

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 586
HOUSE BILL 994

AN ACT TO AMEND G.S. 159-65 OF THE LOCAL GOVERNMENT BOND ACT
IN CONNECTION WITH THE ISSUANCE OF BONDS THE INTEREST ON
WHICH IS OR MAY BE INCLUDABLE IN GROSS INCOME FOR PURPOSES
OF FEDERAL INCOME TAX.

The General Assembly of North Carolina enacts:

Section 1. G.S. 159-65 of the Local Government Bond Act is hereby amended by adding to the last paragraph thereof a second sentence to read as follows:

"Such subdivisions (3) and (4) also shall not apply to bonds the interest on which is or may be includable in gross income for purposes of federal income tax, provided that the dates on which such bonds shall be stated to mature shall be approved by the Commission and the Commission may require that the payment of all or any part of the principal of and interest and any premium on such bonds be provided for by mandatory redemption of principal prior to maturity, a sinking fund, a Credit Facility, as defined in G.S. 159-79, or such other means as may be satisfactory to the Commission."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1987.