

**§ 306.128**

**§ 306.128 Supplements, amendments or revisions.**

The Secretary of the Treasury may at any time, or from time to time, prescribe additional supplemental, amendatory or revised regulations with respect to U.S. securities. The Secretary also may lower the minimum and multiple requirements for stripping marketable Treasury notes and bonds issued prior to March 1, 1993, through an announcement as provided in § 356.31 of this title.

[65 FR 66175, Nov. 3, 2000]

**PART 308—GENERAL REGULATIONS GOVERNING FULL-PAID INTERIM CERTIFICATES**

Sec.

- 308.1 Issue.
- 308.2 Exchange for definitive securities.
- 308.3 Exchanges of denominations.
- 308.4 Applicable regulations.
- 308.5 Reservations.

AUTHORITY: 80 Stat. 379; sec. 8, 50 Stat. 481, as amended; secs. 1, 18, 5, 40 Stat. 288, as amended, 1309, as amended, 290, as amended; sec. 32, 30 Stat. 466, as amended; 5 U.S.C. 301; 31 U.S.C. 738a, 752, 753, 754, 756.

SOURCE: 6 FR 5289, Oct. 17, 1941, unless otherwise noted.

**§ 308.1 Issue.**

Federal Reserve Banks, as Fiscal Agents of the United States, and the Treasury Department may issue full-paid interim certificates in lieu of definitive securities, against full-paid allotments of subscriptions, when specifically authorized by the Secretary of the Treasury in connection with the issue, hereafter, to the public, of United States securities. Interim certificates shall be in such form, and in such denominations, as the Secretary of the Treasury may determine when an issue is authorized.

**§ 308.2 Exchange for definitive securities.**

Upon surrender of a full-paid interim certificate to a Federal Reserve Bank, or to the Treasury Department, Washington, DC 20226, the definitive securities described therein, when prepared, will be delivered. Exchanges shall be made on like par amount basis.

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**§ 308.3 Exchanges of denominations.**

Pending availability of definitive securities, exchanges of authorized denominations of interim certificates, from higher to lower will be permitted.

**§ 308.4 Applicable regulations.**

Except as may otherwise be provided, and in so far as applicable, the general regulations of the Treasury Department, as contained in part 306 of this subchapter, as amended or revised, shall apply to full-paid interim certificates.

**§ 308.5 Reservations.**

The Secretary of the Treasury reserves the right to withdraw or amend at any time or from time to time any or all of the provisions of this part.

**PART 309—ISSUE AND SALE OF TREASURY BILLS**

Sec.

- 309.1 Authority for issue and sale.
- 309.2 Description of Treasury bills (General).
- 309.3 Denominations and exchange.
- 309.4 Taxation.
- 309.5 Acceptance of Treasury bills for various purposes.
- 309.6 Public notice of offering.
- 309.7 Tenders; submission through Federal Reserve Banks and branches and to the Bureau of the Public Debt.
- 309.8 Tenders; when cash deposit is required.
- 309.9 Tenders; acceptance by the Secretary of the Treasury.
- 309.10 Tenders; reservation of right to reject.
- 309.11 Tenders; payment of accepted tenders.
- 309.12 Relief on account of loss, theft or destruction, etc.
- 309.13 Functions of Federal Reserve Banks.
- 309.14 Reservation as to terms of circular.

AUTHORITY: 80 Stat. 379; sec. 8, 50 Stat. 481, as amended; sec. 5, 40 Stat. 290, as amended; 5 U.S.C. 301; 31 U.S.C. 738a, 754.

SOURCE: 41 FR 44006, Oct. 5, 1976, unless otherwise noted.

**§ 309.1 Authority for issue and sale.**

The Secretary of the Treasury is authorized by the Second Liberty Bond Act, as amended, to issue Treasury bills of the United States on an interest-bearing basis, on a discount basis, or on a combination interest-bearing

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and discount basis, at such price or prices and with interest computed in such manner and payable at such time or times as he may prescribe; and to fix the form, terms, and conditions thereof, and to offer them for sale on a competitive or other basis, under such regulations and upon such terms and conditions as he may prescribe. Pursuant to said authorization, the Secretary of the Treasury may, from time to time, by public notice, offer Treasury bills for sale, and invite tenders therefor, through the Federal Reserve Banks and branches and through the Department of the Treasury, Bureau of the Public Debt. The Treasury bills so offered, and the tenders made, will be subject to the terms and conditions and to the general rules and regulations herein set forth, except as they may be modified in the public notices issued by the Secretary of the Treasury in connection with particular offerings.<sup>1</sup>

### § 309.2 Description of Treasury bills (General).

Treasury bills are bearer obligations of the United States promising to pay a specified amount on a specified date. They will be payable at maturity upon presentation to the Bureau of the Public Debt, Washington, DC 20226, or to any Federal Reserve Bank or branch. Treasury bills are issued only by Federal Reserve Banks and branches and the Bureau of the Public Debt pursuant to tenders accepted by the Secretary of the Treasury, and shall not be valid unless the issue date and the maturity date are entered thereon. Treasury bills bearing the same issue date and the same maturity date shall constitute a series.

### § 309.3 Denominations and exchange.

Treasury bills will be issued in denominations (maturity value) of \$10,000, \$15,000, \$50,000, \$100,000, \$500,000, and \$1,000,000. Exchanges from higher to lower and lower to higher denominations of the same series (bearing the same issue and maturity dates) will be permitted at Federal Reserve Banks and branches and at the Bureau of the

Public Debt, Washington, DC 20226. Insofar as applicable, the general regulations of the Treasury Department governing transactions in bonds and notes will govern transactions in Treasury bills.

### § 309.4 Taxation.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bills shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest.

### § 309.5 Acceptance of Treasury bills for various purposes.

(a) *Acceptable as security for public deposits.* Treasury bills will be acceptable at maturity value to secure deposits of public monies.

(b) *Acceptable in payment of taxes.* The Secretary of the Treasury, in his discretion, when inviting tenders for Treasury bills, may provide that Treasury bills of any series will be acceptable at maturity value, whether at or before maturity, under such rules and regulations as he shall prescribe or approve, in payment of income taxes payable under the provisions of the Internal Revenue Code. Treasury bills which by the terms of their issue are acceptable in payment of income taxes may be surrendered to any Federal Reserve Bank or Branch, acting as fiscal agent of the United States, or to the Bureau of the Public Debt, Washington, DC 20226, 15 days or less before the date on which the taxes become due.

(1) In the case of payments of corporation income taxes (including payments of estimates) for taxable years ending on or after December 31, 1967,

<sup>1</sup>Accordingly, these regulations do not constitute a specific offering of Treasury bills.