STATUTORY INSTRUMENTS

1982 No. 1806

SAVINGS BANKS

The National Savings Bank (Interest on Ordinary Deposits) Order 1982

Made - - -	15*th December* 1982
Laid before Parliament	16*th December* 1982
Coming into Operation	1*st January* 1983

The Treasury, in exercise of the powers conferred on them by section 5(5) 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 (Interest on Ordinary Deposits) Order 1982, and shall come into operation on 1st January 1983.

2.—(1) The rate of interest payable after 31st December 1982 on ordinary deposits in the National Savings Bank shall be:—

(*a*) 3 per cent. per annum, or

(*b*) in the case of deposits in an ordinary deposit account which is held by the depositor throughout the relevant period, 6 per cent. per annum, if the balance of the said account does not fall below £500 at any time during that period.

(2) In paragraph (1) "the relevant period" means the period of nine months commencing on 1st April 1983 and at any time thereafter the period of twelve months commencing on 1st January.

3. The National Savings Bank (Interest on Ordinary Deposits) Order 1976(**b**) is hereby revoked.

Alistair Goodlad,
P. L. Brooke,
Two of the Lords Commissioners of Her Majesty's Treasury.

15th December 1982.

(**a**) 1971 c.29; subsections (1) and (5) of section 5 were amended by the Finance Act 1982 (c.39), Schedule 20, para. 4.
(**b**) S.I. 1976/2112.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order introduces a two-tier interest rate structure for ordinary deposits in the National Savings Bank. The standard rate of interest payable on ordinary deposits will be 3 per cent. per annum but where the balance in an account remains at or above £500 throughout the period of a year, beginning with 1st January, (or, for 1983, the period of nine months from 1st April) the rate on the deposits in that account is increased to 6 per cent. per annum.

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