

# STATEMENT OF THE PUBLIC DEBT OF THE UNITED STATES

## AUGUST 31, 1939

DETAIL	AMOUNT ISSUED	AMOUNT RETIRED	AMOUNT OUTSTANDING	
<b>Interest-bearing debt</b>				
<b>BONDS:</b>				
3% Panama Canal Loan of 1961.....	\$50,000,000.00	\$200,000.00	\$49,800,000.00	
3% Conversion Bonds of 1946-47.....	28,894,500.00		28,894,500.00	
2 1/2% Postal Savings Bonds (18th to 49th Series).....	117,675,840.00	2,820.00	117,673,020.00	
				<b>\$196,367,520.00</b>
<b>Treasury Bonds:</b>				
4 1/2% bonds of 1947-52.....	763,962,300.00	5,016,500.00	758,945,800.00	
4% bonds of 1944-54.....	1,047,088,500.00	10,395,600.00	1,036,692,900.00	
3 1/2% bonds of 1946-56.....	494,898,100.00	5,818,000.00	489,080,100.00	
3 1/2% bonds of 1943-47.....	494,854,750.00	40,719,550.00	454,135,200.00	
3 1/2% bonds of 1940-43.....	359,042,750.00	6,049,500.00	352,993,250.00	
3 1/2% bonds of 1941-43.....	594,230,050.00	49,360,000.00	544,870,050.00	
3 1/2% bonds of 1946-49.....	821,406,000.00	2,779,000.00	818,627,000.00	
3% bonds of 1951-55.....	800,424,000.00	44,989,000.00	755,435,000.00	
3 1/2% bonds of 1941.....	405,043,100.00	589,900.00	399,153,200.00	
3 1/2% bonds of 1943-45.....	1,401,138,500.00	610,250.00	1,400,528,250.00	
3 1/2% bonds of 1944-46.....	1,035,858,500.00	121,150.00	1,035,737,350.00	
3% bonds of 1946-48.....	1,035,885,050.00	10,650.00	1,035,874,400.00	
3 1/2% bonds of 1949-52.....	491,377,100.00	2,000.00	489,375,100.00	
2 1/2% bonds of 1955-60.....	2,611,156,200.00	62,550.00	2,610,530,650.00	
2 1/2% bonds of 1945-47.....	1,214,453,900.00	24,950.00	1,214,208,950.00	
2 1/2% bonds of 1948-51.....	1,223,496,850.00	1,000.00	1,223,495,850.00	
2 1/2% bonds of 1951-54.....	1,626,688,150.00	1,000.00	1,626,687,150.00	
2 1/2% bonds of 1956-59.....	981,848,050.00	21,000.00	981,827,050.00	
2 1/2% bonds of 1949-53.....	1,786,504,050.00	363,400.00	1,786,140,650.00	
2 1/2% bonds of 1945.....	540,843,550.00		540,843,550.00	
2 1/2% bonds of 1948.....	450,978,400.00		450,978,400.00	
2 1/2% bonds of 1953-63.....	918,780,600.00		918,780,600.00	
2 1/2% bonds of 1950-52.....	1,185,841,700.00		1,185,841,700.00	
2 1/2% bonds of 1960-65.....	1,485,385,100.00		1,485,385,100.00	
2% bonds of 1947.....	701,074,900.00		701,074,900.00	
				<b>25,218,322,650.00</b>
<b>United States Savings Bonds:*</b>				
Series A-1935.....	219,661,555.75	43,138,344.75	176,523,211.00	
Series B-1936.....	390,821,069.00	66,554,086.75	324,266,982.25	
Series C-1937.....	486,831,478.00	62,444,066.00	424,387,412.00	
Series C-1938.....	547,074,599.75	33,867,344.25	513,207,255.50	
Series D-1939.....	470,975,925.00	6,832,350.00	464,143,575.00	
Unclassified sales.....	116,506,717.72		116,506,717.72	
				<b>2,019,035,153.47</b>
3% Adjusted Service Bonds of 1945.....	1,829,526,850.00	1,551,802,900.00	277,723,950.00	
4 1/2% Adjusted Service Bonds (Government Life Insurance Fund Series 1946).....	500,157,956.40		500,157,956.40	
				<b>777,881,906.40</b>
<b>TREASURY NOTES:</b>				
1 1/2% Series B-1939.....	526,233,000.00	500.00	\$526,232,500.00	
1 1/2% Series D-1939.....	426,554,600.00	415,519,500.00	11,035,100.00	
1 1/2% Series A-1940.....	1,378,364,200.00		1,378,364,200.00	
1 1/2% Series B-1940.....	738,428,400.00		738,428,400.00	
1 1/2% Series C-1940.....	737,161,600.00		737,161,600.00	
1 1/2% Series A-1941.....	676,707,600.00		676,707,600.00	
1 1/2% Series B-1941.....	503,877,500.00		503,877,500.00	
1 1/2% Series C-1941.....	204,425,400.00		204,425,400.00	
1 1/2% Series A-1942.....	426,349,500.00		426,349,500.00	
2% Series B-1942.....	342,143,300.00		342,143,300.00	
1 1/2% Series C-1942.....	232,375,200.00		232,375,200.00	
1 1/2% Series A-1943.....	629,116,900.00		629,116,900.00	
1 1/2% Series B-1943.....	420,973,000.00		420,973,000.00	
1 1/2% Series A-1944.....	415,519,500.00		415,519,500.00	
				<b>7,242,709,700.00</b>
3% Old-Age Reserve Account: Series 1941 to 1944.....	1,263,200,000.00		1,263,200,000.00	
3% Railroad Retirement Account: Series 1942 to 1944.....	102,200,000.00	25,000,000.00	77,200,000.00	
4% Civil Service Retirement Fund: Series 1940 to 1944.....	550,200,000.00	2,700,000.00	547,500,000.00	
4% Foreign Service Retirement Fund: Series 1940 to 1944.....	3,917,000.00	74,000.00	3,843,000.00	
