AZ TPT Responsibility for Residential Construction Contracts as of January 1, 2019

Use this form for contracts entered into or bid on or after January 1, 2019.

Contract ID ____________________________

Description ________________________________

Are you required to be licensed by the registrar of contractors pursuant to A.R.S. § 32-1121? 

NO

YES

Was the contract signed prior to 5/1/15?

NO

YES

Is the contract for Roadway and surface/subsurface work through Arizona Department of Transportation (ADOT), Counties and Cities?

NO

YES

Is the contract for “Modification” of real property? (Ground up, new construction of real property)

NO

YES

Contract is then for “Maintenance”, “Repair”, “Replacement”, or “Alteration”

Does the contract contain “Modification” work that has a revenue value of 15% or more of the contract value?

NO

YES

Is the contract for “Maintenance”, “Repair”, “Replacement”?

NO

YES

Contract is considered “Alteration” of real property.

Is contract greater than 25% of the Full Cash Value of the property at inception?

NO

YES

At the end of the contract, is the contract value greater than 31.25% of the Full Cash Value of the property?

NO

YES

Entire Contract Considered Prime – General pays TPT on all contract gross receipts utilizing applicable deductions.

Date: ____________________________

Contract is considered exempt for AZ TPT purposes. TPT paid at material level to vendor or self reported by purchaser on TPT-1 code 315.

Date: ____________________________

1. Prime contract treatment permitted.
2. MRRA treatment permitted with good faith decision

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