§1054. Taxable bond option

With respect to all or any portion of any issue of any bonds or any series of bonds that the authority may issue in accordance with the limitations and restrictions of this subchapter, the authority may covenant and consent that the interest on the bonds is includable, under the United States Internal Revenue Code of 1986 or any subsequent corresponding internal revenue law of the United States, in the gross income of the holders of the bonds to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders under the United States Internal Revenue Code or any subsequent law. Bonds issued pursuant to this section are not subject to any limitations or restrictions of any law that may limit the authority's power to issue those bonds or to the procedures set forth in section 1043 or in section 1044, subsections 1, 11 and 12. The foregoing grant of power may not be construed as limiting the inherent power of the State or its agencies under any other provision of law to issue debt, the interest on which is includable in the gross income of the holders of the interest under the United States Internal Revenue Code or any subsequent law. Any action or proceeding in any court to contest the issuance of the securities, the approval by the authority of a project to benefit from issuance of the securities or the approval by the authority of mortgage insurance or the provision of a capital reserve fund for the securities for any reason must be started within 30 days after the date on which the members of the authority adopt a formal resolution approving issuance of the securities and otherwise must be governed by Title 5, chapter 375, subchapter 7. Once the authority has adopted a resolution to approve the issuance of securities pursuant to this section, any action by the authority to amend, alter or revise the resolution may not commence a new period of time within which any such action or proceeding may be commenced. Notwithstanding the provisions of section 969-A, subsection 11 and Title 5, chapter 375, subchapter 7, including, but not limited to, Title 5, sections 11002 and 11003, any such action or proceeding may be commenced only by first serving the petition for review upon the authority, in hand, within that 30-day period. After the expiration of the 30-day period of limitation, no right of action or defense founded upon the invalidity of the resolution or contesting any provision of the resolution, any amendment to the resolution or the issuance of the securities may be started or asserted nor may the resolution or the issuance of the securities be open to question in any court upon any grounds. [PL 2019, c. 160, §8 (AMD).]

SECTION HISTORY

PL 1985, c. 344, §78 (NEW). PL 1985, c. 593, §3 (AMD). PL 1987, c. 393, §12 (AMD). PL 1995, c. 4, §9 (AMD). PL 2019, c. 160, §8 (AMD).