







**STATEMENT OF THE PUBLIC DEBT, AUGUST 31, 1948—Continued**

[On the basis of daily Treasury statements]

TITLE	AUTHORIZING ACT	TAX STATUS	RATE OF INTEREST	DATE OF ISSUE	REDEEMABLE (See footnote 1)	PAYABLE	INTEREST PAYABLE	AMOUNT ISSUED	AMOUNT RETIRED	AMOUNT OUTSTANDING
<b>INTEREST-BEARING DEBT—Continued</b>										
<b>Public Issues—Continued</b>										
<b>Non-Marketable Obligations—Continued</b>										
<b>Armed Forces Leave Bonds:</b>										
Series 1943	(a)	(h)	2½%	Oct. 1, 1943	At any time at the option of the holder.	Oct. 1, 1948	At time of redemption.	\$11,012,350.00	\$8,355,225.00	\$2,657,125.00
Series 1944	(a)	(h)	2½%	Jan. 1, 1944	do	Jan. 1, 1949	do	10,822,950.00	8,309,225.00	2,513,725.00
				Apr. 1, 1944	do	Apr. 1, 1949	do	8,932,425.00	6,625,950.00	2,306,475.00
				July 1, 1944	do	July 1, 1949	do	9,732,025.00	6,958,200.00	2,773,825.00
Series 1945	(a)	(h)	2½%	Oct. 1, 1944	do	Oct. 1, 1949	do	11,647,725.00	8,610,650.00	3,037,075.00
				Jan. 1, 1945	do	Jan. 1, 1950	do	23,276,600.00	17,838,050.00	5,438,550.00
				Apr. 1, 1945	do	Apr. 1, 1950	do	21,094,150.00	16,084,050.00	5,010,100.00
				July 1, 1945	do	July 1, 1950	do	66,299,575.00	51,208,000.00	15,091,575.00
Series 1946	(a)	(h)	2½%	Oct. 1, 1945	do	Oct. 1, 1950	do	260,964,125.00	198,383,550.00	62,580,575.00
				Jan. 1, 1946	do	Jan. 1, 1951	do	884,408,725.00	663,288,475.00	221,120,250.00
				Apr. 1, 1946	do	Apr. 1, 1951	do	427,746,200.00	320,444,150.00	107,302,050.00
				July 1, 1946	do	July 1, 1951	do	153,914,675.00	115,747,300.00	38,167,375.00
				Oct. 1, 1946	do	Oct. 1, 1951	do	181,616,725.00	121,080,950.00	60,535,775.00
Unclassified issues and redemptions								190,775.00	6,428,325.00	<sup>10</sup> 6,237,550.00
Total armed forces leave bonds								2,071,659,025.00	1,549,362,100.00	522,296,925.00
<b>Treasury Bonds, Investment series:</b>										
Series A-1965	(a)	(e)	2½%	Oct. 1, 1947	On and after Apr. 1, 1948, on demand at option of owner on 1 month's notice.	Oct. 1, 1965	Apr. 1, Oct. 1	969,960,000.00	11,915,000.00	958,045,000.00
<b>Total non-marketable obligations</b>										\$60,855,646,195.58
<b>Total public issues</b>										219,987,445,755.58
<b>Special Issues:</b>										
<b>Adjusted service certificate fund:</b>										
Series 1949 (certificates)	(a)	(i)	4%	Jan. 1, 1948	On demand	Jan. 1, 1949	Jan. 1	6,000,000.00	250,000.00	5,750,000.00
<b>Alaska Railroad retirement fund:</b>										
Series 1949 to 1953 (notes)	(a)	(i)	4%	Various dates: From June 30, 1944	After one year from date of issue.	June 30, 1949 to 1953	June 30	3,287,000.00	30,000.00	3,257,000.00
<b>Canal Zone, Postal Savings System:</b>										
Series 1951 to 1953 (notes)	(a)	(i)	2%	From June 30, 1946	do	June 30, 1951 to 1953	June 30, Dec. 31	3,000,000.00		3,000,000.00
<b>Canal Zone retirement fund:</b>										
Series 1949 to 1953 (notes)	(a)	(i)	4%	From June 30, 1944	do	June 30, 1949 to 1953	June 30	14,101,000.00	80,000.00	14,021,000.00
Series 1949 to 1953 (notes)	(a)	(i)	3%	From Oct. 7, 1944	do	do	do	230,000.00	27,000.00	203,000.00
<b>Civil service retirement fund:</b>										
Series 1949 to 1953 (notes)	(a)	(i)	4%	From June 30, 1944	do	do	do	3,036,295,000.00	14,500,000.00	3,021,795,000.00
Series 1949 to 1953 (notes)	(a)	(i)	3%	do	do	do	do	7,697,500.00		7,697,500.00
<b>Farm tenant mortgage insurance fund:</b>										
Series 1952 (notes)	(a)	(i)	2%	Mar. 18, 1948	do	Dec. 31, 1952	June 30, Dec. 31	1,000,000.00		1,000,000.00
<b>Federal Deposit Insurance Corporation:</b>										
Series 1951 and 1952 (notes)	(a)	(i)	2%	Various dates: From Dec. 26, 1946	do	Dec. 1, 1951 and 1952	June 1, Dec. 1	665,000,000.00	79,000,000.00	586,000,000.00
<b>Federal home loan banks:</b>										
Series 1952 and 1953 (notes)	(a)	(i)	1½%	From Jan. 30, 1948	do	June 30, 1952 and 1953	June 30, Dec. 31	66,000,000.00	8,900,000.00	57,100,000.00
<b>Federal old-age and survivors insurance trust fund:</b>										
Series 1949 (certificates)	(a)	(i)	2½%	June 30, 1948	On demand	June 30, 1949	Dec. 31, June 30	7,709,000,000.00	20,000,000.00	7,689,000,000.00
<b>Federal Savings and Loan Insurance Corporation:</b>										
Series 1949 to 1953 (notes)	(a)	(i)	2%	Various dates: From Aug. 18, 1944	After one year from date of issue.	June 30, 1949 to 1953	June 30, Dec. 31	76,462,000.00		76,462,000.00
<b>Foreign Service retirement fund:</b>										
Series 1949 to 1953 (notes)	(a)	(i)	4%	From June 30, 1944	do	do	June 30	14,052,000.00	85,000.00	13,967,000.00
Series 1949 to 1953 (notes)	(a)	(i)	3%	From May 28, 1945	do	do	do	196,000.00		196,000.00
<b>Government life insurance fund:</b>										
Series 1949 (certificates)	(a)	(i)	3½%	June 30, 1948	On demand	June 30, 1949	do	1,286,500,000.00		1,286,500,000.00
<b>Mutual mortgage insurance fund:</b>										
Series 1952 (notes)	(a)	(i)	2%	Various dates: From Aug. 29, 1947	After one year from date of issue	June 30, 1952	June 30, Dec. 31	6,500,000.00	2,500,000.00	4,000,000.00
<b>National service life insurance fund:</b>										
Series 1949 to 1953 (notes)	(a)	(i)	3%	From June 30, 1944	do	June 30, 1949 to 1953	June 30	6,967,685,000.00		6,967,685,000.00
<b>Postal Savings System:</b>										
Series 1950 to 1952 (notes)	(a)	(i)	2%	From July 3, 1945	do	June 30, 1950 to 1952	June 30, Dec. 31	2,328,000,000.00	449,000,000.00	1,879,000,000.00

