

RESOLUTION # #2018-02

BE IT RESOLVED by the **COMMISSIONERS COURT OF PANOLA COUNTY**:

Whereas, the Texas Property Tax Code authorizes in Section 6.30 a contract for the collection of delinquent property taxes for taxing jurisdictions such as **Panola County and the entities for whom it collects through an Interlocal Agreement**, and

Whereas, Section 33.07 of the Property Tax Code authorizes an additional penalty to defray the costs of collections for a delinquent tax attorney, and

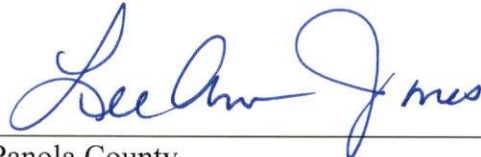
Whereas, **Panola County** has entered into a contract with a delinquent tax attorney for the collection of delinquent taxes, and

Whereas, the Property Tax Code authorizes the additional penalty in an amount not to exceed 20% of the delinquent taxes, penalties and interest collected, and

**Panola County** desires to increase the additional penalty from the current level of 15% to 20% for tax years 2017 and all subsequent years, with said penalty to become effective after the giving of notice as required by Tax Code Section 33.07 at least 30 days prior to the imposition of said penalty on July 1<sup>st</sup> of each year,

**NOW, THEREFORE BE IT RESOLVED** by **Panola County** that the additional penalty authorized by the Property Tax Code in Sections 33.07 and 6.30 be increased to twenty percent (20%) effective July 1, 2018, for tax year 2017 taxes and all subsequent tax years, unless otherwise revoked or modified by **Panola County**.

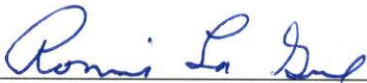
Signed and Approved on this the 3rd day of April, 2018.




Panola County

By: Lee Ann Jones, County Judge

Approvals:



Ronnie LaGrone



John Gradberg



Craig M. Lawless



Dale LaGrone

ATTEST:

Bobbie Davis

Bobbie Davis, County Clerk



**CONTRACT FOR THE COLLECTION OF  
DELINQUENT TAXES**

**THE STATE OF TEXAS**

§

§

**COUNTY OF PANOLA**

§

THIS CONTRACT is made and entered into by and between **PANOLA COUNTY**, a political subdivision of the State of Texas, acting on behalf of itself and those other taxing jurisdictions delegating authority to the County through Interlocal Agreement, by and through its Commissioner's Court, hereinafter called Taxing Authority, and **PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**, Attorneys at Law, Tyler, Texas, or their duly authorized representatives, hereinafter called the Firm.

**I.**

Taxing Authority agrees to employ and does hereby employ the Firm to enforce by suit or otherwise, the collection of all delinquent taxes, penalty and interest, owing to the Taxing Authority which the Taxing Authority's Tax Collector refers to the Firm, provided current years taxes becoming delinquent within the period of this contract shall become subject to its terms upon the following conditions:

- A. Taxes that become delinquent during the term of this contract that are not delinquent for any prior year become subject to the terms of this contract on the 1st day of the month in which penalties attach to the taxes pursuant to Section 33.07, 33.08 and/or 33.11 of the Texas Property Tax Code; *provided that*,
- B. Taxes that become delinquent during the term of this contract on property that are delinquent for prior years shall become subject to its terms on the first day of delinquency when such property is under litigation or comes under litigation or is referred to the firm for collection by the Taxing Authority's Tax Collector.
- C. Notwithstanding A or B, the Taxing Authority may turn over to the Firm taxes to pursue remedies under Sections 33.48 or 33.21, *et. seq.* of the Texas Property Tax Code at the Tax Authority's discretion, and said taxes will become subject to the terms of this contract.

- D. Taxing Authority reserves the right to make the final decision as to whether or not to enforce by suit any delinquent tax account turned over to the Firm for collection.

## II.

The Firm is to call to the attention of the collector or other officials any errors, double assessments or other discrepancies coming under their observation during the progress of the work and is to intervene on behalf of the Taxing Authority in all suits for taxes hereafter filed by any taxing unit on property located within its taxing jurisdiction.

## III.

The Firm agrees to make progress reports to the Taxing Authority on request and to advise the Taxing Authority of all cases where investigation reveals taxpayers to be financially unable to pay their delinquent taxes. All activities performed by the Firm in connection with this contract are at no out of pocket cost to the Taxing Authority.

## IV.

Taxing Authority agrees to pay the Firm as compensation for services rendered hereunder, the percentage as set forth below, of the total amount of all delinquent taxes, penalty and interest which are subject to this contract and which are actually collected and paid to the Taxing Authority's Collector of Taxes, when an equal amount of Section 33.07 or 33.08 penalties is recovered from the taxpayer. Other taxes, including current taxes, which are turned over to the Firm by the Taxing Authority's Tax Assessor-Collector because of the necessity of filing claims in Bankruptcy, with other Federal authorities, or for other reasons, shall become subject to the terms of this contract at the time they are turned over to the Firm and the Firm shall be entitled to the appropriate percentage, as set forth below, of any amounts of delinquent taxes, penalties, and interest actually received by the Taxing Authority, and also the appropriate percentage, as set forth below, of current taxes actually received by the Taxing Authority when such percentage is actually recovered from the taxpayer.

