



## *Agenda Commentary*

**Item Title/ Subject:** Agreement for Administration of Sales and Use Tax Ordinances with the Oklahoma Tax Commission

**Staff Source:** Debra Blanchard, City Treasurer

**History/Background Information:** The City always has an executed agreement with the Oklahoma Tax Commission to administer the collection of City Sales Tax and Use Tax and remit to the City on a monthly basis.

**Item/Subject Summary:** The OTC has been working with the OML Municipal Liason Board on revisions to the OTC Sales and Use Tax collection procedures and policy. This agreement is a result of those negotiations for clarity, reporting, and enforcement procedures now included. I have attached an overview sheet OML had on their website for changes that have been addressed in the new agreement.

The need for new agreement execution just happened to coincide with the new Sales Tax effective date of October 1.

**Price/Cost:** -0-

**Recommendation:** Approval and Execution of the Agreement for Administration of the Sales and Use Tax Ordinances of the City of Clinton with the Oklahoma Tax Commission.

**MUNICIPAL LIAISON BOARD**  
**CONTRACT REVISION: OVERVIEW**

August 2011

1. Combine sales and use tax agreements into one document.
2. Change language to emphasize municipal taxing authority and OTC's role as the agent under the contract
3. Reporting:
  - a. require reports that can be electronically downloaded into, at a minimum, an excel spreadsheet or its equivalent; the Commission will use a form which is capable of being understood by a person reviewing such records
  - b. specific reports to be provided:
    - substantial refund requests
    - notice of refund hearing
    - requested reports if they can reasonably be provided
4. Enforcement of pay plans for delinquent taxpayers:
  - a. require a significant down payment and
  - b. completion of the pay plan in as short a period as possible.
  - c. consultation with the municipality about an installment or other payment agreement prior to negotiation of such an agreement.
  - d. The installment or other payment agreement shall be void if the taxpayer becomes delinquent in future tax liability or payment under the agreement becomes delinquent.
  - e. monthly list of delinquent taxpayers entering into payment agreements along with the terms, conditions and status of each such installment or payment agreement
5. Local enforcement:
  - a. more autonomy for municipalities to contact delinquent vendors
  - b. no retainage for OTC if municipal court enforcement results in collection
  - c. independent auditor language from HB2359
  - d. independent collection contracts provided by SB 750, incorporating the implementation plan provided therein

**AGREEMENT FOR ADMINISTRATION  
OF THE SALES AND USE TAX ORDINANCES  
OF THE CITY/TOWN OF  
Clinton**

THIS AGREEMENT is entered into this 20 day of September 20 pursuant to the provisions of Sections 2701 et seq. of Title 68 of the Oklahoma Statutes, between the Oklahoma Tax Commission, hereinafter referred to as "Commission," and the City/Town of Clinton, Oklahoma, hereinafter referred to as "Municipality," for the administration of effective sales and use tax ordinances on file with the Commission hereinafter referred to as "Ordinances," levying a municipal sales or use tax of four percent (4 %) upon sales within or outside of the Municipality.

1. This Agreement is based upon the Ordinances for the collection of sales and uses taxes by the Municipality, certified copies of which are attached hereto and made a part hereof. The Municipality may, at any time and from time to time, amend or repeal the Ordinances and, to the extent that the Municipality amends or repeals the Ordinances, the Municipality shall promptly provide the Commission with a certified copy of the ordinance effecting such amendment or such repeal.

An increase or a decrease in the municipal sales or use tax rate shall become effective only on the first day of a calendar quarter. Provided, however, the sales and use tax rates levied by the Municipality if the Municipality levies both a sales and use tax, must be identical. The Municipality shall notify the Commission of an increase or a decrease at least seventy-five (75) days prior to the close of the current calendar quarter and shall provide the Commission with a certified copy of the ordinance affecting such increase or such decrease.

2. A. The Commission shall administer and shall enforce the Ordinances and shall collect the municipal sales and use tax, and the interest and penalties with respect thereto, as provided in the Ordinances and as herein provided. It is recognized and acknowledged that:

(a) the Ordinances levy municipal sales tax upon all sales within the Municipality as authorized by Section 2701 of Title 68 of the Oklahoma Statutes; and

(b) the term "sale" as used in the Ordinances has the same meaning as the term "sale" has in the Oklahoma Sales Tax Code; and

(c) the Ordinances levy municipal use tax upon all transactions within or without the Municipality as authorized by Sections 1411 of Title 68 of the Oklahoma Statutes; and

(d) the term "use" as used in the Ordinances have the same meaning as the term "use" has in the Oklahoma Use Tax Code.

