§ 2045-n. Exemption from taxes, assessments and certain fees. 1. It is hereby determined that the creation of the agency and the carrying out of its corporate purposes is in all respects for the benefit of the people of the county and the state and is a public purpose and the agency shall be regarded as performing a governmental function in the exercise of the powers conferred upon it by this title and shall not be required to pay any taxes or assessments upon any property owned by it or under its jurisdiction, control or supervision or upon its activities, or any filing, recording or transfer fees or taxes in relation to instruments filed, recorded or transferred by it or on its behalf. The construction, use, occupation or possession of any property owned by the agency or the county, including improvements thereon, by any person or public corporation under a lease, lease and sublease or any other agreement shall not operate to abrogate or limit the foregoing exemption, notwithstanding that the lessee, user, occupant or person in possession shall claim ownership for federal income tax purposes. The agency shall be deemed a public authority for the purposes of section four hundred twelve of the real property tax law.

2. Except in the case of a municipality in which there shall be located a solid waste management-resource recovery facility, the agency shall not be authorized to make any payments in lieu of real property taxes or assessments. The provisions of this subdivision shall not be deemed to prohibit the agency from paying for specific governmental services provided to it by any municipality, fire district or fire protection district, and any fire district or fire protection district providing such services is hereby authorized to charge for such services and to receive such payments.

3. Any bonds issued pursuant to this title together with the income therefrom as well as the property of the agency shall be exempt from taxes, except for transfer and estate taxes. The state hereby covenants with the purchasers and with all subsequent holders and transferees of bonds issued by the agency pursuant to this title, in consideration of the acceptance of and payment for the bonds, that the bonds of the agency issued pursuant to this title and the income therefrom and all revenues, moneys, and other property pledged to secure the payment of

such bonds shall at all times be free from taxation, except for transfer and estate taxes.