

## DECIMAL CURRENCY AMENDMENT BILL

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### EXPLANATORY NOTE

THIS Bill makes several amendments relating to the introduction of decimal currency.

*Clause 2:* Section 19 of the principal Act authorises the Minister of Finance, by *Gazette* notice, to appoint days during which banks and savings banks are to be closed to the public, for the purpose of facilitating the transition to the decimal currency system. Section 9 of the Decimal Currency Amendment Act 1965 provides that every day so appointed is to be a non-business day for the purposes of the Bills of Exchange Act 1908. That amendment was to meet the provisions of the last-mentioned Act requiring that a bill of exchange must be presented for acceptance and payment, etc., on a business day, and allowing three days of grace for payment.

This clause further amends the section by making it clear that banks (including savings banks) may present cheques and debit them to their customers' accounts in the usual way during the days when they are closed to the public.

*Clause 3:* The effect of these amendments is that trustee savings banks and private savings banks may, after D.C. Day, pay interest on every complete dollar instead of every complete pound. The same amendment was made for the Post Office Savings Bank in 1965.

*Clause 4:* The present stamp duty on every bill of exchange or promissory note is 2d. The effect of this clause is to make the duty 2c on a single instrument or, where a lump sum is paid by banks, or authorised printers, or mercantile firms (under licence) in commutation of duty, 5c for every complete lot of three forms.

*Clause 5* is purely a drafting amendment.

*Hon. Mr Muldoon*

## DECIMAL CURRENCY AMENDMENT

### ANALYSIS

Title	3. Interest on deposits with trustee savings banks or private savings banks
1. Short Title and commencement	4. Duty on bills of exchange
2. Closing of banks	5. Section 6 of the Decimal Currency Amendment Act 1965 amended

### A BILL INTITULED

**An Act to amend the Decimal Currency Act 1964, and to amend certain other enactments of the General Assembly in relation to the introduction of the system of decimal currency**

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

**1. Short Title and commencement**—(1) This Act may be cited as the Decimal Currency Amendment Act 1967, and shall be read together with and deemed part of the Decimal Currency Act 1964\* (hereinafter referred to as the principal Act).

(2) Except as otherwise provided in this Act, this Act shall come into force on the tenth day of July, nineteen hundred and sixty-seven (being the date of the commencement of Part II of the principal Act).

\*1964, No. 27  
Amendment: 1965, No. 124

**2. Closing of banks**—(1) Section 19 of the principal Act is hereby amended by repealing subsection (5) (as added by section 9 (1) of the Decimal Currency Amendment Act 1965), and substituting the following subsections:

“(5) Any day appointed by the Minister under subsection (1) of this section shall be deemed for the purposes of the Bills of Exchange Act 1908 to be a non-business day. 5

“(6) Notwithstanding anything in subsection (5) of this section, on any day so appointed—

“(a) Any cheque or other instrument to which section 5 10 of the Cheques Act 1960 applies may be presented by a banker (including the banker on whom that cheque or other instrument is drawn) to a banker for payment; and

“(b) Any such cheque or other instrument as aforesaid so 15 presented to a banker may be paid by that banker and debited to the account of his customer accordingly.

For the purposes of this subsection, the term ‘banker’ includes any bank or savings bank to which subsection (1) 20 of this section applies; and also includes any branch of any such banker.”

(2) Section 9 of the Decimal Currency Amendment Act 1965 is hereby consequentially repealed.

(3) This section shall come into force on the passing of 25 this Act.

**3. Interest on deposits with trustee savings banks or private savings banks**—(1) Section 22 of the Trustee Savings Banks Act 1948 is hereby amended by omitting from subsection (4) the word “pound”, and substituting the word “dollar”. 30

(2) Section 13 of the Private Savings Banks Act 1964 is hereby amended by omitting from subsection (3) the word “pound”, and substituting the word “dollar”.

**4. Duty on bills of exchange**—(1) The Stamp Duties Act 1954 is hereby amended by repealing section 121, and 35 substituting the following section:

“121. (1) Except as provided in this Part of this Act, every bill of exchange or promissory note shall be charged with the duty of two cents.

“(2) Provision may be made by regulations under this Act 40 for the granting of licences exempting bills of exchange and promissory notes from the duty imposed by this Act in

consideration of the payment of sums by way of commutation of that duty. Security for the payment of such sums may be required in such form as the Commissioner determines.

5 “(3) Every sum payable by way of commutation of duty as aforesaid shall—

10 “(a) In the case of cheque forms supplied by banks (being banks holding licences under Part III of the Stamp Duties Regulations 1967) to their customers in lots of three or any multiple of three, be calculated at the rate of five cents for each complete lot of three forms; and

15 “(b) In the case of special cheque forms printed by authorised printers holding licences under Part IV of the said regulations, or issued by persons, firms, or corporations holding licences under Part V of the said regulations, be calculated at the rate of five cents for each complete lot of three forms and two cents for each form in excess of three or a multiple of three; and

20 “(c) In the case of forms of bills of exchange or promissory notes to which neither paragraph (a) nor paragraph (b) of this subsection applies, be calculated at the rate of two cents for each form; and

25 “(d) In every case, constitute a debt payable to the Crown by the person or persons to whom a licence has been granted in accordance with this section.

30 “(4) For the purposes of subsection (3) of this section, the expression ‘special cheque’ means a cheque that has printed thereon the name of the drawee (other than a cheque on a bank’s usual form that is not specially printed for a customer); and includes a promissory note that is payable on demand and has a drawee’s name printed thereon.”

(2) The following enactments are hereby consequentially repealed:

35 (a) Section 7 of the Stamp Duties Amendment Act 1961:

(b) Section 6 of the Stamp Duties Amendment Act 1966.

**5. Section 6 of the Decimal Currency Amendment Act 1965 amended**—Section 6 of the Decimal Currency Amendment Act 1965 is hereby amended by inserting in subsection

40 (1), after the words “the commencement of”, the words “this Part of”.