To facilitate such administration, such collection and such enforcement of local taxes, the Commission shall designate a Local Tax Coordinator of the Commission who shall be generally responsible for matters related to the collection of local taxes and, with respect to such matters, shall directly advise the Administrator of the Commission. The duties which may be performed by the Local Tax Coordinator and/or other employees of the Commission under his or her supervision, shall include, without limitation,

(a) acting as liaison between the Commission and municipalities with respect to the administration, the collection and the enforcement of local taxes,

(b) addressing concerns of the Commission and/or taxpayers with respect to the administration, the collection and the enforcement of municipal taxes by municipalities,

(c) consulting with municipalities concerns and trends with respect to local taxes,

(d) coordinating collection and enforcement actions by the Commission and municipalities with respect to local taxes,

(e) coordinating the provision by the Commission to municipalities of information and

(f) providing educational and other support to municipalities in their collection and enforcement efforts.

In making decisions with respect to the administration of local taxes, the Commission will consider the view expressed by the Municipality.

The Municipality shall not request that the Local Tax Coordinator perform any duties which are the sole responsibility of the Municipality.

B. The implementation plan adopted pursuant to subsection 4 of subsection E of Section 2702 of Title 68 of the Oklahoma Statutes shall be incorporated into the collection agreement entered into by Municipality and Commission pursuant to subsection E of section 2702 of Title 68 of the Oklahoma Statutes, as if fully set forth therein.

3. The method of computing sales tax to be used by vendors in collecting both state and municipal sales tax, is prescribed in Section 1362 of the Oklahoma Sales Tax Code. The method of computing use tax to be used by vendors in collecting both state and municipal use tax, is prescribed in Section 1401 of the Oklahoma Use Tax Code.

4. The discount (deduction) allowed to vendors in Section 1367.1 of the Oklahoma Sales Tax Code shall be applicable to both state and local sales tax remittances. Monetary allowances provided for in 68 O.S. § 1354.31 shall also be applicable to both state and local sales tax remittances. The discount (deduction) allowed to vendors in Section 1410.1 of the Oklahoma Use Tax Code shall be applicable to both state and local use tax remittances. Monetary allowances provided for in 68 O.S. § 1354.31 shall also be applicable to both state and local use tax remittances.

5. The Commission shall retain, as its sole compensation for its services rendered hereunder, an amount equal to the applicable percentage of the amount of the municipal sales or use taxes, and the interest and penalties with respect thereto, collected by the Commission hereunder. The applicable percentage is set forth in Exhibit A as incorporated herein.

6. Except as otherwise provided herein, the Commission shall give no preference in applying an amount received for state, municipal and county sales or use taxes owed by a taxpayer to the extent that such amount is less than the aggregate state, municipal and county sales or use tax liability of the taxpayer. Any such amount shall be applied pro rata to the satisfaction of the claims of the Commission, the claims of the Municipality and the claims of other municipalities and counties based on the portions of the aggregate state, municipal and county sales or use tax liability of the taxpayer represented by their respective claims.

7. The municipal sales or use tax received and collected by the Commission pursuant to this Agreement shall be deposited in the State Treasury as required by law. The Commission shall use its best efforts to cause to be paid to the Municipality no later than the tenth day of each calendar month all municipal sales and use tax, and the interest and the penalties with respect thereto, received and collected by the Commission during the immediately preceding calendar month, less any amount withheld by the Commission under Paragraph 5 and less any amounts deducted by the Commission in connection with refunds hereunder.

8. The Commission shall require reports of municipal sales and use tax from vendors, shall maintain records of reports by, and receipts and collections from vendors, and shall maintain the records in such a manner that the total amount due the Municipality each month can be determined by the Commission and can be verified by the Municipality. The requirement for the Commission to maintain its records in a verifiable form is intended to require the Commission to maintain its records in a form capable of producing reports that can be electronically downloaded into, at a minimum,

an excel spreadsheet or its equivalent; the Commission will use a form which is capable of being understood by a person reviewing such records. The Commission shall transmit to the Municipality a monthly statement of the municipal sales and use tax, and interest and penalties with respect thereto, received and collected by the Commission during the immediately preceding calendar month, the amounts, if any, refunded by the Commission to taxpayers during the immediately, preceding calendar month and the amount withheld by the Commission under Paragraph 5.

