

STATEMENT OF THE PUBLIC DEBT OF THE UNITED STATES

JULY 31, 1940

DETAIL	AMOUNT ISSUED	AMOUNT RETIRED	AMOUNT OUTSTANDING		
Interest-bearing debt					
BONDS:					
3% Panama Canal Loan of 1961	\$50,000,000.00	\$200,000.00	\$49,800,000.00		
3% Conversion Bonds of 1946	15,761,000.00		15,761,000.00		
3% Conversion Bonds of 1947	13,133,500.00		13,133,500.00		
2 1/4% Postal Savings Bonds (20th to 49th Series)	117,516,780.00	2,820.00	117,513,960.00		
Treasury Bonds:				\$196,208,460.00	
4 1/4% 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	10,396,100.00	1,036,692,400.00		
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 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	44,992,000.00	755,432,000.00		
3 1/4% bonds of 1941	835,043,100.00	610,250.00	834,432,850.00		
3 1/4% bonds of 1943-45	1,401,138,500.00	121,150.00	1,400,917,350.00		
3 1/4% bonds of 1944-46	1,518,858,800.00	11,650.00	1,518,747,150.00		
3% bonds of 1946-48	1,035,885,050.00	2,000.00	1,035,883,050.00		
3 1/4% bonds of 1949-52	491,377,100.00	63,550.00	491,313,550.00		
2 1/2% bonds of 1955-60	2,611,156,200.00	24,950.00	2,611,131,250.00		
2 1/4% bonds of 1945-47	1,214,453,900.00	1,000.00	1,214,452,900.00		
2 1/4% bonds of 1948-51	1,223,496,850.00	1,000.00	1,223,495,850.00		
2 1/4% bonds of 1951-54	1,626,688,150.00	21,500.00	1,626,666,650.00		
2 1/4% bonds of 1956-59	981,848,050.00	373,400.00	981,474,650.00		
2 1/4% bonds of 1949-53	1,786,504,050.00		1,786,130,650.00		
2 1/4% bonds of 1945	540,843,550.00		540,843,550.00		
2 1/4% bonds of 1948	450,978,400.00		450,978,400.00		
2 1/4% bonds of 1958-63	918,780,600.00		918,780,600.00		
2 1/4% bonds of 1950-52	1,185,841,700.00		1,185,841,700.00		
2 1/4% bonds of 1960-65	1,485,385,100.00	500.00	1,485,384,600.00		
2% bonds of 1947	701,074,900.00	500.00	701,074,400.00		
2% bonds of 1948-50	571,431,150.00		571,431,150.00		
2 1/4% bonds of 1951-53	1,118,051,100.00		1,118,051,100.00		
2 1/4% bonds of 1954-56	671,311,760.00		671,311,760.00		
United States Savings Bonds:				27,226,109,210.00	
Series A-1935	223,794,470.50	49,967,326.50	173,827,144.00		
Series B-1936	398,282,586.84	80,451,142.59	317,831,444.25		
Series C-1937	496,636,180.25	82,424,932.00	414,211,248.25		
Series C-1938	559,344,907.25	59,640,383.00	499,704,524.25		
Series D-1939	870,087,060.50	42,467,083.50	827,619,977.00		
Series D-1940	658,898,925.00	8,432,925.00	650,466,000.00		
Unclassified sales	86,171,991.73		86,171,991.73		
3% Adjusted Service Bonds of 1945	1,837,305,800.00	1,579,006,631.50	258,299,168.50	2,969,832,329.48	
4 1/4% Adjusted Service Bonds (Government Life Insurance Fund Series 1946)	500,157,956.40		500,157,956.40	758,457,124.90	
Total bonds				31,150,607,124.38	
TREASURY NOTES:					
1 1/4% Series C-1940	737,161,600.00		737,161,600.00		
1 1/4% Series A-1941	676,707,600.00		676,707,600.00		
1 1/4% Series B-1941	503,877,500.00		503,877,500.00		
1 1/4% Series C-1941	204,425,400.00		204,425,400.00		
1 1/4% Series A-1942	426,349,500.00		426,349,500.00		
2% Series B-1942	342,143,300.00		342,143,300.00		
1 1/4% Series C-1942	232,375,200.00		232,375,200.00		
1 1/4% Series A-1943	629,116,900.00	1,500.00	629,115,400.00		
1 1/4% Series B-1943	420,973,000.00	500.00	420,972,500.00		
1% Series C-1943	279,473,800.00		279,473,800.00		
1% Series A-1944	415,519,500.00		415,519,500.00		
1% Series B-1944	515,210,900.00		515,210,900.00		
1% Series C-1944	283,006,000.00		283,006,000.00		
