

THE LOANS (NATIONAL SAVINGS BONDS) ACT

Law
3 of 1962.
Act
32 of 1966.

[2nd August, 1962.]

1. This Act may be cited as the Loans (National Savings Bonds) Act. Short title.

2. In this Act—

Interpreta-
tion.

“Bank” means the Bank of Jamaica established by the Bank of Jamaica Act;

“bonds” means National Savings Bonds created pursuant to section 3;

“commercial bank” means a company duly licensed in accordance with the provisions of the Banking Act, to carry on banking business;

“Prize Fund” means the fund established under section 6 for the payment of prizes in connection with bonds.

3.—(1) Subject to the provisions of subsection (2), the Minister is hereby authorized to raise from time to time as may be convenient, sums of money by the creation and issue of securities termed “National Savings Bonds”. Authority
to raise
money.

(2) No sum of money shall be raised under this Act unless, on the day on which that sum is raised, that sum and all principal moneys remaining unpaid in respect of all other sums previously raised under the authority of this Act do not exceed—

(a) the sum of ten million dollars; or

(b) such greater amount as may from time to time be approved by the House of Representatives by resolution.

Terms and conditions of bonds.

4. Bonds shall be subject to such terms and conditions as may be prescribed.

Charge on Consolidated Fund.

5. There shall be charged on and paid out of the Consolidated Fund—

- (a) the expenses of issue of the loan or any part thereof; and
- (b) the principal moneys represented by securities issued pursuant to this Act.

Establishment of Prize Fund and functions of Bank.

6.—(1) There is hereby established a fund to be called the Prize Fund from which shall be paid prizes in connection with bonds in accordance with the provisions of this Act and regulations made thereunder; and such sums as may be necessary to maintain that fund with a view to the payment of prizes from time to time shall be charged on and paid out of the Consolidated Fund.

(2) The Bank on behalf of the Government of Jamaica shall be responsible for—

- (a) the issue, registration and repayment of bonds; and
- (b) the management and operation of the Prize Fund and payment of prizes therefrom.

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(3) The Bank may with the approval of the Minister authorize any commercial bank or any other person to perform on its behalf any of its functions under this Act.

(4) There shall be paid to the Bank out of the Consolidated Fund such sums as may be agreed upon between the Minister and the Bank in respect of the exercise in any financial year of the functions of the Bank under this Act.

7. Any prize money payable to the holder of any National Savings Bond shall in the hands of that holder or in the hands of a person entitled to receive it on his behalf be exempt from income tax.

Exemption
of prize
money from
income tax.

8. National Savings Bonds shall be exempt from stamp duty.

Exemption
from
stamp
duty.

9.—(1) Subject to the provisions of this section, the Minister may make regulations as to the manner in which, and the terms and conditions under which, any moneys may be raised pursuant to this Act and, without prejudice to the generality of the foregoing, such regulations may provide for all or any of the following matters—

Power of
Minister
to make
regulations.

- (a) the terms and conditions of issue, repayment and redemption of bonds;
- (b) the payment of prizes from the Prize Fund;
- (c) the manner of effecting drawings for the distribution of prizes from the Prize Fund;
- (d) the place or places for the payment of any moneys due in respect of bonds;
- (e) all matters stated or required in this Act to be prescribed.

(2) The terms and conditions applicable to any series of bonds shall not be varied by regulations made under this Act unless a notice of the intention to make such regulations is published in the *Gazette* not less than three months before such regulations are made.

(3) Regulations made under this Act shall be subject to affirmative resolution of the House of Representatives.