

THE REVISED SCHOOL CODE (EXCERPT)
Act 451 of 1976

380.904 Assumption of bonded indebtedness; resolution; approval; payment; final responsibility; uniform tax spread.

Sec. 904.

(1) If a school district which has bonded indebtedness proposes to annex to a school district which has no outstanding bonded indebtedness, the resolution of the board of the annexing school district prescribed by section 901 may provide that the annexation shall not become effective unless the school electors of the annexing school district approve the assumption of the indebtedness.

(2) If the assumption of bonded indebtedness is approved by the school electors, the annexing school district shall assume the obligation of the bonded indebtedness of the annexed school district and pay the same by levying debt retirement taxes uniformly over the territory of the combined school district. The assumption of bonded indebtedness of an annexed school district shall not release the territory of the annexed school district from the final responsibility of paying the bonded debt.

(3) If an annexing school district has bonded indebtedness at the time of the annexation of another school district, the territory of the annexing school district shall remain as a separate assessing unit for purposes of the bonded indebtedness until the indebtedness is retired or the outstanding bonds are refunded by the combined school district.

(4) Other taxes of any nature for purposes of the combined school district shall be spread uniformly over the entire area of the district.

History: 1976, Act 451, Imd. Eff. Jan. 13, 1977

Popular Name: Act 451