1/4% Series A-1945	718,024,200.00		718,024,200.00		
Federal Old-Age and Survivors Insurance Trust Fund:				6,384,362,400.00	
3% Old-Age Reserve Account Series 1941 to 1944	1,435,200,000.00	27,000,000.00	1,408,200,000.00		
2 1/4% Fed. Old-Age and Sur. Ins. Trust Fund Series 1944 and 1945	324,900,000.00		324,900,000.00		
3% Railroad Retirement Account:				1,733,100,000.00	
Series 1942 to 1945	104,400,000.00	25,000,000.00	79,400,000.00		
Civil Service Retirement Fund:				638,800,000.00	
4% Series 1941 to 1945	638,800,000.00		638,800,000.00		
3% Series 1944	200,000.00		200,000.00		
4% Foreign Service Retirement Fund:				4,756,000.00	
Series 1941 to 1945	4,756,000.00		4,756,000.00		
4% Canal Zone Retirement Fund:				5,448,000.00	
Series 1941 to 1945	5,448,000.00	23,000.00	5,425,000.00		
4% Alaska Railroad Retirement Fund:				942,000.00	
Series 1941 to 1945	942,000.00		942,000.00		
2% Postal Savings System Series, maturing June 30, 1942 to 1944				96,500,000.00	
2% Government Life Insurance Fund:				4,259,000.00	
Series 1943 and 1944	67,159,000.00	62,900,000.00	4,259,000.00		
2% Federal Deposit Insurance Corporation Series, maturing Dec. 1, 1943 and 1944				56,000,000.00	
Series 1943 and 1944	76,000,000.00	20,000,000.00	56,000,000.00		
CERTIFICATES OF INDEBTEDNESS:				9,003,767,400.00	
Special:					
4% Adjusted Service Certificate Fund—Series 1941	15,300,000.00	4,500,000.00	10,800,000.00		
2 1/4% Unemployment Trust Fund—Series 1941	1,748,000,000.00	25,000,000.00	1,723,000,000.00		
TREASURY BILLS (maturity value):				1,733,800,000.00	
Series maturing:					
Aug. 7, 1940	\$100,011,000.00	Sept. 4, 1940	\$100,008,000.00	Oct. 2, 1940	100,294,000.00
Aug. 14, 1940	100,028,000.00	Sept. 11, 1940	100,004,000.00	Oct. 9, 1940	100,384,000.00
Aug. 21, 1940	100,105,000.00	Sept. 18, 1940	100,117,000.00	Oct. 16, 1940	100,098,000.00
Aug. 28, 1940	100,202,000.00	Sept. 25, 1940	100,169,000.00	Oct. 23, 1940	100,407,000.00
				Oct. 30, 1940	100,424,000.00
Total interest-bearing debt outstanding				43,190,425,524.38	
Matured debt on which interest has ceased (Payable on presentation)					
Old debt matured—issued prior to Apr. 1, 1917				3,880,660.26	
2 1/4% Postal Savings Bonds				36,440.00	
3 1/2%, 4%, and 4 1/4% First Liberty Loan of 1932-47				10,778,450.00	
4% and 4 1/4% Second Liberty Loan of 1927-42				1,167,950.00	
4 1/4% Third Liberty Loan of 1928				1,879,450.00	
4 1/4% Fourth Liberty Loan of 1933-38				14,554,800.00	
3 1/2% and 4 1/4% Victory Notes of 1922-23				577,450.00	
3 1/2% Treasury Bonds of 1940-43				31,282,400.00	
Treasury Notes, at various interest rates				37,242,700.00	
Certificates of Indebtedness, at various interest rates				3,907,600.00	
Treasury Bills				92,758,000.00	
Treasury Savings Certificates				202,875.00	
Total outstanding matured debt on which interest has ceased				198,268,775.26	
Debt bearing no interest (Payable on presentation)					
Obligations required to be reissued when redeemed:					
United States Notes		\$346,681,016.00			
Less: Gold Reserve		156,039,430.93			
Obligations that will be retired on presentation:				190,641,585.07	
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				189,347,448.50	
Fractional currency				1,976,328.33	
Thrift and Treasury Savings Stamps, unclassified sales, etc.				3,773,303.00	
Total outstanding debt bearing no interest				385,791,677.40	
Total gross public debt				43,774,485,977.04	

