§ 332.4 Registration.

Series H bonds were permitted to be registered as set forth in subpart B of 31 CFR part 315, also published as Department of the Treasury Circular No. 530.

§ 332.5 Limitation on holdings.

The amount of Series H bonds, originally issued during any one calendar year, that could be held by any one person, at any one time, computed in accordance with the governing regulations, was limited as follows:

(a) General limitation. From $5,000 to $30,000 depending upon the issue date.

(b) Special limitation for gifts to exempt organizations under 26 CFR 1.501(c)(3)-1. $200,000 for bonds received as gifts by an organization which at the time of purchase was an exempt organization under the terms of 26 CFR 1.501(c)(3)-1.

(c) Exchange pursuant to 31 CFR part 339. Series H bonds issued in an exchange pursuant to the provisions of 31 CFR part 339, also published as Department of the Treasury Circular No. 1036, were exempt from the annual limitation.

§ 332.6 Purchase of bonds.

(a) Issuing agents. Only Federal Reserve Banks and Branches, as fiscal agents of the United States, and the Department of the Treasury were authorized to issue Series H bonds. However, financial institutions were permitted to forward applications for purchase of the bonds to the Federal Reserve Bank of their district. The date of receipt, by the Reserve Bank or the Department of the Treasury, of the application and payment governed the issue date of the bond purchased.

(b) Application for purchase and remittance. (1) The applicant for purchase of Series H Bonds furnished:

(i) Instructions for registration of the bonds to be issued, which must have been in an authorized form;

(ii) The appropriate social security or employer identification number;

(iii) The post office address of the owner or first-named coowner; and

(iv) The address(es) for delivery of the bonds and for mailing checks in payment of interest, if other than that of the owner or first-named coowner.

(2) The application was to be forwarded to a Federal Reserve Bank or Branch, or the Department of the Treasury, accompanied by a remittance to cover the purchase price. Any form of exchange, including personal checks, was acceptable, subject to collection. Checks or other forms of exchange were to be drawn to the order of the Federal Reserve Bank or the United States Treasury. Checks payable by endorsement were not acceptable. Any depositary qualified pursuant to 31 CFR part 205, also published as Department of the Treasury Circular No. 92, current revision, was permitted to make payment by credit for bonds applied for on behalf of its customers, up to any amount for which it was qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

§ 332.7 Delivery of bonds.

Authorized issuing agents delivered Series H bonds, either over-the-counter in person or by mail, at the risk and expense of the United States, to the address given by the purchaser, but only within the United States, its territories and possessions, and the Commonwealth of Puerto Rico. No mail deliveries elsewhere were made. If purchased by citizens of the United States temporarily residing abroad, the bonds were delivered at such address in the United States as the purchaser directed.

§ 332.8 Extended terms and yield for outstanding bonds.

(a) Extended maturity period—(1) General. The terms extended maturity period, and second extended maturity period, when used herein, refer to 10-year intervals after the original maturity dates during which owners may retain their bonds and continue to earn interest thereon. No special action is required of owners desiring to take advantage of any extensions heretofore or herein granted.

(2) Two extensions. All Series H bonds may be retained for two extended maturity periods of 10 years each. All Series H bonds cease to earn interest upon reaching final maturity. Final maturities are shown below:
§ 332.11 Reservation as to issue of bonds.

(b) Investment yields for outstanding bonds—General—interest rates. The investment yields on outstanding Series H bonds are as set out below:

(1) For Series H bonds that were in original or extended maturity periods prior to November 1, 1982, the investment yield was 8.5 percent per annum, paid semiannually, effective for the period from the first semiannual interest payment date occurring on or after May 1, 1981, through the end of such periods. For bonds that entered extensions, see paragraphs (b)(2) through (b)(4) of this section.

(2) For Series H bonds that entered extended maturity periods from November 1, 1982, through October 1, 1986, the investment yield was 7.5 percent per annum, paid semiannually, for such periods, including bonds that entered into an extended maturity period, as shown below:

<table>
<thead>
<tr>
<th>Issue dates—1st day of</th>
<th>Extension</th>
<th>Entered—1st day of</th>
</tr>
</thead>
</table>

(3) For Series H bonds that entered extended maturity periods from November 1, 1986, through February 1, 1993, the investment yield was 6 percent per annum, paid semiannually, for such periods, including bonds that entered into an extended maturity period, as shown below:

<table>
<thead>
<tr>
<th>Issue dates—1st day of</th>
<th>Extension</th>
<th>Entered—1st day of</th>
</tr>
</thead>
</table>

(4) For Series H bonds that entered or enter extended maturity periods on or after March 1, 1993, the guaranteed minimum investment yield is 4 percent per annum, paid semiannually, or the investment yield in effect at the beginning of such periods, including bonds that enter into an extended maturity period, as shown below:

<table>
<thead>
<tr>
<th>Issue dates—1st day of</th>
<th>Extension</th>
<th>Entered—1st day of</th>
</tr>
</thead>
</table>

(c) Tables of interest payments and investment yields. Tables of interest payments and investment yields are available from the Bureau of Fiscal Service and Federal Reserve Banks and Branches.

§ 332.9 Taxation.

The income derived from Series H bonds is subject to all taxes imposed under the Internal Revenue Code of 1986, as amended. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all other 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.

§ 332.10 Payment or redemption.

A Series H bond became eligible for redemption at par at any time after six months from its issue date. To be redeemed, the bond must be presented and surrendered, with a duly executed request for payment, to a Federal Reserve Bank or Branch referred to in §332.12, or the Bureau of the Fiscal Service, Parkersburg, WV 26106–1328. In any case where bonds are surrendered for redemption in the month prior to an interest payment date, redemption will not be deferred but will be made in regular course, unless the presenter specifically requests that the transaction be delayed until that date. A request to defer redemption made more than one month preceding the interest payment date will not be accepted.

§ 332.11 Reservation as to issue of bonds.

The Secretary of the Treasury reserved the right to reject any application for Series H bonds, in whole or