§ 665. Tax contract by the state. It is hereby found, determined and declared that the authority and the carrying out of its corporate purposes is in all respects for the benefit of the people of the state of New York, for the improvement of their health, welfare and prosperity, and for the promotion of their traffic and recreation, and that said purposes are public purposes and the project is an essential part of the public highway, park and recreational system and the authority will be performing an essential governmental function in the exercise of the powers conferred by this title, and the state of New York covenants with the purchasers and with all subsequent holders and transferees of notes and bonds issued by the authority pursuant to this title, in consideration of the acceptance of and payment for the notes and bonds that the notes and bonds of the authority issued pursuant to this title and the income therefrom, and all moneys, funds, tolls and other revenues pledged to pay or secure the payment of such notes and bonds, shall at all times be free from taxation except for estate taxes and taxes on transfers by or in contemplation of death.