

# TAX COLLECTION SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this 7<sup>th</sup> day of May, 2013 by and between County of Collin (hereinafter called "County"), a political subdivision of the State of Texas, and Plano Independent School District (hereafter called "Taxing Entity"), a duly organized and existing school district under the laws of the State of Texas, each acting herein by and through its duly authorized officials.

## RECITALS

1. The parties to this agreement wish to consolidate the collection of property taxes into one agency, the Collin County Tax Assessor Collector.
2. The parties enter in this Agreement in order to eliminate the duplication of the existing system for collection of taxes and to promote governmental efficiency.
3. Therefore, under the authority of sections 6.23 and 6.24, Texas Property Tax Code Ann. and the Interlocal Cooperation Act, Texas Rev. Civ. Stat. Ann. art 4413 (32c) the parties agree as follows:

## SECTION 1 DEFINITIONS

- 1.01 *Tax Collection Services.* The term "Tax Collection Services" shall include preparation and mailing of tax bills for property taxes assessed by the Taxing Entity, correction of clerical errors in tax rolls, collection of property tax liabilities, maintenance of a list of delinquent taxes, and issuance of refunds. Tax Collection Services do not include appraisal of property.
- 1.02 *Current Taxes.* The term "Current Taxes" shall mean those property taxes legally due and payable to the Taxing Entity without penalty and interest.

- 1.03 *Delinquent Taxes.* The term "Delinquent Taxes" shall mean the property taxes that have not been paid to the Taxing Entity on or before January 31 of any given year and on which penalty and interest are now due.

**SECTION 2**      **TERM**

- 2.01 *Term.* The term of this agreement shall commence on the 7<sup>th</sup> day of May, 2013 and shall continue in full force and effect until September 30, 2013. Thereafter, this agreement shall automatically renew annually for an additional one (1) year term without the necessity of any action by the parties. Either party may elect not to renew this Agreement by giving written notice at least ninety (90) days prior to the end of the original term or any renewed term.
- 2.02 *Termination.* Either party may terminate this Agreement by giving ninety (90) days written notice to the other party.

**SECTION 3**      **SERVICES**

- 3.01 *Services to be Performed.* The County agrees to provide Tax Collection Services to the Taxing Entity.
- 3.02 *Tax Bills.* By September 1 of each year or as soon as practicable thereafter, the Taxing Entity shall provide the County with a copy of the tax rate adopted for that year. The County agrees to prepare consolidated tax bills for each taxpayer. The tax bill shall include taxes owed to all taxing units to which the taxpayer owes taxes, except those units which have not been contracted with the County for Tax Collection Services. The County will mail such tax bills to the property located within the Taxing Entity by October 1 of each year or as soon as practicable.

**SECTION 4**      **PAYMENT**

- 4.01 *Rate of Payment.* The Taxing Entity shall pay the County for Tax Collection Services at a rate of seventy-five cents (\$0.75) per non-exempt parcel per year for parcels on the Taxing Entity's tax roll during the term of this Agreement.

- 4.02 *Method of Payment.* The County shall withhold from the taxes collected under this agreement the amount of money necessary to pay for Tax Collection Services at the rate indicated in Section 4.01 from the December collections. The Taxing Entity shall not be entitled to receive any taxes collected for a tax year until the County has withheld the total amount of compensation under Section 4.01 for that year.
- 4.03 *Proration of Payment.* If this Agreement is terminated during the original term or any annual term prior to the time that the County has withheld sufficient funds pursuant to Section 4.02 to aggregate the amount of payment set forth in Section 4.01, the County's compensation for Tax Collection Services for the original term or a renewed term shall equal a prorata portion of the amount set forth in Section 4.01, based on the number of days in the original term or renewed term prior to termination.

#### **SECTION 5 REMITTANCE OF COLLECTION**

The taxes collected by the County for the Taxing Entity shall be remitted to the Taxing Entity after the proper amount of payment as set out in Section 4 and any taxpayer refunds have been withheld. Taxes collected shall be remitted to the Taxing Entity (7) days from the date they are received by the County Tax Office.

#### **SECTION 6 ADMINISTRATIVE PROVISIONS**

- 6.01 *Records.* The Taxing Entity, or its representatives designated in writing, upon reasonable notice is authorized to examine the records to be kept by the County in the performance of this Agreement at mutually convenient times and intervals. Such books and records will be kept in the offices of the Collin County Tax Assessor Collector.
- 6.02 *Taxing Entity Records.* The Taxing Entity agrees to transfer to the possession and control of the County, without charge, copies of all records necessary for the performance of the duties and responsibilities of the County pursuant to this Agreement. These records shall include all tax records, including tax rolls or records available to the Taxing Entity, as required by the County Tax Assessor Collector.

- 6.03 *Surety Bond.* If the Taxing Entity requires the County to obtain a surety bond for the Tax Assessor Collector, the Taxing Entity agrees to pay the premium for such bond.
- 6.04 *Audits.* The County, upon reasonable notice, agrees to allow an audit of the tax records at a mutually convenient time. A copy of the audit results shall be furnished to the County. If the audit reveals that a credit is due to the Taxing Entity, the County will pay the cost of the audit. If the audit reveals that no credit is due to the Taxing Entity, the Taxing Entity will pay the cost of the audit.
- 6.05 *Deposits of Taxes.* The County agrees to deposit taxes collected under this Agreement into such depository as is designated by the Taxing Entity in writing.

