

MUNICIPALITIES, ISSUE OF NEW BONDS
Act of Apr. 14, 1881, P.L. 10, No. 10
AN ACT

Cl. 11

Granting power to counties, cities (except cities of the first and second classes), boroughs, municipalities or school districts in this commonwealth, which have issued bonds or other interest bearing evidences of indebtedness, to redeem the same and issue new bonds therefor, with or without interest coupons attached.

Section 1. Refunding bonded indebtedness

In all cases where any county, city, borough, township of the first class, municipality or school district in this commonwealth has, by virtue of any general or special act of assembly, issued bonds or other interest-bearing evidences of indebtedness, with or without interest coupons attached, to secure any indebtedness of any such county, city, borough, township of the first class, municipality or school district, which may have matured but remain unpaid and uncanceled, or are about to mature and become payable, or whenever any county, city, borough, township of the first class, municipality or school district shall have the option to redeem or pay any such bonds or interest-bearing evidences of indebtedness, or whenever holders of any bonds or interest-bearing evidences of indebtedness of any county, city, borough, township of the first class, municipality or school district, which may not have matured or become redeemable, are willing to surrender the whole or any part of such issue of bonds or interest-bearing evidences of indebtedness, it shall be lawful for any such county, city, borough, township of the first class, municipality or school district, for the purpose of redeeming or paying off any or all of the bonds or other interest-bearing evidences of indebtedness, payable, redeemable or offered for redemption, as aforesaid, to issue and sell either registered or coupon bonds bearing interest at a rate not exceeding six per centum per annum, and payable at any time not exceeding twenty years after the date thereof, and not exceeding in the aggregate the amount of the bonds or other evidences of indebtedness so redeemed or paid, and the said bonds so issued or sold, in accordance with the provisions of this act, shall be exempt from taxation except for state purposes: Provided, However, That all moneys for the redemption of the issue of bonds proposed to be refunded, placed in the sinking fund, if any, shall be first applied to the payment, as far as applicable, of the principal of such bonds, and the balance of such issue only shall be redeemed by the issue of new bonds. 1881, April 14, P.L. 10, Sec. 1; 1899, March 1, P.L. 6, Sec. 1., as amended 1933, May 4, P.L. 273, Sec. 1; 1935, July 12, P.L. 712, Sec. 1.