



Tithe Act 1936

1936 CHAPTER 43

PART II

FINANCIAL PROVISIONS.

24 Creation, incidents and management of stock.

- (1) The Treasury shall from time to time by warrant directed to the Bank of England create stock in such amounts as may appear to them, after consultation with the Commission, to be required for the purpose of issue by way of compensation for the extinguishment of tithe rentcharge, and shall authorise the Bank to issue stock in such amounts and to such persons as may be specified in certificates transmitted to the Bank by the Commission under Part I of this Act, and the Bank shall issue stock accordingly.
- (2) Stock shall carry interest at the rate of three per cent. per annum, payable half-yearly on each interest date.
- (3) A sinking fund sufficient to provide for the redemption of all outstanding stock on or before the day preceding the sixtieth anniversary of the appointed day shall be established in the hands of the National Debt Commissioners in accordance with directions given by the Treasury.
- (4) Subject as aforesaid, the Treasury shall have power to determine the conditions of the issue of stock and to regulate the commencement, management and application of the sinking fund.
- (5) The interest on stock, the sums required to be set aside for the purposes of the sinking fund, and the principal sums required for the redemption of stock, shall, so far as not otherwise provided for, be charged on and paid out of the Consolidated Fund or the growing produce thereof.
- (6) For the purposes of calculating the annual sum payable to the Bank for the management of the National Debt, stock shall be considered as part of the National Debt inscribed in the books of the Bank, but the annual sum so payable in respect of stock shall be paid out of the Redemption Annuities Account hereinafter mentioned.

Status: This is the original version (as it was originally enacted).

- (7) Stock shall be transferable in the books of the Bank in like manner as other stock transferable under the National Debt Act, 1870, and shall be subject to the provisions of that Act as amended by any subsequent enactment so far as is consistent with the tenor of this Act.
- (8) The First Schedule to the Savings Bank Act, 1893, shall have effect as if a reference to stock had been included therein.

25 Redemption Annuities Account.

- (1) There shall, in accordance with directions given by the Treasury, be established an account which shall be called the Redemption Annuities Account and shall be under the control and management of the Treasury.
- (2) The Commission and the Board shall pay into the Account, in accordance with directions given by the Treasury, all sums received by them respectively on account of instalments of annuities, of the redemption of annuities, or of arrears, and all other sums received by them in the performance of their functions under this Act.
- (3) There shall be issued to the Account out of the Consolidated Fund or the growing produce thereof in the twelve months beginning on the appointed day, and in each of the fifty-nine next succeeding periods of twelve months, the sum of six hundred and eighty-five thousand pounds.
- (4) The Treasury shall issue from the Account—
 - (a) such sums as may be required from time to time for the payment of interest on stock, the sums required to be set aside for the purposes of the said sinking fund, and the remuneration and expenses of the Bank of England;
 - (b) such sums as may be required from time to time for the payment of provisional interest;
 - (c) such sums as may be required from time to time for the payment of the amounts to be paid by the Commission under section twenty of this Act in respect of arrears;
 - (d) to the Exchequer an amount equal to the expenses from time to time incurred by the Commission, the Board, the Arrears Investigation Committee and any Government department in connection with the execution of this Act (including such sums as, in the opinion of the Treasury, approximately represent the accruing liability attributable to the execution of this Act in respect of pensions, allowances and gratuities under the Superannuation Acts, 1834 to 1935, as amended by any subsequent enactment, and the rental value of any premises belonging to the Crown and used for the purposes of this Act, being premises in respect of which no rent is payable);
 - (e) such sums, by way of contribution towards making good the loss of rate income of rating authorities occasioned by the extinguishment or reduction of tithe rentcharge, as may be required for giving effect to the provisions of the Fifth Schedule to this Act, so however that no sum shall be issued under this paragraph on any date if the present value thereof together with the present value of the sums previously issued under this paragraph would exceed the present value of a series of annual payments, made on the first day of April, nineteen hundred and thirty-seven, and on the same date in each of the fifty-nine subsequent years, of six hundred thousand pounds each;

- (f) to Queen Anne's Bounty on the first day of April, nineteen hundred and thirty-seven, the sum of two million pounds;
 - (g) to Queen Anne's Bounty an amount or amounts estimated by the Treasury to be the equivalent of the amount by which the aggregate of the payments in respect of the annuities charged by section three of this Act in respect of land no part of which was on the first day of April, nineteen hundred and thirty-six, agricultural land, and out of which ecclesiastical tithe rentcharge (not being extraordinary tithe rentcharge) issued immediately before the appointed day, exceeds the aggregate of the annuities which would have been charged under the said section three in respect of that land if the whole or part of it had been on that day agricultural land.
- (5) Any sums standing to the credit of the Account may from time to time be invested in such manner as the Treasury may direct, and any interest received from an investment made under this subsection shall be credited to the Account.

26 Temporary advances to meet deficiencies in Account.

- (1) The Treasury may from time to time issue out of the Consolidated Fund or the growing produce thereof, by way of advance to the Redemption Annuities Account, such sums as may be required to meet issues which are to be made from the Account under this Act and which the moneys standing to the credit of the Account are insufficient to provide.
- (2) The Treasury may borrow money for the purposes of the last foregoing subsection in any manner in which they are authorised to raise money under and for the purposes of subsection (1) of section one of the War Loan Act, 1919, and any securities created and issued to raise money under this subsection shall for all purposes be deemed to have been created and issued under the said subsection (1).
- (3) Any advances made out of the Consolidated Fund or the growing produce thereof under this section shall be repaid, together with interest thereon, compounded half-yearly if the Treasury think fit, at such rate as may be fixed by the Treasury, out of moneys standing to the credit of the Redemption Annuities Account, in such manner and at such times as the Treasury may direct.
- (4) All sums received by way of interest on, or in repayment of, advances made as aforesaid shall be applied, in such manner as the Treasury may direct, to the redemption of debt.

27 Audit of accounts.

- (1) The Treasury shall prepare an account of the transactions of the Redemption Annuities Account in each financial year, and such other accounts as the Treasury may direct shall be prepared in relation to other transactions under this Act.
- (2) On or before the thirtieth day of November in each year, the said accounts shall be transmitted to the Comptroller and Auditor-General, who shall examine and certify the accounts and lay copies thereof, together with his report thereon, before both Houses of Parliament.

28 Winding-up of financial arrangements.

- (1) If at any time the Treasury are satisfied that there are standing to the credit of the Redemption Annuities Account moneys sufficient, with the issues to be made to the Account thereafter out of the Consolidated Fund under subsection (3) of section twenty-five of this Act and any further principal sums or interest to be paid into the Account thereafter under this Act other than sums to accrue thereafter in respect of annuities, to meet all issues to be made thereafter from the Account under this Act, including any repayments with interest of advances theretofore made out of the Consolidated Fund to the Account, the Treasury shall lay before both Houses of Parliament a draft of an order providing for the extinguishment of all annuities then charged as from a date to be specified in the order and, if a resolution approving the draft is passed by each House, the Treasury shall make an order in the terms of the draft.
- (2) On the day preceding the sixtieth anniversary of the appointed day, all stock not theretofore redeemed shall be redeemed, and the Treasury shall cause the Redemption Annuities Account to be wound up as soon as may be thereafter, and any surplus standing to the credit of the Account shall be dealt with in such manner as Parliament may determine.