AZ TPT Responsibility for Commercial Construction Contracts as of January 1, 2015

Contract ID _____ Description ____ Was the contract bid/signed 1. Prime contract treatment permitted. YES prior to 5/1/15? 2. MRRA treatment permitted with good faith decision V NO Date: Is the contract for Roadway and surface/ YES subsurface work through Arizona Department of Transportation (ADOT), Counties and Cities? NO Is the contract for "Modification" of real property? YES (Ground up, new construction of real property) V NO Contract is then for "Maintenance", "Repair", " Replacement", or "Alteration" Does the contract contain "Modification" work that has a YES revenue value of 15% or more Contract is considered exempt for AZ TPT of the contract value? purposes. TPT paid at material level to **V NO** vendor or self reported by purchaser on TPT-1 line 017 (currently). ADOR will add YES Is the contract for "Maintenance", line item in the future. "Repair" or "Replacement"? Date: NO Contract is considered "Alteration" of real property. Is the initial contract: 1. Greater than \$750,000 OR 2. Scope of work greater than 40% YES NO, INITIAL of existing square footage? OR 3. Scope of work includes expansion of greater than 10% of existing square footage? NO, BUT At the end of the contract, is: 1. The contract value greater than \$937,500? OR Entire Contract Considered Prime -2. Scope of work is greater than 50% YES General pays TPT on all contract gross NO of existing square footage? OR receipts utilizing applicable deductions. 3. Scope of work includes expansion greater than 12.5% of existing square footage? Date: BFC

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AZ TPT Responsibility for Residential Construction Contracts as of January 1, 2015

Contract ID ____

Description_ Was the contract signed prior YES 1. Prime contract treatment permitted. to 5/1/15? 2. MRRA treatment permitted with good faith decision NO Date: Is the contract for Roadway and surface/ YES subsurface work through Arizona Department of Transportation (ADOT), Counties and Cities? Is the contract for "Modification" of real property? YES (Ground up, new construction of real property) **VNO** Contract is then for "Maintenance", "Repair", "Replacement", or "Alteration" Does the contract contain "Modification" work that has a YES revenue value of 15% or more of the contract value? Contract is considered exempt for AZ TPT purposes. TPT paid at material level to **V** NO vendor or self reported by purchaser on Is the contract for "Maintenance", TPT-1 line 017 (currently). ADOR will add YES "Repair" or "Replacement"? line item in the future. Date: NO Contract is considered "Alteration" of real property. Is contract greater than 25% of YES NO, INITIAL the Full Cash Value of the property at inception? NO, BUT Entire Contract Considered Prime -At the end of the contract, is the YES General pays TPT on all contract gross NO contract value greater than 31.25% receipts utilizing applicable deductions. of the Full Cash Value of the property