The computed rate of interest per annum on the interest-bearing debt outstanding is 2.892 percent.
 The gross debt per capita, based on an estimated population of 131,717,000, is \$332.34.

* Amounts issued and retired include accrued discount; amounts outstanding are stated at current redemption values.
 * The total gross debt July 31, 1940, on the basis of the daily Treasury statement was \$43,770,544,600.21, and the net amount of public debt redemptions and receipts in transit, etc., was \$3,941,376.83.

Memorandum relating to other obligations

Obligations of the United States payable on presentation:			
Matured interest obligations outstanding		\$58,198,651.43	
Discount accrued on Treasury (War) Savings Certificates, matured series		3,390,025.00	
Settlement warrant checks outstanding		464,164.52	
Disbursing Officers' checks outstanding		216,008,731.47	\$278,061,572.42
Contingent Liabilities:			
Obligations of Governmental Agencies guaranteed by the United States:			
Matured (principal and interest) for which cash has been deposited with Treasurer of the United States		31,146,004.42	
Unmatured (principal)		5,498,551,330.28	
On credit of the United States:			5,529,697,334.70
Tennessee Valley Authority		8,300,000.00	
Depositors' funds, Postal Savings System		\$1,835,802,637.74	
Federal Reserve Notes (face amount)			1,344,102,637.74
			\$5,234,748,578.86

Memorandum relating to general fund balance

Balance held by the Treasurer of the United States as per daily Treasury Statement for July 31, 1940	\$2,257,736,173.42
Add: Excess of receipts over disbursements applicable to period ended July 31, included in mail reports received subsequently thereto	37,073,261.59
Balance held by the Treasurer of the United States on July 31, 1940	\$2,294,809,435.01

