

GENERAL PARTNERSHIP TAX MATTERS PARTNER DESIGNATION AGREEMENT

This General Partnership Tax Matters Partner Designation Agreement (the "Agreement") is entered into and made effective as of _____, by and among the undersigned partners (collectively, the "Partners") of _____ (the "Partnership").

RECITALS

WHEREAS, the Partners have entered into a General Partnership Agreement dated _____;

WHEREAS, the Partners desire to designate a "Tax Matters Partner" (and/or "Partnership Representative" under applicable modernized tax procedures) to handle all tax audits, examinations, and related proceedings with the Internal Revenue Service (the "IRS") and other state and local tax authorities; and

WHEREAS, the Partners wish to define the authority, duties, and limitations of such designated partner;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Partners agree as follows:

1. DESIGNATION OF TAX MATTERS PARTNER

The Partners hereby designate _____ as the "Tax Matters Partner" (the "TMP") of the Partnership pursuant to Internal Revenue Code Section 6231(a)(7) (as in effect for applicable tax years) and/or as the "Partnership Representative" pursuant to Internal Revenue Code Section 6223 (as amended by the Bipartisan Budget Act of 2015), as applicable, and under corresponding state and local tax laws.

2. AUTHORITY AND POWERS

Subject to the limitations set forth in Section 3 of this Agreement, the TMP shall have the sole authority to act on behalf of the Partnership in connection with all examinations of the Partnership's affairs by tax authorities. This authority includes, but is not limited to, the power to:

- a. Represent the Partnership before the IRS and state/local tax agencies in connection with any audit, administrative, or judicial proceeding.
- b. Sign consents to extend the statute of limitations for the assessment of tax against the Partners or the Partnership.
- c. Execute settlement agreements on behalf of the Partnership, subject to the approval process outlined herein.
- d. File petitions for judicial review of administrative adjustments.
- e. Incur and pay reasonable expenses, including legal and accounting fees, on behalf of the Partnership in connection with any tax proceeding.

3. OBLIGATIONS, COMMUNICATION, AND CONSENT

- a. **Notice to Partners:** The TMP shall keep all Partners fully informed of any administrative or judicial proceedings and shall forward to each Partner, within _____ days of receipt, copies of any written communication from any tax authority regarding the Partnership.
- b. **Material Decisions:** The TMP shall not take any of the following actions without the prior written consent of _____ percent (_____ %) of the Partnership interest:
 - i. Entering into a settlement agreement with the IRS or any state or local taxing authority that binds the Partners.
 - ii. Extending the period of limitations for making assessments.

iii. Filing a petition for readjustment or an appeal in any federal, state, or local court.

4. EXPENSES AND INDEMNIFICATION

The Partnership shall defend, indemnify, and hold harmless the TMP from and against any and all claims, liabilities, damages, losses, costs, and expenses (including reasonable attorneys' fees and costs of litigation) incurred by the TMP in the performance of their duties under this Agreement, provided that the TMP acted in good faith and such actions or omissions did not constitute gross negligence, willful misconduct, or a material breach of this Agreement.

5. TERM AND RESIGNATION

The TMP shall serve in such capacity until they resign, are removed by a vote of _____ percent (_____%) of the Partnership interest, or are no longer a partner in the Partnership. In the event of resignation, removal, or incapacity of the TMP, the Partners shall promptly designate a successor.

6. GOVERNING LAW

This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____, without regard to its conflict of law principles.

7. EXECUTION

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned Partners have executed this General Partnership Tax Matters Partner Designation Agreement as of the date first written above.

DESIGNATED TAX MATTERS PARTNER:

Signature: _____

Printed Name: _____

Date: _____

PARTNER:

Signature: _____

Printed Name: _____

Date: _____

PARTNER:

Signature: _____

Printed Name: _____

Date: _____

PARTNER:

Signature: _____

Printed Name: _____

Date: _____