



CITY OF BULLHEAD CITY GARAGE (RESIDENTIAL)

This list has been compiled in order to outline the most common type of Residential Garage submittal. All requirements for a specific project type may not be listed. It is the applicant's responsibility to verify specific conditions of approval. If you have questions contact City staff for clarification prior to submittal at 928-763-0124. Failure to provide a complete submittal, as outlined below, may cause delays in the processing of your permit.

GENERAL REQUIREMENTS FOR RESIDENTIAL PLAN SUBMITTAL:

- One (1) completed permit application worksheet.
- Two (2) 8 1/2" x 11" site plans.
- Two (2) complete sets of PLANS.
- Two (2) complete sets of roof truss layouts and calculations (as applicable to project).
- Two (2) complete sets of structural calculations for areas of unconventional construction, or as required by the Arizona Board of Technical Registration (as applicable to project).
- If the garage is to be "attached" and the primary structure is a manufactured home the proposed garage must be structurally independent.
- If the property has a septic tank provide a copy of the proposed site plan approved by the Mohave County Development Services Department.
- Plan review fees are collected at the time of submittal.

Items that require design by a registrant, per the building code or the Arizona Board of Technical Registration, are to be sealed and signed by an Arizona licensed registrant. City ordinance requires one set to contain the registrant's original signature the second set can be a copy.

PLANS

To be on minimum 8 1/2" x 11" sheets, fully dimensioned and to scale, to include:

- Site Plan
- Floor Plan
- Exterior Elevations
- Foundation Plan
- Framing Plan
- Cross Sections and Details
- Electrical, Mechanical and Plumbing Plans (as applicable – may be combined or on separate sheets)
- Soils Report: In areas likely to have expansive, compressible, shifting or other unknown soil characteristics, you may be required to provide a soil test to determine the soil's characteristics at a particular location. If required this test shall be made by an approved agency using an approved method.

OTHER REQUIRED INFORMATION:

Contractor / Owner Builder:

- General Contractor:
 - Provide contractor's AZ Registrar of Contractor's license number.
 - For projects with a valuation of \$50,000.00 or more, contractors are to provide a copy of their Arizona Department of Revenue, Bond Exemption Certificate or a One-time Bond Exemption.
 - Provide contractor's TPT number.
 - Provide contractor's City of Bullhead City business license number.
- Owner Builder (restrictions apply):
 - Provide a signed 'Declaration of Intent' form.

GENERAL INFORMATION

- See permit “Building and Zoning Permits Guide” for review timelines.
- Separate permits may be required for other related work such as grading, retaining walls, etc.
- A separate Flood Plain Development permit is required if lot is in a FEMA designated flood zone.
- A separate permit is required for construction within the City’s right-of-way or easements such as driveway approaches, sidewalks, etc.
- For wood structures a soil treatment report from an Arizona licensed pest control agency for the prevention of termite infestation is required prior to final inspection.

PERMIT INFORMATION:

- A twenty-four (24) hour inspection request line is available, call (928) 763-0172.
- The permit inspection card must be posted on the construction site at all times.
- The approved plans must be on the job site for all requested inspections.
- Prior to digging call Arizona 811; in AZ dial 811, out of state 1-800-STAKE-IT (1-800-782-5348)
- Temporary restroom facilities and a minimum three cubic yard trash receptacle are required.

ADOPTED BUILDING CODES (with local amendments):

Title	Code Year	BHC MC Chapter	Title	Code Year	BHC MC Chapter
International Building Code, ICC	2018	15.12	International Fire Code, ICC	2018	15.24
International Residential Code, ICC	2018	15.14	International Energy Conservation Code, ICC	2018	15.22
National Electric Code, NFPA	2017	15.20	International Existing Building Code, ICC	2018	15.26
International Mechanical Code, ICC	2018	15.28	International Swimming Pool and Spa Code, ICC	2018	15.30
International Plumbing Code, ICC	2018	15.32			
International Fuel Gas Code, ICC	2018	15.34	ADAAG Manual, ADA US Access Board	2010	NA

ICC International Code Council, NFPA National Fire Protection Association

The Arizona Department of Fire, Building and Life Safety adopted the 2018 International Fire Code. For additional information contact the Bullhead City Fire Department at (928) 758-3971.

For specific Planning & Zoning codes, Engineering codes, Building codes and local code amendments, along with plan submittal requirements applicable to various project types, review our informational handouts under **Departments** and the City's **Municipal Code** at www.bullheadcityaz.gov.



