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SOLUTIONS FOR THE BUSINESS OF GOVERNMENT

July 13, 2021

Mr. Harold Simmons
City Manager
City of Senoia
P. O. Box 310
Senoia, Georgia 30276-0310

LETTER OF PROPOSAL FOR PROFESSIONAL SERVICES

INTRODUCTION

Governmental Enterprises is pleased to furnish this letter of proposal to provide professional services to assist the City of Senoia in the recovery of Georgia State Sales Tax, paid in conjunction with the planned construction/modifications to the City's Keg Creek Water Pollution Control Plant.

PROJECT SCOPE

In summary, the work scope of this engagement will include:

1. All necessary research and document preparation for the filing of a Sales Tax Refund Claim with the Georgia Department of Revenue; and
2. Negotiation and settlement with the Department of Revenue of the City's sales tax refund "claim".

More specifically, to file the sales tax refund claim and recover the Georgia Sales Tax for the City of Senoia, Governmental Enterprises will perform services for and on behalf of the City that will include:

- Examine applicable construction files and documents to identify and determine specific items that are eligible under Georgia law for sales tax refund;
- Research files and accumulate the necessary support documentation that is required for submittal of a sales tax refund claim;
- Prepare Sales Tax Refund Claim Applications and related tax refund claim forms for execution by the designated City official;
- Attend all informational meetings or audit sessions required by the Georgia Department of Revenue and the Georgia Department of Natural Resources that are required in the sales tax recovery process and report to the City the results, findings and outcome of said meetings;

- Provide status reports and/or copies of any documentation or materials on demand by the City regarding the sales tax recovery process;
- Answer all questions or inquiries and monitor the progress of Senoia's sales tax recovery refund claim on behalf of the City.

STAFFING

Barry J. Hall, Sr., Project Director - This engagement will be directed and performed by Barry J. Hall, President of Governmental Enterprises. Since establishing Governmental Enterprises in 1994, Mr. Hall has overseen and participated in the preparation and direction of hundreds of governmental management and cost accounting projects throughout Georgia and the Southeast. Furthermore, he prepared and negotiated one of the first successful sales tax recovery claims under the provisions of O.C.G.A. 48-8-3 for a local governmental entity.

Currently, Mr. Hall is assisting the City of Griffin, the Henry County Water Authority along with the City of Richmond Hill with the Georgia Sales Tax recovery on the machinery and equipment being installed in conjunction with the modifications and upgrades of each entity's water and wastewater treatment facilities. Due to the significant costs of the machinery and equipment to be installed at these facilities, the recovery of the Georgia Sales Tax is included as an integral funding component of the Long-Range Capital Improvement Financing Model for these jurisdictions that was also prepared by Governmental Enterprises.

If necessary, Mr. Hall will be assisted by a project team comprised of other Governmental Enterprise consultants as needed. All possess extensive governmental cost accounting experience.

FEEES & COMPENSATION

Governmental Enterprises will perform the services listed herein in exchange for compensation in the amount of twenty-five percent (25%) of the amount of sales tax recovered for the City of Senoia.

The compensation payment for the services stipulated herein is expected to be made by the City within 30 days following receipt of the sales tax refund payment(s) to the City of Senoia from the Georgia Department of Revenue. Total and final compensation will be equal to the amount of 25% of the actual amount of the Georgia Sales Tax recovered.

PERFORMANCE WARRNATY

In the unlikely event that our effort to recover the sales tax meets with unsuccessful results, no payment or obligation of any kind is due Governmental Enterprises from the City of Senoia.

Except by written amendment to this document, the foregoing is the total compensation for the services contained herein.

PROJECT SCHEDULE

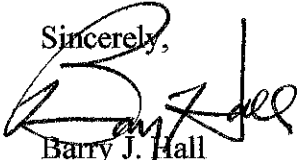
We are prepared to commence work on this project immediately after receiving the City's authorization to proceed.

The necessary file research, preparation of the sales tax refund claim forms, and the required support documentation and schedules will occur periodically as construction of the wastewater treatment facility progresses.

Historically, the typical time lapse between the submittal of the sales tax refund claim to the Georgia Department of Revenue and receipt of the sales tax refund payment by the City is approximately nine to ten months.

We appreciate this opportunity to be of service to the City of Senoia. We are looking forward to working with you on this important project.

Sincerely,



Barry J. Hall
President

City of Senoia - Acceptance/Approval: _____

Title: _____

Date: _____

Georgia Code Title 48. Revenue and Taxation § 48-8-3

Current as of January 01, 2020 | Updated by [FindLaw Staff](#)

The sales and use taxes levied or imposed by this article shall not apply to:

(1) Sales to the United States government, this state, any county or municipality of this state, fire districts which have elected governing bodies and are supported by, in whole or in part, ad valorem taxes, or any bona fide department of such governments when paid for directly to the seller by warrant on appropriated government funds;

(2) Transactions in which tangible personal property is furnished by the United States government or by a county or municipality of this state to any person who contracts to perform services for the governmental entity for the installation, repair, or extension of any public water, gas, or sewage system of the governmental entity when the tangible personal property is installed for general distribution purposes, notwithstanding [Code Section 48-8-63](#) or any other provision of this article. No exemption is granted with respect to tangible personal property installed to serve a particular property site;

(3) The federal retailers' excise tax if the tax is billed to the consumer separately from the selling price of the product or from the tax imposed by Article 1 of Chapter 9 of this title relating to motor fuel taxes;

(4) Sales by counties and municipalities arising out of their operation of any public transit facility and sales by public transit authorities or charges by counties, municipalities, or public transit authorities for the transportation of passengers upon their conveyances;

➤ (36)(A) The sale of machinery and equipment and any repair, replacement, or component parts for such machinery and equipment which is used for the primary purpose of reducing or eliminating air or water pollution;

(B) Any person making a sale of machinery and equipment or repair, replacement, or component parts for such machinery and equipment for the purposes specified in this paragraph shall collect the tax imposed on the sale by this article unless the purchaser furnishes him with a certificate issued by the commissioner certifying that the purchaser is entitled to purchase the machinery and equipment or repair, replacement, or component parts for such machinery and equipment without paying the tax;