

bonds, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery, and/or (ii) for the issuance and sale of its bond anticipation notes, the principal of and interest on the notes to be made payable to the bearer or registered holder thereof out of the first proceeds of sale of any bonds issued under this subheading, and the resolution of the Secretary authorizing the issue of such notes may make provision for the issuance of such notes in series as funds are required and for the renewal of such notes at maturity with or without resale. The issuance of such notes and the details thereof, the rights of the holders thereof, and the rights, duties and obligations of the Department in respect thereto, shall be governed by the same provisions of this subheading relating to the issuance of bonds in anticipation of the sale of which the notes were issued, insofar as those provisions may be applicable.

8. *Tax exemption.*

The bonds, notes or other evidences of indebtedness of the Department issued pursuant to the authority of this subheading, their transfer, the interest payable thereon, and any income derived therefrom, including any profit realized in the sale or exchange thereof, shall at all times be exempt from taxation of every kind and nature whatsoever within this State by the State of Maryland or by any of its political subdivisions, municipal corporations or public agencies of any kind.

9. *Levy of taxes to pay debt service.*

(a) For the purpose of paying the principal of and interest on the bonds issued under this subheading as the same become due and payable, there shall be and is hereby levied and imposed an annual tax which, to the extent necessary, shall be used and applied exclusively for such purpose and which shall consist of the following taxes, subject only to the prior use and application of one or all or any combination of those taxes for the purpose of meeting the debt service requirements of all outstanding and unpaid bonds of prior issues and bonds of any series of County Highway Construction Bonds issued and sold under the provisions of Sections 211 or 211G-1 of Article 89B of the Code to the payment of which those taxes or any part thereof may have been heretofore pledged: (1) THAT PORTION OF (i) the excise taxes on motor vehicle fuel imposed by Section 136 of Article 56 of the Code, AND (ii) the excise tax on the issuance of certificates of title for motor vehicles imposed by Section 29 of Article 66½ of the Code and ~~(iii)~~ RETAINED TO THE CREDIT OF THE DEPARTMENT AFTER THE DISTRIBUTIONS MADE UNDER SECTION 38A(B) OF ARTICLE 89B OF THE CODE, AND (2) the tax on the net income of certain corporations imposed pursuant to the provisions of Section 288(c) of Article 81 of the Code.

(b) As long as any of the bonds issued under this subheading shall remain outstanding and unpaid, there shall be deposited and maintained in a sinking fund to be established by the State Treasurer to secure the payment of the principal of and interest on the bonds annually, or more often, as received, so much of the proceeds of the tax hereby levied and imposed under this section, together