CITY OF BULLHEAD CITY

BUILDING DIVISION

GARAGE LAYOUT

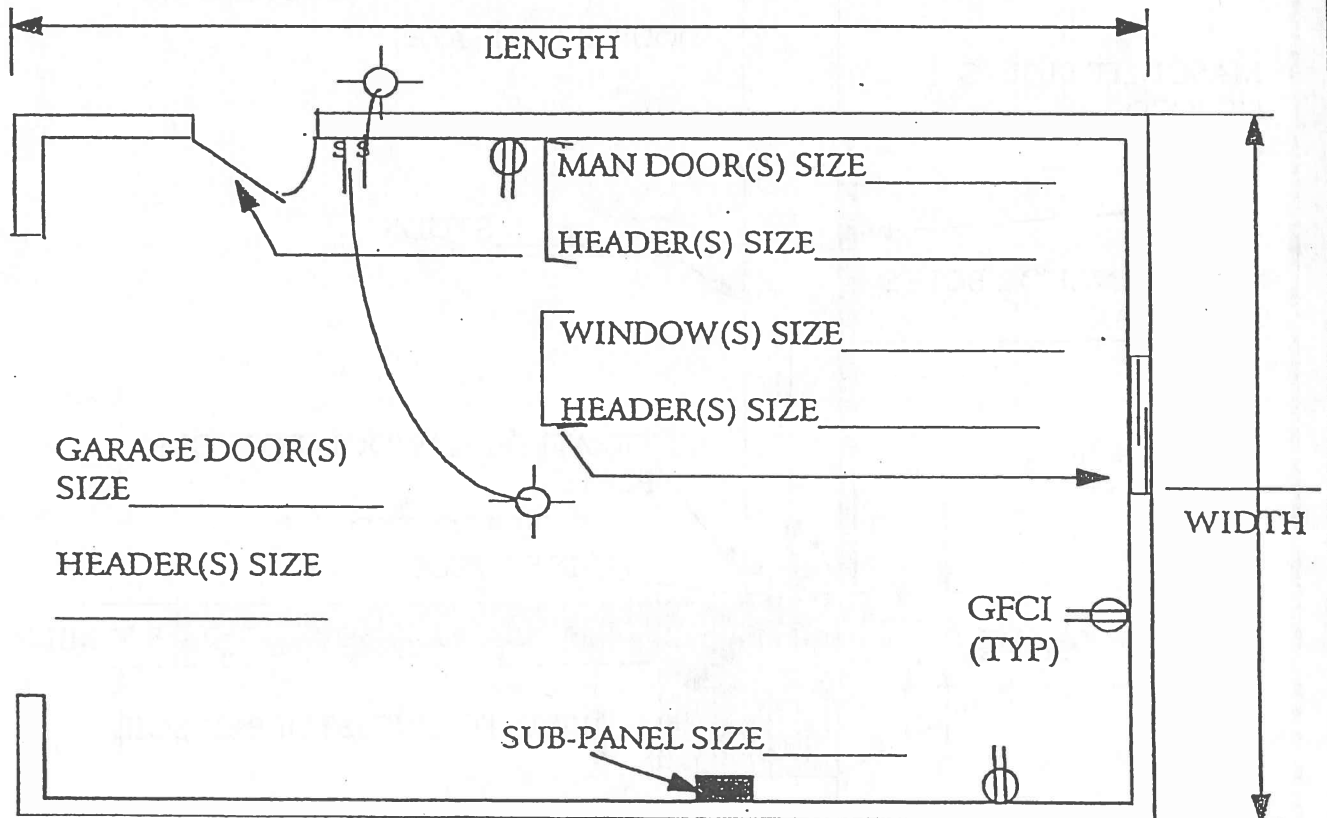
1. Show size and locations of Garage doors.
2. Show size and location of man-doors.
3. Show size and location of windows.
4. Show size and location of sub-panel.

5. Show location of lights, switches, and receptacles.
6. Show dimensions of garage.

7. Interior wiring to be in conduit or horizontally protected

8. Provide minimum 36"x36" landing at man-door.

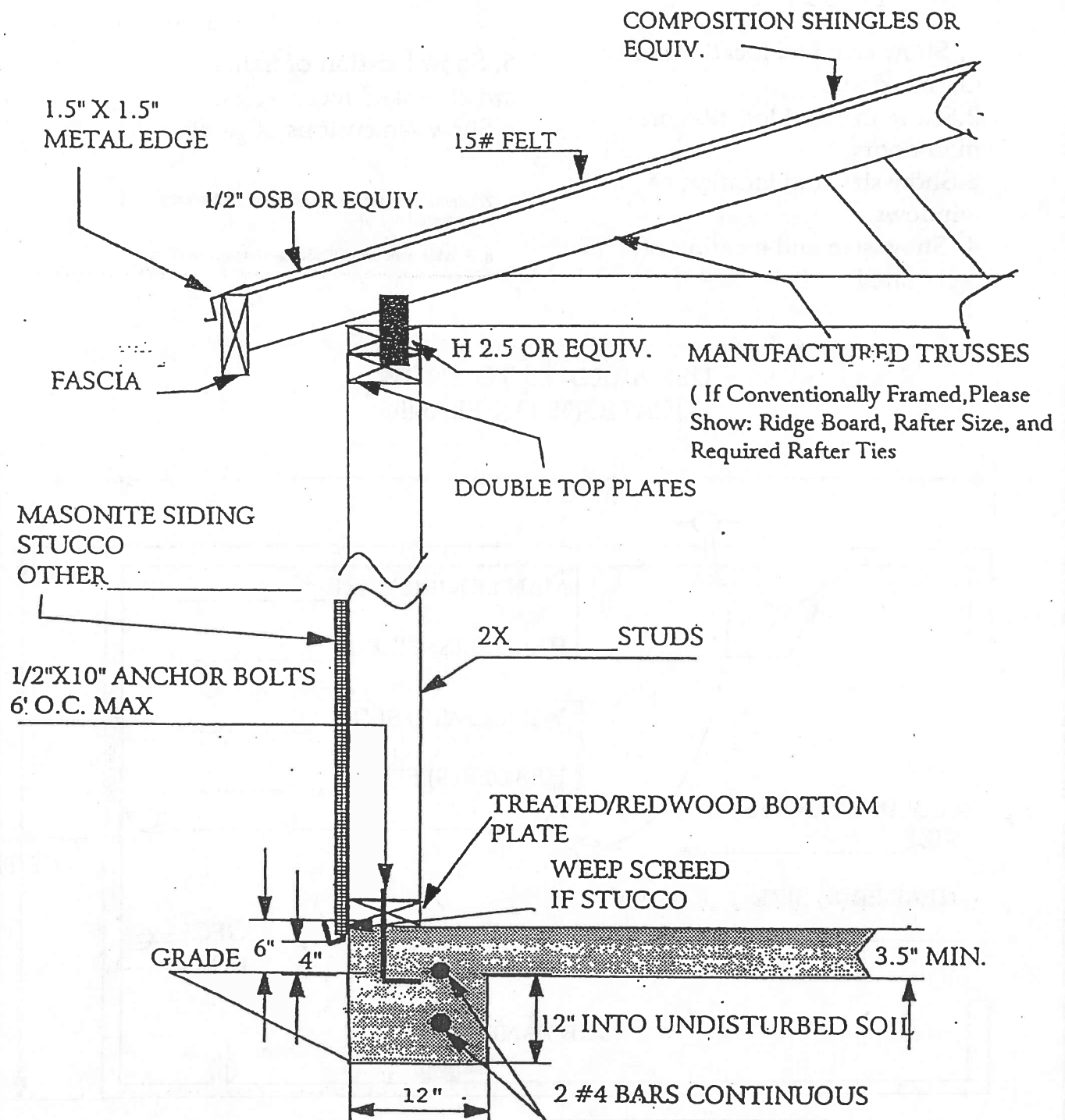
USE ARROWS TO SHOW
LOCATIONS ON PLAN!!