DETAIL OF OUTSTANDING INTEREST-BEARING ISSUES AS SHOWN ON PAGE 1, JULY 31, 1940

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
Interest-bearing debt							
BONDS:							
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	Dec. 23, 1913	(*)	3%	Jan. 1, 1916		30 years from date of issue.	Jan. 1, Apr. 1, July 1, Oct. 1.
Conversion bonds of 1947	do.	(*)	3%	Jan. 1, 1917		do.	Do.
Postal Savings bonds (20th to 49th Series)	June 25, 1910	(*)	2½%	Jan. 1, July 1, 1921-35.	1 year from date of issue.	20 years from date of issue.	Jan. 1, July 1.
Treasury Bonds:							
4½% bonds of 1947-52	Sept. 24, 1917, as amended	(*)	4½%	Oct. 16, 1922	Oct. 15, 1947	Oct. 15, 1952	Apr. 15, Oct. 15.
4% bonds of 1944-54	do.	(*)	4%	Dec. 15, 1924	Dec. 15, 1944	Dec. 15, 1954	June 15, Dec. 15.
3½% bonds of 1946-56	do.	(*)	3½%	Mar. 15, 1926	Mar. 15, 1946	Mar. 15, 1956	Mar. 15, Sept. 15.
3% bonds of 1943-47	do.	(*)	3%	June 15, 1927	June 15, 1943	June 15, 1947	June 15, Dec. 15.
3% bonds of 1941-43	do.	(*)	3%	Mar. 16, 1931	Mar. 15, 1941	Mar. 15, 1943	Mar. 15, Sept. 15.
3½% bonds of 1946-49	do.	(*)	3½%	June 15, 1931	June 15, 1946	June 15, 1949	June 15, Dec. 15.
3% bonds of 1951-55	do.	(*)	3%	Sept. 15, 1931	Sept. 15, 1951	Sept. 15, 1955	Mar. 15, Sept. 15.
3½% bonds of 1941	do.	(*)	3½%	Aug. 15, 1933	Aug. 15, 1941	Aug. 1, 1941	Feb. 1, Aug. 1.
3½% bonds of 1943-45	do.	(*)	3½%	Oct. 15, 1933	Oct. 15, 1943	Oct. 15, 1945	Apr. 15, Oct. 15.
3½% bonds of 1944-46	do.	(*)	3½%	Apr. 16, 1934	Apr. 15, 1944	Apr. 15, 1946	Do.
3% bonds of 1946-48	do.	(*)	3%	June 15, 1934	June 15, 1946	June 15, 1948	June 15, Dec. 15.
3½% bonds of 1949-52	do.	(*)	3½%	Dec. 15, 1934	Dec. 15, 1949	Dec. 15, 1952	Do.
2½% bonds of 1955-60	do.	(*)	2½%	Mar. 15, 1935	Mar. 15, 1955	Mar. 15, 1960	Mar. 15, Sept. 15.
2½% bonds of 1945-47	do.	(*)	2½%	Sept. 16, 1935	Sept. 15, 1945	Sept. 15, 1947	Do.
2½% bonds of 1948-51	do.	(*)	2½%	Mar. 16, 1936	Mar. 15, 1948	Mar. 15, 1951	Do.
2½% bonds of 1951-54	do.	(*)	2½%	June 15, 1936	June 15, 1951	June 15, 1954	June 15, Dec. 15.
2½% bonds of 1950-59	do.	(*)	2½%	Sept. 15, 1936	Sept. 15, 1959	Sept. 15, 1959	Mar. 15, Sept. 15.
2½% bonds of 1949-53	do.	(*)	2½%	Dec. 15, 1936	Dec. 15, 1949	Dec. 15, 1953	June 15, Dec. 15.
2½% bonds of 1945	do.	(*)	2½%	Dec. 15, 1937	Dec. 15, 1945	Dec. 15, 1945	Do.
2½% bonds of 1948	do.	(*)	2½%	Mar. 15, 1938	Mar. 15, 1948	Mar. 15, 1948	Mar. 15, Sept. 15.
2½% bonds of 1958-63	do.	(*)	2½%	June 15, 1938	June 15, 1958	June 15, 1963	June 15, Dec. 15.
2½% bonds of 1950-52	do.	(*)	2½%	Sept. 15, 1938	Sept. 15, 1950	Sept. 15, 1952	Mar. 15, Sept. 15.
2½% bonds of 1960-65	do.	(*)	2½%	Dec. 15, 1938	Dec. 15, 1960	Dec. 15, 1965	June 15, Dec. 15.
2% bonds of 1947	do.	(*)	2%	do.	do.	Dec. 15, 1947	Do.
2% bonds of 1948-50	do.	(*)	2%	Dec. 8, 1939	Dec. 15, 1948	Dec. 15, 1950	Do.
2½% bonds of 1951-53	do.	(*)	2½%	Dec. 22, 1939	Dec. 15, 1951	Dec. 15, 1953	Do.
2½% bonds of 1954-56	do.	(*)	2½%	July 22, 1940	June 15, 1954	June 15, 1956	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.	
Series D-1940	do.	(*)	**2.9%	Various dates from Jan. 1, 1940.	do.	do.	
Adjusted Service Bonds of 1945	Sept. 24, 1917, as amended, and Adjusted Compensation Payment Act, 1936.	(*)	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.	(*)	4½%	do.	On demand.	On or after June 15, 1946.	June 15.
TREASURY NOTES:							
Series C-1940	Sept. 24, 1917, as amended	(*)	1½%	Dec. 16, 1935		Dec. 15, 1940	June 15, Dec. 15.
Series A-1941	do.	(*)	1½%	Mar. 15, 1936		Mar. 15, 1941	Mar. 15, Sept. 15.