4% Canal Zone Retirement Fund: Series 1940 to 1944.....	4,794,000.00	388,000.00	4,406,000.00	
4% Alaska Railroad Retirement Fund: Series 1941 to 1944.....	738,000.00		738,000.00	
2% Postal Savings System Series, maturing June 30, 1940, 1942 to 1944.....	166,000,000.00	23,000,000.00	143,000,000.00	
2% Government Life Insurance Fund: Series 1943 and 1944.....	42,759,000.00	9,800,000.00	32,959,000.00	
2% Federal Deposit Insurance Corporation Series, maturing Dec. 1, 1939, 1942, and 1943.....	175,000,000.00	54,000,000.00	121,000,000.00	
				<b>9,436,555,700.00</b>
<b>CERTIFICATES OF INDEBTEDNESS:</b>				
Special: 4% Adjusted Service Certificate Fund—Series 1940.....	23,000,000.00	4,700,000.00	18,300,000.00	
2 1/2% Unemployment Trust Fund—Series 1940.....	1,396,000,000.00	14,000,000.00	1,382,000,000.00	
				<b>1,400,300,000.00</b>
<b>TREASURY BILLS (maturity value):</b>				
Series maturing:				
Sept. 8, 1939.....	\$100,912,000.00	Oct. 11, 1939.....	\$100,392,000.00	Nov. 8, 1939.....
Sept. 13, 1939.....	100,342,000.00	Oct. 18, 1939.....	100,861,000.00	Nov. 15, 1939.....
Sept. 20, 1939.....	100,938,000.00	Oct. 25, 1939.....	100,240,000.00	Nov. 22, 1939.....
Sept. 27, 1939.....	100,109,000.00	Nov. 1, 1939.....	101,030,000.00	Nov. 29, 1939.....
Oct. 4, 1939.....	100,563,000.00			
				<b>1,307,181,000.00</b>
				<b>40,355,643,929.87</b>
<b>Matured debt on which interest has ceased</b> (Payable on presentation)				
Old debt matured—issued prior to Apr. 1, 1917.....			3,896,640.26	
2 1/2% Postal Savings Bonds.....			36,200.00	
3 1/2%, 4%, and 4 1/2% First Liberty Loan of 1932-47.....			12,286,700.00	
4% and 4 1/2% Second Liberty Loan of 1927-42.....			1,242,250.00	
4 1/2% Third Liberty Loan of 1923.....			1,974,900.00	
4 1/2% Fourth Liberty Loan of 1932-38.....			17,410,350.00	
3 1/2% and 4 1/2% Victory Notes of 1922-23.....			608,900.00	
Treasury Notes, at various interest rates.....			22,416,150.00	
Certificates of indebtedness, at various interest rates.....			4,187,600.00	
Treasury Bills.....			69,183,000.00	
Treasury Savings Certificates.....			222,475.00	
				<b>133,465,165.26</b>
<b>Debt bearing no interest</b> (Payable on presentation)				
<b>Obligations required to be reissued when redeemed:</b>				
United States Notes.....		\$346,681,016.00		
Less: Gold Reserve.....		156,039,430.93		
			190,641,585.07	
<b>Obligations that will be retired on presentation:</b>				
Old demand notes.....			53,012.50	
National bank notes and Federal Reserve bank notes assumed by the United States on deposit of lawful money for their retirement.....			210,525,391.50	
Fractional currency.....			1,978,715.78	
Thrift and Treasury Savings Stamps, unclassified sales, etc.....			3,239,524.49	
				<b>406,438,229.34</b>
				<b>40,895,547,324.47</b>
<b>Matured interest obligations, etc.:</b>				
Matured interest obligations outstanding.....		50,809,804.02		
Discount accrued on Treasury (War) Savings Certificates, matured series.....		3,443,580.00		
Settlement warrant checks outstanding.....		810,178.35		
Disbursing officers' checks outstanding and balances in certain checking accounts of governmental agencies.....		523,457,156.12		578,520,718.49
				<b>41,474,068,042.96</b>
Balance held by the Treasurer of the United States as per daily Treasury Statement for August 31, 1939.....			2,231,165,208.02	
Add: Net excess of receipts over disbursements in reports subsequently received.....			6,936,839.09	2,238,102,047.11
				<b>39,235,965,995.85</b>
<b>Net debt, including matured interest obligations, etc.*</b>				
<small>The computed rate of interest per annum on the interest-bearing debt outstanding is 2.604 percent.</small>				
<small>The gross debt per capita, based on an estimated population of 131,332,000, is \$311.39.</small>				
<small>* Amounts issued and retired include accrued discount; amounts outstanding are stated at current redemption values.</small>				
<small>† The total gross debt August 31, 1939, on the basis of daily Treasury statement was \$40,891,232,891.16 and the net amount of public debt redemptions and receipts in transit, etc., was \$4,314,433.31.</small>				
<small>* No deduction is made on account of obligations of foreign governments or other investments.</small>				

