

THE STATE OF TEXAS §
COUNTY OF JEFFERSON §

INTERLOCAL AGREEMENT FOR ASSESSMENT AND COLLECTION SERVICES

On this the _____ day of _____, 2016, Jefferson County, Texas, hereinafter call “County,” and the City of Taylor Landing, hereinafter called “City,” enter into the following agreement;

SECTION 1. PURPOSE

- 1.1 The parties to this agreement wish to have the assessment and collection of taxes for the City performed by the County. The parties enter into the contract pursuant to the authority granted by Section 6.24. Property Tax Code, and Texas Local Government Code Sec. 791.

SECTION 2. TERM

- 2.1 This contract shall be effective on May 1, 2016. Thereafter, either party may terminate and cancel the contract by giving sixty (60) days written notice of cancellation to the other party.
- 2.2 In the event of cancellation, County shall furnish City a duplicate of all electronic records kept for the collection of City’s taxes so as to enable City to collect those taxes.

SECTION 3. SERVICE TO BE PERFORMED

- 3.1 The County shall collect the ad valorem property taxes owing to the City. The County further agrees to perform for the City all duties provided by the laws of the State of Texas for the collection of said taxes.
- 3.2 The County shall perform all the functions set out in the definition section of this contract. Specifically, the County agrees to prepare consolidated tax statements for each taxpayer. The tax statement shall include taxes owed to both the County and the City, or either, as the case may be. The County shall mail said tax statement to each taxpayer who owns property within the geographical boundaries of the City by October 1 or as soon thereafter as practicable.
- 3.3 The City hereby designates the Assessor-Collector of Taxes for Jefferson County as its tax assessor for purposes of compliance with Chapter 26 of the Texas Property Tax Code, as

amended. In addition, the parties agree that the assessor-collector of the County shall perform all the duties required by law of the tax assessor-collector of the city in regard to assessing and collection ad valorem taxes.

- 3.4 The City agrees to promptly notify the County of the adoption of any residential homestead exemption not automatically imposed by law. Further, the City will promptly notify the County of the adoption of any of the provisions contained in Section 31.05 of the Property Tax Code, or of the adoption of any other provision under law which would affect the assessment or collection of taxes for the City.
- 3.5 "Extra work" means any task, project or work requested by the City not essential to the performance of the services described in 3.1 through 3.4, or to the reporting thereof to the City. Should City fail to adopt a tax rate by September 25 or by the date the County adopts its tax rate, whichever should later occur, and should it be necessary because of the City's failure to so timely adopt a tax rate to mail an additional statement containing the City's taxes, such additional statement shall be "extra work."
- 3.6 Prior to the performance of any extra work requested by the City, and as a condition precedent to the City's obligation to pay for such services as extra work, County shall notify City, by letter to the City's Mayor, or City Manager, that it considers the performance of such service to be extra work.

SECTION 4. PAYMENT

- 4.1 The City shall pay the County for the performance of the services specified above the sum total calculated by multiplying (\$.42) or a cost that does not exceed the most recent price of a postal stamp for each account times the total number of accounts as shown on the City's tax roll as received from the Jefferson County Appraisal District. The parties agree that such sum total is a reasonable fee for the services to be performed, and does not exceed the actual cost of assessment and collection of the City's taxes by the County.
- 4.2 The fee specified in paragraph 4.1 shall be payable annually to the County not later than January 31 of each year.
- 4.3 Should City fail to adopt a tax rate by September 25 or by the date the County adopts its tax rate, whichever should later occur, and should it be necessary because of the City's

failure to so timely adopt a rate to mail an additional statement containing the City's taxes, such additional statement and mailing shall be paid for by City.

SECTION 5. REMITTANCE OF COLLECTION

The taxes collected for the City shall be remitted monthly. Remittances may be held based on the available collected funds in the County's depository. Collections may be withheld for pending supplemental change refunds received from the Appraisal District.

SECTION 6. BONDING REQUIREMENTS

The City agrees to obtain and pay for a surety bond for the County Assessor-Collector acting in his or her capacity as assessor-collector for the City and on employees of the county who are engaged in the collection, receiving, and disbursement of money on behalf of the City, securing and guaranteeing the faithful and honest performance of their duty. Such bond shall be payable to the City, and shall be in a minimum amount of \$100,000.00.

SECTION 7. MICELLANEOUS

- 7.1 The County shall not be liable to the City on account of any failure to collect taxes nor shall the assessor-collector of the County be liable unless the failure to collect taxes results from some failure on his or her part to perform the duties imposed upon him or her by law and by this agreement.
- 7.2 Payments by the city for the services under this contract shall be made from current revenues available to the City.
- 7.3 The City may require an annual independent audit of the assessor-collector's accounts performed on behalf of the City by an auditor not regularly employed by the City or the County. Costs of such audit and copies thereof shall be paid exclusively by City.
- 7.4 In addition to the audit provided in 7.3 above, the City serves the right to examine or audit the tax records of the County at its own expense.

SECTION 8. DELINQUENT COLLECTIONS

The County shall collect any and all delinquent ad valorem taxes owing to the City. The County shall be responsible for causing at least one statement on each delinquent account to be sent annually. The County shall be responsible for providing an attorney and personnel, equipment and supplies to diligently and effectively pursue the collection of delinquent taxes in the manner provided by laws. Should the City disagree with the decision of the Commissioners' Court in these matters, the City reserves the right to exercise Section 2.1 of this contract.

SECTION 9. DEFINITIONS

For purposes of this agreement, the terms "assessment" and "collection" shall include the following: calculation of tax using the rate adopted by the City, calculation of effective tax rate, preparation of current and delinquent tax rolls, proration of taxes, collection of current liabilities, collection of delinquent liabilities and costs resulting from the collection of delinquent taxes, except for the institution of delinquent tax suits, and the issuance of refunds, where authorized by law. The term "assessment" shall not include those functions defined as "appraisal" by Chapter 26 Property Tax Code.

SECTION 10. DISPUTE RESOLUTION

The parties to this Interlocal Agreement further agree, pursuant to Sec. 791.015 of the Texas Local Government Code, that any dispute regarding the terms of this agreement will be submitted to an agreed upon mediator for resolution.

The agreement is executed in Jefferson County, Texas, on the date and year first written above, by the Mayor for the City of Taylor Landing and by the Commissioners' Court for the County.



By John J. Durkay, Mayor
on behalf of the City of Taylor Landing

By Jeff Branick, County Judge
on behalf of Commissioners' Court
Jefferson County, Texas