	Series H-1952	3.00		1,489,000.00
30	Series H-1953	3.00		3,105,000.00
30	Series H-1954	3.00		6,331,500.00
30	Series H-1955	3.00		9,618,500.00
30	Series H-1956	3.00		8,024,000.00
30	Series H-1957 (January)	3.00		726,000.00
30	Series H-1957 (February to December)	3.25		4,250,500.00
30	Series H-1958	3.25	42,500.00	5,938,500.00
30	Series H-1959	3.25	76,335,500.00	42,000.00
30	Unclassified sales and redemptions		[9] 15,886,500.00	[9] 20,452,500.00
30	Series J-1952	2.76	117,780.00	534,450.90
30	Series J-1953	2.76	216,426.90	1,101,257.10
30	Series J-1954	2.76	426,753.68	2,588,605.34
30	Series J-1955	2.76	394,827.51	2,833,722.22
30	Series J-1956	2.76	184,697.13	1,611,376.14
30	Series J-1957	2.76	62,956.57	456,781.87
30	Unclassified sales and redemptions			[9] 5,065,913.38
30	Series K-1952	2.76		1,847,500.00
30	Series K-1953	2.76		2,142,000.00
30	Series K-1954	2.76		11,852,500.00
30	Series K-1955	2.76		5,484,000.00
30	Series K-1956	2.76		2,920,500.00
30	Series K-1957	2.76		280,000.00
30	Unclassified sales and redemptions			[9] 11,261,500.00
30	Depositary bonds, First Series	2.00	1,017,000.00	2,824,000.00
30	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1963	2¾		130,510,000.00
30	Treasury notes, Series EO-1963	1½	130,510,000.00	
30	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1964	2¾		19,764,000.00
30	Treasury notes, Series EA-1964	1½	19,764,000.00	
30	Miscellaneous			41,059,100.00
	Total April		12,557,324,862.74	8,507,928,498.35
	Treasury bills:			
	Regular weekly:			
May 7	Issued Feb. 5, 1959:			
	Redeemed in exchange for series dated May 7, 1959, due Aug. 6, 1959	2.721		194,390,000.00
	Redeemed in exchange for series dated May 7, 1959, due Nov. 5, 1959			43,625,000.00
	Redeemable for cash			1,161,719,000.00
7	Maturing Aug. 6, 1959:			
	Issued in exchange for series dated Feb. 5, 1959	2.935	194,390,000.00	
	Issued for cash		806,580,000.00	
	Maturing Nov. 5, 1959:			
	Issued in exchange for series dated Feb. 5, 1959	3.316	43,625,000.00	
	Issued for cash		356,407,000.00	
	Other:			
11	Maturing Apr. 15, 1960:			
	Issued for cash	3.835	2,003,314,000.00	

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills—Continued			
1959	Regular weekly:			
May 14	Issued Feb. 13, 1959:			
	Redeemed in exchange for series dated May 14, 1959, due Aug. 13, 1959	*Percent* 2.809		$100,031,000.00
	Redeemed in exchange for series dated May 14, 1959, due Nov. 12, 1959			26,153,000.00
	Redeemable for cash			1,275,082,000.00
14	Maturing Aug. 13, 1959:			
	Issued in exchange for series dated Feb. 13, 1959	2.722	$100,031,000.00	
	Issued for cash		900,898,000.00	
14	Maturing Nov. 12, 1959:			
	Issued in exchange for series dated Feb. 13, 1959	3.408	26,153,000.00	
	Issued for cash		374,053,000.00	
	Other:			
15	Issued Oct. 8, 1958:			
	Redeemable for cash	3.25		2,735,421,000.00
	Certificates of indebtedness, Series B-1959, regular:			
15	Redeemed in exchange for certificates Series B-1960	1.25		1,269,461,000.00
	Redeemable for cash			547,056,000.00
	Certificates of indebtedness, Series B-1960, regular:			
15	Issued in exchange for certificates Series B-1959	4.00	1,269,461,000.00	
	Treasury bills:			
	Tax anticipation:			
15	Maturing Dec. 22, 1959:			
	Issued for cash	3.565	1,499,795,000.00	
	Regular weekly:			
21	Issued Feb. 19, 1959:			
	Redeemed in exchange for series dated May 21, 1959, due Aug. 20, 1959	2.726		133,156,000.00
	Redeemed in exchange for series dated May 21, 1959, due Nov. 19, 1959			20,690,000.00
	Redeemable for cash			1,246,153,000.00
21	Maturing Aug. 20, 1959:			
	Issued in exchange for series dated Feb. 19, 1959	2.869	133,156,000.00	
	Issued for cash		867,342,000.00	
21	Maturing Nov. 19, 1959:			
	Issued in exchange for series dated Feb. 19, 1959	3.376	20,690,000.00	
	Issued for cash		379,497,000.00	
28	Issued Feb. 26, 1959:			
	Redeemed in exchange for series dated May 28, 1959, due Aug. 27, 1959	2.589		181,565,000.00
	Redeemed in exchange for series dated May 28, 1959, due Nov. 27, 1959			22,640,000.00
	Redeemable for cash			1,195,725,000.00
28	Maturing Aug. 27, 1959:			
	Issued in exchange for series dated Feb. 26, 1959	2.878	181,565,000.00	
	Issued for cash		818,679,000.00	
28	Maturing Nov. 27, 1959:			
	Issued in exchange for series dated Feb. 26, 1959	3.373	22,640,000.00	
	Issued for cash		377,339,000.00	
	U. S. savings bonds:			
31	Series E-1941	[5] 2.90	1,346,026.27	3,355,387.75
31	Series E-1942	[5] 2.90	3,488,700.19	15,751,186.53
31	Series E-1943	[5] 2.95	3,979,806.65	25,950,714.55
31	Series E-1944	[5] 2.95	4,680,283.84	30,927,093.65
31	Series E-1945	[5] 2.95	10,417,933.14	25,340,131.38
31	Series E-1946	[5] 2.95	2,934,851.21	14,368,250.10
31	Series E-1947	[5] 2.95	2,673,686.34	16,746,069.59

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—*Continued*

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1959	U. S. savings bonds—Continued	*Percent*		
May 31	Series E-1948	[5] 2.95	$2,831,317.52	$23,343,327.85
31	Series E-1949	[7] 2.90	5,922,955.10	29,926,581.70
31	Series E-1950	2.90	5,273,257.55	9,182,899.80
31	Series E-1951	2.90	4,768,271.50	8,276,912.50
31	Series E-1952 (January to April)	2.90	[8] 173,835.75	3,071,761.50
31	Series E-1952 (May to December	3.00	3,809,321.95	6,582,186.25
31	Series E-1953	3.00	4,324,751.00	14,441,895.75
31	Series E-1954	3.00	4,685,346.05	14,354,162.75
31	Series E-1955	3.00	3,612,636.05	18,220,152.95
31	Series E-1956	3.00	3,539,814.75	21,561,408.30
31	Series E-1957 (January 1957)	3.00	[8] 131,382.20	2,053,510.65
31	Series E-1957 (February to December)	3.25	[8] 1,992,005.63	[8] 262,576,977.24
31	Series E-1958	3.25	59,235,762.96	203,835,176.68
31	Series E-1959	3.25	16,763,181.25	12,084,793.75
31	Unclassified sales and redemptions		230,138,922.30	175,735,850.46
31	Series F-1947	2.53	485,861.40	13,620,694.00
31	Series F-1948	2.53	323,349.10	911,976.29
31	Series F-1949	2.53	302,553.68	500,917.28
31	Series F-1950	2.53	520,949.65	2,674,333.63
31	Series F-1951	2.53	191,266.87	535,165.52
31	Series F-1952	2.53	[9] 1,381.65	151,686.00
31	Unclassified sales and redemptions			[9] 2,517,712.63
31	Series G-1947	2.50		93,071,300.00
31	Series G-1948	2.50		4,326,300.00
31	Series G-1949	2.50		4,800,000.00
31	Series G-1950	2.50		13,160,500.00
31	Series G-1951	2.50		1,992,600.00
31	Series G-1952	2.50		764,700.00
31	Unclassified sales and redemptions			[9] 21,176,500.00
31	Series H-1952	3.00		476,000.00
31	Series H-1953	3.00		1,343,500.00
31	Series H-1954	3.00		2,594,000.00
31	Series H-1955	3.00		4,081,000.00
31	Series H-1956	3.00		3,410,500.00
31	Series H-1957 (January 1957)	3.00		216,500.00
31	Series H-1957 (February to December)	3.25	2,852,500.00	1,863,500.00
31	Series H-1958	3.25	588,500.00	3,606,000.00
31	Series H-1959	3.25	44,529,500.00	29,000.00
31	Unclassified sales and redemptions		118,500.00	3,122,500.00
31	Series J-1952	2.76	271,160.12	159,601.86
31	Series J-1953	2.76	243,152.00	369,986.60
31	Series J-1954	2.76	461,326.96	851,595.78
31	Series J-1955	2.76	324,577.15	1,369,206.33
31	Series J-1956	2.76	175,983.26	518,659.09
31	Series J-1957	2.76	[8] 1,084.28	55,946.80
31	Unclassified sales and redemptions			1,037,199.61
31	Series K-1952	2.76		995,000.00
31	Series K-1953	2.76		1,380,000.00
31	Series K-1954	2.76		4,575,000.00
31	Series K-1955	2.76		3,429,000.00
31	Series K-1956	2.76		1,123,500.00
31	Series K-1957	2.76		60,500.00
31	Unclassified sales and redemptions			2,813,500.00
31	Depositary bonds, First series	2.00	846,000.00	1,614,500.00
31	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1964	2¾		70,455,000.00
31	Treasury notes, Series EA-1964	1½	70,455,000.00	
31	Miscellaneous			29,474,300.00
	Total May		10,870,432,316.30	10,819,240,433.36
	Treasury bills:			
	Regular weekly:			
June 4	Issued Mar. 5, 1959:			
	Redeemed in exchange for series dated June 4, 1959, due Sept. 3, 1959	2.816		65,728,000.00
	Redeemed in exchange for series dated June 4, 1959, due Dec. 3, 1959			20,398,000.00
	Redeemable for cash			1,414,123,000.00

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
	Treasury bills—Continued			
1959	Regular weekly—Continued			
June 4	Maturing Sept. 3, 1959:			
	Issued in exchange for series dated Mar. 5, 1959	*Percent* 3.149	$65,728,000.00	
	Issued for cash		1,034,918,000.00	
4	Maturing Dec. 3, 1959:			
	Issued in exchange for series dated Mar. 5, 1959	3.489	20,398,000.00	
	Issued for cash		379,846,000.00	
11	Issued Dec. 11, 1958:			
	Redeemed in exchange for series dated June 11, 1959, due Sept. 10, 1959	[10] 3.066		$53,116,000.00
	Redeemed in exchange for series dated June 11, 1959, due Dec. 10, 1959			14,047,000.00
	Redeemable for cash			1,634,065,000.00
11	Maturing Sept. 10, 1959:			
	Issued in exchange for series dated Dec. 11, 1958	3.283	53,116,000.00	
	Issued for cash		1,146,905,000.00	
11	Maturing Dec. 10, 1959:			
	Issued in exchange for series dated Dec. 11, 1958	3.565	14,047,000.00	
	Issued for cash		486,025,000.00	
18	Issued Dec. 18, 1958:			
	Redeemed in exchange for series dated June 18, 1959, due Sept. 17, 1959	[10] 2.840		72,682,000.00
	Redeemed in exchange for series dated June 18, 1959, due Dec. 17, 1959			22,408,000.00
	Redeemable for cash			1,605,598,000.00
18	Maturing Sept. 17, 1959:			
	Issued in exchange for series dated Dec. 18, 1958		72,682,000.00	
	Issued for cash		1,128,013,000.00	
18	Maturing Dec. 17, 1959:			
	Issued in exchange for series dated Dec. 18, 1958		22,408,000.00	
	Issued for cash		477,695,000.00	
	Tax anticipation:			
22	Issued Nov. 20, 1958:			
	Redeemable for cash	2.999		2,996,699,000.00
	Regular weekly:			
25	Issued Dec. 26, 1958:			
	Redeemed in exchange for series dated June 25, 1959, due Sept. 24, 1959	[10] 2.824		68,312,000.00
	Redeemed in exchange for series dated June 25, 1959, due Dec. 24, 1959			22,052,000.00
	Redeemable for cash			1,609,344,000.00
25	Maturing Sept. 24, 1959:			
	Issued in exchange for series dated Dec. 26, 1958		68,312,000.00	
	Issued for cash		1,131,750,000.00	
25	Maturing Dec. 24, 1959:			
	Issued in exchange for series dated Dec. 26, 1958		22,052,000.00	
	Issued for cash		478,190,000.00	
	U.S. savings bonds:			
30	Series E-1941	[5] 2.90	3,820,509.77	4,025,030.00
30	Series E-1942	[6] 2.90	4,984,758.60	18,750,581.58
30	Series E-1943	[5] 2.95	4,454,510.55	31,406,325.00
30	Series E-1944	[5] 2.95	14,484,435.52	35,343,641.71
30	Series E-1945	[5] 2.95	11,119,143.93	30,477,364.42
30	Series E-1946	[5] 2.95	4,396,052.00	16,962,906.89
30	Series E-1947	[5] 2.95	4,165,163.30	19,318,628.01
30	Series E-1948	[5] 2.95	5,169,345.15	26,896,637.94
30	Series E-1949	[7] 2.90	8,223,273.20	36,187,010.10
30	Series E-1950	2.90	6,753,936.05	11,240,602.00
30	Series E-1951	2.90	6,104,486.75	9,830,702.00
30	Series E-1952 (January to April)	2.90	[8] 120,508.00	3,639,850.50
30	Series E-1952 (May to December)	3.00	5,056,916.55	7,630,147.65
30	Series E-1953	3.00	5,684,177.55	16,052,195.60
30	Series E-1954	3.00	6,327,744.60	17,445,372.25

Footnotes at end of table.

TABLE 32.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1958–June 1959* [1]—Continued

Date	Security	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1959	U.S. savings bonds—Continued	*Percent*		
June 30	Series E-1955	3.00	$4,918,670.75	$21,564,661.80
30	Series E-1956	3.00	4,726,887.30	25,209,918.15
30	Series E-1957 (January 1957)	3.00		2,373,566.60
30	Series E-1957 (February to December)	3.25	7,024,124.54	34,904,853.49
30	Series E-1958	3.25	7,627,825.74	103,122,654.08
30	Series E-1959	3.25	485,223,862.50	90,161,568.75
30	Unclassified sales and redemptions		[9] 207,424,977.50	[9] 116,802,418.06
30	Series F-1947	2.53	587,375.40	13,749,697.20
30	Series F-1948	2.53	435,200.37	1,543,256.87
30	Series F-1949	2.53	377,573.90	1,411,608.47
30	Series F-1950	2.53	701,785.71	2,838,039.60
30	Series F-1951	2.53	193,364.48	532,626.61
30	Series F-1952	2.53	[8] 353.00	80,878.00
30	Unclassified sales and redemptions			[9] 2,547,964.01
30	Series G-1947	2.50		97,699,900.00
30	Series G-1948	2.50		6,929,900.00
30	Series G-1949	2.50		5,937,400.00
30	Series G-1950	2.50		13,935,500.00
30	Series G-1951	2.50		2,941,900.00
30	Series G-1952	2.50		646,100.00
30	Unclassified sales and redemptions			[9] 25,478,700.00
30	Series H-1952	3.00		660,000.00
30	Series H-1953	3.00		1,795,500.00
30	Series H-1954	3.00		3,471,500.00
30	Series H-1955	3.00		5,439,000.00
30	Series H-1956	3.00		4,347,500.00
30	Series H-1957 (January 1957)	3.00		193,500.00
30	Series H-1957 (February to December)	3.25	[8] 2,415,500.00	2,404,000.00
30	Series H-1958	3.25	[8] 3,407,000.00	4,538,000.00
30	Series H-1959	3.25	54,833,000.00	38,000.00
30	Unclassified sales and redemptions		[9] 5,040,000.00	989,000.00
30	Series J-1952	2.76	271,918.03	701,720.86
30	Series J-1953	2.76	317,601.60	550,507.20
30	Series J-1954	2.76	589,683.59	1,606,390.82
30	Series J-1955	2.76	344,852.74	1,540,180.71
30	Series J-1956	2.76	218,793.20	760,626.44
30	Series J-1957	2.76	[8] 610.28	147,528.15
30	Unclassified sales and redemptions			2,569,175.98
30	Series K-1952	2.76		1,873,000.00
30	Series K-1953	2.76		1,465,500.00
30	Series K-1954	2.76		6,450,000.00
30	Series K-1955	2.76		3,234,500.00
30	Series K-1956	2.76		1,183,500.00
30	Series K-1957	2.76		127,500.00
30	Unclassified sales and redemptions			3,312,500.00
30	Depositary bonds, First Series	2.00	1,318,000.00	718,500.00
30	Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1964	2¾		39,725,000.00
30	Treasury notes, Series EA-1964	1½	39,725,000.00	
30	Miscellaneous			22,571,500.00
	Total June		7,083,856,024.59	10,276,947,573.36
	Total, fiscal year 1959		160,040,038,834.18	150,984,529,732.14

[1] Interest rates on Series E and H savings bonds were increased on September 22, 1959, retroactive to June 1, 1959. See account of Public Debt Operations, p. 31, and allied exhibits. The rates shown in this table are those in effect as of June 30, 1959, before the increase.

[2] For Treasury bills, average rates on bank discount basis are shown except for fixed price issue on Oct. 8; for U.S. savings bonds, approximate yield to maturity is shown.

[3] Since May 1, 1957, Series E and H bonds have been the only savings bonds on sale. Amounts represent accrued discount plus issue price of bonds in adjustment cases for Series F and for Series E and J not currently on sale. For Series E currently on sale and for Series J (prior to May 1957), amounts represent issue price plus accrued discount, and for Series H and for Series K (prior to May 1957), amounts represent issue price at par.

[4] For U.S. savings bonds of Series E, F, and J, amounts represent current redemption value (issue price plus accrued discount); and for Series G, H, and K, amounts represent redemption value at par.

[5] Approximate yield if held to end of 10-year extension period.

[6] If held from issue date to end of 10-year extension period, bonds of this series dated January 1, 1942, through April 1, 1942, yield approximately 2.9 percent and those dated May 1, 1942, through December 1, 1942, yield approximately 2.95 percent.

[7] Matured bonds of this series yield approximately 2.95 percent if held from issue date to end of 10-year extension period, and unmatured bonds of this series yield approximately 2.9 percent if held to maturity.

[8] Deduct.

[9] Deduct: Amounts transferred from unclassified sales and redemptions to sales and redemptions of designated series.

[10] Average interest rate for combined original and additional issues.

TABLE 33.—*Allotments by investor classes on subscriptions for marketable securities other than regular weekly Treasury bills, fiscal years 1954–59* [1]

[In millions of dollars. On basis of subscription and allotment reports]

Date of financing	Issue: Description of security		Amount issued: For cash	Amount issued: In exchange for other securities	U.S. Government investment accounts and Federal Reserve Banks	Commercial banks [2]	Individuals [3]	Insurance companies	Mutual savings banks	Corporations [4]	Private pension and retirement funds	State and local governments [5]: Pension and retirement funds	State and local governments [5]: Other funds	Dealers and brokers	All other [6]
1953															
July 15	2½%	Certificates, Mar. 22, 1954-C [7]	5,902			4,520	56	40	100	917	4	1	68	115	81
Aug. 15	2⅝%	Certificates, Aug. 15, 1954-D		2,788	175	1,499	117	82	27	411	48	2	156	79	192
Sept. 15	2⅝%	Certificates, Sept. 15, 1954-E		4,724	863	2,135	106	131	96	654	50	6	279	219	185
	2⅞%	Notes, Mar. 15, 1957-A		2,997		2,276	42	140	86	155	3	2	40	188	65
Nov. 9	2¾%	Bonds, Sept. 15, 1961	2,239		50	1,296	127	190	165	93	49	19	16	170	64
Dec. 1	1⅞%	Notes, Dec. 15, 1954-B		8,175	6,997	360	112	12	2	339	1	1	100	42	209
	2½%	Bonds, Dec. 15, 1958 [8]		1,748	5	1,174	43	61	52	110	13	1	26	169	94
1954															
Feb. 15	1⅝%	Certificates, Feb. 15, 1955-A		7,007	3,922	1,508	152	46	7	756	6	(*)	269	123	218
	2½%	Bonds, Nov. 15, 1961		11,177	10	8,733	209	467	218	535	92	7	163	450	293
Mar. 22	.956%	Bills, June 24, 1954 [7]	1,501		n.a.	428	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Apr. 27	.726%	Bills, June 18, 1954 [7]	1,001		n.a.	915	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
May 17	1⅞%	Notes, Feb. 15, 1959-A	2,205		26	1,138	175	146	139	216	36	(*)	37	219	73
				2,897		1,982	41	74	23	247	20	1	103	276	130
	1⅛%	Certificates, May 17, 1955-B		3,886	1,686	986	68	28	4	558	6		294	76	180
Aug. 2	1%	Certificates, Mar. 22, 1955-C [7]	3,734		1	2,011	39	59	41	1,146	3	1	156	192	85
Aug. 15	1⅛%	Certificates, Aug. 15, 1955-D		3,558	995	847	115	47	30	751	45	4	369	117	238
	2⅛%	Bonds, Nov. 15, 1960		3,806	10	3,091	54	100	31	120	18	2	68	182	130
Oct. 4	1⅝%	Notes, May 15, 1957-B	4,155		12	2,718	141	98	70	497	69	2	87	344	117
Dec. 15	1⅛%	Certificates, Aug. 15, 1955-D [8]		4,919	4,763	57	9	1	(*)	30	13		6	6	34
	1¼%	Certificates, Dec. 15, 1955-E		5,359	2,520	1,299	103	41	14	662	5	(*)	311	120	284
	2½%	Bonds, Aug. 15, 1963		6,755		5,503	144	226	142	152	37	11	156	240	144
1955															
Feb. 15	1⅝%	Notes, Mar. 15, 1956-A		8,472	4,012	2,385	112	63	15	1,065	36	(*)	308	256	220
	2%	Notes, Aug. 15, 1957-C		3,792	1	2,704	69	123	43	329	3	(*)	128	232	160
	3%	Bonds, Feb. 15, 1995		1,924	1	1,190	70	130	44	84	10	1	23	354	17
Apr. 1	1⅜%	Certificates, June 22, 1955-F [7]	3,210			1,914	24	39	4	1,009	1	(*)	55	135	29
May 17	2%	Notes, Aug. 15, 1956-B	2,532			1,747	36	10	4	545	2	4	21	62	101
				3,174	1,686	614	53	19	6	355	22	(*)	203	82	134

July 18	1⅞%	Certificates, Mar. 22, 1956–A [7]	2,202	----	----	1,047	37	17	1	988	1	1	45	36	29
July 20	3%	Bonds, Feb. 15, 1995 [8]	821	----	25	216	21	119	105	33	110	59	20	53	60
Aug. 1	2%	Certificates, June 22, 1956–B [7]	----	1,486	----	387	29	21	10	666	5	2	96	222	48
	2%	Notes, Aug. 15, 1956–B [8]	----	6,841	5,754	400	64	32	9	205	31	3	151	7	185
Oct. 11	2¼%	Certificates, June 22, 1956–C [7]	2,970	----	----	1,782	44	18	4	976	(*)	1	38	65	42
Dec. 1	2⅝%	Certificates, Dec. 1, 1956–D	----	9,083	5,757	1,349	108	33	16	998	4	2	342	240	234
	2⅞%	Notes, June 15, 1958–A	----	2,283	1	1,099	52	62	37	478	24	1	261	137	131
Dec. 15	2.465%	Bills, Mar. 23, 1956 [7]	1,501	----	n.a.	1,402	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1956															
Mar. 5	2⅝%	Certificates, Feb. 15, 1957–A	----	7,219	5,028	570	69	21	6	852	26	1	319	39	288
	2⅞%	Notes, June 15, 1958–A [8]	----	2,109	18	903	35	32	34	548	13	----	195	191	140
July 16	2¾%	Notes, Aug. 1, 1957–D	----	12,056	8,078	1,234	140	67	22	1,313	20	19	680	57	426
Aug. 15	2¾%	Certificates, Mar. 22, 1957–B [7]	3,221	----	----	2,175	24	10	5	947	1	----	29	18	12
Oct. 17	2.627%	Bills, Jan. 16, 1957	1,603	----	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Nov. 16	2.617%	Bills, Feb. 15, 1957	1,750	----	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dec. 1	3¼%	Certificates, June 24, 1957–C [7]	----	1,312	15	358	48	7	4	589	3	----	99	60	129
	3¼%	Certificates, Oct. 1, 1957–D	----	7,271	6,135	554	66	10	9	198	7	(*)	161	23	108
Dec. 17	2.585%	Bills, Mar. 22, 1957 [7]	1,006	----	n.a.	975	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1957															
Jan. 16	3.305%	Bills, June 24, 1957 [7]	[9] 1,601	----	n.a.	700	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Feb. 15	3.231%	Bills, June 24, 1957 [7]	[9] 1,750	----	n.a.	855	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	3⅜%	Certificates, Feb. 14, 1958–A	----	8,414	5,708	1,159	116	48	26	573	49	1	448	168	118
	3½%	Notes, May 15, 1960–A	----	1,464	131	725	21	47	31	114	14	2	64	205	110
Mar. 28	3⅜%	Certificates, Feb. 14, 1958–A [8]	2,437	----	(*)	2,361	20	2	2	33	1	----	1	3	14
	3½%	Notes, May 15, 1960–A [8]	942	----	100	786	19	4	4	12	2	(*)	2	7	6
May 1	3½%	Certificates, Apr. 15, 1958–B	----	2,351	112	1,042	25	62	14	487	42	(*)	272	91	204
	3⅝%	Notes, Feb. 15, 1962–A	----	647	365	166	3	14	3	45	1	(*)	9	29	12
May 27	2.825%	Bills, Sept. 23, 1957 [7]	1,501	----	n.a.	1,461	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
July 3	3.485%	Bills, Mar. 24, 1958 [7]	3,002	----	n.a.	2,955	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Aug. 1	3⅝%	Certificates, Dec. 1, 1957–E	[10] 100	9,871	7,991	650	50	27	17	691	19	1	319	129	77
	4%	Certificates, Aug. 1, 1958–C	[10] 100	10,487	6,822	1,606	170	56	45	827	26	7	478	141	409
	4%	Notes, Aug. 1, 1961–A	[10] 100	2,509	271	1,394	68	54	48	174	6	28	215	129	222
Aug. 21	4.173%	Bills, Apr. 15, 1958	1,751	----	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sept. 26	4%	Certificates, Aug. 1, 1958–C [8]	933	----	100	756	23	2	1	22	2	(*)	10	2	15
	4%	Notes, Aug. 15, 1962–B	2,000	----	100	1,450	93	31	50	49	5	6	2	175	39
Oct. 1	4%	Bonds, Oct. 1, 1969	657	----	100	296	84	16	21	20	5	12	9	79	15
Nov. 29	3¾%	Notes, Nov. 15, 1962–C	1,143	----	100	663	39	62	58	28	8	5	1	120	59
Dec. 1	3¾%	Certificates, Dec. 1, 1958–D	----	9,833	7,938	658	34	24	24	599	33	2	182	137	202
Dec. 2	3⅞%	Bonds, Nov. 15, 1974	654	----	100	189	43	60	98	23	29	14	10	52	36
1958															
Feb. 14	2½%	Certificates, Feb. 14, 1959–A	----	9,770	5,752	1,404	171	70	18	1,095	39	2	588	173	458
	3%	Bonds, Feb. 15, 1964	----	3,854	48	2,780	81	52	42	163	44	1	81	306	256
	3½%	Bonds, Feb. 15, 1990	----	1,727	82	520	87	176	68	113	47	10	77	461	86
Feb. 28	3%	Bonds, Aug. 15, 1966	1,484	----	100	676	113	53	85	145	7	2	16	154	133
Apr. 15	2⅝%	Notes, Feb. 15, 1963–A	3,971	----	102	2,511	221	110	141	258	29	2	16	346	235
June 3	3¼%	Bonds, May 15, 1985	1,135	----	100	213	86	202	76	102	31	48	9	127	141
June 15	1¼%	Certificates, May 15, 1959–B	----	1,817	92	571	98	18	12	570	8	(*)	191	47	210
	2⅝%	Bonds, Feb. 15, 1965	----	7,388	355	4,031	209	233	72	1,045	14	4	190	924	311

Footnotes at end of table.

TABLE 33.—*Allotments by investor classes on subscriptions for marketable securities other than regular weekly Treasury bills, fiscal years 1954–59* [1]—Continued

[In millions of dollars]

Issue		Issue		Allotments by investor classes										
Date of financing	Description of security	Amount issued		U.S. Government investment accounts and Federal Reserve Banks	Commercial banks [2]	Individuals [3]	Insurance companies	Mutual savings banks	Corporations [4]	Private pension and retirement funds	State and local governments [5]		Dealers and brokers	All other [6]
		For cash	In exchange for other securities								Pension and retirement funds	Other funds		
1958														
Aug. 1	1⅝% Certificates, Aug. 1, 1959-C	--------	13,500	7,218	3,600	160	87	43	911	26	8	546	550	351
Aug. 6	1½% Certificates, Mar. 24, 1959-D [7]	3,567	--------	--------	3,097	24	2	1	303	(*)	1	18	104	17
Oct. 8	3¼% Bills, May 15, 1959	2,735	--------	--------	2,256	63	23	11	221	4	1	30	44	82
Oct. 10	3½% Notes, Nov. 15, 1959-B	1,184	--------	105	664	78	20	19	125	4	1	49	25	94
Nov. 20	2.999% Bills, June 22, 1959 [7]	2,997	--------	n.a.	2,871	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dec. 1	3⅜% Certificates, Nov. 15, 1959-E	--------	7,711	5,086	1,090	60	44	36	798	38	5	245	171	138
	3⅝% Notes, May 15, 1961-B	--------	4,078	2,923	736	25	12	6	127	6	1	24	136	82
1959														
Jan. 21	3¼% Notes, May 15, 1960-B	2,738	--------	--------	2,302	48	37	17	175	5	1	11	31	111
Jan. 23	4% Bonds, Feb. 15, 1980	884	--------	50	170	76	153	65	52	53	106	28	48	83
Feb. 15	3¾% Certificates, Feb. 15, 1960-A	--------	11,363	5,646	2,418	150	158	43	1,618	41	2	515	207	565
	4% Notes, Feb. 15, 1962-D	--------	1,435	9	972	44	47	22	140	13	2	85	26	75
Feb. 16	3.293% Bills, Sept. 21, 1959 [7]	1,502	--------	n.a.	1,443	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Apr. 1	4% Notes, May 15, 1963-B	1,743	--------	100	1,331	61	17	28	52	11	1	5	79	58
	4% Bonds, Oct. 1, 1969 [8]	619	--------	50	335	26	35	25	26	15	12	4	37	54
	3.386% Bills, Jan. 15, 1960	2,006	--------	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
May 11	3.835% Bills, Apr. 15, 1960	2,003	--------	--------	1,952	8	2	--------	9	(*)	(*)	28	1	3
May 15	3.565% Bills, Dec. 22, 1959 [7]	1,500	--------	--------	539	14	4	1	227	(*)	--------	15	667	33
	4% Certificates, May 15, 1960-B	--------	1,269	155	367	33	15	23	266	14	(*)	98	106	192

n.a. Not available.
*Less than $500,000.
[1] Excludes the issuance of 1½% Treasury notes available in exchange to holders of nonmarketable 2¾% Treasury bonds, Investment Series B-1975-80.
[2] Includes trust companies and stock savings banks.
[3] Includes partnerships and personal trust accounts.
[4] Exclusive of banks and insurance companies.
[5] Consists of trust, sinking, and investment funds of State and local governments and their agencies.
[6] Includes savings and loan associations, nonprofit institutions, and investments of foreign balances and international accounts in this country.
[7] Tax anticipation security.
[8] Reopening of earlier issue.
[9] Issued as rollover of special bills maturing January 16, 1957, and February 15, 1957, respectively.
[10] Issued in special allotment to Government investment accounts.

TABLE 34.—*Public debt increases and decreases, and balances in the account of Treasurer of the U.S., fiscal years 1916–59*

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Fiscal year	Public debt outstanding at end of year	Increase, or decrease (−), in public debt during year	Analysis of increase or decrease in public debt: Due to excess of expenditures (+), or receipts (−)	Resulting increase (+) or decrease (−), in the balance in the account of Treasurer of the U. S.	Decreases due to statutory debt retirements [1]	Balance in the account of Treasurer of the U. S. at end of year
1916	1,225.1	33.8	−48.5	+82.3		240.4
1917	2,975.6	1,750.5	+853.4	+897.1		1,137.5
1918	12,455.2	9,479.6	+9,033.3	+447.5	1.1	1,585.0
1919	25,484.5	13,029.3	+13,370.6	−333.3	8.0	1,251.7
1920	24,299.3	−1,185.2	−212.5	−894.0	78.7	357.7
1921	23,977.5	−321.9	−86.7	+192.0	427.1	549.7
1922	22,963.4	−1,014.1	−313.8	−277.6	422.7	272.1
1923	22,349.7	−613.7	−309.7	+98.8	402.9	370.9
1924	21,250.8	−1,098.9	−505.4	−135.5	458.0	235.4
1925	20,516.2	−734.6	−250.5	−17.6	466.5	217.8
1926	19,643.2	−873.0	−377.8	−7.8	487.4	210.0
1927	18,511.9	−1,131.3	−635.8	+24.1	519.6	234.1
1928	17,604.3	−907.6	−398.8	+31.5	540.3	265.5
1929	16,931.1	−673.2	−184.8	+61.2	549.6	326.7
1930	16,185.3	−745.8	−183.8	−8.1	553.9	318.6
1931	16,801.3	616.0	+902.7	+153.3	440.1	471.9
1932	19,487.0	2,685.7	+3,153.1	−54.7	412.6	417.2
1933	22,538.7	3,051.7	+3,068.3	+445.0	461.6	862.2
1934	27,053.1	4,514.5	+3,154.6	+1,719.7	359.9	2,581.9
1935	28,700.9	1,647.8	+2,961.9	−740.6	573.6	1,841.3
1936	33,778.5	5,077.7	+4,640.7	+840.2	403.2	2,681.5
1937	36,424.6	2,646.1	+2,878.1	−128.0	104.0	2,553.5
1938	37,164.7	740.1	+1,143.1	−337.6	65.5	2,215.9
1939	40,439.5	3,274.8	+2,710.7	+622.3	58.2	2,838.2
1940	42,967.5	2,528.0	+3,604.7	−947.5	129.2	1,890.7
1941	48,961.4	5,993.9	+5,315.7	+742.4	64.3	2,633.2
1942	72,422.4	23,461.0	+23,197.8	+358.0	94.7	2,991.1
1943	136,696.1	64,273.6	+57,761.7	+6,515.4	3.5	9,506.6
1944	201,003.4	64,307.3	+53,645.3	+10,662.0	(*)	20,168.6
1945	258,682.2	57,678.8	+53,149.6	+4,529.2	(*)	24,697.7
1946	269,422.1	10,739.9	+21,199.8	−10,459.8	(*)	14,237.9
1947	258,286.4	−11,135.7	−206.0	−10,929.7		3,308.1
1948	252,292.2	−5,994.1	−6,606.4	+1,623.9	1,011.6	4,932.0
1949	252,770.4	478.1	+1,947.5	−1,461.6	7.8	3,470.4
1950	257,357.4	4,587.0	+2,592.0	+2,046.7	51.7	5,517.1
1951	255,222.0	−2,135.4	−3,973.6	+1,839.5	1.2	7,356.6
1952	259,105.2	3,883.2	+4,271.8	−387.8	.9	6,968.8
1953	266,071.1	6,965.9	+9,265.0	−2,298.6	.5	4,670.2
1954	271,259.6	5,188.5	+3,092.7	+2,096.2	.4	6,766.5
1955	274,374.2	3,114.6	+3,665.6	−550.8	.2	6,215.7
1956	272,750.8	−1,623.4	−1,190.8	+330.5	763.1	6,546.2
1957	270,527.2	−2,223.6	−1,267.3	−956.2	.1	5,590.0
1958	276,343.2	5,816.0	+1,656.9	+4,159.2		9,749.1
1959	284,705.9	8,362.7	+12,761.4	−4,398.7		5,350.4
Total		283,514.5	+288,245.9	+5,192.2	9,923.6	

SUMMARY OF CHANGES IN THE PUBLIC DEBT, FISCAL YEARS 1916–59

[In millions of dollars]

Public debt:		
As of June 30, 1959	284,705.9	
As of June 30, 1915	1,191.4	
Net increase		283,514.5
Increase:		
Excess of expenditures in deficit years	304,998.0	
Net increase in the balance in the account of Treasurer of the U.S.	5,192.2	
Total increase		310,190.3
Decrease:		
Statutory debt retirements	9,923.6	
Retirements from receipts in surplus years	16,752.1	
Total decrease		26,675.7
Net increase in debt since June 30, 1915		283,514.5

*Less than $50,000.

[1] Effective with the fiscal year 1948, statutory debt retirements have been excluded from budget expenditures; they are shown here for purposes of comparison.

TABLE 35.—*Statutory debt retirements, fiscal years 1918–1959*

[In thousands of dollars. On basis of par amounts and of daily Treasury statements through 1947, and on basis of Public Debt accounts thereafter, see "Bases of Tables"]

Fiscal year	Cumulative sinking fund	Repayments of foreign debt	Bonds and notes received for estate taxes	Bonds received for loans from Public Works Administration	Franchise tax receipts, Federal Reserve Banks	Payments from net earnings, Federal intermediate credit banks	Commodity Credit Corporation capital repayments	Miscellaneous gifts, forfeitures, etc.	Total
1918					1,134				1,134
1919		7,922	93						8,015
1920		72,670	3,141		2,922			13	78,746
1921	261,100	73,939	26,349		60,724			[1] 5,010	427,123
1922	276,046	64,838	21,085		60,333			393	422,695
1923	284,019	100,893	6,569		10,815			555	402,850
1924	295,987	149,388	8,897		3,635			93	458,000
1925	306,309	159,179	47		114	680		208	466,538
1926	317,092	169,654			59	509		63	487,376
1927	333,528	179,216			818	414		5,578	519,555
1928	354,741	181,804	2		250	369		3,090	540,255
1929	370,277	176,213	20		2,667	266		160	549,604
1930	388,369	160,926	73		4,283	172		61	553,884
1931	391,660	48,246			18	74		85	440,082
1932	412,555		1			21		53	412,630
1933	425,660	33,887			2,037			21	461,605
1934	359,492	357						15	359,864
1935	573,001		1					556	573,558
1936	403,238							1	403,240
1937	103,815	142						14	103,971
1938	65,116	210						139	65,465
1939	48,518	120		8,095		1,501		12	58,246
1940	128,349			134		685		16	129,184
1941	37,011			1,321		548	25,364	16	64,260
1942	75,342			668		315	18,393	5	94,722
1943	3,460							4	3,463
1944	−1							3	2
1945								2	2
1946								4	4
1947								(2)	
1948	746,636			8,028		1,634	45,509	[3] 209,828	1,011,636
1949	7,498					178		[3] 81	7,758
1950	1,815					261	48,943	[3] 690	51,709
1951	839					394			1,232
1952	551					300			851
1953	241					285			526
1954						387			387
1955						231			231
1956	762,627					462			763,089
1957						139			139
1958									
1959	[4] −57								[4] −57
Total	7,734,833	1,579,605	66,278	18,246	149,809	9,825	138,209	226,769	9,923,575

[1] Includes $4,842,066.45 written off the debt Dec. 31, 1920, for fractional currency estimated to have been lost or destroyed in circulation.

[2] Beginning with 1947, bonds acquired through gifts, forfeitures, and estate taxes are redeemed prior to maturity from regular public debt receipts.

[3] Represents payments from net earnings, War Damage Corporation.

[4] Adjustment for over statement of price paid for securities purchased in fiscal 1956 at a discount but previously stated at par value.

TABLE 36.—*Cumulative sinking fund, fiscal years 1921–59*

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

Fiscal year	Appropriations	Available for expenditure during year [1]	Debt retired [2]	
			Par amount	Cost (principal)
1921	256.2	256.2	261.3	254.8
1922	273.1	274.5	275.9	274.5
1923	284.1	284.2	284.0	284.1
1924	294.9	294.9	296.0	294.9
1925	306.7	306.7	306.3	306.7
1926	321.2	321.2	317.1	321.2
1927	336.9	336.9	333.5	336.9
1928	355.1	355.1	354.7	355.1
1929	370.2	370.2	370.3	370.2
1930	382.9	382.9	388.4	382.9
1931	392.2	392.2	391.7	392.2
1932	410.9	410.9	412.6	410.9
1933	425.6	425.6	425.7	425.6
1934	438.5	438.5	359.5	359.2
1935	493.8	573.2	573.0	573.0
1936	553.0	553.2	403.3	403.3
1937	572.8	722.7	103.7	103.7
1938	577.6	1,196.5	65.2	65.2
1939	580.9	1,712.2	48.5	48.5
1940	582.0	2,245.6	128.3	128.3
1941	585.8	2,703.2	37.0	37.0
1942	586.9	3,253.1	75.3	75.3
1943	587.8	3,765.6	3.4	3.4
1944	587.6	4,349.7		
1945	587.6	4,937.4		
1946	587.6	5,525.0		
1947	587.6	6,112.6		
1948	603.5	6,716.0	746.6	746.6
1949	619.6	6,589.0	7.5	7.5
1950	619.7	7,201.2	1.8	1.8
1951	619.8	7,819.2	.8	.8
1952	619.8	8,438.1	.6	.6
1953	619.8	9,057.4	.2	.2
1954	619.8	9,676.9		
1955	619.8	10,296.7		
1956	623.8	10,157.9	762.6	762.6
1957	633.3	10,791.2		
1958	633.3	11,424.5		
1959	633.3	12,057.9		
Total	19,785.0		7,734.8	7,727.1
Deduct cumulative expenditures	7,727.1			
Unexpended balance	12,057.9			

[1] See the following table, footnote 1.
[2] Net discount on debt retired through June 30, 1959, is $7.7 million.

TABLE 37.—*Transactions on account of the cumulative sinking fund, fiscal year 1959*

[On basis of Public Debt accounts, see "Bases of Tables"]

Unexpended balance July 1, 1958		$11,424,560,353.12
Appropriation for 1959:		
Initial credit:		
(a) Under the Victory Loan Act (2½% 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 obligation 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% of the aggregate amount of expenditures from appropriations made or authorized under this act)	7,860,606.83	
(c) Under the National Industrial Recovery Act (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act)	80,164,079.53	
Total initial credit	341,429,551.23	
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)	291,919,534.24	633,349,085.47
Total available, 1959		12,057,909,438.59
Securities retired in 1959		[1] 57,109.37
Unexpended balance June 30, 1959 [2]		12,057,966,547.96

[1] Adjustment for overstatement of expenditures for securities (Treasury notes, Series B-1956) purchased in fiscal 1956 at a discount but previously stated at par value.

[2] Represents appropriations authorized by Congress. There are no specific funds set aside for this account since any retirements of public debt charged to it are made from cash balances to the credit of the Treasurer of the United States.

III. United States savings bonds

TABLE 38.—*Summary of sales and redemptions of savings bonds by series, fiscal years 1935–59 and monthly 1959*

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Fiscal year or month	Series A-D	Series E and H [1]	Series F and J	Series G and K [1]	Total
	Sales at issue price plus accrued discount				
1935-51	5,003.1	66,673.4	5,277.3	[2] 23,015.4	99,969.2
1952	(*)	4,406.7	217.5	[2] 508.2	5,132.4
1953	(*)	5,180.9	237.1	[2] 372.7	5,790.7
1954	(*)	5,778.7	336.1	[2] 612.6	6,727.4
1955	(*)	6,347.6	423.4	[2] 933.2	7,704.2
1956	(*)	6,374.0	282.9	[2] 403.1	7,059.9
1957	(*)	5,745.5	175.8	[2] 176.0	6,097.4
1958		5,830.8	65.2	(*)	5,896.1
1959		5,680.4	53.6	(*)	5,734.0
Total through June 30, 1959	5,003.1	112,018.2	7,068.8	26,021.1	150,111.2
1958—July		533.1	6.6		539.6
August		460.3	3.7		464.0
September		444.6	3.6		448.2
October		459.0	4.8		463.8
November		418.0	3.5		421.5
December		488.5	4.4		492.9
1959—January		604.7	8.4		613.1
February		477.1	3.5		480.6
March		508.8	3.3	(*)	512.1
April		429.4	4.5		434.0
May		420.2	3.3		423.5
June		436.7	4.0		440.7
	Redemptions (including redemptions of matured bonds) at current redemption value				
1935-51	4,791.3	[2] 32,167.0	1,388.6	3,838.5	42,185.3
1952	89.9	[2] 4,007.8	228.9	782.8	5,109.3
1953	30.8	[2] 4,038.1	[3] 257.5	[4] 1,294.4	[3,4] 5,620.9
1954	18.3	[2] 4,345.0	[3] 405.0	[4] 1,746.6	[3,4] 6,514.9
1955	14.1	[2] 4,544.4	553.6	2,138.4	7,250.6
1956	10.9	[2] 4,730.1	724.9	2,379.9	7,845.8
1957	8.6	[2] 5,176.2	815.8	2,957.7	8,958.2
1958	5.9	5,187.1	586.2	2,764.2	8,543.5
1959	5.2	5,106.8	336.4	1,800.8	7,249.2
Total through June 30, 1959	4,974.9	69,302.3	5,297.0	19,703.4	99,277.7
1958—July	.4	417.3	26.1	182.1	625.9
August	.3	380.4	21.3	131.7	533.8
September	.5	396.6	18.9	107.4	523.3
October	.4	406.9	21.7	121.8	550.8
November	.2	341.6	20.0	119.1	480.9
December	.4	413.7	29.8	142.1	586.0
1959—January	.3	525.5	50.3	291.2	867.4
February	.6	409.6	29.3	144.7	584.2
March	.8	459.9	33.5	158.6	652.8
April	.4	452.2	27.5	143.5	623.8
May	.5	433.3	26.5	125.6	585.9
June	.4	469.6	31.3	133.0	634.3

NOTE.—Series E and H are the only savings bonds now being sold. Series A-D were sold from March 1, 1935, through April 30, 1941. Series F and G were sold from May 1, 1941, through April 30, 1952. Series J and K were sold from May 1, 1952, through April 30, 1957. Sales figures for discontinued series represent accrued discount on outstanding bonds and adjustments.

*Less than $50,000.
[1] Series G, H, and K are stated at par.
[2] Includes exchanges of matured Series E bonds for Series G bonds beginning with May 1951 and for Series K bonds beginning with May 1952.
[3] Includes exchanges of Series 1941-F savings bonds for Treasury 3¼% bonds of 1978-83.
[4] Includes exchanges of Series 1941-G savings bonds for Treasury 3¼% bonds of 1978-83.

TABLE 39.—*Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941–59 and monthly 1959* [1]

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions			Amount outstanding [3]	
				Total	Original purchase price [2]	Accrued discount	Interest bearing	Matured [4]
	Series E and H							
1941–51	61,969.5	4,703.9	66,673.4	32,167.0	31,169.4	997.6	34,506.4	--------
1952	3,296.1	1,110.6	4,406.7	4,007.8	3,582.6	425.1	34,905.4	--------
1953	4,060.6	1,120.3	5,180.9	4,038.1	3,538.2	499.9	36,048.2	--------
1954	[5]4,652.9	1,125.9	5,778.7	[5]4,345.0	3,791.0	554.0	37,482.0	--------
1955	[5]5,224.5	1,123.1	6,347.6	[5]4,544.4	3,908.5	635.9	39,285.1	--------
1956	5,259.9	1,114.1	6,374.0	4,730.1	4,071.7	658.4	40,929.1	--------
1957	4,613.0	1,132.6	5,745.5	5,176.2	4,460.2	715.9	41,498.5	--------
1958	4,670.1	1,160.7	5,830.8	5,187.1	4,471.8	715.3	42,142.2	--------
1959	4,506.0	1,174.5	5,680.4	5,106.8	4,335.6	771.2	42,715.8	--------
Total through June 30, 1959	98,252.5	13,765.6	112,018.2	69,302.3	63,329.0	5,973.3	42,715.8	--------
1958—July	418.2	114.8	533.1	417.3	362.3	55.0	42,258.0	--------
August	369.1	91.3	460.3	380.4	339.8	40.6	42,337.9	--------
September	352.0	92.6	444.6	396.6	332.6	64.0	42,385.9	--------
October	377.8	81.2	459.0	406.9	351.3	55.6	42,437.9	--------
November	324.5	93.5	418.0	341.6	314.5	27.0	42,514.3	--------
December	370.4	118.1	488.5	413.7	351.8	62.0	41,589.1	--------
1959—January	485.9	118.8	604.7	525.5	490.0	35.6	42,668.2	--------
February	383.4	93.7	477.1	409.6	326.8	82.9	42,735.7	--------
March	414.0	94.8	508.8	459.9	341.9	118.1	42,784.6	--------
April	349.7	79.8	429.4	452.2	376.4	75.8	42,761.8	--------
May	338.4	81.8	420.2	433.3	362.5	70.7	42,748.8	--------
June	322.7	114.0	436.7	469.6	385.8	83.9	42,715.8	--------
	Series F, G, J, and K							
1941–51	27,875.9	416.8	28,292.7	5,227.1	5,162.2	64.9	23,065.6	--------
1952	629.3	96.4	725.6	1,011.7	990.2	21.4	22,779.6	--------
1953	501.5	108.3	609.8	1,552.0	1,511.2	40.8	21,837.4	--------
1954	[5]841.0	107.7	948.6	[5]2,151.6	2,070.7	80.9	20,579.2	55.2
1955	[5]1,248.9	107.7	1,356.6	[5]2,692.0	2,563.9	128.1	19,080.3	218.7
1956	586.3	99.6	686.0	3,104.8	2,945.7	159.1	16,567.6	312.4
1957	268.4	83.4	351.8	3,773.5	3,611.9	161.6	13,123.5	334.8
1958	(*)	65.2	65.2	3,350.5	3,226.4	124.1	9,842.2	331.0
1959	(*)	53.6	53.6	2,137.2	2,064.2	72.9	7,786.7	302.8
Total through June 30, 1959	31,951.2	1,138.7	33,090.0	25,000.4	24,146.5	853.9	7,786.7	302.8
1958—July	--------	6.6	6.6	208.2	202.8	5.4	9,655.1	316.4
August	(*)	3.7	3.7	153.0	150.4	2.6	9,516.3	305.9
September	(*)	3.6	3.6	126.2	120.6	5.7	9,406.3	293.3
October	--------	4.8	4.8	143.5	139.0	4.5	9,277.1	283.8
November	--------	3.5	3.5	139.2	136.7	2.5	9,145.2	280.0
December	--------	4.4	4.4	171.9	167.1	4.8	8,602.9	654.8
1959—January	(*)	8.4	8.4	341.6	338.6	2.9	8,324.4	600.1
February	--------	3.5	3.5	174.0	166.0	8.0	8,313.0	441.0
March	(*)	3.3	3.3	192.1	178.6	13.5	8,195.5	369.7
April	--------	4.5	4.5	171.1	161.1	10.0	8,056.7	341.9
May	--------	3.3	3.3	152.1	145.8	6.3	7,928.4	321.4
June	--------	4.0	4.0	164.3	157.6	6.7	7,786.7	302.8

Footnotes at end of table.

TABLE 39.—*Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941–59 and monthly 1959* [1]—Continued

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions: Total	Redemptions: Original purchase price [2]	Redemptions: Accrued discount	Amount outstanding [3] (interest bearing)
			Series E				
1941-51	61,969.5	4,703.9	66,673.4	[6] 32,167.0	31,169.4	997.6	34,506.4
1952	3,266.1	1,110.6	4,376.7	[6] 4,007.8	3,582.6	425.1	34,875.4
1953	3,700.3	1,120.3	4,820.6	[6] 4,032.3	3,532.4	499.9	35,663.6
1954	[5] 3,988.0	1,125.9	5,113.9	[5 6] 4,319.4	3,765.4	554.0	36,458.0
1955	[5] 4,094.9	1,123.1	5,218.0	[5 6] 4,489.6	3,853.7	635.9	37,186.4
1956	4,219.3	1,114.1	5,333.4	[6] 4,622.0	3,963.6	658.4	37,897.8
1957	3,919.2	1,132.6	5,051.8	[6] 4,980.6	4,264.7	715.9	37,969.0
1958	3,888.6	1,160.7	5,049.3	4,951.0	4,235.7	715.3	38,067.2
1959	3,688.0	1,174.5	4,862.5	4,889.4	4,118.2	771.2	38,040.3
Total through June 30, 1959	92,733.8	13,765.6	106,499.4	68,459.1	62,485.8	5,973.3	38,040.3
1958—July	319.6	114.8	434.5	401.2	346.2	55.0	38,100.4
August	298.9	91.3	390.2	364.8	324.2	40.6	38,125.9
September	292.4	92.6	384.9	380.0	316.0	64.0	38,130.8
October	315.9	81.2	397.1	392.0	336.4	55.6	38,135.9
November	273.6	93.5	367.1	325.4	298.4	27.0	38,177.5
December	306.6	118.1	424.7	395.9	334.0	62.0	38,206.3
1959—January	375.1	118.8	494.0	508.8	473.2	35.6	38,191.5
February	311.3	93.7	405.1	392.3	309.4	82.9	38,204.3
March	336.3	94.8	431.1	437.4	319.3	118.1	38,197.9
April	289.2	79.8	369.0	433.2	357.4	75.8	38,133.7
May	290.3	81.8	372.1	412.5	341.8	70.7	38,093.3
June	278.7	114.0	392.7	445.7	361.9	83.9	38,040.3
			Series H				
1952	30.0	----------	30.0	----------	----------	----------	30.0
1953	360.3	----------	360.3	5.7	5.7	----------	384.6
1954	[5] 664.9	----------	664.9	[5] 25.5	25.5	----------	1,023.9
1955	[5] 1,129.6	----------	1,129.6	[5] 54.9	54.9	----------	2,098.7
1956	1,040.6	----------	1,040.6	108.1	108.1	----------	3,031.2
1957	693.8	----------	693.8	195.5	195.5	----------	3,529.5
1958	781.6	----------	781.6	236.1	236.1	----------	4,075.0
1959	818.0	----------	818.0	217.4	217.4	----------	4,675.5
Total through June 30, 1959	5,518.8	----------	5,518.8	843.3	843.3	----------	4,675.5
1958—July	98.6	----------	98.6	16.0	16.0	----------	4,157.5
August	70.1	----------	70.1	15.7	15.7	----------	4,212.0
September	59.6	----------	59.6	16.5	16.5	----------	4,255.1
October	61.9	----------	61.9	14.9	14.9	----------	4,302.1
November	50.9	----------	50.9	16.2	16.2	----------	4,336.8
December	63.8	----------	63.8	17.8	17.8	----------	4,382.8
1959—January	110.7	----------	110.7	16.7	16.7	----------	4,476.8
February	72.1	----------	72.1	17.4	17.4	----------	4,531.5
March	77.7	----------	77.7	22.5	22.5	----------	4,586.7
April	60.5	----------	60.5	19.1	19.1	----------	4,628.1
May	48.1	----------	48.1	20.7	20.7	----------	4,655.4
June	44.0	----------	44.0	23.9	23.9	----------	4,675.5

Footnotes at end of table.

TABLE 39.—*Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941–59 and monthly 1959* [1]—Continued

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions			Amount outstanding [3]	
				Total	Original purchase price [2]	Accrued discount	Interest bearing	Matured [4]
Series F								
1941–51	4,860.4	416.8	5,277.3	1,388.6	1,323.8	64.9	3,888.7	
1952	97.1	96.4	193.5	228.9	207.4	21.4	3,853.3	
1953	(*)	107.6	107.7	255.6	214.9	40.8	3,705.3	
1954	[5] 2.9	105.1	108.0	[5] 394.4	313.6	80.9	3,388.8	30.1
1955	[5] −2.8	100.9	98.1	[5] 532.4	404.7	127.7	2,876.9	107.6
1956	(*)	87.7	87.7	665.3	507.4	157.9	2,249.9	157.1
1957	(*)	67.5	67.5	709.3	551.6	157.7	1,598.3	166.8
1958	(*)	47.1	47.1	487.9	368.8	119.0	1,169.1	155.3
1959	(*)	35.7	35.7	285.2	215.6	69.5	943.9	131.0
Total through June 30, 1959	4,957.7	1,064.9	6,022.6	4,947.6	4,107.8	839.8	943.9	131.0
1958—July		5.5	5.5	22.1	17.0	5.2	1,157.9	149.8
August		2.3	2.3	17.8	15.2	2.6	1,145.9	146.4
September		2.1	2.1	15.1	9.6	5.4	1,137.4	141.9
October		3.5	3.5	19.1	14.7	4.3	1,125.1	138.6
November		2.1	2.1	16.6	14.4	2.2	1,112.0	137.2
December		2.7	2.7	25.4	20.8	4.6	1,024.9	201.6
1959—January	(*)	6.5	6.5	46.7	43.9	2.8	992.7	193.5
February		2.0	2.0	25.4	17.7	7.6	993.9	169.0
March		1.8	1.8	28.0	14.7	13.2	986.4	150.4
April		3.1	3.1	23.5	14.2	9.3	973.3	143.1
May		1.8	1.8	22.2	16.1	6.0	959.3	136.8
June		2.3	2.3	23.5	17.2	6.3	943.9	131.0
Series G								
1941–51	[6] 23,015.4		23,015.4	3,838.5	3,838.5		19,177.0	
1952	[6] 422.3		422.3	782.8	782.8		18,816.5	
1953	.1		.1	1,288.7	1,288.7		17,527.9	
1954	[5] 13.4		13.4	[5] 1,726.2	1,726.2		15,789.8	25.2
1955	[5] −13.4		−13.4	[5] 2,107.3	2,107.3		13,583.3	111.1
1956				2,300.5	2,300.5		11,238.5	155.4
1957				2,719.5	2,719.5		8,506.3	168.0
1958				2,506.5	2,506.5		5,992.1	175.7
1959				1,668.6	1,668.6		4,327.4	171.8
Total through June 30, 1959	23,437.9		23,437.9	18,938.7	18,938.7		4,327.4	171.8
1958—July				174.7	174.7		5,826.5	166.6
August				125.3	125.3		5,708.3	159.5
September				101.1	101.1		5,615.3	151.4
October				113.9	113.9		5,507.7	145.1
November				106.3	106.3		5,403.7	142.8
December				130.3	130.3		4,962.9	453.2
1959—January				282.0	282.0		4,727.7	406.5
February				134.7	134.7		4,727.6	272.0
March				143.6	143.6		4,636.7	219.3
April				130.3	130.3		4,526.9	198.8
May				111.2	111.2		4,430.0	184.5
June				115.3	115.3		4,327.4	171.8

Footnotes at end of table.

TABLE 39.—*Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941–59 and monthly 1959* [1]—Continued

[In millions of dollars]

Fiscal year or month	Sales	Accrued discount	Sales plus accrued discount	Redemptions: Total	Redemptions: Original purchase price [2]	Redemptions: Accrued discount	Amount outstanding [3] (interest bearing)
			Series J				
1952	24.0		24.0				24.0
1953	128.8	0.7	129.4	1.9	1.9	(*)	151.5
1954	[5] 225.5	2.5	228.1	[5] 10.6	10.5	0.1	369.0
1955	[5] 318.5	6.8	325.3	[5] 21.2	20.9	.4	673.1
1956	183.2	11.9	195.2	59.6	58.4	1.3	808.6
1957	92.4	15.9	108.3	106.5	102.6	3.9	810.4
1958	(*)	18.1	18.1	98.4	93.3	5.1	730.2
1959	(*)	17.8	17.8	51.2	47.8	3.4	696.9
Total through June 30, 1959	972.4	73.8	1,046.3	349.4	335.3	14.1	696.9
1958—July		1.1	1.1	4.0	3.8	.2	727.3
August	(*)	1.4	1.4	3.6	3.5	(*)	725.2
September	(*)	1.5	1.5	3.8	3.6	.2	722.8
October		1.3	1.3	2.6	2.4	.2	721.5
November		1.5	1.5	3.4	3.2	.3	719.5
December		1.7	1.7	4.4	4.2	.2	716.9
1959—January		1.9	1.9	3.6	3.5	.2	715.1
February		1.4	1.4	3.9	3.6	.4	712.6
March	(*)	1.4	1.4	5.5	5.2	.3	708.5
April		1.4	1.4	4.1	3.4	.7	705.9
May		1.5	1.5	4.4	4.1	.3	703.0
June		1.7	1.7	7.9	7.4	.5	696.9
			Series K				
1952	[6] 85.9		85.9				85.9
1953	[6] 372.6		372.6	5.7	5.7		452.7
1954	[5,6] 599.2		599.2	[5] 20.3	20.3		1,031.5
1955	[5,6] 946.5		946.5	[5] 31.1	31.1		1,947.0
1956	[6] 403.1		403.1	79.5	79.5		2,270.6
1957	[6] 176.0		176.0	238.2	238.2		2,208.5
1958	(*)		(*)	257.7	257.7		1,950.7
1959	(*)		(*)	132.2	132.2		1,818.6
Total through June 30, 1959	2,583.3		2,583.3	764.7	764.7		1,818.6
1958—July				7.4	7.4		1,943.3
August				6.4	6.4		1,937.0
September				6.2	6.2		1,930.7
October				8.0	8.0		1,922.8
November				12.8	12.8		1,910.0
December				11.8	11.8		1,898.2
1959—January				9.3	9.3		1,888.9
February				10.0	10.0		1,878.9
March	(*)		(*)	15.0	15.0		1,863.8
April				13.3	13.3		1,850.6
May				14.4	14.4		1,836.2
June				17.6	17.6		1,818.6

NOTE.—Details by months from May 1941 for Series E, F, and G bonds will be found in the 1943 annual report, p. 608, and in corresponding tables in subsequent reports. Monthly detail for Series H, J, and K bonds will be found in the 1952 annual report, pp. 629 and 630, and in corresponding tables in subsequent reports.

*Less than $50,000.

[1] See Note to table 38.

[2] Includes total value of redemptions not yet classified between matured and unmatured bonds.

[3] Amounts outstanding are at current redemption values, except for Series G, H, and K, which are stated at par.

[4] Matured F and G bonds outstanding are included in the interest-bearing debt until all bonds of the annual series have matured; when they are transferred to matured debt upon which interest has ceased.

[5] Reductions were made in issues and redemptions of Series E, H, F, G, J, and K in July 1954, to compensate for the erroneous inclusion of reissue transactions in June 1954 as reported in the daily Treasury statement. The amounts involved were as follows: $18 million for issues of Series E and H and $17 million for issues of Series F, G, J, and K; and $35 million for unclassified retirements.

[6] See table 38, footnote 2.

TABLE 40.—*Sales and redemptions of Series E and H savings bonds by denominations, fiscal years 1941–59 and monthly 1959* [1]

[In thousands of pieces. On basis of daily Treasury statements and reports from Bureau of the Public Debt]

Fiscal year or month	Total, all denominations [2]	$25	$50	$100	$200 [3]	$500	$1,000	$5,000	$10,000 [4] [5]
	Series E and H sales								
1941–51	1,371,227	938,127	208,207	155,894	5,545	21,051	21,327	---------	---------
1952	74,136	50,701	13,129	7,559	720	948	1,076	1	(*)
1953	80,485	54,380	14,372	8,211	794	1,243	1,462	16	7
1954	85,419	56,903	15,686	8,810	854	1,411	1,708	33	14
1955	85,342	55,164	16,374	9,315	884	1,578	1,945	56	26
1956	90,053	56,719	18,784	10,090	929	1,608	1,854	48	21
1957	90,160	56,327	20,256	9,969	851	1,320	1,396	29	12
1958	89,428	54,908	21,043	9,824	893	1,303	1,411	32	14
1959	85,882	52,895	20,108	9,477	798	1,212	1,340	35	16
1958—July	7,061	4,288	1,634	808	71	118	136	5	2
August	6,700	4,106	1,535	766	66	106	117	3	1
September	6,880	4,195	1,645	774	65	98	100	2	1
October	7,539	4,660	1,767	830	70	102	106	3	1
November	6,552	4,019	1,568	723	60	89	90	2	1
December	7,403	4,574	1,748	813	65	97	103	2	1
1959—January	8,096	4,957	1,836	909	81	137	168	5	3
February	6,742	4,111	1,561	764	66	106	130	3	2
March	7,845	4,839	1,854	842	71	109	125	4	2
April	6,882	4,296	1,585	741	63	91	102	3	1
May	7,138	4,445	1,700	759	61	82	87	2	1
June	7,043	4,404	1,675	748	58	78	77	2	1
	Series E and H redemptions								
1941–51 [6]	890,537	659,947	125,084	72,022	1,595	7,921	7,156	---------	---------
1952 [6]	76,403	51,649	12,662	8,777	371	1,211	1,291	---------	---------
1953 [6]	81,983	56,734	13,535	8,840	342	1,112	1,106	(*)	(*)
1954 [6]	90,387	62,941	15,084	9,480	357	1,151	1,109	1	1
1955 [6]	89,749	61,049	15,650	9,914	396	1,210	1,177	2	2
1956 [6]	89,953	60,014	16,503	9,925	537	1,255	1,281	5	3
1957 [6]	93,175	60,612	18,165	10,590	633	1,354	1,485	9	6
1958	93,452	59,880	19,467	10,433	639	1,320	1,464	11	6
1959	88,647	56,036	18,598	10,394	675	1,301	1,451	9	5
1958—July	7,646	4,902	1,576	871	53	109	117	1	(*)
August	7,259	4,654	1,505	826	51	100	106	1	(*)
September	7,037	4,478	1,481	808	52	98	105	1	(*)
October	7,415	4,728	1,542	858	55	105	112	1	(*)
November	6,651	4,250	1,385	761	49	92	100	1	(*)
December	7,585	4,905	1,581	822	51	99	112	1	(*)
1959—January	9,106	5,605	1,901	1,149	79	156	194	1	1
February	6,563	4,145	1,366	774	51	99	113	1	(*)
March	6,888	4,334	1,465	806	52	101	114	1	1
April	7,597	4,743	1,621	915	61	114	126	1	1
May	7,277	4,550	1,551	873	58	110	121	1	1
June	7,623	4,741	1,624	932	62	117	131	1	1

NOTE.—Details of amounts of sales by months beginning May 1941 will be found in the 1943 annual report, p. 611, and in corresponding tables in subsequent reports.

*Less than 500 pieces.

[1] See Note to table 38.

[2] Total includes $10 denomination Series E bonds, sold to Armed Forces only from June 1944 through March 1950. Details by years will be found in the 1952 annual report, pp. 631, 633. Thereafter monthly detail for each fiscal year appears in a footnote to the redemptions by denominations table of successive annual reports. Details in thousands of pieces by months for the fiscal year 1959 follow:

July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Total
17	16	15	14	13	14	19	13	14	15	13	13	177

[3] Sale of $200 denomination Series E bonds began in October 1945.

[4] Includes sales of $100,000 denomination Series E bonds which are purchasable only by trustees of employees' savings plans beginning April 1954, and personal trust accounts beginning January 1955.

[5] Sale of $10,000 denomination Series E bonds was authorized on May 1, 1952.

[6] See table 38, footnote 2.

TABLE 41.—*Sales of Series E and H savings bonds by States, fiscal years 1958, 1959, and cumulative*

[In thousands of dollars, at issue price. On basis of reports received by the Treasury Department, with totals adjusted to basis of daily Treasury statements]

State	Series E and H bonds		
	Fiscal year 1958	Fiscal year 1959	May 1941–June 1959
Alabama	40,971	39,955	969,636
Alaska	3,215	2,742	[1] 37,813
Arizona	18,776	18,187	347,994
Arkansas	25,326	24,253	588,159
California	267,229	266,224	6,817,975
Colorado	29,906	31,860	748,222
Connecticut	62,568	61,883	1,530,103
Delaware	15,377	15,293	236,802
District of Columbia	35,959	38,326	1,067,313
Florida	64,252	66,331	1,210,974
Georgia	43,671	43,443	1,088,066
Idaho	7,567	7,486	253,847
Illinois	424,058	389,720	7,999,559
Indiana	148,815	138,879	2,744,643
Iowa	141,472	151,375	2,693,664
Kansas	86,751	99,817	1,596,738
Kentucky	57,011	56,352	1,072,159
Louisiana	39,368	37,993	963,656
Maine	15,479	15,042	377,348
Maryland	58,165	57,175	1,203,881
Massachusetts	108,580	102,629	2,793,184
Michigan	282,662	242,108	5,366,872
Minnesota	71,175	69,195	1,914,831
Mississippi	19,490	18,657	580,872
Missouri	146,963	148,408	2,707,696
Montana	r 22,672	22,457	496,970
Nebraska	86,652	102,310	1,509,029
Nevada	r 5,672	5,388	114,315
New Hampshire	8,535	8,704	230,621
New Jersey	171,646	164,399	3,628,837
New Mexico	12,634	12,226	232,743
New York	425,340	410,022	11,023,708
North Carolina	42,862	43,162	1,114,106
North Dakota	21,977	22,547	495,588
Ohio	311,083	292,499	6,098,717
Oklahoma	58,548	61,220	1,200,941
Oregon	35,031	34,213	976,743
Pennsylvania	419,600	412,066	7,900,799
Rhode Island	12,972	13,225	448,186
South Carolina	23,846	23,227	566,496
South Dakota	27,757	31,067	594,387
Tennessee	41,834	37,472	1,043,297
Texas	156,855	153,419	3,525,696
Utah	16,968	16,690	379,657
Vermont	4,306	4,014	128,164
Virginia	75,172	74,064	1,599,793
Washington	64,576	61,881	1,655,279
West Virginia	62,337	51,442	976,229
Wisconsin	103,095	95,168	2,233,185
Wyoming	8,017	8,277	193,963
Canal Zone	2,326	2,418	58,632
Hawaii	10,464	10,356	394,668
Puerto Rico	1,569	1,618	55,658
Virgin Islands	114	139	2,730
Adjustment to daily Treasury statement	r +220,872	+186,937	[2] +2,461,395
Total	4,670,138	4,505,960	98,252,539

r Revised.

[1] Excludes data for period April 1947 through December 1956, when reports were not available. In the annual reports for 1952–1958 data for period May 1941 through March 1947 were included with "Other possessions."

[2] Includes a small amount for other possessions.

NOTE.—Sales by States of the various series of savings bonds were published in the annual report for 1943, pp. 614–621, and in subsequent reports; and by months at intervals in the *Treasury Bulletin*, beginning with the issue of July 1946. Since Apr. 30, 1953, figures for sales of Series E and H bonds only have been available by States.

