

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

IN THE NAME OF HIS MAJESTY KING BHUMIPOL ADULYADEJ

The Council of Regency

Rangsit Krom Khun Chainad Narendara

Phraya 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 Government 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 shall be called “the Government Savings Bank Act B.E. 2489”

Section 2. This Act shall be come into force as from the day following the date of its publication in the Government Gazette.¹

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bye-laws and regulations in so far as they are provided herein, or are inconsistent with the provisions hereof shall be repealed.

Section 4. In this Act:

“Minister” means the Minister taking charge and control of the execution of this Act;

“Director-General” means the Director-General of the Government Savings Bank;

“Deputy Director-General” means the Deputy Director-General of the Government Savings Bank;

¹ Published in the Government Gazette Vol. 63, No. 83 dated December 31 B.E. 2489 (1946)

“Board of Directors” means the Board of Directors of the Government Saving Bank

Section 5. The Government Saving 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 the Ministry of Finance shall have charge and control of the execution of this Act, and shall have the power to issue Ministerial Regulations and Rules for the execution of this Act.

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

CHAPTER 1

ESTABLISHMENT AND OPERATION

Section 7. There shall be established the Government Savings Bank for the purpose of conducting businesses as follows:

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

Section 8. The Government Savings Bank Shall be a juristic person.

Section 9. The Government Savings Bank shall establish its head office in Bangkok, and may establish its branch offices and agencies at any other place in the Kingdom.

Section 10. All of the properties, assets, liabilities and businesses of the Savings Bank of the Post and Telegraph Department shall be transferred to the Government Savings Bank for further proceedings.

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

CHAPTER 2 SUPERVISION, CONTROL AND MANAGEMENT

Section 11. The minister shall have the power and duty to exercise general supervision of the businesses of the Government Savings Bank.

Section 12. The general control and supervision of the affairs of the Government Savings Bank shall be entrusted to a Board of Directors consisting of the Director-General, Deputy Director-General and other directors of the Government Savings Bank.

Section 13. The Minister shall have the authorities to appointment or removal from office of the Director-General, Deputy Director-General and other directors of the Government Savings Bank.

Section 14. The duties and liabilities of the Board of Directors and the term of office of the Directors shall be determined by the Royal Decree.

Section 15. The Minister shall determine the bonuses of the Directors.

Section 16. The Director-General shall be the manager of the Government Savings Bank, with the power and duties to operate the affairs in accordance the laws, regulations, rules of the Government Savings Bank.

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

Section 17. The Board of Directors shall have the power to appoint such officers as may be necessary to conduct the businesses of the Government Savings Bank, to demand security for the faithful discharge of their duties, to fix their salaries, bonuses and other emoluments, and to remove them from office.

CHAPTER 3
SECURITY AND GUARANTY

Section 18. Investment under Section 7(5) shall have prior been approved by the Board of Directors.

Section 19. The profits earned annually shall be dealt with by the Government Savings Bank as follows:

(a) To pay interest on deposit;

(b) To paying as expenses in the businesses of the Government Savings Bank within the amount approved by the Minister;

(c) To pay as Any other monies to be paid under the obligation.

Section 20. Any outstanding balance after the payments made under the foregoing Section shall be accumulated for further businesses of the Government Savings Bank.

If the benefit earned in any year is insufficient for annual payment in that year, the deficit shall be paid from the money accumulated for the business of the Government Savings Bank. If it is still insufficient, the Ministry of finance shall pay it in full from the Treasury Reserve.

Any sufficient remaining benefit in the following years shall be returned to the Treasury Reserve in full as paid under the foregoing paragraph, and the remainder thereof shall be retained for the businesses of the Government Savings Bank.

Section 21. All of the repayment of principals and the payment of interest on deposit according to the stipulations and conditions as prescribed in the Ministerial Regulations as well as the payment of any other monies under the obligation shall be guaranteed by the Government.

CHAPTER 4
WITHDRAWAL OF MONEY

Section 22. The withdrawal of money shall be in accordance with the stipulations as prescribed in the Ministerial Regulations.

Section 23. When a minor who is over seven years old has withdrawn the depositor interest from the Government Savings Bank, such minor or any other person has no right to demand the money which has already been withdrawn.

When the Government Savings Bank has paid back the deposit or paid the interest to a married woman, the payment shall be deemed to be lawful.

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

Section 24. When a depositor dies, the Government Savings Bank shall deal with the deposit as follows:

In the case where an executor or administrator is appointed: when the Government Savings Bank has paid the Money according to the notice of the executor or administrator, the Government Savings Bank shall be discharged from liability in respect of the amount so paid

In the case of no executor or administrator the Government Savings Bank may return the money so deposited by the deceased five hundred baht at most to the person claiming to be statutory heir according to the classes provided by law, provided however that such person must furnish a surety for the return of such amount. In the case where the action is brought within the period of prescription for inheritance in protest against the fact of his being statutory heir or against the right to the amount so paid, no sum in excess of five hundred baht shall be paid unless and until the statutory heir shall have proven the fact of his being 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 minor, the Government Savings Bank shall enter such person's name in place of the name of deceased, but such person shall have the right to withdraw the money only when he becomes sui juris; or else, when he has in writing permitted by the person exercising the parental power to show that the above-mentioned withdrawal is made for the minor's benefit.

CHAPTER 5
AUDIT

Section 25. The State Audit Commission shall be the auditor of all the accounts of the Government Savings Bank.

Within the first six months of the following year, the Minister shall publish a balance sheet as it is, which is duly certified by the auditor, at the end of the year.

Section 26. The Minister shall publish briefly the quarterly financial position of the Government Savings Bank.

Within the first six months of the following year, the Minister shall publish an annual report concerning the businesses as conducted by the Government Savings Bank during the year, the number of depositors, the amount of money on deposit, the amount of interest paid, benefits accrued from the capital, and so forth as may be deemed proper.

CHAPTER 6
TRANSITORY PROVISIONS

Section 27. When the transfer of properties, assets, liabilities and businesses as provided in Section 10 has not yet been completed, the Savings Bank of the Post and Telegraph Department shall, for the time being, carry on the Savings Bank Affairs as usual.

Countersigned by:

Rear-Admiral T. Thamrong Navaswati

Prime Minister.