CITY OF BULLHEAD CITY BUILDING DIVISION

TYPICAL GARAGE WALL SECTION



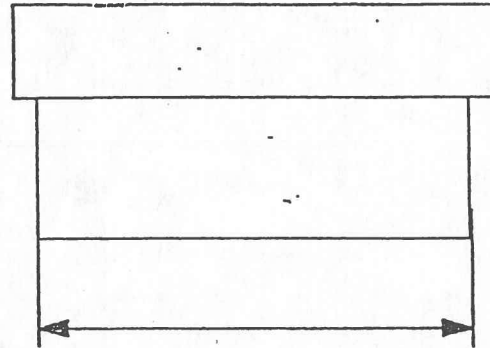


CITY OF BULLHEAD CITY

BUILDING DIVISION

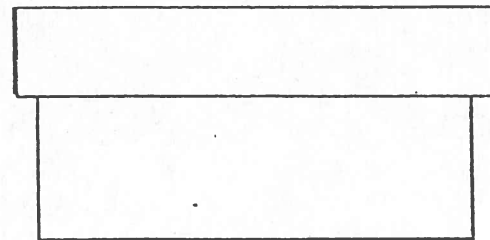
GARAGE ELEVATIONS

1. Show height, length, and width on lines provided.



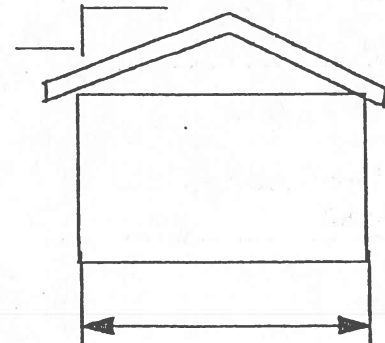
A

2. Show locations of all doors and windows.



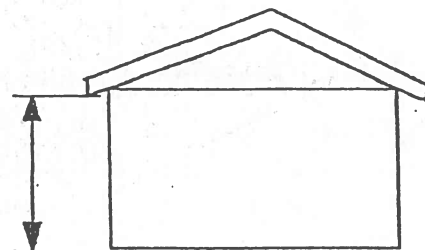
B

3. Show locations and types of bracing used on garage.