DETAIL OF OUTSTANDING INTEREST-BEARING ISSUES AS SHOWN ON PAGE 1, AUGUST 31, 1939

TITLE	AUTHORIZING ACT	TAX EXEMPTIONS	RATE OF INTEREST	DATE OF ISSUE	REDEEMABLE (at the option of the United States, on and after) †	PAYABLE	INTEREST PAYABLE
<b>Interest-bearing debt</b>							
<b>BONDS:</b>							
Panama Canal loan of 1961.....	Aug. 5, 1909, Feb. 4, 1910, and Mar. 2, 1911.	(*)	3%	June 1, 1911.....		June 1, 1961.....	Mar. 1, June 1, Sept. 1, Dec. 1.
Conversion bonds of 1946-47.....	Dec. 23, 1918.....	(*)	3%	Jan. 1, 1916-17.....		30 years from date of issue.	Jan. 1, Apr. 1, July 1, Oct. 1.
Postal Savings bonds (18th to 49th Series).	June 25, 1910.....	(*)	2½%	Jan. 1, July 1, 1920-35.	1 year from date of issue...	20 years from date of issue.	Jan. 1, July 1.
<b>Treasury Bonds:</b>							
4½% bonds of 1947-52.....	Sept. 24, 1917, as amended..	(b)	4½%	Oct. 16, 1922.....	Oct. 15, 1947.....	Oct. 15, 1952.....	Apr. 15, Oct. 15.
4% bonds of 1944-54.....	do.....	(b)	4%	Dec. 15, 1924.....	Dec. 15, 1944.....	Dec. 15, 1954.....	June 15, Dec. 15.
3½% bonds of 1946-56.....	do.....	(b)	3½%	Mar. 15, 1926.....	Mar. 15, 1946.....	Mar. 15, 1956.....	Mar. 15, Sept. 15.
3½% bonds of 1943-47.....	do.....	(b)	3½%	June 15, 1927.....	June 15, 1943.....	June 15, 1947.....	June 15, Dec. 15.
3½% bonds of 1940-43.....	do.....	(b)	3½%	July 16, 1928.....	June 15, 1940.....	June 15, 1943.....	Do.
3½% bonds of 1941-43.....	do.....	(b)	3½%	Mar. 16, 1931.....	Mar. 15, 1941.....	Mar. 15, 1943.....	Mar. 15, Sept. 15.
3½% bonds of 1946-49.....	do.....	(b)	3½%	June 15, 1931.....	June 15, 1946.....	June 15, 1949.....	June 15, Dec. 15.
3% bonds of 1951-55.....	do.....	(b)	3%	Sept. 15, 1931.....	Sept. 15, 1951.....	Sept. 15, 1955.....	Mar. 15, Sept. 15.
3½% bonds of 1941.....	do.....	(b)	3½%	Aug. 15, 1933.....	Oct. 15, 1943.....	Oct. 15, 1945.....	Feb. 1, Aug. 1.
3½% bonds of 1943-45.....	do.....	(b)	3½%	Oct. 15, 1933.....	Oct. 15, 1943.....	Oct. 15, 1945.....	Apr. 15, Oct. 15.
3½% bonds of 1944-46.....	do.....	(b)	3½%	Apr. 16, 1934.....	Apr. 15, 1944.....	Apr. 15, 1946.....	Do.
3% bonds of 1946-48.....	do.....	(b)	3%	June 15, 1934.....	June 15, 1946.....	June 15, 1948.....	June 15, Dec. 15.
3½% bonds of 1949-52.....	do.....	(b)	3½%	Dec. 15, 1934.....	Dec. 15, 1949.....	Dec. 15, 1952.....	Do.
2½% bonds of 1955-60.....	do.....	(b)	2½%	Mar. 15, 1935.....	Mar. 15, 1955.....	Mar. 15, 1960.....	Mar. 15, Sept. 15.
2½% bonds of 1945-47.....	do.....	(b)	2½%	Sept. 16, 1935.....	Sept. 15, 1945.....	Sept. 15, 1947.....	Do.
2½% bonds of 1948-51.....	do.....	(b)	2½%	Mar. 16, 1936.....	Mar. 15, 1948.....	Mar. 15, 1951.....	Do.
2½% bonds of 1951-54.....	do.....	(b)	2½%	June 15, 1936.....	June 15, 1951.....	June 15, 1954.....	June 15, Dec. 15.
2½% bonds of 1956-59.....	do.....	(b)	2½%	Sept. 15, 1936.....	Sept. 15, 1956.....	Sept. 15, 1959.....	Mar. 15, Sept. 15.
