COUNTY COMMISSION
BALDWIN COUNTY
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MEMBERS
DIST. 1. FRANK BURT, JR.
2. ROBERT E. (BOB) JAMES
3. J. TUCKER DORSEY
4. CHARLES F. GRUBER

August 7, 2012

The Honorable Robert Craft
Mayor
City of Gulf Shores
Post Office Box 299
Gulf Shores, Alabama 36547

RE: Renewal of Reciprocal Agreement to Exchange Information

Dear Mayor Craft:

The Baldwin County Commission, during its regularly scheduled meeting held on August 7, 2012, approved the *Reciprocal Agreement Between Baldwin County, Alabama and the City of Gulf Shores*, related to the cooperative exchange of tax information between the governmental agencies. This *Agreement* shall become effective on the day it is executed by both parties and shall be in effect for a period of five (5) years.

Enclosed is a **fully executed original** *Reciprocal Agreement Between Baldwin County, Alabama and the City of Gulf Shores*, for your files.

If you have any questions or need further assistance, please do not hesitate to contact me at (251) 990-4606 or Kim Creech, Clerk/Treasurer, at (251) 937-0303.

Sincerely,

ROBERT E. JAMES, Chairman
Baldwin County Commission

REJ/met Item EF4

cc: Kim Creech
Al Ban
Eva Cutsinger

ENCLOSURE

(BALDWIN COUNTY IS AN EQUAL OPPORTUNITY EMPLOYER M/F)

RECIPROCAL AGREEMENT BETWEEN BALDWIN COUNTY, ALABAMA AND THE CITY OF GULF SHORES PROVIDING FOR THE EXCHANGE OF TAX RETURNS AND INFORMATION

I. AUTHORITY

This agreement is made between Baldwin County, Alabama and the City of Gulf Shores and through their duly authorized representatives, pursuant to the Code of Alabama, 1975 § 40-2A-10, as amended.

II. PURPOSE

The parties agree to exchange tax returns and/or information, under the terms and conditions described herein. It is understood and agreed that all information in any form whatsoever exchanged shall be employed solely by the parties for the purposes of tax administration. It is understood that tax administration purposes are limited to those uses necessary for the assessment, collection, and enforcement, including proceedings in a court of competent jurisdiction, of the respective tax laws of the parties hereto.

III. DEFINITIONS

Party: Baldwin County, Alabama or the City of Gulf Shores

Return: Any tax application, tax or information return or report, declaration of estimated tax, claim or petition of refund or credit, or petition for reassessment or protest that is required by, or provided for, or permitted, under the provisions of the tax laws.

Return Information: A taxpayer's identity with physical and mailing addresses, FEIN or Social Security Number, the nature, source or amount of income, gains, losses, formulary apportionments facts, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, deficiencies, over assessments, or tax payments, whether the taxpayer's return was, is being, or will be, examined or subject to other investigation for processing; or any other data received, recorded by, prepared by, furnished to, or collected by the parties with respect to a tax return or with respect to the determination of the existence, or possible existence of liability (or the amount thereof), or by any person under the laws of either party for administration, collection or enforcement of the tax laws of each party's respective governmental unit, including additions to tax, penalty, interest, fine, or other imposition, or offense; "Return Information" does not include, however, data in a form which cannot be associated with, or otherwise identify, directly or indirectly, with a particular taxpayer.

For the purposes of sales and use tax, "return information" shall also include whether the taxpayer is authorized to use a direct pay permit and any information related thereto; and the names of the customers and any other relevant information related to specific sales and use tax transactions.

IV. SCOPE OF INFORMATION SUBJECT TO REQUEST

This agreement shall apply to all tax applications, tax returns and/or return information, received or collected by either party.

Neither party will be required to audit a taxpayer at the request of the other party.

Each party agrees not to charge the other for the costs of routine reproduction of returns and information which is mutually exchanged. The providing party may charge a reasonable fee for furnishing tax returns and/or return information in magnetic tape format or other nonroutine circumstances. Such costs shall be agreed upon by both parties before such costs are incurred.

V. CONFIDENTIALITY OF EXCHANGED INFORMATION

Each party agrees that no tax return and/or return information obtained pursuant to this agreement shall be disclosed in any manner other than as is authorized by the laws concerning confidentiality of tax information.

Nothing herein shall be construed so as to prohibit disclosure of any information obtained by virtue of this agreement by either party to the party's proper legal representatives for use in administrative, civil or criminal proceedings concerning tax administration purposes.

VI. PROCEDURE

Tax returns and/or return information may be exchanged upon request or voluntarily transmitted where the providing party believes that such information will be useful to the other party for tax administration purposes.

A. Requests for information shall be in writing or by verifiable electronic means and must indicate the tax administration reason for the exchange.

B. Each request shall also specify, to the extent such information is known and available, the following:

(1) the name and address of each taxpayer for whom tax returns and/or return information is requested;

(2) the taxable period or periods for which information is desired and requested;

(3) the taxpayer's social security number and/or federal identification number, if available; and

(4) any other information which may help facilitate the exchange.

C. Each party agrees to furnish the other a list showing the names and official titles of all personnel authorized to request, receive, and/or disclose information under this agreement and to keep the list current by periodic updates.

VII. COMMENCEMENT/TERMINATION OF AGREEMENT

This agreement shall become effective on the day it is executed by both parties and shall be in effect for a period of five (5) years.

Additions and changes in the provisions of this agreement may be made by mutual written consent of the proper officials of the parties and shall become an attachment to this agreement.

Both parties acknowledge that this agreement is subject to statutory alterations. Both parties agree to promptly inform each other of any proposed changes in their respective tax confidentiality laws. In the event that the laws of either party which relate to this agreement are repealed or substantially amended, the other party may suspend or terminate this agreement upon written notice.

Any unauthorized use or disclosure of information obtained by virtue of this agreement shall constitute grounds for either party to terminate this agreement immediately upon the mailing of written notice to the other party. In any event, either party may terminate this agreement upon thirty (30) days written notice to the other party.

APPROVED:

CITY OF GULF SHORES

7/10/12
Date

BALDWIN COUNTY COMMISSION

8-7-2012
Robert E. James, Chairman Date

ATTEST:

ATTEST:

8-7-2012
David A.Z. Brewer, County Administrator