

§ 345.5

(b) *Prior to maturity.* A certificate may be redeemed prior to maturity at par and accrued interest at the owner's option on one week's notice in writing after one month from the issue date. A certificate issued upon reinvestment, as provided in paragraph (a) of this section, shall not be subject to the one-month holding period. A notice to redeem a certificate prior to its maturity date must be given by the official authorized to redeem it, as shown in the subscription for purchase, to the Bureau of the Fiscal Service, Division of Securities Operations, Washington, DC 20226, by letter or wire.

§ 345.5 Taxation.

The income derived from the certificates is subject to all taxes imposed under the Internal Revenue Code of 1954. The certificates are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State or any of the possessions of the United States, or by any local taxing authority.

[40 FR 29846, July 16, 1975]

§ 345.6 General provisions.

(a) *Regulations.* Five Percent Treasury Certificates of Indebtedness—R.E.A. Series shall be subject to the general regulations with respect to United States securities, which are set forth in the Department of the Treasury Circular No. 300, current revision (31 CFR part 306), to the extent applicable. Copies of the circular may be obtained from the Bureau of the Fiscal Service, Department of the Treasury, Washington, DC 20226, or a Federal Reserve Bank or Branch.

(b) *Reservations.* The Secretary of the Treasury reserves the right to reject any application for the purchase of certificates hereunder, in whole or in part, and to refuse to issue or permit to be issued any such certificates in any case or any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final. The Secretary of the Treasury may also at any time, or from time to time, supplement or amend the terms of these regulations,

31 CFR Ch. II (7–1–14 Edition)

or of any amendments or supplements thereto.

[38 FR 35306, Dec. 27, 1973. Redesignated at 40 FR 29846, July 16, 1975]

PART 346—REGULATIONS GOVERNING UNITED STATES INDIVIDUAL RETIREMENT BONDS

Sec.

- 346.0 Offering of bonds.
- 346.1 Description of bonds.
- 346.2 Registration.
- 346.3 Purchase of bonds.
- 346.4 Proof of purchase.
- 346.5 Limitation on holdings.
- 346.6 Nontransferability.
- 346.7 Judicial proceedings.
- 346.8 Payment or redemption during lifetime of owner.
- 346.9 Payment or redemption after death of owner.
- 346.10 Reissue.
- 346.11 Use of power of attorney.
- 346.12 Lost, stolen, or destroyed bonds.
- 346.13 Taxation.
- 346.14 Certifying officers.
- 346.15 General provisions.

APPENDIX TO PART 346—TABLES

AUTHORITY: 5 U.S.C. 301; 12 U.S.C. 391; 31 U.S.C. 3106 *et seq.*, 3125, 3126.

SOURCE: 40 FR 4240, Jan. 28, 1975, unless otherwise noted.

§ 346.0 Offering of bonds.

The Secretary of the Treasury, under the authority of the Second Liberty Bond Act, as amended, and pursuant to the Employee Retirement Income Security Act of 1974, offers for sale, beginning January 1, 1975, bonds of the United States, designated as United States Individual Retirement Bonds. The bonds will be available for investment only to individuals eligible to make deductions on their Federal income tax returns for retirement savings, as provided in section 2002 of the latter Act. This offering of bonds will terminate on April 30, 1982.

[40 FR 4240, Jan. 28, 1975, as amended at 47 FR 18596, Apr. 30, 1982]

§ 346.1 Description of bonds.

(a) *Investment yield (interest).* United States Individual Retirement Bonds, hereinafter sometimes referred to as Individual Retirement Bonds, will be issued at par. The investment yields (interest) are as follows:

(1) Bonds with issue dates of January 1, 1975, through July 1, 1979—6 percent per annum, compounded semiannually (see Table of Redemption Values in the appendix).

(2) Bonds with issue dates of August 1, 1979, through October 1, 1980—6.5 percent per annum, compounded semiannually (see Table A in the appendix).

(3) Bonds with issue dates of November 1, 1980, through September 1, 1981—8 percent per annum, compounded semiannually (see Table B).

(4) Bonds with issue dates of October 1, 1981, or thereafter—9 percent per annum, compounded semiannually (see Table C).

Interest will be paid only upon redemption of the bonds. The accrual of interest will continue until the bonds are redeemed or have reached maturity, whichever is earlier, in accordance with these regulations.

(b) *Term.* The maturity date of any bond issued under this circular shall be the first day of the month in which the registered owner thereof has attained the age of 70½ years, or five years after the date of his death, but no later than the first day of the month in which he would have attained the age of 70½ years, if he had lived. Unless sooner redeemed in accordance with these regulations, the investment yield on a bond will cease on the interest accrual date coinciding with, or, where no such coincidence occurs, the interest accrual date next preceding:

(1) The first day of the seventh (7th) month following the 70th anniversary of the birth of the person in whose name it is registered, or

(2) The first day of the sixtieth (60th) month following the date of death of the person in whose name it is registered, except that such date shall be no later than the date on which he would have attained the age of 70½ years, had he lived.

(c) *Denominations—issue date.* Individual Retirement Bonds will be available only in registered form and in denominations of \$50, \$75, \$100 and \$500. At the time of issue, the issuing agent will enter in the upper right-hand portion of the bond the *issue date* (which shall be the first day of the month and year in which payment of the purchase price is received by an authorized

issuing agent), and will imprint the agent's validating stamp in the lower right-hand portion. The issue date, as distinguished from the date in the agent's validating stamp, will determine the date from which interest will begin to accrue on the bond. An Individual Retirement Bond shall be valid only if an authorized issuing agent receives payment therefor, duly inscribes, dates, stamps, and delivers it.

[40 FR 4240, Jan. 28, 1975, as amended at 42 FR 37520, July 21, 1977; 46 FR 60577, Dec. 11, 1981]

§ 346.2 Registration.

(a) *General.* The registration of Individual Retirement Bonds is limited to the names of natural persons in their own right, whether adults or minors, in either single ownership or beneficiary form. A bond registered in the beneficiary form will be inscribed substantially as follows (for example): "John A. Doe payable on death to (or P.O.D.) Richard B. Roe." No more than one beneficiary may be designated on a bond.

(b) *Inscription.* The inscription on the face of each bond will show the name, address, and date of birth of the registered owner. The name of the beneficiary, if one is to be designated, will also be shown in the inscription.

[40 FR 4240, Jan. 28, 1975, as amended at 71 FR 46857, Aug. 15, 2006]

§ 346.3 Purchase of bonds.

(a) *Agencies.* Individual Retirement Bonds may be purchased over-the-counter or by mail from Federal Reserve Banks and Branches and the Bureau of the Fiscal Service, Securities Transactions Branch, Washington, DC 20226. Customers of commercial banks and trust companies may be able to arrange for the purchase of the bonds through such institutions, but only the Federal Reserve Banks and Branches, and the Department of the Treasury itself, are authorized to issue the securities. The date of receipt of the application and payment by such issuing agencies will govern the dating of the bonds issued.

(b) *Applications.* Applications for the purchase of Individual Retirement Bonds should be made on Form PD