12C.7 Interest where credited.

1. A depository shall not directly or indirectly pay interest to a public officer on a demand deposit of public funds, and a public officer shall not take or receive interest on demand deposits of public funds. This provision does not apply to interest on time certificates of deposit or savings accounts for public funds.

2. Interest or earnings on investments and time deposits made in accordance with the provisions of sections 12.8, 12B.10, 12C.1, and 12C.6 shall be credited to the general fund of the governmental body making the investment or deposit, with the exception of specific funds for which investments are otherwise provided by law, constitutional funds, or when legally diverted to the state sinking fund for public deposits. Funds so excepted shall receive credit for interest or earnings derived from such investments or time deposits made from such funds.

[C31, 35, § 7420-d7; C39, § **7420.07;** C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 453.7]

84 Acts, ch 1230, § 12

C93, § 12C.7

95 Acts, ch 25, § 1