

TITLE 4: ECONOMIC RESOURCES
DIVISION 10: COMMONWEALTH DEVELOPMENT AUTHORITY

§ 10412. Legal Relationships.

(a) The authority and all its property, transactions, and income shall be exempted from all taxes and other levies in the nature of taxes of the Commonwealth or any local government thereof. This exemption shall not apply to any private enterprise in which the authority has an interest, except a wholly-owned subsidiary of the authority.

(b) Income received by any person from bonds or other obligations of the authority shall be exempt from taxation by the Commonwealth or any local government thereof, and by the United States, or by any state, territory or possession of the United States or any political subdivision of any of them as provided by Covenant § 607(a) (U.S. Public Law 94-241).

(c) The rights to funds allocated or committed to any borrower receiving financial assistance from the authority but not distributed to such borrower, shall be beyond claims of creditors of such borrower.

(d) Bonds or other obligations of the authority shall be lawful investments, and may be accepted as security for any fiduciary, trust, or public fund, the investment or deposit of which is under the authority, control, or supervision of the Commonwealth or any agency or instrumentality thereof, including the Commonwealth Treasury.

Source: PL 4-49, § 21.