

SUBCONTRACTOR WITHHOLDING TAX INDEMNITY AND HOLD HARMLESS AGREEMENT

This Subcontractor Withholding Tax Indemnity and Hold Harmless Agreement (the "Agreement") is entered into this _____ day of _____, 20____, by and between:

Contractor: _____

Address: _____

and

Subcontractor: _____

Address: _____

RECITALS

WHEREAS, Contractor and Subcontractor have entered into a subcontract agreement or business relationship wherein Subcontractor performs services for Contractor;

WHEREAS, Subcontractor is an independent contractor and is solely responsible for the payment of all federal, state, and local taxes, assessments, contributions, and other withholdings arising from the compensation paid to Subcontractor and Subcontractor's employees, agents, or assistants; and

WHEREAS, Contractor requires, as a condition of engaging Subcontractor, that Subcontractor fully indemnify and hold harmless Contractor against any liability for failure to withhold or pay such taxes.

AGREEMENT

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

Subcontractor acknowledges and agrees that its relationship with Contractor is that of an independent contractor. Nothing in this Agreement or any underlying service contract shall be construed to create an employer-employee, partnership, or joint venture relationship.

2. TAX OBLIGATIONS AND WITHHOLDING

Subcontractor assumes sole and exclusive responsibility for, and agrees to timely pay, all applicable federal, state, and local taxes, including but not limited to: income taxes, self-employment taxes, Social Security (FICA) taxes, Medicare taxes, Federal Unemployment (FUTA) taxes, State Unemployment (SUTA) taxes, workers' compensation contributions, and any other payroll-related withholdings or assessments arising out of the performance of services under any agreement with Contractor.

3. INDEMNIFICATION AND HOLD HARMLESS

Subcontractor hereby agrees to defend, indemnify, and hold harmless Contractor, its officers, directors, employees, agents, affiliates, successors, and assigns from and against any and all claims, demands, liabilities, obligations, losses, damages, penalties, fines, interest, assessments, judgments, costs, and expenses (including reasonable attorneys' fees and legal costs) arising out of or resulting from:

- a) Any failure by Subcontractor to pay, withhold, or report any of the taxes, contributions, or withholdings described in Section 2 of this Agreement;

- b) Any determination by a federal, state, or local governmental authority or court that Subcontractor, or any of Subcontractor's employees, agents, or subcontractors, is an employee of Contractor; and
- c) Any audit, inquiry, or investigation by any taxing authority regarding the employment status or tax withholding status of Subcontractor or Subcontractor's personnel.

4. PROOF OF COMPLIANCE

Upon request by Contractor, Subcontractor shall promptly provide written documentation demonstrating compliance with its tax obligations, including but not limited to taxpayer identification numbers, tax returns, payment receipts, or certificates of exemption.

5. GOVERNING LAW AND SEVERABILITY

This Agreement shall be governed by and construed in accordance with the laws of the State of _____, without regard to its conflict of laws principles. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain 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 agreements, representations, and understandings, whether written or oral.

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

CONTRACTOR:

By: _____
Name: _____
Title: _____
Date: _____

SUBCONTRACTOR:

By: _____
Name: _____
Title: _____
Date: _____