2½% bonds of 1949-53.....	do.....	(b)	2½%	Dec. 15, 1936.....	Dec. 15, 1949.....	Dec. 15, 1953.....	June 15, Dec. 15.
2½% bonds of 1945.....	do.....	(b)	2½%	Dec. 15, 1937.....	Dec. 15, 1945.....	Dec. 15, 1945.....	Do.
2½% bonds of 1948.....	do.....	(b)	2½%	Mar. 15, 1938.....	Sept. 15, 1948.....	Sept. 15, 1948.....	Mar. 15, Sept. 15.
2½% bonds of 1958-63.....	do.....	(b)	2½%	June 15, 1938.....	June 15, 1958.....	June 15, 1963.....	June 15, Dec. 15.
2½% bonds of 1950-52.....	do.....	(b)	2½%	Sept. 15, 1938.....	Sept. 15, 1950.....	Sept. 15, 1952.....	Mar. 15, Sept. 15.
2½% bonds of 1960-65.....	do.....	(b)	2½%	Dec. 15, 1938.....	Dec. 15, 1960.....	Dec. 15, 1965.....	June 15, Dec. 15.
2% bonds of 1947.....	do.....	(b)	2%	do.....	do.....	Dec. 15, 1947.....	Do.
United States Savings Bonds: Series A-1935.....	do.....	(*)	**2.9%	Various dates from Mar. 1, 1935.	After 60 days from issue date, on demand at option of owner.	10 years from issue date.	
Series B-1936.....	do.....	(*)	**2.9%	Various dates from Jan. 1, 1936.	do.....	do.....	
Series C-1937.....	do.....	(*)	**2.9%	Various dates from Jan. 1, 1937.	do.....	do.....	
Series C-1938.....	do.....	(*)	**2.9%	Various dates from Jan. 1, 1938.	do.....	do.....	
Series D-1939.....	do.....	(*)	**2.9%	Various dates from Jan. 1, 1939.	do.....	do.....	
Adjusted Service Bonds of 1945.....	Sept. 24, 1917, as amended, and Adjusted Compensation Payment Act, 1936.	(d)	3%	June 15, 1936.....	On demand at option of owner.	June 15, 1945.....	With principal (1) to date of maturity or (2) to date of prior redemption on and after June 15, 1937.
Adjusted Service Bonds (Government Life Insurance Fund Series 1946).....	do.....	(d)	4½%	do.....	On demand.	On or after June 15, 1946.	June 15.
<b>TREASURY NOTES:</b>							
Series B-1939.....	Sept. 24, 1917, as amended..	(d)	1½%	July 15, 1935.....		Dec. 15, 1939.....	June 15, Dec. 15.
Series D-1939.....	do.....	(d)	1½%	June 15, 1937.....		Sept. 15, 1939.....	Mar. 15, Sept. 15.
Series A-1940.....	do.....	(d)	1½%	Mar. 15, 1935.....		Mar. 15, 1940.....	Do.
Series B-1940.....	do.....	(d)	1½%	June 15, 1935.....		June 15, 1940.....	June 15, Dec. 15.
Series C-1940.....	do.....	(d)	1½%	Dec. 16, 1935.....		Dec. 15, 1940.....	Do.
Series A-1941.....	do.....	(d)	1½%	Mar. 16, 1936.....		Mar. 15, 1941.....	Mar. 15, Sept. 15.
Series B-1941.....	do.....	(d)	1½%	June 15, 1936.....		June 15, 1941.....	June 15, Dec. 15.
Series C-1941.....	do.....	(d)	1½%	Dec. 15, 1936.....		Dec. 15, 1941.....	Do.
Series A-1942.....	do.....	(d)	1½%	June 15, 1937.....		Mar. 15, 1942.....	Mar. 15, Sept. 15.
Series B-1942.....	do.....	(d)	2%	Sept. 15, 1937.....		Sept. 15, 1942.....	Do.
Series C-1942.....	do.....	(d)	1½%	Dec. 15, 1937.....		Dec. 15, 1942.....	June 15, Dec. 15.
Series A-1943.....	do.....	(d)	1½%	June 15, 1938.....		June 15, 1943.....	Do.
Series B-1943.....	do.....	(d)	1½%	Dec. 15, 1938.....		Dec. 15, 1943.....	Do.