C

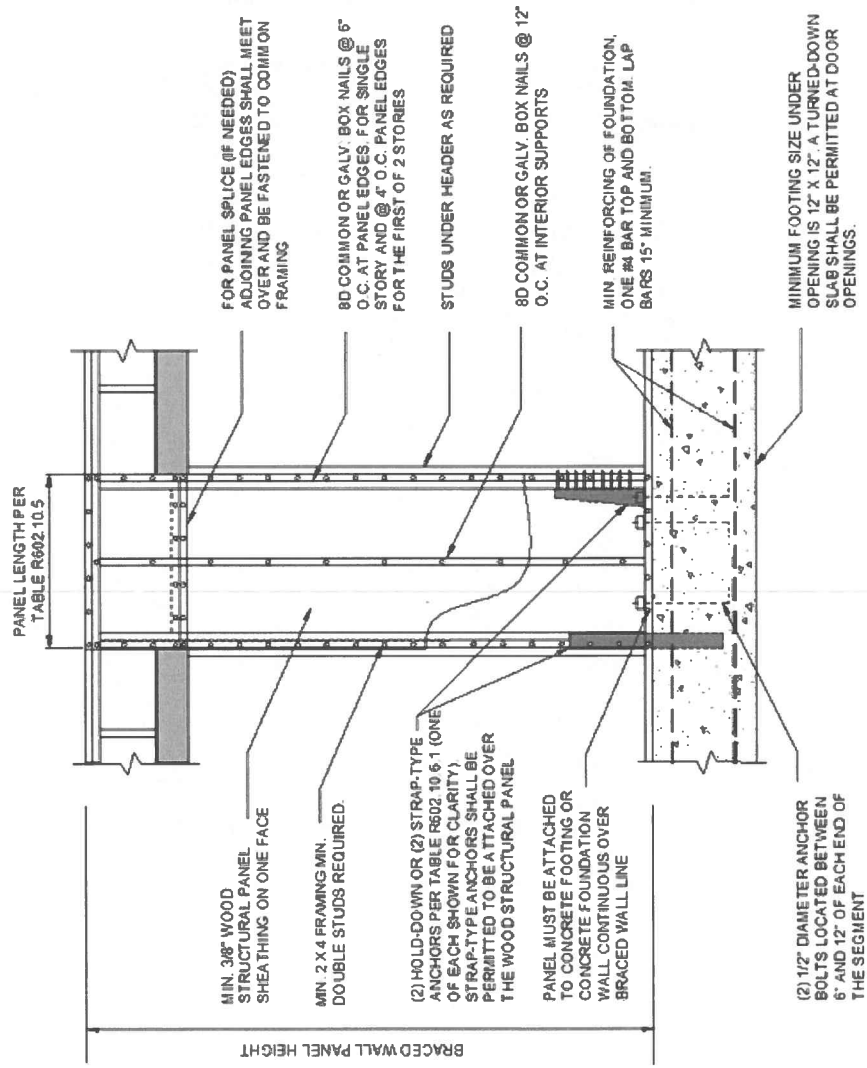
4. Show roof pitch on drawing "C".



D

ABW - Alternate Braced Wall panels:

- 8' wall height = minimum 28" ABW width
- 9' wall height = minimum 32" ABW width
- 10' wall height = minimum 34" ABW width

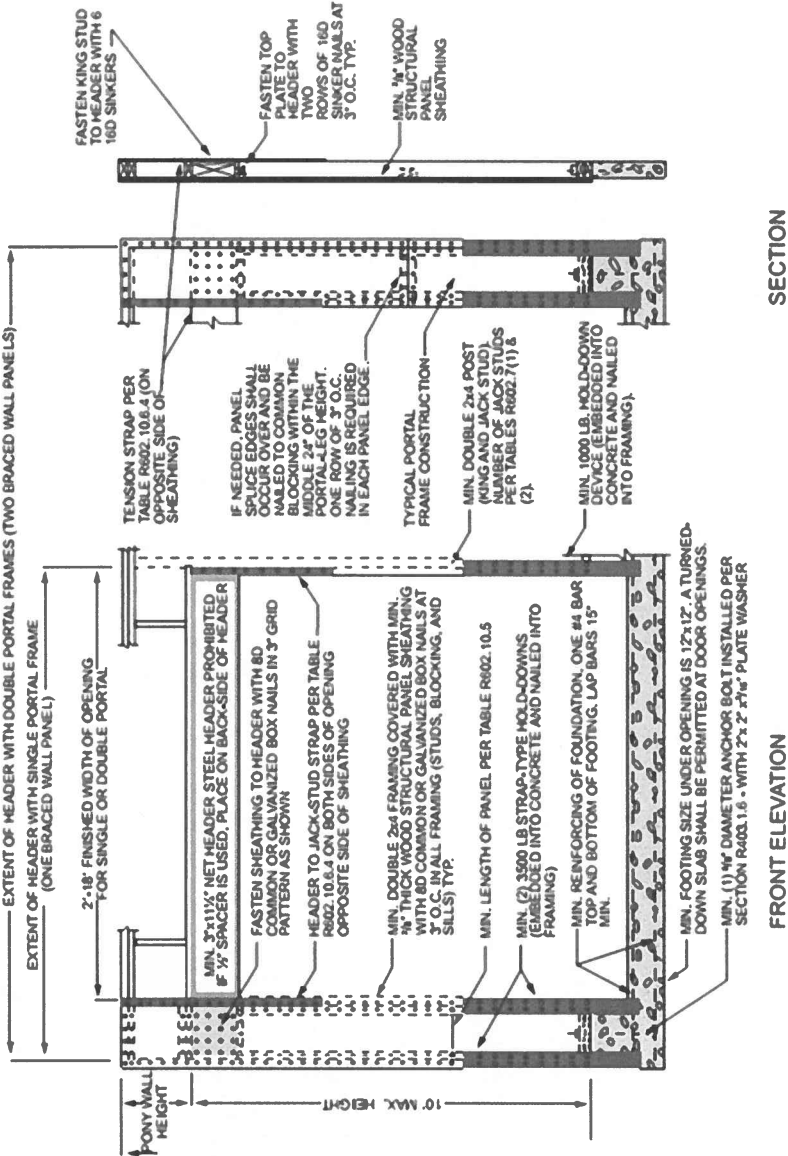


For SI: 1 inch = 25.4 mm.

FIGURE R602.10.6.1 METHOD ABW—ALTERNATE BRACED WALL PANEL

PFH - Portal Frame panel with hold downs:

- Minimum width of panel 16".