TABLE 42.—*Percent of Series E and H savings bonds sold in each year redeemed through each yearly period thereafter* [1]

[On basis of Public Debt accounts, see "Bases of Tables"]

Year of issue	Redeemed by end of—																	
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years	11 years	12 years	13 years	14 years	15 years	16 years	17 years	18 years
	Series E																	
1941	3	6	10	14	18	23	27	30	34	40	62	67	70	72	75	77	80	82
1942	8	15	21	29	35	40	44	48	52	58	68	71	74	77	79	81	83	--------
1943	15	24	34	41	47	51	55	58	61	65	71	75	78	80	82	84	--------	--------
1944	19	33	41	47	52	56	60	62	64	68	73	76	79	81	83	--------	--------	--------
1945	28	38	45	50	54	58	61	63	65	68	73	76	79	81	--------	--------	--------	--------
1946	23	34	40	45	51	54	56	58	60	64	69	73	76	--------	--------	--------	--------	--------
1947	21	30	37	43	47	50	52	55	57	61	67	71	--------	--------	--------	--------	--------	--------
1948	20	30	39	44	47	49	52	54	56	61	67	--------	--------	--------	--------	--------	--------	--------
1949	22	34	40	44	47	50	53	55	57	62	--------	--------	--------	--------	--------	--------	--------	--------
1950	26	36	41	45	48	51	54	57	59	--------	--------	--------	--------	--------	--------	--------	--------	--------
1951	29	38	44	48	52	55	57	60	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1952	29	39	45	49	53	56	59	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1953	28	38	44	49	53	56	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1954	29	38	45	50	53	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1955	29	39	46	51	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1956	32	43	49	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1957	33	43	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1958	32	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
	Series H																	
1952	3	8	13	17	21	26	30	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1953	3	8	12	17	21	25	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1954	3	7	13	19	23	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1955	4	11	16	21	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1956	4	11	16	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1957	3	8	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1958	3	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

NOTE.—The percentages shown in this table are proportions of the value of the bonds sold in any calendar year which are redeemed before July 1, of the next calendar year, and before July 1 of succeeding calendar years. Both sales and redemptions are calculated at original maturity value.

[1] Similar detail for Series A through E savings bonds may be found in the 1952 annual report, p. 77, and for Series F and G, J, and K detail, see the 1958 annual report, p. 32.

TABLE 43.—*Percent of Series E and H savings bonds sold in each year redeemed through each yearly period thereafter, by denominations* [1]

[On basis of Public Debt accounts, see "Bases of Tables"]

I. SERIES E SAVINGS BONDS

Year of issue	Percent of Series E savings bonds redeemed by end of—																	
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years	11 years	12 years	13 years	14 years	15 years	16 years	17 years	18 years
	$10 denomination [2]																	
1944	20	49	63	70	75	78	81	83	84	86	89	90	92	93	94	------	------	------
1945	45	63	71	76	79	82	84	85	87	88	91	92	93	94	------	------	------	------
1946	52	68	75	80	83	85	87	88	92	91	93	94	95	------	------	------	------	------
1947	51	71	79	83	86	88	90	91	92	93	94	95	------	------	------	------	------	------
1948	60	77	83	87	89	91	92	93	93	94	95	------	------	------	------	------	------	------
1949	61	74	82	86	88	89	91	92	93	94	------	------	------	------	------	------	------	------
1950	64	77	83	86	88	90	91	91	92	------	------	------	------	------	------	------	------	------
	$25 denomination																	
1941	4	9	14	18	26	32	37	42	46	51	67	72	76	78	80	82	84	86
1942	16	26	34	44	51	57	61	65	68	72	78	81	84	85	87	88	90	------
1943	26	38	50	58	63	67	71	74	76	78	83	85	87	88	89	91	------	------
1944	33	50	59	65	69	72	76	77	79	81	84	86	88	89	90	------	------	------
1945	46	58	65	69	73	76	77	79	80	82	85	87	88	90	------	------	------	------
1946	46	57	63	67	71	74	75	77	78	80	83	85	87	------	------	------	------	------
1947	46	57	63	68	71	73	75	76	78	80	83	85	------	------	------	------	------	------
1948	47	59	66	69	72	74	76	77	79	81	83	------	------	------	------	------	------	------
1949	49	62	67	71	73	75	77	78	80	82	------	------	------	------	------	------	------	------
1950	51	62	67	70	73	75	77	79	80	------	------	------	------	------	------	------	------	------
1951	51	63	68	72	74	77	79	80	------	------	------	------	------	------	------	------	------	------
1952	51	63	69	72	75	77	79	------	------	------	------	------	------	------	------	------	------	------
1953	52	64	69	73	76	78	------	------	------	------	------	------	------	------	------	------	------	------
1954	54	64	70	74	76	------	------	------	------	------	------	------	------	------	------	------	------	------
1955	53	64	70	74	------	------	------	------	------	------	------	------	------	------	------	------	------	------
1956	53	65	71	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------
1957	54	64	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------
1958	52	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------

Note aud footnotes at end of table.

TABLE 43.—*Percent of Series E and H savings bonds sold in each year redeemed through each yearly period thereafter, by denominations* [1]—Continued

I. SERIES E SAVINGS BONDS—Continued

Year of issue	Percent of Series E savings bonds redeemed by end of—																	
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years	11 years	12 years	13 years	14 years	15 years	16 years	17 years	18 years
	$50 denomination																	
1941	3	7	11	15	21	26	31	35	39	45	64	69	73	75	78	80	82	84
1942	8	16	22	31	38	44	48	52	56	61	70	74	77	79	81	83	85	--------
1943	16	26	37	46	52	56	60	64	66	70	76	79	81	83	85	86	--------	--------
1944	23	39	49	55	60	64	68	70	72	74	79	81	84	85	87	--------	--------	--------
1945	36	49	56	61	65	68	71	72	74	77	80	83	85	86	--------	--------	--------	--------
1946	35	46	53	57	62	65	67	69	70	73	77	80	82	--------	--------	--------	--------	--------
1947	34	46	52	58	61	64	66	67	69	72	76	79	--------	--------	--------	--------	--------	--------
1948	35	47	55	59	62	64	66	68	70	73	77	--------	--------	--------	--------	--------	--------	--------
1949	37	50	56	60	62	65	67	69	71	74	--------	--------	--------	--------	--------	--------	--------	--------
1950	40	51	56	60	63	65	68	70	72	--------	--------	--------	--------	--------	--------	--------	--------	--------
1951	39	51	56	61	64	67	69	71	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1952	40	51	58	62	65	68	71	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1953	40	53	59	63	66	69	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1954	42	53	60	64	67	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1955	42	54	61	65	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1956	43	58	64	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1957	42	54	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1958	43	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
	$100 denomination																	
1941	3	7	10	14	19	24	28	32	35	42	62	67	70	73	76	78	80	82
1942	5	10	15	22	29	34	38	42	46	53	64	68	71	74	76	79	81	--------
1943	8	15	24	32	38	42	46	51	54	58	66	70	73	76	78	81	--------	--------
1944	11	23	32	39	44	48	52	55	58	61	68	72	75	77	80	--------	--------	--------
1945	20	31	38	43	48	52	55	58	60	63	69	73	76	78	--------	--------	--------	--------
1946	20	30	37	42	48	51	54	56	58	61	68	71	74	--------	--------	--------	--------	--------
1947	20	30	36	43	47	50	52	54	56	60	67	70	--------	--------	--------	--------	--------	--------
1948	20	30	39	44	47	50	52	55	57	61	72	--------	--------	--------	--------	--------	--------	--------
1949	21	34	40	44	47	50	53	55	58	62	--------	--------	--------	--------	--------	--------	--------	--------
1950	25	35	41	44	48	51	54	56	59	--------	--------	--------	--------	--------	--------	--------	--------	--------
1951	24	34	39	44	48	51	54	57	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
1952	24	33	40	44	48	52	55	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

1953	23	34	40	45	49	51												
1954	25	35	42	46	48													
1955	26	37	43	48														
1956	21	39	46															
1957	29	40																
1958	30																	
	$200 denomination [3]																	
1945	6	15	23	28	33	38	42	45	47	49	58	63	67	71				
1946	12	21	28	33	38	42	45	47	49	54	61	66	69					
1947	12	21	27	34	38	41	43	46	48	53	61	65						
1948	12	20	29	34	37	40	43	46	48	53	61							
1949	12	23	30	34	37	40	43	46	48	53								
1950	16	24	30	33	37	40	43	46	49									
1951	13	21	27	31	35	39	42	45										
1952	13	20	26	31	35	39	42											
1953	12	21	26	32	36	40												
1954	14	22	28	33	38													
1955	14	24	30	35														
1956	17	26	32															
1957	16	24																
1958	17																	
	$500 denomination																	
1941	3	6	10	13	18	22	26	29	33	39	61	66	69	72	74	77	79	81
1942	4	8	13	19	24	29	33	36	41	49	60	64	68	71	74	76	79	
1943	5	11	19	26	31	36	39	44	47	53	61	65	69	72	75	77		
1944	7	17	24	30	35	40	44	48	50	54	62	66	70	73	76			
1945	11	20	27	32	37	42	46	48	50	55	62	66	70	73				
1946	11	21	28	34	40	43	46	49	51	55	62	66	70					
1947	12	21	28	35	39	43	45	48	50	55	62	66						
1948	12	21	30	35	39	42	45	47	50	54	62							
1949	12	24	30	35	38	41	44	47	50	55								
1950	15	24	29	34	38	41	44	47	50									
1951	12	21	27	31	36	39	43	46										
1952	11	19	27	30	35	39	43											
1953	10	19	25	31	36	40												
1954	11	20	26	32	36													
1955	12	21	27	33														
1956	13	22	29															
1957	12	21																
1958	12																	

Note and footnotes at end of table.

TABLE 43.—*Percent of Series E and H savings bonds sold in each year redeemed through each yearly period thereafter, by denominations* [1]—Continued

I. SERIES E SAVINGS BONDS—Continued

Year of issue	Percent of Series E savings bonds redeemed by end of—																	
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years	11 years	12 years	13 years	14 years	15 years	16 years	17 years	18 years
	$1,000 denomination																	
1941	3	6	9	12	16	20	23	26	29	36	60	64	67	70	73	75	78	86
1942	4	8	12	17	22	26	30	33	37	48	59	63	66	69	72	75	77	
1943	5	11	18	24	29	34	37	41	44	51	59	64	67	71	74	76		
1944	7	16	23	29	34	38	43	46	48	54	61	65	69	72	75			
1945	11	19	26	31	36	41	44	46	49	53	60	65	69	72				
1946	10	19	26	32	38	41	44	46	49	53	61	65	69					
1947	11	20	26	33	38	41	43	46	48	53	61	65						
1948	10	19	28	33	37	39	42	44	47	52	60							
1949	11	22	28	33	36	39	42	44	47	53								
1950	13	21	27	31	34	37	41	44	46									
1951	11	19	24	29	33	37	40	43										
1952	10	18	24	29	33	37	41											
1953	9	18	24	30	34	38												
1954	10	18	25	31	35													
1955	11	20	26	32														
1956	12	21	28															
1957	11	19																
1958	11																	
	$10,000 denomination [4] [5]																	
1952	6	13	18	23	31	35	41											
1953	7	15	22	30	35	40												
1954	8	16	24	30	35													
1955	9	19	26	32														
1956	12	21	27															
1957	10	17																
1958	9																	

II. SERIES H SAVINGS BONDS

Year of issue	Percent of Series H savings bonds redeemed by end of—													
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	1 year	2 years	3 years	4 years	5 years	6 years	7 years
	$500 denomination							$1,000 denomination						
1952	3	9	15	20	24	28	32	3	8	12	17	21	25	28
1953	4	9	14	19	24	28		3	8	12	17	21	25	
1954	3	9	15	20	24			3	8	13	18	22		
1955	4	10	16	21				3	9	15	19			
1956	5	11	17					4	10	15				
1957	4	9						3	8					
1958	3							3						
	$5,000 denomination							$10,000 denomination						
1952	3	8	12	16	21	25	29	4	9	12	16	21	27	32
1953	3	8	12	16	21	24		3	7	12	16	21	26	
1954	2	7	13	19	23			3	7	15	23	27		
1955	3	9	16	21				3	12	22	27			
1956	4	10	15					5	12	17				
1957	3	7						4	8					
1958	3							4						

[1] Series E and H bonds are the only savings bonds now being sold. For Series A-D savings bonds data, see the 1952 annual report, p. 635; for Series F and G, J, and K, see the 1958 annual report, pp. 558-562.
[2] June 1, 1944, was the earliest issue date for bonds of the $10 denomination. The sale was discontinued on Mar. 31, 1950.
[3] Oct. 1, 1945, was the earliest issue date for bonds of the $200 denomination.
[4] May 1, 1952, was the earliest issue date for bonds of the $10,000 denomination.
[5] Includes the $100,000 denomination which may be purchased only by trustees of employees' savings plans beginning with April 1954, and personal trust accounts beginning with January 1955.

NOTE.—The percentages shown in this table are the proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are calculated at original maturity value.

IV. Interest

TABLE 44.—*Amount of interest-bearing public debt outstanding, the computed annual interest charge, and the computed rate of interest, June 30, 1916–59, and at the end of each month during 1959* [1]

[On basis of Public Debt accounts through June 1937, and subsequently on basis of daily Treasury statements, see "Bases of Tables"]

End of fiscal year or month	Interest-bearing debt [2]	Computed annual interest charge [3]	Computed rate of interest [3]
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	27,645,229,826	750,677,802	2.716
1936	32,755,631,770	838,002,053	2.559
1937	35,802,586,915	924,347,089	2.582
1938	36,575,925,880	947,084,058	2.589
1939	39,885,969,732	1,036,937,397	2.600
1940	42,376,495,928	1,094,619,914	2.583
1941	48,387,399,539	1,218,238,845	2.518
1942	71,968,418,098	1,644,476,360	2.285
1943	135,380,305,795	2,678,779,036	1.979
1944	199,543,355,301	3,849,254,656	1.929
1945	256,356,615,818	4,963,730,414	1.936
1946	268,110,872,218	5,350,772,231	1.996
1947	255,113,412,039	5,374,409,074	2.107
1948	250,063,348,379	5,455,475,791	2.182
1949	250,761,636,723	5,605,929,714	2.236
1950	255,209,353,372	5,612,676,516	2.200
1951	252,851,765,497	5,739,615,990	2.270
1952	256,862,861,128	5,981,357,116	2.329
1953	263,946,017,740	6,430,991,316	2.438
1954	268,909,766,654	6,298,069,299	2.342
1955	271,741,267,507	6,387,225,600	2.351
1956	269,883,068,041	6,949,699,625	2.576
1957	268,485,562,677	7,325,146,596	2.730
1958	274,697,560,009	7,245,154,946	2.638
1959	281,833,362,429	8,065,917,424	2.867

Footnotes at end of table.

TABLE 44.—*Amount of interest-bearing public debt outstanding, the computed annual interest charge, and the computed rate of interest, June 30, 1916–59, and at the end of each month during 1959* [1]—Continued

End of fisca lyear or month	Interest-bearing debt [2]	Computed annual interest charge [2]	Computed rate of interest [3]
End of month—			*Percent*
1958—July	273, 909, 914, 424	7, 207, 708, 952	2. 632
August	276, 950, 654, 138	7, 016, 156, 813	2. 534
September	275, 004, 448, 844	7, 084, 507, 527	2. 577
October	278, 560, 995, 955	7, 367, 387, 996	2. 647
November	281, 424, 893, 581	7, 532, 869, 685	2. 679
December	280, 838, 881, 413	7, 543, 408, 133	2. 689
1959—January	283, 808, 272, 856	7, 666, 873, 494	2. 704
February	283, 243, 136, 470	7, 867, 751, 898	2. 781
March	280, 088, 963, 730	7, 835, 508, 666	2. 801
April	283, 497, 479, 095	7, 992, 567, 988	2. 824
May	284, 473, 342, 978	8, 101, 899, 943	2. 853
June	281, 833, 362, 429	8, 065, 917, 424	2. 867

[1] Comparable monthly data 1929–36 appear in 1936 annual report, p. 442, and from 1937 in later reports. Annual interest charge monthly 1916–29 appears in 1929 annual report, p. 509.
[2] Includes discount on Treasury bills from June 30, 1930; the current redemption value from May 1935 of savings bonds of Series A–F and J; and beginning August 1941, the face amount of Treasury tax and savings notes. The face value of matured savings bonds and notes outstanding is included until all of the annual series have matured, when they are transferred to matured debt on which interest has ceased.
[3] For methods of computing annual interest charge and rate see note to following table. For computations on Treasury bills and savings bonds, see footnotes 3 and 4 to following table.

TABLE 45.—*Computed annual interest rate and computed annual interest charge on the public debt by security classes, June 30, 1939–59* [1]

[Dollar amounts in millions. On basis of daily Treasury statements, see "Bases of Tables"]

End of fiscal year or month	Total public debt	Marketable issues					Nonmarketable issues				Special issues
		Total [2]	Bills [3]	Certificates	Notes	Treasury bonds	Total	Savings bonds [4]	Tax and savings notes	Other	
	Computed annual interest rate										
June 30—											
1939	2.600	2.525	0.010	----------	1.448	2.964	2.913	2.900	----------	3.000	3.091
1940	2.583	2.492	.038	----------	1.256	2.908	2.908	2.900	----------	3.000	3.026
1941	2.518	2.413	.089	----------	1.075	2.787	2.865	2.858	----------	3.000	2.904
1942	2.285	2.225	.360	0.564	1.092	2.680	2.277	2.787	0.506	2.743	2.681
1943	1.979	1.822	.380	.875	1.165	2.494	2.330	2.782	1.040	2.495	2.408
1944	1.929	1.725	.381	.875	1.281	2.379	2.417	2.788	1.080	2.314	2.405
1945	1.936	1.718	.381	.875	1.204	2.314	2.473	2.789	1.076	2.000	2.436
1946	1.996	1.773	.381	.875	1.289	2.307	2.567	2.777	1.070	2.000	2.448
1947	2.107	1.871	.382	.875	1.448	2.307	2.593	2.765	1.070	2.423	2.510
1948	2.182	1.942	1.014	1.042	1.204	2.309	2.623	2.759	1.070	2.414	2.588
1949	2.236	2.001	1.176	1.225	1.375	2.313	2.629	2.751	1.290	2.393	2.596
1950	2.200	1.958	1.187	1.163	1.344	2.322	2.569	2.748	1.383	2.407	2.589
1951	2.270	1.981	1.569	1.875	1.399	2.327	2.623	2.742	1.567	2.717	2.606
1952	2.329	2.051	1.711	1.875	1.560	2.317	2.659	2.745	1.785	2.714	2.675
1953	2.438	2.207	2.254	2.319	1.754	2.342	2.720	2.760	2.231	2.708	2.746
1954	2.342	2.043	.843	1.928	1.838	2.440	2.751	2.793	2.377	2.709	2.671
1955	2.351	2.079	1.539	1.173	1.846	2.480	2.789	2.821	2.359	2.708	2.585
1956	2.576	2.427	2.654	2.625	2.075	2.485	2.824	2.848	----------	2.713	2.705
1957	2.730	2.707	3.197	3.345	2.504	2.482	2.853	2.880	----------	2.718	2.635
1958	2.638	2.546	1.033	3.330	2.806	2.576	2.892	2.925	----------	2.718	2.630
1959	2.867	2.891	3.316	2.842	3.304	2.619	2.925	2.961	----------	2.714	2.694
End of month:											
1958—July	2.632	2.534	.951	3.329	2.801	2.575	2.895	2.928	----------	2.716	2.633
August	2.534	2.374	1.185	2.361	2.790	2.585	2.897	2.931	----------	2.715	2.635
September	2.577	2.443	1.702	2.361	2.785	2.592	2.899	2.933	----------	2.712	2.637
October	2.647	2.558	2.512	2.361	2.823	2.592	2.902	2.936	----------	2.713	2.640
November	2.679	2.610	2.836	2.361	2.823	2.592	2.904	2.938	----------	2.714	2.643
December	2.689	2.624	2.930	2.212	2.954	2.592	2.909	2.944	----------	2.714	2.646
1959—January	2.704	2.649	2.960	2.212	2.995	2.607	2.912	2.948	----------	2.714	2.648
February	2.781	2.769	2.995	2.599	3.276	2.608	2.915	2.950	----------	2.715	2.650
March	2.801	2.799	3.020	2.713	3.266	2.608	2.918	2.953	----------	2.714	2.653
April	2.824	2.832	3.101	2.713	3.311	2.619	2.921	2.956	----------	2.714	2.656
May	2.853	2.877	3.209	2.842	3.307	2.619	2.923	2.959	----------	2.714	2.660
June	2.867	2.891	3.316	2.842	3.304	2.619	2.925	2.961	----------	2.714	2.694

	Computed annual interest charge										
June 30—											
1939	$1,037	$858	(*)		$105	$747	$63	$54		$8	$117
1940	1,095	858	(*)		80	772	92	84		8	145
1941	1,218	910	$1		61	842	130	123		7	178
1942	1,644	1,125	9	$17	73	1,021	307	284	$15	8	211
1943	2,679	1,737	45	145	107	1,435	680	591	78	11	262
1944	3,849	2,422	56	252	223	1,885	1,084	965	103	16	344
1945	4,964	3,115	65	299	283	2,463	1,390	1,271	109	10	458
1946	5,351	3,362	65	305	235	2,753	1,442	1,362	72	9	547
1947	5,374	3,156	60	221	118	2,753	1,530	1,420	59	51	687
1948	5,455	3,113	139	235	137	2,597	1,561	1,470	47	44	782
1949	5,606	3,103	135	361	49	2,554	1,652	1,548	63	41	851
1950	5,613	3,040	160	214	274	2,387	1,735	1,581	117	37	838
1951	5,740	2,731	213	178	501	1,835	2,106	1,579	123	405	903
1952	5,981	2,879	293	533	296	1,753	2,093	1,583	118	391	1,010
1953	6,431	3,249	442	368	534	1,903	2,069	1,598	99	372	1,115
1954	6,298	3,071	164	355	588	1,962	2,099	1,622	121	357	1,128
1955	6,387	3,225	299	162	752	2,010	2,044	1,647	45	352	1,118
1956	6,950	3,758	549	428	746	2,034	1,972	1,637		334	1,220
1957	7,325	4,210	743	685	776	2,005	1,881	1,573		308	1,234
1958	7,245	4,242	231	1,096	573	2,341	1,787	1,520		266	1,216
1959	8,066	5,133	1,046	962	902	2,221	1,728	1,496		232	1,206
End of month:											
1958—July	7,208	4,215	213	1,096	574	2,331	1,784	1,520		264	1,208
August	7,016	4,017	265	909	577	2,265	1,779	1,520		259	1,221
September	7,085	4,095	385	909	578	2,222	1,776	1,519		257	1,213
October	7,367	4,399	647	909	619	2,222	1,771	1,518		253	1,198
November	7,533	4,571	819	909	620	2,222	1,770	1,518		252	1,192
December	7,543	4,600	863	804	770	2,161	1,757	1,507		250	1,186
1959—January	7,667	4,754	889	804	866	2,194	1,750	1,503		247	1,163
February	7,868	4,954	943	987	829	2,195	1,751	1,506		245	1,163
March	7,836	4,923	962	933	831	2,196	1,747	1,506		241	1,166
April	7,993	5,105	1,048	933	901	2,221	1,738	1,502		236	1,150
May	8,102	5,193	1,107	962	902	2,221	1,733	1,499		233	1,176
June	8,066	5,133	1,046	962	902	2,221	1,728	1,496		232	1,206

NOTE.—The computed annual interest charge represents the amount of interest that would be paid if each interest-bearing issue outstanding at the end of the month or year should remain outstanding for a year at the applicable annual rate of interest. The charge is computed for each issue by applying the appropriate annual interest rate to the amount outstanding on that date. The aggregate charge for all interest-bearing issues constitutes the total computed annual interest charge. The average annual interest rate is computed by dividing the computed annual interest charge for the total, or for any group of issues, by the corresponding principal amount. Beginning December 31, 1958, the computed average interest rate on the public debt is based upon the rate of effective yield for issues sold at premiums or discounts. Prior to December 31, 1958, the computed average rate was based upon the coupon rates of the securities. This rate did not materially differ from the rate computed on the basis of effective yield. The Treasury, however, announced on Nov. 18, 1958, that there may be more frequent issues of securities sold with premiums or discounts whenever appropriate. This "effective-yield" method of computing the average interest rate on the public debt will more accurately reflect the interest cost to the Treasury, and is felt to be in accord with the intent of Congress where legislation has required the use of such rate for various purposes.

*Less than $500,000.

[1] See table 24 for amounts of public debt outstanding by security classes.

[2] Total includes Panama Canal bonds, postal savings bonds prior to 1956, and conversion bonds prior to 1947.

[3] Included in debt outstanding at face amount, but the annual interest charge and the annual interest rate are computed on the discount value.

[4] The annual interest charge and annual interest rate on United States savings bonds are computed on the basis of the rate to maturity applied against the amount outstanding.

TABLE 46.—*Interest on the public debt by security classes, fiscal years 1956–59* [1]

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

Class of security	1956	1957	1958	1959
Public issues:				
Marketable obligations:				
Treasury bills [2]	463.9	704.5	738.4	734.2
Certificates of indebtedness	340.3	574.2	1,143.8	915.3
Treasury notes	820.4	811.0	600.8	741.0
Treasury bonds	2,032.8	2,011.4	2,097.4	2,229.1
Postal savings bonds	(*)	(*)		
Liberty and Victory loans	(*)	(*)	(*)	(*)
Prewar loans	1.5	1.5	1.5	1.5
Total marketable obligations	3,658.9	4,102.6	4,581.9	4,621.1
Nonmarketable obligations:				
Treasury tax and savings notes	11.6	(*)	(*)	(*)
United States savings bonds:				
Series E, F, and J [2]	1,217.5	1,216.9	1,218.2	1,232.0
Series G, H, and K	417.1	365.3	308.1	296.1
Depositary bonds	7.2	5.3	3.3	4.0
Armed Forces leave bonds	(*)	(*)	(*)	(*)
Treasury bonds, investment series	335.9	313.4	272.3	242.2
Adjusted service bonds of 1945	(*)	(*)	(*)	(*)
Total nonmarketable obligations	1,989.3	1,900.9	1,801.9	1,774.3
Total public issues	5,648.2	6,003.5	6,383.8	6,395.4
Special issues:				
Treasury bonds			86.6	173.4
Treasury notes	364.2	305.6	358.4	431.9
Certificates of indebtedness	774.2	935.1	778.0	592.1
Total special issues	1,138.4	1,240.7	1,223.0	1,197.4
Total interest on public debt	6,786.6	7,244.2	7,606.8	7,592.8

*Less than $50,000.

[1] On an accrual basis.
[2] Amounts represent discount treated as interest.

TABLE 47.—*Interest on the public debt and guaranteed obligations by tax status, fiscal years 1940–59* [1]

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

Fiscal year	Total	Tax-exempt			Taxable	Special issues to Government agencies and trust funds
		Total	Wholly	Partially		
	Issued by U. S. Government					
1940	1,041.4	909.6	104.2	805.4	----------	131.8
1941	1,110.2	950.1	79.2	870.9	0.5	159.6
1942	1,260.1	907.2	57.1	850.1	153.5	199.4
1943	1,813.0	895.6	38.3	857.4	676.1	241.3
1944	2,610.1	852.2	27.2	825.0	1,449.8	308.2
1945	3,621.9	780.2	45.3	734.9	2,436.3	405.4
1946	4,747.5	711.9	26.0	685.9	3,530.8	504.8
1947	4,958.0	601.0	7.0	594.0	3,755.1	601.9
1948	5,187.8	574.8	5.6	569.2	3,884.9	728.1
1949	5,352.3	494.5	5.1	489.4	4,040.3	817.5
1950	5,496.3	416.7	4.3	412.4	4,218.8	860.8
1951	5,615.1	329.9	4.2	325.7	4,413.0	872.2
1952	5,853.0	226.0	4.1	221.9	4,686.9	940.1
1953	6,503.6	201.7	3.7	198.0	5,258.4	1,043.5
1954	6,382.5	183.9	3.1	180.8	5,071.0	1,127.6
1955	6,370.4	148.6	2.2	146.4	5,107.1	1,114.7
1956	6,786.6	94.6	1.5	93.1	5,553.6	1,138.4
1957	7,244.2	73.3	1.5	71.8	5,930.2	1,240.7
1958	7,606.8	66.6	1.5	65.1	6,317.2	1,223.0
1959	7,592.8	42.3	1.5	40.8	6,353.1	1,197.4
	Issued by Federal instrumentalities: Guaranteed issues					
1940	109.9	109.9	----------	109.9	----------	----------
1941	110.9	110.9	----------	110.9	----------	----------
1942	125.6	113.0	----------	113.0	12.6	----------
1943	82.0	66.6	----------	66.6	15.4	----------
1944	77.9	65.7	----------	65.7	12.2	----------
1945	18.0	13.2	----------	13.2	4.8	----------
1946	1.6	1.6	----------	1.6	(*)	----------
1947	1.6	1.6	----------	1.6	(*)	----------
1948	1.1	1.1	----------	1.1	(*)	----------
1949	.7	.4	----------	.4	.2	----------
1950	.5	.3	----------	.3	.1	----------
1951	1.1	.3	----------	.3	.8	----------
1952	1.8	.4	----------	.4	1.4	----------
1953	2.4	.3	----------	.3	2.1	----------
1954	2.2	.2	----------	.2	2.0	----------
1955	2.1	.2	----------	.2	1.9	----------
1956	2.5	.2	----------	.2	2.3	----------
1957	3.8	.2	----------	.2	3.6	----------
1958	4.0	.2	----------	.2	3.8	----------
1959	4.9	.1	----------	.1	4.8	----------

NOTE.—Amount of interest paid includes increase in redemption value of United States savings bonds and discount on unmatured issues of Treasury bills. Interest paid on guaranteed issues does not include amounts paid on demand obligations of Commodity Credit Corporation. Data for 1913–33 will be found in the 1948 annual report, p. 539, and for 1934–39 in the 1952 annual report, p. 645.

*Less than $50,000.

[1] Figures for 1940 to 1949, inclusive, represent actual interest payments; figures for 1950 to 1954, inclusive, represent interest which became due and payable during those years without regard to actual payments; figures for 1955 to 1959, inclusve, are shown on an accrual basis.

V.—Prices and yields of securities

TABLE 48.—*Average yields of taxable [1] long-term Treasury bonds by months, October 1941–June 1959 [2]*

[Averages of daily figures. Percent per annum compounded semiannually]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
1941	------	------	------	------	------	------	------	------	------	[3] 2.34	2.34	2.47	------
1942	2.48	2.48	2.46	2.44	2.45	2.43	2.46	2.47	2.46	2.45	2.47	2.49	2.46
1943	2.46	2.46	2.48	2.48	2.46	2.45	2.45	2.46	2.48	2.48	2.48	2.49	2.47
1944	2.49	2.49	2.48	2.48	2.49	2.49	2.49	2.48	2.47	2.48	2.48	2.48	2.48
1945	2.44	2.38	2.40	2.39	2.39	2.35	2.34	2.36	2.37	2.35	2.33	2.33	2.37
1946	2.21	2.12	2.09	2.08	2.19	2.16	2.18	2.23	2.28	2.26	2.25	2.24	2.19
1947	2.21	2.21	2.19	2.19	2.19	2.22	2.25	2.24	2.24	2.27	2.36	2.39	2.25
1948	2.45	2.45	2.44	2.44	2.42	2.41	2.44	2.45	2.45	2.45	2.44	2.44	2.44
1949	2.42	2.39	2.38	2.38	2.38	2.38	2.27	2.24	2.22	2.22	2.20	2.19	2.31
1950	2.20	2.24	2.27	2.30	2.31	2.33	2.34	2.33	2.36	2.38	2.38	2.39	2.32
1951	2.39	2.40	2.47	2.56	2.63	2.65	2.63	2.57	2.56	2.61	2.66	2.70	2.57
1952	2.74	2.71	2.70	[3] 2.64	2.57	2.61	2.61	2.70	2.71	2.74	2.71	2.75	2.68
1953	2.80	2.83	2.89	[3] 2.97	3.11	3.13	3.02	3.02	2.98	2.83	2.86	2.79	2.94
1954	2.69	2.62	2.53	2.48	2.54	2.55	2.47	2.48	2.52	2.54	2.57	2.59	2.55
1955	2.68	2.78	2.78	2.82	2.81	2.82	2.91	2.95	2.92	2.87	2.89	2.91	2.84
1956	2.88	2.85	2.93	3.07	2.97	2.93	3.00	3.17	3.21	3.20	3.30	3.40	3.08
1957	3.34	3.22	3.26	3.32	3.40	3.58	3.60	3.63	3.66	3.73	3.57	3.30	3.47
1958	3.24	3.28	3.25	3.12	3.14	3.20	3.36	3.60	3.75	3.76	3.70	3.80	3.43
1959	3.91	3.92	3.92	4.01	4.08	4.09	------	------	------	------	------	------	------

[1] Taxable bonds are those on which the interest is subject to both the normal and surtax rates of the Federal income tax. This average commenced Oct. 20, 1941.

[2] Prior to October 1941 yields are on partially tax-exempt long-term bonds. For January 1930 through December 1945 see the 1956 annual report, page 492, and for January 1919 through December 1929 see the 1943 annual report, p. 662.

[3] Beginning October 20, 1941, through March 31, 1952, yields are based on bonds neither due nor callable for 15 years; beginning April 1, 1952, through March 31, 1953, on bonds neither due nor callable for 12 years; beginning April 1, 1953, on bonds neither due nor callable for 10 years.

NOTE.—For bonds selling above par and callable at par before maturity, the yields are computed on the basis of redemption at first call date; while for bonds selling below par, yields are computed to maturity. Monthly averages are averages of daily figures. Each daily figure is an unweighted average of the yields of the individual issues. Yields before 1953 are computed on the basis of the mean of closing bid and ask quotations in the over-the-counter market. Commencing April 1953, yields, as reported by the Federal Reserve Bank of New York, are based on over-the-counter bid quotations.

TABLE 49.—*Prices and yields of marketable public debt issues, June 30, 1958, and June 30, 1959, and price range since first traded* [1]

[Price decimals are thirty-seconds and + indicates additional sixty-fourth]

Issue [1]	June 30, 1958			June 30, 1959			Price range since first traded [4]			
	Price		Yield to call or to maturity percent [3]	Price		Yield to call or to maturity percent [3]	High		Low	
	Bid	Ask		Bid	Ask		Price	Date	Price	Date
Taxable issues:										
Treasury bonds:										
2¼% Sept. 15, 1956–59 [5]	100.09	100.11	.86				107.16	Apr. 6, 1946	95.04	June 2, 1953
2⅜% Mar. 15, 1957–59 [5]	100.10	100.14	.84				102.26	July 2, 1954	96.06	June 2, 1953
2½% Dec. 15, 1958	100.20	100.22	1.11				103.24	Apr. 29, 1954	97.04	June 1, 1953
2¼% June 15, 1959–62	99.09	99.13	2.44	93.30	94.02	4.46	104.20	Apr. 6, 1946	91.30	July 24, 1957
2¼% Dec. 15, 1959–62	99.10	99.13	2.41	93.00	93.04	4.46	104.21	Apr. 6, 1946	91.18	July 24, 1957
2⅛% Nov. 15, 1960	100.17	100.21	1.90	97.23	97.27	3.85	101.11	June 5, 1958	94.02	July 22, 1957
2¾% Sept. 15, 1961	101.08	101.13	2.34	96.14	96.18	4.47	104.22	Apr. 30, 1954	95.00	Oct. 17, 1957
2½% Nov. 15, 1961	100.11	100.15	2.39	95.15	95.19	4.55	103.00	Apr. 30, 1954	93.20	July 22, 1957
2½% June 15, 1962–67	97.22	97.28	2.79	87.26	88.00	4.33	108.12	Apr. 6, 1946	87.18	June 5, 1959
2½% Aug. 15, 1963	99.20	99.26	2.58	92.13	92.17	4.55	100.24	Apr. 18, 1958	91.16	July 22, 1957
2½% Dec. 15, 1963–68	96.13	96.19	2.90	85.26	86.00	4.34	108.03	Apr. 6, 1946	85.18	June 3, 1959
3% Feb. 15, 1964	101.30	102.02	2.62	93.26	93.30	4.50	103.19	Apr. 21, 1958	93.23	June 16, 1959
2½% June 15, 1964–69	95.10	95.18	3.00	84.26	85.02	4.40	107.25	Apr. 6, 1946	84.20	June 4, 1959
2½% Dec. 15, 1964–69	95.06	95.14	3.00	84.10	84.18	4.40	107.24	Apr. 6, 1946	84.00	June 3, 1959
2⅝% Feb. 15, 1965	99.18	99.22	2.70	90.24	90.28	4.51	100.13	June 5, 1958	90.16	June 3, 1959
2½% Mar. 15, 1965–70	94.20	94.26	3.05	83.30	84.06	4.40	107.23	Apr. 6, 1946	83.20	June 3, 1959
2½% Mar. 15, 1966–71	94.07	94.13	3.05	83.20	83.28	4.30	107.22	Apr. 6, 1946	83.12	June 3, 1959
3% Aug. 15, 1966	101.20	101.24	2.78	92.02	92.06	4.31	103.20	Apr. 21, 1958	91.26	June 16, 1959
2½% June 15, 1967–72	93.30	94.06	3.04	83.12	83.20	4.18	106.16	Apr. 6, 1946	83.06	June 5, 1959
2½% Sept. 15, 1967–72	93.28	94.04	3.03	82.22	82.30	4.23	109.18	Apr. 6, 1946	82.20	June 5, 1959
2½% Dec. 15, 1967–72	93.30	94.06	3.02	83.12	83.20	4.13	106.16	Apr. 6, 1946	83.04	June 5, 1959
4% Oct. 1, 1969	107.26	108.02	3.17	98.14	98.20	4.19	110.14	Apr. 21, 1958	98.06	Apr. 20, 1959
3⅞% Nov. 15, 1974	106.30	107.06	3.33	96.04	96.12	4.22	110.24	Apr. 22, 1958	96.00	May 19, 1959
3¼% June 15, 1978–83	100.00	100.08	3.25	87.06	87.14	4.10	111.28	Aug. 4, 1954	87.02	May 19, 1959
4% Feb. 15, 1980				97.10	97.18	4.20	100.08	Mar. 5, 1959	96.26	May 18, 1959
3¼% May 15, 1985	100.00	100.08	3.25	87.02	87.10	4.07	101.04	June 11, 1958	86.26	May 18, 1959
3½% Feb. 15, 1990	103.30	104.06	3.30	88.28	89.04	4.15	106.26	Apr. 21, 1958	88.16	June 5, 1959
3% Feb. 15, 1995	95.18	95.26	3.21	83.22	83.30	3.84	101.12	June 8, 1955	82.26	May 18, 1959
Treasury notes:										
1⅞% A, Feb. 15, 1959	100.13	100.15	1.21				100.22	June 6, 1958	95.29	Dec. 18, 1956
4% A, Aug. 15, 1959 [6]				100.01	100.02	3.57				
3½% B, Nov. 15, 1959				99.30	100.02	3.74				
3½% A, May 15, 1960	103.10	103.14	1.69	99.15	99.19	4.13	104.02	June 9, 1958	98.12	Sept. 26, 1957
3¼% B, May 15, 1960				99.08	99.10	4.13				
3⅝% B, May 15, 1961				98.25	98.29	4.31	100.06	Nov. 25, 1958	98.22	June 24, 1959
4% A, Aug. 15, 1961 [6]	104.31	105.03	2.32	99.23	99.27	4.14	106.05	June 6, 1958	99.22	June 26, 1959
3⅝% A, Feb. 15, 1962	104.12	104.16	2.36	98.06	98.10	4.37	105.12	Apr. 24, 1958	98.04	June 26, 1959

Footnotes at end of table.

TABLE 49.—*Prices and yields of marketable public debt issues, June 30, 1959, and price range since first traded* [1]—Continued

Issue	June 30, 1958			June 30, 1959			Price range since first traded [4]			
	Price		Yield to call or to maturity percent [3]	Price		Yield to call or to maturity percent [3]	High		Low	
	Bid	Ask		Bid	Ask		Price	Date	Price	Date
Taxable issues—Continued										
Treasury notes—Continued										
4% D, Feb. 15, 1962				99.14	99.18	4.23	100.28	Feb. 20, 1959	99.14	June 30, 1959
4% B, Aug. 15, 1962 [7]	105.31	106.03	2.47	99.31	100.03	4.00	107.05	June 6, 1958	99.30	Oct. 17, 1957
3¾% C, Nov. 15, 1962	105.05	105.11	2.49	97.28	98.00	4.43	106.13	Apr. 22, 1958	97.26	June 26, 1959
2⅝% A, Feb. 15, 1963	100.11	100.15	2.55	93.18	93.22	4.58	101.14	June 11, 1958	93.18	June 30, 1959
4% B, May 15, 1963				98.16	98.20	4.42	99.31	Apr. 1, 1959	98.16	June 30, 1959
1½% EO, Oct. 1, 1958	100.02	100.06	1.24				100.08	June 5, 1958	96.02	Oct. 5, 1953
1½% EA, Apr. 1, 1959	100.08	100.14	1.16				100.15	June 12, 1958	95.08	Dec. 19, 1956
1½% EO, Oct. 1, 1959	100.12	100.16	1.20	99.14	99.18	3.77	100.18	June 16, 1958	94.08	Dec. 18, 1956
1½% EA, Apr. 1, 1960	99.26	100.00	1.61	98.20	98.28	3.38	100.06	June 13, 1958	93.00	Dec. 7, 1956
1½% EO, Oct. 1, 1960	99.14	99.20	1.76	97.08	97.16	3.77	99.28	June 18, 1958	92.06	Dec. 10, 1956
1½% EA, Apr. 1, 1961	98.14	98.22	2.09	96.00	96.08	3.88	99.06	June 12, 1958	91.04	Dec. 7, 1956
1½% EO, Oct. 1, 1961	97.28	98.04	2.18	94.02	94.10	4.29	98.26	June 12, 1958	90.06	June 21, 1957
1½% EA, Apr. 1, 1962	96.12	96.20	2.51	92.20	92.28	4.37	98.00	June 6, 1958	88.18	Aug. 13, 1957
1½% EO, Oct. 1, 1962	95.24	96.00	2.55	91.14	91.22	4.36	97.16	June 3, 1958	88.12	Oct. 2, 1957
1½% EA, Apr. 1, 1963	95.08	95.16	2.66	90.02	90.10	4.40	97.04	June 5, 1958	90.02	June 30, 1959
1½% EO, Oct. 1, 1963				88.22	88.30	4.44	91.18	Nov. 25, 1958	88.22	June 30, 1959
1½% EA, Apr. 1, 1964				87.08	87.16	4.51	89.06	Apr. 8, 1959	87.08	June 30, 1959
Certificates of indebtedness:										
4% C, Aug. 1, 1958	100.09	100.11	.59							
3¾% D, Dec. 1, 1958	101.03	101.05	1.10							
2½% A, Feb. 14, 1959	100.26	100.28	1.18							
1¼% B, May 15, 1959	100.04	100.06	1.10							
1⅝% C, Aug. 1, 1959				99.27	99.28	3.30				
3⅜% E, Nov. 15, 1959				99.28	99.30	3.70				
3¾% A, Feb. 15, 1960				99.26	99.28	4.05				
4% B, May 15, 1960				99.31	100.02	4.03				
Partially tax exempt issue:										
Treasury bonds, 2¾% Dec. 15, 1960–65	103.14	103.22	1.33	97.20	97.28	3.15	119.00	Jan. 25, 1946	97.20	June 30, 1959

[1] Prices and yields (based on bid prices) on June 30, 1958 and 1959, are over-the-counter closing quotations, as reported to the Treasury Department by the Federal Reserve Bank of New York. Yields are percent per annum compounded semiannually except that on securities having only one interest payment, they are computed on a simple interest basis.

[2] Excludes Treasury bills, which are fully taxable; and Panama Canal bonds, which are fully tax-exempt. For description and amount of each issue outstanding on June 30, 1959, see table 25; for information as of June 30, 1958, see 1958 annual report, p. 478.

[3] Yields are computed to earliest call date when prices are above par and to maturity date when prices are at par or below.

[4] Beginning April 1953, prices are closing bid quotations. Prices for prior dates are the mean of closing bid and ask quotations, except that before Oct. 1, 1939, they are closing prices on the New York Stock Exchange. "When issued" prices are included in price range beginning Oct. 1, 1939. Dates of highs and lows in case of recurrence are the latest dates. Issues with original maturity of less than 2 years are excluded.

[5] Called on May 14, 1958, for redemption on Sept. 15, 1958.

[6] As of May 1, 1959, holders of $473 million of the $2,609 million of 4% notes due Aug. 1, 1961, exercised the option to be paid off in cash on Aug. 1, 1959.

[7] Redeemable on Feb. 15, 1960, at option of holder upon 3 months' notice.

VI.—Ownership of governmental securities

TABLE 50.—*Estimated ownership of interest-bearing governmental securities outstanding June 30, 1952–59, by type of issuer*

[Par value.[1] In billions of dollars]

June 30	Total amount outstanding	Held by banks: Total	Held by banks: Commercial banks	Held by banks: Federal Reserve Banks	Held by U.S. Government investment accounts	Held by private nonbank investors: Total	Individuals [2]	Insurance companies	Mutual savings banks	Corporations [3]	State, local, and territorial governments [4]	Miscellaneous investors [5]
	I. Securities of U. S. Government and Federal instrumentalities guaranteed by United States [6]											
1952	256.9	84.0	61.1	22.9	44.3	128.5	63.8	15.7	9.6	18.8	10.4	10.3
1953	264.0	83.6	58.8	24.7	47.6	132.9	[r] 65.3	16.0	9.5	[r] 18.6	12.0	11.5
1954	269.0	88.7	63.6	25.0	49.3	131.0	[r] 63.7	[r] 15.4	9.1	16.6	13.9	12.2
1955	271.8	87.1	63.5	23.6	50.5	134.1	[r] 64.0	[r] 15.0	8.7	[r] 18.8	14.7	12.8
1956	270.0	[r] 81.0	[r] 57.3	23.8	53.5	[r] 135.4	[r] 65.5	[r] 13.6	8.4	[r] 17.7	15.7	14.6
1957	268.6	[r] 79.2	[r] 56.2	23.0	55.6	[r] 133.8	[r] 65.3	[r] 12.7	7.9	[r] 16.1	16.9	14.9
1958	274.8	[r] 90.7	[r] 65.3	25.4	55.9	[r] 128.2	[r] 63.1	[r] 12.2	7.4	[r] 13.9	16.9	14.6
1959	281.9	87.4	61.3	26.0	54.6	139.9	65.9	12.5	7.3	20.0	16.7	17.5
	II. Securities of Federal instrumentalities not guaranteed by United States [7]											
1952	1.2	.7	.7	--------	(*)	.5	.3	(*)	(*)	.1	--------	(*)
1953	1.1	.6	.6	--------	(*)	.5	.3	(*)	(*)	.1	--------	(*)
1954	1.0	.5	.5	--------	(*)	.5	.3	(*)	(*)	.1	--------	(*)
1955	1.8	.9	.9	--------	(*)	.9	.4	(*)	(*)	.4	--------	(*)
1956	2.6	.9	.9	--------	(*)	1.6	.6	0.1	.1	.7	--------	0.1
1957	3.5	1.0	1.0	--------	(*)	2.4	.9	.1	.2	1.0	--------	.2
1958	3.8	1.4	1.4	--------	(*)	2.4	.9	.1	.2	1.0	--------	.2
1959	4.8	1.2	1.2	--------	(*)	3.6	1.4	.1	.3	1.3	--------	.5
	III. Securities of State and local governments, Territories, and possessions [8]											
1952	29.2	9.9	9.9	--------	.7	18.6	10.5	2.8	.2	.6	3.9	.6
1953	32.3	10.6	10.6	--------	.7	21.0	11.6	3.5	.4	.7	4.2	.6
1954	37.4	12.0	12.0	--------	.3	25.1	13.8	4.6	.5	.9	4.5	.7
1955	42.7	12.8	12.8	--------	.3	29.6	16.4	5.8	.7	1.1	4.9	.8
1956	47.5	13.0	13.0	--------	.2	34.3	19.5	6.6	.7	1.3	5.3	.9
1957	52.0	13.4	13.4	--------	.2	38.6	22.0	7.4	.7	1.5	5.8	1.0
1958	56.7	15.8	15.8	--------	.3	40.6	22.7	8.2	.7	1.5	6.3	1.1
1959	61.8	17.0	17.0	--------	.3	44.3	24.5	9.5	.7	1.6	6.8	1.2

NOTE.—For data from 1937 through 1940, see the 1952 annual report, pp. 764 and 765.

*Less than $50 million.
[r] Revised.
[1] Except in the case of data which include U.S. savings bonds of Series A–F and J, which are included on the basis of current redemption value.
[2] Includes partnerships and personal trust accounts.
[3] Exclusive of banks and insurance companies.
[4] Comprises trust, sinking, and investment funds of State and local governments, Territories, and possessions.
[5] Includes savings and loan associations, nonprofit associations, corporate pension trust funds, dealers and brokers, and investments of foreign balances and international accounts in this country.
[6] On daily Treasury statement basis. Since noninterest-bearing debt is excluded the figures differ slightly from those in discussion of debt ownership. Special issues to Federal agencies and trust funds are included and guaranteed securities held by the Treasury are excluded.
[7] See table 51, footnote 4.
[8] Excludes obligations of Puerto Rico after June 30, 1952.

TABLE 51.—*Estimated distribution of interest-bearing governmental securities outstanding June 30, 1952–59, by tax status and type of issuer* [1]

[Par value.[2] In millions of dollars]

June 30	Securities of U. S. Government and Federal instrumentalities guaranteed by U. S.[3]					Securities of Federal instrumentalities not guaranteed by U. S.[4]				Securities of State, local, and territorial governments		
	Total	Tax-exempt		Taxable [7]	Special issues [8]	Total	Tax-exempt		Taxable [7]	Wholly tax-exempt [5]		
		Wholly [5]	Partially [6]				Wholly [5]	Partially [6]		Total	Issues of States and localities	Issues of Territories and possessions [9]
	I. Total amount outstanding											
1952	256,907	142	7,402	211,623	37,739	1,220	--------	------	1,220	29,217	29,111	106
1953	263,997	124	6,678	216,657	40,538	1,142	--------	------	1,142	32,268	32,200	68
1954	268,990	96	5,997	220,668	42,229	960	--------	------	960	37,393	37,300	93
1955	271,785	71	3,386	225,078	43,250	1,815	--------	------	1,815	42,706	42,600	106
1956	269,956	50	3,386	221,406	45,114	2,567	--------	------	2,567	47,524	47,400	124
1957	268,592	50	2,404	219,311	46,827	3,464	--------	------	3,464	51,990	51,840	150
1958	274,798	50	1,485	227,017	46,246	3,777	--------	------	3,777	56,650	56,500	150
1959	281,944	50	1,485	235,653	44,756	4,820	--------	------	4,820	61,835	61,675	160
	II. Held by U. S. Government investment accounts											
1952	44,335	31	86	6,480	37,739	4	--------	------	4	733	730	2
1953	47,560	23	26	6,972	40,538	20	--------	------	20	733	715	18
1954	49,339	13	12	7,086	42,229	8	--------	------	8	332	329	3
1955	50,540	4	4	7,282	43,250	8	--------	------	8	255	250	5
1956	53,495	(*)	2	8,379	45,114	13	--------	------	13	227	220	7
1957	55,551	--------	(*)	8,724	46,827	18	--------	------	18	243	237	6
1958	55,895	--------	(*)	9,649	46,246	25	--------	------	25	r 271	r 264	7
1959	54,616	--------	(*)	9,861	44,756	6	--------	------	6	310	304	6
	III. Held by Federal Reserve Banks											
1952	22,906	--------	--------	22,906	--------	------	--------	------	------	--------	--------	--------
1953	24,746	--------	--------	24,746	--------	------	--------	------	------	--------	--------	--------
1954	25,037	--------	--------	25,037	--------	------	--------	------	------	--------	--------	--------
1955	23,607	--------	--------	23,607	--------	------	--------	------	------	--------	--------	--------
1956	23,758	--------	--------	23,758	--------	------	--------	------	------	--------	--------	--------
1957	23,035	--------	--------	23,035	--------	------	--------	------	------	--------	--------	--------
1958	25,438	--------	--------	25,438	--------	------	--------	------	------	--------	--------	--------
1959	26,044	--------	--------	26,044	--------	------	--------	------	------	--------	--------	--------

Footnotes at end of table.

TABLE 51.—*Estimated distribution of interest-bearing governmental securities outstanding June 30, 1952–59, by tax status and type of issuer* [1]—Con.

[Par value.[2] In millions of dollars]

June 30	Securities of U. S. Government and Federal instrumentalities guaranteed by U. S.[3]					Securities of Federal instrumentalities not guaranteed by U. S.[4]				Securities of State, local, and territorial governments		
		Tax-exempt					Tax-exempt			Wholly tax-exempt [5]		
	Total	Wholly[5]	Partially [6]	Taxable [7]	Special issues [8]	Total	Wholly[5]	Partially[6]	Taxable[7]	Total	Issues of States and localities	Issues of Territories and possessions [9]
	IV. Held by State and local governments, Territories, and possessions											
1952	10,357	--------	n. a.	n. a.	--------	------	--------	------	------	3,870	3,852	18
1953	11,983	--------	n. a.	n. a.	--------	------	--------	------	------	4,181	4,176	5
1954	13,930	--------	n. a.	n. a.	--------	------	--------	------	------	4,527	4,523	4
1955	14,731	--------	n. a.	n. a.	--------	------	--------	------	------	4,853	4,850	3
1956	15,734	--------	n. a.	n. a.	--------	------	--------	------	------	5,303	5,300	3
1957	16,900	--------	n. a.	n. a.	--------	------	--------	------	------	5,801	5,800	1
1958	16,900	--------	n. a.	n. a.	--------	------	--------	------	------	6,332	6,330	2
1959	16,700	--------	n. a.	n. a.	--------	------	--------	------	------	6,802	6,800	2
	V. Privately held securities											
1952	179,309	112	n. a.	n. a.	--------	1,216	--------	------	1,216	24,614	24,529	86
1953	179,708	100	n. a.	n. a.	--------	1,122	--------	------	1,122	27,354	27,309	45
1954	180,684	83	n. a.	n. a.	--------	952	--------	------	952	32,534	32,448	86
1955	182,906	67	n. a.	n. a.	--------	1,807	--------	------	1,807	37,598	37,500	98
1956	176,970	50	n. a.	n. a.	--------	2,554	--------	------	2,554	41,994	41,880	114
1957	173,106	50	n. a.	n. a.	--------	3,446	--------	------	3,446	45,946	45,803	143
1958	176,565	50	n. a.	n. a.	--------	3,752	--------	------	3,752	r 50,047	r 49,906	141
1959	184,584	50	n. a.	n. a.	--------	4,814	--------	------	4,814	54,723	54,571	152

NOTE.—For data back to 1913, see 1946 annual report, p. 664, 1949 annual report, p. 591, and 1958 annual report, p. 574.

*Less than $500,000. n. a. Not available. r Revised.

[1] The "total amount outstanding" of securities of the several issuers differs from the gross indebtedness of these issuers as the former excludes noninterest-bearing debt. The "total privately held securities" differs from the net indebtedness of the borrowers in several additional respects. The former is derived by deducting from the total amount of interest-bearing securities outstanding the amount of such securities held by Federal agencies, Federal Reserve Banks, and by public sinking, trust, and investment funds. Net indebtedness, on the other hand, is derived by deducting from the gross indebtedness an amount equivalent to the total volume of sinking fund assets of the respective borrowers, but makes no allowance for any other public assets.

[2] When included, U.S. savings bonds Series A–F, and J are at current redemption value.

[3] On basis of daily Treasury statements. Excludes guaranteed securities held by the Treasury.

[4] Excludes stocks and interagency loans.

[5] Income is exempt from both the normal rates and surtax rates of the Federal income tax.

[6] Income is exempt only from the normal rates of the Federal income tax. Interest derived from $5,000 aggregate principal amount owned by any one holder is exempt from the surtax rates as well.

[7] Income is subject to both the normal and the surtax rates of the Federal income tax.

[8] Special issues to Federal agencies and trust funds.

[9] Excludes obligations of Puerto Rico after June 30, 1952.

TABLE 52.—*Summary of Treasury survey of ownership of interest-bearing public debt and guaranteed obligations, June 30, 1958 and 1959*

[Par value. In millions of dollars]

Classification	Total amount outstanding		Held by investors covered in Treasury survey [1]										Held by all other investors [4]		Memorandum: Held by corporate pension trust funds [5]	
			Commercial banks [2 3]		Mutual savings banks [2]		Insurance companies				U.S. Government investment accounts and Federal Reserve Banks					
							Life		Fire, casualty, and marine							
	June 30, 1958	June 30, 1959	June 30, 1958	June 30, 1959	June 30, 1958	June 30, 1959	June 30, 1958	June 30, 1959	June 30, 1958	June 30, 1959	June 30, 1958	June 30, 1959	June 30, 1958	June 30, 1959	June 30, 1958	June 30, 1959
Number of institutions or trust funds	--------	--------	6,518	6,425	518	516	307	303	548	537	--------	--------	--------	--------	9,798	10,906
TYPE OF SECURITY																
Public marketable:																
Treasury bills:																
Regular weekly	22,406	25,006	3,796	1,943	89	138	188	231	66	108	2,876	1,897	15,392	20,690	198	316
Tax anticipation	--------	3,002	--------	171	--------	11	--------	81	--------	20	--------	14	--------	2,705	--------	2
Other	--------	4,009	--------	1,448	--------	26	--------	37	--------	27	--------	207	--------	2,265	--------	31
Certificates of indebtedness	32,920	33,843	3,331	3,883	132	209	9	104	103	243	20,546	19,187	8,799	10,216	91	101
Treasury notes	20,416	27,314	11,532	12,417	465	684	69	185	545	613	1,169	4,268	6,636	9,147	96	168
Treasury bonds	90,883	84,803	38,710	33,518	5,493	5,228	4,180	4,202	3,216	3,167	7,492	7,471	31,791	31,216	1,081	1,066
Panama Canal bonds	50	50	10	13	--------	--------	--------	--------	2	2	--------	--------	38	35	(*)	(*)
Guaranteed obligations (Federal Housing Administration debentures) [6]	101	110	7	9	14	13	20	11	3	(*)	54	63	2	14	(*)	(*)
Total public marketable	166,776	178,138	57,386	53,403	6,193	6,309	4,465	4,850	3,936	4,181	32,136	33,108	62,659	76,288	1,467	1,686
Public nonmarketable:																
U.S. savings bonds [7]	51,984	50,503	537	520	231	176	113	84	230	188	17	17	50,856	49,517	258	247
Depositary bonds	[8] 171	[8] 183	[8] 171	[8] 183	(*)	(*)	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------
Treasury bonds, investment series	9,621	8,365	279	261	1,005	847	2,250	2,014	200	156	2,933	2,780	2,955	2,307	140	98
Total public nonmarketable	61,777	59,050	986	964	1,236	1,023	2,364	2,099	429	344	2,951	2,797	53,811	51,824	398	345
Special issues	46,246	44,756	--------	--------	--------	--------	--------	--------	--------	--------	46,246	44,756	--------	--------	--------	--------
Grand total	274,798	281,944	58,372	54,367	7,429	7,331	6,829	6,948	4,365	4,525	81,333	80,660	116,470	128,112	1,864	2,031

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Maturity Classes[9]																
Public marketable:																
Within 1 year	67, 782	72, 958	13, 431	10, 045	303	480	209	546	442	546	23, 908	21, 617	29, 489	39, 724	354	490
1 to 5 years	42, 557	58, 304	25, 801	32, 623	1, 106	1, 360	244	240	1, 450	1, 871	2, 579	5, 566	11, 377	16, 644	242	384
5 to 10 years	21, 476	17, 052	12, 953	6, 914	675	1, 699	245	816	714	836	970	1, 858	5, 919	4, 929	129	180
10 to 15 years	26, 999	20, 971	4, 553	3, 241	3, 405	2, 036	3, 104	2, 366	1, 067	701	4, 005	3, 225	10, 864	9, 403	308	211
15 to 20 years	654	654	109	64	133	119	18	22	19	31	101	100	273	318	38	43
Over 20 years	7, 208	8, 088	532	507	556	600	626	849	240	196	519	679	4, 735	5, 257	394	378
Various (Federal Housing Administration debentures)	101	110	7	9	14	13	20	11	3	(*)	54	63	2	14	(*)	(*)
Total public marketable	166, 776	178, 138	57, 386	53, 403	6, 193	6, 309	4, 465	4, 850	3, 936	4, 181	32, 136	33, 108	62, 659	76, 288	1, 467	1, 686

*Less than $500,000.

[1] Banks and insurance companies covered in the Treasury survey of ownership of securities issued or guaranteed by the U.S. Government account for approximately 95 percent of the amount of such securities owned by all banks and insurance companies in the United States. Details as to the ownership of each security are available in the *Treasury Bulletin* monthly for the above investors and semiannually for commercial banks classified by membership in the Federal Reserve System. Table 23 in this report shows from 1946-1959 the maturity distribution of marketable, interest-bearing public debt and guaranteed obligations by call classes and maturity classes.

[2] Securities held in trust departments are excluded.

[3] Includes trust companies and stock savings banks.

[4] Includes banks and insurance companies which are not covered in the Treasury survey (see footnote 1).

[5] Consists of corporate pension trust funds and profit-sharing plans which involve retirement benefits. Quarterly data are presented in the *Treasury Bulletin* as supplemental information in a memorandum column accompanying the Survey of Ownership for each reporting date, beginning with December 31, 1953. The corresponding information from earlier reports, beginning with December 31, 1949, is summarized on page 30, of the March 1954 *Treasury Bulletin*.

[6] Excludes guaranteed obligations held by the Treasury.

[7] U.S. savings bonds other than Series G, H, and K are included at current redemption value. They were reported at maturity value by banks and insurance companies covered in the Treasury survey and have been adjusted to current redemption value for this table.

[8] Includes depositary bonds held by commercial banks not included in the survey: $38 million in 1958 and $76 million in 1959.

[9] All issues classified to final maturity except partially tax-exempt bonds which are classified to earliest call date.

Account of the Treasurer of the United States

TABLE 53.—*Assets and liabilities in the account of the Treasurer of the United States, June 30, 1958 and 1959*

[On basis of daily Treasury statements, see "Bases of Tables"]

	June 30, 1958	June 30, 1959	Increase, or decrease (−)
GOLD			
Assets: Gold	$21, 355, 976, 523. 57	$19, 704, 361, 919. 98	−$1, 651, 614, 603. 59
Liabilities:			
Gold certificates	2, 847, 359, 789. 00	2, 846, 629, 719. 00	−730, 070. 00
Gold certificate fund—Board of Governors, Federal Reserve System	17, 108, 837, 296. 12	15, 678, 587, 296. 12	−1, 430, 250, 000. 00
Redemption fund—Federal Reserve notes	842, 389, 219. 26	921, 950, 104. 26	79, 560, 885. 00
Gold reserve [1]	156, 039, 430. 93	156, 039, 430. 93	
Gold balance in Treasurer's account	401, 350, 788. 26	101, 155, 369. 67	−300, 195, 418. 59
Total	21, 355, 976, 523. 57	19, 704, 361, 919. 98	−1, 651, 614, 603. 59
SILVER			
Assets:			
Silver bullion (monetary value) [2]	2, 228, 285, 199. 79	2, 251, 428, 634. 12	23, 143, 434. 33
Silver dollars	213, 511, 029. 00	195, 811, 049. 00	−17, 699, 980. 00
Total	2, 441, 796, 228. 79	2, 447, 239, 683. 12	5, 443, 454. 33
Liabilities:			
Silver certificates outstanding	2, 419, 712, 988. 00	2, 412, 080, 136. 00	−7, 632, 852. 00
Treasury notes of 1890 outstanding	1, 141, 881. 00	1, 141, 684. 00	−197. 00
Silver balance in Treasurer's account	20, 941, 359. 79	34, 017, 863. 12	13, 076, 503. 33
Total	2, 441, 796, 228. 79	2, 447, 239, 683. 12	5, 443, 454. 33
GENERAL ACCOUNT			
Assets:			
In Treasury offices:			
Gold balance (as above)	401, 350, 788. 26	101, 155, 369. 67	−300, 195, 418. 59
Silver:			
At monetary value, balance (as above)	20, 941, 359. 79	34, 017, 863. 12	13, 076, 503. 33
Subsidiary coin	26, 821, 345. 80	21, 053, 473. 45	−5, 767, 872. 35
Bullion:			
At recoinage value	979, 272. 52	233, 484. 31	−745, 788. 21
At cost value	125, 663, 489. 72	154, 597, 289. 10	28, 933, 799. 38
Minor coin	7, 168, 326. 15	2, 518, 195. 93	−4, 650, 130. 22
United States notes	3, 237, 971. 00	4, 907, 400. 00	1, 669, 429. 00
Federal Reserve notes	73, 366, 985. 00	87, 898, 570. 00	14, 531, 585. 00
Federal Reserve Bank notes	459, 395. 00	913, 545. 00	454, 150. 00
National bank notes	377, 790. 00	255, 940. 00	−121, 850. 00
Unclassified—collections, etc	49, 112, 826. 48	62, 701, 692. 45	13, 588, 865. 97
Subtotal	709, 479, 549. 72	470, 252, 823. 03	−239, 226, 726. 69
Deposits in:			
Federal Reserve Banks:			
Available funds	410, 429, 234. 86	534, 594, 937. 20	124, 165, 702. 34
In process of collection	286, 905, 249. 06	272, 670, 964. 01	−14, 234, 285. 05
Special depositaries, Treasury tax and loan accounts	8, 217, 726, 146. 96	3, 744, 302, 685. 85	−4, 473, 423, 461. 11
National and other bank depositaries	341, 392, 549. 67	371, 774, 632. 39	30, 382, 082. 72
Foreign depositaries	23, 638, 465. 51	56, 929, 751. 11	33, 291, 285. 60
Subtotal	9, 280, 091, 646. 06	4, 980, 272, 970. 56	−4, 299, 818, 675. 50
Total assets, Treasurer's account	9, 989, 571, 195. 78	5, 450, 525, 793. 59	−4, 539, 045, 402. 19
Liabilities:			
Treasurer's checks outstanding [3]	96, 733, 072. 37		−96, 733, 072. 37
Board of Trustees, Postal Savings System:			
5 percent reserve, lawful money	61, 000, 000. 00	53, 000, 000. 00	−8, 000, 000. 00
Other deposits	40, 757, 953. 26	17, 286, 525. 28	−23, 471, 427. 98
Uncollected items, exchanges, etc	41, 977, 192. 35	29, 847, 505. 16	−12, 129, 687. 19
Total liabilities, Treasurer's account	240, 468, 217. 98	100, 134, 030. 44	−140, 334, 187. 54
Balance in Treasurer's account	9, 749, 102, 977. 80	5, 350, 391, 763. 15	−4, 398, 711, 214. 65
Total Treasurer's liabilities and balance	9, 989, 571, 195. 78	5, 450, 525, 793. 59	−4, 539, 045, 402. 19

[1] Reserve against U.S. notes ($346,681,016 in 1958 and 1959) and Treasury notes of 1890 outstanding ($1,141,881 in 1958 and $1,141,684 in 1959). Treasury notes of 1890 are also secured by silver dollars in the Treasury.

[2] There were 64,751,316.1 ounces held on June 30, 1958 and 1959 by certain Federal agencies.

[3] Effective July 1, 1958, this account was reclassified in the *Daily Statement of the United States Treasury*. Formerly the Treasurer's balance was reduced when Treasurer's checks were issued and the amount of the checks carried as a liability until paid. Now, the balance is not reduced until the checks are paid, in the same manner as with checks drawn on the Treasurer by Government disbursing officers and agencies.

TABLE 54.—*Analysis of changes in tax and loan account balances, fiscal years 1952–59*

[In millions of dollars. On basis of telegraphic reports]

Fiscal year or month	Credits							Withdrawals	Balance			
	Proceeds from sales of securities [1]				Taxes		Total credits		End of period	During period		
	Savings bonds	Savings notes	Tax anticipation securities	Other	Withheld and excise [2]	Income (by special arrangement) [3]				High	Low	Average
1952	2,226	4,679	2,451	287	13,579	13,270	36,493	37,066	5,106	5,409	1,425	3,255
1953	2,667	2,231	5,243	5,041	15,859	10,227	41,267	43,303	3,071	8,776	950	4,212
1954	3,457	2,333	6,861	4,304	19,898	4,791	41,644	39,879	4,836	7,493	1,649	3,870
1955	4,424	----------	5,977	8,167	20,538	2,967	42,074	42,545	4,365	7,299	1,910	3,991
1956	3,810	----------	6,035	786	23,897	4,611	39,140	38,871	4,633	5,486	1,103	3,373
1957	2,976	----------	5,043	6,568	26,709	4,152	45,448	46,000	4,082	6,078	813	2,987
1958	2,824	----------	2,922	13,513	27,881	7,903	55,044	50,908	8,218	8,869	1,078	3,246
1959	2,668	----------	7,581	13,164	29,190	5,919	58,520	62,994	3,744	8,055	912	3,638
1958—July	266	----------	----------	----------	1,168	186	1,620	6,576	3,262	8,055	3,262	5,263
August	224	----------	3,553	----------	2,968	----------	6,745	5,237	4,769	5,400	1,975	4,531
September	209	----------	----------	----------	2,783	1,218	4,210	5,444	3,535	4,513	1,284	3,218
October	212	----------	----------	3,653	1,086	23	4,974	5,593	2,916	4,998	1,948	3,629
November	192	----------	2,930	----------	2,904	----------	6,025	4,062	4,879	5,265	1,557	3,204
December	234	----------	----------	----------	2,746	1,133	4,113	5,523	3,468	4,355	1,728	3,133
1959—January	290	----------	----------	3,387	1,060	18	4,755	4,169	4,054	4,144	912	2,685
February	237	----------	1,099	33	3,458	----------	4,827	5,427	3,454	3,951	2,465	3,365
March	231	----------	----------	27	3,077	1,694	5,030	5,697	2,787	4,989	1,754	2,884
April	207	----------	----------	4,136	1,174	17	5,534	4,477	3,844	6,457	3,261	4,254
May	186	----------	----------	1,928	3,487	----------	5,601	5,328	4,117	5,669	3,720	4,347
June	180	----------	----------	----------	3,278	1,629	5,087	5,460	3,744	4,028	1,838	3,142

[1] Special depositaries are permitted to make payment in the form of a deposit credit for the purchase price of U.S. Government obligations purchased by them for their own account, or for the account of their customers who enter subscriptions through them, when this method of payment is permitted under the terms of the circulars inviting subscriptions to the issues.

[2] Taxes eligible for credit consist of those deposited by taxpayers in the depositary banks, as follows: Withheld income tax beginning March 1948; taxes on employers and employees under the Federal Insurance Contributions Act beginning January 1950, and under the Railroad Retirement Tax Act beginning July 1951; and a number of excise taxes beginning July 1953.

[3] Under a special procedure begun in March 1951, authorization may be given for income tax payments, or a portion of them, made by checks of $10,000 or more drawn on a special depositary bank to be credited to the tax and loan account in that bank. This procedure is followed during some of the quarterly periods of heavy tax payments.

