§ 420-e. Exemption from taxation. It is hereby found, determined and declared that the creation of the fund and the carrying out of its purposes is in all respects for the benefit of the people of the state of New York and for the improvement of their health, welfare and prosperity and is a public purpose, and that the fund will be performing an essential governmental function in the exercise of the powers conferred upon it by this article, and that the fund shall be required to pay no fees, taxes or assessments, whether state or local, including but not limited to fees, taxes or assessments on real estate, franchise taxes, sales taxes or other excise taxes, upon its activities as an insurer; and that all income received by the fund and that the bonds of the fund and the income therefrom shall at all times be exempt from taxation, except for gift and estate taxes and taxes on transfers. This section shall constitute a covenant and agreement with the holders of all bonds issued by the fund.