

§ 359.50

§ 359.50 What amount of book-entry Series I savings bonds may I acquire per year?

The principal amount of book-entry Series I savings bonds that you may acquire in your name and TIN in any calendar year is limited to \$5,000.

[72 FR 67853, Dec. 3, 2007]

§ 359.51 What book-entry Series I savings bonds are included in the computation?

(a) We include all bonds that you purchased in that calendar year.

(b) Bonds purchased as gifts or in a fiduciary capacity are not included in the computation for the purchaser.

(c) Bonds transferred or delivered from one New Treasury Direct account to another New Treasury Direct account are included in the computation for the recipient, unless you have become entitled to the transferred bonds due to the death of the registered owner.

[68 FR 24806, May 8, 2003]

§ 359.52 What happens if any person purchases book-entry Series I savings bonds in excess of the maximum amount?

We reserve the right to take any action we deem necessary to adjust the excess, including the right to remove the excess bonds from your New Treasury Direct account and refund the payment price to your bank account of record using the ACH method of payment.

§ 359.53 Are taxpayer identification numbers (TINs) required for registration of book-entry Series I savings bonds?

The TIN of each person named in the registration is required to purchase a book-entry bond.

§ 359.54 When is a book-entry Series I savings bond validly issued?

A book-entry bond is validly issued when it is posted to your New Treasury Direct account.

§ 359.55 How are redemption values calculated for book-entry Series I savings bonds?

We base current redemption values (CRV) for book-entry Series I savings

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bonds on the definitive savings bonds CRV. To calculate the book-entry values, we use the CRV for the \$100 denomination Series I savings bonds and calculate a CRV prorated to the book-entry par investment amount for the corresponding issue and redemption dates. Calculated book-entry CRV will be rounded to the nearest one cent.⁴ The formula is as follows (Examples of the calculation are given in appendix A to part 359.):

$$[\text{Book-entry par investment} \div 100] \times [\text{CRV value for \$100 bond}].$$

[67 FR 64278, Oct. 17, 2002, as amended at 75 FR 52461, Aug. 26, 2010]

§ 359.56 How can I find out what my book-entry Series I savings bonds are worth?

(a) *Redemption values.* You may access redemption values for your book-entry bonds through your New Treasury Direct account.

(b) *Redemption penalty.* Redemption values shown in your New Treasury Direct account reflect the three-month interest penalty applied to bonds redeemed prior to five years from the date of issue.

§§ 359.57–359.64 [Reserved]

Subpart D—Miscellaneous Provisions

§ 359.65 [Reserved]

§ 359.66 Is the Education Savings Bonds Program available for Series I savings bonds?

You may be able to exclude from income for Federal income tax purposes all or part of the interest received on the redemption of qualified bonds during the year. To qualify for the program, you or the co-owner (in the case of definitive savings bonds) must have paid qualified higher education expenses during the same year. You also must have satisfied certain other conditions. This exclusion is known as the Education Savings Bonds Program. Information about the program can be

⁴Example: Calculated value of \$25.044 rounds to \$25.04; calculated value of \$25.045 rounds to \$25.05.