### **Compensation Amounts**

Taxing Authority agrees to pay to the Firm as compensation for services required hereunder fifteen (15%) percent of the total amount of all delinquent taxes, penalty and interest and additional penalty for tax years 2016 and prior, and twenty (20%) percent of the total amount of all delinquent taxes, penalty and interest, and additional penalty for tax years 2017 and all subsequent years, all as authorized by Section 33.07 and Section 33.08 of the Texas Property Tax Code for the years covered by this Contract which shall be paid to the Firm in the following manner:

**Personal Property:** Fifteen (15%) percent of collections for tax years 2016 and prior, and Twenty (20%) percent of collections for tax years 2017 and all subsequent years of the total amount of all delinquent taxes, penalty and interest and additional penalty as authorized by Section 33.07 and Section 33.08 of the Texas Property Tax Code, which are actually collected and paid to the Taxing Authority's Collector of Taxes; such compensation shall become the property of the Firm at the time such delinquent taxes, penalty and interest are actually paid to Taxing Authority's Collector of Taxes.

**Real Property:** Fifteen (15%) percent of collections for tax years 2016 and prior, and Twenty (20%) percent of collections for tax years 2017 and all subsequent years of the total amount of all delinquent taxes, penalty and interest and additional penalty as authorized by Section 33.07 and Section 33.08 of the Texas Property Tax Code, which are actually collected and paid to the Taxing Authority's Collector of Taxes by the taxpayer or the result of a forced sale of such real estate; such compensation shall become the property of the Firm's at the time such delinquent taxes, penalty and interest are actually paid to the Taxing Authority's Collector

of Taxes whether voluntarily paid by the taxpayer or from the proceeds of a forced sale, whichever occurs first.

Other taxes, including current taxes which are turned over to the Firm by the Taxing Authority's Tax Assessor-Collector because of the necessity for filing claims in Bankruptcy or for any other reason become subject to the terms of this Contract at the time they are turned over to the Firm and the Firm is entitled to fifteen (15%) percent of any amounts actually received by the Taxing Authority, and twenty (20%) percent of the amounts actually received after July 1 of the year of delinquency.

Said Collector of Taxes shall pay over said compensation to the Firm monthly by check, or by other means as may be agreed upon by the parties. In the event suit is necessary to collect any of the delinquent taxes, penalty and interest as authorized by Section 33.01 of the Texas Property Tax Code, covered by this Contract, the Firm agrees to recover as attorney's fees (Section 33.48 of the Property Tax Code) on behalf of the Taxing Authority fifteen (15%) percent of all such delinquent taxes, penalty and interest not covered by Section 33.07 or Section 33.08 of the State Property Tax Code.

## V.

Taxing Authority agrees to furnish to the Firm all data and information as to the name, and address of the taxpayer, the legal description of the property, years and amount of taxes due. Taxing Authority further agrees to update said information by furnishing a list of paid accounts and adjustments to the tax roll as necessary. Section 33.48(a) (4) of the Texas Property Tax Code provides: "In addition to other costs authorized by law, a taxing unit is entitled to recover...reasonable expenses that are incurred by the taxing unit in determining the name, identity and location of necessary parties and in procuring necessary legal descriptions of the property on which a delinquent tax is due:..." The Firm agrees to advance on behalf of Taxing

Authority such costs and expenses. In consideration of the advancement of such costs and expenses by the Firm, Taxing Authority assigns its right to recover the same to the extent approved by the Court and/or customarily and usually approved by the Court. The Firm expressly waives any claim against Taxing Authority for uncollected costs or expenses.

## **VI.**

This Contract shall commence on **May 1, 2018**, and continue in force and effect until **June 30, 2021** and thereafter shall renew automatically on a month to month basis; provided, however, that either party to this agreement shall have the right to terminate this agreement by giving the other party thirty (30) days written notice of their desire and intention to terminate this agreement; and further provided that the Firm shall have an additional six (6) months to reduce to payment or judgment all tax litigation and bankruptcy claims filed prior to the date this agreement becomes terminated.

## **VII.**

Every provision of this Agreement is intended to be severable. If any term or provision hereof is hereafter deemed by a Court to be illegal, invalid, void or unenforceable, for any reason or to any extent whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of this Agreement, it being intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the Parties with respect to the illegal, invalid, void or unenforceable provision or part thereof.

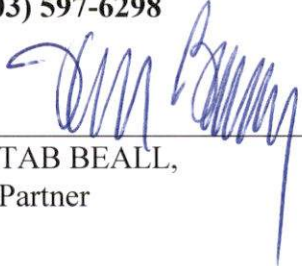
In consideration of the terms and compensation here stated, the Firm hereby accepts said employment and undertakes the performance of this Contract as above written.

The Firm verifies that it is in compliance with and will comply with all provisions of Texas Government Code Section 2270.002 during the term of this contract.


This Contract is executed on behalf of the Taxing Authority by the presiding officer of the governing body who is authorized to execute this instrument by Order heretofore passed and duly recorded in its minutes, and replaces any prior contract between the parties hereto.

WITNESS the signatures of all parties hereto in duplicate originals this the 3rd day of April, 2018, Panola County, Texas.

**PERDUE, BRANDON, FIELDER  
COLLINS & MOTT, L.L.P.  
PO Box 2007  
Tyler, Texas 75710-2007  
(903) 597-7664  
fax: (903) 597-6298**

BY:   
TAB BEALL,  
Partner

**PANOLA COUNTY  
110 s Sycamore, Room 216-A  
Carthage, Texas 75633  
(903) 693-0391  
fax: (903) 693-2726**

BY:   
JUDGE LEEANN JONES,  
County Judge, Panola County

ATTEST:



Secretary of the Commissioner's Court, Panola County

