Arizona Department of Revenue
Prime Contractor's Certificate

The purpose of this form is to provide a subcontractor with the validation required for tax exemption of a particular project, for a period of time, or until revoked. This certificate establishes responsibility for the transaction privilege tax; therefore, it must be completed by the prime contractor assuming the contracting transaction privilege tax liability for the contracting project(s). The asterisked (*) items must be completed, otherwise the certificate is not valid. The Department may disregard this certificate pursuant to ARS § 42-5075.E if the certificate is incomplete or erroneous. If disregarded, the entity accepting the certificate (subcontractor) will have the burden of proving (pursuant to ARS § 42-5075.D), that it is not subject to transaction privilege tax as a taxable prime contractor.

A. Prime Contractor

* NAME:	* TRANSACTION PRIVILEGE LICENSE #:
* ADDRESS:	
	AZ Contractor License #:
	Telephone #:

B. Subcontractor

* NAME:	* TRANSACTION PRIVILEGE LICENSE #:
* ADDRESS:	
	AZ Contractor License #:
	Telephone #:

C. Type of Certificate (check one and provide requested information)

☐ Single Project Certificate

PROJECT DESCRIPTION

OR

☐ Blanket Certificate (check applicable box and fill in requested information).

☐ Period From: _____

Through: _____

☐ Until revoked

☐ Specific Exceptions: _____

** (For example; Building Permit #, Address, Subdivision, Book/Map/Parcel #s, and/or Legal Description)

I hereby certify that I have authority to sign this Certificate on behalf of Prime Contractor. **I understand that by excuting this Certificate, Prime Contractor is assuming the prime contracting transaction privilege tax liability applicable to the above referenced project(s).**

_____
SIGNATURE

_____
PRINT NAME

_____
TITLE

_____
DATE SIGNED

Prime Contractor's Certificate Instructions

PURPOSE

Arizona statutes impose transaction privilege tax on entities engaged in the business of prime contracting. If an entity meets the definition of the term "contractor" on a given project, that entity is liable for transaction privilege tax as a prime contractor or has the burden of proving that it is not the prime contractor for that contracting project. Obtaining a completed Arizona Department of Revenue Prime Contractor's Certificate satisfies that burden of proof. However, the Department of Revenue has the discretion to disregard the Certificate if it is incomplete or erroneous.

GENERAL INSTRUCTIONS

In order to ensure the effectiveness of the Certificate, all required fields must be completed.

A. The "NAME", "ADDRESS", and TRANSACTION PRIVILEGE LICENSE #" fields of the Prime Contractor section must be completed. The prime contractor is the entity responsible for the tax.

B. The "NAME", and "ADDRESS", fields of the Subcontractor section must be complete.

C. Either the "Single Project Certificate" box or the "Blanket Certificate" box of the Type of Certificate section must be checked.

- If the Single Project Certificate box is checked, the "PROJECT DESCRIPTION" must be supplied. The project description must be sufficient to identify the location of the single project or the Certificate will be deemed incomplete by the Department of Revenue.

- If the Blanket Certificate box is checked, either the "From: Through:" box or the "Until revoked" box must be checked. If the "From: Through:" box is checked, the "From: Through:" dates must be provided. The "Specific Exceptions" box is optional and allows the "Prime Contractor" to exclude Specific projects or time periods from the Blanket Certificate. If the "Specific Exceptions" is checked, details describing the excluded project(s) or the excluded time periods must be provided.

- The "SIGNATURE" "TITLE", "PRINT NAME" and "DATE SIGNED" FIELDS of the Signature section must be completed.

Failure to complete these fields as specified may result in the Arizona Department of Revenue disregarding the incomplete Certificate.

RETROACTIVE EFFECT

If a Certificate is signed subsequent to the commencement or completion of a contracting project intended to be within the scope of the Certificate, the Department of Revenue will give retroactive effect to the Certificate for the intended project. However, *the Certificate will only be given retroactive effect for periods within 4 years of the execution date of the Certificate.* In the event that the "Blanket Certificate" box is checked and the "Until revoked" option is selected thereunder, in order to give a Certificate retroactive effect, the "Prime Contractor" must indicate, next to the "Until revoked" box, the effective date of the Blanket Certificate.

ASSUMPTION OF LIABILITY

In most instances, the entity assuming the prime contracting transaction privilege tax liability for the contracting project(s) referenced in the Certificate will legally be the prime contractor for such project(s). However, in some instances such entity may not legally be the prime contractor for such project(s). If an entity is NOT LEGALLY the prime contractor for such project(s), the Certificate will nevertheless be effective and will subject such entity to the transaction privilege tax liability of the entity shown as the "Subcontractor" on the Certificate if such "Subcontractor" IS LEGALLY the prime contractor.