

Tax Administration Agreement [Occupational License Tax Agreement]

This agreement made as of the _____ day of _____, by and between PRA Government Services, LLC d/b/a RDS ("RDS") and City of Sample, Louisiana, a LA City ("CITY").

A. Remittance Processing Services

1. **Services Performed:** RDS will perform remittance processing for the collection of Occupational License Taxes.
2. **Notification and Remittance:** RDS will send individualized forms to all known taxpayers. Taxpayers will remit payments to RDS, CITY of Sample, P.O. Box 830725, Birmingham, AL 35283-0725. Upon reasonable notice to CITY, RDS may change the P.O. Box for City of Sample payments.
3. **Deposit Process:** Deposits are made to the extent that funds have been received, via Automated Clearing House of the amounts and to the designated recipients as instructed by the CITY as shown in detailed on **Exhibit A**.
4. **Posting Process:** Accounts are posted with payment information captured in the RDS revenue system. Under payments are invoiced for remaining tax due plus any required penalties and interest.
5. **Notification, Reporting to CITY:**
 - i. RDS will provide CITY with monthly reports including, but not limited to, payment listings showing all monies received, a detail and summary reconciliation report that corresponds to CITY'S account numbers and all fees paid to RDS.

B. General Provisions

1. **Taxpayer service:** RDS will provide a taxpayer assistance number for taxpayer questions.
2. **Consideration for Remittance Processing Services, Revenue Analysis Services, Compliance and Delinquent Collection Services.**

Service Effective: 01/01/10

- i. RDS will receive an amount equal to Eight Dollars and Forty-Five Cents (\$8.45) per business/occupational license tax notice mailed. For the \$8.45 fee, RDS will provide delinquency notification and follow-up. This will include second and third notification in addition to calls and other collection activity deemed appropriate by RDS. RDS will also provide triplicate forms to be filled out by businesses walking into city hall. A third will be kept by city hall, a third by the business as a temporary license and a third will be mailed by city to RDS along with the check. Upon receipt, RDS will mail business the permanent license.
- ii. RDS will receive an amount equal to \$4.23 (equal to 50% of the actual fee) for any business/occupational license tax notice paid utilizing triplicate form if the CITY prints the license from the CITY's software, deposits the check, and mails one of the triplicate forms (date stamped) to RDS within 30 calendar days of receipt; otherwise, RDS will receive the full amount equal to \$8.45 per business/occupational license issued.
- iii. RDS archives all original licenses/applications. If a CITY wants a copy of the original license/application, there is a fee equal to \$1.75 per business license/application that will be charged to CITY for the mailing or faxing. RDS provides at no additional cost a detailed payment listing that includes taxpayer name, address, schedule number, and license year.

Service Effective: [to be initiated depending on date of execution of the agreement]

- iv. **Discovery of Unknown Taxpayers:** RDS will receive an amount equal to twenty-three and four tenths (23.4%) of gross occupational license tax revenues collected for all accounts

that are identified as not being on current CITY's tax rolls and successfully collected by RDS.

- v. **Collection of Known Delinquencies:** During the course of normal tax processing, the CITY will experience known taxpayers (those taxpayers currently on the CITY's tax rolls), becoming delinquent as of [Date]. RDS normally conducts this type of delinquent collection work on known delinquent taxpayers for those jurisdictions in which it provides comprehensive occupational license tax administration services, but only after the account is 180 days delinquent. For that collection work, RDS receives a fee equal to twenty-three and four-tenths (23.4%) of occupational license tax revenue collected.

_____ **(initial)** Please initial however, if CITY wishes RDS to pursue delinquent collection service on known delinquent taxpayers as a part of this contract effective [date]. Otherwise, that collection effort will begin effective 10/1/10.

- 3. **Company Audit:** Once a year RDS will have an auditor prepare an Independent Service Auditor's Report on Controls Placed in Operation and Tests of Operating Effectiveness. This report is commonly called a SAS 70 Type II report and will be made available upon request.
- 4. **Term of the Agreement:** This agreement shall be for a term of [TBD] years following the date of execution. Either party shall have the right to terminate this Agreement in the event of a material breach by the other party. Any such termination may be made only by providing ninety (90) days written notice to the other party, specifically identifying the breach or breaches on which termination is based. Following receipt of such notice, the party in breach shall have thirty (30) days to cure such breach or breaches. In the event that such cure is not made, this Agreement shall terminate in accordance with the initial ninety (90) days notice.
- 5. **Indemnity:** To the full extent allowed by law, CITY hereby agrees to indemnify and hold RDS harmless from any claims and against all costs, expenses, damages, claims and liabilities, relating to the determination of taxes due from taxpayers, the collection thereof and any refunding related thereto.
- 6. RDS is bound by the confidentiality requirements set forth by LA R.S. 47:1508.
- 7. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter contained herein. Said Agreement shall not be amended, altered, or changed, except by a written Agreement signed by both parties hereto.
- 8. **Invalidity:** If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the parties hereto as of the date first above written have duly executed this Agreement.

PRA Government Services, LLC
d/b/a RDS

CITY of Sample, Louisiana

By: _____
Its: President
Date: _____

By: _____
Its: _____
Date: _____

EXHIBIT A
CITY DISTRIBUTION

July 7, 2009

City Clerk
City of Sample
Address
Sample, LA 33333

Dear City Clerk:

Please specify how tax revenues are to be disbursed by RDS to the City of Sample. A voided check or deposit slip must also accompany exhibit A.

Agency	Routing #	Account #	Distribution %	Tax Type/Rate Code
Sample			100%	Occupational License Tax

The City of Sample verifies that the deposit instructions set out above are correct. Also, if the City would like to make changes in how future distributions are allocated, please contact me. Please be advised that we can only make changes based on written documentation.

Thank you for your assistance. If you have any questions, or if I may be of assistance, please let me know.

Sincerely Yours,
Connie Taylor
Client Relations Manager
RDS
205-423-4144 direct dial
205-423-4097 direct fax

I have reviewed the above distribution and verify that it is correct.

City of Sample

By:

Name:

Title: