

**INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF MADISON, MISSISSIPPI, AND MADISON COUNTY, MISSISSIPPI RELATING TO THE COLLECTION OF AD VALOREM, SPECIAL ASSESSMENT TAXES AND PUBLIC PROPERTY ASSESSMENTS**

**WHEREAS**, pursuant to the provisions of the Interlocal Cooperation Act of 1972, Mississippi Code of 1972 (Annotated) at §17-13-1, et seq., local governmental units may cooperate and contract with one another to their mutual advantage to best serve the needs and development of local governmental units; and

**WHEREAS**, the CITY OF MADISON, MISSISSIPPI, hereinafter “City”, and Madison County, Mississippi, hereinafter “County”, desire to enter into an Interlocal Agreement for the collection of ad valorem, special assessment taxes and public property assessments to best serve the needs and development of the community and its tax collectors by consolidation of services and reduction of cost; and

**WHEREAS**, §25-7-21 Mississippi Code of 1972 (Annotated), provides authority for the City and County to contract with one another with regard to the allocation of power, authority and responsibility for the purpose of collecting ad valorem, special assessment taxes and public property assessments; and

**WHEREAS**, the City has found that it would be in the best interest of its citizens to allow the County to collect ad valorem, special assessment taxes and on real and personal property within the City, and public property assessments; and

**WHEREAS**, County has determined that it would be in the best interests of the citizens of County, that the County assume responsibility for the collection of ad valorem, special assessment taxes on real and personal property and public property assessments within the City in accordance with the terms of this Agreement,

**NOW, THEREFORE, FOR AND IN CONSIDERATION** of the mutual benefits and obligations provided for herein, City and County do hereby agree and contract as follows:

1. **DURATION:** This Agreement shall be in full force and effect for the assessment, collection and remittance of ad valorem, special assessment taxes and public property assessments as provided herein, including

responsibilities incidental thereto, for fiscal years 2020, 2021, 2022 and 2023 City Taxes. Upon expiration of the initial term the parties have the option of (a.) renewing this contract in its entirety for a one (1) year period, (b.) renewing the contract with modifications, or (c.) terminating the contract in its entirety. If either party desires to terminate this contract or to renew it subject to modifications, notice of such intent shall be give to the other party not less than six (6) months in advance of the date of termination. If no notice is given, this contract shall immediately renew of a one (1) year period. This Agreement shall not be effective until compliance with the filing and approval requirements of Mississippi Code §17-13-11 shall have been met. Termination of this Agreement only terminates this contract as to the collection of subsequent year taxes. It shall remain in full force and effect for all previous years with respect to the taxes County collected for City, and County shall continue to be responsible for collecting, conducting tax sales and redemptions, and otherwise complying with all terms of this Agreement until all taxes for said previous years shall have been collected and remitted to City, or until the property assessed therefore has been sold for unpaid taxes pursuant to the terms hereof and pursuant to applicable law and statutes.

2. **PURPOSE:** The purpose of this Agreement is to consolidate and coordinate the collection of ad valorem, special assessment, real and personal property taxes and public property assessments by the City with the County. The duly elected Tax Collector of Madison County, hereinafter "MCTC" shall assume responsibility for the collection of all of City's ad valorem and special assessment taxes within the corporate boundaries of the City levied on real and personal properties and public property assessment.
3. **DUTIES AND OBLIGATIONS OF COUNTY:** The County agrees to perform the following services for and on behalf of the City pursuant to this Agreement.
  - a. County does hereby assume the responsibility for the collection of all real and personal property ad valorem, special assessment taxes and public property assessments on behalf of City and shall be responsible for receiving and resolving all complaints regarding City's real and personal ad valorem and special assessment taxes.
  - b. The MCTC agrees that any and all tax statements will identify and clearly delineate City and County taxes separately.
  - c. Ad valorem and special assessments taxes on real and personal property, and public property assessments shall be collected as soon as reasonably practicable after October 1<sup>st</sup> of each year to ensure that operating funds are available to the City prior to the tax delinquency date of February 1<sup>st</sup> of the subsequent calendar year. Any partial payment that the MCTC accepts will be divided proportionately between the parties as to the ratio of the millage rates of the City to the total millage levied.

- d. All sums collected by County shall be delivered to the City on or before the 20<sup>th</sup> of the month following that in which said funds are collected. The monthly settlement shall be allocated by funds and submitted to the City based on each individual millage rate reflected by the City tax levy resolution. The MCTC will take necessary action to fully secure the investment of any City funds in its possession.
- e. The MCTC shall collect all homestead exemption charge-backs, and all damages and interest authorized by law on city taxes which shall be distributed within the same time limitation and in the same manner as described in section (d) above.
- f. County will conduct land tax sales for the City at the same time and place as land tax sales for the County are now held, and City will receive all interest, damages and other fees from such sales that City may be entitled to in accordance with law. Such funds shall be remitted to City on or before the 20<sup>th</sup> of the month following that month in which County receives said funds. City shall be provided a list of all lands sold for taxes on its behalf or struck-off to the State by the 20<sup>th</sup> day of the month following such action. The Madison County Chancery Clerk will be responsible for receiving and receipting for tax redemption payments, notifying owners of the time for expiration or redemption and issuing tax deeds for such tax sales.
- g. On or before October 1<sup>st</sup> of each calendar year, the Madison County Tax Assessor, hereinafter "MCTA" shall furnish the City with actual values and anticipated tax collection revenues on all real and personal property within the City.
- h. The MCTC will make refunds of all taxes erroneously collected by the MCTC and approved by the Madison County Board of Supervisors, and shall make proper adjustments to the monthly distribution reports accordingly. The City agrees to allow due credit to the MCTC for the list of delinquent and/or insolvent tax payers properly presented to it in the same manner as prescribed by Chapter 49, Title 27 of the Mississippi Code of 1972 (Annotated). The MCTA will provide the City with a list of all changes to the land rolls immediately after same are approved.
- i. County will furnish City with a supplemental homestead exemption roll containing homestead tax loss values on both regular and senior homestead properties for the City so that homestead reimbursements can be applied for with the State of Mississippi. County will supply this information on or before December 15<sup>th</sup> of each calendar year.
- j. In addition to assuming the responsibility for collection of all real and personal ad valorem, special assessment taxes and public property assessments on behalf of the City, the County shall take any further steps it deems necessary and appropriate to collect any sums that may be due to City under the provisions of Mississippi Code of 1972 (Annotated),