Stock and Circulation of Money in the United States

TABLE 55.—*Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, by kinds, June 30, 1959*

[In thousands of dollars, except per capita figures. On basis of reports received from various Treasury offices and Federal Reserve Banks which take into account those transactions in transit to the Treasurer's office as of June 30, supplemented by information taken from the Treasurer's accounts. Therefore, the figures shown in this table may differ from similar figures in other tables prepared on basis of daily Treasury statements]

Kind of money	Stock of money [1]	Money held in the Treasury					Money outside of the Treasury			
		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	In circulation [2]	
									Amount	Per capita [3]
Gold	[4] 19,704,587	19,704,587	19,447,139	156,039		101,408				
Gold certificates	[5] (19,447,139)	[5] (16,600,537)			[5 6] (16,600,537)		2,846,602	2,815,556	31,046	.18
Standard silver dollars	488,046	194,411	164,480			29,931	293,635	8,144	285,491	1.61
Silver bullion	2,251,429	2,251,429	2,251,429							
Silver certificates	[5] (2,414,767)						2,414,767	259,851	2,154,916	12.17
Treasury notes of 1890	[5] (1,142)						1,142		1,142	.01
Subsidiary silver	1,496,953	20,459				20,459	1,476,494	61,011	1,415,483	7.99
Minor coin	526,922	2,166				2,166	524,756	10,881	513,876	2.90
United States notes	346,681	4,686				4,686	341,995	25,829	316,166	1.79
Federal Reserve notes	28,276,429	78,576				78,576	28,197,852	1,169,235	27,028,617	152.59
Federal Reserve Bank notes	111,623	914				914	110,709	658	110,051	.62
National bank notes	57,732	256				256	57,477	91	57,385	.32
Total	53,260,402	22,257,484	21,863,048	156,039	[5] (16,600,537)	[7] 238,396	[8] 36,265,429	4,351,256	31,914,173	180.18

Paper currency of each denomination in circulation—June 30, 1959									Comparative totals of money in circulation [2]		
Denomination	Gold certificates	Silver certificates	Treasury notes of 1890	United States notes	Federal Reserve notes	Federal Reserve Bank notes	National bank notes	Total	Date	Amount	Per capita [3]
									June 30, 1959	31,914,173	180.18
									May 31, 1959	31,637,640	178.85
$1		1,441,595	293	5,089		1,497	340	1,448,815	Jan. 31, 1959	[9] 31,125,216	176.85
$2		2,821	177	79,334		340	162	82,835	Dec. 31, 1958	[10] 32,193,254	183.33
$5		614,595	324	221,570	1,267,945	1,858	11,138	2,117,430	June 30, 1958	31,171,739	179.08
$10	8,420	95,000	221	6,537	6,447,075	8,298	18,624	6,584,175	June 30, 1955	30,229,323	182.91
$20	12,091	647	70	2,428	10,227,141	22,101	17,993	10,282,470	June 30, 1950	27,156,290	179.03
$50	3,275	150	1	200	2,708,293	25,968	3,864	2,741,752	June 30, 1945	26,746,438	191.61
$100	4,582	91	30	329	5,748,300	49,988	5,095	5,808,415	June 30, 1940	7,847,501	59.46
$500	986	7		352	264,008		87	265,439	June 30, 1935	5,567,093	43.75
$1,000	1,474	9	25	327	355,285		21	357,141	June 30, 1930	4,521,988	36.74
$5,000	100				3,030			3,130	June 30, 1925	4,815,208	41.57
$10,000	120				7,540			7,660	Oct. 31, 1920	5,698,215	53.18
Fractional parts							63	63	Mar. 31, 1917	4,172,946	40.49
									June 30, 1914	3,459,434	34.90
Total	31,046	2,154,916	1,142	316,166	27,028,617	110,051	57,385	29,699,323	Jan. 1, 1879	816,267	16.76

[1] For a description of security held, see table 57, footnote 2.
[2] Includes any paper currency held outside the continental limits of the United States.
[3] Based on Bureau of the Census estimates of population; includes Alaska beginning with January 1959.
[4] Does not include gold other than that held by the Treasury.
[5] 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.
[6] This total includes credits with the Treasurer of the United States payable in gold certificates in (1) the Gold Certificate Fund—Board of Governors, Federal Reserve System, in the amount of $15,678,587,296 and (2) the redemption fund for Federal Reserve notes in the amount of $921,950,104.
[7] Includes $53,000,000 lawful money deposited as a reserve for postal savings deposits.
[8] The amount of gold and silver certificates and Treasury notes of 1890 should be deducted from this amount before combining with total money held in the Treasury to arrive at the total amount of money in the United States.
[9] Lowest amount since December 31, 1958.
[10] Highest amount to date.

TABLE 56.—*Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, June 30, 1913–59* [1]

[In thousands of dollars, except per capita figures. For basis of data see headnote to table 55]

June 30	Stock of money [2]	Money held in the Treasury					Money outside of the Treasury			
		Total [3]	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 [3]	All other money	Total	Held by Federal Reserve Banks and agents	In circulation	
									Amount [4]	Per capita [5]
1913	3,777,021	1,834,112	1,475,783	150,000		208,329	3,418,692		3,418,692	35.16
1920	8,158,496	2,379,664	704,638	152,979	1,184,276	337,771	6,483,470	1,015,881	5,467,589	51.36
1925	8,299,382	4,176,381	2,059,799	153,621	1,752,744	210,217	6,182,799	1,367,591	4,815,208	41.57
1930	8,306,564	4,021,937	1,978,448	156,039	1,796,239	91,211	6,263,075	1,741,087	4,521,988	36.74
1935	15,113,035	9,997,362	7,131,431	156,039	5,532,590	2,709,891	6,714,514	1,147,422	5,567,093	43.75
1940	28,457,960	21,836,936	19,651,067	156,039	14,938,895	2,029,829	11,333,196	3,485,695	7,847,501	59.46
1945	48,009,400	22,202,115	19,923,738	156,039	15,239,072	2,122,338	30,491,950	3,745,512	26,746,438	191.61
1950	52,440,353	26,646,409	25,348,625	156,039	20,166,524	1,141,744	30,976,045	3,819,755	27,156,290	179.03
1951	50,985,939	24,175,565	22,894,641	156,039	17,698,722	1,124,884	32,006,293	4,197,063	27,809,230	180.17
1952	53,853,745	25,810,840	24,528,270	156,039	19,327,733	1,126,530	33,243,443	4,217,518	29,025,925	184.90
1953	54,015,346	24,960,950	23,702,046	156,039	18,470,725	1,102,865	34,285,718	4,160,765	30,124,952	188.72
1954	53,429,405	24,480,870	23,669,625	156,039	18,422,952	[6] 655,205	34,195,208	4,273,259	29,921,949	184.24
1955	53,308,618	24,250,685	23,438,908	156,039	18,178,115	655,737	34,318,726	4,089,403	30,229,323	182.91
1956	54,008,743	24,330,006	23,562,347	156,039	18,293,168	611,620	34,947,916	4,232,727	30,715,189	182.64
1957	55,363,063	25,146,983	24,388,565	156,039	19,129,100	602,379	35,475,545	4,393,632	31,081,913	181.52
1958	54,058,080	23,911,812	23,220,178	156,039	17,951,227	535,594	35,415,220	4,243,480	31,171,739	179.08
1959	53,260,402	22,257,484	21,863,048	156,039	16,600,537	[7] 238,396	36,265,429	4,351,256	31,914,173	180.18

[1] Beginning June 30, 1922, form of circulation statement was revised to include in holdings of Federal Reserve Banks and agents, and hence in stock of money, gold bullion and foreign gold coin held by Federal Reserve Banks and agents, and to include in holdings of Federal Reserve Banks and agents and hence exclude from money in circulation, all forms of money held by Federal Reserve Banks and agents, whether as reserve against Federal Reserve notes or otherwise. For purposes of comparison, figures in this table for earlier years include these changes. For full explanation of this revision, see 1922 annual report, p. 433. The form of circulation statement was revised again beginning Dec. 31, 1927, so as to exclude earmarked gold coin from stock of money, and hence from money in circulation; to include in holdings of Federal Reserve Banks and agents, and hence in stock of money, gold held abroad for account of Federal Reserve Banks; and to include in all categories, minor coin (1-cent piece and 5-cent piece). Beginning Dec. 31, 1927, circulation statement is dated for end of month instead of beginning of succeeding month, as was practice theretofore, and figures on revised basis for "Money held in the Treasury" are used. For purposes of comparison, figures in this table for earlier years include these changes. For explanation of this revision, see 1928 annual report, pp. 70–71. For figures for earlier years from 1860 through 1934, see annual reports for 1947, pp. 478–481, for 1952, p. 708, and for 1953, p. 551. Changes minor in amount, are made in some figures in the June 30 circulation statements for use in these annual report tables.

[2] Excludes gold and silver certificates and Treasury notes of 1890 outside Treasury. Beginning with 1934, has excluded gold certificates held for Federal Reserve Banks and agents. These items are excluded since gold and silver held as security against them are included. Composition of the stock of money is shown in table 57.

[3] Beginning with 1934 gold certificates held for Federal Reserve Banks and agents have been excluded from total money in Treasury, see footnote 2.

[4] Composition of money in circulation is shown in table 58.

[5] Based on Bureau of Census estimated population for continental United States.

[6] On November 9, 1953, $500,000,000 of gold held in the Treasurer's account was used to purchase from the Federal Reserve System a like amount of public debt obligations which were retired. See annual report for 1954, p. 26.

[7] On June 23, 1959, $300,000,000 of the balance of free gold was utilized to pay a portion of the U.S. quota increase to the International Monetary Fund.

TABLE 57.—*Stock of money by kinds, June 30, 1913–59* [1]

[Dollars in thousands. For basis of data see headnote to table 55]

June 30	Gold [2]	Silver bullion [2]	Standard silver dollars [2]	Subsidiary silver	Minor coin	United States notes [2]	Federal Reserve notes [2]	Federal Reserve Bank notes [2]	National bank notes [2]	Total [3]	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
1920	2,865,482		268,857	258,855	92,479	346,681	$3,405,877	$201,226	719,038	8,158,496	35.12
1925	4,360,382		522,061	283,472	104,004	346,681	1,942,240	7,176	733,366	8,299,382	52.54
1930	4,534,866		539,960	310,978	126,001	346,681	1,746,501	3,260	698,317	8,306,564	54.59
1935	9,115,643	$313,309	545,642	312,416	133,040	346,681	3,492,854	84,354	769,096	15,113,035	60.32
1940	19,963,091	1,353,162	547,078	402,261	173,909	346,681	5,481,778	22,809	167,190	28,457,960	70.15
1945	20,212,973	1,520,295	493,943	825,798	303,539	346,681	23,650,975	533,979	121,215	48,009,400	42.10
1950	24,230,720	2,022,835	492,583	1,001,574	378,463	346,681	23,602,680	277,202	87,615	52,440,353	46.21
1951	21,755,888	2,057,227	492,249	1,041,946	388,646	346,681	24,574,934	245,987	82,382	50,985,939	42.67
1952	23,346,498	2,093,041	491,897	1,117,889	402,702	346,681	25,753,570	223,100	78,367	53,853,745	43.35
1953	22,462,818	2,126,273	491,518	1,193,757	418,680	346,681	26,698,400	202,747	74,472	54,015,346	41.59
1954	21,927,003	2,157,562	491,021	1,275,666	434,675	346,681	26,543,177	183,005	70,616	53,429,405	41.04
1955	21,677,575	2,187,429	490,347	1,296,140	449,625	346,681	26,629,030	164,412	67,379	53,308,618	40.66
1956	21,799,145	2,202,297	488,650	1,317,445	463,452	346,681	27,177,987	148,471	64,613	54,008,743	40.36
1957	22,622,943	2,209,150	488,436	1,382,456	484,631	346,681	27,632,727	133,964	62,077	55,363,063	40.86
1958	21,356,156	2,228,285	488,247	1,448,813	509,789	346,681	27,498,454	121,751	59,905	54,058,080	39.51
1959	19,704,587	2,251,429	488,046	1,496,953	526,922	346,681	28,276,429	111,623	57,732	53,260,402	37.00

[1] See table 56, footnote 1. For figures for earlier years from 1860, see annual reports for 1947, pp. 482–484, for 1952, p. 709, and for 1953, p. 552.

[2] Part of gold and silver included in stock of money is held as reserve against other kinds of money, as follows: (1) As reserve for United States notes and Treasury notes of 1890—gold bullion (gold coin and bullion prior to gold conservation actions of 1933 and 1934) varying in amount from $150,000,000 to $156,039,431 during years included in this table; (2) also as security for Treasury notes of 1890 (these notes are being canceled and retired on receipt)—an equal dollar amount in standard silver dollars; (3) as security for outstanding silver certificates—silver in bullion and standard dollars of monetary value equal to face amount of such silver certificates; and (4) as security for gold certificates—gold bullion (gold coin and bullion before gold actions of 1933 and 1934) of value at legal standard equal to face amount of such gold certificates. Federal Reserve notes are secured by deposit by Federal Reserve Banks with Federal Reserve agents of like amount of gold certificates (gold prior to actions of 1933 and 1934) or of gold certificates and such discounted or purchased paper as are eligible under terms of Federal Reserve Act, as amended, or (from Feb. 27, 1932) of direct obligations of the United States. Federal Reserve Banks must maintain reserves in gold certificates (gold for 1933 and prior years) of at least 25 percent (40 percent prior to passage of act of June 12, 1945) including redemption fund which must be deposited with the Treasurer of the United States, against Federal Reserve notes in actual circulation ("Gold certificates" as herein used for 1934 and subsequent years include credits with Treasurer payable in gold certificates). Federal Reserve notes are obligations of United States and a first lien on all assets of issuing Federal Reserve Bank. Federal Reserve Bank notes at time of issuance were secured by direct obligations of United States or commercial paper; however, lawful money has been deposited with Treasurer for their redemption and they are in process of retirement. National bank notes at issuance were secured by direct obligations of the United States; lawful money has been deposited with Treasurer for their redemption and they are being retired.

[3] Totals involve duplication to extent that United States notes and Federal Reserve notes, included in full, are in part secured by gold, also included in full. Gold certificates, silver certificates, and Treasury notes of 1890 have been excluded, however, since they are complete duplications of equal amounts of gold or silver held as security therefor and included in totals.

TABLE 58.—*Money in circulation by kinds, June 30, 1913–59* [1]

[In thousands of dollars. On basis of reports received from various Treasury offices, from the Federal Reserve Banks, and from the accounts of the Treasurer U. S.]

June 30	Gold coin	Gold certificates [2]	Standard silver dollars	Silver certificates [2]	Treasury notes of 1890 [2]	Subsidiary silver	Minor coin	United States notes [2]	Federal Reserve notes [2]	Federal Reserve Bank notes [2]	National bank notes [2]	Total
1913	608, 401	1, 003, 998	72, 127	469, 129	2, 657	154, 458	54, 954	337, 215			715, 754	3, 418, 692
1920	474, 822	259, 007	76, 749	97, 606	1, 656	248, 863	90, 958	278, 144	3, 064, 742	185, 431	689, 608	5, 467, 589
1925	402, 297	1, 004, 823	54, 289	382, 780	1, 387	262, 009	100, 307	282, 578	1, 636, 108	6, 921	681, 709	4, 815, 208
1930	357, 236	994, 841	38, 629	386, 915	1, 260	281, 231	117, 436	288, 389	1, 402, 066	3, 206	650, 779	4, 521, 988
1935	(3)	117, 167	32, 308	701, 474	1, 182	295, 773	125, 125	285, 417	3, 222, 913	81, 470	704, 263	5, 567, 093
1940	(3)	66, 793	46, 020	1, 581, 662	1, 163	384, 187	168, 977	247, 887	5, 163, 284	22, 373	165, 155	7, 847, 501
1945	(3)	52, 084	125, 178	1, 650, 689	1, 150	788, 283	291, 996	322, 587	22, 867, 459	527, 001	120, 012	26, 746, 438
1950	(3)	40, 772	170, 185	2, 177, 251	1, 145	964, 709	360, 886	320, 781	22, 760, 285	273, 788	86, 488	27, 156, 290
1951	(3)	39, 070	180, 013	2, 092, 174	1, 145	1, 019, 824	378, 350	318, 173	23, 456, 018	243, 261	81, 202	27, 809, 230
1952	(3)	37, 855	191, 306	2, 087, 811	1, 145	1, 092, 891	393, 482	318, 330	24, 605, 158	220, 584	77, 364	29, 025, 925
1953	(3)	36, 596	202, 424	2, 121, 511	1, 143	1, 150, 498	412, 952	317, 702	25, 608, 669	200, 054	73, 403	30, 124, 952
1954	(3)	35, 481	211, 533	2, 135, 016	1, 142	1, 164, 912	418, 754	320, 224	25, 384, 606	180, 277	70, 005	29, 921, 949
1955	(3)	34, 466	223, 047	2, 169, 726	1, 142	1, 202, 209	432, 512	319, 064	25, 617, 775	162, 573	66, 810	30, 229, 323
1956	(3)	33, 483	236, 837	2, 148, 369	1, 142	1, 258, 555	453, 044	317, 643	26, 055, 247	146, 629	64, 239	30, 715, 189
1957	(3)	32, 541	252, 607	2, 161, 589	1, 142	1, 315, 325	473, 904	321, 148	26, 329, 345	132, 566	61, 745	31, 081, 913
1958	(3)	31, 797	267, 927	2, 199, 532	1, 142	1, 346, 429	486, 571	316, 851	26, 341, 854	120, 225	59, 411	31, 171, 739
1959	(3)	31, 046	285, 491	2, 154, 916	1, 142	1, 415, 483	513, 876	316, 166	27, 028, 617	110, 051	57, 385	31, 914, 173

[1] See table 56, footnote 1. For figures for earlier years from 1860, see annual reports for 1947, pp. 485–487, for 1952, p. 710, and for 1953, p. 553.
[2] For description of reserves held against various kinds of money, see table 57, footnote 2.
[3] Gold Reserve Act of 1934, which was culmination of gold actions of 1933, vested in the United States title to all gold coin and gold bullion. Gold coin was withdrawn from circulation and formed into bars. Gold coin ($287,000,000) shown on Treasury records as being then outstanding was dropped from monthly circulation statement as of Jan. 31, 1934.

TABLE 59.—*Location of gold, silver bullion at monetary value, and coin held by the Treasury on June 30, 1959*

[In thousands of dollars. On basis of reports received from various Treasury offices and Federal Reserve Banks which take into account those transactions in transit to the Treasurer's office as of June 30, supplemented by information taken from the Treasurer's accounts. Therefore, the figures shown in this table may differ from similar figures in other tables prepared on basis of daily Treasury statements]

Location	Gold	Silver bullion at monetary value	Standard silver dollars	Subsidiary silver coin	Minor coin
U.S. mints:					
Denver	4,669,476	9,451	32,618	14,257	[1] 784
Philadelphia	1,963	209,133	66,422	2,697	[1] 814
San Francisco	682,375	853,306	80		
U.S. assay office, New York [2]	1,867,334	1,095,819	36,185		
Bullion depository, Fort Knox	12,483,415				
Treasurer of United States (Cash Division), Federal Reserve Banks, etc	24	83,719	59,106	3,506	568
Total	19,704,587	2,251,429	194,411	20,459	2,166

[1] Includes minor metals and alloys in process of manufacture into coins.
[2] Includes bullion depository at West Point, N.Y.

TABLE 60.—*Paper currency issued and redeemed during the fiscal year 1959, and outstanding June 30, 1959, by classes and denominations*

[On basis of reports received from various Treasury offices and Federal Reserve Banks which take into account those transactions in transit to the Treasurer's office as of June 30, supplemented by information taken from the Treasurer's accounts. Therefore, the figures shown in this table may differ from similar figures in other tables prepared on basis of daily Treasury statements]

	Issued during 1959	Redeemed during 1959	Outstanding June 30, 1959		
			In Treasury	In Federal Reserve Banks	Outside Treasury and Federal Reserve Banks
CLASS					
Gold certificates		$756,570	$192,950	$2,815,555,600	$31,046,349
Silver certificates	$1,418,116,000	1,422,469,484	20,860,584	259,851,338	2,154,916,048
United States notes	137,079,188	137,079,188	4,686,300	25,828,644	316,166,072
Treasury notes of 1890		197	1,300		1,141,684
Federal Reserve notes	6,666,540,000	5,888,565,315	78,576,320	1,169,235,435	27,028,616,845
Federal Reserve Bank notes		10,127,909	913,545	658,000	110,051,074
National bank notes		2,172,692	255,940	91,160	57,385,350
Total	8,221,735,188	7,461,171,355	105,486,939	4,271,220,177	29,699,323,422
DENOMINATION					
$1	1,122,816,000	994,288,214	15,456,239	230,186,668	1,448,814,791
$2	13,040,068	11,651,906	744,290	13,242,034	82,835,106
$5	1,290,304,120	1,262,103,695	16,156,560	160,746,795	2,117,429,845
$10	2,471,500,000	2,329,936,800	20,968,490	402,375,710	6,584,175,152
$20	2,372,840,000	2,099,288,340	27,884,360	358,531,320	10,282,470,116
$50	336,650,000	298,173,500	8,515,200	98,397,150	2,741,751,515
$100	577,200,000	412,629,400	8,584,300	139,954,000	5,808,414,520
$500	23,500,000	19,579,500	3,517,500	20,751,500	265,439,250
$1,000	11,250,000	30,000,000	3,645,000	23,610,000	357,140,500
$5,000	655,000	240,000	5,000	3,155,000	3,130,000
$10,000	1,980,000	3,280,000	10,000	10,170,000	7,660,000
$100,000				2,810,100,000	
Fractional parts					2,627
Total	8,221,735,188	7,461,171,355	105,486,939	4,271,220,177	29,699,323,422

Trust Funds and Certain Other Accounts of the Federal Government

TABLE 61.—*Holdings of Federal securities* [1] *by Government agencies and accounts, June 30, 1952–59*

[Par value. In thousands of dollars]

Investments of agencies	1952	1953	1954	1955	1956	1957	1958	1959
HANDLED BY THE TREASURY [2]								
Employees' life insurance fund, Civil Service Commission					[3] 3,137	[3] 8,310	[3] 43,910	[3] 101,888
Federal Deposit Insurance Corporation	1,422,300	1,510,700	1,612,750	1,711,200	1,815,200	1,919,000	2,034,400	2,158,000
Federal disability insurance trust fund						325,363	1,054,544	1,607,200
Federal employees' retirement funds:								
Civil service retirement and disability fund	4,998,402	5,586,418	5,839,646	6,152,373	6,697,179	7,497,551	8,166,751	9,122,980
Foreign service retirement and disability fund	16,592	16,130	15,229	16,558	19,451	22,387	24,252	26,416
Judicial survivors annuity fund						760	1,000	1,104
Federal old-age and survivors insurance trust fund	16,268,037	17,814,387	19,337,092	20,579,051	22,041,438	22,262,664	21,764,964	20,478,466
Federal Savings and Loan Insurance Corporation	209,540	218,240	228,940	241,690	256,690	275,190	294,350	311,000
Highway trust fund						404,444	822,226	429,214
Postal Savings System	2,558,209	2,481,042	2,246,642	1,997,038	1,741,053	1,459,053	1,206,253	1,052,703
Railroad retirement account	2,863,144	3,142,803	3,345,255	3,485,903	3,606,505	3,642,058	3,608,953	3,573,604
Unemployment trust fund	8,644,000	9,236,000	8,988,000	8,442,915	8,700,668	8,974,894	7,719,944	6,710,565
Veterans' life insurance funds:								
Government life insurance fund	1,300,500	1,299,000	1,234,000	1,232,685	1,216,833	1,200,427	1,144,116	1,127,235
National service life insurance fund	5,190,644	5,249,479	5,272,479	5,345,628	5,481,068	5,570,310	5,665,319	5,741,548
Special term insurance fund		425	3,025	9,589	20,234	34,082	48,267	66,164
Other trust funds and accounts:								
Adjusted service certificate fund	5,115	5,113	4,643	4,589	4,580			
Ainsworth Library fund, Walter Reed General Hospital	10	10	10	10	10	10	10	10
Alien property trust fund	4,958	7,200	6,650	4,442	4,567	1,732	984	615
Canal Zone Postal Savings System	7,100	7,100	7,100	6,850	6,750	6,752	6,250	6,050
Comptroller of the Currency				4,140	5,140	5,950	5,950	5,335
District of Columbia:								
Department of Occupations and Professions					266			
General funds	13,974	25,029	21,994	28,190	31,200	39,996	49,679	32,862
Highway fund		5,779	6,757	10,769	11,985	11,760	11,234	5,288
Miscellaneous trust funds					219	2		19
Motor vehicle parking fund		527	870	1,194	1,391	1,686	2,077	2,576
Redevelopment program, Redevelopment Land Agency						15,324	4,017	5,165
Sanitary sewage works fund				851	1,951	2,134	2,534	729
Teachers' retirement and annuity fund	20,310	21,810	23,510	25,434	27,237	28,890	30,626	32,792
Water fund	1,773	1,773	1,773	1,673				
Welfare funds							15	15
District of Columbia, Workmen's Compensation Act, relief and rehabilitation	97	101	101	101	110	110	110	110
Exchange stabilization fund	20,000	20,000	25,000	25,000	95,000	95,000	35,000	87,120

Farm tenant mortgage insurance fund	1,250	1,250	1,250	1,250				
Federal Housing Administration:								
Armed services housing mortgage insurance fund	9,450	12,750	10,550	12,950	12,250	15,500	11,974	11,749
Housing insurance fund	4,450	5,950	3,300	3,300	4,400	7,000	4,648	7,068
Housing investment insurance fund	800	950	800	800	800	850	870	897
Mutual mortgage insurance fund	194,167	235,067	212,667	268,267	305,688	363,088	411,326	458,851
National defense housing insurance fund		11,500	8,100	5,100	5,720	5,270	5,200	2,370
Section 220 housing insurance fund				750	750	650	1,100	1,770
Section 221 housing insurance fund				750	750	750	900	1,030
Servicemen's mortgage insurance fund				750	1,250	2,650	4,100	5,160
Title I housing insurance fund			1,400	1,700	2,400	2,450	2,180	2,070
Title I insurance fund				38,000	44,400	56,350	69,529	77,189
War housing insurance fund	75,900	77,300	20,600	23,200	28,750	30,820	27,222	29,222
Franklin D. Roosevelt Library account, National Archives trust fund								102
General post fund, Veterans' Administration	2,666	2,666	2,866	2,866	2,868	2,660	1,734	1,064
Hospital fund, U.S. Army, Office of the Surgeon General	1,570	1,845	1,845	2,045	2,275	2,275	2,075	2,075
Individual Indian trust funds	35,425	34,076	31,831	32,982	33,669	36,081	37,572	42,497
Library of Congress trust fund					46	136	16	16
Longshoremen's and Harbor Workers' Compensation Act, relief and rehabilitation	632	657	727	759	769	772	772	730
Merchant marine memorial chapel fund				424	424	424	554	509
National Capital Housing Authority						49	49	3,977
National park trust fund	18	18	18	18	18	20	21	21
Office of naval records and history fund [4]		44	44	44	44	44	44	100
Patients' benefit fund, Public Health Service hospitals	7	7	7	7	7	7	7	7
Pershing Hall Memorial fund	199	199	199	199	199	199	199	211
Preservation of Birthplace of Abraham Lincoln, National Park Service	63	63	63	63	63	63	63	63
Public Health Service gift funds	86	86	86	81	81	76	71	71
Special trust account for payment of pre-1934 Philippine bonds	15,138	7,471	6,467	6,351	6,251	5,481	5,166	5,068
U.S. Army and Air Force Motion Picture Service	1,000	500	500					
U.S. Department of the Army—general gift fund						22	22	22
U.S. Naval Academy—general gift fund	85	85	85	102	102	102	102	109
U.S. Naval Academy—museum fund	1	1	1	1	1	1	1	1
Total handled by the Treasury	43,887,613	47,041,552	48,524,873	49,730,633	52,243,838	r 54,339,629	r 54,335,251	53,340,791

Footnotes at end of table.

TABLE 61.—*Holdings of Federal securities*[1] *by Government agencies and accounts, June 30, 1952–59*—Continued

[Par value. In thousands of dollars]

Investments of agencies	1952	1953	1954	1955	1956	1957	1958	1959
HANDLED BY THE AGENCIES [5]								
Banks for cooperatives	43,038	43,038	52,078	42,463	42,463	44,263	42,963	42,963
District of Columbia: Miscellaneous trust funds	----	----	----	----	139	138	149	133
Farmers' Home Administration, State rural rehabilitation funds	----	----	----	----	----	217	222	2,816
Federal home loan banks	310,398	378,198	670,254	660,567	1,085,141	1,018,325	1,364,258	1,065,040
Federal Housing Administration, mutual mortgage insurance fund	----	----	----	1,228	14,165	14,165	11,737	6,493
Federal intermediate credit banks	48,329	51,252	49,933	59,524	59,524	99,331	99,520	104,535
Federal National Mortgage Association	198	154	12	1,479	11,060	36,253	42,333	56,593
Housing and Home Finance Administrator, liquidating programs	----	----	----	----	----	17	----	----
Merchant marine memorial chapel fund	----	----	----	----	----	33	33	33
Panama Canal Company	10	15	15	15	15	25	25	25
Production credit corporations	42,488	44,593	41,761	41,924	39,762	([6])	----	----
Reconstruction Finance Corporation	1,158	----	----	----	----	----	----	----
Total handled by agencies	445,618	517,250	814,053	807,200	1,252,269	[r] 1,212,766	[r] 1,561,241	1,278,632
Total holdings of securities by Government agencies and accounts	44,333,231	47,558,802	49,338,926	50,537,833	53,496,107	[7] [r] 55,552,395	[7] [r] 55,896,492	[7] 54,619,423

[r] Revised.

[1] Gross public debt, and guaranteed obligations of the Federal Government held outside the Treasury.

[2] For further details of certain of these accounts, see tables 62 through 84.

[3] Includes Series F and J savings bonds at current redemption value.

[4] In accordance with the act approved August 10, 1956 (10 U.S.C. 7222), the Office of naval records and library fund became known as the Office of naval records and history fund.

[5] Some of the investment transactions clear through the accounts of the Treasurer of the United States.

[6] Production credit corporations were merged in the Federal intermediate credit banks as of January 1, 1957, pursuant to the act approved July 26, 1956 (12 U.S.C. 1027(a)). Certain assets, including the Federal securities, and the liabilities of the corporations were transferred to the banks.

[7] Excludes securities in the amounts of $23,625,000, $19,865,000, and $19,365,000 held by the Atomic Energy Commission as of June 30, 1957, 1958, and 1959, respectively, which in turn are held by trustees for the protection of certain contractors against financial loss in event of a catastrophe.

I.—Trust funds

TABLE 62.—*Ainsworth Library fund, Walter Reed General Hospital, June 30, 1959*

[This trust fund was established in accordance with the provisions of the joint resolution of Congress approved May 23, 1935 (49 Stat. 287). For further details, see annual report of the Secretary for 1941, p. 154]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Bequest of Maj. Gen. Fred C. Ainsworth	$10,700.00		$10,700.00
Earnings on investments	5,972.23	$285.00	6,257.23
Total receipts	16,672.23	285.00	16,957.23
Expenditures	6,110.42	242.80	6,353.22
Balance	10,561.81	42.20	10,604.01

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase	June 30, 1959
Investments (public issues):			
Treasury bonds, 3% of 1995	$9,500.00		$9,500.00
U.S. savings bonds, Series J (2.76%)	300.00		300.00
Total investments	9,800.00		9,800.00
Undisbursed balance	761.81	$42.20	804.01
Total assets	10,561.81	42.20	10,604.01

TABLE 63.—*Civil service retirement and disabiliy fund, June 30, 1959*

On basis of daily Treasury statements prior to June 30, 1953, thereafter on basis of the "Monthly Statement of Receipts and Expenditures of the United States Government." This trust fund was established in accordance with the provisions of the act of May 22, 1920, as amended (5 U.S.C. 2267). For further details see annual report of the Secretary for 1941, p. 136]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Deductions from employee's salaries, etc.[1]	$6,937,915,629.43	$761,935,293.35	$7,699,850,922.78
Federal contributions [2]	4,136,378,290.00	[3] 5,008,633.21	4,141,386,923.21
Payments by employing agencies [2]	583,900,426.44	748,908,267.43	1,332,808,693.87
Interest and profits on investments	2,578,044,185.32	219,749,314.11	2,797,793,499.43
Transfer from the Comptroller of the Currency retirement fund [4]	5,050,000.00		5,050,000.00
Total receipts	14,241,288,531.19	1,735,601,508.10	15,976,890,039.29
Expenditures:			
Annuity payments, refunds, etc	5,971,811,831.10	788,581,035.13	6,760,392,866.23
Transfers to policemen's and firemen's relief fund, D.C., deductions and accrued interest thereon	112,553.83	22,260.70	134,814.53
Total expenditures	5,971,924,384.93	788,603,295.83	6,760,527,680.76
Balance	8,269,364,146.26	946,998,212.27	9,216,362,358.53

Footnotes at end of table.

TABLE 63.—*Civil service retirement and disability fund, June 30, 1959*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (—)	June 30, 1959
Investments:			
Special issues, civil service retirement fund series:			
Treasury certificates of indebtedness maturing June 30:			
2½% of 1959	$4,248,846,000.00	—$4,248,846,000.00	
2⅝% of 1960		297,577,000.00	$297,577,000.00
Treasury notes maturing June 30:			
2½% of 1959	185,000,000.00	—185,000,000.00	
2½% of 1960	385,000,000.00		385,000,000.00
2½% of 1961	385,000,000.00		385,000,000.00
2⅝% of 1961		179,211,000.00	179,211,000.00
2½% of 1962	385,000,000.00		385,000,000.00
2⅝% of 1962		179,211,000.00	179,211,000.00
2½% of 1963	200,000,000.00		200,000,000.00
2⅝% of 1963		179,211,000.00	179,211,000.00
2⅝% of 1964		179,211,000.00	179,211,000.00
Treasury bonds maturing June 30:			
2½% of 1963	185,000,000.00		185,000,000.00
2½% of 1964	385,000,000.00		385,000,000.00
2½% of 1965	385,000,000.00		385,000,000.00
2⅝% of 1965		179,211,000.00	179,211,000.00
2½% of 1966	385,000,000.00		385,000,000.00
2⅝% of 1966		179,211,000.00	179,211,000.00
2½% of 1967	385,000,000.00		385,000,000.00
2⅝% of 1967		179,211,000.00	179,211,000.00
2½% of 1968	200,000,000.00		200,000,000.00
2⅝% of 1968		364,211,000.00	364,211,000.00
2⅝% of 1969		564,211,000.00	564,211,000.00
2⅝% of 1970		564,211,000.00	564,211,000.00
2⅝% of 1971		564,211,000.00	564,211,000.00
2⅝% of 1972		564,211,000.00	564,211,000.00
2⅝% of 1973		564,211,000.00	564,211,000.00
2⅝% of 1974		564,211,000.00	564,211,000.00
Total special issues	7,713,846,000.00	867,685,000.00	8,581,531,000.00
Public issues:			
Treasury notes:			
3½%, Series A-1960	32,900,000.00	—29,200,000.00	3,700,000.00
4%, Series A-1961	73,900,000.00		73,900,000.00
3⅝%, Series A-1962	50,000,000.00		50,000,000.00
4%, Series B-1962	20,000,000.00		20,000,000.00
3¾%, Series C-1962	20,000,000.00		20,000,000.00
2⅝%, Series A-1963	22,700,000.00	25,000,000.00	47,700,000.00
4%, Series B-1963		20,000,000.00	20,000,000.00
Treasury bonds:			
2¼% of 1959-62 (June 1, 1945)	700,000.00		700,000.00
2½% of 1961	6,400,000.00		6,400,000.00
2⅝% of 1965	10,000,000.00	11,500,000.00	21,500,000.00
3% of 1966	25,000,000.00		25,000,000.00
4% of 1969	25,000,000.00	13,200,000.00	38,200,000.00
3⅞% of 1974	30,000,000.00		30,000,000.00
4% of 1980 [5]		41,644,000.00	41,644,000.00
3¼% of 1985 [6]	74,900,000.00		74,900,000.00
3½% of 1990	6,000,000.00	6,500,000.00	12,500,000.00
3% of 1995	55,205,000.00		55,205,000.00
U.S. savings bonds, Series G (2.50%)	200,000.00	—100,000.00	100,000.00
Total public issues	452,905,000.00	88,544,000.00	49,000.0541,40
Total investments	8,166,751,000.00	956,229,000.00	9,122,980,000.30
Undisbursed balance	102,613,146.26	—9,230,787.73	93,382,358.50
Total assets	8,269,364,146.26	946,998,212.27	9,216,362,358.53

[1] Includes service credit payments and voluntary contributions of employees subject to the retirement act. Basic compensation deductions were at the rate of 2½% from Aug. 1, 1920, to June 30, 1926; 3½% from July 1, 1926, to June 30, 1942; 5% from July 1, 1942, to the day before the first pay period which began after June 30, 1948; 6% thereafter to the day before the first pay period which began after September 30, 1956; and 6½% thereafter. Also includes District of Columbia and Government corporations' contributions through 1957. Beginning with 1958 they are included with contributions from agency salary funds.

[2] Beginning July 1, 1957, appropriations are not made directly to the fund. Instead the employing agencies contribute amounts (from agency appropriations) equal to the deductions from employees' salaries in accordance with the act approved July 31, 1956 (5 U.S.C. 2254(a)).

[3] Consists of $8,633.21 to establish a specific annuity under Private Law 85-598, approved August 18, 1958, and $5,000,000.00, paid into the retirement fund by the Panama Canal Company under Public Law 85-550, approved July 25, 1958 (72 Stat. 405).

[4] The act of June 30, 1948, as amended (5 U.S.C. 739 (a) (b)), abolished the separate retirement fund for employees of the Office of the Comptroller and directed transfer of its assets to the civil service retirement and disability fund. Amount comprises cash derived from sale of securities amounting to $4,950,000 and securities still held at par amount of $100,000.

[5] Issued at a price of 99.00 to yield 4.0712 percent.

[6] Issued at a price of 100½ to yield 3.2222 percent.

TABLE 64.—*District of Columbia teachers' retirement and annuity fund, June 30, 1959*

[This fund was established in accordance with the provisions of the act of Aug. 7, 1946 (31 D.C.C. 702, 707), as successor to the District of Columbia teachers' retirement fund established under the act of Jan. 15, 1920, as amended, effecting the consolidation of the deductions fund and the Government reserve fund as of July 1, 1945]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Deductions from salaries	$18,393,988.61	$1,669,231.21	$20,063,219.82
Voluntary contributions	168,440.55	1,625.00	170,065.55
Interest and profits on investments	11,738,474.78	873,250.34	12,611,725.12
Appropriations from District of Columbia revenues	33,466,972.84	3,401,000.00	36,867,972.84
Total receipts	63,767,876.78	5,945,106.55	69,712,983.33
Expenditures:			
Annuities, refunds, etc	33,074,133.89	3,802,171.65	36,876,305.54
Balance	30,693,742.89	2,142,934.90	32,836,677.79

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (public issues):			
Treasury notes, 4%, Series D-1962		$300,000.00	$300,000.00
Treasury bonds:			
2½% of 1961	$1,056,500.00		1,056,500.00
2½% of 1963	856,500.00		856,500.00
2½% of 1964–69 (dated Apr. 15, 1943)	865,000.00		865,000.00
2½% of 1964–69 (dated Sept. 15, 1943)	1,303,500.00		1,303,500.00
2½% of 1965–70	257,000.00		257,000.00
2½% of 1966–71	1,517,000.00		1,517,000.00
2½% of 1967–72 (dated June 1, 1945)	1,919,000.00		1,919,000.00
3¼% of 1978–83	1,777,500.00		1,777,500.00
4% of 1980 [1]		100,000.00	100,000.00
3¼% of 1985 [2]	100,000.00		100,000.00
3½% of 1990	99,000.00	1,866,000.00	1,965,000.00
3% of 1995	3,599,500.00		3,599,500.00
2½% Investment Series A-1965	250,000.00		250,000.00
2¾% Investment Series B-1975–80	14,325,000.00		14,325,000.00
U.S. savings bonds:			
Series G (2.50%)	2,300,000.00	−100,000.00	2,200,000.00
Series K (2.76%)	400,000.00		400,000.00
Total investments	30,625,500.00	2,166,000.00	32,791,500.00
Undisbursed balance	68,242.89	−23,065.10	45,177.79
Total assets	30,693,742.89	2,142,934.90	32,836,677.79

[1] Issued at a price of 99.00 to yield 4.0712 percent.
[2] Issued at a price of 100½ to yield 3.2222 percent.

TABLE 65.—*District of Columbia, Workmen's Compensation Act, relief and rehabilitation, June 30, 1959*

[This trust fund was established pursuant to the provisions of the act of May 17, 1928 (45 Stat. 600). For further details, see annual report of the Secretary for 1941, p. 141]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Deposits	$149, 275. 00	$3, 000. 00	$152, 275. 00
Interest and profits on investments	40, 317. 07	2, 907. 60	43, 224. 67
Total receipts	189, 592. 07	5, 907. 60	195, 499. 67
Expenditures	65, 888. 06	2, 516. 05	68, 404. 11
Balance	123, 704. 01	3, 391. 55	127, 095. 56

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (public issues):			
Treasury bonds:			
2½% of 1962–67	$5, 000. 00		$5, 000. 00
2⅝% of 1965	4, 000. 00		4, 000. 00
2½% of 1966–71	10, 000. 00		10, 000. 00
4% of 1969		$17, 000. 00	17, 000. 00
3¼% of 1978–83	4, 000. 00		4, 000. 00
3% of 1995	20, 000. 00		20, 000. 00
2¾% Investment Series B–1975–80	6, 000. 00		6, 000. 00
U.S. savings bonds:			
Series G (2.50%)	50, 000. 00	−17, 000. 00	33, 000. 00
Series K (2.76%)	11, 500. 00		11, 500. 00
Total investments	110, 500. 00		110, 500. 00
Undisbursed balance	13, 204. 01	3, 391. 55	16, 595. 56
Total assets	123, 704. 01	3, 391. 55	127, 095. 56

TABLE 66.—*District of Columbia other funds—Investments as of June 30, 1958 and 1959*

[These investments were made in accordance with provisions contained in appropriation acts for the District of Columbia]

I. GENERAL FUNDS

Investments	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Public issues:			
Treasury bills	$3,016,000.00	−$3,016,000.00	
Treasury certificates of indebtedness:			
4%, Series C-1958	3,992,000.00	−3,992,000.00	
2½%, Series A-1959	997,000.00	−997,000.00	
Treasury notes, 3⅝%, Series B-1961 [1]		7,464,000.00	$7,464,000.00
Treasury bonds:			
2⅜% of 1957-59	2,916,500.00	−2,916,500.00	
2½% of 1958	8,714,000.00	−8,714,000.00	
2⅛% of 1960		3,963,500.00	3,963,500.00
2½% of 1961	8,608,500.00	−8,608,500.00	
2½% of 1963	1,236,000.00		1,236,000.00
2⅝% of 1965	6,986,000.00		6,986,000.00
2½% of 1965-70	13,213,000.00		13,213,000.00
Total	49,679,000.00	−16,816,500.00	32,862,500.00

II. HIGHWAY FUND

Investments	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Public issues:			
Treasury bills	$1,002,000.00	−$1,002,000.00	
Treasury certificates of indebtedness:			
4%, Series C-1958	2,985,000.00	−2,985,000.00	
2½%, Series A-1959	3,976,000.00	−3,976,000.00	
1¼%, Series B-1959	1,292,000.00	−1,292,000.00	
1⅝%, Series C-1959		3,996,000.00	$3,996,000.00
4%, Series B-1960 [2]		1,292,000.00	1,292,000.00
Treasury notes, 1½%, Series EA-1959	1,979,000.00	−1,979,000.00	
Total	11,234,000.00	−5,946,000.00	5,288,000.00

III. MOTOR VEHICLE PARKING FUND

Investments	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Public issues:			
Treasury bills	$100,000.00	−$100,000.00	
Treasury certificates of indebtedness:			
4%, Series C-1958	394,000.00	−394,000.00	
2½%, Series A-1959	749,000.00	−749,000.00	
1¼%, Series B-1959	643,000.00	−643,000.00	
1⅝%, Series C-1959		394,000.00	$394,000.00
3¾%, Series A-1960 [3]		848,000.00	848,000.00
4%, Series B-1960 [2]		643,000.00	643,000.00
Treasury notes:			
3½%, Series A-1960	191,000.00	98,000.00	289,000.00
3¼%, Series B-1960 [4]		100,000.00	100,000.00
1½%, Series EO-1959		198,000.00	198,000.00
Treasury bonds, 2¼% of 1959-62 (dated June 1, 1945)		103,500.00	103,500.00
Total	2,077,000.00	498,500.00	2,575,500.00

IV. REDEVELOPMENT PROGRAM—REDEVELOPMENT LAND AGENCY

Investments	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Public issues:			
Treasury bills	$4,017,000.00	$398,000.00	$4,415,000.00
Treasury certificates of indebtedness, 3⅜%, Series E-1959 [5]		750,000.00	750,000.00
Total	4,017,000.00	1,148,000.00	5,165,000.00

V. SANITARY SEWAGE WORKS FUND

Investments	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Public issues:			
Treasury bills	$400,000.00	$329,000.00	$729,000.00
Treasury certificates of indebtedness, 1¼%, Series B-1959	2,134,000.00	−2,134,000.00	
Total	2,534,000.00	−1,805,000.00	729,000.00

Footnotes at end of table.

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TABLE 66.—*District of Columbia other funds—Investments as of June 30, 1958 and 1959*—Continued

VI. WELFARE FUNDS—DEPARTMENT OF CORRECTIONS

Investments	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Public issues:			
Treasury notes, 3⅝%, Series B-1961 [1]		$15,000.00	$15,000.00
Treasury bonds, 2½% of 1958	$15,000.00	−15,000.00	
Total	15,000.00		15,000.00

VII. MISCELLANEOUS TRUST FUNDS [6]

Investments	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Public issues:			
Treasury bonds:			
2⅝% of 1965		$19,000.00	$19,000.00
3% of 1995	$40,500.00		40,500.00
U.S. savings bonds:			
Series F (2.53%)	17,300.00	−17,300.00	
Series G (2.50%)	32,300.00		32,300.00
Series H (3.25%)	15,000.00	1,500.00	16,500.00
Series J (2.76%)	10,675.00		10,675.00
Series K (2.76%)	33,500.00		33,500.00
Total	149,275.00	3,200.00	152,475.00

[1] Issued at a price of 99⅞ to yield 3.6787 percent.
[2] Issued at a price of 99.95 to yield 4.0515 percent.
[3] Includes $749,000 face amount of securities issued at a price of 99.993 to yield 3.7572 percent reflecting the adjustment of interest for one day on that amount of certificates of indebtedness of Series A-1959 exchanged for this security.
[4] Issued at a price of 99¾ to yield 3.4462 percent.
[5] Issued at a price of 99.95 to yield 3.4286 percent.
[6] Investment of these funds was made directly through the facilities of the District of Columbia with the exception of $19,000 in 1959 which was handled by the Treasury Department. Figures for 1958 have been revised to adjust for reclassification.

TABLE 67.—*Employees' life insurance fund, Civil Service Commission, June 30, 1959*

[On basis of reports from the Civil Service Commission. This trust revolving fund was established in accordance with the provisions of the act of August 17, 1954 (5 U.S.C. 2094 (c))]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Employee withholdings [1]	$252,026,702.91	$77,951,355.74	$329,978,058.65
Government contributions [1]	126,013,351.46	38,975,677.87	164,989,029.33
Premiums collected from beneficial association members	r 3,305,832.86	2,863,580.14	6,169,413.00
Income from investments	607,120.79	1,628,662.05	2,235,782.84
Assets acquired from beneficial associations:			
U.S. securities [2]	1,713,933.00	12,079,684.20	13,793,617.20
Other	r 4,040,628.99	3,063,782.95	7,104,411.94
Total receipts	r 387,707,570.01	136,562,742.95	524,270,312.96
Expenditures:			
Premiums paid to insurance companies:			
For Federal employees generally	365,718,548.41	115,100,989.66	480,819,538.07
Less return of premiums paid	32,716,295.42	[3] 39,217,748.90	71,934,044.32
For beneficial association members	5,256,182.01	4,500,646.24	9,756,828.25
Less return of premiums paid	r 1,333,906.24	[4] 1,114,632.68	2,448,538.92
Administrative expenses	424,794.84	253,852.31	678,647.15
Other	−423,878.02	[5] −1,338,830.64	−1,762,708.66
Total expenditures	r 336,925,445.58	78,184,275.99	415,109,721.57
Balance	50,782,124.43	58,378,466.96	109,160,591.39

Footnotes at end of table.

TABLE 67.—*Employees' life insurance fund, Civil Service Commission, June 30, 1959*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (public issues):			
Treasury bills		$10,000,000.00	$10,000,000.00
Treasury certificates of indebtedness, 2½%, Series A—1959	$1,263,000.00	−1,263,000.00	
Treasury notes:			
1⅞%, Series A—1959	2,172,000.00	−2,172,000.00	
3½%, Series B—1959		500,000.00	500,000.00
3½%, Series A—1960	1,293,000.00	3,793,000.00	5,086,000.00
3⅝%, Series B—1961 [6]		9,577,000.00	9,577,000.00
3⅝%, Series A—1962	1,798,000.00	3,202,000.00	5,000,000.00
3¾%, Series C—1962	5,000,000.00		5,000,000.00
4%, Series D—1962 [7]		7,341,000.00	7,341,000.00
2⅝%, Series A—1963	2,300,000.00	2,700,000.00	5,000,000.00
Treasury bonds:			
2½% of 1958	760,000.00	−760,000.00	
2⅛% of 1960	525,000.00	4,475,000.00	5,000,000.00
2½% of 1961	10,252,000.00	1,480,000.00	11,732,000.00
2¾% of 1961	5,000,000.00		5,000,000.00
2½% of 1962–67	15,000.00		15,000.00
2½% of 1963	5,005,000.00		5,005,000.00
2½% of 1963–68		45,000.00	45,000.00
3% of 1964	5,000,000.00		5,000,000.00
2½% of 1964–69 (dated Apr. 15, 1943)	741,500.00	79,000.00	820,500.00
2½% of 1964–69 (dated Sept. 15, 1943)		435,000.00	435,000.00
2⅝% of 1965	1,495,000.00	8,505,000.00	10,000,000.00
2½% of 1965–70		413,000.00	413,000.00
3% of 1966		7,115,500.00	7,115,500.00
2½% of 1966–71		231,000.00	231,000.00
2½% of 1967–72 (dated June 1, 1945)	10,500.00	357,000.00	367,500.00
2½% of 1967–72 (dated Nov. 15, 1945)	6,000.00	335,500.00	341,500.00
3¼% of 1978–83		235,000.00	235,000.00
4% of 1980 [8]		1,200,000.00	1,200,000.00
3½% of 1990		232,000.00	232,000.00
3% of 1995	135,500.00		135,500.00
2¾% Investment Series B—1975–80		179,000.00	179,000.00
U.S. savings bonds:			
Series F (2.53%)	521,763.00	−188,989.00	332,774.00
Series G (2.50%)	174,200.00	−104,200.00	70,000.00
Series J (2.76%)	442,270.00	21,173.20	463,443.20
Series K (2.76%)		15,000.00	15,000.00
Total investments	43,909,733.00	57,977,984.20	101,887,717.20
Undisbursed balance	6,872,391.43	400,482.76	7,272,874.19
Total assets	50,782,124.43	58,378,466.96	109,160,591.39

[r] Revised for reclassification.
[1] As provided in the act, Sec. 2094(a) "* * * there shall be withheld from each salary payment of such employee, * * * not to exceed the rate of 25 cents biweekly for each $1,000 of his group life insurance * * *"; and in Sec. 2094(b) "* * * there shall be contributed from the respective appropriation or fund * * * not to exceed one-half the amount withheld from the employee * * *."
[2] Includes Series F and J bonds stated at current redemption value. Amounts during the fiscal year 1959 represent accrued increment during the year of $25,870.00 and acquired securities of $12,053,814.20.
[3] Premium payments in excess of the $100 million contingency reserve set by the Civil Service Commission, which are required to be returned to the fund by the insuring companies (5 U.S.C. 2097(d)).
[4] Represents the return of premium payments in excess of annual claims paid, expenses, and other costs.
[5] Includes −$1,344,863.36 which is the difference between cost and face value of investments.
[6] Issued at a price of 99⅞ to yield 3.6787 percent.
[7] Includes $1,263,000.00 face amount of securities issued at a price of 99.993 to yield 4.0025 percent reflecting the adjustment of interest for one day on that amount of the certificates of indebtedness of Series A–1959 exchanged for this security.
[8] Issued at a price of 99.00 to yield 4.0712 percent.

TABLE 68.—*Federal disability insurance trust fund, June 30, 1959*

[This trust fund was established in accordance with the provisions of the act approved August 1, 1956 (42 U.S.C. 401(b))]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Appropriations [1]	$1,196,138,184.94	$846,681,035.92	$2,042,819,220.86
Deposits by States	67,464,383.99	58,064,365.95	125,528,749.94
Interest on investments	17,494,236.25	33,734,353.84	51,228,590.09
Total receipts	1,281,096,805.18	938,479,755.71	2,219,576,560.89
Expenditures:			
Reimbursement for administrative expense (under Sec. 201(g)(1) of the Social Security Act, as amended)	4,267,889.54	3,884,007.97	8,151,897.51
Administrative expenses—reimbursement to Federal old-age and survivors insurance trust fund	9,436,562.00	[2] 17,967,373.00	27,403,935.00
Benefit payments	168,419,534.12	339,230,682.29	507,650,216.41
Transfers for refunding internal revenue collections (under Sec. 201(g)(2) Social Security Act, as amended)		9,750,000.00	9,750,000.00
Total expenditures	182,123,985.66	370,832,063.26	552,956,048.92
Balance	1,098,972,819.52	567,647,692.45	1,666,620,511.97

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959	June 30, 1959
Investments:			
Special issues, Federal disability insurance trust fund series:			
Treasury certificates of indebtedness maturing June 30:			
2½% of 1959	$658,294,000.00	−$658,294,000.00	
2⅝% of 1960		88,950,000.00	$88,950,000.00
Treasury notes maturing June 30:			
2½% of 1959	7,500,000.00	−7,500,000.00	
2½% of 1960	37,500,000.00		37,500,000.00
2½% of 1961	37,500,000.00		37,500,000.00
2⅝% of 1961		63,000,000.00	63,000,000.00
2½% of 1962	37,500,000.00		37,500,000.00
2⅝% of 1962		63,000,000.00	63,000,000.00
2½% of 1963	30,000,000.00		30,000,000.00
2⅝% of 1963		63,000,000.00	63,000,000.00
2⅝% of 1964		63,000,000.00	63,000,000.00
Treasury bonds maturing June 30:			
2½% of 1963	7,500,000.00		7,500,000.00
2½% of 1964	37,500,000.00		37,500,000.00
2½% of 1965	37,500,000.00		37,500,000.00
2⅝% of 1965		63,000,000.00	63,000,000.00
2½% of 1966	37,500,000.00		37,500,000.00
2⅝% of 1966		63,000,000.00	63,000,000.00
2½% of 1967	37,500,000.00		37,500,000.00
2⅝% of 1967		63,000,000.00	63,000,000.00
2½% of 1968	30,000,000.00		30,000,000.00
2⅝% of 1968		70,500,000.00	70,500,000.00
2⅝% of 1969		100,500,000.00	100,500,000.00
2⅝% of 1970		100,500,000.00	100,500,000.00
2⅝% of 1971		100,500,000.00	100,500,000.00
2⅝% of 1972		100,500,000.00	100,500,000.00
2⅝% of 1973		100,500,000.00	100,500,000.00
2⅝% of 1974		100,500,000.00	100,500,000.00
Total special issues	995,794,000.00	537,656,000.00	1,533,450,000.00

Footnotes at end of table.

TABLE 68.—*Federal disability insurance trust fund, June 30, 1959*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT—Continued

Assets	June 30, 1958	Fiscal year 1959	June 30, 1959
Investments—Continued			
Public issues:			
Treasury notes:			
3¾%, Series C-1962	$7,000,000.00		$7,000,000.00
4%, Series B-1962	5,000,000.00		5,000,000.00
2⅝%, Series A-1963	10,000,000.00		10,000,000.00
4%, Series B-1963		$5,000,000.00	5,000,000.00
Treasury bonds:			
2⅝% of 1965	16,750,000.00	1,500,000.00	18,250,000.00
3% of 1966	10,000,000.00		10,000,000.00
4% of 1969	5,000,000.00	5,000,000.00	10,000,000.00
3⅞% of 1974	5,000,000.00		5,000,000.00
4% of 1980		2,000,000.00	2,000,000.00
3½% of 1990		1,500,000.00	1,500,000.00
Total public issues	58,750,000.00	15,000,000.00	73,750,000.00
Total investments—par value	1,054,544,000.00	552,656,000.00	1,607,200,000.00
Unamortized discount on investments	−106,250.00	−232,890.62	−339,140.62
Accrued interest purchased	20,179.29	−7,138.86	13,040.43
Total investments—book value	1,054,457,929.29	552,415,970.52	1,606,873,899.81
Undisbursed balance	44,487,501.56	15,259,110.60	59,746,612.16
Unappropriated receipts	27,388.67	−27,388.67	
Total assets	1,098,972,819.52	567,647,692.45	1,666,620,511.97

[1] Appropriations are equal to the amount of employment taxes collected, as estimated by the Secretary of the Treasury and adjusted in accordance with wage reports certified by the Secretary of Health, Education, and Welfare, for distribution to this fund and the Federal old-age and survivors insurance trust fund.
[2] Reimbursement covering fiscal year 1958.

TABLE 69.—*Federal old-age and survivors insurance trust fund, June 30, 1959*

[On basis of daily Treasury statements through 1952, thereafter on basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables." This trust fund, the successor to the old-age reserve account, was established in accordance with the provisions of the Social Security Act Amendments (42 U.S.C. 401). For further details see annual reports of the Secretary for 1940, p. 212, and 1950, p. 42]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Appropriations [1]	$54,991,437,826.01	$7,157,673,756.40	$62,149,111,582.41
Deposits by States [2]	1,202,130,239.75	481,091,875.55	1,683,222,115.30
Net earnings on investments	4,999,948,897.04	[3] 542,979,330.08	5,542,928,227.12
Transfers from general fund [4]	15,386,400.00		15,386,400.00
Interest payments by railroad retirement account, Sec. 5(k)(2)(b) of Railroad Retirement Act of 1937, as amended Oct. 30, 1951	35,393,000.00		35,393,000.00
Other [5]	990,488.95	596,834.74	1,587,323.69
Total receipts	61,245,286,851.75	8,182,341,796.77	69,427,628,648.52
Expenditures:			
Benefit payments	36,842,324,156.52	9,049,146,280.60	45,891,470,437.12
Reimbursements to general fund:			
Administrative expenses (under Sec. 201(g)(1) of the Social Security Act as amended)	453,954,785.16	37,028,409.44	490,983,194.60
Refunds of taxes (under 201(g)(2) of the Social Security Act, as amended)[6]	324,155,000.00	73,680,000.00	397,835,000.00
Payments, Bureau of Old-Age and Survivors Insurance:			
Salaries and expenses [7]	808,647,244.23	173,197,054.11	981,844,298.34
Construction of building	2,124,650.14	11,623,263.83	13,747,913.97
Payments, other, Department of Health, Education, and Welfare, and predecessor agency, administrative expenses	10,629,525.00	1,928,100.00	12,557,625.00
Payment to Railroad Retirement Board Sec. (K)(c)(1)		124,441,000.00	124,441,000.00
Reimbursement of administrative expenses from the Federal disability insurance trust fund	−9,148,680.00	−17,526,473.00	−26,675,153.00
Total expenditures	38,432,686,681.05	9,453,517,634.98	47,886,204,316.03
Balance	22,812,600,170.70	−1,271,175,838.21	21,541,424,332.49

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959	June 30, 1959
Investments:			
Special issues, Federal old-age and survivors insurance trust fund series:			
Treasury certificates of indebtedness maturing June 30:			
2½% of 1959	$9,924,785,000.00	−$9,924,785,000.00	
2⅝% of 1960		400,237,000.00	$400,237,000.00
Treasury notes maturing June 30:			
2½% of 1959	500,000,000.00	−500,000,000.00	
2½% of 1960	965,000,000.00		965,000,000.00
2½% of 1961	965,000,000.00		965,000,000.00
2⅝% of 1961		168,000,000.00	168,000,000.00
2½% of 1962	965,000,000.00		965,000,000.00
2⅝% of 1962		168,000,000.00	168,000,000.00
2½% of 1963	465,000,000.00		465,000,000.00
2⅝% of 1963		168,000,000.00	168,000,000.00
2⅝% of 1964		168,000,000.00	168,000,000.00
Treasury bonds maturing June 30:			
2½% of 1963	500,000,000.00		500,000,000.00
2½% of 1964	965,000,000.00		965,000,000.00
2½% of 1965	965,000,000.00		965,000,000.00
2⅝% of 1965		168,000,000.00	168,000,000.00
2½% of 1966	965,000,000.00		965,000,000.00
2⅝% of 1966		168,000,000.00	168,000,000.00
2½% of 1967	965,000,000.00		965,000,000.00
2⅝% of 1967		168,000,000.00	168,000,000.00
2½% of 1968	465,000,000.00		465,000,000.00
2⅝% of 1968		668,000,000.00	668,000,000.00
2⅝% of 1969		1,133,000,000.00	1,133,000,000.00
2⅝% of 1970		1,133,000,000.00	1,133,000,000.00
2⅝% of 1971		1,133,000,000.00	1,133,000,000.00
2⅝% of 1972		1,133,000,000.00	1,133,000,000.00
2⅝% of 1973		1,133,000,000.00	1,133,000,000.00
2⅝% of 1974		1,133,000,000.00	1,133,000,000.00
Total special issues	18,609,785,000.00	−1,382,548,000.00	17,227,237,000.00

Footnotes at end of table.

TABLE 69.—*Federal old-age and survivors insurance trust fund, June 30, 1959*—Con.

II. ASSETS HELD BY THE TREASURY DEPARTMENT—Continued

Assets	June 30, 1958	Fiscal year 1959	June 30, 1959
Investments—Continued			
Public issues:			
Treasury notes:			
3½%, Series A-1960	$47,500,000.00		$47,500,000.00
4%, Series A-1961	119,100,000.00		119,100,000.00
3⅝%, Series A-1962	176,000,000.00		176,000,000.00
4%, Series B-1962	15,000,000.00		15,000,000.00
3¾%, Series C-1962	20,000,000.00		20,000,000.00
2⅝%, Series A-1963	30,000,000.00		30,000,000.00
4%, Series B-1963		$25,000,000.00	25,000,000.00
Treasury bonds: [8]			
2¼% of 1959-62 (dated June 1, 1945)	938,000.00		938,000.00
2¼% of 1959-62 (dated Nov. 15, 1945)	3,267,000.00		3,267,000.00
2¾% of 1961	2,000,000.00		2,000,000.00
2½% of 1961	10,450,000.00		10,450,000.00
2½% of 1962-67	58,650,000.00		58,650,000.00
2½% of 1963	4,500,000.00		4,500,000.00
2½% of 1963-68	116,480,000.00		116,480,000.00
2½% of 1964-69 (dated April 15, 1943)	20,752,000.00	5,500,000.00	26,252,000.00
2½% of 1964-69 (dated Sept. 15, 1943)	75,252,000.00	2,500,000.00	77,752,000.00
2⅝% of 1965	211,900,000.00	13,500,000.00	225,400,000.00
2½% of 1965-70	456,547,500.00	200,000.00	456,747,500.00
3% of 1966	25,000,000.00		25,000,000.00
2½% of 1966-71	308,077,500.00		308,077,500.00
2½% of 1967-72 (dated June 1, 1945)	2,600,000.00		2,600,000.00
2½% of 1967-72 (dated Oct. 20, 1941)	138,193,250.00	14,000,000.00	152,193,250.00
2½% of 1967-72 (dated Nov. 15, 1945)	9,800,000.00		9,800,000.00
4% of 1969	26,500,000.00	10,000,000.00	36,500,000.00
3⅞% of 1974	25,000,000.00		25,000,000.00
3¼% of 1978-83	45,100,000.00		45,100,000.00
4% of 1980		18,000,000.00	18,000,000.00
3½% of 1990	56,500,000.00	7,350,000.00	63,850,000.00
3% of 1995	85,170,000.00		85,170,000.00
2¾% Investment Series B-1975-80	1,064,902,000.00		1,064,902,000.00
Total public issues	3,155,179,250.00	96,050,000.00	3,251,229,250.00
Total investments—par value	21,764,964,250.00	−1,286,498,000.00	20,478,466,250.00
Unamortized premium and discount (net)	−842,757.78	−3,245,913.32	−4,088,671.10
Accrued interest purchased	67,297.32	−14,989.34	52,307.98
Total investments—book value	21,764,188,789.54	−1,289,758,902.66	20,474,429,886.88
Unexpended balance	[9] 1,048,192,271.82	18,641,364.54	[9] 1,066,833,636.36
Unappropriated receipts	219,109.34	−58,300.09	160,809.25
Total assets	22,812,600,170.70	−1,271,175,838.21	21,541,424,332.49

1 Appropriations are equal to the amount of employment taxes collected as estimated by the Secretary of the Treasury and adjusted in accordance with wage reports certified by the Secretary of Health, Education, and Welfare, for distribution to this fund and the Federal disability insurance trust fund.

2 To cover employees of States and their political subdivisions; this provision was added by the Social Security Act Amendments of 1950 (42 U.S.C. 418).

3 Excludes repayment of amortized premium amounting to $3,245,913.32.

4 In connection with payments of benefits to survivors of certain World War II veterans who died within three years after separation from active service (42 U.S.C. 417).

5 Incidental recoveries, sale of publications, etc. Also beginning with the fiscal year 1958, includes reimbursement of interest transferred from the Federal disability insurance trust fund pursuant to sec. 201 (g)(1) of the Social Security Act as amended. Such transfers amounted to $287,882 for the fiscal year 1958 and $440,900 for the fiscal year 1959.

6 Beginning in 1953.

7 Paid directly from the trust fund beginning with the fiscal year 1947 under annual appropriation acts.

8 Effective Dec. 30, 1949, public issues held by the fund are shown at face value. Total unamortized premium and discount (net) are shown separately below.

9 Includes the following balances in the accounts as of June 30:

	1958	*1959*
Benefit payments	$1,034,751,553.68	$1,054,897,111.60
Salaries and expenses	13,003,666.52	10,014,996.97
Construction of building	437,051.62	1,921,527.79

TABLE 70.—*Foreign service retirement and disability fund, June 30, 1959*

[This trust fund was established in accordance with the provisions of the act of May 24, 1924, and the act of Aug. 13, 1946 (22 U.S.C. 1062). For further details, see annual report of the Secretary for 1941, p. 138]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Deductions from basic compensation, service credit payments, and voluntary contributions of employees subject to retirement act	$21,555,749.05	$2,192,011.51	$23,747,760.56
Appropriations	18,890,900.00	2,025,000.00	20,915,900.00
Interest and profits on investments	10,446,334.50	1,030,652.70	11,476,987.20
Total receipts	50,892,983.55	5,247,664.21	56,140,647.76
Expenditures:			
Annuity payments and refunds	26,454,508.35	2,988,873.89	29,443,382.24
Balance	24,438,475.20	2,258,790.32	26,697,265.52

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (special issues):			
Treasury certificates of indebtedness, foreign service retirement fund series, maturing June 30:			
3% of 1959	$1,187,000.00	−$1,187,000.00	
4% of 1959	23,065,000.00	−23,065,000.00	
3% of 1960		1,265,000.00	$1,265,000.00
4% of 1960		25,151,000.00	25,151,000.00
Total investments	24,252,000.00	2,164,000.00	26,416,000.0
Undisbursed balance	100,463.46	180,802.06	281,265.52
Unappropriated receipts	86,011.74	−86,011.74	
Total assets	24,438,475.20	2,258,790.32	26,697,265.52

TABLE 71.—*Highway trust fund, June 30, 1959*

[On basis of the "Monthly Statement of Receipts and Expenditures of the United States Government." This trust fund was established in accordance with the provisions of the Highway Revenue Act of 1956 (23 U.S.C. 173, 174(e)]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Excise taxes: [1]			
Gasoline	$2,943,080,066.11	$1,702,579,746.22	$4,645,659,812.33
Diesel fuel	80,258,168.90	50,955,262.84	131,213,431.74
Tires	290,469,859.16	184,937,733.45	475,407,592.61
Tread rubber	24,087,280.94	14,101,846.99	38,189,127.93
Trucks, buses, etc	144,930,567.30	107,394,255.33	252,324,822.63
Truck use	58,725,371.17	33,852,363.52	92,577,734.69
Inner tubes	17,374,263.40	14,874,490.85	32,248,754.25
Other tires	36,027,683.80	62,320,164.95	98,347,848.75
Total taxes	3,594,953,260.78	2,171,015,864.15	5,765,969,124.93
Interest on investments	20,780,112.83	13,583,651.19	34,363,764.02
Total receipts	3,615,733,373.61	2,184,599,515.34	5,800,332,888.95
Expenditures:			
Highway program:			
Reimbursement to general fund	501,018,553.13		501,018,553.13
From trust fund	1,975,882,831.98	2,612,576,423.10	4,588,459,255.08
Total highway program	2,476,901,385.11	2,612,576,423.10	5,089,477,808.21
Refunds of taxes (reimbursed to general fund):			
Gasoline used on farms	73,571,100.30	78,596,984.93	152,168,085.23
Gasoline for nonhighway purposes or local transit systems	16,311,227.70	18,274,951.09	34,586,178.79
Gasoline, other	21,263.87	16,507.92	37,771.79
Tires and tread rubber	10,143.38	3,522.77	13,666.15
Trucks, buses, etc	16,103.10	7,776.24	23,879.34
Total refunds of taxes	89,929,838.35	96,899,742.95	186,829,581.30
Services of Department of Labor (administrative and enforcement of labor standards)	368,225.00		368,225.00
Total expenditures	2,567,199,448.46	2,709,476,166.05	5,276,675,614.51
Balance	1,048,533,925.15	−524,876,650.71	523,657,274.44

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (special issues):			
Treasury certificates of indebtedness, highway trust fund series, maturing June 30:			
2½% of 1959	$822,226,000.00	−$822,226,000.00	
2⅞% of 1960		429,214,000.00	$429,214,000.00
Total investments	822,226,000.00	−393,012,000.00	429,214,000.00
Undisbursed balance	226,307,925.15	−131,864,650.71	94,443,274.44
Total assets	1,048,533,925.15	−524,876,650.71	523,657,274.44

[1] Amounts equivalent to specified percentages of receipts from certain excise taxes on motor fuels, vehicles, tires and tubes, and use of certain vehicles are appropriated and transferred monthly from general fund receipts to the trust fund on the basis of estimates by the Secretary of the Treasury, with proper adjustments to be made in subsequent transfers as required by sec. 209(c)(3) of the Highway Revenue Act of 1956. (23 U.S.C. 120 (note)).

TABLE 72.—*Judicial survivors annuity fund, June 30, 1959*

[This fund was established in accordance with the provisions of the act of Aug. 3, 1956 (28 U.S.C. 376(b))]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Deductions from salaries and contributions	$1,493,660.10	$454,894.69	$1,948,554.79
Interest and profits on investments	27,033.38	31,207.83	58,241.21
Total receipts	1,520,693.48	486,102.52	2,006,796.00
Expenditures:			
Annuity payments, refunds, etc	483,331.69	331,745.93	815,077.62
Balance	1,037,361.79	154,356.59	1,191,718.38

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (public issues):			
Treasury notes:			
3½%, Series A-1960	$250,000.00		$250,000.00
4%, Series A-1961	100,000.00		100,000.00
3⅝%, Series A-1962	60,000.00		60,000.00
Treasury bonds:			
2½% of 1961	95,000.00		95,000.00
2½% of 1963	250,000.00		250,000.00
3% of 1964	100,000.00		100,000.00
2⅝% of 1965		$53,000.00	53,000.00
3¼% of 1978-83	49,500.00		49,500.00
4% of 1980 [1]		50,500.00	50,500.00
3½% of 1990	44,500.00		44,500.00
3% of 1995	51,000.00		51,000.00
Total investments	1,000,000.00	103,500.00	1,103,500.00
Undisbursed balance	37,361.79	50,856.59	88,218.38
Total assets	1,037,361.79	154,356.59	1,191,718.38

[1] Issued at a price of 99.00 to yield 4.0712 percent.

