

## **Bucks County Tax Collection Committee**

### **Tax Collection Agreement – Amendment #1**

**Background.** The **Bucks County Tax Collection Committee** (the “TCC”) is a government entity created and organized under Act 32 of 2008, which amended and restated the Local Tax Enabling Act, 53 P.S. § 6924.101 *et seq.* Under Act 32, the TCC is required to appoint a tax collector to collect local earned income tax (“EIT”) levied by the school districts and municipalities that are part of the Bucks County Tax Collection District (the “TCD”) and to oversee the appointed tax collector’s collections. The TCC appointed Kratzenberg & Associates, Inc., a Pennsylvania business corporation doing business as “**Keystone Collections Group**” (“**Collector**”), to collect EIT throughout the TCD. As required by Act 32, the TCC and Collector entered into a **Tax Collection Agreement** effective January 1, 2011. The parties would like to extend the term of, and make additional changes to, the Tax Collection Agreement.

**Intending to be legally bound, the parties agree as follows:**

1. **Extension of Term.** Section 3(a)(Term) of the Tax Collection Agreement is hereby amended so as to extend the current term by five (5) years, and accordingly substitutes “December 31, 2019” for “December 31, 2014” as the term end date. As a result, the term of the Tax Collection Agreement shall end at midnight on December 31, 2019 unless otherwise extended or terminated in accordance with the provisions of the Tax Collection Agreement.
2. **Commission Amount.** Collector agrees to not increase the commission rate charged to the political subdivisions of the TCC during the full period of the extended term, except for potential postage cost adjustments necessitated by the existing provision of Section (6)(b).
3. **Controls Audit – Collector to assume cost.**
  - a. **Content.** Each year during the Extended Term and including the current year 2014, Collector shall deliver to the TCC **at Collector’s cost**, a SSAE-16 controls audit report for the prior calendar year and addressing the tax management technologies, data safety and control environment (“**Controls Report**”). Each such Controls Report shall be completed by a controls auditor experienced in performing SSAE-16 controls audits. Upon request, Collector shall provide the TCC with background information on the controls auditor. Under no circumstances shall the TCC be required to bear the cost of, or pay for a copy of, the SSAE-16 Controls Report.
  - b. **Disclosure.** The TCC understands that Collector prefers to avoid public dissemination of Controls Reports and believes such reports constitute “confidential proprietary information” under the Pennsylvania Right-to-Know Law, 65 P.S. § 67.102 and § 708(11). In response to Collector concerns, the parties agree that if Collector provides the Controls Report to the designated TCC officer or solicitor, or if the controls auditor provides the Controls Report directly to the TCC, then: (i) With respect to the Right-to-Know Law, unless ordered to do otherwise by an administrative agency or court, the TCC will not release any Controls Report in response to a Right-to-Know request, and will base the denial on the exception for “confidential proprietary information.” (ii) The TCC will share and disclose a Controls Report on a need to

know basis as determined by the TCC, which may include disclosure to TCC delegates and to accountants retained to audit Taxing Authority finances or collections of Tax. (iii) When the TCC shares a copy of a Controls Report with any individual, the TCC will advise the recipient of Collector's position that the contents represent "confidential proprietary information," and will request care in protecting the confidentiality of the information. (iv) The TCC will request that the Taxing Authorities and the TCC delegates and representatives act in a manner similar to the TCC commitments in this paragraph.

4. **Public Funds ("Yellow Book") Audit – Collector to assume cost.** Each year during the Extended Term and including the 2013 Annual Public Funds Audit to occur in 2014, Collector shall engage the auditor required by the LTEA, 53 P.S. § 6924.505, **at Collector's cost**, accordingly amending Section 4(c)(2). The auditor selected by Collector to conduct the public funds audit shall be qualified to conduct such audit pursuant to 53 P.S. § 6924.505(h) and shall accordingly be subject to the approval of the TCC, in accordance with Section 4(c)(4).

5. **Effect.** The terms and conditions of this extension agreement accordingly modify the terms of the Tax Collection Agreement. Capitalized terms that are used in this Amendment but that are not defined herein have the meanings provided in the Tax Collection Agreement. In reading this Amendment, the singular includes the plural and vice-versa.

6. **Execution.** This Amendment may be executed in counterparts, each of which shall be considered an original and all of which taken together shall be considered one document. Facsimile, electronic, and photocopied signatures on this Amendment shall be considered the same as original signatures for all purposes.

The parties hereby execute and make this Amendment effective on January 28, 2014.

#### TAX COLLECTOR

Attest:



By: 

Title: President

Street Address:

Keystone Collections Group

546 Wendel Road

Irwin PA 15642

Facsimile Number: (724) 978-0339

Email Address: tkratzenberg@keystonecollects.com

**BUCKS COUNTY TAX COLLECTION  
COMMITTEE**

Attest:

Patricia McCleary

By:

Robert Pellegrino

Title:

CHAIRMAN

Phone Number: (215) 357-6800

Facsimile Number: (215) 357-1251

Email Address: rmp@nhtwp.org