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BULLETIN TO ALL MEMBERS

RE: Federal Tax

At a recent meeting of the Stamping Office and Contact Committee, it was agreed that the following advices concerning the effects of the new reporting basis should be sent to all members:

Reprints of Certificates

A usual wording on present certificates is somewhat as follows:

"United States Internal Revenue Documentary Stamps in the amount shown above, applicable to this insurance have been affixed to the office record retained by the undersigned. The law provides for no Federal Tax refund once the insurance attaches."

It was agreed that such wording should properly be eliminated on printing of certificates in the future.

Forms for Reporting Tax

1. Monthly Withholding - Federal Depository Receipt - Form 537

This is briefly explained in Bulletin No. 236. If you have a tax liability of more than \$100 for a calendar month, the amount of the tax must be deposited with a Federal Reserve Bank (or perhaps your bank can arrange this for you) on or before the last day of the next succeeding calendar month.

A sample of this Form 537 is attached. This is NOT TO BE USED. The Federal Reserve Bank (or perhaps your bank will handle this for you) will furnish you a numbered card for your use.

2. Quarterly Filing - Form 720 (Rev. Jan. 1966)

In Bulletin No. 236 we advised that a revision of Form 720 was expected with specific reference to "Tax on Foreign Insurances". Copy of the new form (Rev. Jan. 1966) is attached and you will note provision for reporting "Policies issued by

Page Two
March 31, 1966

Foreign Insurers".

Reporting to the Stamping Office

Copy of Form 720 as filed quarterly with the Treasury Department is to be sent to the ~~Stamping Office~~. ~~This will~~, of course, replace the practice of the Stamping Office verifying Federal Stamp Taxes.


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