

§ 346.10

31 CFR Ch. II (7-1-02 Edition)

shall be paid in the following order of precedence:

(1) To the duly appointed executor or administrator of the estate of the owner, who should sign the request for payment on the back of the bond in his representative capacity before an authorized certifying officer, such request to be supported by a court certificate or a certified copy of his letters of appointment, under seal of the court, which should show that the appointment is in full force and effect, and be dated within six months of its presentation;

(2) If no legal representative of the deceased registered owner's estate has been or will be appointed, to the widow or widower of the owner;

(3) If none of the above, to the child or children of the owner and the descendants of deceased children by representation;

(4) If none of the above, to the parents of the owner, or the survivor of them;

(5) If none of the above, to other next-of-kin of the owner, as determined by the laws of the domicile of such owner at the time of his death.

In any case coming under the provisions of this paragraph, a duly certified copy of the registered owner's death certificate will ordinarily be required. Proof of death of the beneficiary, if any, will be required where he predeceased the owner. Payment of bonds under paragraph (a)(1) of this section will be made by a Federal Reserve Bank or by the Bureau of the Public Debt, Securities Transactions Branch, Washington, DC 20226. Payment of bonds under paragraphs (a) (2) through (5) of this section will be made upon receipt of applications on Form PD 3565-1, together with the bonds and supporting evidence, by the Bureau of the Public Debt, Division Transactions and Rulings, Parkersburg, WV 26101.

(b) *Order of precedence where beneficiary survived owner.* If the registered owner of an Individual Retirement Bond dies before it has been presented and surrendered for payment, and the beneficiary shown thereon survived the owner, the bond shall be paid in the following order of precedence:

(1) To the designated beneficiary upon his presentation and surrender of

the bond with the request for payment signed and duly certified;

(2) If the designated beneficiary survived the registered owner but failed to present the bond for payment during his own lifetime, payment will be made in the order of precedence specified in paragraphs (a) (1) through (5) of this section to the legal representative, surviving spouse, children, parents, or next-of-kin of such beneficiary, and in the manner provided therein.

In any case coming under the provisions of this subsection, a duly certified copy of the registered owner's death certificate will ordinarily be required. Proof of death of the beneficiary will also be required where he survived the owner but failed to present the bond for payment during his own lifetime. Payment of a bond to a designated beneficiary will be made by a Federal Reserve Bank or by the Bureau of the Public Debt, Securities Transactions Branch, Washington, DC 20226.

(c) *Ownership of redemption proceeds.* The orders of precedence set forth in paragraphs (a) and (b) of this section, except in cases where redemption is made for the account of a registered owner, are for the Department's convenience in discharging its obligation on an Individual Retirement Bond. The discharge of the obligation in accordance therewith shall be final so far as the Department is concerned, but those provisions do not otherwise purport to determine ownership of the redemption proceeds of a bond.

(26 U.S.C. 220 and 31 U.S.C. 757)

[40 FR 4240, Jan. 28, 1975, as amended at 42 FR 37520, July 21, 1977]

§ 346.10 Reissue.

(a) *Addition or change of beneficiary.* An Individual Retirement Bond will be reissued to add a beneficiary in the case of a single ownership bond, or to eliminate or substitute a beneficiary in the case of a bond registered in beneficiary form upon the owner's request on Form PD 3564. No consent will be required to support any reissue transaction from a beneficiary whose name is to be removed from the registration of an Individual Retirement Bond. If the registered owner dies after the

bond has been presented and surrendered for reissue, upon receipt of notice thereof by the agency to which the request for reissue was submitted, such request shall be treated as ineffective, provided the notice of death is received by the Federal Reserve Bank or the Bureau of the Public Debt, Division of Transactions and Rulings, Parkersburg, WV 26101, to which the request was sent, in sufficient time to withhold delivery, by mail or otherwise, of the reissued bond.

(b) *Error in issue—change of name.* Reissue of an Individual Retirement Bond will be made where an error in issue has occurred, as well as in cases where the owner's name has been changed by marriage, divorce, annulment, order of court, or in any other legal manner upon an appropriate request. Information as to the procedure to be followed in securing such reissue may be obtained from a Federal Reserve Bank or the Bureau of the Public Debt, Division of Transactions and Rulings, Parkersburg, WV 26101.

(26 U.S.C. 220 and 31 U.S.C. 757)

[40 FR 4240, Jan. 28, 1975, as amended at 42 FR 37520, July 21, 1977]

§ 346.11 Use of power of attorney.

No designation of an attorney, agent, or other representative to request payment or reissue on behalf of the owner, beneficiary, or other person entitled under § 346.9, other than as provided in these regulations, will be recognized.

§ 346.12 Lost, stolen, or destroyed bonds.

If an Individual Retirement Bond is lost, stolen, or destroyed, relief will be granted upon identification of the bond and proof of its loss, theft, or destruction. A description of the bond by denomination, serial number, issue date and registration should be furnished at the time the report of loss, theft, or destruction is made. Such reports should be sent to the Bureau of the Public Debt, Division of Transactions and Rulings, Parkersburg, WV 26101. Full instructions for obtaining substitute

bonds, or payment, in appropriate cases, will then be given.

(26 U.S.C. 220 and 31 U.S.C. 757)

[40 FR 4240, Jan. 28, 1975, as amended at 42 FR 37520, July 21, 1977]

§ 346.13 Taxation.

The tax treatment provided under section 409 of the Internal Revenue Code of 1954, as amended, shall apply to all Individual Retirement Bonds. The bonds are subject to estate, inheritance, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, municipality, or any local taxing authority. Inquiry concerning the application of any Federal tax to these bonds should be directed to the District Director of Internal Revenue for the district in which the taxpayer resides.

§ 346.14 Certifying officers.

Officers authorized to certify requests for payment or for any other transaction involving Individual Retirement Bonds include:

(a) *Post offices.* Any postmaster, acting postmaster, or inspector-in-charge, or other post office official or clerk designated for that purpose. A post office official or clerk, other than a postmaster, acting postmaster, or inspector-in-charge, should certify in the name of the postmaster or acting postmaster, followed by his own signature and official title. Signatures of these officers should be authenticated by a legible imprint of the post office dating stamp.

(b) *Banks and trust companies.* Any officer of a Federal Reserve Bank or Branch, or of a bank or trust company chartered under the laws of the United States or those of any State, Commonwealth, or Territory of the United States, as well as any employees of such bank or trust company expressly authorized to act for that purpose, who should sign over the title "Designated Employee." Certifications by any of these officers or designated employees should be authenticated by either a legible imprint of the corporate seal,