

CHAPTER 219

BEARER ACCOUNTS LEVY ACT

To impose a levy on bearer deposits.

(24th July, 1970)*

ACT XXIV of 1970, as amended by: Act XXVII of 1972; Legal Notice 148 of 1975; Acts XIII of 1983; XXV of 1985; I of 1990, II of 1993, XXIV of 1995; and Legal Notices 181 of 2006 and 411 of 2007.

1. The short title of this Act is the Bearer Accounts Levy Act. Short title.

2. (1) In this Act unless the context otherwise requires - Interpretation.

"appointed day" means 1st July, 1970;

"bearer account" includes any arrangements whereby a bank accepts deposits of money withdrawable or payable on demand or after a fixed period or after notice or otherwise by or to the bearer of a passbook, certificate or other instrument or withdrawable or repayable in any other manner except by or to a named person, and "bearer deposit" shall be construed accordingly;

"depositor" means the person or persons entitled to withdraw from a bearer account or to be repaid a bearer deposit, or to be paid any interest on such account or deposit;

"levy" means the bearer account levy chargeable under article 3.

(2) In this Act, words or expressions not otherwise defined, have, unless the context otherwise requires, the same meaning as they have in the Banking Act.

Cap. 215.

3. (1) A levy, to be called "bearer account levy", shall be charged and paid in accordance with this Act on all sums placed in Malta with any bank for deposit in a bearer account, whether such sum is to be so held by that bank or by another bank and whether it is to be so held in Malta or outside Malta.

Bearer account
levy.
Amended by:
XXVII.1972.2;
XXV.1985.2;
I.1990.2;
II.1993.2.

(2) The levy chargeable per annum under subarticle (1) shall be forty per cent of the interest due on all sums placed for deposit as aforesaid and at any time in a bearer account and held as aforesaid on deposit by a bank on the appointed day or at any time thereafter, and shall be assessed and be due with effect from the said day on the daily balances in such account on and after the said day.

(3) Every bank with which a sum has been placed for deposits in a bearer account, whether or not such deposit is held by that bank, shall pay to the Accountant General the amounts due by way of levy on any such deposit not later than -

(a) the 15th of July in any year in respect of all levy due, in accordance with subarticle (2), on or before the 30th June of that year; and

*See Government Notice No. 561 of 24th July, 1970.

(b) the 15th of January in any year in respect of all levy due as aforesaid on or before the 31st December of the previous year.

(4) Without prejudice to any other right against a depositor, every bank as aforesaid may deduct from any interest or other sum payable to a depositor the amount paid by way of levy under this Act in respect of the bearer account in respect of which the interest or such other sum is due, and all sums properly deducted under this subarticle shall not be recoverable by the depositor from the bank.

(5) Except in repayment of sums deposited, a bank shall not pay to a depositor, directly or indirectly, any sum in excess of the difference between the interest payable on the account at the agreed rate and the levy.

Record of bearer accounts.

4. (1) Every bank shall keep proper records showing all deposits made with or through the bank in a bearer account and held, whether or not by that bank, on the appointed day, and all deposits made with or through the bank in a bearer account thereafter; and such records shall indicate in respect of each bearer account -

- (a) the progressive number and the nature of the account;
- (b) the amount held on the appointed day;
- (c) all deposits made after the appointed day and the date or dates on which such deposits were made;
- (d) all withdrawals from or repayments of deposits after the appointed day and the date or dates on which such withdrawals or repayments were made;
- (e) the date or dates on which interest is due on sums deposited therein;
- (f) any other term or condition of the account; and
- (g) all sums paid by way of levy on the account.

(2) Every bank shall maintain separate records showing the daily aggregate deposits, withdrawals and resulting balance in respect of each type of bearer account.

Returns to be submitted by banks.

5. (1) Every bank shall submit to the Accountant General -

- (a) not later than one month after the coming into force of this Act a return showing the type of bearer accounts held and the aggregate balance on each type of account as on the appointed day;
- (b) not later than fifteen days after 31st December, 1970 and after 30th June and 31st December of each year thereafter a return showing the daily aggregate deposits, withdrawals, resulting balance and levy in respect of each type of bearer account during the previous six months.

(2) Any return under this article shall be in such form as the Accountant General may from time to time approve.

6. Every bank shall, in making payment to the Accountant General of any levy due under this Act, submit to the Accountant General a document drawn up in such form as the Accountant General may approve and showing in respect of each type of bearer account the aggregate amount of the levy due and paid.

Document to accompany payment of levy.

7. (1) The Accountant General is charged with the administration of this Act.

Administrative authority and powers.

(2) Every bank shall permit the Accountant General and any person authorised by him in that behalf to inspect at all reasonable times the records referred to in article 4 and shall afford all reasonable facilities to enable him or such person as aforesaid to ascertain the correctness of any such records and of any return submitted by the bank under this Act and otherwise to ensure that the provisions of this Act are being complied with; and the bank shall also give to the Accountant General or such person as aforesaid all information they may require for any of the above purposes, but the bank shall not be required to give under this Act to the Accountant General or to such person as aforesaid any information for any other purpose.

(3) Except for any of the purposes of this Act, any return or other information submitted by or obtained from a bank under this Act shall be regarded as secret.

8. (1) If any bank fails to comply with any of the provisions of this Act it shall be liable to a penalty not exceeding four hundred and sixty-five euro and eighty-seven cents (465.87):

Offences and penalties.
Amended by:
L.N. 148 of 1975;
XIII. 1983.5;
XXIV. 1995.362;
L.N. 181 of 2006;
L.N. 411 of 2007.

Provided that where the non-compliance consists of a failure by a bank to pay in accordance with this Act any levy, or part thereof, due under this Act, the penalty shall be a sum not exceeding twice the amount of levy remaining unpaid or four hundred and sixty-five euro and eighty-seven cents (465.87) whichever is the higher amount.

(2) Without prejudice to the generality of the foregoing provisions of this article, a bank shall be deemed to have failed to comply with the provisions of this Act -

- (a) if in the records kept, or in any return given, under this Act there is any false, incorrect or misleading particular or information;
- (b) if any other information given for the purposes of this Act is false, incorrect or misleading in any material particular; or
- (c) if the bank fails or refuses without reasonable cause to comply with any request made by the Accountant General or any person authorised by him in that behalf in pursuance of their powers under article 7.

(3) Any person who, being a director or manager of a bank -

- (a) fails to take all reasonable steps to secure compliance by the bank with any of the provisions of this Act; or
- (b) fails to take all reasonable steps to ensure the

correctness of the records kept, or of the returns submitted, or of any other information given, by the bank, under any of the provisions of this Act,

shall be liable to a penalty not exceeding four hundred and sixty-five euro and eighty-seven cents (465.87).

(4) The Accountant General may compound any penalty to which a person may become liable under this Act, and may, before judgment, stay or compound any proceedings thereunder.

(5) All penalties under this Act shall, at the instance of the Accountant General by sworn application in the Civil Court, First Hall, be fixed by that court and be recoverable as a civil debt due to the Government.
