66.071 Capitalized interest in bonds -- Financing costs.

- (1) Capitalized interest may be included in the principal amount of bonds to pay the interest that the issuer estimates will become due and payable on the bonds 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 issuer, in the sinking fund or in a separate account in the special project or construction fund, and applied to interest on those bonds. The amount of capitalized interest may not exceed an amount estimated by the issuer to be interest that will accrue on the bonds prior to the date that is twelve (12) months after the date the public project is anticipated to be available for use.
- (2) The amount of capitalized interest authorized by this section to be included in the principal amount of an issue of bonds shall be reduced by the amount of any capitalized interest included in any prior issue of bonds or obligations that is to be or was retired by the issuance of the bonds or prior bonds.
- (3) Financing costs may be paid unless otherwise provided in the proceedings, from the proceeds of the bonds to which they relate and, as to future financing costs, from the same sources from which debt charges on the bonds are paid and as though debt charges.

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