

NORTH CAROLINA
JACKSON COUNTY

COUNTY TAX SERVICES, INC.
SERVICES AGREEMENT

This Service Agreement made and entered into this _____ day of _____, 2020, between the County of _____ Jackson _____, (Hereinafter "COUNTY"), a political subdivision of the state of North Carolina, and County Tax Services, Inc. (Hereinafter "CTSI") a North Carolina Corporation having its registered office in Raleigh, North Carolina.

WITNESSETH

WHEREAS, JACKSON COUNTY desires to obtain audit services on Business Personal Property Tax Listings as authorized by the North Carolina General Statutes; and

WHEREAS, CTSI agrees to provide said audit services for COUNTY pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the promises mutually herein exchanged, the parties agree as follows:

1. AUDITING SERVICES

CTSI agrees to provide to COUNTY auditing services on Business Personal Property Tax Listings. CTSI will:

- A. Make copies of the Business Personal Property Tax Listings according to the Tax Assessor's instructions on accounts selected for audit.
- B. Prepare an introduction letter on COUNTY letterhead and provide the letter to the Tax Assessor for signature and timely mailing.
- C. Make an appointment with the selected businesses for a Business Personal Property Tax audit to be performed.
- D. Inform the Tax Assessor of the audit findings after the audit is completed, and provide adequate work papers to support all audits, whether there is a discovery or no discovery.
- E. Upon COUNTY approval of the audit, prepare a discovery letter pursuant to G.S. §105-312, a no discovery letter, or other letters as directed by the COUNTY, on COUNTY letterhead, together with a copy of the work papers, for the Tax Assessor's signature and mailing to the taxpayer.
- F. Agree to be accompanied by COUNTY personnel on any local audits to assist in training for ongoing audit activities.
- G. Answer all questions of COUNTY regarding any audit performed by CTSI and to assist the COUNTY in preparing for any appeal as provided in section 2 below.
- H. Maintain confidentiality of all taxpayer information and other information provided to it by the COUNTY to the extent required of the COUNTY under all applicable state and federal law.

2. AUDIT APPEALS

If any audit performed by CTSI enters the appeals process, CTSI will:

- A. Appear at meetings with taxpayers or their representatives concerning the information identified in the audit.
- B. Provide testimony and evidence at hearings before the County Tax Assessor, Board of County Commissioners, North Carolina Property Tax Commission or other appeal level hearing concerning the information identified in the audit.

3. CONSULTING SERVICES

- A. Consulting services include ANY services requested by COUNTY that are not required to complete an audit. This can include services on audits which have been finalized, but where additional information that was not covered in the original audit is requested by COUNTY. COUNTY AND CTSI SHALL AGREE IN WRITING AND IDENTIFY ALL COSTS AND SERVICES TO BE PERFORMED UNDER THIS SECTION PRIOR TO COMMENCEMENT OF THE SERVICE BY CTSI.
- B. CTSI will maintain an hourly time sheet on any consulting services performed for COUNTY to be billed to COUNTY on a monthly basis if this service is required.

4. RESPONSIBILITY OF COUNTY

COUNTY will:

- A. Make available to CTSI legible Business Personal Property Tax Listings for the purpose of making copies.
- B. Provide CTSI with COUNTY letterhead and envelopes.
- C. Sign and mail approved letters to the taxpayers in a timely manner.
- D. Provide postage for mailing audit correspondence from COUNTY to the taxpayer.
- E. Inform CTSI if any of the ongoing audits enter the appeals process or if any taxpayer sends COUNTY any additional information that may be vital to the audit.
- F. Provide the North Carolina Department of Revenue with the proper statement of confidentiality as required under the provisions of NCGS 105-296 for the personnel of CTSI.
- G. Provide to CTSI a notarized authorization letter giving authority to conduct audits on behalf of COUNTY.
- H. Compensate CTSI for AUDITING SERVICES and CONSULTING SERVICES performed under this Agreement as stated in Item 6, COMPENSATION.

5. TERM OF AGREEMENT

- A. This Agreement will become effective from the date of execution and will continue until cancelled by either party.
- B. This Agreement is cancelable at any time by either party upon thirty (30) days written notice.
- C. In the event of cancellation by either party, all audits assigned to CTSI as of the date of cancellation shall be completed by CTSI and all fees for completed audits shall be payable in accordance with the terms as provided by this Agreement.

6. COMPENSATION

For AUDITING SERVICES, as outlined in Section 1 and CONSULTING SERVICES, as outlined in Section 3 provided by CTSI under this Agreement, COUNTY agrees to compensate CTSI as follows:

A. AUDITING

SERVICES Fee

Determination

For auditing services provided by CTSI, County will pay to CTSI a fee in accordance with the table and guidelines below.

Size	*Total Tax Value per Current Listing	Fee per Acct#
S-0	1 - 49,999	400.00
S-1	50,000 - 399,999	600.00
S-2	400,000 - 999,999	1,000.00
S-3	1,000,000 - 4,999,999	2,000.00
S-4	5,000,000 - 14,999,999	6,000.00
S-5	15,000,000 - 29,999,999	10,000.00
S-6	30,000,000 - 49,999,999	10,000.00
S-7	50,000,000 up	10,000.00

*The fee paid will be based on utilizing the Total Assessed Value of the most current Business Personal Property Tax Listing form; except in the following cases.