For Sl: 1 inch = 25.4 mm, 1 foot = 304.8 mm.

FIGURE R602.10.6.2 METHOD PFH—PORTAL FRAME WITH HOLD-DOWNS

CITY OF BULLHEAD CITY
DEVELOPMENT SERVICES
2355 TRANE ROAD
BULLHEAD CITY, AZ 86442
Office: 928-763-0124
Fax: 928-763-0131



PERMIT APPLICATION

LOG NUMBER: _____

PERMIT NUMBER: _____

PROJECT ADDRESS: _____

Project Description: _____ Project Valuation: \$ _____

LEGAL DEScriptON:

A.P.N.: _____ Subdivision: _____
ASSESSOR PARCEL NUMBER

Tract: _____ Block: _____ Lot: _____ Parcel: _____ M&B: SEC. _____, T _____ N, R _____ W

APPLICANT: _____ Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone Numbers

(Home/Office): _____ Cell : _____ Fax : _____

Email Address: _____

PROPERTY

OWNER: _____

Mailing Address: _____

City: _____

State: _____ Zip Code: _____

Phone Numbers

(Home/Office): _____

Cell : _____ Fax : _____

Email Address: _____

OFFICE USE ONLY

PROPERTY OWNER INFORMATION PER MOHAVE COUNTY

Owner: _____

Mailing Address: _____

City: _____

State: _____ Zip Code: _____

☐ New Owner / Sale Date: _____

TENANT: _____ Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone Numbers

(Home/Office): _____ Cell : _____ Fax : _____

Email Address: _____

☐ OWNER BUILDER: (requires completion of the "Declaration of Intent" form)

-or-

☐ CONTRACTOR: _____ Contact Person: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone Numbers

(Home/Office): _____ Cell : _____ Fax : _____

Email Address: _____

Arizona State Contractors License Number: _____

Arizona Transaction Privilege Number: _____

City of Bullhead City Business License Number: _____

Per ARS 9-495. Employees providing assistance; identification; communication:

A. In any written communication between a city or town and a person, the city or town shall provide the name, telephone number and email address of the employee who is authorized and able to provide information about the communication if the communication does any of the following:

1. Demands payment of a tax, fee, penalty, fine or assessment.
2. Denies an application for a permit or license that is issued by the city or town.
3. Requests corrections, revisions or additional information or materials needed for approval of any application for a permit, license or other authorization that is issued by the city or town.

B. An employee who is authorized and able to provide information about any communication that is described in subsection A of this section shall reply within five business days after the city or town receives that communication.

Per ARS 9-834. Prohibited acts by municipalities and employees; enforcement; notice:

A. A municipality shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule, ordinance or code. A general grant of authority does not constitute a basis for imposing a licensing requirement or condition unless the authority specifically authorizes the requirement or condition.

B. Unless specifically authorized, a municipality shall avoid duplication of other laws that do not enhance regulatory clarity and shall avoid dual permitting to the maximum extent practicable.

C. This section does not prohibit municipal flexibility to issue licenses or adopt ordinances or codes.

D. A municipality shall not request or initiate discussions with a person about waiving that person's rights.

E. This section may be enforced in a private civil action and relief may be awarded against a municipality. The court may award reasonable attorney fees, damages and all fees associated with the license application to a party that prevails in an action against a municipality for a violation of this section.

F. A municipal employee may not intentionally or knowingly violate this section. A violation of this section is cause for disciplinary action or dismissal pursuant to the municipality's adopted personnel policy.

G. This section does not abrogate the immunity provided by section 12-820.01 or 12-820.02.

H. A municipality shall prominently print the provisions of subsections A, B, C, D, E, F and G of this section on all license applications.

I. The licensing application may be in either print or electronic format.

Warning - Plans Control:

Once submitted to the City for review, permits and their associated construction documents are considered to belong to the property owner, as recorded with Mohave County at the time of application and permit issuance, regardless of who is listed on this application as the owner, tenant, applicant, technical registrant or contactor and regardless of who paid the associated fees to the City. The City will not determine between competing interests who has legal right to the permit and associated construction documents.

Licensing Timelines:

Overall timeline for application review is 60 working days consisting of: Up 15 working days for administrative review for application completeness. Up to 45 working days for substantive review of the application. (see "Building and Zoning Permits" guide for complete details) An applicant may receive clarification of the City's interpretation or application of a statute, ordinance code or policy statement impacting the application.

Acknowledgement:

I hereby acknowledge that the information I have provided is correct and I agree to comply with all State, County and City laws and ordinances regulating construction, and that I will advise all interested parties under this application of the licensing and plans control provisions above. I also acknowledge I am aware of CC&R's in general; that the City is not responsible for reviewing compliance with any CC&R's that apply to the project; and that in my opinion no CC&R exists or applies or has been or will be complied with. I understand and agree the City of Bullhead City has no obligation to explain every requirement and ordinance to me prior to approval of my project. I also acknowledge by signing this application I authorize any City of Bullhead City personnel access to the property at all reasonable times to ascertain relevant information, including the current condition of the property, and perform any and all inspections. The issuance of a permit based on plans, specifications and other data shall not prevent the building official from thereafter requiring the correction of errors in said plans, specifications and other data, or preventing building operations when in violation of this code or of any State, County or City laws, rules or regulations.

