



# The Reducing the Use of Cash Law – Restrictions on the Use of Checks

The Reducing the Use of Cash Law is moving forward!

The banks will be implementing controls concerning the payment of checks beginning on July 1, 2019

## What the law says

Between private individuals, payment or receipt of an open check for more than NIS 5000 is prohibited

A business may not give or receive an open check of any amount

A private individual may not give a business an open check of any amount

A check may not be transferred without writing the names of the transferer<sup>1</sup> and the transferee<sup>2</sup>, and the ID number of the transferer, on the back of the check.

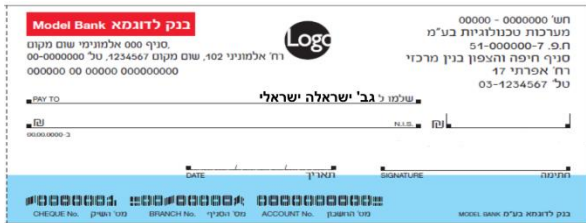
**The law sets OUT** that the banks shall **not** pay checks if one of the following conditions applies:

1. The name of the payee is not written on the check.
2. A check that is transferred more than once, and bears a sum of more than NIS 10,000 (other than the exceptions that appear in the law).

## The new check

Note: Checks in the old format will be usable until further notice!

Front of the check



Back of the check

שם המוסר (Transferer Name)	שם הנכנס (Transferee Name)	מספר זהות המוסר (Transferer ID)	מספר זהות הנכנס (Transferee ID)
X	X	X	X
X	X	X	X
X	X	X	X

Important note: Even if the amount of the check is NIS 10,000 or less, the name and ID number of the transferer<sup>1</sup> and the name of the transferee<sup>2</sup> must be filled in at the time of the transfer.

## For explanatory materials

- The full text of the law (in Hebrew)
- FAQ - cash Israel Tax Authority
- Guide on the Israel Tax Authority website
- Knesset summary document

- Press releases on the Bank of Israel website
- The format of the new check
- Reduced fees for a held check
- Preparing for the law

- Bank of Israel presentation for your use
- FAQ – checks Bank of Israel
- Information video
- SOON!**  
"Check list"

1. A person who has received the check and is now transferring it to another individual or business  
 2. A person who receives a check from a transferer

