

SUBCONTRACTOR AGREEMENT FOR TAX LIABILITY INDEMNIFICATION

This Subcontractor Agreement for Tax Liability Indemnification (the "Agreement") is entered into this _____ day of _____, 20____, by and between:

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

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

1. INDEPENDENT CONTRACTOR STATUS

The Subcontractor acknowledges and agrees that their relationship with the Contractor is that of an independent contractor, and nothing in this Agreement shall be construed to create an employer-employee, partnership, or joint venture relationship. The Subcontractor shall have sole control over the manner, means, and methods of performing the services under any primary service agreement between the parties.

2. TAX RESPONSIBILITY

The Subcontractor assumes sole and exclusive responsibility for the payment of all federal, state, local, and foreign taxes, including but not limited to self-employment taxes, income taxes, social security (FICA) contributions, unemployment insurance (FUTA), worker's compensation, and any other payroll-related taxes or withholdings arising from any compensation paid by the Contractor to the Subcontractor.

The Contractor will not withhold any taxes of any kind from the payments made to the Subcontractor, unless specifically required to do so by a valid, legally binding order of a governmental authority or tax agency. The Contractor will issue an IRS Form 1099, or its equivalent, reporting the compensation paid to the Subcontractor.

3. TAX INDEMNIFICATION

The Subcontractor hereby agrees to defend, indemnify, and hold harmless the Contractor, its officers, directors, employees, agents, affiliates, successors, and assigns from and against any and all claims, liabilities, losses, damages, demands, actions, causes of action, assessments, audits, deficiencies, penalties, interest, costs, and expenses (including reasonable attorneys' fees and administrative costs) arising out of, resulting from, or in connection with:

- (a) Any determination by any governmental entity, tax authority, or court of competent jurisdiction that the Subcontractor, or any of the Subcontractor's employees, agents, or subcontractors, is an employee of the Contractor;
- (b) Any failure by the Subcontractor to timely file accurate tax returns or reports with respect to payments received from the Contractor; and
- (c) Any failure by the Subcontractor to pay any and all taxes, fees, levies, or other assessments required by law resulting from the compensation paid to the Subcontractor under any agreement with the Contractor.

4. NOTIFICATION AND COOPERATION

The Contractor shall promptly notify the Subcontractor in writing of any claim, inquiry, audit, or proceeding initiated by a taxing authority that relates to the employment classification of the Subcontractor or the tax treatment of payments made to the Subcontractor. The Subcontractor shall cooperate fully, at its own expense, in defending such claims, audits, or inquiries.

5. GOVERNING LAW AND SEVERABILITY

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of _____, without regard to its conflict 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 understanding between the parties regarding tax indemnification and supersedes all prior agreements, oral or written, regarding this specific subject matter. Any modification to this Agreement must be in writing and signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Subcontractor Agreement for Tax Liability Indemnification as of the date first written above.

CONTRACTOR:

SUBCONTRACTOR:

(Signature)

(Signature)

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____