Owner/Agent Signature

Date

Applicant's Signature

Date

(By signing as 'Agent' I am signing on behalf of the owner and I have the owner's permission and authority to do so.)

OFFICE USE ONLY

Census: _____

Square Footages: _____

Type of Construction: _____ Occupancy Classification: _____ Occupant Load: _____ Number of Bedrooms: _____ Flood Zone: _____

Pre-Paid Amount: _____ Paid By: _____ Receipt #: _____

Valuation: _____ Permit Fee: _____ Plan Review: _____

Sewer Capacity Fee: _____ Water Resource Fee: _____ Eng. Plan Rev: _____

Zoning: _____ Lot Size: _____ Lot Coverage: _____

Minimum Setbacks: Front: _____ Side: _____ Street Side: _____ Rear: _____

Easements: _____

Comments: _____

	REVIEWED BY (STAFF INITIALS)	DATE (MM/DD/YY)
SUBMITTAL		
P&Z		
BLDG.		
ENG.		
APPROVAL		
TYPED		

CITY OF BULLHEAD CITY DECLARATION OF INTENT

**Project
Address:** _____

Permit #: _____
Permit Type: _____

**Property Owner
Name:** _____

Mailing Address: _____

Phone Number: _____

Initial One	OWNER BUILDER CONTRACTOR LICENSE EXEMPTION DECLARATION I understand that the "Handyman" exemption does not apply to any construction project which requires a building permit and/or the total cost of materials and labor are more than \$1000. I understand that all contractors must have a valid Arizona Registrar of Contractors license and a valid City of Bullhead City business license.
	<u>Improvements to Vacant or Improved Property (intended for occupancy solely by the owner):</u> I am exempt from Arizona contractor license laws on the basis that I am the owner/developer of the property and the property will not be used by members of the public, sold or rented for at least one year after completion of this project (ARS § 32-1121.A.5).
	<u>Improvements To Vacant Property (intended for use by members of the public, sale or rent):</u> I am exempt from Arizona contractor license laws on the basis that I am the owner/developer of the property and I will contract with a licensed general contractor to provide all construction services (ARS § 32-1121.A.6). <ul style="list-style-type: none"> • General Contractor information to be provided on reverse.
	<u>Improvements To Improved Property (intended for use by members of the public, sale or rent):</u> I am exempt from Arizona contractor license laws on the basis that I am the owner/developer of the property and I will contract with licensed general contractors or specialty contractors to provide all construction services. (ARS § 32-1121.A.6). <ul style="list-style-type: none"> • General Contractor and/or Specialty Contractor information to be provided on reverse.
Initial One	SALES TAX DECLARATION <u>I am constructing minor improvements to real property.</u> I understand that all construction contractors utilized in connection with this project are liable for payment of the City of Bullhead City sales tax.
	<u>I am constructing substantial improvements to real property for my own use.</u> I do not intend to sell the improved real property within twenty-four (24) months after completion. I understand that all construction contractors utilized in connection with this project are liable for payment of the City of Bullhead City sales tax. I also agree to furnish a list of amounts paid to all contractors to the Finance Department of the City of Bullhead City within fifteen (15) days after final inspection. I further understand that if I sell the project within twenty-four (24) months after completion, I am liable for sales tax on the sales price, less applicable credit for taxes previously paid.
	<u>I am constructing substantial improvements to real property which I intend to sell upon completion.</u> I declare liability for payment of City of Bullhead City sales tax which I understand is due and payable upon the full sales price at the close of escrow or transfer of title, whichever occurs first. I further understand that if the project is not sold within twenty-four (24) months after completion, I am liable for payment of all sales tax on construction costs previously claimed as exempt (including land). If this box has been checked, you must go to the Arizona Department of Revenue to obtain a Sales Tax Number prior to permit issuance, if you do not already have one.
Initial One	WORKMANS COMPENSATION DECLARATION I certify that in the performance of the work for which this permit is issued, I will not employ any person in any manner so as to become subject to the Worker's Compensation Laws of Arizona. I understand that if I become subject to the Worker's Compensation provisions of the labor code, I must comply with its provisions or this permit will be deemed revoked.
	I hereby affirm that I have a certificate of consent to self-insure, or a certificate of Worker's Compensation Insurance, or a certified copy. <input type="checkbox"/> Certified copy is hereby furnished. <input type="checkbox"/> Certified copy is filed with the City.

Signature of Property Owner: _____

Date: _____

Original: Finance Department

Copies: Property Owner and Legal File

CONTRACTOR LIST (For Declaration of Intent)

Permit #: _____

Contractor _____ **Type:** _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Office #: _____ Cell #: _____ Fax #: _____
Email: _____
AZ Registrar of Contractors Number: _____
Arizona Transaction Privilege Tax Number: _____
City of Bullhead City Business License Number: _____

Sub-Contractor _____ **Type:** _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Office #: _____ Cell #: _____ Fax #: _____
Email: _____
AZ Registrar of Contractors Number: _____
Arizona Transaction Privilege Tax Number: _____
City of Bullhead City Business License Number: _____

Sub-Contractor _____ **Type:** _____
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City: _____ State: _____ Zip: _____
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Office #: _____ Cell #: _____ Fax #: _____
Email: _____
AZ Registrar of Contractors Number: _____
Arizona Transaction Privilege Tax Number: _____
City of Bullhead City Business License Number: _____

