

Part 3

General Obligation Bond Repayment Arrangements

63B-1a-301 Sinking fund -- Creation -- Investment of money.

- (1) For bonds authorized and issued as provided in this chapter, the commission shall create a sinking fund, to be administered by the state treasurer.
- (2) All money deposited in the sinking fund, from whatever source, shall be used to pay debt service on the bonds.
- (3) The commission or the state treasurer may create separate accounts within the sinking fund.
- (4)
 - (a) The state treasurer may, by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act, invest any money contained in the sinking fund until it is needed for the purposes for which the fund was created.
 - (b) Unless otherwise provided in the resolution of the commission authorizing the issuance of bonds under this chapter, the treasurer:
 - (i) shall deposit all income from the investment of any sinking fund money into the sinking fund; and
 - (ii) may use it for the payment of debt service on the bonds.

Enacted by Chapter 2, 2003 General Session

63B-1a-302 Payment of interest, principal, and redemption premiums.

- (1) The Division of Finance shall draw warrants on the state treasury before any interest, principal, or redemption premiums become due on the bonds.
- (2) After receipt of the warrants, the state treasurer shall:
 - (a) promptly pay the warrants from funds within the sinking fund; and
 - (b) immediately transmit the amount paid to the paying agent for the bonds.

Enacted by Chapter 2, 2003 General Session

63B-1a-303 Tax levy -- Abatement of tax.

- (1) Each year after issuance of bonds and until each outstanding bond is retired, there is levied a direct annual tax on all taxable property of the state sufficient to pay principal, interest, and any applicable redemption premiums on each bond as it becomes due.
- (2) The State Tax Commission shall fix the rate of the direct annual tax levy each year.
- (3) The tax shall be collected and the proceeds applied as provided in this chapter.
- (4) The proceeds of all taxes levied under this section are appropriated to the sinking fund established as required by Section 63B-1a-301.
- (5) The direct annual tax imposed under this section is abated to the extent that money is available from sources other than ad valorem taxes in the sinking fund for the payment of bond interest, principal, and redemption premiums.

Enacted by Chapter 2, 2003 General Session