

in countries referred to in part 211 of this chapter.

§ 359.38 How is payment made when definitive Series I savings bonds are redeemed?

A financial institution qualified as a paying agent under the provisions of part 321 will pay the current redemption value of a definitive Series I bond presented for payment. The bond must meet the requirements for payment specified in part 360. You must establish your identity and entitlement to redemption to the satisfaction of the agent, in accordance with our instructions and identification guidelines, and must sign and complete the request for payment.

§ 359.39 How are redemption values calculated for definitive Series I savings bonds?

We determine the redemption value of a definitive savings bonds for the accrual date (the first day of each month) by first determining the composite rate as defined in § 359.13. If the result of the composite rate calculation is a negative value, zero will be the assumed composite rate in the redemption value calculation. Redemption values are calculated using the following formula (For examples of the calculation, see Appendix A to part 359):

$$FV = PV \times \{[1 + (CR \div 2)]^{(m + 6)}\}$$

Where:

FV (future value) = redemption value on the accrual date rounded to the nearest cent without consideration of penalty.

PV (present value) = redemption value at the beginning of the semiannual rate period calculated without consideration of penalty. For bonds that are older than five years, PV will equal the redemption value at the start of the semiannual rate period.

CR = composite rate converted to decimal form by dividing by 100.

m = number of full calendar months elapsed during the semiannual rate period.

§ 359.40 How can I find out what my definitive Series I savings bonds are worth?

(a) *Redemption values.* Redemption values are available for definitive bonds in various formats and media.

(1) You may determine the redemption value for definitive bonds on the Internet at www.savingsbonds.gov.

(2) You may download savings bonds calculators from the Internet at www.savingsbonds.gov.

(3) You may obtain paper tables from the Bureau of the Public Debt, Parkersburg, West Virginia 26106-1328. We reserve the right to cease making paper tables of redemption values available.

(b) *Redemption penalty.* Redemption values published in the tables reflect the three-month interest penalty applied to bonds redeemed prior to five years from the date of issue.

§ 359.41-359.44 [Reserved]

Subpart C—Book-Entry Series I Savings Bonds

§ 359.45 How are book-entry Series I savings bonds purchased and held?

Book-entry bonds must be purchased and held online through your New Treasury Direct account. We provide instructions for opening an account online at <http://www.publicdebt.treas.gov>.

§ 359.46 What are the denominations and prices of book-entry Series I savings bonds?

Book-entry bonds are issued in a minimum amount of \$25, with additional increments of one cent. Book-entry bonds are sold at par value.

§ 359.47 How is payment made for purchases of book-entry Series I savings bonds?

You may only purchase book-entry Series I savings bonds online through your New Treasury Direct account. You may pay for your securities through a debit to your designated account at a United States depository financial institution, or by applying the redemption proceeds of a certificate of indebtedness held in your New Treasury Direct account.

[69 FR 50308, Aug. 16, 2004]

§ 359.48 How are redemption payments made for my redeemed book-entry Series I savings bonds?

We will make payments electronically by direct deposit, using the ACH method, to your designated account at a United States depository financial institution. You may also direct that a

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payment be used to purchase a certificate of indebtedness to be held in your New Treasury Direct account.

[69 FR 50308, Aug. 16, 2004]

§ 359.49 What is the issue date of a book-entry Series I savings bond?

The issue date of a book-entry Series I savings bond is the first day of the month in which the security posts to the current holdings of the account owner.

[69 FR 50308, Aug. 16, 2004]

§ 359.50 What amount of book-entry Series I savings bonds may I acquire per year?

The principal amount of book-entry bonds that you may acquire in any calendar year is limited to \$30,000.

[68 FR 24806, May 8, 2003]

§ 359.51 What book-entry Series I savings bonds are included in the computation?

(a) We include all bonds that you purchased in that calendar year.

(b) Bonds purchased as gifts or in a fiduciary capacity are not included in the computation for the purchaser.

(c) Bonds transferred or delivered from one New Treasury Direct account to another New Treasury Direct account are included in the computation for the recipient, unless you have become entitled to the transferred bonds due to the death of the registered owner.

[68 FR 24806, May 8, 2003]

§ 359.52 What happens if any person purchases book-entry Series I savings bonds in excess of the maximum amount?

We reserve the right to take any action we deem necessary to adjust the excess, including the right to remove the excess bonds from your New Treasury Direct account and refund the payment price to your bank account of record using the ACH method of payment.

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§ 359.53 Are taxpayer identification numbers (TINs) required for registration of book-entry Series I savings bonds?

The TIN of each person named in the registration is required to purchase a book-entry bond.

§ 359.54 When is a book-entry Series I savings bonds validly issued?

A book-entry bond is validly issued when it is posted to your New Treasury Direct account.

§ 359.55 How are redemption values calculated for book-entry Series I savings bonds?

We base current redemption values (CRV) for book-entry Series I savings bonds on the definitive savings bonds CRV. To calculate the book-entry values, we use the CRV for the \$100 denomination Series I savings bonds and calculate a CRV prorated to the book-entry par investment amount for the corresponding issue and redemption dates. Calculated book-entry CRV will be rounded to the nearest one cent.⁵ The formula is as follows (Examples of the calculation are given in Appendix A to part 359.):

$$[\text{Book-entry par investment} \div 100] \times [\text{CRV value for } \$100 \text{ bond}]$$

§ 359.56 How can I find out what my book-entry Series I savings bonds are worth?

(a) *Redemption values.* You may access redemption values for your book-entry bonds through your New Treasury Direct account.

(b) *Redemption penalty.* Redemption values shown in your New Treasury Direct account reflect the three-month interest penalty applied to bonds redeemed prior to five years from the date of issue.

⁵Example: Calculated value of \$25.044 rounds to \$25.04; calculated value of \$25.045 rounds to \$25.05.