

Government Savings Bank Act, B.E. 2489 (1946)

Translation

In the name of His Majesty King Bhumibhol Adulayadej,
The Council of Regency Rangsit Krom Khun Chainad Narendara Phya Manavaraj Sevi
Given on the 18th Day of December, B.E. 2489;
Being the 1st Year of the Present Reign

Whereas it is expedient to establish the savings bank for the purpose of promotion of social welfare in respect of property;

Be it, therefore, enacted by the King, by and with the advice and consent of the National Assembly, as follows:

Section 1

This Act is called the "Government Savings Bank Act, B.E. 2489 (1946)".

Section 2

This Act shall come into force as from the day following the date of its publication in the Government Gazette.⁽²⁾

Section 3

The Savings Bank Act, B.E. 2456, the Savings Bank Amendment Act, B.E. 2472, the Savings Bank Act (No.3), B.E. 2479, and all other laws, bye-laws and regulations in so far as they are already provided herein, or are inconsistent with the provisions hereof shall be repealed.

Section 4

In this Act:

"Minister" means the Minister having charge and control of the execution of this Act;

"Director-General" means the Director-General of the Savings Bank;

"Deputy Director-General" means the Deputy Director-General of the Savings Bank;

"Board" means the Board of Directors of the Savings Bank.

Section 5

The Savings Bank shall be exempted from income tax, tax on business premises, tax on banking and savings businesses and stamp duties under the Revenue Code.

Section 6

The Minister of Finance shall have charge and control of the execution of this Act and shall have the power to issue Ministerial Regulations and regulations for the execution of this Act.

Such Ministerial Regulations and regulations shall come into force upon their publication in the Government Gazette.

CHAPTER I**Establishment and Operation****Section 7**

There shall be established the Savings Bank for the purpose of conducting business as follows:

- (1) to receive money as savings deposit;
- (2) to issue savings bonds and premium savings certificates;
- (3) to receive money on deposit in aid of life and family;
- (4) to accept a receipt, payment and transfer of money;
- (5) to purchase or sell the Thai Government bonds;
- (6) to make an investment for procuring profits, as permitted by the Minister;
- (7) to engage in other savings business as may be determined by Royal Decrees;
- (8) to engage in any activities which are banking businesses as may be determined by Royal Decrees, provided that these businesses are to be conducted according to the stipulations and conditions prescribed in the Ministerial Regulations.

Section 8

The Savings Bank shall be a juristic person.

Section 9

The Savings Bank shall establish its head office in Bangkok and may establish its branch or representative offices anywhere within the Kingdom.

Section 10

All properties, assets, liabilities and businesses of the Savings Bank of the Post and Telegraph Department shall be transferred to the Savings Bank for further proceedings.

The Minister shall publish in the Government Gazette the date of such transfer.

CHAPTER II

Supervision, Control and Management

Section 11

The Minister shall have the power and duty to exercise general supervision of the activities of the Savings Bank.

Section 12

The Board consisting of the Director-General, Deputy Director-General and not less than other seven directors shall generally supervise the activities of the Savings Bank.

Section 13

The Minister shall have the power to appoint to or remove from office the Director-General, Deputy Director-General and other directors of the Savings Bank.

Section 14

The functions and liabilities of the Board and the term of office of the directors shall be determined by Royal Decree.

Section 15

The Minister shall determine the bonuses of the directors.

Section 16

The Director-General shall be the manager of the Savings Bank, having the power and duties to administer the activities in accordance with the law, bye-laws and regulations of the Savings Bank.

The Deputy Director-General shall perform the activities according to those entrusted to him by the Director-General.

Section 17

The Board shall have the power to appoint its officers as may be necessary for conducting businesses of the Savings Bank, to demand security for the faithful discharge of their duties, to fix the salaries, bonuses and other emoluments and to remove them from office.

In case of emergency, the Director-General shall exercise the foregoing power of the Board, provided that it must be reported to the Board forthwith.

CHAPTER III Security and Guaranty

Section 18

The carrying out of investments under Section 7 (5) must firstly be approved by the Board.