9. In the event a vendor remits sales or use tax due but fails to submit city attachments, or submits a report from which the sales or use tax due Municipality cannot be determined, the Commission will allocate to Municipality such sales or use tax received pro rata based on the vendor's percentage allocation for the most recent report filed or, if no report has been filed, according to the best information available to the Commission. Such amount, and any interest and penalty as provided in Section 217 of Title 68 of the Oklahoma Statutes with respect thereto, shall be paid to the Municipality in accordance with Paragraph 7. Interest will begin as of the date the vendor remittance is deposited to the State Treasury.

10. The Municipality acknowledges that the Commission is responsible for making refunds to taxpayers of municipal sales and use taxes previously collected by the Commission on behalf of the Municipality. The term "refunds" as used herein shall include payments made pursuant to filed claim for refund(s) or amended return(s) approved by the Commission. The Commission's determination of any taxpayer's liability for sales and use taxes shall be binding as between the Municipality and the taxpayer.

Any refund of municipal sales and use tax previously paid by the Commission to the Municipality shall be paid from subsequent collections of the municipal sales and use tax. Such refund shall be deducted from the collections payable by the Commission to the Municipality in the immediately following calendar month (unless the taxpayer entitled to such refund otherwise agrees).

11. The Commission shall provide notice to the Municipality of any aggregate request for refund or any remittance error of combined state, county and city sales and use tax in the amounts of \$10,000 or more. On or before July 31, 2012, the Commission will review the software capability of providing notice for any aggregate request for refund or remittance error of combined state, county and city sales and use tax in amounts less than \$10,000 and, if the capability is available, will implement it. Notice will be provided within seven (7) business days of the Commission's initial review of a claim for refund, documented as outlined in OAC 710:65-11-1 or upon discovery of a remittance error. Municipality agrees that any amount contained in the notice given pursuant to this section will be considered as advisory only until such time as a final determination has been made by the Commission. Commission, through the Local Tax Coordinator, will notify Municipality at such time the Commission determines the final amount to be refunded pursuant to a claim or remittance error. Any municipal sales or use tax, and/or any interest and penalties with respect thereto, paid under protest by a

taxpayer to the Commission during the immediately preceding calendar month shall be paid by the Commission to the Municipality as part of the payment being made by the Commission to the Municipality. If the protested municipal sales or use tax, interest or penalties are required to be refunded, such amount and any interest required to be paid thereon will be paid out of subsequent collections by the Commission. Such refund shall be deducted from the collections payable by the Commission to the Municipality in the immediately following calendar month (unless the taxpayer entitled to such refund otherwise agrees) subject to the provisions of paragraph 10.

The municipality may request by a blanket advisement to the Commission that it be notified of any hearing wherein the Commission hears a claim for refund of a protest of an assessment. If an affected municipality shall have requested such notice in writing, the Commission shall, at the same time the parties are notified of the scheduled hearing, provide notice to the municipality affected.

12. Simultaneously with the execution and the delivery of this Agreement, the Commission shall, upon written request of the Municipality, provide to the Municipality a full and complete list of the names and the addresses of the persons and the entities which or who report doing business within the boundary of the Municipality during the preceding calendar year in a format as set out in Paragraph 8 of this agreement.

The Commission shall, upon written request of the Municipality, report to the Municipality on a monthly basis all of the following information:

(a) additions to, and deletions from, the full and complete list of the names and the addresses of persons and entities which or who report doing business during the preceding calendar year within the boundary of the Municipality;

(b) a full and complete list of the persons and the entities specified in paragraph 12(a) which or who are more than sixty (60) days delinquent in filing and/or remitting municipal sales and use taxes pursuant to the Ordinances; and

(c) a full and complete, list of all persons and all entities paying municipal sales and use tax under the Ordinances, and/or interest and penalties with respect thereto, and the amount of such remittances.

The Commission shall, upon written request of the Municipality, report to the Municipality on a quarterly basis all of the following information

(a) the number of audits completed and assessments determined by the Commission with respect to municipal sales and use taxes, and/or interest and penalties with respect thereto, under the Ordinances during the preceding calendar year; and

(b) the amount of additional municipal sales and use taxes, and/or interest and penalties with respect thereto, under the Ordinances collected by the Commission during the preceding calendar year.

Commission also agrees to provide Municipality reports in addition to those outlined above under the following terms:

(a) The report is requested in writing or via e-mail, outlining the information required and regularity of the report.

(b) The report complies with all terms and statutes outlined within this agreement.

(c) The information requested is available to the Commission.

(d) Commission will be provided a minimum of sixty (60) days to compile new requests unless otherwise agreed.

