



September 7, 2010

Gail A. Stehr
TCC Secretary
Schuylkill County Tax Collection Committee
1093 Ridge Rd
Klingerstown, PA 1941

RE: Schuylkill TCC

Ms. Stehr,

In response to your letter dated August 27th, 2010 and in an attempt to help the committee finalize their decision, we are pleased to offer the following rates:

Current EIT: 1.49%, plus postage
Delinquent EIT: 0%
One office within the TCC included.

This rate will require a revised schedule of delinquent fees to be charged to the taxpayer. This revised schedule will be in keeping with industry standard cost schedules utilized by other collectors.

We are willing to enter into contract negotiations with the TCC utilizing the Tax Collection Agreement included in the RFP as the basis for the discussion. As indicated in our RFP Response, there would need to be some modifications prior to our acceptance of the agreement. We are confident that these items can be resolved to the satisfaction of both parties, as has been our experience with other ACT32 contract negotiations.

In regard to Item 2, we would be willing to accept the modification to 9b. of the Tax Collection Agreement that would allow for a 120 day termination notice. Additionally, our proposal will remain in effect until December 31, 2011 as requested in Item 3.

Please let us know if there's any additional information that we can provide to help you make your decision.

Respectfully,

A handwritten signature in black ink that reads "Patti McNamara". The signature is written in a cursive, flowing style.

Patti McNamara
President
1-800-360-8989 ext 2359
pmcnamara@hab-inc.com



September 3, 2010

Gail Stehr, Secretary,
Schuylkill County Tax Collection Committee
1093 Ridge Road
Klingerstown, PA 17941

Dear Ms. Stehr:

On behalf of the Central Tax Bureau of Pa, Inc. (CENTAX) I would like to thank you and members of the Schuylkill County TCC for the time and courtesies extended to our firm on August 12th, 2010. Also, I would like to take this opportunity to inform you that we have been appointed as the Tax Officer for the Armstrong and Clarion Counties in Western PA and Delaware County in Eastern PA. Most recently CENTAX has been appointed as the Tax Officer for the Luzerne and Greene County TCC's. CENTAX has also been recommended for appointment as Tax Officer by the RFP Committees of several TCC's who have yet to finalize their decisions at this time. Please permit me to memorialize our "Best and Final Offer" for the Schuylkill County TCC.

In an effort to demonstrate our desire to serve the SCTCC as its Tax Officer, we would like to submit for your consideration our "Final and Best Offer" as follows:

Fees for current and delinquent earned income tax collections:

- 1) The SCTCC will pay to CENTAX as commission One and Six Tenths Percent (1.6%) of all current tax collections for the term of the Agreement. Also, CENTAX agrees to provide a fee reduction of .25% on all the tax collections where the TCC permits CENTAX to retain the investment earnings, This will reduce the cost to One and Thirty-Five Hundredths Percent (1.35%).
- 2) The SCTCC will pay to CENTAX Zero Percent (0%) commissions for delinquent tax collections for the term of the Agreement.
- 3) Except for specialized mailings, including mailing for tax amnesty, requested by the SCTCC, CENTAX shall absorb all costs of postage including the initial Act 32 notification and all required forms for individuals and employers within the SCTCC. We know that some collectors claim to offer an all inclusive rate of collection. A closer look at their proposals shows they charge back for postage costs.
- 4) Pursuant to Section 707 of Act 32, CENTAX shall retain as part of its compensation all reasonable costs of collection for the enforcement of the local tax statutes. CENTAX is agreeable to modifying these costs of collection to be more suitable to the demographics of the SCTCC.
- 5) The SCTCC will, where necessary advance filing fees and related expenses for legal proceedings.
- 6) CENTAX will provide a single bond to the SCTCC calculated upon the collections as provided by the DCED for the SCTCC. After the initial year the bond will be evaluated to determine if it can be reduced.

- 7) CENTAX agrees to locate a full service tax collection office in Schuylkill County which shall be open to Taxpayers and the public and will have sufficient staff, technology, and resources to allow CENTAX as Tax Officer to interact in person or by telephone with Taxpayers, to receive returns and payments in person and by other means, and to fulfill its obligations under this Agreement.
- 8) CENTAX will not assess the SCTCC any costs or additional points should the TCC desire to enter into a relationship with PLGIT or bank of its choice. Some collectors imply that a relationship with a bank to insure that taxes are not commingled will slow the process and their distributions. Accordingly, if you want to bank with PLGIT or another bank the other collector(s) charge you more. With CENTAX, you select the banking relationship without penalty.
- 9) There will not be an assessment to your TCC for transferring withholding taxes to another TCC.
- 10) CENTAX will not assess your TCC an additional cost should your TCC desire that we maintain a separate account. Some collectors charge the TCC upwards to 20 points for a separate account. With CENTAX, no commingling of funds is consistent with our business model.
- 11) CENTAX is amenable to having specific language regarding reporting and adherence to Act 32 Best Practices be part of any tax collection agreement.

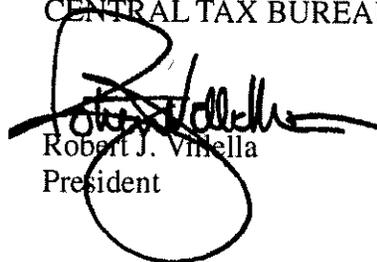
Our management and staff structure is in place; our latest data infrastructure and peripherals are prepared for the advent of the new system; discovery and recovery processes are in order; and our service personnel are eager to begin regular meetings and communications with you.

In summary, we believe CENTAX is the most reasonable choice as the Tax Officer for the Schuylkill County TCC. We believe that CENTAX is solidly positioned to be the advocate for and partner of the Schuylkill County TCC. We appreciate your consideration of our firm and services, and as demonstrated we are prepared to earn your business and your trust and we would be honored to begin carrying out those duties at the time specified by the TCC.

Thank you for your time in reviewing this correspondence and again, thank you for the opportunity to speak with you.

Very truly yours,

CENTRAL TAX BUREAU OF PENNSYLVANIA, INC.



Robert J. Vignella
President

RJV/psp

cc: Jay Molluso, Esquire, General Counsel