

**§ 306.38**

**31 CFR Ch. II (7-1-14 Edition)**

dated August 15, 1962), and the registration of each security. Notifications by attorneys in fact, trustees, or by the legal representatives of the estates of deceased, incompetent, or minor owners should be supported by proof of their authority, unless, in the case of trustees or legal representatives, they are named in the registration.

(c) *Collection of interest checks*—(1) *General.* Interest checks may be collected in accordance with the regulations governing the endorsement and payment of Government warrants and checks, which are contained in the current revision of Department Circular No. 21 (part 240 of this chapter).

(2) *By voluntary guardians of incompetents.* Interest checks drawn to the order of a person who has become incompetent and for whose estate no legal guardian or similar representative has been appointed should be returned to the Bureau with a full explanation of the circumstances. For collection of interest, the Department will recognize the relative responsible for the incompetent's care and support or some other person as voluntary guardian for the incompetent. (Application may be made on Form PD 1461.)

(d) *Nonreceipt, loss, theft, or destruction of interest checks.* If an interest check is not received within a reasonable period after an interest payment date, or if a check is lost, stolen, or destroyed after receipt, notification should be sent to the Bureau of the Fiscal Service, Division of Customer Service, Parkersburg, WV 26102. Notification should include the name and address of the owner, his taxpayer identifying number, and the serial number, denomination, and title of the security upon which the interest was payable. If the check is subsequently received or recovered, the Bureau should be notified.

[38 FR 7078, Mar. 15, 1973, as amended at 64 FR 38126, July 15, 1999]

**§ 306.38 Interest on bearer securities.**

Unless the offering circular and notice of call provide otherwise, interest on coupon securities is payable in regular course of business upon presentation and surrender of the interest coupons as they mature. Such coupons are payable at participating Federal

Reserve banks or by the Bureau.<sup>8</sup> Interest on Treasury bills, and any other bearer securities which may be sold and issued on a discount basis and which are payable at par at maturity, is represented by the difference between the purchase price and the par value, and no coupons are attached.

[38 FR 7078, Mar. 15, 1973, as amended at 64 FR 38126, July 15, 1999]

**APPENDIX TO SUBPART E OF PART 306—  
INTEREST—COMPUTATION OF INTEREST ON TREASURY BONDS, TREASURY NOTES, AND TREASURY CERTIFICATES OF INDEBTEDNESS, AND COMPUTATION OF DISCOUNT ON TREASURY BILLS—  
INTEREST TABLES**

**COMPUTATION OF INTEREST ON ANNUAL BASIS**

One Day's Interest is  $\frac{1}{365}$  or  $\frac{1}{366}$  of 1-Year's Interest

Computation of interest on Treasury bonds, notes, and certificates of indebtedness will be made on an annual basis in all cases where interest is payable in one amount for the full term of the security, unless such term is an exact half-year (6 months), and it is provided that interest shall be computed on a semi-annual basis.

If the term of the securities is exactly 1 year, the interest is computed for the full period at the specified rate regardless of the number of days in such period.

If the term of the securities is less than 1 full year, the annual interest period for purposes of computation is considered to be the full year from but not including the date of issue to and including the anniversary of such date.

If the term of the securities is more than 1 full year, computation is made on the basis of one full annual interest period, ending with the maturity date, and a fractional part of the preceding full annual interest period.

The computation of interest for any fractional part of an annual interest period is made on the basis of 365 actual days in such period, or 366 days if February 29 falls within such annual period.

**COMPUTATION OF INTEREST ON SEMIANNUAL BASIS**

ONE DAY'S INTEREST IS  $\frac{1}{181}$ ,  $\frac{1}{182}$ ,  $\frac{1}{183}$  OR  $\frac{1}{184}$  OR  $\frac{1}{2}$  YEAR'S INTEREST

Computation of interest on Treasury bonds, notes, and certificates of indebtedness will be made on a semiannual basis in all

<sup>8</sup>Banking institutions will usually cash the coupons without charge as an accommodation to their customers.