TABLE 73.—*Library of Congress trust funds, June 30, 1959*

[Established in accordance with provisions of the act of Mar. 3, 1925, as amended (2 U.S.C. 154–161). For further details, see 1941 annual report, p. 149]

	Permanent loan account						Income from donated securities, etc.		
	Funds on deposit with Treasurer of the United States			Interest at 4% paid by U.S. Treasury					
	June 30, 1958	Fiscal year 1959	June 30, 1959	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Name of donor:									
Babine, Alexis V	$6,684.74		$6,684.74	$5,609.77	$267.39	$5,877.16	$1,785.58		$1,785.58
Sonneck memorial fund [1]	12,088.13		12,088.13	9,620.06	483.52	10,103.58	4,429.73		4,429.73
Benjamin, William E	83,083.31		83,083.31	36,341.87	3,323.34	39,665.21	49,744.50		49,744.50
Bowker, Richard R	14,843.15		14,843.15	2,889.14	593.72	3,482.86	8,024.80		8,024.80
Carnegie Corporation of New York	93,307.98		93,307.98	75,774.90	3,732.32	79,507.22	37,838.36		37,838.36
Coolidge, Elizabeth S.[2]	788,644.26		788,644.26	173,062.75	31,545.78	204,608.53	131,312.26	$395.00	131,707.26
Elson, Louis C., memorial fund	12,585.03		12,585.03	6,616.51	503.40	7,119.91			
Friends of Music in the Library of Congress	5,509.09		5,509.09	3,246.33	220.36	3,466.69	318.22		318.22
Guggenheim, Daniel	90,654.22		90,654.22	72,165.14	3,626.16	75,791.30	32,759.36		32,759.36
Hanks, Nymphus Corridon	5,227.31		5,227.31	511.26	209.10	720.36			
Huntington, Archer M	260,577.66		260,577.66	121,124.09	10,423.10	131,547.19	[3] 290,797.12	[2] 16,148.00	[2] 306,945.12
Koussevitzky Music Foundation, Inc	176,103.58		176,103.58	46,285.84	7,044.14	53,329.98			
Longworth, Nicholas, Foundation	9,691.59		9,691.59	7,113.34	387.66	7,501.00	757.02		757.02
Miller, Dayton C	20,548.18		20,548.18	11,077.69	821.92	11,899.61	412.50		412.50
National Library for the Blind, Inc	36,015.00		36,015.00	8,177.67	1,440.60	9,618.27			
Pennell, Joseph	303,247.97	$2.49	303,250.46	207,359.32	12,130.00	219,489.32	85,487.80		85,487.80
Porter, Henry K., memorial fund	290,500.00		290,500.00	138,328.04	11,620.00	149,948.04	25,369.03		25,369.03
Roberts fund	62,703.75		62,703.75	17,999.49	2,508.16	20,507.65			
Whittall, Gertrude C.:									
Collection of Stradivari instruments and Tourte bows	881,781.38	343,279.59	1,225,060.97	411,375.39	45,597.42	456,972.81	1,213.75	2,168.25	3,382.00
Poetry fund	101,149.73		101,149.73	30,377.83	4,045.98	34,423.81			
General literature	50,000.00	343,279.59	393,279.59	4,912.09	12,326.15	17,238.24		2,168.26	2,168.26
Appreciation and understanding of good literature	150,000.00		150,000.00	25,898.31	6,000.00	31,898.31			
Wilbur, James B	305,813.57		305,813.57	252,132.40	12,232.56	264,364.96	107,345.09		107,345.09
Donations and investment income	3,760,759.63	686,561.67	4,447,321.30	1,667,999.23	171,082.78	1,839,082.01	777,595.12	20.879.51	798,474.63
Expenditures from investment income				1,457,645.15	123,463.01	1,581,108.16	751,281.89	26,469.10	777,750.99
Balances in the accounts	3,760,759.63	686,561.67	4,447,321.30	210,354.08	47,619.77	257,973.85	26,313.23	−5,589.59	20,723.64

[1] Formerly the Beethoven Association.
[2] As of June 30, 1959, $15,800 of Series G bonds were also held for this account.
[3] Includes income from securities held as investment under deed of trust dated Nov. 17, 1936, administered by designated trustees including the Bank of New York.

TABLE 74.—*Longshoremen's and Harbor Workers' Compensation Act, relief and rehabilitation, June 30, 1959*

[This trust fund was established in accordance with the provisions of the act of Mar. 4, 1927, as amended (33 U.S.C. 944). For further details, see annual report of the Secretary for 1941, p. 141]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through 1958	Fiscal year 1959	Cumulative through 1959
Receipts:			
Deposits	$848, 258. 79	$7, 000. 00	$855, 258. 79
Interest and profits on investments	274, 377. 30	20, 095. 80	294, 473. 10
Total receipts	1, 122, 636. 09	27, 095. 80	1, 149, 731. 89
Expenditures	311, 393. 63	105, 188. 22	416, 581. 85
Balance	811, 242. 46	−78, 092. 42	733, 150. 04

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, decrease	June 30, 1959
Investments (public issues):			
Treasury bonds:			
2½% of 1961	$42, 500. 00		$42, 500. 00
2½% of 1962–67	23, 000. 00		23, 000. 00
2½% of 1964–69 (dated Apr. 15, 1943)	11, 500. 00		11, 500. 00
2⅝% of 1965	50, 000. 00		50, 000. 00
2½% of 1966–71	82, 000. 00		82, 000. 00
3¼% of 1978–83	25, 000. 00		25, 000. 00
3% of 1995	101, 000. 00		101, 000. 00
2¾% Investment Series B-1975–80	108, 000. 00		108, 000. 00
U.S. savings bonds:			
Series G (2.50%)	187, 700. 00	−$12, 000. 00	175, 700. 00
Series J (2.76%)	69, 425. 00	−30, 000. 00	39, 425. 00
Series K (2.76%)	71, 500. 00		71, 500. 00
Total investments	771, 625. 00	−42, 000. 00	729, 625. 00
Undisbursed balance	39, 617. 46	−36, 092. 42	3, 525. 04
Total assets	811, 242. 46	−78, 092. 42	733, 150. 04

TABLE 75.—*National Archives trust fund, June 30, 1959*

[This trust fund was established in accordance with the provisions of the act of July 9, 1941, as amended (44 U.S.C. 300aa–300ee)]

I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts—Donations	$274, 021. 67	$66, 988. 83	$341, 010. 50
Expenditures	190, 777. 15	56, 650. 65	247, 427. 80
Balance	83, 244. 52	10, 338. 18	93, 582. 70

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase	June 30, 1959
Undisbursed balance	$83, 244. 52	$10, 338. 18	$93, 582. 70

TABLE 76.—*National park trust fund, June 30, 1959*

[This trust fund was established in accordance with the provisions of the act of July 10, 1935, as amended (16 U.S.C. 19-19a). For further details, see annual report of the Secretary for 1941, p. 153]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Donations	$68, 323. 53	$25, 009. 03	$93, 332. 56
Interest earned on investments	10, 228. 41	535. 93	10, 764. 34
Total receipts	78, 551. 94	25, 544. 96	104, 096. 90
Expenditures	34, 723. 05	−27. 19	34, 695. 86
Balance	43, 828. 89	25, 572. 15	69, 401. 04

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (public issues):			
Treasury bonds:			
2⅜% of 1957-59	$1, 500. 00	−$1, 500. 00	
2¾% of 1961		1, 500. 00	$1, 500. 00
2½% of 1963-68	1, 000. 00		1, 000. 00
2½% of 1966-71	15, 000. 00		15, 000. 00
2½% of 1967-72 (dated Oct. 20, 1941)	1, 000. 00		1, 000. 00
4% of 1969	1, 000. 00		1, 000. 00
3¼% of 1978-83	1, 000. 00		1, 000. 00
U.S. savings bonds, Series J (2.76%)	25. 00		25. 00
Total investments	20, 525. 00		20, 525. 00
Undisbursed balance	23, 303. 89	25, 572. 15	48, 876. 04
Total assets	43, 828. 89	25, 572. 15	69, 401. 04

TABLE 77.—*National service life insurance fund, June 30, 1959*

[This trust fund was established in accordance with the provisions of the act of Oct. 8, 1940 (38 U.S.C. 805). For further details, see annual report of the Secretary for 1941, p. 143]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Premiums and other receipts	$7, 999, 133, 574. 95	$453, 350, 636. 46	$8, 452, 484, 211. 41
Interest on investments	2, 269, 791, 667. 02	168, 768, 611. 14	2, 438, 560, 278. 16
Payments from general fund	4, 703, 029, 488. 90	12, 194, 927. 88	4, 715, 224, 416. 78
Total receipts	14, 971, 954, 730. 87	634, 314, 175. 48	15, 606, 268, 906. 35
Expenditures:			
Benefit payments, dividends, and refunds	9, 292, 267, 649. 75	562, 051, 995. 73	9, 854, 319, 645. 48
Balance	5, 679, 687, 081. 12	72, 262, 179. 75	5, 751, 949, 260. 87

TABLE 77.—*National service insurance fund, June 30, 1959*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (special issues):			
Treasury notes, 3% national service life insurance fund series, maturing June 30:			
1959	$2,613,000,000.00	−$2,613,000,000.00	
1960	416,608,000.00		$416,608,000.00
1961	873,440,000.00		873,440,000.00
1962	464,727,000.00		464,727,000.00
1963	1,297,544,000.00		1,297,544,000.00
1964		2,689,229,000.00	2,689,229,000.00
Total investments	5,665,319,000.00	76,229,000.00	5,741,548,000.00
Undisbursed balance	14,368,081.12	−3,966,820.25	10,401,260.87
Total assets	5,679,687,081.12	72,262,179.75	5,751,949,260.87

TABLE 78.—*Pershing Hall Memorial fund, June 30, 1959*

[This special fund was established in accordance with the provisions of the act of June 28, 1935, as amended (36 U.S.C. 491). For further details see annual report of the Secretary for 1941, p. 155]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Appropriations	$482,032.92		$482,032.92
Profits on investments	5,783.21		5,783.21
Net increase in book value of bonds		$12,000.35	12,000.35
Interest earned	110,149.94	5,310.57	115,460.51
Total receipts	597,966.07	17,310.92	615,276.99
Expenditures:			
Claims and expenses	288,629.70		288,629.70
National Treasurer, American Legion	110,149.94	5,310.57	115,460.51
Total expenditures	398,779.64	5,310.57	404,090.21
Balance	199,186.43	12,000.35	211,186.78

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959	June 30, 1959
Investments (public issues) (par):			
Treasury bonds, 3½% of 1990		$211,000.00	$211,000.00
U.S. savings bonds, Series G (2½%)	$199,100.00	−199,100.00	
Total	199,100.00	11,900.00	211,000.00
Accrued interest purchased		156.63	156.63
Undisbursed balance	86.43	−56.28	30.15
Total assets	199,186.43	12,000.35	211,186.78

TABLE 79.—*Philippine Government pre-1934 bond account, June 30, 1959*

[This special trust account was established in accordance with the provisions of the act of August 7, 1939 (22 U.S.C. 1393), for the payment of bonds issued prior to May 1, 1934, by provinces, cities, and municipalities of the Philippines.]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Taxes on exports	$1, 586, 135. 92		$1, 586, 135. 92
Interest and profits on investments [1]	3, 388, 910. 85	$109, 120. 99	3, 498, 031. 84
Sale of stock of Bank of Philippine Islands	43, 100. 00		43, 100. 00
Deposit of the Philippine Government	13, 141. 85		13, 141. 85
U.S. Treasury bonds from the Philippine Government	6, 269, 750. 00		6, 269, 750. 00
Annual payments by the Philippine Government	15, 646, 589. 37		15, 646, 589. 37
Total receipts	26, 947, 627. 99	109, 120. 99	27, 056, 748. 98
Expenditures:			
Interest on outstanding Philippine bonds	1, 958, 356. 91	175, 135. 01	2, 133, 491. 92
Return of excess cash to the Philippine Government	1, 000, 000. 00		1, 000, 000. 00
Payment of matured bonds of the Philippine Government	15, 167, 500. 00	25, 000. 00	15, 192, 500. 00
Cancellation of Philippine bonds at cost [2]	3, 533, 585. 13		3, 533, 585. 13
Losses on securities sold	196. 56	181. 25	377. 81
Unamortized discount on investments	−439. 10	−31. 76	−470. 86
Total expenditures	21, 659, 199. 50	200, 284. 50	21, 859, 484. 00
Balance	5, 288, 428. 49	−91, 163. 51	5, 197, 264. 98

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (public issues):			
Treasury certificates of indebtedness, 1⅝%, Series C-1959		$1, 660, 000. 00	$1, 660, 000. 00
Treasury bills	$90, 000. 00	−58, 000. 00	32, 000. 00
Treasury bonds:			
2¼% of 1956–59	1, 650, 000. 00	−1, 650, 000. 00	
2⅜% of 1957–59	50, 000. 00	−50, 000. 00	
2¼% of 1959–62 (dated June 1, 1945)	25, 000. 00		25, 000. 00
2¼% of 1959–62 (dated Nov. 15, 1945)	2, 305, 000. 00		2, 305, 000. 00
2½% of 1962–67	148, 300. 00		148, 300. 00
2½% of 1963–68	648, 000. 00		648, 000. 00
U.S. savings bonds, Series G (2.50%)	250, 000. 00		250, 000. 00
Total investments	5, 166, 300. 00	−98, 000. 00	5, 068, 300. 00
Undisbursed balance	122, 128. 49	6, 836. 49	128, 964. 98
Total assets	5, 288, 428. 49	−91, 163. 51	5, 197, 264. 98

[1] Losses are netted against profits through fiscal 1957.
[2] The face value of the bonds canceled was $3,436,000.00.

NOTE.—As of June 30, 1959, the total principal of pre-1934 bonds outstanding was $3,995,850 unmatured and $41,000 matured. The amount of matured interest unpaid was $87,370, while the unmatured interest projected through July 1, 1963, the date of final maturity, amounted to $268,211.25.

TABLE 80.—*Public Health Service gift funds, June 30, 1959*

[This trust fund was established in accordance with the provisions of the act of May 26, 1930, which was repealed by the act of July 1, 1944 (42 U.S.C. 219, 283, 287b), under which it now operates]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Contributions	$712, 248. 64	$113, 854. 26	$826, 102. 90
Interest on investments	97, 573. 26	1, 775. 00	99, 348. 26
Total receipts	809, 821. 90	115, 629. 26	925, 451. 16
Expenditures	602, 461. 97	60, 634. 01	663, 095. 98
Balance	207, 359. 93	54, 995. 25	262, 355. 18

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase	June 30, 1959
Investments (public issues):			
Treasury bonds, 2½% of 1967-72 (dated June 1, 1945)	$71, 000. 00		$71, 000. 00
Undisbursed balance	136, 359. 93	$54, 995. 25	191, 355. 18
Total assets	207, 359. 93	54, 995. 25	262, 355. 18

TABLE 81.—*Railroad retirement account, June 30, 1959*

[On basis of daily Treasury statements through 1952, thereafter on basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables." This trust account was established in accordance with the provisions of the act of June 24, 1937 (45 U.S.C. 228o). For further details, see annual report of the Secretary for 1941, p. 148]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Appropriations [1]	$9,031,081,829.83	$520,916,698.79	$9,551,998,528.62
Interest on investments	1,008,479,388.57	108,629,161.87	1,117,108,550.44
Payments from Federal old-age and survivors and Federal disability insurance trust funds (45 U.S.C. 228e(k))		124,441,000.00	124,441,000.00
Total receipts	10,039,561,218.40	753,986,860.66	10,793,548,079.06
Expenditures:			
Benefit payments, etc	6,277,322,405.43	768,211,466.63	7,045,533,872.06
Administrative expenses [2]	56,210,053.69	9,376,408.64	65,586,462.33
Interest payments to Federal old-age and survivors and Federal disability insurance trust funds (45 U.S.C. 228e(k))	35,393,000.00		35,393,000.00
Total expenditures	6,368,925,459.12	777,587,875.27	7,146,513,334.39
Balance	3,670,635,759.28	−23,601,014.61	3,647,034,744.67

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments:			
Special issues:			
Treasury notes, 3% railroad retirement series, maturing June 30:			
1959	$699,510,000.00	−$699,510,000.00	
1960	786,013,000.00	−168,639,000.00	$617,374,000.00
1961	777,202,000.00		777,202,000.00
1962	1,178,450,000.00		1,178,450,000.00
1963	89,613,000.00	661,493,000.00	751,106,000.00
1964		93,107,000.00	93,107,000.00
Total special issues	3,530,788,000.00	−113,549,000.00	3,417,239,000.00
Public issues:			
Treasury notes, 4%, Series B-1963		20,000,000.00	20,000,000.00
Treasury bonds:			
2⅝% of 1965		11,500,000.00	11,500,000.00
3% of 1966	8,500,000.00		8,500,000.00
2½% of 1967-72 (dated June 1, 1945)	2,600,000.00		2,600,000.00
2½% of 1967-72 (dated Oct. 20, 1941)	2,265,000.00		2,265,000.00
2½% of 1967-72 (dated Nov. 15, 1945)	1,800,000.00		1,800,000.00
4% of 1969	25,000,000.00	10,000,000.00	35,000,000.00
3⅞% of 1974	25,000,000.00		25,000,000.00
4% of 1980 [3]		11,450,000.00	11,450,000.00
3¼% of 1985 [4]	4,800,000.00	2,100,000.00	6,900,000.00
3½% of 1990	5,000,000.00	23,150,000.00	28,150,000.00
3% of 1995	3,200,000.00		3,200,000.00
Total public issues	78,165,000.00	78,200,000.00	156,365,000.00
Total investments	3,608,953,000.00	−35,349,000.00	3,573,604,000.00
Undisbursed balances	61,682,759.28	11,747,985.39	73,430,744.67
Total assets	3,670,635,759.28	−23,601,014.61	3,647,034,744.67

[1] Includes the Government's contribution for creditable military service under the act of April 8, 1942, as amended by the act of August 1, 1956 (45 U.S.C. 228c-1 (n) (p)). Effective July 1, 1951, appropriations of receipts are equal to the amount of taxes deposited in the Treasury (less refunds) under the Railroad Retirement Tax Act (26 U.S.C. 1500-1538). Amounts shown are exclusive of unappropriated receipts.
[2] Beginning Aug. 1, 1949, paid from the trust fund under Title IV, act of June 29, 1949 (63 Stat. 297), and subsequent annual appropriation acts.
[3] Issued at a price of 99.00 to yield 4.0712 percent.
[4] Issued at a price of 100½ to yield 3.2222 percent.

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TABLE 82.—*Unemployment trust fund, June 30, 1959*

[On basis of daily Treasury statements through 1952; thereafter on basis of "Monthly Statement of Receipts and Expenditures of the United States Government," adjusted for accruals (see "Bases of Tables"). This trust fund was established in accordance with the provisions of sec. 904 (a) of the Social Security Act of August 14, 1935 (42 U.S.C. 1104). For further details see Annual Report of the Secretary for 1941, p. 145]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
STATE UNEMPLOYMENT AGENCIES			
Receipts:			
Deposits by States	$24, 584, 227, 820. 17	$1, 700, 575, 081. 75	$26, 284, 802, 901. 92
Interest earned:			
Collected	2, 701, 107, 024. 65	178, 895, 433. 68	2, 880, 002, 458. 33
Accrued	5, 873, 202. 40	238, 055. 43	6, 111, 257. 83
Total receipts	27, 291, 208, 047. 22	1, 879, 708, 570. 86	29, 170, 916, 618. 08
Expenditures:			
Withdrawals by States	19, 929, 031, 827. 86	2, 795, 072, 452. 89	22, 724, 104, 280. 75
Advances to States (Alaska) [1]	5, 182, 839. 32	1, 847, 652. 35	7, 030, 491. 67
Transfers to railroad unemployment insurance account	107, 226, 931. 89		107, 226, 931. 89
Total expenditures	20, 041, 441, 599. 07	2, 796, 920, 105. 24	22, 838, 361, 704. 31
Transfers:			
From undistributed appropriations	104, 571, 251. 30	33, 453, 482. 08	138, 024, 733. 38
From Federal unemployment account [2]	8, 265, 000. 00	212, 440, 000. 00	220, 705, 000. 00
To Federal unemployment account [2]	−3, 000, 000. 00		−3, 000, 000. 00
Net transfers	109, 836, 251. 30	245, 893, 482. 08	355, 729, 733. 38
Balance	7, 359, 602, 699. 45	−671, 318, 052. 30	6, 688, 284, 647. 15
RAILROAD UNEMPLOYMENT INSURANCE ACCOUNTS			
BENEFIT PAYMENTS ACCOUNT [3]			
Receipts:			
Deposits by Railroad Retirement Board [4]	1, 149, 952, 851. 35	102, 014, 172. 38	1, 251, 967, 023. 73
Transfers from railroad unemployment insurance administration fund	106, 187, 199. 00		106, 187, 199. 00
Transfers from State unemployment funds [5]	107, 226, 931. 89		107, 226, 931. 89
Advance by Secretary of the Treasury	15, 000, 000. 00		15, 000, 000. 00
Interest earned:			
Collected	218, 205, 450. 57	2, 381, 153. 56	220, 586, 604. 13
Accrued	140, 534. 80	−104, 016. 64	36, 518. 16
Total receipts	1, 596, 712, 967. 61	104, 291, 309. 30	1, 701, 004, 276. 91
Expenditures:			
Benefit payments	1, 399, 102, 036. 94	247, 659, 925. 69	1, 646, 761, 962. 63
Transfers to railroad unemployment insurance administration fund	12, 338, 198. 54		12, 338, 198. 54
Repayment of advance to Secretary of the Treasury	15, 000, 000. 00		15, 000, 000. 00
Total expenditures	1, 426, 440, 235. 48	247, 659, 925. 69	1, 674, 100, 161. 17
Balance	170, 272, 732. 13	−143, 368, 616. 39	26, 904, 115. 74
ADMINISTRATIVE EXPENSE FUND [6]			
Receipts:			
Deposits by Railroad Retirement Board		[7] 7, 873, 564. 02	7, 873, 564. 02
Adjustment for prior year (unexpended balance)	7, 237, 031. 36		7, 237, 031. 36
Interest earned:			
Collected		113, 592. 90	113, 592. 90
Accrued		5, 011. 85	5, 011. 85
Total receipts	7, 237, 031. 36	7, 992, 168. 77	15, 229, 200. 13
Expenditures:			
Administrative expenses		9, 308, 746. 15	9, 308, 746. 15
Total expenditures		9, 308, 746. 15	9, 308, 746. 15
Balance	7, 237, 031. 36	−1, 316, 577. 38	5, 920, 453. 98

Footnotes at end of table.

TABLE 82.—*Unemployment trust fund, June 30, 1959*—Continued

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
FEDERAL UNEMPLOYMENT ACCOUNT			
Receipts:			
Interest earned:			
Collected	$14, 658, 752. 34	$5, 517, 411. 59	$20, 176, 163. 93
Accrued	155, 755. 68	45, 594. 41	201, 350. 09
Total receipts	14, 814, 508. 02	5, 563, 006. 00	20, 377, 514. 02
Transfers:			
From undistributed appropriations	198, 719, 067. 12	6, 078, 600. 00	204, 797, 667. 12
From State unemployment agencies	3, 000, 000. 00		3, 000, 000. 00
To State unemployment agencies	−8, 265, 000. 00	−212, 440, 000. 00	−220, 705, 000. 00
To Bureau of Employment Security, Department of Labor	−6, 078, 600. 00	[8] 6, 772. 85	−6, 071, 827. 15
Net transfers	187, 375, 467. 12	−206, 354, 627. 15	−18, 979, 160. 03
Balance	202, 189, 975. 14	−200, 791, 621. 15	1, 398, 353. 99
UNDISTRIBUTED APPROPRIATIONS [9]			
Receipts:			
Appropriations from general fund	342, 822, 400. 50		342, 822, 400. 50
Transfers:			
To Federal unemployment account	−198, 719, 067. 12	−6, 078, 600. 00	−204, 797, 667. 12
To State unemployment agencies	−104, 571, 251. 30	−33, 453, 482. 08	−138, 024, 733. 38
Total transfers	−303, 290, 318. 42	−39, 532, 082. 08	−342, 822, 400. 50
Balance	39, 532, 082. 08	−39, 532, 082. 08	
SUMMARY OF BALANCES			
State unemployment agencies	7, 359, 602, 699. 45	−671, 318, 052. 30	6, 688, 284, 647. 15
Railroad unemployment accounts:			
Benefit payment account	170, 272, 732. 13	−143, 368, 616. 39	26, 904, 115. 74
Administrative expense account	[10] 7, 237, 031. 36	−1, 316, 577. 38	5, 920, 453. 98
Federal unemployment account	202, 189, 975. 14	−200, 791, 621. 15	1, 398, 353. 99
Undistributed appropriations	39, 532, 082. 08	−39, 532, 082. 08	
Total balances	[r] 7, 778, 834, 520. 16	−1, 056, 326, 949. 30	6, 722, 507, 570. 86
Cash advance repayable to the trust fund	5, 182, 839. 32	1, 847, 652. 35	7, 030, 491. 67
Total assets of the fund	[r] 7, 784, 017, 359. 48	−1, 054, 479, 296. 95	6, 729, 538, 062. 53

[r] Revised.
[1] Amount actually withdrawn against advances (see footnote 2).
[2] Advances and repayments for Alaska as authorized by law (42 U.S.C. 1321).
[3] Established by the Railroad Unemployment Insurance Act of 1938 (45 U.S.C. 360).
[4] Contributions under the Railroad Unemployment Insurance Act of 1938, as amended (45 U.S.C. 360 (a)), in excess of the amount specified for administrative expenses.
[5] Amounts equivalent to taxes collected from employers covered by sec. 13 (d) and sec. 13 (f) of the Railroad Unemployment Insurance Act during the period January 1936 to June 1939, inclusive.
[6] Established in accordance with Public Law 85-927, approved September 6, 1958.
[7] Includes a deappropriation of prior year receipts in the amount of $476,642.94.
[8] Unused advances returned.
[9] Reflects amounts appropriated to the unemployment trust fund representing the excess of collections, if any, from Federal unemployment tax over employment security expenses as provided by law (42 U.S.C. 1101 (a)). Amounts credited to this account are transferred to the Federal unemployment account until the total amount equals the $200 million reserve. Any remaining balance is credited to the State accounts (42 U.S.C. 1102, 1103 (a)).
[10] See footnote 6.

TABLE 82.—*Unemployment trust fund, June 30, 1959*—Continued

II (a). ASSETS HELD BY THE TREASURY DEPARTMENT (ACCRUAL BASIS)

	June 30, 1958	Fiscal year 1959	June 30, 1959
Investments:			
Special issues, unemployment trust fund series:			
Treasury certificates of indebtedness, maturing June 30:			
2⅝% of 1959	$6,670,694,000.00	−$6,670,694,000.00	
2¾% of 1960		5,636,315,000.00	$5,636,315,000.00
Total special issues	6,670,694,000.00	−1,034,379,000.00	5,636,315,000.00
Public issues:			
Treasury certificates of indebtedness, 3¾%, Series D-1958	10,000,000.00	−10,000,000.00	
Treasury notes:			
3½%, Series A-1960	10,000,000.00		10,000,000.00
4%, Series A-1961	10,000,000.00		10,000,000.00
3⅝%, Series A-1962	5,250,000.00		5,250,000.00
4%, Series B-1962	10,000,000.00	−10,000,000.00	
3¾%, Series C-1962	15,000,000.00		15,000,000.00
2⅝%, Series A-1963		10,000,000.00	10,000,000.00
4%, Series B-1963		10,000,000.00	10,000,000.00
Treasury bonds:			
2¼% of 1959-62 (dated Nov. 15, 1945)	4,000,000.00		4,000,000.00
2¾% of 1961	15,000,000.00		15,000,000.00
2½% of 1962-67	51,000,000.00		51,000,000.00
2½% of 1963-68	56,000,000.00		56,000,000.00
2½% of 1964-69 (dated Apr. 15, 1943)	29,000,000.00		29,000,000.00
2½% of 1964-69 (dated Sept. 15, 1943)	7,000,000.00		7,000,000.00
2⅝% of 1965		10,000,000.00	10,000,000.00
3% of 1966	10,000,000.00		10,000,000.00
2½% of 1967-72 (dated Oct. 20, 1941)	7,000,000.00		7,000,000.00
4% of 1969	10,000,000.00	5,000,000.00	15,000,000.00
3⅞% of 1974	5,000,000.00		5,000,000.00
3¼% of 1978-83	50,000,000.00		50,000,000.00
3¼% of 1985		7,000,000.00	7,000,000.00
3½% of 1990		3,000,000.00	3,000,000.00
2¾% Investment Series B-1975-80	745,000,000.00		745,000,000.00
Total public issues	1,049,250,000.00	25,000,000.00	1,074,250,000.00
Total investments, par value	7,719,944,000.00	−1,009,379,000.00	6,710,565,000.00
Unamortized discount		−1,774,966.86	−1,774,966.86
Unamortized premium	649,275.22	−84,512.65	564,762.57
Accrued interest purchased	8,287.00	58,425.71	66,712.71
Total investments, book value	7,720,601,562.22	−1,011,180,053.80	6,709,421,508.42
Accrued interest on investments	6,169,492.88	184,645.05	6,354,137.93
Cash advance repayable to the trust fund	5,182,839.32	1,847,652.35	7,030,491.67
Unexpended balances:			
Trust account	42,949,970.64	−39,708,535.53	3,241,435.11
Deposit accounts:			
Railroad unemployment insurance benefits and refunds	1,876,463.06	1,410,074.31	3,286,537.37
Railroad unemployment insurance administrative expenses	[1] 7,237,031.36	−7,033,079.33	203,952.03
Total assets	[r] 7,784,017,359.48	−1,054,479,296.95	6,729,538,062.53

Footnotes at end of table.

TABLE 82.—*Unemployment trust fund, June 30, 1959*—Continued

II (b). STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 1959

			Amount
Funds provided:			
Deposited by States and other agencies			$1,815,407,151.33
Appropriations to the fund			
Redemption of securities			[2] 7,684,676,000.00
Income earned on investments			187,092,236.78
Refund received from Department of Labor			6,772.85
Net decrease in working capital:			
Decreases:			
Cash	$39,708,535.53		
Unamortized premium and discount (net)	1,859,479.51	$41,568,015.04	
Increases:			
Railroad unemployment insurance accounts:			
Benefits and refunds	1,410,074.31		
Administrative expenses	203,952.03		
Accrued interest receivable	184,645.05		
Accrued interest purchased	58,425.71	−1,857,097.10	39,710,917.94
Total funds provided			9,726,893,078.90
Funds applied:			
Withdrawals by States and other agencies			3,049,748,426.55
Advances to Alaska			1,847,652.35
Purchases of securities			[2] 6,675,297,000.00
Total funds applied			9,726,893,078.90

[r] Revised.
[1] See Part I, footnote 6.
[2] Includes $5,553,846,000.00 refunding.

TABLE 82.—*Unemployment trust fund, June 30, 1959*—Continued

III. BALANCE OF UNEMPLOYMENT TRUST FUND BY STATES AND OTHER ACCOUNTS AS OF JUNE 30, 1958, OPERATIONS IN 1959, AND BALANCE JUNE 30, 1959

States and other accounts	Balance, June 30, 1958	Operations fiscal year 1959				Balance, June 30, 1959
		Deposits	Earnings	Transfers	Withdrawals	
Alabama	$76, 597, 995. 46	$13, 401, 057. 65	$1, 819, 652. 00	$401, 051. 58	$29, 350, 000. 00	$62, 869, 756. 69
Alaska	82, 160. 68	4, 551, 687. 42	None	3, 045, 660. 23	6, 445, 000. 00	1, 234, 508. 33
Arizona	58, 150, 911. 74	8, 500, 221. 10	1, 548, 839. 96	171, 030. 31	8, 547, 555. 00	59, 823, 448. 11
Arkansas	39, 922, 485. 79	7, 304, 335. 32	1, 038, 904. 80	173, 730. 69	10, 185, 000. 00	38, 254, 456. 60
California	869, 613, 158. 49	182, 312, 958. 99	21, 959, 438. 06	3, 284, 316. 32	248, 200, 000. 00	828, 969, 871. 86
Colorado	72, 595, 552. 07	5, 961, 000. 00	1, 893, 153. 35	262, 318. 81	10, 725, 000. 00	69, 987, 024. 23
Connecticut	211, 049, 723. 41	29, 794, 800. 49	4, 854, 482. 67	654, 942. 63	78, 600, 000. 00	167, 753, 949. 20
Delaware	10, 754, 361. 29	2, 892, 000. 00	212, 708. 26	117, 992. 60	7, 747, 000. 00	6, 230, 062. 15
District of Columbia	57, 661, 642. 58	4, 886, 545. 00	1, 529, 019. 27	176, 890. 38	5, 735, 000. 00	58, 519, 097. 23
Florida	87, 862, 552. 78	24, 247, 000. 00	2, 267, 258. 67	640, 119. 90	24, 350, 000. 00	90, 666, 931. 35
Georgia	141, 519, 017. 60	23, 955, 180. 54	3, 673, 379. 75	534, 237. 31	30, 300, 000. 00	139, 381, 815. 20
Hawaii	22, 891, 125. 11	3, 296, 535. 84	619, 055. 87	82, 714. 55	3, 090, 000. 00	23, 799, 431. 37
Idaho	32, 119, 822. 43	4, 275, 000. 00	826, 138. 17	86, 837. 89	7, 901, 050. 24	29, 406, 748. 25
Illinois	418, 981, 340. 43	69, 568, 792. 64	9, 383, 261. 71	2, 359, 421. 57	184, 250, 000. 00	316, 042, 816. 35
Indiana	176, 864, 870. 61	57, 920, 500. 10	4, 339, 403. 38	952, 285. 23	75, 850, 000. 00	164, 227, 059. 32
Iowa	109, 803, 588. 83	9, 497, 732. 48	2, 952, 929. 34	340, 180. 09	9, 050, 000. 00	113, 544, 430. 74
Kansas	80, 444, 553. 48	10, 549, 500. 00	2, 122, 381. 44	292, 266. 95	13, 720, 000. 00	79, 688, 701. 87
Kentucky	104, 503, 373. 66	25, 300, 000. 00	2, 648, 822. 17	360, 825. 76	32, 700, 000. 00	100, 113, 021. 59
Louisiana	151, 149, 845. 84	16, 807, 000. 00	3, 820, 845. 42	458, 902. 82	37, 150, 000. 00	135, 086, 594. 08
Maine	37, 690, 214. 83	7, 865, 800. 00	927, 918. 87	153, 400. 33	14, 861, 000. 00	31, 776, 334. 03
Maryland	90, 163, 823. 85	25, 925, 000. 00	1, 977, 029. 74	551, 066. 13	53, 050, 000. 00	65, 566, 919. 72
Massachusetts	269, 044, 844. 97	65, 965, 000. 00	6, 776, 849. 20	1, 203, 537. 37	96, 710, 000. 00	246, 280, 231. 54
Michigan	150, 644, 849. 44	121, 171, 640. 46	2, 546, 898. 28	114, 702, 450. 18	182, 895, 000. 00	206, 170, 838. 36
Minnesota	90, 651, 415. 53	19, 800, 000. 00	2, 169, 717. 46	538, 699. 47	37, 288, 000. 00	75, 871, 832. 46
Mississippi	29, 931, 386. 31	11, 407, 000. 00	806, 296. 27	171, 758. 95	11, 755, 000. 00	30, 561, 441. 53
Missouri	209, 348, 929. 32	27, 310, 000. 00	5, 452, 062. 98	775, 403. 45	38, 475, 000. 00	204, 411, 395. 75
Montana	36, 139, 397. 32	4, 015, 900. 00	899, 980. 61	93, 696. 36	10, 411. 000. 00	30, 737, 974. 29
Nebraska	36, 889, 415. 41	5, 425, 000. 00	979, 085. 93	163, 062. 33	6, 250, 000. 00	37, 206, 563. 67
Nevada	16, 289, 372. 58	5, 378, 000. 00	431, 259. 38	69, 767. 49	6, 250, 000. 00	15, 918, 399. 45
New Hampshire	21, 943, 319. 66	5, 967, 000. 00	575, 219. 38	112, 437. 32	7, 020, 000. 00	21, 577, 976. 36
New Jersey	374, 824, 446. 67	96, 684, 000. 00	9, 316, 081. 72	1, 337, 607. 03	146, 500, 000. 00	335, 662, 135. 42
New Mexico	40, 263, 278. 26	5, 655, 000. 00	1, 094, 154. 60	120, 006. 51	4, 430, 000. 00	42, 702, 439. 37
New York	1, 195, 878, 437. 92	252, 948, 766. 15	29, 109, 588. 79	4, 253, 234. 46	457, 400, 000. 00	1, 024, 790, 027. 32
North Carolina	167, 933, 054. 18	32, 695, 000. 00	4, 436, 480. 63	617, 333. 45	37, 350, 000. 00	168, 331, 868. 26
North Dakota	8, 314, 733. 21	2, 438, 588. 57	220, 109. 60	51, 053. 47	3, 575, 000. 00	7, 449, 484. 85
Ohio	494, 404, 602. 06	71, 414, 610. 01	10, 987, 025. 98	2, 208, 984. 35	189, 620, 000. 00	389, 395, 222. 40
Oklahoma	46, 312, 391. 53	8, 972, 000. 00	1, 151, 552. 45	296, 767. 44	15, 940, 000. 00	40, 792, 711. 42
Oregon	22, 047, 797. 71	32, 357, 987. 68	673, 537. 54	342, 904. 00	30, 074, 000. 00	25, 348, 226. 93
Pennsylvania	204, 485, 296. 19	185, 590, 000. 00	3, 169, 991. 62	98, 983, 761. 15	319, 900, 000. 00	172, 329, 048. 96
Rhode Island	23, 549, 682. 73	17. 931, 000. 00	646, 184. 60	201, 454. 35	18, 175, 000. 00	24, 153, 321. 68

South Carolina	71, 588, 416. 35	11, 180, 000. 00	1, 878, 904. 15	291, 845. 83	13, 850, 000. 00	71, 089, 166. 33
South Dakota	13, 598, 497. 87	1, 859, 000. 00	375, 954. 23	51, 204. 09	1, 450, 000. 00	14, 434, 656. 19
Tennessee	75, 200, 404. 16	28, 439, 540. 61	1, 921, 050. 66	479, 538. 65	34, 785, 000. 00	71, 255, 534. 08
Texas	280, 755, 535. 73	29, 905, 000. 00	7, 064, 180. 92	1, 412, 652. 33	61, 373, 000. 00	257, 764, 368. 98
Utah	37, 165, 858. 65	6, 080, 346. 01	985, 367. 28	134, 347. 77	7, 225, 000. 00	37, 140, 919. 71
Vermont	14, 743, 133. 21	2, 209, 107. 07	381, 815. 29	56, 952. 67	3, 340, 000. 00	14, 051, 008. 24
Virginia	82, 958, 732. 57	9, 683, 000. 00	2, 087, 260. 72	515, 956. 27	19, 050, 000. 00	76, 194, 949. 56
Washington	190, 842, 112. 77	55, 945, 000. 00	5, 185, 686. 85	531, 694. 55	54, 280, 000. 00	198, 224, 494. 17
West Virginia	49, 628, 293. 50	14, 648, 000. 00	1, 070, 844. 81	321, 000. 85	31, 200, 000. 00	34, 468, 139. 16
Wisconsin	239, 430, 861. 12	26, 759, 350. 31	5, 954, 475. 04	704, 670. 84	54, 792, 500. 00	218, 056, 857. 31
Wyoming	14, 372, 081. 56	1, 927, 597. 31	371, 249. 24	49, 507. 02	3, 750, 000. 00	12, 970, 435. 13
Subtotal	7, 359, 602, 699. 45	1, 700, 575, 081. 75	179, 133, 489. 11	245, 893, 482. 08	2, 796, 920, 105. 24	6, 688, 284, 647. 15
Railroad unemployment insurance accounts:						
Benefits and refunds	168, 396, 269. 07	102, 014, 172. 38	2, 277, 136. 92		249, 070, 000. 00	23, 617, 578. 37
Railroad unemployment administrative expenses		12, 817, 897. 20	118, 604. 75		7, 220, 000. 00	5, 716, 501. 95
Federal unemployment account	202, 189, 975. 14		5, 563, 006. 00	[1] −206, 354, 627. 15		1, 398, 353. 99
Undistributed appropriations	39, 532, 082. 08			[2] −39, 532, 082. 08		
Subtotal all accounts	7, 769, 721, 025. 74	1, 815, 407, 151. 33	187, 092, 236. 78	6, 772. 85	3, 053, 210, 105. 24	6, 719, 017, 081. 46
Railroad unemployment insurance checking accounts:						
Benefits and refunds	1, 876, 463. 06	[3] 1, 410, 074. 31				3, 286, 537. 37
Administrative expense account	[4] 7, 237, 031. 36	−4, 944, 333. 18			2, 088, 746. 15	203, 952. 03
Total	[r] 7, 778, 834, 520. 16	1, 811, 872, 892. 46	187, 092, 236. 78	6, 772. 85	3, 055, 298, 851. 39	6, 722, 507, 570. 86
Cash advance repayable to the trust fund	5, 182, 839. 32	1, 847, 652. 35				[5] 7, 030, 491. 67
Total as shown in parts I and II(a)	[r] 7, 784, 017, 359. 48	1, 813, 720, 544. 81	187, 092, 236. 78	6, 772. 85	3, 055, 298, 851. 39	6, 729, 538, 062. 53

[r] Revised.

[1] Consists of $6,078,600 transferred from undistributed appropriations; advances of $3,000,000 to Alaska, $113,000,000 to Michigan, and $96,440,000 to Pennsylvania; and $6,772.85, the unobligated portion of funds advanced to the Bureau of Employment Security, Department of Labor, returned to the unemployment trust fund.

[2] Consists of $6,078,600 transferred to the Federal unemployment account and $33,453,482.08 distributed to the States on July 1, 1958.

[3] Net change in balance.

[4] See Part I, footnote 6.

[5] Due from Alaska.

TABLE 83.—*U.S. Government life insurance fund, June 30, 1959*

[This trust fund operates in accordance with the provisions of the act of June 7, 1924, as amended (38 U.S.C. 443). This act repealed the act of Sept. 2, 1914 (38 Stat. 712) which established a Bureau of War Risk Insurance in the Treasury Department and repealed the amending act of Oct. 6, 1917 (40 Stat. 398). For further details, see annual report of the Secretary for 1941, p. 142]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Premiums and other receipts	$1,958,820,320.14	$24,197,574.86	$1,983,017,895.00
Interest and profits on investments	977,157,884.21	39,154,292.91	1,016,312,177.12
Total receipts	2,935,978,204.35	63,351,867.77	2,999,330,072.12
Expenditures:			
Benefits, refunds, etc	1,787,126,499.18	79,581,636.80	1,866,708,135.98
Balance	1,148,851,705.17	−16,229,769.03	1,132,621,936.14

II. ASSETS HELD BY THE TREASURY

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (−)	June 30, 1959
Investments (special issues):			
Treasury certificates of indebtedness, 3½% U.S. Government life insurance fund series, maturing June 30:			
1959	$1,144,116,000.00	−$1,144,116,000.00	
1960		1,127,235,000.00	$1,127,235,000.00
Total investments	1,144,116,000.00	−16,881,000.00	1,127,235,000.00
Undisbursed balance	4,735,705.17	651,230.97	5,386,936.14
Total	1,148,851,705.17	−16,229,769.03	1,132,621,936.14

NOTE.—Policy loans outstanding, on basis of information furnished by the Veterans' Administration, amounted to $112,341,434.36 as of June 30, 1959.

TABLE 84.—*U.S. Naval Academy general gift fund, June 30, 1959*

[This trust fund was established in accordance with the act of Mar. 31, 1944 (34 U.S.C. 1115c)]

I. RECEIPTS AND EXPENDITURES (EXCLUDING INVESTMENT TRANSACTIONS)

	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Donations	$141,502.63	$2,222.50	$143,725.13
Earnings on investments	29,541.73	2,558.00	32,099.73
Total receipts	171,044.36	4,780.50	175,824.86
Expenditures	57,697.90	1,898.99	59,596.89
Balance	113,346.46	2,881.51	116,227.97

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1958	Fiscal year 1959, increase, or decrease (—)	June 30, 1959
Investments (public issues):			
Treasury bonds:			
2½% of 1965-70	$85,000.00		$85,000.00
3½% of 1990		$7,000.00	7,000.00
3% of 1995	11,500.00		11,500.00
U.S. savings bonds:			
Series J (2.76%)	500.00		500.00
Series K (2.76%)	5,000.00		5,000.00
Total investments	102,000.00	7,000.00	109,000.00
Undisbursed balance	11,346.46	—4,118.49	7,227.97
Total assets	113,346.46	2,881.51	116,227.97

II.—Certain other accounts

TABLE 85.—*Colorado River Dam fund, Boulder Canyon project, status by operating years ending May 31, 1933 through 1959*

[On basis of reports from the agency. This fund was established under the act of December 21, 1928 (43 U.S.C. 617a)]

Operating year ended May 31	Charges				Credits			Balance due at end of operating year
	Advances [1]	Interest on advances	Interest on amount outstanding	Total	Repayment of advances [2]	Payment of interest [2]	Credit on interest charges on amounts outstanding	
1933–50	$122,049,940.62	$1,887,269.59	$46,145,073.58	$170,082,283.79	$13,108,575.23	$47,347,727.18	$684,615.99	$108,941,365.39
1951	4,050,000.00	39,998.63	3,268,240.96	7,358,239.59	1,221,526.99	3,278,473.01	29,766.58	111,769,838.40
1952	7,000,000.00	110,450.81	3,353,095.15	10,463,545.96	2,084,650.75	3,415,349.25	48,196.71	116,685,187.65
1953	450,000.00	184.93	3,500,555.63	3,950,740.56	3,155,380.01	3,444,619.99	56,120.57	113,979,807.64
1954	223,000.00	4,148.63	3,419,394.23	3,646,542.86	514,421.52	3,385,578.48	37,964.38	113,688,386.12
1955	200,000.00	4,128.08	2,900,306.41	3,104,434.49	1,549,565.51	2,850,434.49	54,000.00	112,338,820.61
1956	[3] −3,062,545.64	204.92	[4] 3,228,932.05	166,591.33	318,485.99	3,181,514.01	47,622.96	108,957,788.98
1957	[5] 1,374,046.30	2,884.93	3,267,417.08	4,644,348.31	[6] 1,552,451.95	3,225,836.26	44,465.75	108,779,383.33
1958	[7] −56,384.72	601.67	3,256,571.26	3,200,788.21	2,802,966.78	3,197,033.22	60,139.71	105,920,031.83
1959	[8] 77,369.09	1,875.41	3,174,513.03	3,253,757.53	[9] 2,284,836.21	3,115,163.79	61,224.65	103,712,564.71
Total	132,305,425.65	2,051,747.60	75,514,099.38	209,871,272.63	28,592,860.94	76,441,729.68	1,124,117.30	

[1] Excludes $25,000,000 of advances allocated to flood control, repayment of which is deferred to June 1, 1987.

[2] Repayments deposited are applied first to net interest charge, second to advances. Adjustments of payments between principal and interest are made on Treasury books after the close of the operating year of the agency.

[3] The act of June 29, 1948 (62 Stat. 1130), provides that the obligation for repayment of advances be reduced by amounts spent for Federal activities at the project which are not considered part of the costs of the Boulder Canyon Project. Accordingly, the amount advanced for the operating year ended May 31, 1955, has been reduced by $3,112,545.64 for these nonproject allocations.

[4] Excludes interest at 3%, compounded annually, on adjustments for nonproject costs n prior years amounting to $46,462.33.

[5] Includes an adjustment of $1,278,288.21 for prior years, pursuant to an act approved July 2, 1956 (70 Stat. 478), and advances of $140,000 for the operating year 1957, less authorized deductions for operating years 1956 and 1957 totaling $44,241.91.

[6] Increased by $1,278,288.21 for prior year adjustments authorized by the act of July 2, 1956.

[7] Equals the net of $38,227.00 advanced less $94,563.55 allocated for nonproject activities and $48.17 donated through the Department of Health, Education, and Welfare.

[8] Equals net of $180,300.00 advanced less $102,930.91 spent for nonproject allocations in operating year 1958.

[9] Does not include $200,000.00 transferred for repayment of advances to special funds (Colorado River Dam Fund—All American Canal).

TABLE 86.—*Refugee Relief Act of 1953, loan program through June 30, 1959*

Agency	Loans made	Repayments	Balances due	Estimated number of persons receiving transportation through loans
Tolstoy Foundation, Inc.	$85,000	$36,000	$49,000	2,050
United Lithuanian Relief Fund of America, Inc.	25,000	5,000	20,000	500
United Ukranian American Relief Committee	204,000	204,000	------------	4,000
American Fund for Czechoslovak Refugees, Inc.	70,000	------------	70,000	1,500
Total	384,000	245,000	139,000	8,050

NOTE.—Under sec. 16 of the Refugee Relief Act of 1953, approved Aug. 7, 1953 (50 App. U.S.C. 1971n), the Secretary of the Treasury was authorized to make loans not to exceed $5,000,000 in the aggregate, to public or private agencies for the purpose of financing inland transportation of immigrants from ports of entry to places of resettlement in the United States. Although no immigrant visas were authorized to be issued under this act after Dec. 31, 1956 (50 App. U.S.C. 1971q), those issued through that date were covered, and the loan program continued until its end, June 30, 1957, at which time funds available for making loans expired.

Federal Aid to States

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*

[Figures on basis of checks-issued, see also "Note"]

Appropriation titles [1]	1930	1940	1950	1959
PART I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS				
DEPARTMENT OF AGRICULTURE				
State experiment stations, Agricultural Research Service (7 U. S. C. 361–427i)				
Payments to States, Hawaii, Alaska, and Puerto Rico, Agricultural Research Administration (7 U. S. C. 361–427i)	$4, 335, 000	$6, 848, 149	$7, 399, 422	$31, 071, 087
Cooperative extension work, payments and expenses, Extension Service (7 U. S. C. 301–308, 341–348, 343c, 343e, 343f, 343g)	7, 539, 786	18, 458, 267	31, 025, 919	60, 624, 452
Cooperative agricultural extension work (7 U. S. C. 301–308, 341–348, 343c–343e, 343f, 343g)				
Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund (16 U. S. C. 500)	----------	----------	----------	48, 240
Payments to States and Territories from the national forests fund (16 U. S. C. 500)	1, 565, 032	1, 192, 370	7, 753, 121	22, 204, 786
Payments to school funds, Arizona and New Mexico (16 U. S. C. 500)	41, 243	23, 555	60, 775	117, 161
Forest fire cooperation (16 U. S. C. 564–570)	1, 383, 041	1, 987, 538	8, 768, 555	----------
Forest protection and utilization, Forest Service (16 U. S. C. 568e)	----------	----------	----------	12, 034, 657
Assistance to States for tree planting, Forest Service (16 U. S. C. 568e)				
Cooperative farm forestry (16 U. S. C. 567–568b)	139, 196	90, 332	708, 112	389, 909
Cooperative distribution of forest planting stock (16 U. S. C. 567)				
Payments to counties from submarginal land program (7 U. S. C. 1012)	----------	----------	228, 447	460, 109
Payments to States, Territories, and possessions, Agricultural Marketing Service (7 U. S. C. 1623)	----------	----------	6, 183, 682	1, 160, 000
Research and Marketing Act of 1946 (7 U. S. C. 1623)				
School lunch program, Agricultural Marketing Service (42 U. S. C. 1751–1760)	----------	----------	81, 213, 235	142, 301, 255
Commodity Credit Corporation funds (7 U. S. C. 1421, 1431)	----------	----------	13, 697, 824	[2] 154, 197, 269
Removal of surplus agricultural commodities (7 U. S. C. 612c)	----------	----------	50, 326, 135	126, 533, 000
Flood prevention, Soil Conservation Service (5 U. S. C. 574)	----------	----------	----------	10, 981, 476
Watershed protection, Soil Conservation Service (16 U. S. C. 590h (b))	----------	----------	----------	11, 930, 670
Total Department of Agriculture	15, 003, 298	28, 600, 211	207, 365, 227	574, 054, 071
DEPARTMENT OF COMMERCE				
Cooperative construction of rural post roads (23 U. S. C. 21, 54) (see also items of similar type under class II)	77, 887, 693	150, 470	7, 023, 393	----------
Federal-aid postwar highways (23 U. S. C. 104)	----------	----------	400, 989, 712	
Federal-aid highways (23 U. S. C. 1–24, 41, 151, 173–4)	----------	105, 351, 358	----------	2, 584, 011, 526
Federal-aid secondary or feeder roads (23 U. S. C. 21a–23a)	----------	18, 355, 139	3, 477, 250	
Elimination of grade crossings (23 U. S. C. 24a)	----------	29, 521, 720	10, 155, 389	----------
Public-lands highways (23 U. S. C. 23a)	----------	2, 128, 682	775, 395	2, 990, 441
Forest highways, Bureau of Public Roads (23 U. S. C. 152)	----------	----------	----------	26, 812, 743
Maritime activities				
State marine schools (34 U. S. C. 1121) [3]	50, 000	140, 036	157, 761	332, 489
Total Department of Commerce	77, 937, 693	155, 647, 405	422, 578, 900	2, 614, 147, 199

Footnotes at end of table.

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*—Continued

Appropriation titles [1]	1930	1940	1950	1959
PART I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS—Continued				
DEPARTMENT OF DEFENSE				
Army				
Payments to States, Flood Control Act (33 U. S. C. 701a, 701f-1)	-----------	-----------	$467,516	$1,471,951
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
Colleges for agriculture and the mechanic arts (7 U. S. C. 321-343g)	$2,550,000	$2,550,000	5,030,000	2,550,000
Further endowment of colleges of agriculture and the mechanic arts (7 U. S. C. 343-343g)	-----------	2,480,000		2,501,500
Cooperative vocational education in agriculture (20 U. S. C. 11-30)	3,151,340	[4] 19,730	-----------	-----------
Cooperative vocational education in trades and industries (20 U. S. C. 11-30)	2,956,295	[4] 9,787	-----------	-----------
Cooperative vocational education, teachers, etc. (20 U. S. C. 11-30)	1,029,078	[4] 10,000	-----------	-----------
Cooperative vocational education in home economics (20 U. S. C. 11-30)	248,957	[4] 18,431	-----------	-----------
Cooperative vocational education in distributive occupations (20 U. S. C. 11-30)	-----------	[4] 10,000	-----------	-----------
Cooperative vocational rehabilitation of persons disabled in industry (29 U. S. C. 31-45b)	735,619	2,082,198	-----------	-----------
Promotion and further development of vocational education (20 U. S. C. 15h-15p; 29 U. S. C. 31-35)	-----------	19,384,914	26,489,335	31,218,264
Promotion of vocational education, act Feb. 23 1917, Office of Education (20 U. S. C. 11-14)				7,134,930
Grants for library services, Office of Education (20 U.S.C. 351)	-----------	-----------	-----------	5,362,445
Defense educational activities, Office of Education (20 U.S.C. 401-589)	-----------	-----------	-----------	43,958,119
Education of the blind (American Printing House for the Blind) (20 U. S. C. 101, 102)	75,000	115,000	125,000	400,000
Mental health activities, Public Health Service (42 U. S. C. 242b)	-----------	-----------	3,293,697	3,986,362
Control of venereal diseases, Public Health Service (42 U. S. C. 24, 25)	-----------	4,188,399	12,399,314	2,389,660
Control of tuberculosis, Public Health Service (42 U. S. C. 246b)	-----------	-----------	6,781,262	3,994,970
Operating expenses, National Heart Institute, Public Health Service (42 U. S. C. 292)	-----------	-----------	3,095,842	2,075,219
Salaries, expenses, and grants, National Heart Institute, Public Health Service (42 U. S. C. 292)				
Operating expenses, National Cancer Institute, Public Health Service (42 U. S. C. 285)	-----------	-----------	6,592,932	2,171,242
Salaries, expenses, and grants, National Cancer Institute, Public Health Service (42 U. S. C. 285)				
Sanitary engineering activities, Public Health Service (33 U. S. C. 466f)	-----------	-----------	-----------	2,590,991
Grants, water pollution control, Public Health Service (33 U. S. C. 466, 466d)	-----------	-----------	913,027	-----------
Grants and special studies, Territory of Alaska (42 U. S. C. 246)	-----------	-----------	757,117	[5] 1,638,000
Disease and sanitation investigations and control, Territory of Alaska (42 U. S. C. 267)				
Hospitals and medical care, Public Health Service (5 U. S. C. 150)	-----------	-----------	-----------	[6] 1,046,279
Grants for construction of health research facilities, Public Health Service (42 U.S.C. 292c)	-----------	-----------	-----------	8,037,907
Grants for waste treatment works construction, Public Health Service (42 U.S.C. 291d)	-----------	-----------	-----------	36,429,071
Assistance to States, general, Public Health Service (42 U. S. C. 243-245)	-----------	9,500,706	14,081,127	14,924,302
Grants to States for public health work, Social Security Act, (42 U. S. C. 801-803)				
Grants for hospital construction, Public Health Service (42 U. S. C. 291a)	-----------	-----------	57,073,217	[7] 135,133,830

Footnotes at end of table.

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*—Continued

Appropriation titles [1]	1930	1940	1950	1959
PART I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS—Continued				
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—continued				
Grants to States for maternal and child welfare services of the Social Security Act (42 U. S. C. 701-731)	----------	$9,680,706	$11,234,511	$43,498,016
Grants to States for public assistance, Social Security Administration (42 U. S. C. 301-306, 1201-1206)	----------	329,303,433	1,134,960,863	1,966,394,148
Grants to States and other agencies, Office of Vocational Rehabilitation (29 U. S. C. 4, 32); Training and traineeships, Office of Vocational Rehabilitation (29 U. S. C. 4, 32)	----------	----------	24,741,510	45,372,699
Total Department of Health, Education, and Welfare	$10,746,289	379,217,408	1,307,568,754	2,362,807,954
DEPARTMENT OF THE INTERIOR				
Federal aid in fish restoration and management (16 U. S. C. 777b)	----------	----------	----------	4,642,840
Federal aid, wildlife restoration (16 U. S. C. 669-1)	----------	451,299	7,577,938	15,203,234
Payments to counties from receipts under Migratory Bird Conservation Act (16 U. S. C. 715e)	----------	----------	88,419	506,463
Payments to States from receipts under Mineral Leasing Act (30 U. S. C. 191)	1,387,838	2,151,654	11,328,583	32,984,963
Payments to States under Grazing Act, public lands (43 U. S. C. 315i); Payments to States under Grazing Act, Indian ceded lands (43 U. S. C. 315j)	----------	503,970	185,489	[8] 225,284
Payments to States, proceeds of sales (receipt limitation) (31 U. S. C. 711, par. 17)	18,292	602	5,518	174,754
Coos Bay wagon-road grant fund (31 U. S. C. 725e (3))	43,613	(9)	----------	----------
Revested Oregon and California Railroad and reconveyed Coos Bay wagon-road grant lands, Oregon (reimbursable) (43 U. S. C. 1181a, b)	----------	142,041	----------	----------
Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation) (43 U. S. C. 869a); Payment to counties, Oregon and California grant lands (50%); Payment to counties in lieu of taxes on Oregon and California grant lands, 25 per centum fund (25%) (43 U. S. C. 1181f (b))	979,387	313,845	1,761,766	10,975,514
Payment of proceeds of sales of Coos Bay wagon-road grant lands and timber (receipt limitation) (43 U. S. C. 869a)	----------	12,771	----------	----------
Payment to Coos and Douglas Counties, Oreg., in lieu of taxes on Coos Bay wagon-road grant lands (43 U. S. C. 1181f, g)	----------	221	58,190	135,367
Payments to States from grazing receipts, etc., public lands outside grazing districts, Bureau of Land Management (43 U. S. C. 315m)	----------	----------	----------	175,981
Payments to Alaska, coal leases, Bureau of Land Management (43 U.S.C. 451)	----------	----------	----------	90,634
Payment to Territory of Alaska, income and proceeds, Alaska school lands (20 U. S. C. 238)	----------	----------	----------	13,541
Payment to Oklahoma from royalties, oil and gas, south half of Red River (receipt limitation) (30 U. S. C. 233)	41,778	8,786	----------	15,137
Payments to States from potash deposits, royalties and rentals (30 U. S. C. 149, 285, 286)	----------	49,256	----------	----------
Payment to Alaska under Alaska Game Law (48 U. S. C. 199, Subdiv. K)	----------	20,281	49,286	95,279
Colorado River Dam fund, Boulder Canyon Project, payment to Arizona and Nevada (43 U. S. C. 617a, f)	----------	----------	600,000	600,000

Footnotes at end of table.

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*—Continued

Appropriation titles [1]	1930	1940	1950	1959
PART I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS—Continued				
DEPARTMENT OF THE INTERIOR—continued				
Operation and maintenance, Bureau of Reclamation (43 U. S. C. 491, 498)				$14,562
Disposal of Coulee Dam community, Bureau of Reclamation (71 Stat. 524, Aug. 30, 1957)				159,737
Construction and rehabilitation, Bureau of Reclamation (71 Stat. 419, Aug. 26, 1957)				3,083
Drainage of anthracite mines, Bureau of Mines (30 U. S. C. 572)				1,531,929
Payments to the State of Wyoming in lieu of taxes on lands in Grand Teton National Park, National Park Service (16 U. S. C. 406d-3)				29,085
Administration of Territories, Office of Territories (43 U. S. C. 869–870)				1,219,400
Trust Territories of the Pacific Islands (43 U. S. C. 869–870				4,742,500
Virgin Islands public works (43 U. S. C. 869–870)				43,443
Internal revenue collections for Virgin Islands, Office of Territories (26 U. S. C. 7652 (b) (1))				3,872,865
Alaska public works, Office of Territories (43 U. S. C. 869–870)				2,952,127
Education and welfare services, Bureau of Indian Affairs (25 U. S. C. 452)				5,451,500
Resources management, Bureau of Indian Affairs (25 U. S. C. 461–483)				514,269
Total Department of the Interior	$2,470,908	$3,654,726	$21,655,190	86,373,491
DEPARTMENT OF LABOR				
Promotion of welfare and hygiene of maternity and infancy (42 U. S. C. 161)	[10] 9,522			
Grants to States for Unemployment Compensation and Employment Service Administration, Bureau of Employment Security (29 U. S. C. 49–49i) Grants to States for Unemployment Compensation Administration (42 U. S. C. 501) Payment to States, United States Employment Service (29 U. S. C. 49–49i)		3,366,606	207,617,255	297,260,888
Total Department of Labor	9,522	3,366,606	207,617,255	297,260,888
TREASURY DEPARTMENT				
Internal Revenue, collections for Puerto Rico (26 U. S. C. 7652 (a) (3))				20,964,290
Federal payment to District of Columbia (act July 5, 1955, 69 Stat. 246)				25,000,000
Total Treasury Department				45,964,290
INDEPENDENT ESTABLISHMENTS				
General Services Administration				
Hospital facilities in the District of Columbia (60 Stat. 896, Aug. 7, 1946)				1,480,292

Footnotes at end of table.

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*—Continued

Appropriation titles [1]	1930	1940	1950	1959
PART I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS—Continued				
INDEPENDENT ESTABLISHMENTS—continued				
Housing and Home Finance Agency				
Annual contributions, Public Housing Administration (42 U. S. C. 1410)			$5,737,706	$110,848,837
Urban renewal fund, Office of Administrator (42 U. S. C. 1450)				75,536,633
Urban planning grants, Office of Administrator (40 U. S. C. 461)				1,833,979
United States Housing Authority fund (42 U. S. C. 1404 (d), 1418)		$1,386,132		
Total Housing and Home Finance Agency		1,386,132	5,737,706	188,219,449
Federal Aviation Agency				
Grants-in-aid for airports, Federal Airport Act (49 U. S. C. 1103)			32,782,999	6,073,021
Grants-in-aid for airports (liquidation cash) (49 U. S. C. 1103)				50,504,604
Total Federal Aviation Agency			32,782,999	56,577,625
Federal Power Commission				
Payments to States under Federal Power Act (16 U. S. C. 810)	$12,875	19,386	28,315	49,495
National Capital Planning Commission				
Land acquisition, National Capital Park, Parkway and Playground System (40 U. S. C. 72a)				411,000
Tennessee Valley Authority				
Tennessee Valley Authority fund (16 U. S. C. 831*l*)				5,900,391
Veterans' Administration				
Annual appropriations under title "General operating expenses, Veterans' Administration":				
State supervision of schools and training establishments (38 U. S. C. 531-539)			6,909,143	2,071,828
Administration of unemployment and self-employment allowances (38 U. S. C. 695a, b)			4,354,348	
"Maintenance and operation of domiciliary facilities," and "Inpatient care":				
State and territorial homes for disabled soldiers and sailors (24 U. S. C. 134)	575,206	978,767	3,273,924	6,244,063
Total Veterans' Administration	575,206	978,767	14,537,415	8,315,891
Total part I	106,755,791	572,870,641	2,220,339,277	6,243,033,987
PART II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES				
DEPARTMENT OF AGRICULTURE				
Commodity Credit Corporation funds (7 U. S. C. 1808)				[11] 745,983,385
Cooperative construction, etc., of roads and trails, national forests (16 U. S. C. 503)	(12)	(12)		
Federal forest road construction (23 U. S. C. 23, 23a)	(12)	(12)		

Footnotes at end of table.

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*—Continued

Appropriation titles [1]	1930	1940	1950	1959
PART II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued				
DEPARTMENT OF AGRICULTURE—con.				
Forest roads and trails (23 U. S. C. 23, 23a); Forest reserve fund, roads and trails for States (16 U. S. C. 501)	$7,961,032	$11,478,686	----------	----------
Conservation and use of agricultural land resources (16 U. S. C. 590g); Agricultural Conservation Program (16 U. S. C. 590e-1, 590e-2)	----------	552,042,804	$230,754,577	$219,355,055
Administration of Sugar Act of 1937 (7 U. S. C. 1100-1183)	----------	----------	59,197,418	65,026,135
Grants and loans, Farm Housing (42 U. S. C. 1477)	----------	----------	46,321	----------
Great plains conservation program (16 U. S. C. 590p)	----------	----------	----------	2,970,824
Total Department of Agriculture	7,961,032	563,521,490	289,998,316	1,033,335,399
DEPARTMENT OF COMMERCE				
Forest highways construction (23 U. S. C. 21a)	----------	----------	26,916,655	----------
Maritime activities				
State marine schools (34 U. S. C. 1121) [13]	----------	----------	----------	340,301
Total Department of Commerce	----------	----------	26,916,655	340,301
DEPARTMENT OF DEFENSE				
Army				
National Guard (32 U. S. C. 21, 22)	31,987,927	71,019,749	87,261,167	[14] 366,311,318
Maintenance and improvement of existing river and harbor works (33 U. S. C. 701c-3); Flood control, general (33 U. S. C. 701c-3)	----------	----------	609,498	----------
Total Army	31,987,927	71,019,749	87,870,665	366,311,318
Air Force				
Air National Guard (32 U. S. C. 101 (5) (6))	----------	----------	44,295,643	[15] 233,936,598
Total Department of Defense	31,987,927	71,019,749	132,166,308	600,247,916
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
Civilian Conservation Corps (16 U. S. C. 584-584q)	----------	270,856,832	----------	----------
Assistance to States, general, Public Health Service (42 U. S. C. 243-245)	----------	----------	----------	2,415,148
Sanitary engineering activities, Public Health Service (42 U. S. C. 291d)	----------	----------	----------	905,327
Grants for construction of health research facilities, Public Health Service (42 U. S. C. 292c)	----------	----------	----------	15,162,255
Grants for hospital construction, Public Health Service (42 U. S. C. 291a)	----------	----------	----------	1,003,947
Hospitals and medical care, Public Health Service (5 U. S. C. 150)	----------	----------	----------	5,934,695
Arthritis and metabolic disease activities, Public Health Service (42 U. S. C. 289)	----------	----------	----------	22,473,099
Operating expenses, National Cancer Institute, Public Health Service (42 U. S. C. 282f) [13]; Salaries, expenses, and grants, National Cancer Institute, Public Health Service (42 U. S. C. 282f)	----------	----------	5,177,886	33,428,023
Operating expenses, National Heart Institute, Public Health Service (42 U. S. C. 287d) [13]; Salaries, expenses, and grants, National Heart Institute, Public Health Service (42 U. S. C. 287d)	----------	----------	4,909,702	29,417,187

Footnotes at end of table.

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*—Continued

Appropriation titles [1]	1930	1940	1950	1959
PART II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued				
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—continued				
Operating expenses, dental health activities, Public Health Service (42 U. S. C. 288e); Dental health activities, Public Health Service (42 U. S. C. 288e)	----------	----------	$231,764	$4,480,252
Allergy and infectious disease activities (42 U. S. C. 289)	----------	----------	----------	15,163,640
General research and services, National Institutes of Health, Public Health Service (42 U. S. C. 241)	----------	----------	5,726,699	23,127,944
Mental health activities, Public Health Service (42 U. S. C. 242b)[13]	----------	----------	3,635,866	34,323,815
Neurology and blindness activities, Public Health Service (42 U. S. C. 246)	----------	----------	----------	20,980,525
Defense educational activities, Office of Education (20 U.S.C. 401–589)	----------	----------	----------	3,194,834
Preventing the spread of epidemic diseases (42 U. S. C. 243)[16]	$273,330	----------	----------	----------
Interstate quarantine service (42 U. S. B. 243)[16]	71,117	----------	----------	----------
Studies in rural sanitation (42 U. S. C. 243)[16]	345,159	----------	----------	----------
Training and traineeships, Office of Vocational Rehabilitation (29 U. S. C. 34)	----------	----------	----------	4,451,223
Grants to States and other agencies, Office of Vocational Rehabilitation (29 U. S. C. 32)	----------	----------	----------	3,280,105
Total Department of Health, Education, and Welfare	689,606	$270,856,832	19,681,917	219,742,019
DEPARTMENT OF LABOR				
Reconversion unemployment benefits for seamen (42 U. S. C. 1333)	----------	----------	905,964	----------
Unemployment compensation for veterans, Bureau of Employment Security (38 U. S. C. 991); Unemployment compensation for Federal employees, Bureau of Employment Security (42 U. S. C. 1366); Unemployment compensation for veterans and Federal employees, Bureau of Employment Security (72 Stat. 1082)	----------	----------	----------	158,479,546
Total Department of Labor	----------	----------	905,964	158,479,546
INDEPENDENT ESTABLISHMENTS				
Atomic Energy Commission				
Operating expenses (42 U. S. C. 1804)	----------	----------	----------	[17] 4,707,671
General Services Administration				
Construction services, Public Buildings Administration (40 U. S. C. 265)	----------	----------	172,178	----------
National Science Foundation				
Salaries and expenses, National Science Foundation (42 U. S. C. 1869)	----------	----------	----------	95,091,132
International geophysical year, National Science Foundation (42 U. S. C. 1862)	----------	----------	----------	4,584,232
Total National Science Foundation	----------	----------	----------	99,675,364

Footnotes at end of table.

TABLE 87.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1959*—Continued

Appropriation titles [1]	1930	1940	1950	1959
PART II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued				
INDEPENDENT ESTABLISHMENTS—continued				
Veterans' Administration				
Veterans' miscellaneous benefits, Veterans' Administration (38 U. S. C. Ch. 12a); Readjustment benefits, Veterans' Administration (38 U. S. C. Ch. 11c)			$2,815,021,445	$581,467,457
Automobiles and other conveyances for disabled veterans (38 U. S. C. 252a)			2,169,664	701,356
Total Veterans' Administration			2,817,191,109	582,168,813
Total part II	$40,638,565	$905,398,071	3,287,032,447	2,698,697,029
Grand total	147,394,356	1,478,268,712	5,507,371,724	[18] 8,941,731,016

NOTE.—Figures furnished by the departments and agencies concerned pursuant to Treasury Department Circular No. 1014, Aug. 8, 1958 (see exhibit 70, p. 381, in the 1958 annual report).

