



Currency and Banknotes Act 1928

1928 CHAPTER 13 18 and 19 Geo 5

An Act to amend the law relating to the issue of bank notes by the Bank of England and by banks in Scotland and Northern Ireland, and to provide for the transfer to the Bank of England of the currency notes issue and of the assets appropriated for the redemption thereof, and to make certain provisions with respect to gold reserves and otherwise in connection with the matters aforesaid and to prevent the defacement of bank notes. [2nd July 1928]

1, 2.^{F1}

Textual Amendments

F1 Ss. 1, 2 repealed by [Currency and Bank Notes Act 1954 \(c. 12\), s. 4\(2\)](#)

3 **Securities for note issue to be held in issue department.**

- (1) In addition to the gold coin and bullion for the time being in the issue department, the Bank shall from time to time appropriate to and hold in the issue department securities of an amount in value sufficient to cover the fiduciary note issue for the time being.
- (2) The securities to be held as aforesaid may include silver coin to an amount not exceeding five and one-half million pounds.
- (3) The Bank shall from time to time give to the Treasury such information as the Treasury may require with respect to the securities held in the issue department, . . .^{F2}

[^{F3}(4) In this section the expression “ securities ” includes securities and assets in currency of any country and in whatever form held.]

Textual Amendments

F2 Words repealed by [Statute Law \(Repeals\) Act 1973 \(c. 39\), Sch 1 Pt. IV](#)

F3 S. 3(4) added (21.7.2008) by [Statute Law \(Repeals\) Act 2008 \(c. 12\), Sch. 2 para. 6](#)

Status: Point in time view as at 23/11/2009.

Changes to legislation: There are currently no known outstanding effects for the Currency and Banknotes Act 1928. (See end of Document for details)

Modifications etc. (not altering text)

- C1 S. 3 amended by [Finance Act 1932 \(c. 25\), s. 25\(7\)](#)
 C2 S. 3(1) extended by [National Loans Act 1968 \(c. 13\), s. 9\(4\)](#)
 C3 S. 3(2) amended by [Coinage Act 1971 \(c. 24\), s. 12\(1\)\(2\), Sch. 2](#)

4 Transfer of currency notes issue to Bank of England.

- (1) As from the appointed day all currency notes issued under the ^{M1}Currency and Bank Notes Act 1914, certified by the Treasury to be outstanding on that date (including currency notes covered by certificates issued to any persons under section two of the ^{M2}Currency and Bank Notes (Amendment) Act 1914, but not including currency notes called in but not cancelled) shall, for the purpose of the enactments relating to bank notes and the issue thereof (including this Act) be deemed to be bank notes, and the Bank shall be liable in respect thereof accordingly.
- (2) The currency notes to which subsection (1) of this section applies are in this Act referred to as “the transferred currency notes.”
- (3) At any time after the appointed day, the Bank shall have power, on giving not less than three months’ notice in the London, Edinburgh and Belfast Gazettes, to call in the transferred currency notes on exchanging them for bank notes of the same value.
- (4) Any currency notes called in but not cancelled before the appointed day may be exchanged for bank notes of the same value.

Marginal Citations

- M1 1914 c. 14.
 M2 1914 c. 72.

5 F4

Textual Amendments

- F4 S. 5 repealed by [Currency Act 1983 \(c. 9, SIF 10\), s. 4, Sch.](#)

6 Profits of note issue to be paid to Treasury.

- (1) The Bank shall, at such times and in such manner as may be agreed between the Treasury and the Bank, pay to the Treasury an amount equal to the profits arising in respect of each year in the issue department, including the amount of any bank notes written off under section six of the ^{M3}Bank Act 1892 as amended by this Act [^{F5}or under section 3 of the Currency Act 1983], but less the amount of any bank notes so written off which have been presented for payment during the year and the amount of any currency notes called in but not cancelled before the appointed day which have been so presented.
- (2) For the purposes of this section the amount of the profits arising in any year in the issue department shall, subject as aforesaid, be ascertained in such manner as may be agreed between the Bank and Treasury.

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(3) For the purposes of the Income Tax Acts, any income of, or attributable to, the issue department shall be deemed to be income of the Exchequer, and any expenses of, or attributable to, the issue department shall be deemed not to be expenses of the Bank.

(4) F6

Textual Amendments

F5 Words inserted by [Currency Act 1983 \(c. 9, SIF 10\)](#), s. 3(6)

F6 S. 6(4) repealed by [Finance Act 1972 \(c. 41\)](#), Sch. 28 Pt. XI

Modifications etc. (not altering text)

C4 S. 6(1) amended by [National Loans Act 1968 \(c. 13\)](#), s. 9

Marginal Citations

M3 1892 c. 48

7 F7

Textual Amendments

F7 S. 7 repealed by [Currency Act 1983 \(c. 9, SIF 10\)](#), s. 4, Sch.

8 F8

Textual Amendments

F8 S. 8 repealed by [Currency and Bank Notes Act 1954 \(c. 12\)](#), s. 4(2)

F9 Amendment as to issue of notes by banks in Scotland and Northern Ireland.

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Textual Amendments

F9 S. 9 repealed (23.11.2009) by [Banking Act 2009 \(c. 1\)](#), ss. 214(3)(b), 263(1) (with s. 247); S.I. 2009/3000, art. 3

10 Amendment of s. 6 of 7 & 8 Vict. c. 32.

The form prescribed by Schedule A to the ^{M4}Bank Charter Act 1844 for the account to be issued weekly by the Bank under section six of that Act may be modified to such an extent as the Treasury, with the concurrence of the Bank, consider necessary, having regard to the provisions of this Act.

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Marginal Citations
M4 1844 c. 32.

11 F10

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Textual Amendments
F10 S. 11 repealed by Exchange Control Act 1947 (c. 14), s. 44(3)

12 Penalty for defacing bank notes.

If any person prints or stamps, or by any like means impresses, on any bank note any words, letters or figures, he shall, in respect of each offence, be liable on summary conviction to a penalty not exceeding [^{F11}level 1 on the standard scale].

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Textual Amendments
F11 Words substituted by virtue of (E.W.) Criminal Law Act 1977 (c. 45, SIF 39:1), s. 31, Criminal Justice Act 1982 (c. 48, SIF 39:1), s. 46, (S.) Criminal Procedure (Scotland) Act 1975 (c. 21, SIF 39:1), ss. 289C, 289G and (N.I.) S.I. 1984/703 (N.I. 3), arts. 5, 6

13 †Short title, interpretation and repeal.

(1) This Act may be cited as the Currency and Bank Notes Act 1928.

(2) F12

(3) In this Act, unless the context otherwise requires,—

The expression “the Bank” means the Bank of England:

The expression “issue department” means the issue department of the Bank:

The expression “bank note” means a note of the Bank:

The expression “coin” means coin which is current and legal tender in the United Kingdom:

The expression “bullion” includes any coin which is not current and legal tender in the United Kingdom.

(4) F12

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Textual Amendments
F12 S. 13(2)(4), Sch. repealed by Statute Law Revision Act 1950 (c. 6)
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Modifications etc. (not altering text)
C5 Unreliable marginal note

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F13F13 SCHEDULE

Textual Amendments

F13 S. 13(2)(4), Sch. repealed by [Statute Law Revision Act 1950 \(c. 6\)](#)

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