

TAX AGREEMENT

Agreement BETWEEN _____, (Herein call the "Contractor" and _____ (Herein called the Subcontractor and Florida State College at Jacksonville an educational institution herein called "Owner" for Florida State College at Jacksonville Project No. _____, titled: _____.

RECITALS

1. Contractor for Florida State College at Jacksonville entered a contract dated ___/___/_____, for the performance of the Work described therein. A copy of said contract is incorporated by reference as Exhibit 1 (herein called the "Contract")
2. Contractor and Florida State College at Jacksonville desire to enter into a arrangement whereby certain purchase under the Contract can be made through Florida State College at Jacksonville as a means of taking advantage of Florida State College at Jacksonville's status of being exempt from sales and use tax.

AGREEMENT

1. Florida State College at Jacksonville does hereby request Contractor to requisition Florida State College at Jacksonville to directly purchase materials greater than \$5000.00 in value for and in the name of Florida State College at Jacksonville, building materials, supplies and other tangible personal property which Contract requires for performance of this specific contract. The purchase of any materials, supplies or other items which are not required for the performance of this Contract are expressly made outside the authority granted hereunder.
2. Florida State College at Jacksonville will be liable for the payment of all purchases made hereunder.
3. A Purchase Order Requisition Form in a form acceptable to the Owner and Contractor shall be prepared by subcontractors to the contractor for review and approval and then submitted to the Owner prior to requesting the owner to order purchased equipment/materials. The requisition form will provide the vendor's; name, federal ID #, address, telephone number and contact person for the materials supplier; a detailed description of required items; the quantity needed; the price and sales tax saved associated with the materials; and delivery dates established by the subcontractor. A copy of the subcontractor's and suppliers IRS W9 from noting their federal ID# shall be attached to the requisition.
4. The Owner will prepare and issue standard owner (Florida State College at Jacksonville) purchase order forms to the equipment/material suppliers.
5. In conjunction with the execution of the Owners (Florida State College at Jacksonville's) Purchase Orders to the supplier(s), the Subcontractor shall execute and deliver to the Owner through the Contractor, deductive change orders reflecting the full value of all materials directly purchased by the Owner, plus all sales tax savings associated with the materials.

6. Subcontractors will be responsible for all matters relating to the receipt of materials purchased by the Owner, including specifications verifying correct quantities, inspection and acceptance of the goods at the time of delivery. The subcontractor will forward the invoice to the Owner through the Contractor for payment.
7. Title to the Owner purchased materials will vest in the Owner at the time the materials are delivered to the Owner owned construction site (F.O.B. job site).
8. The Owner shall be billed directly by the selling vendor for purchases of building materials referring on the invoice to the owners PO#.
9. Payment for the building materials/equipment will be made directly to the selling vendor by the Owner.
10. The Owner will bear the costs of all Payment and Performance Bonds and Owner purchased Insurance including Builder's Risk Insurance (for materials purchased here under up until the materials are incorporated into the work). The Owner shall be an additional named insured on the Contractor's Builder's Risk insurance and, in the event of damage or destruction to Owner purchase materials, prior to installation of said materials the Owner will receive all proceeds derived from all claims against insurers or others to pay for repair or reconstruction as a result of damage or destruction.

It is the Contractors responsibility to report within one business day of the discovery of a claim to the College's Director of Risk Management at (904) 632-3166. Fax 904-632-3109

This tax exemption does not apply to equipment rentals of the Contractor or by subcontractors that provide construction services for the Project, even though the economic burden of the tax, by contract or otherwise, may ultimately be borne by the Owner.

The Owner shall:

- a. Issue College purchase orders directly to tangible materials or personal property vendors for building materials or equipment delivered to the Owners job site with title of materials transferring to the Owner.
- b. Provide the building materials vendor (with the owner/College PO) as well as a copy of its current State of Florida sales tax exemption certificate.
- c. Assume all risk of damage or loss for the tangible personal property/building materials from the time of purchase and prior to their installation or incorporation into the project in order for the sale of building materials to be deemed (by the Florida Department of Revenue) as a sale to the tax exempt entity (i.e., Florida State College at Jacksonville) and thus tax exempt.
- d. Be responsible for delivery, confirmation/inspection upon receipt, acceptance, payment and storage at the job site prior to affixation to real property.

e. Bear the economic value of posting a bond or obtaining builders risk insurance covering damage or loss and enjoy the economic benefit of the proceeds of such bond or insurance in the event of a claim.

f. Be billed directly by the selling vendor.

g. Directly pay by manual check the selling vendor for acceptable quality building materials received against said College purchase order.

Construction management contractors shall additionally provide the Owner with copies of: a) all subcontract bid submittals, b) tabulation sheet, c) award letter(s), d) suppliers IRS w-9 form and e) copies of subcontractors licenses.

11. Each Owner purchase order is numbered for accountability. Contractor will fax to the Owner completed/signed purchase requisitions for preparation and execution of the purchase orders. Vendors will render invoices/statements for materials purchased to subcontractors for review/approval and to the contractor for review/approval. After reviewing the invoices and approving the invoices, Contractor will forward these invoices with proper back-up to the owner (Florida State College at Jacksonville to the address noted on the PO) for payment.

12. The Contract provides that Contractor/Subcontractor will perform the Work under the Contract sum of \$_____. Said amount due Contractor under the Contract shall be reduced by the sum of all amounts paid by Florida State College at Jacksonville for materials, supplies or other tangible personal property purchased hereunder and plus any savings of sales and use tax on the purchase of such items.

13. Contractor shall maintain separate accounting records for all transactions carried out under the authority granted to it as agent. Such records shall be open to the owner without cost (Florida State College at Jacksonville) and the State of Florida's auditors general office during normal business hours of Contractor.

14. The authority granted to Contractor hereunder may be revoked by the Owner (Florida State College at Jacksonville) at any time upon written notice delivered to Contractor at its office located at _____ during normal business hours.

Cost of administration incurred by Contractor in conjunction with this tax agreement shall be included as part of the Base Bid and will not be included as a separate cost to Owner.

(Contractor/Subcontractor)	Subcontractor	"OWNER": Florida State College at Jacksonville
_____	_____	_____
Signature	Signature	By: Dennis C. Blank
_____	_____	_____
Title	Title	Purchasing Manager
_____	_____	_____
		Title

