

WASHINGTON PARISH

COURT HOUSE HVAC SYSTEM MODERNIZATION PROJECT (FP & C PROJECT #50-J59-19-01)

TAX EXEMPTION INFORMATION

- A. The Washington Parish Government (WPG), a political subdivision of the State of Louisiana, is a tax-exempt entity. As such WPG reserves the right to take advantage of their tax status on any or all purchases of materials being incorporated into this project. The contractors and subcontractors hereby agree to cooperate in providing information relating to the value of materials purchased free of sales tax.
- B. As payment requests are processed and payment made to the General contractor, copies of actual paid invoice amounts expended toward the contractor's/subcontractors' material purchases shall be made available to the WPG.
- C. Initially, a deductive change order may be issued for the estimated tax savings with a final deductive change order being issued at the completion of the project for the balance of the actual savings, if necessary, thereby reducing the total contract amount due the contractor by the actual value of the material's sales tax.
- D. The contractor and/or subcontractors remain entirely responsible for establishing delivery dates, receiving, protecting and/or storing the materials from the vendors and installing same. The contractor shall at all times have the care, custody, and control of the materials and maintain insurance sufficient to cover the value of the materials.
- E. Documentation will be provided to the contractor and subcontractors indicating the owner's tax-exempt status. A copy of the certificate is to be provided by the contractor and subcontractors to vendors for their files. All purchase orders to vendors and paid invoices should be stamped or have a label attached with the 'Official Transfer of Title' stamp / label.
- F. The Washington Parish Government, as Owner, agrees to indemnify, defend and hold Contractor fully harmless from and with respect to any state or local sales tax or use tax liability claimed, alleged or asserted by any state or local government agency with respect to the purchase, use, consumption or storage of materials and supplies and rental of equipment on which any said claim is based. The items in question must have been purchased or rented exclusively for this particular Project and delivered by the vendor or vendors in question directly to job site or to a bonded storage facility. Specifically, this agreement to indemnify, defend and hold harmless from and with respect to sales and/or use taxes shall not apply in the case of any materials or supplies purchased by the Contractor or subcontractors for their own inventory.