Railroad retirement account: Series 1950 to 1953 (notes)	(a)	(f)	3%	From June 30, 1945	do	June 30, 1950 to 1953	June 30	1, 779, 500, 000. 00	100, 000, 000. 00	1, 679, 500, 000. 00
Unemployment trust fund: Series 1949 (certificates)	(a)	(g)	2½%	From June 30, 1948	On demand	June 30, 1949	Dec. 31, June 30	7, 641, 000, 000. 00	50, 000, 000. 00	7, 591, 000, 000. 00
<b>Total special issues</b>								<b>31, 611, 505, 500. 00</b>	<b>724, 372, 000. 00</b>	
<b>Total interest-bearing debt outstanding <sup>5</sup></b>										<b>250, 874, 579, 255. 58</b>
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED</b>										
Old debt matured—issued prior to April 1, 1917 (excluding Postal Savings bonds)										
2½% Postal Savings bonds										
Liberty bonds and Victory notes, at various interest rates										
Treasury bonds, at various interest rates										
Adjusted service bonds of 1945										
Treasury notes, at various interest rates										
Certificates of indebtedness, at various interest rates										
Treasury bills										
Treasury savings certificates										
Treasury tax and savings notes <sup>6</sup>										
United States savings bonds <sup>6</sup>										
Armed forces leave bonds										
<b>Total matured debt on which interest has ceased</b>										
<b>DEBT BEARING NO INTEREST</b>										
Special notes of the United States: <sup>11</sup>										
International Bank for Reconstruction and Development series										
International Monetary Fund series										
Other:										
United States savings stamps										
Excess profits tax refund bonds <sup>12</sup>										
United States notes										
Less: Gold reserve										
National and Federal Reserve bank notes assumed by the United States on deposit of lawful money for their retirement										
Old demand notes and fractional currency										
Thrift and Treasury savings stamps										
<b>Total debt bearing no interest</b>										
<b>Total gross public debt (including \$2, 761, 752, 950. 64 debt incurred to finance expenditures of Government corporations and other agencies for which obligations of such corporations and agencies are held by the Treasury)</b>										

