

NORTH CAROLINA
DARE COUNTY

INTER-LOCAL AGREEMENT FOR
THE COLLECTION OF TAXES

THIS agreement made and entered into this the 1st day of April, 2004 by and between Dare County, a body politic, existing under the laws of the State of North Carolina (hereinafter County) and the Town of Southern Shores, a body politic, organized and existing under the laws of the State of North Carolina (hereinafter Town).

WITNESSETH:

WHEREAS, County is empowered with the power to collect taxes from its residents pursuant to the laws of the State of North Carolina and to the direction of its Board of Commissioners; and

WHEREAS, Town is empowered with the power to collect taxes from its residents located in its municipal limits pursuant to the laws of the State of North Carolina and to the direction of its Town Council; and

WHEREAS, under the provisions of North Carolina General Statute Section 160A-461, counties and municipalities are authorized to enter into inter-local agreements in order to execute any undertaking; and

WHEREAS, Town has requested County to provide the service of tax collection under the terms and conditions of this Agreement and Town has agreed to provide such services.

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, the parties agree as follows:

1. COUNTY DUTIES. The County will provide the following service for tax collection for the Town:

A. Prepare pre-billing report of Town taxpayers in June for inspection by Town officials to assure all properties listed for taxation;

B. Compute the amount of tax due after receipt of the tax rate from the Town;

C. Prepare tax scroll of Town taxpayers delivering a minimum of one copy to Town Finance Officer or Tax Collector;

D. Prepare and mail tax statements to Town taxpayers, however, only one tax bill shall be sent to taxpayers owing Town and County taxes;

E. Collect by the County Tax Collector, all property taxes for the fiscal year 2003-2004 and all late listing penalties due the Town;

F. Mail tax receipts to Town taxpayers for taxes paid only upon request by taxpayers;

G. Mail second tax statements to Town taxpayers when tax becomes delinquent realizing only one bill shall be sent to taxpayers owing Town and County taxes;

H. Advertise tax liens in the local newspaper for the County and Town as required by law;

I. For the year 2004 and all subsequent years under the terms of this Agreement, use all collection remedies set forth in the General Statutes of North Carolina to collect delinquent taxes;

J. Collected taxes will be disbursed to the Town on a monthly basis. For the months of December and January, the distributions will be distributed on the 15th of month.

3. TAX CERTIFICATIONS. The Town will honor any tax certification which may be erroneously issued by the County Tax Collector pursuant to this Agreement provided, however, that such erroneous certification was not willfully and intentionally or fraudulently issued by the County Tax Collector with knowledge of said error.

4. TOWN DUTIES. The Town shall provide the following services and information to the County for the tax collection services to be provided by County:

A. Notify the County of its annual tax rate no later than midnight on June 25th of each year that this Agreement is in effect;

B. Adopt appropriate resolutions as advised by the County authorizing County officials to take the actions set forth herein;

C. Billing and collecting property taxes on annexations, which become effective on dates other than June 30th of any given year shall be the responsibility of the Town for the fiscal year in which the annexation occurs;

D. Except as set forth above, Town shall not collect ad valorem tax monies or any other tax collected by County and all ad valorem tax monies or any other tax shall be collected only by County.

5. PAYMENT TERMS. Town shall pay the County the sum of one and one half percent of all sums collected. The County shall be authorized to retain these sums from the sums collected prior to disbursement to Town. The cost of postage and advertising shall be borne by County.

6. SUPERVISION OF TAX COLLECTOR. The operation of the County Tax Collector and the Tax Collector's Office shall be under the supervision of the Board of the Dare County Board of Commissioners unless otherwise provided under the terms of the North Carolina

General Statutes. The Town shall not have any supervision or control of the Tax Collector or the Tax Collector's Office or the methods used to collect taxes.

7. TERM. This agreement shall be effective upon execution and shall be applicable for the tax year 2004. At the end of the taxable year 2004 and at the end of each subsequent taxable for which this Agreement remains in effect, County and Town shall evaluate the performance of each party and this Agreement may be terminated by either party at the end of any fiscal year for which it is in effect. Notification of any decision to terminate this Agreement by either party shall be in writing and shall be made and delivered no later than April 1st prior to the beginning of the next fiscal years for which taxes would be collected by the County for the Town if this Agreement had not been terminated. Any such notification of termination of County to Town must be sent to the Mayor and Town Manager of the Town and any notification of termination from the Town to the County must be sent to the County Manager and Tax Collector of the County.

8. TERMINATION. If this Agreement is not terminated in the manner set forth above and at the time set forth above, this Agreement shall automatically renew for the next fiscal year. It is the intent of the parties, that if neither party elects to terminate this Agreement, it shall automatically renew for each subsequent taxable year, with each party having the right to terminate the Agreement as set forth above.

9. DISTRIBUTION OF UNDESIGNATED PARTIAL PAYMENTS. Undesignated partial payments are to be distributed between the County and the Town according to the ratio of their respective tax rates. County has full authority to waive or release taxes or interest, and shall advise the Town in writing of any waivers or releases.

10. INTEREST. Interest which is collected on delinquent taxes will be distributed according to tax rates.

11. RELEASES AND PICK-UPS. The Town is to be advised in writing of all pick-ups and releases.

12. DEFINITIONS. As used herein, the term "County Tax Collector" shall include all of those County employees in the Tax Department authorized by the County to perform functions of the Tax Collector.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

(Signature Page Follows)



(Signature Page Only)

COUNTY OF DARE

BY: Warren Judge
Warren Judge, Chairman

ATTEST:

Fran Harris
Fran Harris, Clerk to the Board of Commissioners

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Dave Clawson 3/24/04
Dave Clawson, Finance Officer, Dare County



TOWN OF SOUTHERN SHORES

BY: Paul Sutherland 3/24/04
Paul Sutherland, Mayor

ATTEST:

Carrie Gordin
Carrie Gordin, Town Clerk

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Carl Classen 03-24-2004
Carl Classen, Finance Director, Town of Southern Shores