Series A-1944.....	do.....	(d)	¾%	June 15, 1939.....		June 15, 1944.....	Do.
Old-Age Reserve Account: Series 1941 to 1944.....	do.....	(d)	3%	Various dates from Jan. 1, 1937.	After 1 year from date of issue.	June 30, 1941 to 1944.	June 30.
Railroad Retirement Account: Series 1942 to 1944.....	do.....	(d)	3%	Various dates from Aug. 6, 1937.	do.....	June 30, 1942 to 1944.	Do.
Civil Service Retirement Fund: Series 1940 to 1944.....	do.....	(d)	4%	Various dates from June 30, 1935.	do.....	June 30, 1940 to 1944.	Do.
Foreign Service Retirement Fund: Series 1940 to 1944.....	do.....	(d)	4%	do.....	do.....	do.....	Do.
Canal Zone Retirement Fund: Series 1940 to 1944.....	do.....	(d)	4%	do.....	do.....	do.....	Do.
Alaska Railroad Retirement Fund: Series 1941 to 1944.....	do.....	(d)	4%	Various dates from Feb. 1, 1937.	do.....	June 30, 1941 to 1944.	Do.
Postal Savings System: Series 1940, 1942 to 1944.....	do.....	(d)	2%	Various dates from Nov. 5, 1935.	do.....	June 30, 1940, 1942 to 1944.	June 30, Dec. 31.
Government Life Insurance Fund: Series 1943 and 1944.....	do.....	(d)	2%	Various dates from July 11, 1938.	do.....	June 30, 1943 and 1944.	June 30.
Federal Deposit Insurance Corporation: Series 1939, 1942, and 1943.....	do.....	(d)	2%	Various dates from Dec. 1, 1934.	do.....	Dec. 1, 1939, 1942, and 1943.	June 1, Dec. 1.
<b>CERTIFICATES OF INDEBTEDNESS:</b>							
<b>Special:</b>							
Adjusted Service Certificate Fund: Series 1940.....	do.....	(*)	4%	Jan. 1, 1939.....	On demand.	Jan. 1, 1940.....	Jan. 1.
Unemployment Trust Fund: Series 1940.....	do.....	(*)	2½%	Various dates from June 30, 1939.	do.....	June 30, 1940.....	June 30, Dec. 31.
<b>TREASURY BILLS:</b>							
<b>Series maturing:</b>							
Sept. 6, 1939.....	do.....	(*)	*.004%	June 7, 1939.....		Sept. 6, 1939.....	Sept. 6, 1939.
Sept. 13, 1939.....	do.....	(*)	*.004%	June 14, 1939.....		Sept. 13, 1939.....	Sept. 13, 1939.
Sept. 20, 1939.....	do.....	(*)	*.008%	June 21, 1939.....		Sept. 20, 1939.....	Sept. 20, 1939.
Sept. 27, 1939.....	do.....	(*)	*.005%	June 28, 1939.....		Sept. 27, 1939.....	Sept. 27, 1939.
Oct. 4, 1939.....	do.....	(*)	*.014%	July 5, 1939.....		Oct. 4, 1939.....	Oct. 4, 1939.
Oct. 11, 1939.....	do.....	(*)	*.012%	July 12, 1939.....		Oct. 11, 1939.....	Oct. 11, 1939.
Oct. 18, 1939.....	do.....	(*)	*.015%	July 19, 1939.....		Oct. 18, 1939.....	Oct. 18, 1939.
Oct. 25, 1939.....	do.....	(*)	*.019%	July 26, 1939.....		Oct. 25, 1939.....	Oct. 25, 1939.
Nov. 1, 1939.....	do.....	(*)	*.022%	Aug. 2, 1939.....		Nov. 1, 1939.....	Nov. 1, 1939.
Nov. 8, 1939.....	do.....	(*)	*.032%	Aug. 9, 1939.....		Nov. 8, 1939.....	Nov. 8, 1939.
Nov. 15, 1939.....	do.....	(*)	*.032%	Aug. 16, 1939.....		Nov. 15, 1939.....	Nov. 15, 1939.
Nov. 22, 1939.....	do.....	(*)	*.042%	Aug. 23, 1939.....		Nov. 22, 1939.....	Nov. 22, 1939.
Nov. 29, 1939.....	do.....	(*)	*.076%	Aug. 30, 1939.....		Nov. 29, 1939.....	Nov. 29, 1939.

