



Ohio Revised Code

Section 133.16 Capitalized interest may be included in the principal amount of securities.

Effective: October 30, 1989

Legislation: House Bill 230 - 118th General Assembly

(A) Capitalized interest may be included in the principal amount of Chapter 133. securities to pay the interest that the fiscal officer or taxing authority estimates will become due and payable on the securities prior to the receipt of sufficient taxes, special assessments, or other revenues or receipts from which the interest is generally to be paid. Capitalized interest shall be deposited, as determined by the taxing authority or the fiscal officer, in the bond retirement fund or in a separate account in the special improvement or construction fund, and applied to interest on those securities. The amount of capitalized interest may not exceed an amount estimated by the fiscal officer to be twenty-four months' interest on the securities, except:

(1) In the case of securities issued in anticipation of the levy or of the collection of special assessments, the amount of capitalized interest may not exceed the greater of twenty-four months' interest on the securities or the interest that the fiscal officer or taxing authority estimates will become due and payable on those securities prior to the receipt by the subdivision of the first installment of those special assessments.

(2) In the case of securities issued for or relating to the purpose of permanent improvements described in division (B)(1) of section 133.05, in division (C) of section 133.07, or in section 133.08 of the Revised Code, the amount of capitalized interest may not exceed the interest that the fiscal officer or the taxing authority estimates will become due and payable on those securities during the period of construction of the permanent improvement plus one year or during three years, whichever is longer.

(B) Whenever any part of the principal amount of an issue of Chapter 133. securities deposited in a special improvement or construction fund, other than an amount for capitalized interest, is used for the payment of interest on the securities, the amount so used, which amount, together with any amount of any capitalized interest, may not exceed the amount of capitalized interest permitted under division (A) of this section, at the direction of the taxing authority or the fiscal officer may be repaid



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into that special fund from moneys available for the purpose, including the proceeds of any taxes or special assessments otherwise levied and collected to pay the debt charges on the securities, and the taxing authority may levy and collect those taxes or special assessments for that purpose.

(C) The amount of capitalized interest authorized by this section to be included in the principal amount of an issue of Chapter 133. securities shall be reduced by the amount of any capitalized interest included in any prior issue of securities, whether anticipatory securities or otherwise, that is to be or was retired by the issuance of the securities or prior securities.