POWER POLE (IF APPLICABLE)	PROPERTY LINE LENGTH (100.00')



SCALE: _____

GENERAL NOTES & REQUIREMENTS ON THE BACK OF THIS EXAMPLE

THE CITY OF BULLHEAD CITY DEVELOPMENT SERVICES DEPARTMENT

SITE PLAN CHECKLIST

ALL PERMITS APPLICATIONS WILL REQUIRE THE FOLLOWING INFORMATION PROVIDED ON TWO 8.5" X 11" SITE PLANS

- _____ 1. SHOW THE COMPLETE OUTLINE OR SHAPE OF THE SUBJECT PROPERTY TO BE PERMITTED.
- _____ 2. SHOW ALL PROPERTY LINE LENGTHS IN RESPECT TO THE OUTLINE OF THE PROPERTY.
- _____ 3. SHOW THE LOCATION, ELIVATIONS AND TYPE OF PROPERTY PINS (SEE ILLUSTRATION): THE CITY MAY REQUIRE A SURVEYORS CERTIFICATION OF THE PROPERTY.
- _____ 4. SHOW THE LOCATION AND DIMENSIONS OF ALL EXISTING AND PROPOSED STRUCTURES ON THE SUBJECT PROPERTY, INCLUDING THE SQUARE FOOTAGE COUNTS FOR EACH STRUCTURE/USE ON THE PROPERTY (BOTH HORIZONTAL & VERTICAL).
- _____ 5. SHOW THE DISTANCES OF ALL STRUCTURES FROM EACH OTHER (BOTH HORIZONTAL & VERTICAL).
- _____ 6. SHOW THE DISTANCES OF ALL STRUCTURES FROM THE PROPERTY LINES OF THE SUBJECT PROPERTY (BOTH HORIZONTAL & VERTICAL).
- _____ 7. SHOW THE LOCATION AND DIMENSIONS OF ANY EASEMENT(S) ON THE SUBJECT PROPERTY.
- _____ 8. SHOW THE ORIGIN AND TERMINATION OF ALL UTILITIES ON THE PROPERTY.
- _____ 9. SHOW THE NAME(S) OF STREET(S) ADJACENT TO THE PROPERTY.
- _____ 10. SHOW ALL GRADE ELIVATIONS AT THE PROPERTY PINS, THE FINISH FLOOR ELEVATION(S) FOR ALL STRUCTURES INCLUDING ALL MAJOR (3' +/-) GRADE CHANGES AND/OR SLOPES BY LABLING THE TOP AND TOE OF EACH.

**RESIDENTIAL ACCESSORY STRUCTURES
FEE CALCULATION WORKSHEET
ESTIMATE***

Address: _____

Log #: R _____

	Size (Sq Ft)	Factor Per Sq Ft	Valuation
Room Addition		x \$ 40.73 =	
Garage, Shed or Storage Room		x \$ 40.73 =	
Awning, Carport, Deck Or Similar		x \$ 16.36 =	
Other (see fee schedule)		x \$ _____ =	
Air Conditioning		x \$ 2.68 =	
Fire Sprinklers		x \$ 1.61 =	
TOTAL SQ FT		TOTAL VALUATION	
Building Permit Fee (From Fee Schedule)		Census	Occupancy / Building Type
+ Plan Review Fee (65% of Bldg Permit Fee)		Units	# of Bedrooms
+ Flood Plain Permit Fee (If applicable)	\$120.00	To determine if a lot is in a FEMA designated floodplain contact the City's Engineering division at 928-763-0128.	Owner is also responsible for hiring an AZ licensed registrant to set finished floor elevation and complete FEMA forms.
= TOTAL FEES			

Plan Review fees are due at submittal \$ _____

Comments: _____

*Fees quoted are based on the City's adopted Comprehensive Fee Schedule which is available at www.bullheadcityaz.gov. All fees quoted are estimates based on information provided. Final fees, including those for any additional permits required (grading, retaining walls, fences, etc.), will be calculated during the plan review process.

A3.40.021.02 – Valuation Fees

\$1.00 - \$500.00	\$21.47
\$501.00 - \$2,000.00	\$21.47 1st \$500.00, plus \$2.87 per \$100.00 or fraction of, up to and including \$2,000
\$2,001.00 - \$25,000.00	\$64.52 1st \$2,000.00, plus \$12.89 per \$1,000.00 or fraction of, up to and including \$25,000
\$25,001.00 - \$50,000.00	\$360.99 1st \$25,000.00, plus \$9.30 per \$1,000.00 or fraction of, up to and including \$50,000
\$50,001.00 - \$100,000.00	\$593.49 1st \$50,000.00, plus \$6.42 per \$1,000.00 or fraction of, up to and including \$100,000
\$100,001.00 - \$500,000.00	\$914.49 1st \$100,000.00, plus \$4.99 per \$1,000.00 or fraction of, up to and including \$500,000
\$500,001.00 - \$1,000,000.00	\$2,910.49 1st \$500,000.00, plus \$4.30 per \$1,000.00 or fraction of, up to and including \$1,000,000
\$1,000,000.00 and up.	\$5,060.49 1st \$1,000,000.00, plus \$2.86 Per \$1,000.00 or fraction of.

