

MUNICIPAL BONDS, REDEMPTION
Act of May 9, 1935, P.L. 155, No. 68
AN ACT

Cl. 11

Granting power to counties, cities, boroughs, towns, townships, school districts, and poor districts to redeem unmatured bonds and obligations by a new issue of bonds at a lesser rate of interest.

Compiler's Note: Section 803 of Act 87 of 1941 provided that Act 68 is repealed except insofar as it relates to first class cities.

Section 1. Be it enacted, &c., That any county, city, borough, town, township, poor district, or school district, which has heretofore issued bonds or other interest-bearing evidences of indebtedness with or without interest coupons attached, and which bonds or obligations have not matured, shall have the option to redeem such bonds or interest-bearing obligations, in whole or in part, prior to maturity, at or subsequent to any date when any issue or any part of any issue of such bonds or obligations is callable, or if not callable, then if the consent of the holders thereof to such redemption is first secured, and for the purpose of redeeming or paying off any or all of such bonds or obligations, shall have power to issue and sell registered or coupon bonds at any rate of interest, but less than the rate specified in the bonds or obligations to be redeemed, maturing at any time not exceeding twenty years after the date thereof, and not exceeding in the aggregate, the amount of the bonds and obligations, redeemed and to be paid off. The bonds issued, in accordance with the provisions of this act, shall be exempt from taxation, except for State purposes: Provided, however, That all moneys in the sinking fund, properly applicable to any such issue of bonds or obligations to be so redeemed, shall first be applied to the payment, so far as applicable, of the principal of such bonds or obligations, and the balance of such issue only shall be redeemed by the issue of new bonds.

Section 2. All acts and parts of acts inconsistent herewith are hereby repealed.

Section 3. This act shall become effective immediately upon final enactment.