STATUTORY INSTRUMENTS

1970 No. 1615

SAVINGS BANKS

The Savings Banks (Interest on Ordinary Deposits) Order 1970

Made - - -	*26th October* 1970
Laid before Parliament	*5th November* 1970
Coming into Operation —	
Articles 1, 3 -	*21st November* 1970
Article 4 -	*1st December* 1970
Article 2 - -	*1st January* 1971

The Treasury, in exercise of the powers conferred on them by section 34(1) and (2) of the Finance Act 1970(a), and of all other powers enabling them in that behalf, hereby make the following Order:—

1.—(1) This Order may be cited as the Savings Banks (Interest on Ordinary Deposits) Order 1970.

(2) This Order shall come into operation as follows:—

(*a*) this article and article 3 on 21st November 1970;

(*b*) article 4 on 1st December 1970; and

(*c*) article 2 on 1st January 1971.

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

2.—(1) Subject to paragraph (2) of this article, the rate specified in section 5 of the Post Office Savings Bank Act 1954(c) of the interest payable to depositors in the National Savings Bank in respect of ordinary deposits shall be increased to £3 10s. 0d. per cent. per annum.

(2) This article, so far as it relates to interest for a period before 1st January 1972, shall apply only as respects deposits in accounts not closed before that date.

3. The maximum rate specified in section 15 of the Trustee Savings Banks Act 1969(d) of the interest payable to depositors by the trustees of a trustee savings bank in respect of ordinary deposits shall be increased to £3 10s. 0d. per cent. per annum.

(a) 1970 c. 24. (b) 1889 c. 63. (c) 1954 c. 62. (d) 1969 c. 50.

4. The maximum rate specified in section 414(3)(*a*) of the Income and Corporation Taxes Act 1970**(a)** for the interest payable on deposits in a savings bank maintained under a local Act for the Treasury to certify a bank or department for the purposes of that section shall be increased to $3\frac{1}{2}$ per cent. per annum.

Bernard Weatherill,
H. S. P. Monro,
Two of the Lords Commissioners of Her Majesty's Treasury.

26th October 1970.

EXPLANATORY NOTE

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

This Order increases from $2\frac{1}{2}$ to $3\frac{1}{2}$ per cent. per annum—

(*a*) the rate of interest payable on ordinary deposits in the National Savings Bank with effect from 1st January 1971, and

(*b*) the maximum rate of interest payable on ordinary deposits in trustee savings banks with effect from 21st November 1970.

The Order also enables a similar increase to be made in the maximum rate of interest payable on deposits in the Number 2 Department of the Birmingham Municipal Bank with effect from 1st December 1970.

In the case of ordinary deposits in the National Savings Bank, the higher rate of interest will not be payable on accounts closed before 1st January 1972.

(a) 1970 c. 10.

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