

11-1-5 Form, time, and place of payment -- Held in trust.

Whenever any county, municipality, school district or taxing unit within this state is authorized to issue and sell its bonds, they may be issued in serial form or in the form of term bonds and made payable in such manner and at such times, within legal limits, as such county, municipality, school district or taxing unit may determine. Principal and interest shall be made payable only at a duly incorporated bank or trust company operating under state or national banking laws or principal and interest may be made payable at such a bank or trust company or at the office of the treasurer of the issuer, at the option of the holder; provided, such alternative places of payment are designated in the bonds by the issuer at the time such bonds are issued.

All payments of funds either as principal or interest on any bonds issued by any county, municipality, school district or other taxing unit within this state paid to anyone other than the owner of such bonds shall be regarded and held as trust funds, and the person, firm or corporation so receiving the same shall be held as a trustee of such funds holding the same for the benefit of the owners and holders of such bonds until the same are fully paid over. Until such funds are paid over by the person, firm or corporation collecting the same, they shall be set up and held in a separate trust account and not commingled or used by the collector in any manner whatever.

No Change Since 1953