

INDEPENDENT CONTRACTOR TAX INDEMNITY AND HOLD HARMLESS AGREEMENT

This Independent Contractor Tax Indemnity and Hold Harmless Agreement (the "Agreement") is entered into as of this _____ day of _____, 20_____, by and between:

Contractor: _____, with a principal place of business at _____ (hereinafter referred to as the "Company"), and

Subcontractor: _____, with a principal place of business or residence at _____ (hereinafter referred to as the "Subcontractor").

RECITALS

WHEREAS, the Company and the Subcontractor have entered into an agreement or seek to enter into a business relationship whereby the Subcontractor provides certain services to the Company; and

WHEREAS, the parties intend that the Subcontractor shall perform such services as an independent contractor and not as an employee of the Company; and

WHEREAS, the parties desire to define their respective rights and obligations regarding tax liabilities, contributions, and indemnification arising from the performance of services by the Subcontractor.

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 parties agree as follows:

1. INDEPENDENT CONTRACTOR STATUS

- A. The Subcontractor acknowledges and agrees that their relationship with the Company is solely that of an independent contractor. Nothing in this Agreement or any associated service agreement shall be construed to create a partnership, joint venture, agency, or employer-employee relationship between the Company and the Subcontractor, or between the Company and any of the Subcontractor's employees, agents, or representatives.
- B. The Subcontractor retains the sole right to control, direct, and supervise the details, manner, and means by which the services are performed.
- C. The Subcontractor is not entitled to, and hereby waives any claim to, any benefits, programs, or plans provided by the Company to its employees, including but not limited to health insurance, life insurance, disability benefits, retirement plans, paid time off, unemployment compensation, or workers' compensation coverage.

2. TAX RESPONSIBILITIES

- A. The Subcontractor shall be solely and exclusively responsible for the filing, reporting, and payment of all federal, state, local, and foreign taxes, assessments, contributions, or other charges of any kind arising from, or related to, any fees or compensation paid by the Company to the Subcontractor under any service agreement.
- B. Such tax responsibilities include, without limitation, income taxes, self-employment taxes (including Social Security and Medicare taxes), FICA, FUTA, state unemployment taxes, local business taxes, sales and use taxes, and any other withholding, payroll, or employment-related taxes.
- C. The Company will not withhold any sums from payments to the Subcontractor for federal, state, or local income tax, social security, or any other tax purpose, unless required to do so by a mandatory withholding order or directive from a competent tax authority. The Company will report payments made to the Subcontractor on IRS Form 1099-NEC (or other applicable tax reporting forms) as required by law.

3. INDEMNIFICATION AND HOLD HARMLESS

- A. The Subcontractor hereby agrees to defend, indemnify, and hold harmless the Company, its officers, directors, employees, agents, affiliates, successors, and assigns (collectively, the "Indemnified Parties") from and against any and all claims, demands, liabilities, damages, losses, deficiencies, judgments, settlements, costs, and expenses (including, without limitation, reasonable attorneys' fees, expert witness fees, court costs, interest, and penalties) arising out of, resulting from, or in connection with:
 - i. Any failure by the Subcontractor to timely and properly report, file, or pay any federal, state, local, or foreign taxes, withholdings, or contributions due on compensation paid to the Subcontractor by the Company.
 - ii. Any determination, ruling, or assessment by any governmental authority (including the Internal Revenue Service, state tax agencies, or state departments of labor) that the Subcontractor, or any employee, agent, or representative of the Subcontractor, is an employee of the Company for tax, withholding, benefit, or any other purpose.
- B. This indemnification obligation shall survive the expiration, termination, or completion of any service agreement between the parties and the termination of the business relationship between the Company and the Subcontractor.

4. NOTIFICATION OF AUDITS OR INQUIRIES

The Subcontractor shall immediately notify the Company in writing if any tax authority, labor department, or other governmental agency initiates an audit, inquiry, investigation, or administrative proceeding concerning the classification of the Subcontractor as an independent contractor or the tax treatment of payments made under their relationship with the Company.

5. GOVERNING LAW AND SEVERABILITY

This Agreement shall be governed by and construed in accordance with the laws of the State of _____, without giving effect to any choice of law principles. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall continue in full force and effect.

6. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous understandings, agreements, or representations, whether written or oral.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

COMPANY:

SUBCONTRACTOR:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____ (if applicable)

Date: _____

Date: _____