Series B-1941	do.	(*)	1½%	June 15, 1936		June 15, 1941	June 15, Dec. 15.
Series C-1941	do.	(*)	1½%	Dec. 15, 1936		Dec. 15, 1941	Do.
Series A-1942	do.	(*)	1½%	June 15, 1937		Mar. 15, 1942	Mar. 15, Sept. 15.
Series B-1942	do.	(*)	1½%	Sept. 15, 1937		Sept. 15, 1942	Do.
Series C-1942	do.	(*)	1½%	Dec. 15, 1937		Dec. 15, 1942	June 15, Dec. 15.
Series A-1943	do.	(*)	1½%	June 15, 1938		June 15, 1943	Do.
Series B-1943	do.	(*)	1½%	Dec. 15, 1938		Dec. 15, 1943	Do.
Series C-1943	do.	(*)	1%	June 15, 1940		Sept. 15, 1943	Mar. 15, Sept. 15.
Series A-1944	do.	(*)	¾%	June 15, 1939		June 15, 1944	June 15, Dec. 15.
Series B-1944	do.	(*)	1%	Nov. 1, 1939		Mar. 15, 1944	Mar. 15, Sept. 15.
Series C-1944	do.	(*)	1%	Dec. 22, 1939		Sept. 15, 1944	Do.
Series A-1945	do.	(*)	¾%	Mar. 15, 1940		Mar. 15, 1945	Do.
Federal Old-Age and Survivors Insurance Trust Fund:							
Old-Age Reserve Account: Series 1941 to 1944	do.	(*)	3%	Various dates from Jan. 1, 1937.	After 1 year from date of issue.	June 30, 1941 to 1944.	June 30.
Federal Old-Age and Survivors Insurance Trust Fund: Series 1944 and 1945	do.	(*)	2½%	Various dates from Mar. 15, 1940	do.	June 30, 1944 and 1945.	Do.
Railroad Retirement Account: Series 1942 to 1945	do.	(*)	3%	Various dates from Aug. 6, 1937.	do.	June 30, 1942 to 1945.	Do.
Civil Service Retirement Fund: Series 1941 to 1945	do.	(*)	4%	Various dates from June 30, 1930.	do.	June 30, 1941 to 1945.	Do.
Series 1944	do.	(*)	3%	June 15, 1940	do.	June 30, 1944	Do.
Foreign Service Retirement Fund: Series 1941 to 1945	do.	(*)	4%	Various dates from June 30, 1936.	do.	June 30, 1941 to 1945.	Do.
Canal Zone Retirement Fund: Series 1941 to 1945	do.	(*)	4%	do.	do.	do.	Do.
Alaska Railroad Retirement Fund: Series 1941 to 1945	do.	(*)	4%	Various dates from Feb. 1, 1937.	do.	do.	Do.
Postal Savings System: Series 1942 to 1944	do.	(*)	2%	Various dates from Jan. 8, 1938.	do.	June 30, 1942 to 1944.	June 30, Dec. 31.
Government Life Insurance Fund: Series 1943 and 1944	do.	(*)	2%	Various dates from July 11, 1938.	do.	June 30, 1943 and 1944.	June 30.
Federal Deposit Insurance Corporation: Series 1943 and 1944	do.	(*)	2%	Various dates from Jan. 26, 1939.	do.	Dec. 1, 1943 and 1944.	June 1, Dec. 1.
CERTIFICATES OF INDEBTEDNESS:							
Special:							
Adjusted Service Certificate Fund: Series 1941	do.	(*)	4%	Jan. 1, 1940	On demand	Jan. 1, 1941	Jan. 1.
Unemployment Trust Fund: Series 1941	do.	(*)	2½%	Various dates from June 30, 1940	do.	June 30, 1941	June 30, Dec. 31.
TREASURY BILLS:							
Series maturing:							
Aug. 7, 1940	do.	(*)	*.08%	May 8, 1940		Aug. 7, 1940	Aug. 7, 1940.
Aug. 14, 1940	do.	(*)	*.08%	May 15, 1940		Aug. 14, 1940	Aug. 14, 1940.
Aug. 21, 1940	do.	(*)	*.08%	May 22, 1940		Aug. 21, 1940	Aug. 21, 1940.
Aug. 28, 1940	do.	(*)	*.08%	May 29, 1940		Aug. 28, 1940	Aug. 28, 1940.
Sept. 4, 1940	do.	(*)	*.08%	June 5, 1940		Sept. 4, 1940	Sept. 4, 1940.
Sept. 11, 1940	do.	(*)	*.18%	June 12, 1940		Sept. 11, 1940	Sept. 11, 1940.
Sept. 18, 1940	do.	(*)	*.08%	June 19, 1940		Sept. 18, 1940	Sept. 18, 1940.
Sept. 25, 1940	do.	(*)	*.08%	June 26, 1940		Sept. 25, 1940	Sept. 25, 1940.
Oct. 2, 1940	do.	(*)	*.02%	July 3, 1940		Oct. 2, 1940	Oct. 2, 1940.
Oct. 9, 1940	do.	(*)	*.08%	July 10, 1940		Oct. 9, 1940	Oct. 9, 1940.
Oct. 16, 1940	do.	(*)	*.08%	July 17, 1940		Oct. 16, 1940	Oct. 16, 1940.
Oct. 23, 1940	do.	(*)	*.08%	July 24, 1940		Oct. 23, 1940	Oct. 23, 1940.
Oct. 30, 1940	do.	(*)	*.04%	July 31, 1940		Oct. 30, 1940	Oct. 30, 1940.