† Except where otherwise noted at option of owner. 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.

\* Treasury bills 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 as above indicated.

\*\* Approximate yield if held to maturity.

§ 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.)

(b) 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.

(c) Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the act approved Sept. 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above. For the purposes of determining taxes and tax exemptions, the increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

Attention is invited to Treasury Decision 4560 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.

(d) Exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

(e) Exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority; and the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest within the meaning referred to herein.

Any gain from the sale or other disposition of Treasury bills shall be exempt from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority; and no loss from the sale or other disposition of such Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States on any of its possessions.

*In hands of foreign holders.*—Bonds, notes, and certificates of indebtedness of the United States, shall, while beneficially owned by a nonresident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt both as to principal and interest from any and all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

**RECEIVABILITY IN PAYMENT OF CERTAIN TAXES:**

*Federal estate or inheritance taxes.*—Treasury bonds and Treasury notes, bearing interest at a higher rate than 4 per centum per annum, which have been owned by any person continually for at least 6 months prior to the date of his death and which upon such date constitute part of his estate are receivable by the United States at par and accrued interest in payment of Federal estate taxes.

*Federal income and profits taxes.*—Treasury notes, Treasury certificates of indebtedness, and Treasury bills, maturing on tax-payment dates, are receivable at par in payment of income and profits taxes payable at the maturity of the notes, certificates, or bills.

**CONTINGENT LIABILITIES OF THE UNITED STATES, AUGUST 31, 1939**

COMPILED FROM LATEST REPORTS RECEIVED BY THE TREASURY

DETAIL	AUTHORIZING ACT	AMOUNT OF CONTINGENT LIABILITY <sup>1</sup>		
		PRINCIPAL	INTEREST	TOTAL
<b>GUARANTEED BY THE UNITED STATES:</b>				
Commodity Credit Corporation:				
3/4% notes, Series C, 1939	Mar. 8, 1938	\$206,174,000.00	\$516,853.73	\$206,690,853.73
3/4% notes, Series D, 1941	do.	202,553,000.00	105,302.20	202,658,302.20
		408,727,000.00	622,155.93	\$409,349,155.93
Federal Farm Mortgage Corporation:				
3% bonds of 1944-49	Jan. 31, 1934, as amended	835,085,600.00	7,376,589.47	842,462,189.47
3% bonds of 1944-64	do.	94,678,600.00	1,418,864.02	96,097,464.02
3% bonds of 1942-47	do.	236,476,200.00	906,492.10	237,382,692.10
2 1/4% bonds of 1942-47	do.	103,147,500.00	1,418,278.13	104,565,778.13
1 1/4% bonds of 1939	do.	100,122,000.00	750,915.00	100,872,915.00
1 1/4% bonds of 1939	do.	9,900,000.00	41,250.00	9,941,250.00
		1,379,409,900.00	11,912,388.72	1,391,322,288.72
Federal Housing Administration:				
3% debentures	June 27, 1934, as amended	1,549,698.67	8,731.66	1,558,430.33
2 1/4% debentures	do.	1,065,800.00	6,601.67	1,072,401.67
		2,614,998.67	15,333.33	2,630,332.00
Home Owners' Loan Corporation:				
3% bonds, Series A, 1944-52	June 13, 1933, as amended	778,579,325.00	7,785,793.25	786,365,118.25
2 1/4% bonds, Series B, 1939-49	do.	23,650,000.00		23,650,000.00
2 1/4% bonds, Series G, 1942-44	do.	879,038,825.00	3,296,750.51	882,335,575.51
3/4% bonds, Series K, 1940	do.	127,867,400.00	139,854.97	128,007,254.97
3/4% bonds, Series L, 1941	do.	191,801,900.00	349,638.88	192,151,538.88
1 1/4% bonds, Series M, 1945-47	do.	763,616,800.00	2,863,563.00	766,480,363.00
		2,764,554,250.00	14,435,600.61	2,778,989,850.61
Reconstruction Finance Corporation:				
3/4% notes, Series N	Jan. 22, 1932, as amended	211,460,000.00	216,200.61	211,676,200.61
3/4% notes, Series P	do.	298,239,000.00	872,227.51	299,111,227.51
3/4% notes, Series R	do.	310,090,000.00	353,907.07	310,443,907.07
		819,789,000.00	1,442,335.19	821,231,335.19
Tennessee Valley Authority:	May 18, 1933, as amended	( <sup>2</sup> )		
United States Housing Authority:				
1 1/4% notes, Series B, 1944	Sept. 1, 1937, as amended	114,157,000.00	130,804.90	114,287,804.90
United States Maritime Commission:	June 29, 1936, as amended			
		5,489,252,148.67	28,558,618.68	5,517,810,767.35
<b>TOTAL, BASED ON GUARANTEES</b>				
<b>ON CREDIT OF THE UNITED STATES:</b>				
Secretary of Agriculture:	May 12, 1933			
Postal Savings System:				
Funds due depositors	June 25, 1910, as amended	1,262,369,779.20	35,054,174.04	1,297,423,953.24
Tennessee Valley Authority:				
2 1/4% bonds, Series A, 1943	May 18, 1933, as amended	7,800,000.00	27,604.17	7,827,604.17
		1,270,669,779.20	35,081,778.21	1,305,751,557.41
<b>OTHER OBLIGATIONS:</b>				
Federal Reserve notes (face amount)	Dec. 23, 1913, as amended			4,622,026,525.67

