



# Finance Act 1999

## 1999 CHAPTER 16

### PART VIII

#### MISCELLANEOUS AND SUPPLEMENTAL

##### *Government borrowing etc.*

#### **134 The Debt Management Account.**

- (1) Schedule 5A to the <sup>M1</sup>National Loans Act 1968 (the Debt Management Account) shall be amended in accordance with subsections (2) to (6) below.
- (2) In paragraph 1(2) (objects of the Treasury's operation of the Debt Management Account), after paragraph (b) there shall be inserted—
  - “(ba) meeting any request to borrow money from the Treasury, made by the Bank of England;”.
- (3) After paragraph 5 there shall be inserted—

“5A

- (1) Where the Treasury raise money by virtue of paragraph 4 above, they shall exercise their powers under this Schedule so as to secure that the principal amount is repaid within the period of one year beginning with the day on which the money was raised.
- (2) Nothing in sub-paragraph (1) above shall require the Treasury to repay any amount at any time when—
  - (a) they are unable to obtain a good discharge for the repayment or they consider that there is a material risk that they would be unable to do so; or
  - (b) it is impracticable to repay the amount.
- (3) Where—

*Status: Point in time view as at 27/07/1999.*

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- (a) by virtue of sub-paragraph (2) above, an amount is not repaid within the period mentioned in sub-paragraph (1) above, and
  - (b) the case ceases to be one in relation to which sub-paragraph (2)(a) or (b) applies,
- the Treasury shall exercise their powers under this Schedule so as to secure that the amount is repaid as soon as is reasonably practicable.
- (4) Any reference in this paragraph to the repayment of any amount includes a reference to the discharge by way of set-off of the Treasury's liability to repay that amount.”
- (4) In paragraph 9(1) (payments from Debt Management Account into National Loans Fund in respect of securities or Treasury bills), after “Treasury bills” there shall be inserted “ (other than bills issued by virtue of paragraph 4 above) ”.
- (5) In paragraph 13(1) (payment into Debt Management Account of sums in respect of payments of interest made from that Account), after “respect of” there shall be inserted “ (a) ” and after “the Account” there shall be inserted “, and
- (b) any discount on any Treasury bills issued by virtue of paragraph 4 above.”
- (6) In paragraph 13(3) (payment into National Loans Fund in respect of payments of interest received or earned by the Debt Management Account), after “respect of” there shall be inserted “ (a) ” and after “the Account” there shall be inserted “, and
- (b) any benefit accruing to the Account which, in the opinion of the Treasury, ought to be treated in the same way as such interest.”
- (7) In section 18 of the <sup>M2</sup>National Savings Bank Act 1971 (securities in which ordinary deposits may be invested), in paragraph (a), for the words “or on the National” to the end there shall be substituted “, on the National Loans Fund with recourse to the Consolidated Fund or on the Debt Management Account with recourse to the National Loans Fund and then to the Consolidated Fund, or ”.
- (8) Subsection (6) above has effect in relation to any benefit accruing to the Debt Management Account on or after 1st April 1999.

#### Marginal Citations

**M1** 1968 c.13.

**M2** 1971 c.29.

### 135 Lending by Revenue Accounts to National Loans Fund.

- (1) Where, at the close of business on any day, a sum stands to the credit of—
- (a) the General Account of the Commissioners of Customs and Excise, or
  - (b) the General Account of the Commissioners of Inland Revenue,
- that sum may be lent to the National Loans Fund on that day.
- (2) Subsection (1) above does not apply to any sum to the extent that it is required to be paid, on the day in question, in accordance with section 10 of the <sup>M3</sup>Exchequer and Audit Departments Act 1866.

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- (3) A loan made by virtue of subsection (1) above shall be repaid before the close of business on the day after the loan is made or, where that day is not a business day, before the close of business on the next business day.
- (4) Subject to subsection (3) above, a loan made by virtue of subsection (1) above shall be made in such circumstances, and on such terms and conditions, as the Treasury may from time to time direct.
- (5) In this section “business day” means any day other than—
  - (a) a Saturday or Sunday;
  - (b) Good Friday or Christmas Day;
  - (c) a day which, in England and Wales, is a bank holiday under the <sup>M4</sup>Banking and Financial Dealings Act 1971;
  - (d) a day specified in an order under section 2(1) of that Act (days on which financial dealings are suspended) and declared by that order to be a non-business day for the purposes of this paragraph; or
  - (e) a day appointed by Royal proclamation as a public fast or thanksgiving day.

#### Marginal Citations

M3 1866 c.39.

M4 1971 c.80.

### 136 Definition of Government Stock.

- (1) The descriptions of stock and bonds specified in Part I of Schedule 11 to the <sup>M5</sup>Finance Act 1942 (description of Government stock and bonds to which the provisions of that Act regarding transfer and registration apply, and which by virtue of section 16(3) of the <sup>M6</sup>National Loans Act 1968 include descriptions of certain securities issued under that Act) do not include—
  - (a) any securities (of whatever series) of any of the descriptions specified in subsection (2) below issued before 20th July 1998, or
  - (b) any securities issued on or after 20th July 1998 under the auspices of the Director of Savings.
- (2) The descriptions referred to in subsection (1) are—
  - Defence Bonds;
  - National Development Bonds;
  - British Savings Bonds;
  - National Savings Indexed Income Bonds;
  - National Savings Income Bonds;
  - National Savings Deposit Bonds;
  - National Savings Capital Bonds;
  - Children’s Bonus Bonds;
  - National Savings FIRST Option Bonds;
  - National Savings Pensioners Guaranteed Income Bonds.
- (3) The modifications made by this section shall be deemed always to have had effect.

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**Marginal Citations**

**M5** 1942 c.21.

**M6** 1968 c.13.

**137 National Savings Bank: disclosure of information.**

The following shall be inserted after section 12(2) of the <sup>M7</sup>National Savings Bank Act 1971 (secrecy)—

“(2A) Subsection (1) above shall not prevent the disclosure, by a person authorised by the Director of Savings, of information to any person for a permitted purpose.

(2B) A permitted purpose is a purpose connected with the provision of information about—

- (a) the business of the National Savings Bank;
- (b) any other means by which money is raised under the auspices of, by or through the Director of Savings.

(2C) A person to whom information is disclosed in pursuance of subsection (2A) above shall not—

- (a) use the information for a purpose other than a permitted purpose;
- (b) disclose the information to any other person.”

**Marginal Citations**

**M7** 1971 c.29.

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