

# TREASURY BILLS ACT

## ARRANGEMENT OF SECTIONS

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## TREASURY BILLS ACT

**An Act to authorise the borrowing of money for the purposes of the Federation by the issue of treasury bills in Nigeria.**

[1959 No. 11.]

[19th March, 1959]

[Commencement.]

### **1. Short title**

This Act may be cited as the Treasury Bills Act.

### **2. Interpretation**

In this Act, "**Minister**" means the Minister charged with responsibility for matters relating to finance.

### **3. Authority for Central Bank to issue treasury bills**

(1) The Minister is hereby authorised to borrow by the issue in Nigeria of Federal Government treasury bills, and the Central Bank of Nigeria, when authorised in writing by the Minister, may for that purpose issue in Nigeria, within the terms of the authority

and subject to any direction given by the Minister, such Federal Government treasury bills together with such further treasury bills as shall be required to payoff at maturity treasury bills already lawfully issued.

(2) The principal sums represented by any treasury bills outstanding at anyone time under the provisions of this section shall not exceed one hundred and fifty per cent of the estimated revenue retained by the Federal Government and gross revenues of the States during the year then current.

#### **4. Authority for Minister to issue certain bills**

Notwithstanding the provisions of subsection (2) of section 3 of this Act, the Minister may authorise the Central Bank of Nigeria to issue additional Federal Government treasury bills for such amounts as may be required to finance the cost of manufacture, shipment, transportation and insurance of Nigeria currency notes and coins in accordance with the Central Bank of Nigeria Act.

[Cap. C4.]

#### **5. Charge**

The principal sums represented by any treasury bills issued under the provisions of this Act and any interest thereon are hereby charged upon and shall be payable out of the Consolidated Revenue Fund of the Federation.

#### **6. Proceeds**

The proceeds of the issue of the treasury bills issued under this Act shall be paid into the Consolidated Revenue Fund.

#### **7. Power to lend proceeds**

Where the Minister is satisfied that the proceeds of the issue of treasury bills or any part of such proceeds should be made available by way of loan to a State, the Minister may issue a warrant for payment in a form approved by him in favour of the Government of the State, and moneys shall be paid out of the Consolidated Revenue Fund as directed in the warrant.

[1961 No. 45.]

#### **8. Expenses**

The expenses necessarily incurred in connection with the issue of treasury bills under this Act shall be charged to the revenue of the Federation.

#### **9. Amounts and currency of bills**

(1) Every treasury bill issued in accordance with section 3 of this Act shall be expressed to be in respect of a sum of ₦2,000 or a multiple thereof and shall be payable at par at a date not more than twelve months from the date thereof.

(2) Treasury bills shall be denominated in naira after the coming into operation of sections 15 and 17 of the Central Bank of Nigeria Act, and until that date shall be denominated in currency issued by the West African Currency Board.

[Cap. C4.]

### **10. Authority**

The issue of treasury bills by the Central Bank of Nigeria in the form prescribed by regulations made under section 10 of this Act shall be sufficient evidence on behalf of any holder thereof that the authority of the Minister has been given for such issue in accordance with section 3 of this Act, and that such issue has been made in accordance with this Act.

### **11. Regulations**

The Minister, after consultation with the Central Bank, may make regulations to prescribe or provide for

- (a) the presentation, form, mode or issue, mode of payment and cancellation of treasury bills;
- (b) the issue of a new bill in lieu of one defaced, lost or destroyed;
- (c) such other matter as may seem to him necessary for the purpose of carrying this Act into effect.

### **SUBSIDIARY LEGISLATION**

*No Subsidiary Legislation*