<sup>1</sup> Redeemable at the option of the United States on and after dates indicated, except where otherwise stated. In case of Treasury bonds now outstanding, such bonds may be redeemed only on interest dates, and 4 months' notice of redemption must be given.

<sup>2</sup> Treasury bills are non-interest-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 above indicated. This yield differs slightly from the yield on a true discount basis (365 days a year) which is shown in the summary on page 5.

<sup>3</sup> Arranged according to earliest call dates.

<sup>4</sup> 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.

<sup>5</sup> The face value of United States savings bonds and Treasury Notes Savings series of any yearly series maturing from month to month which are not currently presented for retirement will continue to be reflected as interest-bearing debt until all the bonds or notes of the series have matured. Thereafter, the total amount outstanding is reflected as matured debt upon which interest has ceased.

<sup>6</sup> Approximate yield if held to maturity.

<sup>7</sup> Redeemable in payment of Federal income, estate, or gift taxes after one full calendar month has elapsed between month notes were purchased and month in which tendered for taxes. Redeemable for cash at option of owner during and after the sixth calendar month after the month of issue, as shown on the face of each note.

<sup>8</sup> Interest is payable with principal at time of redemption. No interest is payable if note is inscribed in the name of a bank that accepts demand deposits, unless note is acquired by such bank through forfeiture of a loan.

<sup>9</sup> Amounts issued and retired for Series C to F, inclusive, include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G are stated at par value.

<sup>10</sup> Excess of redemptions, not yet classified by series, deduct.

<sup>11</sup> 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 Liberty Bond Act, as amended. The notes are non-negotiable, bear no interest, and are payable on demand.

<sup>12</sup> 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 in the present war, 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 January 1, 1946.

**AUTHORIZING ACTS:**

a Sept. 24, 1917, as amended.

b Aug. 5, 1909, Feb. 4, 1910, and Mar. 2, 1911.

c June 25, 1910.

**TAX STATUS:**

d Any income derived from Treasury bills of this issue, whether interest or gain from their sale or other disposition does not have any exemp-

tion, 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.

e 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.

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.

f 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. The following is applicable to savings bonds only: For the purposes of determining taxes and tax exemptions the increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

g 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.)

h Interest on these bonds is subject to all taxes now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. Principal is exempt from taxation.

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.

**STATEMENT OF GUARANTEED OBLIGATIONS, AUGUST 31, 1948**

(Compiled from latest reports received by Treasury)

TITLE	Authorizing act	Extent of guaranty by the United States	Tax status	Date of issue	Redeemable (on and after)	Payable	Interest payable	Rate of interest	Amount		
									Principal	Interest <sup>1</sup>	Total
<b>Unmatured Obligations:</b>											
Commodity Credit Corporation:											
3/4% demand obligations.....	Mar. 8, 1938, as amended..	Principal and interest..	(a)	Various.....		On demand.....	Monthly.....	3/4%	2 \$30,000.00		
1% demand obligations.....	do.....	do.....	(a)	do.....		do.....	do.....	1%	2 3,993,109.28		
1 1/2% demand obligations.....	do.....	do.....	(a)	do.....		do.....	do.....	1 1/2%	2 28,914,409.50		\$32,937,518.78
<b>Federal Housing Administration:</b>											
Mutual Mortgage Insurance Fund:											
3% debentures, Series A.....	June 27, 1934, as amended..	do.....	(b)	do.....		(f).....	Jan. 1, July 1.....	3%	7,439,636.23		
2 3/4% debentures, Series E.....	do.....	do.....	(b)	do.....	(g)	(f).....	do.....	2 3/4%	4,050.00		
Housing Insurance Fund:											
2 3/4% debentures, Series D.....	do.....	do.....	(c)	do.....	(g)	(f).....	do.....	2 3/4%	3,938,400.00		
War Housing Insurance Fund:											
2 1/2% debentures, Series H.....	Mar. 28, 1941, as amended..	do.....	(a)	do.....	(g)	10 years after date of debenture.	do.....	2 1/2%	2,598,300.00		13,980,386.23
<b>Total unmatured obligations.....</b>									46,917,905.01		46,917,905.01
<b>Matured Obligations:</b>											
Commodity Credit Corporation.....										\$11.25	11.25
Federal Farm Mortgage Corporation.....									1,671,000.00	159,262.95	1,830,262.95
Federal Housing Administration.....									8,150.00	243.63	8,393.63
Home Owners' Loan Corporation.....									2,846,825.00	292,846.58	3,139,671.58
Public Housing Administration.....									2,000.00	68.40	2,068.40
Reconstruction Finance Corporation.....										19.25	19.25
<b>Total matured obligations.....</b>									4,527,975.00	452,452.06	4,980,427.06
<b>Total based on guarantees.....</b>									51,445,880.01	452,452.06	51,898,332.07