<sup>1</sup> After deducting amounts of funds deposited with the Treasurer of the United States to meet payments for matured principal and interest.  
<sup>2</sup> Does not include matured and unpaid interest amounting to \$1.58 resulting from adjustments made on fractions of cents on Series "F" bonds.  
<sup>3</sup> Does not include \$5,000,000 face amount of Series "J" bonds and accrued interest thereon, held by the Treasury and reflected in the public debt.  
<sup>4</sup> Does not include \$210,925,877.13 face amount of notes and accrued interest thereon, held by the Treasury and reflected in the public debt.  
<sup>5</sup> Bonds in the face amount of \$272,500 issued under Section 15a and an interim certificate in the face amount of \$50,000,000 issued under Section 15c of the Tennessee Valley Authority Act of 1933, as amended, are held by the Treasury and reflected in the public debt.  
<sup>6</sup> Figures as of June 30, 1939—figures as of Aug. 31, 1939, are not available. Offset by cash in designated depository banks amounting to \$68,271,884.77, which is secured by the pledge of collateral as provided in the Regulations of the Postal Savings System, having a face value of \$66,776,938.29, cash in possession of System amounting to \$71,709,459.91, Government and Government-guaranteed securities with a face value of \$1,150,127,730 held as investments, and other assets.  
<sup>7</sup> Held by the Reconstruction Finance Corporation.  
<sup>8</sup> In actual circulation, exclusive of \$8,644,844.33 redemption fund deposited in the Treasury and \$259,898,330 of their own Federal Reserve notes held by the issuing banks. The collateral security for Federal Reserve notes issued consists of \$4,967,000,000 in gold certificates and in credits with the Treasurer of the United States payable in gold certificates, and \$2,617,000 face amount of commercial paper.

