

SUBCONTRACTOR TAX WITHHOLDING AND COMPLIANCE AGREEMENT

This Subcontractor Tax Withholding and Compliance Agreement (the "Agreement") is entered into as of _____, 20____, by and between:

Contractor: _____

Address: _____

and

Subcontractor: _____

Address: _____

Tax Identification Number (TIN) / EIN: _____

1. TAX STATUS AND DOCUMENTATION

The Subcontractor covenants, represents, and warrants that it is an independent contractor and is solely responsible for the payment of all federal, state, and local taxes, including but not limited to self-employment taxes, income taxes, social security, and unemployment taxes arising from payments made under any service agreement with the Contractor.

Prior to receiving any payment, the Subcontractor must provide the Contractor with a completed and signed Internal Revenue Service (IRS) Form W-9, or Form W-8 series, as applicable. Failure to provide accurate and updated tax documentation may result in immediate suspension of payments.

2. WITHHOLDING OBLIGATIONS

In the event that the Contractor is required under federal, state, or local tax laws to withhold any portion of payments due to the Subcontractor (including, but not limited to, backup withholding under Internal Revenue Code Section 3406, or state-mandated non-resident withholding), the Contractor shall withhold such amounts as required by law.

Any amounts so withheld and remitted to the appropriate taxing authorities shall be treated as having been paid to the Subcontractor for all purposes of the underlying service agreements.

3. REPORTING

The Contractor will report all payments made to the Subcontractor to the IRS and state taxing authorities as required by law, using Form 1099-NEC or other applicable informational returns. The Subcontractor is solely responsible for reconciling any differences between reported amounts and its own financial records.

4. INDEMNIFICATION

The Subcontractor agrees to fully indemnify, defend, and hold harmless the Contractor, its officers, directors, employees, and agents from any and all liability, claims, assessments, deficiencies, penalties, interest, costs, and expenses (including reasonable attorneys' fees) arising out of or related to:

- (a) Any failure by the Subcontractor to pay its taxes or report its income properly;
- (b) Any determination by any governmental authority that the Subcontractor is an employee of the Contractor;
- (c) Any failure of the Subcontractor to provide accurate tax documentation or withholding certifications.

5. GOVERNING LAW AND JURISDICTION

This Agreement shall be construed, interpreted, and governed by the laws of the State of _____, without regard to its conflict of law principles. Any legal action arising hereunder shall be brought in the courts of _____ County,

_____.

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

CONTRACTOR:

By (Signature)

Name (Printed)

Title

Date

SUBCONTRACTOR:

By (Signature)

Name (Printed)

Title

Date