† 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.

TAX EXEMPTIONS:

(*) 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.)

(*) 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 September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

(*) 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 September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above. For the purposes of determining taxes and tax exemptions the increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

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.

(*) 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.

(*) 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 or any of its possessions.

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

RECEIVABILITY IN PAYMENT OF CERTAIN TAXES:

Federal Estate or Inheritance Taxes.—Treasury bonds and Treasury notes, bearing interest at a higher rate than 4 per centum per annum, which have been owned by any person continuously 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.

SECURITIES OWNED BY THE UNITED STATES GOVERNMENT

On the basis of the face value of the securities received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury, the statement is made up from reports received from other Government departments and establishments.

JULY 31, 1940

	Authorizing Act			
CAPITAL STOCK:				
Banks for Cooperatives.....	June 16, 1933, as amended.....		\$99,000,000.00	
Central Bank for Cooperatives.....	June 16, 1933, as amended.....		50,000,000.00	
Commodity Credit Corporation.....	June 16, 1933, as amended.....		100,000,000.00	
Disaster Loan Corporation.....	Feb. 11, 1937, as amended.....		24,000,000.00	
Electric Home and Farm Authority.....	June 16, 1933, as amended.....		850,000.00	
Export-Import Bank of Washington *.....	June 16, 1933, as amended.....		75,000,000.00	
Federal Crop Insurance Corporation.....	Feb. 16, 1938.....		8,000,000.00	
Federal Deposit Insurance Corporation.....	June 16, 1933, as amended.....		150,000,000.00	
Federal Farm Mortgage Corporation.....	Jan. 31, 1934, as amended.....		200,000,000.00	
Federal Home Loan Banks.....	July 22, 1932, as amended.....		124,741,000.00	
Federal Intermediate Credit Banks.....	Mar. 4, 1932, as amended.....		70,000,000.00	
Federal Land Banks.....	July 17, 1916, as amended.....		124,675,285.00	
Federal National Mortgage Association *.....	June 27, 1934, as amended.....		10,000,000.00	
Federal Savings and Loan Associations.....	June 13, 1933, as amended.....		32,558,000.00	
Federal Savings and Loan Insurance Corporation *.....	June 27, 1934.....		100,000,000.00	
Home Owners' Loan Corporation.....	June 13, 1933, as amended.....	\$200,000,000.00		
Less funds expended for subscription to capital stock of Federal Savings and Loan Insurance Corporation (included above).....		100,000,000.00		
Inland Waterways Corporation.....	June 3, 1924, as amended.....		100,000,000.00	
Metals Reserve Co. *.....	Jan. 22, 1932, as amended.....		12,000,000.00	
Panama Railroad Company.....	June 28, 1902.....		1,000,000.00	
Production Credit Corporations.....	June 16, 1933, as amended.....		7,000,000.00	
Reconstruction Finance Corporation.....	Jan. 22, 1932, as amended.....	\$500,000,000.00		
Less funds expended on account of securities included elsewhere on this statement.....		241,284,574.54		
RFC Mortgage Company *.....	Jan. 31, 1935, as amended.....		258,715,425.46	
Regional Agricultural Credit Corporations.....	July 21, 1932, as amended.....		25,000,000.00	
