

RECODIFIED TAX INCREMENT FINANCING ACT (EXCERPT)
Act 57 of 2018

***** 125.4315.new THIS NEW SECTION IS EFFECTIVE JANUARY 1, 2019 *****

125.4315.new Tax increment bonds; qualified refunding obligation.

Sec. 315. (1) By resolution of its board, the authority may authorize, issue, and sell its tax increment bonds, subject to the limitations set forth in this section, to finance a development program. The bonds are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. The bonds issued under this section shall be considered a single series for the purposes of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) The municipality by majority vote of the members of its governing body may pledge its full faith and credit for the payment of the principal of and interest on the authority's tax increment bonds. The municipality may pledge as additional security for the bonds any money received by the authority or the municipality pursuant to section 311.

(3) Notwithstanding any other provision of this part, if the state treasurer determines that an authority or municipality can issue a qualified refunding obligation and the authority or municipality does not make a good-faith effort to issue the qualified refunding obligation as determined by the state treasurer, the state treasurer may reduce the amount claimed by the authority or municipality under section 312a by an amount equal to the net present value saving that would have been realized had the authority or municipality refunded the obligation or the state treasurer may require a reduction in the capture of tax increment revenues from taxes levied by a local or intermediate school district or this state by an amount equal to the net present value savings that would have been realized had the authority or municipality refunded the obligation. This subsection does not authorize the state treasurer to require the authority or municipality to pledge security greater than the security pledged for the obligation being refunded.

History: 2018, Act 57, Eff. Jan. 1, 2019.