**DETAIL OF CONTINGENT LIABILITIES AS SHOWN ABOVE, AUGUST 31, 1939**

TITLE	EXTENT OF GUARANTY BY THE UNITED STATES	TAX EXEMPTIONS	RATE OF INTEREST	DATE OF ISSUE	REDEEMABLE (on and after)	PAYABLE	INTEREST PAYABLE
<b>GUARANTEED BY THE UNITED STATES:</b>							
Commodity Credit Corporation:							
3/4% notes, Series C, 1939	Principal and interest	( <sup>a</sup> )	3/4%	May 2, 1938		Nov. 2, 1939	May 2, Nov. 2
3/4% notes, Series D, 1941	do.	( <sup>a</sup> )	3/4%	Aug. 1, 1939		Aug. 1, 1941	Feb. 1, Aug. 1
Federal Farm Mortgage Corporation:							
3% bonds of 1944-49	do.	( <sup>a</sup> )	3%	May 15, 1934	May 15, 1944	May 15, 1949	May 15, Nov. 15
3% bonds of 1944-64	do.	( <sup>a</sup> )	3 1/4%	Mar. 15, 1934	Mar. 15, 1944	Mar. 15, 1964	Mar. 15, Sept. 15
3% bonds of 1942-47	do.	( <sup>a</sup> )	3%	Jan. 15, 1935	Jan. 15, 1942	Jan. 15, 1947	Jan. 15, July 15
2 1/4% bonds of 1942-47	do.	( <sup>a</sup> )	2 1/4%	Mar. 1, 1935	Mar. 1, 1942	Mar. 1, 1947	Mar. 1, Sept. 1
1 1/4% bonds of 1939	do.	( <sup>a</sup> )	1 1/4%	Sept. 3, 1935		Sept. 1, 1939	Do.
1 1/4% bonds of 1939	do.	( <sup>a</sup> )	1 1/4%	Nov. 1, 1937		Nov. 1, 1939	May 1, Nov. 1
Federal Housing Administration:							
3% debentures	do.	( <sup>b</sup> )	3%	Various		Various	Jan. 1, July 1
2 1/4% debentures	do.	( <sup>b</sup> )	2 1/4%	do.		do.	Do.
Home Owners' Loan Corporation:							
3% bonds, Series A, 1944-52	do.	( <sup>c</sup> )	3%	May 1, 1934	May 1, 1944	May 1, 1952	May 1, Nov. 1
2 1/4% bonds, Series B, 1939-49	do.	( <sup>c</sup> )	2 1/4%	Aug. 1, 1934	Aug. 1, 1939	Aug. 1, 1949	Feb. 1, Aug. 1
2 1/4% bonds, Series G, 1942-44	do.	( <sup>c</sup> )	2 1/4%	July 1, 1935	July 1, 1942	July 1, 1944	Jan. 1, July 1
3/4% bonds, Series K, 1940	do.	( <sup>c</sup> )	3/4%	May 15, 1939		May 15, 1940	May 15, Nov. 15
3/4% bonds, Series L, 1941	do.	( <sup>c</sup> )	3/4%	do.		May 15, 1941	Do.
1 1/4% bonds, Series M, 1945-47	do.	( <sup>c</sup> )	1 1/4%	June 1, 1939	June 1, 1945	June 1, 1947	June 1, Dec. 1
Reconstruction Finance Corporation:							
3/4% notes, Series N	do.	( <sup>d</sup> )	3/4%	July 20, 1938		July 20, 1941	Jan. 20, July 20
3/4% notes, Series P	do.	( <sup>d</sup> )	3/4%	Nov. 1, 1938		Nov. 1, 1941	May 1, Nov. 1
3/4% notes, Series R	do.	( <sup>d</sup> )	3/4%	Feb. 15, 1939		Jan. 15, 1942	Jan. 15, July 15
Tennessee Valley Authority:							
United States Housing Authority:							
1 1/4% notes, Series B, 1944	Principal and interest	( <sup>e</sup> )	1 1/4%	Feb. 1, 1939		Feb. 1, 1944	Feb. 1, Aug. 1
United States Maritime Commission:							
	( <sup>f</sup> )						
<b>ON CREDIT OF THE UNITED STATES:</b>							
Secretary of Agriculture:	( <sup>g</sup> )						
Postal Savings System:	( <sup>g</sup> )		2%	Date of deposit		On demand	Quarterly from first day of month next following the date of deposit.
Tennessee Valley Authority:							
2 1/4% bonds, Series A, 1943	( <sup>g</sup> )	( <sup>h</sup> )	2 1/4%	Sept. 1, 1938		Sept. 1, 1943	Mar. 1, Sept. 1
<b>OTHER OBLIGATIONS:</b>							
Federal Reserve notes	( <sup>i</sup> )						

<sup>1</sup> Under Section 15c of the Tennessee Valley Authority Act of 1933, as amended by the act of July 26, 1939, the Tennessee Valley Authority is authorized to issue bonds not to exceed in the aggregate \$61,500,000, having a maturity of not more than 50 years from the date of issue, and bearing interest not to exceed 3 1/4 percent per annum. Such bonds shall be fully and unconditionally guaranteed both as to principal and interest by the United States.  
<sup>2</sup> Debentures authorized to be issued by the United States Maritime Commission under the Merchant Marine Act, 1936, as amended, shall be fully and unconditionally guaranteed as to principal and interest by the United States.  
<sup>3</sup> The Secretary of Agriculture is authorized pursuant to act of May 12, 1933, to borrow money upon all cotton in his possession or control and deposit as collateral for such loans warehouse receipts for such cotton.  
<sup>4</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>5</sup> Bonds issued on the credit of the United States.  
<sup>6</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.  
**TAX EXEMPTIONS:**  
<sup>a</sup> Bonds and the income derived therefrom exempt from Federal, State, municipal, and local taxation (except surtaxes, estate, inheritance, and gift taxes).  
<sup>b</sup> The National Housing Act as amended by the National Housing Act Amendments of 1938, approved February 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."  
<sup>c</sup> 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.  
<sup>d</sup> Exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any District, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.  
<sup>e</sup> Exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.  
<sup>f</sup> Exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any State, county, municipality, or local taxing authority.  
<sup>g</sup> Bonds issued by the Tennessee Valley Authority on the credit of the United States as provided in the Tennessee Valley Authority Act of 1933, as amended, shall have all the rights and privileges accorded by law to Panama Canal bonds authorized by section 8 of the act of June 28, 1902, chapter 1302, as amended by the act of December 21, 1905 (ch. 3, sec. 1, 34 Stat. 5), as now compiled in section 743 of title 31 of the United States Code.