Tennessee Valley Associated Cooperatives, Inc.....	May 12, 1933.....		5,000,000.00	
U. S. Housing Authority.....	Sept. 1, 1937.....		1,000.00	
U. S. Housing Corporation *.....	May 16, 1918, as amended.....		1,000,000.00	
U. S. Spruce Production Corporation.....	July 9, 1918, as amended.....		1,829,394.40	
				\$1,700,470,104.86
PAID-IN SURPLUS:				
Federal Intermediate Credit Banks.....	Jan. 31, 1934.....		\$30,000,000.00	
Federal Land Banks.....	May 12, 1933, as amended.....		187,772,745.48	
Federal National Mortgage Association *.....	June 27, 1934, as amended.....		1,000,000.00	
				218,772,745.48
BONDS AND NOTES:				
Commodity Credit Corporation.....	March 8, 1938, as amended.....		\$35,000,000.00	
Home Owners' Loan Corporation.....	June 13, 1933, as amended.....		5,000,000.00	
Reconstruction Finance Corporation.....	Jan. 22, 1932, as amended.....		35,966,500.00	
Tennessee Valley Authority.....	May 18, 1933, as amended.....		52,272,500.00	
United States Housing Authority.....	Sept. 1, 1937.....		20,000,000.00	
				148,239,000.00
OTHER SECURITIES:				
Farm Credit Administration:				
Seed, feed, drought relief, and crop production loans.....	July 1, 1918, as supplemented.....		\$180,194,654.01	
Loans from agricultural marketing act revolving fund.....	July 15, 1929, as amended.....		83,531,114.06	
Loans to Joint Stock Land Banks.....	May 12, 1933, as amended.....		3,731.69	
Farm Security Administration:				
Rural rehabilitation loans to farmers, etc.....	Apr. 8, 1935, as supplemented.....		306,519,922.09	
Interior Department:				
Indian loans.....	June 18, 1934, as amended.....		2,910,680.98	
Navy Department:				
Sales of surplus property.....	July 9, 1918, as amended.....		4,566,471.13	
Public Works Administration:				
Advances to States, municipalities, railroads, and others.....	June 16, 1933, as amended.....		97,114,727.33	
Puerto Rico Reconstruction Administration:				
Loans.....	Apr. 8, 1935, as amended.....		4,262,301.85	
Capital stock of Puerto Rico Cement Corporation.....	Apr. 8, 1935, as amended.....		1,219,600.00	
Rural Electrification Administration:				
Advances to cooperatives, States, and private utilities *.....	Apr. 8, 1935, as amended.....		224,879,086.27	
Treasury Department:				
Counties and municipalities.....	July 21, 1932, as amended.....		2,373,962.79	
Railroads.....	Feb. 28, 1920, as amended.....		30,185,927.88	
Securities received by the Bureau of Internal Revenue in settlements of tax liabilities.....	July 1, 1898, as amended.....		172,150.91	
U. S. Maritime Commission:				
Ship construction and reconditioning loans, ship sales notes, etc.....	Sept. 7, 1916, as amended.....		69,407,412.84	
				1,007,341,743.83
TOTAL				\$3,074,823,594.17

Amount due the United States from the Central Branch Union Pacific Railroad on account of bonds issued (Pacific Railroad Aid Bonds Acts, approved July 1, 1862, July 2, 1864, and May 7, 1878):

Principal.....	\$1,600,000.00
Interest.....	1,624,212.36
TOTAL	\$3,224,212.36

* Reconstruction Finance Corporation funds, \$74,000,000.00; and appropriated funds \$1,000,000.00.
 † Reconstruction Finance Corporation funds.
 ‡ Home Owners' Loan Corporation obligations issued for capital stock subscriptions.

§ The balance of the amount paid in by the United States on outstanding stock is \$34,087,063.64. Above amount represents net amount of assets available to liquidate such stock.
 ¶ Includes Reconstruction Finance Corporation funds amounting to \$130,284,574.54.

OBLIGATIONS OF FOREIGN GOVERNMENTS

Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of July 31, 1940.