[1] In some instances appropriation titles have been changed from time to time without changes in the basic laws.
[2] Consists of $80,169,875, estimated cost of perishable food commodities acquired through price-support operations as ordered for distribution within States, pursuant to sec. 416 of Public Law 439, 81st Congress (7 U.S.C. 1431), and $74,027,394, cash payments to States to increase consumption of milk by children in school.
[3] For additional payments from this appropriation, see part II.
[4] Deduct: represents net repayments. These accounts were discontinued but their functions are continued under the two accounts immediately following.
[5] See footnotes 18 and 21 keyed to columns 28 and 29 of following table.
[6] See footnote 19 keyed to column 28 of following table.
[7] Excludes $25,000, construction of community facilities in defense areas (emergency).
[8] Consists of $221,290, payments to States from grazing receipts, etc., public lands within grazing districts; $3,190, payments to States from grazing receipts, etc., public lands within grazing districts (miscellaneous); and $804, payments to States (grazing fees).
[9] Special fund account repealed as a permanent appropriation, effective July 1, 1935, by sec. 4 of the Permanent Appropriation Repeal Act (31 U.S.C. 725c). Annual appropriation provided for same object under the account immediately following.
[10] Activities under this caption expired June 30, 1929.
[11] Represents payments under the soil bank program.
[12] These accounts consolidated with combined accounts immediately following.
[13] For additional payments from this appropriation, see part I.
[14] Consists of $351,038,232, "National Guard, Army"; $14,929,383, "Military construction, Army Reserve Forces"; and $343,703, "Operation and maintenance, Army." On obligation basis.
[15] On obligation basis.
[16] Formerly shown under Treasury Department.
[17] Represents costs of fellowship and assistance programs.
[18] Payments from emergency funds to or within States included in the following table but excluded from this table for the fiscal year 1959:

Part A—(see columns 13 ($82,434), 16, 17, 18, 22, 23, 33 ($25,000), 36, and 53 of following table)	$213,537,536
Part B—(see column 87 of following table)	435,101,292
Total	648,638,828

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*

[On basis of checks issued except where it is not practicable to report certain detail for all payments. The differing basis of such detail is footnoted and a checks-issued figure is used for the total. The differences in amounts between the two bases are included in "Undistributed to States, etc."]

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS

State, Territories, etc.	Department of Agriculture						
	Agricultural experiment stations [1] (1)	Cooperative agricultural extension work [2] (2)	School lunch program [3] (3)	National forests fund [4]—shared revenues (4)	Submarginal land program—shared revenues (5)	Cooperative projects in marketing [5] (6)	State and private forestry cooperation, etc.[6] (7)
Alabama	$822,541	$1,872,575	$4,247,581	$220,662		$45,503	$384,903
Alaska	204,093	105,493	77,971	77,956		23,814	
Arizona	366,257	329,761	1,002,885	587,233		12,700	
Arkansas	690,017	1,565,802	2,547,387	708,511	$3,886	29,749	317,920
California	864,157	1,325,295	7,090,182	2,950,593	1,191	165,753	1,308,886
Colorado	485,901	533,564	1,218,036	331,482	30,051	15,882	46,112
Connecticut	353,712	266,944	1,091,732			13,022	83,096
Delaware	254,146	136,179	167,516			28,000	24,132
District of Columbia			269,692				
Florida	461,032	595,631	3,605,723	239,229	989	66,461	681,087
Georgia	892,622	2,021,147	4,851,691	150,818	13,427	97,153	680,257
Idaho	378,386	394,210	639,345	1,019,806	1,274	10,171	269,157
Illinois	853,990	1,578,104	5,118,056	18,678		61,048	136,364
Indiana	770,824	1,286,431	3,252,655	2,479		107,498	136,524
Iowa	818,151	1,414,934	2,461,990	237	203	80,587	44,965
Kansas	539,313	989,410	1,682,884		9,226	122,084	2,996
Kentucky	850,893	1,884,550	3,819,835	55,039	173	97,646	109,832
Louisiana	605,869	1,265,080	4,352,293	226,535	16,909	110,531	406,445
Maine	375,848	348,556	830,750	2,465	13	95,677	331,040
Maryland	432,508	488,371	1,740,449		1,033	62,353	176,055
Massachusetts	428,470	378,634	2,708,967			40,664	152,713
Michigan	768,686	1,465,308	4,354,808	171,010	878	266,474	581,902
Minnesota	737,800	1,384,829	2,822,135	196,240		57,066	441,925
Mississippi	845,219	1,977,606	3,620,260	614,524	25,261	87,677	432,000
Missouri	740,980	1,695,517	3,241,312	47,346	1,309	107,883	279,849
Montana	387,288	430,146	544,246	782,471	74,764	21,500	129,964
Nebraska	529,771	834,902	1,043,116	11,723	7,229	28,500	4,233
Nevada	263,447	182,614	139,036	39,970			30,000
New Hampshire	288,315	180,613	417,918	34,161		8,152	137,527
New Jersey	429,341	371,785	2,414,357			63,721	122,346
New Mexico	346,155	431,295	840,721	239,681	11,525	43,760	42,108
New York	892,457	1,358,173	8,027,019		46	101,281	396,706
North Carolina	1,127,280	2,560,992	5,707,955	172,905	2,446	135,548	401,502
North Dakota	387,018	596,683	666,705	92	152,282	43,808	18,030
Ohio	918,168	1,771,576	5,691,702	11,378	1,434	53,320	90,947
Oklahoma	590,382	1,343,842	2,129,171	72,169	15,911	43,676	193,486
Oregon	494,517	568,590	1,338,608	7,708,050	3,183	95,138	638,572
Pennsylvania	1,028,077	1,766,751	7,047,899	66,543		48,552	292,035
Rhode Island	287,787	96,190	449,687			3,704	45,924
South Carolina	669,036	1,380,776	3,530,423	409,426		19,463	368,456
South Dakota	405,956	554,101	662,431	85,270	37,369	19,188	54,387
Tennessee	862,858	1,887,137	4,308,168	80,893		39,558	311,579
Texas	1,144,440	3,038,990	7,736,099	572,315	17,038	43,097	291,443
Utah	370,711	310,891	1,010,666	143,896	505	17,021	51,286
Vermont	280,750	238,227	302,043	23,229		15,346	107,861
Virginia	755,315	1,521,368	3,588,477	62,382		68,582	372,722
Washington	586,690	706,043	2,101,131	3,893,186		60,761	645,074
West Virginia	598,768	880,238	2,129,453	95,441		36,725	206,311
Wisconsin	764,236	1,387,880	2,671,026	84,854	15	77,313	412,046
Wyoming	324,262	279,794	269,732	157,456	30,208	19,300	2,333
Hawaii	277,235	244,359	726,529			20,829	29,528
Puerto Rico	769,412	1,387,394	3,857,908	1,853	331		
Virgin Islands			58,279				
Other Territories, etc.[7]			4,647				
Undistributed to States, etc.	[8] 250,000	[9] 7,735,932	6,069,968				
Total	30,571,087	59,351,213	142,301,255	22,370,187	460,109	2,933,239	12,424,566

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Agriculture—Continued				Department of Commerce		
	Water-shed protection and flood prevention [10]	Commodity Credit Corporation		Removal of surplus agricultural commodities	Bureau of Public Roads—Construction		State marine schools [14]
		Value of commodities donated [11]	Special school milk program [12]		Federal aid highways (trust fund) [12a]	Other [13]	
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Alabama	$198, 420	$2, 270, 059	$1, 064, 845	$3, 134, 844	$41, 583, 312	$22, 947	----------
Alaska	----------	49, 544	15, 827	68, 418	13, 174, 591	1, 838, 469	----------
Arizona	----------	647, 394	423, 499	894, 021	33, 949, 774	2, 099, 900	----------
Arkansas	220, 387	3, 484, 575	674, 737	4, 812, 031	30, 397, 989	136, 928	----------
California	715, 466	2, 613, 799	7, 055, 714	3, 609, 531	189, 890, 094	4, 518, 702	$57, 474
Colorado	462, 189	587, 890	576, 875	811, 849	37, 342, 416	2, 051, 354	----------
Connecticut	60, 954	446, 357	763, 691	616, 397	23, 723, 942	366	----------
Delaware	82, 972	80, 871	204, 532	111, 680	7, 846, 041	375	----------
District of Columbia	----------	395, 724	350, 504	546, 475	10, 655, 068	----------	----------
Florida	222, 147	945, 743	1, 183, 768	1, 306, 027	53, 919, 439	52, 124	----------
Georgia	1, 094, 231	1, 708, 214	932, 612	2, 358, 961	44, 085, 121	94, 063	----------
Idaho	15, 857	146, 140	182, 255	201, 812	23, 032, 145	2, 798, 547	----------
Illinois	318, 669	2, 302, 766	5, 598, 966	3, 180, 011	104, 318, 466	----------	----------
Indiana	106, 225	1, 719, 443	1, 731, 246	2, 374, 470	43, 339, 113	41, 447	----------
Iowa	1, 085, 858	1, 227, 419	1, 611, 044	1, 695, 007	59, 032, 034	----------	----------
Kansas	202, 798	637, 868	814, 310	880, 866	56, 041, 957	----------	----------
Kentucky	390, 937	3, 659, 021	1, 197, 906	5, 052, 933	48, 201, 011	20, 997	----------
Louisiana	447, 015	2, 553, 196	463, 725	3, 525, 842	60, 470, 608	36, 900	----------
Maine	----------	672, 423	281, 533	928, 584	19, 755, 754	757	89, 270
Maryland	112, 147	753, 181	1, 484, 635	1, 040, 107	37, 800, 712	384	----------
Massachusetts	1, 457	1, 206, 534	2, 698, 860	1, 666, 166	50, 099, 981	----------	104, 059
Michigan	21, 048	5, 544, 365	4, 367, 887	7, 656, 503	75, 836, 844	378, 899	----------
Minnesota	301, 797	1, 148, 587	2, 099, 340	1, 586, 145	59, 980, 037	260, 643	----------
Mississippi	1, 471, 783	3, 235, 428	1, 007, 747	4, 467, 973	40, 395, 600	191, 922	----------
Missouri	156, 160	1, 813, 780	2, 034, 149	2, 504, 744	80, 881, 406	107, 375	----------
Montana	13, 276	222, 246	144, 304	306, 910	29, 099, 390	2, 194, 101	----------
Nebraska	467, 052	275, 745	437, 588	380, 790	24, 700, 190	293	----------
Nevada	97, 007	45, 261	74, 212	62, 503	16, 412, 069	898, 037	----------
New Hampshire	7, 460	224, 750	209, 006	310, 369	14, 832, 706	348, 750	----------
New Jersey	220, 630	1, 085, 018	1, 801, 138	1, 498, 358	36, 126, 930	----------	----------
New Mexico	511, 009	759, 761	751, 456	1, 049, 194	36, 860, 209	1, 317, 871	----------
New York	410, 323	7, 105, 544	9, 013, 242	9, 812, 418	169, 213, 363	3, 306	81, 686
North Carolina	270, 041	1, 227, 035	1, 294, 088	1, 694, 476	51, 993, 912	364, 820	----------
North Dakota	342, 615	249, 514	256, 057	344, 568	27, 268, 324	82, 434	----------
Ohio	104, 690	2, 127, 665	4, 580, 520	2, 938, 203	191, 710, 154	33, 181	----------
Oklahoma	4, 318, 487	3, 565, 954	860, 192	4, 924, 413	63, 686, 549	517, 117	----------
Oregon	92, 452	371, 143	477, 816	512, 532	38, 608, 842	3, 287, 502	----------
Pennsylvania	66, 496	8, 341, 716	3, 474, 272	11, 519, 513	127, 422, 163	141, 413	----------
Rhode Island	----------	214, 656	303, 680	296, 430	11, 479, 706	539	----------
South Carolina	97, 187	854, 436	596, 300	1, 179, 935	32, 732, 621	121, 600	----------
South Dakota	4, 421	524, 918	367, 337	724, 887	17, 051, 176	199, 713	----------
Tennessee	359, 644	3, 130, 539	1, 683, 127	4, 323, 126	48, 080, 767	189, 543	----------
Texas	6, 252, 689	3, 084, 372	2, 254, 860	4, 259, 371	145, 554, 500	122, 800	----------
Utah	272, 077	546, 691	185, 817	754, 954	25, 553, 284	1, 055, 150	----------
Vermont	274	156, 912	149, 417	216, 688	8, 893, 520	233, 784	----------
Virginia	386, 789	1, 537, 288	1, 467, 164	2, 122, 921	47, 856, 791	311, 549	----------
Washington	61, 991	671, 271	1, 243, 994	926, 993	61, 970, 527	1, 900, 766	----------
West Virginia	436, 408	3, 045, 462	362, 749	4, 205, 637	27, 475, 808	17, 732	----------
Wisconsin	193, 959	1, 151, 445	2, 787, 543	1, 590, 090	48, 615, 170	177, 313	----------
Wyoming	236, 652	123, 304	139, 188	170, 276	27, 832, 898	1, 291, 157	----------
Hawaii	----------	161, 209	177, 078	222, 623	4, 272, 750	----------	----------
Puerto Rico	----------	4, 769, 694	----------	6, 586, 720	4, 675, 951	----------	----------
Virgin Islands	----------	21, 611	----------	29, 844	----------	----------	----------
Other Territories, etc.[7]	----------	98, 818	----------	136, 463	----------	----------	----------
Undistributed to States, etc.	----------	−5,374,424	115, 042	8, 400, 398	−1, 722, 200	422, 047	----------
Total	22, 912, 146	80, 169, 875	74, 027, 394	126, 533, 000	2, 584, 011, 526	29, 885, 618	332, 489

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Defense, Army	Executive Office of the President — Office of Civil and Defense Mobilization		Funds appropriated to the President	Department of Health, Education, and Welfare		
						Office of Education	
	Lease of flood control lands—shared revenues	Federal contributions [15]	Research and development	Federal Civil Defense-Disaster relief	American Printing House for the Blind	Colleges for agriculture and mechanic arts [16]	Cooperative vocational education [17]
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Alabama	$277	$82,019	$51,322	----------	$7,365	$100,541	$990,257
Alaska	----------	16,092	50,071	----------	----------	71,283	86,520
Arizona	----------	19,188	22,750	----------	2,592	77,477	205,553
Arkansas	69,365	36,065	29,367	$331,975	6,035	89,048	783,606
California	86,666	1,281,256	77,405	2,302,204	32,189	175,599	2,013,198
Colorado	12,674	99,576	37,819	----------	4,228	83,218	340,562
Connecticut	1,609	300,417	19,321	----------	9,411	90,023	339,496
Delaware	5,027	41,134	44,881	----------	1,432	73,173	163,207
District of Columbia	----------	38,645	86,828	----------	1,057	----------	145,070
Florida	8,534	254,050	23,374	----------	11,082	97,644	628,510
Georgia	22,973	65,618	31,657	----------	10,775	104,360	1,158,760
Idaho	213	17,136	24,682	----------	887	75,872	228,437
Illinois	68,280	347,322	32,929	−15,904	21,960	156,906	1,638,313
Indiana	----------	368,336	----------	183,000	7,127	109,245	962,773
Iowa	73,764	22,119	50,460	----------	4,603	96,146	841,098
Kansas	107,498	89,865	89,302	79,935	4,058	89,006	573,903
Kentucky	44,179	45,143	26,346	−122,302	4,842	99,375	1,007,471
Louisiana	32,880	117,482	51,703	465,114	6,820	96,769	824,326
Maine	----------	150,999	25,622	----------	921	79,115	250,006
Maryland	380	254,009	48,276	----------	8,081	93,372	418,766
Massachusetts	4,749	255,027	107,794	----------	20,255	116,789	701,936
Michigan	----------	540,463	121,207	----------	19,368	133,559	1,328,676
Minnesota	675	476,478	32,506	----------	7,058	99,751	846,199
Mississippi	68,042	−1,482	29,976	----------	4,535	91,735	940,761
Missouri	96,566	118,142	47,104	−17,099	7,740	109,448	1,067,243
Montana	15,244	27,942	25,482	----------	1,535	75,896	205,341
Nebraska	35,659	25,049	45,892	----------	2,557	83,222	435,339
Nevada	----------	2,190	33,541	----------	136	71,597	179,430
New Hampshire	1,107	56,138	46,261	----------	1,057	75,319	160,672
New Jersey	1,071	117,583	93,628	----------	14,492	118,233	791,070
New Mexico	1	79,484	43,961	----------	3,444	76,795	225,892
New York	2,729	584,708	111,074	----------	44,362	217,934	2,540,620
North Carolina	3,376	175,597	46,405	798,926	13,946	110,518	1,462,831
North Dakota	149,115	417,383	22,567	22,788	818	76,181	275,856
Ohio	13,976	427,419	78,986	458,177	22,232	149,269	1,712,274
Oklahoma	179,501	147,086	46,482	−120,392	2,489	92,278	655,943
Oregon	2,499	70,782	1,157	526	5,626	85,176	401,727
Pennsylvania	12,324	737,359	118,266	----------	30,416	174,720	2,022,786
Rhode Island	----------	16,131	28,969	13,980	648	77,899	156,680
South Carolina	1,603	3,355	33,239	----------	4,365	91,118	734,740
South Dakota	74,116	16,918	19,478	----------	1,500	76,511	282,820
Tennessee	33,709	155,530	48,316	----------	8,150	102,835	1,091,496
Texas	169,863	277,157	162,796	8,311	12,821	146,921	1,852,755
Utah	----------	6,719	15,199	----------	1,432	76,871	183,563
Vermont	1,324	56,524	49,236	----------	409	73,768	183,749
Virginia	57,430	29,382	54,925	−36,384	8,627	103,104	976,717
Washington	7,554	226,839	25,620	−153,253	7,399	93,731	580,244
West Virginia	4,500	28,872	45,549	−12,887	4,467	90,006	615,305
Wisconsin	900	174,368	43,004	----------	7,604	104,260	992,587
Wyoming	----------	23,239	35,461	----------	478	72,898	166,009
Hawaii	----------	27,382	23,946	−37,355	1,807	74,986	178,651
Puerto Rico	----------	−426	20,742	−10,179	2,762	50,000	722,381
Virgin Islands	----------	----------	----------	----------	----------	----------	39,570
Other Territories, etc.[7]	----------	8,924	----------	----------	----------	----------	41,500
Undistributed to States, etc	----------	----------	----------	----------	−10,000	----------	----------
Total	1,471,951	8,954,731	2,482,883	4,139,182	400,000	5,051,500	38,353,195

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Office of Education—Continued				Public Health Service		
	School construction and survey (22)	Maintenance and operation of schools (23)	Library services (24)	Defense educational activities (25)	Venereal disease control (26)	Tuberculosis control (27)	General health assistance (28)
Alabama	$1,578,114	$3,076,487	$161,369	$1,710,314	$55,365	$91,273	$410,912
Alaska	961,323	5,133,304	40,000	58,650		27,132	[18] 696,931
Arizona	2,621,924	3,157,506	63,528	18,430	22,895	57,042	121,533
Arkansas	259,730	746,984	130,203	367,176	96,603	67,763	267,465
California	13,385,738	24,857,719	184,362	3,180,840	66,232	283,104	886,703
Colorado	2,747,927	3,324,256	74,826	302,753	24,300	33,545	160,535
Connecticut	589,936	1,198,954	68,413	553,504	7,677	39,541	124,490
Delaware	10,010	311,429		133,484	15,000	16,000	27,716
District of Columbia				51,379	78,043	35,697	50,843
Florida	3,790,055	3,967,290	129,583	1,385,466	90,212	84,579	361,552
Georgia	628,418	3,693,022	172,959	2,050,303	181,171	86,929	429,444
Idaho	689,231	912,214	83,293	171,542	10,200	14,981	88,208
Illinois	1,594,022	2,271,067	177,739	2,392,691	200,209	223,770	617,778
Indiana	966,887	686,383		1,628,077		79,506	348,499
Iowa	34,742	362,951	105,849	1,108,798	5,900	36,585	256,338
Kansas	1,243,224	3,541,652	64,543	804,076	29,973	32,803	196,601
Kentucky	105,517	975,435	171,239	1,563,999	52,639	107,817	357,523
Louisiana	644,150	797,426	125,470	1,614,186	55,513	76,905	337,662
Maine	137,243	1,113,677	71,159	208,137		19,175	102,791
Maryland	4,131,981	5,455,295	72,000	953,195	36,585	79,387	209,404
Massachusetts	277,779	3,818,192	78,000	1,258,197		103,536	339,614
Michigan	2,222,873	754,543	171,799	170,706	90,679	142,673	530,562
Minnesota	140,108	308,919	135,750	1,337,883		48,925	299,794
Mississippi	1,002,636	972,530	150,856	559,035	81,645	62,310	360,274
Missouri	1,317,607	1,660,043	134,010	1,320,518	47,479	98,985	357,074
Montana	394,674	730,389	63,486	283,245	6,435	20,280	80,986
Nebraska	910,764	1,047,151	89,626	586,528	10,762	17,419	147,397
Nevada	217,728	809,675	56,272	90,739	6,248	13,088	43,547
New Hampshire	75,674	607,480	55,971	99,403		13,870	53,535
New Jersey	398,306	2,271,962	85,783	642,756	53,707	106,806	350,374
New Mexico	3,438,301	2,991,621	63,931	216,517	37,050	31,634	111,574
New York	474,510	3,613,401	191,482	3,798,528	224,715	376,229	995,460
North Carolina	773,163	1,448,569	229,997	1,066,830	142,949	89,373	523,731
North Dakota	279,183	194,292	72,079	338,639	11,170	16,305	99,798
Ohio	680,961	3,157,886	207,041	2,686,901	32,716	167,038	630,076
Oklahoma	1,757,306	4,796,164	100,063	1,060,065	24,877	54,649	237,520
Oregon	111,405	839,415	89,514	287,266	4,847	32,823	162,410
Pennsylvania	94,010	1,773,018	85,472	1,493,298	93,727	228,839	834,946
Rhode Island	197,307	1,128,301	45,902	261,719		22,542	53,819
South Carolina	1,467,224	2,146,571	69,270	1,302,566	118,908	61,349	311,981
South Dakota	526,256	1,484,273	70,753	345,344	7,264	13,427	100,824
Tennessee	175,394	1,386,063	169,714	782,833	73,855	109,804	407,589
Texas	4,683,739	8,471,670	205,606	1,578,337	160,244	178,001	835,421
Utah	243,743	1,211,174	70,185	328,969	5,274	13,749	73,995
Vermont		69,795	56,937	37,094		15,694	53,807
Virginia	3,854,602	9,371,604	164,032	356,369	41,747	103,132	360,002
Washington	1,739,257	5,801,016	101,770	444,887	2,095	52,779	213,801
West Virginia		107,212	132,470	449,909	29,962	53,549	224,192
Wisconsin	6,156	313,364	132,450	135,364		58,449	249,950
Wyoming	207,234	353,540		8,614	5,700	10,159	52,160
Hawaii	2,044,041	2,354,720	50,927	176,860		21,398	[19] 1,102,181
Puerto Rico	−3,193		110,000	187,977	29,792	154,407	349,889
Virgin Islands			10,782	7,223	17,296	8,215	6,964
Other Territories, etc.[7]	267,674	495,760	13,980				406
Undistributed to States, etc							
Total	66,096,594	132,073,364	5,362,445	43,958,119	[20] 2,389,660	3,994,970	16,608,581

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service—Continued						
	Mental health activities	Cancer control	Heart disease control	Sanitary engineering activities	Construction		
					Hospital and medical facilities	Waste treatment works	Health research facilities
	(29)	(30)	(31)	(32)	(33)	(34)	(35)
Alabama	$82,087	$52,426	$57,123	$60,170	$4,072,592	$816,090	$726,500
Alaska	[21] 1,023,778	6,426	12,711	15,958	11,622	----------	----------
Arizona	25,233	13,794	3,461	24,303	981,688	853,775	58,103
Arkansas	39,903	33,177	23,265	41,722	2,291,649	665,859	232,290
California	260,173	150,647	119,781	138,620	5,453,565	2,249,143	986,969
Colorado	36,984	24,526	26,509	30,136	1,047,064	890,991	27,350
Connecticut	45,635	25,565	25,500	30,443	1,271,844	577,594	----------
Delaware	25,871	4,764	11,342	30,665	577,934	33,361	----------
District of Columbia	25,097	9,473	15,304	24,177	399,528	249,200	----------
Florida	83,443	47,448	43,762	59,036	3,610,169	838,689	706,186
Georgia	93,757	56,320	61,692	25,000	3,812,549	313,239	119,085
Idaho	25,871	12,810	17,252	20,131	503,542	567,941	----------
Illinois	198,794	88,283	74,748	86,039	[22] 5,372,898	1,654,391	1,154,589
Indiana	92,689	46,196	51,051	67,333	2,827,040	949,190	----------
Iowa	63,430	10,878	30,149	39,312	2,763,712	795,064	----------
Kansas	47,957	30,691	29,635	36,402	1,358,929	794,802	47,500
Kentucky	76,371	48,682	52,817	56,741	4,779,125	325,102	443,255
Louisiana	75,130	44,862	49,491	54,447	3,519,503	694,267	----------
Maine	23,057	15,472	12,590	25,972	1,202,168	34,800	----------
Maryland	62,090	33,771	35,902	52,360	1,840,509	363,968	----------
Massachusetts	98,364	63,582	44,285	78,228	2,745,903	256,774	----------
Michigan	163,338	87,828	70,922	90,500	5,021,157	1,679,300	925,544
Minnesota	73,793	38,893	38,899	51,109	2,476,120	882,892	478,074
Mississippi	63,008	44,569	51,973	52,360	3,020,756	323,645	----------
Missouri	94,694	59,913	53,019	60,392	2,574,461	697,421	----------
Montana	25,871	12,598	16,488	19,088	785,692	244,896	----------
Nebraska	20,139	24,644	14,522	21,175	1,297,942	614,057	117,875
Nevada	25,659	3,462	9,480	8,487	293,568	104,806	----------
New Hampshire	25,529	10,375	14,939	24,616	296,978	228,598	52,380
New Jersey	116,523	64,092	53,684	78,935	2,403,995	1,061,933	----------
New Mexico	25,871	14,821	20,091	22,008	1,620,605	708,468	----------
New York	312,738	189,795	136,873	173,561	6,827,720	1,233,939	----------
North Carolina	105,020	66,364	69,050	79,479	3,977,832	1,473,830	----------
North Dakota	25,871	14,186	18,453	20,965	932,880	425,968	70,480
Ohio	195,297	104,411	88,009	115,569	3,610,900	1,574,740	----------
Oklahoma	51,890	34,190	34,795	37,225	3,541,776	877,762	45,814
Oregon	38,515	13,554	16,126	31,369	1,593,364	671,099	9,383
Pennsylvania	240,808	108,616	80,595	137,785	9,334,338	2,131,799	681,300
Rhode Island	23,680	11,246	15,500	28,920	665,829	174,491	----------
South Carolina	62,297	38,429	47,061	52,673	2,597,034	424,458	----------
South Dakota	22,554	12,329	7,500	21,695	1,265,926	127,900	----------
Tennessee	87,341	44,370	53,453	63,717	5,113,892	788,863	5,323
Texas	209,230	115,874	110,007	88,455	8,259,900	2,170,502	98,800
Utah	19,192	11,067	12,100	22,530	1,092,012	700,666	----------
Vermont	25,870	8,681	14,195	20,339	1,023,724	127,600	120,000
Virginia	88,375	49,545	38,828	59,557	3,399,608	884,023	139,880
Washington	56,889	34,316	32,012	40,157	2,450,775	424,194	235,055
West Virginia	48,598	30,909	35,641	37,212	3,637,580	498,076	----------
Wisconsin	83,938	48,845	38,122	62,791	2,992,456	855,231	507,000
Wyoming	25,595	6,085	12,629	15,646	609,933	227,919	49,172
Hawaii	25,870	7,687	15,789	25,450	593,799	41,055	----------
Puerto Rico	62,105	37,887	51,157	25,102	1,402,745	124,700	----------
Virgin Islands	25,782	956	2,586	4,929	----------	----------	----------
Other Territories, etc.[7]	8,768	912	2,351	----------	----------	----------	----------
Undistributed to States, etc.	----------	----------	----------	----------	----------	----------	----------
Total	4,986,362	2,171,242	2,075,219	[23] 2,590,991	135,158,830	36,429,071	8,037,907

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	Public Health Service—Continued	Social Security Administration					
		Grants to States for maternal and child welfare services				Grants to States for public assistance	
	Polio vaccination assistance program[15]	Maternal and child health services	Services for crippled children	Child welfare services	Children with congenital heart disease	Old-age assistance	Aid to dependent children
	(36)	(37)	(38)	(39)	(40)	(41)	(42)
Alabama	$−2,014	$547,805	$462,479	$369,621		$37,372,070	$5,906,306
Alaska	−6,264	163,591	208,748	57,391		726,115	974,852
Arizona	−353	148,693		129,972		6,945,107	6,361,425
Arkansas	−56,526	292,620	249,222	249,851		23,791,419	4,661,395
California	−10	795,843	759,942	415,174		137,422,156	68,190,657
Colorado		329,256	176,837	146,822		25,037,752	7,220,312
Connecticut	−395	246,266	213,640	116,151		7,566,502	6,386,344
Delaware		104,245	95,742	63,386		626,474	1,359,469
District of Columbia	−175	246,564	171,676	40,000		1,736,041	4,133,073
Florida		449,740	278,895	252,784	$23,833	29,888,023	15,537,375
Georgia		453,340	449,563	371,686		42,004,673	13,530,685
Idaho	−424	137,763	113,553	59,842	5,606	4,140,842	1,988,056
Illinois	−204	448,618	454,171	360,182		43,800,497	38,808,197
Indiana	−346,875	315,074	253,553	129,000		13,525,180	10,276,709
Iowa	−65,957	235,407	293,363	242,635	19,578	19,618,162	8,458,313
Kansas	−80	205,131	213,806	185,539		16,461,192	5,889,225
Kentucky		369,566	384,531	357,108		20,729,883	13,795,366
Louisiana		353,565	358,232	289,400		69,611,093	21,835,433
Maine		135,618	113,557	108,756	6,591	5,788,659	4,421,783
Maryland		389,775	263,353	174,638	40,000	4,411,133	8,142,475
Massachusetts		423,730	308,943	115,213		43,478,567	13,180,372
Michigan	−1,484	553,807	504,899	416,859		33,107,092	24,204,257
Minnesota	−117	378,423	433,472	281,272		25,665,822	8,971,745
Mississippi	−17,901	380,292	355,229	336,079	8,000	23,851,147	7,565,310
Missouri	−1,616	317,836	301,882	281,960	5,000	56,182,755	20,343,593
Montana	−112	117,659	151,222	103,958		3,795,613	1,920,104
Nebraska	−5,073	106,980	134,442	117,204		8,121,030	2,560,264
Nevada		155,989	84,077	50,800		1,382,573	832,363
New Hampshire	−408	103,179	98,660	73,392		2,536,460	1,007,780
New Jersey	−1,428	239,497	206,452	126,000		10,697,964	9,401,390
New Mexico		216,831	145,896	115,505	6,916	5,859,074	7,455,165
New York	−2,368	759,230	549,913	376,677		46,609,566	73,458,699
North Carolina		558,239	588,622	557,891	46,694	18,597,352	18,829,237
North Dakota		112,370	103,686	116,184		4,242,583	1,831,805
Ohio		572,558	495,213	473,743	36,000	39,914,424	20,571,329
Oklahoma	−1,222	230,958	257,838	209,677	15,952	51,075,389	15,962,522
Oregon	−2,806	152,880	168,725	166,096		9,555,755	5,535,477
Pennsylvania		743,809	645,657	524,222	7,000	25,869,874	47,402,649
Rhode Island		148,071	102,751	57,807		3,619,059	4,148,705
South Carolina		385,976	348,282	333,430		12,438,496	5,549,763
South Dakota	−487	76,892	83,817	117,860	2,000	4,540,818	2,861,021
Tennessee	−40	501,396	452,070	380,337		22,679,441	15,097,228
Texas		654,322	794,074	586,110	45,000	100,120,153	18,463,461
Utah		137,612	110,344	94,151		4,485,442	3,472,090
Vermont		107,217	92,125	78,092		2,622,564	1,010,410
Virginia	−97	549,233	391,267	360,700		5,750,971	7,452,805
Washington	−163	265,546	172,887	191,674		27,139,810	11,106,409
West Virginia	50,888	214,802	287,074	254,480	1,400	6,852,995	16,846,888
Wisconsin	−456	226,303	320,893	315,803		18,855,281	8,380,938
Wyoming		101,829	88,706	65,038		1,851,548	710,840
Hawaii	−191	172,381	134,374	68,480		724,212	2,690,773
Puerto Rico	−12,360	367,379	386,432	324,880		1,620,675	3,667,374
Virgin Islands		92,419	86,236	41,786		126,894	89,057
Other Territories, etc.[7]	2,637						
Undistributed to States, etc.							
Total	−474,081	16,494,125	14,901,023	11,833,298	269,570	1,135,174,372	630,459,273

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued			Department of the Interior			
	Social Security Administration—Con.		Office of Vocational Rehabilitation	Federal aid in wildlife restoration and fish restoration and management [24]	Migratory Bird Conservation Act and Alaska game law—shared revenues [25]	Payments from receipts under Mineral Leasing Act—shared revenues	Payments under certain special funds—shared revenues [26]
	Grants to States for public assistance—Con.						
	Aid to permanently and totally disabled	Aid to the blind					
	(43)	(44)	(45)	(46)	(47)	(48)	(49)
Alabama	$3,706,414	$489,234	$1,452,307	$292,544	$27	$1,025	$4,950
Alaska	----------	51,869	99,947	114,012	95,562	3,026,142	104,175
Arizona	----------	453,544	385,411	416,528	----------	152,176	349,564
Arkansas	2,411,047	949,286	1,149,758	340,064	18	17,159	5,133
California	4,356,734	7,482,439	2,838,769	1,154,991	887	3,409,620	75,524
Colorado	2,945,819	177,322	324,674	579,788	2,896	3,746,893	31,501
Connecticut	1,131,593	159,597	398,611	146,971	----------	----------	----------
Delaware	174,701	143,525	183,479	192,499	----------	----------	----------
District of Columbia	1,276,712	116,142	254,543	----------	----------	----------	----------
Florida	3,522,697	1,172,521	1,692,591	330,312	1,636	216	7,547
Georgia	8,133,691	1,653,173	2,290,450	338,775	23,250	----------	----------
Idaho	555,835	101,536	139,659	255,506	3,108	114,419	42,358
Illinois	10,232,960	1,848,968	1,919,495	613,570	5,626	----------	----------
Indiana	----------	1,034,547	509,552	494,690	----------	----------	----------
Iowa	----------	826,182	759,540	453,790	628	----------	----------
Kansas	2,347,684	350,805	537,993	150,857	873	62,272	42
Kentucky	2,889,058	1,187,682	474,858	197,884	7,509	----------	----------
Louisiana	7,978,343	1,474,855	924,363	296,675	303,754	104,804	1,001
Maine	912,806	233,201	289,378	238,189	647	----------	----------
Maryland	2,715,499	219,998	519,495	92,318	481	----------	----------
Massachusetts	5,478,106	1,051,185	804,279	158,023	96	----------	----------
Michigan	2,046,172	915,118	1,444,652	1,016,829	2,410	807	6
Minnesota	1,141,775	629,243	990,078	851,355	2,163	----------	2,205
Mississippi	2,346,300	2,116,735	767,208	342,279	22,473	2,222	234
Missouri	7,399,187	2,282,264	848,830	318,233	103	----------	----------
Montana	811,509	200,887	213,986	567,944	10,257	1,614,633	44,612
Nebraska	807,088	510,624	336,734	524,207	31,673	3,856	213
Nevada	----------	106,418	44,469	375,691	4,785	148,842	366,766
New Hampshire	199,745	127,922	120,029	109,172	----------	----------	----------
New Jersey	3,080,303	539,548	1,064,633	115,969	----------	----------	----------
New Mexico	1,269,136	219,353	156,019	367,770	475	6,346,457	42,784
New York	21,396,215	2,345,595	3,263,537	754,574	400	----------	----------
North Carolina	7,405,542	2,386,022	1,778,448	493,889	565	----------	----------
North Dakota	615,265	59,498	312,690	267,076	9,724	80,637	1,440
Ohio	4,852,404	1,806,783	973,304	514,746	----------	----------	----------
Oklahoma	5,133,525	1,055,754	1,061,022	581,484	10,670	21,433	16,120
Oregon	2,737,957	150,920	649,287	479,171	34,527	28,187	11,165,518
Pennsylvania	8,173,140	3,937,418	3,535,981	781,508	----------	----------	----------
Rhode Island	1,408,494	68,146	272,408	118,382	----------	----------	----------
South Carolina	2,715,775	699,200	704,201	142,198	21	----------	----------
South Dakota	558,819	90,729	221,212	289,893	3,425	83,556	8,784
Tennessee	3,075,586	1,247,899	1,544,642	554,427	232	----------	----------
Texas	2,355,317	3,093,067	1,548,791	600,801	6,411	----------	----------
Utah	1,171,839	120,092	296,655	465,011	112	2,318,548	32,932
Vermont	371,975	64,133	214,726	163,441	160	----------	----------
Virginia	2,545,024	538,329	1,081,347	641,153	368	----------	----------
Washington	3,137,716	385,601	821,128	353,503	12,043	6,102	28,509
West Virginia	2,655,868	382,944	1,131,973	197,462	----------	----------	----------
Wisconsin	700,671	550,468	1,122,575	498,654	1,413	----------	699
Wyoming	273,021	35,415	96,871	337,691	332	11,694,956	117,239
Hawaii	568,640	50,454	173,857	128,110	----------	----------	----------
Puerto Rico	1,032,789	80,461	602,104	22,168	----------	----------	----------
Virgin Islands	23,344	6,012	9,585	1,756	----------	----------	----------
Other Territories, etc.[7]	----------	----------	20,565	11,540	----------	----------	----------
Undistributed to States, etc.	----------	----------	----------	----------	----------	----------	----------
Total	152,779,840	47,980,663	45,372,699	19,846,074	601,742	32,984,963	12,449,858

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Department of the Interior—Con.	Department of Labor	Federal Power Commission	Housing and Home Finance Agency			
				Office of Administrator			Public Housing Administration
	Bureau of Indian Affairs [27]	Unemployment Compensation and Employment Service Administration	Payments to States under Federal Power Act—shared revenues	Defense community facilities and services	Urban renewal program	Urban planning assistance	Annual contributions
	(50)	(51)	(52)	(53)	(54)	(55)	(56)
Alabama		$3,952,689			$987,765	$39,405	$3,844,245
Alaska	$490,059	1,178,623	$86		520,175	21,175	217,540
Arizona	1,796,901	3,273,809	398				386,969
Arkansas		3,030,736	16		406,234	50,114	700,123
California		29,890,489	24,752		4,975,300	166,071	4,566,605
Colorado	84,882	2,786,935	524			28,286	1,098,849
Connecticut		5,198,976			6,173,049	30,613	2,159,917
Delaware		708,024					246,205
District of Columbia		2,220,079			5,177,064		1,348,574
Florida	12,900	5,596,852	5			23,977	2,009,896
Georgia		3,979,232	36		1,042,792	42,276	5,637,267
Idaho	111,481	3,040,737	5,599				39,544
Illinois		13,325,196			5,908,360	109,783	8,547,708
Indiana		5,178,801					817,388
Iowa	12,163	2,602,870					
Kansas	16,907	2,150,831		$150,000		15,967	
Kentucky		3,486,292			478,805	63,343	2,483,468
Louisiana		3,583,155				83,779	3,731,633
Maine		1,466,716			77,681	33,474	47,463
Maryland		4,716,047			1,303,154	8,788	2,623,912
Massachusetts		11,121,062			4,237,413	126,560	5,292,243
Michigan		13,951,151	105		988,955	4,840	2,924,238
Minnesota	287,000	4,162,096	11		2,015,780	26,110	686,928
Mississippi		2,949,050	24				856,377
Missouri		4,892,115			4,499,906		2,734,116
Montana	363,058	1,504,521	10,793			4,042	80,123
Nebraska	112,000	1,267,025					344,651
Nevada	107,432	1,086,189	816			320	28,068
New Hampshire		1,181,305				3,456	322,732
New Jersey		11,304,628			1,930,801	107,712	7,835,382
New Mexico	1,030,472	1,606,967	7				34,307
New York		41,450,732			13,948,492		15,053,250
North Carolina	12,000	5,656,570	30			41,308	2,605,048
North Dakota	158,873	1,036,988					17,756
Ohio		14,886,820			2,654,252	28,521	2,754,457
Oklahoma	518,480	3,535,691				93,774	
Oregon	18,500	3,468,142	4,163			81,968	99,778
Pennsylvania		21,946,189	16		10,973,467	279,974	7,025,562
Rhode Island		2,667,033			393,713	20,899	1,269,400
South Carolina		2,950,492	28				1,283,332
South Dakota	461,457	762,615					
Tennessee		3,834,898		7,429	2,016,302	133,427	4,042,162
Texas		11,440,673				72,396	6,410,568
Utah	105,407	2,188,493	1,039				
Vermont		900,322				15,052	
Virginia		2,570,802	16		3,303,915	10,500	2,919,180
Washington	107,734	5,348,189	721			51,092	632,163
West Virginia		2,139,370	3				481,635
Wisconsin	90,000	4,313,037	64		740,833		734,021
Wyoming	68,063	778,724	241				
Hawaii		857,748				14,975	450,952
Puerto Rico		790,059			782,425		3,234,805
Virgin Islands		67,214					188,298
Other Territories, etc.[7]		14,944					
Undistributed to States, etc.		[28] 7,261,944					
Total	5,965,769	297,260,888	49,495	157,429	75,536,633	1,833,979	110,848,837

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART A. FEDERAL AID PAYMENTS TO STATES AND LOCAL UNITS—Continued

States, Territories, etc.	Federal Aviation Agency	Tennessee Valley Authority	Veterans' Administration		Miscellaneous grants	Total grant payments (Part A)
	Federal airport program [29]	Shared revenues [30]	State and territorial homes for disabled soldiers and sailors [31]	State supervision of schools and training establishments [32]		
	(57)	(58)	(59)	(60)	(61)	(62)
Alabama	$950,591	$1,021,868		$79,259		$131,529,385
Alaska	1,686,142				[33] $2,952,127	36,530,044
Arizona	589,606			10,776		70,064,725
Arkansas	239,776			40,433		90,727,047
California	4,319,051		$1,346,800	150,286	[34] 3,083	552,684,113
Colorado	803,206		34,195	37,025		99,417,154
Connecticut	588,878		561,100	20,157		63,837,556
Delaware						14,360,623
District of Columbia					[35] 26,480,292	56,628,389
Florida	2,507,710			68,021		142,877,595
Georgia	2,065,459	64,002	111,644	55,557		154,345,899
Idaho	195,999		38,387			43,642,954
Illinois	3,365,225		602,354	153,226		272,345,874
Indiana	594,153		125,422	50,585		97,199,466
Iowa	305,120		141,742	30,861		110,108,724
Kansas	290,013		31,566	31,790		100,308,480
Kentucky	1,046,703	708,217		45,482		124,267,844
Louisiana	2,861,910			92,873		198,049,922
Maine	165,026					41,225,119
Maryland	812,801			9,356	[36] 411,000	85,095,489
Massachusetts	874,520		497,508	48,453		157,051,782
Michigan	3,098,470		548,142	49,197		201,456,831
Minnesota	2,094,836		217,914	110,180		127,738,661
Mississippi	316,163	175,362		33,695		108,658,442
Missouri	1,403,437		55,991	79,736		205,461,898
Montana	93,184		42,761	12,789		49,049,717
Nebraska	173,890		71,974	22,056		49,509,689
Nevada	1,694,288			53		26,683,748
New Hampshire	42,956		25,439	15,920		24,867,368
New Jersey	231,136		123,598	7,261		99,969,403
New Mexico	698,459			16,680		78,525,087
New York	2,720,421		2,940	8,037		451,161,852
North Carolina	1,093,112	112,102		100,452		140,473,909
North Dakota	139,511		47,475	11,453		43,058,121
Ohio	1,077,180		412,010	78,566		318,249,126
Oklahoma	945,042		356,905	35,279		177,035,125
Oregon	578,745			7,623		93,746,141
Pennsylvania	4,391,306		127,340	103,991	[37] 1,531,929	319,630,884
Rhode Island	354,790		167,549	13,617		30,932,690
South Carolina	180,841			42,956		79,302,891
South Dakota	187,913		81,201	31,283		35,631,350
Tennessee	2,440,650	3,797,655		81,677		137,846,604
Texas	3,261,506			97,430		353,718,504
Utah	836,212			9,049		50,206,417
Vermont	69,536		29,213	4,401		18,300,164
Virginia	571,125	21,185		45,976		108,910,252
Washington	1,477,397		303,120	9,382	[38] 159,737	138,895,864
West Virginia	602,671			56,162		77,708,469
Wisconsin	1,094,180		134,747	43,916		104,843,769
Wyoming	192,417		5,026	11,471		49,188,459
Hawaii	254,363					19,150,462
Puerto Rico				7,400	[39] 20,964,290	59,237,992
Virgin Islands					[40] 3,916,308	4,882,946
Other Territories, etc.[7]					[41] 5,961,900	7,091,789
Undistributed to States, etc.						23,148,707
Total	56,577,625	5,900,391	6,244,063	2,071,828	62,380,666	6,456,571,523

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES

States, Territories, etc.	Department of Agriculture				Department of Commerce	Department of Defense	
				Commodity Credit Corporation		Air Force	Army
	Agricultural conservation program	Administration of Sugar Act program	Great Plains conservation program	Soil bank program	State marine schools (subsistence of cadets)	National Guard [42]	National Guard [42]
	(63)	(64)	(65)	(66)	(67)	(68)	(69)
Alabama	$5,752,696			$33,257,392		$2,612,900	$9,511,486
Alaska	47,350					669,986	2,734,633
Arizona	2,738,808			1,995,860		3,128,780	2,058,670
Arkansas	5,211,891			23,489,659		2,030,003	5,725,523
California	5,374,495	$8,579,264		7,849,801	$75,260	6,705,770	17,220,972
Colorado	3,292,528	5,906,010	$287,554	10,448,916		1,793,077	2,238,615
Connecticut	412,870			1,811,902		1,525,840	3,856,899
Delaware	404,518			1,529,929		978,158	2,361,772
District of Columbia						1,773,149	1,947,856
Florida	2,941,888	1,184,242		2,974,760		1,274,273	5,539,708
Georgia	7,624,524			34,911,673		3,360,970	7,463,123
Idaho	1,770,505	4,569,641		2,082,573		1,512,678	3,137,394
Illinois	9,163,232	91,112		32,272,306		4,617,585	8,781,772
Indiana	7,074,879	703		30,182,696		2,340,947	6,930,190
Iowa	7,887,656	27,179		39,884,961		2,223,754	4,776,591
Kansas	6,293,302	265,094	267,593	29,511,844		1,832,790	4,581,334
Kentucky	7,889,778			15,306,608		2,031,848	4,044,523
Louisiana	4,500,920	6,205,829		19,778,282		1,217,150	5,710,760
Maine	959,108			716,540	70,517	1,385,719	2,778,369
Maryland	1,354,165			4,136,234		1,771,002	5,129,397
Massachusetts	539,547			974,052	76,613	3,607,308	11,574,187
Michigan	4,918,244	2,599,371		17,163,376		4,848,474	8,614,326
Minnesota	6,674,575	2,082,856		32,132,625		2,391,178	7,227,417
Mississippi	7,506,780			37,084,413		2,021,345	8,300,720
Missouri	11,723,650			47,863,630		3,012,630	6,135,173
Montana	3,430,144	2,094,079	26,341	5,695,462		1,413,008	2,637,608
Nebraska	5,128,294	2,261,527	365,055	28,085,184		1,081,646	2,668,156
Nevada	369,890	18,101		3,091		1,148,758	1,480,415
New Hampshire	477,458			42,362		1,170,301	2,424,519
New Jersey	668,739			2,032,865		2,784,462	10,770,414
New Mexico	2,178,892	21,059	403,398	10,302,277		1,371,239	3,149,608
New York	4,506,505			4,216,710	117,911	6,369,821	19,956,920
North Carolina	7,045,831			27,618,451		1,208,201	7,209,307
North Dakota	3,821,741	1,119,478	118,301	20,657,033		1,269,749	2,339,841
Ohio	6,211,899	717,612		24,905,781		4,818,928	10,758,499
Oklahoma	7,923,079		377,729	25,217,909		2,500,529	5,378,700
Oregon	2,323,811	1,210,686		1,427,723		1,898,653	4,455,744
Pennsylvania	4,729,714			4,178,841		4,219,315	13,657,928
Rhode Island	77,990					1,152,837	2,274,689
South Carolina	3,740,423			25,830,403		1,108,964	7,656,942
South Dakota	4,834,319	174,465	55,796	19,707,594		1,138,863	3,141,045
Tennessee	6,328,435			19,735,283		3,049,309	7,938,314
Texas	22,839,665	472,986	985,371	78,121,659		5,030,035	15,257,642
Utah	1,500,634	701,578		1,260,428		1,739,038	3,448,860
Vermont	912,587			89,411		1,079,539	2,363,984
Virginia	4,626,978			4,707,264		1,063,866	6,672,612
Washington	2,420,770	1,865,532		1,907,161		2,961,010	5,646,622
West Virginia	1,721,515			320,422		2,070,838	2,865,145
Wisconsin	6,120,266	269,389		12,011,452		3,574,883	7,442,440
Wyoming	2,174,008	1,498,501	83,686	548,587		1,252,233	1,774,433
Hawaii	201,972	7,428,624				2,569,064	4,107,652
Puerto Rico	981,587	13,661,217				1,185,000	4,469,022
Virgin Islands							
Other Territories, etc.[7]							
Undistributed to States, etc.						[43] 113,039,195	[43] 55,982,847
Total	219,355,055	65,026,135	2,970,824	745,983,385	340,301	233,936,598	366,311,318

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—National Institutes of Health						
	National Arthritis and Metabolic Diseases Institute (70)	National Neurological Diseases and Blindness Institute (71)	National Cancer Institute (72)	National Institute of Dental Research (73)	National Institute of Allergy and Infectious Diseases (74)	National Heart Institute (75)	National Institute of Mental Health (76)
Alabama	$210,122	$48,451	$212,007	$202,337	$72,944	$216,263	$54,747
Alaska							
Arizona	94,310	2,300	28,360	704	37,518	2,263	33,246
Arkansas	136,762	53,905	109,040		2,104	107,490	91,640
California	1,908,593	1,914,481	3,034,969	232,736	1,788,782	2,606,742	2,994,098
Colorado	270,163	94,687	208,635	5,154	175,957	281,494	649,899
Connecticut	451,354	326,426	657,021	4,777	357,434	313,019	1,241,230
Delaware	11,580		17,365		10,076	21,000	47,152
District of Columbia	209,340	324,845	545,100	128,833	237,607	899,100	877,591
Florida	292,754	180,916	692,673	−173	401,290	380,963	265,383
Georgia	247,164	197,116	281,739	62,917	181,960	472,753	212,217
Idaho					1,658		22,375
Illinois	1,198,659	1,002,069	1,393,777	661,335	923,453	955,648	1,760,267
Indiana	187,672	280,006	231,085	156,948	209,530	202,666	352,685
Iowa	292,850	407,779	216,884	90,483	136,761	179,747	237,947
Kansas	130,382	101,758	357,832	124,810	220,533	253,655	744,254
Kentucky	129,503	65,571	115,542	20,251	121,985	191,701	206,341
Louisiana	237,951	460,130	305,333	5,142	631,992	788,505	377,008
Maine		12,144	782,906		5,739	36,145	66,190
Maryland	892,689	1,508,283	1,128,136	33,648	578,215	1,125,258	960,814
Massachusetts	2,593,303	2,258,867	4,094,379	666,206	1,192,655	2,957,752	4,556,048
Michigan	612,592	615,972	965,802	172,313	464,126	768,405	1,639,730
Minnesota	746,711	831,230	761,167	56,530	219,772	1,376,284	812,350
Mississippi	38,339	54,924	60,459		73,218	135,808	87,019
Missouri	206,084	196,868	171,112	41,426	164,997	232,968	333,581
Montana	7,400		22,771		23,030	12,864	48,842
Nebraska	64,430	62,590	157,927	24,325	110,945	163,442	456,009
Nevada			8,164				12,610
New Hampshire	34,708	31,125	36,567		15,908	222,418	19,715
New Jersey	112,663	94,910	304,923	53,433	186,435	118,120	428,438
New Mexico			36,234	24,781	7,590	24,363	90,722
New York	3,881,845	3,965,699	6,993,856	540,199	2,005,398	4,637,255	6,125,994
North Carolina	604,950	433,902	537,164	110,835	273,056	1,072,550	999,643
North Dakota	23,574	1,991	7,934		16,000	21,599	10,038
Ohio	1,073,623	446,348	655,995	140,558	561,329	1,020,831	1,239,646
Oklahoma	200,245	70,571	173,718	14,615	53,918	382,872	168,163
Oregon	363,010	476,868	296,151	119,917	172,506	209,038	278,956
Pennsylvania	1,439,188	994,213	2,362,974	295,522	1,132,021	2,225,261	1,762,404
Rhode Island	39,030	214,033	387,659		12,640		267,163
South Carolina	45,766	74,133	70,199	10,904	16,097	264,616	104,475
South Dakota	12,985		10,000		11,385	15,900	42,636
Tennessee	424,001	277,990	560,543	67,780	158,524	624,867	459,608
Texas	535,336	377,145	1,248,393	116,665	463,640	770,044	695,347
Utah	376,593	361,918	513,605	7,537	114,356	209,369	427,347
Vermont	96,367	53,337	79,195		42,403	117,402	70,270
Virginia	243,465	319,766	302,722	37,109	66,065	234,468	195,960
Washington	1,075,727	900,065	838,114	104,397	434,693	1,169,976	1,011,608
West Virginia	9,861	12,647	18,173	22,140	47,861	32,040	38,352
Wisconsin	276,080	247,296	810,806	56,172	379,442	509,668	307,378
Wyoming		−284			10,734	13,099	9,343
Hawaii	33,011			2,000	55,715	18,100	111,336
Puerto Rico	103,181	87,756	31,621	22,288	76,984	167,936	137,829
Virgin Islands							
Other Territories, etc.[7]	297,183	537,778	591,292	42,698	504,659	653,460	180,171
Undistributed to States, etc.							
Total	22,473,099	20,980,525	33,428,023	4,480,252	15,163,640	29,417,187	34,323,815

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Continued						
	National Institutes of Health—Continued						Office of Education
	Division of Research grants	Hospital and medical care—nurse training	Assistance to States, general	Sanitary engineering activities	Grants for hospital construction	Health research facilities construction	Defense educational activities
	(77)	(78)	(79)	(80)	(81)	(82)	(83)
Alabama	$121,487	$40,645	$11,049				$55,000
Alaska	51,508						
Arizona	16,828					$203,872	35,000
Arkansas	74,194	18,414					
California	2,542,628	394,577	313,987	$165,670	$12,109	2,057,464	140,875
Colorado	309,990	277,239	21,633	4,160		214,713	132,908
Connecticut	549,637	84,069	74,841		79,620	203,799	53,700
Delaware	7,364						25,000
District of Columbia	507,252	364,578	20,974		29,858	288,039	11,210
Florida	369,557	57,155	22,118	30,401		145,005	102,000
Georgia	411,246	102,393	22,875	66,504		308,151	124,019
Idaho							
Illinois	1,134,426	198,966	30,149	17,148	16,692	248,979	181,378
Indiana	287,850	159,706	16,991	9,090	7,500	212,569	51,000
Iowa	480,961	36,057	5,891			145,447	30,000
Kansas	77,144			6,175			62,315
Kentucky	64,427	22,384					40,000
Louisiana	222,943	44,493	115,157	21,908		222,051	141,772
Maine	73,169					15,425	125,140
Maryland	840,570	111,561	97,162	30,084		1,653,565	28,000
Massachusetts	2,016,990	530,951	200,128	58,413	81,106	2,547,145	51,400
Michigan	923,035	193,564	264,007	79,727	148,478	160,000	162,077
Minnesota	621,141	314,909	193,832	33,346	85,354	311,906	69,500
Mississippi	100,346	4,940			16,500		
Missouri	242,232	165,451	16,565		11,213	151,249	115,248
Montana	4,085	123,651				85,081	25,000
Nebraska	95,010				16,191		
Nevada							
New Hampshire	130,049	17,842					
New Jersey	121,056		15,716	7,662		48,507	47,100
New Mexico	32,000			3,738		195,519	11,000
New York	3,691,590	1,190,662	237,901	44,255	208,937	2,220,666	211,567
North Carolina	539,555	175,955	293,744	13,500	29,670	259,928	34,000
North Dakota	25,363						34,000
Ohio	909,969	236,212	50,547	136,683	31,165	1,050,209	71,402
Oklahoma	130,206		23,757				30,000
Oregon	151,601	51,418	13,881	10,000		499,998	68,000
Pennsylvania	1,251,534	357,200	111,318	82,156	104,126	460,465	164,125
Rhode Island	39,855					289,582	
South Carolina	19,984					4,050	35,000
South Dakota	10,553	35,231					43,872
Tennessee	369,903	63,315	80,762			65,000	50,000
Texas	396,890	86,656	15,062	4,447	25,428	86,262	211,370
Utah	328,395	32,915	8,674	34,500		6,250	40,000
Vermont	107,619					91,652	10,000
Virginia	183,815	6,538	2,977	7,624		155,357	81,156
Washington	1,187,090	227,057	21,021	25,520		303,029	154,000
West Virginia	77,339					115,678	22,500
Wisconsin	702,322	132,380	40,976	12,616		113,720	38,200
Wyoming							35,000
Hawaii	40,303	3,654	6,204				
Puerto Rico		71,957	65,249		100,000		40,000
Virgin Islands							
Other Territories, etc.[7]	534,933					21,923	
Undistributed to States, etc.							
Total	23,127,944	5,934,695	2,415,148	905,327	1,003,947	15,162,255	3,194,834

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Department of Health, Education, and Welfare—Con.		Department of Labor		Atomic Energy Commission	National Science Foundation	
	Office of Vocational Rehabilitation						
	Grants, for special projects	Training and traineeships	Unemployment compensation for veterans and Federal employees	Temporary unemployment compensation	Fellowships and assistance to schools [44]	Research grants awarded [45]	Fellowship awards [46]
	(84)	(85)	(86)	(87)	(88)	(89)	(90)
Alabama	$27,215		$3,054,937	$8,162,916	$65,206	$579,410	$31,570
Alaska			1,177,679	1,148,131		613,630	20,654
Arizona	67,666	$5,161	1,031,911	163,343	9,500	1,831,570	35,356
Arkansas	27,563	44,114	1,176,912	3,070,243		179,610	41,584
California	216,032	466,550	11,632,583	52,093,966	281,989	7,228,101	776,361
Colorado	71,418	84,621	1,195,740	112,923	45,459	1,601,165	73,319
Connecticut	101,006	2,850	1,734,8[illegible]5	294,230	33,965	3,024,875	176,237
Delaware	10,000		275,391	1,447,318	11,500	167,900	17,033
District of Columbia	170,508	173,568	2,630,531	1,975,265	64,240	5,936,843	40,506
Florida	56,668	121,651	1,834,405	543,393	66,281	1,113,160	60,382
Georgia		43,411	2,675,312		23,908	1,534,380	74,094
Idaho			730,084	93,266	19,658	78,050	33,573
Illinois	140,281	239,387	6,195,092	589,759	269,073	4,118,066	494,564
Indiana	19,515	22,757	3,347,171	22,607,285	190,205	2,300,766	230,618
Iowa		79,151	646,659		39,104	1,543,017	142,577
Kansas	25,294	5,672	936,042		349,383	1,219,160	96,732
Kentucky	8,560	667	3,499,814	687,513	56,156	443,270	51,452
Louisiana	21,160	39,333	2,420,177		42,137	970,410	24,931
Maine	47,380		1,187,879		8,847	647,170	15,675
Maryland	53,781		3,012,752	12,088,489	178,624	1,290,240	137,606
Massachusetts	58,978	358,919	3,644,357	26,286,213	387,376	7,237,027	433,536
Michigan	19,240	205,660	8,395,153	75,611,820	136,935	2,738,015	303,675
Minnesota	62,017	119,521	3,454,635	9,198,951	174,568	2,180,975	179,021
Mississippi		2,847	1,396,137		21,900	482,485	33,453
Missouri	106,580	108,192	2,680,038		72,434	1,709,875	146,807
Montana			1,046,465			380,455	9,200
Nebraska		26,515	499,445	140,160	12,000	141,075	37,571
Nevada			423,278	952,271		91,600	2,087
New Hampshire	29,375	7,006	378,795		13,775	414,106	29,077
New Jersey	42,415	380	4,879,064	37,867,286	26,508	1,312,291	232,134
New Mexico	9,000		662,272	114,859		625,160	16,612
New York	897,214	1,104,751	15,095,690	81,392,907	284,914	11,625,690	774,586
North Carolina	12,235	68,089	3,443,448		42,236	2,670,176	100,882
North Dakota		7,478	417,697	47,947		306,430	15,718
Ohio	175,683	147,631	8,891,802	1,567,320	222,873	3,091,985	287,667
Oklahoma	6,832	21,197	1,530,523		50,417	1,576,700	71,231
Oregon		36,716	1,833,470	344,302	8,670	1,787,065	62,869
Pennsylvania	203,945	271,790	16,724,310	75,108,808	236,358	4,147,726	411,318
Rhode Island	77,872		1,040,117	4,589,424	8,002	651,522	33,842
South Carolina	700		1,253,411	321,495		335,850	16,548
South Dakota			372,792		17,865	707,570	14,419
Tennessee	19,864	80,672	4,779,128		217,124	1,529,015	93,776
Texas	76,490	125,112	6,287,729	1,343,530	306,624	2,773,892	180,152
Utah		76,322	802,606			1,519,040	74,541
Vermont	11,881	36,436	243,582		14,878	283,770	5,550
Virginia	313,425	110,104	2,036,954		139,479	1,222,930	67,690
Washington	17,876	56,063	4,660,225	1,004,716	217,590	1,150,205	135,616
West Virginia		55,916	3,072,344	10,344,289	140,330	319,570	25,255
Wisconsin	74,436	39,874	3,134,035	398,812	181,595	2,525,378	225,784
Wyoming			394,850			430,000	18,162
Hawaii		676	617,417	112,601		384,070	15,193
Puerto Rico		54,276	3,983,465	3,275,541	17,985		
Virgin Islands			8,418				
Other Territories, etc.[7]		187				271,065	3,062
Undistributed to States, etc			−64				
Total	3,280,105	4,451,223	[47] 158,479,546	435,101,292	4,707,671	[48] 93,043,507	6,631,857

Footnotes at end of table.

TABLE 88.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1959*—Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES—Continued

States, Territories, etc.	Veterans' Administration: Automobiles, etc., for disabled veterans (91)	Veterans' Administration: Readjustment benefits and vocational rehabilitation (92)	Total payments within States (Part B) (93)	Grand total (Parts A and B) (94)
Alabama	$14,400	$16,897,926	$81,213,106	$212,742,491
Alaska	1,600	176,006	6,641,177	43,171,221
Arizona	16,000	4,550,072	18,087,098	88,151,823
Arkansas	9,600	6,290,868	47,891,119	138,618,166
California	65,295	59,162,654	197,836,804	750,520,917
Colorado	9,595	7,385,207	37,192,779	136,609,933
Connecticut	6,400	5,785,747	23,164,633	87,002,189
Delaware	3,200	529,974	7,876,230	22,236,853
District of Columbia	17,579	9,380,463	28,554,835	85,183,224
Florida	36,751	17,919,128	38,606,732	181,484,327
Georgia	20,800	18,553,374	78,976,623	233,322,522
Idaho	1,600	2,284,618	16,337,673	59,980,627
Illinois	17,599	24,760,379	101,473,153	373,819,027
Indiana	8,000	12,190,656	89,811,686	187,011,152
Iowa	7,770	10,740,831	70,260,057	180,368,781
Kansas	9,600	5,928,164	53,400,862	153,709,342
Kentucky	8,000	8,920,491	43,926,385	168,194,229
Louisiana	9,600	14,144,481	58,659,555	256,709,477
Maine	6,400	2,070,301	11,010,763	52,235,882
Maryland	8,000	4,601,566	42,749,841	127,845,330
Massachusetts	36,795	16,315,647	95,335,898	252,387,680
Michigan	30,384	20,533,639	153,288,140	354,744,971
Minnesota	8,000	13,196,302	85,516,673	213,255,334
Mississippi	8,000	7,027,164	64,456,797	173,115,239
Missouri	17,600	15,527,362	91,152,965	296,614,863
Montana		2,252,339	19,337,825	68,387,542
Nebraska	12,800	6,268,414	47,878,711	97,388,400
Nevada		498,790	5,009,055	31,692,803
New Hampshire	6,400	1,654,308	7,155,814	32,023,182
New Jersey	12,795	10,609,359	72,777,675	172,747,078
New Mexico	3,200	3,236,566	22,520,089	101,045,176
New York	66,795	38,128,846	220,495,084	671,656,936
North Carolina	16,000	14,670,775	69,484,083	209,957,992
North Dakota	1,600	3,884,132	34,147,644	77,205,765
Ohio	35,030	19,047,274	88,504,501	406,753,627
Oklahoma	8,000	10,520,978	56,431,889	233,467,014
Oregon	1,600	5,641,150	23,743,803	117,489,944
Pennsylvania	45,591	32,848,775	169,526,926	489,157,810
Rhode Island	6,400	2,987,732	14,150,389	45,083,079
South Carolina	11,200	9,770,105	50,691,265	129,994,156
South Dakota	3,200	3,975,108	34,325,598	69,956,948
Tennessee	14,400	12,306,560	59,294,173	197,140,777
Texas	27,200	28,555,799	167,416,571	521,135,075
Utah	1,600	5,898,792	19,484,898	69,691,315
Vermont		928,812	6,638,675	24,938,839
Virginia	4,800	13,176,389	35,979,513	144,889,765
Washington	17,576	9,869,320	39,382,579	178,278,443
West Virginia	11,200	6,009,569	27,352,984	105,061,453
Wisconsin	11,160	11,736,522	51,373,082	156,216,851
Wyoming		1,001,238	9,243,590	58,432,049
Hawaii	2,641	1,583,653	17,293,886	36,444,348
Puerto Rico	1,600	19,533,132	48,067,626	107,305,618
Virgin Islands			8,418	4,891,364
Other Territories, etc.[7]			3,638,411	10,730,200
Undistributed to States, etc			169,021,978	192,170,685
Total	701,356	581,467,457	3,133,798,321	9,590,369,844

NOTE.—Compiled from figures furnished by the departments and agencies concerned pursuant to Treasury Department Circular No. 1014, Aug. 8, 1958 (see exhibit 70, p. 381, in the 1958 annual report).

[1] Excludes $500,000, "State experiment stations, Agricultural Research Service," shown in column 6.

[2] Excludes $1,273,239, "Cooperative extension work, payments and expenses, Extension Service," shown in column 6.

[3] Includes $48,739,811, value of commodities distributed to participating schools, and payments of $4,288,349 made directly to private and parochial schools. In addition the school-lunch program is a recipient of some of the commodities shown under the appropriation "Removal of surplus agricultural commodities," and under "Commodity Credit Corporation, value of commodities donated."

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Footnotes for Table 88—Continued

4 Consists of $22,204,786, "Payments to States and Territories from the National forests fund"; $117,161, "Payments to school funds, Arizona and New Mexico, act June 10, 1910 (receipt limitation)"; and $48,240, "Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund."

5 Consists of $500,000, "State experiment stations, Agricultural Research Service"; $1,273,239, "Cooperative extension work, payment and expenses, Extension Service"; and $1,160,000, "Payments to States, Territories, and possessions, Agricultural Marketing Service."

6 Consists of $12,034,657, "Forest protection and utilization, Forest Service" and $389,909, "Assistance to States for tree planting, Forest Service."

7 Includes: American Samoa, Canal Zone, Guam, Trust Territory of the Pacific, and certain foreign countries.

8 Represents penalty mail costs for which a breakdown by States is unavailable.

9 Consists of $2,409,480, penalty mail costs, and $5,326,452, retirement costs of extension agents.

10 Consists of $11,930,670 for "Watershed protection, Soil Conservation Service," and $10,981,476 for "Flood prevention, Soil Conservation Service."

11 Estimated cost of perishable food commodities acquired through price support operations.

12 Cash payments to States to increase consumption of milk by children in schools. Net of refunds.

12a Includes—$4,784,072 representing return of advances made in prior years under the Federal Aid highway program (general fund account).

13 Consists of $26,812,742, forest highways; $2,990,441, public lands highways; and $82,434, surveys and plans (national defense).

14 See also under Part B.

15 Credit amounts are refunds of advances in prior years.

16 Consists of $2,550,000, "Colleges for agriculture and the mechanic arts, Office of Education," and $2,501,500, "Further endowment of colleges of agriculture and the mechanic arts, Office of Education."

17 Consists of $31,218,264, "Promotion and further development of vocational education, Office of Education," and $7,134,930, "Promotion of vocational education, act of Feb. 23, 1917, Office of Education."

18 Includes $638,000 for disease and sanitation investigations, paid from "Grants and special studies, Territory of Alaska, Public Health Service."

19 Includes $1,046,279 for treatment of leprosy patients, Hawaii, paid from "Hospitals and medical care, Public Health Service."

20 Includes $575,444, supplies and services furnished in lieu of cash.

21 includes $1,000,000 for mental health program, paid from "Grants and special studies, Territory of Alaska, Public Health Service."

22 Includes $25,000, "Defense community facilities and services, Office of the Secretary."

23 Excludes $256,876, paid to water pollution interstate agencies.

24 Consists of $15,203,234, "Federal aid in wildlife restoration, Bureau of Sport Fisheries and Wildlife," and $4,642,840, "Federal aid in fish restoration and management, Bureau of Sport Fisheries and Wildlife (receipt limitation)."

25 Consists of $506,463, "Payments to counties from receipts under Migratory Bird Conservation Act, Bureau of Sport Fisheries and Wildlife," and $95,279, "Payment to Alaska, Alaska game law, Bureau of Sport Fisheries and Wildlife."

26 Consists of $221,290, "Payments to States from grazing receipts, etc., public lands within grazing districts, Bureau of Land Management"; $174,754, "Payment to States (proceeds of sales), Bureau of Land Management (receipt limitation)"; $15,137, "Payments to Oklahoma (royalties), Bureau of Land Management (receipt limitation)"; $10,975,514, "Payments to counties, Oregon and California grant lands"; $13,541, "Payments to Territory of Alaska, income and proceeds, Alaska school lands"; $135,367, "Payments to Coos and Douglas counties, Oregon, from receipts, Coos Bay wagon road grant lands"; $14,562, "Operation and maintenance, Bureau of Reclamation"; $804, "Payments to States (grazing fees), Bureau of Land Management"; $3,190, "Payments to States from grazing receipts, etc., public lands within grazing districts, miscellaneous, Bureau of Land Management"; $175,981, "Payments to States from grazing receipts, etc., public lands outside grazing districts, Bureau of Land Management"; $300,000 each to Arizona and Nevada, "Colorado River Dam Fund, Boulder Canyon Project"; $90,634, "Payments to Alaska, coal leases, Bureau of Land Management"; and $29,085, "Payment for tax losses on land acquired for Grand Teton National Park, National Park Service" (Wyoming).

