

**** FOR CONTRACTORS ****
BUILDING AUTHORITIES
INSTRUCTIONS FOR BOND CERTIFICATES

The following are guidelines for compliance with ARS § 42-5007. This law requires that building authorities obtain a certificate from the Arizona Department of Revenue to ensure that the bonding requirements have been met prior to issuing any building permit for projects of \$50,000 or more in value.

For projects of more than \$50,000 in value, contractors must present one of the following types of certificates prior to being issued a building permit.

- A. An annual bond certificate (list updated each July)
- B. A one-time bond exemption for the project
- C. A receipt for a bond identifying the location of the project

NOTE: For contractors with the annual bond exemption, please ensure that the expiration date has not passed or expired.

If the annual bond exemption certificate has expired or the contractor does not have a certificate, advise the contractor to contact Arizona Department of Revenue at (602) 716-6056 or bondexemptionsteam@azdor.gov

If the contractor qualifies, a one-time exemption will be issued for the specific project for which the building permit is being requested. The one-time exemption will be faxed or emailed to the building authority so that the building permit can be issued. If qualified, the contractor will be placed on the annual bond exemption list.

When contractors do not have one of the acceptable forms of certificate, the Arizona Department of Revenue will advise them of further requirements. After the Arizona Department of Revenue determines that the contractor is exempt or must submit a bond, one of the following will be faxed or emailed to the building authority:

- A. A one-time bond exemption for the project
- B. A receipt for a bond identifying the location of the project

For any questions regarding these procedures or assistance to contractors, please contact the Bond Compliance Officer at (602) 716-6056 or bondexemptionsteam@azdor.gov.

All this information is in AZ Dept of Revenue Publication 539



Arizona Department of Revenue
License & Registration Section
 1600 W MONROE
 PHOENIX AZ 85007-2650

BOND EXEMPTION CERTIFICATE

Issued To: (LEGAL BUSINESS NAME)
 (DBA NAME)
 (ADDRESS)
 (CITY, STATE & ZIP)

License #

ALL communications and reports MUST REFER to this LICENSE NO.

THE CONTRACTOR LISTED ABOVE IS EXEMPT FROM A.R.S. 42-5007 BONDING
 -NOT TRANSFERABLE-

SAMPLE

FROM: (DATE)
 TO: (DATE)

EFFECTIVE DATE

(PRINT DATE)

PRINT DATE



One-Time Bond Exemption Certificate

Date: _____

Legal Business Name: _____

DBA: _____

Transaction Privilege Tax License Number: _____

PROJECT ADDRESS

ESTIMATED COMPLETION DATE: _____

VALUE OF CONTRACT: _____

This exemption applies only to the construction project specified above. If you have any questions, please call our Bond Compliance Officer at (602) 716-6056 or (800) 634-6494 toll-free in state.

Signature _____

Title _____

ADOR 74-4005 (8/03)

SAMPLE