**STATEMENT OF CONTINGENT LIABILITIES, AUGUST 31, 1948 <sup>6</sup>**

(Compiled from latest reports received by Treasury)

<b>On Credit of the United States:</b>											
U. S. Postal Savings System—Funds due depositors.....	June 25, 1910, as amended..	(7).....	(d)	Date of deposit.....		On demand.....	(8).....	2%	\$3,395,022,224.00	\$108,892,660.02	<sup>9</sup> \$3,503,914,884.02
Canal Zone Postal Savings System—Funds due depositors.....	June 13, 1940.....	(7).....	(d)	do.....		do.....	(9).....	2%	9,219,365.00	258,469.55	<sup>10</sup> 9,477,834.55
<b>Total based on credit of the United States.....</b>									3,404,241,589.00	109,151,129.57	3,513,392,718.57
<b>Other Obligations:</b>											
Federal Reserve notes (face amount).....	Dec. 23, 1913, as amended..	(11).....									<sup>12</sup> 23,158,155,378.46

**STATEMENT OF OBLIGATIONS OF GOVERNMENT CORPORATIONS AND OTHER AGENCIES, HELD BY THE TREASURY, AUGUST 31, 1948**

(Compiled from records of the Treasury)

Commodity Credit Corporation: Notes, 14th Series.....	Mar. 8, 1938, as amended.....	Principal.....	Various.....	At any time.....	On demand.....	None.....	\$440,000,000.00.....	\$440,000,000.00.....
Economic Cooperation Administration: Note of administrator.....	Apr. 3, 1948.....		June 11, 1948 <sup>13</sup> .....	do.....	June 30, 1979.....	June 30, Dec. 31.....	1½%.....	1,000,000.00.....
Export-Import Bank of Washington: Notes, Series 1951.....	July 31, 1945, as amended.....		do.....	do.....	Dec. 31, 1951.....	June 30, Dec. 31.....	1%.....	516,200,000.00.....
Notes, Series 1959.....	do.....		do.....	do.....	June 30, 1959.....	do.....	1½%.....	329,900,000.00.....
Home Owners' Loan Corporation: Bonds, Series U.....	June 13, 1933, as amended.....	Principal and interest.....	June 30, 1947.....	do.....	June 30, 1949.....	do.....	1¼%.....	221,000,000.00.....
Public Housing Administration: Notes, Series O.....	Sept. 1, 1937, as amended.....	do.....	June 30, 1948.....	do.....	June 30, 1953.....	June 30.....	1½%.....	362,000,000.00.....
Reconstruction Finance Corporation: Notes, Series AA.....	Jan. 22, 1932, as amended.....		Various.....	do.....	July 1, 1952.....	Jan. 1, July 1.....	1½%.....	84,946,709.33.....
Rural Electrification Administration: Notes of administrator.....	May 20, 1936, as amended.....		do.....	do.....	Various.....	Jan. 1, July 1.....	1½%.....	759,256,241.31.....
Tennessee Valley Authority: <sup>14</sup> Bonds of 1943-51.....	May 18, 1933, as amended.....	Principal and interest.....	Aug. 15, 1939.....	Aug. 15, 1943.....	Aug. 15, 1951.....	Feb. 15, Aug. 15.....	<sup>15</sup> 1¼%.....	7,500,000.00.....
Bonds of 1947-57.....	do.....	do.....	do.....	Aug. 15, 1947.....	Aug. 15, 1957.....	do.....	<sup>15</sup> 2¼%.....	15,000,000.00.....
Bonds of 1951-63.....	do.....	do.....	do.....	Aug. 15, 1951.....	Aug. 15, 1963.....	do.....	<sup>15</sup> 2¾%.....	15,000,000.00.....
Bonds of 1955-69.....	do.....	do.....	do.....	Aug. 15, 1955.....	Aug. 15, 1969.....	do.....	<sup>15</sup> 2¼%.....	16,500,000.00.....
Virgin Islands Company, The: Note No. 1.....	July 30, 1947.....		Aug. 27, 1947.....	At any time.....	June 30, 1949.....	June 30.....	1½%.....	250,000.00.....
Note No. 2.....	June 30, 1948.....		July 12, 1948.....	do.....	July 12, 1949.....	July 12.....	1½%.....	100,000.00.....
Note No. 3.....	do.....		Aug. 23, 1948.....	do.....	Aug. 23, 1949.....	Aug. 23.....	1½%.....	100,000.00.....
<b>Total.....</b>								<b>2,768,752,950.64.....</b>

