

TAX COLLECTION AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 20__, by and between the **City of Columbia, Missouri**, a municipal corporation, hereinafter called the “City” and Boone County, Missouri, through the Boone County Commission, hereinafter called the “County”, and Tom Schauwecker, Boone County Assessor, hereinafter called the “Assessor”, Taylor W. Burks, Boone County Clerk, hereinafter called the “Clerk”, and Brian McCollum, Boone County Collector of Revenue, hereinafter called the “Collector”;

WHEREAS, the City and County are empowered, under Article VI, Section 16 of the Missouri Constitution, and RSMo Sections 50.332 and 70.220, to enter into certain cooperative agreements for collection of property taxes; and

WHEREAS, the parties hereto believe it to be mutually advantageous for the County to assess, prepare and collect property taxes for the City for an agreed compensation;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is hereby agreed by and between the parties hereto as follows:

I

The County by and through the County Assessor agrees to perform the assessment function of determining the fair market value and true assessed value of all real and personal property located within the City boundaries.

II

The County agrees to create, on behalf of the City, tax billing amounts relating to all real and personal property located within the City boundaries including surtax on businesses located within the boundaries of the City. Such billing amounts are to be included and identified separately on tax bills generated on taxable property within the boundaries of the City, and shall include property taxes relating to the City of Columbia, Missouri.

III

The Columbia Special Business District has not extended a tax levy since 2011 and the parties agree that the collection of any Columbia Special Business District levies in the future is beyond the scope of this Agreement.

IV

The County, by and through the County Collector, hereby agrees to bill and collect, on behalf of the City, all monies due and owing the City for taxable property within the boundaries of the City *except* monies due and owing that relate to Special Assessments.

V

The County agrees that the City shall have access, during reasonable times and under the supervision of the Clerk or Collector, whichever is appropriate, to all data relating to the City taxes accumulated under the tax collection and processing system.

VI

The Collector agrees to remit to the City the receipts due the City at the same time the Collector remits other receipts similarly collected on behalf of other cities within the County; provided, however, that there shall be a remittance to the City at least once per month at which time the Collector shall provide a Statement of Monthly Collections and Distributions Report. The parties agree any monies received by the Collector on behalf of the former Columbia Library District for tax levies prior to January 1, 2018, shall be remitted to the new, unified Columbia and Boone County Library District pursuant to RSMo Section 182.291.

VII

The City shall fix its ad valorem property tax rates, as provided in RSMo Section 67.110, not later than September first for entry in the tax books. If the City should fail to comply with RSMo Section 67.110, then no tax rate other than the rate, if any, necessary to pay the interest and principal on any outstanding bonds shall be certified for that year and the Collector will neither bill nor collect City taxes for that year either current or delinquent. However, the Collector will continue to collect and disburse prior year taxes under this agreement. A new agreement will have to be entered into by all parties to resume collecting current taxes.

VIII

The parties agree that the Collector shall have the responsibility for collection of all current and delinquent real and personal property taxes, including penalties, interest, and fees. Such collection of taxes, penalties, interest, and fees shall be conducted in accordance with applicable

law(s). The City shall provide to the County Clerk and County Collector all Ordinances, as applicable, relating to penalties and interest on delinquent taxes at the time of execution of this Contract and to provide the County Clerk with any changes to such Ordinances or any new Ordinances related to the same by September 1 of the tax year in which such changes shall take effect. The collection of late charges by the Collector, however, is conditioned upon such charges being consistent with other taxing entities.

IX

The parties agree to the following: The Collector shall withhold a sum equal to one percent (1%) of all taxes, penalties and fees collected by the Collector on behalf of the City as compensation for the bill creation and collections services herein provided by the County and said sum shall be deposited by the Collector in the Boone County general revenue fund. As required by RSMo Sections 137.720.1 and 137.750, the Collector further shall withhold one-half of one percent (1/2%) of all ad valorem property taxes collected by the Collector on behalf of the City to fund the costs and expenses incurred in assessing real and personal property. As further required by RSMo Sections 137.720.3 and Section 137.750 the Collector further shall withhold each calendar year an additional one-eighth of one percent (1/8%) of all ad valorem property taxes collected by the Collector on behalf of the City, provided that for each calendar year, if the total amount of ad valorem property taxes, so further withheld by the Collector from the political subdivisions in Boone County, Missouri under Section 137.720.3 RSMo shall exceed One Hundred Twenty Five Thousand Dollars (\$125,000.00), the Collector shall pay to the City once during each calendar year such proportionate amount so further withheld the previous calendar year, plus interest, if any, on such sums received on behalf of the City and other political subdivisions in excess of the aforementioned statutory limits. All sums withheld by the Collector, as required by RSMo Sections 137.720 and 137.750, RSMo, shall be deposited by the Collector in the Boone County Assessment Fund. All amounts withheld by the Collector shall be withheld proportionately from each separate property tax. The Collector shall then remit to the City the balance collected after the applicable amounts have been withheld from each separate property tax. The Collector shall provide the City a written itemization showing the balance remitted for each separate property tax. If the General Assembly changes the percentages or caps set out in this paragraph, then the Collector shall collect those amounts authorized by the General Assembly and shall notify the City of such changes in writing; thereafter, this Agreement shall be considered amended so as to reflect the new amounts authorized by statute.

X

The City further agrees that the penalty authorized by RSMo Section 52.290, as amended, for delinquent taxes shall be retained by the County and distributed as provided in RSMo Section 52.290.

XI

The City further agrees that all fees of conducting any tax sale pursuant to Chapter 140 of the Revised Statutes of Missouri shall be retained by the County.

XII

The City further agrees that the County shall be authorized to compromise and abate taxes owed to the City in the same manner as it authorized by the Revised Statutes of Missouri to compromise and abate other taxes.

XIII

The City shall provide to the County Clerk and the County Assessor a certified copy of any ordinance or order altering the boundaries of the City including but not limited to ordinances annexing or de-annexing any lot or lots of real estate, within 30 days of the adoption of the same and prior to October 1 of each year. The City shall provide beginning and ending address range data for properties located within the City for all boundary changes of the City.

XIV

The parties hereto mutually agree that the term of this agreement begins upon acceptance by all parties and ends February 28, 2019, provided, however, that any party may terminate this agreement within sixty (60) days by serving upon all other parties to the agreement written notice of its intention to terminate the agreement. The parties hereto mutually agree that this contract will be automatically renewed on March 1, 2019, and will continue to renew on March 1 of each subsequent year unless any party serves written notice of termination no less than ninety (90) days prior to the renewal date. Upon termination of this Agreement, the County shall be absolved of all responsibility for collection of taxes for that tax year and for future tax years. The County shall continue to be responsible for the collection of delinquent taxes from all years covered by this Agreement.

XV

The City agrees that failure to comply with statutory provisions relating to the setting of tax levies shall relieve the County of responsibilities under this Agreement.

XVI

Pursuant to the provisions of RSMo Section 137.073.7, no tax rate shall be extended on the tax rolls unless the City has complied with the tax rate certification process through the State Auditor's office.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed and executed by their duly authorized officers as of the day and year first above written.

CITY OF COLUMBIA

By: _____
Mike Matthes, City Manager

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Attorney

COUNTY OF BOONE

Brian C. McCollum, Collector of Revenue

Tom Schauwecker, Assessor

Taylor W. Burks, Clerk

Boone County Commission

By:

Daniel K. Atwill, Presiding Commissioner

ATTEST:

Taylor W. Burks, Clerk of the County Commission

APPROVED AS TO FORM:

Charles J. Dykhouse, County Counselor