

**FIRST AMENDMENT TO
OCCUPATIONAL LICENSE TAX FOR SCHOOLS AGREEMENT**

THIS AGREEMENT, made and entered into this the 1st day of July, 2018, by and between BOONE COUNTY FISCAL COURT (BC), and the BOARD OF EDUCATION OF BOONE COUNTY, KENTUCKY (BCBE).

W I T N E S S E T H:

THAT WHEREAS, BCBE levied an occupational license tax for schools, effective January 1, 1991, of one-half of one percent (0.5%) on gross salaries, wages, commissions and other compensation of individuals who are residents of the BCBE School District (School District) for work done or services performed or rendered in the School District and on the net profits of all businesses, professions or occupations from activities conducted in the School District, as authorized in KRS 160.605, with certain exemptions as provided in the tax levying resolution of the BCBE; and

WHEREAS, BCBE is very satisfied with the past performance of BC in providing services under the original Agreement, and desires the continued assistance of the Office of Finance of BC for processing, administration, enforcement, collection and remittance of said occupational license tax for schools; and

WHEREAS, it will be to the benefit of Boone County employers, businesses and individuals subject to the tax to have a centralized tax collection point and similar procedures for the filing of returns and the making of payments for both the BC Government occupational license tax and the BCBE occupational license tax for schools, and it will benefit the BCBE to have available the data base as to businesses, professions and occupations subject to the BC Government occupational license tax since most of these business entities will also be subject to the occupational license tax for schools, and, in addition, it will benefit the BCBE to have available to it certain procedures which have been developed by BC Office of Finance to effect the orderly collection of its license fee, and, accordingly:

It is hereby agreed as follows:

1. (a) The Office of Finance of BC is BCBE's designated Tax Collector and said Office of Finance of BC shall administer, collect, remit and enforce the occupational license tax for schools as well as develop and issue forms and reports, compliance procedures and all aspects of the tax except specific contents and provisions of the tax itself shall remain within the sole jurisdiction of BCBE.

(b) BC will make available and use its list of employers who are subject to the existing BC Government occupational license tax and such other information as will assist in the collection of the occupational license tax for schools, and will mail notices, returns and other reporting documents to effect the collection of the occupational license tax for schools to BC Government's list of employers subject to the tax together with mailings of similar material that may specify that returns and payments of both the BC Government occupational license tax and the occupational license tax for schools are to be mailed and/or paid to the Office of Finance of

BC Government. (Under the occupational license tax levied for schools, as adopted by BC, quarterly returns are required from employers and businesses, occupations and professions of tax withheld, and BC Government requires similar quarterly returns of its occupational license tax, except that in connection with certain larger employers, the BCBE also required quarterly remittances. In addition, both the BC Government occupational license tax ordinance and the BCBE occupational license tax for schools resolution provide for an annual return.)

(c) The Office of Finance of BC will accept on behalf of the BCBE all returns, checks and other payments submitted by employers, businesses, and individuals in payment of the occupational license tax for schools and shall deposit such checks and payments in the account of the BC Government and promptly pay over or have electronically transferred to or make subject to draw to BCBE the portions of such checks and payments as represent the portion thereof attributable to the occupational license tax for schools, plus prorated interest attributable to BCBE's portion of the total BC deposit, which interest shall be reconciled and paid over to BCBE at agreed intervals. The Office of Finance of BC may make appropriate adjustments with employers and taxpayers for the occupational license tax for schools, and will divide insufficient payments by any taxpayer or employer between the BC Government and the BCBE in proportion to the respective amounts of tax rightfully due the two respective parties.

2. It is understood and agreed that the Office of Finance of BC is hereby designated and selected by BCBE as the official tax collector of the occupational license tax for schools and that it will be the duty of the said tax collector to:

(a) Furnish the names and addresses of any employers or businesses who may be exempt from the imposition of the occupational license tax for BC Government, but which are not exempt from the occupational license for schools of BCBE, such names to be added to the mailing list.

(b) Provide answers to all questions concerning the exemption status of employers and employees. Refunds and waivers will be the responsibility of the Superintendent of BCBE or his designee.

(c) To make all required investigations regarding non-payment of the occupational license tax for schools, determinations and filing of civil suits or the imposition of penalties in connection with collections, exemptions, waivers, etc., but in this connection it is understood that the BCBE may select, contract with or appoint an official or a firm to act as the collector of delinquent occupational license taxes for schools, and if such a separate appointment is made by BCBE then such appointee will coordinate the collection of delinquent taxes with the Office of Finance of BC.

3. This Agreement shall automatically renew annually on July 1 of each year; PROVIDED HOWEVER, either party may terminate this Agreement with sixty (60) days advance written notice to the other. Upon termination, the parties shall cooperate and coordinate the transition of the tax collection records in a commercially reasonable manner in order to expedite the transition.

4. BCBE shall pay to BC the sum of 3% (.03) of gross collection (less refunds and credits to taxpayers); PROVIDED HOWEVER, this fee shall be more or less as adjusted to reflect the reasonable actual costs of collection as determined by generally accepted accounting principles and it shall be the duty and burden of BC to document and justify its actual cost of collection in accordance with said standards. The BCBE reserves the right to cause an independent audit of the actual cost of collection, at BCBE's expense, and the Office of Finance of BC shall cooperate therewith if it occurs.

BC covenants and agrees that all information obtained by it or any of its agents and employees from any reports, examination or audit of books, records or accounts, returns or any other source, in the administration of the BCBE occupational license tax for schools, shall be confidential and privileged except for official purposes, unless otherwise treated by judicial order, and shall not be open for public inspection, and for official purposes all such information, reports, financial data, reconciliations, used, obtained or developed, as well as all records exclusively the BCBE occupational license tax for schools, shall be the concurrent property of BCBE and BC and shall upon request of BCBE at any time during the term hereof, and at the termination, cancellation or non-renewal of this Agreement, be promptly provided to BCBE.

IN WITNESS WHEREOF, the parties, as authorized by official action of their respective bodies politic, hereunto set their respective hands:

BOONE COUNTY BOARD OF EDUCATION

By: _____

Its: _____

Date: _____

ATTEST:

SECRETARY OF THE BOONE COUNTY
BOARD OF EDUCATION

BOONE COUNTY FISCAL COURT

By: _____

Its: _____

Date: _____

ATTEST:

BOONE COUNTY FISCAL COURT CLERK