A3.40.021.03 - Inspection Fees

Outside normal business hours	\$50.00 per hour*
Re-inspection	\$50.00 per hour*
Inspection for which no fee is specifically indicated	\$50.00 per hour*
Additional plan review required by changes, etc. to approved plans	\$50.00 per hour*
Laboratory testing	\$20.40 per hour, minimum 3 samples

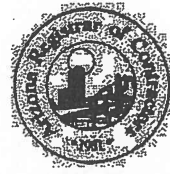
*Or the total hourly cost to the jurisdiction, whichever is greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

A3.40.021.04 – Plan Review Fees

Commercial / Multi-Family Residential	65% (sixty-five percent) of building permit fee
One and Two Family Residential	65% (sixty-five percent) of building permit fee
Residential Standard plans: Submittal of standard plan	75% (seventy-five percent) of building permit fee
Each additional site-specific submittal for site review and administrative costs	50% (fifty percent) of building permit fee
Secondary changes of standard plan	\$50.00 per hour plan review fee (min. one hour)
Medical Marijuana: Dispensary, Infusion Facility, Cultivation Facility, etc.	90% (ninety percent) of building permit fee
All other submittals	65% (sixty-five percent) of building permit fee



ARIZONA REGISTRAR OF CONTRACTORS



Douglas A. Ducey, Governor

Jeff Fleetham, Director

Dear Residential Owner/Builder,

The Registrar of Contractors would like to inform you of the existing laws that may affect you if you are either contemplating or in the process of performing construction on a house or residence. Arizona Revised Statutes (A.R.S.) § 32-1121(A)(5) (the "Owner/Builder Exemption") provides an exemption in Arizona's licensing law that allows residential property owners to perform the work:

- A. Themselves, OR
- B. Jointly with their own employees, OR
- C. With duly licensed contractors.

However, the Owner/Builder Exemption does not apply if the structure or group of structures, including improvements, is intended for sale or rent. As an additional requirement, the construction project must be intended for occupancy solely by the owner.

If the property owner offers the structure(s) or property for sale or rent within 1 year of completion or issuance of a certificate of occupancy, then the Owner/Builder Exemption does not apply and the property owner may be charged with contracting without a license in violation of A.R.S. § 32-1151.

A property owner that undertakes a residential construction project under the Owner/Builder Exemption should also review other applicable federal, state and local rules regarding the duties, rights, and obligations of employers and employees, as the Owner/Builder Exemption does not relieve the property owner from complying with these laws. Specifically:

- A. Most employers must have federal and state employer identification numbers and pay unemployment compensation insurance.
- B. Most employers must deduct social security and federal income taxes from an employee's pay check and file quarterly or annual reports.
- C. Owner/Builders should also determine if their homeowner's insurance policy offers sufficient liability coverage, should the worker(s) be injured while performing work on the project.

Owner/Builders should contact the appropriate governmental agencies to ascertain their obligations when employing individuals.

You should be advised if you choose to maintain your own employees, the Registrar's office may not have jurisdiction in the event you file a future complaint, in which case you may not be eligible for the residential recovery fund.

If you have questions, please contact the Registrar of Contractors office at (602) 542-1525. Thank You.



CITY OF BULLHEAD CITY

FINANCE DEPARTMENT

1255 Marina Boulevard

Bullhead City, AZ 86442-5733

(928) 763-9400 TDD (928) 763-9400

ARE OWNER-BUILDERS TAXED?

Under certain circumstances, owner-builders who are improving real property for themselves may or may not be the party liable for paying sales tax on the construction. A homeowner who is building his own principal residence is not normally the liable party. Each of the contractors or suppliers who provide materials and/or services are liable based on their income from the job.

However, the owner-builder may be liable for some additional tax if the property is offered for sale or sold prior to occupying the home for at least six (6) months after completion. Many Owner-Builders become Speculative Builders and are subject to tax based on the sales price of the real property.

A Speculative Builder is defined as:

1. An Owner-Builder who sells or contracts to sell, at any time, improved real property (as provided in Section 3.16-416) consisting of:
 - A. custom, model, or inventory homes regardless of the stage of completion of such homes; or
 - B. improved residential or commercial lots without a structure, or
2. An Owner-Builder who sells or contracts to sell improved real property, other than real property specified in (A) and (B) above:
 - A. prior to completion, or
 - B. before expiration of twenty-four (24) months after the improvements of the real property sold are substantially complete.

An Owner Builder who is building a commercial structure for sale is liable for tax based on the property's sales price. If the property is not sold within 24 months of the date it was completed, the tax is due on the 25th month following completion and is based on the cost of construction.

The liability for Speculative Builders occurs at the close of escrow or transfer of title, whichever occurs earlier. Certain exclusions, exemptions, and deductions may be subtracted from the gross income to arrive at the taxable income. Owner-Builders and Speculative Builders are encouraged to consult their tax professional for calculation of the tax liability.

Please contact the City of Bullhead City Finance Department at (928) 763-9400 if you have questions.

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 has 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
- 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. Samples are attached for reference.

If the annual bond exemption certificate has expired or the contractor does not have a certificate, advise the contractor to call Arizona Department of Revenue at (602)716-6056 or (800)634-6494 toll free.

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 to the building authority so that the building permit can be issued. If qualified, the contractor will be mailed an annual bond exemption certificate.

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 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 call the Bond Compliance Officer at (602)716-6056 or (800)634-6494 toll free.

