
STATUTORY INSTRUMENTS

1984 No. 779

The Savings Certificates (Yearly Plan) Regulations 1984

PAYMENT IN CASE OF DEATH

Payment under grant of representation

14.—(1) In the event of the death of the person to whom the terms of an agreement applied or who held a certificate or on whose behalf an agreement was entered into, the production of probate or letters of administration granted, or having effect as if granted, in respect of personal estate comprising the certificate by a court in the United Kingdom, the Isle of Man or the Channel Islands, or of a certified copy thereof, shall, subject to the provisions of these Regulations, be sufficient authority to the Director of Savings to pay the amount repayable under the agreement or in respect of the certificate, or to transfer the amount repayable under the agreement or the certificate, as the case may be, to the person to whom the grant was made, or as directed by that person.

(2) Where any amount repayable under an agreement or in respect of a certificate is paid, or any amount repayable under an agreement or a certificate is transferred, in purported pursuance of this Regulation, the repayment or transfer shall, notwithstanding the invalidity of, or any defect in, the probate or letters of administration, be deemed for the purposes of these Regulations to have been duly made.

(3) Nothing in this Regulation shall affect the operation of any nomination which by virtue of Regulation 13 hereof applies to the amount repayable under an agreement and to certificates.

Payment without a grant of representation

15.—(1) Where, on the death of any person, being a person to whom the terms of an agreement apply or who is the holder of certificates the amount repayable in respect of which does not, at the time of his death, exceed in the aggregate £5,000, probate of his will or letters of administration to his estate is not or are not produced to the Director of Savings within such time as he thinks reasonable in the circumstances of the case, the Director of Savings, if he thinks fit, may, without requiring probate or letters of administration, pay the amount repayable under the agreement or in respect of those certificates, or any part thereof—

- (a) to a person appearing to the Director of Savings to be entitled to take out probate of the will of the deceased or letters of administration to his estate;
- (b) where the deceased has left a will (being a will with respect to which the Director of Savings is satisfied that probate or letters of administration with the will annexed would be granted), to any person to whom the amount repayable or any part thereof would, in the opinion of the Director of Savings, be payable under such will, if probate thereof or letters of administration with the will annexed were granted;
- (c) to any person who satisfies the Director of Savings that he is entitled to receive the amount repayable or any part thereof in right of his being—
 - (i) a person who has paid the funeral expenses of the deceased; or
 - (ii) a creditor of the deceased; or
 - (iii) a person who has a beneficial interest in the estate of the deceased;

- (d) if the deceased was a British subject and his next of kin appears to the Director of Savings to reside outside the United Kingdom, the Isle of Man and the Channel Islands, to any officer or authority who, in the opinion of the Director of Savings, may properly be entrusted with the duty of distributing the amount repayable;
- (e) if the deceased was a seaman of a foreign country, being a country with which a treaty has been made in respect of the payment of moneys due to seamen, to the consular authority of that country;
- (f) if the deceased was a foreign subject, not being a seaman to whom the provisions of the last preceding sub-paragraph apply, to the consular authority of the country to which the deceased belonged, or to such other authority as appears to the Director of Savings to be appropriate, subject in either case to the Director of Savings being satisfied that the amount repayable will be duly distributed;
- (g) in a case where the estate of the deceased appears to the Director of Savings to have developed upon the Crown, the Duchy of Lancaster or the Duchy of Cornwall, to the Treasury Solicitor, the Solicitor for the Affairs of the Duchy of Lancaster or the Solicitor for the Affairs of the Duchy of Cornwall, as the case requires:

Provided that where a person to whom any sum may be paid under sub-paragraph (b) or (c) of this paragraph has died before payment has been made to him, that sum or any part thereof may be paid to any person to whom it might have been paid if the first mentioned person had, immediately before his death, been the person to whom the terms of an agreement applied or the holder of the certificates in question.

(2) Notwithstanding any rule of law to the contrary, any person to whom a payment may be made under sub-paragraph (b) or (c) of paragraph (1) of this Regulation or under the proviso to that paragraph may sign a receipt therefor if he has attained the age of sixteen years, and the receipt shall be a valid receipt without the signature of any other person, and where any person to whom a payment may be so made is unable, by reason of his age or for any other reason whatsoever, to give a discharge therefor under these Regulations, the Director of Savings may make the payment to any person who satisfies him that he will apply it for the maintenance or otherwise for the benefit of the first mentioned person.

