§ 400. United States. 1. Real property owned by the United States shall be exempt from taxation, except as otherwise provided by the laws of the United States.

2. Real property occupied exclusively or in part by the United States pursuant to the provisions of the public buildings purchase contract act of nineteen hundred fifty-four (Public Law 519, 83rd Congress) shall be exempt from taxation and exempt from special ad valorem levies and special assessments to the extent provided in section four hundred ninety of this chapter, during the period that the United States is required to make reimbursement for taxes payable on such property, provided that the United States enters into an agreement or agreements with the municipal corporation or corporations in which such properties are located, whereby it will undertake to pay a fair and reasonable sum annually on such property as taxes. Where a part of the property is so occupied by the United States, such part only shall be exempt and the remainder thereof shall be subject to taxation, special ad valorem levies and special assessments. The sums received by any municipal corporation pursuant to this subdivision shall be devoted to purposes to which taxes may be applied.