The Commission shall monitor the administration, the collection and the enforcement of municipal sales and use taxes, and/or interest and penalties with respect thereto, under the Ordinances. The Commission shall provide the Municipality such information as may be requested by the Municipality with respect to any protest or any refund of municipal sales or use taxes levied by the Municipality. The Municipality shall also be entitled to consult with the Commission's legal staff about protests and refunds and, to the extent that a protest or a refund involves one or more hearings, the Municipality shall, through legal counsel or other designated staff employed by the Municipality, be entitled to be present and observe such hearing(s); provided, however, the administrative law judge or the Commission may limit the number of counsel or other designated staff, if any, who may be present to the extent necessary to permit the hearing to be conducted in an orderly fashion and without undue trepidation on the part of the taxpayer.

To the extent that such documents and/or such information relates to municipal sales or use taxes, and/or interest and penalties with respect thereto, and is requested, at any time and from time to time by the Municipality, the Commission shall promptly provide to the Municipality (a) copies of applications for sales tax permits, (b) copies of sales or use tax reports, (c) copies of installment or other payment plans, if any, with taxpayers and (d) other documents and other information.

The Commission shall promptly notify the Municipality of any conduct which the Commission believes might be the basis for a criminal prosecution by the Municipality under the Ordinances and shall provide to the Municipality all of the documents and the information in the possession of the Commission with respect thereto, including, without limitation, the names of employees of the Commission who might be witnesses with respect thereto.

The Municipality acknowledges that Section 205 of Title 68 of the Oklahoma Statutes, which makes the records and the files of the Commission confidential (subject to specified exceptions) and which prohibits disclosure of such records and such files (subject to specified exceptions), includes the Commission's records and files with respect to the receipt and the collection of municipal sales and use tax. Nothing contained herein is intended to require the Commission to disclose to the Municipality any information whose disclosure to the Municipality is prohibited by Section 205.

The Commission acknowledges that (a) Section 205(c)(7) of Title 68 of the Oklahoma Statutes permits the Commission to furnish information disclosed by the records and the files of the Commission to an official person or body of this state who is concerned with the administration or the assessment of certain taxes, such as the Municipality, (b) Section 205(c)(22) of Title 68 permits the disclosure to the governing body or municipal attorney, if so designated by the governing body, of information directly involved in the resolution of issues arising out of the enforcement of a municipal sales and use tax ordinance, such as the Ordinances, pursuant to a municipal tax collection agreement, such as this Agreement, and (c) Section 22-107 of Title 11 of the Oklahoma Statutes and Section 205.1 of Title 68 of the Oklahoma Statutes permits the Commission to release specified information to municipalities.

The Municipality acknowledges that Section 205 of Title 68 of the Oklahoma Statutes may prevent the disclosure by the Municipality and persons associated with the Municipality of information which is provided by the Commission to the Municipality and that improper disclosure by the Municipality or any such person of such Information may result in civil and criminal liability. The Municipality shall comply with the restrictions imposed by Section 205.

13. In the event of termination of this Agreement, the Commission will cause to be paid over to the Municipality, all municipal sales and use tax funds in its possession then due and payable under this Agreement. The Municipality shall thereafter be liable for and shall pay any refunds of municipal sales or use tax required by law to be made, including refunds of municipal sales or use tax, penalty and interest paid under protest that must be refunded and any interest required thereon. After such termination, the Commission's liability shall extend only to the amount of such funds being held by it. The Municipality agrees to pay any interest required by law to be paid on such refunds.

14. The Commission shall have the authority to assess and to collect, on behalf of the Municipality, the municipal sales and use taxes levied by the Ordinances, and the interest and the penalties with respect thereto, including, without limitation, any municipal sales or use tax, interest and/or penalty existing on the date hereof.

The Municipality agrees to refrain from contacting directly persons or entities doing business within the boundary of the Municipality unless and until such contact is agreed to by Commission and Municipality in a rider to this Agreement for the purpose of the actual collection of sales and use taxes. Municipality does have the inherent

authority to contact vendors within and without the municipality concerning the vendor's alleged violation of municipal ordinances prior to the initiation of criminal prosecution.

The Municipality may inquire of the Commission into the compliance of persons and entities with the Ordinances and, to the extent that the Municipality determines that any person or any entity has not complied with the Ordinances, the Municipality may request the Commission to issue a proposed assessment against such person or such entity. To the extent that the Commission receives any such request, the Commission shall review such request within 45 days. If, after said review, Commission believes that such request presents a basis for a proposed assessment, Commission shall issue a proposed assessment. Any such proposed assessment shall be resolved as provided in Sections 201 et seq. of Title 68 and the procedural rules promulgated by the Commission.

