

# TAXPAYER INFORMATION SECURITY COVENANT

This Taxpayer Information Security Covenant (the "Covenant") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between the following parties:

**Disclosing Party:** \_\_\_\_\_

**Receiving Party:** \_\_\_\_\_

## 1. PURPOSE

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The purpose of this Covenant is to ensure the absolute confidentiality, integrity, and security of all taxpayer information and data shared with, accessed by, or processed by the Receiving Party in connection with \_\_\_\_\_.

## 2. DEFINITION OF TAXPAYER INFORMATION

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For the purposes of this Covenant, "Taxpayer Information" shall include any and all information, data, records, or files relating to any taxpayer, including but not limited to names, addresses, Social Security Numbers (SSN), Employer Identification Numbers (EIN), financial statements, tax returns, liability assessments, payment records, and any other confidential data protected under applicable federal, state, or local tax confidentiality laws, including but not limited to \_\_\_\_\_.

## 3. OBLIGATIONS OF THE RECEIVING PARTY

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- Authorized Use:** The Receiving Party shall use the Taxpayer Information solely for the performance of the duties and obligations specified in \_\_\_\_\_, and for no other purpose.
- Strict Confidentiality:** The Receiving Party shall hold all Taxpayer Information in the strictest confidence and shall not disclose, disseminate, or publish such information to any third party without the prior written consent of the Disclosing Party or as expressly required by law.
- Security Safeguards:** The Receiving Party shall implement, maintain, and enforce appropriate administrative, physical, and technical safeguards to prevent unauthorized access, use, disclosure, modification, or destruction of Taxpayer Information. Such safeguards shall be no less rigorous than recognized industry standards.
- Employee Access:** Access to Taxpayer Information shall be restricted solely to those employees, contractors, or agents of the Receiving Party who have a direct "need to know" in order to perform their duties and who are bound by confidentiality obligations at least as restrictive as those contained herein.

## 4. BREACH NOTIFICATION

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In the event of any unauthorized access, acquisition, disclosure, or loss of Taxpayer Information (a "Security Incident"), the Receiving Party shall notify the Disclosing Party in writing immediately, and in no event later than \_\_\_\_\_ hours after discovery. The Receiving Party shall, at its own expense, take all necessary steps to mitigate the effects of the Security Incident and cooperate fully with the Disclosing Party.

## 5. TERM AND RETURN OF INFORMATION

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This Covenant shall remain in effect for as long as the Receiving Party retains or has access to any Taxpayer Information. Upon termination of the underlying business relationship or upon written request by the Disclosing Party, the Receiving Party shall either return or securely destroy all physical and digital copies of Taxpayer Information in its possession, and certify such

destruction in writing to the Disclosing Party within \_\_\_\_\_ days.

## 6. GOVERNING LAW AND JURISDICTION

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This Covenant shall be governed by, and construed in accordance with, the laws of \_\_\_\_\_, without regard to its conflict of law principles. Any legal action arising under this Covenant shall be brought exclusively in the courts of \_\_\_\_\_.

IN WITNESS WHEREOF, the parties hereto have executed this Taxpayer Information Security Covenant as of the date first written above.

### DISCLOSING PARTY:

Entity: \_\_\_\_\_

\_\_\_\_\_  
Authorized Signature

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

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

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

### RECEIVING PARTY:

Entity: \_\_\_\_\_

\_\_\_\_\_  
Authorized Signature

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

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

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