§ 94. Authorization to make subsidies. A municipality is authorized to make or contract to make capital or periodic subsidies to an authority operating within the territorial limits of such municipality, payable only with moneys locally appropriated therefor from the general or other funds available for current expenses of such municipality. Periodic subsidies shall not be contracted for a period longer than the life of the project assisted thereby, and in no event for more than fifty years. If the amount of any periodic subsidy shall be equal to or greater than the interest on and the amounts required annually for the payment of the indebtedness contracted by the authority on account of a project in any year, such contract shall constitute a guarantee of the principal of and the interest on such indebtedness, and such contract and the payments thereunder may be pledged by the authority as security in addition to all other security which the authority may give for such indebtedness.

A municipality may levy one or more of the taxes enumerated in section one hundred ten for the purpose of making municipal subsidies. The revenues resulting from the imposition of such tax or taxes, other than the taxes described in subdivision (e) of section one hundred ten of this chapter in a city having a population of one million or more, notwithstanding the provisions of any general, special or local law to the contrary, shall be deposited in the city treasury and credited to a separate account. During each fiscal year of such municipality, an amount not in excess of the amount of the subsidies to be made by such municipality during such fiscal year shall be charged to such account and credited to the general fund for the reduction of taxation or into the general or other fund available for current expenses of such municipality. No other payment shall be charged to such account. The provisions of section one hundred eleven of this chapter shall be applicable to any tax or taxes imposed pursuant to this section.

In a city having a population of one million or more, the revenues from the taxes described in subdivision (e) of section one hundred ten of this chapter shall be deposited in the general fund and a payment of an equal amount shall be made, in the same fiscal year or as soon as practicable thereafter, for the purposes described in such section.