## SECTION 7 **ROLLBACK AND CORRECTED BILLING SERVICES**

In the event that the Taxing Entity's tax rate is rolled back or otherwise changed after the County begins collections for the Taxing Entity in any given year, the County will continue to act for the Taxing Entity in providing refunds to taxpayers or sending corrected billings only if the Taxing Entity assumes an additional cost of one dollar (\$1.00) per non-exempt parcel per year for each parcel on the tax roll for which a refund or corrected billing is issued. These costs are in addition to the payment required for the Tax Collection Services provided under Section 4 of this Agreement. Such costs shall be withheld by the County from tax collections in the same manner as set out in Section 4. In the event that costs under this Section 7 cannot be satisfied from tax collections, the Taxing Entity agrees to pay for services provided under this section within 30 days of receipt of a bill from the County. The Taxing Entity agrees that any payments that it is required to make under this section shall be made out of the Taxing Entity's current revenues.

## SECTION 8 **REFUNDS**

Refunds to property owners authorized by the Taxing Entity will be made on the same check for all taxing units contracting for Tax Collection Services. Circumstances on which refunds may be based include, but are not limited to, late exemption claims, clerical errors, and overpayments. The amounts refunded

by the County for the Taxing Entity shall be paid by the County from tax collections on hand for the Taxing Entity for the year for which the refunds are made after the County's compensation is withheld pursuant to Section 4 of this Agreement. If excess tax collections for the Taxing Entity in the County's possession are insufficient to pay for a refund, the County shall notify the Taxing Entity of the deficiency, and the deficiency amount shall be paid by the Taxing Entity to the County within seven (7) days of notification of the amount due. The County shall not be obligated to pay a refund unless it has sufficient excess Taxing Entity tax collections in its possession to pay the refund or the Taxing Entity has paid to the County sufficient funds to cover the deficiency. The Taxing Entity agrees that any payments that it is required to make under this section shall be made out of the Taxing Entity's current revenues.

## **SECTION 9 MISCELLANEOUS PROVISIONS**

- 9.01 *Liability.* To the extent allowed by law, any civil liability relating to the furnishing of services under this Agreement shall be the responsibility of the Taxing Entity. The parties agree that the County shall be acting as agent for the Taxing Entity in performing the services contemplated by this Agreement.

The Taxing Entity shall hold the County free and harmless from an obligation, costs, claims, judgments, attorneys' fees, and other such liabilities arising from or growing out of the services rendered to the Taxing Entity pursuant to the terms of this Agreement or in any way connected with the rendering of said services, except when the same shall arise because of the willful misconduct or gross negligence of the County.

- 9.02 *Controlling Law.* This Agreement shall be deemed to be made under, governed by, and construed in accordance with, the laws of the State of Texas.
- 9.03 *Sovereign Immunity.* It is expressly understood and agreed that, in the execution of this Agreement, neither the County nor Taxing Entity waives or shall be deemed hereby to waive any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.

9.04 *Amendments.* This Agreement shall not be amended or modified other than in a written agreement signed by the parties.

9.05 *Notices.*

(a) Except as otherwise provided in this Agreement all notices required or permitted herein shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, with proper postage prepaid or when delivered in person.

(b) All communications provided for in this Agreement shall be addressed as follows:

(i) *if to the County, to:*

County Judge  
Collin County  
2300 Bloomdale Road  
McKinney, Texas 75071

With a correspondence copy to the Tax Assessor Collector, 2300 Bloomdale Road, Suite 2366, P.O.Box 8006, McKinney, Texas 75070-8006.

(ii) *if to the Taxing Entity, to:*

Superintendent of Schools  
Plano Independent School District  
2700 West 15<sup>th</sup> Street  
Plano, Texas 75075-7543

or to such person at such other address as may from time to time be specified in a notice given as provided in this Section 9.05.

9.06 *Parties Bound.* This Agreement may not be assigned and shall be binding upon the parties, their heirs, executors, legal representatives, and successors.

9.07 *Copies.* This Agreement is executed in multiple copies, any one of which, or a true copy thereof, shall have the same evidentiary value.

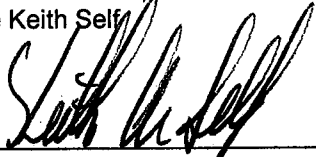
9.08 *Integration.* It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and

negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof.

- 9.09 *Severability.* The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause or phrase of the Agreement is for any reason held to be contrary to law or contrary to any rule or regulation having the force and effect of law, such decision shall not affect the remaining portions of the Agreement. However, upon the occurrence of such event, either party may terminate this Agreement forthwith, upon the delivery of written notice of termination to the other party.
- 9.10 *Captions.* The headings to the various sections of this Agreement have been inserted for convenient reference only and shall not modify, define, limit or expand the express provision of this Agreement.
- 9.11 *Obligations of Condition.* All obligations of each party under this Agreement are conditions to further performance of the other party's continued performance of its obligation under the Agreement.
- 9.12 *Exclusive Right to Enforce This Agreement.* The County and the Taxing Entity have the exclusive right to bring suit to enforce this Agreement, and no other party may bring suit, as a third-party beneficiary or otherwise, to enforce this Agreement.

EXECUTED at McKinney, Texas on the day and year first written above.

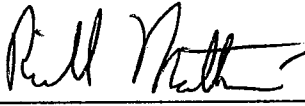
COLLIN COUNTY, TEXAS  
Judge Keith Self

By: 

Title: County Judge of Collin County

Date: 6/4/13

PLANO ISD  
Richard Matkin, Superintendent

By: 

Title: Superintendent of Schools

Date: 5/9/13

COLLIN COUNTY  
Kenneth L. Maun

By: 

Title: Tax Assessor Collector of Collin County

Date: 7/20/13