(3) Subject to the provisions of the last preceding paragraph, the Director of Savings, in making any payment under sub-paragraph (b) or (c) of paragraph

(1) of this Regulation or under the proviso to that paragraph, shall, unless he is of opinion that hardship or inconvenience would be thereby caused, have regard to the rules of law relating to the distribution of the estates of deceased persons, but, if he is of that opinion, may depart from those rules in such manner and to such extent as he considers just.

(4) In this Regulation the expression “will” includes a codicil.

(5) Nothing in this Regulation shall affect the operation of any nomination which by virtue of Regulation 13 hereof applies to the amount repayable under an agreement or to certificates.

Law applicable on death

16. Where, in the event of the death of a person to whom the terms of an agreement applied or who was the holder of a certificate or on whose behalf an agreement was entered into, any repayment under the agreement or in respect of the certificate made under these Regulations is made in accordance with the law of the place where that person resided at the date of his death, that payment shall, unless notice in writing to the effect that he was, at that date, domiciled in some other place has been received by the Director of Savings before the payment was made, be deemed for the purposes of these Regulations to have been duly made.

Capital transfer tax chargeable on holder's death

17.—(1) Where, on the death of a person to whom the terms of an agreement applied or who was the holder of any certificate (not being a certificate in respect of which it is shown to the satisfaction of the Director of Savings that the deceased holder had no interest therein otherwise than as a trustee), the aggregate value of the specified assets (hereinafter defined) exceeds £25,000, the Director of Savings shall, before making any payment under the agreement or in respect of the certificate, or before transferring the terms of the agreement or the certificate, require the production of a statement from the Commissioners of Inland Revenue to the effect either that no capital transfer tax, being capital transfer tax chargeable on the death of such person, is payable in respect of the agreement or certificate or that any capital transfer tax, being capital transfer tax chargeable on the death of such person or holder, so payable has been paid:

Provided that the production of such a statement shall not be required—

- (a) where the payment or transfer is made to or as directed by:—
 - (i) the deceased person's legal personal representative acting under probate or letters of administration granted by any court in the United Kingdom, or
 - (ii) the Public Trustee, the Official Receiver, or the trustee in bankruptcy of the estate of the deceased person; or
- (b) where the deceased person was at the time of his death domiciled in the Isle of Man or the Channel Islands; or
- (c) where the beneficial interest in the agreement or certificate in question has passed to the spouse of the deceased person in circumstances in which capital transfer tax is not chargeable.

(2) In this Regulation the expression “the specified assets” means the following assets (not being assets in respect of which it is shown to the satisfaction of the Director of Savings that the deceased person or holder had no interest therein otherwise than as a trustee):—

- (a) the total amount which would have been repayable (if repayment had been demanded) at the date of the death of the person in respect of all agreements recorded in his name alone or in the case of a trustee in his name jointly with any other trustee, or certificates recorded in his name alone or in his name jointly with any other person;
- (b) the total amount which would have been repayable (if repayment had been demanded) at the date of the death of the person in respect of all national savings certificates, war savings certificates, or index-linked national savings certificates recorded in his name alone or in his name jointly with any other person;
- (c) the total amount (including interest) which, at the date of the death of the person, stands to the credit of all accounts in his name alone, or in his name jointly with any other person, in the National Savings Bank;
- (d) all stock and securities registered on the National Savings Stock Register at the date of the death of the person in his name alone or in his name jointly with any other person (not being stock or securities recorded on the parts of the National Savings Stock Register kept by trustee savings banks);
- (e) any amount repayable and any other sum payable in respect of all premium savings bonds recorded in the person's name;
- (f) the total amount (including any bonus or interest) which would have been repayable (if repayment had been demanded) at the date of the death of the person in respect of all savings contracts entered into by him and registered by the Director of Savings under a

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contractual savings scheme certified by the Treasury in accordance with section 415(2) of the Income and Corporation Taxes Act 1970.

- (3) For the purposes of this Regulation, the value of the stock and securities referred to in paragraph (2)(d) of this Regulation shall be—
- (a) in the case of stock which is of a description corresponding to stock or securities transferable in the books of the Bank of England, the market value thereof at the date of the death of the holder; and
 - (b) in all other cases, the nominal capital amount thereof.