1962 No. 2376

RENTS AND RENTCHARGES

Charities (Redemption of Rentcharges) Regulations 1962

Made - - - -	23*rd October* 1962
Laid before Parliament	26*th October* 1962
Coming into Operation	1*st December* 1962

The Treasury, in exercise of the powers conferred on them by Sections 27 (4) and 43 (3) of the Charities Act 1960(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

1. The redemption price payable under Section 27 (3) of the Charities Act 1960 shall be determined in the following manner:—

(*a*) The Charity Commissioners or the Minister of Education may ask the National Debt Commissioners to notify them or him of the average buying prices for a nominal £100 of each of the Government securities listed in the Schedule hereto on the London Stock Exchange on the last business day of the week immediately preceding the week in which falls the day on which the estate owner in respect of the relevant estate in the land becomes liable to pay the redemption price and such prices shall be adjusted by such amount as the National Debt Commissioners may consider necessary so as to allow for the value of the next interest payments accruing due on the said securities.

(*b*) Three-eighths of a pound shall be added to each of the prices so obtained in respect of the notional cost of brokerage.

(*c*) The prices so obtained shall each be divided into £100 and the result multiplied by the amount of the gross annual interest payable on the security concerned in order to give the gross yield per cent. for each of the said securities.

(*d*) The gross yields per cent. so obtained for each of the said securities shall be added together and the total divided by the number of the said securities in order to obtain a mean gross yield per cent. for the said securities.

(*e*) The mean gross yield per cent. so obtained shall be divided into 100 in order to ascertain the number of years' purchase required to redeem the rentcharge.

(*f*) The redemption price shall be the gross annual amount of the rentcharge multiplied by the number of years' purchase so obtained as aforesaid.

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

(a) 8 & 9 Eliz. 2. c. 58. (b) 52 & 53 Vict. c. 63,

3. These Regulations may be cited as the Charities (Redemption of Rentcharges) Regulations 1962, and shall come into operation on 1st December 1962.

23rd October 1962.

John Hill,
Francis F. Pearson,
Two of the Lords Commissioners
of Her Majesty's Treasury.

SCHEDULE

2½% Consolidated Stock, 1923 or after;
2½% Treasury Stock, 1975 or after;
3% Treasury Stock, 1966 or after;
3½% War Loan, 1952 or after;
3½% Conversion Loan, 1961 or after; and
4% Consolidated Loan, 1957 or after.

EXPLANATORY NOTE

(This Note is not part of the Regulations, but is intended to indicate their general purport.)

These Regulations prescribe the method of calculation to be used in determining the redemption price payable when a rentcharge due to a charity is redeemed under S. 27 (3) of the Charities Act 1960.