§ 85. Service charge on returned checks. 1. The governing body of a municipal corporation may by resolution provide for the imposition of a charge to be added to any account owing to the municipal corporation where a tendered payment of such account was dishonored by a bank or depository institution.

2. Whenever the account owing to the municipal corporation is for a tax, special ad valorem levy or special assessment, the charge authorized by the preceding subdivision shall be included on whatever list of delinquent accounts is prepared for the enforcement of the lien.

3. Said charge shall be determined and set by resolution of the governing body, from time to time, as appropriate, but shall not exceed the maximum charge for dishonored checks authorized under section 5-328 of the general obligations law.

4. Any such service charge shall be collected in the same manner prescribed by law for the collection of the account for which the check was tendered. In addition, such municipal corporation may require future payments to be tendered in cash or by certified or cashier's check.

5. For purposes of this section, the term "municipal corporation" shall mean a municipal corporation as defined in section two of this chapter and a school district.