	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness				Unfunded indebtedness			
			Indebtedness		Payments on account		Indebtedness		Payments on account ¹	
			Principal (net)	Accrued interest	Principal	Interest	Principal (net)	Accrued interest	Principal	Interest
Armenia.....	\$24,401,099.08		\$400,680,000.00	\$61,101,161.48	\$17,100,000.00	\$14,480,000.00	\$11,950,917.49	\$12,441,182.49	\$2,057,630.37	\$18,643,642.87
Belgium.....	461,781,161.48	\$52,191,273.24							10,000,000.00	2,288,751.58
Cuba.....	12,286,751.58									304,178.09
Czechoslovakia.....	165,815,132.10	20,134,092.28	165,241,108.90	574,023.20	19,829,914.17					1,641.88
Estonia.....	21,012,594.08	1,248,132.07	18,466,012.87	5,146,881.21		1,246,900.19				309,315.27
Finland.....	8,126,622.86	6,050,689.77	8,039,601.83	87,021.03	960,368.17	4,780,876.33				221,386,302.82
France.....	4,220,036,473.21	486,075,891.00	3,863,850,000.00	356,386,473.21	161,350,000.00	38,650,000.00			64,689,588.18	
Germany (Austrian indebtedness) *.....	26,016,720.15	862,698.00	26,980,480.66	36,239.49	862,698.00					763.04
Great Britain.....	5,651,792,238.17	2,024,848,817.09	4,368,000,000.00	1,283,792,238.17	232,000,000.00	1,232,770,518.42			202,181,641.56	367,896,857.11
Greece.....	34,753,215.49	4,039,898.01	31,516,000.00	3,237,215.49	981,000.00	1,896,812.00			2,922.67	1,159,163.34
Hungary.....	2,436,670.99	527,438.28	1,908,560.00	528,110.99	73,995.50	452,688.74				57,598,852.02
Italy.....	2,026,901,652.35	100,829,880.16	2,004,800,000.00	22,001,652.35	37,100,000.00	5,788,708.28			364,319.28	130,828.95
Latvia.....	8,912,018.48	761,549.07	6,879,464.20	2,032,554.28	9,209.00	621,520.12				10,471.56
Lithuania.....	7,980,148.92	1,237,958.88	6,197,682.00	1,782,466.92	234,783.00	1,001,626.61				1,444.97
Nicaragua.....	188,576.84									26,623.48
Poland.....	270,464,603.99	22,646,287.55	208,057,000.00	64,407,603.99	1,287,287.37	19,310,775.90				2,043,224.28
Romania.....	65,828,752.90	4,791,007.22	63,860,500.43	1,968,192.47	2,700,000.00	28,061.46				283,313.74
Russia.....	399,928,913.88	8,760,311.88	61,856,093.78		1,225,000.00		192,601,297.37	207,327,616.21		8,760,311.88
Yugoslavia.....	61,856,093.78	2,588,771.69	61,825,000.00	231,093.78	1,225,000.00					636,059.14
Total	\$13,468,643,883.45	\$2,760,076,769.85	\$11,231,001,470.89	\$1,803,312,399.00	\$475,714,266.21	\$1,321,017,676.03	\$204,561,214.86	\$219,768,798.70	\$281,990,398.99	\$671,354,430.62
Germany: ⁴										
Army costs (reichsmarks).....	1,022,946,007.78	51,456,406.25	997,500,000.00	25,446,007.78	50,600,000.00	856,406.25				
Awards of Mixed Claims Commission (reichsmarks).....	2,112,420,000.00	87,210,000.00	2,040,000,000.00	72,420,000.00	81,600,000.00	5,610,000.00				
Total (reichsmarks)	3,135,366,007.78	138,666,406.25	3,037,500,000.00	97,866,007.78	132,200,000.00	6,466,406.25				
Total (in dollars at 40.33 cents to the reichsmark)	\$1,264,483,110.94	\$33,587,800.50	\$1,225,023,750.00	\$39,469,860.94	\$31,439,595.84	\$2,048,213.55				

¹ Payments of governments which have funded their debts were made prior to the date of the funding agreements.
² The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.

³ Includes balances of amounts postponed under provisions of joint resolution of Dec. 23, 1931. (For amounts postponed, see p. 35 of Annual Report of the Secretary of the Treasury for 1932.)
⁴ Indebtedness to the United States under agreements of June 23, 1930 and May 26, 1932.