27 Consists of $5,451,500, education and welfare services and $514,269, resources management.

28 Consists of $8,936,288.62 for postage, $60,221.08 for other expenditures, and −$1,734,566.00 representing credits to miscellaneous costs of administering the program; breakdown by States unavailable.

29 Consists of $6,073,021, "Grants-in-aid for airports"; and $50,504,604, "Grants-in-aid for airports, liquidation of contract authorizations".

30 Represents payment in lieu of taxes.

31 Paid from "Inpatient care, Veterans Administration."

32 Paid from "General operating expenses, Veterans Administration."

33 Alaska public works, Office of Territories.

34 Construction and rehabilitation, Bureau of Reclamation, Interior Department.

35 Consists of $25,000,000, "Federal payment to District of Columbia," and $1,480,292, "Hospital facilities in the District of Columbia, General Services Administration."

36 Acquisition of land, National Capital Planning Commission.

37 Drainage of anthracite mines, Bureau of Mines, Interior Department.

38 Disposal of Coulee Dam community, Bureau of Reclamation, Interior Department.

39 Internal revenue collections for Puerto Rico (shared revenues).

40 Consists of $3,872,865, "Internal revenue collections for Virgin Islands, Office of Territories" (shared revenues), and $43,443, "Virgin Islands, public works, Office of Territories."

41 Consists of $1,219,400, Grants to American Samoa from "Administration of Territories, Office of Territories" and $4,742,500, "Trust Territory of the Pacific Islands, Office of Territories."

42 On obligation basis.

43 Accounted for by the National Guard Bureau; breakdown by States unavailable.

44 Consists of $3,894,308, assistance to schools, and $813,363, fellowships. The fellowship awards are included in the State in which the fellowship awards are to be used.

45 By State of the recipient institution.

46 Based on State of permanent residence of recipient.

47 Includes $4,097,132, representing fiscal year 1958 unemployment compensation for veterans and Federal employees unexpended balances returned by the States and credited to the fiscal year 1959 appropriation.

48 Consists of $88,459,275 for research grants and $4,584,232 for International Geophysical Year.

Customs Statistics

TABLE 89.—*Summary of customs collections and expenditures, fiscal year 1959*

[On basis of Bureau of Customs accounts]

Collections	Amount	Appropriations and expenditures	Amount
Customs collections:		Appropriation for salaries and expenses, Bureau of Customs	$52,519,000
Duties on imports	$948,412,398	Transferred from Department of Commerce for export control	1,046,000
Miscellaneous collections (fines, penalties, etc.) [1]	6,229,012	Transferred from Department of Agriculture for quarantine purposes	1,086,000
Total	954,641,410	Total	54,651,000
Collections for other departments, bureaus, etc.:		Expenditures, obligations incurred by:	
Internal revenue taxes	349,032,166	Collectors of customs	40,372,006
Other Government agencies	11,590	Appraisers of merchandise	7,412,128
Total for others	349,043,756	Comptrollers of customs	787,179
		Agency Service (investigations)	3,018,479
Total collections	1,303,685,166	Chief chemists	1,052,558
		Executive direction	1,962,586
		Total obligations incurred	54,604,936
		Balance of appropriations	46,064
		Expenditures for refunds, drawbacks, and other minor payments of a similar nature	23,220,638

[1] Includes miscellaneous customs collections of Puerto Rico.

TABLE 90.—*Customs collections and payments by districts, fiscal year 1959*

District	Collections				Payments			
	Duties and miscellaneous customs collections	Internal Revenue Service	Collections for others	Total	Excessive duties and other refunds	Drawback	Expenses (net obligations)	Cost to collect $100
Alaska	$144,242	$949		$145,191	$364		$191,414	$131.83
Arizona	7,061,546	1,577		7,063,123	680,604		425,403	6.02
Buffalo	10,017,939	2,368,892	$76	12,386,907	81,240	$13,541	1,474,625	11.90
Chicago	24,834,807	25,727,826	368	50,563,001	262,931	648,382	1,276,569	2.52
Colorado	647,354	1,083,038		1,730,392	8,147	438	65,236	3.77
Connecticut	3,025,484	2,906,179		5,931,663	15,231	74,738	158,413	2.67
Dakota	7,993,860	896		7,994,756	23,714	658	562,507	7.03
Duluth and Superior	3,975,104	2,297	67	3,977,468	12,448	2,009	301,899	7.59
El Paso	5,074,334	4,910	17	5,079,261	1,865,736	23	585,455	11.52
Florida	21,933,725	11,272,369	608	33,206,702	190,566	34,288	1,770,470	5.33
Galveston	22,358,253	8,283,764	1,280	30,643,297	204,381	647,288	783,895	2.55
Georgia	5,707,365	668,604	187	6,376,156	21,670	5,258	290,591	4.55
Hawaii	3,461,677	906,488	98	4,368,263	58,529	89	683,211	15.64
Indiana	1,049,766	5,350,325		6,400,091	9,265	1,668	108,093	1.68
Kentucky	2,004,426	4,286,759		6,291,185	4,388	140,206	74,057	1.17
Laredo	9,884,565	215,094	487	10,100,146	967,363	16,455	1,898,817	18.79
Los Angeles	52,974,589	19,972,801	121	72,947,511	528,008	145,469	2,178,657	2.98
Maine and New Hampshire	2,317,368	6,329		2,323,697	48,258	1,631	1,034,384	44.51
Maryland	28,487,708	7,356,958	521	35,845,187	259,571	113,271	1,622,443	4.53
Massachusetts	51,022,984	8,639,030	112	59,662,126	447,604	80,692	2,755,564	4.61
Michigan	23,797,295	59,602,827	222	83,400,344	141,971	1,238,433	1,921,953	2.30
Minnesota	2,287,042	2,352,792		4,639,834	25,490	4,016	235,050	5.06
Mobile	2,474,024	349,134	111	2,823,269	9,986	1,518	226,872	8.03
Montana and Idaho	3,907,527	1,048		3,908,575	46,368	8,287	268,363	6.86
New Mexico	120,025	447		120,472	9		36,731	30.48
New Orleans	29,795,058	3,853,437	830	33,649,325	361,460	272,929	1,697,702	5.04
New York	434,764,199	107,367,511	278	542,131,988	6,120,954	4,164,753	17,798,699	3.28
North Carolina	12,749,504	210,887		12,960,391	14,744	201,849	160,492	1.23
Ohio	7,494,504	4,375,229		11,869,733	56,526	436,920	601,763	5.06
Oregon	9,549,085	1,710,823	163	11,260,071	61,930	4,382	382,165	3.39
Philadelphia	55,662,652	6,123,638	265	61,786,555	319,794	455,024	2,057,241	3.32
Pittsburgh	1,674,245	2,396,898		4,071,143	37,781	11,466	139,534	3.42
Rhode Island	2,448,812	826,714		3,275,526	23,884	703	146,107	4.46
Rochester	1,741,773	2,469,729		4,211,502	17,997	31,113	189,170	4.49
Sabine	576,564	17,242	911	594,717	758		118,534	19.93
St. Lawrence	9,151,188	21,414,948		30,566,136	49,566	18,663	1,074,715	3.51
St. Louis	6,918,013	4,262,317		11,180,330	48,982	29,909	257,372	2.30
San Diego	2,527,701	149,127	3,768	2,680,596	36,128		694,919	25.92
San Francisco	34,879,905	14,489,972	401	49,370,278	421,877	176,671	1,809,585	3.66
South Carolina	6,738,940	397,470		7,136,410	41,542	9,414	149,635	2.09
Tennessee	1,548,277	597,817		2,146,094	7,377	9,732	72,322	3.36
Vermont	3,513,927	3,467,867		6,981,794	36,960	2,403	1,117,743	16.00
Virginia	16,456,717	98,812	103	16,555,632	216,391	36,044	642,079	3.87
Washington	16,532,189	11,980,106	376	28,512,671	140,942	6,304	1,571,732	5.51
Wisconsin	3,233,547	1,460,289		4,693,836	25,825	214,452	173,410	3.69
Puerto Rico [1]	109,062		220	109,282	635			
Items not assigned to districts	12,539			12,539	3,654		[2] 2,819,345	
Total	954,641,410	349,032,166	11,590	1,303,685,166	13,959,549	9,261,089	54,604,936	4.18

[1] Collections of $8,680,407 deposited to the trust fund: Refunds, transfers, and expenses of operations, Puerto Rico, Bureau of Customs.
[2] Washington headquarters and foreign offices.

TABLE 91.—*Value of dutiable and taxable imports for consumption and computed duties and taxes collected by tariff schedules, fiscal years 1957 and 1958*

Tariff schedule	Value of dutiable and taxable imports for consumption		Computed duties and import taxes [1]		Percentage increase, or decrease (−)	
	1957	1958	1957	1958	Value	Duty
1. Chemicals, oils, and paints	$240, 376, 449	$219, 086, 617	$33, 331, 705	$30, 329, 702	−8. 9	−9. 0
2. Earths, earthenware, and glassware	189, 129, 950	191, 357, 524	44, 288, 632	44, 054, 280	1. 2	−0. 5
3. Metals and manufactures	1, 745, 689, 785	1, 835, 026, 791	194, 627, 076	200, 694, 929	5. 1	3. 1
4. Wood and manufactures	325, 478, 641	300, 249, 631	23, 285, 990	23, 661, 967	−7. 8	1. 6
5. Sugar, molasses, and manufactures	488, 922, 960	545, 701, 233	39, 024, 913	49, 354, 490	11. 6	26. 5
6. Tobacco and manufactures	93, 481, 622	100, 122, 828	17, 919, 063	18, 133, 846	7. 1	1. 2
7. Agricultural products and provisions	677, 483, 304	923, 938, 378	62, 357, 952	91, 473, 840	36. 4	46. 7
8. Spirits, wines, and other beverages	202, 745, 630	215, 949, 751	43, 755, 964	44, 108, 165	6. 5	0. 8
9. Cotton manufactures	121, 185, 446	121, 857, 332	25, 665, 763	24, 423, 383	0. 6	−4. 9
10. Flax, hemp, jute, and manufactures	137, 685, 424	121, 361, 091	9, 533, 785	9, 513, 200	−11. 9	−0. 2
11. Wool and manufactures	305, 032, 510	268, 029, 197	71, 462, 248	67, 018, 085	−12. 1	−6. 2
12. Silk manufactures	50, 595, 564	53, 943, 188	13, 001, 176	13, 638, 309	6. 6	4. 9
13. Manufactures of rayon and other synthetic textiles	41, 583, 547	40, 943, 295	9, 387, 952	9, 563, 314	−1. 5	1. 9
14. Pulp, paper, and books	72, 295, 662	74, 408, 844	7, 013, 689	6, 997, 748	2. 9	−0. 2
15. Sundries	448, 842, 369	447, 188, 927	85, 197, 949	84, 920, 480	−0. 4	−0. 3
Free-list commodities taxable under Revenue Act of 1932 and subsequent acts	1, 303, 137, 372	1, 440, 311, 489	41, 810, 880	47, 336, 953	10. 5	13. 2
Dutiable under Sec. 406, Tariff Act of 1930, etc	13, 464, 894	15, 518, 298	2, 253, 421	2, 835, 664	15. 3	25. 8
Total	6, 457, 131, 129	6, 914, 994, 414	723, 918, 158	768, 058, 355	7. 1	6. 1

[1] Duties are computed on the basis of consumption entries and warehouse withdrawals. Consumption entries usually involve merchandise valued at more than $250.

TABLE 92.—*Value of dutiable and taxable imports for consumption and computed duties and taxes collected by tariff schedules, fiscal years 1958 and 1959*

Tariff schedule	Value of dutiable and taxable imports for consumption		Computed duties and import taxes [1]		Percentage increase, or decrease (−)	
	1958	1959	1958	1959	Value	Duty
1. Chemicals, oils, and paints	$219, 086, 617	$250, 333, 599	$30, 329, 702	$35, 896, 154	14. 3	18. 4
2. Earths, earthenware, and glassware	191, 357, 524	242, 737, 192	44, 054, 280	54, 904, 651	26. 9	24. 6
3. Metals and manufactures	1, 835, 026, 791	2, 359, 088, 546	200, 694, 929	252, 538, 687	28. 6	25. 8
4. Wood and manufactures	300, 249, 631	410, 718, 047	23, 661, 967	29, 497, 967	36. 8	24. 7
5. Sugar, molasses, and manufactures	545, 701, 233	561, 679, 157	49, 354, 490	41, 450, 185	2. 9	−16. 0
6. Tobacco and manufactures	100, 122, 828	114, 610, 294	18, 133, 846	29, 810, 175	14. 5	64. 4
7. Agricultural products and provisions	923, 938, 378	1, 080, 712, 240	91, 473, 840	98, 548, 780	17. 0	7. 7
8. Spirits, wines, and other beverages	215, 949, 751	242, 334, 297	44, 108, 165	47, 410, 452	12. 2	7. 5
9. Cotton manufactures	121, 857, 332	157, 427, 692	24, 423, 383	31, 187, 408	29. 2	27. 7
10. Flax, hemp, jute, and manufactures	121, 361, 091	132, 810, 713	9, 513, 200	8, 223, 809	9. 4	−13. 6
11. Wool and manufactures	268, 029, 197	286, 785, 719	67, 018, 085	91, 242, 629	7. 0	36. 1
12. Silk manufactures	53, 943, 188	61, 395, 237	13, 638, 309	14, 932, 013	13. 8	9. 5
13. Manufactures of rayon and other synthetic textiles	40, 943, 295	66, 954, 581	9, 563, 314	17, 967, 161	63. 5	87. 9
14. Pulp, paper, and books	74, 408, 844	87, 796, 539	6, 997, 748	8, 001, 509	18. 0	14. 3
15. Sundries	447, 188, 927	602, 682, 993	84, 920, 480	109, 544, 659	34. 8	29. 0
Free-list commodities taxable under Revenue Act of 1932 and subsequent acts	1, 440, 311, 489	1, 621, 061, 841	47, 336, 953	68, 306, 785	12. 5	44. 3
Dutiable under Sec. 406, Tariff Act of 1930, etc	15, 518, 298	4, 643, 462	2, 835, 664	4, 359, 643	−70. 1	53. 7
Total	6, 914, 994, 414	8, 283, 772, 149	768, 058, 355	943, 822, 667	19. 8	22. 9

[1] Duties are computed on the basis of consumption entries and warehouse withdrawals. Consumption entries usually involve merchandise valued at more than $250.

TABLE 93.—*Value of dutiable imports and amounts of duties collected at specific, ad valorem, and compound rates, fiscal years 1943–1959*

[Dollars in millions]

Fiscal year	Total		Specific		Ad valorem		Compound		Average ad valorem equivalent				Percent of total value			Percent of total duty		
	Value	Duty	Value	Duty	Value	Duty	Value	Duty	Total	Specific	Ad valorem	Compound	Specific	Ad valorem	Compound	Specific	Ad valorem	Compound
1943	$1,032	$330	$827	$288	$174	$28	$31	$14	$32	$35	$16	$45	80	17	3	87	9	4
1944	1,249	421	1,015	372	201	36	33	13	34	37	18	39	81	16	3	88	9	3
1945	1,199	343	910	283	251	45	38	15	29	31	18	38	76	21	3	83	13	4
1946	1,592	429	1,103	323	430	83	59	23	27	29	19	39	69	27	4	75	19	6
1947	2,096	476	1,508	333	513	115	75	28	23	22	22	39	72	24	4	70	24	6
1948	2,489	402	1,878	271	530	105	81	26	16	14	20	32	76	21	3	68	26	6
1949	2,839	374	2,138	233	589	109	112	32	13	11	19	28	75	21	4	63	29	8
1950	3,064	415	2,338	264	616	117	110	34	14	11	19	31	76	20	4	64	28	8
1951	4,919	615	3,511	346	1,202	207	206	62	13	10	17	30	71	25	4	56	34	10
1952	4,368	541	3,002	294	1,171	191	195	56	12	10	16	28	69	26	5	55	35	10
1953	4,838	605	3,281	320	1,306	214	251	70	13	10	16	28	68	27	5	53	35	12
1954	4,669	546	3,258	286	1,192	197	219	62	12	9	16	28	70	25	5	52	36	11
1955	4,722	568	3,204	281	1,295	221	222	66	12	9	17	30	68	27	5	49	39	12
1956	5,753	676	3,804	315	1,668	280	281	81	12	8	17	29	66	29	5	47	41	12
1957	6,457	724	4,135	310	2,003	322	319	91	11	8	16	29	64	31	5	43	45	13
1958	6,915	768	4,424	342	2,175	332	316	94	11	8	15	30	64	32	5	45	43	12
1959	8,284	944	4,964	390	2,963	426	357	128	11	8	14	36	60	36	4	41	45	14

TABLE 94.—*Computed customs duties, value of dutiable imports, and ratio of computed duties to value of dutiable imports, by tariff schedules, calendar years 1947–58 and January–June 1959* [1]

[Dollars in thousands]

Calendar year or month	Com-puted duties	Value of dutiable imports	Ratio of duties to imports	Com-puted duties	Value of dutiable imports	Ratio of duties to imports	Com-puted duties	Value of dutiable imports	Ratio of duties to imports	Com-puted duties	Value of dutiable imports	Ratio of duties to imports
	Schedule 1.—Chemicals, oils, and paints			Schedule 2.—Earths, earthenware, and glassware			Schedule 3.—Metals and manufactures			Schedule 4.—Wood and manufactures		
			Percent			*Percent*			*Percent*			*Percent*
1947	$16,578	$119,282	13.90	$13,643	$44,308	30.79	$51,079	$246,376	20.73	$3,073	$42,112	7.30
1948	14,252	114,896	12.40	15,321	60,710	25.24	53,421	348,465	15.33	4,624	127,501	3.63
1949	10,635	77,975	13.64	16,220	59,496	27.26	48,513	337,977	14.35	4,564	97,541	4.68
1950	23,133	149,773	15.45	21,935	82,737	26.51	85,475	658,793	12.97	8,514	237,168	3.59
1951	25,749	200,441	12.85	31,663	120,317	26.32	108,145	927,602	11.66	9,866	211,560	4.66
1952	20,709	163,944	12.63	29,569	119,734	24.70	109,905	896,048	12.27	10,134	214,917	4.72
1953	26,558	192,725	13.78	32,073	138,249	23.20	140,408	1,204,829	11.65	13,520	237,326	5.70
1954	24,690	173,563	14.23	31,320	136,703	22.91	117,071	1,089,219	10.75	15,813	221,614	7.14
1955	30,173	209,693	14.39	39,131	167,047	23.43	138,974	1,148,483	12.10	21,017	345,770	6.08
1956	32,212	230,494	13.97	45,106	197,196	22.87	179,834	1,552,508	11.58	22,198	345,130	6.43
1957	32,624	238,395	13.68	44,803	195,500	22.92	201,031	1,832,307	10.97	23,966	307,767	7.79
1958	31,774	219,895	14.45	46,033	195,422	23.56	215,099	1,956,318	11.00	25,111	333,218	7.54
1959, January–June	19,106	136,094	14.04	28,796	132,428	21.74	133,448	1,304,469	10.23	16,045	217,967	7.36
	Schedule 5.—Sugar, molasses, and manufactures			Schedule 6.—Tobacco and manufactures			Schedule 7.—Agricultural products and provisions			Schedule 8.—Spirits, wines, and other beverages		
			Percent			*Percent*			*Percent*			*Percent*
1947	$67,280	$436,404	15.42	$25,757	$92,367	27.89	$36,347	$311,800	11.66	$31,718	$67,305	47.13
1948	34,565	336,010	10.29	23,784	79,943	29.75	56,729	529,066	10.72	23,834	86,434	27.57
1949	37,206	345,663	10.76	23,522	75,278	31.25	51,914	489,055	10.62	24,145	89,594	26.95
1950	37,635	359,948	10.46	19,534	78,654	24.84	66,673	623,196	10.70	29,284	116,485	25.14
1951	34,957	368,691	9.48	20,484	87,831	23.32	71,369	785,114	9.09	31,456	125,405	25.08
1952	36,044	384,937	9.36	16,758	82,517	20.31	75,081	772,956	9.71	30,025	127,552	23.54
1953	35,845	372,383	9.63	17,000	84,481	20.12	71,218	775,318	9.19	35,899	152,422	23.55
1954	34,748	354,741	9.80	17,161	84,845	20.23	63,608	692,687	9.18	36,493	155,995	23.39
1955	36,360	358,186	10.15	17,819	87,052	20.47	72,837	668,258	10.90	39,646	171,462	23.12
1956	39,967	492,944	8.10	18,337	91,624	20.01	62,031	669,990	9.25	44,003	197,804	22.24
1957	40,802	511,818	7.97	18,021	98,702	18.25	74,632	793,926	9.40	44,273	213,172	20.77
1958	50,902	579,509	8.78	23,780	107,324	22.16	99,433	1,030,118	9.65	45,174	227,388	19.87
1959, January–June	20,588	298,703	6.89	15,022	56,081	26.78	48,221	519,324	9.29	20,518	104,250	19.68

	Schedule 9.—Cotton manufactures			Schedule 10.—Flax, hemp, jute, and manufactures			Schedule 11.—Wool and manufactures			Schedule 12.—Silk manufactures		
			Percent			*Percent*			*Percent*			*Percent*
1947	$4,921	$15,986	30.78	$13,878	$149,880	9.26	$95,072	$199,090	47.75	$5,272	$10,930	48.23
1948	6,224	26,079	23.87	10,000	173,155	5.77	81,410	291,730	27.91	6,258	20,398	30.68
1949	5,376	22,510	23.88	7,035	141,656	4.97	58,040	239,329	24.25	5,670	21,483	26.40
1950	9,742	40,999	23.76	9,279	144,843	6.41	94,294	394,178	23.91	8,953	29,272	30.59
1951	10,875	47,661	22.82	11,098	184,027	6.03	103,170	721,552	14.30	9,672	31,687	30.52
1952	8,981	40,445	22.21	8,364	162,200	5.16	103,623	461,864	22.44	9,077	29,324	30.95
1953	12,329	57,206	21.55	8,565	124,147	6.90	75,769	339,238	22.34	8,972	29,678	30.23
1954	12,783	60,426	21.15	8,215	115,263	7.13	56,636	266,219	21.27	7,885	26,203	30.09
1955	21,542	99,105	21.74	8,919	127,565	6.99	69,930	311,441	22.45	10,127	35,972	28.15
1956	28,355	133,380	21.25	9,698	135,320	7.16	74,694	311,808	23.95	12,103	47,038	25.73
1957	23,949	116,488	20.56	8,767	131,322	6.68	67,234	287,918	23.35	13,716	53,707	25.53
1958	26,860	135,198	19.87	9,642	120,316	8.01	71,500	254,941	28.05	13,811	55,209	25.01
1959, January-June	17,162	86,409	19.86	3,865	71,622	5.40	56,107	171,345	32.75	6,807	28,906	23.55

	Schedule 13.—Manufactures of rayon or other synthetic textiles			Schedule 14.—Pulp, paper, and books			Schedule 15.—Sundries			Free-list commodities taxable under the Revenue Act of 1932 and subsequent acts [2] dutiable under Section 466, Tariff Act of 1930, etc.		
			Percent			*Percent*			*Percent*			*Percent*
1947	$4,623	$15,686	29.47	$3,186	$23,304	13.67	$39,468	$207,728	19.00	$15,784	$231,207	6.83
1948	6,744	28,136	23.97	3,442	29,803	11.54	45,419	267,551	16.98	18,750	389,100	4.82
1949	1,706	7,233	23.59	2,199	21,443	10.26	43,374	225,844	19.21	24,499	457,636	5.35
1950	7,877	35,209	22.37	2,691	27,144	9.91	61,370	338,043	18.15	35,947	650,803	5.52
1951	9,296	49,146	18.92	3,673	39,231	9.36	58,832	336,008	17.51	50,956	615,319	8.28
1952	6,112	34,563	17.68	3,677	38,649	9.51	57,135	294,740	19.38	44,868	661,974	6.78
1953	6,270	31,833	19.70	4,712	48,841	9.65	63,863	316,276	20.19	31,350	751,322	4.17
1954	5,983	27,054	22.12	4,701	48,633	9.67	61,308	306,074	20.03	30,694	806,949	3.80
1955	11,693	60,210	19.42	5,952	60,879	9.78	72,407	370,818	19.53	36,784	997,322	3.69
1956	9,063	40,925	22.14	7,154	73,068	9.79	82,189	434,562	18.91	42,744	1,221,668	3.49
1957	9,724	42,331	22.97	7,119	74,628	9.54	86,818	456,189	19.03	48,483	1,446,196	3.35
1958	11,269	46,480	24.24	7,200	77,699	9.27	91,074	491,442	18.53	56,399	1,492,642	3.78
1959, January-June	11,415	40,937	27.88	4,229	46,095	9.17	55,695	314,570	17.71	40,377	839,676	4.81

[1] Amount of customs duties is calculated on basis of reports of Bureau of the Census, showing quantity and value of merchandise imported. Total estimated duties and total value of dutiable imports will be found in table 97. For figures back to 1890 see annual reports for 1930, p. 525; 1932, p. 383; and corresponding tables in subsequent reports.

[2] Taxes collected on dutiable commodities under revenue acts and Sugar Act of 1937 are included in appropriate schedules.

TABLE 95.—*Computed customs duties, value of imports entered for consumption, and ratio of duties to value of dutiable imports and to value of all imports, calendar years 1947–58 and January–June 1959* [1]

[Dollars in thousands]

Calendar year	Computed duties (including taxes on imports)	Value of imports entered for consumption		Ratio of dutiable to total	Ratio of duties to value of—	
		Total	Dutiable		Dutiable imports	Total imports
				Percent	*Percent*	*Percent*
1947	$427,679	$5,666,321	$2,213,764	39.07	19.32	7.55
1948	404,778	7,092,032	2,908,976	41.02	13.91	5.71
1949	364,618	6,591,640	2,709,716	41.11	13.46	5.53
1950	522,337	8,743,082	3,967,246	45.38	13.17	5.97
1951	591,261	10,817,341	4,851,594	44.85	12.19	5.47
1952	570,062	10,747,497	4,486,364	41.74	12.71	5.30
1953	584,350	10,778,905	4,856,275	45.01	12.03	5.42
1954	529,109	10,239,517	4,492,554	43.87	11.78	5.17
1955	633,312	11,333,995	5,219,262	46.05	12.13	5.59
1956	709,690	12,490,240	6,175,460	49.44	11.49	5.68
1957	745,962	12,920,985	6,800,366	52.63	10.96	5.77
1958	825,061	12,792,029	7,323,119	57.24	11.26	6.44
1959, January–June	497,401	6,805,760	4,368,876	64.19	11.38	7.30

[1] Amount of customs duties is calculated on basis of reports of Bureau of the Census showing quantity and value of merchandise imported. Figures back to 1867 may be found in the annual reports for 1930, p. 523; 1932, p. 382; and corresponding tables in subsequent reports.

TABLE 96.—*Value of dutiable imports for consumption and computed duties collected by countries, fiscal years 1957 and 1958*

Country	Value		Duty		Percentage increase, or decrease (−)	
	1957	1958	1957	1958	Value	Duty
North America:						
Canada (and Newfoundland)	$1,168,979,332	$1,142,090,333	$68,052,295	$73,006,569	−2.3	7.3
Cuba	385,409,062	439,023,864	42,080,463	49,007,669	13.9	16.5
Central American countries	16,357,684	19,894,329	779,528	1,141,852	21.6	46.5
Dominican Republic	14,765,068	20,861,477	1,020,836	1,676,579	41.3	64.2
Haiti	2,806,572	2,967,048	231,801	354,103	5.7	52.8
Jamaica	1,678,522	2,322,553	278,333	331,665	38.4	19.2
Mexico	185,451,651	256,897,565	20,584,341	30,142,945	38.5	46.4
Netherlands Antilles	145,521,072	143,297,824	3,135,476	4,019,085	−1.5	28.2
Trinidad and Tobago	6,482,407	19,662,830	337,598	793,435	203.3	135.0
Other	4,460,989	3,196,998	222,325	184,327	−28.3	−17.1
Total North America	1,931,912,359	2,050,214,821	136,722,996	160,658,229	6.1	17.5
South America:						
Argentina	64,819,150	54,815,766	10,132,722	8,791,633	−15.4	−13.2
Bolivia	8,089,088	8,010,803	718,629	829,335	−1.0	15.4
Brazil	41,196,670	59,970,450	3,121,206	3,611,312	45.6	15.7
Chile	9,196,895	9,067,196	1,057,137	969,973	−1.4	−8.3
Colombia	27,350,559	30,064,682	989,518	1,085,751	9.9	9.7
Ecuador	3,461,597	3,366,045	292,695	258,734	−2.8	−11.6
Paraguay	3,956,480	2,176,088	426,361	368,893	−45.0	−13.5
Peru	66,619,431	79,962,716	5,248,505	6,804,449	20.0	29.7
Surinam	568,293	472,872	106,387	93,907	−16.8	−11.7
Uruguay	14,813,119	8,143,178	3,274,980	1,782,904	−45.0	−45.6
Venezuela	674,261,566	691,242,414	21,559,580	20,904,604	2.5	−3.0
Other	752,786	624,420	59,974	69,929	−17.1	16.6
Total South America	915,085,634	947,916,630	46,987,694	45,571,424	3.6	−3.0
Europe:						
Austria	36,402,988	31,039,961	6,143,117	5,304,304	−14.7	−13.7
Belgium	238,207,478	192,019,202	24,653,202	22,273,507	−19.4	−9.7
Czechoslovakia	6,254,913	5,689,001	1,631,083	1,788,170	−9.1	9.6
Denmark	44,753,568	57,957,014	4,350,490	5,184,336	29.5	19.2
Finland	13,787,620	12,179,130	1,668,509	1,440,447	−11.7	−13.7
France	189,930,818	201,318,825	30,308,148	29,961,305	6.0	−1.2

TABLE 96.—*Value of dutiable imports for consumption and computed duties collected by countries, fiscal years 1957 and 1958*—Continued

Country	Value		Duty		Percentage increase, or decrease (−)	
	1957	1958	1957	1958	Value	Duty
Europe:						
West Germany	$472, 720, 186	$517, 779, 097	$71, 408, 581	$75, 903, 199	9. 5	6. 3
Greece	22, 905, 086	29, 139, 657	3, 849, 945	4, 754, 115	27. 2	23. 5
Hungary	590, 736	779, 090	166, 887	203, 194	31. 9	21. 8
Iceland	6, 038, 272	6. 705, 662	709, 227	691, 797	11. 1	−2. 5
Ireland	4, 341, 702	9, 404, 652	750, 802	1, 134, 291	116. 6	51. 1
Italy	202, 182, 715	217, 855, 831	38, 106, 778	39, 194, 823	7. 8	2. 9
Netherlands	104, 698, 205	121, 863, 751	10, 143, 388	11, 523, 696	16. 4	13. 6
Norway	34, 513, 462	26, 061, 222	2, 242, 129	2, 177, 049	−24. 5	−2. 9
Poland	23, 738, 365	23, 870, 463	1, 862, 013	1, 654, 555	0. 6	−11. 2
Portugal	12, 792, 581	11, 864, 594	3, 176, 232	3, 058, 566	7. 3	−3. 7
Spain	47, 633, 276	43, 626, 826	7, 300, 483	7, 681, 525	−8. 4	5. 2
Sweden	65, 024, 261	71, 954, 703	7, 861, 809	8, 521, 559	10. 7	8. 4
Switzerland	145, 995, 745	129, 873, 826	44, 370, 121	39, 598, 820	−11. 1	−10. 8
Turkey	49, 653, 076	48, 480, 921	9, 539, 870	8, 705, 125	−2. 4	−8. 8
United Kingdom	552, 518, 334	602, 885, 544	92, 574, 760	93, 106, 804	9. 1	0. 6
U.S.S.R	1, 171, 997	645, 242	190, 737	131, 160	−45. 0	−31. 2
Yugoslavia	27, 874, 421	25, 089, 928	3, 114, 052	2, 822, 984	−10. 0	−9. 4
Other	4, 993, 705	5, 308, 613	1, 560, 277	1, 553, 919	6. 3	−0. 4
Total Europe	2, 308. 723, 510	2, 393, 392, 755	367, 682, 640	368, 369, 250	3. 7	0. 2
Asia:						
Arabian Peninsula States	121, 948, 879	232, 526, 790	6, 174, 002	10, 625, 352	90. 7	72. 1
Burma	451, 009	243, 355	110, 716	60, 740	−46. 1	−45. 1
Ceylon	811, 547	920, 565	63, 626	74, 680	13. 4	17. 4
Federation of Malaya	1, 647, 457	900, 051	228, 195	96, 772	−45. 4	−57. 6
Hong Kong	19, 717, 893	35, 224, 490	5, 232, 147	8, 612, 519	78. 6	64. 6
India	146, 981, 912	141, 544, 177	9, 148, 688	8, 273, 981	−3. 7	−9. 6
Indonesia	43, 095, 664	74, 064, 187	1, 783, 764	2, 998, 560	71. 9	68. 1
Iran	23, 824, 611	31, 270, 521	1, 922, 391	2, 700, 291	31. 3	40. 5
Iraq	15, 926, 472	29, 494, 226	1, 413, 049	2, 880, 556	85. 2	103. 9
Israel and Palestine	17, 162, 124	16, 383, 841	1, 709, 565	1, 746, 189	−4. 5	2. 1
Japan	486, 266, 376	540, 170, 021	110, 637, 398	120, 078, 783	11. 1	8. 5
Korea, Republic of	5, 876, 061	1, 065, 971	1, 479, 023	277, 699	−81. 9	−81. 2
Lebanon	744, 347	1, 218, 300	92, 362	123, 900	63. 7	34. 1
Outer Mongolia	6, 881, 679	2, 790, 907	370, 219	258, 988	−59. 5	−30. 1
Pakistan	5, 205, 587	5, 699, 848	288, 438	323, 472	9. 5	12. 1
Philippines, Republic of the	163, 189, 786	146, 105, 678	1, 380, 503	2, 870, 816	−10. 5	108. 0
Syria	1, 007, 793	2, 066, 964	253, 820	360, 062	105. 1	41. 9
Taiwan	3, 838, 327	4, 938, 051	675, 593	874, 319	28. 7	29. 4
Thailand	1, 806, 089	1, 222, 331	243, 077	153, 386	−32. 3	−36. 9
Other	4, 753, 330	2, 086, 206	434, 193	264, 307	−56. 1	−39. 1
Total Asia	1, 071, 136, 943	1, 269, 936, 480	143, 640, 769	163, 655, 372	−18. 6	13. 9
Oceania:						
Australia	85, 815, 762	82, 639, 287	12, 880, 159	12, 302, 488	−3. 7	−4. 5
New Zealand	25, 224, 351	48, 936, 088	4, 926, 459	6, 574, 696	94. 0	33. 5
Other	1, 153, 719	2, 139, 493	127, 985	121, 214	85. 4	−5. 3
Total Oceania	112, 193, 832	133, 714, 868	17, 934, 603	18, 998, 398	19. 2	5. 9
Africa:						
Algeria	542, 744	218, 419	65, 999	31, 580	−59. 8	−52. 2
Anglo-Egyptian Sudan	2, 659, 614	3, 167, 459	94, 391	103, 307	19. 1	9. 4
Angola	2, 433, 389	1, 583, 980	162, 230	119, 994	−34. 9	−26. 0
Belgian Congo	13, 316, 677	18, 538, 969	834, 673	1, 052, 887	39. 2	26. 1
British East Africa	1, 789, 140	1, 268, 623	104, 691	75, 662	−29. 1	−27. 7
Egypt	11, 048, 859	11, 292, 731	970, 202	793, 364	2. 2	−18. 2
French Equatorial Africa	1, 301, 255	1, 246, 574	197, 732	203, 136	−4. 2	2. 7
Ghana	12, 367, 877	11, 848, 843	647, 680	568, 855	−4. 2	−12. 2
Madeira Islands	3, 383, 547	2, 752, 647	1, 624, 670	1, 279, 386	−18. 7	−21. 3
Madagascar	6, 691, 940	7, 883, 074	192, 805	191, 294	17. 8	−0. 8
Morocco	7, 307, 048	4, 071, 279	550, 459	349, 638	−44. 3	−36. 5
Rhodesia and Nyasaland	798, 928	1, 869, 725	57, 418	230, 617	134. 0	301. 6
Tunisia	3, 195, 868	1, 854, 957	332, 218	216, 940	−42. 0	−34. 7
Union of South Africa	48, 653, 080	49, 063, 876	4, 934, 368	5, 383, 216	0. 8	9. 1
Other	2, 588, 885	3, 157, 704	179, 920	205, 806	22. 0	14. 4
Total Africa	118, 078, 851	119, 818, 860	10, 949, 456	10, 805, 682	1. 5	−1. 3
Grand total	6, 457, 131, 129	6, 914, 994, 414	723, 918, 158	768, 058, 355	7. 1	6. 1

TABLE 97.—*Value of dutiable imports for consumption and computed duties collected by countries, fiscal years 1958 and 1959*

Country	Value		Duty		Percentage increase, or decrease (−)	
	1958	1959	1958	1959	Value	Duty
North America:						
Canada (and Newfoundland)	$1,142,090,333	$1,180,767,696	$73,006,569	$77,198,665	3.4	5.7
Cuba	439,023,864	437,208,056	49,007,669	42,471,789	−0.4	−13.3
Central American countries	19,894,329	22,516,487	1,141,852	1,311,721	13.2	14.9
Dominican Republic	20,861,477	27,750,578	1,676,579	2,095,504	33.0	25.0
Haiti	2,967,048	2,042,953	354,103	246,805	−31.2	−30.3
Jamaica	2,322,553	2,648,217	331,665	527,148	14.0	58.9
Mexico	256,897,565	262,083,018	30,142,945	28,617,295	2.0	−5.1
Netherlands Antilles	143,297,824	208,488,343	4,019,085	7,198,967	45.5	79.1
Trinidad and Tobago	19,662,830	45,757,078	793,435	1,815,839	132.7	128.9
Other	3,196,998	3,242,644	184,327	268,134	1.4	45.4
Total North America	2,050,214,821	2,192,505,070	160,658,229	161,751,867	6.9	1.0
South America:						
Argentina	54,815,766	73,782,798	8,791,633	11,622,188	34.6	32.2
Bolivia	8,010,803	5,350,379	829,335	743,057	−33.2	−10.4
Brazil	59,970,450	63,746,934	3,611,312	5,205,178	6.3	44.1
Chile	9,067,196	15,255,625	969,973	1,559,419	68.2	60.8
Colombia	30,064,682	38,056,831	1,085,751	1,322,730	26.6	21.8
Ecuador	3,366,045	2,635,474	258,734	228,937	−21.7	−11.5
Paraguay	2,176,088	4,958,678	368,893	825,095	127.9	123.7
Peru	79,962,716	55,977,761	6,804,449	5,887,604	−30.0	−13.5
Surinam	472,872	978,483	93,907	191,371	106.9	103.8
Uruguay	8,143,178	16,687,168	1,782,904	4,655,031	104.9	161.1
Venezuela	691,242,414	745,505,300	20,904,604	24,548,819	7.8	17.4
Other	624,420	567,725	69,929	61,588	−9.1	−11.9
Total South America	947,916,630	1,023,503,156	45,571,424	56,851,017	8.0	24.8
Europe:						
Austria	31,039,961	49,318,754	5,304,304	7,679,406	58.9	44.8
Belgium	192,019,202	290,869,843	22,273,507	29,736,089	51.5	33.5
Czechoslovakia	5,689,001	8,149,521	1,788,170	2,552,815	43.3	42.8
Denmark	57,957,014	73,482,567	5,184,336	6,422,727	26.8	23.9
Finland	12,179,130	16,458,711	1,440,447	1,915,905	35.1	33.0
France	201,318,825	324,688,703	29,961,305	41,746,990	61.3	39.3
West Germany	517,779,097	695,156,708	75,903,199	94,378,508	34.3	24.3
Greece	29,139,657	33,399,477	4,754,115	5,381,401	14.6	13.2
Hungary	779,090	1,553,396	203,194	386,069	99.4	90.0
Iceland	6,705,662	9,913,999	691,797	903,281	47.8	30.6
Ireland	9,404,652	18,734,771	1,134,291	2,742,316	99.2	141.8
Italy	217,855,831	299,203,579	39,194,823	55,206,239	37.3	40.9
Netherlands	121,863,751	154,099,782	11,523,696	16,609,326	26.4	44.1
Norway	26,061,222	36,767,982	2,177,049	2,884,086	41.1	32.5
Poland	23,870,463	24,963,678	1,654,555	2,032,598	4.6	22.8
Portugal	11,864,594	14,325,222	3,058,566	3,846,108	20.7	25.8
Spain	43,626,826	55,404,046	7,681,525	9,673,454	27.0	25.9
Sweden	71,954,703	103,780,652	8,521,559	12,051,191	44.2	41.4
Switzerland	129,873,826	143,915,283	39,598,820	44,090,526	10.8	11.3
Turkey	48,480,921	55,688,701	8,705,125	10,289,841	14.9	18.2
United Kingdom	602,885,544	786,996,112	93,106,804	117,716,325	30.5	26.4
U.S.S.R.	645,242	614,113	131,160	125,385	−4.8	−4.4
Yugoslavia	25,089,928	29,784,354	2,822,984	3,582,045	18.7	26.9
Other	5,308,613	5,843,739	1,553,919	1,803,135	10.1	16.0
Total Europe	2,393,392,755	3,233,113,693	368,369,250	473,755,766	35.1	28.6

TABLE 97.—*Value of dutiable imports for consumption and computed duties collected by countries, fiscal years 1958 and 1959*—Continued

Country	Value		Duty		Percentage increase, or decrease (−)	
	1958	1959	1958	1959	Value	Duty
Asia:						
Arabian Peninsula States	$232,526,790	$232,532,092	$10,625,352	$11,192,105	--------	5.3
Burma	243,355	289,396	60,740	83,044	18.9	36.7
Ceylon	920,565	1,339,826	74,680	118,352	45.6	58.5
Federation of Malaya	900,051	560,024	96,772	82,361	−37.8	−14.9
Hong Kong	35,224,490	65,329,163	8,612,519	14,925,730	85.5	73.3
India	141,544,177	131,841,238	8,273,981	6,512,228	−6.9	−21.3
Indonesia	74,064,187	71,591,079	2,998,560	3,017,837	−3.3	0.6
Iran	31,270,521	31,600,942	2,700,291	2,656,512	1.1	−1.6
Iraq	29,494,226	25,711,417	2,880,556	1,558,909	−12.8	−45.9
Israel and Palestine	16,383,841	20,886,384	1,746,189	2,223,671	27.5	27.3
Japan	540,170,021	744,517,664	120,078,783	165,270,475	37.8	37.6
Korea, Republic of	1,065,971	2,224,801	277,699	586,068	108.7	111.0
Lebanon	1,218,300	790,069	123,900	97,575	−35.1	−21.3
Outer Mongolia	2,790,907	3,721,203	258,988	462,969	33.3	78.8
Pakistan	5,699,848	6,323,101	323,472	307,037	10.9	−5.1
Philippines, Republic of the	146,105,678	169,235,911	2,870,816	1,414,830	15.8	−50.7
Syria	2,066,964	939,314	360,062	159,564	−54.5	−56.0
Taiwan	4,938,051	7,860,471	874,319	1,247,938	59.2	42.7
Thailand	1,222,331	1,443,522	153,386	198,048	18.1	29.1
Other	2,086,206	5,550,283	264,307	685,621	166.0	159.4
Total Asia	1,269,936,480	1,524,287,900	163,655,372	212,800,874	20.0	30.0
Oceania:						
Australia	82,639,287	100,375,705	12,302,488	15,125,376	21.5	22.9
New Zealand	48,936,088	78,559,847	6,574,696	9,226,456	60.5	40.3
Other	2,139,493	1,071,924	121,214	50,465	−49.9	−58.4
Total Oceania	133,714,868	180,007,476	18,998,398	24,402,297	34.6	28.4
Africa:						
Algeria	218,419	577,027	31,580	83,325	164.2	163.9
Anglo-Egyptian Sudan	3,167,459	3,827,407	103,307	133,847	20.8	29.6
Angola	1,583,980	2,460,593	119,994	196,824	55.3	64.0
Belgian Congo	18,538,969	16,864,562	1,052,887	978,406	−9.0	−7.1
British East Africa	1,268,623	3,378,631	75,662	151,945	166.3	100.8
Egypt	11,292,731	14,302,539	793,364	1,461,972	26.7	84.3
Ghana	11,848,843	16,467,943	568,855	689,452	39.0	21.2
Madeira Islands	2,752,647	2,729,760	1,279,386	1,250,549	−0.8	−2.3
Madagascar	7,883,074	7,946,800	191,294	134,300	0.8	−29.8
French Equatorial Africa	1,246,574	1,990,703	203,136	347,489	59.7	71.1
Morocco	4,071,279	4,479,823	349,638	524,242	10.0	49.9
Rhodesia and Nyasaland	1,869,725	4,205,352	230,617	335,489	124.9	45.5
Tunisia	1,854,957	3,899,682	216,940	539,064	110.2	148.5
Union of South Africa	49,063,876	43,038,464	5,383,216	7,134,685	−12.3	32.5
Other	3,157,704	4,185,568	205,806	299,257	32.5	45.4
Total Africa	119,818,860	130,354,854	10,805,682	14,260,846	8.8	32.0
Grand total	6,914,994,414	8,283,772,149	768,058,355	943,822,667	19.9	22.9

TABLE 98.—*Merchandise entries by number, fiscal years 1958 and 1959*

Type	1958	1959	Percentage increase, or decrease (−)
Entries:			
Consumption	1,100,474	1,236,601	12.4
Warehouse and rewarehouse	74,797	75,678	1.2
Warehouse withdrawals	367,475	368,618	0.3
Mail	804,799	795,444	−1.2
Baggage	2,499,206	2,721,156	8.9
Informal	472,935	485,052	2.6
Appraisement	5,157	6,326	22.7
All other	927,086	976,837	5.4
Total	6,251,929	6,665,712	6.6

TABLE 99.—*Vehicles and persons entering the United States by number, fiscal years 1958 and 1959* [1]

Kind of entrant	1958	1959	Percentage increase, or decrease (−)
Vehicles:			
Automobiles and buses	36,313,174	38,017,299	4.7
Documented vessels	51,822	48,928	−5.6
Undocumented vessels	30,825	34,656	12.4
Ferries	131,207	128,529	−2.1
Passenger trains	18,000	17,225	−4.3
Freight cars	2,236,886	2,090,493	−6.6
Aircraft	161,921	169,621	4.8
Other vehicles	522,833	520,514	−0.5
Passengers by:			
Automobiles and buses	99,171,354	103,506,304	4.4
Documented vessels	780,905	762,382	−2.4
Undocumented vessels	212,179	213,704	0.7
Ferries	1,911,431	1,885,979	−1.3
Passenger trains	1,055,551	1,017,845	−3.6
Aircraft	3,143,191	3,220,647	2.5
Other vehicles	5,071,040	5,371,662	5.9
Pedestrians	26,327,390	27,946,046	6.1
Total passengers and pedestrians	137,673,041	143,924,569	4.5

[1] Excludes Puerto Rico and the Virgin Islands.

TABLE 100.—*Aircraft and aircraft passengers entering the United States by number, fiscal years 1958 and 1959*

District	Aircraft		Aircraft passengers		Percentage increase, or decrease (−)	
	1958	1959	1958	1959	Aircraft	Passengers
Maine and New Hampshire	1,634	1,684	6,619	7,612	3.1	15.0
Vermont	2,134	1,695	24,239	[1] 169,359	−20.6	598.9
Massachusetts	7,741	8,143	67,994	70,027	5.2	3.0
St. Lawrence	1,384	1,265	6,124	3,723	−8.6	−39.2
Rochester	884	1,008	9,268	9,511	14.0	2.6
Buffalo	3,763	3,874	279,204	307,698	2.9	10.2
New York	31,427	32,363	1,119,224	919,967	3.0	−17.8
Philadelphia	7,795	7,931	182,256	198,053	1.7	8.7
Maryland	1,620	1,793	26,385	24,634	10.7	−6.6
Virginia	920	1,598	16,894	24,673	73.7	46.0
South Carolina	1,852	1,929	50,173	55,247	4.2	10.1
Georgia	664	584	7,154	5,071	−12.1	−29.1
Florida	38,027	36,765	588,482	591,194	−3.3	0.5
New Orleans	2,406	2,466	56,321	59,276	2.5	5.2
Galveston	979	1,119	22,092	26,124	14.3	18.3
Laredo	5,978	5,985	81,671	54,213	0.1	−33.6
El Paso	1,305	1,411	3,240	3,762	8.1	16.1
San Diego	2,949	2,840	8,184	8,525	−3.7	4.2
Arizona	3,369	4,495	5,551	7,678	33.4	38.3
Los Angeles	3,594	3,885	59,018	80,641	8.1	36.6
San Francisco	2,011	2,443	8,842	14,517	21.5	64.2
Washington	6,517	7,316	112,961	114,944	12.3	1.8
Alaska	2,047	2,832	31,960	38,764	38.3	21.3
Hawaii	8,145	9,661	227,333	243,368	18.6	7.1
Montana and Idaho	1,885	2,159	11,171	12,992	14.5	16.3
Dakota	2,037	2,595	21,760	26,282	27.4	20.8
Minnesota	416	557	9,544	11,879	33.9	24.5
Duluth and Superior	3,480	3,585	8,303	8,667	3.0	4.4
Michigan	4,534	4,520	26,454	21,757	−0.3	−17.8
Chicago	3,871	4,538	24,018	52,609	17.2	119.0
Ohio	4,298	4,273	25,326	27,832	−0.6	9.9
St. Louis	415	539	5,202	7,395	29.9	42.2
Other	1,840	1,770	10,224	12,653	−3.8	23.8
Total	161,921	169,621	3,143,191	3,220,647	4.8	2.5

[1] Includes precleared passengers at Malton Airport, Montreal, Canada.

TABLE 101.—*Drawback transactions, fiscal years 1958 and 1959*

Transactions	1958	1959	Percentage increase, or decrease (−)
	Number	*Number*	
Drawback entries received	21,610	16,766	−22.4
Notices of exportation received	191,247	182,382	−4.6
Notices of lading received	5,147	5,543	7.7
Certificates of manufacture received	11,640	10,192	−12.4
Import entries used in drawback liquidation	30,575	31,051	1.6
Certificates of importation issued	5,015	6,239	24.4
Drawback allowed:	*Amount*	*Amount*	
Manufactured from imported or substituted merchandise	$8,690,254	$9,261,089	6.6
Duty paid on merchandise exported from continuous customs custody	4,923	18,197	269.6
Merchandise which did not conform to sample specifications and returned to customs custody and exported	685,959	899,027	31.1
Imported materials used in construction and equipment of vessels built for foreigners	3,324	10,667	220.9
Total drawback allowed	9,384,460	10,188,980	8.6
Internal revenue refund on account of domestic alcohol	265,311	257,236	−3.1
Total	9,649,771	10,446,216	8.3

TABLE 102.—*Principal commodities on which drawback was paid, fiscal years 1958 and 1959*

Commodity	1958	1959	Percentage increase, or decrease (−)
Iron and steel semimanufactures	$1,894,766	$1,094,138	−42.3
Petroleum and products	534,911	918,193	71.7
Tobacco, unmanufactured	688,840	781,804	13.5
Sugar	433,287	547,984	26.5
Aluminum	507,470	507,523	0.01
Paper and manufactures	290,995	416,706	43.2
Chemicals	139,843	366,603	162.5
Cotton cloth	278,708	313,449	12.5
Watch movements	572,651	309,140	−46.0
Lead ore, matte, pigs, and bars	251,781	261,350	3.8
Tungsten ore	244,304	258,414	5.8
Motor vehicle and aircraft parts	42,007	243,607	479.9
Rayon and other synthetic textiles	107,179	201,438	87.9
Zinc ore and manufactures	122,972	188,841	53.6
Electrical machinery	232,199	183,254	−21.1
Coal-tar products	155,038	167,028	7.7
Tires and tubes, rubber and synthetic	222,498	142,041	−36.2
Manganese ore	150,426	120,093	−20.2
Pigments, paints, and varnishes	30,347	97,002	219.6
Barley	64,326	96,557	50.1
Steel mill products	40,442	95,329	135.7
Citrus fruit juices	64,505	87,227	35.2
Burlap	49,738	82,144	65.2
Nickel	89,197	63,965	−28.3
Fruits and preparations	10,879	62,651	475.9
Machinery and parts	46,063	58,133	26.2
Nonmetallic minerals and manufactures	128,807	48,870	−62.1
Wool fabrics	22,540	42,336	87.8
Wool and semimanufactures	89,786	41,027	−54.3
Clay and clay products	771	39,490	(1)
Nuts	8,793	38,009	332.3
Flax, hemp and ramie, and manufactures	26,019	35,154	35.1
Bauxite ore	83,714	34,437	−58.9
Animal fats and oils	44,821	34,421	−23.2
Copper and manufactures	57,521	32,960	−42.7
Other	r 962,110	1,249,771	29.9
Total	8,690,254	9,261,089	6.6

r Revised.
1 The amount of increase is so large that a percentage comparison is inappropriate.

TABLE 103.—*Seizures for violations of customs laws, fiscal years 1958 and 1959*

	1958 total	1959			
		Seizures by Customs	Seizures by other agencies	Joint seizures by Customs and other agencies	Total
Automobiles:					
Number	496	526	70	42	638
Value	$506, 301	$437, 890	$84, 689	$54, 478	$577, 057
Trucks:					
Number	134	54	12	8	74
Value	$293, 409	$157, 196	$30, 970	$5, 433	$193, 599
Aircraft:					
Number	5	22	2	1	25
Value	$40, 000	$4, 745, 363	$48, 000	$11, 500	$4, 804, 863
Boats:					
Number	29	33		2	35
Value	$4, 877, 206	$2, 366, 967		$41, 900	$2, 408, 867
Narcotics:					
Number	1, 171	917	19	68	1, 004
Value	$136, 673	$109, 166	$773	$14, 421	$124, 360
Liquors:					
Number	5, 516	5, 260	13	62	5, 335
Gallons	11, 732	17, 212	26	130	17, 368
Value	$139, 471	$264, 649	$663	$2, 073	$267, 385
Prohibited articles (obscene, lottery, etc.):					
Number	2, 167	2, 279	7	27	2, 313
Value	$49, 454	$70, 089	$95	$9, 247	$79, 431
Other seizures:					
Number	9, 953	4, 000	153	311	4, 464
Value:					
Cameras	$53, 408	$22, 333			$22, 333
Edibles and farm products	39, 268	215, 836	$1, 630	$792	218, 258
Furs—skins and manufactures	4, 867	10, 678		247	10, 925
Guns and ammunition	94, 624	151, 356	13, 231	35, 237	199, 824
Jewelry, including gems	601, 026	491, 268	4, 229	1, 293	496, 790
Livestock	11, 825	3, 661	3, 562	3, 301	10, 524
Tobacco and manufactures	3, 785	10, 738		58	10, 796
Watches and parts	112, 958	126, 425	1, 297	158	127, 880
Wearing apparel	114, 287	182, 496	235	22	182, 753
Miscellaneous	1, 365, 007	1, 093, 406	30, 293	17, 514	1, 141, 213
Total value of other seizures	2, 401, 055	2, 308, 197	54, 477	58, 622	2, 421, 296
Grand total:					
Number [1]	18, 807	12, 456	192	468	13, 116
Value	$8, 443, 569	$10, 459, 517	$219, 667	$197, 674	$10, 876, 858

[1] Excludes number of vehicles seized in connection with seizures of liquor, narcotics, etc.

TABLE 104.—*Investigative activities, fiscal years 1958 and 1959*

Activity	1958	1959	Percentage increase, or decrease (−)
Investigations of violations of customs laws:			
Undervaluations and false invoicing	1,921	1,919	−0.1
Marking of merchandise	114	98	−14.0
Baggage declaration violations	427	470	10.1
Smuggling, diamonds or jewelry	354	432	22.0
Smuggling, narcotics	4,624	4,525	−2.2
Smuggling, other	1,181	1,232	4.3
Touring permit violations	12	20	66.7
Navigation, aircraft, and vehicle violations	1,363	1,451	6.5
Prohibited importations (19 U.S.C. 1305)	101	100	−1.0
Other investigations:			
Customs procedures	123	164	33.3
Drawback	970	1,051	8.4
Classification and market value	700	564	−19.4
Customs brokers, license applications	93	110	18.3
Petitions for relief from additional duties	696	693	−0.4
Character investigations of applicants	636	424	−33.3
Pilferages and shortages	362	438	21.0
Export control violations	704	777	10.4
Examination of customs brokers' records	189	258	36.5
Miscellaneous	1,712	1,906	11.3
Total	16,282	16,632	2.1

Engraving and Printing Production

TABLE 105.—*New postage stamp issues delivered, fiscal year 1959*

Issue	Denomination (cents)
Commemorative:	
Alaska Statehood, air mail	7
Arctic Explorations	4
Atlantic Cable Centennial	4
Forest Conservation	4
Fort Duquesne Bicentennial	4
49-Star American Flag	4
Jose de San Martin, Champion of Liberty	8
Jose de San Martin, Champion of Liberty	4
Journalism and Freedom of the Press	4
Lajos Kossuth	8
Lajos Kossuth	4
Lincoln-Douglas Debate	4
Lincoln Sesquicentennial Series:	
Beardless Lincoln	1
Lincoln Head	3
Lincoln Statue	4
Noah Webster, "Famous American"	4
North Atlantic Treaty Organization, 10th anniversary	4
Oregon Statehood	4
Overland Mail Centennial	4
St. Lawrence Seaway Opening	4
Silver Centennial	4
Simon Bolivar	8
Simon Bolivar	4
World Peace through World Trade	8
Air Mail:	
Series 1958	5
Series 1958	7
Ordinary postage:	
Series 1954	15
Series 1954	12
Series 1954	4½
Series 1954	2½
Postage due:	
Series 1959	½
Series 1959	1
Series 1959	2
Series 1959	3
Series 1959	4
Series 1959	5
Series 1959	6
Series 1959	7
Series 1959	8
Series 1959	10
Series 1959	30
Series 1959	50
Series 1959	100
Series 1959	500
Canal Zone:	
Commemorative, Series 1958, 100th Anniversary of the Birth of Theodore Roosevelt	4
Air mail:	
Series 1951	5
Series 1951	7
Series 1951	15
Series 1951	25
Series 1951	35
Ordinary, Series 1958	4

TABLE 106.—*Deliveries of finished work by the Bureau of Engraving and Printing, fiscal years 1958 and 1959*

Class	Number of pieces		Face value 1959
	1958	1959	
Currency:			
United States notes	34, 560, 000	29, 880, 000	$135, 360, 000. 00
Silver certificates	1, 204, 712, 000	1, 317, 640, 000	1, 648, 840, 000. 00
Federal Reserve notes	446, 944, 000	452, 280, 000	5, 509, 600, 000. 00
Total	1, 686, 216, 000	1, 799, 800, 000	7, 293, 800, 000. 00
Bonds, notes, bills, certificates, and debentures:			
Bonds:			
Panama Canal, registered	600	1, 675	9, 100, 000. 00
Treasury	1, 094, 700	363, 325	9, 068, 323, 500. 00
Stars [1]	8, 762	1, 324	78, 781, 000. 00
Specimens	14	2	2, 000. 00
United States savings, registered	22, 720, 000	1, 650, 000	1, 044, 500, 000. 00
Specimens	36		
Federal disability insurance trust fund	100		
Federal old-age and survivor's insurance trust fund	100		
Civil service retirement and disability fund	100		
Specimens	3		
Consolidated obligations of Federal home loan banks			
Specimens	1		
Consolidated Federal Home Loan Bank	24, 000		
Stars [1]	270		
Specimens	4		
Consolidated Federal farm loan for the twelve Federal intermediate credit banks	275, 050	196, 025	2, 165, 152, 500. 00
Stars [1]	494	293	5, 182, 000. 00
Specimens	34	28	28, 000. 00
Specimens for display		48	480, 000. 00
Depositary, act of Sept. 24, 1917, as amended	500		
Notes:			
Treasury, modified new design	3, 100		
Stars [1]	20		
Treasury, 1955 design	552, 650	753, 308	35, 417, 050, 000. 00
Stars [1]	2, 510	6, 152	291, 415, 000. 00
Specimens	5	7	7, 000. 00
Treasury, registered, special series	400	375	
Specimen	1		
Special, United States International Monetary Fund		200	1, 500, 000, 000. 00
Consolidated, Federal home loan banks, bearer	36, 000	62, 700	965, 500, 000. 00
Stars [1]		20	200, 000. 00
Federal National Mortgage Association	146, 500		
Stars [1]	779		
Specimens	6		
Bills:			
Treasury, 1953 design	2, 117, 000	2, 633, 500	229, 092, 000, 000. 00
Certificates:			
Of indebtedness	675, 067	648, 644	59, 403, 000, 000. 00
Specimens	13	5	5, 000. 00
Federal disability insurance trust fund	50	100	
Special series	800	1, 150	
Specimens	1		
Debentures:			
Federal intermediate credit banks:			
Consolidated collateral trust	112, 700	102, 150	2, 392, 500, 000. 00
Specimens		4	160, 000. 00
Specimens for display		48	480, 000. 00
Banks for cooperatives:			
Bearer	33, 600	44, 600	860, 000, 000. 00
Specimens	1	5	215, 000. 00
Federal National Mortgage Association secondary market operations	98, 500	87, 850	1, 474, 800, 000. 00
Stars [1]	617	380	6, 019, 000. 00
Specimens	15	9	9, 000. 00
Federal Housing Administration:			
War housing insurance fund	4, 000	6, 815	27, 510, 000. 00
Mutual mortgage insurance fund	6, 500	6, 850	9, 295, 000. 00
Housing insurance fund	1, 150	3, 925	14, 507, 500. 00
Title 1, housing insurance fund	1, 350		
Sec. 220, housing insurance fund	2, 000		
Sec. 221, housing insurance fund	2, 000		
Armed services housing mortgage insurance fund		925	9, 250, 000. 00

Footnote at end of table.

TABLE 106.—*Deliveries of finished work by the Bureau of Engraving and Printing, fiscal years 1958 and 1959*—Continued

Class	Number of pieces 1958	Number of pieces 1959	Face value
Bonds, notes, bills, certificates, etc.—Continued			
Debentures—Continued			
Federal Housing Adminstration—Con.			
National defense housing insurance fund	2,000	1,750	$3,010,000.00
Specimens	6		
Total	27,924,109	6,574,192	343,838,481,500.00
Stock declared obsolete by the Commissioner of the Public Debt and delivered for destruction	542	122,120	
Total	27,924,651	6,696,312	343,838,481,500.00
Stamps:			
Customs	17,320,000	20,019,000	
Internal revenue:			
To offices of issue	24,076,970,053	23,673,108,197	3,129,808,950.16
Puerto Rican revenue	132,419,075	148,123,300	
Virgin Islands revenue		57,900	
Postage, United States:			
Ordinary	20,544,585,400	23,759,614,560	994,902,992.82
Specimens	377	764	152.80
Fifth International Philatelic Exhibition souvenir sheet	13,552		
Air mail	649,548,784	1,335,367,560	102,282,241.20
Specimens	377	764	45.84
Commemoratives	1,684,934,764	2,567,026,110	106,693,101.30
Specimens	6,080	8,022	324.70
Special delivery	76,050,000	37,750,000	11,325,000.00
Specimens	759		
Special handling	940,000		
Certified mail	175,000		
Specimens	377		
Postage due	144,210,000	281,145,600	26,970,006.00
Postage, Canal Zone:			
Ordinary	1,660,000	3,315,000	254,000.00
Air mail	3,640,000	5,880,000	642,000.00
Commemoratives	1,010,000	1,060,000	42,400.00
Postal cards, ordinary		472,000	14,160.00
Air mail		550,500	27,525.00
War savings stamps	3,000		
United States savings stamps	120,697,000	156,517,303	29,604,206.50
District of Columbia beverage tax paid	38,935,000	46,130,000	6,321,866.00
Federal migratory bird hunting	5,205,312	6,490,520	17,937,160.00
Slaight lock seals	400,000		
Total	47,498,724,910	52,042,637,100	4,426,826,132.32
Internal revenue items delivered to the Smithsonian Institute in accordance with authorization by Internal Revenue Services	119,040	25,800	3,060,030.00
Authorized for destruction as obsolete stock	7,640,858	230,000	
Total	47,506,484,808	52,042,892,900	4,429,886,162.32
Miscellaneous:			
Checks	441,500	217,500	
Certificates	1,213,396	1,221,045	
Commissions	447,134	101,645	
Diplomas	12,464	9,334	
Folders	1,300	2,018	
Warrants		29,812	
Cards	7,452,143	5,229,856	
Honorable discharges	512,645	15,459	
Letters patent	60,000	57,200	
Licenses	120,225	6,978	
Permits	15,600	20,000	
Seals	6,406	8,097	
Total	10,282,813	6,918,944	
Stock declared obsolete by the requisitioning agencies and delivered for destruction	229,056		
Total	10,511,869	6,918,944	
Grand total	49,231,137,328	53,856,308,156	355,562,167,662.32

[1] A note inserted in place of a defective note.

International Claims

TABLE 107.—*Awards of the Mixed Claims Commission, United States and Germany, certified to the Secretary of the Treasury by the Secretary of State, through June 30, 1959*

Description	Total		Class I		Class II		Class III [1]		Private Law No. 509, approved July 19, 1940		United States Government	
	Number of awards	Amount	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	Number of awards	Amount
AWARDS												
Principal of awards:												
Agreement of Aug. 10, 1922	4,734	$175,955,880.92	424	$3,549,437.75	3,996	$15,562,321.98	310	$114,809,326.78			4	$42,034,794.41
Agreement of Dec. 31, 1928	2,291	5,582,354.38	115	556,625.00	2,169	2,447,803.92	7	2,577,925.46				
Private Law No. 509	1	160,000.00							1	$160,000.00		
Total principal		181,698,235.30		4,106,062.75		18,010,125.90		117,387,252.24		160,000.00		42,034,794.41
Less amounts paid by Alien Property Custodian and others		259,225.36				48,012.50		211,212.86				
Balance of principal		181,439,009.94		4,106,062.75		17,962,113.40		117,176,039.38		160,000.00		42,034,794.41
Interest to Jan. 1, 1928, at rates specified in awards:												
Agreement of Aug. 10, 1922		78,751,456.32		745,302.98		7,113,930.76		51,682,897.36				19,209,325.22
Agreement of Dec. 31, 1928		2,649,630.04		115,976.22		971,159.15		1,652,494.67				
Private Law No. 509		64,000.00								64,000.00		
Total payable to Jan. 1, 1928		262,904,096.30		4,967,341.95		26,047,203.31		170,421,431.41		224,000.00		61,244,119.63
Interest thereon to date of payment or, if unpaid, to June 30, 1959, at 5 percent per annum, as specified in the Settlement of War Claims Act of 1928		179,225,917.82		236,195.75		2,061,598.87		80,303,027.19		178,192.02		96,446,903.99
Total due claimants	7,026	442,130,014.12	539	5,203,537.70	6,165	28,108,802.18	317	250,724,458.60	1	402,192.02	4	157,691,023.62

PAYMENTS												
Principal of awards:												
Agreement of Aug. 10, 1922	4,717	94,423,795.94	424	3,549,437.75	3,983	15,497,158.79	310	75,377,199.40				
Agreement of Dec. 31, 1928	2,271	4,580,299.35	115	556,625.00	2,149	2,445,886.69	7	1,577,787.66				
Private Law No. 509	1	101,053.06							1	101,053.06		
Interest to Jan. 1, 1928:												
Agreement of Aug. 10, 1922		59,535,361.32		745,302.98		7,107,160.98		51,682,897.36				
Agreement of Dec. 31, 1928		2,648,855.68		115,976.22		970,384.79		1,562,494.67				
Private Law No. 509		64,000.00								64,000.00		
Interest at 5 percent from Jan. 1, 1928, to date of payment		34,842,508.75		236,195.75		2,045,380.09		[2] 32,484,550.27		76,382.64		
Total payments [3]	[4] 6,989	196,195,874.10	539	5,203,537.70	6,132	28,065,971.34	317	162,684,922.36	1	241,435.70		
BALANCE DUE												
Principal of awards:												
Agreement of Aug. 10, 1922	327	81,272,859.62			13	17,150.69	310	39,220,914.52			4	42,034,794.41
Agreement of Dec. 31, 1928	27	1,002,055.03			20	1,917.23	7	1,000,137.80				
Private Law No. 509	1	58,946.94							1	58,946.94		
Interest to Jan. 1, 1928:												
Agreement of Aug. 10, 1922		19,216,095.00				6,769.78						19,209,325.22
Agreement of Dec. 31, 1928		774.36				774.36						
Accrued interest from Jan. 1, 1928, through June 30, 1959		144,383,409.07				[5] 16,218.78		47,818,476.92		101,809.38		96,446,903.99
Balance due claimants	355	245,934,140.02			33	42,830.84	317	88,039,529.24	1	160,756.32	4	157,691,023.62
Reimbursement for administrative expenses: [6]												
Agreement of Aug. 10, 1922		935,022.18		22,249.66		121,173.14		791,599.38				
Agreement of Dec. 31, 1928		[7] 44,750.63		3,767.97		19,156.68		21,825.98				
Private Law No. 509		1,207.17								1,207.17		
Total reimbursements		980,979.98		26,017.63		140,329.82		813,425.36		1,207.17		

[1] Under the Settlement of War Claims Act of 1928 payment of Class III awards was limited to $100,000 until all Class I and Class II awards had been authorized for payment. Additional Class III awards payments were then to be made up of 80% of the total amount due for all three classes as of Jan. 1, 1928. On Feb. 27, 1953, the German Government agreed to pay $97,500,000 (U.S. dollars) over a period of 25 years in full settlement of Germany's obligations on account of Class III awards and the award under Private Law 509. Through June 30, 1959, $22,400,000 has been paid under the agreement.

[2] Payments made in accordance with Public Law 375, approved Aug. 6, 1947.

[3] Amounts shown are gross, deductions for administrative expenses are shown below (see note 6).

[4] Includes 317 partial payments for Class III awards and 1 partial payment under Private Law 509.

[5] Interest accrued from Jan. 1, 1928, to Mar. 11, 1940, on $26,612.06, representing awards plus interest to Jan. 1, 1928. No applications filed by claimants. Time for filing applications expired Mar. 11, 1940.

[6] Deductions of ½ of 1 percent are made from each payment to cover administrative expenses. These amounts are covered into the Treasury as miscellaneous receipts.

[7] Payable to the Government of Germany in connection with the adjudication of late claims. Through June 30, 1959, $24,150.09 has been paid.

TABLE 108.—*Mexican claims fund as of June 30, 1959*

[This special fund was established in accordance with the provisions of the act of Dec. 18, 1942, as amended (22 U.S.C. 667). For further details, see annual report of the Secretary for 1943, p. 189.]

Status of the fund	Amount
Receipts:	
Payments from the Government of Mexico:	
Agrarian claims agreement of 1938	$3,000,000.00
Expropriation agreement of 1941:	
Initial payment on ratification of agreement	3,000,000.00
Annual installments through November 1955	34,000,000.00
Appropriation by the United States Government covering amount of awards and appraisals on behalf of Mexican nationals	533,658.95
Total receipts	40,533,658.95
Expenditures:	
Amounts paid to American nationals, by fiscal years:	
1943	637,036.24
1944	6,333,636.13
1945	1,443,226.94
1946	4,993,915.36
1947	3,076,040.35
1948	4,354,144.31
1949	2,821,873.65
1950	2,586,320.53
1951	2,628,951.89
1952	2,425,573.61
1953	2,518,796.66
1954	2,482,539.56
1955	2,461,365.72
1956	1,582,850.47
1957	21,440.50
1958	10,374.60
1959	2,406.05
Total expenditures	40,380,492.57
Undisbursed balance June 30, 1959	153,166.38
Claims certified for payment:	
By the Secretary of State in accordance with:	
Decisions rendered by the General Claims Commission	201,461.08
Appraisals agreed upon by the commissioners designated by the Governments of the United States and Mexico, pursuant to the general claims protocol between the United States and Mexico, signed Apr. 24, 1934	2,599,166.10
By the American Mexican Claims Commission:	
Decisions under the provisions of the Settlement of Mexican Claims Act of 1942	37,948,200.05
Total claims certified	40,748,827.23

TABLE 109.—*Yugoslav claims fund as of June 30, 1959*

[This special fund was established in accordance with the provisions of the act of Mar. 10, 1950, as amended (22 U.S.C. 1627). For further details see annual report of the Secretary for 1954, p. 111.]