§21-41-1 and shall take all actions and do all things which the City Tax Collector is authorized or empowered to do under the provisions of said law(s).

4. **REPORTS TO BE PROVIDED BY COUNTY TO CITY:** The County agrees to provide the following reports:
  - a. The MCTA shall furnish the City tax maps and copies of Real Estate and Personal Property Rolls showing assessed values of all real estate and personal property within jurisdiction of City in accordance with state law(s).
  - b. The MCTA shall furnish a copy of the regular Homestead Exemption Roll within the City, and a copy of the Special and Disabled Citizens Additional Homestead Exemption Roll within the City.
  - c. A monthly listing of all collections by Map and corresponding Parcel Numbers for all Real Estate with Receipt Numbers for Personal Property and Receipts for all Public Property Assessments with separate totals on real estate and personal property, and all interest collected for late payments, if applicable. A monthly report separated by real estate and personal property, showing the total assessed value, total regular homestead value, total senior citizen homestead value, total taxes collected and total interest collected for late payments.
  - d. A list, by owner's name and parcel number, for all properties within City on real estate ad valorem, special assessments, personal property ad valorem taxes, and public property assessments.
  - e. A yearly Trial Balance on both real estate and personal property shall be furnished shortly after September 30<sup>th</sup> of each fiscal year showing assessed values, homestead values (both regular and special shown separately), taxes and interest separately, and cumulative totals by owner's name and parcel number for real estate and by owner's name and receipt number for personal property.
  - f. A monthly listing of all unpaid real estate and unpaid personal property taxes shall be furnished to City with cumulative totals printed by map on real estate and by letter of the alphabet on personal property if requested.
5. **COMPENSATION:** As compensation and in consideration for the services to be provided by County to City, the City of Madison, Mississippi agrees that the Madison County Tax Collector (MCTC) and to the Madison County Tax Assessor (MCTA) may and shall retain three percent (3%) of the gross ad valorem and special assessment tax collections. In consideration of the foregoing, there shall be a cap of Seventy Five Thousand Dollars (\$75,000.00), excluding special assessment tax, pursuant to this Agreement and the authorities recited herein.

6. **ACQUISITION OF PROPERTY:** The real and personal property which may be acquired, held or disposed of under the terms of this Agreement shall be acquired, held and disposed of by the County as provided by law, subject to the provisions of law relating to tax sales.
7. **ADMINISTRATION:** This Agreement shall be administered pursuant to the cooperative undertaking of the Madison County Tax Collector and the Madison County Tax Assessor and the City of Madison Tax Collector pursuant to the authorities granted to them by law and the provisions of this Agreement.
8. **AUDITS BY CITY:** City or its authorized representative shall have the right to audit the records of the MCTC at any time as they may relate to the terms and provisions of this Agreement. In the event City chooses to undertake such an audit the MCTC shall timely provide material, documents, records and information as requested and determined by City to be necessary for the conducting of such audit and shall otherwise cooperate with City in such audit.
9. **AMENDMENT:** This Agreement may be amended by the mutual consent of both City and County entered into pursuant to the provisions of Mississippi Code of 1972 (Annotated) as per §17-13-1, et seq.
10. **INDEMNIFICATION:** In the event City is named as a party in any suit in law or in equity arising or resulting from any actions or inactions of County and/or by Madison City Tax Collector and/or by Madison County Tax Assessor, taken pursuant to the terms and conditions of this Agreement, County shall have the option of providing City with a defense or shall reimburse City for all reasonable costs of investigation, witness fees, attorney's fees, and other litigation costs that City may incur. County further agrees to indemnify and hold City harmless from all reasonable costs it incurs as a result of the payment of any judgment, settlement or compromise resulting from the exercise by County and its representatives of the right and duties provided for herein. The indemnity provided for herein does not include indemnification for any acts or omissions of the City, its officers, employees, agents or assigns.

11. **EFFECTIVE DATE:** This Agreement shall be in force and effect from and after its approval by the Mississippi Attorney General pursuant to §17-13-11 of the Mississippi Code of 1972 (Annotated), and filed with the Chancery Clerk of Madison County, Mississippi, and the Mississippi Secretary of State. This Agreement entered into by the Governing Authorities of the City of Madison, Mississippi, and the County of Madison, Mississippi as set out below, as the same appears of record in their respective Minutes.

CITY OF MADISON, MISSISSIPPI

BY: \_\_\_\_\_

Hon. Mary Hawkins Butler, Mayor

ATTEST:

\_\_\_\_\_

Susan Crandal

City Clerk

MADISON COUNTY, MISSISSIPPI

BY: \_\_\_\_\_

Hon. Gerald Steen

President, Board of Supervisors

APPROVED BY:

\_\_\_\_\_

Kay Pace, Madison County Tax Collector

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Norman A. Cannady Jr.