<sup>1</sup> Does not include accrued interest except with respect to contingent liabilities.

<sup>2</sup> Represents balances of outstanding obligations as of July 31, 1948, on account of drafts and invoices paid by banks for account of the Commodity Credit Corporation.

<sup>3</sup> Redeemable on any interest day or days, on 3 months' notice.

<sup>4</sup> Payable 3 years after the first day of July following the maturity date of the mortgage for which each debenture was issued.

<sup>5</sup> Funds have been deposited with the Treasurer of the United States for payment of outstanding matured principal and interest obligations guaranteed by the United States.

<sup>6</sup> Does not include contingent liability on guaranteed and insured loans to veterans which, as of June 30, 1947, amounted to \$2,216,908,899.45; also does not include contingent liability on war production and contract termination guaranteed loans of the Department of the Army which, as of July 31, 1948, amounted to \$1,459,674.17.

<sup>7</sup> The faith of the United States is solemnly pledged to the payment of the deposits made in Postal Savings depository offices, with accrued interest thereon.

<sup>8</sup> Interest payable quarterly from first day of month next following the date of deposit.

<sup>9</sup> Figures are as of May 31, 1948, the latest available. Offset by cash in designated depository banks amounting to \$6,349,223.63, which is secured by the pledge of collateral as provided in the Regulations of the

Postal Savings System, having a face value of \$6,458,950; cash in possession of System amounting to \$183,543,979.04; Government securities with a face value of \$3,289,776,950; and other net assets of \$30,966,184.81.

<sup>10</sup> Figures are as of July 31, 1948, the latest available. Offset by cash on hand and in depository banks amounting to \$408,614.27; Government securities with a face value of \$9,350,000; and other assets.

<sup>11</sup> Federal Reserve notes are obligations of the United States and shall be receivable by all national and member banks and Federal Reserve banks and for all taxes, customs, and other public dues. They are redeemable in lawful money on demand at the Treasury Department, in the city of Washington, District of Columbia, or at any Federal Reserve bank.

<sup>12</sup> Figures are as of July 31, 1948, the latest available. In actual circulation, exclusive of \$613,132,591.54 redemption fund deposited in the Treasury and \$793,136,895 of their own Federal Reserve notes held by the issuing banks. The collateral security for Federal Reserve notes issued consists of \$13,539,000,000 in gold certificates and in credits with the Treasurer of the United States payable in gold certificates, \$11,925,000,000 face amount of United States Government securities and \$42,711,000 face amount of commercial paper. Notes issued by a Federal Reserve Bank are a first lien against the assets of such bank.

<sup>13</sup> Represents date of blanket note on which first advance was made Aug. 18, 1948.

<sup>14</sup> Pursuant to Public Law 268, July 30, 1947, repayments of not less than \$2,500,000 must be made not later than June 30 of each calendar year.

<sup>15</sup> Interest is paid at the rate of 1% per annum while such bonds are held by the Treasury.