Status of the fund	Amount
Receipts:	
Payment received from the Government of Yugoslavia under agreement of July 19, 1948	$17,000,000.00
Expenditures:	
Amounts paid to American nationals, by fiscal years:	
1953	62,432.71
1954	55,261.07
1955	9,097,955.34
1956	5,581,866.40
1957	94,515.95
1958	1,718,003.43
1959	4,217.14
Total expenditures	16,614,252.04
Undisbursed balance June 30, 1959	385,747.96
Claims certified for payment:	
By the International Claims Commission of the United States [1]	793,596.69
By the Foreign Claims Settlement Commission of the United States	18,024,308.20
Total claims certified	18,817,904.89

[1] By Reorganization Plan No. 1 of 1954, the name of this Commission was changed to the Foreign Claims Settlement Commission of the United States, effective July 1, 1954.

Gold and Currency Transactions and Foreign Gold and Dollar Holdings

TABLE 110.—*United States net gold transactions with foreign countries and international institutions, fiscal years 1952–59*

[In millions of dollars at $35 per ounce. Negative figures represent net sales by the United States; positive figures, net purchases]

Country, etc.	1952	1953	1954	1955	1956	1957	1958	1959
Afghanistan	−2.5					−.6	−.2	
Argentina		−94.8	−10.0		20.1	115.3	55.2	67.2
Austria				−6.2				−123.5
Bank for International Settlements	5.8	−34.5	−71.0	−11.0			−89.5	−120.7
Belgium	20.2	−63.9	−45.0			6.8	−157.7	−210.2
Belgian Congo		−2.0	−9.9					
Bolivia			15.3	5.5				
Canada	6.9	.3				19.8		
Chile	2.0					2.8		3.0
Colombia	−19.2	−3.5				28.1		
Cuba	−20.0							
Denmark	−4.2	−20.2				7.0	−17.0	−5.0
Dominican Republic	−4.0							
Egypt	−31.0							
Finland	−4.8							
France	71.6			−67.5	−33.8			
Germany, Federal Republic of		−50.0	−145.6	−180.0				
Greece	−16.4							
Indonesia	−25.0						−2.0	−5.0
International Monetary Fund				−2.7	100.0	699.9	−7.3	[2] −352.6
Iran					−.3	−.3	−.3	−2.3
Israel				−1.1				
Italy							−168.8	−180.0
Japan								−125.0
Korea					−1.9			
Lebanon	−6.7	−2.8	−11.2					
Mexico	112.7	−53.1	80.3					−20.0
Netherlands		−125.0	−40.0			25.0	−104.8	−186.0
Norway		−5.0						
Peru							3.5	
Philippines							21.9	11.9
Portugal	−10.0	−34.9	−54.9	−34.9			−20.0	−10.0
Salvador	−4.0					−3.5		
South Africa	51.0							
Spain							31.5	31.7
Surinam								−2.5
Sweden	−17.0	−10.0	−10.0	−15.0		15.2		
Switzerland	22.5	−45.0	−20.0	−15.5		−8.0	−140.1	−75.1
Syria	−3.3	−1.0	−.5					
Turkey		−1.2						
United Kingdom	1,469.9	−440.0	−170.0			100.3	−750.0	−350.0
Uruguay	68.0	−10.2	−5.0		11.0	29.1	3.1	
Vatican City	5.0		9.5	5.8	2.5	3.0	−1.5	−3.2
Venezuela			−30.0			−200.0		
All other	2.6		−1.5		[1] 12.6	.1	−2.9	−3.5
Total	1,670.1	−996.6	−519.5	−322.6	110.2	840.0	−1,346.9	−1,660.7

[1] Includes purchase from the Attorney General of the United States of $13.1 million of gold, representing Rumanian-owned gold blocked under Executive Order No. 10644 and pursuant to the act approved August 9, 1955 (22 U.S.C. 1631), among assets vested and liquidated, whose proceeds are to be distributed to American claimants against Rumania.

[2] Includes $343.8 million payment to the International Monetary Fund. Pursuant to Public Law 86–48, approved June 17, 1959, the United States made payment of its increase in quota to the International Monetary Fund, amounting to $1,375,000,000, on June 23, 1959. The payment was made in gold in amount of $343,750,000.40, and in nonnegotiable, noninterest-bearing notes of the United States amounting to $1,031,249,999.60 in place of a like amount of currency.

TABLE 111.—*Estimated gold reserves [1] and dollar holdings of foreign countries as of June 30, 1958 and 1959*

[In millions of dollars]

Area and country	June 30, 1958: Total gold and short-term dollars	June 30, 1958: U.S. Government bonds and notes	June 30, 1959: Gold	June 30, 1959: Short-term dollar holdings	June 30, 1959: Total gold and short-term dollars	June 30, 1959: U.S. Government bonds and notes
Continental Western Europe and dependencies:						
Austria	466	7	256	390	646	7
Belgium, Luxembourg, and Belgian Congo	r 1,390	7	1,341	169	1,510	7
Denmark	145	6	31	110	141	44
Finland	82	5	38	71	109	1
France and dependencies [2]	r 890	r 26	595	988	1,583	32
Germany, Federal Republic of	r 4,043	r 12	2,704	1,459	4,163	16
Greece	135	(*)	13	154	167	(*)
Italy	r 1,678	4	1,311	1,409	2,720	2
Netherlands, N.W.I., and Surinam	1,289	13	1,193	434	1,627	22
Norway	151	r 89	43	113	156	133
Portugal and dependencies	678	(*)	553	158	711	(*)
Spain and dependencies	r 132	3	57	35	92	3
Sweden	458	4	205	350	555	31
Switzerland	r 2,684	r 88	1,909	878	2,787	82
Trieste	1	(3)	--------	1	1	(3)
Turkey	156	(*)	144	21	165	(*)
Yugoslavia	20	(*)	10	7	17	(*)
Other [4]	r 1,110	r 5	915	491	1,406	22
Total continental Western Europe	r 15,508	r 269	11,318	7,238	18,556	402
Sterling area and dependencies:						
United Kingdom	3,810	r 220	2,825	1,084	3,909	201
United Kingdom dependencies	r 101	4	(3)	105	105	4
Australia	r 222	(*)	135	91	226	(*)
India	r 328	1	247	99	346	(*)
New Zealand	35	(3)	33	7	40	(3)
Pakistan	62	(3)	50	6	56	(3)
Union of South Africa	183	1	201	36	237	1
Other [5]	r 133	r 35	19	84	103	46
Total sterling area [5]	r 4,874	r 261	3,510	1,512	5,022	252
Canada	r 3,078	r 345	1,073	2,122	3,195	342
Latin America:						
Argentina	r 265	(*)	57	206	263	(*)
Bolivia	24	(*)	1	22	23	(*)
Brazil	450	1	326	154	480	1
Chile	126	1	40	130	170	(*)
Colombia	r 192	(*)	74	201	275	(*)
Costa Rica	18	(3)	2	25	27	(3)
Cuba	417	r 86	80	242	322	87
Dominican Republic	64	(*)	11	44	55	(*)
Ecuador	45	(3)	20	17	37	(3)
El Salvador	64	(*)	31	38	69	(*)
Guatemala	91	(*)	27	42	69	(*)
Haiti	12	(3)	1	8	9	(3)
Honduras	13	(3)	(*)	6	6	(3)
Mexico	485	3	160	406	566	4
Nicaragua	14	(3)	1	11	12	(3)
Panama	r 140	1	(*)	147	147	(*)
Paraguay	5	(3)	(*)	3	3	(3)
Peru	93	(*)	19	77	96	(*)
Uruguay	r 258	r 2	180	89	269	(*)
Venezuela	1,460	2	719	500	1,219	2
Unidentified	45	r 12	--------	61	61	10
Total Latin America [6]	r 4,281	r 108	1,749	2,429	4,178	104

Footnotes at end of table.

TABLE 111.—*Estimated gold reserves* [1] *and dollar holdings of foreign countries as of June 30, 1958 and 1959*—Continued

[In millions of dollars]

Area and country	June 30, 1958		June 30, 1959			
	Total gold and short-term dollars	U.S. Government bonds and notes	Gold	Short-term dollar holdings	Total gold and short-term dollars	U.S. Government bonds and notes
Asia:						
Indonesia	r 127	(*)	41	77	118	1
Iran	202	(*)	140	39	179	(*)
Israel	50	(*)	2	86	88	(*)
Japan	932	1	273	1,101	1,374	2
Korea	119	---------	2	145	147	---------
Lebanon	119	(3)	102	38	140	(3)
Philippines	175	5	10	168	178	3
Syria [7]	28	(3)	24	5	29	(3)
Thailand	260	1	112	134	246	1
Other and unidentified [1 5]	r 449	r 7	122	411	533	7
Total Asia [1 5 6]	r 2,461	r 14	828	2,204	3,032	14
Other countries:						
Egypt [7]	192	(*)	174	16	190	(*)
Other [1]	r 152	r 7	29	141	170	11
Total other countries [1 6]	r 344	r 7	203	157	360	11
Total foreign countries [1]	r 30,546	r 1,004	18,681	15,662	34,343	1,125
International institutions [8]	r 2,696	446	1,910	2,756	4,666	523

r Revised.
*Less than $500,000.
[1] Excludes gold reserves of the U.S.S.R., other Eastern European countries, and China Mainland.
[2] Excludes gold holdings of French Exchange Stabilization Fund.
[3] No estimate made.
[4] Includes gold and dollar holdings of the Bank for International Settlements, the Tripartite Commission for the Restitution of Monetary Gold, other Western European countries, and unpublished gold reserves of certain Western European countries.
[5] Iraq included in sterling area as of June 30, 1958, and in Asia as of June 30, 1959.
[6] Excludes sterling area countries and dependencies of European countries.
[7] Part of United Arab Republic (Egypt and Syria) since February 1958.
[8] Principally the International Monetary Fund and the International Bank for Reconstruction and Development.

NOTE.—"Gold and short-term dollars" consist of reported and estimated official gold reserves, and official and private short-term dollar holdings (principally deposits and U.S. Government securities with an original maturity of one year or less) as reported by banks in the United States. "U.S. Government bonds and notes" consist of estimated official and private holdings of U.S. Government securities with an original maturity of more than one year.

TABLE 112.—*Assets and liabilities of the exchange stabilization fund as of June 30, 1958 and 1959*

Assets and liabilities	June 30, 1958	June 30, 1959	Fiscal year 1959, increase, or decrease (−)
ASSETS			
Cash:			
Treasurer of the United States, checking account	$3,415,521.11	$1,713,384.82	−$1,702,136.29
Federal Reserve Bank of New York, special account	227,137,166.90	194,853,204.38	−32,283,962.52
Total cash	230,552,688.01	196,566,589.20	−33,986,098.81
Special account of Secretary of the Treasury with Federal Reserve Bank of New York—Gold (schedule 1)	55,821,344.42	40,942,190.89	−14,879,153.53
U.S. Government securities (schedule 2)	35,000,000.00	87,120,000.00	52,120,000.00
Accrued interest receivable (schedule 2)	158,156.18	536,462.11	378,305.93
Accounts receivable	65,496.57	130,150.15	64,653.58
Interest purchased		251,274.03	251,274.03
Unamortized premium on Treasury obligations		74,397.51	74,397.51
Total assets	321,597,685.18	325,621,063.89	4,023,378.71
LIABILITIES AND CAPITAL			
Liabilities:			
Vouchers payable	5,154.77	50,838.94	45,684.17
Employees' payroll allotment account, U.S. savings bonds	2,707.11	2,762.48	55.37
Accounts payable	148,680.85	167,397.49	18,716.64
Unamortized discount on Treasury obligations		44,682.34	44,682.34
Total liabilities	156,542.73	265,681.25	109,138.52
Capital:			
Capital account	200,000,000.00	200,000,000.00	
Cumulative net income (schedule 3)	121,441,142.45	125,355,382.64	3,914,240.19
Total capital	321,441,142.45	325,355,382.64	3,914,240.19
Total liabilities and capital	321,597,685.18	325,621,063.89	4,023,378.71

SCHEDULE 1.—SPECIAL ACCOUNT OF THE SECRETARY OF THE TREASURY IN THE FEDERAL RESERVE BANK OF NEW YORK

Location of gold	June 30, 1958		June 30, 1959	
	Ounces	Dollars	Ounces	Dollars
Federal Reserve Bank of New York	1,148,495.765	40,197,351.73	963,137.603	33,709,815.99
U.S. Assay Office, New York	446,399.769	15,623,992.69	206,639.285	7,232,374.90
Total gold	1,594,895.534	55,821,344.42	1,169,776.888	40,942,190.89

TABLE 112.—*Assets and liabilities of the exchange stabilization fund as of June 30, 1958 and 1959*—Continued

SCHEDULE 2.—INVESTMENTS IN U.S. GOVERNMENT SECURITIES, JUNE 30, 1959

Securities	Face value	Cost	Average price	Accrued interest
Public issues:				
Treasury notes:				
4%, Series A-1961	$27,120,000	$27,173,396.90	100.19689	$195,232.04
2⅝%, Series A-1963	16,000,000	16,005,625.00	100.03515	156,629.82
Treasury bonds:				
2¼% of 1959-62 (dated June 1, 1945)	4,000,000	3,965,625.00	99.14062	3,688.52
2½% of 1961	10,000,000	10,031,250.00	100.31250	31,250.00
2½% of 1963	5,000,000	4,976,562.50	99.53125	46,616.03
2½% of 1964-69 (dated Apr. 15, 1943)	2,200,000	2,199,625.00	99.98295	2,254.10
2½% of 1964-69 (dated Sept. 15, 1943)	400,000	399,875.00	99.96875	409.83
2½% of 1965-70	10,000,000	10,000,000.00	100.00000	72,690.22
2½% of 1966-71	2,400,000	2,398,843.75	99.95182	17,445.65
2½% of 1967-72 (dated Nov. 15, 1945)	10,000,000	10,000,000.00	100.00000	10,245.90
Total investments	87,120,000	87,150,803.15		536,462.11

SCHEDULE 3.—INCOME AND EXPENSES

Source	Jan. 31, 1934, through—	
	June 30, 1958	June 30, 1959
Earnings:		
Profits on British sterling transactions	$310,638.09	$310,638.09
Profits on French franc transactions	351,527.60	351,527.60
Profits on gold bullion (including profits from handling charges on gold)	64,703,918.68	68,565,652.69
Profits on gold and exchange transactions	50,817,839.88	51,161,866.40
Profits on silver transactions	102,735.27	102,735.27
Profits on sale of silver bullion to Treasury	3,473,362.29	3,473,362.29
Profits on investments	1,649,712.79	1,629,672.69
Interest on investments	15,212,991.65	17,351,776.93
Miscellaneous profits	863,546.27	863,971.80
Interest earned on foreign balances	2,849,683.19	2,849,683.19
Interest earned on Chinese yuan	1,975,317.07	1,975,317.07
Total earnings	142,311,272.78	148,636,204.02
Expenses:		
Personal services	16,508,393.33	18,048,714.36
Travel	804,159.98	954,043.44
Transportation of things	779,663.45	1,197,570.18
Communications	658,215.24	676,877.00
Supplies and materials	140,159.84	148,984.70
Other	1,979,538.49	2,254,631.70
Total expenses	20,870,130.33	23,280,821.38
Cumulative net income	121,441,142.45	125,355,382.64

TABLE 113.—*Summary of receipts, withdrawals, and balances of foreign currencies acquired by the United States without purchase with dollars, fiscal year 1959*

[In U.S. dollar equivalent [1]]

Balance held by Treasury Department, July 1, 1958		$1,454,571,754.99
Collections from:		
Economic assistance, section 6, Title II, Mutual Security Act of 1954, as amended (22 U.S.C. 1872)	$330,089.10	
Military assistance, repayments of principal, section 103(c), Mutual Security Act of 1954, as amended (22 U.S.C. 1813)	30,000,000.00	
Sale of surplus agricultural commodities pursuant to:		
Section 402, Mutual Security Act of 1954, as amended (22 U.S.C. 1922)	220,091,667.62	
Section 502(a), Mutual Security Act of 1954 (22 U.S.C. 1754)	−579,663.43	
Title I, Public Law 480, Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704–5)	836,867,136.29	
Collection of principal and interest on loans, section 505(b), Mutual Security Act, as amended (22 U.S.C. 1757)	6,729,170.45	
Commodity Credit Corporation Charter Act (15 U.S.C. 714c)	−5,472.82	
Informational media guaranties pursuant to section 1011 of the United States Information and Education Act of 1948 (22 U.S.C. 1442)	6,941,189.82	
Informational media guaranties pursuant to section 1011 of the United States Information and Education Act of 1948 (22 U.S.C. 1442), interest account	554,172.89	
Foreign governments (to be held in trust)	13,879,775.77	
Lend-lease and surplus property agreements (50 App. U.S.C. 1641b2)	61,662,823.62	
Intergovernmental defense agreements (5 U.S.C. 171m-1)	46,458,333.34	
Bilateral agreements 5% and 10% counterpart funds, Economic Cooperation Act of 1948, as amended (22 U.S.C. 1852)	19,927,531.84	
All other sources	39,694,426.90	
Total collections		1,282,551,181.39
Total available		2,737,122,936.38
Withdrawals:		
Sold for dollars, proceeds credited to: [2]		
Treasury receipt accounts and miscellaneous	150,186,694.79	
Commodity Credit Corporation capital fund as reimbursement for commodities sold for foreign currencies (7 U.S.C. 1703)	83,332,465.05	
United States Information Agency to reimburse the informational media guaranty fund (22 U.S.C. 1442)	5,247,996.47	
Total sold for dollars	238,767,156.31	
Requisitioned for use without reimbursement to the Treasury pursuant to: [3]		
Section 402, Mutual Security Act of 1954 (22 U.S.C. 1922)	222,341,667.62	
Section 502(a), Mutual Security Act of 1954 (22 U.S.C. 1754)	−579,663.43	
Section 104, Public Law 480 (7 U.S.C. 1704)	715,659,134.01	
Section 6, Title II, Mutual Security Act of 1954, as amended (22 U.S.C. 1872)	330,089.10	
Trust agreements	13,870,581.50	
Other authority	−127,938.98	
Total requisitioned without reimbursement	951,493,869.82	
Total withdrawals		1,190,261,026.13
Adjustment for rate differences		−32,246,543.94
Balance held by Treasury Department, June 30, 1959 [4]		1,514,615,366.31
Analysis of balance held by Treasury Department, June 30, 1959:		
Proceeds for credit to miscellaneous receipts		63,907,057.13
Proceeds for credit to agency accounts:		
Informational media guaranty funds		3,425,586.43
Informational media guaranty funds, interest account		554,182.91
Commodity Credit Corporation capital funds		23,571,993.64
Held in trust		30,588,258.51
For program use under section 103(c), Mutual Security Act of 1954, as amended		30,000,000.00
For program allocations under section 104, Title I, of Public Law 480		1,355,839,117.24
Not yet programmed, section 505(b), Mutual Security Act of 1954, as amended		6,729,170.45
Total		[4] 1,514,615,366.31

Footnotes at end of table.

TABLE 113.—*Summary of receipts, withdrawals, and balances of foreign currencies acquired by the United States without purchase with dollars, fiscal year 1959*—Continued

Balances held by other executive agencies, June 30, 1959, for purpose of:	
Economic and technical assistance under Mutual Security Act	$276,891,593.00
Programmed uses under Agricultural Trade Development and Assistance Act	267,325,205.00
Military family housing in foreign countries	14,638,064.00
Trust agreements with foreign countries	5,279,234.00
Other	944,478.00
Interest earned on military bank balances (to be deposited with Treasury)	19,390.00
Total	565,097,964.00
Grand total	2,079,713,330.31

NOTE.—For detailed data on collections and withdrawals by country and program, see Part V of the *Combined Statement of Receipts, Expenditures and Balances for the fiscal year ended June 30, 1959*, pp. 550–594.

[1] For the purpose of providing a common denominator, the currencies of 76 foreign countries are herein stated in U.S. dollar equivalents. It should not be assumed that dollars in amounts equal to the balances shown are actually available. The dollar equivalents were calculated at varying rates of exchange. Foreign currencies generated under the Public Law 480 program, comprising more than 65 percent of the total, and currencies generated under certain provisions of the mutual security acts were converted at deposit rates provided for in the international agreements with the respective countries. The greater portion of these currencies is available to agencies without reimbursement pursuant to legislative authority and, when disbursed to the foreign governments, will generally be accepted by them at the deposit or collection rates. Currencies available for sale for dollars and certain other United States uses were converted at market rates of exchange in effect on the date of the sale and market rates in effect at the end of the month for transactions during the month, these market rates being those used to pay U.S. obligations. If all currencies were converted at current market rates, the U.S. dollar value of currencies held on June 30, 1959, in the Treasury and agency accounts would amount to the aggregate of $1,710.4 million as compared with $2,079.7 million shown in this table.

[2] Dollars acquired from the sale of foreign currencies are derived from charges against the dollar appropriations of the Federal agencies which use the currencies. These dollar proceeds are credited to either miscellaneous receipts or other appropriate accounts on the books of the Treasury.

[3] Includes advances pursuant to the cited provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended; the mutual security acts, as amended; withdrawal of foreign currency held in trust; and advances for liquidation of obligations incurred prior to July 1, 1953.

[4] Represents the dollar value of currencis held in the accounts of the Treasury Department only. Currencies transferred to agency accounts pursuant to requisitions submitted to the Treasury Department, or as otherwise authorized, are accounted for by the U.S. Government agencies. Balances held by executive departments and agencies as of June 30, 1959, are stated at end of summary.

TABLE 114.—*Balances of foreign currencies acquired by the United States without purchase with dollars, June 30, 1959*

Country	Currency	In Treasury accounts		In agency accounts	
		Foreign currency	Dollar equivalent	Foreign currency	Dollar equivalent
Afghanistan	Afghani			24, 611, 710	$1, 171, 986
Argentina	Peso	337, 934, 107	$19, 349, 509	3, 419, 157	69, 820
Australia	Pound			2, 814	6, 364
Austria	Schilling	371, 397, 044	14, 238, 752	131, 941, 696	5, 081, 890
Belgian Congo	Franc			63, 506	1, 269
Belgium	Franc	8, 326, 161	164, 809	65, 156, 113	1, 308, 912
Bolivia	Boliviano	36, 888, 809	3, 061	7, 370, 445, 598	1, 644, 756
Brazil	Cruzeiro	1, 589, 276, 482	20, 057, 336	132, 472, 584	981, 774
Burma	Kyat	88, 418, 450	18, 457, 560	1, 181, 692	248, 724
Cambodia	Riel	2, 660, 532	76, 360	33, 325, 895	955, 613
Ceylon	Rupee	17, 998, 866	3, 782, 817	5, 579, 339	1, 170, 179
Chile	Peso	3, 687, 360, 137	6, 926, 230	202, 530, 161	229, 785
China	N.T. dollar	158, 379, 334	5, 552, 692	895, 922, 779	34, 456, 507
Colombia	Peso	37, 177, 712	6, 145, 553	11, 964, 551	1, 501, 573
Costa Rica	Colon			501, 205	75, 596
Cyprus	C. pound			353	989
Denmark	Krone	366, 500	53, 251	26, 123	3, 786
Ecuador	Sucre	15, 202, 475	1, 003, 458	6, 338, 916	373, 053
Ethiopia	Eth. dollar			6, 959	2, 806
Finland	Markka	1, 817, 483, 788	5, 669, 626	653, 505, 878	2, 084, 476
France	Franc	21, 045, 020, 522	44, 885, 562	3, 677, 521, 574	9, 232, 818
French West Africa	C.F.A. franc			295, 300	1, 205
Germany	E.D. mark	32, 042	2, 161		
Germany, Fed. Republic of.	W.D. mark	146, 633, 105	34, 912, 644	119, 687, 892	28, 427, 434
Ghana	B.W.A. pound			611	1, 748
Greece	Drachma	267, 034, 721	8, 873, 192	298, 416, 487	9, 946, 276
Guatemala	Quetzal			2, 627, 401	2, 627, 497
Honduras	Lempira	35, 750	17, 875	66	33
Hong Kong	H.K. dollar			104, 962	18, 318
Hungary	Forint	1, 000, 000	20, 833		
Iceland	Krona	52, 517, 442	2, 119, 495	708, 438	36, 836
India	Rupee	2, 264, 066, 309	473, 634, 531	548, 573, 897	114, 598, 629
Indonesia	Rupiah	1, 314, 337, 806	91, 475, 586	6, 842, 487	225, 954
Iran	Rial	124, 219, 100	1, 623, 779	25, 792, 602	339, 376
Iraq	Dinar			192	535
Ireland	Pound	400	1, 126	707	1, 992
Israel	Pound	64, 578, 007	35, 775, 590	33, 590, 915	18, 661, 625
Italy	Lira	20, 515, 191, 249	32, 845, 909	14, 354, 118, 568	22, 986, 601
Japan	Yen	4, 028, 913, 414	11, 191, 426	1, 813, 101, 542	5, 036, 456
Jordan	Dinar			700	1, 961
Kenya	E.A. shilling			15, 329	2, 148
Korea	Hwan	5, 330, 324, 841	10, 660, 650	12, 505, 278, 900	26, 065, 385
Laos	Kip	27, 503	344	6, 649, 493	156, 331
Lebanon	Pound			19, 979	6, 302
Libya	Lib. pound			289	812
Malaya	M. dollar			63, 641	21, 093
Mexico	Peso	169, 324, 381	13, 555, 439	43, 949, 592	3, 518, 782
Morocco	Franc			378, 842, 960	894, 355
Netherlands	Guilder	3, 641, 629	966, 911	11, 930, 544	3, 142, 735
New Zealand	Pound			944	2, 767
Nicaragua	Cordoba	209, 315	27, 909		
Nigeria	W.A. pound			20, 737	59, 011
Norway	Krone	1, 937, 643	273, 292	5, 596	701
Pakistan	Rupee	436, 088, 596	91, 304, 479	60, 032, 688	12, 548, 650
Paraguay	Guarani	5, 478, 000	91, 300	58, 493	479
Peru	Sol	41, 321, 460	1, 787, 795	33, 926, 856	1, 303, 995
Philippines	Peso	9, 403, 543	4, 684, 936	33, 679, 900	16, 820, 424
Poland	Zloty	3, 202, 077, 767	133, 156, 858	6, 770, 807	123, 106
Portugal	Escudo	57, 357, 682	1, 982, 432	3, 307, 953	116, 018
Singapore	M. dollar			4, 268	1, 378
Somaliland	Somolo			1, 487	244
Spain	Peseta	6, 687, 326, 709	152, 340, 985	2, 833, 424, 093	72, 345, 793
Sudan	Pound			91, 253	264, 521
Sweden	Krona			138, 845	23, 076
Switzerland	Franc			1, 388, 146	322, 370
Thailand	Baht	29, 730, 519	2, 152, 049	10, 534, 012	507, 745
Tunisia	Dinar			1, 788, 020	4, 262, 549
Turkey	Lira	190, 908, 747	33, 032, 610	38, 217, 055	4, 462, 384
Union of South Africa	Pound			18	49
United Arab Republic:					
Cairo	Egy. pound	12, 919, 369	33, 330, 465	7, 156	18, 696
Damascus	Syr. pound			6, 248	1, 735
United Kingdom	Pound	11, 636, 734	32, 566, 027	13, 047, 857	36, 469, 252
Uruguay	Peso	14, 472, 876	3, 521, 381		
Venezuela	Bolivar			33, 300	10, 000
Vietnam	Piastre	188, 307, 010	4, 214, 624	282, 543, 921	7, 754, 759
Yugoslavia	Dinar	76, 160, 872, 895	156, 104, 157	34, 408, 189, 626	110, 355, 167
Total			[1] 1, 514, 615, 366		[1] 565, 097, 964

[1] See footnote 1 in preceding table.

Indebtedness of Foreign Governments

TABLE 115.—*Indebtedness of foreign governments to the United States arising from World War I, and payments thereon as of June 30, 1959*

	Indebtedness as of June 30, 1959				Cumulative payments since inception				
	Principal		Interest due and unpaid	Total	Principal		Interest		Total
	Due and unpaid [1]	Unmatured			Funded debts	Unfunded debts	Funded debts	Unfunded debts	
Armenia	$11,959,917.49		$23,803,104.02	$35,763,021.51					
Austria [2]	18,036,843.87	$7,943,636.79	44,058.93	26,024,539.59	$862,668.00				$862,668.00
Belgium	146,300,000.00	254,380,000.00	219,323,077.60	620,003,077.60	17,100,000.00	$2,057,630.37	$14,490,000.00	$18,543,642.87	52,191,273.24
Cuba						10,000,000.00		2,286,751.58	12,286,751.58
Czechoslovakia	61,326,108.90	103,915,000.00	74,056,028.56	239,297,137.46	19,829,914.17			304,178.09	20,134,092.26
Estonia	4,933,012.87	11,533,000.00	16,041,107.94	32,507,120.81			1,246,990.19	1,441.88	1,248,432.07
Finland		6,077,688.92	[3] 180,765.10	6,258,454.02	[4] 2,922,311.08		9,344,192.58	440,780.79	[5] 12,707,284.45
France	1,601,600,926.28	2,262,049,073.72	2,014,240,209.32	5,877,890,209.32	161,350,000.00	64,689,588.18	38,650,000.00	221,386,302.82	486,075,891.00
Great Britain	1,280,000,000.00	3,088,000,000.00	4,174,259,301.93	8,542,259,301.93	232,000,000.00	202,181,641.56	1,232,775,999.07	357,896,657.11	2,024,854,297.74
Greece	20,666,000.00	10,850,000.00	11,459,295.10	42,975,295.10	981,000.00	2,922.67	1,983,980.00	1,159,153.34	4,127,056.01
Hungary [6]	533,890.00	1,374,670.00	1,761,560.34	3,670,120.34	73,995.50		482,171.22	753.04	556,919.76
Italy	554,500,000.00	1,450,400,000.00	161,893,659.34	2,166,793,659.34	37,100,000.00	364,319.28	5,766,708.26	57,598,852.62	100,829,880.16
Latvia	2,029,864.20	4,849,600.00	6,584,567.84	13,464,032.04	9,200.00		621,520.12	130,828.95	761,549.07
Liberia						26,000.00		10,471.56	36,471.56
Lithuania	1,794,775.00	4,402,907.00	5,884,401.82	12,082,083.82	234,783.00		1,001,626.61	1,546.97	1,237,956.58
Nicaragua [7]						141,950.36		26,625.48	168,575.84
Poland	58,995,000.00	147,062,000.00	200,759,504.20	406,816,504.20	[8] 1,287,297.37		19,310,775.90	2,048,224.28	22,646,297.55
Rumania	24,180,560.43	39,680,000.00	36,448,332.54	100,308,892.97	2,700,000.00	1,798,632.02	29,061.46	263,313.74	[9] 4,791,007.22
Russia	192,601,297.37		390,298,848.73	582,900,146.10				8,750,311.88	[10] 8,750,311.88
Yugoslavia [11]	17,623,000.00	44,002,000.00	8,858,593.78	70,483,593.78	1,225,000.00	727,712.55		636,059.14	2,588,771.69
Total	3,997,081,196.41	7,436,519,576.43	7,345,896,417.09	18,779,497,189.93	477,676,169.12	281,990,396.99	1,325,703,025.41	671,485,896.14	2,756,855,487.66

[1] Includes amounts postponed under moratorium agreements.
[2] By exchange of letters between the United States and Germany, and pursuant to Article 28 (I) of the Austrian State Treaty, dated May 15, 1955, it is recognized that these charges constitute a claim on Germany.
[3] Represents payments deferred.
[4] Includes payments of renewed principal on bonds.
[5] Payments through June 30, 1959, totaling $4,004,303.78 were made available for education and training of Finnish citizens in the United States, and of U.S. citizens in Finland, pursuant to the act of Aug. 24, 1949 (20 U.S.C. 222–224).
[6] Although agreements provide for payment in U.S. dollars, the interest payments due from Dec. 15, 1932 to June 15, 1937, were deposited in pengo equivalent, with the Hungarian National Bank.
[7] Obligations held by the United States, and interest thereon, were canceled pursuant to the agreement of Apr. 14, 1938, between the United States and Nicaragua.
[8] Excludes claim allowance of $1,813,428.69, dated Dec. 15, 1929.
[9] Excludes payment of $100,000.00 on June 15, 1940, as a token of good faith pending negotiation of new agreement.
[10] Consists principally of proceeds from liquidation of Russian assets in the United States.
[11] This Government has not accepted the moratorium provisions.

TABLE 116.—*World War I indebtedness, payments and balances due under agreements between the United States and Germany as of June 30, 1959*

Agreements of June 23, 1930, and May 26, 1932	Army costs (reichsmarks)	Mixed claims (reichsmarks)	Total (reichsmarks)	Total (dollars)
Indebtedness as funded	1,048,100,000.00	[1] 1,632,000,000.00	2,680,100,000.00	[2] $1,080,884,330.00
Payments:				
Principal	50,600,000.00	81,600,000.00	132,200,000.00	31,539,595.84
Interest	856,406.25	5,610,000.00	6,466,406.25	2,048,213.85
Total	51,456,406.25	87,210,000.00	138,666,406.25	33,587,809.69
Balance:				
Principal	997,500,000.00	1,550,400,000.00	2,547,900,000.00	1,027,568,070.00
Interest	[3] 318,848,926.50	252,960,000.00	571,808,926.50	230,610,540.05
Total	1,316,348,926.50	1,803,360,000.00	[4] 3,119,708,926.50	1,258,178,610.05

Agreement of Feb. 27, 1953 [5]	Indebtedness as funded in U.S. dollars	Total payments through June 30, 1959	Balance due
Mixed claims (U.S. dollars)	$97,500,000.00	$22,400,000.00	$75,100,000.00

[1] Excludes 489,600,000 reichsmarks canceled under agreement of Feb. 27, 1953 (see note 5).
[2] The amount of indebtedness as funded was converted to U.S. dollars at the rate of 40.33 cents to the reichsmark.
[3] Represents interest accrued under unpaid moratorium agreement annuities.
[4] Includes 4,027,611.95 reichsmarks deposited by the German Government in the Konversionskasse fur Deutsche Auslandsschulden and not paid to the United States in dollars as required by the agreement.
[5] Under the agreement of Feb. 27, 1953, the United States agreed to cancel and deliver to the German Government 24 reichsmarks bonds of 20,400,000 reichsmarks each, issued under the agreement of June 23, 1930, and receive 26 dollar bonds amounting to $97,500,000. These bonds mature serially over a period of 25 years beginning Apr. 1, 1953. The first 5 bonds are in amounts of $3,000,000 each, the next 5 in amounts of $3,700,000 each, and the remaining 16 in amounts of $4,000,000 each.

TABLE 117.—*Outstanding indebtedness of foreign countries on United States Government credits (exclusive of indebtedness arising from World War I) as of June 30, 1959, by area, country, and major program*

[In millions of dollars]

Area and country	Under Export-Import Bank Act	Under mutual security (and related) acts [1]		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and grant settlements [2]	Other credits	Total
		Development Loan Fund	Other	Foreign government loans	Private enterprise loans			
Western Europe:								
Austria	10			13		2		24
Belgium and Luxembourg	52		63			9		124
Denmark	9		35					44
Finland	68			14		13		94
France	825		224		4	558		1,610
Germany, Federal Republic of	8		17			875		900
Greece	11		31	30		41	(*)	113
Iceland	(*)		16	3		(*)		19
Ireland			125					125
Italy	32		92	63		84		272
Netherlands	50		144			31		224
Norway	21		39			2		62
Portugal	12		34	3				49
Spain	19		74	56				149
Sweden			18					18
Turkey	4		155			2		161
United Kingdom	251		384			539	3,419	4,593
Yugoslavia	40	1	34	96		(*)		171
European Coal and Steel Community			94					94
Total Western Europe	1,413	1	1,576	278	4	2,156	3,419	8,848
Other Europe:								
Czechoslovakia						5		5
Hungary						11		11
Poland	28		46			23		96
U.S.S.R						222		222
Total other Europe	28		46			261		334
Asia:								
Afghanistan	39		11					50
Burma			7	2		1		10
Ceylon		1	2					3
China-Taiwan	30	5	58			119		211
India	8	23	278	10		3		322
Indonesia	75		15	2		47		138
Iran	29	24	64	2		24		144
Israel	103	12	40	71	1			227
Japan	139			105		(*)		245
Korea (South)		1				21		22
Pakistan	3	1	97	50	(*)	13		164
Philippines	30		19	4		(*)	38	92
Saudi Arabia	3					15		18
Thailand	2		13					14
Vietnam			50					50
Other Asia	(*)						(*)	(*)
Total Asia	460	66	653	247	1	245	39	1,710
Latin America:								
Argentina	148			(*)				148
Bolivia	34	1						35
Brazil	524	(*)		54		7	16	601
Chile	96		10	25				131
Colombia	135			15	1			150
Costa Rica	15	(*)						15
Cuba	35							35
Ecuador	23		1	5			(*)	29
Guatemala	1							1
Haiti	28					(*)	(*)	28
Honduras	2	(*)	2					4

Footnotes at end of table.

TABLE 117.—*Outstanding indebtedness of foreign countries on United States Government credits (exclusive of indebtedness arising from World War I) as of June 30, 1959, by area, country, and major program*—Continued

[In millions of dollars]

Area and country	Under Export-Import Bank Act	Under mutual security (and related) acts [1]		Under Agricultural Trade Development and Assistance Act		Lend-lease, surplus property, and grant settlements [2]	Other credits	Total
		Development Loan Fund	Other	Foreign government loans	Private enterprise loans			
Latin America—Continued								
Mexico	207				4			211
Nicaragua	1							1
Panama	2		(*)					2
Paraguay	8	2		2				12
Peru	135		15	12	1	1		165
Uruguay	5					(*)		6
Venezuela	6							6
Other Latin America	(*)							(*)
Unspecified Latin America	25					8		33
Total Latin America	1,430	3	28	113	6	16	16	1,613
Africa:								
British East Africa			2					2
Ethiopia-Eritrea	6					(*)	(*)	6
French Equatorial Africa			2					2
Liberia	16	(*)				19		35
Libya			1					1
Morocco			33					33
Rhodesia and Nyasaland			24				12	36
Tunisia			2					2
Union of South Africa	97							97
United Arab Republic	(*)		7					8
Other Africa	(*)		(*)					(*)
Total Africa	120	(*)	72			19	12	223
Oceania:								
Australia	3					2		5
New Zealand	9					1		10
Total Oceania	12					3		15
Canada	(*)							(*)
United Nations							52	52
Total all areas	3,463	70	2,375	638	11	2,700	3,539	12,795

*Less than $500,000.

[1] Does not include loans of less than 3 years duration extended under authority of section 106(b) of the Mutual Security Act of 1954, as amended (22 U.S.C. 1816), for sale of military equipment by Government agencies, and loans of less than 10 years duration under section 103(c) of the act, as amended (31 U.S.C. 724), for which detailed data are not available because of security classification.

[2] Data on lend-lease, surplus property, and settlements for grants include approximately $1,004,000,000 for surplus property and other credits outstanding and administered by Federal agencies other than the Treasury Department, and exclude about $75,000,000 in defaulted short-term "cash" credits and deferred and otherwise past due interest. They also exclude the value of silver received by the U.S. Government ($14,000,000) but not completely recorded in the accounts of the Treasury Department as of June 30, 1959.

SOURCE.—U.S. Department of Commerce, Office of Business Economics.

TABLE 118.—*Status of accounts under lend-lease and surplus property agreements (World War II) as of June 30, 1959*

PART I.—SUMMARY OF AMOUNTS BILLED, COLLECTED, AND BALANCES DUE THE UNITED STATES

Country, etc.	Amount billed (net) [1]	Credits			Amounts payable to foreign governments [2]	Balances due the United States			
		Collections		Other credits		Balance due	Past due [3]	Due this year	To be repaid over a period of years by agreement
		United States dollars (less refunds)	Foreign currency (in U.S. dollar equivalent)						
Australia	$42,420,061.26	$34,170,930.90	$4,997,210.58	$863,517.18		$2,388,402.60			$2,388,402.60
Austria	10,500,222.61	2,637,467.26	6,125,000.00	556,807.01		1,180,948.34			1,180,948.34
Belgium and Belgian Congo	115,527,596.62	34,101,566.45	10,765,728.53	61,340,822.18		9,319,479.46			9,319,479.46
Burma	6,568,282.70	42,407.14	4,960,577.14	142,077.32		1,423,221.10			1,423,221.10
Canada	388,765,007.77	388,765,007.77							
China	91,875,033.97	16,062,109.14			$3,584,435.73	79,397,360.56	$45,280,253.45	$2,794,145.76	31,322,961.35
Czechoslovakia	9,449,014.18	596,730.50	1,062,961.45	1,990,965.94		5,798,356.29	1,865,937.95	310,454.08	3,621,964.26
Denmark	5,240,272.66	4,266,935.24	931,000.00	42,337.42					
Ethiopia	4,558,958.36	3,899,523.26		631,634.47		27,800.63			27,800.63
Finland	23,310,237.88	8,958,409.18	2,271,136.46	697,805.34		11,382,886.90			11,382,886.90
France	1,181,719,029.17	502,073,569.50	50,644,088.03	51,402,738.29		577,598,633.35			[4] 577,598,633.35
Germany, Federal Republic of	222,401,292.95	2,084,508.75	163,005,344.92			57,311,439.28			57,311,439.28
Greece	68,741,480.26	26,284,087.10	6,433,291.00	1,156,763.08	1,766.62	34,869,105.70			34,869,105.70
Greenland	8,351.28	8,351.28							
Hungary	19,832,981.99		6,952,500.10	1,818,002.31		11,062,479.58	2,591,763.72	431,960.62	8,038,755.24
Iceland	4,855,981.42	4,496,553.29	191,915.40			167,512.73			167,512.73
India	200,606,711.25	179,110,071.30	6,943,404.63	287,954.38		14,265,280.94	4,299,005.50		[5] 9,966,275.44
Iran	11,842,707.95	1,111,249.61	7,829,287.39			2,902,170.95	2,902,170.95		
Iraq	54.00	54.00							
Italy	259,395,301.35	130,272,459.16	54,822,732.70	3,541,571.44		70,758,538.05		2,219,807.83	[6] 68,538,730.22
Japan	14,034,716.93		12,971,483.00	756,926.82		306,307.11			306,307.11
Korea	30,437,281.26		2,524,307.70	3,977,576.38		23,935,397.18	1,990,251.84	497,562.96	21,447,582.38
Lebanon	1,656,638.01		521,818.51	1,134,819.50					
Liberia	19,440,619.66	317,937.27				19,122,682.39			19,122,682.39
Luxembourg	120.00	120.00							
Middle East, other	50,377,089.88	11,126,866.72	39,234,823.16			15,400.00	15,400.00		
Netherlands	175,477,029.63	97,244,551.72	18,748,000.00	28,383,412.29		31,101,065.62			31,101,065.62
New Zealand	4,935,288.23	1,682,556.05	1,247,459.28	643,959.74		1,361,313.16			1,361,313.16
Norway	21,274,405.36	11,206,876.76	7,908,523.97	180,637.90		1,978,366.73			1,978,366.73
Pakistan	38,014,433.42	16,589,881.40				21,424,552.02			[7] 21,424,552.02
Philippines	5,000,000.00		2,005,855.29	2,958,801.96		35,342.75			35,342.75
Poland	47,299,885.56	13,702,606.31	10,385,744.17			23,211,535.08	988,959.16	1,141,266.42	21,081,309.50
Saudi Arabia	15,158,129.77					15,158,129.77			[8] 15,158,129.77
Southern Rhodesia	1,415,510.78	1,371,931.69				43,579.09	43,579.09		

Sweden	2, 115, 455. 91	240, 689. 98	1, 824, 653. 33	50, 112. 60	--------	--------	--------	--------	--------
Thailand	7, 064, 989. 28	2, 235, 736. 09	4, 178, 321. 72	650, 931. 47	--------	--------	--------	--------	--------
Turkey	14, 471, 220. 90	11, 064, 231. 77	2, 110, 714. 28	1, 281, 136. 93	--------	15, 137. 92	15, 137. 92	--------	--------
Union of South Africa	117, 774, 297. 35	116, 608, 622. 69	242, 487. 98	923, 186. 68	--------	--------	--------	--------	--------
Union of Soviet Socialist Republics	301, 421, 105. 00	73, 144, 722. 54	--------	--------	--------	228, 276, 382. 46	22, 444, 870. 98	8, 089, 458. 83	197, 742, 052. 65
United Kingdom and colonies	1, 028, 126, 055. 20	283, 251, 622. 00	28, 519, 234. 24	154, 635, 335. 62	--------	561, 719, 863. 34	--------	--------	[9] 561, 719, 863. 34
Yugoslavia	963, 376. 50	63, 376. 50	16, 300. 00	623, 065. 20	--------	260, 634. 80	--------	--------	260, 634. 80
American Republics	136, 684, 853. 62	113, 483, 672. 92	11, 921, 129. 75	3, 154, 183. 21	--------	8, 125, 867. 74	494, 399. 35	362, 848. 57	7, 268, 619. 82
American Red Cross	2, 023, 386. 90	2, 023, 386. 90	--------	--------	--------	--------	--------	--------	--------
Federal agencies	243, 109, 685. 95	243, 087, 494. 39	--------	--------	--------	22, 191. 56	21, 930. 43	261. 13	--------
Military withdrawals	187, 629. 76	649. 00	186, 980. 76	--------	--------	--------	--------	--------	--------
United Nations Relief and Rehabilitation Administration	7, 226, 762. 25	7, 226, 762. 25	--------	--------	--------	--------	--------	--------	--------
Miscellaneous items	1, 472, 077. 38	1, 136, 573. 15	335, 504. 23	--------	--------	--------	--------	--------	--------
Totals	4, 954, 780, 624. 12	2, 345, 752, 858. 93	472, 819, 519. 70	323, 827, 082. 66	3, 586, 202. 35	1, 815, 967, 365. 18	82, 953, 660. 34	15, 847, 766. 20	1, 717, 165, 938. 64

Footnotes at end of table.

TABLE 118.—*Status of accounts under lend-lease and surplus property agreements (World War II) as of June 30, 1959*—Continued

PART II.—BALANCES DUE BY TYPE OF AGREEMENT

Country, etc.	Lend-lease settlement agreements	Other lend-lease accounts	Surplus property agreements	Total
Australia			$2,388,402.60	$2,388,402.60
Austria			1,180,948.34	1,180,948.34
Belgium and Belgian Congo			9,319,479.46	9,319,479.46
Burma			1,423,221.10	1,423,221.10
China		$79,397,360.56		79,397,360.56
Czechoslovakia			5,798,356.29	5,798,356.29
Ethiopia	$27,800.63			27,800.63
Finland			11,382,886.90	11,382,886.90
France	297,733,212.67		279,865,420.68	[4] 577,598,633.35
Germany, Federal Republic of			57,311,439.28	57,311,439.28
Greece			34,869,105.70	34,869,105.70
Hungary			11,062,479.58	11,062,479.58
Iceland			167,512.73	167,512.73
India		9,966,261.33	4,299,019.61	[5] 14,265,280.94
Iran	711,753.36	90,000.00	2,100,417.59	2,902,170.95
Italy			70,758,538.05	[6] 70,758,538.05
Japan			306,307.11	306,307.11
Korea			23,935,397.18	23,935,397.18
Liberia	19,122,682.39			19,122,682.39
Middle East, other		15,400.00		15,400.00
Netherlands	31,101,065.62			31,101,065.62
New Zealand			1,361,313.16	1,361,313.16
Norway			1,978,366.73	1,978,366.73
Pakistan		21,424,552.02		[7] 21,424,552.02
Philippines			35,342.75	35,342.75
Poland			23,211,535.08	23,211,535.08
Saudi Arabia		15,158,129.77		[8] 15,158,129.77
Southern Rhodesia		43,579.09		43,579.09
Turkey			15,137.92	15,137.92
U.S.S.R.		228,276,382.46		228,276,382.46
United Kingdom and colonies	524,064,387.85		37,655,475.49	[9] 561,719,863.34
Yugoslavia	260,634.80			260,634.80
American Republics	7,358,193.57	767,674.17		8,125,867.74
Federal agencies			22,191.56	22,191.56
Total	880,379,730.89	355,139,339.40	580,448,294.89	1,815,967,365.18

Footnotes at end of table.

TABLE 118.—*Status of accounts under lend-lease and surplus property agreements (World War II) as of June 30, 1959*—Continued

PART III.—LEND-LEASE SILVER ACCOUNTS AS OF JUNE 30, 1959

Country	Silver loaned		Silver repaid		Balance outstanding
	(In ounces)	(U.S. dollars)	(In ounces)	(U.S. dollars)	(U.S. dollars)
Australia	11,772,730.21	$8,371,719.26	11,722,730.21	$8,371,719.26	
Belgium	261,333.33	185,837.03	261,333.33	185,837.03	
Ethiopia	5,425,000.00	3,857,777.77	5,425,000.00	3,857,777.77	
India	172,542,107.00	122,696,609.42	164,572,528.50	117,029,353.59	[10] $5,667,255.83
Netherlands	56,737,341.25	40,346,553.77	56,737,341.25	40,346,553.77	
Pakistan	53,457,797.00	38,014,433.42	23,329,520.73	16,589,881.40	[7] 21,424,552.02
Saudi Arabia	21,316,120.01	15,158,129.77			[8] 15,158,129.77
United Kingdom	88,270,241.84	62,769,949.72	88,270,241.84	62,769,949.72	
Total	409,782,670.64	[r] 291,401,010.16	350,318,695.86	249,151,072.54	42,249,937.62

[r] Revised.

[1] Includes accrued interest through July 1, 1959.

[2] Represents cash payments by foreign governments in excess of billings under advance payment agreements. Amounts being held pending settlement for lend-lease.

[3] Principally billings considered past due as of June 30, 1958, and items subject to negotiation.

[4] Includes $58,683,606.66 principal and interest installments postponed pursuant to agreement.

[5] Includes silver valued at $5,667,255.83 which is in the possession of the United States and is currently in the process of being assayed.

[6] Includes deferred installments to be repaid July 1, 1959, by special agreement.

[7] Agreement of July 21, 1958, provides for payment of this amount of silver in 4 equal annual payments.

[8] The Department of State has communicated with the Government of Saudi Arabia concerning the repayment of this silver.

[9] Includes $11,230,808.61 for interest due Dec. 31, 1956, and $17,417,038.29 for principal and interest due Dec. 31, 1957, postponed by agreement of Mar. 6, 1957.

[10] See note 5.

Corporations and Certain Other Business-Type Activities of the United States Government

TABLE 119.—*Capital stock, notes, and bonds of Government agencies held by the Treasury or other Government agencies, June 30, 1958 and 1959, and changes during 1959*

Class of security and issuing agent	Date of authorizing act or reorganization plan	Amount owned June 30, 1958	Advances [1]	Repayments and other reductions [1]	Amount owned June 30, 1959
Capital stock of Government corporations:					
Held by the Secretary of the Treasury:					
Export-Import Bank of Washington	June 16, 1933, as amended	$1,000,000,000.00			$1,000,000,000.00
Federal Crop Insurance Corporation	Feb. 16, 1938, as amended	40,000,000.00			40,000,000.00
Federal National Mortgage Association, secondary market operations.	Aug. 2, 1954	142,820,304.97			142,820,304.97
Federal Savings and Loan Insurance Corporation	June 27, 1934, as amended	24,801,000.00		$24,801,000.00	
Inland Waterways Corporation	June 3, 1924, as amended	15,000,000.00			15,000,000.00
Public Housing Administration	Sept. 1, 1937, as amended	1,000,000.00			1,000,000.00
Held by the Secretary of Agriculture, Commodity Credit Corporation.	June 16, 1933, as amended	100,000,000.00			100,000,000.00
Held by the Governor of the Farm Credit Administration:					
Banks for cooperatives	do	141,587,500.00		6,788,800.00	134,798,700.00
Federal intermediate credit banks	July 26, 1956	79,133,190.00	$11,300,000.00	4,694,070.00	85,739,120.00
Total capital stock		1,544,341,994.97	11,300,000.00	36,283,870.00	1,519,358,124.97
Bonds and notes of Government corporations and other agencies held by the Treasury: [2]					
Commodity Credit Corporation	Mar. 8, 1938, as amended	11,528,000,000.00	5,115,000,000.00	3,769,000,000.00	12,874,000,000.00
Export-Import Bank of Washington:					
Regular activities	July 31, 1945, as amended	1,508,000,000.00	709,400,000.00	294,800,000.00	1,922,600,000.00
Liability transferred from the Reconstruction Finance Corporation.	Reorganization Plan No. 2 of 1954.	20,400,814.98		6,109,751.04	14,291,063.94
Federal National Mortgage Association:					
Management and liquidating functions	Reorganization Plan No. 22 of 1950, and act of Aug. 2, 1954.	1,348,290,622.70	58,604,000.00	267,353,172.45	1,139,541,450.25
Secondary market operations	Aug. 2, 1954		267,416,357.86	225,885,322.79	41,531,035.07
Special assistance functions	do	153,750,574.73	1,026,724,498.93	10,877,815.02	1,169,597,258.64
Housing and Home Finance Administrator:					
College housing loans	Apr. 20, 1950, as amended	388,856,549.44	211,955,127.27	6,393,676.71	594,418,000.00
Public facility loans	Aug. 11, 1955	13,700,000.00	24,250,900.00		37,950,900.00
Urban renewal fund	July 15, 1949, as amended	73,000,000.00	25,000,000.00		98,000,000.00
International Cooperation Administration, foreign loan program	Apr. 3, 1948, as amended, and June 15, 1951.	1,187,735,494.11	343,268.31	24,398,957.52	1,163,679,804.90
Public Housing Administration	Sept. 1, 1937, as amended	35,000,000.00	75,000,000.00	83,000,000.00	27,000,000.00
Rural Electrification Administration	May 20, 1936, as amended	2,727,751,649.98	295,000,000.00	99,428,205.64	2,923,323,444.34

Saint Lawrence Seaway Development Corporation	May 13, 1954	96,700,000.00	15,800,000.00		112,500,000.00
Secretary of Agriculture, Farmers' Home Administration:					
Farm housing loan program	Aug. 7, 1956	30,790,773.07	60,000,000.00	13,704,952.39	77,085,820.68
Regular loan programs	June 13, 1958	223,070,475.71	221,500,000.00	[3] 228,103,805.47	216,466,670.24
Farm tenant mortgage insurance fund	Aug. 14, 1946	2,485,000.00	28,195,000.00	1,460,000.00	29,220,000.00
Secretary of Commerce, Maritime Administration:					
Federal ship mortgage insurance fund	July 15, 1958		1,400,000.00		1,400,000.00
Secretary of the Treasury (Federal Civil Defense Act of 1950, as amended).	Jan. 12, 1951, as amended	870,000.00		150,000.00	720,000.00
United States Information Agency, informational media guaranty fund.	Apr. 3, 1948, as amended, and July 18, 1956.	16,800,000.00	4,743,000.00	1,732,236.00	19,810,764.00
Veterans' Administration (veterans' direct loan program)	Apr. 20, 1950, as amended	780,077,996.00	150,000,000.00		930,077,996.00
Defense Production Act of 1950, as amended:					
Export-Import Bank of Washington	Sept. 8, 1950, as amended	29,569,025.70	613,440.92	5,415,304.90	24,767,161.72
General Services Administration	do	1,438,700,000.00	290,000,000.00	45,000,000.00	1,683,700,000.00
Secretary of Agriculture	do	58,633,000.00	174,000.00		58,807,000.00
Secretary of the Interior (Defense Minerals Exploration Administration).	do	30,000,000.00	2,000,000.00		32,000,000.00
Secretary of the Treasury	do	166,510,000.00	610,000.00	16,470,000.00	150,650,000.00
Total bonds and notes		21,858,691,976.42	8,583,729,593.29	[3] 5,099,283,199.93	25,343,138,369.78
Guaranteed obligations of Government agencies held by Government corporations and other agencies:					
Federal Housing Administration debentures held by:					
Housing and Home Finance Agency:					
Federal Housing Administration	June 27, 1934, as amended	11,737,400.00		5,244,050.00	6,493,350.00
Federal National Mortgage Association:					
Management and liquidating functions	Aug. 2, 1954	42,297,450.00	27,075,000.00	12,814,650.00	56,557,800.00
Secondary market operations	do	28,400.00	471,450.00	472,550.00	27,300.00
Special assistance functions	do	7,550.00	40,100.00	39,900.00	7,750.00
Office of the Administrator, liquidating programs	June 24, 1954		7,750.00	7,750.00	
Total guaranteed obligations		54,070,800.00	27,594,300.00	18,578,900.00	63,086,200.00

[1] Excludes refundings.

[2] For description of securities held as of June 30, 1959, see table 122.

[3] Excludes uncommitted funds amounting to $663,335.94 returned to the Treasury; not reported in time for inclusion in the daily Treasury statement of June 30, 1959.

NOTE.—See table 124, Parts C and D, for data on other securities held by agencies representing loans made or purchase of stock of international organizations, etc.

TABLE 120.—*Borrowing authority and outstanding issues of Government corporations and certain other business-type activities whose obligations are issued to the Secretary of the Treasury, June 30, 1959* [1]

[In millions of dollars. On basis of daily Treasury statements]

Corporation or activity	Borrowing authority	Outstanding obligations held by Treasury	Unused borrowing authority
Commodity Credit Corporation	14,500	12,874	[2] 1,626
Export-Import Bank of Washington:			
Regular activities	6,000	1,923	[3] 4,077
Liability transferred from the Reconstruction Finance Corporation	14	14	
Federal Deposit Insurance Corporation	3,000		3,000
Federal home loan banks	1,000		1,000
Federal National Mortgage Association:			
Management and liquidating functions	1,140	1,140	
Secondary market operations	2,250	42	[4] 2,208
Special assistance functions	2,609	1,170	1,439
Federal Savings and Loan Insurance Corporation	750		750
Housing and Home Finance Administrator:			
College housing loans	925	594	331
Flood insurance	500		500
Public facility loans	100	38	62
Urban renewal fund	1,000	98	902
International Cooperation Administration:			
India emergency food aid	23	23	
Loan to Spain	50	50	(*)
Mutual defense assistance program	1,091	1,091	(*)
Foreign investment guaranty fund	199		199
Public Housing Administration	1,500	27	1,473
Rural Electrification Administration	3,886	2,923	962
Saint Lawrence Seaway Development Corporation	140	112	28
Secretary of Agriculture, Farmers' Home Administration:			
Farm housing loan program	417	77	340
Regular loan programs	[5] 216	[5] 216	
Farm tenant mortgage insurance fund	29	29	
Secretary of Commerce, Maritime Administration:			
Federal ship mortgage insurance fund	1	1	
Secretary of the Treasury (Federal Civil Defense Act of 1950, as amended)	250	1	249
United States Information Agency, informational media guaranty fund	28	20	8
Veterans' Administration (veterans' direct loan program)	1,030	930	100
Virgin Islands Corporation	(*)		(*)
Defense Production Act of 1950, as amended:			
Export-Import Bank of Washington	26	25	1
General Services Administration	1,804	1,684	120
Secretary of Agriculture	68	59	9
Secretary of the Interior, Defense Minerals Exploration Administration	36	32	4
Secretary of the Treasury	167	151	16
Unallocated	(*)		(*)
Total	44,749	25,343	19,406

*Less than $500,000.

[1] Excludes authorizations to borrow from the public and also authorizations to expend from public debt receipts for subscriptions to capital stock of the following agencies: International Bank for Reconstruction and Development, $6,350 million; International Monetary Fund, $2,325 million; International Finance Corporation, $35 million; and certain Government corporations, $1,135 million. In addition, the authorized credit to the United Kingdom, of which $3,419 million is outstanding, has been excluded.

[2] Obligations for the purchase or the guarantee of loans held by lending agencies, amounting to $230 million as of June 30, 1959, are applicable against the statutory borrowing authority. The unused authority to borrow from the Treasury has not been reduced thereby, since the Corporation may borrow from the Treasury to liquidate these obligations.

[3] Obligations for guaranteed letters of credit and loans disbursed by commercial banks, amounting to $140 million as of June 30, 1959, are applicable against the statutory borrowing authority. The unused authority to borrow from the Treasury has not been reduced thereby, since the Corporation may borrow from the Treasury to liquidate these obligations.

[4] The balance shown represents unused portion of authorization to expend from public debt receipts, available for loans to the secondary market operations fund without further action by Congress. Because of borrowing and the capital structure of the fund, the maximum it could borrow from the Treasury without adjusting its other borrowing or its capital structure as of June 30, 1959, would be as follows:

Borrowing authorized (10 times capital plus surplus)	$2,028,830,591
Borrowing outstanding	−1,331,656,035
Unused balance of borrowing authorized	697,174,556

[5] Has not been reduced by $1 million representing return of uncommitted funds to the Treasury which were not received in time for inclusion in the daily Treasury statement of June 30, 1959.

TABLE 121.—*Comparative statement of obligations of Government corporations and certain other business-type activities held by the Treasury, June 30, 1952–59*

[Face amount, in thousands of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

Agency	1952	1953	1954	1955	1956	1957	1958	1959
Commodity Credit Corporation	1,970,000	3,612,000	4,180,000	7,608,000	11,190,000	13,383,000	11,528,000	12,874,000
Export-Import Bank of Washington	1,088,100	1,227,100	1,347,000	1,309,891	1,239,201	1,204,536	1,528,401	1,936,891
Federal National Mortgage Association:								
Management and liquidating functions				1,965,509	1,859,538	1,716,188	1,348,291	1,139,541
Secondary market operations	2,037,893	2,446,097	2,233,210	----------	94,481	3,234	----------	41,531
Special assistance functions				5	246	21,877	153,751	1,169,597
Housing and Home Finance Administrator:								
College housing loans	2,000	20,000	51,500	81,500	116,112	227,857	388,857	594,418
Prefabricated housing loans program	32,170	18,787	12,801	----------	----------	----------	----------	----------
Public facility loans	----------	----------	----------	----------	500	1,400	13,700	37,951
Urban renewal fund	10,000	28,000	38,000	48,000	48,000	53,000	73,000	98,000
International Cooperation Administration	1,149,963	1,188,999	1,202,813	1,208,988	1,213,424	1,198,058	1,187,735	1,163,680
Public Housing Administration	655,000	655,000	215,000	61,000	38,000	41,000	35,000	27,000
Reconstruction Finance Corporation	197,173	159,000	154,000	----------	----------	----------	----------	----------
Rural Electrification Administration	1,731,326	1,932,722	2,091,132	2,206,524	2,343,228	2,518,951	2,727,752	2,923,323
Saint Lawrence Seaway Development Corporation	----------	----------	----------	2,700	16,000	48,300	96,700	112,500
Secretary of Agriculture, Farmers' Home Administration:								
Farm housing loan program	----------	----------	----------	----------	5,000	41,256	30,791	77,086
Regular loan programs	78,369	116,795	172,377	162,453	145,798	211,949	223,070	[1] 216,467
Farm tenant mortgage insurance fund	----------	----------	----------	----------	100	7,725	2,485	29,220
Secretary of Commerce, Maritime Administration:								
Federal ship mortgage insurance fund	----------	----------	----------	----------	----------	----------	----------	1,400
Secretary of the Treasury (Federal Civil Defense Act of 1950)	----------	----------	2,139	2,300	1,930	1,065	870	720
Small Business Administration	----------	----------	----------	11,300	9,125	7,150	----------	----------
Tennessee Valley Authority	39,000	34,000	29,000	14,000	----------	----------	----------	----------
United States Information Agency	----------	----------	----------	----------	----------	12,975	16,800	19,811
Veterans' Administration (veterans' direct loan program)	177,978	270,068	366,719	491,143	584,141	733,484	780,078	930,078
Defense Production Act of 1950, as amended:								
Defense Materials Procurement Agency	333,700	283,700	----------	----------	----------	----------	----------	----------
Export-Import Bank of Washington	61	368	13,068	21,788	29,123	34,504	29,569	24,767
General Services Administration	----------	----------	593,700	793,700	868,700	1,018,700	1,438,700	1,683,700
Reconstruction Finance Corporation	57,200	122,200	----------	----------	----------	----------	----------	----------
Secretary of Agriculture	----------	----------	2,084	2,084	47,336	47,336	58,633	58,807
Secretary of the Interior, Defense Minerals Exploration Administration	4,500	10,000	15,000	18,000	22,000	26,000	30,000	32,000
Secretary of the Treasury	----------	----------	149,500	166,440	176,570	167,890	166,510	150,650
Total	9,564,433	12,124,836	12,869,043	16,175,325	20,048,553	22,727,434	21,858,692	[1,2] 25,343,138

[1] Of this amount, $663,335.94 of uncommitted funds have been returned to the Treasury although not received in time for inclusion in the daily Treasury statement of June 30, 1959.

[2] Does not agree with the daily Treasury statement of June 30, 1959, because of a misprint. A correction was shown in the daily Treasury statement of July 31, 1959, p. 13.

TABLE 122.—*Description of obligations of Government corporations and certain other business-type activities held by the Treasury, June 30, 1959*

[On basis of daily Treasury statements, see "Bases of Tables"]

Title and authorizing act	Date of issue	Date payable [1]	Rate of interest	Principal amount
Commodity Credit Corporation, act of Mar. 8, 1938, as amended:			*Percent*	
Note, Series Twelve—1960	June 30, 1959	June 30, 1960	3⅞	$12,874,000,000.00
Export-Import Bank of Washington:				
Act of July 31, 1945, as amended:				
Note, Series 1961	Dec. 31, 1951	Dec. 31, 1961	2	451,100,000.00
Notes, Series 1965	Various dates	Various dates	2⅝	191,500,000.00
Notes, Series 1965	do	June 30, 1965	2¾	48,900,000.00
Notes, Series 1965	do	Various dates	2⅞	194,600,000.00
Notes, Series 1965 and 1972	do	do	3⅛	376,900,000.00
Notes, Series 1965	do	Dec. 31, 1965	3⅜	26,400,000.00
Notes, Series 1965	do	do	3⅝	114,900,000.00
Notes, Series 1966	do	June 30, 1966	3¾	16,200,000.00
Notes, Series 1966	do	do	3⅞	59,500,000.00
Notes, Series 1966	do	do	4	33,000,000.00
Note, Series 1966	June 30, 1959	do	4¼	15,600,000.00
Note, Series 1977	do	June 30, 1977	2⅜	394,000,000.00
Reorganization Plan No. 2 of 1954:				
Note, Series DD	July 1, 1954	July 1, 1961	2	14,291,063.94
Subtotal				1,936,891,063.94
Federal National Mortgage Association:				
Management and liquidating functions:				
Reorganization Plan No. 22 of 1950:				
Note, Series B	July 1, 1954	July 1, 1959	2	14,865,000.00
Act of Aug. 2, 1954:				
Note, Series C	Aug. 12, 1954	do	2	30,910,000.00
Notes, Series C	Various dates	do	2⅛	146,045,304.97
Notes, Series C	do	Various dates	2¼	857,921,145.28
Notes, Series C	do	July 1, 1963	4¼	89,800,000.00
Secondary market operations, act of Aug. 2, 1954:				
Note, Series E	June 30, 1959	June 30, 1960	3⅞	41,531,035.07
Special assistance functions, act of Aug. 2, 1954:				
Notes, Series D	Various dates	Various dates	2¾	29,483,967.72
Notes, Series D	do	do	2⅞	190,973.68
Notes, Series D	do	do	3	13,700,115.63
Notes, Series D	do	do	3¼	34,338,376.04
Note, Series D	Dec. 3, 1956	July 1, 1961	3½	842,586.52
Notes, Series D	Various dates	do	3⅜	9,952,831.88
Notes, Series D	do	Various dates	3⅝	224,486,370.35
Notes, Series D	do	do	3¾	118,610,364.54
Note, Series D	Mar. 3, 1958	July 1, 1962	2⅝	16,507,793.30
Note, Series D	Apr. 1, 1958	do	2½	16,199,624.25
Note, Series D	June 2, 1958	do	2¼	11,019,173.23
Notes, Series D	Various dates	Various dates	2⅜	26,372,411.21
Notes, Series D	do	do	3⅞	439,033,568.02
Note, Series D	May 1, 1959	July 1, 1963	4	107,594,904.80
Note, Series D	June 1, 1959	do	4¼	121,264,197.47
Subtotal				2,350,669,743.96
Housing and Home Finance Administrator:				
College housing loans, act of Apr. 20, 1950, as amended:				
Notes, Series B, D, and CH	Various dates	Various dates	2½	355,283,000.00
Notes, Series C and E	do	do	2⅝	165,080,000.00
Notes, Series C and F	do	do	2¾	68,055,000.00
Note, Series G	Feb. 2, 1959	July 1, 1978	2⅝	6,000,000.00
Public facility loans, act of Aug. 11, 1955:				
Notes, Series PF	Various dates	Various dates	2⅞	5,237,900.00
Notes, Series PF	do	do	3	1,200,000.00
Notes, Series PF	do	do	3¼	5,026,000.00
Notes, Series PF	June 28, 1957	do	3⅜	5,854,000.00
Notes, Series PF	Various dates	do	3½	5,767,000.00
Notes, Series PF	do	July 1, 1972	3¾	4,384,000.00
Note, Series PF	Apr. 30, 1958	Apr. 1, 1973	3⅛	10,382,000.00
Note, Series PF	Mar. 31, 1959	Mar. 1, 1974	3⅞	100,000.00
Urban renewal fund, act of July 15, 1949, as amended:				
Note	Dec. 31, 1958	Dec. 31, 1963	3	93,000,000.00
Note	do	June 30, 1964	3⅝	5,000,000.00
Subtotal				730,368,900.00

Footnotes at end of table.

