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THE POST OFFICE SAVINGS BANK INTEREST NOTICE 1972

PURSUANT to the Post Office Act 1959, the Minister of Finance hereby gives the following notice.

NOTICE

1. Title and commencement—(1) This notice may be cited as the Post Office Savings Bank Interest Notice 1972.

(2) This notice shall come into force on the 1st day of November 1972.

2. Rate of interest on accounts other than investment accounts and money transfer accounts—The rate of interest to be paid by the Post Office Savings Bank on money deposited with the bank in any class of account, other than an investment account or money transfer account, (whether the deposit is made before or after the commencement of this notice) shall be 3 percent per annum.

3. Rates of interest for 1-year investment accounts—In the case of 1-year investment accounts (whether the deposit is made before or after the commencement of this notice) the rates of interest shall be—

- (a) On deposits for any period not exceeding 30 days Nil:
- (b) On deposits for any period exceeding 30 days but less than 12 months $2\frac{1}{2}$ percent per annum:
- (c) On deposits for a period of 12 months and each subsequent period of 12 months or less
 - (i) $4\frac{1}{2}$ percent per annum in respect of the first and each subsequent 12-monthly period of deposit; and
 - (ii) 3 percent per annum in respect of money withdrawn before the expiration of the second or any subsequent 12-monthly period of deposit.

4. Rates of interest for 2-year investment accounts—In the case of 2-year investment accounts (whether the deposit is made before or after the commencement of this notice) the rates of interest shall be—

- (a) On deposits for any period exceeding 30 days Nil:
- (b) On deposits for any period exceeding 30 days but less than 12 months $2\frac{1}{2}$ percent per annum:
- (c) On deposits for any period of not less than 12 months but less than 24 months 3 percent per annum:
- (d) On deposits for a period of 24 months and each subsequent period of 24 months or less
 - (i) 5 percent per annum in respect of the first and each subsequent 24-monthly period of deposit; and
 - (ii) 3 percent per annum in respect of money withdrawn before the expiration of the second or any subsequent 24-monthly period of deposit.

5. Maximum amounts on which interest payable—(1) In respect of all deposits except deposits in money transfer accounts and in those accounts specified in subclauses (2), (3), and (4) of this clause, interest shall be paid on so much of the amount standing to the credit of each account of the depositor as does not exceed \$25,000.

(2) In respect of deposits in accounts opened under regulation 8 of the Post Office Savings Bank Regulations 1944 by members or retired members of the Post Office staff for the purpose of receiving net salary or superannuation payment deposits, interest shall be paid on so much of the amount standing to the credit of each account of the depositor as does not exceed \$4,000.

(3) In respect of deposits in special purpose accounts, interest shall be paid on so much of the amount standing to the credit of each account of the depositor as does not exceed \$1,000.

(4) In respect of deposits in investment accounts, interest shall be payable on the total amount standing to the credit of each account of the depositor:

Provided that interest shall not be payable in any year on any new deposits made in that year to the extent that the total amount of those deposits exceeds \$25,000.

(5) For the purposes of this subclause and subclause (4) of this clause—

- (a) The expression “year” means a period of 12 months commencing on the 1st day of October:
- (b) The expression “new deposits” does not include any deposit reinvested under regulation 91 or regulation 92 of the Post Office Savings Bank Regulations 1944 (as substituted by regulation 12 of the Post Office Savings Bank Regulations 1944, Amendment No. 4):
- (c) Any deposits on which interest is not payable in any year by reason of the application of the proviso to subclause (4) of this clause in respect of that year shall be deemed to be new deposits made in the next succeeding year for the purpose of the application of that proviso in respect of that next succeeding year.

6. **Revocations**—The following notices are hereby revoked:
- (a) The Post Office Savings Bank Interest Notice 1970*:
 - (b) The Post Office Savings Bank Interest Notice 1970, Amendment No. 1†:
 - (c) The Post Office Savings Bank Investment Account Interest Notice 1970‡.

Dated at Wellington this 24th day of October 1972.

R. D. MULDOON, Minister of Finance.

*S.R. 1970/113
†S.R. 1971/201
‡S.R. 1970/165

EXPLANATORY NOTE

This note is not part of the notice, but is intended to indicate its general effect.

This notice sets out the interest rates and interest bearing limits for all classes of accounts at the Post Office Savings Bank on which interest is payable; these were previously the subject of two interest notices.

The notice raises the interest bearing limit on accounts other than investment accounts, special purpose accounts, staff cheque accounts, and money transfer accounts from its previous level of \$20,000 to \$25,000. The interest bearing limits for both classes of investment accounts have been raised to \$25,000 in any year commencing with the 1st day of October. The previous interest bearing limit for 1-year investment accounts was \$20,000 in any year commencing with the 1st day of October. The previous limit for 2-year investment accounts was \$6,000. There are no changes in the interest bearing limits on other accounts or in the rates of interest to be paid on any Post Office Savings Bank account.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 26 October 1972.

This notice is administered in the Treasury.