

shall be paid into a special fund to be applied in accordance with the provisions of subsection (e) of this section. This yield shall not be considered as municipal taxes for the purposes of any constant yield tax limitation or State or local restriction. No State real property taxes may be paid into the special fund.

(e) (1) The Mayor and City Council of Baltimore may enact an ordinance creating a special fund described in subsection (d)(3)(ii) of this section with respect to a development district, even though no bonds authorized by this section have been issued by the Mayor and City Council of Baltimore with respect to that development district or are then outstanding. The taxes allocated to such special fund by subsection (d)(3)(ii) of this section shall thereafter be paid over to such special fund, as long as such ordinance remains in effect.

(2) When no bonds authorized by this section are outstanding with respect to a development district and the Mayor and City Council of Baltimore by ordinance so determines, moneys in the special fund for that development district created pursuant to subsection (d)(3)(ii) of this section may be:

(i) used for any of the purposes described in subsection (c) of this section;

(ii) accumulated for payment of debt service on bonds subsequently issued under this section;

(iii) used to pay or to reimburse the Mayor and City Council of Baltimore for debt service which the Mayor and City Council of Baltimore is obligated to pay or has paid (whether such obligation is general or limited) on bonds issued by the Mayor and City Council of Baltimore, the State of Maryland, or any agency, department, or political subdivision thereof, the proceeds of which have been used for any of the purposes specified in subsection (c) of this section; or

(iv) paid to the Mayor and City Council of Baltimore to provide funds to be used for any legal purpose as may be determined by the Mayor and City Council of Baltimore.

(3) When any bonds authorized by this section are outstanding with respect to a development district and the Mayor and City Council of Baltimore so determines, moneys in the special fund for that development district created pursuant to subsection (d)(3)(ii) of this section may be used as provided in paragraph (2) of this subsection in any fiscal year by the Mayor and City Council of Baltimore, but only to the extent that:

(i) the amount in such special fund exceeds the unpaid debt service payable on such bonds in such fiscal year and is not restricted so as to prohibit the use of such moneys; and

(ii) such use is not prohibited by the ordinance of the Mayor and City Council of Baltimore or resolution of the Board of Finance authorizing the issuance of such bonds.

(f) (1) Before issuing any bonds under this section the Mayor and City Council of Baltimore shall enact an ordinance which: