

1975 WL 29498 (S.C.A.G.)
Office of the Attorney General
State of South Carolina
February 11, 1975

***1 In Re: Riverbanks Parks District; General Obligation Bonds**

Honorable Tom Elliott
Richland County Treasurer
2020 Hampton Street
Columbia, South Carolina

Dear Mr. Elliott:

You have inquired whether or not interest earned by the corpus of receipts of the subject bond sales may be used by the Department to install a sewer line, a purpose for which the subject bonds were sold.

I have been assured by Mr. Guerard, of Sinkler, Gibbs, Simons & Guerard, that the arbitrage certificate delivered in connection with the bonds has no effect on this question.

It is a general rule that interest earned by the corpus of a fund becomes a part of such corpus, and, in the absence of a contra agreement, may be used for the same purposes for which the corpus is used. University of South Carolina v. Mehlman, 245 S.C. 180, 199 S.E. 2d 771.

In view of the foregoing, it is the opinion of this Office that interest earned by the original receipts from the bond sale may be used for the same purpose for which the corpus was created.

Yours very truly,

Joseph C. Coleman
Deputy Attorney General

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