TABLE 122.—*Description of obligations of Government corporations and certain other business-type activities held by the Treasury, June 30, 1959*—Continued

Title and authorizing act	Date of issue	Date payable [1]	Rate of interest	Principal amount
International Cooperation Administration:				
Act of Apr. 3, 1948, as amended:			*Percent*	
Notes of Administrator (E.C.A.)	Various dates	June 30, 1977	1⅞	$49,559,433.52
Notes of Administrator (E.C.A.)	do	June 30, 1984	1⅞	1,091,124,858.79
Act of June 15, 1951:				
Note of Director (M.S.A.)	Feb. 6, 1952	Dec. 31, 1986	2	22,995,512.59
Subtotal				1,163,679,804.90
Public Housing Administration, act of Sept. 1, 1937, as amended:				
Note	Nov. 9, 1956	On demand	3⅞	27,000,000.00
Rural Electrification Administration, act of May 20, 1936, as amended:				
Notes of Administrator	Various dates	Various dates	2	2,923,323,444.34
Saint Lawrence Seaway Development Corporation, act of May 13, 1954:				
Revenue bond	Nov. 26, 1954	Dec. 31, 1963	2⅜	1,000,000.00
Revenue bonds	Various dates	Dec. 31, 1964	2½	800,000.00
Revenue bonds	do	Various dates	2⅝	700,000.00
Revenue bonds	do	Dec. 31, 1966	2¾	900,000.00
Revenue bonds	do	Various dates	2⅞	5,100,000.00
Revenue bonds	do	do	3	7,800,000.00
Revenue bonds	do	do	3⅛	8,200,000.00
Revenue bonds	do	do	3¼	24,600,000.00
Revenue bonds	do	do	3⅜	15,900,000.00
Revenue bonds	do	do	3½	9,900,000.00
Revenue bonds	do	do	3⅝	31,100,000.00
Revenue bonds	do	do	3¾	4,000,000.00
Revenue bonds	do	do	4	2,000,000.00
Revenue bond	June 18, 1959	Dec. 31, 2001	4⅛	500,000.00
Subtotal				112,500,000.00
Secretary of Agriculture:				
Farmers' Home Administration:				
Farm housing loan program, act of Aug. 7, 1956:				
Note	Aug. 28, 1956	June 30, 1989	3	17,085,820.68
Note	July 3, 1958	June 30, 1991	3¼	10,000,000.00
Note	Sept. 8, 1958	do	3½	10,000,000.00
Note	Oct. 15, 1958	do	3¾	15,000,000.00
Notes	Various dates	do	4	20,000,000.00
Note	June 19, 1959	do	4⅛	5,000,000.00
Regular loan programs, act of June 13, 1958:				
Note	July 1, 1958	June 30, 1963	2⅜	204,466,670.24
Notes	Various dates	do	3	[2] 12,000,000.00
Farm tenant mortgage insurance fund, act of Aug. 14, 1946:				
Note	May 31, 1956	June 30, 1960	2.537	100,000.00
Notes	Various dates	June 30, 1961	2.576	100,000.00
Notes	do	do	2.607	225,000.00
Notes	do	do	2.642	600,000.00
Notes	do	June 30, 1963	2.632	450,000.00
Notes	do	do	2.638	485,000.00
Notes	do	do	3¼	1,775,000.00
Notes	do	do	3⅝	5,110,000.00
Notes	do	do	3¾	2,300,000.00
Notes	do	do	3⅞	8,125,000.00
Notes	do	do	4	7,580,000.00
Notes	do	do	4¼	2,370,000.00
Subtotal				322,772,490.92

Footnotes at end of table.

TABLE 122.—*Description of obligations of Government corporations and certain other business-type activities held by the Treasury, June 30, 1959*—Continued

Title and authorizing act	Date of issue	Date payable[1]	Rate of interest	Principal amount
Secretary of Commerce, Maritime Administration:				
Federal ship mortgage insurance fund, act of July 15, 1958:			*Percent*	
Note	Feb. 20, 1959	Feb. 20, 1964	3⅞	$1,400,000.00
Secretary of the Treasury, Federal Civil Defense Act of 1950, as amended:				
Notes, Series FCD	Various dates	July 1, 1959	2	125,000.00
Note, Series FCD	Jan. 1, 1955	do	2¼	595,000.00
Subtotal				720,000.00
United States Information Agency:				
Informational media guaranty fund, act of Apr. 3, 1948, as amended:				
Note of Administrator (E.C.A.)	Oct. 27, 1948	June 30, 1986	1⅞	1,410,000.00
Note of Administrator (E.C.A.)	do	do	2	1,305,000.00
Note of Administrator (E.C.A.)	do	do	2⅛	2,272,610.67
Note of Administrator (E.C.A.)	Jan. 24, 1949	do	2½	775,000.00
Note of Administrator (E.C.A.)	do	do	2⅝	75,000.00
Note of Administrator (E.C.A.)	do	do	2¾	302,389.33
Note of Administrator (E.C.A.)	do	do	2⅞	1,865,000.00
Note of Administrator (E.C.A.)	do	do	3	1,100,000.00
Note of Administrator (E.C.A.)	do	do	3⅛	510,000.00
Note of Administrator (E.C.A.)	do	do	3¼	4,067,764.00
Note of Administrator (E.C.A.)	do	do	3⅜	495,000.00
Note of Administrator (E.C.A.)	do	do	3½	75,000.00
Note of Administrator (E.C.A.)	do	do	3⅝	1,345,000.00
Note of Administrator (E.C.A.)	do	do	3¾	2,171,000.00
Note of Administrator (E.C.A.)	do	do	4	1,699,000.00
Note of Administrator (E.C.A.)	do	do	4⅛	343,000.00
Subtotal				19,810,764.00
Veterans' Administration (veterans' direct loan program), act of Apr. 20, 1950, as amended:				
Agreements	Various dates	Indefinite	2½	355,432,764.00
Agreements	do	do	2¾	53,032,393.00
Agreements	do	do	2⅞	102,845,334.00
Agreements	do	do	3	118,763,868.00
Agreement	Dec. 31, 1956	do	3⅜	49,736,333.00
Agreement	Mar. 29, 1957	do	3¼	49,768,442.00
Agreement	June 28, 1957	do	3½	49,838,707.00
Agreement	Apr. 7, 1958	do	3⅛	49,571,200.00
Agreement	Oct. 6, 1958	do	3⅝	48,855,090.00
Agreement	Jan. 7, 1959	do	3¾	48,932,071.00
Agreement	Apr. 9, 1959	do	3⅞	3,301,794.00
Subtotal				930,077,996.00
Defense Production Act of 1950, as amended:				
Export-Import Bank of Washington:				
Notes, Series DP	Various dates	June 30, 1960	2¼	1,221,725.91
Notes, Series DP	do	Various dates	2⅝	2,743,378.48
Notes, Series DP	do	do	2¾	5,007,994.11
Note, Series DP	June 30, 1958	June 30, 1963	2⅜	6,695,443.49
Note, Series DP	June 30, 1959	June 30, 1964	4¼	4,178,349.99
Notes, Series DP	Various dates	Dec. 31, 1965	2½	3,400,000.00
Notes, Series DP	do	do	2⅞	1,520,269.74
Subtotal				24,767,161.72

Footnotes at end of table.

TABLE 122.—*Description of obligations of Government corporations and certain other business-type activities held by the Treasury, June 30, 1959*—Continued

Title and authorizing act	Date of issue	Date payable [1]	Rate of interest	Principal amount
Defense Production Act, etc.—Con.				
General Services Administration:			*Percent*	
Notes of Administrator, Series D	Various dates	Various dates	2	$383,700,000.00
Note of Administrator, Series D	Nov. 1, 1954	Nov. 1, 1959	2⅛	40,000,000.00
Notes of Administrator, Series D	Various dates	Various dates	2¾	125,000,000.00
Notes of Administrator, Series D	do	do	2⅞	135,000,000.00
Notes of Administrator, Series D	do	do	3	110,000,000.00
Note of Administrator, Series D	May 4, 1956	July 1, 1960	3⅛	25,000,000.00
Notes of Administrator, Series D	Various dates	Various dates	3⅝	170,000,000.00
Note of Administrator, Series D	Mar. 26, 1957	Mar. 26, 1962	3¼	25,000,000.00
Note of Administrator, Series D	Apr. 16, 1958	Apr. 16, 1963	2⅝	35,000,000.00
Notes of Administrator, Series D	Various dates	Various dates	3⅜	50,000,000.00
Notes of Administrator, Series D	do	do	3⅞	215,000,000.00
Notes of Administrator, Series D	do	do	2⅜	115,000,000.00
Note of Administrator, Series D	Jan. 2, 1959	Jan. 2, 1964	3¾	40,000,000.00
Note of Administrator, Series D	May 1, 1959	May 1, 1964	4	130,000,000.00
Note of Administrator, Series D	June 1, 1959	June 1, 1964	4¼	85,000,000.00
Subtotal				1,683,700,000.00
Secretary of Agriculture:				
Notes	Various dates	July 1, 1959	2⅝	45,197,000.00
Note	Feb. 24, 1956	July 1, 1960	2¾	55,000.00
Note	July 8, 1957	July 1, 1962	3¾	3,097,000.00
Notes	Various dates	Various dates	2⅜	10,458,000.00
Subtotal				58,807,000.00
Secretary of the Interior (Defense Minerals Exploration Administration):				
Notes	Various dates	Various dates	2½	17,000,000.00
Note	Feb. 18, 1955	July 1, 1964	2⅜	1,000,000.00
Notes	Various dates	Various dates	2⅞	6,000,000.00
Note	Aug. 31, 1956	July 1, 1966	3	1,000,000.00
Note	Nov. 19, 1956	do	3¼	1,000,000.00
Note	Jan. 30, 1957	do	3½	1,000,000.00
Note	Apr. 22, 1957	do	3⅜	1,000,000.00
Note	Aug. 12, 1957	July 1, 1967	3⅞	1,000,000.00
Notes	Various dates	Various dates	3¾	2,000,000.00
Note	Jan. 17, 1958	July 1, 1967	3⅛	1,000,000.00
Subtotal				32,000,000.00
Secretary of the Treasury:				
Notes, Series TDP	Various dates	July 1, 1959	2	6,400,000.00
Notes, Series TDP	do	do	2⅛	6,850,000.00
Notes, Series TDP	do	do	2¼	12,205,000.00
Notes, Series TDP	do	Various dates	2⅜	22,495,000.00
Note, Series TDP	June 9, 1955	July 1, 1959	2½	3,000,000.00
Notes, Series TDP	Various dates	July 1, 1960	2⅝	2,300,000.00
Note, Series TDP	Dec. 1, 1955	Dec. 1, 1960	2¾	97,400,000.00
Subtotal				150,650,000.00
Total Defense Production Act of 1950, as amended.				1,949,924,161.72
Total obligations				[2] [3] 25,343,138,369.78

[1] Obligations may be redeemed at any time.
[2] Of this amount, $663,335.94 of uncommitted funds have been returned to the Treasury although not received in time for inclusion in the daily Treasury statement of June 30. 1959.
[3] Does not agree with the daily Treasury statement of June 30, 1959, because of a misprint. A correction was shown in the daily Treasury statement of July 31, 1959, p. 13.

TABLE 123.—*Comparative statement of the assets, liabilities, and net investment of Government corporations and certain other business-type activities, June 30, 1952–59* [1]

[In thousands of dollars. On basis of reports received from the corporations and activities]

	1952	1953	1954	1955	1956	1957	1958	1959
ASSETS [2]								
Cash in banks, on hand, and in transit	102,364	128,193	99,027	120,127	206,816	327,593	293,724	519,933
Fund balances with the U.S. Treasury [3]	705,698	934,980	1,132,691	1,123,585	5,616,503	9,173,106	10,618,704	11,158,166
Deposits with Government corporations and agencies	44,864	92,744	26,735	1,292				
Loans receivable:								
Interagency [4]	9,635,063	14,567,813	15,134,300	16,187,898	14,950	1,000	22,500	29,500
Others, less reserves	15,912,908	17,637,107	18,489,131	18,926,881	18,098,179	17,436,557	18,492,422	21,717,163
Accounts and other receivables:								
Interagency	323,382	305,485	383,923	267,822	2,044,482	4,321,144	2,507,822	2,752,190
Others, less reserves	657,314	1,008,315	1,737,795	2,153,872	4,077,562	6,314,358	6,108,708	5,676,902
Commodities, supplies, and materials, less reserves	1,350,256	2,200,910	3,368,816	3,475,511	21,811,498	23,466,539	24,422,360	21,836,537
Investments:								
Public debt securities	2,363,908	2,587,587	2,911,291	3,107,974	780,239	796,714	884,321	1,060,068
Capital stock and paid-in surplus of certain Government corporations [5]	179,500	200,500	172,000	151,000	242,820	373,499	363,541	363,358
Other interagency	198	154	8,112	5,204	25,225	50,428	54,042	63,059
International Bank for Reconstruction and Development—stock	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000
International Finance Corporation—stock						35,168	35,168	35,168
International Monetary Fund—subscription	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	4,125,000
Others, less reserves	52,640	44,642	54,316	44,498	3,824	4,310	5,785	6,055
Land, structures, and equipment, less reserves	3,185,540	7,867,142	8,076,630	7,821,251	17,599,850	21,809,280	29,705,524	28,964,050
Acquired security or collateral, less reserves	120,930	140,992	126,694	159,879	170,383	212,499	223,045	259,807
All other assets, less reserves	96,217	217,774	220,496	320,308	1,505,006	2,105,143	4,440,605	7,025,785
Total assets [6]	38,115,784	51,319,337	55,326,957	57,252,103	75,582,337	89,812,339	101,563,272	[7] 106,227,741
LIABILITIES								
Accounts and other payables:								
Interagency	191,881	297,310	266,198	321,230	458,349	390,793	689,578	614,246
Others	250,284	641,912	652,353	631,038	1,257,065	2,009,695	2,578,841	2,527,390
Trust and deposit liabilities:								
Interagency	222,981	277,445	203,661	115,743	33,107	135,552	503,915	260,621
Others	450,890	550,324	864,546	928,681	213,285	358,813	341,867	490,909
Bonds, debentures, and notes payable:								
To Secretary of the Treasury	7,523,562	12,121,859	12,866,065	16,172,348				
Other interagency	2,054,698	2,431,698	2,237,972	13,307	25,225	51,435	76,571	92,586
Others	1,271,702	1,182,502	1,052,217	1,880,858	1,476,075	627,120	850,977	845,336
All other liabilities	499,008	787,185	2,516,470	1,459,324	1,203,533	1,743,173	1,638,307	1,635,858
Total liabilities [6]	12,465,007	18,290,236	20,659,481	21,522,527	4,666,635	5,316,580	6,680,056	6,466,946
NET INVESTMENT								
United States interest:								
Borrowings from the U.S. Treasury [8]					19,951,094	22,721,223	21,853,482	25,300,944
Interagency	179,500	200,500	172,000	151,000	1,567,977	3,794,793	1,314,300	1,877,296
Other [6] [9]	25,114,339	32,413,945	34,009,255	35,010,589	49,396,632	57,979,743	71,715,434	72,582,554
Total United States interest	25,293,839	32,614,445	34,181,255	35,161,589	70,915,703	84,495,759	94,883,216	99,760,795
Private interest [10]	356,937	414,656	486,221	567,987				
Total net investment	25,650,776	33,029,101	34,667,477	35,729,576	70,915,703	84,495,759	94,883,216	99,760,795
Total liabilities and net investment	38,115,784	51,319,337	55,326,957	57,252,103	75,582,337	89,812,339	101,563,272	106,227,741

NOTE.—Beginning with 1956, figures reflect the expanded reporting coverage under Department Circular No. 966, issued Jan. 30, 1956, and Supplement No. 1, issued June 1, 1956. The circular requires submission of specified financial statements by all wholly owned and mixed-ownership Government corporations specifically included in the Government Corporation Control Act, as amended (31 U.S.C. 846, 856), and all other activities of the Government operating as revolving funds for which business-type public enterprise or intragovernmental fund budgets are required by the Bureau of the Budget. It provides also that other activities and agencies whose operations, services, or functions are largely self-liquidating or primarily of a revenue-producing nature, and activities and agencies whose operations result in the accumulation of substantial inventories, investments, and other recoverable assets may be brought under the regulations as agency accounting systems are developed to the point where they are capable of furnishing the financial statements required. The statements required are financial condition, income and expense, source and application of funds, and certain commitments and contingencies. Supplement No. 1 added to the reporting coverage by requiring all executive agencies not reporting under the circular itself to submit an annual statement of financial condition as of June 30. Such of these activities and agencies which have not yet developed formal accounting procedures to provide complete balance sheet statements are authorized temporarily to report only the asset side. These assets are not included in the totals in this table. Summary statements for 1959 by types of funds are presented in table 124. The detail of activities reporting in 1959 will be found in the *Treasury Bulletin* for December 1959, and of those reporting in prior years will be found in the respective Annual Reports of the Secretary of the Treasury as well as appropriate issues of the *Treasury Bulletin*.

[1] The expanded reporting coverage referred to above accounts for the increase in figures for the past four fiscal years. For 1956 the number of reporting agencies increased by 169, including such agencies as Postal Service, Reclamation Service, Maritime Activities, Atomic Energy Commission, and nonrevolving fund asset reports; in 1957 the reporting activities increased by 9, including additional annual Federal asset reports; in 1958 the increase of reports was 8, including the Corps of Engineers and the National Park Service; and in 1959 the reporting activities increased by 8, which included the Federal Aviation Agency and the National Aeronautics and Space Administration. Exclusions consist primarily of certain trust and deposit fund activities that are reported separately, and reclassification of several items explained in footnotes 4, 5, and 8.

[2] Does not include the cash balance in the account of the Treasurer of the United States.

[3] These amounts consist in the main of unexpended balances of general, special, and revolving fund accounts against which checks may be drawn to pay proper charges under these funds. The funds are considered as assets of the agencies, but are not assets of the U.S. Government since funds must be provided out of future receipts to take care of checks to be issued against the balances.

[4] Beginning with 1956 excludes Treasury loans to Government corporations and certain other business-type activities which formerly were included as interagency assets but now are treated as part of the U.S. investment in these activities (see footnote 8).

[5] Beginning 1956 includes capital stock of mixed-ownership corporations treated in prior years as an interagency item.

[6] Figures for 1953 and subsequent years include data on certain maritime activities of a nonrevolving fund nature in the Commerce Department.

[7] Includes foreign currency assets, representing loans and other receivables recoverable in foreign currency as well as balances of foreign currencies in U.S. depositaries, in the dollar equivalent aggregating $3,304,632 thousand. These currencies, acquired without the payment of dollars, were generated under various Government programs, principally the Agricultural Trade Development and Assistance Act of 1954, as amended, and the mutual security acts, as amended. Dollar equivalents are computed for reporting purposes, to provide a common denominator for the currencies of the many countries involved. The rates of exchange used in the conversion of foreign currency units to U.S. dollar equivalent generally depend on the ultimate utilization of these currencies. Loans and other foreign currency receivables that are dollar denominated in loan agreements are valued at agreement rates of exchange. Loans stated in units of foreign currency and receivables in currencies that are available for sale for dollars and certain other U.S. uses are converted at market rates of exchange in effect on reporting dates, i.e., the rates at which the Treasury sells such currency to Government agencies.

[8] Beginning with 1956, pursuant to Department Circular No. 966, borrowings from the Secretary of the Treasury formerly shown as liabilities under "Bonds, debentures, and notes payable" are treated as part of the U.S. investment in the activities (see also footnote 4).

[9] See footnote 1.

[10] This table excludes the deposit and trust revolving funds, summaries of which are shown in table 124, part B. All of the private interest investment is shown in table 124, part B.

TABLE 124.—*Statement of financial condition of Government corporations and certain other business-type activities, June 30, 1959*

[In thousands of dollars]

PART A. SUMMARY OF SPECIFIED CLASSES OF ACTIVITIES

Account	Total, all activities reporting [1]	Activities reporting on a quarterly basis [2]			Activities reporting on an annual basis [3]
		Public enterprise revolving funds	Intragovernmental revolving funds	Certain other activities	
ASSETS					
Cash in banks, on hand, and in transit	519,933	171,566	3,552	3,851	340,963
Fund balances with the U.S. Treasury	[4]11,158,166	2,123,999	1,570,164	1,095,240	6,368,763
Investments:					
Public debt securities (par value)	1,068,217	974,540	---	6,472	87,204
Securities of Government enterprises	63,059	63,059	---	---	---
Unamortized premium, or discount (−)	−8,149	−8,173	---	−5	29
Other securities (net)	5,164,581	182,564	6	4,938,050	43,961
Advances to contractors and agents:					
Government agencies	22,755	5,386	777	1,868	14,724
Other	69,058	14,564	1,533	1,825	51,136
Accounts and notes receivable:					
Government agencies	2,640,139	1,898,768	699,354	9,719	32,298
Other (net)	5,152,810	343,908	34,958	2,705,504	2,068,440
Inventories	24,437,818	7,664,141	8,895,155	6,850,237	1,028,285
Allowance for losses (−)	−2,601,281	−2,588,597	−222	---	−12,462
Accrued interest receivable:					
On public debt securities	5,283	4,442	---	54	788
On securities of Government enterprises	89,296	1,193	---	88,103	---
Other	449,751	75,981	---	373,759	10
Loans receivable:					
Government agencies	29,500	29,500	---	---	---
Other:					
U.S. dollar loans	21,125,206	11,543,816	---	9,533,476	47,914
Foreign currency loans	1,173,314	41,327	---	1,111,442	20,546
Allowance for losses (−)	−581,358	−488,800	---	−92,557	---
Acquired security or collateral (net)	259,807	196,509	---	62,318	979
Land, structures, and equipment	34,227,461	4,876,720	403,760	6,754,351	22,192,630
Accumulated depreciation (−)	−5,263,411	−1,000,276	−159,950	−2,006,086	−2,097,099
Foreign currencies	2,125,895	3,311	---	42,871	2,079,713
Other assets (net)	4,899,890	803,860	48,696	616,584	3,430,750
Total assets	[5]106,227,741	26,933,309	11,497,783	32,097,075	35,699,573
LIABILITIES					
Accounts payable:					
Government agencies	363,126	101,269	218,268	12,258	31,331
Other	1,501,449	443,644	267,059	53,902	736,844
Accrued liabilities:					
Government agencies	112,672	86,846	4,270	4,407	17,149
Other	885,335	313,643	81,123	135,069	355,501
Advances from:					
Government agencies	138,449	3,631	33,702	77,783	23,332
Other	140,607	731	3,662	1	136,213
Trust and deposit liabilities:					
Government agencies	260,621	41,522	2,510	26,187	190,401
Other	490,909	158,457	379	14,977	317,095
Bonds, debentures, and notes payable:					
Government agencies	92,586	63,086	---	---	29,500
Other:					
Guaranteed by the United States	47,933	47,933	---	---	---
Not guaranteed by the United States	797,403	797,403	---	---	---
Other liabilities (including reserves)	1,635,858	935,829	260,852	70,322	368,856
Total liabilities	6,466,946	2,993,994	871,825	394,906	2,206,221

Footnotes at end of table.

TABLE 124.—*Statement of financial condition of Government corporations and certain other business-type activities, June 30, 1959*—Continued

[In thousands of dollars]

PART A. SUMMARY OF SPECIFIED CLASSES OF ACTIVITIES—Continued

Account	Total, all activities reporting [1]	Activities reporting on a quarterly basis [2]			Activities reporting on an annual basis [3]
		Public enterprise revolving funds	Intragovernmental revolving funds	Certain other activities	
NET INVESTMENT					
United States interest:					
Interest-bearing investment:					
Capital stock	100,000	100,000			
Borrowings from the U.S. Treasury	25,300,944	20,921,052		4,379,892	
Other	678,009	678,009			
Noninterest-bearing investment:					
Capital stock	1,056,000	1,056,000			
Appropriations	69,891,052	7,234,192	3,369,986	17,393,745	41,893,130
Capitalization of assets (net)	11,763,590	1,325,628	1,522,555	5,540,695	3,374,713
Other	24,543,435	−401,099	8,432,256	9,352,335	7,159,943
Accumulated net income, or deficit (−)	−30,601,261	−6,974,466	−2,698,839	−3,303,336	−17,624,620
Deposits of general and special fund revenues (−)	−2,970,975			−1,661,161	−1,309,814
Total United States interest	99,760,795	23,939,315	10,625,958	31,702,170	33,493,352
Total liabilities and investment	106,227,741	26,933,309	11,497,783	32,097,075	35,699,573
ANALYSIS OF UNITED STATES INVESTMENT					
United States investment	130,362,055	30,913,781	13,324,796	35,005,506	51,117,972
Accumulated net income, or deficit (−)	−30,601,261	−6,974,466	−2,698,839	−3,303,336	−17,624,620
Total United States investment including interagency items	99,760,795	23,939,315	10,625,958	31,702,170	33,493,352
Interagency items:					
Due from Government agencies (−)	−2,844,749	−1,997,906	−700,131	−99,691	−47,022
Due to Government agencies	967,453	296,354	258,751	120,635	291,713
Total United States investment after exclusion of interagency items	97,883,498	22,237,763	10,184,578	31,723,114	33,738,043

Footnotes at end of table.

TABLE 124.—*Statement of financial condition of Government corporations and certain other business-type activities, June 30, 1959*—Continued

[In thousands of dollars]

PART B. SUMMARY OF CERTAIN DEPOSIT AND TRUST REVOLVING FUNDS

Account	Certain deposit funds	Certain trust revolving funds
ASSETS		
Cash in banks, on hand, and in transit	88,009	2,204
Fund balances with the U.S. Treasury	21,534	210,509
Investments:		
Public debt securities (par value)	3,370,538	104,806
Securities of wholly owned Government enterprises	----------	27
Unamortized premium, or discount (−)	−5,130	−1,364
Other securities (net)	6,005	----------
Inventories	69	364
Accounts and other receivables:		
Government agencies	5	9,024
Other (net)	47,839	9,168
Loans receivable:		
Government agencies	1,900	----------
Other	3,612,212	1,599,979
Allowance for losses (−)	−5,223	−67,598
Acquired security or collateral (net)	367	2,227
Land, structures, and equipment	1,243	960
Accumulated depreciation (−)	−1,171	−659
Other assets (net)	7,502	60,154
Total assets	7,145,699	1,929,800
LIABILITIES		
Accounts and other payables:		
Government agencies	3,507	1,208
Other	32,168	26,966
Advances from:		
Government agencies	----------	----------
Other	----------	2
Trust and deposit liabilities:		
Government agencies	203	----------
Other	776,952	14,565
Bonds, debentures, and notes payable:		
Government agencies	1,900	----------
Other:		
Not guaranteed by the United States	2,794,335	1,290,125
All other liabilities (including reserves)	154,384	13,496
Total liabilities	3,763,449	1,346,362
NET INVESTMENT		
Private interest:		
Capital stock	903,645	----------
Accumulated net income, or deficit (−)	106,518	----------
Total private interest	1,010,164	----------
Trust interest:		
Principal of fund	----------	281,629
Capitalization of assets (net)	----------	114
Accumulated net income, or deficit (−)	----------	105,209
Total trust interest	----------	386,952
United States interest:		
Interest-bearing investment:		
Borrowings from the U.S. Treasury	----------	41,531
Noninterest-bearing investment:		
Capital stock	220,538	142,820
Accumulated net income, or deficit (−)	2,151,549	12,135
Total United States interest	2,372,087	196,486
Total liabilities and investment	7,145,699	1,929,800

NOTE.—For detailed statements of financial condition, see the *Treasury Bulletin* of December 1959.

TABLE 124.—*Statement of financial condition of Government corporations and certain other business-type activities, June 30, 1959*—Continued

[In thousands of dollars]

PART C. LOANS OUTSTANDING, EXCLUDING INTERAGENCY LOANS, CLASSIFIED BY TYPE OF LOAN

Type of loan and lending agency	U.S. dollar loans			Foreign currency loans [6]
	Total	Public enterprise re olving funds	Certain other activities	
TO AID AGRICULTURE				
Loans to cooperative associations:				
Farmers' Home Administration	9,921		9,921	
Rural Electrification Administration	2,973,478		2,973,478	
Crop, livestock, and commodity loans:				
Commodity Credit Corporation	2,219,881	2,219,881		
Disaster loans, etc., revolving fund	73,615	73,615		
Farmers' Home Administration	4,796		4,796	
Virgin Islands Corporation	3	3		
Storage facility and equipment loans:				
Commodity Credit Corporation	30,874	30,874		
Farm mortgage loans:				
Farmers' Home Administration	405,746		405,746	
Farm tenant mortgage insurance fund	33,414	33,414		
Guaranteed loans held by lending agencies:				
Commodity Credit Corporation	[7] 229,548	[7] 229,548		
Other loans:				
Farmers' Home Administration	408,915		408,915	
Total to aid agriculture	6,390,188	2,587,334	3,802,855	
TO AID HOME OWNERS				
Mortgage loans:				
Federal National Mortgage Association:				
Management and liquidating functions	2,030,375	2,030,375		
Special assistance functions	1,211,083	1,211,083		
Housing and Home Finance Administrator:				
Liquidating programs	848	848		
Interior Department:				
Bureau of Indian Affairs, liquidation of Hoonah housing project	170	170		
Veterans' Administration:				
Direct loans to veterans and reserves	821,331	821,331		
Loan guaranty program	3,994		3,994	
Other loans:				
Veterans' Administration:				
Direct loans to veterans and reserves	3,357	3,357		
Loan guaranty program	227,762		227,762	
Total to aid home owners	4,298,920	4,067,164	231,756	
TO AID INDUSTRY				
Loans to railroads:				
Expansion of defense production:				
Treasury Department	1,456	1,456		
Other purposes:				
Treasury Department:				
Reconstruction Finance Corporation liquidation fund	6,076	6,076		
Ship mortgage loans:				
Commerce Department:				
Federal ship mortgage insurance fund	1,410	1,410		
Maritime activities	172,342		172,342	
Other loans:				
Expansion of defense production:				
Interior Department	14,558	14,558		
Treasury Department	167,962	167,962		
Defense production guaranties:				
Air Force Department	3,447	3,447		
Army Department	2,459	2,459		
Navy Department	144	144		

Footnotes at end of table.

TABLE 124.—*Statement of financial condition of Government corporations and certain other business-type activities, June 30, 1959*—Continued

[In thousands of dollars]

PART C. LOANS OUTSTANDING, EXCLUDING INTERAGENCY LOANS, CLASSIFIED BY TYPE OF LOAN—Continued

Type of loan and lending agency	U.S. dollar loans			Foreign currency loans [6]
	Total	Public enterprise revolving funds	Certain other activities	
TO AID INDUSTRY—Continued				
Other loans—Continued				
Other purposes:				
Export-Import Bank of Washington				11,184
General Services Administration:				
Reconstruction Finance Corporation liquidation fund	677	677		
Housing and Home Finance Administrator:				
Liquidating programs	4,464	4,464		
Inland Waterways Corporation	6,250	6,250		
Interior Department:				
Bureau of Commercial Fisheries:				
Fisheries loan fund	4,540	4,540		
Small Business Administration:				
Revolving fund (lending operations)	289,482	289,482		
Reconstruction Finance Corporation liquidation fund	4,436	4,436		
Treasury Department:				
Civil defense loans	1,009	1,009		
Reconstruction Finance Corporation liquidation fund	24,771	24,771		
Virgin Islands Corporation	154	154		
Total to aid industry	705,637	533,295	172,342	11,184
TO AID STATES, TERRITORIES, ETC.				
General Services Administration:				
Public Works Administration (in liquidation)	79,924		79,924	
Health, Education, and Welfare Department:				
Public Health Service	518		518	
Housing and Home Finance Administrator:				
Public facility loans	32,348	32,348		
Liquidating programs	8,175	8,175		
Urban renewal fund	70,592	70,592		
Inland Waterways Corporation	9	9		
Interior Department:				
Bureau of Reclamation	14,915		14,915	
National Capital Planning Commission	1,290		1,290	
Public Housing Administration	89,144	89,144		
Treasury Department:				
Miscellaneous loans and certain other assets	13,073		13,073	
Total to aid States, Territories, etc	309,988	200,268	109,720	
FOREIGN LOANS				
Expansion of defense production:				
Export-Import Bank of Washington	28,373	28,373		
Other purposes:				
Commerce Department:				
Maritime activities	34,211		34,211	
Development loan fund	25,656	25,656		41,327
Export-Import Bank of Washington:				
Regular lending activities	3,460,443	3,460,443		
Liquidation of certain Reconstruction Finance Corporation assets	15,019	15,019		
International Cooperation Administration	1,773,352		1,773,352	1,120,803
Treasury Department:				
Miscellaneous loans and certain other assets	3,425,471		3,425,471	
Total foreign loans [8]	8,762,524	3,529,491	5,233,033	1,162,130

Footnotes at end of table.

TABLE 124.—*Statement of financial condition of Government corporations and certain other business-type activities, June 30, 1959*—Continued

[In thousands of dollars]

PART C. LOANS OUTSTANDING, EXCLUDING INTERAGENCY LOANS, CLASSIFIED BY TYPE OF LOAN—Continued

Type of loan and lending agency	U. S. dollar loans			Foreign currency loans [6]
	Total	Public enterprise revolving funds	Certain other activities	
OTHER LOANS				
Health, Education, and Welfare Department:				
Office of Education:				
Loans to students (World War II)	353		353	
Loans to educational institutions	30,496		30,496	
Housing and Home Finance Administrator:				
College housing loans	554,807	554,807		
Liquidating programs	8,239	8,239		
Interior Department:				
Bureau of Indian Affairs:				
Loans for Indian assistance	159		159	
Revolving fund for loans	9,516	9,516		
Office of Territories:				
Loans to private trading enterprises	241	241		
Small Business Administration:				
Revolving fund (lending operations)	49,080	49,080		
Reconstruction Finance Corporation liquidation fund	3,638	3,638		
Treasury Department:				
Miscellaneous loans and certain other assets	139		139	
Veterans' Administration:				
Insurance appropriations policy loans	536		536	
Service-disabled veterans' insurance fund	602	602		
Soldiers' and sailors' civil relief	50	50		
Veterans' special term insurance fund	3	3		
Vocational rehabilitation revolving fund	90	90		
Total other loans	657,949	626,266	31,683	
Total loans [8]	[9] 21,125,206	11,543,816	9,581,390	1,173,314

Footnotes at end of table.

TABLE 124.—*Statement of financial condition of Government corporations and certain other business-type activities, June 30, 1959*—Continued

[In thousands of dollars]

PART D. STOCK OF INTERNATIONAL ORGANIZATIONS, PURCHASE MONEY MORTGAGES, AND OTHER SECURITIES HELD BY THE TREASURY OR OTHER GOVERNMENT AGENCIES

Agency and type of security	Amount of investment
Export-Import Bank of Washington:	
Reconstruction Finance Corporation assets in liquidation, other securities	3,000
Farm Credit Administration:	
Production credit associations investment fund, capital stock of production credit associations	3,865
Small Business Administration, debentures of investment companies	282
General Services Administration:	
Federal Facilities Corporation, purchase money mortgages	8,985
Mortgages acquired from sales of surplus property	65,448
Reconstruction Finance Corporation liquidation fund, other securities	7
Other securities	62
Housing and Home Finance Agency:	
Federal Housing Administration:	
Defaulted mortgage notes	129,343
Mortgage notes and contracts on acquired real estate	144,099
Stock in rental housing corporations	462
Title I defaulted notes	44,616
Office of the Administrator:	
Community disposal operations fund, purchase money mortgages	5,107
Liquidating programs, purchase money mortgages	168,530
Public Housing Administration, mortgage notes	1,835
Department of Commerce:	
National Bureau of Standards, other securities	6
Treasury Department:	
Office of the Secretary:	
Stock of the International Finance Corporation	35,168
Stock of the International Bank for Reconstruction and Development	635,000
Subscription to the International Monetary Fund	4,125,000
U.S. Coast Guard, other securities	122
Total investment in international organizations, purchase money mortgages, etc	5,370,937

NOTE.—For explanation of reporting coverage see note to table 123. For detailed statements of financial condition by agencies, see the *Treasury Bulletin* of December 1959.

*Less than $500.

[1] The amounts shown in this column include both those activities reporting on a quarterly basis and those reporting only on an annual basis (with the exceptions indicated in footnote 3).

[2] Business-type activities reporting pursuant to Department Circular No. 966.

[3] Activities reporting pursuant to Supplement No. 1 to Department Circular No. 966. These are mainly not business-type activities, but are included in the reporting coverage because they have significant assets and liabilities. The data in this column consist of 99 complete asset and liability reports. The major activities which were added in 1959 were the Federal Aviation Agency and the National Aeronautics and Space Administration. Excluded are assets of those activities reporting assets only (see Note to table 123), which aggregate $3,242,908 thousand, and also assets and liabilities of certain activities in the Department of Defense, which have not yet furnished data pursuant to Supplement No. 1. All assets reported have been furnished to the House Committee on Government Operations for use in its reports on assets of the Federal Government.

[4] Represents amounts available to various agencies in fund balances with the U.S. Treasury. In the main, they constitute unexpended balances of general, special, and revolving fund accounts against which checks may be drawn to pay proper charges under these funds. These funds are considered as assets of the agencies, but are not assets of the U.S. Government since cash must be provided out of future receipts to take care of checks to be issued against these balances.

[5] Includes foreign currency assets, representing loans and other receivables recoverable in foreign currency as well as balances of foreign currencies in U.S. depositaries, in the dollar equivalent aggregating $3,304,632 thousand. These currencies, acquired without the payment of dollars, were generated under various Government programs, principally the Agricultural Trade Development and Assistance Act of 1954, as amended, and the Mutual Security Acts, as amended. Dollar equivalents are computed for reporting purposes, to provide a common denominator for the currencies of the many countries involved. The rates of exchange used in the conversion of foreign currency units to U.S. dollar equivalent generally depend on the ultimate utilization of these currencies. Loans and other foreign currency receivables that are dollar denominated in loan agreements are valued at agreement rates of exchange. Loans stated in units of foreign currency and receivables in currencies that are available for sale for dollars and certain other U.S. uses are converted at market rates of exchange in effect on reporting dates, i.e., the rates at which the Treasury sells such currency to Government agencies.

[6] The dollar equivalents of these loans are computed for reporting purposes at varying rates. Where the loan agreements stipulate a dollar denominated figure, the loans outstanding are generally valued at agreement rates of exchange. Loans executed in units of foreign currency are valued at the market rates (i.e., the rates of exchange at which the Treasury sells such currencies to Government agencies).

[7] Includes certificates of interest.

[8] Excludes World War I funded and unfunded indebtedness of foreign governments, and World War II indebtedness of foreign governments involving lend-lease articles, surplus property sales agreements, and certain other credits shown in table 117.

[9] Does not include foreign currency loans.

TABLE 125.—*Income and expense of Government corporations and certain other business-type activities, fiscal year 1959* [1]

[In thousands of dollars]

PART A. SUMMARY OF SPECIFIED CLASSES OF ACTIVITIES

Account	Total	Public enterprise revolving funds	Intragovernmental revolving funds	Certain other activities
INCOME AND EXPENSE				
Income:				
Sales of goods and services	6,818,088	5,273,335	1,448,996	95,756
Interest:				
On public debt securities	24,499	24,499		
Other interest income	1,139,418	392,924		746,494
Guaranty and insurance premiums	252,121	252,121		
Other major income items	39,260	36,588	2,672	
Other income	71,812	57,891	5,754	8,166
Total income	8,345,197	6,037,358	1,457,423	850,417
Expense:				
Direct cost of goods and services sold:				
Cost of commodities sold	3,327,459	2,894,968	432,491	
Materials applied	150,128	8,333	141,795	
Wages and salaries applied	2,734,141	2,641,078	93,063	
Other applied expenses	1,503,962	1,155,042	348,921	
Increase (−), or decrease, in:				
Work-in-process	286	362	−76	
Finished goods	−227,907	−226,055	−1,853	
Other operating expenses	487,202	70,272	381,271	35,659
Depreciation	92,334	62,230	17,464	12,641
Administrative expenses	303,600	230,668	22,558	50,374
Grants and contributions	376,012	191,061		184,951
Interest expense:				
Interest on borrowings from the U.S. Treasury	440,103	355,039		85,063
Other	66,926	58,229		8,697
Other major expense items	240,602	232,297	2,279	6,026
Miscellaneous expense	39,018	32,713	−341	6,646
Total expense	9,533,866	7,706,236	1,437,572	390,058
Other gains, or losses (−):				
Charge-offs	−30,658	−16,417	−419	−13,822
Gain, or loss (−), on sale of fixed assets	−2,053	−7,986	513	5,419
Gain, or loss (−), on sale of other assets	−185,953	230	−222	−185,960
Other	−19,175	−21,021	1,066	780
Total other gains, or losses (−)	−237,839	−45,194	938	−193,583
Net income, or loss (−), before change in valuation allowances	−1,426,508	−1,714,072	20,789	266,775
Increase (−), or decrease, in allowance for losses:				
Allowance for losses on loans	−163,779	−161,668		−2,111
Allowance for losses on acquired security or collateral	10,318	10,318		
Allowance for losses on fixed assets	−1,558	−1,570	12	
Allowance for losses on inventories	−441,378	−441,255	−123	
Other	−5,553	−5,777		224
Net increase (−), or decrease, in allowances for losses	−601,949	−599,952	−111	−1,886
Net income, or loss (−), for the period	−2,028,457	−2,314,024	20,678	264,889
Charges (−), or credits, applicable to prior years	−29,975	5,040	−88	−34,927
Net income, or loss (−), transferred to accumulated net income, or deficit (−)	−2,058,432	−2,308,984	20,590	229,962
CHANGES IN ACCUMULATED NET INCOME OR DEFICIT				
Balance as of June 30, 1958	r −9,399,752	r −6,541,799	32,922	r −2,890,875
Net income, or loss (−)	−2,058,432	−2,308,984	20,590	229,962
Capital transfers of earnings or profits to the U.S. Treasury (−)	−38,660	−27,483	−11,177	
Other	1,157,832	1,745,996		−588,164
Balance as of June 30, 1959	−10,339,012	−7,132,270	42,336	−3,249,077

Footnotes at end of table.

TABLE 125.—*Income and expense of Government corporations and certain other business-type activities, fiscal year 1959* [1]—Continued

[In thousands of dollars]

PART B. SUMMARY OF CERTAIN DEPOSIT AND TRUST REVOLVING FUNDS

Account	Certain deposit funds	Certain trust revolving funds
INCOME AND EXPENSE		
Income:		
Sales of goods and services		2,042
Interest:		
On public debt securities	85,002	2,481
Other interest income	103,862	66,225
Guaranty and insurance premiums	76,653	
Other major income items		123,380
Other income	218	17,031
Total income	265,735	211,159
Expense:		
Direct cost of goods and services sold:		
Cost of commodities sold		1,622
Wages and salaries applied		244
Other applied expenses		37
Increase (—), or decrease, in:		
Work-in-process		
Finished goods		−9
Other operating expenses	12,279	149
Depreciation	1	13
Administrative expenses	9,095	3,355
Grants and contributions		63
Interest expense:		
Interest on borrowings from the U.S. Treasury		973
Other	78,252	38,704
Other major expense items	864	97,146
Miscellaneous expense	284	8
Total expense	100,776	142,305
Other gains, or losses (−):		
Charge-offs	−610	−968
Gain, or loss (−), on sale of fixed assets	59	5
Gain, or loss (−), on sale of other assets	−238	
Other	66	(*)
Total other gains, or losses (−)	−724	−964
Net income, or loss (−), before change in valuation allowances	164,235	67,890
Increase (−), or decrease, in allowances for losses:		
Allowance for losses on loans	3,888	509
Allowance for losses on acquired security or collateral	−117	
Allowance for losses on fixed assets	3	
Other	−4,185	119
Net increase (−), or decrease, in allowances for losses	−411	627
Net income, or loss (−), for the period	163,824	68,518
Charges (−), or credits, applicable to prior years	401	−491
Net income, or loss (−), transferred to accumulated net income, or deficit (−)	164,225	68,026
CHANGES IN ACCUMULATED NET INCOME OR DEFICIT		
Balance as of June 30, 1958	r 2,125,828	r 52,474
Net income, or loss (−)	164,225	68,026
Other	−31,986	−3,156
Balance as of June 30, 1959	2,258,067	117,344

NOTE.—For explanation of reporting coverage see note to table 123. For detailed statements of income and expense by agencies, see the *Treasury Bulletin* of January 1960.

*Less than $500.

r Revised.

[1] This table includes only the activities for which statements of income and expense are submitted on a quarterly basis. Statements of income and expense are not required for activities included in table 124, Part A, for which statements of financial condition are submitted on an annual basis only, pursuant to Supplement No. 1 to Department Circular No. 966.

TABLE 126.—*Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1959* [1]

[In thousands of dollars]

PART A. SUMMARY OF SPECIFIED CLASSES OF ACTIVITIES

Account	Total	Public enterprise revolving funds	Intragovernmental revolving funds	Certain other activities
FUNDS APPLIED TO OPERATIONS				
Acquisition of assets:				
Loans made	6,990,777	6,355,489		635,288
Cost of security or collateral acquired	156,389	156,283		106
Purchase, construction, or improvement of fixed assets	232,688	148,435	35,360	48,893
Purchase of securities other than public debt and issues of wholly owned Government enterprises	1,387,439	12,435	4	1,375,000
Other	342,477	119,416	66	222,995
Total acquisition of assets	9,109,768	6,792,058	35,429	2,282,281
Operating and other expenses (excluding depreciation)	8,207,819	6,399,802	1,434,329	373,688
Increase in selected working capital	664,572	503,372	64,867	96,333
Total funds applied to operations	17,982,161	13,695,233	1,534,625	2,752,303
FUNDS PROVIDED BY OPERATIONS				
Realization of assets:				
Repayment of loans	2,147,556	[2] 1,715,955		431,601
Sale of acquired security or collateral	8,114	7,872		242
Sale of fixed assets	18,573	6,499	3,728	8,346
Sale of securities other than public debt and issues of wholly owned Government enterprises	7,692	7,692		
Other	532,238	124,241	29	407,968
Total realization of assets	2,714,173	1,862,259	3,757	848,157
Income	8,196,916	5,893,320	1,458,177	845,419
Decrease in selected working capital	124,723	70,651	26,002	28,070
Total funds provided by operations	11,035,810	7,826,229	1,487,936	1,721,645
Net effect of operations on expenditures (excess of funds applied, or provided (−))	6,946,350	5,869,004	46,689	1,030,657
FUNDS PROVIDED BY FINANCING				
Increase in investment of the U.S. Government:				
Appropriations enacted	3,710,680	3,329,815	21,250	359,615
Borrowings from the U.S. Treasury	9,616,877	9,040,034		576,843
Capital and surplus advances from the U.S. Treasury	68,033	68,033		
Other	1,566,908	276		1,566,632
Total increase in investment of the U.S. Government	14,962,499	12,438,159	21,250	2,503,090
Increase in other borrowings	71,959	71,959		
Decrease in investment holdings	18,152	18,106		46
Decrease in selected cash and fund balances	345,769	224,353	63,468	57,948
Total funds provided by financing	15,398,379	12,752,577	84,718	2,561,084
FUNDS APPLIED TO FINANCING				
Decrease in investment of the U.S. Government:				
Appropriations lapsed, rescinded, or transferred	1,023	426		597
Repayment of borrowings from the U.S. Treasury	6,168,502	5,807,413		361,089
Repayment of capital and surplus advances from the U.S. Treasury	427,176	74,156		353,020
Distribution of earnings to the U.S. Treasury	636,100	29,150	11,177	595,773
General and special fund revenues deposited	127,586	−2		127,588
Other	32,320	30,297	(*)	2,023
Total decrease in investment of the U.S. Government	7,392,708	5,941,441	11,177	1,440,090
Decrease in borrowings from the public	68,584	68,584		
Increase in investment holdings	119,997	119,997		
Increase in selected cash and fund balances	870,740	753,551	26,852	90,337
Total funds applied to financing	8,452,029	6,883,573	38,029	1,530,427
Net effect of financing (excess of funds applied (−), or provided)	6,946,350	5,869,004	46,689	1,030,657

Footnotes at end of table.

TABLE 126.—*Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1959* [1]—Continued

[In thousands of dollars]

PART B. SUMMARY OF CERTAIN DEPOSIT FUNDS AND TRUST REVOLVING FUNDS

Account	Certain deposit funds	Certain trust revolving funds
FUNDS APPLIED TO OPERATIONS		
Acquisition of assets:		
Loans made	5,593,986	315,012
Cost of security or collateral acquired	34	2
Purchase, construction, or improvement of fixed assets		64
Other	7,366	8
Total acquisition of assets	5,601,385	315,087
Operating and other expenses (excluding depreciation)	123,037	146,390
Increase in selected working capital	337,815	11,785
Total funds applied to operations	6,062,237	473,261
FUNDS PROVIDED BY OPERATIONS		
Realization of assets:		
Repayment of loans	4,550,688	132,889
Sale of acquired security or collateral	173	6
Sale of fixed assets		8
Other	17,090	19
Total realization of assets	4,567,951	132,923
Capital stock issued to the public	103,535	6,410
Income	266,040	211,155
Decrease in selected working capital	4,256	756
Total funds provided by operations	4,941,781	351,244
Net effect of operations on expenditures (excess of funds applied, or provided (−))	1,120,456	122,017
FUNDS PROVIDED BY FINANCING		
Increase in investment of the U.S. Government:		
Borrowings from the U.S. Treasury		307,312
Increase in other borrowings	4,276,909	1,040,000
Decrease in investment holdings	2,580,929	15,359
Decrease in selected cash and fund balances	6,219	16,686
Total funds provided by financing	6,864,057	1,379,357
FUNDS APPLIED TO FINANCING		
Decrease in investment of the U.S. Government:		
Repayment of borrowings from the U.S. Treasury		265,781
Repayment of capital and surplus advances from the U.S. Treasury	8,459	
Total decrease in investment of the U.S. Government	8,459	265,781
Decrease in borrowings from the public	3,327,549	915,060
Increase in investment holdings	2,388,048	76,031
Increase in selected cash and fund balances	19,544	468
Total funds applied to financing	5,743,601	1,257,340
Net effect of financing (excess of funds applied (−), or provided)	1,120,456	122,017

*Less than $500.

[1] This table includes only those activities for which statements of source and application of funds are submitted on a quarterly basis. Statements of source and application of funds are not required for activities included in table 124, Part A, for which statements of financial condition are submitted on an annual basis only, pursuant to Supplement No. 1 to Department Circular No. 966.

[2] Does not include noncash transactions amounting to $2,029,337 thousand covering loans guaranteed and loans exchanged for commodities.

NOTE.—For explanation of reporting coverage see note to table 123. For detailed statements of source and application of funds, see the *Treasury Bulletin* of January 1960.

TABLE 127.—*Restoration of amounts of capital impairment of the Commodity Credit Corporation, pursuant to the act of Mar. 8, 1938, as amended* [1]

Appraisal date	Restoration of amounts of capital impairment			Surplus returned to the Treasury
	Authorizing act	Appropriations	Obligations canceled	
March 31				
1938	June 25, 1938 (52 Stat. 1148)	$94,285,404.73		
1939	Aug. 9, 1939 (53 Stat. 1325)	119,599,918.05		
1940				$43,756,731.01
1941	July 3, 1941 (55 Stat. 563)	1,637,445.51		
1942				27,815,513.68
1943, 1944	Apr. 25, 1945 (59 Stat. 90)	256,764,881.04		
June 30				
1945	July 20, 1946 (60 Stat. 593)		$921,456,561.00	
1946	May 26, 1947 (61 Stat. 109)		641,832,080.64	
1947				17,693,492.14
1948				48,943,010.36
1949	Sept. 6, 1950 (64 Stat. 677)		66,698,457.00	
1950	Aug. 31, 1951 (65 Stat. 244)		421,462,507.00	
1951	July 5, 1952 (66 Stat. 354)	109,391,154.00		
1952	July 28, 1953 (67 Stat. 222)		96,205,161.00	
1953	Feb. 12, 1954 (68 Stat. 14)		550,151,848.00	
1954 [1]	May 23, 1955 (69 Stat. 60)	1,634,659.00		
1955	June 4, 1956 (70 Stat. 238)	929,287,178.00		
1956	Aug. 2, 1957 (71 Stat. 338)	1,239,788,671.00		
1957	June 13, 1958 (72 Stat. 198)	1,760,399,886.00		
1958	July 8, 1959 (73 Stat. 177)	[2] 1,435,424,413.00		
	Totals	5,948,213,610.33	2,697,806,614.64	138,208,747.19

Total restorations of amounts of capital impairment	$8,646,020,224.97
Less surplus returned to Treasury	138,208,747.19
Net charge to Treasury to restore amounts of capital impairment	8,507,811,477.78

[1] This table does not include reimbursements to the Corporation for losses under programs for which appropriations were authorized by specific legislation. The act of Mar. 8, 1938, as amended, provides for an annual appraisal of the assets and liabilities of the Corporation by the Secretary of the Treasury and the restoration of amounts of any capital impairment. Beginning with the fiscal year 1954, the appraisal basis was changed by an act approved Mar. 20, 1954, from the lower of cost or market for the month of June to a cost basis (15 U.S.C. 713 a-1).

[2] The appropriation for fiscal year 1958 is $100 million less than the actual capital impairment for the year as determined by the appraisal.

TABLE 128.—*Dividends, interest, and similar earnings received by the Treasury from Government corporations and certain other business-type activities, fiscal years 1958 and 1959*

Agency and nature of earnings	Amounts	
	1958	1959
Civil Service Commission, investigations, earnings	$9,442.19	$3,828.19
Commerce Department, National Bureau of Standards working capital fund, earnings	123,816.52	19,792.01
Commodity Credit Corporation:		
Interest on capital stock	2,750,000.00	2,500,000.00
Interest on borrowings	418,138,876.15	178,909,322.15
Defense Department:		
Army Department, defense housing, profits		750,000.00
Navy Department, defense housing, profits		75,000.00
Export-Import Bank of Washington:		
Dividends	22,500,000.00	22,500,000.00
Interest on borrowings	30,659,808.94	40,896,830.99
Farm Credit Administration:		
Banks for cooperatives, franchise tax	1,317,482.28	1,416,753.10
Federal Farm Mortgage Corporation, dividends	2,900,000.00	2,100,000.00
Federal intermediate credit banks, franchise tax	80,085.89	793,087.37
Farmers' Home Administration:		
Loan programs, interest on borrowings	6,177,432.80	6,888,050.42
Farm tenant mortgage insurance fund, interest on borrowings	298,625.62	401,399.84
Federal National Mortgage Association:		
Management and liquidating functions, interest on borrowings	35,152,268.26	21,555,970.12
Secondary market operations:		
Dividends	2,078,667.13	2,415,000.00
Interest on borrowings	3,118,152.22	968,584.29
Special assistance functions:		
Profits	2,444,738.85	
Interest on borrowings	978,398.33	5,219,377.26
Federal Prison Industries, Inc., earnings	2,000,000.00	4,000,000.00
Federal Savings and Loan Insurance Corporation, interest in lieu of dividends	1,093,451.54	765,294.66
General Services Administration:		
Costs of maintenance, repair, etc., of improvements, public buildings, earnings	543,393.94	661,996.10
Maintenance, etc., Lafayette Building, profits	35,261.47	40,491.80
General supply fund, earnings	1,080,301.47	2,171,851.58
Buildings management fund, earnings	232,419.16	398,284.42
Working capital fund, earnings	2,252.59	9,553.69
Government Printing Office, earnings	1,451,024.04	4,538,738.37
Housing and Home Finance Administrator:		
College housing loans, interest on borrowings	5,219,984.27	9,371,670.65
Public facility loans, interest on borrowings	47,949.60	390,401.64
Urban renewal fund, interest on borrowings	1,444,029.86	1,918,974.35
Interior Department:		
Bureau of Mines, development and operation of helium properties, profits	500,000.00	
Office of Territories, loans to private trading enterprises, Trust Territory of the Pacific Islands, profits		33,000.00
International Cooperation Administration, interest on borrowings	42,655,074.84	30,188,033.19
Panama Canal Company, interest on net direct investment of the Government	10,757,966.97	8,892,464.17
Public Housing Administration, low rent public housing program fund, interest on borrowings	1,838,875.44	919,940.20
Rural Electrification Administration, interest on borrowings	52,154,925.10	56,068,033.59
Secretary of the Treasury (Federal Civil Defense Act of 1950, as amended), interest on borrowings	23,627.46	19,526.34
Small Business Administration:		
Interest on appropriations	2,996,193.48	6,649,111.60
Interest on borrowings	135,450.35	
United States Information Agency, informational media guaranty fund, interest on borrowings		767,764.00
Veterans' Administration:		
Canteen service revolving fund, profits	542,804.00	850,535.00
Rental, maintenance, and repair of quarters, profits	20.26	6,536.82
Supply fund, earnings		33,242.69
Veterans' direct loan program, interest on borrowings	13,768,353.99	18,595,501.94
Virgin Islands Corporation, The, interest on appropriations and paid-in capital	148,502.54	168,119.15
Defense Production Act of 1950, as amended:		
Export-Import Bank of Washington, interest on borrowings	860,398.07	699,607.65
General Services Administration, interest on borrowings	23,689,565.49	36,228,509.88
Secretary of Agriculture, interest on borrowings		173,668.82
Secretary of the Interior (Defense Minerals Exploration Administration), interest on borrowings	630,084.70	727,137.32
Secretary of the Treasury, interest on borrowings	4,326,621.59	4,320,962.33
Total	696,906,327.40	477,021,947.69

Government Losses in Shipment

TABLE 129.—*Government losses in shipment revolving fund, June 30, 1959*

[Established July 8, 1937, under authority of the Government Losses in Shipment Act, as amended (5 U.S.C. 134-134h)]

SECTION I.—STATUS OF FUND

Transactions	Cumulative through June 30, 1958	Fiscal year 1959	Cumulative through June 30, 1959
Receipts:			
Appropriation	$802,000.00		$802,000.00
Transferred (Sept. 21, 1939) from securities trust fund	91,803.13		91,803.13
Transferred from the account "Unclaimed Partial Payments on United States Savings Bonds" Public Law 85-354		$50,000.00	50,000.00
Recoveries of payments for losses	477,452.96	2,990.00	480,442.96
Repayments to the fund	3,924.32		3,924.32
Total receipts	1,375,180.41	52,990.00	1,428,170.41
Expenditures:			
Payment for losses	1,284,878.45	29,574.24	1,314,452.69
Other payments (refunds, etc.)	92.57		92.57
Total expenditures	1,284,971.02	29,574.24	1,314,545.26
Balance	90,209.39	23,415.76	113,625.15

SECTION II.—AGREEMENTS OF INDEMNITY ISSUED BY THE TREASURY DEPARTMENT[1]

Agreements of indemnity	Number	Amount
Issued through June 30, 1958	395	$2,680,481.58
Issued during the fiscal year 1959	11	13,901.79
Total issued	406	2,694,383.37
Canceled through June 30, 1959	29	1,027,879.87
In force as of June 30, 1959	377	1,666,503.50

SECTION III.—CLAIMS MADE AND SETTLED

Claims	Number	Amount
Made through June 30, 1958	5,902	$6,920,836.40
Made during the fiscal year 1959:		
Processed by the Bureau of Accounts	79	115,525.10
Processed by the Bureau of the Public Debt	58	15,261.80
Total claims made through June 30, 1959	6,039	7,051,623.30
Settled through June 30, 1958	5,887	6,898,224.36
Settled during the fiscal year 1959:		
Processed by the Bureau of Accounts:		
Approved for payment out of the fund	28	14,264.69
Settled by credit in appropriate accounts	53	82,942.03
Settled without payment or credit	3	577.76
Processed by the Bureau of the Public Debt:		
Approved for payment out of the fund:		
U.S. savings bond redemption cases	58	15,229.16
Armed Forces leave bond redemption cases	2	80.39
Total claims settled through June 30, 1959	6,031	7,011,318.39
Unadjusted as of June 30, 1959 [2]	8	40,304.91
Total	6,039	7,051,623.30

[1] The Government has not sustained any actual monetary loss in connection with its liability under these agreements of indemnity.
[2] Includes claims in process of adjustment by the Bureau of the Public Debt.

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Federal Personal and Real Property

TABLE 130.—*Personal and real property inventory of the United States Government as of June 30, 1957, 1958, and 1959*

[In millions of dollars]

PART I.—TYPES OF ASSETS

Classification	June 30, 1957	June 30, 1958	June 30, 1959
PERSONAL PROPERTY			
Cash:			
With Treasurer of the United States	5,590	9,749	5,350
On hand and in banks outside the Treasury	807	951	931
Investments (other than public debt)	3,943	3,932	5,345
Accounts and notes receivable	6,555	5,866	5,406
Commodities for sale	5,505	5,573	6,331
Work in process	1,594	2,371	493
Materials and supplies	7,531	8,318	8,886
Loans receivable	17,680	18,484	20,951
Machinery and equipment	10,558	10,793	11,282
Other assets	9,732	9,371	9,925
Department of Defense (equipment, supplies, stock inventories, etc.)	117,339	119,752	117,716
Corps of Engineers (equipment, etc.)	184	188	192
Total personal property	187,018	195,348	192,808
REAL PROPERTY			
Departments and agencies (other than Department of Defense)	14,467	14,855	15,278
Department of Defense, including Corps of Engineers, civil functions	28,567	30,802	33,935
Architect of the Capitol [1]	335	345	368
Donated or otherwise acquired at no cost			264
Public domain acreage, including mineral resources [1]	14,215	14,422	14,889
Other, including construction in progress, etc	5,428	6,284	7,022
Total real property	63,012	66,708	71,756
Total all property	250,030	262,056	264,564

Footnotes at end of table.

TABLE 130.—*Personal and real property inventory of the United States Government as of June 30, 1957, 1958, and 1959*—Continued

[In millions of dollars]

PART II.—FUNCTIONAL USES OF ASSETS

Major function	June 30, 1957	June 30, 1958	June 30, 1959
Major national security:			
Personal property	134,776	137,653	133,373
Real property	32,107	33,196	36,566
Total	166,883	170,849	169,939
Veterans' services and benefits:			
Personal property	399	295	284
Real property	1,233	1,269	1,346
Total	1,632	1,564	1,630
International affairs and finance:			
Personal property	16,598	17,876	20,219
Real property	223	237	259
Total	16,821	18,113	20,478
Labor and welfare:			
Personal property	136	148	184
Real property	244	260	275
Total	380	408	459
Agriculture and agricultural resources:			
Personal property	11,864	11,537	13,599
Real property	811	866	966
Total	12,675	12,403	14,565
Natural resources:			
Personal property	1,430	1,386	1,492
Real property and public domain	24,969	26,791	28,182
Total	26,399	28,177	29,674
Commerce and housing:			
Personal property	10,670	11,533	13,183
Real property	1,546	2,117	2,034
Total	12,216	13,650	15,217
General government:			
Personal property [2]	11,145	14,920	10,474
Real property	1,879	1,972	2,128
Total	13,024	16,892	12,602
Grand total	250,030	262,056	264,564

[1] Computed at estimated present-day evaluation.
[2] Includes cash of the Treasurer of the United States and cash held by accountable officers outside the Treasury amounting to $6,397 million as of June 30, 1957, $10,700 million as of June 30, 1958, and $6,281 million as of June 30, 1959.

NOTE.—All properties reported are shown in gross amounts without deductions for allowances for losses and depreciation. Only wholly Government-owned corporation assets and other wholly owned assets are included. Assets held under trust arrangements and interagency assets, including public debt securities owned, are excluded. The properties have been valued at acquisition cost or estimated cost when the actual costs were not known. Public domain and properties under supervision of the Architect of the Capitol are shown at estimated present-day values. Properties acquired as gifts or without cost to the Government are also shown at estimated present-day values.

TABLE 131.—*Personal and real property inventory of the United States Government, by departments and agencies as of June 30, 1959*

[In thousands of dollars]

Department or agency	Personal property							Real property			Grand total
	Cash	Investments, loans, and accounts receivable	Commodities, materials, and supplies [1]	Machinery and equipment	Military supplies and equipment	Other [2]	Total	Public domain	Land, buildings, and facilities	Total	
Legislative branch	1,470	176	24,361	32,873	-----	2,333,193	2,392,073	-----	378,016	378,016	2,770,089
The judiciary	51	-----	66	2,196	-----	19,376	21,689	-----	-----	-----	21,689
Executive Office of the President	-----	950	198,482	3,895	-----	-----	203,327	-----	-----	-----	203,327
Funds appropriated to the President	1,788	2,033,824	1,378,674	101,437	-----	1,194,065	4,709,788	-----	717	717	4,710,505
General Services Administration	4,897	169,650	6,900,424	119,528	-----	24,016	7,218,515	3	1,393,986	1,393,989	8,612,504
Housing and Home Finance Agency	4,781	4,217,396	101	6,716	-----	578,161	4,807,155	-----	178,626	178,626	4,985,781
Independent offices:											
Atomic Energy Commission	-----	40,385	642,978	3,667,830	-----	23,918	4,375,111	9,292	3,434,963	3,444,255	7,819,366
Export-Import Bank	318	[3] 3,478,720	4	246	-----	92,216	3,571,504	-----	-----	-----	3,571,504
Farm Credit Administration	3	349,254	-----	187	-----	5,602	355,046	-----	-----	-----	355,046
Federal Aviation Agency	16	682	115,368	51,154	-----	327,997	495,217	6,127	199,737	205,864	701,081
Federal Deposit Insurance Corporation	399	1,840	69	(*)	-----	8,575	10,883	-----			10,883
Federal Home Loan Bank Board	(*)	11,535	15	441	-----	15	12,006	-----	-----	-----	12,006
National Aeronautics and Space Administration	-----	1,702	3,589	46,357	-----	1,325	52,973	-----	377,061	377,061	430,034
St. Lawrence Seaway Development Corporation	97	1,592	(*)	-----		-----	1,689	-----	119,952	119,952	121,641
Small Business Administration	611	347,629	-----	918	-----	4,464	353,622	-----	680	680	354,302
Tennessee Valley Authority	255	14,755	39,596	539,527	-----	3	594,136	-----	1,857,843	1,857,843	2,451,979
U.S. Information Agency	-----	1,641	718	54,073	-----	5,168	61,600	-----	16,207	16,207	77,807
Veterans' Administration	4,669	1,083,430	34,368	231,956	-----	2,173	1,356,596	2,051	1,311,686	1,313,737	2,670,333
All other independent offices	(*)	1,722	941	22,181	-----	568	25,412	-----	71,237	71,237	96,649
Departments:											
Agriculture	19,208	6,437,696	[4] 6,207,416	383,845	-----	359,434	13,407,599	6,561,821	966,617	7,528,438	20,936,037
Commerce	934	256,708	17,785	4,680,532	-----	40,263	4,996,222	347	188,965	189,312	5,185,534
Defense:											
Office of the Secretary of Defense (Wherry Act housing)	-----	4,025	-----	-----	2,000	-----	6,025	-----	-----	-----	6,025
Army	259,431	20,636	-----	-----	28,956,000	146,866	29,382,933	69,022	9,926,999	9,996,021	39,378,954
Navy	75,859	24,644	-----	-----	46,764,000	1,132,897	47.997,400	78,244	10,015,544	10,093,788	58,091,188
Air Force	73,144	30,843	-----	-----	41,994,000	989,074	43,087,061	34,788	13,175,191	13,209,979	56,297,040
Corps of Engineers (Civil)	683	286	-----	-----	192,100	44,163	237,232	10,129	6,201,375	6,211,504	6,448,736
Panama Canal	6,309	3,300	9,185	64,595	-----	4,263	87,652	-----	628,394	628,394	716,046
Health, Education, and Welfare	20	32,412	3,866	67,507	-----	206	104,011	455	250,367	250,822	354,833
Interior	17	163,750	38,026	200,296	-----	122,756	524,845	8,110,646	5,137,714	13,248,360	13,773,205

Justice	681	412	12, 303	56, 945	----------	129, 853	200, 194	434	69, 153	69, 587	269, 781
Labor	34	138	161	4, 284	----------	130	4, 747	----------	----------	----------	4, 747
Post Office	134, 624	29, 143	19, 443	254, 123	----------	----------	437, 333	1, 078	484, 097	485, 175	922, 508
State	17	172, 101	2, 196	53, 432	----------	13, 293	241, 039	17	242, 297	242, 314	483, 353
Treasury	5, 690, 297	[5] 12, 768, 933	60, 738	634, 675	----------	2, 320, 645	21, 475, 288	4, 157	240, 200	244, 357	21, 719, 645
Total	6, 280, 613	31, 701, 910	15, 710, 873	11, 281, 749	117, 908, 100	9, 924, 678	192, 807, 923	14, 888, 611	56, 867, 624	71, 756, 235	264, 564, 158

*Less than $500.

[1] Includes materials held for national defense.

[2] Includes foreign currency assets, representing loans and other receivables recoverable in foreign currency, as well as balances of foreign currencies in U.S. depositaries, in the dollar equivalent aggregating $3,304,632,000. These currencies, acquired without the payment of dollars, were generated under various Government programs, principally the Agricultural Trade Development and Assistance Act of 1954, as amended, and the mutual security acts, as amended. Dollar equivalents are computed, for reporting purposes, to provide a common denominator for the currencies of the many countries involved. The rates of exchange used in the conversion of foreign currency units to U.S. dollar equivalent generally depend on the ultimate utilization of these currencies. Loans and other foreign currency receivables that are dollar denominated in loan agreements are valued at agreement rates of exchange. Loans stated in units of foreign currency and receivables in currencies that are available for sale for dollars and certain other U.S. uses are converted at market rates of exchange in effect on reporting dates, i.e., the rates at which the Treasury sells such currency to Government agencies.

[3] Excludes guaranteed loans amounting to $2,120,000.

[4] Excludes loans guaranteed by the Commodity Credit Corporation amounting to $229,548,000.

[5] Does not include the principal of World War I debt accounts ($11,427,523,000) on which payments have not been received since 1933. Includes World War I indebtedness of Finland amounting to $6,078,000. Does not include an amount of $28,102,000 representing loans to various States pursuant to the act approved June 23, 1836, on which no payments have been received.

NOTE.—All assets herein reported are shown in gross amounts with no deductions for allowances for losses and depreciation. Only wholly Government-owned corporation assets and other wholly owned assets are included. Assets held under trust arrangements and interagency assets, including public debt securities owned, are excluded. The assets are, in the main, valued at acquisition cost (known or estimated).

Personnel

TABLE 132.—*Number of employees in the departmental and field services of the Treasury Department, quarterly from June 30, 1958, to June 30, 1959* [1]

	June 30, 1958	Sept. 30, 1958	Dec. 31, 1958	March 31, 1959	June 30, 1959	Increase, or decrease (−), since June 30, 1958
Office of the Secretary	479	478	481	479	477	−2
Comptroller of the Currency, Bureau of	1,142	1,143	1,148	1,138	1,140	−202
Customs, Bureau of	8,270	8,273	8,278	8,174	8,068	−2
Defense Lending, Office of	23	23	23	23	22	−1
Engraving and Printing, Bureau of	3,479	3,446	3,424	3,383	3,335	−144
Fiscal Service:						
Accounts, Bureau of	2,246	2,254	2,441	[2] 2,396	2,172	−74
Public Debt, Bureau of	2,574	2,582	2,543	2,509	2,416	−158
Treasurer, Office of	936	944	951	953	956	20
Internal Revenue Service	50,832	50,245	49,490	[2] 52,828	50,216	−616
International Finance, Office of	134	136	136	137	136	2
Mint, Bureau of	799	786	779	787	758	−41
Narcotics, Bureau of	427	428	422	419	411	−16
U.S. Coast Guard	4,970	4,849	4,726	4,759	4,758	−212
U.S. Savings Bonds Division	546	540	544	533	530	−16
U.S. Secret Service	610	609	607	613	616	6
Total civilian employees	77,467	76,736	75,993	79,131	76,011	−1,456
Military employees—U.S. Coast Guard	30,128	30,654	30,707	30,399	30,448	320
Grand total	107,595	107,390	106,700	109,530	106,459	−1,136

[1] Actual number of employees on the last day of the month and any intermittent employees who worked at any time during the month.
[2] Includes seasonal employees.

TABLE 133.—*Cash awards paid to employees and estimated savings under the incentive awards program, fiscal years 1958 and 1959*

Categories	1958	1959	Percentage increase, or decrease (—)
Employee suggestions:			
Number received	7,751	6,728	—13
Number of awards	2,057	2,047	(*)
Amount paid	$55,200	$49,955	—9
Estimated annual savings	$765,224	$572,296	—25
Awards for superior work performance:			
Number of awards	1,258	1,643	31
Amount paid	$194,239	$232,793	20
Estimated annual savings	$230,711	$180,591	—22
Awards for special acts and services:			
Number of awards	149	125	—16
Amount paid	$24,740	$21,960	—11
Estimated annual savings	$168,129	$55,149	—66
Summary of awards:			
Number of awards	3,464	3,815	10
Amount paid	$274,179	$304,708	11
Estimated annual savings	$1,164,064	$808,036	−31

* Less than 1%.

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