

1977 No. 1210

SAVINGS BANKS

**The National Savings Bank (Investment Deposits)
(Limits) Order 1977**

Laid before Parliament in draft

Made 21st July 1977

Coming into Operation 22nd July 1977

The Treasury, in exercise of the powers conferred upon them by section 4 of the National Savings Bank Act 1971(a), and of all other powers enabling them in that behalf, hereby make the following Order :--

1. This Order may be cited as the National Savings Bank (Investment Deposits) (Limits) Order 1977, and shall come into operation on 22nd July 1977.

2. The Interpretation Act 1889(b) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

2A. In this Order, the expression “treasurer’s account” has the same meaning as in the National Savings Bank Regulations 1972(c), and for the purposes of article 3 of this Order, two or more treasurer’s accounts shall be treated as held in the same name if they are held in the name of the same organisation (within the meaning of the said Regulations), whether or not the titles of the respective accounts differ in other respects.

2B. In this Order, the expression “individual savings account” has the same meaning as in the National Savings Bank Regulations 1972(d).

2C. In this Order, the expression “follow-up account” has the same meaning as in section 326BB of the Income Taxes Act 1988(e), the expression “individual savings account” has the same meaning as in regulation 29L of the National Savings Bank Regulations 1972 and the expressions “tax exempt special savings account” and “TESSA only account” have the same meaning as in the Individual Savings Account Regulations 1998(f).

(a) 1971 c.29. (b) 1889 c.63. (c) S.I.1972/764. The definition of ‘treasurer’s account’ was inserted in regulation 2(1) by S.I.1996/1724. (d) The definition of ‘individual savings account’ was inserted into regulation 2(1) by S.I. 1999/588. (e) 1988 c.1; section 326BB was inserted by section 62(2) of the Finance Act 1995 (c.4). (f) S.I.1998/1870.

2D. In this Order, the expression “account manager” has the same meaning as in the Individual Savings Account Regulations 1998.

3. Subject to the provisions of this Order, it shall not be lawful for the Director of Savings to receive a deposit (except for the credit of a treasurer’s account or an individual savings account) from, or make a credit to an account except a treasurer’s account or an individual savings account of, any person by way of investment deposit in any case where the amount standing to the credit of that person by way of investment deposit in the National Savings Bank (other than in a treasurer’s account or individual savings account), whether solely or jointly with any other person, and whether in one or more accounts, exceeds, or would as a result of the receipt of the said deposit or the making of the said credit , exceed £100,000.

3ZA. Article 3 shall not apply to an investment account of any description for which terms and conditions have been set pursuant to section 9A(1) of the National Savings Bank Act 1971.

3A. Subject to the provisions of this Order, it shall not be lawful for the Director of Savings to receive a deposit for crediting to a treasurer’s account, or make a credit to such an account, in any case where the amount standing credited to that account and any other treasurer’s account held in the same name exceeds, or would as a result of the receipt of the said deposit or the making of the said credit, exceed £2,000,000.

3B. Subject to the provisions of this Order, it shall not be lawful for the Director of Savings to receive a deposit for crediting to an individual savings account, or make a credit to such an account, in any case where the amount paid into that account in any one year exceeds, or would as a result of the receipt of the said deposit or the making of the said credit exceed:

(a) in any year beginning on 6th of April between 1999 and 2005 inclusive, £3,000; and

(b) in any subsequent year beginning on 6th of April, £1,000.

3C. Subject to the provisions of this Order, it shall not be lawful for the Director of Savings to receive a deposit for crediting to an individual savings account designated as a TESSA only account, or make a credit to such an account, in any case unless the deposit or the credit --

(a) is an application of the proceeds of a tax-exempt special savings account, not exceeding £9,000 and also not exceeding the total amount deposited in the matured account before it matured; and

(b) is received by the Director of Savings, in the case of a tax-exempt special savings account maturing on or after 6th April 1999 within the period of six months from the day on which it matured and in the case of such an account maturing on or after 6th January 1999 but before 6th April 1999 (where a follow up account is not opened) within so much of the period of six months from the date of maturity as falls on or after 6th April 1999.

4.--(1) Nothing in Article 3, 3A, 3B or 3C of this Order shall operate to prevent –

(a) the receipt or crediting of any amount allowed by the National Savings Bank to a depositor by way of interest in respect of his investment deposit account,

(b) the receipt or crediting of any amount transferred from the investment deposit account of another depositor in the National Savings Bank who has died.

(c) the crediting of any amount -

(i) by the Director of Savings under regulation 45 of the National Savings Stock Register Regulations 1976**(a)**, or

(ii) paid under article 21 of the National Savings Stock Register (Closure of Register to Gilts) Order 1998**(b)**.

(d) the receipt or crediting of any amount received or credited in contravention of that Article from being treated as having been lawfully received or credited for such period as the Director, in his discretion, thinks appropriate provided that at the time the amount was received or credited the Director was unaware of the contravention and provided also that the Director considers it just and reasonable that the amount should be so treated.

(e) the receipt of any amount for, or the crediting of any amount to, any account of the Accountant General of the Supreme Court of Judicature of Northern Ireland.

(f) the receipt or crediting of any amount to an individual savings account of a sum transferred by an account manager pursuant to the Individual Savings Account Regulations 1998.

(2) For the purposes of this Order, a person who is a trustee shall be treated separately in his personal capacity and in his capacity as trustee and in the latter capacity separately in respect of each separate trust fund; and so much of the property in the hands of a trustee shall be treated as a separate trust fund as is held on trusts which (as respects the beneficiaries or their respective interests or the purposes of the trust or as respects the powers of the trustee) are not identical with those on which other property in his hands is held.

(a) 1976/2012, to which there are amendments not relevant to this order.

(b) S.I.1998/1446.

(3) In computing for the purposes of this Order the amount standing to the credit of any person, there shall not be taken into account any amounts received from a trustee on behalf of that person for an account in the joint names of the trustee and that person.

T. E. Graham,
D. Stoddart,
Two of the Lords Commissioners
of Her Majesty's Treasury.

21st July 1977