**TAX STATUS:**

a 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 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.

b The National Housing Act as amended by the National Housing Act Amendments of 1938, approved Feb. 3, 1938, reads in part as follows: "Such debentures as are issued in exchange for property covered by mortgages insured under section 203 or section 207 prior to the date of enactment of the National Housing Act Amendments of 1938 shall be 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 holder of the debentures. \* \* \* Such debentures as are issued in exchange for property covered by mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency,

or possession thereof, or by any State, county, municipality, or local taxing authority." Under the Public Debt Act of 1941, interest upon and gain from the sale of debentures shall have no exemption under the Internal Revenue Code or laws amendatory or supplementary thereto, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

c With reference to the debentures issued prior to Mar. 1, 1941, in the name of the Housing Insurance Fund, the National Housing Act Amendments of 1938, approved Feb. 3, 1938, states that "Such debentures as are issued in exchange for mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority." Under the Public Debt Act of 1941 interest upon and gain from the sale of debentures shall have no exemption under the Internal Revenue Code or laws amendatory or supplementary thereto, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

d Under the Public Debt Act of 1941, income derived from deposits made subsequent to Mar. 1, 1941, is subject to all taxes, now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto.

**MEMORANDUM OF DIRECT AND GUARANTEED DEBT**

DATE	INTEREST-BEARING DEBT			TOTAL DEBT				COMPUTED ANNUAL INTEREST RATE ON INTEREST-BEARING DEBT			GENERAL FUND BALANCE <sup>3</sup>
	DIRECT DEBT	GUARANTEED DEBT <sup>1</sup>	TOTAL DIRECT AND GUARANTEED DEBT	DIRECT DEBT (GROSS)	GUARANTEED DEBT <sup>1,2</sup>	TOTAL DIRECT AND GUARANTEED DEBT	PER CAPITA <sup>3</sup>	DIRECT DEBT	GUARANTEED DEBT	TOTAL DIRECT AND GUARANTEED DEBT	
<b>WORLD WAR I</b>											
Mar. 31, 1917—Prewar debt.....	\$1,023,357,250.00		\$1,023,357,250.00	\$1,282,044,346.28		\$1,282,044,346.28	\$12.36	<i>Percent</i> 2.395	<i>Percent</i>	<i>Percent</i> 2.395	\$74,216,460.05
Aug. 31, 1919—Highest war debt.....	26,348,778,511.00		26,348,778,511.00	26,596,701,648.01		26,596,701,648.01	250.18	4.196	-----	4.196	1,118,109,534.76
Dec. 31, 1930—Lowest postwar debt.....	15,773,710,250.00		15,773,710,250.00	16,026,087,087.07		16,026,087,087.07	129.66	3.750	-----	3.750	306,803,319.55
<b>WORLD WAR II</b>											
June 30, 1940—Debt preceding defense program.....	<sup>a</sup> 42,376,495,928.27	\$5,497,556,555.28	<sup>a</sup> 47,874,052,483.55	42,967,531,037.68	<sup>a</sup> \$5,529,070,655.28	<sup>a</sup> 48,496,601,692.96	<sup>a</sup> 367.54	2.583	1.978	2.514	1,890,743,141.34
Nov. 30, 1941—Pre-Pearl Harbor debt.....	<sup>a</sup> 54,535,587,387.03	6,316,079,005.28	<sup>a</sup> 60,851,666,392.31	55,039,819,926.98	6,324,048,005.28	61,363,867,932.26	<sup>a</sup> 458.44	2.429	1.885	2.373	2,319,496,021.87
Feb. 28, 1946—Highest war debt.....	277,912,315,345.29	538,764,601.19	278,451,079,946.48	279,213,558,897.10	550,810,451.19	279,764,369,348.29	<sup>a</sup> 1,989.76	1.972	1.349	1.971	25,960,900,919.30
Aug. 31, 1947—Debt a year ago.....	257,110,118,033.20	73,060,991.94	257,183,179,025.14	260,097,131,992.86	79,064,541.94	260,176,196,534.80	<sup>a</sup> 1,800.17	2.125	1.776	2.125	3,400,395,126.99
July 31, 1948—Debt last month.....	251,168,030,945.72	50,510,120.02	251,218,541,065.74	253,373,752,026.74	55,188,495.02	253,428,940,521.76	<sup>a</sup> 1,726.99	2.197	1.820	2.197	5,073,518,857.80
Aug. 31, 1948—Debt this month.....	250,874,579,255.58	46,917,905.01	250,921,497,160.59	253,049,362,065.41	51,445,880.01	253,100,807,945.42	<sup>b</sup> 1,722.70	2.199	1.855	2.199	4,832,229,120.82

<sup>a</sup> Revised.

<sup>b</sup> Subject to revision.

<sup>1</sup> Does not include obligations owned by the Treasury.

<sup>2</sup> Cash is held by the Treasurer of the United States for the payment of outstanding matured principal of guaranteed obligations and is included in the general fund balances.

<sup>3</sup> Based upon estimates of the Bureau of the Census.