

**INTERGOVERNMENTAL AGREEMENT BETWEEN
[SCHOOL DISTRICT] AND [LOCAL GOVERNMENT] TO
COLLECT AND REMIT CONSTRUCTION EXCISE TAX.**

This Construction Excise Tax Intergovernmental Agreement to collect and remit Tax (“CET Collection IGA”) is effective on the last date of signature below, and is by and between [School District], a school district organized under the laws of the state of Oregon (“School District”), and [Local Government] (“[County or City]”), collectively referred to as “Parties.”

RECITALS :

A. ORS Chapter 190 authorizes governmental entities such as [County or City] and School District to enter into written agreements for the performance of any or all functions and activities that either entity has the authority to perform on its own.

B. Senate Bill 1036, which was adopted by the 2007 Legislature and became effective on September 27, 2007, authorizes school districts, as defined in ORS 330.005, to impose a Construction Excise Tax (“CET”) to fund capital improvements to school facilities.

C. Pursuant to Chapter 829, Oregon Laws 2007 (SB 1036), School District will adopt a Resolution establishing a Construction Excise Tax (“CET”) throughout its regional jurisdiction. The Resolution will provide that a Construction Excise Tax be collected by the [County or City] and remitted to School District pursuant to an Intergovernmental Agreement. The Parties desire to agree to certain procedures needed to collect the Construction Excise Tax and remit the tax to School District.

AGREEMENT:

In consideration of the mutual covenants of the School District and [County or City], each to the other giving, the School District and [County or City] do hereby agree as follows:

1. Information and Forms. [County or City] shall provide all of the forms and information necessary to collect the CET and the School District will provide all necessary information to assist [County or City] in doing so.

2. Staffing. [County or City] shall provide sufficient staff to calculate and collect the CET. School District shall provide sufficient staff to implement the CET program.

3. Collection; Start date. [County or City] agrees to collect the CET on behalf of School District for those properties within School District and within the [County or City]. [County or City] shall begin collecting the CET upon adoption of a resolution establishing the CET by the School District and shall continue collection until the CET expires, the underlying statutory authority is repealed, the program is terminated by School District, or this CET Collection IGA is terminated by either the School District or the [County or City]. [County or City] agrees to collect the CET in conjunction with the collection of other building permit fees.

4. Refunds. School District agrees to process and issue any required refunds of CET.

5. Exemptions. School District shall provide [County or City] with all forms necessary for CET exemptions, rebates, and refunds, and any other forms or information necessary for implementation of the CET. If a Person or entity asserts that it is exempt from the CET and files a School District CET

Exemption Form at the time the CET would otherwise be due, [County or City] shall grant the exemption. It shall be School District's responsibility to determine the validity of the exemption and to institute collection procedures to obtain payment of the CET, as well as any other remedy School District may have under law, if the Person was not entitled to the exemption.

6. Remittance. [County or City] shall remit the collected CET to School District. Remittance shall be quarterly by the 30th of the month following the end of each quarter. Quarters end on March 31, June 30, September 30, and December 31 of each year. CET remittance shall be deposited directly into School District's LGIP account via electronic funds transfer.

7. CET Reports. Along with the CET remittance, [County or City] shall prepare and submit to the School District a report of the CETs to include: the aggregate amount of CET paid, the amount of CET administrative fee retained by [County or City] pursuant to this CET Collection IGA and a list or copy of forms for all persons that were given an exemption from paying the CET.

8. Failure to Pay CET. Construction taxes shall be paid by the person undertaking construction at the time that the permit authorizing the construction is issued. Upon a person's refusal to or failure to pay the CET when due, the [County or City] will not issue the permit. In no event shall the [County or City] be liable for failure to collect CET when due.

9. Records. [County or City] shall make all records related to building permit activity, Construction Excise Tax collections, and CET exemptions available to School District, or its designated auditors, as necessary for School District to audit Construction Excise Tax collections.

10. Administrative Fee. As consideration for the above described services, [County or City] shall retain [PERCENTAGE, UP TO 1%] of the CET collected by the [County or City] as authorized by Section 5 of Senate Bill 1036. Prior to submitting the CET to School District, [County or City] shall deduct this administrative fee directly from the CET collected, and the amounts deducted and retained shall be reported to School District. The Administrative Fee is based on gross CET collected and shall not be reduced by CET refunds or any checks returned for insufficient funds. Any fees or charges levied against [County or City] for such items as returned checks, etc. shall be paid to [County or City] from collected CET in addition to the above Administrative fee.

11. Amendment. This CET Collection IGA may be amended by mutual written agreement of the Parties. The parties further agree to negotiate in good faith to amend this agreement should Senate Bill 1036 be amended by subsequent legislation or judicial proceedings so that this agreement is consistent with the most current legislation. Refusal to negotiate an amendment to this agreement is grounds for immediate termination.

12. Other Agreements. This CET Collection IGA does not affect or alter any other agreements between School District and [County or City].

13. Defense and Indemnification. School District agrees to defend, indemnify and hold harmless the [County or City], and its officers, agents and employees, against all claims and actions, and all damages and expenses related thereto, arising from the [County's or City's] performance of this agreement, except for those caused by the sole negligence of the [County or City] or its officers and employees.

14. Termination. Either party may terminate this agreement for any reason upon 90 days written notice to the other party.

[SCHOOL DISTRICT]

[LOCAL GOVERNMENT]

By:
Title: Chairperson, Board of Directors

Date: _____

By:
Title:

Date: _____

STATE OF OREGON)
) ss.
County of [COUNTY])

On this _____ day of _____, 2007, before me _____, the undersigned Notary Public, personally appeared [NAME], as Chairperson of the [SCHOOL DISTRICT] Board of Directors, personally known to me (or proved to be on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that she executed it.

Notary Public for the State of Oregon
My commission expires: _____

STATE OF OREGON)
) ss.
County of [COUNTY])

On this _____ day of _____, 2007, before me _____, the undersigned Notary Public, personally appeared _____ as _____ of _____, personally known to me (or proved to be on the basis of satisfactory evidence) to be the person(s) whose name(s) is (are) subscribed to this instrument, and acknowledged that he (she or they) executed it.

Notary Public for the State of Oregon
My commission expires: _____