

AGREEMENT FOR STATE ADMINISTRATION
OF LOCAL SALES AND USE TAXES

To administer the provisions of Senate Bill No. 32 enacted into law by the 1959 Session of the Utah Legislature titled and known as "The Uniform Local Sales and Use Tax Law of Utah", the State Tax Commission pursuant to said act and the County of Daggett, pursuant to a sales and use tax ordinance of said County, a copy of which ordinance is attached hereto, do agree as follows:

ARTICLE I

DEFINITIONS

Unless the context otherwise requires, whenever the following terms appear in this Agreement they shall be interpreted to mean the following:

1. "Commission" shall mean the Utah State Tax Commission.
2. "County" shall mean the county above noted, through its authorized elective officers or officials who are authorized to execute binding agreements in the name of, for, and in behalf of said County.
3. "Local Taxes" shall mean the sales and use taxes, penalties and interest imposed by the County under an ordinance which complies with the "Uniform Local Sales and Use Tax Law of Utah" above noted.
4. "County Ordinance" shall mean the sales and use tax ordinance, a copy of which is attached hereto, as it may be amended from time to time.
5. "Local Tax Law" shall mean Senate Bill No. 32 enacted into law by the 1959 Session of the Utah Legislature and entitled "The Uniform Local Sales and Use Tax Law of Utah."

6. "Retailer" shall mean any person, partnership, corporation, public utility, joint venture or other entity from who the tax specified in the Uniform Local Sales and Use Tax Law is collected.

ARTICLE II

ADMINISTRATION AND COLLECTION

1. Administration. The commission and County agree that the Commission shall perform exclusively all the functions incidental to the administration and operation of the County Ordinance.

2. Applicable Laws. The Commission and the County agree that the provisions of the local tax law together with applicable sections of Title 59, Chapter 15, and Title 59, Chapter 16, Utah Code Annotated 1953, as amended, referred to in the local tax law, shall be applicable to the administration and operation of the County Ordinance.

3. Disposition of Funds. Money collected pursuant to the County Ordinance may be deposited in the State Treasury to the credit of a Special Sales Tax Fund and may be drawn from that fund for the purpose of making refunds, for the purpose of compensating and reimbursing the commission pursuant to Article IV of this Agreement and for the purpose of transmitting to the county the amount to which the County is entitled. Such transmittals to the County shall be quarterly.

4. Rules. The commission shall prescribe and adopt such rules and regulations as, in its judgment, are necessary or desirable for the administration and operation of the County Ordinance and the distribution of the local taxes collected hereunder.

5. Preference. Unless the payer instructs otherwise and except as otherwise provided in this Agreement, the Commission shall give no preference in applying money received for sales and use taxes owed by a taxpayer, but shall apply all monies collected to the satisfaction of the claims of the State and the claims of the County as their interests appear.

6. Security. The Commission agrees that any security which it hereafter requires to be furnished under the local tax law or the general state sales and use tax laws will be upon such terms that it also will be available for the payment of the claims of the County for local taxes owing to it as its interests appear. The commission shall not be required to change the terms of any security now held by it and the County shall not participate in any security now held by the Commission.

7. Records of the Commission. The commission agrees to permit authorized personnel of the county to examine the records and procedures of the Commission concerning the local tax law, the County Ordinance and records of taxpayers subject thereto.

8. Change of Area. The county agrees that if the area subject to the County Ordinance is increased or decreased, the Commission shall not be required to give effect to such change for the purpose of collecting and distributing the local taxes earlier than the first day of the calendar quarter which commences not less than one month after written notice is received by the Commission. The notice shall include a verified copy of the metes and bounds of such changes.

ARTICLE III

ALLOCATION OF TAX

In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated for the purposes of this act shall be determined under rules and regulations prescribed and adopted by the Commission. In the case of public utilities, the Commission shall apportion to the County revenue derived from the tax on such services of said utilities in the county on an equitable basis pursuant to rules and regulations to be prescribed and adopted by it.

ARTICLE IV

COSTS OF ADMINISTRATION

The County agrees that the Commission may withdraw from the Special Sales Tax Fund for the purpose of administering this Agreement, an amount not to exceed two and one-half percent (2 1/2%) of the tax imposed by the County Ordinance and collected by the Commission. This figure may be renegotiated in future agreements to reflect more accurately actual costs of collection, but in any event not to exceed two and one-half percent (2 1/2%) of the tax collected.

ARTICLE V

GENERAL PROVISIONS

This agreement shall be in effect for a term of one year from the effective date and shall be automatically renewed from year to year unless one of the parties gives written notice of termination at least two months prior to the end of the term. The effective date of

this Agreement shall be the first day of July, October, January or April following execution of this Agreement by both parties.

/s/ Albert H. Neff, Chairman

/s/ Inez C. Erich

(County Clerk)

UTAH STATE TAX COMMISSION

/s/ See Original

/s/ See Original

/s/ See Original