The Municipality may, at the option of the Municipality, request the Commission to initiate a show cause proceeding against a person or an entity which the Municipality believes, in good faith, not to be in compliance with the Ordinances or any provision thereof. To the extent that the Commission receives any such request, the Commission shall review such request within 45 days. If after said review, Commission believes that such request presents a basis for a show cause proceeding, Commission shall initiate a show cause proceeding. Such show cause proceeding shall be conducted as provided in the procedural rules promulgated by the Commission.

The Commission and the Municipality acknowledge the mutual interest of the Commission and the Municipality in maximizing compliance with the Ordinances and the collection of local taxes thereunder. The Municipality may, at any time and from time to time, either alone or in conjunction with other municipalities, submit a written proposal for collection and enforcement activities for consideration by the Commission; provided, however, it is expressly understood that any such written proposal must provide for coordination with the collection and enforcement activities of the Commission, provide for the use of the then applicable audit standards of the Commission and otherwise be in form and in substance to the Commission. In the event that Municipality's proposal is accepted by Commission, Municipality will be authorized to conduct the activities included in such proposal on behalf of Commission and no other action will be authorized by the Commission by a municipality or municipalities not included in the accepted proposal.

Provided further that upon the request of the municipality, either alone or in conjunction with other municipalities, the Commission shall enter into contractual agreements with the municipality or group of municipalities whereby the municipality or group of municipalities are authorized to implement or augment the Commission's enforcement through a contract with a private auditor(s) or audit firm(s) of the municipal tax. The auditor(s) or audit firm(s) shall first be approved by the Commission and once approved shall be appointed as an agent of the Oklahoma Tax Commission for purposes of the audit. Contracts with a private auditor or audit firm are not subject to the limitations of Section 262 of title 68 of the Oklahoma Statutes, and the parties, the

municipality, private auditor or audit firm and the Commission, are authorized to exchange necessary information to effectively perform the contracted audit. The municipality, its officers and employees and the private auditors or audit firms may receive all information necessary to perform the audit and shall preserve the confidentiality of such information as required by Section 205, title 68, of the Oklahoma Statutes, including the penalties set out therein. The Commission shall be furnished the audit results and all relevant supporting documentation. The municipalities shall pay for the private auditor(s) or audit firm(s) by deduction from the tax assessment resulting from said audit unless another method of payment is set out in the contract with the private auditor or audit firm. Any municipal sales and use tax funds recovered as a result of the use by the municipality of a private auditor or audit firm shall not be subject to the retention calculated by the Commission as provided in Paragraph 5 of this agreement, in addition the Commission shall pay to the municipality any retainage that the Commission shall be entitled to for collection of county sales and use tax and shall pay to the municipality the state's pro rata share of the expenses of the auditor. Provided further, the Commission shall have no obligation to any municipality that does not participate in an audit conducted under subsection D of Section 2702 of Title 68 of the Oklahoma Statutes or an audit conducted pursuant to this section.

Notice of a proposed independent audit shall be provided to the municipality and the municipality shall within 30 days provide acceptance or rejection of participation in the audit. Failure to act within the 30 day time period shall mean that the municipality shall not be included in the audit. Failure to act with respect to a particular independent audit within the 30 day time period shall relieve the Commission of its obligation to audit on behalf of the municipality with respect to that particular audit.

15. It is recognized and acknowledged that the Ordinances include criminal sanctions for violation of the Ordinances. Notwithstanding anything else contained herein, the Municipality shall have the exclusive authority to prosecute any criminal violations of the Ordinances and the Commission shall refrain from taking any such action. Nothing contained herein shall prevent the State of Oklahoma from prosecuting persons for crimes under state law, including, without limitation, embezzlement by a vendor of a municipal sales tax.

16. To the extent that the Municipality decides to prosecute criminally any action under this Agreement, the Commission and the Municipality shall cooperate, in good faith, to maximize collections under the Ordinances and to minimize duplicative effort by the Commission and the Municipality.

17. Where the municipality takes the action recognized by paragraph 15 of this Agreement for prosecution to enforce its sales or use tax ordinance, all taxes shall be paid by the taxpayer directly to the Commission. Any resulting payment of municipal tax shall not be subject to the retention calculated by the Commission for the collection of city sales and use taxes as provided in Paragraph 5 of this agreement, subject to the implementation plan established in paragraph 2B of this agreement.

