

**HEALTH SCIENCE CENTER HANDBOOK OF OPERATING PROCEDURES**

Chapter 4	General Personnel Policies	Effective:	November 2000
Section 4.8	Benefits	Revised:	December 2001
<b>Policy 4.8.3</b>	<b>Savings Bond Payroll Plan</b>	Responsibility:	Vice President for Human Resources

## **SAVINGS BOND PAYROLL PLAN**

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### **Overview**

Employees may enroll in the U.S. Savings Bond program through payroll deduction. Bonds may be purchased in \$100, \$200, \$500 and \$1000 denominations at any time during the year. The purchase price is half the face value of the bond. A \$100 bond, for example, could be purchased each month with two bi-weekly deductions of \$25 or a \$50 monthly deduction.

Series EE savings bonds earn interest based on market yields for treasury securities from purchase through final maturity. The interest may be excluded from federal income tax if college or trade school tuition and fees are paid during the year a bond is redeemed. The exclusion, subject to maximum income limits, applies to educational expenses of the bondholder or a dependent.

These bonds have been granted extension periods beyond their original maturities, bringing their interest bearing lives up to thirty (30) years.

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### **Contacts**

Contact Human Resources at (210) 567-2600 for further information about the Savings Bond Program enrollment.

Visit the Bureau of Public Debt's U.S. Savings Bond web site for other features regarding U.S. Savings Bonds at <http://www.savingsbonds.gov/>.

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