



## 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 21, 2012

The Honorable Billy Middleton  
Mayor  
Town of Loxley  
Post Office Box 9  
Loxley, Alabama 36551

### RE: Renewal of Reciprocal Agreement to Exchange Information

Dear Mayor Middleton:

The Baldwin County Commission, during its regularly scheduled meeting held on August 21, 2012, approved the *Reciprocal Agreement Between Baldwin County, Alabama and the Town of Loxley*, 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 copy** of the *Reciprocal Agreement between Baldwin County, Alabama and the Town of Loxley*, 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/cfc Item EH4

cc: Kim Creech  
Al Ban  
Eva Cutsinger

ENCLOSURE

**RECIPROCAL AGREEMENT BETWEEN BALDWIN COUNTY, ALABAMA  
AND  
THE TOWN OF LOXLEY  
PROVIDING FOR THE EXCHANGE OF TAX RETURNS AND INFORMATION**

**I. AUTHORITY**

This agreement is made between Baldwin County, Alabama and the Town of Loxley 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 Town of Loxley

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;