Section 19⁽³⁾

The Savings Bank shall utilize its income earned in each year as expenditure for the following activities:

- (a) paying for interest on deposit;
- (b) paying for any expenses incurred from conducting businesses of the Savings Bank within the amount approved by the Minister;
- (c) paying for other payment that be bound to pay under its obligation.

Section 20⁽⁴⁾

Any balance of income, after deduction the expenditure under Section 19 and the allotment for reserve fund for the expansion of its business, shall be remitted as State revenue in the *ratio* as prescribed by the Minister. The remainder thereof shall be accumulated for further businesses of the Savings Bank.

Should the income accrued in any year be insufficient to meet the annual expenses of that year, the deficit thereof shall be paid from the money accumulated for the businesses of the Savings Bank. If it is still insufficient, the State shall grant to the Savings Bank in the amount as deemed necessary.

Section 21

The repayment of all principals, the payment of interest on deposit according to the stipulations and conditions prescribed in the Ministerial Regulations and other payment that be bound to pay under its obligation are all guaranteed by the Government.

CHAPTER IV Withdrawal of Money

Section 22

The withdrawal of money shall be in accordance with the stipulations prescribed in the Ministerial Regulations.

Section 23

When a minor whose age is over seven years has withdrawn the money deposited or interest from the Savings Bank, such minor or any other person is not entitled to demand the money, which has already been withdrawn.

When the Savings Bank pays the money deposited or interest to a married woman, such payment shall be deemed as a lawfully payment.

In the two foregoing paragraphs, the receipt given to the Savings Bank by the depositor for money received shall discharge the Savings Bank from all liabilities in respect of the amount so paid.

Section 24

When a depositor dies, the Savings Bank shall deal with the money deposited as follows:

In case where an executor is appointed, when the Savings Bank pays the money deposited according to the notice of the executor, the Savings Bank shall discharge from all liabilities in respect of the amount so paid.

In case where an executor is not appointed, the Savings Bank may pay to the person claiming to be a statutory heir as provided by law the money deposited by the deceased in the amount up to five hundred Baht provided that such person must furnish a guarantor for the return of such amount. In case where an action against the status of statutory heir or the right over the amount paid is brought within the period of prescription, any amount exceeding five hundred Baht shall not be paid unless and until such statutory heir has proved its status as a statutory heir to the satisfaction of the Director-General.

In case where the deceased has made deposit for the benefit of another person who is a minor, the Savings Bank shall identify such person's name in place of the deceased. In this event, the said person shall be entitled to withdraw the money deposited when he becomes *sui juris* or being obtained permission in writing from the person exercising parental power showing that the withdrawal is made for the minor's benefit.

CHAPTER V

Audit

Section 25

The State Audit Council shall be the auditor of the Savings Bank.

The Minister shall publish a balance sheet as is at the end of the year that is duly certified by the auditor within the first six months of the following year.

Section 26

The Minister shall publish the financial status of the Savings Bank in brief in every quarter.

The Minister shall publish an annual report concerning the business conducted by the Savings Bank during the year, the number of depositors, the amount of deposit, the amount of interest paid, profits accrued from the capital and such other particulars as may be deemed proper within the first six months of the following year.

CHAPTER VI

Transitory Provisions

Section 27

Pending the transfer of properties, assets, liabilities and businesses under Section 10, the Savings Bank of the Post and Telegraph Department shall carry on the activities of the Savings Bank.

Countersigned by

Rear Admiral T. Thamrong Navaswasdhi

Prime Minister

Note:

- (1) As last amended by the Government Savings Bank Act (No. 2), B.E. 2542 (1999), (Published in the Government Gazette Vol. 116, Part 31(a), dated 27th April, B.E. 2542 (1999))
- (2) Published in the Government Gazette Vol.63, No.83, dated 31st December, B.E. 2489 (1946)
- (3) As amended by Section 3 of the Government Savings Bank Act (No. 2), B.E. 2542 (1999)
- (4) As amended by Section 3, *ibid*

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