In the event the COUNTY assigns CTSI an account whereby the taxpayer:

- 1) Has never provided a Business Personal Property Listing form
- 2) Has not provided a current year Business Personal Property Listing form
- 3) The taxpayer's Business Personal Property Listing form consists of a statement such as "Same as last year" rather than a completed listing

The compensation for items 1, 2 and 3 above, will be based on the most current tax years assessed value after the review has been completed. In as much as there would be no accurate way to determine a fair and reasonable compensation prior to the review.

Invoicing Procedures

If COUNTY has appropriated funds for audit services, as outlined in Section 1, CTSI will invoice the COUNTY monthly for services rendered based on issuance of the first letter of audit findings to the taxpayer, during the preceding thirty (30) days.

If COUNTY has NOT appropriated funds for the audit program the COUNTY will provide CTSI with copies of audited taxpayer's post-audit paid bills so that CTSI can generate invoices to COUNTY for services. If it is determined that the amount COUNTY has collected as a result of CTSI audits totals more than the total fees due up to that date then CTSI will invoice all audits completed up to that date. CTSI shall invoice COUNTY; Payment to CTSI for services provided under this Agreement will be due 30 days from the date of funds collected. Account assignments will be made until sufficient funds are collected by COUNTY as a result of CTSI audits to pay CTSI all fees for services rendered, or until COUNTY elects to discontinue making assignments for any reason thereafter and appropriates sufficient funds to pay CTSI for all outstanding fees for services rendered up to the effective date of termination.

B. CONSULTING SERVICES

For consulting services provided by CTSI under this Agreement, COUNTY will pay to CTSI One Hundred Dollars and No Cents (\$100.00) per hour. Consulting fees will be invoiced at the end of each month.

7. PROPRIETARY RIGHTS

COUNTY agrees that the proprietary rights to the computer database and spreadsheet systems that CTSI has developed for auditing Business Personal Property Tax Listings will remain the property of CTSI.

8. GENERAL

- A. This Agreement will be governed by the laws of the State of North Carolina.
- B. This Agreement is not assignable, by either party, by operation of law or otherwise.
- C. Should any provision, portion or application thereof of this Agreement be determined by a court of competent jurisdiction to be illegal, unenforceable or in conflict with any applicable law or constitutional provision, the Parties shall negotiate an equitable adjustment in the affected provisions of this Agreement with a view toward effecting the purpose of this Agreement, and the validity and enforceability of the remaining provisions, portions or applications thereof, shall not be impaired.
- D. The subject headings of the paragraphs are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. This Agreement shall be deemed to have been drafted by both parties, and no purposes of interpretation shall be made to the contrary.
- E. This Agreement including any attachments, will constitute the entire understanding between COUNTY and CTSI and will supersede all prior understandings and agreements relating to the subject matter hereof. Any modification, revision or amendment to this Agreement must be in writing and executed by both parties. This Agreement may not be orally modified.
- F. COUNTY acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

9. MISCELLANEOUS

CTSI shall comply with all applicable laws and regulations including but not limited to federal, state and local laws regarding business permits, certificates, and licenses that may be required to carry out the services to be performed under this Agreement and all federal immigration laws in its hiring and contracting practices. CTSI and its subcontractors shall comply with Article 2 of Chapter 64 of the North Carolina General Statutes relating to the required use of the federal E-Verify program to verify the work authorization of newly hired employees. Failure of CTSI to comply with this provision or failure of its subcontractors to comply could render this contract void under North Carolina law. CTSI hereby certifies that it is not on the North Carolina State Treasurer's lists of persons engaging in business activities in Sudan (Darfur), Iran, or boycotting Israel, prepared pursuant to NCGS §§ 147-86.43, 147-86.58, and 147-86.81, nor will CTSI utilize for this Agreement any subcontractor on such lists. This agreement is intended for the benefit of the County and CTSI and not for any other party. If any provision of this Agreement shall be unenforceable, the remainder of the Agreement shall be enforceable to the extent allowed by law.

10. NOTICES

Notices to be given or submitted by either party to the other, pursuant to this Agreement, will be sufficiently given or made in writing and sent by certified mail, postage prepaid to:

CTSI: County Tax Services, Inc.
3733 National Drive, Ste. 125
Raleigh, NC 27612

COUNTY: Jackson County Tax Assessor
401 Grindstaff Cove Rd
Sylva, NC 28779

IN WITNESS WHEREOF, the authorized officials of the County and CTSI have set their hands and seals as of the day and year first above written.

COUNTY TAX SERVICES, INC.

COUNTY OF: Jackson

BY: _____ (Seal)

BY: _____

TITLE: _____

TITLE: Brian T. McMahan
Chairman, Board of Commissioners

ATTESTED BY:

BY: _____

TITLE: Angela M. Winchester
Clerk to the Board

This instrument has been pre-audited in the Manner required by the Local Government Budget and Fiscal Control Act.

This the _____ day of _____ 2020

Finance Officer
Jackson County, North Carolina