TITLE 63
REVENUE AND TAXATION

CHAPTER 15
COLLECTION OF TAXES FROM PUBLIC WORKS CONTRACTORS

63-1501. DEFINITIONS. As used in this act, the following terms shall have the following meanings:

"Contracting units" shall include the state or any officer or department thereof, the counties or other subdivisions of the state, and all municipal and quasi-municipal corporations therein.

"Contractor" shall mean any person, firm, copartnership, association, or corporation, foreign or domestic, entering into a contract for the construction, erection, repair, or improvement of any kind or character of public works in this state.

"Taxes" shall mean all taxes, assessments, excises, and license fees authorized to be levied, assessed, and collected under the laws of this state, other than taxes on real property.

"Taxing unit" shall mean the state or any officer or department thereof, the counties or other subdivisions of the state, and all municipal and quasi-municipal corporations therein authorized by law to assess, levy and collect taxes.

[63-1501, added 1937, ch. 246, sec. 1, p. 440.]

63-1502. CONDITIONS PRECEDENT TO CONTRACT FOR PUBLIC WORKS. Before entering into a contract for the construction of any public works in this state, the contracting unit shall require as conditions precedent that the contractor be authorized to do business in this state and that he furnish satisfactory evidence that he has paid or secured to the satisfaction of the respective taxing units all taxes for which he or his property is liable then due or delinquent.

[63-1502, added 1937, ch. 246, sec. 2, p. 440.]

63-1503. CONTRACTOR FOR PUBLIC WORKS TO PAY OR SECURE TAXES -- AGREEMENT. Every contract for the construction of public works by a contracting unit of this state shall contain substantially the following provisions:

The contractor, in consideration of securing the business of erecting or constructing public works in this state, recognizing that the business in which he is engaged is of a transitory character, and that in the pursuit thereof, his property used therein may be without the state when taxes, excises, or license fees to which he is liable become payable, agrees:

1. To pay promptly when due all taxes, (other than on real property), excises and license fees due to the state, its subdivisions, and municipal and quasi-municipal corporations therein, accrued or accruing during the term of this contract, whether or not the same shall be payable at the end of such term;

2. That if the said taxes, excises, and license fees are not payable at the end of said term, but liability for the payment thereof exists, even though the same constitute liens upon his property, to secure the same to the satisfaction of the respective officers charged with the collection thereof; and

3. That, in the event of his default in the payment or securing of such taxes, excises, and license fees, to consent that the department, officer, board, or taxing unit entering into this contract may withhold from any payment due him hereunder the estimated amount of such accrued and accruing taxes, excises, and license fees for the benefit of all taxing units to which said contractor is liable.

[63-1503, added 1937, ch. 246, sec. 3, p. 440.]

63-1504. DUTY OF PUBLIC OFFICERS TO WITHHOLD AMOUNT OF TAXES. Before the state board of examiners, the board of county commissioners, or the board of any municipal or quasi-municipal corporation or other taxing unit in this state, shall approve any claim on account of the construction of public works in this state, it shall require that the claimant furnish evidence that he has paid all taxes, excises, and license fees due to the state and its taxing units, due and payable during the term of the contract for such construction, and that he has secured all such taxes, excises, and license fees liability for the payment of which has accrued during the term of such contract, notwithstanding they may not yet be due or payable.

[63-1504, added 1937, ch. 246, sec. 4, p. 440.]

63-1505. PENALTY FOR DERELICTION OF DUTY. Any officer of a contracting unit who fails to comply with or violates any of the provisions hereof shall be liable personally and on his official bond for the amount of any tax loss by any taxing unit incurred as a result of failure to comply with the terms hereof.

[63-1505, added 1937, ch. 246, sec. 5, p. 440.]