Content

Title：	1972 Public Bond Issuance Act Ch
Date：	1974.01.25
Legislative：	Full text of 13 articles enacted and promulgated by the President on June 9, 1971. Article 5 amended and promulgated by the President on January 25, 1974.

Content：

Article 1

Issuance of the 1972 Public Bond (hereinafter referred to as the Bond) shall be conducted in compliance with the provisions of this Act.

Article 2

The Bond shall be issued for a limited total amount of NT$2.6 billion, and it shall be issued at full face value in separate issues during the fiscal year 1972. The number of issues of the Bond and the amount and date of each issue shall be prescribed by the Executive Yuan.

Article 3

The face value of the certificates of each issue of the Bond shall be respectively determined at the discretion of the Ministry of Finance.

Article 4

The term for redemption of each issue of the Bond is six years. The payment of the principal shall begin three years from the issue date. The principal shall be paid once per year, and fully paid up in four installments of one-fourth of the principal each.

Article 5

The interest rate on the certificates of each issue of the Bond shall be determined by the Executive Yuan. However, when an adjustment is made to the interest rate, the adjusted interest rate may not be lower than the one set at the time of issuance. Interest shall be paid once every six months from the date of issuance.

Article 6

The certificates of each issue of the Bond shall be in bearer form. However, a purchaser at the time of purchase may apply for certificates in registered form.

Article 7

If a certificate of any issue of the Bond is lost, stolen, or destroyed, the payment cannot be stopped for such reasons, nor shall Paragraph 1 (proviso), Article 720; Article 725 and Article 727 of the Civil Code apply. However, if a lost, stolen, or destroyed certificate is in registered form, the holder may follow the loss reporting procedures of the original selling institution and apply for reissuance of the certificate.

Article 8

Funds for redemption of the certificates of each issue of the Bond shall be included in the national general budget on an annual basis, and shall be appropriated to the managing bank in advance to be held on deposit in preparation of payment.

Article 9

The issuance, sale, redemption and interest payments of the certificates of each issue of the Bond shall be managed by the Central Bank.

Article 10

The certificates of any issue of the Bond may be freely traded, pledged, or used as guarantees in official dealings. However, in the case of a registered bond certificate, title transfer
procedures must be carried out with the original managing bank before the foresaid dealings.

Article 11

Unmatured principal and interest coupons of certificates of any issue of the Bond may, within two months prior to the principal repayment date, be used at full face value to offset
income tax, estate tax, customs duties, commodity tax, mining concession tax, and public real estate auction purchase prices.

Article 12

Interest on the certificates of each issue of the Bond is exempt from income tax.

Article 13

This Act shall come into force from the date of promulgation.

Data Source：Ministry of Finance, R.O.C. Laws and Regulations Retrieving System