



## CITY OF MOBILE REVENUE DEPARTMENT VOLUNTARY DISCLOSURE AGREEMENT

This Agreement is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, (the Effective Date)  
by and between \_\_\_\_\_(the Corporation), and  
the City of Mobile Revenue Department (the Department).

WHEREAS, it is the duty of the Department to enforce and uphold the tax laws of the  
City of Mobile, Alabama; and,

WHEREAS, the Corporation desires to voluntarily explore the possible settlement of  
several issues concerning past business license tax, and sales and/or use tax liabilities to the  
Department; and,

WHEREAS, the Corporation has not been contacted by the Department concerning its  
business license tax, or sales and/or use tax responsibilities and assures the Department that  
it is presently not under City audit and that no inquiry into determining its tax liabilities has  
been made by representatives of the City; and,

WHEREAS, the Corporation was incorporated in the State of \_\_\_\_\_ on  
the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_. The Corporation's commercial  
domicile is in the State of \_\_\_\_\_, and its accounting records are located in  
the State of \_\_\_\_\_;

NOW, THEREFORE, the Department and the Corporation, in consideration of the mutual promises and benefits specified herein, hereby agree as follows:

BUSINESS LICENSE TAX

1. Filing. The Corporation agrees that it will file City of Mobile business license returns commencing with and subsequent to the \_\_\_\_\_ return. The City business license tax is an annual license fee based on the business' gross receipts for the preceding calendar year. The Corporation agrees to file the reports for the City of Mobile business license tax within ninety (90) days of the Department's Signature Date of this Agreement. The Corporation agrees to file all subsequent business license tax returns within the statutory due date of such returns. The Department will compute the interest thereon which shall be paid by the Corporation within thirty (30) days of receiving notification from the Department.

2. Penalties. The Department agrees, to the extent permitted by its laws, to waive the assessment of any civil penalties relating to the failure to timely file and pay the business license tax as it relates to the reports filed under this agreement.

3. Pursuit of Tax, Penalties, and Interest. The Department agrees not to pursue collection of the business license taxes or applicable penalties and interest which may have been due prior to the \_\_\_\_\_ return.

SALES AND/OR USE TAX

4. Filing. The Corporation agrees to file City of Mobile sales and/or use tax returns for all periods commencing with and subsequent to the \_\_\_\_\_ return. The Corporation agrees to file the past due returns and to remit the appropriate taxes or fees associated with these filings within ninety (90) days of the City's Signature Date of this Agreement. The Department will compute the interest thereon which shall be paid by the

Corporation within thirty (30) days of receiving notification from the Department. The Corporation agrees to make prospective filings within the statutory due date of the returns.

5. Penalties. The Department agrees, to the extent permitted by its laws, to waive the assessment of any civil penalties relating to the failure of the Corporation to register and file any sales and/or use tax returns relating to any tax period prior to the Effective Date of this Agreement.

6. Pursuit of Tax, Penalties, and Interest. The Department agrees not to pursue collection of sales and/or use taxes or applicable penalties and interest which may have been due prior to the 1<sup>st</sup> day of \_\_\_\_\_, \_\_\_\_\_.

7. Registration and Collection. The Corporation will register with the City and will collect City sales and/or use tax pursuant to this Agreement on all taxable sales made after the execution of this Agreement.

#### GENERALLY

8. Record Examination. The City reserves the right, in accordance with §40-2A-7, Code of Alabama 1975, to audit the Corporation's books and records for City business license tax, and sales and/or use tax for any period(s) covered by this Agreement. The Corporation agrees to make its books and records available for an audit by the Department to verify the facts and the correctness of the tax returns filed for any period(s) covered by this Agreement. The Department reserves the right, in accordance with §40-2A-7, Code of Alabama 1975, to the assessment of additional taxes and related civil penalties due to any changes made by the Department to filings made pursuant to this Agreement. However, the Corporation reserves the right to contest any additional taxes proposed or determined by the Department to be due for such taxable years as a result of an audit, settlement, or other investigation.

9. Change or Clarification of Law. In the event that following the execution of this

Agreement a change or clarification of law establishes that activities such as those conducted by the Corporation do not constitute nexus sufficient for the City of Mobile to require the Corporation to file business license taxes, or sales and/or use taxes, the Department and the Corporation agree that the Corporation shall be entitled to the full benefit and advantage of any such change and may cease the filing of the related returns; however, no refund of taxes previously paid will be made.

10. Confidentiality. The making and terms of this Agreement shall not be actively discussed with any taxing authorities or any state or governmental authority or with any person or party, except as such disclosures are in compliance with the City's confidentiality laws. The Corporation recognizes that the Department has certain exchange of information agreements in place which allow it to exchange tax information with other taxing authorities. The information contained in this Agreement may be released as specified in said exchange of information agreements, either through a request for general information or through a request for specific information. Nothing in this Agreement shall be construed to conflict with any federal or state statutes.

11. Criminal Action. The Department will take no criminal action against the Corporation, its directors, officers, agents, or employees, for failure to report or remit any business license tax, or sales and/or use tax which may be due and owing prior to the Effective Date of this Agreement.

12. Compliance. If the Corporation fails to comply with any provision in this Agreement or if any of the material statements contained herein or in Attachment One (*Note: This attachment shall outline the background and activities of the company and be made under penalties of perjury*), are determined to have been misrepresented whether intentionally, negligently, in good faith, or otherwise, the Department shall have the option (i) to proceed under and enforce the full terms of this Agreement as if such misrepresentation(s) had not

been made; or (ii) to terminate this Agreement and take such administrative, judicial, other legal, or equitable action available to it as if this Agreement had never existed.

13. Binding Agreement. Each party to this Agreement hereby represents and warrants that the person executing this Agreement on behalf of the party is authorized to do so and that this Agreement shall be binding and enforceable when duly executed and delivered by each party. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective or related departments, agencies, predecessors, successors and assignees.

14. Limitations. Notwithstanding any provision contained herein to the contrary, this Agreement is limited solely to City of Mobile business license tax, and sales and/or use tax for the periods specified herein. This Agreement does not affect any past, present, or future right or duty relating to any other taxes administered by the Department.

15. Severability. This Agreement may be amended or terminated upon mutual consent of the Corporation and the Department. Any such amendment or termination shall not in any manner affect the rights and duties by and between the Corporation and the Department.

This Agreement is executed as of the dates specified below.

\_\_\_\_\_  
(the Corporation)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

CITY OF MOBILE REVENUE DEPARTMENT  
(the Department)

By: \_\_\_\_\_.

Name: Donna G. Bryars

Title: Revenue Director

Date: \_\_\_\_\_.