18. The Commission has the authority to enter into an installment or other payment agreement with any taxpayer, including a taxpayer prosecuted under a municipal sales or use tax ordinance, for state and local taxes owed by the taxpayer. Commission will, through its use of a pay plan in order to keep a delinquent business open, collect the liability as quickly as possible by requiring a significant down payment and completion of the pay plan in as short a period as possible. The Municipality shall be entitled to consult with the Commission's legal staff about an installment or other payment agreement prior to negotiation of such an agreement. The installment or other payment agreement shall be void if the taxpayer becomes delinquent in future tax liability or payment under the agreement becomes delinquent. The Commission shall furnish a list of all sales and use taxpayers which have entered into agreements with the Commission on a monthly basis along with the terms, conditions and status of each such installment or payment agreement.

19. The Municipality agrees that, if there is a challenge to the constitutionality or the legality of the Ordinances or any provision thereof (other than a challenge based on the application by the Commission of the Ordinances or any provision thereof), the Municipality shall be responsible for the resolution of such challenge. If such a challenge is based on the application by the Commission of the Ordinances or any provision thereof, the Commission shall be responsible for the resolution of such challenge. The party responsible for the resolution of any challenge shall make all decisions with respect to the prosecution and the settlement of any litigation with respect to such challenge and the other party shall cooperate with the responsible party with respect to the resolution of such challenge. The Commission shall provide notice to the Municipality of any challenge. Notice will be provided within seven (7) business of the receipt of the challenge and the municipality shall be allowed to participate in any decision.

20. The change in the boundary of Municipality shall be effective for sales tax purposes only, on the first day of a calendar quarter following the enlargement of the municipal city limits. If a municipality should de-annex a territory the sales tax from business or firms located in the de-annexed area shall cease on the effective date of the de-annexation ordinance. Municipality shall give the Commission notice in writing of any annexation or de-annexation of territory to the municipality at least as required by Title 68 Oklahoma Statutes Section 2701. The notice shall include a verified copy of the boundaries of the newly annexed or de-annexed territory. In addition all Municipality limit lines shall be shown in map form, and certified to the Commission by the municipal clerk.

21. Neither Municipality nor Commission has entered into this Agreement with the intention of violating state law or the provisions of the Streamlined Sales Tax Agreement. If it is determined by either party that any provision violates either state law or the Streamlined Sales Tax Agreement, such provision of the Agreement shall be null and void. The remaining provision of the Agreement shall be in effect until the expiration or termination of the Agreement.

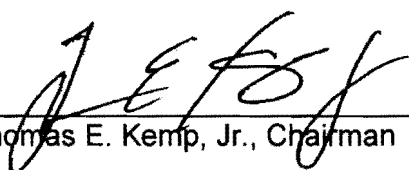
22. This Agreement shall be in effect from \_\_\_\_\_, \_\_\_\_ until \_\_\_\_\_, \_\_\_\_\_, and shall renew without action of the parties for additional terms of one (1) year provided that the current rate has not been changed and neither party has given written notice to the other party of its intent to terminate this Agreement prior to the expiration of the then current term. Either party may terminate this contract for any reason upon thirty (30) days written notice of its intent to terminate to the other party.

IN WITNESS WHEREOF, the parties have set their hands and affixed their official seals the day and year first above written.


THE MUNICIPALITY OF

OKLAHOMA TAX COMMISSION

\_\_\_\_\_  
A Municipal Corporation

  
\_\_\_\_\_  
Thomas E. Kemp, Jr., Chairman

\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Jerry Johnson, Vice-Chairman

ATTEST: (CITY SEAL)

\_\_\_\_\_  
Municipal Clerk

  
\_\_\_\_\_  
Dawn Cash, Secretary-Member

ATTEST: (STATE SEAL)

\_\_\_\_\_  
Assistant Secretary – OTC

APPROVED:

\_\_\_\_\_  
Director, Taxpayer Assistance Division

APPROVED BY THE CITY OF \_\_\_\_\_ LEGAL DEPARTMENT

BY \_\_\_\_\_ DATE \_\_\_\_\_

## EXHIBIT A

### RETENTION FEE AS OF 9/1/1989 PER TITLE 68-SEC.2702

RATE (%)		FEE	RATE (%)		FEE
1%-1.99%	=	1.75%	2.5%	=	1.25%
2%	=	1.50%	2.75%	=	1.12%
2.25%	=	1.37%	3% or>	=	1.00%