

Descriptor Term: TAX ANTICIPATION NOTES

Descriptor Code: DFEA

Rescinds: DFEA

Board Approved: 11/16/2015

Previously Approved: 1/4/1988

The Board of Trustees has the power and authority to borrow money for the current expenses of the Gulfport School District in anticipation of the collection of ad valorem taxes for the then current fiscal year. The money so borrowed will bear interest at a rate not greater than that allowed in Section 75-17-105 and will be repaid not later than the following April 15 out of the first moneys collected by reason of the tax levy in anticipation of which such money is borrowed. Such money will be used for no other purpose than the payment of the current expenses of the District.

The amount borrowed under the provisions of this section will in no event exceed fifty percent (50%) of the estimated amount of taxes collected or to be collected under the last preceding annual tax levy, unless the tax levy for the current fiscal year has been made, and then under the latter. Any school district which receives federal funds as payments in lieu of taxes because there is situated in such district a federal project involving the ownership of lands of the United States which is not subject to ad valorem taxation may borrow not in excess of seventy-five percent (75%) of such estimated or anticipated but then uncollected revenue. Tax anticipation notes issued under the provisions of this section will be issued within the same fiscal year during which the tax levy is or will be made which it is anticipated will produce the funds from which the said notes will be repaid.

In borrowing money under the provisions of this section, it will not be necessary to publish notice of intention so to do or to secure the consent of the qualified electors of the District, either by election or otherwise. Such borrowing will be authorized by order or resolution of the Board and may be evidenced by negotiable note or notes, signed and executed in such form as may be prescribed in such order or resolution. Money may be borrowed in anticipation of ad valorem taxes under the provisions of this section, regardless of whether or not such borrowing will create an indebtedness in excess of statutory limitations.

Money may likewise be borrowed by the District, as herein provided, for the purpose of paying current interest maturities on any bonded indebtedness of the District in anticipation of the collection of taxes for the retirement of such bonded indebtedness or the payment of any interest thereon. §37-59-37