

# PARTNERSHIP TAX MATTERS PARTNER DESIGNATION AGREEMENT

This Partnership Tax Matters Partner Designation Agreement (the "Agreement") is entered into and made effective as of \_\_\_\_\_, by and among the partners of \_\_\_\_\_ (the "Partnership").

## RECITALS

WHEREAS, the Partners have entered into a Partnership Agreement dated \_\_\_\_\_ (the "Partnership Agreement"); and

WHEREAS, the Partners desire to designate a "Tax Matters Partner" (or "Partnership Representative," as applicable under governing tax law) to represent the Partnership in connection with any audits, examinations, or other administrative or judicial proceedings involving the tax liabilities of the Partnership and its Partners; and

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 (hereinafter referred to as the "Tax Matters Partner") of the Partnership pursuant to the Internal Revenue Code and corresponding state and local tax regulations. The Tax Matters Partner hereby accepts such designation and agrees to perform the duties required of a Tax Matters Partner under applicable law.
2. **Authority and Powers.** Subject to any limitations set forth in the Partnership Agreement or this Agreement, the Tax Matters Partner shall have the authority and power to take all actions necessary or appropriate under the Internal Revenue Code and applicable regulations to represent the Partnership, including but not limited to:
  - a. Entering into agreements with the Internal Revenue Service or state tax authorities extending the period of limitations for assessing or collecting any tax;
  - b. Filing petitions for judicial review of administrative adjustments;
  - c. Executing settlement agreements with tax authorities that bind the Partnership and the Partners to the extent permitted by law; and
  - d. Engaging legal counsel, accountants, and other professionals to assist in tax proceedings at the expense of the Partnership.
3. **Duties and Obligations.** The Tax Matters Partner shall keep all Partners fully informed of any administrative or judicial proceedings regarding the tax affairs of the Partnership. Within \_\_\_\_\_ days of receiving notice from any tax authority regarding an audit or proceeding, the Tax Matters Partner shall provide written notice thereof to each Partner. The Tax Matters Partner shall consult with the Partners in good faith prior to entering into any settlement agreement or taking any material action that significantly affects the tax liability of any Partner.
4. **Indemnification.** The Partnership shall indemnify, defend, and hold harmless the Tax Matters Partner from and against any loss, damage, liability, cost, or expense (including reasonable attorneys' fees) incurred by the Tax Matters Partner in the performance of its duties under this Agreement, provided that the Tax Matters Partner acted in good faith and such conduct did not constitute gross negligence, willful misconduct, or a material breach of this Agreement.
5. **Resignation and Removal.** The Tax Matters Partner may resign at any time by giving \_\_\_\_\_ days' prior written notice to the Partners. The Tax Matters Partner may be removed at any time, with or without cause, by the vote or written consent of Partners holding a \_\_\_\_\_ interest in the Partnership. Upon resignation or removal, a successor Tax Matters Partner shall be designated by the Partners.
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 laws principles.
7. **Counterparts.** This Agreement may be executed in any number of 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 Partners have executed this Agreement as of the date first written above.

**PARTNERSHIP:**

\_\_\_\_\_

By:

\_\_\_\_\_

Name:

Title:

**TAX MATTERS PARTNER:**

\_\_\_\_\_

By:

\_\_\_\_\_

Name:

Title:

**PARTNER:**

\_\_\_\_\_

By:

\_\_\_\_\_

Name:

Title:

**PARTNER:**

\_\_\_\_\_

By:

\_\_\_\_\_

Name:

Title: